TATOA
Tanzania Truck Owners Association

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Word from Chairman

We, at the Tanzania Truck Owners Association (TATOA), appreciate the efforts made by the 5th and 6th governments in developing port infrastructure projects at the Dar Port. However, we are deeply concerned about the ongoing challenges faced by the port, particularly in the outer anchorage of vessels, which have resulted in significant setbacks. Importers and exporters are diverting their vessels to alternative ports due to these challenges, posing a threat to the port's reputation and long-term viability.

We acknowledge the government's commitment to addressing the infrastructure needs of the port through the Maritime Gateway Project (DSMGP), which aims to enhance port operations and improve efficiency. Nevertheless, urgent action is required to overcome the obstacles and restore the port's competitiveness.

TATOA supports the arrival of DP World as the new port operators and their potential to bring transformative changes through advanced systems and top-of-the-line equipment. However, we remain deeply concerned about the challenges faced by vessels in the Outer Anchorage, leading to cargo diversion. It is essential to regain the trust of importers and exporters and encourage them to return to the Dar Port.

We have engaged in discussions with the Tanzania Ports Authority (TPA) and DP World, but significant improvements have yet to be witnessed. By raising these concerns publicly, TATOA aims to draw attention to the severity of the issue and urge the necessary actions to address the challenges.

We respectfully request the government's intervention on several key matters to improve port efficiency. These include reviewing the scanner verification requirement, expediting the transition from ETA to ETB documentation, allocating dedicated berths for bulk vessels, implementing pre-clearance procedures for trucks to expedite cargo movement, and establishing Standard Operating Procedures for seamless coordination among stakeholders.

Furthermore, we emphasize the importance of supporting the use of alternative ports such as Tanga, provided there is sufficient investment in infrastructure to handle increased cargo effectively. Additionally, we propose the establishment of a dedicated berth for bulk vessels, specifically Berth 0-1, to o

DP World Introduced as Operator of Dar Port in Stakeholder Meeting

Stella maris Bagamoyo, Tanzania.
In a significant development in the maritime industry, a stakeholder meeting was recently held to introduce DP World as the operator of the entire Dar Port The meeting served as a platform to clarify the roles, responsibilities, and operational details of DP World in its management of the port. Here are the key highlights from the meeting:

The meeting commenced with the official introduction of DP World to the stakeholders present. DP World will assume responsibility for the overall operations of Dar Port, with the exception of handling liquid vessels, which will continue to be managed by the Tanzania Ports Authority (TPA).

Roles and Responsibilities were clarified during the meeting. DP World's primary role will be to oversee the operations of the port, ensuring smooth and efficient handling of vessels. Security issues, however, will remain under the purview of the TPA. Container allocation will continue to be handled by the TPA, while DP World will maintain its own separate system.

Regarding tariffs, DP World confirmed that it will adopt the existing tariff structure currently in place by the TPA. Any proposed changes to tariffs will undergo extensive engagement with stakeholders to ensure transparency and consensus.

Operational details and system integration were discussed thoroughly. DP World clarified that its operations will be limited to the port area and it will not introduce its own trucks. Stakeholders emphasized the importance of seamless integration between DP World's system and the existing systems used by the stakeholders. To facilitate this, an online training program will be conducted to familiarize stakeholders with DP World's system, ensuring a smooth transition and efficient utilization.

Recognizing the significance of training, stakeholders stressed the need for comprehensive training sessions to ensure a successful transition. DP World committed to organizing online training sessions for all stakeholders involved before the official start of its operations. This training will equip stakeholders with the necessary knowledge and skills to work effectively within DP World's system.

KWALA Dry Port, an essential component of the port operations, will continue to be managed by the TPA and will not fall under DP World's responsibility. Stakeholders emphasized the importance of maintaining the efficiency and functionality of KWALA Dry Port, ensuring its continued seamless operation.

DP World informed stakeholders that its official operations at Dar Port will commence on April 7th. However, the TPA will remain actively involved during the transitional period to ensure a smooth handover and seamless continuity of port operations.

In closing remarks, stakeholders expressed their appreciation for the productive engagement and the clarity provided by DP World regarding its role and responsibilities. They emphasized the importance of continued collaboration and effective communication throughout the transition process, recognizing that a successful partnership is crucial for the efficient functioning of Dar Port.

With the introduction of DP World as the operator of Dar Port, stakeholders are optimistic about the future of port operations and the potential for enhanced efficiency and service delivery. As DP World assumes its role, close cooperation between DP World, the TPA, and other stakeholders will be instrumental in ensuring the continued growth and success of the port.

TATOA Board Meeting Addresses Concerns Over Decreasing Rates in Transport Industry

Location.

In a recent TATOA (Transporters Association of Tanzania) board meeting held on April 19, 2024, members gathered to discuss the pressing issue of decreasing rates in the transport industry. The meeting proved to be a platform for robust discussions and constructive solutions to address the challenges faced by transporters. Here is a summary of the key points discussed during the meeting.

The meeting began with a warm welcome from the chairman, who expressed gratitude to all the attendees. The participants raised several crucial issues, highlighting the need for strategic planning, unity among transporters, and a comprehensive understanding of the internal and external factors affecting the industry.

One of the primary concerns raised was the necessity for a strategic structure to forecast cargos in Dar port. Such a structure would enhance coordination and planning among transporters, allowing for smoother operations and improved efficiency.

Members also expressed their worries about the increasing inflation while rates remained stagnant. They emphasized the importance of addressing this disparity collectively. Unity among transporters was cited as a vital factor in combating the practice of certain transporters lowering rates to secure more cargos. By working together as a unified force, fair competition can be ensured, preventing undercutting and maintaining sustainable rates.

The influence of internal and external factors on the transport industry was extensively discussed. Internal factors, such as the presence of both small and large transporters, were identified as crucial considerations. External factors, including the actions of stakeholders like the Tanzania Ports Authority (TPA) and Tanzania Revenue Authority (TRA), were recognized as significant contributors to the prevailing situation. The participants stressed the importance of investing in economic intelligence to gain a deeper understanding of market dynamics and make informed decisions concerning the transport industry.

The negative effects of the bidding portal on the transport industry were also brought to light. It was suggested that the consequences of its introduction should be thoroughly assessed and addressed to mitigate any adverse impacts.

During the meeting, the need for TATOA to establish minimum rates for transport services was discussed. A proposed minimum rate of $400 for a round trip was put forward. Additionally, attention was drawn to foreign transporters who come to pick cargo in Dar port, necessitating appropriate measures to regulate their involvement.

The participants highlighted the importance of conducting a comprehensive review of the systems employed by TPA and TRA, as technical issues and interruptions have been observed. Such a review would help identify and rectify any shortcomings in the systems, ensuring smoother operations for transporters.

In conclusion, the meeting resulted in several resolutions aimed at addressing the challenges faced by the transport industry. A committee will be formed to develop a comprehensive proposal for rates, taking into account the concerns raised during the meeting. Additionally, TATOA will arrange a meeting with representatives from TPA, TRA, and DP World to discuss the prevailing issues and seek collaborative solutions. The government's involvement in addressing the issue of foreign trucks carrying cargo to third countries was acknowledged, indicating ongoing efforts to find a resolution. Furthermore, members were informed that the axle load law has undergone a review and now requires official gazettion.

The TATOA board members expressed their gratitude to all who actively participated in the meeting and reaffirmed their commitment to the betterment of the transport sector. Further updates and actions will be communicated in due course as the industry strives for sustainable and equitable solutions.

Stakeholder Meeting Addresses Concerns and Improvement Plans for Tanzania's Port Operations

Location

In a recent stakeholder meeting attended by representatives from various organizations, including the Tanzania Truck Owners Association (TATOA) and the Copper Community, key concerns related to vessel delays and offloading of copper at the port were discussed. The meeting also provided updates on the progress made by the Tanzania Ports Authority (TPA) and outlined improvement plans for the port. Here are the key highlights from the meeting:

The meeting, chaired by Mr. Elias Lukumay, Chairman of the Tanzania Truck Owners Association, commenced with a follow-up discussion on the previous meeting held with the Minister of Transport, TATOA, and the Copper Community. The focus was primarily on addressing vessel delays and streamlining copper offloading processes at the port.

Key concerns raised by the Copper Community and Tanzania Truck Owners were presented, including:

1. Financing Costs: A significant increase in financing costs from $1.20 to $1.70 per ton.
2. Vessel Delays: Delays of 15-20 days for vessels.
3. Documentation: Request for a reduction in the time required for documentation, proposing a shift from Estimated Time of Arrival (ETA) to Estimated Time of Birth (ETB) for streamlined processes.
4. Equipment Shortage: Shortage of equipment at the port.
5. Scanner Issues: Delays caused by scanner problems impacting cargo movement.
6. System Breakdowns: Frequent breakdowns of the systems at both TPA and Tanzania Revenue Authority (TRA), resulting in the inability to issue release orders for cargo.
7. LRR (Landed Rate Record) Charges: The need to review LRR charges imposed by TRA, as containers have been unable to move due to this issue.

TPA provided updates following the previous meeting, including the establishment of a dedicated desk under the marine office to assist the Copper Community. The desk is staffed by three individuals, and an official document detailing the assistance provided will be shared. TPA also mentioned that the scanner issue is being addressed at the ministry level.

The discussion revolved around vessel delays and port capacity. The Deputy Director-General highlighted that vessel delays are primarily due to the increasing number of vessels arriving at Dar port. The majority of these vessels are large, exceeding 200 meters in length, while the available berths can accommodate only three to four vessels simultaneously. Currently, there are only 11 berths available.

Significant improvement plans and projects at the port were presented, including:

- Ongoing system improvements, with DP World expected to assume full control of the port in the next 2-3 months.
- Installation of eight Ship-to-Shore Gantry (SSG) machines, with an additional four expected in the next two months.
- Operational Rubber-Tired Gantry (RTG) cranes and the procurement of twenty terminal tractors, five forklifts, and two reach stackers to facilitate cargo movement.
- Discussions between TPA and DP World to increase the number of trucks from the current 100 to 1,000, with the aim of enhancing efficiency.
- Construction of entry gate facilities and the introduction of a new scanner in Terminal 2 to expedite cargo scanning.
- An ongoing emergency project to construct berth 12, which will be 500 meters long and improve loading and offloading operations.

Operational issues were addressed, including the proposed change from ETA to ETB, which is expected to be resolved within the next 10 days. Flexibility in documentation requirements and the extension of the delivery window from 7-8 hours to at least 48 hours will also be reviewed within the same timeframe. The LRR charges issue will undergo a comprehensive review to enable the movement of containers that have been stalled.

To ensure effective communication and problem-solving, an operational issues group comprised of representatives from TPA and the Deputy Director-General will be established. This group will be responsible for receiving and addressing reported operational issues promptly.

In conclusion, the stakeholders agreed to address the raised concerns and implement the discussed improvement plans. The transition of TPA is expected to take time, and stakeholders were urged to familiarize themselves with the system, which may require up to three months. The operational issues group will play a vital role in facilitating communication and resolving challenges, ensuring the efficient functioning of the port.

TATOA meets with DP world

TPA one stop center

In a meeting held at the TPA One Stop Center on the 18th floor, representatives from DP World, the Tanzania Truck Owners Association (TATOA), the Rates Committee, and the Copper Community gathered to address key concerns and find resolutions to enhance operations at the Dar port. The meeting, which took place from 3:00 pm to 5:00 pm, focused on various aspects, including the handling of copper, financing costs, dedicated berths, current operations, and future expectations. Here are the highlights from the meeting:

Opening Remarks:

The meeting commenced with opening remarks from the CEO of DP World, who welcomed the attendees and emphasized the importance of resolving key aspects at the Dar port. These aspects included equipment issues, clearance processes, and effective communication with stakeholders.

Handling of Copper and Financing Costs:

During the meeting, the Chairman and other members stressed the need for DP World to find efficient ways to handle copper. It was proposed that a change be made in the documentation process from Estimated Time of Arrival (ETA) to Estimated Time of Berth (ETB) to address the rising financing costs associated with copper handling. Over the past three months, the financing costs for copper have increased from $1.20 per ton to $1.70 per tonnage. This cost escalation has led copper traders to seek alternative ports or negotiate lower rates with transporters to offset the additional expenses. Consequently, transport rates have seen a significant reduction.

Dedicated Berth for Sulphur Vessel:

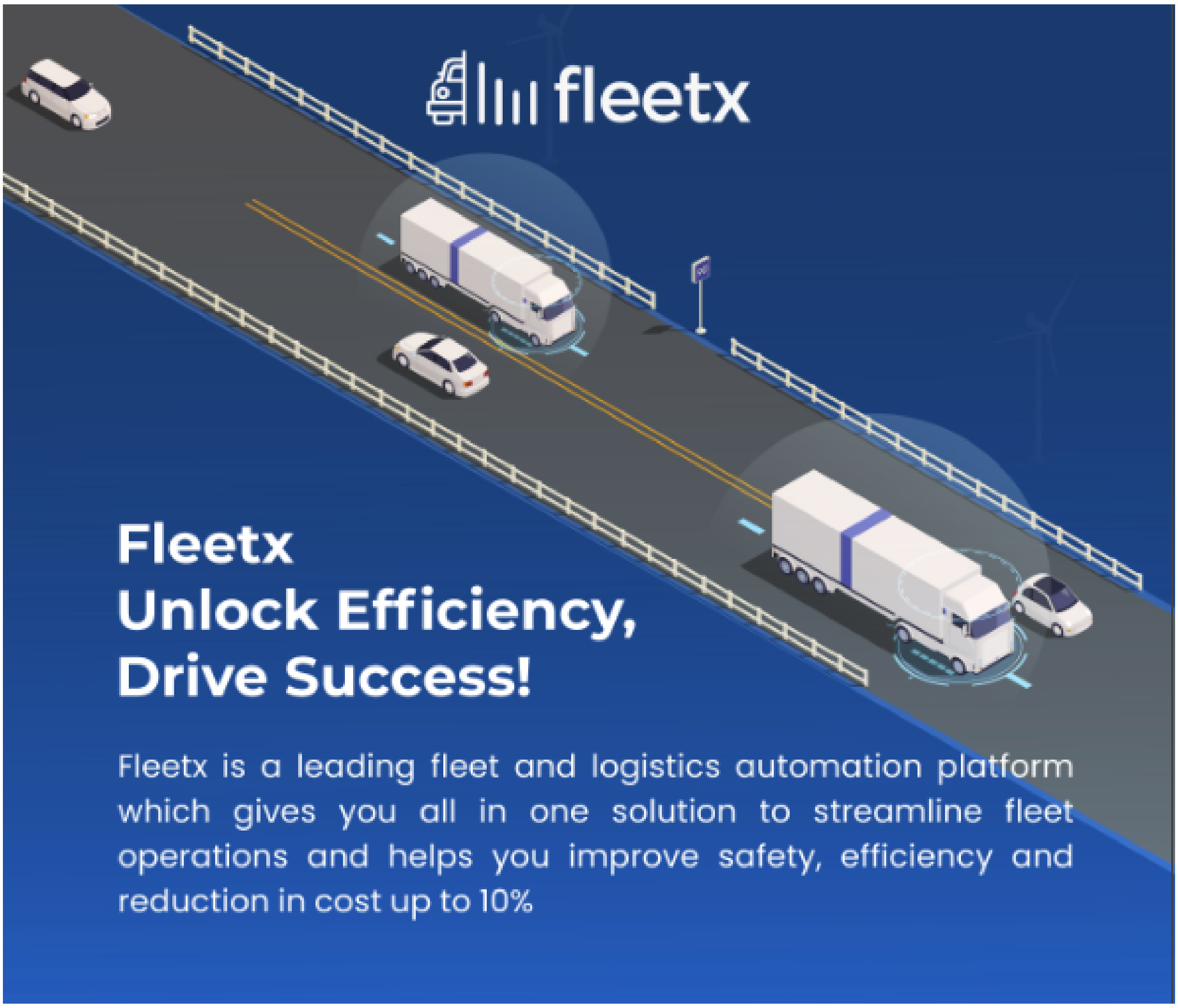
The committee and the copper community highlighted the necessity for DP World to establish a dedicated berth specifically designed to handle sulphur vessels more efficiently.

Current Operations and Future Expectations:
DP World's CEO provided an update on the current operations at the port, mentioning that while DP World handles containers, bulk cargos are still managed by the Tanzania Ports Authority (TPA). The CEO expressed optimism about the future efficiency of the Dar port, emphasizing the significant investments made in port equipment. Additionally, it was mentioned that the port is expected to receive a higher number of vessels in the coming months. However, concerns were raised regarding the requirement for 100% scanning, which has been causing delays in cargo handling due to the need for all cargos to pass through the scanner.

Resolutions:
The following resolutions were agreed upon during the meeting:
- TATOA will advocate for the implementation of random scanning instead of 100% scanner verification, urging the government to assess the safety of cargos and implement scanning accordingly.
- DP World will explore the implementation of ETB in the documentation process as an alternative to ETA.
- A joint meeting will be organized involving TPA, DP World, TATOA, and the Tanzania Revenue Authority (TRA) to address concerns and find collaborative solutions.
- A dedicated platform will be established to facilitate prompt communication and resolution of concerns.
- DP World will arrange a separate meeting with stakeholders to discuss matters in more detail.

Meeting Conclusion
The meeting concluded at 5:00 pm, with stakeholders expressing their commitment to implementing the agreed-upon resolutions and working towards enhancing operations at the Dar port. By addressing concerns related to copper handling, financing costs, and the introduction of dedicated berths, stakeholders aim to improve efficiency and strengthen the port's position as a vital trade gateway.

Associate Members Highlights



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Associate Members Highlights

Legal Analysis on whether the existence of long term loan and previous renewal of Employment Contract can create a reasonable expectation of renewal of employment contract

It is a common practice especially in financial institutions for employces to take long term loan considering the interest are friendly.

This article intends to give a legal opinion on whether taking a long term loan can create a reasonable expectation of renewal for an employee under fixed term contract and whether previous renewal of employment contract can also create reasonable expectation of renewal.

Once or twice renewal of the employment contract cannot create a reasonable expectation of renewal when the employer is not intending to renew the contract. It is important to consider that, if the renewal is conditional on serving notice on intention not to renew then, the employer must observe that the condition and issue notice accordingly. If the Contract explicitly says the contract itself serves as a notice, then the employer does not need to issue any prior notice.

The above Principle has been laid down by the Court of Appeal in the case of **MSAFIRI SOBO Versus CRDB BANK PLC Civil Case No.34 of 2020.** The Court in the above case has this to say regarding reasonable expectation of renewal of the employment contract.

"Regarding the Prior contract renewal, Mr.Msecha bas convinced us that it is illogical for any ratienal individnal te anticipate a subsequent renewal predirted on a solitary renewal. In ***Ibrahim S/O Mgunga (Supra) we determined that it was not reasonable to expect another renewal of an employment contract based on the evidence that it had been renewed once or twice."***

Therefore, it is of considerable impertance in that case, that the Empluyer duly motified the enpluyees of impending expirstian of tbeir contracts and mquired them to returs any Empluyer's Preperty that was in their possession."

Upcoming Events

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