



Tanzania Ports Authority

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Ref. No: GB.19/635/01

Date: 15th July, 2020

The Chief Executive Officer,
Tanzania International Container Terminal Services Ltd (TICTS)
P.O. Box 71442
DAR-ES-SALAAM

**RE: SPECIAL REQUEST FOR 100% WAIVER OF STORAGE CHARGES
ACCRUED ON CONTAINERS OF RWANDAN BUSINESS COMMUNITY DUE
TO THE COVID 19 PANDEMIC DISEASE**

Please refer to the above subject matter.

TPA wishes to thank you for your cordial business relationship particularly for services provided to our esteemed customers and stakeholders that are using the Dar es Salaam Port at TICTS side.

TPA has received an application letter for waiver on storage charges for Rwandan Business Community with containers at the Dar es Salaam Port and TICTS side from the Private Sector Federation Rwanda (PSF) **(Please See Appendix 1)**.

In their letter PSF had requested TPA, TRA and TICTS to make consideration and grant customers 100% waiver on storage charges and other penalties. In connection to that, TPA supports PSF application because of the stiff competition for Rwandan cargo and our competitor Northern Corridor has taken advantage of the situation to discourage customers to use the Dar es Salaam Port, by telling them that the Port is not ready to support or waive any penalties charges.

Kindly understand that, TPA had made consideration to grant customers waivers on storage charges for the containers which were stack at the Dar es Salaam Port. We therefore, request TICTS to make consideration because of the following facts:

- i. TPA and TICTS had put effort and worked together during marketing campaigns in creating awareness about Dar es salaam Port and the central corridor route and customers were convinced to shift from competing Port to our Port,
- ii. It is one of the key point of differentiation which helps to retain old customers and attract fresh customers in a competitive business environment where TPA and TICTS are competing with Northern Corridor for Rwanda market,

- iii. To ensure that Rwanda market is well served for purpose of building good image to the business community and helping the port building amazing relationships with customers,
- iv. The need to increase customers' value and boosts revenue of the Port from ongoing business volumes from these customers,
- v. The need to build customers' confidence and trust with their money,
- vi. To allow customers to repeat using of Dar es Salaam Port and TICTS hence repeat of profit,
- vii. The need for our esteemed customers to provide valued feedback to new customers and Rwandan Business Community at large,
- viii. By supporting and granting waiver on storage charges TPA and TICTS will get free word of advertising from these customers,
- ix. Rwanda is the third transit market which contributes around 90% of the market share,
- x. Capturing the Rwandan market means extending Dar port throughput to and from DRC as Rwanda is a transit route to and from DRC,
- xi. Knowing that these customers are for a long term business so both TPA and TICTS will continue to benefit from services rendered to them,
- xii. Storage charges are penalties and once accrued due to reasons beyond the customers' control consideration is unavoidable,

Therefore, in order to counter attack competition, maintain good business relationship, lock Rwandan customers and attract more cargo from this market TPA is requesting for 100% waiver on storage charges for all containers which are stack at TICTS side as listed in the attached document **(Please See Appendix 2)**.

This consideration may be treated as a special offer to our esteemed Rwandan Business community.

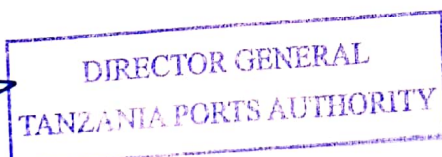
TPA believes that by granting these customers 100% waiver on storage charges it will enable the Port to protect the future revenue which will be collected from the same customers.

Yours Faithfully,

FOR: TANZANIA PORTS AUTHORITY



Deusdedit C. V. Kakoko
DIRECTOR GENERAL



Copy: The President of Chamber of Commerce
The President of Rwanda Freight Forwarders Association
The Chief Executive Officer – Private Sector Federation
RWANDA

Copy: The Port Operations and Coordination Manager
DAR ES SALAAM

The Port Director
DAR ES SALAAM

The Liaison Officer
TPA - RWANDA

A handwritten signature in blue ink, consisting of a stylized 'A' followed by a checkmark-like flourish.