

**Shippers
Council of
Eastern
Africa**



HIGHLIGHTS ON THE STATE OF LOGISTICS AND SUPPLY CHAIN IN EAST AFRICA

PRESENTED BY; SCEA CEO

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PRIDEINN PARADISE ,MOMBASA

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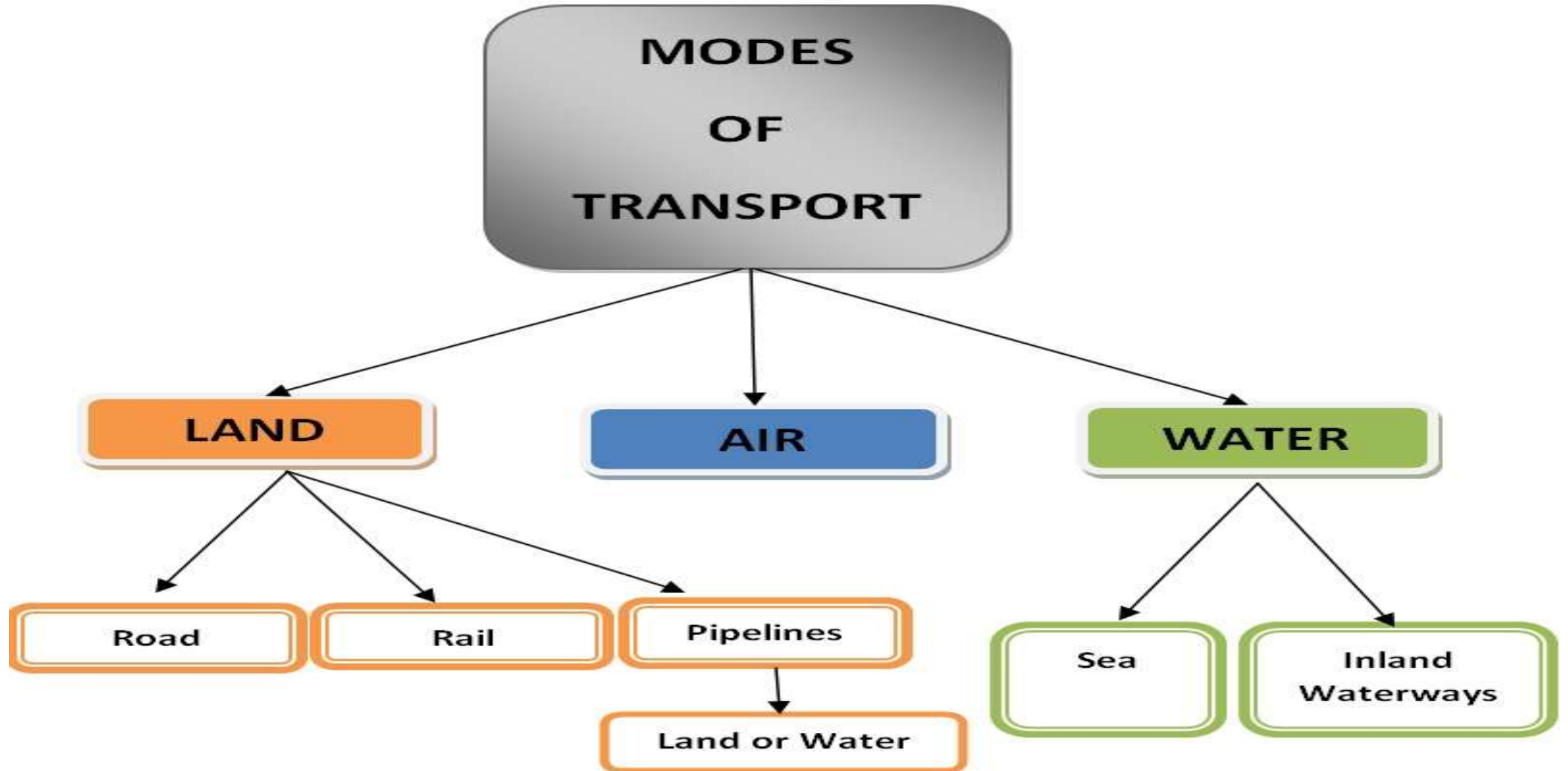


- INDUSTRIAL CHALLENGES
- OPPORTUNITIES
- RECOMMENDATIONS



East African community is mainly served by two corridors: Northern Corridor & Central corridor

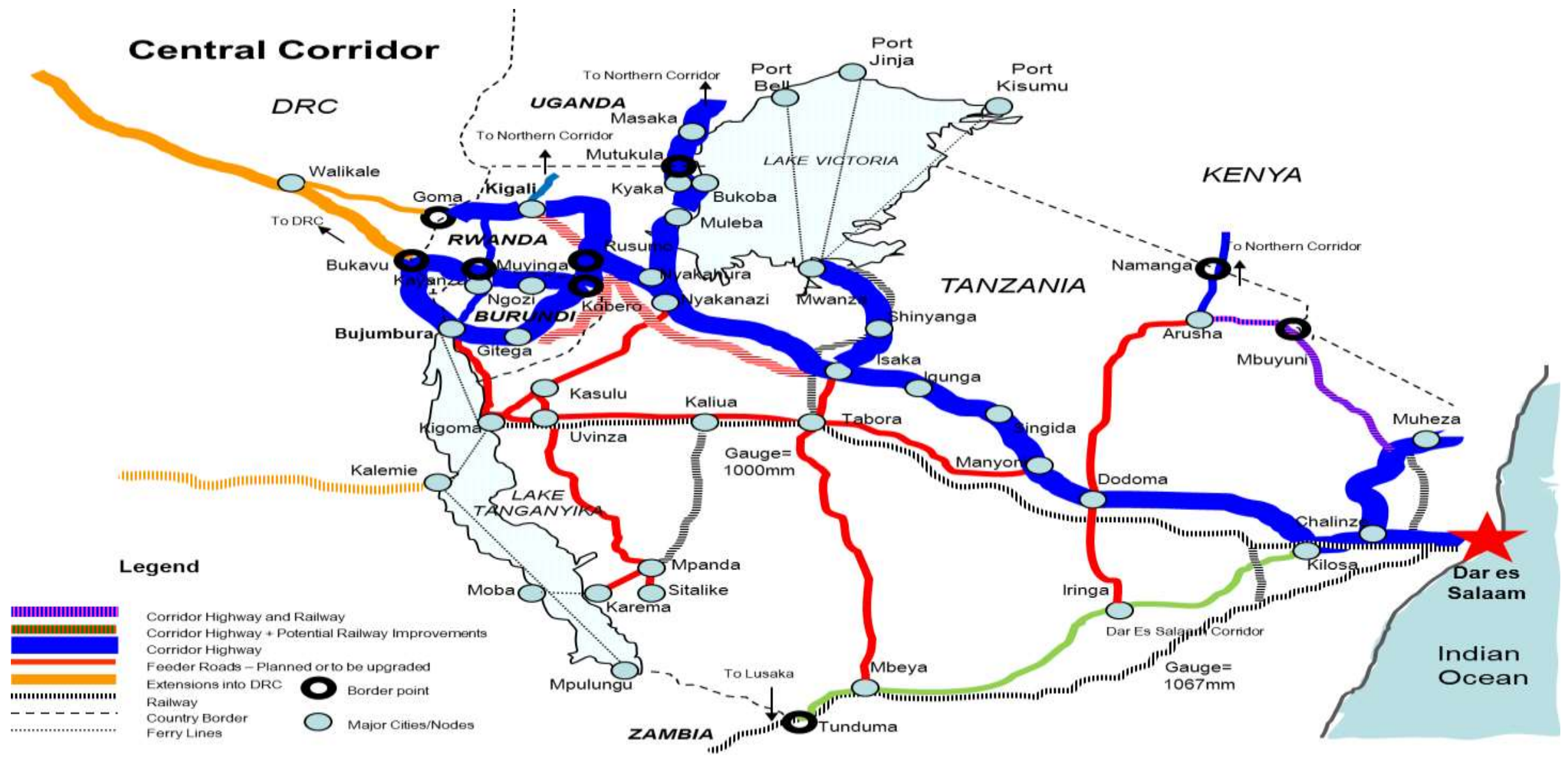
MODES OF TRANSPORT IN EAST AFRICA













Northern corridor Infrastructure developments



CENTRAL CORRIDOR INFRASTRUCTURE DEVELOPMENTS



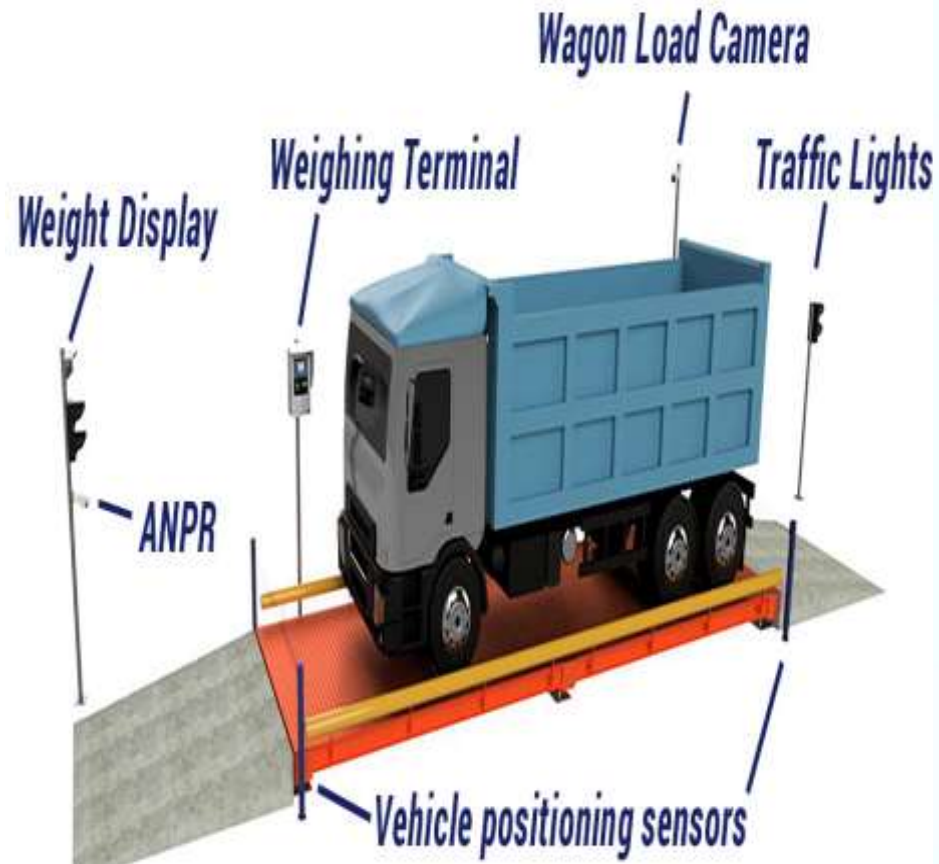
Legend

-  Corridor Highway and Railway
-  Corridor Highway + Potential Railway Improvements
-  Corridor Highway
-  Feeder Roads – Planned or to be upgraded
-  Extensions into DRC
-  Railway
-  Country Border
-  Ferry Lines
-  Border point
-  Major Cities/Nodes

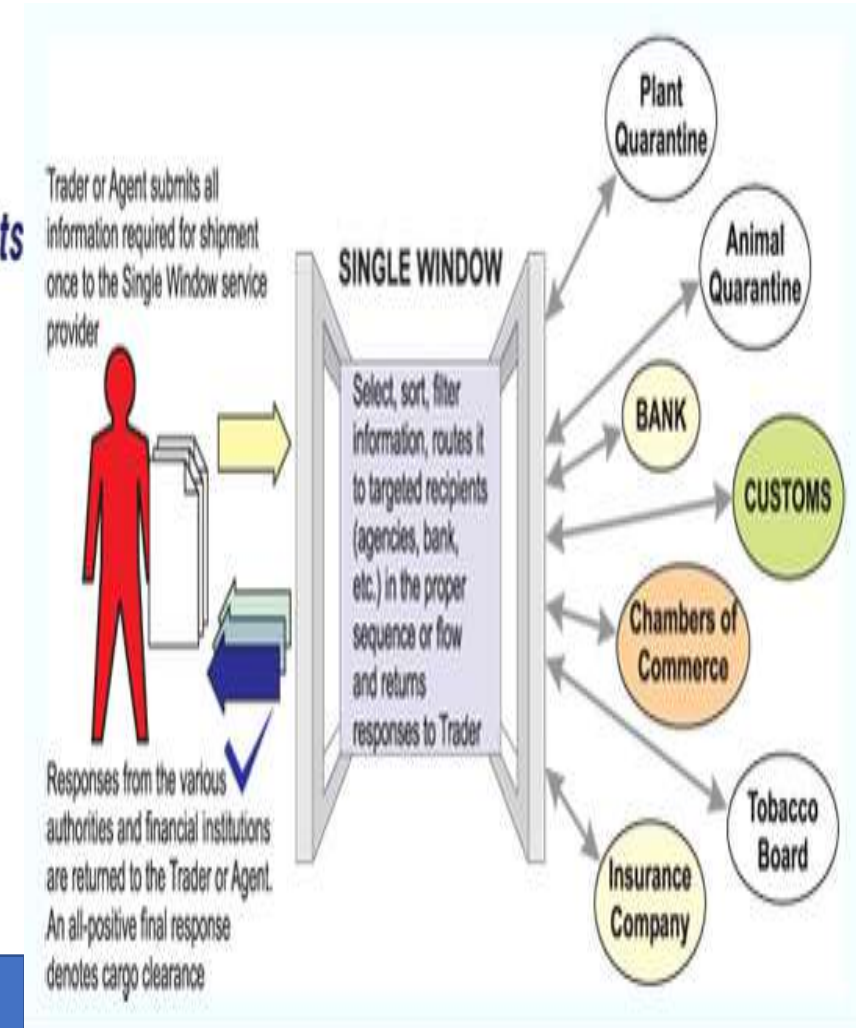
Automation



USE OF SCANNERS



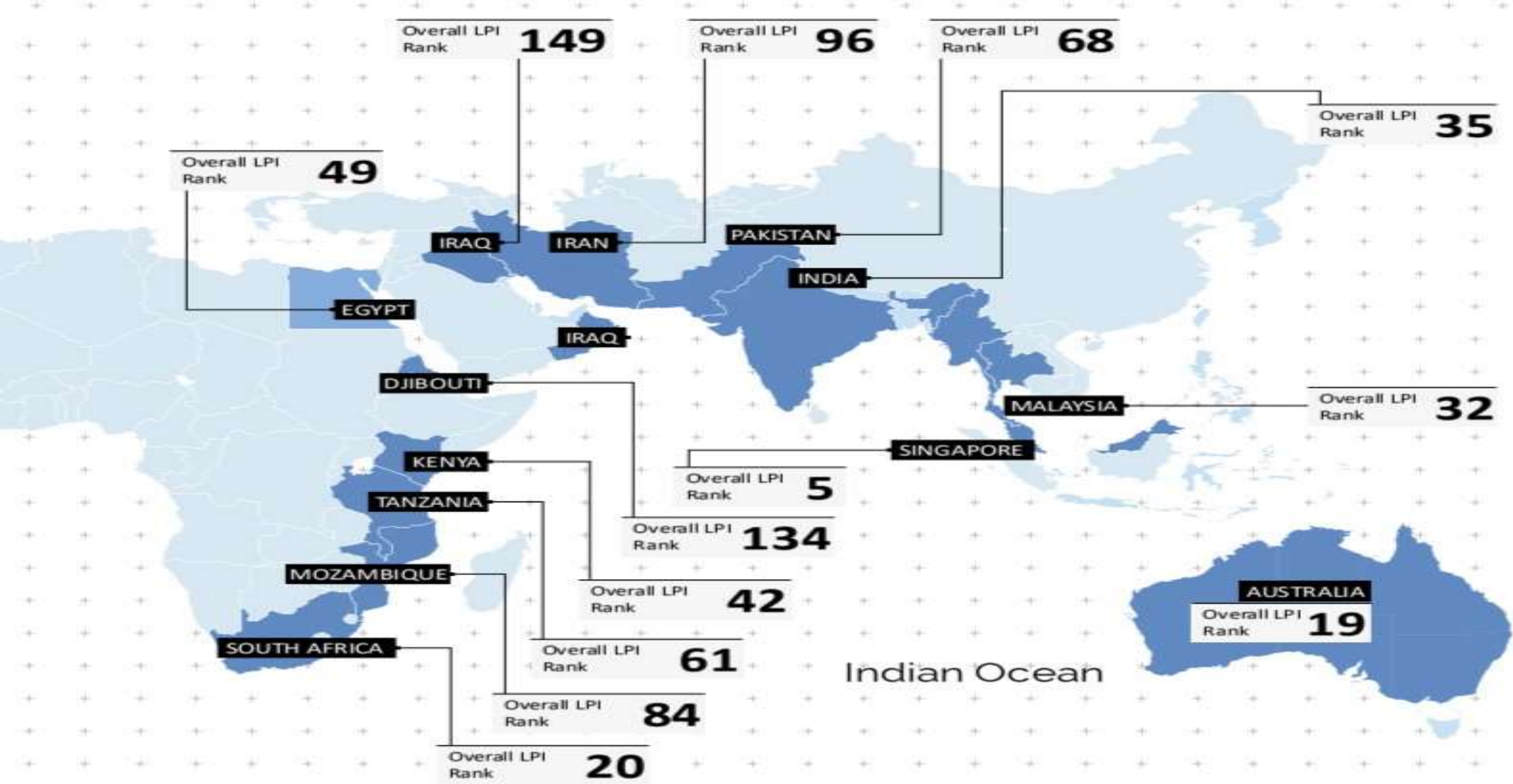
VIRTUAL WEIGHBRIDGES





TRANSPORT & LOGISTICS PERFORMANCE HIGHLIGHTS

EAC LOGISTICS PERFORMANCE INDEX



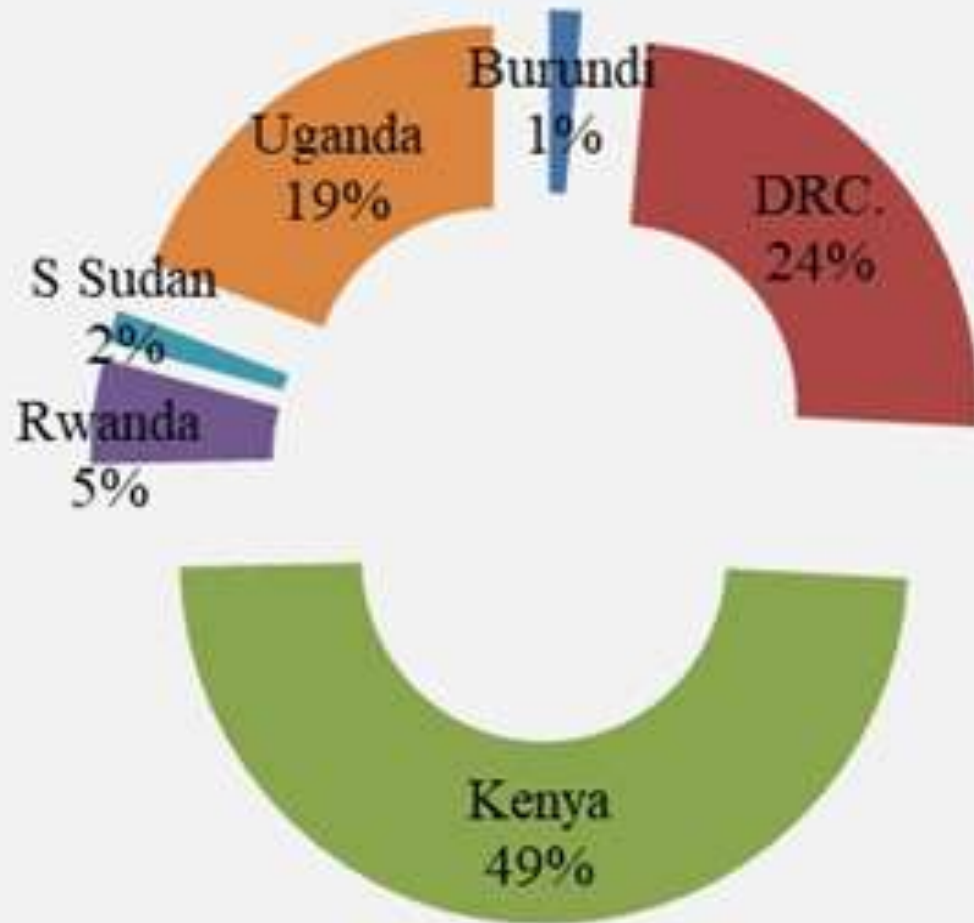
East Africa GDP Performance

Economy	Population in ('000')		Land Area (Km ²)	Surface area(Km ²)	GDP current prices in Billions (USD)	
	2020	2021	2020	2021	2020	2021
Burundi	11,890.78	12,255	25,680	27,830	3.04	3.19
DRC.	89,561.40	92,378	2,267,050	2,344,860	48.71	54.83
Kenya	53,771.30	54,986	569,140	580,370	102.43	109.49
Rwanda	12,952.21	13,277	24,670.00	26,340	10.33	10.4
South Sudan	11,193.73	11,381	619,745	644330	4.44	3.26
Uganda	45,741.00	47,124	200,520	241,550	38.14	43.24
Total/ Average	225,110.42	231,401.00	3,706,805.00	3,865,280.00	207.09	224.41

In 2021, the Gross Domestic Product (GDP) of the EAC Member States was USD 224.41 billion compared to USD 207.09Billion in 2020 with the exclusion of Tanzania. The above countries witnessed positive growth with the exception of South Sudan.

The positive GDP indicates economies growth from the economic downtimes occasioned by the COVID-19 pandemic in 2020

EAST AFRICA GDP CONTRIBUTION PER COUNTRY



Kenya's GDP accounted for 49% of the Northern Corridor Member States' GDP in 2021, followed by the DRC and Uganda, which each contributed for 24% and 19%. The balance of the region's GDP is split between Rwanda (5%), South Sudan (2%), and Burundi (1%). According to the African Development Bank (AfDB) Economic Outlook, East Africa's economic growth is predicted to recover to an average of 4.2% in 2021. The region is recovering from COVID-19 driven economic contraction. Sustained public spending on infrastructure, improved performance of the agricultural sector, and deepened regional economic integration are some of the factors expected to drive the regional economy.

TOTAL PORT THROUGHPUT

PORT OF MOMBASA

DAR ES SALAAM PORT

	2017	2018	2019	2020	2021	V.CHANGE (2021 - 2020)	5 YEARS GROW TH		2021	2020	v.change	%
(‘000’ MT)								Imports	13,766,842	12,847,602	919,240	7%
Containerized Cargo	11,483	12,637	15,390	14,866	15,585	4.8%	7.9%	Exports	2,631,405	2,483,393	148,012	6%
Conventional Cargo	2,136	1,815	2,033	2,142	2,561	19.6%	4.6%	Transshipments	4,486	19,837	-15,351	-77%
Dry Bulk	8,467	8,662	8,386	8,729	7,751	-11.2%	-2.2%	Total Deep-sea Throughput	16,402,733	15,350,832	1,051,901	7%
Liquid Bulk	8,259	7,809	8,631	8,378	8,654	3.3%	1.2%	Discharged	153,334	135,938	17,396	13%
TOTAL	30,345	30,923	34,440	34,115	34,551	1.3%	3.3%	Loaded	378,948	371,101	7,847	2%
% Change								Total coastal Traffic	532,282	507,039	25,243	5%
Containerized Cargo		10.0%	21.8%	-3.4%	4.8%			Transshipment out	2,392	0	-2,392	-
Conventional Cargo		-15.0%	12.0%	5.4%	19.6%			Restows	88,045	0	-88,045	-
Dry Bulk		2.3%	-3.2%	4.1%	-11.2%			Total Port Throughput	17,025,452	15,857,871	1,167,581	7%
Liquid Bulk		-5.4%	10.5%	-2.9%	3.3%							
TOTAL		1.9%	11.4%	-0.9%	1.3%							

Port of Mombasa containerized cargo traffic

	2017	2018	2019	2020	2021	V.CHANGE (2021 - 2020)	% CHANGE (2021 - 2020)	5 YEARS GROWTH
Container Traffic (TEU)	1,189,957	1,303,862	1,416,654	1,359,579	1,435,250	75,671	5.6%	4.8%
Transshipment Traffic (TEUs)	81,203	121,577	211,604	175,827	220,487	44,660	25.4%	28.4%
Total Transit	8,637	9,605	9,948	10,171	9,541	-630	-6.2%	2.5%

% Change

Container Traffic (TEU)		9.6%	8.7%	-4.0%	5.6%
Transshipment Traffic (TEUs)		49.7%	74.0%	-16.9%	25.4%
Total Transit		11.2%	3.6%	2.2%	-6.2%

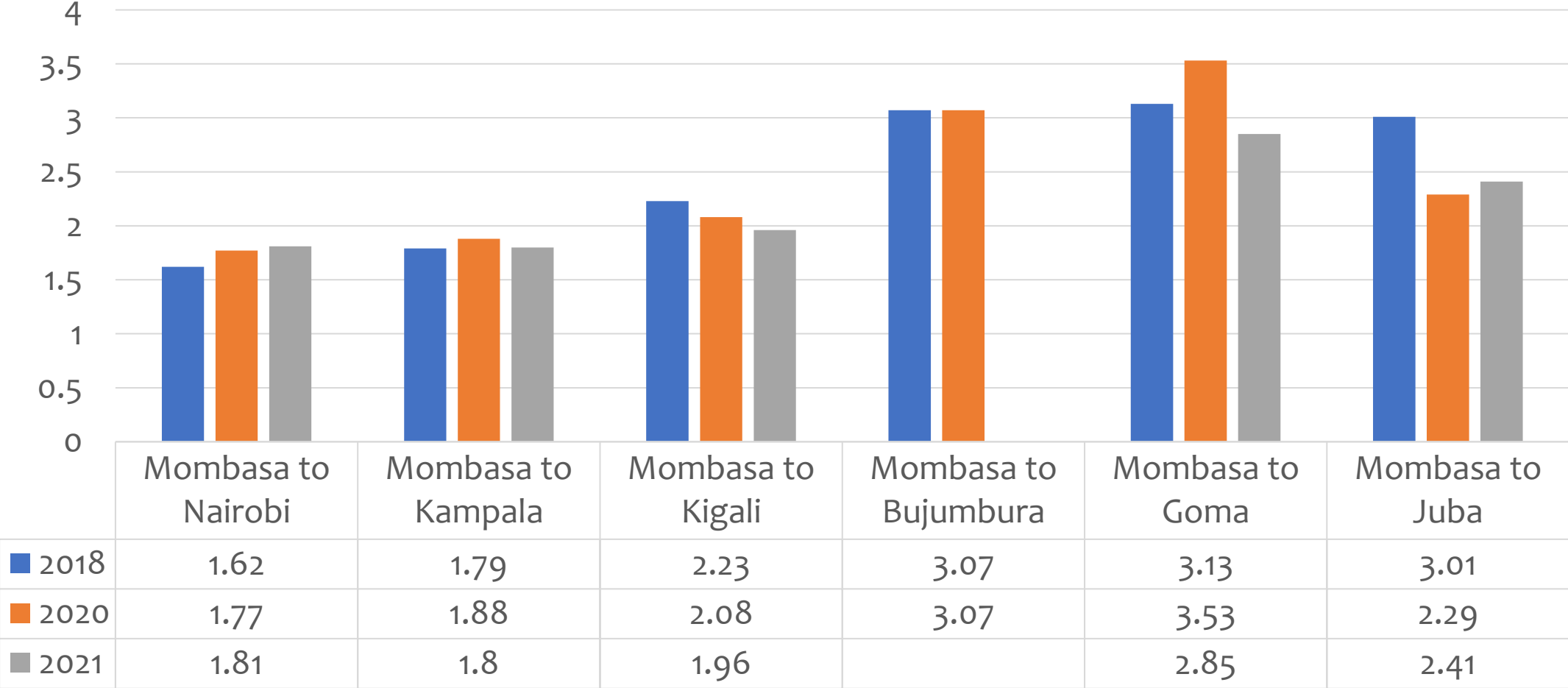
TRANSIT VOLUMES

NORTHERN CORRIDOR ROUTE

CENTRAL CORRIDOR

('000'MT)	2017	2018	2019	2020	2021	% CHANGE (2021 - 2020)	5 YEARS GROWTH				
										% change	
Uganda	7,113	7,889	8,133	7,698	7,263	-5.7%	0.5%		2,021	2,020	% change
S. Sudan	674	734	770	1,056	1,066	0.9%	12.1%	D.R.Congo	1,672,218	1,209,565	38%
D.R. Congo	360	471	547	732	788	7.6%	21.6%	Burundi	495,099	464,458	7%
Rwanda	180	231	231	427	185	-56.7%	0.7%	Rwanda	1,327,863	1,204,321	10%
Tanzania	272	248	255	253	232	-8.3%	-3.9%	Uganda	138,203	153,964	-10%
Burundi	22	22	2	1	1	41.6%	-53.3%	Other	1,679,664	1,357,571	24%
Others	17	9	9	4	6	53.8%	-22.3%	Total transit volumes	5,313,047	4,389,879	21%
Total	8,637	9,605	9,948	10,171	9,541	-6.2%	2.5%	Transit share by country (%)	2,021	2,020	
% Share								D.R.Congo	31%	28%	
Uganda	82.4%	82.1%	81.8%	75.7%	76.1%			Burundi	9%	11%	
S. Sudan	7.8%	7.6%	7.7%	10.4%	11.2%			Rwanda	25%	27%	
D.R. Congo	4.2%	4.9%	5.5%	7.2%	8.3%			Uganda	3%	4%	
Rwanda	2.1%	2.4%	2.3%	4.2%	1.9%			Other	32%	31%	
Tanzania	3.1%	2.6%	2.6%	2.5%	2.4%			Total	100%	100%	
Burundi	0.3%	0.2%	0.0%	0.0%	0.0%						
Others	0.2%	0.1%	0.1%	0.0%	0.1%						
Total	100.0%	100.0%	100.0%	100.0%	100.0%						

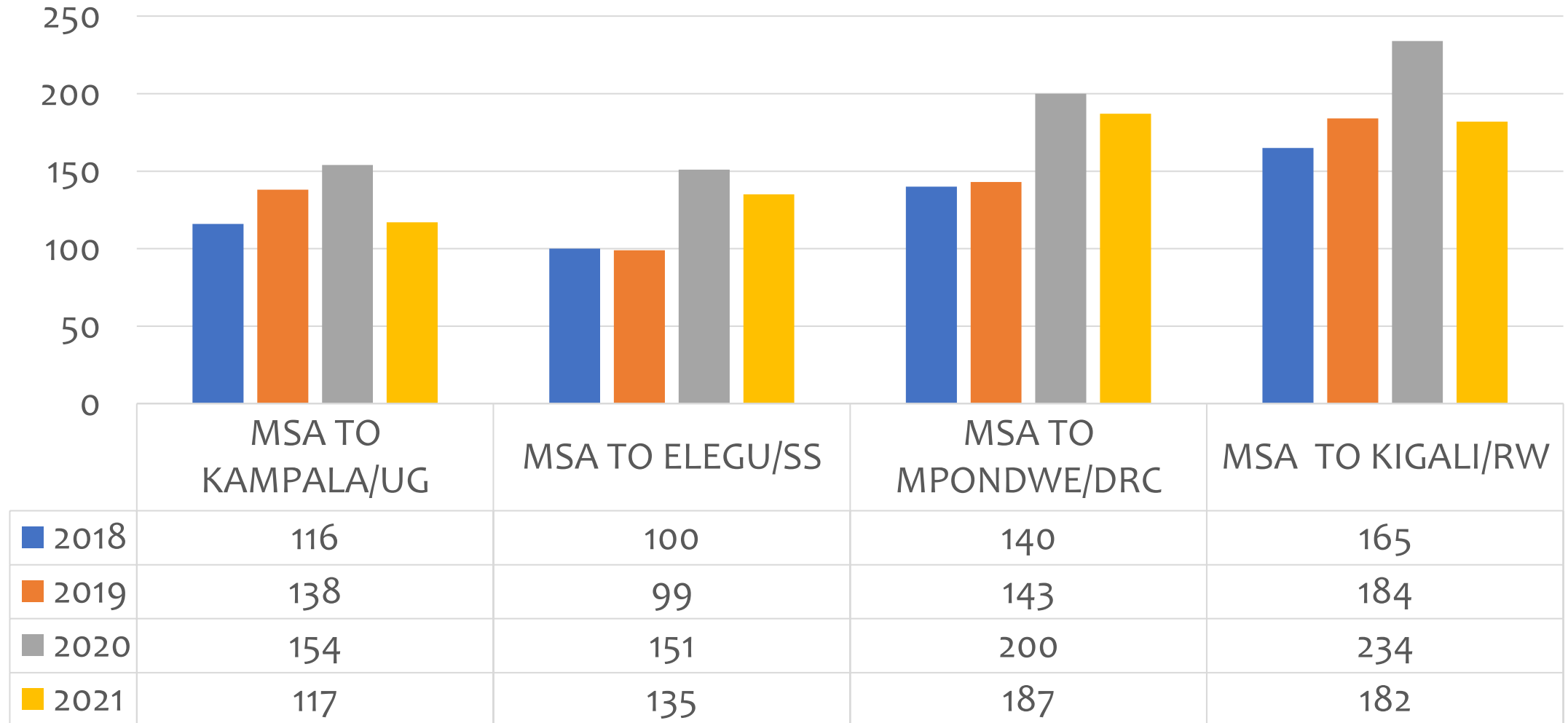
Transport rates along the Northern corridor



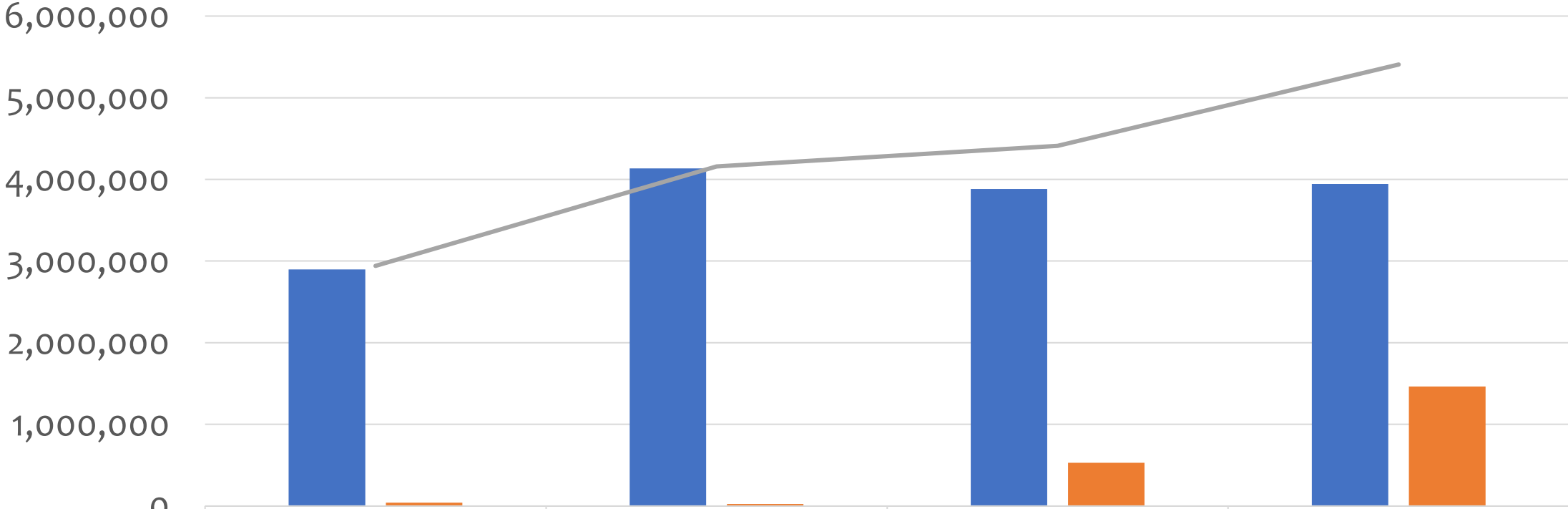
■ 2018 ■ 2020 ■ 2021

“BEST PRACTICE ; 1 USD PER KM/TEU”

NORTHERN CORRIDOR TRANSIT TIME(HOURS)



RAILWAY PERFORMANCE 2018-2021-Northern Corridor



	2018	2019	2020	2021
Container Tonnage	2,898,674	4,134,731	3,880,992	3,944,357
Conventional Tonnage	41,618	24,874	529,912	1,463,049
Total Tonnage	2,940,292	4,159,605	4,410,904	5,407,406

■ Container Tonnage
 ■ Conventional Tonnage
 — Total Tonnage



PERFORMANCE INDICATORS

KPI	Target	July-Dec 2021 Performance
Average container Dwell time (MSA)	3 days	3.5 Days
Average Container Dwell time (NRB)	4 Days	4.3 Days
Average truck turnaround time (MSA)	4.5hours	6.4 hours
Average truck turnaround time (NRB)	3.5 hours	4.0 hours
Average train turnaround time (MSA)	3.9 hours	11.54 hours
Average train turnaround time (NRB)	5 hours	6.24 hours

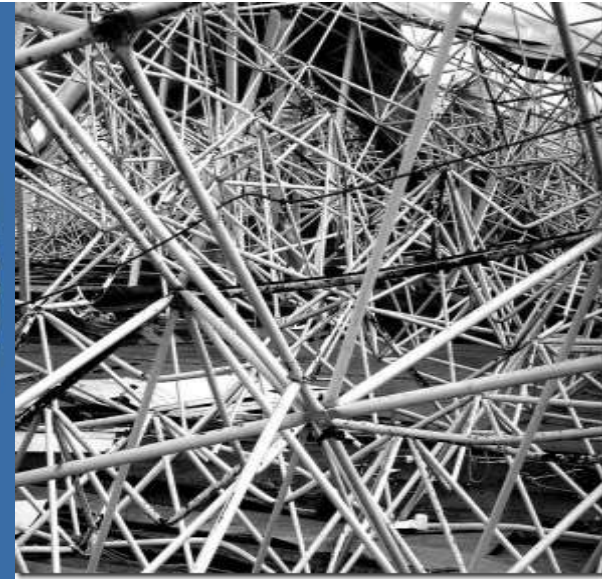
INDUSTRY CONCERNS



Cost

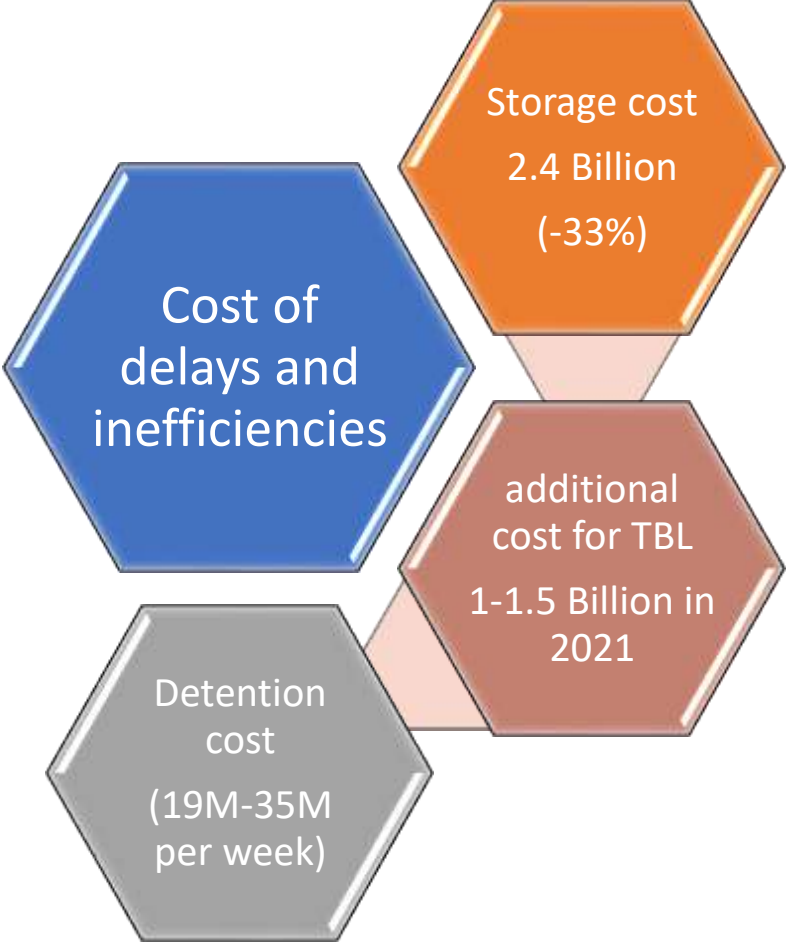


Time



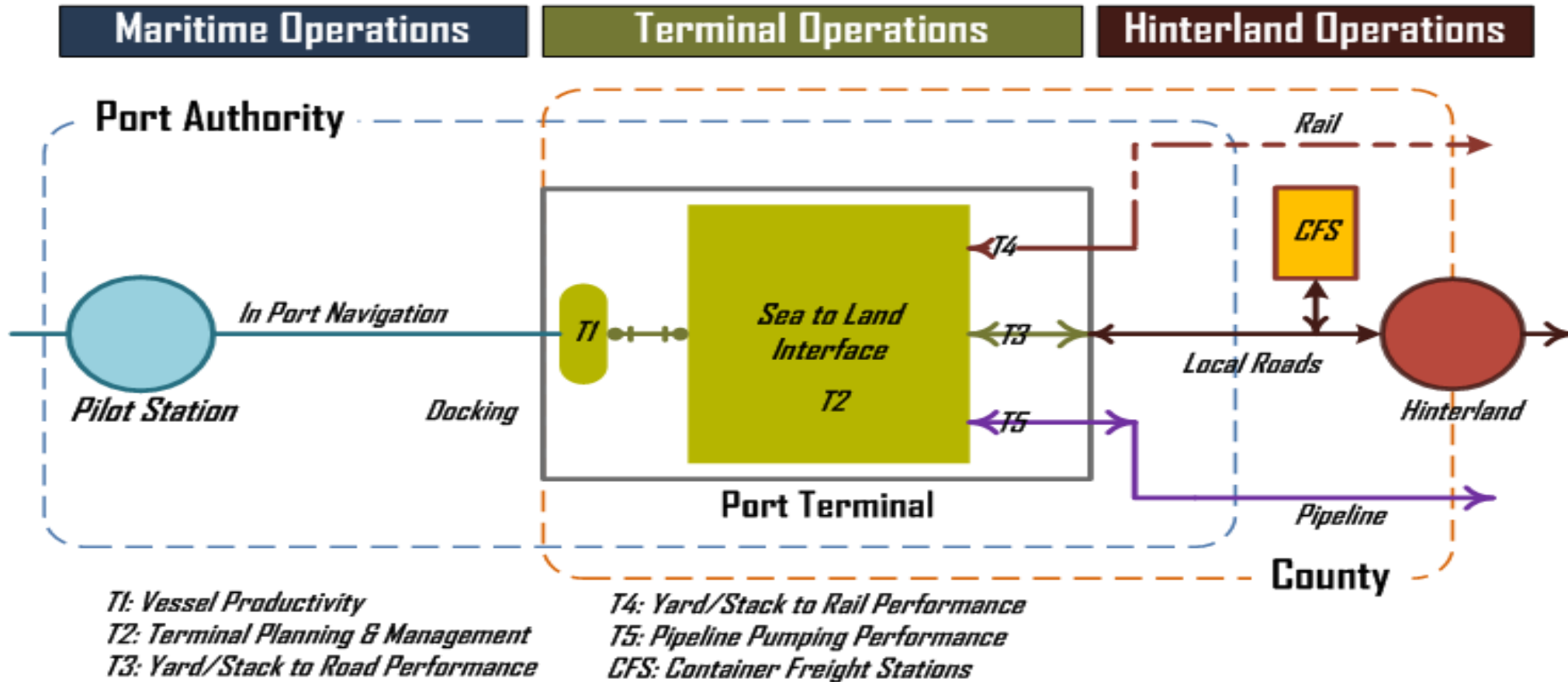
Complexity

Cost of Delays and inefficiencies through the port of Mombasa



Logistical costs accounts for 42% of manufacturing costs “ best practice-5-10% logistics cost for Europe”

INDUSTRIAL CHALLENGES



Where lies the bottleneck?

1. Infrastructural and Capacity Constraints at all the three inter-phases
2. Operational Inefficiency at the Nodal Points Between the Three
3. Coordination of national and county government oversight roles

Systems downtimes



Inadequate human capacity



Challenges on Policies and regulatory framework

*Law*s &
Regulations



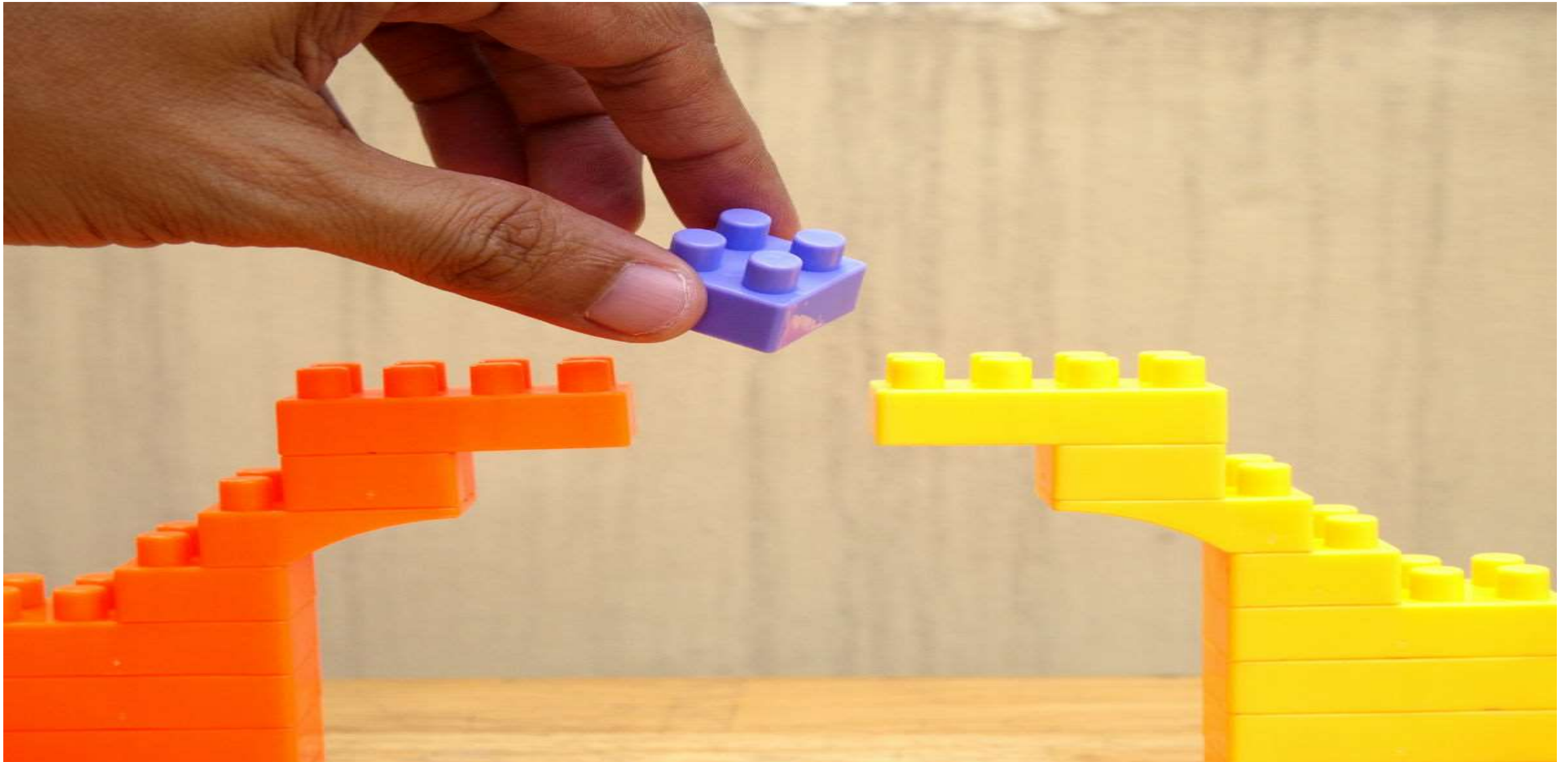
FEES & CHARGES



PORTS AND ICDS CAPACITY



Infrastructural Gaps



BALANCING



and



GLOBAL DISRUPTIONS



OPPORTUNITIES

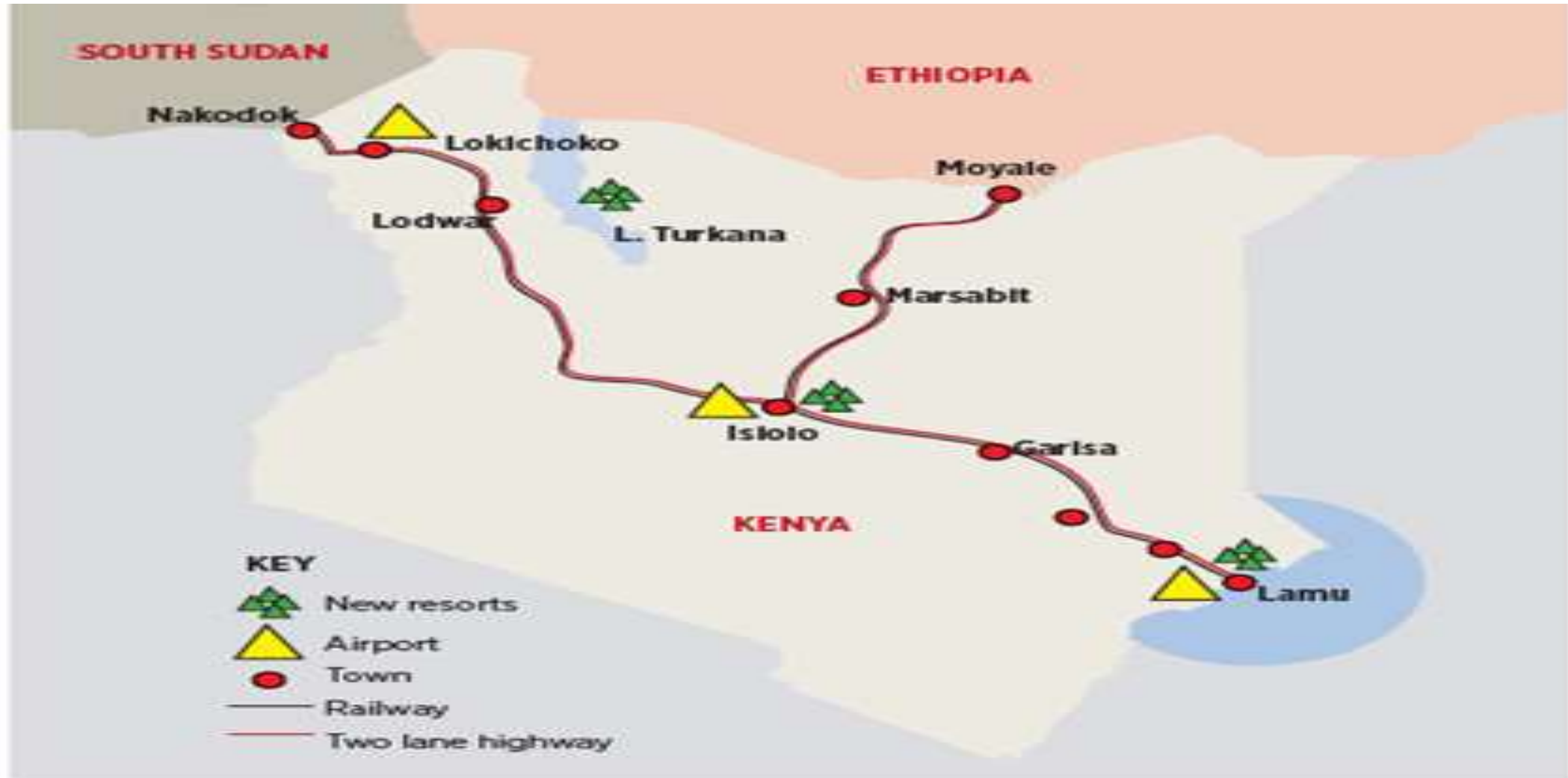


A word cloud centered around the text 'WTO Facilitation Agreement' and 'Trade'. The words are arranged in a circular pattern, with 'WTO' at the top, 'Facilitation Agreement' in the middle, and 'Trade' on the right. The words are in various sizes and colors, including red, brown, and gold. The background is white.

WTO
Facilitation Agreement
Trade

border cooperation goods transit notification
fees customs clearance legal appeal implementation Committee provisions transparency agency
Organization Special capacity formalities review building assistance shipment Members release World
TFA publication uniformity expedite non-discrimination import information technical
consultation Differential

LAPSSET CORRIDOR DEVELOPMENT





The Mombasa Port & Northern Corridor

Community Charter



2018 - 2024

INTERMODAL CONNECTIVITY(END TO END)



RECOMMENDATIONS

- The industry should adopt relevant technology and robotic/automation
- The handling capacity at Mombasa, Lamu and Dar es Salam ports should be increased.
- Developing and Reviewing Standard Operating Procedures (SOP) can ensure the member countries are aligned with processes that are key to achieving a united goal.
- The improvement of road infrastructure in order to double travel speeds and trip frequency is expected to have the largest effects in terms of cost reduction.
- Adoption of virtual weighbridges
- EAC member states need to promote efficient multimodal transport development
- EAC Member states need to form public private initiatives to bridge the infrastructural gaps
- Improve the Regulatory Framework
- Improve the policy direction for logistics development

