

EAST AFRICAN ONLINE TRANPORT AGENCY



CONNECTING AFRICA: Using technology to promote Trade in Africa

PRESENTATION BY: SOFIA GETAMBU CEO

AGENDA

- I. Connecting Africa- EAOTA's Story
- 2. The Move to Technology
- 3. Challenges facing Shippers & Transporters
- 4. What we do
- 5. The Future

CONNECTING AFRICA

• The EAOTA beginning- the move into logistics

CONNECTING AFRICA

- Why should we trade amongst ourselves:-
- I. Cultural similarities (easier to understand each other)
- 2. Population growth at 2.5%
- 3. GDP's are growing e.g. Rwanda at 7%
- 4. Trade blocs are integrating (integration of EAC, COMESA & SADAC is currently underway already)

THE MOVE TO TECHNOLOGY

- EAOTA's story towards the move to technology
 - I. Inefficiency
 - 2. Side businesses by staff in logistics firms
 - 3. Manipulation of logistics by forwarders
 - 4. Bribery/ corruption in the industry

THE CHALLENGES IN CONNECTING AFRICA

3.

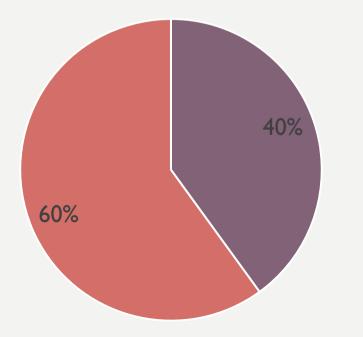


CHALLENGES FACING SHIPPERS

- I. Access to information (customs or border requirements)
- 2. Easy access to available transport
- 3. Security of cargo- tracking the cargo
- 4. Demurrage or penalty charges
- 5. NTB's (e.g. regional politics/road blocks etc.)
- 6. High transport costs (40-70%)

COST OF TRANSPORT

- World bank reports transportation in East Africa as a significant portion of the cost of goods.
- In Kenya, as high as 40% of the cost of goods.
- In the hinterland countries, as high as 70% of the cost of goods.



COST OF GOODS IN KENYA

TRANSPORT COST

 OTHER COSTS (RAW MATERIALS, LABOUR, FIXED COSTS)

CHALLENGES FACING TRANSPORTERS

- I. Lack of sufficient cargo loads
- 2. Low rates or delayed payments (facilitating NTB's vs long credit periods)
- 3. Poor management of resources(fleet management, drivers &staff)
- 4. Loading & offloading times
- 5. NTB's (customs, loading clerks, multiple agency verification processes, ports, police etc- SA taking 90 minutes for trucks to enter, load & leave port)

HOW WE ARE CONNECTING AFRICA

THE TRUCK FINDS THE CARGO! The cargo can be anywhere in the East , Central and Southern Africa region.



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HOW WE ARE CONNECTING AFRICA



WHAT WE DO

- What we are promoting :-
 - I. Efficiency
 - 2. Convenience
 - 3. Expertise
 - 4. Information
 - 5. Transparency
 - 6. Security

OUR MISSION

- Connecting people
- Connecting business
- Connecting Africa
- Improving Lives

THE FUTURE

- What the future holds currently:-
 - I. Expansion of Ports
 - 2. Growth in the sizes of Ships
 - 3. Growing populations
 - 4. Growing trade amongst countries (integration)
 - 5. Growing economies
 - 6. Massive investments by governments in infrastructure & use of ICT

THE FUTURE

• BUT WHERE IS THE PRIVATE SECTOR?

- I. Do we have enough trucks to move all the cargo out of the ever expanding ports?
- 2. Is private sector at the same level with governments in terms of planning? Are they aware of the plans?
- 3. Do we have sufficient truck holding areas in ports or truck tops along our corridors?
- 4. Impact of growth in logistics:- road safety, congestion, pollution

We cannot do today's business with yesterdays methods and still be in business tomorrow'



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