Technical Report:

Trade Facilitation Interventions
Dar es Salaam

Work Plan Activity 1.2.1.A

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# LIST OF ACRONYMS

<table>
<thead>
<tr>
<th>Acronym</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>ASYCUDA</td>
<td>UNCTAD developed “Advanced System for Customs DATA”</td>
</tr>
<tr>
<td>CFA</td>
<td>Clearing and Forwarding Agent</td>
</tr>
<tr>
<td>CFS</td>
<td>Container Freight Station</td>
</tr>
<tr>
<td>CRO</td>
<td>Customs Release Order</td>
</tr>
<tr>
<td>EAC</td>
<td>East African Community</td>
</tr>
<tr>
<td>FEU</td>
<td>Forty foot Equivalent Unit</td>
</tr>
<tr>
<td>ICD</td>
<td>Inland Container Depot</td>
</tr>
<tr>
<td>OGD</td>
<td>Other Government Department</td>
</tr>
<tr>
<td>SADC</td>
<td>Southern Africa Development Community</td>
</tr>
<tr>
<td>SATH</td>
<td>Southern Africa Trade Hub</td>
</tr>
<tr>
<td>SOP</td>
<td>TICTS Standard Operating Procedure</td>
</tr>
<tr>
<td>SOW</td>
<td>Scope of Work</td>
</tr>
<tr>
<td>TANSAD</td>
<td>Tanzania Customs Bill of Entry</td>
</tr>
<tr>
<td>TEU</td>
<td>Twenty foot Equivalent Unit</td>
</tr>
<tr>
<td>TFT</td>
<td>Trade Facilitation Team</td>
</tr>
<tr>
<td>TICTS</td>
<td>Tanzania International Container Terminal Services</td>
</tr>
<tr>
<td>TPA</td>
<td>Tanzania Port Authority</td>
</tr>
<tr>
<td>TRA</td>
<td>Tanzania Revenue Authority</td>
</tr>
<tr>
<td>TTRS</td>
<td>TRA “Tanzania Time Release Study” 2009</td>
</tr>
</tbody>
</table>
EXECUTIVE SUMMARY

As part of a multi-faceted approach to trade facilitation, the Southern Africa Trade Hub (SATH) is working with stakeholders to streamline customs clearance procedures and to coordinate interagency operations at border complexes throughout the region. As the initial link in Southern Africa transport corridors, ports are key to external trade with the region.

The Port of Dar es Salaam, as the anchor for the Central, and Dar Corridors, contributes significantly to the delays experienced moving goods along the corridors from the wharf to their final inland destination. Compared to Durban, where dwell time is in the region of two days, the Dar es Salaam port performs poorly with reported dwell times of up to 17 days (although dwell times have reportedly been reduced recently, the delays are still substantial). Reducing these dwell times is crucial to improving trade flows in the region, reducing costs and enhancing the competitiveness of these ports.

This report was commissioned to investigate the unacceptably high dwell time and to map a path for SATH to pursue in terms of niche activities relevant to the SATH mandate for trade facilitation. The report examined the operating environment experienced by the private sector as it relates to the timely removal of cargo from the port facilities with the objective of identifying specific causes for substantial delays in clearing cargo.

It was found that, primarily due to high dwell times, the container terminal in the Port of Dar es Salaam cannot meet the demand of the container volumes to be handled. The high dwell time could mainly be ascribed to:

- The lack of container handling facilities and supporting infrastructure.
- Relaxation of extant legislation by the Tanzania Revenue Authority (TRA) thus, inter alia, creating the environment for clearing and forwarding agents (CFAs) to clear consignments through Customs late.
- Allowing long term storage and physical examination of container contents at the container terminal.
- The extraordinary long duration of the clearance process through Customs mainly due to the lack of a proper system that meets the needs and provides interconnectivity amongst stakeholders and clients.
- The lack of a system and an incentive to allow clearance prior to arrival of the carrying vessel.
- The excessively long time to move containers out of the terminal after their release, possibly due to inadequate road transport capacity.

Having examined the aforementioned factors, the report offers solutions predicated on the implementation of international best practice procedures and practices.

The following short term critical solutions are proposed:

- Enhance the Customs system to allow for clearance prior to arrival of the vessel and even before the manifest is inputted into the system.
- Drastically curb the period that a container is allowed to be stored in the terminal.
- Utilize ICDs, CFS and bonded terminals must for the acceptance and storage of uncleared containers.
- Strictly apply the TRA 21-day stipulation to auction uncleared goods.
• Conduct CFA training which includes a trade facilitation module.
• Nominate the party that will undertake the transportation of the container on the clearance documentation.
• Do not allow empty containers in the terminal prior to the opening of the vessel’s stack and store such containers in special empty container parks if they cannot be accommodated in ICDs or CFSs.
• Move empty containers and ICD destined containers during the night to alleviate congestion around the port.
• Conduct physical examination of container contents at CFSs and/or ICDs.

In the long term, there is a need:
• To commission the design of a paperless Customs e-system that provides full interconnectivity between the various role players, which would be a prime requirement for a possible future Port Community System; and
• To undertake a study to ascertain the road truck capacity needed to evacuate containers from the terminal within a given time measured against current capacity.

These proposed short term solutions do not carry prohibitive costs and have the potential to significantly reduce dwell time at the Dar es Salaam.
SECTION 1 INTRODUCTION

The USAID Southern Africa Trade Hub (SATH) aims to increase international and intra-regional trade, competitiveness and food security in the southern African region. SATH is at the forefront of pioneering regional corridor work and developing a number of tools to assist SADC member countries in their efforts to reduce the costs of trading across borders. SATH’s trade facilitation work draws on the lessons learned from earlier efforts, refocused to be responsive to the movement of staple foods and agricultural products. SATH continues to provide technical assistance to the key established transit corridors, streamlining inter-agency port and border operations to enable reduced clearance times, assisting with the establishment of electronic connectivity between customs administrations, assisting with the establishment of risk management and authorized economic operator programs, and facilitating the establishment of sustainable corridor performance monitoring systems to allow informed advocacy by stakeholders for continued corridor improvements.

In connection with the SATH work plan for Year 2, SATH commissioned studies to verify the selection of the Dar es Salaam, Beira and Naçala ports for trade facilitation interventions, and identify specific and effective activities that will reduce current container clearance and dwell times.

1.1 Background

It is widely accepted that trade, both intra-regional and international, is important for economic growth of a country or region, with concomitant job creation, economic prosperity, and poverty reduction. However the level of intraregional trade in Southern Africa is lower than that of the rest of the world. The SADC region has less efficient and more costly transport and logistics services and less trade-friendly customs systems than other regions in the world. Non-tariff barriers consisting of legal and regulatory constraints and administrative and logistical delays in moving goods from seller to buyer hinder full realization of the potential benefits of trade. In addition to outright transport services related delays, unpredictable and unreliable transport leads to increased inventory levels being held to compensate for the unpredictable flow of goods which further increases the cost of doing business.

Recent studies by the South African Institute of International Affairs (SAIIA) found that “non-tariff barriers such as cumbersome border crossing procedures, delays at border posts and ports, and corrupt practices by officials, contribute between 25-37% of avoidable transport costs and 75% of transportation delays are due to a lack of facilitation, such as the streamlining of border post procedures”. Reducing these costs through trade facilitation thus clearly plays an important role in the economic development of the Southern Africa region.

As part of a multi-faceted approach to trade facilitation, SATH is working with stakeholders to streamline customs clearance procedures and to coordinate interagency operations at border complexes throughout the region. As the initial link in Southern Africa transport corridors, ports are key to external trade with the region. However, as has been documented, the Dar es Salaam port, as the anchor for the Central, and Dar corridors,

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1 World Bank-PPIAF, Corridor Review and Performance Report, 2010
3 USAID, Trade Facilitation and Capacity Building Project Report FY 2005-9, 2009
contributes significantly to the delays experienced moving goods along the corridors from the wharf to their final inland destination. Compared to Durban whose dwell time is in the region of 2 days, the Dar es Salaam port performs poorly with a reported average dwell time of 17 days (although these have reportedly been reduced recently, the delays are still substantial). Reducing these dwell times is crucial to improving trade flows in the region, reducing costs and improving the competitiveness of these ports.

1.2 Objective of Study

The objectives of the study were to:

i. Investigate the operating environment experienced by the private sector as it relates to the timely removal of cargo from the port facilities and identify the steps required to revise the environment including identification of any legal and regulatory changes required.

ii. Identify any other specific causes for substantial delays in clearing cargo at the Port of Dar es Salaam (aside from the pre-submission of manifests) as compared to other ports in the region, specifically Durban.

iii. Investigate the reasons for delays at the Dar es Salaam Port as far as can be determined through current documentation and discussions with colleagues and contacts.

iv. Document relevant ongoing donor and government interventions at the Port which relate to issues identified through the above activities.

v. Identify niche interventions relevant to the SATH mandate for trade facilitation that would contribute to the reduction in dwell time and to improvements in port operations, for inclusion in SATH’s year two work plan.

1.3 Methodology

The author undertook a “desk top” review of a number of relevant internal and external reports, which included reports by and/or for the World Bank, Tanzania Revenue Authority, Tanzania Ports Authority and Aurecon, the East African Community Customs Management Act of 2004 and Tanzania Ports Act of 2004. In addition to consulting these and other studies and publications relating to dwell time in container terminals, the author interrogated port and terminal processes and procedures and held discussions with industry specialists.

This review enabled the identification of delays in the expeditious evacuation of containers from the port, the reasons therefor and the trade facilitation challenges.

Efforts to obtain first-hand information from the container terminal operator (TICTS) in Dar es Salaam failed. It is, however, acknowledged that TICTS will be intricately involved with the many ongoing efforts to improve port productivity at the port which could prevent it from parting with sensitive information.

Based on expert analysis of the available information, the report then presents potential solutions in which SATH can play a part.
SECTION 2 PORT PROFILE DAR ES SALAAM PORT PROFILE

The Port of Dar es Salaam is ideally located to service, via the various corridors, most of the countries forming the East African Union in addition to Zambia and the DRC, the latter two countries connected by rail. Through its location, it competes with Mombasa for traffic to/from some of the landlocked countries in the region. Dar es Salaam is also connected by rail to South Africa.

2.1 Container Facilities

The port has three/four dedicated berths at the fully equipped and modern container terminal operated by Tanzania International Container Services (TICTS). This provides 752m quayage which has a stacking area of 18.75ha and stacking 3 high provides a capacity of 400,000TEU p/a. Currently one berth is out of commission for upgrading and will be recommissioned in November 2011. These container facilities are augmented by
container handling at general cargo berths, a cargo centre each for Zambia (ZAMCARGO) and Malawi (MCCL) in addition to several inland container depots (ICDs) situated outside the port which facilities are utilized to handle the overflow of containers from the TICTS terminal. Two new container berths as well as a Container Freight Station (CFS) are planned.

### 2.2 Container Volumes and Performance

The container volumes and main performance indicators for 2009 and 2010 are shown in the tables below. During 2010, 410 container vessels called at the port.

#### Table 1: Throughput

<table>
<thead>
<tr>
<th></th>
<th>2009</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Boxes</td>
<td>TEU's</td>
</tr>
<tr>
<td>Imports</td>
<td>123513</td>
<td>167578</td>
</tr>
<tr>
<td>Exports</td>
<td>124496</td>
<td>169744</td>
</tr>
<tr>
<td>Transhipments</td>
<td>13227</td>
<td>16416</td>
</tr>
<tr>
<td>Total</td>
<td>261236</td>
<td>353738</td>
</tr>
</tbody>
</table>

Source: TPA

#### Table 2: Distribution % (local:transit)

<table>
<thead>
<tr>
<th></th>
<th>2009</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Tanzania (local)</td>
<td>Transit</td>
</tr>
<tr>
<td>Imports</td>
<td>81.49%</td>
<td>18.51%</td>
</tr>
<tr>
<td>Exports</td>
<td>88.81%</td>
<td>11.19%</td>
</tr>
<tr>
<td>Total</td>
<td>85.17%</td>
<td>14.83%</td>
</tr>
</tbody>
</table>

Source: TPA

#### Table 3: Average dwell time

<table>
<thead>
<tr>
<th></th>
<th>2009</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Tanzania (local)</td>
<td>Transit</td>
</tr>
<tr>
<td>No of days</td>
<td>Imports (full)</td>
<td>17.8</td>
</tr>
<tr>
<td>Exports (full)</td>
<td>7.1</td>
<td>na</td>
</tr>
<tr>
<td>Empties</td>
<td>6.9</td>
<td>na</td>
</tr>
<tr>
<td>Total local &amp; transit</td>
<td>12.7</td>
<td>9.6</td>
</tr>
</tbody>
</table>
Table 4: Average container vessel turn-around-time 2010

<table>
<thead>
<tr>
<th>Waiting on berth</th>
<th>3.6 days</th>
</tr>
</thead>
<tbody>
<tr>
<td>Berthing time</td>
<td>0.1 day</td>
</tr>
<tr>
<td>Time on berth</td>
<td>2.6 days</td>
</tr>
<tr>
<td>Average turn-around-time</td>
<td>6.3 days</td>
</tr>
</tbody>
</table>

Source: TPA

From the foregoing tables it is deduced that:

- Volumes exceed terminal capacity.
- About 27% of the containers are FEU’s (forty foot equivalent units).
- During 2010 transit traffic amounted to 29.3% of imports and 14.09% of export.
- Dwell time for transit containers imported during 2010 amounted to an average of 16.3 days as opposed to 12.3 days for containers destined for Tanzania.
- Dwell time improved by 30.9% for local containers and 24.5% for transits during 2010 as compared with 2009.
- On average container ships waited 3.6 days to be berthed.
- An average of 2.6 days is spent on the berth by a ship to discharge and ship its containers.
- During 2010 the number of vessels that carried containers amounted to 410, each with an average parcel load of about 1006 boxes.

SECTION 3 CONTAINER TERMINAL DWELL TIME

Dwell time can be defined as the time a container remains in the container terminal, calculated from the time the container is stacked until the time it is de-stacked for placement on a vehicle for delivery.

Dwell time probably is one of the most important efficiency measurements in respect of container terminal operations as it relates to terminal operational fluidity and, very importantly, terminal capacity utilization. The average dwell time at a specific terminal depends on the utilization of the available space in terms of the services offered, incumbent regulations, rules and the like, i.e., period of stay restrictions, as well as the capacity and efficiency of the land based transport servicing the terminal.

3.1 Factors that Impact on Dwell Time

In accordance with Prof. Patrick Alderton’s book Port Management and Operations there are quite a number of causes of congestion which, in turn, directly influence the dwell time in a container terminal. Some of the most important factors mentioned in this book that have an adverse effect on the dwell time are:

- Investments in berths without ensuring that back-up areas are sufficient to efficiently service the berths.
• Inadequacy of inland transport, both in capacity and efficiency, in relation to trucks, wagons, highways and port access routes.
• Failure of port management and planning authorities to make adequate plans in time for port developments.
• Lack of co-operation between different private and governmental organizations working in the port area.
• Consignees without adequate financial resources or physical facilities to take cargo.
• Inappropriate policies which lead to transit facilities being used for long-term storage where space is inadequate.
• Lack of inland or port storage facilities causing cargo to remain too long in the port transit facilities.
• Lack of reserve capacity in the ports.
• Late arriving documents.
• Faulty documents.
• Outmoded documentation requirements and processing methods.
• Outmoded clearance facilities.
• Importers allowed to order shipments without sufficient funds to take delivery on arrival.
• Impossibility of improving back-up land access in ports because adjacent land has been occupied by urban development.
• Activities carried out in the port area, not related directly to cargo handling, which may conflict with higher port throughput, e.g., Customs controls, inspection procedure.

3.2 Impact of Dwell Time on Container Terminal Stack Area Capacity

By way of example, the following illustrates the stack area required for and the impact of dwell time on the throughput capacity of a container terminal with the following parameters:

<table>
<thead>
<tr>
<th>Annual throughput (Ty)</th>
<th>600 000TEU</th>
</tr>
</thead>
<tbody>
<tr>
<td>Daily requirement (Dr)</td>
<td>Dr = Ty/365(1643.84TEU)</td>
</tr>
<tr>
<td>Dwell time (Dt)</td>
<td>Expressed in days (say 10 days)</td>
</tr>
<tr>
<td>Peaking factor (Pf)</td>
<td>Allowance for peak conditions, normally, 0.75</td>
</tr>
<tr>
<td>TEU ground area</td>
<td>15.25m²</td>
</tr>
<tr>
<td>Stacking area (TGS)</td>
<td>Twenty feet ground slots</td>
</tr>
<tr>
<td>Stacking height (Sh)</td>
<td>Say 4 high</td>
</tr>
</tbody>
</table>

TGS area (net) = (15.25 x 1643.84 x 10)/0.75/4 = 83 562m² or 5 480TGS

Should dwell time thus increase the following result is evident:
• Dwell time 20 days TGS required = 10 960
• Dwell time 30 days    TGS required = 16 440

It is thus clear that stack capacity (TGS) demand is critically influenced by the dwell time of containers in a container terminal to the effect that, all other things being equal, should dwell time be reduced by 50%, the number of twenty feet ground slots required should decrease by the same margin.

SECTION 4 REPORTS REVIEW AND SITUATIONAL ANALYSIS

In order to evaluate and interrogate the most recent situation at the Port of Dar es Salaam, the analysis was based on a review of the following reports:

• The “Tanzania Time Release Study” of December 2009 by the Tanzania Revenue Authority (this report contains the core of the issues under review and forms the crux of the study).

• A report on “Cargo Dwell Time in Durban and its Lessons for Ports in Sub-Saharan Africa” by Tshepo Kgare, Gael Raballand and Hans Ittman (this report mainly deals with the remedial issues and requirements for an acceptable dwell time).


The information contained in these reports was augmented by information and stipulations contained in the EAC Customs and Port Authority Acts of 2004, the Tanzania Ports Authority’s Annual Report of 2009, the tariff structures of the Ports Authority and container terminal operator and published procedures, rules and requirements.

All efforts to obtain first-hand information from the container terminal operator (TICTS) failed.

The review is segmented and dealt with in four parts: port operations; ICD operations; customs and clearing and forwarding activities; and land based evacuation from the port.

4.1 Port Operations

The container terminal capacity, according to TICTS, the terminal operator, is 400,000TEU per annum if containers are stacked 3 high in the terminal. However, the real terminal capacity is highly dependent upon the dwell time and it is not known what dwell time level was factored into the calculation.

During 2010, the number of containers handled at the port exceeded terminal capacity. To combat the situation, customs enfranchised ICDs were established outside the port to accommodate the overflow of containers on offer. This eased the situation somewhat and average dwell time improved by 24.4% in 2010 as compared with 2009. However, congestion is still prevalent, causing container ships to wait on average 3.6 days to berth during 2010.

The container terminal is operated by TICTS which is owned by Hutchinson ports, the owner and/or operator of many ports including Hong Kong and Felixstowe, and a new state of the art terminal operating system is utilized. In this connection, the process at the terminal for imports and exports is clearly documented and available to all customers on the TICTS website.
From an operational perspective there are a few areas of concern:

- As matters now stand, additional berth and yard capacity is needed. However, according to the Tanzania Ports Authority Annual Report for 2009, two additional berths and a container freight station (CFS) have been planned. The building of additional infrastructure is a long term project and capacity constraints will remain in the short to medium term.

- Although ICDs have provided some relief since 2009, their use results in considerable extra cost in terms of conveyance, additional handling and storage which counteracts trade facilitation objectives. The continuous creation of ICDs purely to counteract congestion in the port thus does not augur well for Customs control and trade efficiency.

- By factoring in the dwell time of empty containers shipped out and full export containers has a skewing effect on the average dwell time in that these containers, in effect, are allowed into the terminal when the carrying vessel’s export stack opens. By doing this the dwell time of import containers, which is twice as much, is concealed.

- The dwell time of 6.8 and 5.6 days for export and empty containers, respectively, is high when one considers that the carrying vessel’s export stack opens for the acceptance of containers up to 24 hours before arrival of the vessel in accordance with TICT’s “Terms of Business”.

- Whilst it is believed that the dwell time has improved of late, perhaps because of the enforcement, with effect from March 1 2011, of the provisions of the Ports Act (2004) and East Africa Community Customs Act (2004) whereby manifests for the containers to be discharged have to be lodged to the Authorities at least 24 hours prior to arrival of the vessel, average dwell time for import containers remains relatively high when compared with the Port of Durban.

- TICTS, as a deterrent to long term free storage applies storage, charges at a rate that escalates over time. In terms of Customs requirements containers can be kept in storage for 21 days where after they have to be removed to a Customs controlled facility for auction. Due to the prevailing congestion, the question arises whether such containers should be kept in storage in the terminal for such a long time given the fact that container terminals are purely in-transit facilities that do not provide long term storage.

- Physical inspection by Customs and other Government organizations take place within the terminal which negatively impacts on terminal fluidity.

4.2 ICD Operations

An ICD can be described as a Customs enfranchised common user intermodal facility equipped to handle and temporarily store laden/empty import/export containers under Customs supervision, where Customs clearance, examination and other related inspections may take place to facilitate removal for delivery to the consignee or in transit to over border/foreign destinations by road and/or rail. Containers are manifested for delivery to such a facility.

The facility may also include a Customs supervised container freight station where containers are unpacked and/or packed for onwards movement of the cargo or container.
Typical functions of a dry port/ICD and a CFS, respectively, are:

**Dry port/ICD**
- Handling and storage of laden and empty containers
- Customs clearance
- Customs examinations
- Inspection services

**CFS**
- Packing/unpacking of containers
- Storage of uncleared cargo/containers
- Customs clearance
- Customs examinations
- Inspection services
- Ancillary services such as container cleaning and repair.

At the Port of Dar es Salaam ICDs mainly serve to accommodate the terminal's container overflow. The containers are indeed listed for delivery to an ICD prior to arrival of the vessel in accordance with the “Standard Operating Procedure for Transfer of Containers to ICDs by the whole Ship Transfer Method” (SOP) signed by the relevant stakeholders on October 30, 2009. The procedure for the movement of containers to/from the container terminal is comprehensively covered in the mentioned procedure.

It appears that the activities of the ICDs are in line with international best practice (typical functions) as illustrated above.

However, of concern is the fact that:
- Both the ICDs and the container terminal provide long term storage so that, in fact, they compete rather than complement one another. In essence, ICDs should be the terminal’s escape valve in times of pressure.
- In terms of the Standard Operating Procedure mentioned above, ICDs have seven days to remove the listed containers from the terminal, which negatively impacts on dwell time as it is too long.

**4.3 Customs and Clearing and Forwarding Activities**

Customs operations and clearing and forwarding activities were dealt with comprehensively in the “Tanzania Time Release Study” (TTRS) of December 2009. The findings of this study clearly illustrate the significant influence that the customs and clearing process has on the dwell time in the port terminal. For this purpose, the total time in port (dwell time) and time for each process action was extracted from the TTRS. Each process was then allocated to the party responsible for that process to arrive at the time contribution of each of the role players. In areas where the time could not be clearly determined from the information at hand, assumptions were made in order to present a reasonable reflection of the situation on the ground. This, in turn, enabled identification of the areas of concern relative to the time constraints and possible impediments in the extant processes. The same procedure was followed for the ICDs.
4.3.1 Time in Port: Container imports for Tanzania

Table 5: Time in port: Container imports for Tanzania

<table>
<thead>
<tr>
<th>Process</th>
<th>Customs time (days)</th>
<th>CFA time (days)</th>
<th>Total CFA time (days)</th>
<th>Total terminal time (days)</th>
<th>Total time in port (days)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Arrival to removal *</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>1.0</td>
</tr>
<tr>
<td>Arrival to lodgment of TANSAD</td>
<td></td>
<td>6.2</td>
<td></td>
<td></td>
<td>15.9</td>
</tr>
<tr>
<td>Lodgment of TANSAD to issue of CRO</td>
<td>4.6</td>
<td>1.4</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Release to removal</td>
<td>2.7</td>
<td></td>
<td>10.3</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>4.6</strong></td>
<td><strong>10.3</strong></td>
<td><strong>1</strong></td>
<td></td>
<td><strong>15.9</strong></td>
</tr>
</tbody>
</table>

*Container should be ready for collection after 24 hours

The time from the discharge of the container up to the time of its removal from the container terminal (dwell time) is 15.9 days. The total customs process from receipt of the clearance documentation to release of the container takes 6.0 days, of which, the physical input of customs takes 4.6 days and the clearing and forwarding agent’s (CFA) portion is 1.4 days. Of particular significance here is that it takes 6.2 days by the CFA to initiate the clearing process and another 2.7 days to arrange evacuation from the terminal after a customs release has been obtained. Of the dwell time some 64.8% can thus be attributed to the input of the CFA.

4.3.2 Time in Port: Container Imports for Over Border Countries

The findings relative to the time in port for an import container in transit to an over border country are reflected in Table 6.

Table 6: Time in port: Container imports for over border countries

<table>
<thead>
<tr>
<th>Process</th>
<th>Customs time (days)</th>
<th>CFA time (days)</th>
<th>Total CFA time (days)</th>
<th>Total terminal time (days)</th>
<th>Total time in port (days)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Arrival to removal *</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>1.0</td>
</tr>
<tr>
<td>Arrival to lodgment of TANSAD</td>
<td></td>
<td>4.6</td>
<td></td>
<td></td>
<td>13.5</td>
</tr>
<tr>
<td>Lodgment of TANSAD to issue of CRO</td>
<td>4.2</td>
<td>1.0</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Release to removal</td>
<td>2.7</td>
<td></td>
<td>8.3</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>4.2</strong></td>
<td><strong>8.3</strong></td>
<td><strong>1</strong></td>
<td></td>
<td><strong>13.5</strong></td>
</tr>
</tbody>
</table>

*Container should be ready for collection after 24 hours
Dwell time amounts to 13.5 days, in respect of which, CFA activities represent 61.5% and those of Customs 31.1%. In this case the CFA takes 4.6 days to initiate the clearing process and once again 2.7 days to arrange collection of the container for delivery.

4.3.3 Time in Port and ICD: Container Imports Moved to ICDs
Subjoined are the findings relative to container imports moved to ICDs.

Table 7: Combined time in port and in ICD: Container imports moved to ICDS

<table>
<thead>
<tr>
<th>Process</th>
<th>Customs time (days)</th>
<th>CFA time (days)</th>
<th>ICD operations (days)</th>
<th>Port time (days)</th>
<th>ICD time (days)</th>
<th>Total time in port and ICD (days)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Arrival at port to removal from ICD*</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>18.0</td>
</tr>
<tr>
<td>Port time</td>
<td></td>
<td></td>
<td></td>
<td>6.6</td>
<td></td>
<td>11.4</td>
</tr>
<tr>
<td>ICD time</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Customs</td>
<td>1.1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>CFA</td>
<td></td>
<td>8.0</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>ICD operations</td>
<td></td>
<td></td>
<td>2.3</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>11.4</td>
<td>6.6</td>
<td>2.3</td>
<td></td>
<td></td>
<td>18.0</td>
</tr>
</tbody>
</table>

*Assume this is combined time in port and ICD

For an import container that was moved to an ICD the dwell time in port amounted to 6.6 days while it remained in the ICD for 11.4 days before it was collected. The ICD operator would have arranged movement to the ICD which took 6.6 days from discharge. CFA time is confined to activities at the ICD, in respect of which, it is assumed that it took 8 days, or 70.2% of the total ICD time, to complete clearing formalities. It is assumed that it took 2.3 days to remove the container from the ICD including internal ICD operations.

4.3.4 Factors Contributing to Dwell Time
The underlying factors that contribute to the lengthy dwell time experienced at the port of Dar es Salaam in terms of the TTRS are:

- The unacceptable average time of between 4 and 6 days to initiate the clearing process.
- The unacceptable average time of about 3 days that occurs between release by Customs and the actual evacuation of the container.
- The duration of the clearing process through customs of about 5 to 6 days.
- The abnormally excessive time taken to evacuate a container either in transit to another country or an ICD.
The utilization of an ICD as an extension to the port terminal is a relatively pricy addition to overall transportation costs and the following factors negatively impact on the necessary minimization of the cost implications:

- The lapse of time of about 7 days before a container is moved to the ICD, which is unacceptable.
- The abnormally high dwell time of 11 days in the ICD.
- The unacceptable lengthy time of 8 days that includes the time before lodging the clearing documentation as well as the time between release by Customs and removal of the cargo from the ICD.

When one looks at the dwell time breakdown of the Port of Durban the number of days that contribute to the dwell time at Dar es Salaam does not compare favorably, as reflected in Table 8 below.

Table 8: Dwell time comparison: Durban/ Dar es Salaam

<table>
<thead>
<tr>
<th>Port activities</th>
<th>Durban</th>
<th>Dar es Salaam</th>
</tr>
</thead>
<tbody>
<tr>
<td>Time to unload vessel and store containers in yard</td>
<td>1</td>
<td>3</td>
</tr>
<tr>
<td>Complete clearance procedures incl. physical examination</td>
<td>1</td>
<td>6</td>
</tr>
<tr>
<td>Additional discretionary storage</td>
<td>1</td>
<td>7</td>
</tr>
<tr>
<td>Arrange land transport and complete exit procedures</td>
<td>1</td>
<td>3</td>
</tr>
<tr>
<td>Total average dwell time</td>
<td>4</td>
<td>19</td>
</tr>
</tbody>
</table>

Source: Cargo Dwell Time in Durban and its Lessons Ports in Sub-Saharan Africa by Tshepho Kgare, Gael Raballand, Hans Ittmann

4.4 Evacuation from the Port

The port is serviced by both rail and road. Due to inefficiencies and security issues, the rail systems are hardly used for the conveyance of containers so that virtually all containers are moved by road. The trucks that move the containers to/from the port mainly are of one or two TEU capacity. Interlinks can be used, but require special permits.

The container terminal remains open for deliveries 24/7 for 363 days a year and by way of illustration, on a base of 200,000TEU in and the same volume out and an equal distribution between trucks with a carrying capacity of one and two TEU’s, will have to service some 900 truck moves per day if a truck averages one port entry call per day. Given the congestion in the periphery of the port, and the distances that have to be covered to effect deliveries, it is unlikely that this could be achieved.

Whether there is enough road truck capacity serving the port is another investigation altogether. In this connection, according to an article of the Uganda Coffee Trading Federation dated May 24, 2011, the Tanzania Truck Owners Association’s members own
about 3,000 trucks. However, the fact remains that there is a delay of an average of about 3 days after Customs formalities have been completed which is a cause of concern and points to the fact that there is a shortage of road trucks.

SECTION 5 RECOMMENDATIONS FOR IMPROVEMENT

From the findings it is construed that the most significant factors that contribute to the high dwell time experienced in the port, in summary, are:

- Container terminal capacity constraints.
- Late clearance of cargo.
- A Customs clearing process of 4 to 6 days.
- About 7 days to move an ICD listed container from the port terminal to an ICD.
- Having to wait 3 days to move the container from the terminal.
- Utilization of the container terminal as a storage facility.
- Inspection within the terminal of container contents for verification purposes by Customs and other government agencies, other than tailboard inspections.

The report deals with each of these factors separately below and offers recommendations to contribute to the reduction of the dwell times.

5.1 Container Terminal Capacity

During 2010, current capacity of the container terminal was exceeded, which forced the authorities to increase the number of ICDs to augment the facilities in the port in order to cope with the increased volume of containers. This strategy was intended as an interim measure, presumably, until the two new planned container berths are commissioned.

The routing of containers to an ICD, unfortunately, goes along with additional cost which, from an economic and trade perspective, should be kept to the minimum. Containers are moved to the various ICDs under cover of an agreed process, but the creation of additional ICDs merely to ease pressure on port capacity could create an unruly situation from a control perspective.

The South African port authority is reportedly contemplating an increase in the cargo dues at the South African ports, which may cause a diversion of over border traffic to Dar es Salaam and Walvis Bay.

It is recommended that:

- The Port and Customs authorities evaluate the establishment of additional ICDs against the potential throughput of the container terminal once all remedial measures to decrease the dwell time have been implemented.

5.2 Late Clearance of Cargo

It is absolutely vital that clearing formalities must be completed as early as possible to ensure that the number of containers for delivery is at a premium at all times. Clearance, preferably before vessel arrival, would be ideal as arrangements for Customs and other
Government agencies’ examinations could be made in good time and be incorporated in the terminal stack planning phase, as necessary.

According to the TTRS, lodging the documents with Customs could take up to 4 to 6 days after arrival of the vessel, which is then followed by a further 6 to 7 days from receipt of the documents from the importer up to the point that Customs issues a Release Order. While current Customs processes are not conducive to speedy clearance, some importers deliberately delay clearance in some instances due to:

- utilizing cheap storage in the terminal,
- not having sufficient funds to liquidate the letters of credit,
- “playing” the market to their benefit, and
- not having funds to pay the port charges, duties and taxes.

In addition, vessels’ discharge manifests were allowed to be submitted to Customs only after the arrival of the vessel. Since the manifest is the document that actually triggers the clearing process this practice contributed significantly to the late clearance of cargo.

Fortunately, since March 1, 2011, provisions of the EAC Customs Act (2004) and the Ports Act (2004) are applied, whereby shipping lines/agents have to submit manifests at least 24 hours prior to arrival of the vessel. This could be the underlying reason for the improvement in dwell time that has been recorded lately.

The application of escalating storage charges by the terminal operator does not seem to have had the desired effect for reasons discussed in paragraph 5.6.

Clearing and forwarding agents, in the absence of any incentive to clear expeditiously, will continue to clear at the latest possible time which will negatively impact on dwell time. It thus follows that early clearance must be encouraged, preferably before arrival of the vessel. This can be achieved by stipulating a cut-off time for clearance formalities to be completed, say three days after discharge of the vessel has been completed.

Any container remaining un-cleared should then be moved to an ICD or bonded facility at the expense of the shipping line/agent which, for all intents and purposes, in the absence of having been cleared, has “ownership” of the cargo by default. Should the container terminal be able to provide storage, storage charges on a scale that escalates over time should apply on a level that is higher than removal plus storage at an ICD or other Customs enfranchised facility. However, it is incumbent on the shipping line/agent to arrange for removal to an appropriate facility in the absence of which the terminal operator will arrange for removal to a facility of its own choice.

Basically the same procedure is in use at the Durban Container Terminal as per Transnet Port Terminals’ “Standard Operating Procedure for the Container Terminals (“SOPCT”)” of April 1 2011.

Clearing and forwarding agents are licensed by the TRA in accordance with the Customs Act. Training of this fraternity is apparently ongoing but, due to the significant role it has to play in the logistics chain, there is a dire need to include a comprehensive module on trade facilitation to bring home the necessity of speedy clearance formalities at the ports of entry.

It is recommended that:

- TRA, system wise and operationally, creates the facility for cargo to be cleared prior to arrival of the vessel irrespective whether or not the manifest has been submitted;
- TRA and TPA compel TICTS to amplify the incumbent operating procedures to: include a limitation of three days after the vessel has completed discharge for un-cleared containers to remain in the port terminal/s; TRA extends the terms of the license agreement of ICDs and bonded terminals to provide for the acceptance and storage of un-cleared containers.

- hold the shipping line/agent responsible for all port and cartage charges for the subsequent movement of the container and such charges be recovered from the importer prior to it issuing a delivery order,

- TRA and TPA conduct a census in the port to assess the volume of containers stored, the period that each has been stored and arrangements be made to move the containers that exceed a given time period to ICDs or bonded terminals on a first-in/first out basis.

- TRA strictly applies the 21 day TRA rule in respect of containers remaining uncleared.

- TRA order such containers to the relevant designated area for immediate disposal by either auctioning, destroying or, if possible in the case of consumables, distribution to the needy, as the case may be.

- The training of clearing and forwarding agents be accelerated and a module on trade facilitation be included.

5.3 Customs Clearing Process

According to the TTRS the average clearance time through Customs; from the time of lodgment of the TANSAD until a CRO is issued is four to six days. This does not compare favorably with the Port of Durban where this process takes one day despite the fact that a fully-fledged Customs e-system is currently only in a developmental stage and only part of the system is e-compliant.

Worldwide trade, including the clearing and forwarding trade segment as well as Customs processes, has become largely paperless. In this regard Tanzania is lagging behind and needs to re-engineer the Customs processes to become fully electronic which, in turn, would require the relevant clearing and forwarding processes to become e-compliant.

The shipping lines, shipping agents, terminal operators, etc., are already doing e-business whilst there is some interconnectivity between the TRA and the shipping lines/agents, terminal operators and other stakeholders by means of the ASYCUDA++ clearing system, but it is limited. There is thus no reason why this trade segment in Tanzania cannot become fully e-compliant and do e-business.

The most obvious advantages of an electronic system are time, manpower and resource savings, no opportunity for illegal and underhanded dealings and significant savings in cost as well as accounting for and safeguarding Government revenue. In a paperless e-system environment, shipping transactions can be validated and clearance effected in advance of arrival of the vessel. Such an arrangement would tremendously contribute to smooth and efficient container operations thereby lessening the impact of congestion.

While a fully-fledged e-clearance system cannot be designed and installed in a short time, it is nevertheless considered that urgent short term efforts are necessary to facilitate the introduction of such a system in the shortest possible time. A port community system is
contemplated for Tanzania and it is absolutely crucial that a Customs e-system must be in place to ensure successful implementation of the port community system.

It is recommended that:

- TRA commissions the design and installation of a paperless Customs e-system that provides the widest possible inter-connectivity between the various role players soonest.
- TRA, in the interim, enhance the ASYCUDA++ system to accommodate the electronic processing and transmission of clearance documentation.
- TRA ensures that all its stakeholders and users partake in the contemplated port community system so that members of the trade fraternity can e-communicate with one another.

5.4 Containers Listed for ICDs

The TTRS study has revealed that it takes about six days to move a container that is listed for an ICD from the container terminal. (It is, however, possible that this period has been reduced in line with the requirement that a manifest must be submitted by the shipping line/agent 24 hours prior to arrival of the vessel). In terms of the SOP, the ICD has to make all the arrangements for transfer from the terminal, pay the relevant port and terminal charges involved and effect transfer from the terminal within seven days to avoid storage charges being applied.

It is this seven day period of free storage that is a cause of concern and which could have a negative impact on dwell time. Containers listed for an ICD, from a terminal operating perspective, need not be subjected to the normal clearing process as this takes place at the ICD in any case. Accordingly, it is considered that evacuation from the terminal to the ICD could commence soon after the containers have been stacked in the terminal and that the seven day free storage period does not provide an adequate incentive to expeditiously evacuate the containers from the port in bond.

It is recommended that:

- The TICTS Standard Operating Procedure (SOP) be adapted, if necessary, to allow for the customs bonded movement of the containers listed for ICDs from the terminal under cover of the container list.
- The seven day free storage period be reduced to be in line with the recommended cut-off period of three days after the vessel has completed discharge.
- The movement of containers between the ICDs and the container terminal be conducted mainly during night time so as to alleviate pressure during the day.

5.5 Evacuation of Containers from the Terminal after Clearance

The TTRS found that, on average, some three days expire after a CRO has been issued before the container is collected for delivery. Any congestion at the “collection for delivery phase” of terminal operation will have an adverse reversed domino effect on terminal operations that will eventually cause an impediment on berth capacity.

In the absence of evacuation by rail, road infrastructure and road truck availability must be adequate. The Port of Dar es Salaam is situated in the confines of the city and is served
by heavily congested roads, especially during normal business hours, which is an unfortunate situation not uncommon at the older ports around the world. This challenge is normally met by the development of suitable rail and road infrastructure in sync with port development, the provision of adequate ingress and egress port facilities, adequate road truck capacity and state of the art management technology.

The question of whether adequate road truck capacity exists is beyond the scope of this exercise, but such research is necessary to assess the situation in order take remedial action as well as to determine whether some clearing agents do not make timeous arrangements for expeditious evacuation of containers.

It is recommended that:

- TPA be made aware of the fact that adequate supporting infrastructure such as access roads, port ingress and egress facilities and truck staging areas be developed along with any extension to port facilities.
- a study be undertaken to ascertain whether adequate road truck capacity exists and to recommend solutions to the problems, if any.
- it be made a requirement to nominate the transporter that will collect and deliver the container on the clearance documents, preferably the TANSAD.

5.6 Utilization of the Container Terminal as a Storage Facility

The only TRA rule that has a bearing on this issue is a limitation of 21 days on containers that remain un-cleared in the terminal where after such containers should be ordered to a TRA facility (Customs Warehouse) for disposal or auction, but this rule is not strictly enforced.

International best practice dictates that terminal operators use ICDs or customs bonded terminals to accept their overflow and create fluidity in the terminals. This entails routing containers to the nominated ICD or bonded terminal immediately upon discharge from a vessel or as soon as possible afterwards.

Unfortunately, it appears that the terminal operator, TICTS, in accordance with its terms of its business, allows long term storage at the terminal.

Table 9: TICTS – Free storage periods

<table>
<thead>
<tr>
<th>Category</th>
<th>Free Storage Period</th>
</tr>
</thead>
<tbody>
<tr>
<td>Domestic imports</td>
<td>7 days free storage</td>
</tr>
<tr>
<td>Transit imports</td>
<td>15 days free storage</td>
</tr>
<tr>
<td>Trans-shipments</td>
<td>15 days free storage</td>
</tr>
<tr>
<td>Domestic exports</td>
<td>7 days free storage</td>
</tr>
<tr>
<td>Transit exports</td>
<td>21 days free storage</td>
</tr>
<tr>
<td>Imports empties</td>
<td>10 days free storage</td>
</tr>
<tr>
<td>Exports empties</td>
<td>5 days free storage</td>
</tr>
</tbody>
</table>

Source: TICTS “Terms of Business”
From the foregoing free storage periods in place at the terminal operated by TICTS it is deduced that long term storage is indeed catered for, in respect of which, escalating storage charges are applied over time. The circumstances under which storage is provided in the terminal must be revisited in order to increase throughput and to allow it to be operated as a *bona fide* transit facility, as per international standards.

It is recommended that:

- Procedures for Customs enfranchised ICDs and bonded facilities to accept un-cleared containers be introduced.
- Protracted storage of containers is only allowed if spare capacity is available in the terminal.
- Empty containers are not allowed into the terminal before the carrying vessel’s export stack opens.
- Special empty container parks are established for the storage of empty containers or, alternatively, that ICDs are used for that purpose.
- Empty containers are moved to/from the terminal at night to create more delivery capacity during the day.

### 5.7 Physical Inspection of Container Contents

According to the TTRS study 40% of the import containers are not subjected to physical examination, 40% are x-ray scanned and 20% are subjected to physical examination which would include either, unpacking the container or, conducting a “tailboard inspection”. Tailboard inspections are normally carried out in an examination area in proximity of the stack. The study revealed that containers that are physically examined by unpacking and repacking the contents add an average of two days to the dwell time in the terminal while those for scanning add an average of 40 hours.

The aforementioned examinations are requested by Customs for their purposes only. Other Government Departments occasionally also request physical examinations. These include but are not limited to the following:

- Government Chemist Laboratory Agency (GCLA)
- Tanzania Food and Drug Authority (TFDA)
- Tanzania Bureau of Standards (TBS)

The functions of these agencies basically include:

- Processing importers’ applications, including verification of trade documents.
- Collection of fees and charges.
- Issuing of import permits/certificates – normally before shipment.
- Inspect goods on arrival where necessary to verify conformity of documents against physical goods.
- Occasionally drawing samples for testing and laboratory analysis.

The functions that are performed after arrival of the goods take an average of 1.5 days, with delays mainly attributed to:
• the absence of certificates or import permits;
• products not conforming to the specifications; and
• products and/or documents not being described in the language required.

Physical examination of container contents and the scanning of containers presently take place within the terminal. These activities take up large valuable areas that otherwise could be used for the stacking of containers. They also cause additional container movements and pedestrian traffic that could disrupt normal terminal operations and negatively impact on terminal efficiency.

From a best practice perspective, a container terminal should be free of these additional activities. The inspection services required should rather be performed outside the terminal at Customs enfranchised facilities such as CFSs, ICDs and bonded terminals. In this connection other government departments should indicate their desire to inspect a consignment prior to lodgment of the clearance documentation to Customs.

It is recommended that:

• TRA seriously considers the relocation of physical examination activities in the terminal to the CFSs, ICDs, bonded terminals and allow only tailboard inspections to take place in the terminal.

• Other government departments reflect their intention to inspect the container contents by means of a rubber stamp impression on the TANSAD prior to presentation of the clearance documentation to Customs.

SECTION 6 SATH TRADE FACILITATION INTERVENTIONS

Basically all the recommendations generated in this report fall within the ambit of trade facilitation and touch on or are related to the Customs and Port legislation, regulation and rules. It thus follows that the major role players here are the TRA and TPA that have to revise, amplify and implement the relevant legislation, regulations, rules and operating procedures. These authorities will have to decide whether the recommendations are implementable and whether they, in fact, augment their efforts to enhance efficiency. Most of the recommendations offered have been proven in the Port of Durban environment. In this connection, the report on “Cargo Dwell Time in Durban and its Lessons for Ports in Sub-Saharan Africa” and the "Standard Operating Procedure for the Container Terminals (“SOPCT”)” for the South African container terminals bear evidence. The bulk of the recommendations relate to the TRA and that Authority should be targeted first and foremost.

6.1 Summary of Recommendations by Authority

6.1.1 Tanzania Revenue Authority (TRA)

• Creates the facility for cargo to be cleared prior to arrival of the vessel irrespective whether or not the manifest has been submitted

• Extend the terms of the license agreement of ICDs and bonded terminals to provide for the acceptance and storage of un-cleared containers.
• Conduct a census in the port to assess the volume of containers stored, the period that each has been stored and arrangements be made to move the containers that exceed a given time period to ICDs or bonded terminals on a first-in/first out basis.

• Strictly apply the 21 day rule in respect of containers remaining un-cleared;

• Order such containers to the relevant designated area for immediate disposal by either auctioning, destroying or, if possible in the case of consumables, distribution to the needy.

• Accelerate the training of clearing and forwarding agents and include a module on trade facilitation be included.

• Commission the design and installation of a paperless Customs e-system that provides the widest possible inter-connectivity between the various role players soonest.

• Enhance the ASYCUDA++ system to accommodate the electronic processing and transmission of clearance documentation.

• Ensure that all its stakeholders and users partake in the contemplated port community system so that members of the trade fraternity can e-communicate with one another.

• Seriously consider the relocation of the physical examination activities in the terminal to the CFS’S, ICD’s, bonded terminals and thus not allow physical examination of containers, with the exception of tailboard inspections, to take place in the terminal.

• Require other government agencies to reflect their intention to inspect container contents by means of a rubber stamp impression on the TANSAD prior to presentation of the clearance documentation to Customs.

• Make it a requirement to nominate the transporter that will collect and deliver the container on the clearance documents, preferably the TANSAD.

• Introduce procedures for Customs enfranchised ICDs and bonded facilities to accept un-cleared containers.

6.1.2 Tanzania Ports Authority (TPA)

• Make TPA aware of the fact that adequate supporting infrastructure such as access roads, port ingress and egress facilities and truck staging areas be developed along with any extension to port facilities.

• Undertake a study to ascertain whether adequate road truck capacity exists and to recommend solutions to the problems, if any.

• Allow containers for storage for protracted periods only if spare capacity is available in the terminal.

• Not allow empty containers not be allowed into the terminal before the carrying vessel’s export stack opens.

• Establish special empty container parks for the storage of empty containers or, alternatively, use ICDs for that purpose.
• Move empty containers to/from the terminal at night to create more delivery capacity during the day.

6.1.3 TRA and TPA Combined

• Evaluate the establishment of additional ICDs against the potential throughput of the container terminal once all remedial measures to decrease the dwell time have been implemented.

• Require TICTS to amend operating procedures to include a limitation of three days after the vessel has completed discharge for uncleared containers to remain in the port terminal/s;

• Hold the shipping line/agent responsible for all port and cartage charges for the subsequent movement of the container and recover such charges from the importer prior to it issuing a delivery order;

• Adapt the TICTS Standard Operating Procedure (SOP), if necessary, to allow for the Customs bonded movement of the containers listed for ICDs from the terminal under cover of the container list.

• Reduce the seven day free storage period to be in line with the recommended cut-off period of three days after the vessel has completed discharge.

• Conduct the movement of containers between the ICDs and the container terminal be conducted mainly during night time so as to alleviate pressure during the day.

• Consider remedial measures as per the recommendations in for curbing the periods un-cleared and ICD bound containers, respectively, are allowed to remain in the terminal.

SECTION 7 CONCLUSION

The TRA and TPA have made major efforts during the past few years to relieve congestion at the Port of Dar es Salaam. The TRA recently seriously started to implement some of the recommendations contained in the TTRS of 2009 in response to which an improvement in the dwell time has been reported. It is believed that more actions are being contemplated by the port stakeholders to further improve the situation.

The contents of this report specifically discusses the causes of the unacceptable level of the dwell time in the container terminal in the Port of Dar es Salaam and advances remedial actions to improve the situation. The recommendations must be seen as supplementary to those contained in the TTRS and are inspired by best practices in use at other major container terminals in ports in the SADC region.

SECTION 8 REFERENCES

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