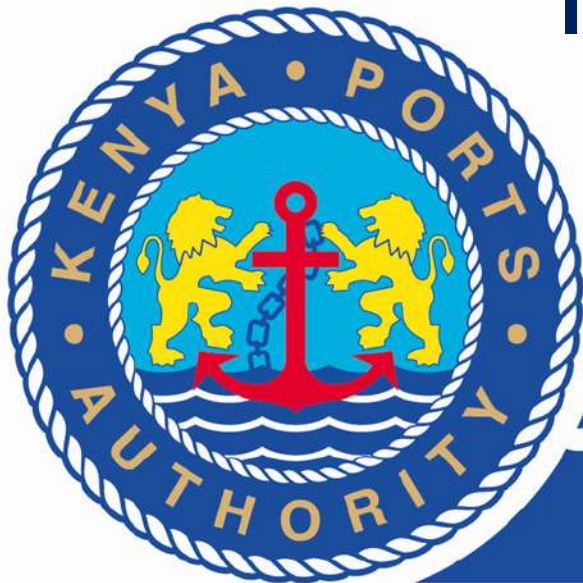


# KEY TRADE FACILITATION INITIATIVES UNDERTAKEN BY KENYA PORTS AUTHORITY



Presented by

**Sudi Amani - General Manager Operations**

Mombasa Port Community Annual review meeting and 2<sup>nd</sup> Think Tank  
forum

1<sup>st</sup> & 2<sup>nd</sup> March 2018

# Highlights



1. Introduction
2. The Port of Mombasa
3. Role of Kenya Ports Authority
4. Mombasa Port Performance Review
5. Demand Forecast for the Port of Mombasa
6. Capacity Enhancement Projects
7. Standard Gauge Railway and the ICD
8. Business Automation
9. EAC Single Customs Territory
10. Conclusion

# Introduction



- The **Kenya Ports Authority** manages the Port of Mombasa which is the key entry/exit point for cargo belonging to a vast hinterland that includes Kenya and the regional countries of East and Central Africa.
- Mission Statement:  
**To facilitate and promote global maritime trade through the provision of competitive port services**
- Vision Statement:  
**World class ports of choice**
- KPA has collaborated with stakeholders in various trade facilitation initiatives aimed at making Mombasa the port of choice for traders.

# The Role of KPA



- Powers/functions of KPA as provided for in the KPA Act, CAP 391, 1978.
- Port Infrastructure development.
- Marine and Cargo operations.
- Maintaining port facilities and aids to navigation.
- Regulation of port business.

**Vision** - World Class Ports of Choice





An aerial photograph of the Port of Mombasa, showing a large ship docked at a long pier. The pier is lined with several long, low buildings, likely warehouses or cargo storage facilities. The surrounding area is densely populated with trees and some buildings, indicating an urban environment. The water in the foreground is calm, reflecting the sky.

# PORT OF MOMBASA

# Mombasa Port Layout

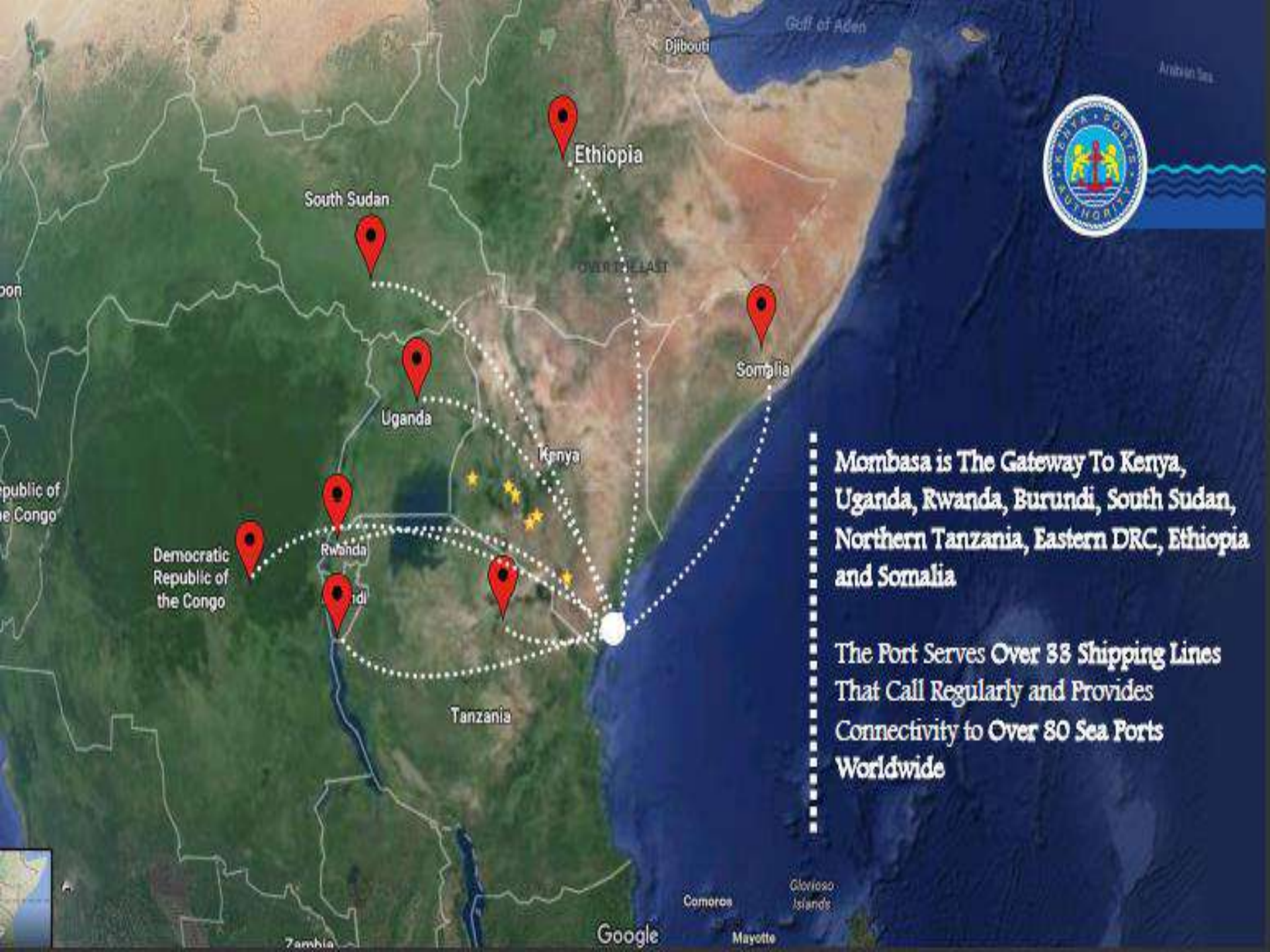




# PORT OF MOMBASA



- The Port of Mombasa is the primary gate way to the larger East Africa and the Great lakes region.
- It has a natural deep harbor with 19 berths, 6 of which are fully fledged container handling berths.
- A total quay length of 3,844 meters and a depth of between -10 and -15 meters.
- It is complimented by two Bulk Liquid handling facilities and a dedicated conveyor belt for handling bulk grains under private leasing arrangements.



**Mombasa is The Gateway To Kenya, Uganda, Rwanda, Burundi, South Sudan, Northern Tanzania, Eastern DRC, Ethiopia and Somalia**

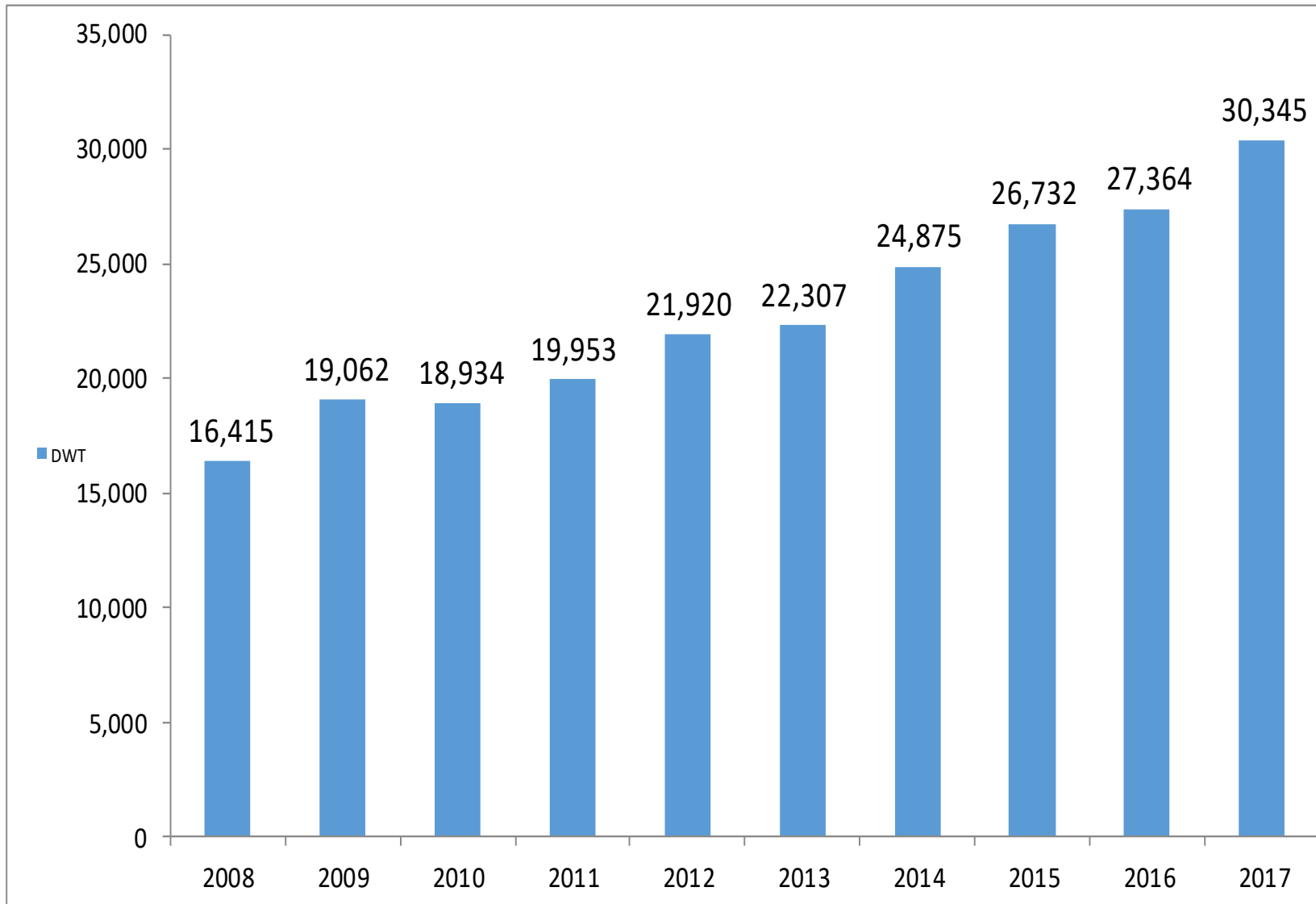
**The Port Serves Over 33 Shipping Lines That Call Regularly and Provides Connectivity to Over 80 Sea Ports Worldwide**





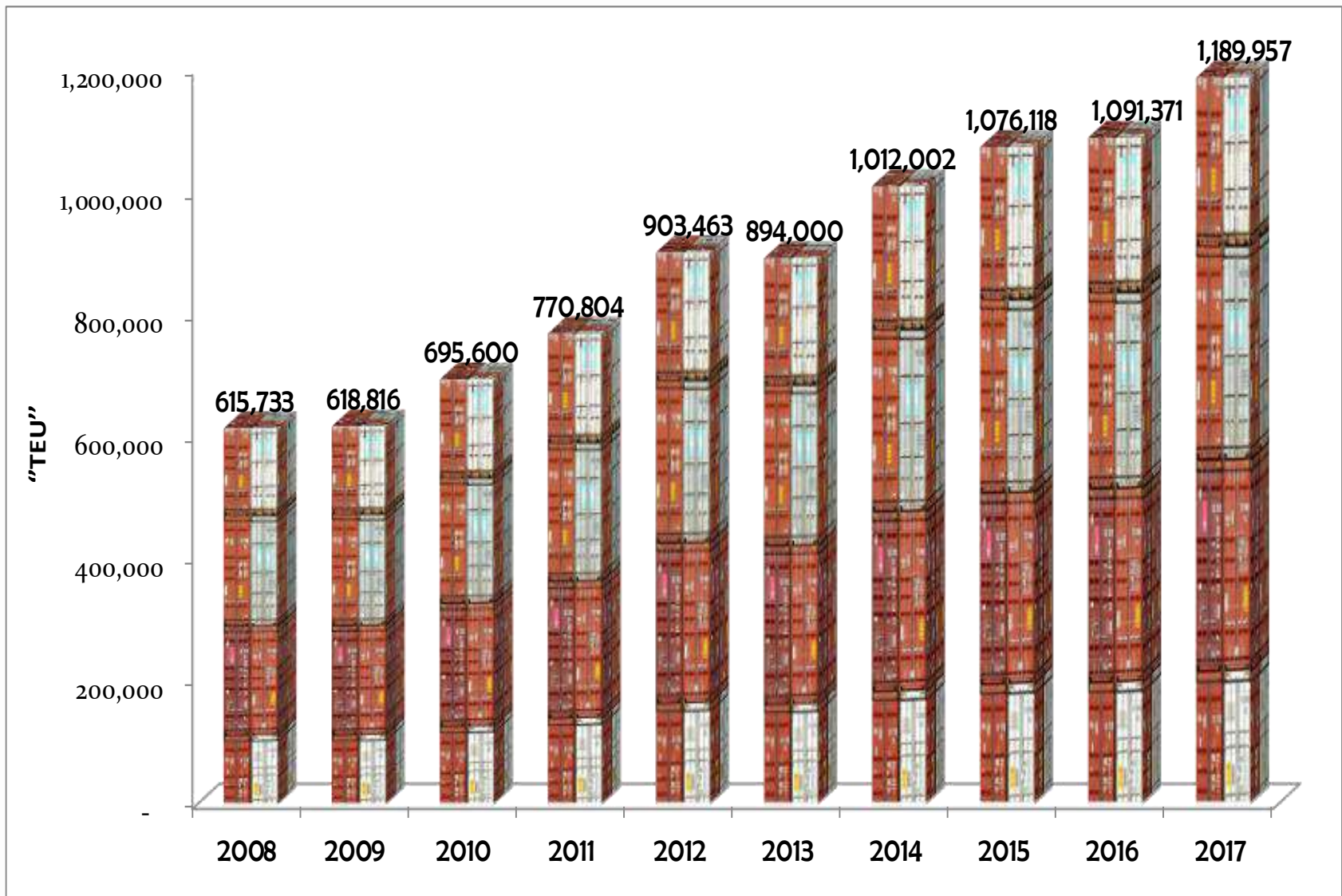
- Mombasa is the gateway to Kenya, Uganda, Rwanda, Burundi, South Sudan, Northern Tanzania, Eastern DRC, Ethiopia and Somalia
- **33** shipping lines call at the port
- Provides connectivity to over 80 sea ports world wide
- Cargo throughput 27.36 M tons and growing
- Over One Million TEUs handled in since 2014

# Port Throughput (DWT '000)



Rate of increase for the period: **7.1%**

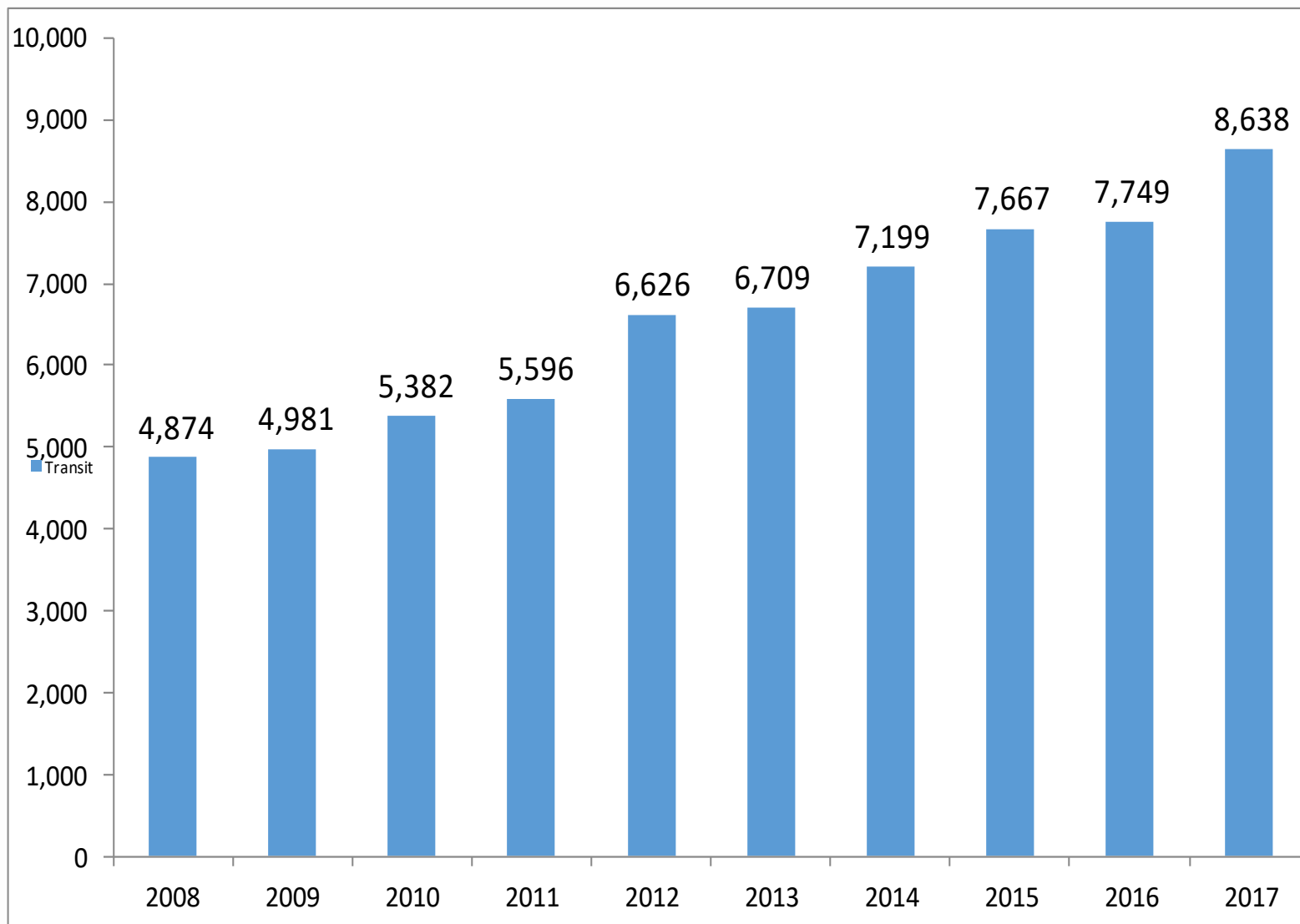
# Container Traffic (TEUs)



Rate of increase for the period: **7.6 %**

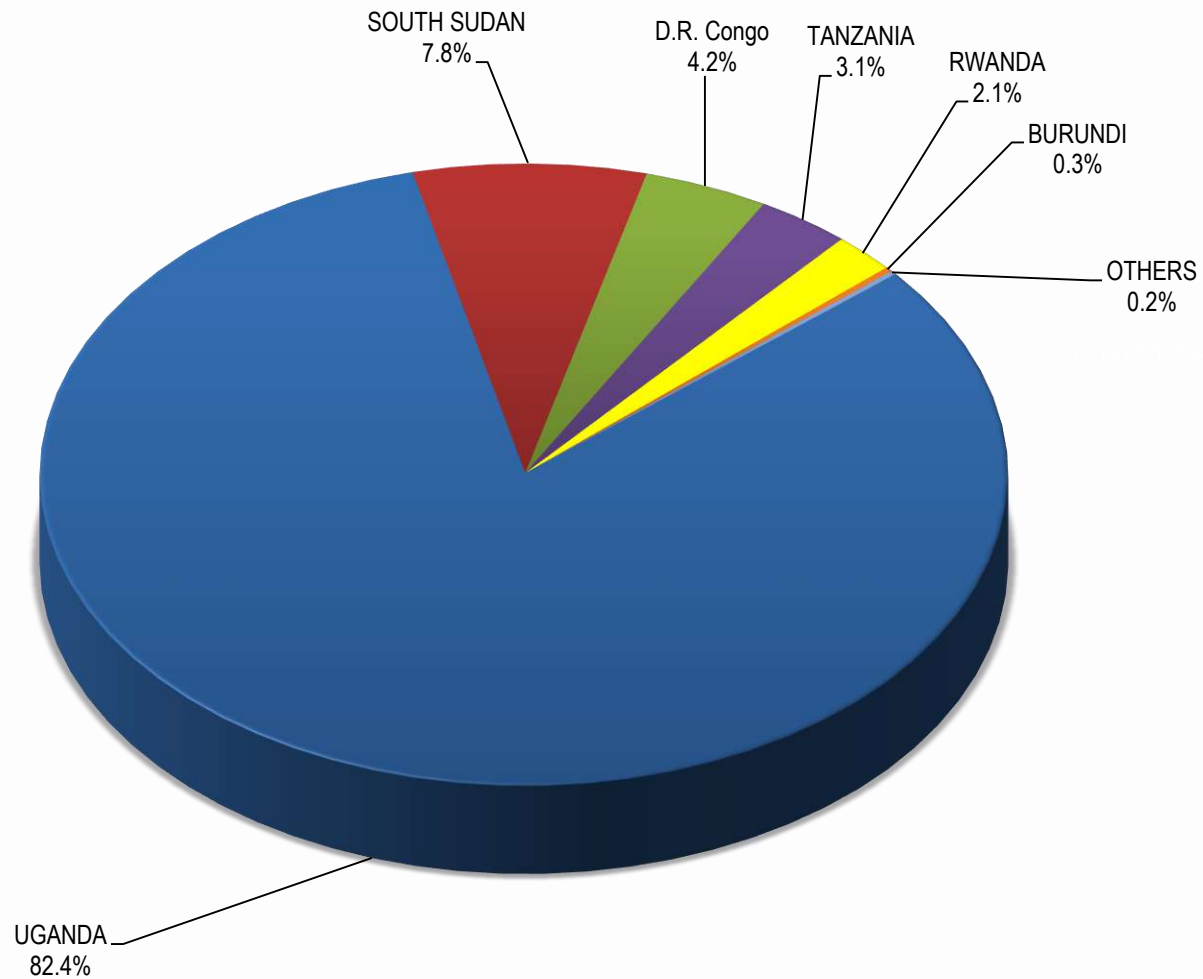


# Transit Traffic (DWT '000)



Rate of increase for the period: **6.6%**

# Transit Market: 2017



# Demand Forecast for the Port of Mombasa



- Latest traffic forecast indicates total Cargo Throughput will rise from 30.345 million tonnes in 2017 to 32.658 million tonnes in 2018.
- Container Traffic projected to move from 1.190 million TEUs in 2017 to 1.252 million TEUs in 2018.
- Targeting to be a regional Transit and Transshipment Hub by 2022



# CAPACITY ENHANCEMENT



As part of trade facilitation, our Growth Strategy is to keep enhancing efficiency and maintaining ***“Capacity ahead of Demand”***

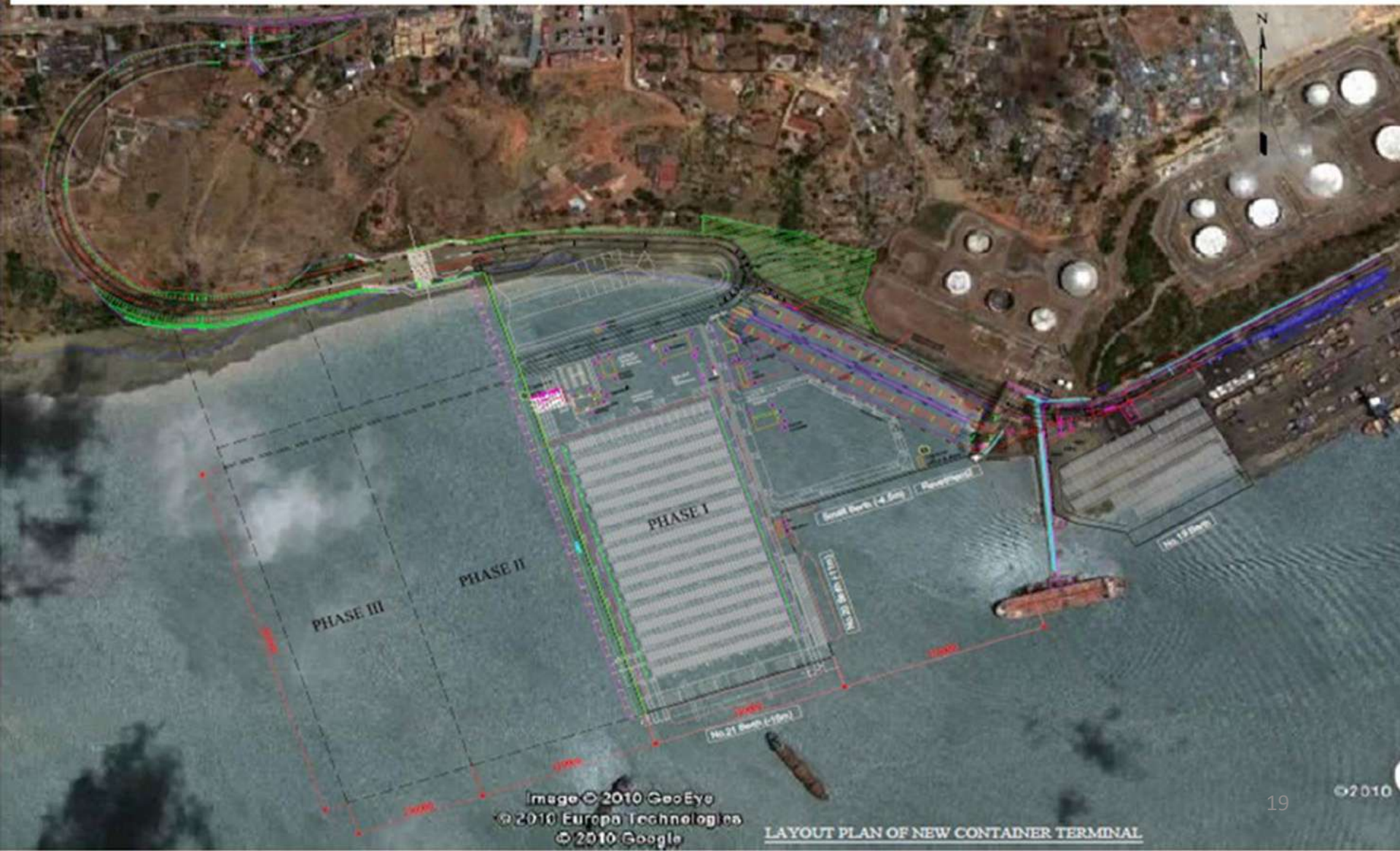
- Mombasa Port Development project (MPDP)
- Relocation of Kipevu Oil Terminal (KOT)
- Conversion of Berth 11-14 into a Container Terminal
- Dongo Kundu Free Port and SEZ
- Cruise ship Terminal at Berth 1/2
- Gates and Yard Capacities
- Rehabilitation of berths
- Expansion beyond Mombasa

# Mombasa Port Development project (MPDP)



- Construction of the 2<sup>nd</sup> Container Terminal at the port
- Total project Area covers 100 ha of reclaimed land
- On completion, increase the container handling capacity by 1.55 million TEUs.
- The first phase of the project covering berth number 20 & 21 is complete and in operation since April 2016
- Phase II currently at tender stage. Construction is to commence in March 2018 to bring an additional capacity of up to 450,000 TEUs at Berth No. 22

# Artist's Impression of Mombasa Port Development Project

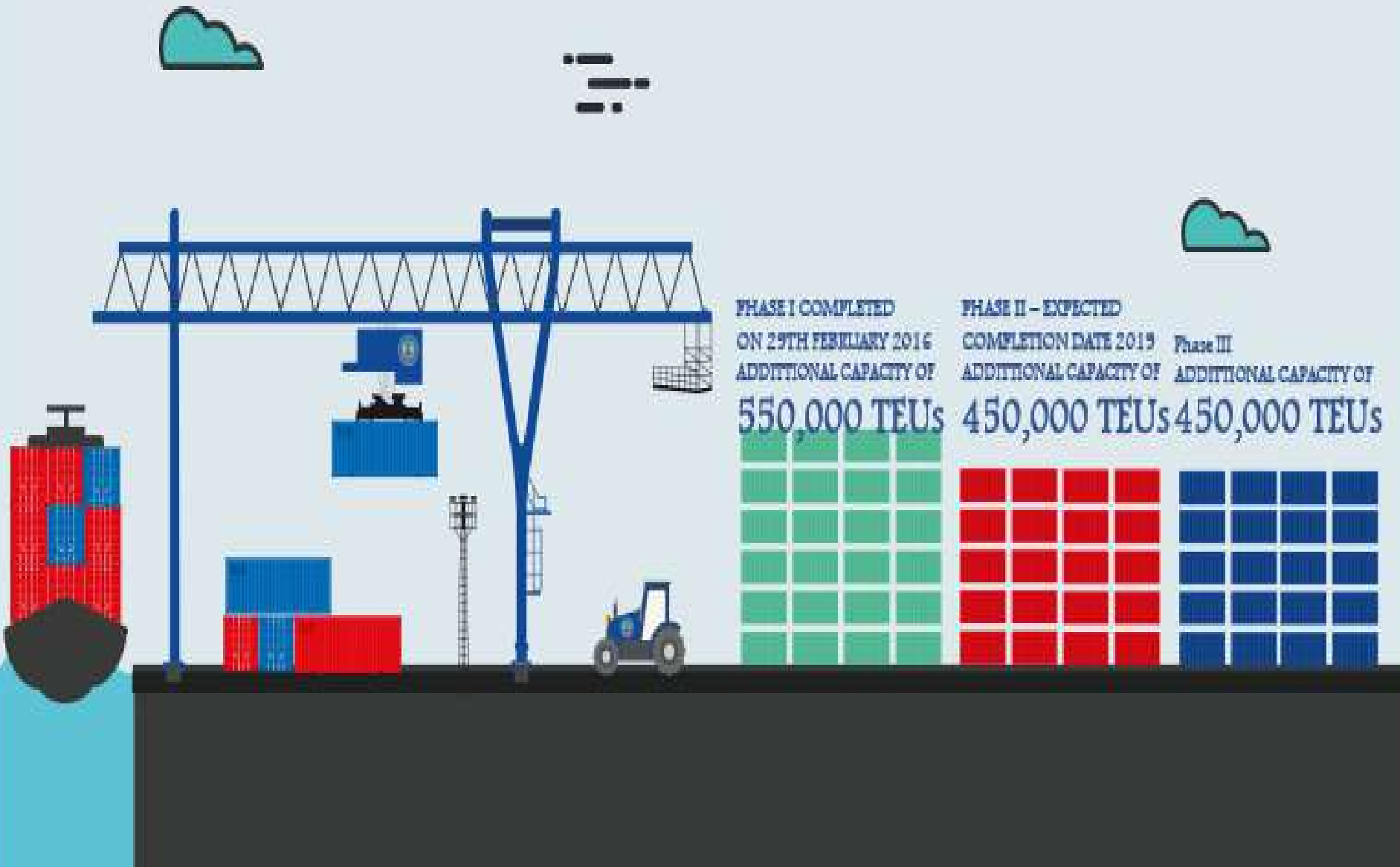






# Second Container Terminal – MPDP Phase I

– achieved ahead of schedule





# Relocation of Kipevu Oil Terminal



- The KOT mainly handles crude oil imports.
- Recent development of new container berths West of KOT, making its present location unsafe.
- A bigger modern oil handling facility with capacity to cope with demand growth – with LPG provision
- Safer and with 4 berths capable of handling vessels of up to 200,000 tonnes
- Able to deliver higher operational efficiency
- Estimated project cost \$200 million

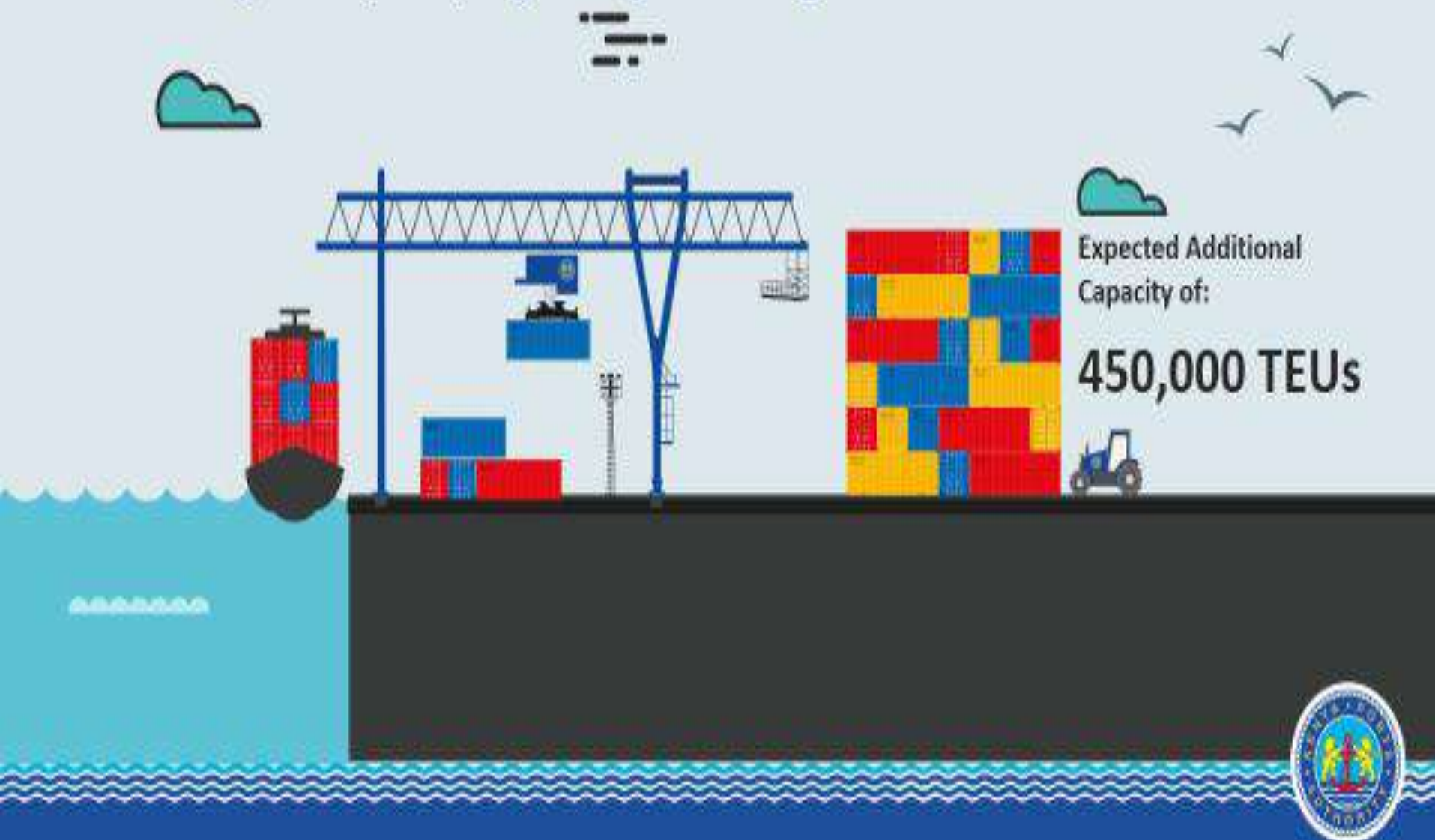


# Conversion of Berth 11-14 into a Container Terminal



- Conversion of Berths 11-14 into a container terminal to accommodate bigger vessels and support operations by using modern equipment.
- The works will include extension into the sea by about 90 meters and strengthening/deepening of the current berths to gain an additional area of 60,000 m<sup>2</sup>
- Additional 450,000 TEUs capacity
- Detailed design finalized; negotiations for funding ongoing
- Targeting start date; 2018
- Estimated Cost is \$225 Million

Conversion of Berth 11 - 14 into Container Berths –  
detailed designs completed, negotiating for funding.



# Cruise Ship Terminal at Berth 1&2



- Cruise tourism has shown great potential for growth in recent months
- Capacity building project to accommodate the envisaged growth through construction of modern high capacity cruise facility
- Phase 1A is complete and 1B is expected to be complete by March, 2018 to make the facility fully operational.



# Dongo Kundu Free Port and SEZ



- This is a Vision 2030 project.
- Development of free port facilities on 3,000 acres of land owned by KPA at Dongo Kundu through Public Private Partnership
- Master Plan for the Special Economic Zone (SEZ) developed and Environmental Impact Assessments also completed
- Free Port Facility will support the SEZ – Initially 2 Berths.





# Gates and Yard Capacities

- To deal with capacity constraints the Authority embarked on a gate expansion Programme.
- Gate 18/20 expanded with two additional lanes having been introduced to improve truck turn around and cargo evacuation. New gates at CT2
- The Authority has also increased Yard capacity due to improvement of yard facilities and stacking areas in various berth.
- Assessing possible implementation of truck booking system

# KPA and the SGR



- The SGR is expected to deliver 6 M tonnes annually
- KPA is currently engaging KR for smooth operationalization of SGR Freight Services



# SGR and ICD



- Nairobi ICD capacity increased from 180,000 to 450,000 TEUs to cater for exponential growth
- KPA is spearheading multi-sectoral initiatives to increase cargo offtake to 40% of throughput by rail
- Timely delivery of imports & receipt of exports
- Reduced cost of doing business through the port
- Increased capacity and equipment acquisition has led to operational efficiency at the ICD

# **Port Expansion Programmes beyond Mombasa**

## **(New Growth Markets)**



# Port of Lamu



- KPA is developing the First 3 Berths of the 23 berth port, under the (LAPSSET) Corridor Programme
- The project is 40% complete with the 3 berths ready in 2020
- The remaining berths to be developed under private sector initiatives
- Natural deep water harbour, able to handle larger ships thus attractive for transshipment business
- Operations are considered under the PPP; currently negotiating with the Lamu Port Consortium.



# Business Automation



# Systems Integration



- KPA has developed and implemented the following systems for core functions, marine/cargo operations and finance:
  - ✓ Enterprise Resource Planning (**ERP**)
  - ✓ Vessel Tracking System (**VTS**)
  - ✓ Kilindini Water Front Terminal Operating System (**KWATOS**)
  - ✓ **Biller Direct** and **MPESA** for online invoicing/payments
- These have improved port operations and documentation, increased competitiveness and reduced the cost of doing business.



# EAC Single Customs Territory



- Fast tracking of the implementation of the SCT to enable importers declare goods on arrival at first port of entry in the East African Community
- Customs clearance and payment of taxes is done while goods are at the port.
- KPA has played a critical role in the integration of Port and Customs processes among partner states thereby eliminating costly delays which were failing their trade facilitation roles.

# CONCLUSION

- KPA closely interacts with stakeholders to offer competitive services to vessels and seamless evacuation and delivery of cargo.
- Keeping up with the strategy – “Capacity ahead of demand”
- Improve on our KPIs
- Complimenting human capital investment with automation and modern equipment
- To remain competitive and relevant - innovative and dynamic transformational ideas are paramount
- World class ports of choice as we strive for excellence.

# THANK YOU

**KENYA PORTS AUTHORITY**  
**GROWING BUSINESS, ENRICHING LIVES**

[www.kpa.co.ke](http://www.kpa.co.ke)

