

Background

The Federation of East African Freight Forwarders Associations (FEAFFA), is a regional business association made up of the five national clearing and forwarding associations of the five member states of EAC. It is domicile in Tanzania but its Secretariat is situated in Nairobi, Kenya. Until last year, the Federation did not have a Secretariat.

One of the interventions of the USAID Anti Corruption Programme (ACP) focused on strengthening the institutional capacity of the Federation. Specifically, the programme set out to assist FEAFFA establish a Secretariat that would ensure full discharge of its mandate. Among other things, this involved assistance to subsidise the salary of an officer to run the Secretariat. It is under these circumstances that the incumbent was contracted by ACP as the Executive Director of FEAFFA. This was a one-year contract commencing 1st October 2006 to 30th September 2007. Formalisation of the contract took about six months.

Management structure

Even though the ACP provided a job description to the ED, the Executive Board of FEAFFA was required to provide detailed terms and conditions of employment to the ED. This was because the ED was serving FEAFFA and therefore answerable to the Board of the Federation. Through this, the Board was to spell out the actual duties of the ED, outline the expected output and deliverables. These were to provide the benchmarks against which the performance of the ED was to be measured. However, this was never done.

As a result, the ED had to work out of own initiative, focusing efforts on areas which needed intervention especially those arising from meetings and activities of both the Federation and the ACP project.

Under these circumstances, the ED performed the following broad tasks.

- Running the Secretariat of FEAFFA
- Coordinating activities of the Federation and the ACP project.
- Providing secretarial services to the various organs of FEAFFA
- Developing various instruments of the Federation.
- Developing financial regulations for the Federation
- Developing various policy documents for lobbying by the Federation
- Coordinating the various activities relating the EACFFPC training programme etc
- Disseminating of information

Secretariat

Initially, the ACP was expected to provide support to lease office space and procure office furniture and equipment for FEAFFA Secretariat. However, due to lack of clear

policy guidance on the part of FEAFFA management and some complications within the project, this was never done. As a result, the incumbent operated from the KIFWA Secretariat situated in Nairobi. The ED was seriously constrained in terms of office equipment and other requisite infrastructure. KIFWA designated an office specifically for the Secretariat of FEAFFA.

Deliverables

Constitution – Following the course on Good Corporate Governance, the Federation undertook review of its Constitution. The revised instrument reflect principles of good governance, is more democratic and provides clear separation of power and functions between the Board (elected) and the Secretariat (appointed). The ED was in charge of the whole review exercise.

Organisational Structure – In order to create clear reporting structures and hierarchies, the ED developed an organizational structure for the Federation. This also included a separate structure for the Secretariat. The structures were adopted by the Board of FEAFFA.

Code of Ethics – The five countries represented in FEAFFA have over two thousand clearing and forwarding firms. The operators are distributed among the member countries as follows: Burundi - 46, Kenya – 1200, Rwanda – 86, Tanzania – 460 and Uganda – 380. Even though most of these companies are members of respective national associations, they do not subscribe to any code of ethics. FEAFFA developed a code of ethics in order to provide a basis for regulating behavior of operators. It was the incumbent who was charged with the responsibility of collecting the views of the members and preparing the code, which was eventually adopted by FEAFFA.

Financial regulations – The ED developed financial regulations, which were adopted by the Board of FEAFFA. The regulations have already been deployed to assist in the sound management of the finances of the Federation.

Meetings reports/minutes – The ED was responsible for organizing various meetings of FEAFFA. This included preparing background documents/reports, management reports and minutes of the meetings. He was also responsible for implementing decisions of the Board.

Work plan- Although the incumbent prepared a work plan for the Federation and recommended the same to the Board for implementation, the plan is still under consideration.

Budget – The ED prepared a budget for the Federation and the same was presented to the Board but is awaiting approval.

Audit of accounts – The ED facilitated auditing of the books of accounts of the Federation for the year 2006.

Training – The EACFFPC training programme was developed from scratch with the support of the USAID-ACP programme. The incumbent took part in the whole process i.e. development of the curriculum, preparation of training materials, validation of training materials, training of trainers etc. He coordinated all these activities and provided secretarial services.

So far the curriculum and training materials have been finalized. Nearly eighty trainers have undergone train-the-trainers courses. A total of one hundred twenty students have been admitted and are undergoing training in Kenya. The other countries have a deadline of 1st January 2008 to commence training. The training materials have also been translated into French for the French-speaking countries.

Accreditation – Though not finalized, an accreditation system is at an advanced stage of being developed. Once in place, it will clearly define how clearing agents will relate with the Customs authorities. The ED has been at the forefront of developing the accreditation system.

Advocacy – There has been an enormous improvement of public/private sector relation between the clearing and forwarding industry on one side and Customs administrations on the other side. This is evident at country and regional levels. At the Regional level, FEAFFA has cemented working relation with East Africa Revenue Authorities (EARA) and the Directorate of Customs at the EAC Secretariat.

Coordinating national associations – The ED provided a focal point, coordinating activities of the national associations in the implementation of the various programme activities under USAID-ACP and FEAFFA.

Website – the incumbent provided information to populate the website of the Federation under the USAID-ACP.

Challenges

- Insufficient policy framework
- Unclear terms of engagement between the incumbent and the Board of FEAFFA
- Lack of secretariat infrastructure
- Inadequate management support
- Delay in development and implementation of strategic and work plan
- Lack of resources

Way forward

- There is need to further strengthen FEAFFA Secretariat in terms of infrastructure, manpower and technical capacity.

- While all the national associations have agreed to implement the Code of Conduct by January 2008, much needs to be done to sensitise clearing and forwarding agents about the Code of Conduct.
- The Federation needs to develop a strategic and work plan
- On EACFFPC, the current momentum should be maintained at the Region in order to secure full implementation by all countries and maintain the integrity of the programme.
- The accreditation system should be finalised and deployed.
- The public/private sectors relation should be cemented further, defining areas and terms of collaborations, establishing service agreements (charters) and scaling up involvement of FEAFFA to fully participate in the process of policy change and management.
- It would also be important to devise appropriate strategies to increase participation of women in the industry.
- There is need to further sensitise the industry and the managements of the associations about the principles of good corporate governance.
- There need to enhance dissemination of information
- There is need to seek alternative avenues of raising revenue for the Federation with a view to ultimately achieving self-sustainability.
- FEAFFA could also expand its membership beyond the five countries members of EAC.

Signed

John Kibira Mathenge