

# Optimisation of Alternative Routes In the Region & Exploring The Concept Of Multimodal Transport

Muhamad A. Jazan

Resident Representative

21<sup>st</sup> August 2019

Regional Logistics Expo 2019 Sheraton Hotel Kampala



# Outline

1. Who are we?
2. Port Facilities
3. Port Performance
4. Port Development and Key Initiatives – Multimodal Transport Concept
5. Conclusion

# Who are we?

The powers/functions of KPA are as provided in Sec. 12 of the KPA Act 1978;

- Port Infrastructure development;
- Port operations;
- Maintaining port facilities;
- Aids to navigation;
- Pilotage and other port services;
- Regulation of port business;

*2012 – Amendments were made to KPA Act, mandate broadened to include Inland waterways*



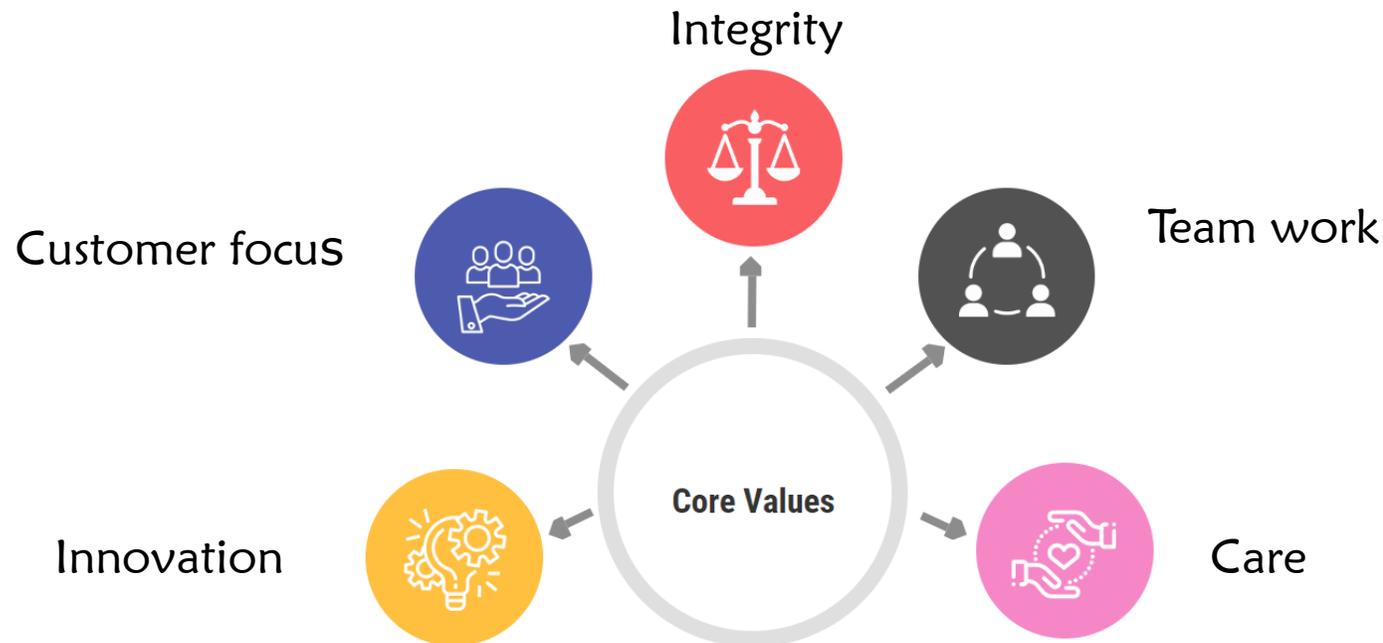
# Mission, Vision & Core Values

## Vision

World class ports of choice.

## Mission

To provide efficient and competitive port services to facilitate global trade.



# Corridors Fostering Economic Growth

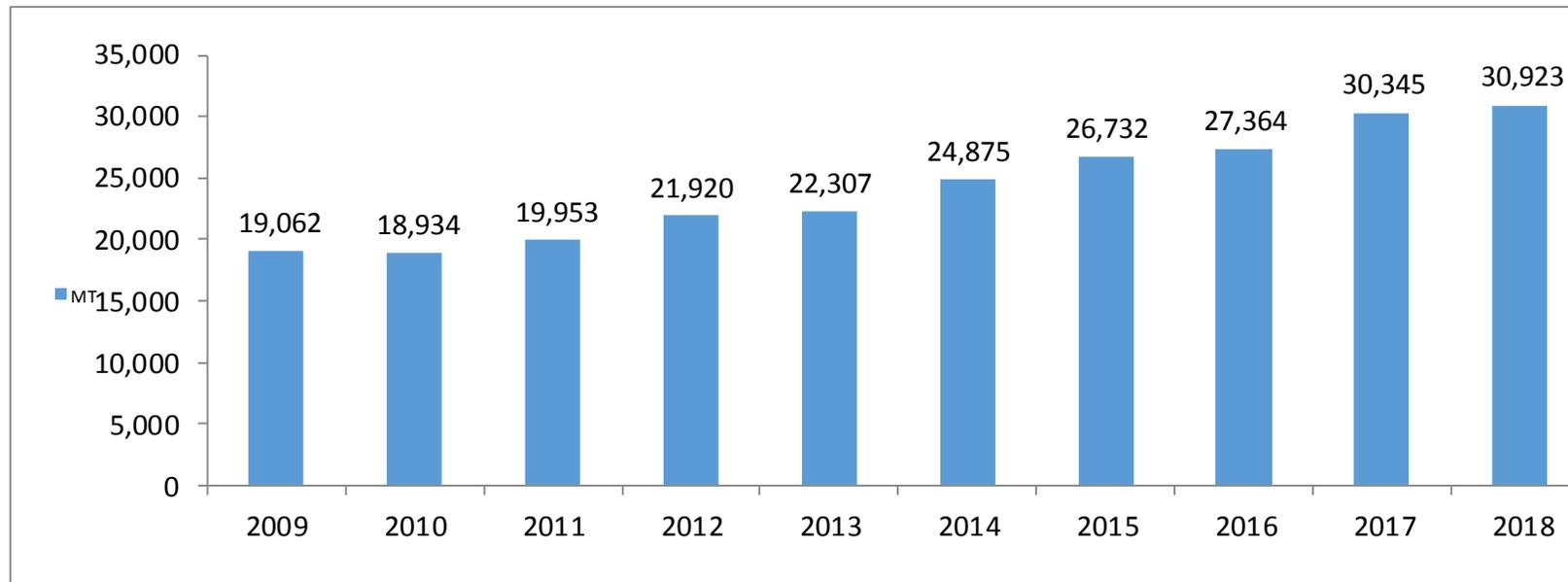


- Mombasa is the gateway to Kenya, Uganda, Rwanda, Burundi, South Sudan, Northern Tanzania, Eastern DRC, Ethiopia and Somalia
- 33 shipping lines call at the port
- Provides connectivity to over 80 sea ports world wide
- Cargo throughput 30.92 M tons and growing
- Over One Million TEUs handled in Since 2014

# Mombasa Port Facilities

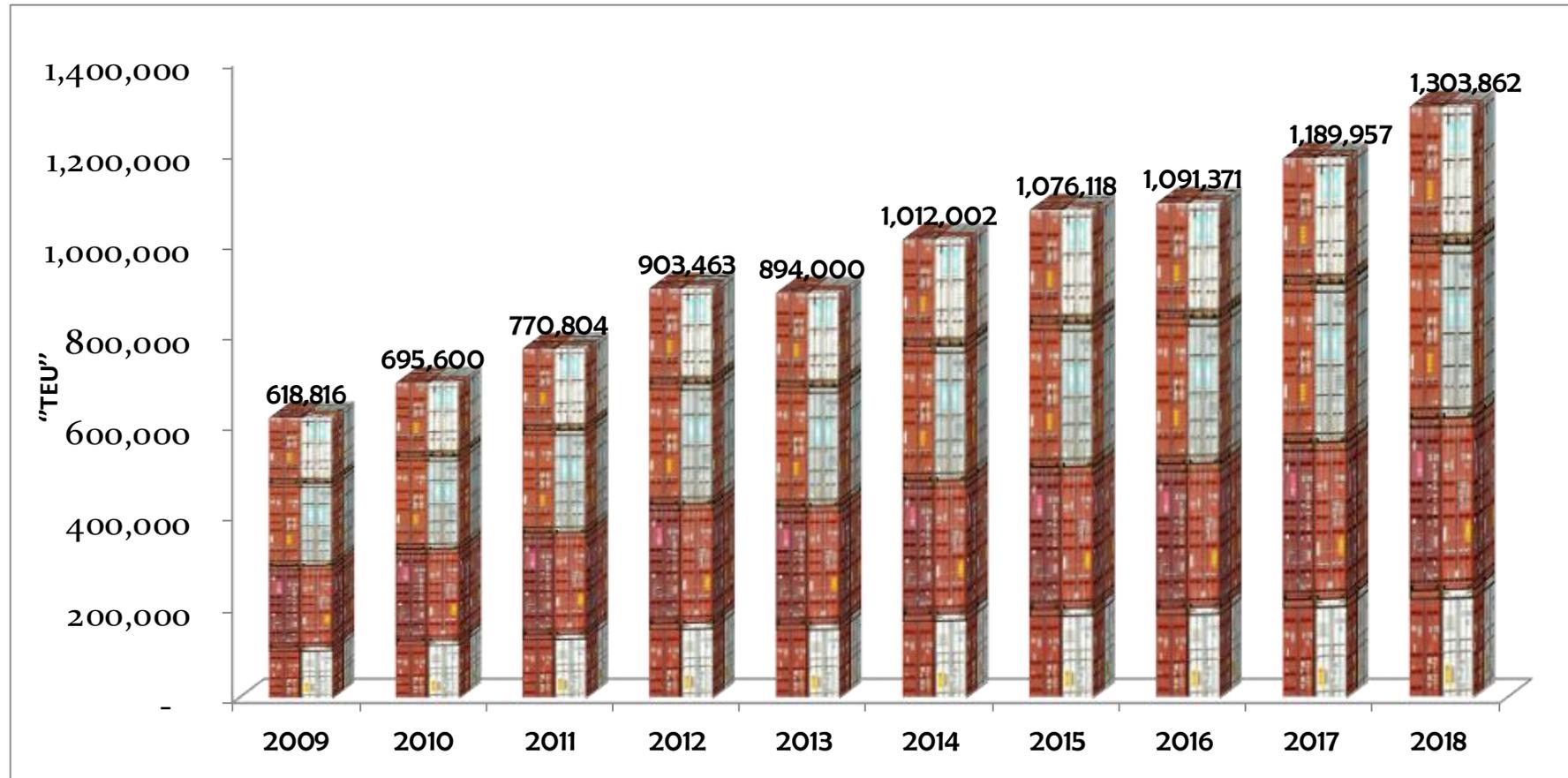
- The Port of Mombasa is a natural deep harbor with good shelter and a maximum dredged depth of -15 meters. Port facilities include;
- 19 deep water berths with an average of 15meter draft and total quay length of 3,284 meters. Of the 19 berths, six are container berths with a quay length of 1,190meters (840meters CT1 and 350meters CT2).
- 2 bulk oil berths; Kipevu Oil Terminal (KOT) for crude and refined oil and Shimanzi Oil Terminal (SOT) for refined oil and chemicals. KOT and SOT have drafts of -13.4 meters and -9.8 meters respectively.
- 2 dry bulk wharves with a total length of 315 meters and 2 dhow jetties at the Old Port.
- The other facilities include ultra-modern bulk grain handling facility at Berths 3 and 4 that is operated by Grain Bulk Handling Company Limited (GBHL) and specialized facilities for handling bulk cement and fluorspar at Mbaraki as well as soda ash through conveyors at Berth No. 9.

## Port Throughput (MT "000"): 2009 – 2018



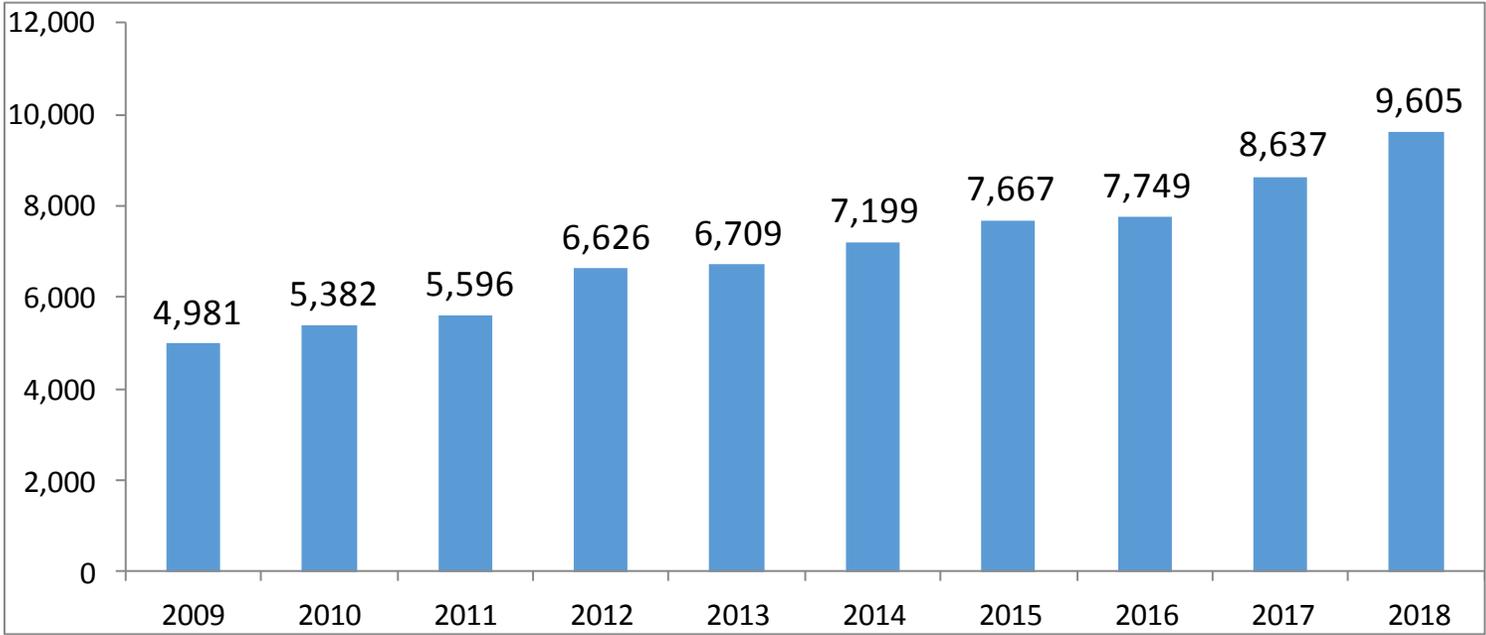
**Growth rate for the period: 6.5%**

# Container Traffic (TEUs): 2009 - 2018



**Rate of increase for the period: 7.8**

# Transit Traffic (MT "000"): 2009 - 2018



**Rate of increase for the period: 7.0**



## Uganda Cargo Traffic Mombasa Port('000'MT) 2009 – 2018

|  | 2009  | 2010  | 2011  | 2012   | 2013   | 2014   | 2015   | 2016   | 2017   | 2018         | CAGR (%)     |
|--|-------|-------|-------|--------|--------|--------|--------|--------|--------|--------------|--------------|
| Uganda   | 3,980 | 4,233 | 4,376 | 4,845  | 4,912  | 5,522  | 5,977  | 6,347  | 7,113  | 7,889        | 7.9%         |
| Port Total   | 19062 | 18934 | 19953 | 21,920 | 22,307 | 24,875 | 26,732 | 27,364 | 30,345 | 30,923       | 5.5%         |
| % Share of Ugandan cargo against the total Port Throughput |       |       |       |        |        |        |        |        |        |              | Avg. % Share |
|  | 20.9% | 22.4% | 21.9% | 22.1%  | 22.0%  | 22.2%  | 22.4%  | 23.2%  | 23.4%  | <b>25.5%</b> | 22.6%        |

*Uganda Commands 25.5% of Port Total Throughput*

## Uganda Full Import & Export Containers: 2009 - 2018 (TEUS)

| (TEUs)  | 2009    | 2010    | 2011    | 2012    | 2013    | 2014    | 2015    | 2016    | 2017    | 2018    | CAGR (%)     |
|---|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|--------------|
| Uganda  | 98,358  | 103,104 | 122,979 | 130,032 | 133,079 | 141,862 | 153,886 | 156,304 | 173,355 | 185,963 | 7.3%         |
| MSA Port  | 397,302 | 449,156 | 501,182 | 561,779 | 570,526 | 612,812 | 635,617 | 656,729 | 688,864 | 740,763 | 7.2%         |
| % Share of Uganda Imp & Exp. containers against the total imp & exp. containers handled in the Port |         |         |         |         |         |         |         |         |         |         | Avg. % Share |
|   | 24.8%   | 23.0%   | 24.5%   | 23.1%   | 23.3%   | 23.1%   | 24.2%   | 23.8%   | 25.2%   | 25.1%   | 24.0%        |

*Uganda Controls 25% of Total Containers Throughput*



# Impact of the Standard Gauge Railway

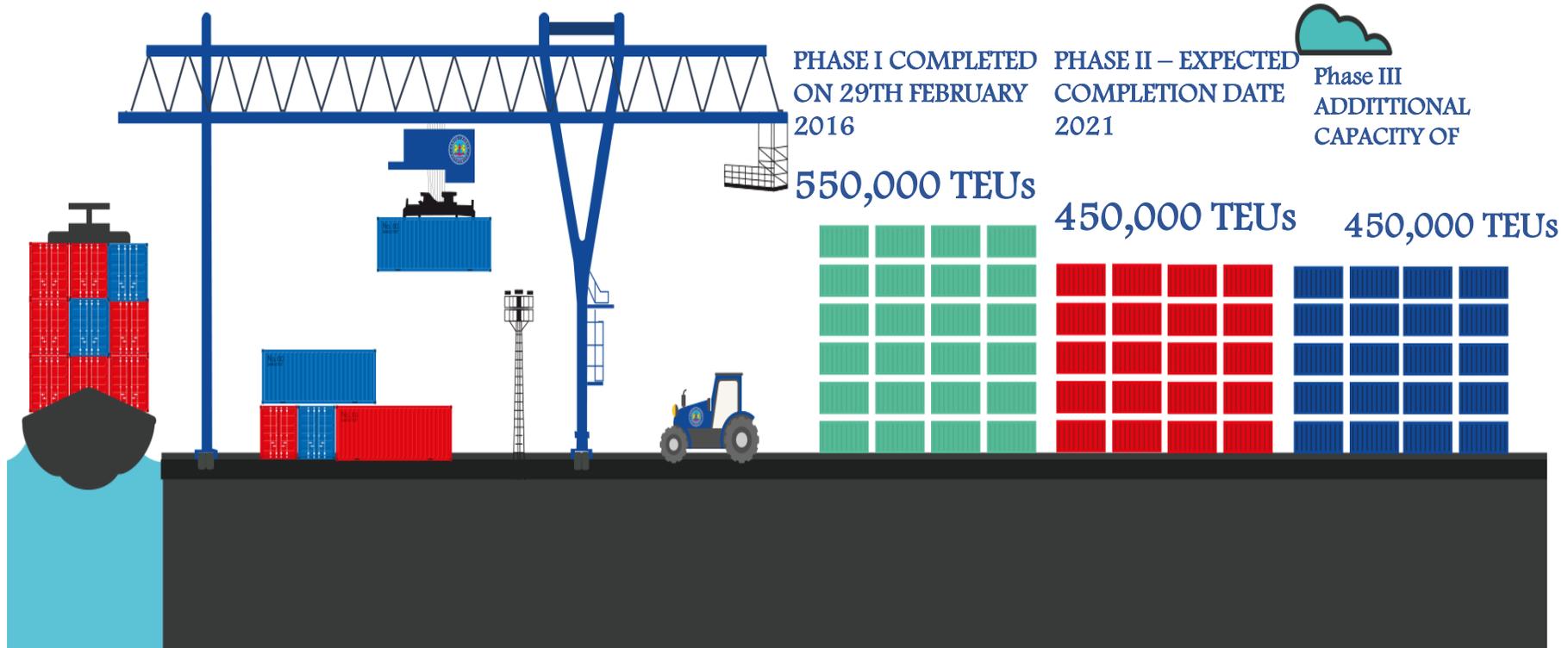




# CAPACITY EXPANSION INITIATIVES;



**Second Container Terminal –  
MPDP Phase I – achieved ahead  
of schedule**





# Second Container Terminal (CT2)

- New state of art facility

| Period                   | No. of Vessels | TEUs    |
|--------------------------|----------------|---------|
| January-December<br>2018 | 198            | 406,545 |

- 30% of total Containerized cargo
- Phase II (500 TEUs) started in August 2018

# Kipevu Oil Terminal – Relocation



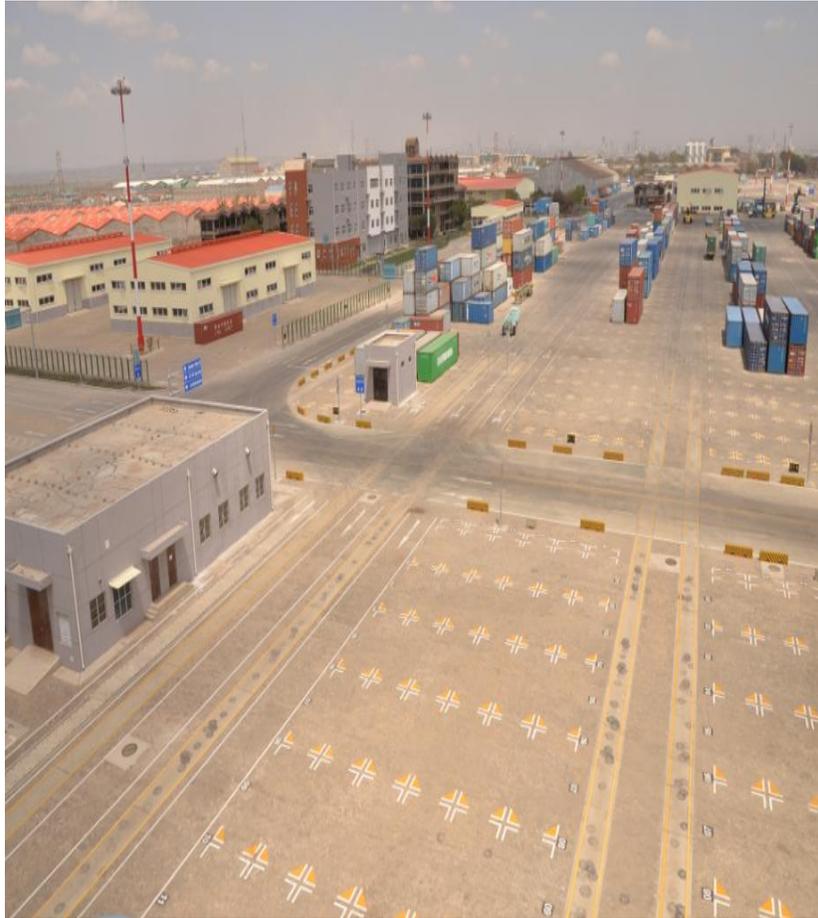
- Under Construction
- Being relocated to a Safer location
- More Capacity



## Lamu Port

- KPA is developing the First 3 Berths of Lamu Port, which is envisaged to have 23 berths, under the LAPSSET Corridor Programme.
- 1<sup>st</sup> Berth almost complete. To be commissioned in October, 2019.
- Two other Berths to be ready by October 2020

# Further Expansion of the New Nairobi ICD to keep up with SGR demands



NAIROBI INLAND CONTAINER DEPOT TRAFFIC (TEUs): 2014 – 2018

|              | 2014   | 2015   | 2016   | 2017   | 2018    |
|--------------|--------|--------|--------|--------|---------|
| IMPORTS FULL | 10,263 | 9,343  | 9,401  | 15,110 | 177,652 |
| EXPORTS FULL | 5,319  | 5,165  | 4,960  | 4,713  | 11,701  |
| EMPTY        | 22,138 | 14,595 | 13,242 | 10,636 | 68,619  |
| TOTAL        | 37,720 | 29,103 | 27,603 | 30,459 | 257,972 |

Capacity has increased from 180,000 TEUs to 450,000 TEUs

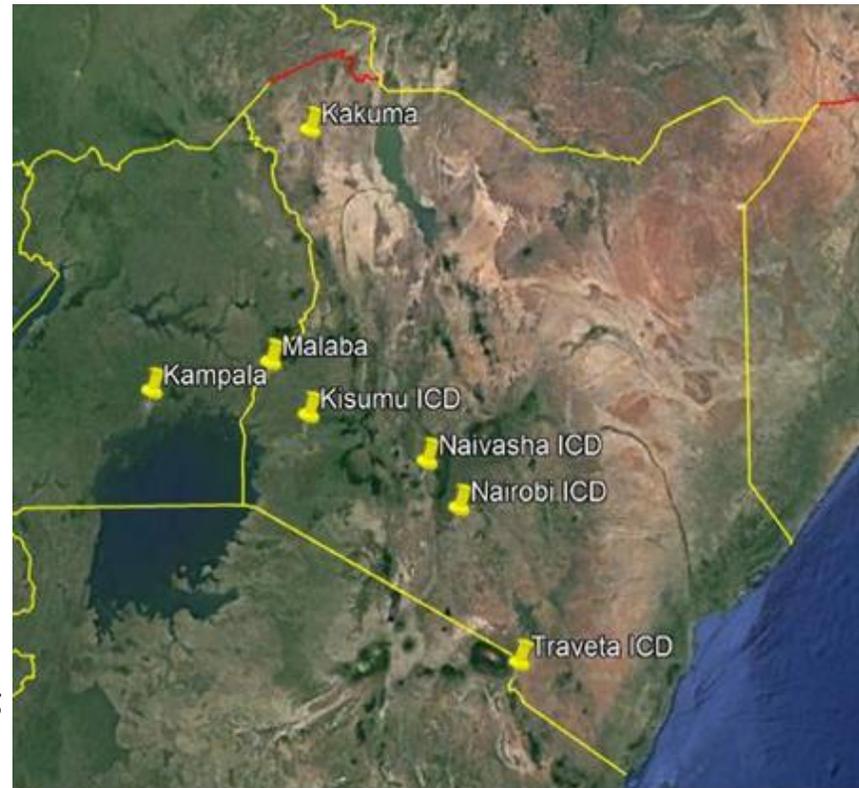
# NAIVASHA DRY PORT

- Reduce distance from Kampala and other transit countries
- Government already allocated 10 acres to Uganda at Naivasha

# Landside Corridor Development

## ICDs

- ICDs are meant to be an extension of the Port and offer customers almost last mile connectivity along the logistics chain.
- Development of the same in the transit countries will ease transportation bottlenecks and reduce the cost of doing business.
- The current and proposed ICDs are as shown in the figure;



# Revamping Lake Victoria Ports Facilities

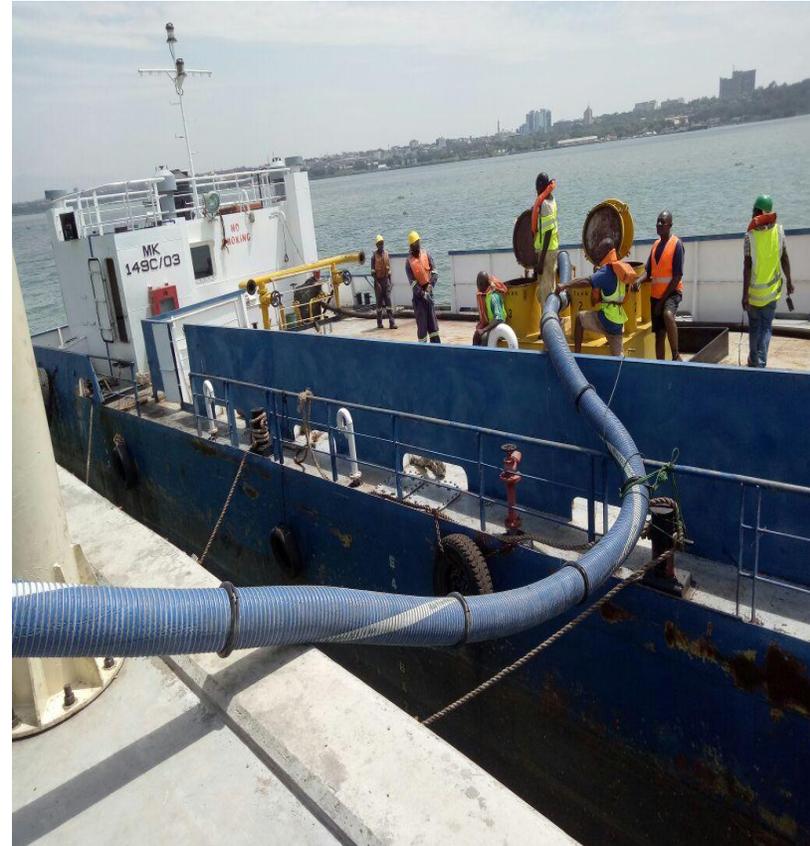
- The Authority has plans to upgrade infrastructure at the existing port to create a Lake Victoria International Logistics Centre
- The Kenyan Government also has plans to construct a new port in Kisian.
- The proposed port would consist of 2 multi-purpose berths and a work-boat berth. A total quay length of 332 m is planned, with a capacity of 600,000 tonnes per year



# Revamping Lake Victoria Ports Facilities

## The Kisumu Oil Jetty (KOJ)

- The Kenya Pipeline Company has completed the construction of an oil jetty for loading petroleum onto ships/berges to be transported to Uganda and other countries in the region.
- The Kisumu oil jetty was completed on February 2018.
- The oil jetty will reduce the distance of petroleum transportation to the transit countries



# The Blue Economy Initiatives;

## Development of Small Ports and Inland water Ports

- A master plan for Kisumu and other Lake Victoria ports is under consideration and the final report is ready
  - Kisumu Port to be Commissioned in August 2019
  - Shimoni port (envisaged fishing port) is expected to transform the coastal community residing in Kwale County;
  - Port development and operation will be under PPP.
- 
- The map shows the outline of Kenya in dark blue. Lake Victoria is highlighted in light blue on the western coast. Two red dots mark the locations of Kisumu and Shimoni Port. Dashed white lines connect the ports to the lake, indicating their relationship to inland water transport.

# TOS & Operations Control Center (OCC)



- The Authority is in the process of replacing its TOS to suit current business demands
- The Authority will set up an OCC in line with global best practices, to ensure functionality of the Terminal Operating system and thereby improving efficiency.



# The Case Of Multimodal Transport

## Challenges:

- Lack of space of seaport terminals
- Increase bottlenecks in the landside transport system

## Pre-requisites:

- i. Pricing
- ii. Processes
- iii. Human Resource
- iv. Policy
- v. Partnerships



# Conclusion

- KPA continues to consistently improve its operational performance and efficiency through strong partnerships with both the Public and Private sector;
- KPA shall continue to collaborate with stakeholders to address emerging challenges
- KPA continues to strengthen frameworks for handling Port Operational issues
- KPA will continue to strive for excellence towards fulfilling the promise of delivering “world class port” operations.



Thank You

