

connectivity cannot cope up with at the rate at which it's received at the port

Corridor delays and effect on storage charges

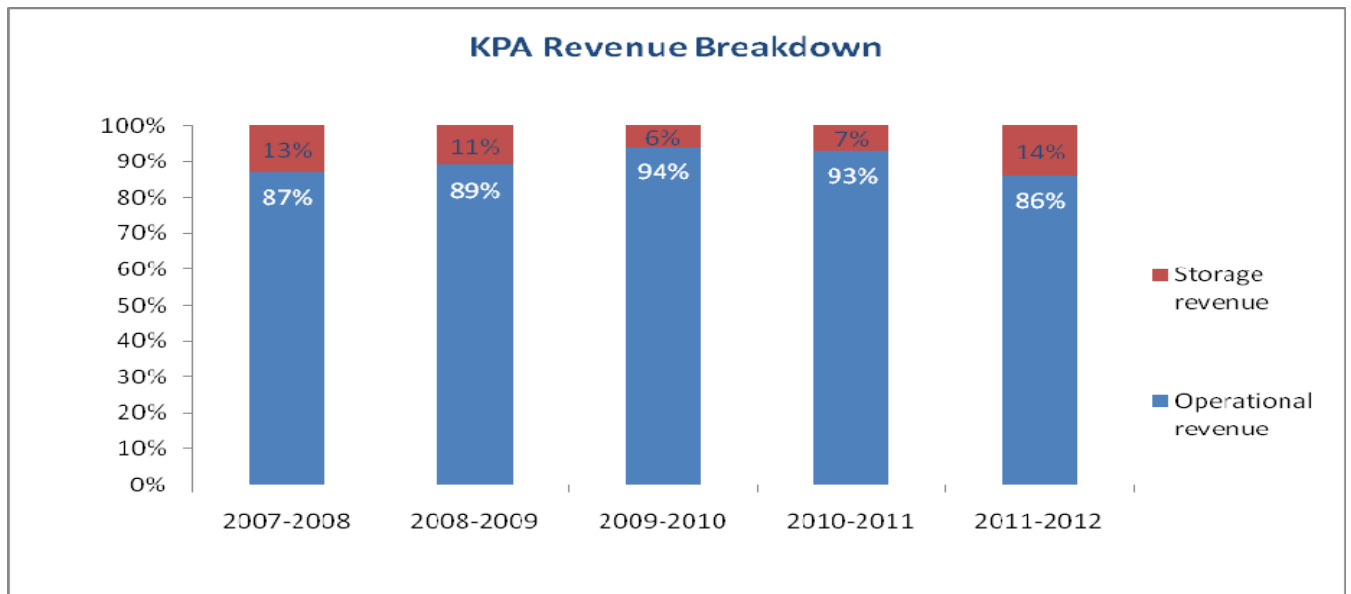


Figure 4.8

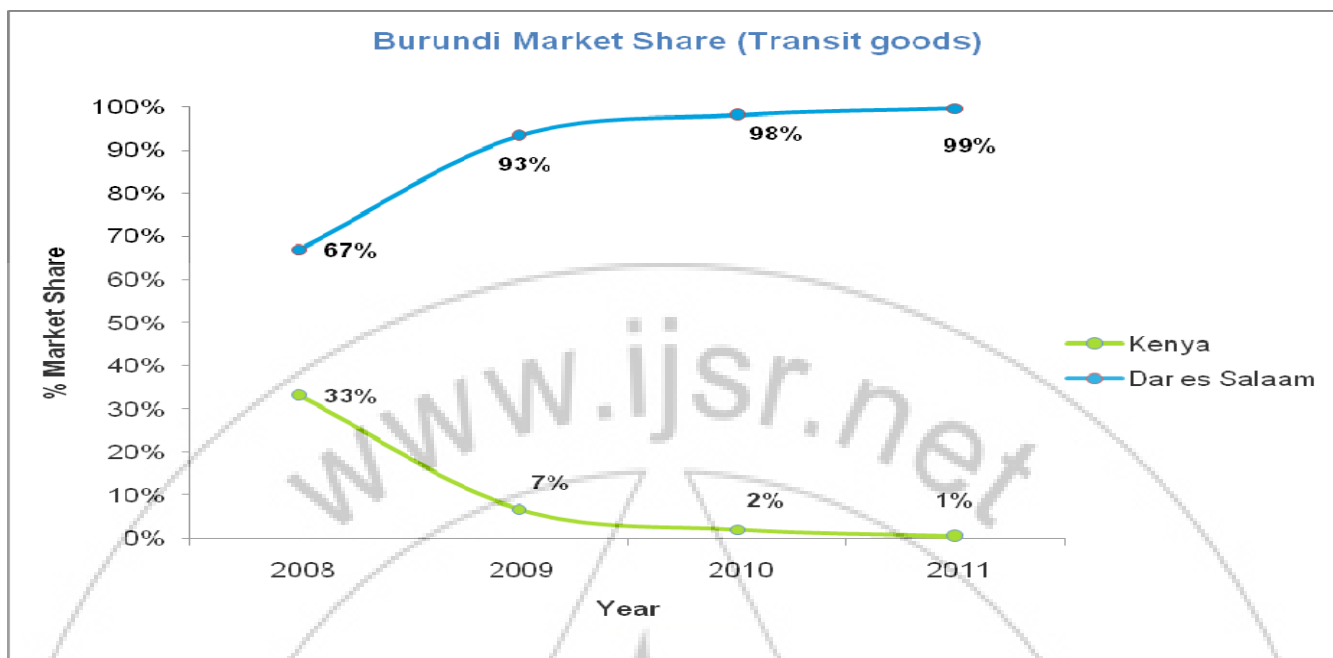
Source: KPA Wajipika project Statistics 2013

From the figure, the storage charges component in revenue increased marginally from 2007 up to 2010 it however, increased in 2010-2011 from 7% to 14% in 2011-2012 financial years. From this secondary data, it was evident that the effect of cargo dwell time at the port, contributed to increased storage charges component which is normally transferred to the shippers and therefore increased cost of logistics in the corridor.

4.9 Contestable hinterland market perspective

Mombasa port enjoyed a wider market in East Africa. It however, emerged that it was progressively losing the Burundi and Rwanda markets. This is not to say that services at the port of Mombasa were inferior to that Dar es Salaam had to offer but among other factors, the inefficiencies inherent in the hinterland connectivity linking port of Mombasa and the markets. According to KPA Wajipika transformational project (2013) noted that KPAs market share in transit cargo had significantly dropped, within a span of five years and lost over 90% of its Burundi market to Dar es Salaam as shown below.

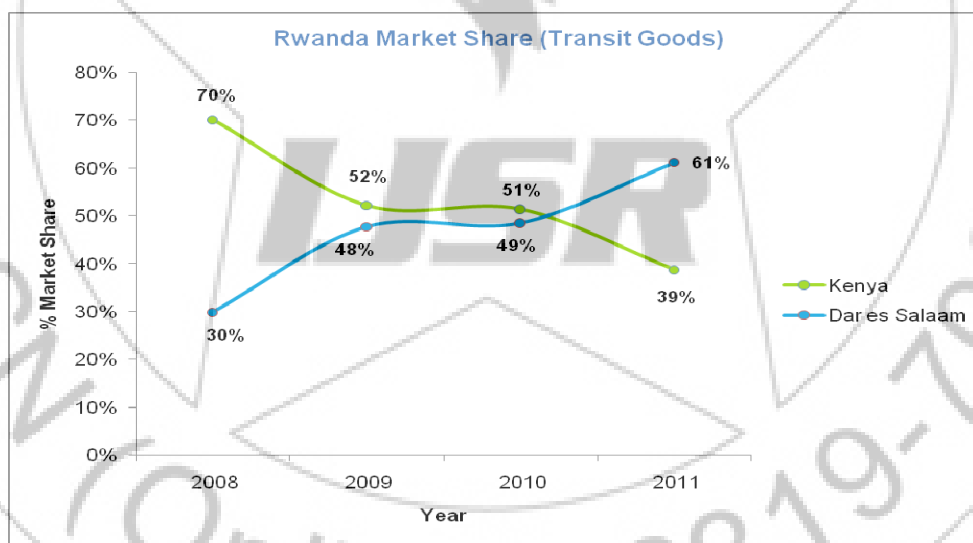
KPA transit market share analysis (Burundi Market)



Source: KPA Wajipika project Statistics 2013

Similarly, in the same period Rwanda market showed signs of decline and preference to port of Dar es salaam following the trends of Burundi. As shown below

KPA transit share analysis (Rwandan Market)



Source: KPA Wajipika project Statistics, 2013

The choice of Dar es Salaam port by importers and exporters in Burundi and Rwanda markets which are markets Mombasa and Dar es salaam ports are competing for, is largely due to inefficiencies inherent in the northern corridor which servers Mombasa port compared to the central corridor serving the Tanzanian port

5. Summary, Conclusions and Recommendations

5.1 Introduction

This chapter represents summary of discussions, conclusion of the research study. It Draws conclusion of the major findings of the study in relation to the objectives provided in chapter one. It discusses recommendations and suggestions for further study

5.2 Summary

The research focused on the influence of hinterland logistics and transport connectivity on performance of KPA with the objective of determining the northern corridor inefficiencies and how they influence performance of KPA. Mombasa port which is managed and run by KPA serves a vast hinterland in the east and central Africa which provided a better platform to describe the relationship of the variables. The researcher employed a descriptive research to describe the state of affairs as they exist and a stratified sampling method to reach at most representative respondents in the study universe of seventy-two respondents covering port users, clearing and forwarding agents and port officials. Questionnaires and interviews were used by the researcher as instruments to collect data and finally analyzed and synthesized for presentation using *Microsoft Excel* data analysis software for purposes of achieving the following objectives:- Determination of how poor roads links and poor railways links to the hinterland affects Kenya ports Authority performance and to find out how administration measures along the hinterland transport corridor influence Kenya ports Authority performance together with how social-economic challenges in hinterland transport affect Kenya ports Authority performance.

The research established that road transport service in the corridor was poor as a result of various aspects identified by the respondents as impediments to efficient road transport. They cited major inefficiency of road transport as delays caused by poor infrastructure, which includes design, maintenance and quality of roads therefore negatively affecting port performance by causing delays leading to increased cargo dwell time at the port.

The research established that railway transport has a great impact on KPA performance. The railway is the first choice mode of transport to evacuate cargo to the hinterland. However, the research established that railway transport is seriously ineffective given the meager volumes it handles compared to the road transport. Factors contributing to this low capacity were identified as few wagons, old locomotives and dilapidated rail track. This aspect of low capacity saw containers detained at the port up to ten days waiting for wagons.

From the research, Administration measures along the hinterland transport corridor were found to influence Kenya ports Authority performance that they cause a lot of unnecessary delays in the corridor leading to high truck turn round time and therefore high cargo dwell time at the port. It's established that too many weighbridges, police roadblocks, customs stations and delay in the border crossing are factors which contribute to corridor inefficiencies thus affecting KPA performance. From the research, it was established that social, economic and political challenges in hinterland transport does affect port performance. This is because the challenges such as insecurity and rivers social behaviour contributed to long transit times which meant high truck turn round times and therefore, delays

5.3 Conclusions

Based on the objectives and findings of the research, the results of the research effectively revealed that the influence of hinterland transport inefficiencies on performance by KPA was glaring leading to the conclusion that indeed hinterland transport inefficiencies do affect port performance

5.4 Recommendations

The researcher recommends the following measures that can be adopted to mitigate against adverse influence of Hinterland transport inefficiencies on KPA performance:

1. KPA should lobby to have a participatory role in policy formulation and implementation on design, maintenance and prioritization on roads infrastructure development particularly in Kenya so that investment in roads will help to enhance port performance
2. KPA should lobby for investment in modern dual railway transport system with dynamic wagon loads to accommodate different cargo weights. This will increase the capacity and efficiency of the railway transport system which will complement port performance through increased cargo off- take.
3. KPA and government agencies to invest in integrated ICT to facilitate smooth flow and management of information thereby removing unnecessary corridor administrative stations
4. KPA to revive the practice of port regionalization concept by investing in inland dry ports in major market areas so that shippers would not cover long distance on poor infrastructure to the port.
5. All cargo interveners throughout the transport corridor should be put under one coordination authority or agency so as to be able to monitor bottlenecks in smooth flow of traffic and take corrective measures.
6. Transport companies should invest in communication and car track devices so as to be able to monitor and supervise their drivers and introduce incentives for safe and time conscious drivers. This will motivate drivers to appreciate the importance of save and faster delivery of cargo.

5.4 Limitations of the study

In carrying out this study, the following limitations were encountered: there was lack of cooperation in availing information by staff members of institutions for fear of management view on their opinions, allocation of time respond to instruments of data collection was challenging for researcher as respondents were busy and finally the researcher found it challenging to get data from management team as they viewed the study with high suspicion.

5.5 Recommendation for Further Research

Any future research should concentrated on perspective of Challenges arising from Government inconsistency on development plan on transport modernization and other factors which can create better business environment for local or international investors in the transport sector.

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