The Federation of East African Freight Forwarders Associations

(FEAFFA)

STRATEGIC PLAN
2019 - 2021

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ABBREVIATIONS

ABADT	Association Burundaise des Agences en Douane et Transitaires
C&F	Clearing and Forwarding
CFA	Clearing and Forwarding Agents
COC	Code of Conduct
EAC	East African Community
EACFFPC	East African Customs and Freight Forwarding Practicing Certificate
EARA	East Africa Revenue Authorities
EALA	East Africa Legislative Assembly
ETI	Enabling Trade Index
EAFLPM	East Africa Freight Logistics Performance Matrix
FEAFFA	Federation of East African Freight Forwarders Associations
FF	Freight Forwarders
FIATA	Fédération Internationale des Associations de Transitaires et Assimilés (International Federation of Freight Forwarders Associations)
FL	Freight Logistics
KIFWA	Kenya International Freight Warehousing Association
LIEA	Logistics Institute of Eastern Africa
LPI	Logistics Performance Index
LPS	Logistics Performance Survey
M&E	Monitoring and Evaluation
MVP	Member Value Proposition
NA	National Association
OSBP	One Stop Border Post
ODI	Organizational Development and Improvement
ROO	Rule of Origin
RWAFFA	Rwanda Freight Forwarders Association
SCT	Single Customs Territory
SWC	Single Windows System
SCEA	Shippers Council of Eastern Africa
SWOT	Strengths, Weaknesses, Opportunities, Threats
TAFFA	Tanzania Freight Forwarders Association
TNA	Training Needs Analysis
UCIFA	Uganda Clearing Industry and Freight Forwarding Association
UFFA	Uganda Freight Forwarders Association
USAID	United States Agency for International Development
ZFB	Zanzibar Freight Forwarding Bureau

CHAPTER ONE

1.0 ABOUT FEAFFA

1.1 Overview of FEAFFA

The Federation of East African Freight Forwarders Associations (FEAFFA) is an apex body of national associations of clearing and freight forwarding agents in the East African Region. FEAFFA is registered and domiciled in the United Republic of Tanzania but its Secretariat is situated in Nairobi, Kenya.

The six current member associations of FEAFFA are: Association Burundaise des Agences en Douane et Transitaires (ABADT), Kenya International Freight & Warehousing Association (KIFWA), Rwanda Freight Forwarders Association (RWAFFA), Tanzania Freight Forwarders Association (TAFFA), Uganda Freight Forwarders Association (UFFA) and Zanzibar Freight Bureau (ZFB). It represents over 2,341 clearing and forwarding firms in the EAC region.

FEAFFA is governed by a constitution that was adopted in Kampala on 30th March, 2007. The FEAFFA constitution is the supreme law of the Federation and is binding to all members of the Federation. The constitution visualizes FEAFFA as becoming a model professional association upholding ethics and integrity in the freight forwarding and related activities and an authority of growth and development of the industry in the region. It also identifies FEAFFA's mission as being to promote growth, development and cooperation of freight forwarding industry while advancing professionalism, ethics and integrity among the practitioners. Within the constitution, the objectives and roles of the association, the various membership categories, governance structures, codes of ethics, among others are identified. In line with its constitution, several objects are identified including:

- To be the mouthpiece and promote the image of the national associations and the Freight Forwarding Industry throughout the East African Region;
- To safeguard, promote and advance the common interest of members and freight forwarders of the Region;
- To promote professionalism in the sector through training and adoption of professional ethics;
- To enhance public private partnership in the sector at national and regional level,
- To encourage and facilitate collaboration with relevant national, regional and international organizations.

1.2 Key Initiatives of FEAFFA

1.2.1 The EACFFPC Programme

One of the key initiative of FEAFFA in the last two strategic periods was to professionalize the industry through training of the industry players on the best practices. This was achieved through

the EACFFPC which is a training course for freight forwarders and clearing agents, both practicing and aspiring, in the EAC. The six-month intensive EACFFPC programme started in 2006/07 under the auspices of a partnership of FEAFFA, and the East African Revenue Authorities (EARAs) from the EAC partner states, with USAID funding.

Generally, the EACFFPC has performed reasonably well as a fundamental training programme and the stakeholders attest to its impact in improving the competence of the CFAs and general service delivery in the Customs operations and general trade and logistics sector.

After about 9 years of implementation, in 2015 the EACFFPC underwent a summative evaluation. From the evaluation, a number of findings and recommendations for improvement were arrived at. From the evaluation, it was found that:

- The EACFFPC had achieved significant improvements in standard of clearing/forwarding services
- 100% of EACFFPC graduates surveyed said training provided them with new and/or improved knowledge and skills
- The project had reached over 6000 freight forwarders/ clearing agents trained. However, quality and reliability of monitoring data around numbers of men and women trained was weak.
- The CFA trained and companies employing EACFFPC graduates had experienced a strong positive impact in improving quality, timeliness and cost of their services.
- Despite funding for EACFFPC ending in 2014, the programme still continued indicating a level of sustainability of the project. However, this situation was varied across the different member countries in the region.

There were some challenges identified that affected the success and sustainability of the EACFFPC. These included:

- Minimal consideration of gender mainstreaming in the project. Some evidence of unequal access to EACFFPC training for women was found.
- Lack of a deliberate results/outcomes focused project monitoring framework. There was little or no evidence of sufficient ongoing monitoring, evaluation and learning within the project. There was incoherence and inconsistencies in monitoring data.
- There was an over emphasis of the curriculum and training materials on customs to the detriment of important freight forwarding knowledge and skills.
- Despite its lead role in setting up and coordinating the EACFFPC, FEAFFA does not, as yet, generate sustainable revenue from the EACFFPC.
- Apart from ADR in Rwanda, all the other NAs had financial sustainability concerns in delivering the course.
- There was tension around the future 'ownership' or lead responsibility for delivering the EACFFPC (between national associations and revenue authorities).
- The EACFFPC project had a diffuse and complex implementation network which created some operational inefficiencies.

- There appeared to be no systematic management of risk in the project.

In pursuit to improving the EACFFPC, in 2016, a consultancy funded by TradeMark East Africa was to develop a training strategy for the Customs Clearing Agents and Freight was initiated. The strategy recommended FEAFFA and the NAs to take the oversight role over the training function in the industry and let the training be run by strategic training providers, such as tertiary institutions or competent private sector institutions as opposed to the revenue authorities in some instances. Several broad strategies were identified including:
- Expedite the institutionalization of self-regulation.
- Restructure and enrich the EACFFPC and design and promote accredited and recognized training and development programmes.
- Design and strengthen a framework for training delivery through bringing on board strategic partner(s) and institutionalizing efficacious delivery methods.
- Building a robust Governance System.

1.2.2 The East Africa Customs Agents and Freight Forwarders Board (EACAFFB)

The East Africa Customs Agents and Freight Forwarders Board (EACAFFB) is a registration and certification system for qualified practitioners. Practitioners are registered upon application and complying with the code of conduct among other requirements. The system provides a database of certified practitioners for use by stakeholders and will manage professional development and police professional conduct. The Board was therefore established to certify professional customs agents and freight forwarders in the region for professional identification. The board was officially launched in august 2017 and registration of certified practitioners who have qualified under the EACFFPC programme, Certificate of Competence or other relevant qualification has commenced. The registration process is part of FEAFFA's efforts to professionalize the industry.

1.2.3 The Model Customs Agents and Freight Forwarders Management Bill 2016

The Model Bill is a regional template to be used by partner states to develop and enact similar laws providing for the training, certification, registration, professional development, and conduct of customs agents and freight forwarders, and for other related matters. The Act shall apply to customs agents and freight forwarders certified and registered under this Act. As its objectives, the Act shall protect and safeguard the interests of the customs agents and freight forwarders; and provide for, administer and govern:
i. The supervision, control and monitoring of conduct and practice of customs agents and freight forwarders.
ii. The standardization and accreditation of customs agents and freight forwarders qualifications
iii. The examination, certification and registration of customs agents and freight forwarders.

1.2.4 Information Management

In order to inform the sector of any new developments as well as dissemination of various sector regulations and practices, FEAFFA has created various mediums of communications. Some of the most successful initiatives include:

- A website (http://feaffa.com) hosting trade information for the East African Region to provide a one-stop source of trade information and resources for access. Some of the resources are also available for download.
- A Freight Logistics Magazine that is published quarterly
- An online edition of Freight Logistics Magazine available at http://feaffa.com/magazine/

1.2.5 Industry Capacity Building Initiatives

1.2.5.1 Revised EAC Rules of Origin

The purpose of this initiative was to build capacity for customs clearing and freight forwarding industry players to effectively apply the revised EAC Rules of Origin (ROO). About 1,091 CFAs and shippers were reached through the sensitization seminars. An information booklet on the revised EAC rules of origin was developed and 2000 copies of the booklet printed and distributed across the region to support the sensitization of clearing agents and shippers on the revised EAC ROO. Within the same initiative, the EACFFPC module on Rules of origin was updated and a training of trainers' course mounted reaching 590 EACFFPC students across the region. About 1500 copies of the updated module were printed in both English and French. Through the support of USAID, FEAFFA is currently developing an online digital platform to provide continuous sensitization and training opportunities that are flexible, easily accessible and affordable to clearing agents, freight forwarders and shippers on the revised ROO.

1.2.5.2 Corporate Governance Training

The role of good corporate governance in the clearing and forwarding sector cannot be gainsaid. Good corporate governance will help address the myriad of issues affecting the National Associations. To this end, FEAFFA undertook a one week corporate governance training for all the leaders of National Associations. However, there has been changes in leadership in most of these associations and therefore the need to undertake another training on governance with an added scope of how to lead membership organizations.

1.2.5.3 Development of a Leadership Code and Implementation of the Code of Conduct

In pursuit of ethical leadership and business conduct FEAFFA developed a leadership code and code of conduct which have to be adhered to by the members. During the past strategic implementation period, FEAFFA continuously reinforced the implementation of the two documents. However, the extent to which the members adhered to the codes cannot be verified and this maybe an area to focus on in the next strategic period.

1.2.5.4 Memorandum of Understanding with Key Stakeholders

FEAFFA has signed memorandum of understanding with several key stakeholder organizations among them the Intergovernmental Standing Committee on Shipping (ISCOS), Central Corridor Transit Transport Facilitation Authority (CCTTFA), and the East African Community (EAC). Negotiations are underway with other stakeholders.

1.3   FEAFFA Secretariat Capacity

As discussed above, FEAFFA has posted some impressive results, though more would have been achieved. The performance has been affected by limited staff capacity within the Secretariat, largely attributed to insufficient resources. This has also affected programming leading to limited programmes and sector interventions as would be desired. Various options should be evaluated within this strategic plan to address staff capacity as this would continue to affect the performance of FEAFFA including its ability to attract partnerships for development of the sector

1.4   FEAFFA Financial Status

FEAFFA financials resources are largely dependent on donors. In 2016, about 65% of the financial resources of FEAFFA came from donors as opposed to 20.6% in 2015. The same situation pertained in 2017. From the financials, it is clear that donor funding and training fees were the main sources of income in 2016 and 2017. Directory advertisements contributed the major share of income in 2015 at 58%. From the analysis of the income, it was clear of the high donor dependence of FEAFFA with minimal contributions from internal sources. There is therefore an urgent need to diversify and strengthen other income generating activities as identified in the Resource Mobilization Strategy.

Table 1: FEAFFA Financial Performance 2015 - 2017

Income	2017 ($)	2017 (%)	2016 ($)	2016 (%)	2015 ($)	2015 (%)
Subscriptions	6000	2.5	6,000	3.0	7,000	8.1
Grant Income	152,056	62.3	131,092	64.7	17,866	20.6
Directory Advertisement income	27,654	11.3	24,470	12.1	50,374	58.0
Training Fees and Materials	53,517	21.9	36,650	18.1	11,631	13.4
Other Incomes	5000	2.0	4,508	2.2	-	0.0
Total	**244,227**	**100.0**	**202,720**	**100.0**	**86,871**	**100.0**

Income	2017 ($)	2017 (%)	2016 ($)	2016 (%)	2015 ($)	2015 (%)
Expenditure	(245,898)		(196,499)		(101,035)	
Exchange rate fluctuations			(4,029)		(198)	
Total Expenditure	(245,898)		(200,528)		(101,233)	
Surplus / (deficit) for the year	**(1,671.50)**		**2,192**		**(14,362)**	

FEAFFA had developed a Resource Mobilization and Sustainability Strategy. It was expected that the Federation would have mobilized USD 257,660 in 2016 and USD 500,160 in 2017. However, as indicated in the table below, the resources mobilized were 19% and 12% of budget for 2016 and 2017 respectively. In order to implement most of the strategic plan items, there will be need to refocus on the implementation of the resource mobilization strategy.

Table 2: FEAFFA Resource Mobilization Performance 2016 - 2017

Revenue Item	Net Revenue In 3 Years	2016			2017		
		Budget 2016	Actual	% of Achievement	Budget	Actual	% achievement
Training Fees	75,000	25,000	4,928	20%	25,000	13,042	52%
Training Materials	110,000	50,000	30,162	60%	30,000	36,547	122%
Short Courses/ Workshops	300,000	25,000	1,560	6%	125,000	1720	1%
Registration of Practitioners	285,000	10,000	-	0%	125,000	0	0%
E-Learning	30,000		-		10,000	0	0%
Membership Fee	61,000	6,000	6,000	100%	25,000	6000	24%
Directory	72,000	20,000	5,059	25%	24,000	4029	17%
Website Advertisement	15,500	500	-	0%	5,000	0	0%
Consultancy	236,040	101,160	-	0%	101,160	0	0%
Annual Conference	90,000	20,000	-	0%	30,000	0	0%
Total	**1,274,540**	**257,660**	**47,709**	**19%**	**500,160**	**61,338**	**12%**

CHAPTER TWO

2.0 REVIEW OF THE 2014 - 2016 STRATEGIC PLAN

2.1 Strategic Priorities in the 2014 – 2016 Strategic Plan

The Strategic Plan 2014 – 2016 was FEAFFA's 2nd Strategic Plan since inception. The strategic plan had 5 strategic priorities that formed the core focus of the last 3 years. These were:

a) Provide support services to strengthen National Associations (NAs)
b) Ensure professionalization of the clearing and forwarding sector
c) Lobby and advocate on behalf of the members and industry
d) Research, Documentation and Knowledge Development
e) Institutional Strengthening and sustainability

A review of FEAFFA's past performance on the 2nd Strategic Plan and based on the above Strategic Priorities was undertaken in order to isolate those factors that have contributed to favorable or unfavorable results. This was carried out through an analysis of the Federation's key performance indicators on the different themes that the plan pursued as discussed below.

2.2 Performance Review 2014 – 2016

2.2.1 Strategic Priority 1: Provide support services to strengthen National Associations

FEAFFA being a membership association can only be successful if their membership is vibrant. It was for this that the previous strategic plan intended to provide support in strengthening the NAs. At the time of strategizing, the NAs were facing several challenges including:

- Governance
- Management issues
- Lack of member perceived benefits
- Financial challenges and the limited ability to mobilize the same;
- Limited membership services

In order to address the above issues, FEAFFA was to provide Capacity building to the NAs; supporting them in strengthening governance and Leadership; implementation of the Code of Conduct; information provision on industry developments; and, enhancement of communication with NAs among others. Various strategies and activities were planned and different outcomes achieved as indicated in the table below:

Table 2: Strategic Priority 1 Performance

Strategy	Strategic Activities	Outcomes/Results
Provide capacity building to associations	Conduct a Capacity Needs Assessment for all NAs	Was not done due to resource constraints
	Develop a capacity building plan and checklist to address the priority capacity gaps identified	Though no formal CNA, several trainings were undertaken including Corporate Governance. A Leadership Code was also developed
	Implement the NAs capacity building plan	
Develop performance standards for NAs	Develop a tool for assessing performance of NAs	Was not done due to resource constraints
	Conduct annual performance assessment of the NAs	Developed tools especially in areas of training
Provide NAs with relevant business and industry information	Establish link between FEAFFA portal and NAs' websites	ADR and UFFA sites linked with FEAFFA website
	Distribute industry publications	Copies of the magazine, other information materials distributed

2.2.2 Strategic Priority 2: Lobby and advocate on behalf of the members and industry

Due to the many challenges in the operating environment facing the clearing and forwarding sector, FEAFFA was to position itself so that was to be involved in every step of the legislative process of policies that affect the NAs and their membership within the EAC. This was to be involved in the development of mechanisms that were to inform the future intended legislation and policies. FEAFFA was to participate in the decision-making process using tools such as dialogue platforms which include forums, conferences, tradeshows, breakfast meetings, etc; direct advocacy; grassroots campaigns; public relations and use of the media. Four strategies were identified as indicated in the table below.

Table 3: Strategic Priority 2 Performance

Strategy	Strategic Activities	Outcomes/Results
Enhance the capacity of FEAFFA and NAs to lobby and advocate	Develop an advocacy policy/ strategy	Was not done due to resource constraints
	Organize Training for Board and staff in lobbying and advocacy	Executive secretaries trained. Not yet done for Boards
Influence policy changes/ formulation	Advocate for adoption of a single regional customs license	Work in progress. Matter under discussion with EAC based on mutual recognition. Already agents are able to access automated customs systems of partner states to clear cargo.

Strategy	Strategic Activities	Outcomes/Results
	Advocate for the Removal or rationalization of container deposits charged by shipping lines	Matter taken at regional level including lobbying at EAC level. FEAFFA engaging stakeholders regionally and internationally for adoption of an insurance and other container guarantee system.
	Lobby to be part of relevant policy formulation organs and for a	MOUs signed with several regional public sector organizations with a view to entrenching structured engagement and participation. Among these are ISCOS, EAC, CCTTFA. Others being pursued.
	Participate in relevant policy formulation organs and fora	Participated in several relevant fora both at regional and continental levels
Research on Emerging issues in the freight logistics sector	Undertake a study on the options for optimizing the benefits of the standard gauge railway projects on the freight logistics industry in the region	Was not done due to resource constraints
	Undertake a study on issues hindering uptake of the WCO's Authorized Economic Operator (AEO)	Not yet done though FEAFFA has lobbied to be a member of the steering committee on the EAC AEO consultative committee. Project in the offing on AEO with development partners. Also there was change in approach with a focus on building capacity of operators to join and benefit from the scheme.

2.2.3 Strategic Priority 3: Ensure Professionalization of the C&F Sector

The clearing and forwarding industry in the region faces a lot of challenges in terms of professionalism. The sector has over time been defined as one where lack of professionalism and integrity are rife. As an apex body, FEAFFA was to focus on ensuring that there was professionalism in the industry and that the industry players were able to undertake profitable businesses within the law. This was to be achieved through various initiatives as discussed below.

Table 4: Strategic Priority 3 Performance

Strategy	Strategic Activities	Outcomes/Results
Pursue the recognition of freight logistics (FL) as a profession in the region	Develop a concept paper of freight logistics regulation	Concept done - was supported by JICA
	Validate the concept on self-regulation by stakeholders	Study on management and self-regulation of the sector done
	Develop a Bill on the self-regulation for the FL	Regional model bill developed
	Regional Validation of the Bill	Bill was validated by stakeholders
	Engage the EALA to enact the bill	Self-regulation laws being enacted nationally as EAC lacks requisite capacity to do it. Laws will be similar supported by mutual recognition agreements. Rwanda is developing the pilot law.
Establish and enforce professional and ethical standards	Develop an enforcement mechanism for Code of Conduct (COC)	Developed and COC being enforced by all NAs. An enforcement mechanism is in the model law
	Enforce the COC	All countries enforcing though low level of success
	Validate the draft FEAFFA Standard Trading Conditions (STC)	STC validated
	Mobilize FLs to start using the FEAFFA STC	STC already deployed for voluntary use by firms. Awareness creation necessary. STCs also recognized in regional model bill
Enforcement of the EACFFPC as a licensing requirement	Support NAs to include the EACFFPC as part of the conditions for registration/ renewal of licenses	All NAs except ZFB have EACFFPC as a licensing requirement.
Sustainability of the EACFFPC program	Deploy the EACFFPC sustainability strategy	EACFFPC sustainability Strategy adopted by CIC and shared with all countries for use. A few aspects already working but most not yet.
	Develop distance and e-learning training options	E-learning project underway with partial support of USAID East Africa Trade and Investment Hub (USAID EATIH)
	Mainstream the EACFFPC program under EAC	In advanced stages. EACFFPC alignment to EAC training requirements
	Mainstream HIV/AIDS in FEAFFA's training programs	Training module / materials developed and is awaiting final validation followed by implementation

Strategy	Strategic Activities	Outcomes/Results
Establish a Regional Logistics Institute	Conduct a Feasibility study on establishing Logistics Institute of Eastern Africa (LIEA)	Was not done due to resource constraints
	Develop a technical proposal for the establishment of LIEA	Was not done due to resource constraints
	Establish the LIEA	Was not done due to resource constraints
Develop and implement training programs for the freight logistics industry	Conduct a Regional TNA on new developments in the sector	Was not done but is part of proposed phased-two capacity building project with TMEA
	Implement the training interventions recommended in the TNA	Was not done but is part of proposed phased-two capacity building project with TMEA
	Develop a joint training program for truck drivers with KTA	Regional approach changed. TMEA will do with transport associations. Developed by EAC but not yet implemented. FEAFFA seeking partnership in the implementation.
	Develop a framework for Continuous Professional development in FL	This is work in progress under the stewardship of the curriculum implementation committee. It is also provided for in the model bill
	Develop an accreditation system for the EACFFPC program	This is being done nationally in line with national requirements. It is also provided for in the model bill
Establish a Registration Board for certified industry practitioners	Develop a Technical proposal on establishment of a registration board.	Instruments for the registration and certifications board developed.
	Establishment of the registration board	Board established and launched by the Minister for Transport of Tanzania.
Initiate an award for excellence in FL Service Delivery and Performance	Develop and implement a regional award scheme for excellence in freight logistics	Was not done due to resource constraints

2.2.4 Strategic Priority 4: Research, Documentation and Knowledge Development

FEAFFA recognizes the role of knowledge development in supporting its advocacy and lobbying efforts. FEAFFA also recognizes that if the sector is to engage effectively on issues then there is need for a sound knowledge base on a wide spectrum of issues. It was therefore imperative for FEAFFA to develop a one-stop shop for dissemination of sector specific information mainly for members and other stakeholders. Such information would also include sector performance

indicators and annual sector performance assessment. Several strategies were identified in this area.

Table 5: Strategic Priority 4 Performance

Strategy	Strategic Activities	Outcomes/Results
Publish the annual East African freight logistics performance Matrix (EAFLPM)	Develop and disseminate the EAFLPM	Was not done due to resource constraints
Undertake research and develop key sector indices and indicators of business performance for comparative analysis	Develop Secretariat capacity in Research and Knowledge Management	Was not done due to resource constraints
	Identify a list of key sector indices and indicators of business performance	Was not done due to resource constraints
Dissemination of trade related information	Populate the E-Portal	Portal upgraded with mobile application
	Publish quarterly Directory and newsletter	Directory published all through with an online version created
	Develop and implement a Media and publicity strategy	Was not done due to resource constraints
	Organize regional freight logistics conference	Done in collaboration with the national association on Tanzania (TAFFA) in 2017. Uganda association (UFFA) to host 2018 conference.

2.2.5 Strategic Priority 5: Institutional Strengthening and Sustainability

In order to implement and achieve the desired results on the objectives of FEAFFA, a strong secretariat is required. Some of the initiatives identified included the need to improve on membership, grow Secretariat capacity, review its constitution and diversification of revenues to ensure long term sustainability, among other strategies as indicated in the Table below.

Table 6: Strategic Priority 5 Performance

Strategy	Strategic Activities	Outcomes/Results
Increase membership	Identify and recruit potential members	ZFB joined the Federation. Associations from Ethiopia and South Sudan being pursued.

Strategy	Strategic Activities	Outcomes/Results
Diversify and increase revenue	Implement the business plan	Fundraising strategy developed and being implemented. A few new sources of revenue secured
Organizational Development and Improvement (ODI) assessment	Conduct Secretariat capacity needs and ODI assessment	Was not done due to resource constraints
	Develop and deploy a capacity building plan and checklist	Was not done due to resource constraints
Enhance Secretariat Capacity	Review of the FEAFFA HRM policy	Was not done due to resource constraints
	Develop an induction guide for FEAFFA	Was not done due to resource constraints
	Procure and Implement an Integrated MIS for FEAFFA	Was not done due to resource constraints
	Conduct a job evaluation/analysis for all positions	Was not done due to resource constraints
	Conduct a Business Process Re-engineering	Was not done due to resource constraints
Develop Strategic Partnerships/affiliations	Undertake a stakeholder mapping exercise	Key stakeholders were identified and approached for partnership
	Develop and formalize partnerships	MOUs concluded with ISCOS, EAC, Central Corridor while negations are ongoing with Northern Corridor, Dar Corridor among others.
Implement a Performance monitoring, evaluation and organizational learning framework	Develop an M&E plan and log frame for all FEAFFA projects	Was partially done for especially donor supported projects.
	Train staff in Project management with strong emphasis on M&E	Was not done due to resource constraints
Enhance the FEAFFAs governance	Review the FEAFFA constitution	In progress. Was constrained by resources
	Develop rules/regulations to the constitution	Underway. Awaiting the constitutional review
	Conduct a Corporate governance training for the board & NAs	Done. Leadership code developed and deployed.
Develop institutional capacity in Research	Identify the Federation's research and knowledge management capacity needs	Was not done due to resource constraints

Strategy	Strategic Activities	Outcomes/Results
and Knowledge Management	Develop and implement an action plan for bridging the Capacity gaps identified	Was not done due to resource constraints

2.3 Factors/Challenges that affected 2014 – 2016 Performance

- Resources constraints majorly due to significant reduction in development partners' support
- Internal wrangling in many associations
- Inadequate human resources – many experienced staff lost due to resource challenges
- Leadership challenges facing NAs
- Disconnect between national associations and the Federation in the implementation of projects.
- Lack of shared priorities.

2.4 Factors/Challenges that affected Performance of National Associations

The performance of FEAFFA was also affected by the performance of NAs. Most of the NAs are faced with leadership disputes threatening the performance and cohesiveness in the NAs. Other challenges facing the members include: low/limited membership commitment and therefore limited subscriptions; poor strategic leadership; governance challenges; lack of administrative skills; no clear-cut division of tasks between honorary representatives and secretarial staff; minimal influence on government policy; weak communication and public relations; unattractive services and inadequate funds and income generation. FEAFFA as an apex body should identify strategies to address these challenges.

CHAPTER THREE

3.0 SITUATIONAL ANALYSIS

3.1 Role of Logistics in Economies

Logistics performance both in international trade and domestically is central to the economic growth and competitiveness of countries, and the logistics sector is now recognized as one of the core pillars of economic development. Efficient logistics connects firms to domestic and international markets through reliable supply chain networks. Conversely, countries characterized by low logistics performance face high costs, not merely because of transportation costs but also because of unreliable supply chains, a major handicap in integrating and competing in global value chains. Supply chains are complex, but their performance is largely dependent on country characteristics, especially the soft and hard infrastructure and institutions that logistics requires to operate well, such as imports, regulations, procedures, and behaviours.

3.2 Global Freight and Logistics Industry

Globally, the freight forwarding industry, including the largest logistics service providers, has witnessed a dilution of yields especially since 2008, and profitability has generally been low. The global freight forwarding market is still fragmented into a mix of global providers, hundreds of medium enterprises, and tens of thousands of small competitors subjected to disruptive market forces ranging from shifting demand patterns and increasingly complex global supply chains to an evolving customer base and changing customer relationships. This means that forwarders have to work harder to maintain their revenues and, more importantly, their profitability.

The large forwarders are increasing their scale not only to leverage their buying power with carriers and their geographic scope but also to develop their range of services, especially those that add value and increase margin. At the same time, small- and medium-sized freight forwarders are being forced to evolve to become better and more efficient in an environment where manual data entry is still widespread. They have evolved from pure forwarders to providers of a wider range of services, such as integrated or third- or fourth-party logistics services. Mergers and acquisitions in the sector have become a feature of the large players for achievement of an integrated service provision.

As a result, freight forwarding is currently a highly competitive business in most parts of the world. This also creates a need for operators in the freight forwarding business to develop more value added services.

3.3 Regional C&F Industry

The international trade logistics industry in East Africa is characterized by vertical segmentation, in which large firms that supply logistics services take the largest clients, and the small logistics

firms are limited to dealing with small clients. Due to this segmentation, different sized logistics firms offer different sets of services to their clients. Small logistics firms often times limit their participation to arranging transport, and individual agents, who handle a few shipments per year on an informal basis. On the other hand, larger logistics firms offer a variety of logistics services which can include warehousing, consolidation, packaging, goods inspection, and import/export advisory services.

Within the EAC region, there were about 2,550 C&Fs as at November 2017. However, not all C&Fs were registered members of the National Associations which form FEAFFA. This number may vary from the actual as not all C&F companies are members of the FEAFFA National Associations. In Uganda there are two associations representing clearing and forwarding agents, UFFA and UCIFA with only UFFA being a member of FEAFFA. The table below presents the population of C&F firms in the region as well as those under FEAFFA members (NAs).

Table 7: Clearing and Forwarding Firms

Country	No. of C&F Firms	National Association	No. of Members
Tanzania	600	TAFFA	600
Uganda	400	UFFA	100
Rwanda	200	ADR	200
Burundi	160	ABADT	80
Kenya	1200	KIFWA	1200
Zanzibar	60	ZFB	60
Totals	**2,620**		**2,240**

3.4 Regional Logistics Performance

According to the World Bank's Connecting to Compete 2016 Report, the process of integration in East African Community nations into one bloc had helped improve the regions logistics performance, consequently making it more attractive for investments and reducing the cost of doing business. Notably was the elimination of multiple barriers to trade and transport as well as cumbersome procedures.

Through the process of integration, a Single Customs Territory was established which largely helped to tackle most of the problems related to clearance procedures. The system made it possible for final customs clearance for free circulation to be made at the port of entry, say Mombasa. As a result there has been significant reduction of administrative burden and shortened the time required for customs formalities. Other logistics facilitation improvements include regional customs transit system, cargo tracking systems, interagency coordination, one-stop border posts, and corridor monitoring on a weekly basis.

3.5   Impacts of the improvements

Analyzing the benefits stemming from the improved logistics performance, the report observes that the average dwell and transit times had been cut down significantly and consequently the cost of trade. The average dwell time in Mombasa port was reduced from 13 days in 2006 to 2–3 days in 2016. And the Malaba border crossing point between Kenya and Uganda registered a dramatic fall in border clearance times from 24 hours to 6 hours in December 2012 to January 2013. It was also estimated that the time taken to move cargo from Mombasa to Kampala dropped from 18 days to 3 days and from Mombasa to Kigali from 21 days to 6 days. The report estimates that, as a result of the logistics performance improvement, the cost of doing business has decreased by about 50 per cent and is likely to reduce further with ongoing improvements and adjustments.

According to the report, for improved logistics performance, a strong political will and administrative reforms were more crucial than infrastructure development. The reforms should continue being the core focus of FEAFFA. Within the region, Rwanda emerged eleventh across the continent; Kenya was ranked second, Uganda fifth, and Tanzania the tenth. Burundi occupied the 13th place.

3.6   EAC Business Environment

3.7   Overall Performance of East Africa Business Environment

The business environment in the region has been improving steadily over the years due to a sustained reform process by the various member governments and partners. Most of the countries have witnessed improvements in regional and global rankings in terms of business conduct. However, the improvements as noted are not consistent among the members due to the pace, commitment, focus and quality of reforms enacted. While most of the regional economies have invested heavily in infrastructure, from the Doing Business 2018, the countries that recorded substantial jump in improvements were those that reformed on processes, therefore highlighting the role of Business associations in advocating for continued trade facilitation reforms.

However, despite the improvements, the cost of doing business remains high due to the elevated transport and energy costs and poor national and regional connectivity. As a consequence, the private sector's role as a growth driver is paramount. It is this challenge that FEAFFA should address to enable its membership contribute to the national growth.

Based on the Doing Business 2018 Report, Rwanda was ranked as the best performing economy in terms of ease of doing business in the region at Rank 41 compared to Mauritius at Rank 25 which was the best in Sub-Saharan Africa. Burundi was ranked at position 164 globally and thus 5th in the region. This is as explained in the table below.

Table 8: Comparative Doing Business Indicator 2018 - Overall Ranking

Economy	Overall Ranking	Regional Rank
Rwanda	41	1
Kenya	80	2
Uganda	122	3
Tanzania	137	4
Burundi	164	5
Mauritius*	25	-

*Best ranked economy in Africa. **Source: Doing Business 2018**

3.8   Trading Across Borders

In terms of trading across borders, Rwanda was the highest ranked economy in East Africa at position 87 followed by Kenya at position 106. Uganda, Burundi and Tanzania were at positions 127, 164 and 182 respectively. The best performing economy in Africa was Botswana at position 50 as indicated in the table below.

Table 9: Comparative Doing Business Indicator 2018 - Trading Across Borders

Economy	Overall Ranking	Regional Rank
Rwanda	87	1
Kenya	106	2
Uganda	127	3
Burundi	164	4
Tanzania	182	5
Botswana*	50	-

*Best ranked economy in Africa in Trading Across Borders. **Source: Doing Business 2018**

3.9   Time and Cost in Exporting

In regards to Exporting, trading across borders, Kenya performed better than other economies in terms of time to export (Border compliance) at 21 hours as opposed to Rwanda's 97 hours. The best economy had a score of 1 hour. Botswana took 5 hours to comply at the border for exports. Burundi had the lowest border compliance cost for exports while Tanzania had the highest. In terms of documentary compliance for export, Kenya had the lowest time spent in documentary while Burundi had the highest. Uganda had the lowest cost while Tanzania had the highest. Kenya had the least number of export documents (8) while Uganda had the most at 13. It os noteworthy that there seems to be no correlation between the number of documents, time taken and costs. This would be probably based on the level of automation of export documentation in an economy.

3.10 Time and Cost in Importing

In terms of imports, it took longer to comply with import requirements in Tanzania (402 hrs) as opposed to Rwanda (86hrs). In regards to cost of import border compliance, again Tanzania was more costly than other regional economies. Rwanda again had the lowest cost to import. For import documentary compliance cost and time Rwanda and Kenya performed better than other economies. All the countries in EAC save for Rwanda had more than 9 documents required for importing. It is however clear that the EAC economies were performing very poorly in terms of costs and time to import compared to Botswana which was ranked the highest in the Sub-Saharan Africa in trading across borders.

The cost and time it takes to import and export is highly affected by various factors including: customs clearance and inspections; the number of documents required; inland transportation and handling, and; posts and terminal handling.

3.11 Regional Logistical Performance

3.11.1 The Global Logistics Performance Index (LPI)

In order to assess the performance of the logistics value chain, the World Bank and partners normally undertake and analyze the chain using the Logistics Performance Index (LPI). The LPI measures the on-the ground efficiency of trade supply chains, or logistics performance. Supply chains are the backbone of international trade and commerce. Their logistics encompasses freight transportation, warehousing, border clearance, payment systems, and increasingly many other functions outsourced by shippers to dedicated service providers. The importance of good logistics performance for economic growth, diversification, and poverty reduction is now firmly established.

Two logistics performance studies - one by the World Bank (International LPI) and the other by the Shippers Council of Eastern Africa (SCEA) - (EA Logistics Performance Survey) are indicative of the local and regional logistics performance.

The international LPI by the World Bank analyzes countries in six components:
• The efficiency of customs and border clearance ("Customs").
• The quality of trade and transport infrastructure ("Infrastructure").
• The ease of arranging competitively priced shipments ("Ease of arranging shipments").
• The competence and quality of logistics services—trucking, forwarding, and customs brokerage ("Quality of logistics services").
• The ability to track and trace consignments ("Tracking and tracing").
• The frequency with which shipments reach consignees within scheduled or expected delivery times ("Timeliness").

In the 2016 LPI report, Germany, Luxembourg and Sweden are ranked as the countries with the best logistics performance at positions 1, 2 and 3 respectively. South Africa, Kenya and Egypt are the highest ranked African countries at positions 20, 42 and 49 respectively. Kenya is the highest

ranked EAC country at position 42, while Uganda, Tanzania, Rwanda and Burundi follow at positions 58, 61, 62 and 107 respectively.

Across all the Global LPI parameters, Kenya tended to perform well compared to the FEAFFA member states. However, there still exists gaps in logistics performance if the region is to be competitive compared to the best performing economies in Africa and the world. FEAFFA needs to focus its strategies on the different areas for the improvement of logistics performance. The table below provides a comparison of LPI among the EAC member states.

Table 10: Logistics Performance of EAC Economies 2016 in Comparison with Global Best

Country	LPI Rank	LPI Score	Customs	Infrastructure	International shipments	Logistics competence	Tracking & tracing	Timeliness
Germany	1	4.23	4.12	4.44	3.86	4.28	4.27	4.45
Luxembourg	2	4.22	3.9	4.24	4.24	4.01	4.12	4.8
Sweden	3	4.2	3.92	4.27	4	4.25	4.38	4.45
South Africa	20	3.78	3.6	3.78	3.62	3.75	3.92	4.02
Kenya	42	3.33	3.17	3.21	3.24	3.24	3.42	3.7
Uganda	58	3.04	2.97	2.74	2.88	2.93	3.01	3.7
Tanzania	61	2.99	2.78	2.81	2.98	2.92	2.98	3.44
Rwanda	62	2.99	2.93	2.62	3.05	2.87	3.04	3.35
Burundi	107	2.51	2.02	1.98	2.42	2.46	2.68	3.45

Source: World Bank LPI 2016

According to the World Bank LPI, in order to improve on logistic performance, several areas were identified including:
- Border management reforms targeting improvements in customs processing and the coordination of controls by other agencies, for instance, risk management, the reduction of physical inspection, automation, and the implementation of single windows to facilitate information sharing, as well as the transparency of information and trans- actions for traders.
- Trade corridors and transport facilitation projects to address the needs of landlocked developing countries and targeting improvements such as transit and border infrastructure, transit procedures, and the reduction of controls in transit.
- Lack of sufficient, supply chain specific data for a data driven reform agenda
- Logistics skills, competencies, and training. The availability of skilled logistics staff is thus an important determinant of supply chain performance

3.11.2 The Eastern Africa Logistics Performance Survey (LPS)

The 2016 East Africa Logistics Performance Survey conducted by Shippers Council of Eastern Africa (SCEA), assesses several areas of logistics performance. These areas include
- Cost Indicators
- Time Indicators
- Complexity of Logistics Processes

3.11.3 Cost Indicators

From the EA LPI 2016, it was observed that the costs of truck road freight from Mombasa to all the major commercial centres in the Northern corridor have been generally declining since 2011. The cost from Mombasa to Nairobi has been declining from US$1,300 in the year 2011 to an average of US$879 for the year 2016. The cost from Mombasa to Kampala also has a decreasing trend from US$3,400 in year 2011 to US$2,237 in 2016. It also declined from US$ 8,000 to US$4,993 from Mombasa to Bujumbura and US$9,800 to US$ 5,877 from Mombasa to Juba.

In 2016, it costed an average of $1,810 for the 20 ft. container and 2,710 for the 40 ft. container from the UK to Mombasa by sea. On the other hand, it cost $2,070 and $3,090 for the 20 ft. and 40 ft. containers respectively from the UK to Dar es salaam. These higher costs for Dar es Salaam is reflected in all the other ports of origin covered by the survey and Mombasa is cheaper from all the principle import sources as compared to the port of Dar es salaam.

3.11.4 Time Indicators:

Road Freight turnaround times between Mombasa and Nairobi in 2016 was 26.4 hours. Mombasa to Kampala was 10.7 days, and Mombasa to Kigali was 12.5 days. The trend shows that there has been an overall 40% decrease in truck turnaround time between 2014 and 2016.

Truck turnaround times for Dar es Salaam to the key corridor destinations i.e. Kigali, Bujumbura, Kampala have remained steady with a marginal decrease of 1.8% on the Dar es salaam Kampala route. The trends for all the three routes are very similar because a bulk of the transport journey is in Tanzania with very short sections of the route in the neighboring country.

The time to complete customer processes has continued to fall between 2015 and 2016. There has been a general decrease of over 10 hours in the time it takes to pass through customs at the port of Mombasa from January 2015 to December 2016. The average time it takes to go through customs at the port of Mombasa has been on a downward trend and has moved from an average of 55 hours in January 2015 to an average of 43 hours in December 2016.

3.11.5 Complexity of Logistics Processes:

With regards to the efficiency of key logistics processes Rwanda scored the highest with a score of 3.9 out of 5 according to the respondents' perception. Kenya came in second with a score of 2.7, Uganda scored 2.6 while Burundi and Tanzania scored 2.4 out of 5.

Uganda has the highest number of documents to be transacted both in exports and imports where one needs to transact an average of 12 and 13 documents respectively. Rwanda has only 8 while Burundi has the least number of export documents to be transacted before clearance with only 7. Kenya an average performance of has 8 documents for exports and 9 for imports.

3.11.6 The Enabling Trade Index

The Enabling Trade Index (ETI) assesses the extent to which economies have in place institutions, policies, infrastructures and services facilitating the free flow of goods over borders and to their destination. These set of trade-enabling factors are organized in four main categories (or sub-indexes): market access, border administration, infrastructure and operating environment. According to the 2016 ETI Report, Rwanda scored an Index of 4.6 and ranked number 50 globally on the four factors; Kenya ranked 77, Uganda was 84 while Tanzania and Burundi were ranked positions 115 and 125 respectively. Compared with the 2014 ranking, there is remarkably improvement among the EAC members – an indication that the various reforms are bearing fruits though the performance is still wanting compared to other parts of the world. The table below shows the performance of other East African countries.

Table 11: Enabling Trade Index Performance of individual EAC Partner States

Country	2014 Rank / 138	2014 Score (1 - 7)	2016 Rank / 136	2016 Score (1 - 7)
Rwanda	66	4.1	50	4.6
Kenya	90	3.7	77	4.2
Uganda	101	3.6	84	4.1
Tanzania	111	3.5	115	3.7
Burundi	132	3.0	125	3.4

Source: The Enabling Trade Index (2014; 2016)

The 2016 ETI Report identified key problematic factors that affected exporting and importing among the EAC member states. Data was gathered from different countries whereby the business community was asked to rate the different factors. The tables below provide a rating of each factor indicating its importance in the different EAC nations (1 being the most problematic factor and 8 being the least problematic factor).

Table 12: Most Problematic factors for Importing*

Factor	Rwanda	Kenya	Uganda	Burundi	Tanzania
Tariffs and non-tariff barriers	2	1	1	2	1
High cost or delays caused by international transportation	1	8	3	6	6
Corruption at the border	7	2	4	1	2

Factor	Rwanda	Kenya	Uganda	Burundi	Tanzania
Burdensome import procedures	4	3	2	3	3
Domestic technical requirements and standards	3	6	6	7	5
High cost or delays caused by domestic transportation	5	4	5	4	4
Inappropriate telecommunications infrastructure	6	7	7	5	8
Crime and theft	8	5	8	8	7

Table 13: Most Problematic factors for Exporting*

Factor	Rwanda	Kenya	Uganda	Burundi	Tanzania
Identifying potential markets and buyers	2	3	2	2	1
High cost or delays caused by international transportation	3	12	8	6	12
Difficulties in meeting quality/quantity requirements of buyers	5	1	1	4	2
Access to trade finance	1	2	7	1	3
Inappropriate production technology and skills	4	10	3	5	4
Access to imported inputs at competitive prices	6	9	11	3	9
High cost or delays caused by domestic transportation	10	5	5	7	6
Technical requirements and standards abroad	7	7	4	10	5
Corruption at foreign borders	12	6	12	8	11
Tariff barriers abroad	8	4	6	11	7
Burdensome procedures at foreign borders	9	8	10	9	10
Rules of origin requirements abroad	11	11	9	12	8

*From the list of factors above, respondents were asked to select the five most problematic for trading in their country and to rank them between 1 (most problematic) and 12 least problematic.
Source: The Global Enabling Trade Index Report 2016 - World Economic Forum

For trade competitiveness, there are many approaches that can help remedy situations as witnessed in the EAC. According to WEF, among the myriad measures to enable trade, reforming border administration deserves special attention. It requires little money and can be done relatively quickly. Yet the ETI results show that the potential of streamlining border administration remains largely untapped. However, reforming border administration is not an easy task and therefore requires strong political and bureaucratic will; close cooperation among a myriad agencies, bodies and actors; and, sometimes, direct assistance. From a practical standpoint, improving border administration consists to a large extent of improving policies and regulations, although it also requires adopting or upgrading IT infrastructure, building capacity, and additional investment.

Such is the role that FEAFFA through the National Associations should focus on through various advocacy initiatives.

3.12 Regional Trade Facilitation Initiatives

Within the EAC region, trade facilitation agenda has changed, and the scope of trade facilitation reforms is broadening, covering the entire supply chain, rather than being limited to the point of crossing an international border. Efforts in the implementation of trade facilitation reforms have gained momentum and the trend is to look beyond the customs environment to the operational strategies and capacities of all supply chain operators. Some of the advancements include:

- Customs Automation
- One Stop Border Posts (OSBP)
- Single Window System (SWS)
- Single Customs Territory (SCT)
- Integrated ICT based Logistics Solutions – e-freight
- Electronic cargo scanning
- Electronic Cargo Tracking
- Enhancement of trade facilitation and coordination agencies both in the Central and Northern corridors
- Development of monitoring and accountability mechanisms such as the Northern and Central corridors observatories, Mombasa Port Community, etc
- Free Trade and Tripartite agreements
- Improved infrastructure
- Professionalization of the freight and logistics industry
- 24 hr port operation
- Regional Customs Transit Guarantee scheme (RCTG)
- Authorized Economic Operator Program (AEO)

3.13 Key Trends and Sector areas of Concern

- Increased importance of service quality especially timeliness, reliability – on time delivery and clearance
- The willingness of shippers to outsource their logistics and focus on core business – the growth of 3rd and 4th party logistics
- Environmentally friendly logistic solutions – green logistics
- Need for skilled professional workforce
- Growth in alliances, mergers and acquisitions
- More focus on Big Data – there exists insufficient data for a data driven decision making process and reform agenda

CHAPTER FOUR

4.0 STRATEGIC ANALYSIS

4.1 FEAFFA Internal Analysis

An analysis of the internal environment using the **7S** model was carried out to identify factors that may influence performance. The findings are noted in the table below.

Table 14: FEAFFA Internal Environmental Analysis

Strategy Issues	Implication / Mitigation
Existence of a Strategic Plan	There was focus on key priorities and a shared vision
Gaps existed in implementation of the 2014 - 16 strategic plan	Review the gaps and challenges that affected strategy implementation and address then not to affect new strategic plan
Existence of a Resource Mobilization Strategy	Various income generating activates are identified
Lack of sufficient funds	Implement the strategy in resources diversification
Gaps in monitoring and review of strategic plan	Develop and implement a strategic plan monitoring and evaluation system
Partial implementation of the resource mobilization strategy	Review and implement the resource mobilization strategy
Structure Issues	**Implication / Mitigation**
• The federation has a committed Executive Board	• Exploit the intellectual capital of the Executive Board
• The federation has an organization structure though some positions were vacant	• Review and align the organization structure to the strategy
• Constitutional gaps – critical issues not well captured	• Review the constitution (trustees as not mentioned as an organ, geographical scope not clear
Systems Issues	**Implication / Mitigation**
• Existence of sound financial management systems	Financial management systems- proper separation of roles between management and the board
• Existence of project management systems eg the EACFFPC	Integrate a results based monitoring and evaluation system
• Limited knowledge management infrastructure	Improve knowledge management infrastructure
• Lack of an integrated management information system	Implement an ERP System
• Manuals and policies exist but not updated	Review and update the manuals
Staffing Issues	**Implication / Mitigation**

• Lean secretariat	• Fill all critical vacant positions
• Staff Motivation - Affected by inadequate resources to remunerate staff	• Identify alternative staff motivation approaches beyond staff remuneration
Skills Issues	**Implication / Mitigation**
• Lack of adequate competencies and key skills	• Develop and implement a staff Training and capacity Development plan
Style – Leadership Issues	**Implication / Mitigation**
• Management style	• Continuously train managers and supervisors on leadership skills
• Committed and dedicated board	• Institute a Board initiation/induction and continuous capacity building program • Develop Board manual
• Some committees of the Board are not operational	• Operationalize committees • Leveraging on technology eg E-Board platforms
Shared Values/Culture Issues	**Implication / Mitigation**
• Existence of a team based culture in the Board and secretariat	• Uphold the team culture for both the board and secretariat.
• Existence of core values for Board and employees	• Guarantee an ethical and high integrity institution
• Existence of a code of conduct for CFAs	• Ensure 100% adoption and compliance to the CoC by the industry

4.2 External Environmental Analysis

The external environment analysis identifies factors outside the organisation that may affect performance positively (opportunities) or negatively (threats). The analysis reviews Political-Legal, Economic, Social-Cultural and Technological (PEST) factors. The outcome of the analysis is as presented below.

Political Factors

Factor
There is some political stability in some member states – There is political instability in Burundi and S. Sudan affecting movement of goods. This hinders trade facilitation which is one FEAFFA's key objective
Different political frameworks/views among EAC partner states – Challenges in harmonization – Difference is constitutions make it difficult to implement some of the agreed on protocols
Slow pace adapting the agreed positions –among the EAC members – Introduction of work permits and slow implementation of single customs territory affects movement of goods which affects FEAFFA and its members -Political directives and new rules and regulations e.g single customs territory without public and stakeholder participation or other relevant bodies

Freedom to associate leading to many associations in some countries – Disorganizes us to further their own personal agendas
EACCMA (150) provision on licensing of agents affiliated to a recognized association, not clear on level of recognition – EACCMA (145) should recognize NA and by extension FEAFFA
Existence of Non-Tariff Barriers – Lack of good will from partner states affects FEAFFA members
Diplomatic and political disagreements among some member states – FEAFFA has no control over the diplomatic and political decisions but they affect us anyway

Economic Factors

Factor
Region relies heavily on importation with limited export activity – High cost of doing business caused by the trade imbalance which increases costs since loading is only done once per trip.
Heavy investments and focus on infrastructure in the region – Ports, roads, railway, airports and waterways – is a benefit since it lowers the cost of doing business which is good for FEAFFA and its members.
Customs, borders and ports reforms in the region – should be uniformly implemented otherwise affects FEAFFA. Although good since it eases operations
Economic liberalization opening up small operators to very stiff global competition – opens up competition which reduces cost of doing business. Bad since big players swallow up small ones
Change in international logistics trends like 4PL service providers – Spreads businesses to other segments through outsourcing hence improving business
Operating as a bloc but most operations are not yet harmonized e.g. different valuation methods even with one Customs territory –We are operating as a bloc though other parties still operate individually
Different levels of economic growth among member countries – Protectionist policies by some member states advanced by politicians like TZ
Advances in regional integration like introduction of Single Customs Territory – Opportunity, reduces cost of doing business
Increasing globalization – Threat: big companies swallow small companies since they have bigger financial muscle
Inadequate infrastructure in the region – Hurts movement of goods

Social - Cultural Factors

Factor
No common and unifying language – Difficulty in easier communication slows down progress
Varying levels of development (also economic) – Suspicion and lack of cooperation due to economic imbalance
Cultural diversity resulting into different approaches to work and work ethics – Employing people from different backgrounds affects efficiency -Religious practices affect working hours
Corruption and integrity issues – Goes against FEAFFA core values and Code of conduct

Not all countries have free movement of labour – e.g. Tanzania does not allow labour from other partner states
Growing importance of green logistics - Should be embraced since it comes with reduced infections -Members lack resources to adapt to the international standards
No free movement of labour and capital – e.g. Tanzania does not allow labor from other partner states

Technological Factors

Factor
General migration towards automation of systems
Varying levels of technological development in the different member states
Technology not yet fully utilized
World moving technologically faster than the local operators have/ are adapting
Technology slowly rendering operators with a low range of services redundant
Increased internet coverage and reducing costs
Improving computer and technological skills
Utilization of different customs management systems in the member states eg Asycuda, Simba
Slow uptake of technology, delays caused by tech and cost implications brought about by use of technology and hasn't reduced risks and time.

Legal Factors

Factor
Fragmented industry with multiple regulators - Harmonize regulatory bodies.
Policies - Formulation of policies for PPP's should be encouraged.
Amendment of certain laws – some have unfair licensing mechanisms
More sensitization on existing policies, compliance and requirements –It needs consideration for amendment in some article in the Customs Management Act
The law doesn't provide for sufficient data security
Impacts Legal restrictions – eg on health and safely, exports and imports etc.

Environmental factors

Factor
Inadequate regulation , education and sensitization on Green logistics
Inadequate tech in the bureau of standards for testing, low accessibility and distribution of testing centres.
Environmental impact assessment for doing business - cost, need for research
Low mitigation options for planning freight transportation
Congestion on the port
Insufficient parking when drivers stop to rest, these places should be have appropriate facilities

4.3 FEAFFA Stakeholder Analysis

Stakeholder analysis is a process to determine stakeholder interests in the FEAFFA Strategic Plan. FEAFFA stakeholders and interests/expectations are noted below.

Stakeholder	Stakeholder interests in FEAFFA - what they expect from us	What do we expect the Stakeholder to provide?	Potential Strategies for obtaining support or reducing obstacles
National Associations	• To champion their interests at regional level • Advocacy • Capacity building • Business intelligence	• Provide information • Resource support obligations, • Active participation in FEAFFA activities • Partnership in the implementation of regional policies and programs • Professionalism	• Effective communication • Establish forums of engagement. • Alignment of FEAFFAs activities, plans, policies, strategies with those of NAs.
FEAFFA Board	• Clear mission ,vision and objectives	• Leadership and support • Mobilization of resources • Good governance/ management practices • Oversight	• Involvement • Capacity building • Lobbying
FEAFFA Employees	• Guidance and Facilitation • Good terms of service • Good working environment • Career development	• Professionalism • Dedication and commitment • Effective service delivery	• Capacity building • Resource mobilization • Career Planning • Performance Planning
Revenue Authorities	• Industry leadership • Partnership and consultation • Professionalism • implement policy reforms	• Trade facilitation • Recognition and partnership • Professionalism • Efficient service delivery • Provide efficient regulatory environment • Transparency and predictability	• Partnerships • Lobbying and advocacy • Close working relationship • Industry Compliance
Ports	• Industry leadership • Partnerships • Professionalism • Competence • Integrity	• Trade facilitation • Recognition and partnership • Efficient service • Provide information • Provide efficient regulatory environment • Transparency and predictability	• Partnership • Lobbying and advocacy • Close working relationship Industry Compliance

Stakeholder	Stakeholder interests in FEAFFA - what they expect from us	What do we expect the Stakeholder to provide?	Potential Strategies for obtaining support or reducing obstacles
Other government agencies	Compliance to government regulations	• Recognition and partnership • Effective service delivery • Harmonization of business processes • Provide information • Provide efficient regulatory environment • Transparency and predictability	Lobbying and Advocacy
Shippers	• Technical advise • Industry leadership • Partnership • Industry standards	• Understanding and fulfilling their roles and obligations • Compliance • Provision of accurate information	• Capacity building in C&F • Partnerships • Understand industry needs
Development partners	• Accountability of all funds provided • Professionalism • Results • Alignment and convergence of priorities • Institutional credibility	• Resource support • Continuous partnership • Alignment of project with FEAFFA mandate.	• Transparency and Accountability • Effective reporting • Results • Organizational Sustainability • Partnerships
Shipping Line agencies and Consolidators	• Professionalism • Proving leadership	• Efficiency in service delivery • Harmonization and rationalization of charges- e.g demurrage and terminal handling costs, etc • Business friendly terms and conditions of services	• Consultation • Development of Service Level Agreements
Transporters Road, Rail, Air	• Professionalism Proving leadership	• Efficiency in service delivery • Harmonization and rationalization of charges- e.g demurrage and terminal handling costs, etc • Business friendly terms and conditions of services	• Development of Service Level Agreements • Consultation
BMOs	• Partnerships • Industry Leadership • Regular Information affecting the industry	• Provide sector leadership • Partnerships • Information	• Formal partnerships

Stakeholder	Stakeholder interests in FEAFFA - what they expect from us	What do we expect the Stakeholder to provide?	Potential Strategies for obtaining support or reducing obstacles
FIATA	• Support/membership • Professionalism • Implementation of their programs • Participate in their activities • Provision of information	• Technical Support • Capacity building. • Lobby and advocate at the international level • Information	• Involvement in FEAFFA's activities • Representation at FIATA leadership level • Networking platforms
Regional Economic Communities eg EAC, COMESA, SADC, etc	• Information • Partnerships • Industry Leadership • Professionalism	• Information • Trade facilitation • Conducive regulatory environment • Partnership	• Partnerships • Lobbying and advocacy • Capacity building

4.4 SWOT Analysis

An assessment of FEAFFA's Strengths, Weaknesses, Opportunities, and Threats (SWOT) was undertaken. The SWOT notes internal resources (Strengths and Weaknesses) and the external environment (Opportunities and Threats).

FEAFFA SWOT analysis

Strength	How do we enhance or maintain?
Market driven professional certification course - EACFFPC	Partner with strategic institutions to roll out the course to many interested trainees Copyright the program
Competent and committed staff	Skill employees in emerging areas and opportunities for multi skilling
Support by National Associations	Develop strong value propositions to the NAs
Code of Conduct and Leadership Code developed and adopted by members	Ensure strict enforcement of the Leadership and Code of Conduct
Sound financial instruments and policies that ensure prudent management of funds	Continue practicing financial prudency and stewardship for sustainability
Cordial relationship with development partners.	Exploit relationships for resource mobilization. Continue strengthening them.
Strong and able leadership starting from the EC and effective and professional senior management team with long experience in logistics sector	Exploit the experience, connections and relationships of the EC members.

Recognized by key stakeholders as champion of professionalizing the industry	Continue playing roles in industry professionalization
Availability of the model bill on self-regulation and management of the CFA sector	Support and encourage member states to enact national laws self-regulation.
Recognized in regional organizations e.g. EAC Directorate of customs, EARAs and internationally eg FIATA	Exploit the relationship for conducive and supportive legislation

Weaknesses	How do we eliminate or minimize?
Limited number of members to sustain the association	Review the membership contributions to FEAFFA Secretariat and vice versa
Inadequate funds to finance various programs - limited self-reliability/sustainability	Develop and implement various resource mobilization mechanisms/strategies
Donor dependency	Implement a sustainability strategy and diversify income generating activities
Lack of a strong monitoring and evaluation framework	Develop and implement a robust monitoring and evaluation framework
Slow uptake of change – resistance to change	Undertake a change management approach to sector reforms or changes
Limited influence on membership activities, leadership, management and strategy of NAs	FEAFFA to participate in key NA activities eg AGMs, strategic planning processes
Code of conduct adherence and enforcement weak – lack of capacity to enforce code of conduct	Develop an evaluation and enforcement approach to the codes of conduct
Lack of secretariat expertise in some areas	Develop an internship and volunteer program
Limited strategic convergence between the NAs and FEAFFA	Harmonize FEAFFA strategy with those of NAs
Lean secretariat – prone to overwork and burnout	Fill all critical vacant positions Mobilize resources and use of interns and volunteers
Lack of centralized data management solutions resulting into weak M&E processes	Develop a data bank to strengthen the M+E processes.
Wrangles in National Associations	Review the constitution of FEAFFA to enable resolutions of NA conflicts
Inadequate financial resources	Review and implement the resource mobilization strategy

Opportunities	How do we achieve or exploit?
Recognition in the EAC as the umbrella association for the freight forwarders	• Entrench FEAFFA within national and regional decision making bodies • Develop structured engagements with the respective revenue authorities within EAC

	• Improve on governance and leadership to drive confidence among stakeholders
Willingness of Revenue Authorities to support self-regulations in the sector	• Push for the enactment of the Model Bill by enhancing compliance, integrity and professionalism in the industry • Lobbying relevant agencies within EAC
Improving trade facilitations and C&F environment	• Focus on supporting the industry players to implement advanced logistics like 4PL • Introduce mandatory continuous professional development
Growth of the demand for industry specific skills	Develop partnerships to address the growing demand for industry skills
Continued Regional integration of the EAC e.g. EAC/COMESA/SADC tripartite	• Support the industry to take advantage of the regional integration • Continuous sensitization of members on the integration process so that members take advantage of this cooperation
Growing regional businesses and economies	Support the growth of domestic C&F to provide services for the growing economies
Increased focus on the freight logistics industry as a key to trade facilitation	Exploit the focus to position FEAFFA as the lead in freight logistics leadership
Greater demand for professionalism, integrity, compliance, self-regulation.	• Provide more opportunities for professionalism • Make the curriculum progressive e.g. to higher levels like Degree
New technological developments in C&F and customs management	Information and research on newer technology for membership adoption
Infrastructural developments and improvements in the region	Sensitize (not support) members to exploit the infrastructural developments
Existence of potential development partners	Develop strong relationships for growth and resource mobilization

Threats	How do we mitigate or avoid?
Political stability in the region	Sensitize members on political risk management strategies
Weak member associations	• Develop capacity building interventions for the NAs • Enforcement of the code of conduct, corporate governance practices and teaching them methods of resource mobilization
Unpredictable and changing regulatory environment	• Sensitize members on likely environmental changes • Engage the regulatory agencies for PPP improvements • Advocate for public or stakeholders participation in the development and implementation
Lack of convergence on issues	Identify and lobby on issues requiring harmonization

Negative industry perception	Engage in public relations to change the industry perception in line with professionalization by enhancing compliance and integrity
Mergers and acquisitions by global C&F companies	• Sensitize the industry on the need for alliances to address the larger, resourceful global firms • Encourage members partnership so as to build capacity for business • Encourage members to get credit facilities to increase their capacities
Existence of multiplicity of business associations in the C&F sector	• Advocate for unification of C&F associations in countries where there are more than one • Enforcement of the code of conduct • Support NAs to review their constitutions so that in case a member is aggrieved, they must go through arbitration process before going to court
Slow pace at which political leadership deals with issues affecting the industry	• Lobby for speedy resolution of challenges affecting the sector • High level engagement with the decision making organs
Competition from shippers (self-clearance)	• Encourage membership to create a higher customer value proposition • Maintain high level of professionalism • Agencies to train their staff on customer care

CHAPTER FIVE

5.0 STRATEGIC FOUNDATION

The Strategic Foundation of FEAFFA comprises the Customer Value Proposition, Vision, Mission, Core Values, and Slogan.

5.1 Overview

FEAFFA undertook a strategic review of its 2014 – 2016 Strategic Plan and has used the outcome to re-define its strategic focus for the period 2018 to 2020. Consolidating and building on past experience, FEAFFA will amplify its engagement with National Associations and regional stakeholders including government and other stakeholders. FEAFFA has drawn from lessons learnt from its past achievements and these have inspired its strategic focus and will continue to be integrated in its future initiatives.

5.2 FEAFFA Member Value Proposition

The Member Value Proposition (MVP) is a description of the experiences FEAFFA members will realize upon associating or using products and services provided by the Federation. The MVP has a critical role in communicating how FEAFFA aims to provide value to the members. FEAFFA's MVP is aimed at achieving high levels of Member Experience. The FEAFFA MVP is:

As the only Federation serving its member's interests, FEAFFA advocates on their behalf for a conducive and competitive business environment. It will also support their members in business conduct by ensuring professionalism and knowledge sharing within the sector.

5.3 FEAFFA Vision

FEAFFA's Vision is:

"A professional and competitive Eastern Africa Freight Logistics Industry"

5.4 FEAFFA Mission

FEAFFA's mission is:

"To promote a professional freight logistics industry for trade facilitation and regional economic growth

5.5 FEAFFA Core Values

The core values are the fundamental principles that guide the behaviour of every person or entity working with FEAFFA. The core values are derived by considering what behaviour and attitudes should be practiced and embraced in order to create the desired culture to drive FEAFFA's vision. They are the system of shared values and norms in an organization setting. FEAFFA stakeholders recognize that having the right values will result in more efficiency, higher productivity, and better focus. The overriding principles guiding FEAFFA's value definition include the following:

a) Integrity. Embracing honesty and truthfulness in discharging our responsibilities
To build trust with those we serve, both inside and outside the company, we commit to uphold high levels of integrity. This involves knowing and doing what is right regardless of personal cost. FEAFFA employees are committed to observe absolute honesty and integrity in all our activities and operations. We will adopt zero tolerance to unethical behavior. We shall strive to be honest, fair and ethical in everything we do and in all our dealings with customers, suppliers, investors, co-workers and our neighbors in the communities in which we operate.

b) Professionalism. The level of excellence or competence that is expected of all professionals at FEAFFA
To promote a passion for efficiency and quality in the services we provide and consistently performing to high standard, we commit to adhere to impeccable professional and personal standards. As FEAFFA, we shall exercise high levels of professionalism in our work and reward merit. We will conduct ourselves with utmost dignity, our character will be beyond reproach and our professional expertise and attitude will be evident in the quality of our tasks and interactions with customers, stakeholders and partners.

c) Efficiency. To ensure that our resources provide the maximum benefits to the members
We shall use the most cost efficient way to fulfill our members' demands and work with continuous improvements. We seek effective and efficient ways to solve problems, better serve our members, and to remain fiscally responsible. We will obtain the best possible

outcome in the least wasteful manner by maintaining dynamic, relevant policies and procedures while consistently supporting a quality workforce.

d) Transparency. To ensure that all our undertakings are above board

We shall be honest about what we do, how we do it and the challenges we face. We are open to challenge, to discussion and to improving how we work to reflect our values. We shall ensure what we say or write is fair and honest, and not misleading or incomplete

e) Accountability: Being good and wise stewards of financial, human, and time resources

We take full responsibility for our activities and are accountable for our work. We honor our commitments and take pride in our work. We strive to be fiscally responsible by using rigorous discipline in the management of budget and program productivity, being fiscally accountable to our members, donors and partners using best practices for the development and expenditures of budgetary appropriations, communicating general reasons for management and budget decisions, and holding employees accountable for individual productivity.

f) Agility: Being able to rapidly change and be flexible in our operations as a result of the dynamic environment we operate in

We are pro-active and take pride in the speed at which we execute things. We shall distinguish ourselves through a pragmatic, hands- on approach. We shall adapt continuously to changes in our business and market environment; embracing new knowledge and alternative practices; challenging existing procedures and behaviours; being accessible and fast in our responses; being nimble and able to take advantage of new opportunities, and; finding new ways to navigate through change.

5.6 FEAFFA Slogan/Motto

A slogan is a phrase expressing the aims or nature of an enterprise or an organization. These are short, often memorable phrases which instantly evokes emotions and ideas and associates them with a brand or organization products and services. They are an effective way to draw attention to one or more aspects of a product or company. Good slogans are also easily remembered and can become part of the cultural landscape of a society.

The FEAFFA slogan is: **"Seamless Logistics"**

The slogan ties in well with the Federation's mission statement, or reason for existence. By living this slogan and making it a clarion call within the Federation, employees will be motivated to concentrate their energies in the same direction and ensure that provision of a professional and competent logistics industry – which provides seamless logistics – becomes the focal point of all their actions.

CHAPTER SIX

6.0 KEY STRATEGIC AREAS/THEMES, OBJECTIVES AND STRATEGIES

6.1 FEAFFA's Key Strategic Issues

As a result of information gathering, analysis and identification of the strategic destinations in the previous chapter, key strategic issues were identified. These issues were the basis of developing FEAFFA's Strategic Priorities. Four strategic priorities have been identified to give direction to the determination of key strategies and activities for the period 2018 - 2020.

- Member specific issues
- Industry professionalization
- Secretariat capacity to deliver
- Trade facilitation for competitiveness in logistics

6.2 FEAFFA Strategic Goal

To professionalize, consolidate and elevate the voice of the clearing and freight forwarding sector as the pillar and engine of logistics and regional trade by engaging with government and other key stakeholders for the creation of an enabling business environment in the region.

6.3 FEAFFA Strategic Priorities

There are five key areas that will form FEAFFA's strategic focus over the period 2018 to 2021. These are:

a) Provide support services to strengthen National Associations (NAs)
b) Ensure professionalization of the clearing and forwarding sector
c) Engage in evidence based advocate and lobby on behalf of the members and industry
d) Institutional Strengthening and sustainability

6.4 FEAFFA Strategies

Strategic Priority 1: Provide Support Services to Strengthen National Associations

Most of the NAs are facing a myriad of challenges that limit their effectiveness and thus vibrancy. The level of engagement and participation of CFAs is low as only a few are active members of NAs. There are several strategies that FEAFFA can adopt to support the strengthening of NAs. Some of these strategies include:

a) Provide Capacity building support to National Associations
b) Support NAs in strengthening governance and Leadership

c) Provide NAs with relevant business and industry information including legislative and regulatory developments
d) Develop joint programs with NAs
e) Participate in activities of national associations

Strategic Priority 2: Engage in evidence based advocacy and lobbying on behalf of the members and industry

FEAFFA needs to position itself so that it is involved in every step of the legislative process of policies that affect the NAs and their membership within the EAC. It should also be active in advocating for the removal of NTBs. It should also develop mechanisms that will inform the future intended legislation and policies so that it can position itself appropriately to influence the same.

FEAFFA will pursue the following strategies in this area:
a) Enhance the capacity of FEAFFA and NAs in lobbying and advocacy
b) Influence policy changes and formulation
c) Undertake relevant research

Strategic Priority 3: Ensure Professionalization of the Clearing and Forwarding Sector

The clearing and forwarding industry in the region faces a lot of challenges in terms of professionalism. This has been contributed largely by the nature of the sector and lack of legal mechanisms to control the sector. FEAFFA should focus on ensuring that there is professionalism in the industry and that the industry players are able to undertake profitable business within the law. In order to professionalize the industry, FEAFFA should embark to implement and strengthen the following strategies:
a) Pursue the recognition of C&F as a profession in the region
b) Enforce FEAFFA professional and ethical standards
c) Mainstream EACFFPC as an industry requirement
d) Ensure sustainability of EACFFPC and other training programs
e) Develop and implement training and professional development programs for the industry
f) Establish a Regional Logistics Institute

Strategic Priority 4: Institutional Strengthening and Sustainability

In order to implement and achieve the desired results on the objectives of FEAFFA, a strong secretariat is required. FEAFFA will pursue the following strategies in this area:
a) Strengthen membership
b) Diversify and increase revenues
c) Enhance Secretariat Capacity
d) Implement a Performance monitoring, evaluation and learning framework
e) Enhance FEAFFA's Governance
f) Develop institutional capacity in Research and Knowledge Management

CHAPTER SEVEN

7.0 STRATEGIC IMPPLEMENTATION

7.1   Implementing FEAFFA Strategies

The implementation plan helps in implementing strategy by breaking down the key strategies into specific actions for employees and management to focus on. In order for this to happen, a Strategy Implementation Matrix (SIM) is recommended as the initial way to begin the process of breaking strategy into actionable items. The SIM is represented as a strategy map which is a diagram that is used to document the primary strategic goals being pursued by an organization or management team. The rationale for using this framework in strategy implementation includes:

- The strategy map breaks down the strategy into key objectives that need focus on
- It helps identify indicators, with targets, for each of the objectives to monitor progress.
- FEAFFA vision, mission, and ultimate aims sit at the top of the strategy map addressing:
    - FEAFFA will achieve its strategy by delivering objectives for its clients/members
    - FEAFFA will deliver those objectives by developing key capacities
    - FEAFFA will develop those capacities by making certain investments
    - FEAFFA will make those investments by ensuring that it has adequate resources.

7.2   Key Success Factors for Strategy Implementation

Some of the key success factors for FEAFFA's Strategic Plan are built around a key understanding of the sector, adoption and usage of appropriate interventions in relation to market dynamics and environmental constraints. The critical success factors for this strategic plan shall be built on:

- Strong Secretariat – this is the nerve centre of FEAFFA and its strength determines the level of development of FEAFFA;
- Resources – these are required to fund the various activities under each strategy. The delivery of the plan is underpinned by the level of resources FEAFFA is able to mobilize. The implementation of the draft resource mobilization strategy is the first step towards recognition of the need to build a stable and sustainable resource base;
- Human Resources – quality human resources are important to manage and offer quality services to the members. Key competencies have to be identified and used to identify key staff. Appropriate attraction, motivating and retaining strategies will need to be put into place once the key staff with appropriate competencies are identified; In order to deliver the requirements of the current strategic plan, FEAFFA must implement the desired human resource structure by employing missing key personnel. In specific FEAFFA would require recruiting a Resource Mobilization expert to support its sustainability strategies. To engage in evidence based advocacy, FEAFFA has to recruit a Logistics/Transport Economics Expert who will conduct research and assist in developing specific industry indicators and

indices. These will be used to measure the performance of the logistics chain and thus enable advocacy where there is an indication of gaps.

- Systems– these are critical in order to deliver guaranteed quality, efficiency and effectiveness;
- Processes and procedures – for managing operations and relationships;
- Strategic direction and shared vision – required to give a long term view, unity of direction and purpose and to ensure all are focused and aligned to the goals of FEAFFA;
- Visionary Executive Board – this is required to positively influence the success of FEAFFA.

CHAPTER EIGHT

8.0 MONITORING AND EVALUATION

Effective planning ends up with effective strategy implementation. But this can only be achieved with effective functional framework. An effective monitoring and evaluation mechanism will help ensure cost effectiveness, timeliness and quality in achieving the objectives in the strategic plan. The Strategic Plan will be subjected to a continuous review of performance on the various deliverables. There shall also be annual reviews of the plan. The reviews will be focused on how the available inputs have been used and what outputs and short terms outcomes have been produced. This review shall also focus on challenges, issues and key lessons.

8.1   Monitoring

This will involve monitoring the implementation of the planned activities and evaluating their impacts on the desired goals. The monitoring activities will result to identifying any gaps or deficiencies which will then be addressed by management. Daily, weekly, monthly and quarterly reporting will be critical for the monitoring function. To ensure effective participation in plan implementation, there will be need to:
  ➤ Established standard formats for data collection and reporting;
  ➤ Clearly spelt out documents to be prepared, periods covered, and details of information to be supplied;
  ➤ Implementation of a performance Management system making every officer to be accountable to the use of resources and attainment of set objectives; and
  ➤ Effective use of available resources to ensure smooth implementation of the Strategic plan.

8.2   Evaluation

The purpose of evaluation is to measure the actual performance against target levels and establishing the size of variance, causal factors for the variance and recommending appropriate remedial measures including a review of the objectives and/or strategies. The evaluation plan will help determine objectively the relevance, effectiveness and efficiencies of the activities proposed in the Strategic plan. A mid-term review will be conducted and external review shall be undertaken by external consultants. The midterm review will have the purpose of verifying that the plan is on the right track and provide information to correct observed deficiencies including the revision of objectives, strategies or activities. The mid-term review will be conducted in mid-2019. The final evaluation will assess the achievement of the activities of the plan and identify and document the success or failure. The final evaluation will be undertaken at the end of the plan period which is at the end of 2020.

9.0 IMPLEMENTATION PLAN

Strategic Priority 1: Provide support services to strengthen National Associations

Strategies	Activities	Outcomes	Indicators	Timelines			Actor	Budget USD
				2019	2020	2021		
Provide capacity building to National associations	Conduct a Capacity Needs Assessment for all NAs	Members' priority capacity building areas identified NAs Capacity building plan	Capacity assessment report	x				25,000.00
	Implement the NAs capacity building plan	Organizational capacity within NAs enhanced	No. of members trained		x	x		90,000.00
Support NAs in strengthening governance and Leadership	Train NAs on Corporate Governance and Leadership	Good corporate governance practices among NAs	No. of NA leaders trained	x		x		30,000.00
	Train disciplinary committees on enforcement of the Code of Conduct	Increased ability to handle indiscipline cases involving NA members	% indiscipline cases successfully resolved	x	x	x		30,000.00
	Support NAs in developing and implementing robust conflict resolution mechanisms	Conflict resolution mechanism developed	Adopted conflict resolution system by NAs		x			30,000.00
	Build capacity of operators to join and benefit from the AEO scheme.	Improved business conduct among members in AEO scheme	No. of operators in the AEO scheme	x	x			TBC
	Support NAs to establish management policies	Management policies developed among NAs	No. of NAs with basic policy manual		x	x		40,000
Provide NAs with relevant business and industry information	Establish link between FEAFFA portal and all NAs' websites	Increased information content on NAs' websites	No. of NAs with links	x				5,000
	Distribute industry publications	Increased reliance on NAs for industry information by the agents	No. of industry publications distributed	x	x	x		150,000
Develop joint programmes with NAs	Organize annual NAs benchmarking forums	Adoption of best practices from other NAs	No. of best practices adopted					60,000
	Conduct routine visits to the NAs	Increased synchrony between FEAFFA and her members	No. of issues sorted with NAs	x	x	X		36,000

	Support the annual regional freight logistics conference	Improved revenues from the regional conferences	Revenues achieved from conferences	x	x	x		30,000

Strategic Priority 2: Engage in evidence based advocacy and lobbying on behalf of the members and industry

Strategies	Activities	Outcomes	Indicators	Timelines			Actor	Budget
				2019	2020	2021		
Enhance the capacity of FEAFFA and NAs in lobbying and advocacy	Develop an advocacy policy/strategy	Improved capacity in advocacy	A validated policy document	x				10,000
	Organize Training for Board and staff in lobbying and advocacy	Advocacy team trained (sub-committee, staff and Board members)	No. trained on advocacy and lobbying		x			30,000
	Create an online digital platform (all in one information management system) for engagement e.g. webinars and video conferencing, mobile app, data mining applications	Increased availability of relevant information for evidence based lobbying and advocacy	Online platforms created		x			15,000
	Organize Training for NA advocacy sub committees on lobbying and advocacy	Improved business environment	No. of issues addressed and solved by the sub committees	x	x	x		20,000
Influence policy changes/ formulation	Consolidate partnerships and initiate/lobby to be part of relevant policy formulation organs and fora	Improved business environment	No. of organs and partnerships in place	x	x	x		20,000
	Lobby for the adoption of a container guarantee system to replace container deposits	A mutual understanding with the shipping lines reached with a guarantee scheme	Guarantee system in place	x	x			30,000
	Lobby for institution of favorable customs securities	Competitive customs securities in the region	Reduced cost on customs securities					50,000
	Participate in relevant policy formulation organs and fora	Participation of FEAFFA in relevant organs and fora	No. of policy formulations	x	x	x		30,000
	Lobby for industry self-regulation	Improved business environment	A self-regulated industry	x	x	x		100,000
	Lobby for representation in the boards or sub committees of regional ports	Improved port processes	No. of Ports FEAFFA is represented	x	x	x		10,000

				Timelines				
Undertake relevant research	Conduct research on emerging issues in the freight logistics sector	A high level of industry preparedness to emerging issues	No. of relevant research studies	x	x	x		100,000
	Develop, produce and disseminate updates on the state of the sector in region	High level of understanding of sector	No. of updates disseminated	x	x	x		20,000

Strategic Priority 3: Professionalization of the freight logistics industry

Strategies	Activities	Outcomes	Indicators	Timelines			Actor	Budget
				2019	2020	2021		
Pursue the recognition of freight logistics as a profession in the region	Support enactment of National laws on self-regulation in all the countries	Improved business environment	No. of countries with laws on self-regulation	x	x	x		100,000
Enforce FEAFFA professional and ethical standards	Continue creating awareness on the Standard Trading Conditions (STC)	Adherence of the STC in business conduct	No. of companies adopting the STC	x	x	x		20,000
	Implement industry certification program (EACAFFB)	All FL companies certified under the EACAFFB	No. of companies certified	x	x	x		10,000
	Develop a Continuous Professional Development program and partner with known international freight logistics training institutions e.g FIATA and CILT	A high level of professionalism in the sector	Implemented CPD program	x	x	x		10,000
	Develop and implement a regional award scheme for excellence in freight logistics	Recognition of industry best practices	Annual Award Scheme implemented	x	x	x		10,000
Sustainability of the EACFFPC program	Update and implement the EACFFPC sustainability strategy	Self-sustaining programme	Sustainability strategy in place	x	x	x		10,000
	Continuous Review of the EACFFPC curriculum	Industry relevant programme	Revised and implemented	x				500,000
	Enhance the e-learning platform for EACFFPC training	Training delivery diversified	% of EACFFPC from e-learning	x	x	x		400,000
	Mainstream the EACFFPC program under EAC	EACFFPC formally recognized in the EAC	Letter of recognition	x	x	x		30,000

Strategies	Activities	Outcomes	Indicators	Timelines			Actor	Budget
				2019	2020	2021		
	Develop and implement a framework for accreditation and quality control of the EACFFPC programme	A guide for accreditation of training institutions	Accreditation standards in place	x				100,000
Develop and implement training programs for the freight logistics industry	Conduct a Regional TNA on new developments in the sector	New training needs identified	TNA Report in place	x				60,000
	Implement the training interventions recommended in the TNA	Agents remain updated on contemporary industry developments	% of training gaps identified in the TNA trained on		x	x		TBD

Strategic Priority 4: Institutional Strengthening and sustainability

Strategies	Activities	Outcomes	Indicators	Timelines			Actor	Budget
				2019	2020	2021		
Increase membership	Identify and recruit potential members	Membership expanded	No. of new members recruited	x	X	x		5000
	Market FEAFFAs value proposition	Improved FEAFFA public awareness	No. of FEAFFA marketing events	x	X	x		30,000
Diversify and increase revenue	Review and Implement the business plan	The federation's revenue and the sources increased	No. of IGA/ New sources % increase in revenue	x	X	x		10,000
Enhance Secretariat Capacity	Conduct Secretariat capacity needs and ODI assessment	Priority capacity building and ODI areas identified	Assessment Report	x				10,000
	Develop and deploy a capacity building plan and checklist	Capacity gaps bridged	Capacity building plan in place	x	X	x		TBD
	Review of the FEAFFA Management policies	Updated FEAFFA HRM policy	Updated HRM policy in place	x				10,000
	Develop an induction guide for FEAFFA employees and board	Procedures for inducting new staff and board	Induction policy in place		X			10,000
	Procure and Implement an Integrated MIS for FEAFFA	Information availability for decision making	Integrated MIS in place		X			50,000

Strategies	Activities	Outcomes	Indicators	Timelines			Actor	Budget
				2019	2020	2021		
	Undertake a Secretariat team building and self-evaluation retreat	Cohesive secretariat team	Annual retreat held	x	X	x		18,000
Implement a Performance monitoring, evaluation and learning framework	Develop an M&E plan and log frame for all FEAFFA projects	Improved ability to track results	Tool for measuring performance developed	x				10,000
	Train staff in Project management with strong emphasis on M&E	Enhanced Staff capacity in project management	No of project management trainings held		X			10,000
	Monitor and evaluate implementation of the strategy	Implementation of programs kept in line with set objectives	Routine M+E reports		X	x	x	201,120
Enhance the FEAFFAs governance	Review the FEAFFA constitution	Improved governance	Reviewed and adopted constitution in place	x				20,000
	Develop rules/regulations to the constitution	Improved governance	Operationalized Constitution in place	x				20,000
	Conduct a Corporate governance training for the board & NAs	Enhanced governance capacity	No. of board and NA boards trained	x		x		25,000
Develop institutional capacity in Research and Knowledge Management	Identify the Federation's research and knowledge management capacity needs	FEAFFA's research and knowledge management capacity needs identified	research and knowledge management capacity needs report	x				5,000
	Establish a resource centre for relevant information in the freight logistics industry in the region	Improved availability of industry based information	Resource Centre in place and operational		X	x		20,000
	Develop and implement an action plan for bridging the Capacity gaps identified	Capacity of FEAFFA in research and knowledge management enhanced	No. of capacity building initiatives initiated		X	x		50,000
Totals (USD)								**2,750,120.00**