Quarterly Port Community Charter Report

Northern Corrridor Performance Dashboard Outline

July-September 2015

NORTHERN CORRIDOR TRANSPORT OBSERVATORY
RELIABLE PERFORMANCE DATA

Northern Corridor
Transit and Transport
Co-ordination Authority

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INTRODUCTION

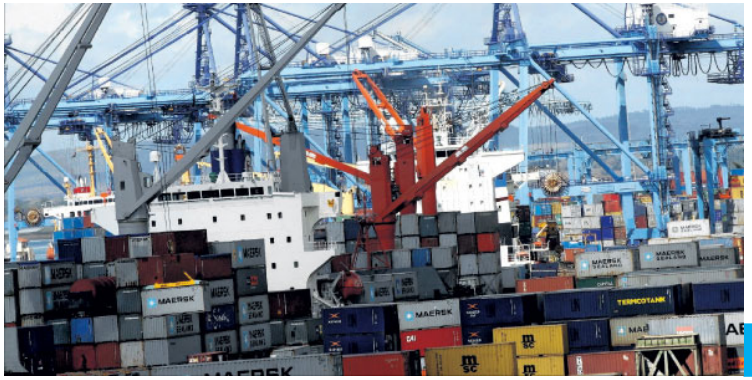
The Northern Corridor Performance Dashboard tracks nine key performance indicators on weekly, monthly and quarterly basis and is accessible via the links; http://top.ttcanc.org or www.kandalakaskazini.go.ke.

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.

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

The Northern Corridor Secretariat receives raw data submitted by Stakeholders and analyses them to generate reports for the Dashboard.



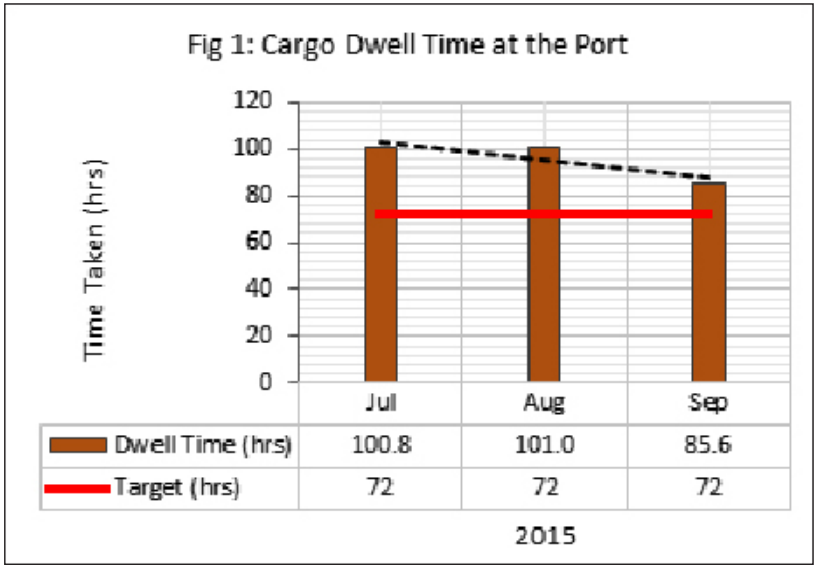
PORT INDICATORS

1. CARGO DWELL TIME AT THE PORT OF MOMBASA

Cargo Dwell Time is measured by the time that elapses from the time goods are discharged from the vessel and landed at the port to the time goods leave the port premises after all permits and clearances have been obtained.

Fig.1 shows that containerized cargo took on average 4 days (96 hours) to be evacuated from the port of Mombasa during the period July-Sep, 2015. Nevertheless, since July 2015 there has been a decreasing trend for the cargo dwell time. However, the performance is still higher than the 3 days (72 hours) agreed in the Port Charter through a commitment by KPA in collaboration with other stakeholders. The trend, though positive, can be improved if measures and interventions enshrined under the port charter are fully implemented and consistently put into practice.

Fig 1: Cargo Dwell Time at the Port



All the Port Charter Stakeholders are required to act on their commitments and expedite the implementation of subsequent actions plan.

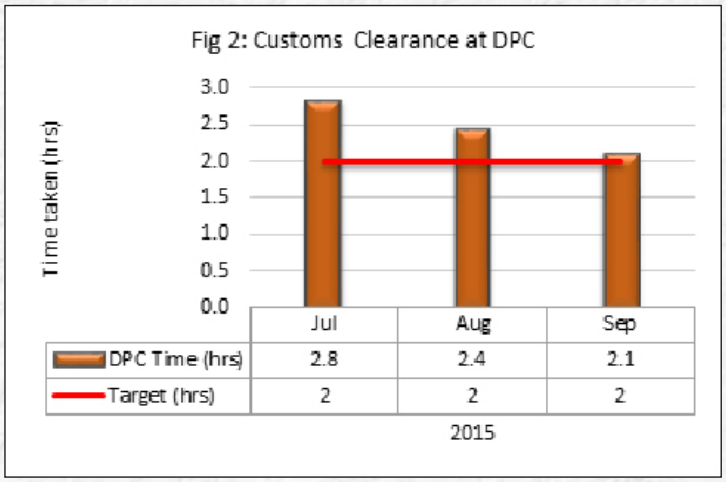
Containerized cargo took on average 4 days to be evacuated from the port of Mombasa during the period July-September, 2015.

Target: 3 days

2.TIME TAKEN AT THE DOCUMENT PROCESSING CENTRE (DPC)

This is the time it takes to have an entry lodged by a clearing agent passed by Customs. The time at DPC has an effect on port dwell time for cargo in transit.

From Fig. 2, DPC time for transit Cargo significantly improved from 2.8 hours to 2.1 hours from July to September 2015. However, the registered improvement is still higher than the set target of one hour. Any further delays in documentation implies a rise in logistic cost hence a rise in commodity prices.



Delays in Customs clearance at DPC is partly due to the SIMBA system instability during the period; document volumes awaiting processing in between the shifts; the quality of declaration by the relevant agents and other stakeholders' systems.

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.

Time at DPC for Transit Cargo slightly improved from 2.8 hours to 2.1 hours from July to September 2015.

Target: One hour

3. ONE STOP CENTRE CLEARANCE TIME

Time at One Stop Center has significantly improved from 55 hours to 48 hours from August to September 2015.

Target: 24 hours

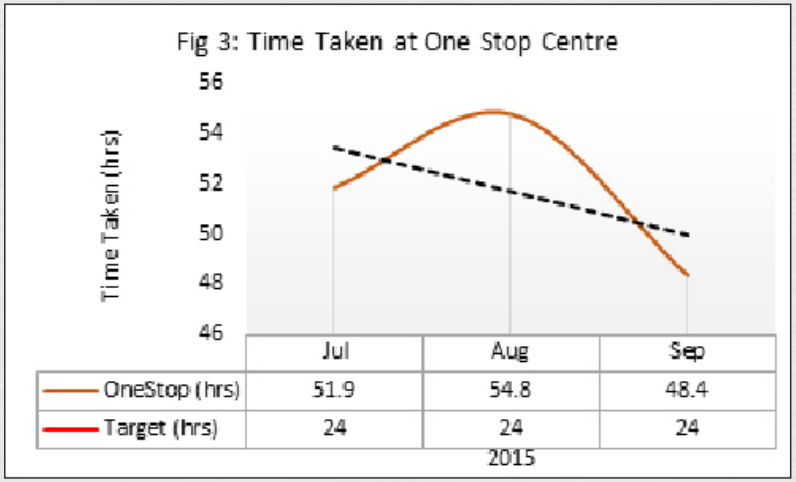
The indicator is measured by subtracting the time when an entry is passed from the time a release order is generated

From Fig. 3, time at One Stop Centre has significantly improved from 2.3 to slightly above 2 days (55 to 48 hours) from August to September 2015.

The trend indicates an improvement over time on One Stop Clearance time. Therefore, all agencies involved are expected to take the lead role in their respective clearance stages to achieve a target of 24 hours.

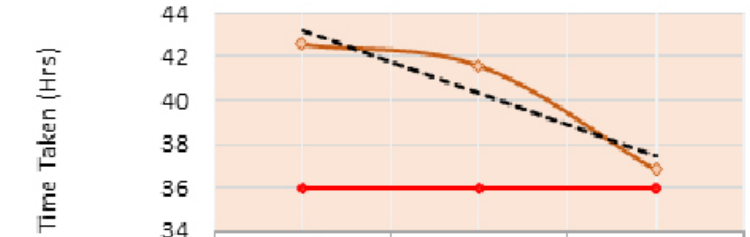
The Port Charter requires that the agencies involved in the clearance processes achieve a joint, effective and efficient physical verification of cargo to boost the clearance processes. This was to be done within the first 3 months of signing the Port Community Charter.

Fig 3: Time Taken at One Stop Centre



4. DELAY AFTER CUSTOMS RELEASE

Fig 4: Time taken After Customs Release



	Jul	Aug	Sep
After Release	42.6	41.6	36.8
Target (Hrs)	36	36	36

2015

Delay affter customs release refers to the period it takes to evacuate the cargo from the port after it is officially released by Customs.

Fig 4 indicates that Time taken after Customs Release has significantly improved from 1.8 to 1.5 days (43 to 36.8 hrs) from July to September 2015.

The result shows improvement in the rate of cargo pick up by transporters just falling short of the target of 36hrs in September by less than 1hr.

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

Customs Release has significantly improved from 43 hours to 36.8 hours from July to September 2015.

Target: 36 hours

CORRIDOR INDICATORS

These are indicators that assess the performance of the corridor by measuring compliance levels at weighbridges, volume of traffic and transit time from the port to the borders. Weighbridge data for these indicators are transmitted on a weekly and monthly basis by KeNHA through the weighbridge administrators while transit time is obtained from the Kenya Revenue Authority data.

On average Athi River registered the highest number of traffic weighed followed by Mariakani and Gilgil.

All the weighbridges (except Busia) are implementing high speed Weigh-In-Motion.

5.WEIGHBRIDGE TRAFFIC

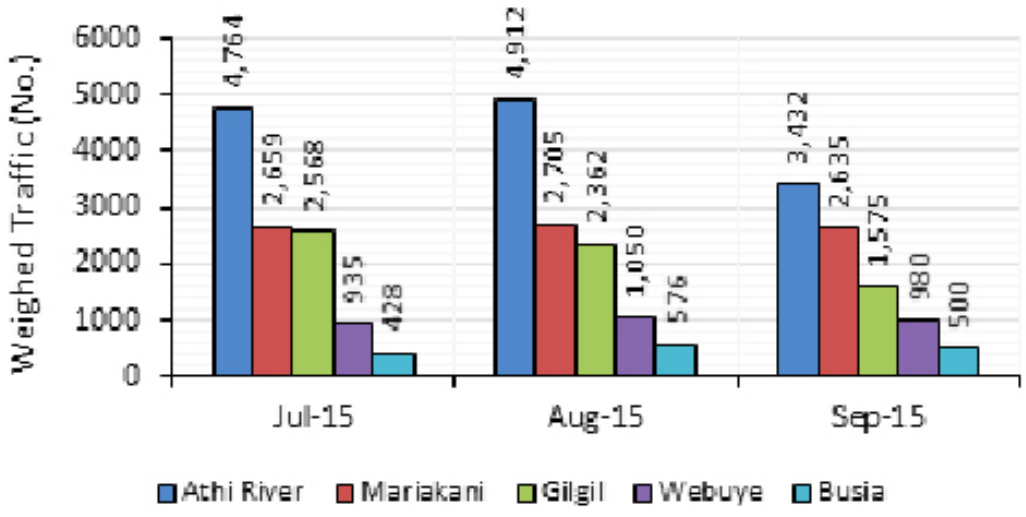
This indicator measures the average number of trucks weighed per day at the various weighbridges in Kenya.

Fig. 5 shows that on average Athi River registers the highest number of traffic weighed followed by Mariakani and Gilgil. During this quarter, both weighbridges showed mixed reaction on the traffic volumes weighed in the respective months.

The higher traffic weighed at Athi River as compared to Mariakani is 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.

Fig 5: Monthly Average Daily Traffic Volume



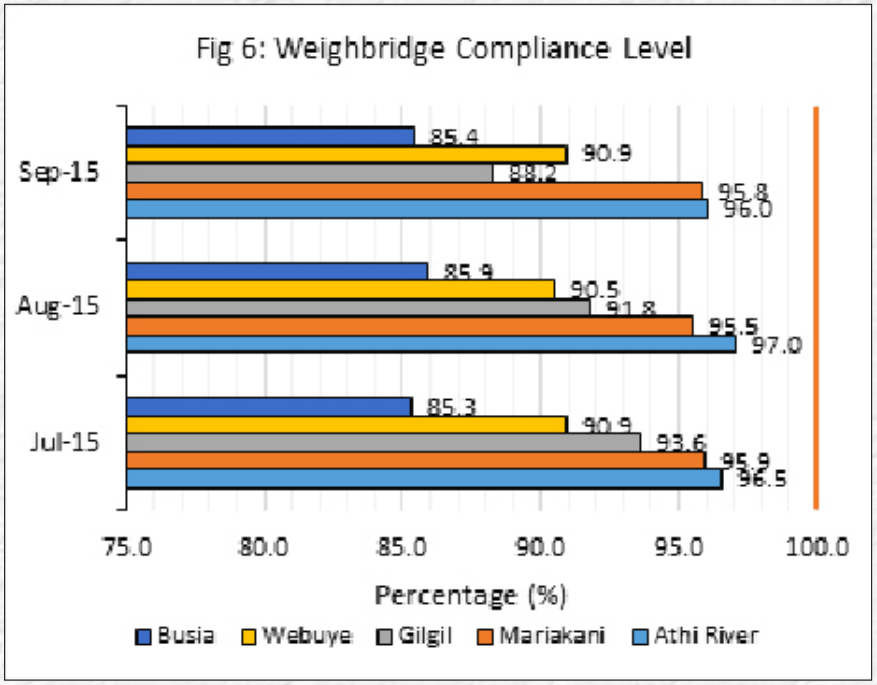
6.WEIGHBRIDGE COMPLIANCE

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

Fig 6 shows compliance levels at respective weighbridges for the entire quarter.

The weighbridges have showed fluctuations in performance within the respective months. However, Busia weighbridge registers the lowest performance as compared to the rest of the weighbridges.

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



Weighbridge Compliance levels varied between 97 and 95.3 for the entire quarter.

Busia weighbridge registers the lowest performance compared to the rest of the weighbridges.

Weighbridge Compliance Target: 100%

7. TRANSIT TIME IN KENYA

Transit time in Kenya is estimated as the period from the time a customs release order is generated at the port of Mombasa to the time the customs export certificate is issued after crossing the border at Malaba or Busia.

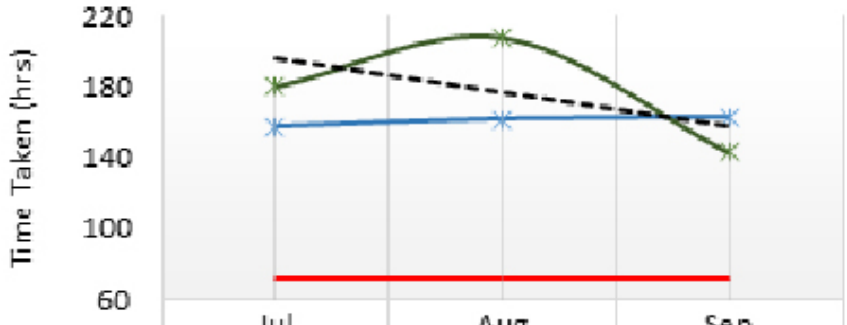
This therefore, includes delays after customs release before the cargo is evacuated from the port and delays at the border where sometimes manual export certificates are processed and electronic update in the system for export certificates is done later when cargo has already crossed the border.

Fig. 7 shows that transit time varies with route and by month. Transit time from Mombasa to Malaba averagely worsened off slightly from 6.5to 6.8 days in the months of July to September 2015.

Time taken to Busia, however, fluctuates month by month; although the trend is indicative of future improvements in performance.

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

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



	Jul	Aug	Sep
Mbs - Mlb	157	162	163
Mbs - Bsa	180	208	143
Target	72	72	72

On average, Transit time from Mombasa to Malaba increased from 6.5 days to 6.8 days during the period July-September 2015.

Transit time from Mombasa to Busia fluctuated from 7.5 days in July to 8.6 days in August before decreasing to 5.9 in September.

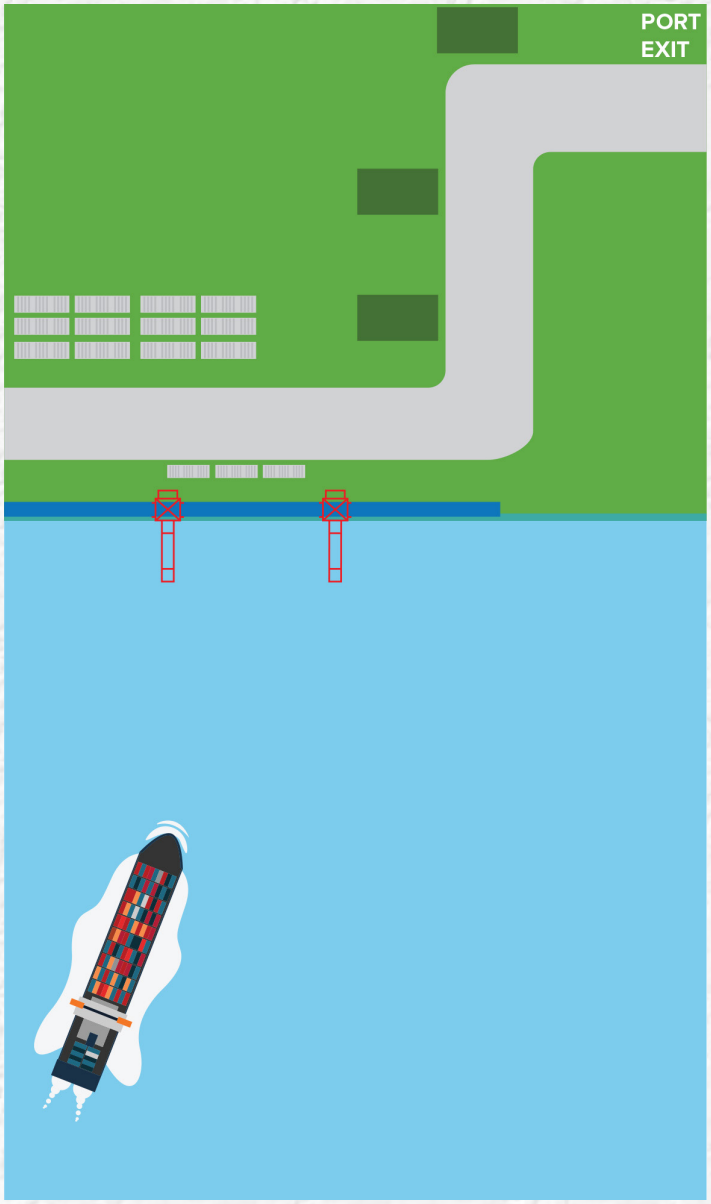
Waiting Time before berth significantly improved from 31.4 hrs in July to 13.5 hrs in August and 17.9 hrs in September.

Better than the target time of 24 hours.

MARITIME INDICATORS

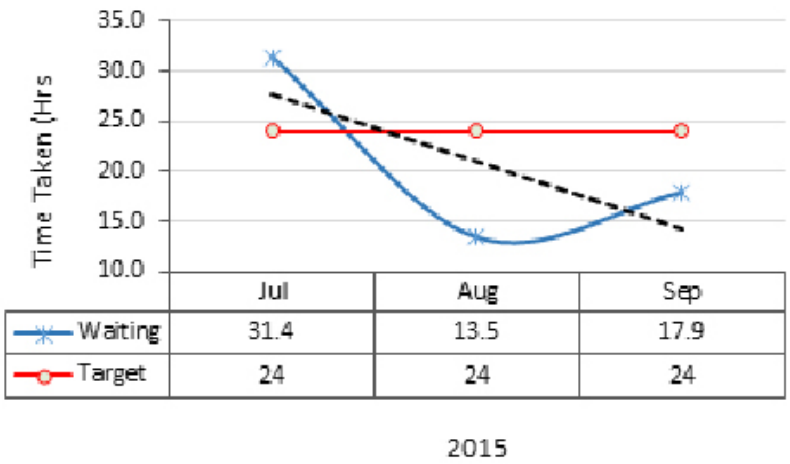
The Ships Turnaround Time registered its best performance of 3.6 days in August 2015 though still above the **3-day target.**

8. WAITING BEFORE BERTH



This is the average time taken in hours before a vessel is berthed after entering the port area. It is measured from the time the vessel arrives at the fairway buoy to the time at its first berth. Fig 8 shows that Waiting Time before berth significantly improved from 31.4 hours in July to 13.5 hours in August and 17.9 hours in September; it was better than the target time of 24 hrs during most of the quarter.

Fig 8: Vessel Waiting Time before Berth



	Jul	Aug	Sep
Waiting	31.4	13.5	17.9
Target	24	24	24

The trend shows a continuous decrease in waiting time that further leads to an improvement in the ship turnaround time.

The Port Authority and regulatory agencies should take necessary measures to ensure that the trend in containerized vessels waiting time is further improved in order to maintain this commendable performance.

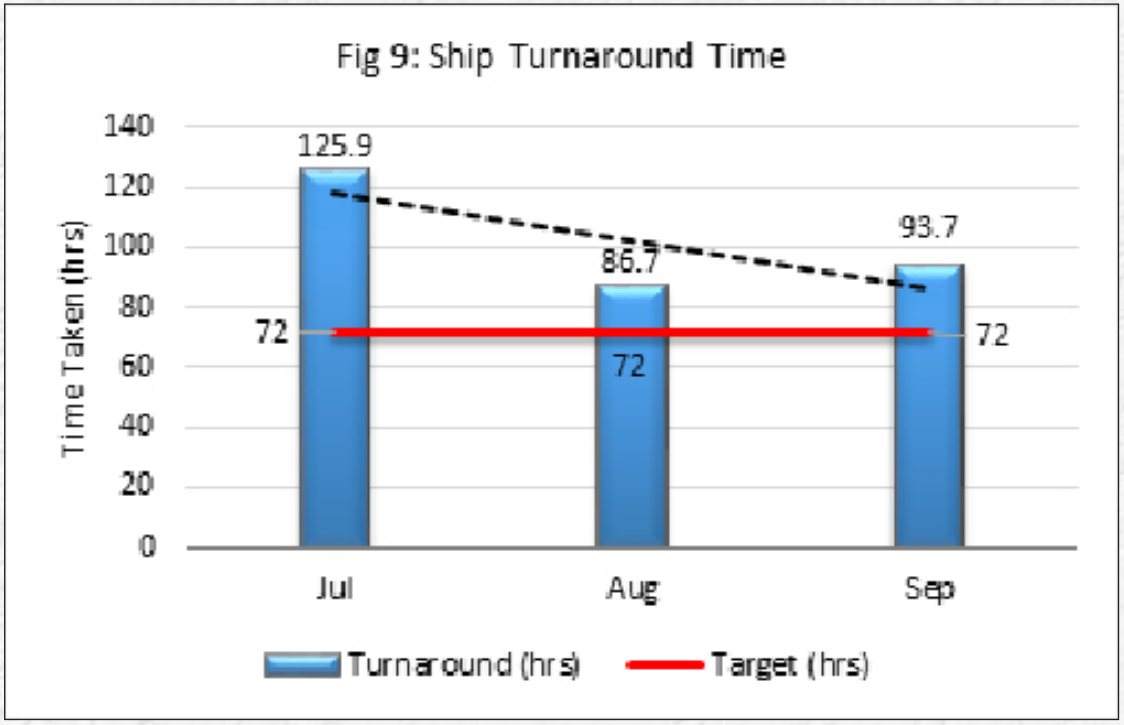
One of the commitments was to implement measures to ensure that ships waiting time is reduced to 0.20 days by 31st December 2014.

9. SHIPS TURNAROUND TIME

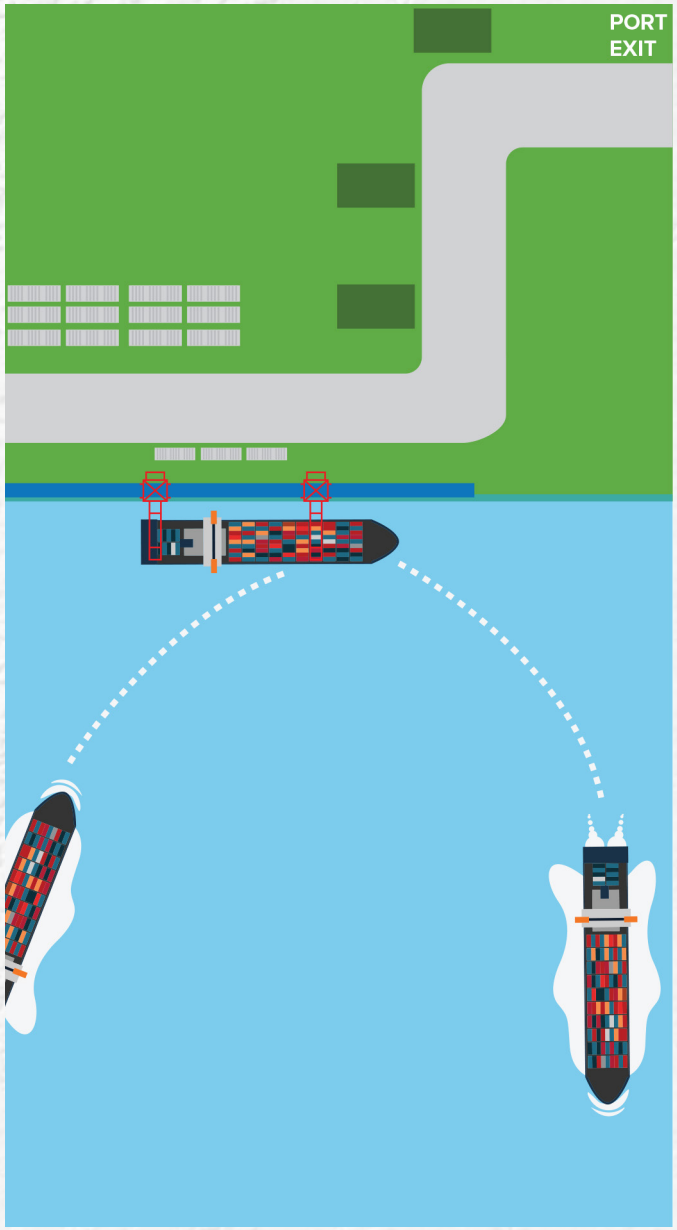
The indicator is measured from the time the vessel arrives at the fairway buoy to the time it is piloted off when leaving the port to other destinations.

The Ships Turnaround Time registered its best performance of 3.6 days in August 2015 though still above the 3-day target.

The trend in Fig. 9 indicates an improvement in ships turnaround time implying improvements in port operations and adequate policy implementation.



KPA's commitment was to foresee an improvement of 900 moves per day in 90 days after the charter was signed. Furthermore, the management commitment was to achieve a month-on-month set target by 31st December 2014.



10. CONTAINERS UPTAKE AT THE CONTAINER FREIGHT STATIONS (CFS)

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.

All the local cargo and a fraction of transit cargo are cleared from the CFSs. It is important that the Policy establishing the CFS is followed to the latter to ensure that the services and charges at CFS are the same as those of the Port.

Given the requirement for 70% preclearance, goods should not overstay at CFSs unless CFS's are also specialized to be used as Warehouses for Shippers. The time taken for import pickup and customs release should be comparable with that of the Port.

CONTAINERS UPTAKE AT THE CFS CONT'D...

Table 1 and Fig 10 below provides a summary of container uptake at the port of Mombasa.

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

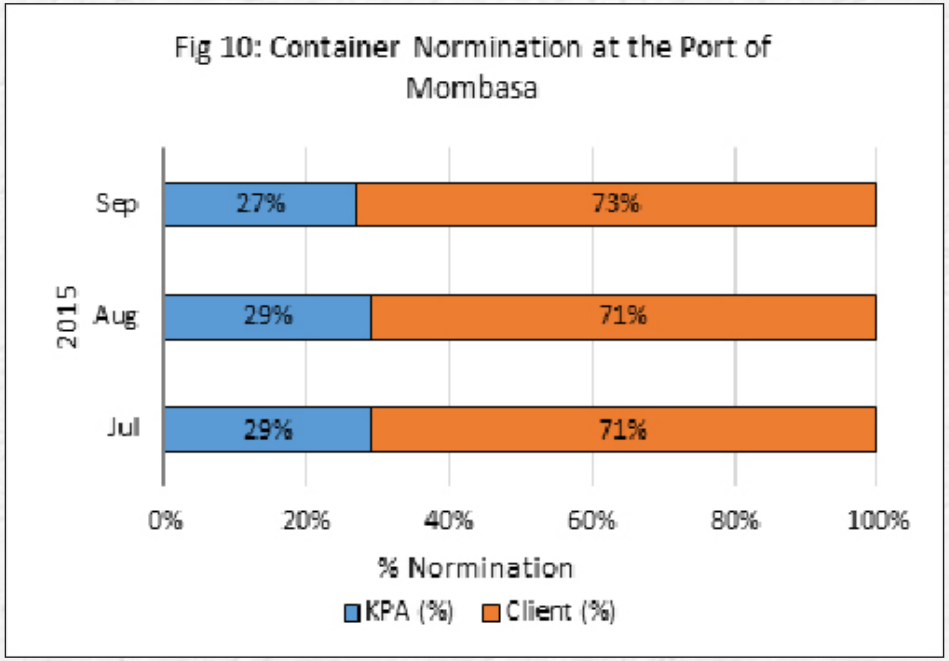
Month	Container Type		Total TEUs	Container Nomination		% Nomination	
	20'	40'		KPA (No.)	Client (No.)	KPA (%)	Client (%)
Jul-15	14,698	9,334	33,366	14,752	35,539	29%	71%
Aug-15	15,175	9,134	33,443	8,192	24,717	29%	71%
Sep-15	13,375	8,276	29,927	6,799	18,132	27%	73%

Table 1 shows that most of the Containers offloaded at the port are the 20' container type. Container uptake at the port fluctuated during this period with August recording the highest number of 33,443 TEU's. However, nominations have been fluctuating month by month based on parties' interests.

It is worth noting that Shippers behaviors and attitudes have a big influence on Port productivity and corridor performance especially on Cargo pickup 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. This confirms that little preference to nominate containers for storage is given to KPA compared to CFSs.

Note: The summary presented above reflects only 12 out of 24 CFSs registered CFSs. The data is transmitted by KPA to various stakeholders and accounts for approximately 20% the total local and transit cargo handled by the CFSs. Therefore, there is need to bring all the 24 CFSs on board to share their data through KPA in order to give the overall performance and picture of Port operation and efficiency including its extension.



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