KENYA TRADENET SYSTEM

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Simplifying Trade Processes For Kenya Competitiveness
KENTRADE:

- A State Corporation established in January 2010

- Principal Objectives:
  - To Facilitate International Trade
  - To implement, operationalize and manage the Kenya Electronic Single Window System.

- Parent Ministry:
  - National Treasury
To be a Global leader in trade facilitation through innovative e-Commerce solutions
Cross Border Trade Facilitation Partnerships

- Member of the African Alliance of E-Commerce (AAEC)
- Member of the Steering Committee (MPCC) Mombasa Port Community Charter and Chair of the Information Technology Committee
- Member of the National Trade Facilitation Committee (NTFC), Chair of the working group on provision of information
- Member of the Border Control and Operations Coordination Committee (BCOCC)
- Member of the Port Community Operations Committee
- Member of the Port Advisory Committee
Kenya TradeNet System
UN CEFACT RECOMMENDATION 33;

A facility that allows parties involved in trade and transport to lodge standardized information and documents with a single entry point to fulfill all import, export, and transit-related regulatory requirements.

Trader or Agent

Single Window System

- Parties involved in trade and transport
- Standardized information and documents
- Single entry point
- Single submission of individual data
- Fulfilling regulatory requirements

Approvals/Rejection from various Authorities

- Kenya Revenue Authority
- Kenya Ports Authority
- KEPHIS
- Tea Directorate
- Port Health
- Banks
Kenya TradeNet System

- Kenya TradeNet System - Kenya Single Window System. [https://www.youtube.com/watch?v=hBxk3u-3xnc&t=60s](https://www.youtube.com/watch?v=hBxk3u-3xnc&t=60s)

- Important Dates
  i. October 31, 2012 – Project Kick off (SWS Set-up)
  ii. October 31, 2013 – Kenya TradeNet System Go LIVE
  iii. May 2, 2014 – Official Presidential launch of the System
  iv. Full operations in 2015

- Number of system users - Over **12,000** registered system users & close to **1 Million** transactions year 2018/2019

- 41 stakeholder organizations including **36** Partner Government Agencies (PGAs).

- Government requirement for all PGAs to be on SWS.
Kenya TradeNet Functionalities (22 Modules)
1. Implementation of Marine Cargo Insurance (MCI) module - 27 Insurance companies integrated

2. Integration with a new Customs System on-going.

3. Automation of Duty Remission – National Treasury

4. Automation of Project Master list process – National Treasury

5. Implementation of Data Warehouse and Business Intelligence tools ongoing

6. Upgrade of TradeNet system to a new TFP to commence in 2020
KenTrade on behalf of the NTFC has launched a Trade Information Portal, **Information for Trade Kenya**

Trade Information Portals are **one-stop-shops for information on trade** whose aim is to achieve total transparency through publishing of all information required by traders from the Traders point of view.

Information for Trade Kenya is online platform that provides a single source of accurate and clear information on Kenya’s international trade procedures.

i) Procedures – step by step guide
ii) Documents including forms
iii) Requirements and regulations
iv) Contacts of service providers
v) Notices
vi) Statistics etc
• The portal known as infotradekenya (www.infotradekenya.go.ke)

• The Portal was officially launched on November 22, 2017.

• One-stop-shop for accurate and clear information on trade procedures.

• The InfoTradeKenya addresses Article 1.2 of the WTO TFA.

• Documentation & Harmonization Achievements
   61 Procedures Documented
   3 Products Simplified (Coffee, Flowers, Meat & Meat Products)

• Kenya the first country in the East Africa Community (EAC) and indeed sub Saharan Africa to fulfil Article 1 of WTO Trade Facilitation agreement

• The Portal has reduced the time needed to gather information on foreign trade from an average 10 days to a click of a button. https://www.youtube.com/watch?v=Fzz7QeBXmC8
SIMPLIFICATION OF PROCEDURES

- Documentation of Trade Procedures on the Information for Trade Kenya Portal has unveiled numerous complexities, bottlenecks and redundancies within the trade logistics value chain that need to be addressed.

- To address this, NTFC and KenTrade embarked on simplification and harmonization of procedures exercise.

- 2018 Target
  - Coffee,
  - Flowers
  - Meat & meat commodities

- 2019 Target
  - Tea,
  - Nuts
Maritime Single Window
The Project entails implementing the following:

- Implement the E-Maritime Module on the Single Window System in line with IMO FAL Convention

Users of this Service

- Licensed **Shipping Agents and Shipping lines** operating in Kenya and the relevant government agencies involved in ships and passenger clearance.

- The e-Maritime module will allow Shipping agents in Kenya to electronically prepare and submit vessel pre-arrival and pre-departure declarations to the following:
  - Kenya Maritime Authority,
  - KRA Customs,
  - Kenya Ports Authority,
  - Immigration,
  - Port Health
  - other relevant PGAs
Project Brief – MSW (FAL)

- Automation of mandatory 7 FAL forms for clearance procedures

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<tr>
<th>FAL FORMS</th>
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<td>The following FAL forms will be automated for submission to the relevant authorities for pre arrival approval by the relevant government agencies</td>
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• IMO FAL form 1 - General declaration
• IMO FAL form 2 - Cargo declaration
• IMO FAL form 3 - Ship’s stores declaration
• IMO FAL form 4 - Crew’s effects declaration
• IMO FAL form 5 - Crew’s list
• IMO FAL form 6 - Passenger list
• IMO FAL form 7 – Dangerous Goods Manifest

Others
• Last Ports of Call
• Health Declaration Form *(Crew Vaccination List)*
• Waste Declaration Form with MARPOL annexes
TradeNet Achievements

- Improved convenience and substantial cost savings estimated at **US$25.36 million (KShs.2.5 billion)** per year.
- Improved connectivity, security, process and procedures where the average number of process steps involved in processing clients applications reduced by almost **50%**.
- Increased level of automation of processes and procedures, from **19%** before TradeNet system to **87%** as at mid 2018.
- Removal of potential to falsify documents. Minimized time required to confirm authenticity of documents and elimination of the need to submit hardcopy permits.
- With other initiatives clearance time has reduced by **32%** and cargo dwell time by **39%**.
- Improved compliance, revenue collection and traceability in which case the TradeNet system has increased compliance and ensures correct revenue yield.
- Over **US$22.19 million** collected through the system per year with majority of Government agencies recording double digit growth in revenue year on year.
- Improved governance, accountability and transparency through elimination of human interaction between officers in various Government agencies and the private sector.
- Paperless (electronic) application by traders 24/7 basis.
Implementation Challenges

1. Resistance to Change
   i. Change Agent Networks (Business Process, ICT, Legal)

2. Scope Creep - BPR

3. Cyber security –
   i. Required collaboration by all players on SWS,
   ii. Awareness creation
   iii. Embed training on awareness into regular SWS training

4. Conflicting Legal mandates amongst PGAs and weak legal framework
   i. SWS draft bill in progress

5. Lack of harmonized data repositories between all the stakeholders such as: HS codes; Integrated tariffs; UN Lo-codes, Vessel information and data, importers and exporters; Banks branches;
   i. Standing committee of all PGAs formed with mandate to ensure continuous

6. Reliance on GOK for funding – Delays in project implementation.
SINGLE WINDOW SYSTEM ENVIRONMENT

Integrated Solutions for Cross Border E-Commerce

INFO TRADE KENYA PORTAL
Logistics Market Place

INTEGRATED CUSTOMS MANAGEMENT SYSTEMS
Clearance Management
Release Management
Inspection Management
Duty Collection

Automatic Comparison of Document and Logistics Flow

LOGISTICS CO-ORDINATION PLATFORM
Logistics Planning System
Cargo Flow Monitoring
Logistics Optimization

Risk Exception
Trade Statistics
Business Statistics
Strategic Decision Making

Big Data

Maritime Single Window

Air Cargo
Vessel Arrival & Berth
Vessel Discharge
Customs Clearance
Container Storage & Handling
Rail Operations
Truck Operators
Customers & Retail Centres
Thank you