



**PORT AND RAILWAY USERS CONSULTATIVE FORUM**  
**Held on Tuesday 23<sup>rd</sup> October, 2018**  
**at Sarova Stanley hotel**  
**Brief**

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**Introduction:**

The Kenya Association of Manufacturers (KAM) organized a half-day consultative forum to discuss and propose a way forward on the challenges that manufacturers and other importers face in transport and clearance of goods at the Mombasa port and Inland Container Depot Nairobi (ICDN).

Participants were drawn from government agencies including Kenya Revenue Authority (KRA), Kenya Maritime Authority (KMA), Kenya Port Authority (KPA), Kenya Port Health, Kenya Railways Corporation (KRC) and Anti Counterfeit Agency (ACA). Also present were representatives from the Private Sector such as Kenya International Freight Forwarders Associations (KIFWA), Shippers Council of Eastern Africa, Trademark East Africa (TMEA), and KAM members among others.

At the end of the forum, the following was agreed as the way forward:

1. As a short-term measure, there is need to rejuvenate the weekly (every Thursday) stakeholder meeting at ICD by ensuring representation of senior officers from government agencies. Further, there should be bi-weekly strategy and technical meetings between the senior officers from government agencies and bi-monthly meetings at Ministerial level and include KAM representative in all the above-mentioned meetings.
2. KAM to lead an Inter-Agency High Level Policy Meeting as a follow up to the Forum over the following issues:

	<b>ISSUE</b>	<b>RECOMMENDATION (S)</b>	<b>RESPONSIBILITIES</b>
1.	Free storage period	<ul style="list-style-type: none"> <li>• Revert to 11 days to allow government agencies to streamline their operations for faster clearance of goods.</li> <li>• Free period for shipping line to begin and end at ICDN for all containers whether under TBL or Merchant Haulage.</li> </ul>	KPA  KPA/KMA
2.	Multi Agency Team (MAT)	<ul style="list-style-type: none"> <li>• To share with KAM the Standard Operating Procedures (SOPs)</li> </ul>	MAT

3.	PVOC-Inspections	<ul style="list-style-type: none"> <li>Enforce Legal Notice No. 127.</li> <li>The PVOC to be adopted by all Government Agencies</li> <li>Fast track development of Kenyan Standards</li> <li>All government agencies developing Kenyan standards to share with KAM their proposed standards for feedback.</li> </ul>	<p>KEBS</p> <p>KRA-KEBS-ACA-Port Health-KEPHIS-Radiation etc.</p>
4.	Storage charges	<ul style="list-style-type: none"> <li>Give waiver for overstayed containers (That is container with more than 9 days storage period).</li> <li>Develop and sign a Service level agreements (SLA) with all agencies involved in the clearance of cargo with clear timelines. This to be embedded in Mombasa Port Community Charter (MPCC) for monitoring, evaluation and learning.</li> </ul>	KPA/KAM/KMA
5.	Accrued Demurrages (Shipping lines)	Consider a collaborative mechanism to seek waivers from all shipping lines.	KAM/KMA/KPA/Ship pers/KIFWA
6.	Localizing sea freight management	<p>Adopt international commercial terms (Incoterms)</p> <ul style="list-style-type: none"> <li>Imports –FOB</li> <li>Exports –CIF</li> </ul>	KMA/ KPA/ KAM/ KIFWA/ Shippers
7.	Delays in transfer of containers from Mombasa to Nairobi	Adopt first in first out model and adhere to 24hrs timeline	KRC/KPA/KIFWA/ Shippers
8.	Coordination of Government Agencies intervening in cargo clearance	Develop and sign SLA with clear timelines	KRA to take the lead
9.	Minor Tariff amendment storage rate for containers at ICDN- <i>that takes effect from 24<sup>th</sup> October, 2018.</i>	Charge to begin after the cargo has been approved by all Government Agencies involved.	KPA-KMA KIFWA/ Shippers
10.	Promotional rates	<ul style="list-style-type: none"> <li>Extend the implementation of promotional rate to June, 2019 and thereafter gradually increase at a rate of 5% after every 6 Months.</li> </ul>	KRC/KAM/KMA/Ship pers. KRC to take lead.
11.	Clearance processes	<ul style="list-style-type: none"> <li>Simplify AEO accreditation Process and adopt Know Your Customer (KYC ) principle</li> </ul>	KRA

3. KAM will plan a visit to ICDN Nairobi accompanied by High Level Delegation of relevant MDAs Heads, and Partners within two weeks.

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