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# **Developing The Port of Mombasa as one of the Top Five Container Ports in Africa**

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- § Mombasa Port Development Strategy
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# Preamble

- § The conference theme is apt and timely “*Thriving in African Rapid Economic Growth: Maximizing African Logistics and Transport Corridor*”
- § The prospects for growth in Africa are good
- § World economy growth projects - 3.3% in 2014 to 3.8% in 2015.
- § Africa’s GDP growth - 4.5% in 2015 and 5% in 2016 from 2013 (3.5%) and 2014 (3.9%) - *African Economic Outlook, UNDP, 2015*
- § The good run will have a positive impact on transportation and logistics services in Africa.



# Cont'd... Preamble

- § Intra-trade in Africa is low in comparison to its global counterparts 11% compared to Asia 50%
- § Key barrier - poor logistics and transport infrastructure
- § To optimize on the opportunities we need to improve on the quality of infrastructure and the efficiency of transport networks
- § Ports form one of the most important logistic links in facilitating trade
- § Improvement and efficient management of the Transport Corridors is crucial for optimal performance of the ports



# Overview of the Port of Mombasa

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# Mombasa Port Layout



# The Mombasa Port Corridor



- Mombasa is the gateway to Kenya, Uganda, Rwanda, Burundi, South Sudan, Northern Tanzania, Eastern DRC and Ethiopia
- 33 shipping lines call at the port
- Provides connectivity to over 80 sea ports world wide
- Cargo throughput 24.9 M tons and growing
- Over One Million TEUs handled in 2014



# Mombasa Port Development Strategy

- § 25 year Master Plan in 2004 and updated in 2009
- § 5 year Strategic Plan that is in-line National Vision 2030
- § Kenya Ports Authority has strategically aligned itself to;
  - § Increase investment in port infrastructure development;
  - § Modernise and develop Mombasa Sea Port to international standards;
  - § Contribute to social economic development through job creation; and
  - § Enhance safety and security of the Port to increase maritime trade.



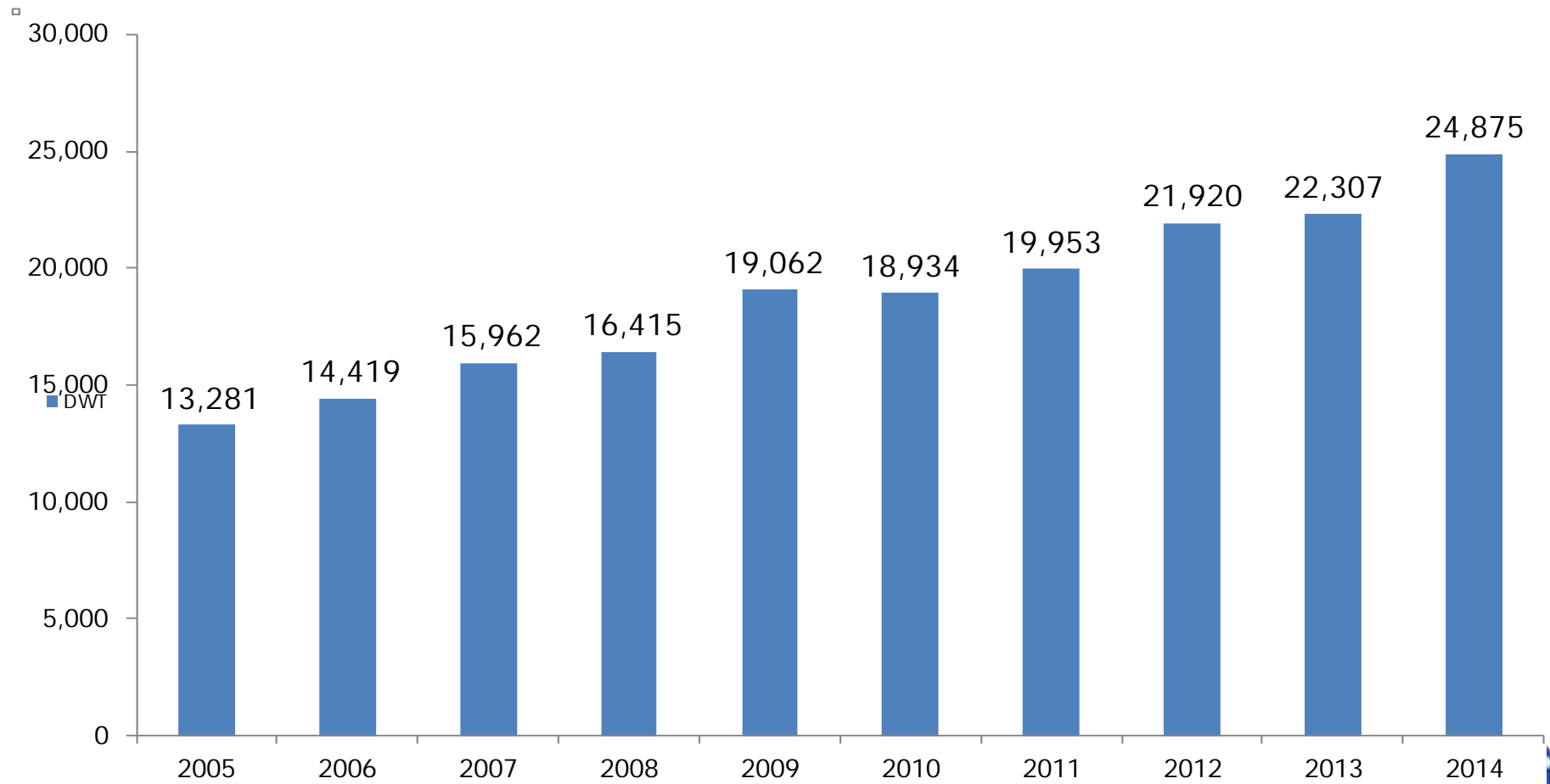


# Recent Performance of the Port of Mombasa

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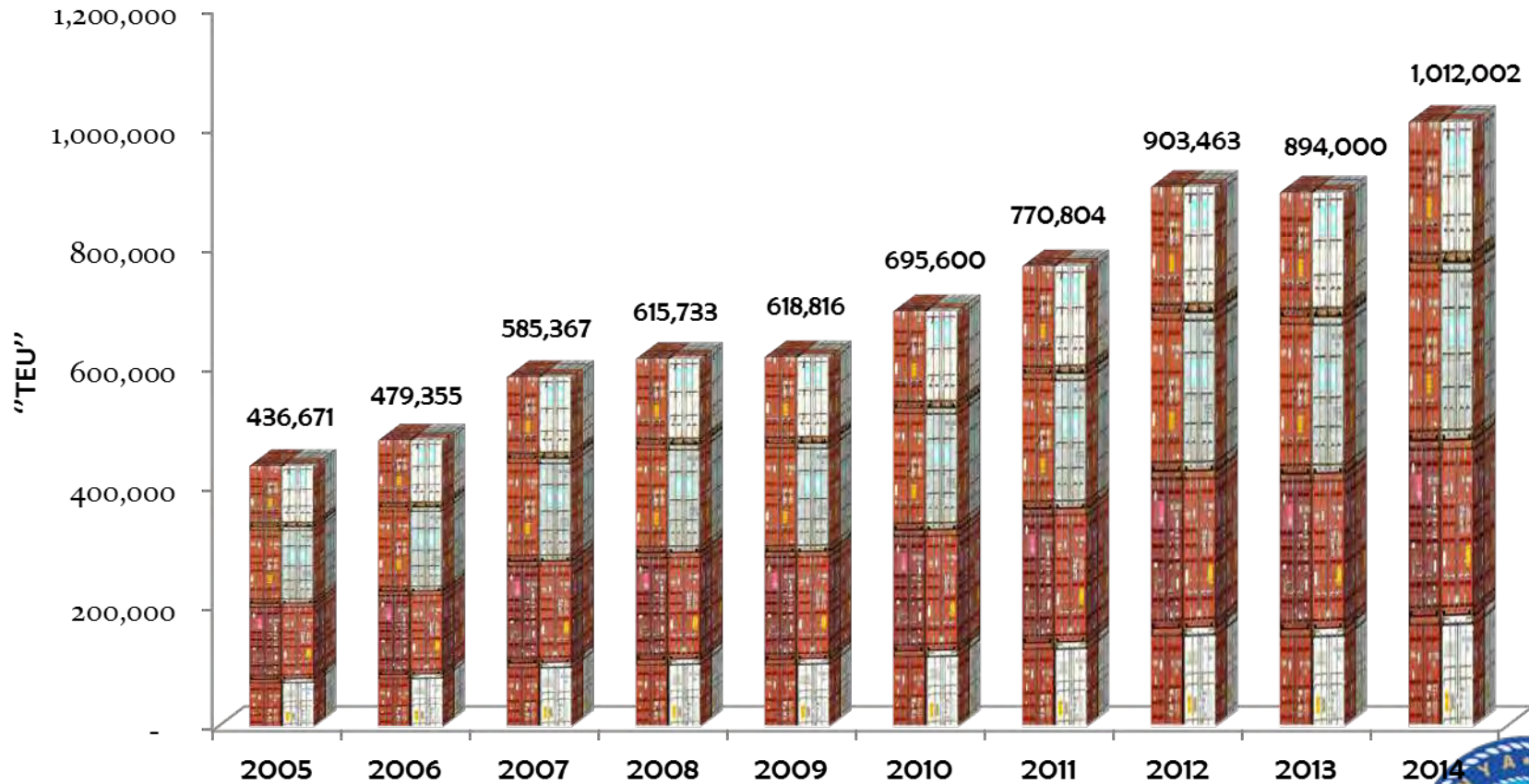
# Total Port Throughput (DWT)



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# Container Traffic



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# Positioning Mombasa as a Top Container Port in Africa



# History of Containerisation and Intermodalism in Mombasa

- § Modern container shipping celebrated its 50<sup>th</sup> Anniversary in 2006
- § Containers were first recorded in appreciable numbers in 1975 - 1,298 TEUs
- § Containerships carry about 60% of the value of goods shipped via sea.
- § Port of Mombasa celebrated its 40<sup>th</sup> Anniversary of Containerization
- § Current container capacity is 1.1 million TEU



# International Container Comparison

- § Box volumes by the leading 120 container ports in 2014 were 557.922 million TEUs, increase of 5% compared to 530.260 million TEU in 2013
- § The top 5 African ports share was approximately 11.276 and 12.491 million TEUs in 2013 and 2014 respectively which translate to 2%, 2.4% of the total share respectively. **Share for Africa increased by 10.8%**
- § Mombasa Port was ranked fifth and was the fastest growing port except Tangier Med which is largely a transshipment hub
- § It is evident that Mombasa will progressively join the superb world performing ports through increased volumes supported by quality service.
- § Hence her place amongst the top five performing ports in Africa remains assured!



# Top World Container Ports in 2014

Ranking		Port	Volume 2013 (Million TEUs)	Volume 2014 (Million TEUs)	% Change 2013
2013	2014				
1	1	Shanghai, China	33.77	35.285	4%
2	2	Singapore	32.228	33.9	5%
3	3	Shenzhen, China	23.278	24.037	3%
4	4	Hong Kong, S.A.R., China	22.352	22.226	-1%
6	5	Ningbo-Zhoushan, China	17.327	19.450	12%
5	6	Busan, South Korea	17.625	18.650	6%
8	7	Guangzhou Harbour, China	15.513	16.630	7%
7	8	Qingdao, China	15.556	16.620	7%
9	9	Dubai, United Arab Emirates	13.641	15.200	11%
10	10	Tianjin, China	13.010	14.050	8%
<b>African Ports</b>					
37	35	Port Said	3.671	4.060	11%
55	46	Tangier Med	2.558	3.077	20%
54	58	Durban	2.634	2.664	1%
85	83	Alexandria	1.519	1.678	10%
120	112	Mombasa	0.894	1.012	13%

Source data: Container Management (CM)



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# Coping with Demand

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## Developing Mombasa Port to Maintain Top Position in Africa



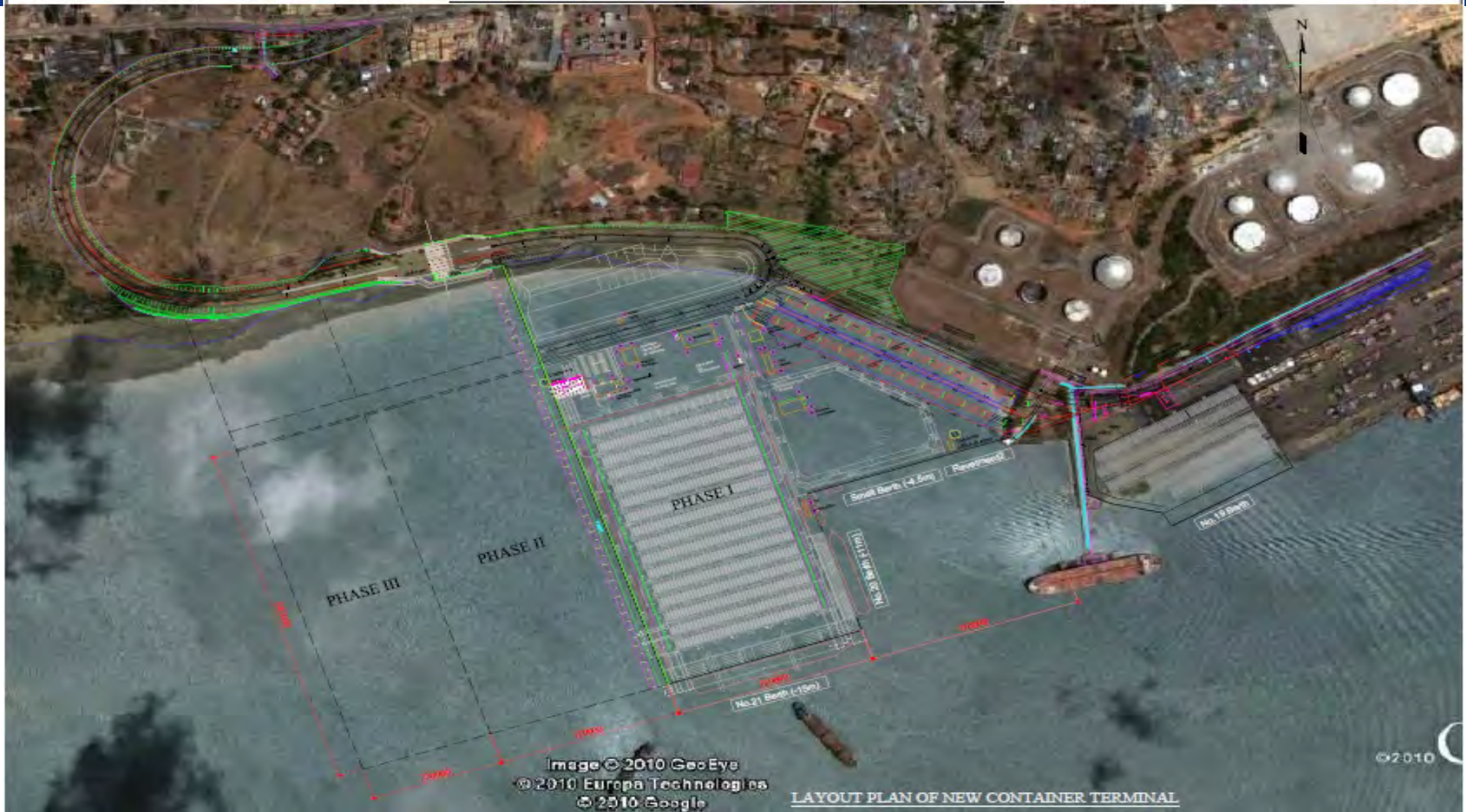


# Mombasa Port Development Project (MPDP)

- § This is a new Container Terminal constructed on a total area of 100 hectares and capacity to handle 1.5 million TEUs per annum on completion.
- § Phase I Commissioned on 5<sup>th</sup> December, 2012 and is expected to be completed by 29th February 2016. Additional capacity 550,000 TEUs.
- § Phase II will involve construction of berth No. 22 which will give additional capacity of about 450,000 TEUs. Construction is expected to commence by early 2017.
- § Construction of Phase III will give additional capacity of 450,000 TEUs. This will start in 2022.
- § Total project cost is USD 1billion.



# MOMBASA PORT DEVELOPMENT PROJECT



# MOMBASA PORT DEVELOPMENT PROJECT





# New Cranes for the New Container Terminal



# Extension of Existing Container Terminal

Following the relocation of the oil handling facilities at Kipevu, the land will be developed into extended container handling facilities to complement the existing capacity of berth nos. 16 – 19.



# Conversion of Berth 11 - 14 Into Container Berths



# Dongo Kundu Free Port and SEZ

- § This is a Vision 2030 project.
- § Involves development of Special Economic Zone and port facilities.
- § The SEZ will include a Freeport area
- § KPA will develop and operate the first two (2) berths.
- § To be developed under Public Private Partnership arrangements (PPP) by 2018.





# Capital Dredging

- § Dredged to 15 metres deep and widening of Navigation, main channels and turning basin to allow access of post-Panamax vessels.
- § Phase I of the project was completed in 2012 and extends up to berth no. 23.
- § Phase II will involve providing access to Dongo Kundu SEZ



# ICT Developments

- § The Authority appreciates ICT as the key to driving productivity, increasing efficiency and time management.
- § Rolling out advanced systems for cargo management(KWATOS), Time Management, Procurement, among others, which have led to achievement of high targets and savings on costs.



# Culture Change & Transformation Programs

- § To be able to achieve modernization and expansion plan requisite human capital will be key
- § Authority initiated a change management system that aims at transforming the thinking and work culture of its staff
- § This has led to the inculcation of personal and collective responsibility values and work ethics to staff, thus enabling achievement of higher performance and increased productivity



# Conclusion and Way Forward

- § Implementation of key infrastructural development projects and other supporting initiatives will transform the port, country and the region
- § The projects have far reaching impacts in mitigating capacity gaps, while improving operational efficiency at the Port of Mombasa.
- § The Authority is therefore convinced that the above measures, to be complemented by coordinated interplay of other cargo interveners along the transport and supply chain, will deliver the promise of a 'World Class Sea Ports of Choice' , as per the KPA Vision and remain a top-five ranked container port in Africa.



# Thank You!



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E.K. STRALSUND

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