



**KTA- COMPETE CAPACITY ENHANCING TO SUSTAINABILITY**

**2012 QUARTERLY TECHNICAL ACTIVITIES REPORT**

(APRIL-JUNE 2012)



**KTA GETS NEW OFFICIALS:** *The newly elected KTA Limited Board of Directors, Front Row right to left: Imran Pasta, Hassan Bayusuf, Paul Maiyo, Iqbal Bayusuf; Second Row, right to left: Gulam Yusuf, Zahir Kara, Kipro Bundotich and Shakil Khan. Missing in the photo is Salad Awale who was elected in absentia.*

## KTA – COMPETE GRANT – BASIC INFORMATION

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## 1. OBJECTIVE

The core objective of this report is to highlight on the key activities undertaken and the extents to which targets set for the second quarter of the year (April-June 2012) have been met.

The analysis has been based on the three (3) pillars outlined in the KTA Strategic Plan namely;

- Advocacy.
- Institutional Development and Sustainability.
- Member Services.

## NARRATIVE REPORTS

## 2 ADVOCACY.

### 2.1 Stakeholders Forum on Draft Petroleum Regulations

The forum was held in Mombasa on 24<sup>th</sup> April, 2012 to discuss the Draft Petroleum Regulations. Prior to this, KTA had submitted views on aspects of the draft regulations that affected our members directly. The views were submitted in the form of a memorandum to the Energy Regulatory Commission. Among some of the notable recommendations made by KTA and which received due attention were;

- Clarification on the rates to be charged on licenses: KTA felt that there was a need for the regulations to be specific about the amounts to be charged for licenses as this would be useful for purposes of budgeting on the part of the petrol tanker owner. During the forum it was proposed that the licenses be zero rated and that it would be necessary to consult in the future if a need arose to charge for the licenses.
- Notice prior to inspection: KTA held the view that as a matter of courtesy it would be prudent for inspectors to give notice of visitation prior to undertaking an inspection of tankers. The forum recommended that a schedule calendar for inspection be issued every year.
- Accidents reporting: KTA, in its memorandum, had noted that the draft regulations did not clearly spell out persons to be contacted and/or contacts to be used in reporting accidents. The forum recommended that call centers be set up and that the emergency contacts should be updated periodically to facilitate efficiency in reporting accidents.

### 2.2 The One Stop Border Post, OSBP Committee

On 14<sup>th</sup> and 15<sup>th</sup> May 2012, KTA attended the above meeting convened by the Ministry of East African Community in Machakos town to discuss about the One Stop Border Post OSBP initiative. The objective of the meeting was to:

- Review and agree on the terms of reference (TOR) for the National OSBP steering committee.
- Review TOR of the National and Bilateral sub-committees and appoint lead agencies to spearhead them.
- Discuss the concerns of the Sectoral Council on legal and judicial affairs on the OSBP Bill 2010.

During the meeting, KTA was included on the National OSBP Steering Committee.

### **2.3 Ports Management Association for East and Southern Africa, PMAESA Meeting**

On 14<sup>th</sup> and 15<sup>th</sup> May 2012 again KTA attended the above meeting convened at the Mombasa Continental Resort, Mombasa courtesy of PMAESA and the Kenya Ports Authority, KPA.

The Meeting was called to discuss:

- Creation of a single point of coordination which will oversee and support the activities of the various African Corridor Management Institutions.
- Identification of best practices among African Corridor Management Institutions.
- Identification of African Corridors with the global network to improve safety, reliability, efficiency and effectiveness of services provided by corridors.

### **2.4 The Trucking Industry Survey Report**

On 19<sup>th</sup> May 2012, KTA received a summary report of the Trucking Industry Survey report from the Northern Corridor; a survey that was sponsored by the World Bank in collaboration with the Northern Corridor, KTA and The Mombasa Polytechnic University College.

The Objectives of the survey were set out as follows;

- Help Transport Associations move towards fact-based policies in lobbying governments on behalf of their members.
- Develop accurate and reliable web based database on road transport operators and fleets that is essential to understand road transport sector.
- Enhance effective and efficient management of fleets by member transport operators.
- Provide a basis for cooperation of road associations/operators/corridor authorities/government agencies/licensing boards/ministry of transport/shippers.
- Develop systems to collect and manage data on the performance of key corridors.
- Assess the impact of trade facilitation initiative by the private sector, government and development agencies.
- Promote mechanisms for the participation of all main stakeholders in the management of trade corridors.
- Focus on mechanism that takes spatial account of specific needs of all Countries through corridor, coastal and landlocked approach.



*Participants in the Trucking Industry Survey Training at the Mombasa Polytechnic University College in Mombasa on 15<sup>th</sup> March 2012*

## 2.5 Road Safety

In the month of June KTA participated in a meeting organized by the National Road Safety Council (NRSC) at the Aga Khan Hall Mombasa on Thursday June 7, 2012 and a visit to Mariakani Weighbridge on Friday June 8, 2012. The meeting discerned two key points for discussion;

- Road Safety
- Staff (driver) Welfare

The meeting noted the following as the main causes of road carnage;

- Poor recruitment procedures
- Fatigue
- Lack of knowledge of road signs
- Freewheeling
- Speeding
- Use of unroadworthy vehicles on the road
- Overloading
- Route deviations, use of fake number plates and bribery by some transporters to weighbridge officials, Police and other interested parties
- Poor pay and dishonest driver incentives for drivers resulting into to driver carelessness.
- Deployment of trucks especially during late hours exerting undue pressure on drivers, on the road and traffic flow in general

Key among the recommendations made at the meetings include;

- Thorough driver recruitment procedures and good background check system;
- Deployment of two drivers for every truck safari to alleviate driver fatigue that contributes to high rate of accidents.
- Driver training especially on road signs; and particularly for foreign drivers
- Training of staff/drivers on the dangers of freewheeling and also determining correct fuel allocations for the journeys to curb the menace of freewheeling.
- Imposing heavy fines/ harsher penalties on offenders especially transporters who overload and officials engaged in corruption.
- Use of CCTV cameras with a possibility of linking the system to other key stakeholders.
- All vehicles passing through weighbridges must obtain tickets for ad hoc route inspections.
- Training drivers on the hazards of speeding
- Closer and mutually beneficial working relationship between employers and staff/drivers
- Transporters should determine correct travel times for their road crews.

The meeting was also informed of the upcoming KTA East African HCV Drivers Training Institute with a plea to stakeholders to utilize the facility once ready in order to promote road safety.

The meeting noted that a number of trucking companies have already embraced elaborate training programs and modern fleet management systems in a bid to promote safety and maximize on profits.



*Traffic Commandant Joseph Ole Tito addressing participants during the NRSC meeting at Aga Khan Hall in Mombasa on June 7, 2012*

## 2.6 Joint Border Committees Assessment

On June 19<sup>th</sup>-22<sup>nd</sup>, KTA participated in the Joint Border Committees (JBCs) Assessment Program at the Namanga border. Interviews and follow-up meetings were held between facilitation committees and other stakeholders on both sides of the Kenya and Tanzania borders. Key facilitators were KRA and TRA Revenue Officers on both sides of the border. KTA was also part of the team that witnessed the launch of the Federation of East Africa Freight Forwarders Associations (FEAFFA) Code of Conduct on 22<sup>nd</sup> June 2012 at the Namanga border.

The establishment of JBCs fundamentally seeks to ensure proper co-ordination of the various services in order to guarantee that borders are managed with maximum effectiveness and efficiency while facilitating trade through the border post.

JBCs are a precursor for effective implementation of One Stop Border Post (OSBP) and Single Window Systems (SWs) operations that are key to achievement of Integrated Border Management systems.

The JBC needs assessment is carried out based on six pillars namely;

1. Institutional Frameworks and Service Delivery that provides the recommended organizational setting for introducing JBCs and eventually the IBM concept.
2. Legal and Regulatory Framework which describes the necessary legal basis for cooperation and information exchange necessary to ensure trade is facilitated.
3. Operations and Border Post Management Systems that serve as a necessary guide to areas of improvement.
4. Human Resources and Training that deals with recruitment and educational/training issues within the framework of coordination and cooperation.
5. Communication and Information Exchange that provides guidance on how best to create standardized and efficient flows and exchanges of information
6. Infrastructure and Equipment that compliments each chapter by recommending how equipment and facilities can support cooperation and coordination at all levels.



*Participants at the Joint Border Committees Assessment. Back-row far right is the KTA Program officer*

## 2.7 Advocacy Competence Course

KTA participated in a two-day training course on Advocacy Competence. The training covered the following key areas among others:

- The 5 Step approach to advocacy
- The regulatory environment for business
- Identifying an advocacy issue and strategy
- Handling public relations and the media
- Influencing and negotiation skills
- Preparing a concept note and application to the Business Advocacy Fund
- Research for advocacy

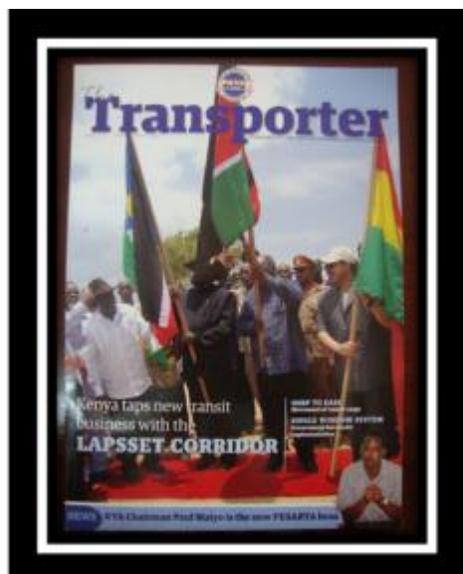


*Participants at the Advocacy Competence Course: Second Row-Far Left; KTA CEO, Jane Njeru; Back Row- third from left; KTA Organizing Secretary, Lucas Dindi; Fourth KTA Program Officer, Habil Kalasani*

### 3 INSTITUTIONAL DEVELOPMENT AND SUSTAINABILITY.

#### 3.1 The Transporter Magazine

The Transporter- 15<sup>th</sup> edition went to press on the 12<sup>th</sup> April, 2012. A total of 2, 000 copies were published. Of this number, 485 were printed for sale, while the rest to be distributed free. In the last two weeks of April, free copies of the magazine were distributed through our courier service provider to all our members, stakeholders and past advertisers. We have been monitoring the distribution closely to ensure that the target readership is reached on a timely basis.



Notably, good progress has been made on the 16<sup>th</sup> Edition which will be published within the second (2<sup>nd</sup> week of July). Currently, the designer is finalizing the PDF which shall subsequently be submitted to the publisher at the end of the week (6<sup>th</sup> July, 2012).

#### 3.2 The East Africa HCV Drivers Training Institute Business Plan

On May 25, 2012, a meeting was held between KTA and USAID-COMPETE officials to discuss the Business Plan for the Training Institute. The Business Plan is envisaged to come up with creative business models that will guarantee the sustainability of the Institute in the coming years as well as ensure that the benefits inherent to this project are fully realized by our members. To this end, the Secretariat is actively facilitating the Consultant, seconded by USAID- COMPETE, in carrying out a Needs Survey.

Plans to relocate to a new premise to host the institute are still underway. Over the past few months, we have identified a number of premises located within and around Mombasa town. However, most of the premises visited so far have been found wanting especially with respect to technical requirements for the operation of the machinery (simulators).

**Proposed Option For Premises:** Showroom near Nakumatt Likoni. The office space is approximately 3168sq ft and the rent charges are Kshs. 75 /Sq ft (**KES 237 600**). The building is spacious and can comfortably

accommodate staff and institute, it's easily accessible to clients; fairly affordable; in a fairly secure location; has ample parking space.

Benchmarks for the ideal premise should include;

1. Spacious and ability withstand heavy machinery
2. Affordable.
3. Easy accessibility.
4. Possibility of future expansion.
5. Ample parking space.
6. Secure locality.
7. Fair mode of payment.

### **3.3 TMEA/KTA Projects**

#### **3.3.1 Single-Window E-Portal**

TMEA and KTA have partnered to develop the KTA E-portal as part of the Single Window project. The main objectives are;

- i) To develop an online web portal for rules, regulations and procedures for transportation in Kenya including providing for interfaces and linkage with the SW and IBM initiatives from the transporter's point of view.
- ii) To develop methods of dissemination of the collected documentation using online/offline methods.

In the month of April, TMEA seconded another consultant to KTA to assist with the on-going project.

The progress made so far in developing the e-portal includes;

- i) Collection of the informational material needed for the development of the E-Portal such as documents used in all areas of road transport; registration and licensing requirements and procedures, rules and regulations pertaining transportation, cross-border rules and issues affecting transport in East Africa.
- ii) Drawing up of a system user document. The system user document has been forwarded to TMEA awaiting their input.

### 3.3.2 GPS

KTA and TMEA have partnered to develop a truck-tracking system for transporters to enable them monitor the movement of their trucks. The system is currently at the testing stage. Already, two (2) GPS equipments have been availed to KTA in this respect.



*The Executive Secretary of Northern corridor, Mr. Donat Bagula and the KTA Limited CEO, Jane Njeru during her visit to the server room at Northern Corridor which is currently hosting the Transport Observatory and GPS Projects.*

## 4 MEMBER SERVICES

### 4.1 Member Visits

In appreciating the unique needs and the challenges facing our members, the KTA secretariat has embarked on a members visit program aimed at enhancing representation in advocacy matters from information collected from members.

Member visits by KTA secretariat team is on-going and appears to solidify relationships between the KTA Secretariat and members.



*From right, the KTA CEO Jane Njeru, Shreeji Enterprises MD Mr. Naresh and the KTA Program Officer-Member Services Habil Kalasani during one of the member visits to M/S Shreeji Enterprises Ltd. Mombasa*

### 4.2 Meeting with Maersk Kenya

In the wake of numerous complaints by our members on delays experienced in guarantee validation and other inspection processes, the Executive Committee held a meeting with Maersk Kenya management to seek for a solution. Following very extensive discussions, Maersk Kenya issued a directive on measures which we believe will help mitigate this problem notably, segregation of different depots for offloading different categories of empty containers thus avoiding unnecessary congestion at the depots.

### 4.3 **Busitema and Mbale weighbridge Issue**

Following reports by our members of harassment at the Busitema and Mbale weighbridges, KTA engaged the Kenya National Highways Authority (KeNHA) and the Ministry of East African Community (MEAC) to establish the way forward. The discussions clearly revealed the current stalemate in harmonization of the axle load limit requirements. We continue to engage these authorities at the highest possible levels with a conviction that tangible results will be realized soon.

### 4.4 **Recruitment of New Members**

The month of April saw the recruitment of five (5) new members to KTA. Of the five, one joined as an associate member, while the rest as ordinary members. We have also noted an increase in number of institutions seeking to partner with us.

The month of May 2012 saw the recruitment of two (2) new members to KTA. Of the two, one joined as an Associate member.

In June, 5 new members joined KTA as ordinary members.

### 4.5 **KTA Members Meeting**

KTA members meeting to discuss a notice by KeNHA regarding dummy/dead axles was held at the Castle Royal Hotel on May 2, 2012. During the meeting, a sub-committee was selected to engage KeNHA officials directly regarding demands to dismantle dummy axles. KTA managed to obtain a court order stopping KeNHA from implementing the directive on dummy axles pending determination by the court. This offers a temporary reprieve to our members as we continue to seek an amicable and permanent solution to this matter.



*Participants at the Members meeting on dummy axles at the Castle Royal Hotel on May 2, 201*

## 4.6 Annual General Meeting

KTA held its 9<sup>th</sup> AGM on Saturday, 16<sup>th</sup> June 2012 at the Travelers Beach Hotel. The Notice convening the 9<sup>th</sup> AGM was published in the Daily Nation of Thursday May 24, 2012. The AGM was co-sponsored by CIC Insurance and Kenya Commercial Bank (KCB) at a cost of KES 250 000 each. The meeting came in the wake of the transformation of KTA into a limited company and the election of KTA chairman as the FESARTA chairman. A total of 47 members participated in the meeting. During the meeting, nine (9) new officials were unanimously elected to the KTA Limited Board of Directors in accordance with the company's Articles of Association. The newly elected officials include:

1. Paul K. Maiyo
2. Zedekiah Kiprop Bundotich
3. Iqbal A. Bayusuf
4. Hassan Bayusuf
5. Gulam Yusuf
6. Salad Awale ( Elected In Absentia)
7. Imran Pasta
8. Zahir Kara
9. Shakil Khan



*Members participate in the elections.*



*Members follow proceedings of the Annual General Meeting held at Travelers Beach Hotel.*