

# WINNING SUPPLY CHAIN AND LOGISTICS STRATEGIES FOR WEST AFRICAN MARKETS

STRENGTHENING REGIONAL CARGO HANDLING  
FACILITIES AND INTERMODAL ACTIVITIES

PRESENTED BY

A. FELICO ATABONG

BOARD CHAIR ALDENS FREIGHT  
HOLDINGS, CO FOUNDER AQUA CARGO

## **AN OVER VIEW OF THE WEST AFRICAN MARKET**

As the logistics sector expands globally, Africa, especially West -Central Africa has not been left out. Increasingly, we have companies from within and outside Africa expanding operations into West-Central Africa. These new arrivals and the complex nature of consumer needs require ports authorities to strategize on how to meet customer satisfaction and impose themselves in order to meet the rising competition with other ports.

In the past major ports viewed themselves as Lords while the hinterlands were considered as subjects. They strategized their cargo handling activities focused on the hinterlands as classic markets. Competition was non-existent and although cargo handling services were provided, they relied mostly on the traffic driven by the hinterlands.

This is no longer the case today. The growth in number and sizes of ports and diversified routes through which cargo is shipped means that major ports wishing to keep a competitive edge must improve cargo handling facilities and intermodal activities.

# **PART ONE**

## **STRATEGIES TO IMPROVE CARGO HANDLING**

### **A) Take the lead in Cargo Handling Cost**

#### **i) Lower port operating cost**

- Increase productivity of labor at lower cost
- Maximize utilization of existing assets
- Maximize the utilization of less expensive but efficient cargo handling equipment.

## **ii) Lower port charges**

- Differentiation by ability to pay
- Rebates per volume
- Flexibility of rates with upper limits

## **B) Take the lead in Cargo Handling Services**

### **i) Cargo Facilities**

- Adapted berths or terminals
- Specialized cargo handling equipment and storage facilities

### **ii) Services**

- Processing and cargo consolidation services
- Vessel repair services, crewing, provisioning and fueling
- Information services for vessel planning, cargo clearing and tracking

### **iii) Performance**

- Simplified cargo documentation
- Improved customs services
- Short cargo dwell time
- Rapid vessel turnaround

# IMPORTANCE OF THESE STRATEGIES

The above strategies are very important to keep the competitive advantage because they act to reduce cost to the port user.

In the first instance, the reduction of operational cost is beneficial to the users as they are charged lower rates.

In the second instance, the services provided reduces the cost of moving cargo through the port.



## **PART TWO**

# **STRENGTHENING INTERMODAL ACTIVITIES**

To further keep the competitive advantage, there is an increasing need to improve intermodal activities in West -Central Africa.

Although considerable amounts of cargo are moved within the region daily, the intermodal infrastructure leaves a lot to be desired.

The case of the Douala-Bangui, Douala – N'Djamena corridor is a clear example where regional intermodal infrastructure is causing huge losses to the logistics and transport sector.

Worth nothing that as far back a 2007 an ambitious program to improve on the intermodal infrastructure between these major countries in the region was launched. Till date the highly awaited improvements in the road and rail sectors are very minimal compared to the huge traffic (about 90% of all goods and persons) in the sub region use these corridors.

Most recently we have seen increase competition for goods destined towards central African Republic going through Congo.

The fact that the ultimate goal is customer satisfaction if the intermodal infrastructure is not improved upon, we shall find more and more cargo, and shippers using alternative transportation especially air cargo which though expensive is increasingly reliable and easily meets with deadlines.

To keep the competitive advantage both states and ports authorities must work in a synergy to improve the intermodal infrastructure.

In the case of Cameroon an improvement in river transport like that over the Mungo in Tiko and the River Benue in Garoua will help keep the competitive edge.

But most of all the development of veritable road and railway infrastructure and the reduction of corrupt practices along the Douala-Bangui-N'Djamena corridor will greatly help in keeping the competitive edge of the Douala Sea port.

**THANK YOU FOR YOUR ATTENTION**