



Kenya Shippers Council Newsletter

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About KSC

Kenya Shippers Council is the main body for advocacy and representation of interests of cargo owners together with transport services providers and public agencies that have regulatory role in movement of goods. It represents shippers in Kenya and the neighboring countries that use Kenyan sea and airports and trade with Kenya and acts as the cross sector liaison body for discussion with logistics and transport providers.

Membership

The current membership of the council include Business Associations such as Kenya Association of Manufacturers (KAM), East African Tea Trade Association (EATTA), Kenya Coffee Traders Association (KCTA), Petroleum Institute of East Africa (PIEA), Fresh Produce Exporters Association of Kenya (FPEAK), Cement Producers Association and other individual corporate organizations.

Service providers' Associations who offer services to the cargo owners including KIFWA, Kenya Transport Association (KTA), AKI, KBA etc are encouraged to join as affiliate members.

Achievements

The Council has so far been involved in major initiatives like:

- Removal of the threats to impose VDS at the port of Mombasa, development of shipping manual to handle issues of VDS and surcharges
- Implementation of one weighing system at the first weighbridge
- Implementation of 24/7 operations by the Port and Customs The opening of 24/7 transit operations has been agreed upon and implementation is expected to start soon.

- Provision of Military escorts during the post election crisis in Kenya,
- Operationalization of Eldoret Airport for air cargo movement
- Key stakeholder in Port Community Based System (PCBS)
- Opening transit hubs in Nairobi, Eldoret and Kisumu ICD are among its current activities.

KSC NEWS

Incoterms 2000 Awareness workshops

The Council together with Kenya Maritime Authority (KMA), Intergovernmental Standing Committee on Shipping (ISCOS) and Northern corridor Transport Transit Authority (NTTCA) has so far held two awareness workshops on use of International Commercial Terms (Incoterms) to gauge and enhance shippers' capacity to use appropriate terms.

The first workshop was held in Nairobi on 26 March 2008 followed by Mombasa on 21 May 2008. The Western Kenya workshop will be held in Kisumu next month followed by regional forums in Uganda, Tanzania, Rwanda and Burundi. Presentations were made by Kenya Revenue Authority (KRA), ISCOS, NTTCA, KMA, Association of Kenyan Insurers of Kenya (AKI) and Unilever Tea Ltd who presented their experience in use of the terms in import/export business

(INCOTERMS) define the role of the buyer and seller in the sales transaction while identifying where the sellers risks end and the buyers risks begin. Correct use of Incoterms in foreign trade can increase profits, save money and improve competitiveness of export goods. It is therefore very important for anyone trading internationally to have a good working knowledge of these terms.

KSC to undertake Transport Costs Study

KSC will between July and September 2008 carry out a study on the transport costs with a view of benchmarking services and costs as well as identifying priority areas for advocacy.

The rising transport and logistics costs have a serious impact on the cost of doing business and competitiveness of our industries in the global markets. There is need to identify, understand and quantify these costs in order to review, design and advocate for policies and programs aimed at minimizing or eliminating the extra costs.

Shippers Concerns

These are the various issues that are of concern to shippers and that KSC is in the process of addressing:

- Port congestion
- One stop border posts
- RVR
- High shipping costs
- Overloading of trucks using the Northern corridor

BMO Network

Kenya Shippers Council was asked to drive the agenda of the Trade Facilitation & Transport Network working group of the Eastern and Southern Business Membership Organization (BMO). This was an initiative of the Kenya Association of Manufacturers and Confederation of Danish Industries. The working group was dealing with problem of movement of goods in the East and South African region which is rendered difficult by a host of factors key among them being the poor road and rail infrastructure in place.

Implementation of KWATOS

The Kilindini Waterfront System went live on 1st July 2008 with some teething problems experienced but cleared up within a few hours. The project has automated containers, cargo, and ICD operations in Nairobi and Kisumu replacing the manual system with the hope of reducing cargo dwell time at the port and cut down on storage costs incurred by importers & exporters. KSC has been following up on its implementation and was instrumental in consultations before the go-live date. The Council will continue to monitor its operationalization.

Membership Recruitment Drive

The Council is currently on an aggressive membership recruitment drive to encourage more cargo owners to join the Council. KSC is only as strong at its membership hence the need to create a strong base through which to articulate the issues that affect the cargo owners.

Members are advised to send any concerns or issues they are grappling with so that we can seek avenues of redress.

For further information on any of the above issues or to contact the secretariat, reach us at:

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