



THE UNITED REPUBLIC OF TANZANIA
MINISTRY OF WORKS AND TRANSPORT
TANZANIA SHIPPING AGENCIES CORPORATION
TASAC



In reply please quote

Ref. No. BA 8/325/01G/5

Date: 23rd May, 2022

General Manager,
Nyota (T) Ltd,
P.O. Box 77264,
DAR ES SALAAM.

Managing Director,
CMA CGM (T) Ltd,
P.O Box 13463,
DAR ES SALAAM.

Managing Director,
SINOTASHIP,
P.O Box 696,
DAR ES SALAAM.

Managing Director,
PIL (Tanzania) Limited,
P.O. Box 77940, Maktaba Square, 3d Floor,
DAR ES SALAAM.

Director,
WOSAC Ltd,
P.O.Box 63210,
Harbour view Towers,
4th Floor, Suite 427,
DAR ES SALAAM

Managing Director,
Seven Seas Shipping Agencies Ltd,
P.O Box 50059, Ilala CBD,
DAR ES SALAAM.

Branch Manager,
Inchcape Shipping Services (T) limited,
P.O Box 13836,
DAR ES SALAAM.

Managing Director,
Rais Shipping Services (T) Ltd,
P.O Box 79869,
DAR ES SALAAM.

Managing Director,
MSC (T) Ltd,
P.O Box 63039,
DAR ES SALAAM.

Managing Director,
Diamond Shipping Services LTD,
P.O Box 75970,
DAR ES SALAAM.

General Manager,
Sharaf Shipping Agency (T) Ltd,
P.O.Box 75924,
DAR ES SALAAM.

Managing Director,
Tanzania Shipping Agency Ltd.
Off Nelson Mandela Road; Kurasini Road,
P.O.Box 372,
DAR ES SALAAM.

Managing Director,
Gulf Badr (Tanzania) Ltd,
City Center, Diplomat House, Plot No.26,
P.O.Box 15198,
DAR ES SALAAM.

General Manager,
Seaforth General Agencies Ltd,
10th Floor, IT Plaza,
P.O. Box 9313,
DAR ES SALAAM.

General Manager,
I. Messina (T) Ltd,
P. O. Box 3317,
DAR ES SALAAM.

General Manager,
Sima Marine Limited,
P. O. Box 78230,
DAR ES SALAAM.

General Manager,
Coral Shipping Tanzania Limited,
P.O.Box 10345,
DAR ES SALAAM.

**RE: TEMPORARY INDULGENCES TO REDUCE COST OF DOING BUSINESS
EMANATING FROM DAR ES SALAAM PORT CONGESTION**

Please refer to the captioned subject matter.

2. The maritime transport sector in Tanzania is currently challenged by congestion at the Port of Dar es Salaam for several months, which is signified mainly by longer ship turnaround time and higher container density in the terminal and dry port facilities than required based on regulatory benchmark.

3. You are aware of the stressful condition in the industry and Ministry's commitment to champion industry efforts to remedy the situation through PIC meetings chaired by Permanent Secretary (Transport). The efforts include reduction of yard density in the terminals from 65% to 50%, approval of shipper nomination for transferring containers to inland container depots (ICDs), emphasis to utilize ICDs including ICDVs, instituting of full vessel transfer of containers to ICDs under port extension mode and others for immediate remedy; which enabled improvement of ship-to-shore operations in recent days where ship waiting time reduced to around zero to two (2) days as at 15th May, 2022 from 20+ days one month earlier; a clear benefit to all including shipping lines.

3. Notwithstanding the above-mentioned efforts, the situation is yet to normalize sustainably which prompted the Ministry to order the Regulator to cooperate with TPA and TICTS to organize concerted stakeholders' consultations by way of a workshop so as to articulate concrete actions for sustainable results; the Workshop was held at the Tanga Beach Resort, Tanga City on 16th and 17th May, 2022. It is expected that favourable situation may be realized within 1 to 2 months upon implementation of quick-win actions recommended in Workshop and others measures being evaluated jointly by the Ministry and the Regulator. In the meantime, importers and exporters are hit hard by extraordinary costs in terms of removal charges, storage charges, Customs warehouse rent and demurrage charges.

4. The Corporation has received letter with Ref. No. TAFFA/MOWT/22/2 dated 13th May, 2022 from TAFFA concerning cost of doing business due to the congestion at the Port. Through one on one discussion between TASAC and TAFFA on the 20th May, 2022, TAFFA accounted certain institutions which are affording relief to the business community by granting waiver of charges which ensue from subject situation which was not occasioned by a single player. They clarified that TRA is granting significant waiver on Customs Warehouse Rent whereas TPA and TICTS are granting waivers on storage charges. Nonetheless, shipping lines/ agents strictly demand to be paid demurrage charges without any waiver irrespective of the industry situation expressed above.

5. Considering the fact that port congestion was not occasioned by the fault of a single player and the expectation that the situation will ease meaningfully within few weeks, it is important for the industry and commercially wise for every service provider including shipping lines/ agents to play part in relieving the business community from extraordinary costs at least temporarily as we work for the situation to ease.

6. In view of the above, the Corporation hereby prevails over your Company for indulgence and positively consider clearing and forwarding agents' applications for demurrage waivers where the applications seek relief from costs proven to have been caused by the general situation in the industry.

7. **For and on behalf of the Tanzania Shipping Agencies Corporation (TASAC).**



Walter Vasolela

ACTING DIRECTOR GENERAL

Copy:

Parment Secretary (Transport),
Ministry of Works and Transport,
Mtumba Government City,
P.O. Box 638,
40470 DODOMA.

Director General,
Tanzania Ports Authority (TPA),
P.O Box 9184,
DAR ES SALAAM.

Commissioner of Customs and Excise,
Tanzania Revenue Authority (TRA),
28 Edward Sokoine Drive,
11105 Mchafukoge, Ilala CBD,
P.O. Box 11491,
DAR RES SALAAM.

CEO and General Manager,
Tanzania International Container Terminal Services (TICTS),
PSPF Towers Plot 120/121, Sokoine Drive, Dar es Salaam Port,
P.O. Box 71442,
DAR ES SALAAM.

Chairman,
TASAA,
Off Nelson Mandela Road; Kurasini Road,
P.O.Box 372,
DAR ES SALAAM.

President,
TAFFA,
Clock Tower Building, 3rd Floor,
Nkrumah/Uhuru Street Junction,
PO Box 7900,
DAR ES SALAAM.