

FEDERATION OF EAST AFRICAN FREIGHT FORWARDERS ASSOCIATIONS

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FEDERATION OF EAST AFRICAN FREIGHT FORWARDERS ASSOCIATIONS (FEAFFA)

QUARTERLY REPORT ON COMPETE GRANT

2ND QUARTER, APRIL – JUNE 2010

VISION: TO BE A MODEL PROFESSIONAL ASSOCIATION IN FREIGHT LOGISTICS

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Section A. General Information

Name of Organization:	Federation of East African Freight Forwarders Associations (FEAFFA)
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Organization's Contact Person:	John K. Mathenge, Regional Executive Officer
P F Tracking Number:	<u>FEA-STA-010-012</u>
Title of Activity:	Strengthening FEAFFA to become a self sustaining regional business association effective in championing the growth and development of an efficient, professional, self-regulated and competitive freight logistics industry.
Start Date of Reporting Period:	1 st April 2010
End Date of Report:	30 th June 2010
Date Report Submitted:	15 th July 2010

Section B. Overview

Before the grant, FEAFFA did not have a Secretariat apart from the Regional Executive Officer who was working on voluntary basis. Since establishment more or less started from scratch, it consumed substantial time. As a result, it could appear as though the Federation is not keeping pace with the activity plan.

Secondly, the Grant agreement was signed on 11th January 2010 for the period starting 1st January 2010. There was a corresponding work plan outlining the activities to be executed under the grant. During the month of February, the Federation initiated development of strategic plan, which led to development of a work plan. It became apparent that the activities contained in the grant activity plan needed to align to the strategic work plan of the Federation.

Having passed the establishment phase, we are now confident that the following months will be dedicated more to implementation of the various activities hence expect to show improved results subsequently.

Section C. Activity Matrix

Pillar and activities	Target out	Status	Comments/challenges
<i>Institutional development and self sustainability</i>	To lease office space	Office space was leased effective 1 st May 2010.	It took longer than anticipated to lease an office mainly because demand of office space in the preferred areas was very high.
	To procure furniture	Furniture was procured in May. This was again behind schedule.	Delay was occasioned by the late acquisition of the office space.
	To procure office equipment and other office infrastructure	Computers and other office equipment were purchased and installed early in the month of June.	Like in the case of furniture, delay in leasing the office affected acquisition of the equipment
	To hire an accountant	The accountant was hired and commenced work in the second week of May.	Recruitment process was repeated after the initial candidate failed to honour the letter of offer.

			COMPETE assisted in the process of recruiting the replacement.
	To hire Communication and Advocacy and Administration officers	The process of recruiting these two members of staff was concluded early June but they were to take up their positions in the Federation by 1st July.	To reflect a Regional balance in the staffing of the Secretariat, the Board decided to hire outside Kenya. This required advertising the vacancies regionally and enlisting the services of a recruitment agency. The whole process took longer than expected. There was a requirement to acquire and pay for work permits fees for the two staffs at a rate of Kshs. 100,000.00 per person (US\$ 1,250.00). Since there was no budget, date of commencement of their contracts was pushed to 1 st July 2010 in order to benefit from the waiver of work permit fees under the East Africa Community Common Market.
	To operationalise the Secretariat	The office became operational from mid May.	
	To hold a Board meeting	The Board of the Federation held a meeting on 1 st June 2010 in Kampala with the following output. <ul style="list-style-type: none"> - The FEAFFA Code of Conduct was signed by heads of all the associations and the President of the Federation. Associations are required to implement the Code of Conduct in their respective countries latest by 31st December 2010. - Established a criterion for appointing members to the 	

		<p>FEAFFA/Revenue Authorities Technical Committee. The Committee is tasked to recommend policy reforms to the Commissioner Generals and FEAFFA Board forum slated for November 2010.</p> <ul style="list-style-type: none"> - The Board sanctioned development of a specific training module on safety and security - It approved the design of the proposed Certificate of competence for the practitioners in the industry and put in place mechanism for implementation of the certificate. - It sanctioned a training of trainers' course that is to be conducted in Uganda in partnership with FIATA. 	
	To develop a branding strategy	The branding strategy was not developed as anticipated by June 2010.	This was pushed back to July awaiting the coming on board of the Communication and Advocacy Officer, who will lead the activity
Lobbying and advocacy	To organise a consultative meeting between the Board of FEAFFA and the Commissioner Generals of the Revenue Authorities from the five countries of EAC	<p>The consultative meeting was held in Serena Kampala on 31st May 2010. The following were the main areas of focus:</p> <ul style="list-style-type: none"> - Joint training and certification of Customs agents - Establishment of an accreditation and registration system to enhance professionalism, ethics and integrity in the freight forwarding sector. - Sensitisation of Customs agents on the East Africa 	<ul style="list-style-type: none"> - A technical committee was established between the Revenue Authorities and the Federation to consult further and make policy recommendations to the next high level policy meeting (Commissioner Generals and FEAFFA Board) meeting slated for November 2010.

		<p>Community Common Market</p> <ul style="list-style-type: none"> - Harmonisation and simplification of licensing procedures in the Region by the Customs administration - Mutual recognition of licences issued by one Customs administration in the Region by the rest. - Putting in place a structured system of engagement between the Federation and the Revenue Authorities - Increasing the uptake of the Authorised Economic operator by freight forwarders (Customs agents) - Establishment of a dispute resolution mechanism - Allowing vehicles licensed to carry transit cargo to convey interstate goods. - Harmonisation of working procedures and hours between ports and border stations. 	<ul style="list-style-type: none"> - Revenue Authorities and the Federation agreed to work in partnership on all matters of mutual interest. - Proposal to establish structured consultation/engagement between the Revenue Authorities and the Federation was endorsed.
<i>Membership services</i>	Development of a membership directory	Terms of reference developed and vendor will be contracted in July.	This is a self financing activity that is also expected to generate some revenue.
<i>Professionalism, Certification and Accreditation</i>	Organise a meeting of the committee that is coordinating implementation of the East Africa Customs Freight Forwarding Practising Certificate (EACFFPC) and Curriculum	This meeting did not take place during the month of June as scheduled.	The activity was pushed to the month of July. This was because most of the Customs administrations in the Region were unavailable for a meeting in the month of June due to the budgeting process.

	Implementation Committee (CIC)		
Knowledge Management	To sensitise freight forwarders in all the five countries on the East Africa Community Common Market.	The activity did not take place in June as anticipated.	The Directorate of Customs of EAC Secretariat and the national Customs administration, which were to provide resource personnel (facilitators) were engaged in national budgeting process hence, were unavailable. This activity was pushed back to July 2010 but may fall back further due to funding challenges
	Development of a website for the Federation	The terms of reference are developed and selection of suitable developers is underway. Construction to start in July.	Delay in the recruitment of the Communication and Advocacy officer occasioned the slight delay in the commencement of this activity. This activity is now on course.
	Development of a newsletter for the Federation	The activity was to commence in June. Concept note and TOR have been developed. A suitable vendor is being sourced with a view to contracting and rolling out the activity by July.	Delay in the recruitment of Communication and Advocacy and Information Technology officers led to the lag. These officers are now on board hence work is in progress.

Section C. Conclusion

- Quite a number of activities listed in the work plan have a Private Public sector partnership perspective. This means that the happening of an activity is not solely dependent on the Federation. The collaborative partners often influence certain aspects of the planned activities e.g. the timing, the location etc. The postponement of the meeting between the Federation and the Commissioner Generals of EAC from the 1st week of

April to the last day on May attest to this.

- Some of the activities are a breeding ground for further activities. The available budget only caters for the initial activities yet achievement of the ultimate results rest with the success of the subsequent activities. It is important to determine how best to fund these activities.

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