

QUARTERLY REPORT \ JAN - MAR 2015

**QUARTERLY PORT
COMMUNITY CHARTER
REPORT**



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INTRODUCTION

The Northern Corridor Performance Dashboard is a monitoring tool with an online platform that can be accessed via <http://top.ttcanc.org> or www.kandalakaskazini.go.ke. The dashboard tracks ten key performance indicators on weekly, monthly and quarterly basis.



These indicators, which are part of over 31 indicators on the Transport Observatory Portal, are grouped into three categories which include; port indicators, corridor indicators and maritime indicators.

The Northern Corridor Secretariat receives data submitted by stakeholders and analyses to generate reports for the dashboard.

One of the main purposes of the Dashboard is to monitor the implementation of the Mombasa Port Community Charter.

The charter commits both public and private sector to undertake measures that will increase efficiency of the Port and the Northern Corridor.

1 CARGO DWELL TIME AT THE PORT OF MOMBASA

Dwell time is measured by the time that elapse from the time cargo is discharged at the port to the time goods leave the port premises after all permits and clearances have been obtained.

- 1 = Document Processing Centre Time
- 2 = Time at One Stop Centre
- 3 = Delay After Customs Release

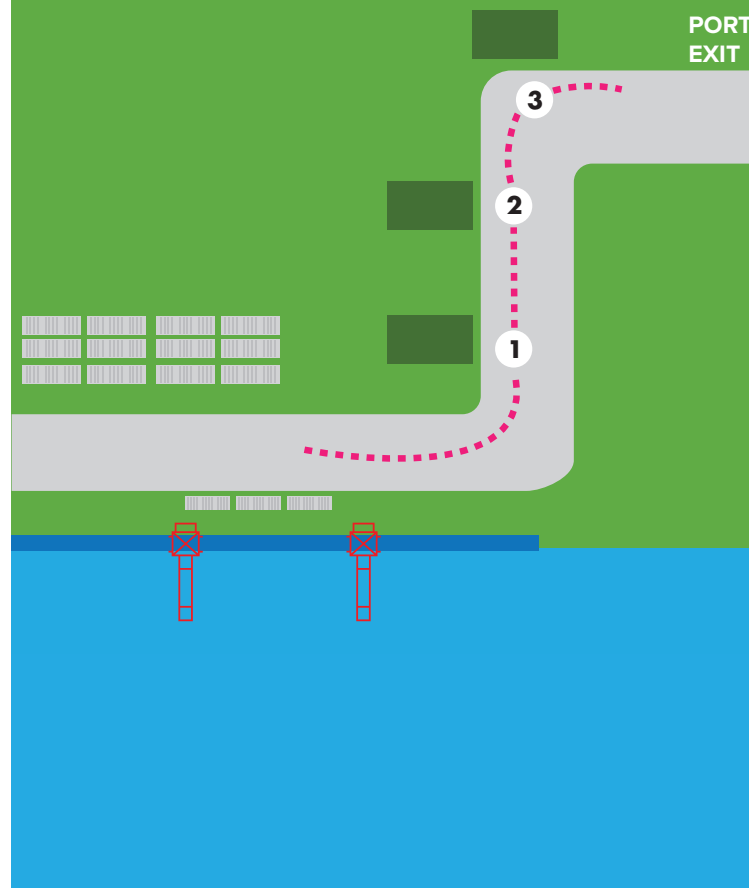


Fig 1: Cargo Dwell Time at the Port

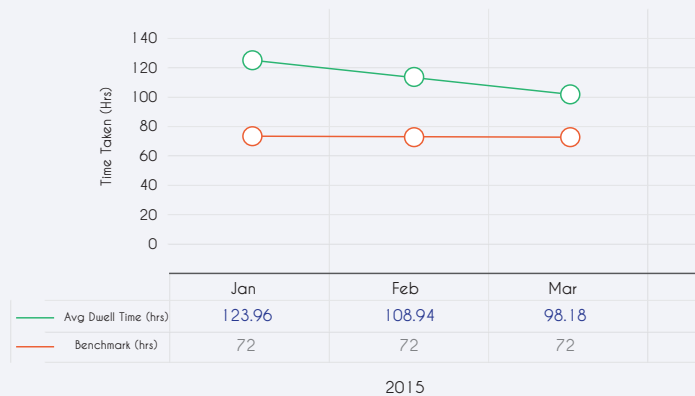


Figure 1 shows that it took cargo on average 5.16 days, 4.54 days and 4.09 days (124, 109 and 98 hours respectively) to be evacuated from the port of Mombasa in the month of January, February and March 2015 respectively.

The significant drop since January 2015 is considered an improvement compared to the last quarterly report of October – December 2014 dwell time, but still lies above the set benchmark of 3 days (72 hours).

This commendable trend can only be sustained if policy measures and interventions in place as enshrined under the port charter are fully implemented and consistently put into practice. All the Port Charter Stakeholders are required to stick on their commitments and expedite the implementation of subsequent actions plan.

KPA, in collaboration with other stakeholders, was to achieve a dwell time below 3 days (72 hours) within 120 days after signing the Port Community Charter in June 2014.

2 TIME TAKEN AT THE DPC

This is the time it takes to have an entry lodged by a clearing agent passed by customs. Time at Document Processing Centre (DPC) affect port dwell time for cargo on transit.

- 1 = Document Processing Centre Time
- 2 = Time at One Stop Centre
- 3 = Delay After Customs Release

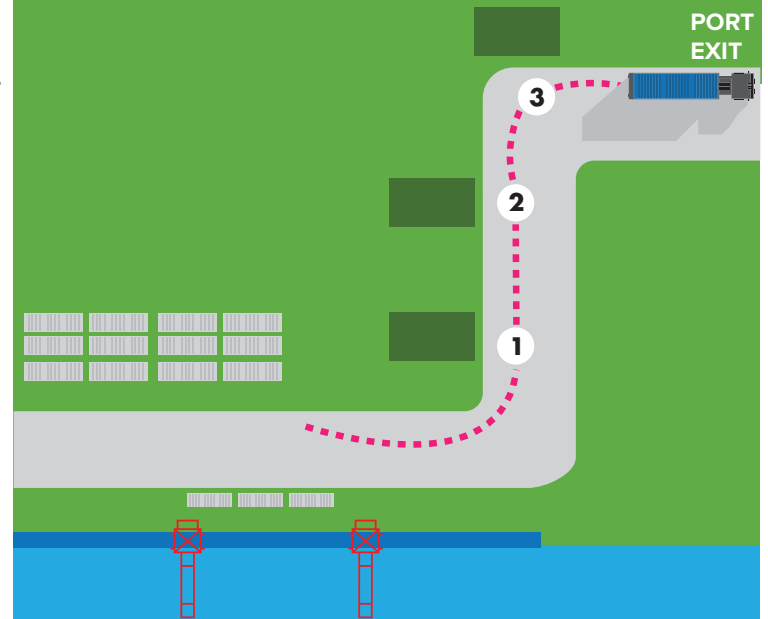
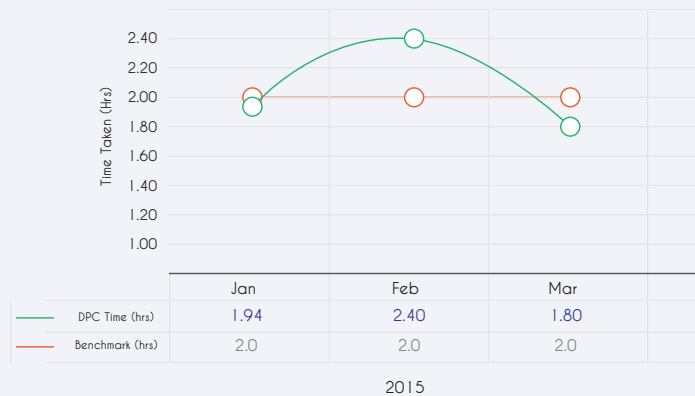


Fig 2: Customs Clearance at DPC



From fig 2 above, DPC time for transit Cargo increased from 1 hour 56 minutes to 2 hours 24 minutes in February and later dropped to 1 hour 48 minutes in March 2015. Any further delays above the 2 hours benchmark in documentation implies a rise in logistical cost hence a rise in commodity prices.

The rise in DPC time might be, specifically or generally, influenced by one or more of the following factors:

- a. The SIMBA system stability during the period
- b. Document volumes awaiting processing in between the shifts
- c. The quality of declaration by the relevant agents

- d. Other stakeholders systems, e.g. the bank systems' in updating daily transactions

KRA's commitment was to establish a system of pre-arrival clearance to clear 70% of the cargo within a span of 48 hours before docking of vessels, within 3 months after the charter signing.

3 ONE STOP CENTRE CLEARANCE TIME

The indicator is measured by subtracting the time when an entry is passed from Release Time.

- 1 = Document Processing Centre Time
- 2 = Time at One Stop Centre
- 3 = Delay After Customs Release

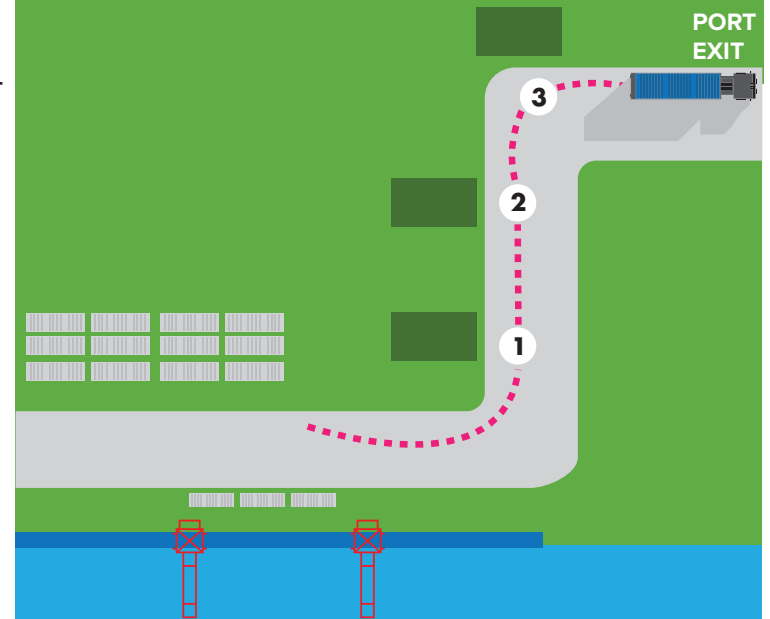
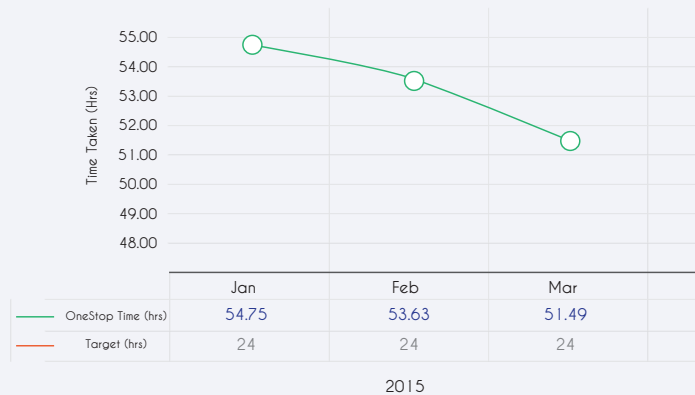


Fig 3: Time Taken at One Stop Centre



From the graph, time at One Stop Centre has significantly dropped from 54 hours 48 minutes to 51 hours 30 minutes since January to March 2015.

The trend indicates that One Stop Clearance time will continue to drop over time. All agencies involved are expected to take the lead role in their respective clearance stages to achieve a target of 24 hours.

The process is undertaken under one roof but still some challenges always emerges that delays the clearance process. This may include:

- a. Last minute changes to import documents by importers.

- b. Cases of some cargo interveners not being present at their duty stations
- c. Delays in physical verification and inspection of the cargo.

The Port Charter requires that the agencies involved in the clearance processes achieve a joint, effective and efficient physical verification of cargo to boost the clearance processes. This was to be done within the first 3 months of signing the Port Community Charter.

4 DELAY AFTER CUSTOMS RELEASE

Refers to the period it takes to evacuate the cargo from the port after it is officially released by Customs.

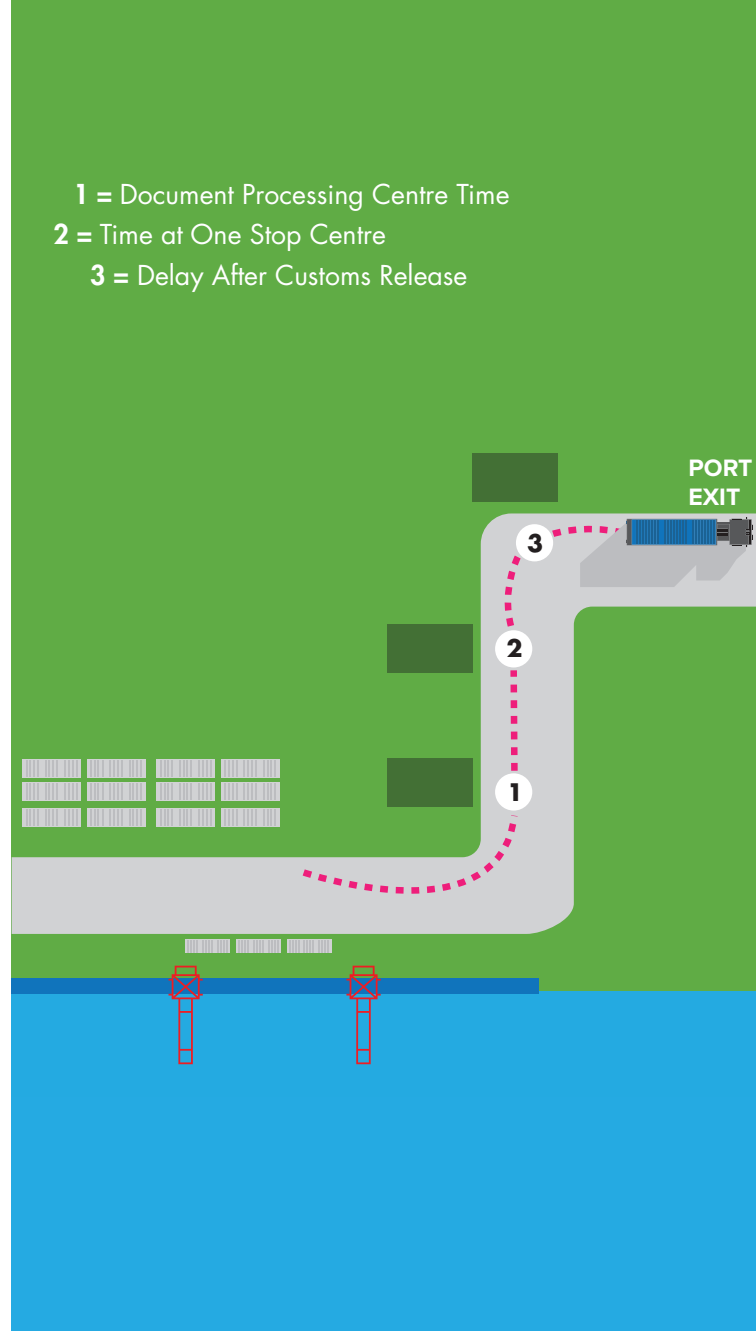
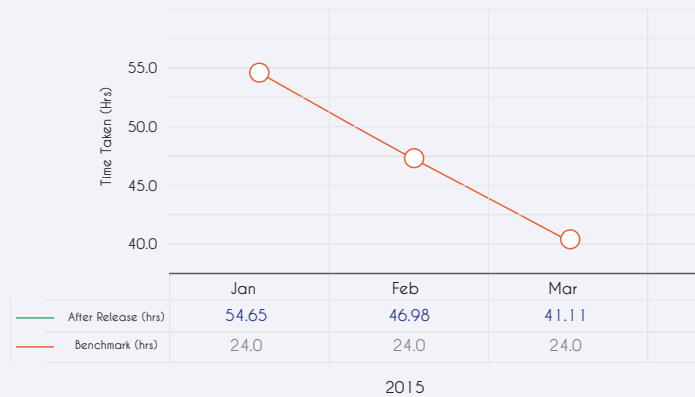


Fig 4: Time Taken After Customs Release



The time taken after Customs have issued the transporter with a release order form authorizing their exit, significantly reduced from 54 hours 39 minutes to 41 hours 6 minutes in January to March 2015 as shown in figure 4 above.

The result shows improvement in the rate of cargo pick up by transporters. However, the response time is still high compared to the 24 hours target. Failing to reach this target will continue to affect the port dwell time for cargo in transit.

The Clearing Agents should closely collaborate with the cargo owners and the transporters to expedite cargo offtake from the Port. Furthermore, the owners of cargo should be sensitized about their responsibility towards minimizing delays and demurrage/storage charges at the Port.

CORRIDOR INDICATORS

Weighbridge data are transmitted on a weekly and monthly basis through KeNHA's weighbridge administrators.

Weighbridge Indicator Adjustment

Previously, weighbridge indicators were reported based on the static weighbridge data.

However, information on static weighbridge is viewed insufficient as it does not include data on the High speed weigh-in-Motion (HSWIM) for the trucks that are compliant and are not called in.

Therefore, by including information from the HSWIM enable us to factor in all the vehicles for both HSWIM and static weighbridges for the weighbridge indicators. This is with effect from February 2015 as reflected in fig 5.

Register on the HSWIM provides the following information:

-
- I. Total number of vehicles weighed using both HSWIM and static weighbridges
-
- II. Number of trucks called in, which forms the total number of trucks that passes through the static weighbridges.
-
- III. Total number of vehicles that pass the HSWIM and are not diverted to the static weighbridge.
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5 WEIGHBRIDGE TRAFFIC

This indicator measures the average number of trucks weighed per day at the various weighbridges in Kenya.



Fig 5: Monthly Average Daily Traffic Volume

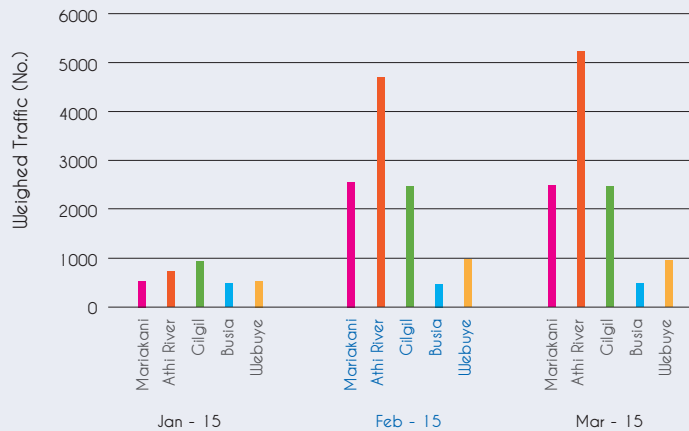


Fig 5 above shows that on average Athi River registers the highest number of traffic weighed followed by Gilgil. Both Gilgil, Athi River and Busia showed a rise in traffic weighed while Mariakani and Webuye showed a drop in traffic volumes entering the weighbridge in March compared to February 2015. The January figures are only for the fixed scale.

Some of the reasons for the consistent weighed traffic volumes include the high speed weigh in motion installed at the respective weighbridges by KeNHA and the Vehicle Load Control Charter that was signed by key stakeholders to allow for self-regulation against overloading.

The high traffic weighed at Athi River and Gilgil might be due to cargo that

are originating from Nairobi and its environs being the capital City and the main business hub in the country.

All the weighbridges (except Busia) along the Northern Corridor are implementing high speed Weigh-In-Motion (HSWIM) and only trucks that fail WIM are diverted to the static scale.

6 WEIGHBRIDGE COMPLIANCE

This measures the percentage of trucks that comply with the vehicle load limits before and after re-distribution of the weights.



Fig 6: Weighbridge Compliance Level

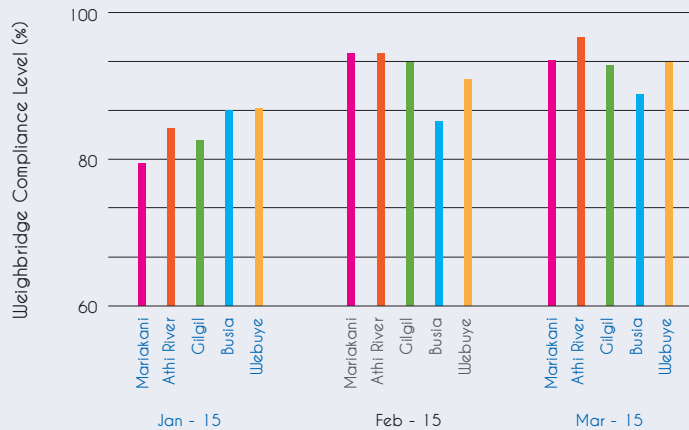


Figure 6 shows that only Busia weighbridge registered a compliance level of below the 90% level both in February and March 2015.

All the weighbridges have showed a drop in compliance level from February to March except Webuye (91.4% to 93.8%) and Busia (85.5% to 89.3%).

In general, all the trucks weighed should achieve a target of 100% compliance with very few exceptional cases.

7 TRANSIT TIME IN KENYA

Transit time in Kenya is an estimate of the period from the time release order entry is generated at the port of Mombasa to the time the export certificate is issued after crossing the border at Malaba or Busia.

Therefore, it includes delays after customs release before the cargo is evacuated from the port and also delays in at the border where sometimes manual entries for export certificate are done and the system updated at later time when cargo has already crossed the border.



Fig 7: Transit Time in Kenya - Mombasa to Malaba and Busia

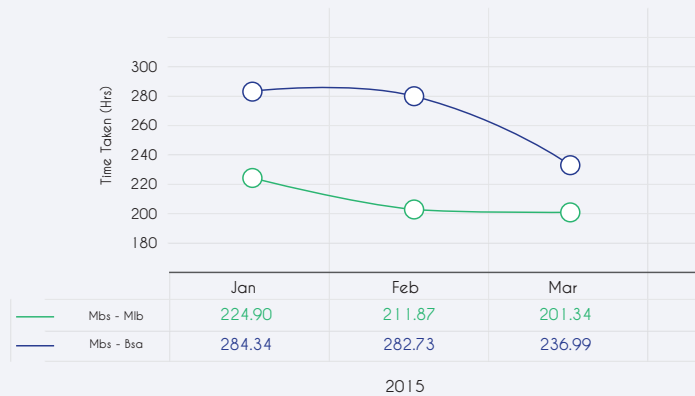


Figure 7 above shows that transit time varies with route and by month. Transit time from Mombasa to Malaba averagely decreased by one day from 9.4 days to 8.4 days (225 to 201 hours) in the months of January to March 2015 respectively.

Time taken to Busia also decreased by about two days from 11.8 days (284hrs) in January to 9.9 days (237hrs) in March 2015.

In general, it's indicative that it takes longer to transport cargo through Busia route than to Malaba due to some sections of route that are under construction.

MARITIME INDICATORS

8 WAITING BEFORE BERTH

This is the average of the time difference in hours from the entry in port area to the berthing time. It is measured from the time the vessel arrives at the fairway buoy to the time at its first berth.

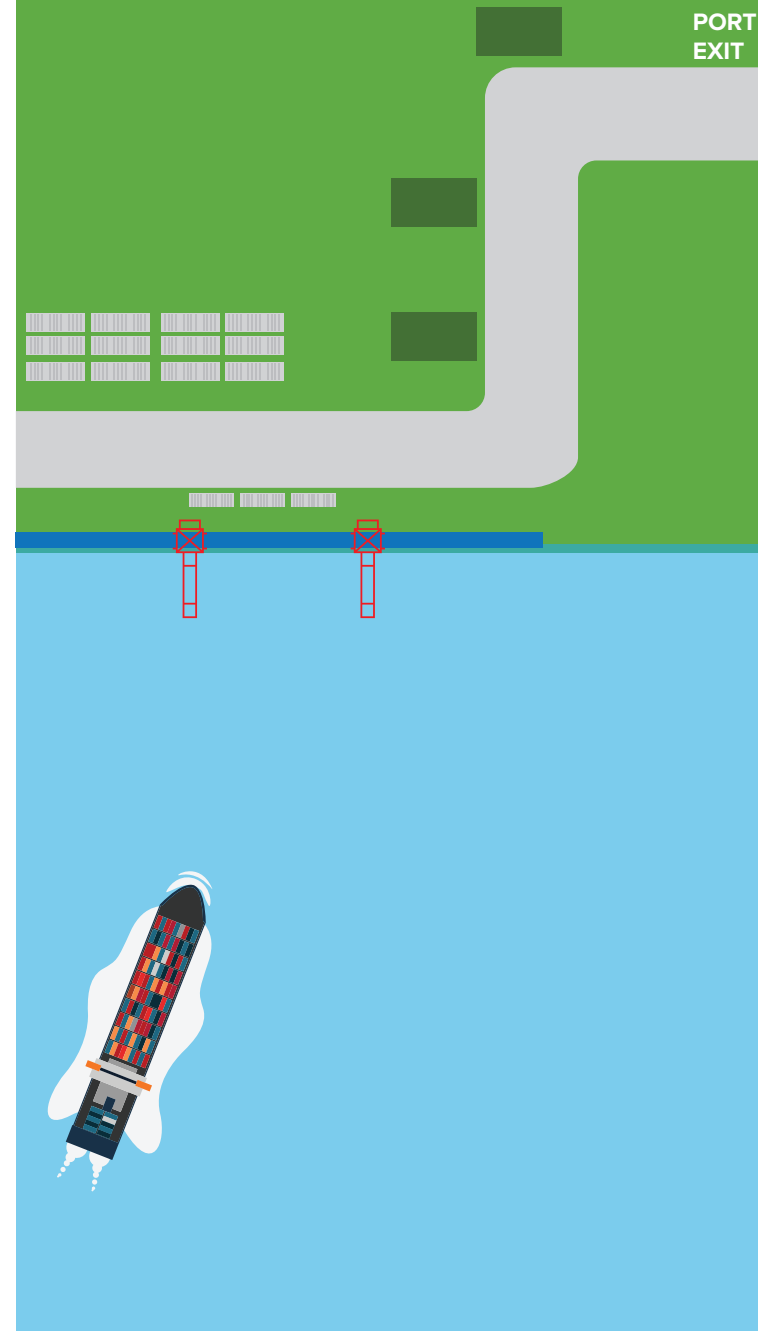
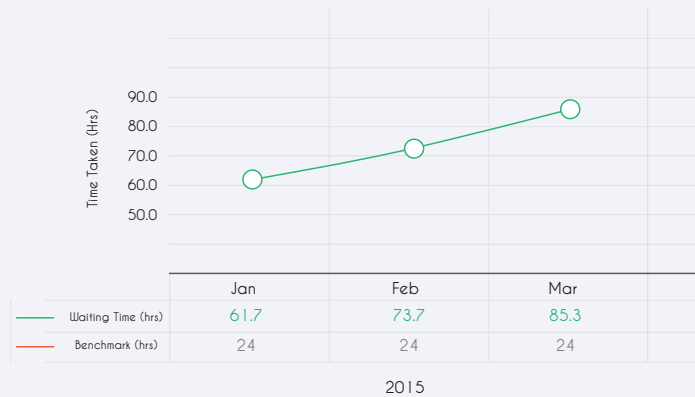


Fig 8: Containerised Vessel Waiting Time Before Berth



The Figure 8 above shows that the time taken by ship from entry to berthing increased by one day from 2.6 days (61 hours 42 minutes) in January to 3.6 days (85 hours 18 minutes) in March 2015.

The trend shows a continuous increase in waiting time that further affects the ships turnaround time.

The trend indicates a rise in vessels waiting time. The Port Authority and regulatory agency should take necessary measures to ensure that the trend containerized vessels waiting time is reversed.

One of the commitments was to implement measures to ensure that ships waiting time is reduced to 0.20 days by 31st December 2014.

9 SHIPS TURNAROUND TIME

The indicator is measured from the time the vessel arrives at the fairway buoy to the time it is piloted off when departing the port.

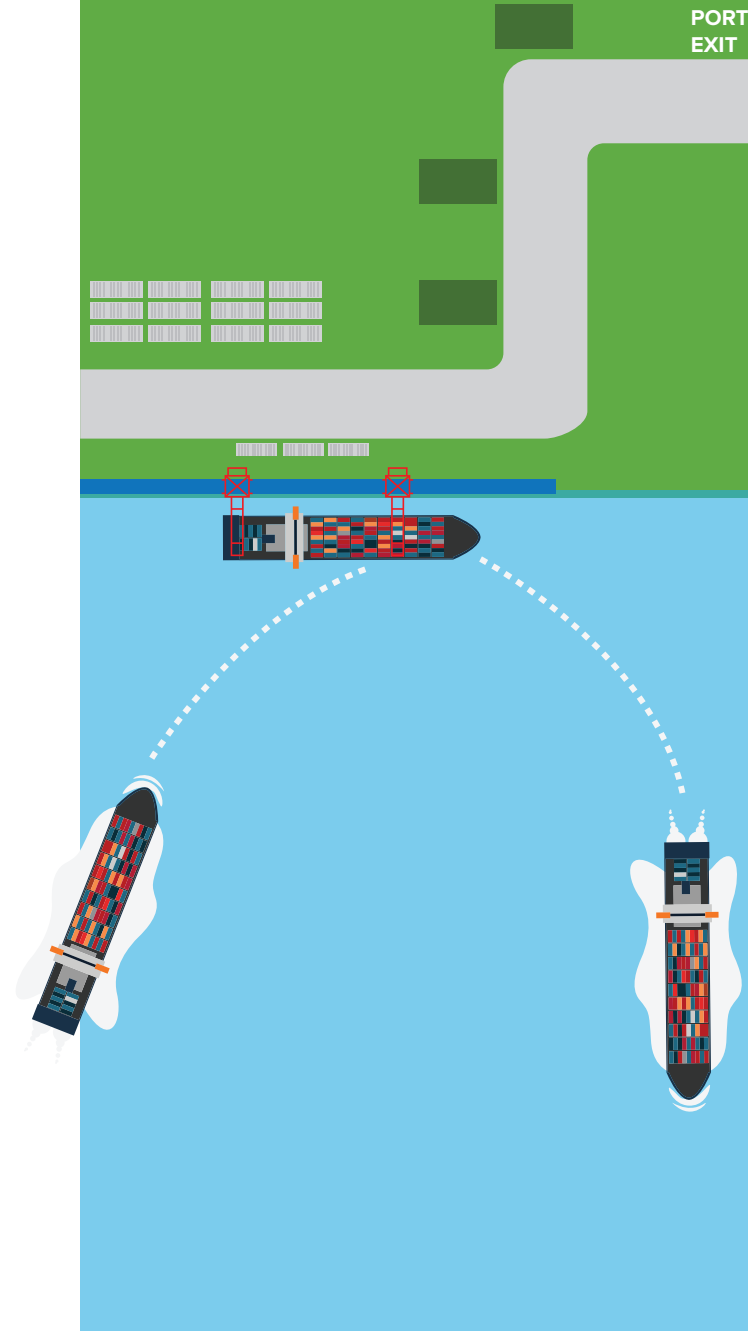


Fig 9: Containerised Ship Turnaround Time

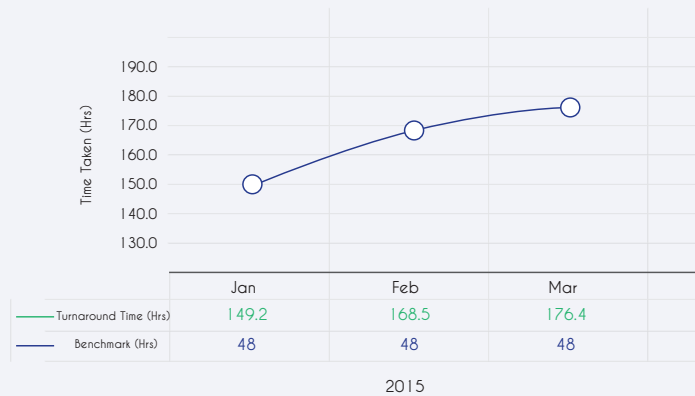


Figure 9 above shows that ship turnaround time increased from 6.2 days (149 hours) to 7 days (169 hours), in the month of January and February, and later on to 7.4 days (176 hours) in March 2015.

The turnaround time is still above the 2 days benchmark.

KPA's commitment was to foresee an improvement of 900 moves per day in 90 days after the charter was signed.

Furthermore, the management committed to achieve a month-on-month set target by 31st December 2014.

10 CONTAINERS UPTAKE AT THE CFS

Container Freight Stations (CFSs) are an extension of the port and are privately managed. Decongestion of the port of Mombasa enormously depends on the efficient performance of the CFS cargo clearance process.

Cargos to the CFSs are either client nominated or KPA nominated. All the local cargo and a fraction of transit cargo are mostly cleared from the CFSs.

Table 1: Monthly Container Deliveries and Nomination at the Port of Mombasa

MONTH	CONTAINER TYPE		TOTAL TEUs
	20'	40'	
Jan - 15	16,200	8,734	33,668
Feb - 15	13,231	7,893	29,017
Jan - 15	13,339	8,191	29,721

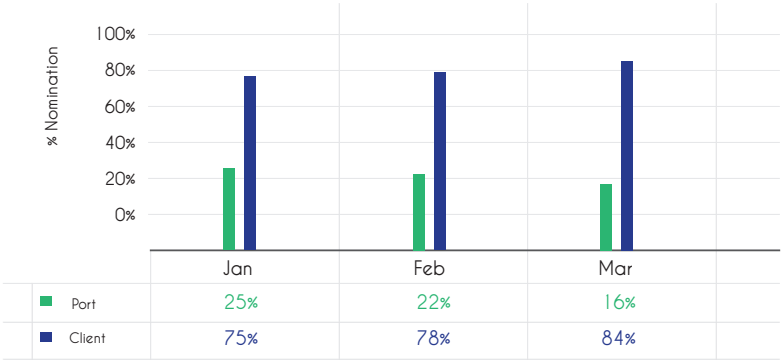
CONTAINER NOMINATION		% NOMINATION	
KPA (NO.)	CLIENT (NO.)	KPA (%)	CLIENT (%)
12,188	36,580	25%	75%
10,539	36,328	22%	78%
7,261	42,876	16%	84%

Table 1 shows that most of the Containers offloaded at the port are the 20' containers type. There was high uptake of containers at the port of Mombasa in January compared to February 2015 (33,668 TEUs to 29,017 TEUs).

It is worth noting that Shippers behaviors and attitudes have a big influence on Port productivity and

corridor performance especially on Cargo pick up and removal from CFSs.

Fig 10 provides a summary of container nomination at the port. It is clearly evidenced that most of the containers received at the port are client nominated.



2015

This has been on the rise since January to March 2015.

This confirms that little preference is given to KPA compared to CFSs.



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