



An advocate for freight logistics profession

ANNUAL REPORT 2021



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Students during the EACFFPC Class in Burundi



1. BACKGROUND

Port of Dar es Salaam | IMAGE COURTESY



Philippe Ndikumana
1st Vice President



Edward Urio
2nd Vice President



Roy Mwanthi
Secretary-General



Paul Higirot
Treasurer



Fred R. Seka
President



Theogene Rukundo
Member



Hussein Kiddedde
Member



Masaad Salim Breik
Member



Floribert Nzoyihera
Member



Omar Mussa
Member



Waheed Saudin
Member



William Ojonyo
Member



Auni Bhaiji
Immediate Past President



John Mathenge
Technical Advisor

The Federation of East African Freight Forwarders Associations (FEAFFA) is a private sector apex body of freight forwarders associations in the Eastern Africa region that was established in 2006. It is registered and domiciled in the United Republic of Tanzania with a Secretariat in Nairobi, Kenya.

Vision

A professional and competitive Eastern Africa Freight Logistics Industry

Board Members

1. Fred Seka	RWAFFA	President
2. Philippe Ndikumana	ABADT	1st Vice President
3. Edward Urío	TAFFA	2nd Vice President
4. Roy Mwanthi	KIFWA	Secretawry-General
5. Paul Higiroy	UFFA	Treasurer
6. Theogene Rukundo	RWAFFA	Member
7. Waheed Saudin	TAFFA	Member
8. Hussein Kiddledde	UFFA	Member
9. Floribert Nzoyihera	ABADT	Member
10. Masaad Salim Breik	ZFB	Member
11. Omar Mussa	ZFB	Member
12. William Ojonyo	KIFWA	Member
13. Auni Bhaiji	KIFWA	Immediate Past President
14. John Mathenge	FEAFFA	Technical Advisor

Mission

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

Secretariat

1. Elias Rwamanyonyi Baluku	Ag. Executive Officer
2. Josephine Nyebaza	Programs Officer
3. Samuel Mbucho	Finance Officer
4. Njeri Kenyaggia	Program Assistant
5. Andrew Onionga	IT & Communications Officer
6. Moureen Mugeni	Administrative Assistant
7. Canton Onyino	Procurement & Office Assistant

Member Associations

1. Association Burundaise des Agencies en Douane et Transitaires (ABADT)
2. Kenya International Freight and Warehousing Association (KIFWA)
3. Rwanda Freight Forwarders Association (RWAFFA)
4. Tanzania Freight Forwarders Association (TAFFA)
5. Uganda Freight Forwarders Association (UFFA)
6. Zanzibar Freight Forwarders Bureau (ZFB)

Development Partners



TradeMark East Africa (TMEA)



Commonwealth Secretariat (COMSEC)



Africa Economic Research Consortium (AERC)

Bankers

Kenya Commercial Bank

P.O. Box 14959 – 00800, Nairobi, Kenya

Tel: +254 20 3747576

Fax: +254 20 3747576

Email: contactcentre@kcb.co.ke

Auditors

RSM Eastern Africa LLP

P.O. Box 349 - 00606, Nairobi, Kenya

Tel: +254 (0)20 3614000, +254

(0)204451747/8/9

Fax: +254 (0)20 4451773

Email: info@ke.rsm-ea.com

2. 2021 PERFORMANCE REVIEW

Port of Mombasa | IMAGE COURTESY

STRATEGIC PRIORITY 1: Provide support services to strengthen National Associations (NAs)

I. FEAFFA WEBSITE

The website was revamped and has additional content including licensed clearing agents & firms, the EACFFPC training program, other programs being run by FEAFFA, various partnerships, regional trade procedures, and a repository of downloadable files among others. The website has also been integrated with the Continuing Professional Development (CPD) system and FEAFFA Online Resource Centre (FORCE) to ease access for members.

II. INTERVENTION IN BUSINESS DISPUTES BETWEEN MEMBER ASSOCIATIONS

The Federation through a subcommittee of the board developed an internal framework to resolve business disputes among members. The Framework promotes the provision of contact details of members of each national association for access by colleagues in other countries. It also encourages the formalization of all sorts of business transactions. FEAFFA is still fundraising to implement other parts of the framework.

III. PARTICIPATION IN MEMBER EVENTS

FEAFFA attended various events organized by member associations including Annual General Meetings (AGMs) and UFFA graduations.

The Federation updated members of the associations on regional programs and appealed for continued support and collaboration.

IV. PROVIDED CORPORATE GOVERNANCE SUPPORT

FEAFFA provided corporate governance support to some of the member associations targeting the new leaders. Through her networks, KIFWA was linked to a corporate governance expert who oriented the new KIFWA leaders on corporate governance.



FEAFFA Website



11th graduation of EACFFPC Students in Uganda

STRATEGIC PRIORITY 2: Ensure professionalization of the clearing and forwarding sector

V. PILOTING THE CONTINUING PROFESSIONAL DEVELOPMENT (CPD) PROGRAMME

Building on the progress made in 2020, work on starting the CPD program for customs agents and freight forwarders continued in Uganda. A stakeholders' engagement meeting on the CPD program was held in Kampala. The meeting formally introduced the CPD program to industry stakeholders in Uganda. It brought together stakeholders from the EAC secretariat, URA, TMEA, UFFA, Private Sector Foundation Uganda, clearing and forwarding agents, transporters, and media. The meeting was coordinated jointly by NCIC Uganda. To reach a wider audience, publicity for the meeting leveraged URA's communication platforms.

VI. FINALIZE THE DEVELOPMENT OF AN INTEGRATED CPD MANAGEMENT SYSTEM

The design and development of an integrated CPD management system were completed. The system will support the implementation of the CPD program when it is rolled out. Development of the system started in 2020 but was delayed due to budget re-alignments.



The Integrated CPD Management System

VII. EAST AFRICA CUSTOMS FREIGHT FORWARDING PRACTICING CERTIFICATE COURSE (EACFFPC)

• *Updating of EACFFPC Curriculum*

FEAFFA with support from TMEA has finalized updating of the curriculum for the training of customs agents and freight forwarders in East Africa. Having concluded most of the technical work in 2020, the curriculum was reviewed by National stakeholders in each of the EAC Partner States before validation by the Curriculum Implementation Committee (CIC). The final curriculum was later circulated to Commissioners of customs, chairpersons of national associations, and the EAC for no objection.

The updated curriculum has certificate and diploma programs.

• *Development of training materials and training guides for the revised EACFFPC Curriculum*

Following the adoption of the curriculum, the development of training materials and their corresponding training guides for the certificate program was done. The process was coordinated by a consultant in collaboration with CIC. It involved the drafting of materials by subject matter experts that were later reviewed by industry technical experts before the materials were presented to CIC for adoption. Training materials and guides for the diploma program were not developed due to the reduction in the budget.

• *Printing of Training materials*

The layout and design of the training materials for the updated curriculum was done. Printing is expected to commence as soon as resources are available. FEAFFA is also considering alternative cost-friendly ways of providing the training materials to students.

- ***Regional Training of Trainers (TOT) on the Updated Curriculum***

A four-day regional TOT was conducted for 33 senior trainers of the EACFFPC program. The trainers were taken through the revised curriculum to familiarize them with Competency-Based concepts. The senior trainers will in turn train the national trainers in their respective countries. This was a slight deviation from the previous plan of conducting TOT for all trainers in the region due to budget constraints.



Regional Training of Trainers (TOT) on Updated EACFFPC Curriculum

- ***Meetings of the Curriculum Implementation Committee (CIC)***

Several meetings of the CIC were held in the year. Through these meetings, CIC provided oversight and guidance in the implementation of training and capacity-building activities. CIC also reviewed and endorsed key project deliverables. Key among them were the updated curriculum, the harmonized training & certification policies, training materials, the CPD system, the e-learning system among others.

Most of the CIC meetings were held virtually due to covid19-induced travel restrictions.



Curriculum Implementation meeting in Kampala

- ***EAC meeting to adopt the Zanzibar High-Level Policy Meeting (HLPM) resolutions of 2019***

FEAFFA participated in an EAC meeting to consider the resolutions of the 2019 EACFFPC High-Level Policy Meeting that was held in Zanzibar. The meeting adopted most of the resolutions and modified some for presentation to the Commissioners of Customs. The meeting also observed the need to involve more stakeholders in the governance of the training program. The recommendations were later endorsed by the Committee on Customs and adopted by the 39th Meeting of the Sectoral Council on Trade, Industry, Finance, and Investment (SCTIFI). SCTIFI also adopted the EACFFPC as a regional training program for customs agents and freight forwarders in East Africa.

- ***Enhancement of the FEAFFA eLearning portal***



The enhancement of the FEAFFA Online Recourse Centre (FORCE) to accommodate the new structure of the training program was finalized. Only the training materials for the certificate program were repurposed in form of basic PowerPoint slides and uploaded on the portal. The certificate program comprises four (4) modules with a total of seventeen (17) units. The portal will be piloted before it is rolled out.

- *EACFFPC graduations*

Two graduation ceremonies were held across the region including Uganda and Kenya. FEAFFA was represented by the Secretary-General in Kampala while the Ag. Executive Director and Programs Officer virtually attended the Kenyan graduation.



18th Graduation of EACFFPC Students in Nairobi, Kenya | IMAGE COURTESY

- *Finalization of the EAC Logistics Skills Enhancement program*

FEAFFA triggered the initial processes geared towards the closeout of the EACLSEP program. The report highlights the milestones achieved, the impact of the project in the region, success stories, challenges faced during implementation, and lessons learned from the entire program started.



11th Graduation of EACFFPC Students in Kampala, Uganda

STRATEGIC PRIORITY 3: Engage in evidence-based advocacy and lobby on behalf of the members and the industry.

I. REGIONAL STUDY ON THE IMPACT OF COVID-19 ON TRANSPORT AND LOGISTICS SECTOR

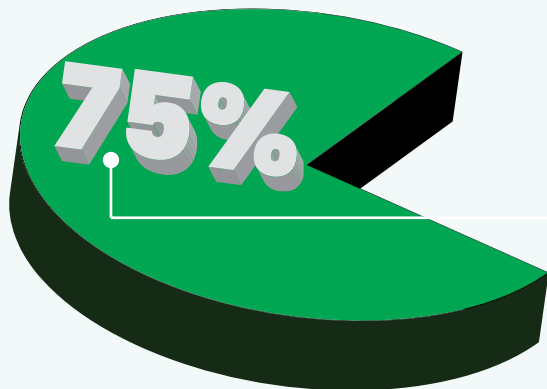
The regional study on the impact of the COVID-19 pandemic on the transport and logistics sector in the East African Region was finalized in collaboration with Shippers Council of Eastern Africa (SCEA) with support from Africa Economic Research Consortium (AERC).

The study revealed that;

- over 75% of businesses were directly affected by the outbreak of the pandemic.
- Border crossing time increased from an average of 24 hours to over 5 days.
- Freight rates on the other hand increased by an average of 10%.

The study recommended a joint regional approach to Covid-19, harmonization of border operations, prioritizing vaccination of the transport and logistics sector players, fast-tracked development of an EAC Covid19 passport among others.

Copies of the report were distributed to various stakeholders and on the website for their reference.

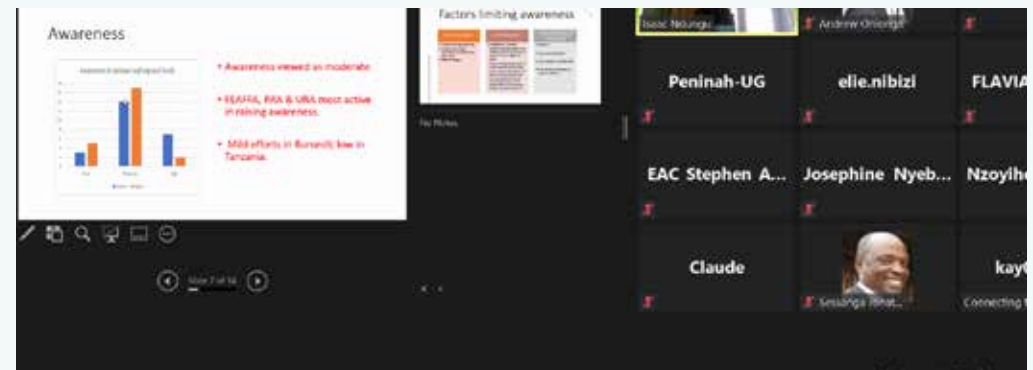


Businesses that were directly affected by the outbreak of the pandemic.

II. STUDY ON THE FACTORS INHIBITING THE UPTAKE OF THE AUTHORIZED ECONOMIC OPERATOR (AEO) IN EAST AFRICA

In partnership with Commonwealth Secretariat (COMSEC), FEAFFA conducted a study to analyze the issues affecting uptake of the Authorised Economic Operator scheme by businesses in the East African Community (EAC). The study revealed the low levels of awareness on AEO, resource constraints by SMEs, complex application procedures, limited benefits of the scheme, legal challenges in other countries among others as the main issues inhibiting the uptake of the program. The study called for simplification of the application process, increased sensitization on the scheme, more involvement of the private sector, provision of the promised AEO benefits, and capacity building of applicants to enhance uptake.

Recommendations of the study were adopted by the EAC Committee on Customs and later the Sectoral Council on Trade, Industry, Finance, and Investment (SCTIFI). The Sectoral Council also adopted the simplified AEO accreditation criteria to suit the MSMEs and directed the secretariat to undertake analysis to develop a harmonized framework for the thresholds for accrediting regional AEOs to determine the classification of MSMEs in the region.



Release of results of the study on the low uptake of AEO programme in EAC region

III. DEVELOP AND PUBLISH POLICY PAPERS

FEAFFA developed and published two policy papers from the recommendations of the studies conducted in the year 2021. The two were on the covid19 and the AEO program.

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IV. FEAFFA IN THE MEDIA

Initiatives carried out by the Federation received coverage in the media in to amplify the Federation's efforts. Among them were the study on Covid19, the AEO study, curriculum, and training activities, Covid19 response among others. The FEAFFA online magazine also kept members and other stakeholders in freight logistics updated on the happenings within the industry. All the initiatives being implemented by FEAFFA have received coverage in the magazine. The magazine also covered various industry news and trends and was widely shared with stakeholders through FEAFFA's social media accounts including Twitter, Facebook, and LinkedIn in the region.

V. PARTICIPATE IN MEETINGS ORGANIZED BY PARTNERS.

FEAFFA continued to participate in meetings organized by key partners and other stakeholders as a way of building coalitions and partnerships. These included meetings of the East African Community (EAC), Revenue Authorities, TradeMark East Africa (TMEA), the Kenya Ports Authority (KPA), Common Market for Eastern and Southern Africa (COMESA), Tripartite Transport and Transit

Facilitation Programme (TTTFP), East Africa Business Council (EABC), Kenya Private Sector Alliance (KEPSA), Shippers Council among others.

VI. COURTESY VISIT ON THE COMMISSIONER CUSTOMS UGANDA REVENUE AUTHORITY

The FEAFFA presidency visited the Commissioner of Customs, URA to share updates on the steps being taken by the Federation to streamline the professionalization and administration of customs agents and freight forwarders in Uganda. URA committed to engaging with other industry stakeholders, rallying them to support the professionalism agenda in the logistics sector.



Meeting with Uganda Revenue Authority (URA)

VII. ADVOCACY TO CUSHION THE INDUSTRY FROM THE EFFECTS OF COVID19.

FEAFFA together with other logistics sector stakeholders continued to advocate for the smooth rollout of Covid19 containment measures across the region. This included the truck drivers' covid19 testing regimes, extended storage, and container return periods, to cushion the industry from storage and demurrage charges resulting from the implementation of Covid19 containment measures in the region.

STRATEGIC PRIORITY 4: Institutional strengthening and sustainability

I. SECRETARIAT OPERATIONS

The secretariat continued to coordinate the day-to-day operations of the Federation amid the resource constraints. The secretariat remained the center of all operations.

II. BOARD OPERATIONS

The Federation’s Executive Board continued to provide oversight and held periodic meetings in line with the constitution. The board was also involved in addressing any emerging issues, especially those affecting its members and business operations. This was done through full meetings of the board, the presidency, sub-committees, and briefs by the secretariat.



An virtual meeting of FEAFFA Board Members

III. ANNUAL GENERAL MEETING

The Federation held its AGM for the year 2020 virtually via Microsoft Teams. The meeting reviewed and adopted the annual report and audited accounts for the year 2020. The mandate of the Executive Board was also extended until March 2022.

IV. INSTITUTIONAL STRENGTHENING AND SUSTAINABILITY

The board of directors established a committee to develop a sustainability plan. The committee held online meetings with various key industry stakeholders to gather their views on how to sustain the Federation. They included founders of the Federation, former presidents, national associations of clearing & forwarding agents, revenue authorities, and development partners. Recommendations for this undertaking will assist FEAFFA in sustaining itself and her operations.



A virtual board committee meeting with Commissioner Customs RRA

V. INSTITUTIONAL CAPACITY ASSESSMENT BY PRICEWATERHOUSECOOPERS (PWC)

The Institutional Capacity assessment by PricewaterhouseCoopers (PWC) commissioned by TMEA was finalized. The assessment identified key areas of capacity building for the Federation.

It is hoped that TMEA will continue partnering with FEAFFA to implement the recommendations of the assessment.

CHALLENGES

I. INADEQUATE FINANCIAL RESOURCES

The Federation continued to operate on limited financial resources. The situation was worsened by the reduction in project funding by TMEA. Several project activities were halted because of this reduction hence affecting the anticipated impact on the industry.

II. COVID-19 PANDEMIC

The outbreak of the COVID-19 pandemic continued to affect project activities due to the travel restrictions which prevented physical meetings such as the Global Logistics Convention (GLC), elections, Conferencing, etc. Online meetings had various challenges including poor internet connection and low concentration by stakeholders among others.

III. LEAN SECRETARIAT

The secretariat team remained lean cognizant with the available resources. This led to continued over-stretching of staff.

IV. DELAYS IN REMITTING FEES AND LEVY'S

Delay in the remittance of annual subscription fees by some member national associations continued to affect the Federation. Some of the countries did not submit the training fees while others have still not yet instituted a mechanism to collect these fees.



Trucks on Transit | PHOTO COURTESY



Stakeholder Mobilization Meeting on CPD Programme in Uganda



3. WAY FORWARD

Training of Trainers of an Updated EACFFPC Curriculum

I. SUSTAINABILITY COMMITTEE REPORT

The Federation will focus on finalizing the report of the special committee on the sustainability of the Federation and subsequently embarking on the implementation of recommendations. This is expected to enhance the sustainability of FEAFFA and its operations.

II. OTHER INDUSTRY ASSOCIATIONS

FEAFFA will continue to engage with the leaders of other industry associations in the region for a good working relationship and collaboration aimed towards addressing industry challenges. This will include onboarding these associations as members of the Federation.

III. NEW PROJECT IDEAS

The Federation will continue to explore new ideas of programming to address the challenges faced by the industry players. Attention will be on post-Covid19 recovery initiatives and the Africa Continental Free Trade Area (AfCFTA). This will also include repackaging strategic interventions such as the CPD and self-regulation to attract potential development partners.

IV. VISIBILITY OF THE FEDERATION

The Federation will continue to enhance its visibility through mainstream and social media platforms. FEAFFA will continue making herself visible through the expression of opinion on key issues affecting the industry.

V. THE GLOBAL LOGISTICS CONVENTION

FEAFFA will hold the Global Logistics Convention in collaboration with KIFWA. The GLC has been affected by the outbreak of the Covid-19 pandemic.

VI. DEVELOP A NEW STRATEGIC PLAN

Following the lapse of her strategic plan, FEAFFA will develop a new strategic plan to guide her operation for the period 2022-2025.

VII. CONTINUE IMPLEMENTATION OF HALTED PROJECT ACTIVITIES

FEAFFA will continue implementing strategic interventions such as training, self-regulation, the CPD program among others whose funding was halted by development partners. Alternative sources of support including internal mechanisms will be explored to continue the industry's quest for professionalism.



2nd Edition of GLC Meeting in Kampala | IMAGE COURTESY



The online Freight Logistics Magazine

Latest

- ▶ Uganda graduates Freighters under the new curriculum
- ▶ Reprieve for customs agents in Tanzania as government reviews goods exclusively cleared by TASAC
- ▶ Freight Forwarders in Uganda to undertake FIATA Diploma
- ▶ The logistics sector rolls out sensitization on AfCFTA in East Africa
- ▶ Uganda to host FIATA-RAME 2023
- ▶ KRA roles out facilitative AEOs programme



4. CONCLUSION

KIFWA AGM in Nairobi | PHOTO COURTESY



Appreciation

FEAFFA is very thankful to all development partners key among them TMEA, COMSEC, and AERC for the support to its cause during the year.

The Federation is also thankful to the Executive Board, the Technical Advisor, and staff for the oversight and management of the Federation's activities.

To the member associations and the industry at large for the commitment to the Federation both financially and continuing to give the Federation legitimacy.

Lastly all stakeholders including EAC, revenue authorities, other ministries, and government agencies, transporters, shippers, other industry associations, and transporters, with whom FEAFFA collaborated.





*In Loving
Memory of*

Allan Ngugi
1982 - 2021

A true champion of efficient and effective transport
logistics in the East African Region.

— *Continue resting in peace* —

A person in a white shirt is sitting at a desk, writing on a notebook with a red pen. The notebook is open and shows some handwritten notes and diagrams. There are two laptops on the desk, one in the foreground and one in the background. A tablet is also visible on the left side of the desk. The scene is lit with a soft, blueish light, suggesting an office or study environment.

5. FINANCIAL STATEMENTS

STATEMENT OF INCOME AND EXPENDITURE FOR THE YEAR ENDED 31ST DECEMBER 2021

	2021	2020	2021	2020
	USD	USD	KSh	KSh
Revenue	27,480	39,489	3,013,649	4,204,300
Grant income	380,327	511,830	41,709,321	54,493,325
Other income	22,517	70,119	2,469,371	7,465,404
Cost of training books	-8,345	-	-933,769	-
Administrative expenses	-412,477	-588,012	-45,305,747	-62,604,346
Establishment expenses	-12,169	-13,222	-1,334,537	-1,407,714
(Deficit)/surplus before tax	-2,667	20,204	-381,712	2,150,969



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President



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Treasurer



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Secretary General

BALANCE SHEET AT 31ST DECEMBER 2021

	2021	2020	2021	2020
	USD	USD	KSh	KSh
FUND BALANCES				
Revenue reserves	61,215	63,882	6,909,292	6,974,114
Non-current liabilities				
Capital grant	1,668	2,546	188,720	277,951
	62,883	66,428	7,098,012	7,252,065
REPRESENTED BY				
Non-current assets				
Equipment	2,962	3,840	335,114	419,219
Current assets				
Inventories	-	8,345	-	911,039
Trade and other receivables	20,619	55,535	2,309,385	6,062,857
Cash at bank and in hand	65,986	92,806	7,465,736	10,131,797
	86,605	156,686	9,775,121	17,105,693
Current liabilities				
Trade and other payables	26,684	94,098	3,012,223	10,272,847
Net current assets	59,921	62,588	6,762,898	6,832,846
	62,883	66,428	7,098,012	7,252,065



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President



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Treasurer



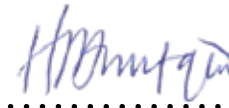
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Secretary General

STATEMENT OF CHANGES IN FUND BALANCES FOR THE YEAR ENDED 31ST DECEMBER 2021

	Revenue reserves	Revenue reserves
	USD	KSh
At 1st January 2020	43,678	4,549,962
Surplus for the year	20,204	2,150,962
Effects of exchange differences	-	273,183
At 31st December 2020	63,882	6,974,107
At 1st January 2021	63,882	6,974,107
The deficit for the year	-2,667	-381,712
Effects of exchange differences	-	316,898
At 31st December 2021	61,215	6,909,292



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President



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Treasurer



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Secretary General

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST DECEMBER 2021

	2021 USD	2020 USD	2021 USD	2020 KSh
Cash flows from operating activities (Deficit)/surplus for the year	-2,667	20,204	-381,712	2,150,969
Changes in operating assets and liabilities:				
Increase/(decrease) in trade and other receivables	34,916	-27,084	3,753,472	-3,179,732
Decrease in inventories	8,345	-	911,039	-
(Decrease)/increase in trade payables	-67,414	65,259		7,350,403
Net cash (used in)/generated from operating activities	-26,820	58,379	-2,977,825	6,321,640
Net (decrease)/increase in cash and cash equivalents	-26,820	58,379	-2,977,825	6,321,640
Effect of currency conversion during the year	-	-	311,764	321,446
Cash and cash equivalents at the start of the year	92,806	34,427		3,488,711
Cash and cash equivalents at end of the year	65,986	92,806	7,465,736	10,131,797



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President



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Treasurer



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Secretary General

6. PICTORIAL

Entertainment during the 11th graduation of the EACFFPC Programme in Uganda





- **Competency Area (CA)** - distinct major activities or units involved in the work performed in an occupation
- **Sub-Competency Area (SCA)** - a fragmentation of duty and it is not stand alone without referring to the job for most of the case
- **Competency/Task** - specific, measurable, observable tasks to be performed.

TRADE MARK

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MM SO P DK SR C D

Sonia NWA (Guest) Claudien (Guest) David (Guest) Gillian (Guest)





Hillcrest Court, Slip Road, Waiyaki Way, Westlands
P.O. Box 22694-00400 Tom Mboya, Nairobi, Kenya
+254 (0)738 150 673, (0)738 165 318
info@feaffa.com | www.feaffa.com

