



Shipping & Logistics



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Kenya, Uganda seek new cruise tourism investment model on Lake Victoria

MARITIME Country plans to replicate Black Sea model that comprises six nations in Eastern Europe

BY NEVILLE OTUKI

Kenya is shifting its cruise tourism marketing efforts to Lake Victoria waters as officials look to build on the recovery of visitor arrivals via the East African coast.

Kenya Investment Authority (KenInvest) officials are currently in talks with their Ugandan counterparts in efforts to open up the shared waters of the resource for cruise ships moving between the two States.

The move seeks to ride on the East African Community common tourist visa to allow visitors aboard the vessels to transfer easily to destination within the two countries.

"We plan to model our cruise operations on the Black Sea cruise tourism," Uganda Investment Authority executive director Frank Sebowa said on the sidelines of the ongoing United Nations Conference on Trade (Unctad) in Nairobi.

Kenya, which is also planning to build a cruise ship terminal in Mombasa, sees this segment as an important niche market to pursue in order to grow its foreign exchange earnings.

A cruise ship docks and stays at a place for many days, giving visitors ample time to venture out to national parks and hotels. It creates a long value change whose economic impact is estimated to be equivalent to 10 charter aircraft passengers.



Seven Seas Voyager docking with 600 tourists in December.

The Black Sea — whose model Kenya hopes to replicate — is situated in the eastern Europe and is bordered by six countries — Turkey, Bulgaria, Georgia, Romania, Russia and Ukraine — having cruise ports and resorts.

Cruise liners often arrange immigration clearance for tourists to visit all the ports around the Black Sea.

The Ukrainian route has, however, recently been affected due to skirmishes with Russia.

KenInvest chief executive Moses Ikiara said they have approached the tourism boards of both countries and ministry officials to implement the plan.

The two governments plan to ride on public-private partnerships to construct resort ports and towns along Lake Victoria.

KenInvest is the agency in charge of promoting investment opportunities in Kenya to attract businesses for growth and

Tourists disembark from Ms Insignia in Mombasa. The country is now shifting marketing of cruise tourism to Lake Victoria.

jobs creation. "We are having talks with visiting investors to set up shop in Kenya given the numerous local opportunities," said Dr Ikiara.

He expressed concerns over the Companies Act that recently came into force requiring foreign firms registered in Kenya to cede at least 30 per cent shareholding to persons who are Kenyan citizens by birth.

"Several embassies and investors have raised issues with the clause and this would require further discussions with the Ministry of Industrialisation and the Attorney General," said Dr Ikiara.

Attorney-General Githu Muigai in June gazetted a notice to enforce in full the Companies Act. Investors who fail to comply with the fresh ownership rules will be slapped with a fine of Sh5 million.

More than 7,000 delegates have converged in Nairobi for the 14th session of Unctad that kicked off on Sunday. Cruise ships are regarded the world over as a high-yield market and the fastest growing form of tourism.

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Moi Airport to host new cold storage facility

BY GEOFFREY IRUNGU

Moi International Airport in Mombasa is to have improved cargo handling for both imports and exports with the construction of a Sh400 million cold storage facility by July next year.

GN Cargo Kenya has been awarded the tender by Kenya Airports Authority to implement the project as one way of increasing exports such as fish and meat, and facilitating importation of dry cargo such as electronics, mobile phones and shoes.

The company has partnered with Dubai-based firm to set up and run the facility. The container freight service will be called GN Cargo Service Centre.

GN Cargo Managing Director Guled Aden said the firm has already begun work with funding already mobilised.

"We see ourselves completing this project by mid next year, but we have been doing the preparations," said Mr Aden.

The new facility is expected to handle 760 metric tonnes of cargo per day of storage with a plan to increase this later.

"We plan to upgrade the facility and spend up to Sh1 billion later in order to be able to handle even more cargo," said Mr Aden.

The partnership is with Sheikh Mohammed, a Dubai-based member of one of the royal families in the United Arab Emirates. Mr Mohammed has interests in various types of businesses ranging from banking and hospitality.

"We intend to ride on Kenya's need to increase its exports including fish and meat. The cold storage will ensure that we keep the products in good condition ahead of exporting them," said Mr Aden in a phone interview.

He has been involved in clearing and forwarding businesses for several decades and has partnered with Mr Mohammed of Dubai as a way of expanding GN Cargo business.

"Initially we had to tender for the business. We competed with several other companies," said Mr Aden.

The Dubai-based partners are expected to bring in large amounts of cargo to be stored at the facility and hence the partnership, said Mr Aden.