



KENYA TRADE NETWORK AGENCY (KENTRADE)
Simplifying Trade Processes for Kenya's Competitiveness

**SPEECH BY MR. AMOS WANGORA, ACTING CEO OF KENTRADE,
DURING THE KIFWA SENSITIZATION WORKSHOP HELD IN NAIROBI
ON TUESDAY SEPTEMBER 22, 2015**

Salutations

- KIFWA Board / Members Present
- World Bank Group (IFC) represented by Mupelwa Sichilima
- Members of Shipping Agents
- Representative from Banking Institutions
- My Fellow Colleagues
- Ladies and Gentlemen

Good Morning!

Let me first take this opportunity to express our sincere gratitude each and every one of you for finding time out of your busy schedule to attend this workshop. Your presence here today is a clear indication of the importance that you attach to the implementation of the Kenya TradeNet and by extension your relationship with us at KenTrade.

I would also like to reveal that yesterday we signed a Memorandum of Understanding between KenTrade and KIFWA , whose objective was to document the realization that importers/exporters and other stakeholders involved in trade logistics industry in Kenya and the EAC region need to be facilitated in order to improve the way we do business especially the cargo clearance processes; The MoU was signed by the KIFWA National Chairman, Mr. Auni Bhajji and I believe the KIFWA Secretariat will release details of the MoU to members at the right time.

Apart from the MoU, we also had very fruitful discussions with the Board of Directors and key issues of which some you have raised in the past were discussed. So in a nutshell we cemented our relationship with KIFWA.

This is the direction that we want to take with other stakeholders, having a formal and documentation relationship that will improve service delivery to our stakeholders.

Workshop objective

The purpose of this workshop is mainly to update you on the Kenya TradeNet System implementation status but importantly to engage with you on your experience and challenges in managing the inevitable change since you commenced using the Single Window System (Kenya TradeNet System).

2 weeks ago we met with our stakeholders operating in Mombasa and based on the feedback that I got through the interactions, I was encouraged by the level of enthusiasm regarding adoption of the System.

Forums such as these indeed helps us to receive first-hand information and feedback which assist us to enhance our mandate which is implementation of the Kenya TradeNet System

About 2 months ago, some of you experienced some challenges while lodging IDF through the Kenya TradeNet System. The challenge was

basically at the integration level between the Kenya TradeNet System and SIMBA.

The challenge was technical in nature and affected some of our stakeholders but hence been resolved and long term solution was deployed by a joint technical team from KenTrade and KRA together with system developers Crimson logic.

We are aware that it is not easy and enough to develop a World-Class System and one that is complex and cross cutting as Kenya TradeNet System, without acceptance from key stakeholders. Needless to say, Kenya TradeNet System that we are implementing at is a business process which is utilizing ICT as an enabler principally on trade logistics and from my assessment has been well embraced.

So interactions that we have with you are to ensure your involvement at every critical phase of the System implementation, to ultimately ensure that you comfortably identify with the System.

Trade Logistics Rankings

You may have noticed that the past few years the Government importance trade as a powerful vehicle for creating wealth and employment, hence the huge investments currently being undertaken in trade logistics industry as a whole.

But of specific to us and this meeting specifically, is improvement of the current cargo clearing System at various border points in our country which faces a number of perennial challenges that compromise Kenya's ability to maximize on the benefits accruing from international trade.

To illustrate this:

- The World Bank's Annual Ease of Doing Business has ranked Kenya poorly with standing at position 136 out of 189 global economies in 2015 which is a one point gain from the position 137 in 2014. The trading across borders which is of a major concern to us, we dropped from 152 in 2014 to 153 in 2015
- The latest 2014 Logistics Performance Survey (LPS), an annual report published by the Shippers Council of Eastern Africa (SCEA), ranked Kenya Fourth in logistics performance, with an aggregated score of 2.82, while Burundi is at position Five, with an aggregated score of 2.78 while Rwanda topped with 3.52 followed by Uganda 3.07 and Tanzania 2.89.

This project that we are implementing is among the key interventions by the government that will assist in improving the above statistics and contribute to improving the business climate in the country. I want to assure you that once fully implemented, System will have major positive impact on business that have been incurring costs as a result of delays in clearance of cargo trucks at the Kenyan Borders.

Kenya TradeNet System Implementation Status

Since the initial roll out on October 31, 2013, we have made significant progress in the System implementation and you will be updated on this during the PowerPoint presentation to be done shortly.

But to just to inform you, so far we have successfully implemented 17 modules and their functionalities which are currently live and stakeholders are already submitting/processing documents through the System as you will see in the presentation. The System has also been integrated with over 24 banks and two Mobile payment solutions through the Kenya Revenue (KRA) iTax system. This has made it possible for the traders to submit documents and make payments to the Government electronically.

We have held numerous trainings and sensitizations in major parts of the Country and mainly at the Border points. Training for the System Users is a continuous process and we have trained over 5,000 people on how to use the System.

Conclusion

Let me conclude by saying that it has been 2 years since the Go – Live of the Kenya TradeNet System and we have made significant progress, and we are now on the final phase of the System implementation, and we are counting on your continued support as we finalise.

So today , I urge you to be open, express your views objectively and I give you my assurance that the feedback we will receive from this workshop will not only help us smoothly transition go a long way in enhancing better relationship between KenTrade and you as the main users of the System.

Finally, I wish to thank the World Bank Group (IFC) for sponsoring this workshop and for the continued support and to all of you for your time. I wish the meeting fruitful deliberations, and thank you for your attention.

AMOS WANGORA

SEPTEMBER 22,2015