



# UNIVERSITY OF GONDAR COLLEGE OF BUISNESS AND ECONOMICS DEPARTMENT OF LOGISTICS AND SUPPLY CHAIN MANAGEMENT

Company Name: - Ethiopian shipping and logistics service enterprise

Title of Internship practice;- multi-modal and unimodal operationa management Legehar, Adiss Ababa, Ethiopia

Name: Dawit Bizuayehu

ID NO: 41306/13

Time Duration: Sep 02/01/2016-02/02/2016

Advisor: Mr. Dagmawi . E

**MAY 2016 E.C** 

#### **ACKNOWLEDGEMENT**

First and for most, I would like to express my sincere thanks to God and St. Marry, who helped me in all aspects of my life.Next, with profound regard I greatfull acknowledge to my respected head of department Assistant professor Mr.Belachew Y. and Advisor Mr.Dagmawi E. for your help and suggestion during the internship program.

I am also thankful to some other people whom I worked with at ESLSE. At first, I have to be thankful to Mr. Tewodros Million (Commercial Manager), Mrs. Sosina Tesfaye Europe and Africa Trade route Division Manager at ESLSE and also all people of ESLSE who helped and assisted me to work with a friendly environment.

# **Table of Contents**

ACKNOWLEDGEMENT	2
List of abbreviation	ii
Executive Summery	iii
CHAPTER ONE	1
INTRODUCTION	1
1.1. Background of Organization	1
1.2 History of Ethiopian shipping and logistics service enterprise	2
1.3 Mission	2
1.3.1 Vision	3
1.3.2 Principle	3
1 .3.3 THE Objective	4
1.4 Organization Structure	4
1.5 Objectives of the field attachment	6
1.5.1 General objectives	6
1.5.2 Specific Objective	6
1.6 Project Budget	6
CHAPTER TWO	7
2.ACTIVITIES UNDERTAKEN DURING FIELD ATTACHMENT	7
2.1 Organizational activates	7
2.1.1 Multi-modal operation department and Uni-modal operational management service of	lepartment
in ESLSE	9
2.1.2 ESLSE VESSELS	10
2.1.3 Booking to Delivery procedures	10
2.2 Duties and Responsibility	12
2.3 Major activities performed	13
2.3.1 SWOT Analysis at ESLSE	13
CHAPTER THREE	16
3.LESSONS, EXPERIENCES AND SKILLS	16
3.1 Major benefit derived from practical attachment [knowledge, skill and experience]	16
CHAPTER FOUR	17
4.CHALLENGES, ISSUE ANALAYSIS AND LIMITATIONS	17
CHAPTER FIVE	18
5.CONCLUSION AND RECOMMENDATIONS	18
Conclusion	18
Recommendation	19
Reference	20

<b>List of Figure</b> Figure 1 ESLSE Organiza	ational structure5
Figure 2 Shipment Proces	s Diagram
List of table	
1.Project Budget	6
2.ESLSE Vessels	
List of abbrevia	ntion
1. ESLSE	Ethiopian shipping and logistics service enterprise
2.WTO	World Trade Organization
3.UNCTAD	United Nation Conference on Trade and Development
4.PAID	Djibouti International Autonomous Port
5.DWT	Deadweight Tonnage
6.EMAA	Ethiopian Maritime Affairs Authority
7.TEU	Twenty-Foot Equivalent Unit
8:CMA/CGM	Compagnie Maritime d'Affrètement and Compagnie Générale Maritime
9. B/L	Bill of Lading
10.CLT	container lifting trucks
11.MTO	Multimodal Operator
12.SAD	single administrative document
13.IMCO/IMDG	International Maritime Dangerous
14.L/C	letter of credit
15. ASYCUDA	Automated System for Customs Data

#### **Executive Summery**

The Ethiopian shipping enterprise operates in Ethiopia, with its headquarters based in the capital city, Addis Abeba, and utilizing the port of Djibouti for its eleven owned vessels and chartered fleets. This state-owned company operates monopolizing the Ethiopian shipping market which it has done for more than five decades. My report contains a brief review on this enterprise and operational management system specially in Uni Modal clearing and forwarding Service. Its operational management system works in different ways starting from document collection to settlement of invoice. In case of multimodal and unimodal transport the enterprise has its Clearing and Forwarding services provided to cargo owners, Importers, Exporters or their representative locally or internationally in fulfilling customs, port and other formalities, undertake cargo handling activities and deliver cargo or effect shipment. There are distinctly two services involved in the clearing and forwarding process. The first one being service provided to exporters and the other one being similar service provided to Importers. The service may also involve trucking, warehousing and other related services. another important thing is the customs clearance. It is done mainly through hardcopy documents; this manual way of processing requires more documents and control to get the declaration. Declaration contains the description and quantity of the goods, fright, and tax to be paid for customs duty. After completing the clearance formality, one copy would have been sent to the customer to serve as a certificate of ownership of property. The organizational structure is organized in a hierarchical way starting from executive board and chief executive officers namely Shipping Service Sector, Freight Forwarding Service Sector, Dry Port and Branch Coordination Service Sector, Corporate Strategy Service Sector, Support Service Sector supported and other departments.

#### **CHAPTER ONE**

#### INTRODUCTION

# 1.1. Background of Organization

Ethiopia is a landlocked country neighboring Kenya, Djibouti, Eritrea, South Sudan, Somalia, and Sudan, with its location and a renowned shipping company in East Africa it holds a strategic dominance in the Horn of Africa to utilize the ports. Ethiopia, taking advantage of its location, has been pursuing commercial activities from the closest Middle East and India to the farthest Asia and Black Sea routes using the long-established shipping company for the import/export market of the country's economy (World Bank, 2018).

From the growth of world trade, the international seaborne trade covers 90% (WTO, 2018), which increased by 4% in 2018, the fastest growth rate in five years (UNCTAD, 2018). And also, Ethiopia's economy experienced a rapid average growth of 10% in 2018 when compared to the regional average of 5.4% due to the contribution of local industry growth, mainly construction and service industries, and foreign direct investment. However, manufacturing and agricultural industries have a lower growth rate, they are highly dependent on imported goods. The economy of the country is highly dependent on imports and exports carried by ships and in 2017 the import value exceeding export value was from 16,008 to 3,163 in value (USD) respectively thus resulting in a negative trade balance (UNCTAD stat, 2017). This import/export activity has been done utilizing the neighboring ports through the bilateral and multilateral treaty agreements with concerned coastal states of neighboring countries particularly Djibouti. The port of Djibouti has been serving as an important outlet for the transit accounting for 80% of the total import and export trade of the Ethiopian commodity with a recently developed Ethio-Djibouti railway and road infrastructure. The import/export trade shipment of Ethiopia at Djibouti port is handled through the national Ethiopian shipping company's fleets. In total, the Djibouti International Autonomous Port (PAID) handles 50% of the annual millions of tons on behalf of Ethiopia.

ESLSE operates with nine (9) multipurpose cargo carrier vessels, two (2) oil tankers, chartered and slot cargo carriers in addition to heavy-duty trucks and dry port facilities with the capacity of 100,000 containers annually and handling 98% of the country's import/export commodities (EMAA, 2019).

Therefor my internship report focuses on analyzing all the ESLSE operational document works specially in the Uni-Modal operational management import service and to identify the key problems in the department as well as the whole enterprise. I have been assigned to observe and understand the import operation and documents of custom clearance. Then I assisted and directly received and sorted the documents independently. The major activity stars from document collection upon Finalizing documents, submission of relevant documents, printing out final invoice and submission of same to customers for settlement of charges.

## 1.2 History of Ethiopian shipping and logistics service enterprise

Ethiopia started shipping activities by sea around 1917. The government established a modern shipping company in 1964 with 50,000 ETB capital with a 49% share of foreign company and a 51% share from government.

Currently, ESLSE is operating two general cargo container, nine multipurpose carriers, and two oil tankers with a total of 250,750 DWT and 15,350 TEU container capacity.

In 2012/2013 the company built the seven multipurpose vessels 28,000 DWT each at a reported capital of USD 32.5 million by Huanghai Shipyard Co.

The company's headquarters are located in the capital city of Ethiopia, Addis Abeba with the main branches outside the city Djibouti, Modjo, and Kality and other branches in Mekelle, Dire-Dawa, Kombolcha, Semera and Gelan towns and maritime training institute at a place called Babogaya in Bishoftu (former Debrezeit) Town as well as owning equipment and buildings such as heavy-duty trucks, sea and dry port facilities, chicaneries, headquarter buildings, among others.

ESLSE works with foreign shipping companies (container lines) through carrier arrangements such as Maersk, CMA/CGM and Evergreen to extend its port coverage. And it offers container shipping through its own vessels and chartered container carriers on the basis of an all-inclusive liner rate agreed to by its customers and issue own . ESLSE has a protection issued by a directive from the government that all the imports and exports are to go through the company but if it cannot provide the transportation the customers will get a waiver to arrange sea transport using another carrier. Hence the company is a state-owned and monopolizes the sea transportation and multimodal service.

#### 1.3 Mission

Through building and upgrading organizational capacity, to render world class and competitive shipping & logistics services; there by contributing towards the rapid economic growth of the country.

#### **1.3.1 Vision**

By providing competitive shipping & logistics services, to become preferred and renowned African logistics company by 2025.

# 1.3 .2 Principle

#### 1. Efficient Transportation

ESLSE aims to provide efficient and reliable transportation services to facilitate the movement of goods within and outside the country.

Ensuring timely and secure delivery of cargo is a fundamental principle in logistics.

#### 2. Customer Service

Focus on customer satisfaction and building strong relationships with clients by meeting their shipping and logistical needs.

Providing effective communication and support to address customer inquiries and concerns.

#### 3. Safety and Security

Ensuring the safety and security of goods during transportation is a critical aspect. This involves implementing measures to prevent damage, theft, or loss of cargo.

#### 4. Infrastructure Development

Continuous improvement and investment in infrastructure, including ports, terminals, and transportation networks, to enhance the overall efficiency of the logistics chain.

#### 5. Cost-effectiveness

Implementing cost-effective strategies to provide competitive pricing for shipping and logistical services while maintaining high-quality standards.

#### 6. Technology Integration

Utilizing modern technologies and information systems to streamline operations, track shipments, and provide real-time information to customers.

#### 7. Environmental Sustainability

Incorporating sustainable practices in logistics operations, such as reducing carbon emissions and implementing eco-friendly solutions where possible.

#### 8. Compliance and Regulation

Adhering to national and international regulations governing shipping and logistics to ensure legal compliance and ethical business practices.

#### 9. Capacity Building

Developing and maintaining a skilled workforce through training programs to enhance the capabilities of employees involved in various aspects of shipping and logistics.

#### 1.3.3 THE Objective

By the federal government of Ethiopia in 2011 (Regulation No. 255/2011), the objectives for which the ESLSE is established are:

- To render coastal and international marine and inland water transport services.
- To render freight forwarding agency, multimodal transport, shipping agency and air agency services.
- To provide the services of stevedore, shore-handling, dry-port, warehousing and other logistics services;
- To provide container terminal services.
- To engage in the development, management and operation of ports.
- To establish and run human resources development and training center in the fields of maritime profession.
- To study the country's import and export trade demand and thereby develop technological capacity in order to render maritime and transit transport services.

# 1.4 Organization Structure

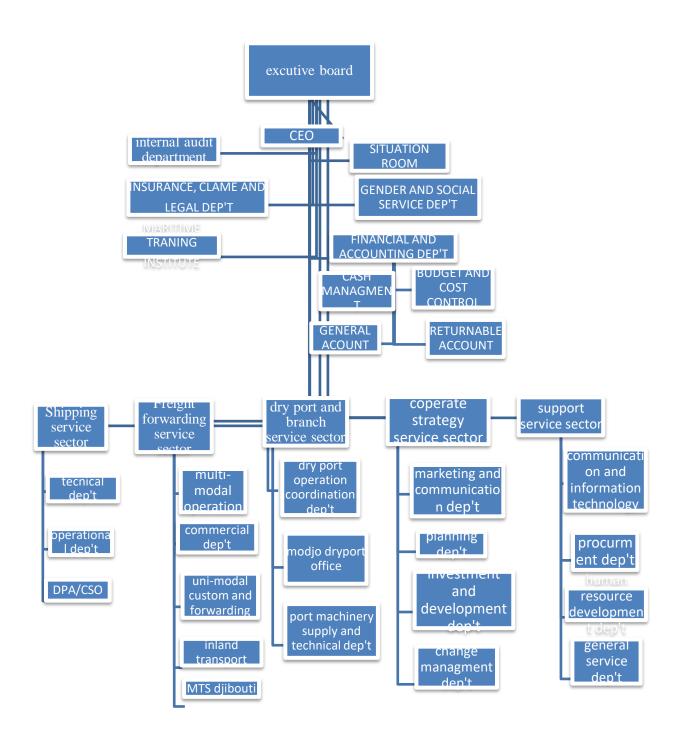


Figure 1 ESLSE Organizational structure

# 1.5 Objectives of the field attachment

# 1.5.1 General objectives

✓ The General objective of the study would be to assess the effects of multi-modal and unimodal operational management of Ethiopian shipping and Logistics service enterprise.

# 1.5.2 Specific Objective

- ✓ To assess the role of safety and security of cargo, personnel and infrastructure within the logistics supply chain.
- ✓ To identity the challenges of freight forwarding and cargo transportation service to facilities the movement of good to and from Ethiopia.
- ✓ To discuss the effects of integration logistics solutions, including

  Warehousing, custom clearance and transportation services to support business in the import and export of goods.

# 1.6 Project Budget

NO	ITEMS	UNIT	QUANTITY	UNIT PRICE	TOTAL PRICE
1	Transportation cost	Km	30 days	30 birr	900 birr
1	Transportation cost	KIII	30 days	30 0111	300 0111
2	Printing paper 2 times	paper	28 and 38	3 birr	142 birr
3	Stationary cost	number	3	120 birr	360 birr
4	Internet service	minutes	2500	0.25 birr	625 birr
5	Personal cost or other expense		20	55 birr	1100 birr
6	Total				3127 birr

#### **CHAPTER TWO**

#### 2.ACTIVITIES UNDERTAKEN DURING FIELD ATTACHMENT

#### 2.1 Organizational activates

The organizational services mainly divided into three sectors these are;

#### 1, Services provided by shipping sector

- <u>Sea transport service</u>: focus on providing coastal and international marine transport services to and from Djibouti port, through the port of Gulf and Indian sub-continent, China, Korea, Japan, Singapore, South Africa, and Indonesia.
- Agency service: ESL's shipping sector branch office, at city and port of Djibouti makes all the necessary provisions available for the ships and their crew. Preparing timely notifications for importers and facilitates seamless flow and recollection of containers at Djibouti port. It also provides booking and canvassing services for huge amount of Ethiopian export goods destined to various parts of the world.
- <u>Stevedoring</u>: provides efficient loading and discharge service of import and export cargoes in the Djibouti port.
- Shore handling: it gives the service of safe storage of discharged cargoes from vessel in Djibouti port until they have been transported to their destination in the country. ESLSE Djibouti branch offers coordinated and efficient shore handling services with its CLT (container lifting trucks), trucks, truck trailers, tractors and forklifts of varies capacities.

#### 2, Fright forwarding sector

The Freight Forwarding Sector of the Enterprise is mainly concerned with multimodal and unimodal service provisions of import and export cargoes.

A freight forwarder or forwarding agent is a person or company that organizes shipments for individuals or corporations to get goods from the manufacturer or producer to a market, customer or final point of distribution. Forwarders contract with a carrier or often multiple carriers to move the goods. A forwarder does not move the goods but acts as an expert in the logistics network. These carriers can use a variety of shipping modes, including ships, airplanes, trucks, and railroads, and often do utilize multiple modes for a single shipment. For example, the freight forwarder may arrange

to have cargo moved from a plant to an airport by truck, flown to the destination city, and then moved from the airport to a customer's building by another truck.

- Multimodal transport service: based on ESLSE, It's a door-to-door cargo service with SAD (single administrative document) from the point of origin to the point of destination. In ESLSE's case, the cargoes are shipped all the way from the port of their origin via Djibouti port and finally to Modjo dry Port or to other inland ports. Therefore, ESLSE as official Multimodal Operator /MTO/, takes all possible care to the cargo under its custody, as of the time the shipment is confirmed and ordered.
- <u>Unimodal transport service</u>: It's one mode of transportation, either sea, rail or road, or air freight of cargo. It has many operators and agreements involved. In ESLSE's, the unimodal service ends at port of Djibouti, after which the consignee will choose his/her transistor and/or transporter and enter agreement with to receive cargo in the hinterland of the country.
- <u>Customs and port clearing</u>: by using oracle cloud internet technology it works time saving and reliable documentation process, ESLSE will take care all port and customs formalities and enables imported/exported cargoes to arrive at appropriate destination.
- <u>Trucking</u>: ESLSE is equipped with modern heavy trucks with the objective of speeding up transportation of freight from Djibouti to inland ports or other designated destinations and vice versa

#### 3, Services Provided by Port & Terminal Sector

All imported goods have to serve timely for the intended purpose. They should reach the ultimate user at the right time with safe protection and processed in the dry ports. The Port & Terminal Sector of the Enterprise is a point of destination to Ethiopia's imports and a point of consolidation for exports, where goods are loaded and unloaded; customs formalities are completed; goods are temporarily stored, stuffed and un-stuffed, made ready for transport, and dispatched to their final destinations. They give services like Receiving and delivering cargoes, Cargo loading and unloading, Stuffing and un-stuffing of container goods, Temporary storage for import and export cargoes

# 2.1.1 Multi-modal operation department and Uni-modal operational management service department in ESLSE

#### Multi-modal department documents and activities: -

- This mode of transportation requires only one agreement and provides different services, multimodal operator starts at port of loading
- The carriage of goods takes place by at least two different modes of transportation from port of loading up to dry port or customers' warehouse.
- Less documents because customer delegate all the work to operator which means a custom agreement between importer and ESLSE.
- Relatively inexpensive than unimodal.
- We can identify it is a multimodal document by looking at on the bill of loading it is stated as dry port on the place of delivery. Example: kaliti, modjo, kombolcha, Mekelle, semera, Gelan and Diredawa and worota.

#### • Uni-modal department documents an activity: -

- The importer will have different agreement with different parties like transportation, brokers or agents, insurance and so on. It involves many documents because importer makes agreement with different entities as stated above
- The freight forwarder will take the activity (responsibility) from the port of discharge (Djibouti).
- The transportation, which the goods are carried by purely one single mode of transportation is so called unimodal transport, namely by road, rails, sea, air etc.
- It is very costly
- We can differ unimodal by looking on the bill of loading at the place of delivery it will be stated as Djibouti port.
- There is no custom agreement between importer and ESLSE
- Shipping or operation department will indorse behind the copy of the bill of lading.

#### 2.1.2 ESLSE VESSELS

Name	Type	IMO	Built	DWT	TEU	Flag
Shebelle	General Cargo ship	9385594	2006	27,391	1,377	Ethiopia
Gibe	General Cargo ship	9385609	2007	27,358	1,377	Ethiopia
Bahir Dar	Oil Products Tanker	9617442	2012	42,150	-	Ethiopia
Hawassa	Oil Products Tanker	9617454	2012	42,190	-	Ethiopia
Finfinnee	General Cargo ship	9617375	2012	28,140	1,696	Ethiopia
Assosa	General Cargo ship	9617387	2012	27,926	1,696	Ethiopia
Gambelia	General Cargo ship	9617363	2012	28,119	1,696	Ethiopia
Harar	General Cargo ship	9617399	2013	28,000	1,696	Ethiopia
Jigjiga	General Cargo ship	9617404	2013	28,000	1,696	Ethiopia
Mekelle	General Cargo ship	9617416	2013	28,000	1,696	Ethiopia
Semera	General Cargo ship	9617428	2014	28,000	1,696	Ethiopia

# 2.1.3 Booking to Delivery procedures

#### **❖** Proforma invoice

A proforma invoice is a quote in an invoice format that may be required by the buyer to apply for an import license, contract for per-shipment inspection, open a letter of credit or arrange for transfer of hard currency. (Filled by the shipper) When the buyer and seller bank sign up, prepared by the seller.

# \* Bank permit

Is legal prerequisite for a financial institution that wants to carry on a banking business (Filled by the bank employers)

#### **&** Booking Number

The shipper will fill shipping instruction online to get the booking number from the agent.

Freight rate inquiry is a price at which a certain cargo is delivered from one point to another. The charge per unit (as per hundred pounds or per ton) by a carrier for the transport of cargo generally published in a freight tariff (the form will be filled by the buyer). Guarantee and Freight quotation inquiry form for IMCO cargo. For chemical

#### **❖** Bill of lading

A bill of lading (BL) is a legal document issued by a carrier to a shipper that details the type, quantity, and destination of the goods being.

#### **Manifest**

A manifest is a compilation of information about the goods carried on a means of transport (ship, airplane), together with the information about the means of transport, such as its identification, characteristics and route. A manifest as a paper document is a cover page with information on the means of transport and aggregated data on the goods transported, followed by the individual bills of lading of the consignments.

## \* Invoice

An invoice is an itemized list that records the products or services you provided to your customers, the total amount due, and a method for them to pay you for those items or services. You can send electronic invoices or paper invoices can be paid in one payment or in installment. (The invoice employees will check if it is applied correctly to the port)

## \* Release

The buyer will pay all porter age, transport, storage and other expenses in connection with the said container from the date of vessel berth at discharge port until the container is Redelivered to Djibouti terminal. accept free time of 30 days after the vessel arrival date in the event that the containers not delivered within the free time for 20 fit 6\$ 40 fit 11\$ per day.

#### **Container release instruction**

- ✓ uni modal Shipment
- ✓ Sign container release for

- ✓ Container Deposit
- ✓ Without Deposit / undertaking letter

#### **Amendments Types**

- 1, Freight amendment
- 2, Description amendment
- 3, Name amendment
- 4, Cargo weight amendment
- Shipment Process diagram

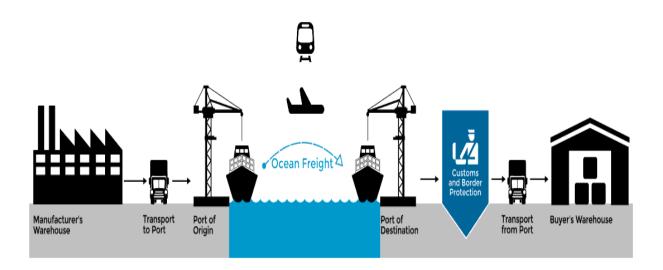


Figure 2 Shipment Process Diagram

#### 2.2 Duties and Responsibility

- 1. **Port Operations**: ESLSE likely manages and operates ports in Ethiopia, such as the Port of Djibouti, which is a crucial gateway for the country's import and export activities. This includes managing vessel traffic, cargo handling, and maintaining port infrastructure.
- 2. **Shipping Services**: ESLSE may be responsible for providing shipping services, both domestically and internationally. This involves managing fleets of vessels for the transportation of goods, containers, and bulk cargo to and from Ethiopia.

- 3. Logistics Services: The enterprise may offer various logistics services, including warehousing, distribution, and transportation services. They might facilitate the movement of goods within Ethiopia and across borders, ensuring efficient supply chain management.
- 4. **Customs Clearance**: ESLSE might play a role in customs clearance processes, helping importers and exporters navigate the necessary documentation and procedures for their shipments.
- 5. Infrastructure Development: ESLSE may invest in and maintain transportation and logistics infrastructure, such as roads, rail networks, and storage facilities, to support the efficient movement of goods.
- 6. **Revenue Generation**: As a state-owned enterprise, ESLSE may be responsible for generating revenue through its various services and activities. This revenue can be used to fund further infrastructure development and support the country's economic growth.
- 7. **Regulatory Functions**: ESLSE might have regulatory responsibilities related to shipping and logistics within Ethiopia, ensuring compliance with national and international regulations and standards.
- 8. International Partnerships: The enterprise may engage in partnerships and agreements with international shipping and logistics companies to enhance its services and connectivity to global markets.
- 9. **Employment Generation**: ESLSE would likely be a significant employer in the region, creating job opportunities in various sectors, including maritime, logistics, and administration.

# 2.3 Major activities performed

- ✓ Copy and print various documents from customer.
- ✓ Status: -Is the requested item loaded or not, if it is loaded, where did it arrive?
- ✓ Making customers wait in line.

#### 2.3.1 SWOT Analysis at ESLSE

#### Strength

- > Inland transportations that provide door to door service using dry ports.
- The company have skilled seafarers which they gained through several years seafaring experience.
- The company is implementing several systems including ERP to facilitate its internal processes.
- The company's management willing to implement new systems and processes such as balance score card.

- The company's is trying to equip the employee by arranging training and higher education outside the country and local universities.
- Yearly updating the organizational structure to facilitate the work flow.
- Customer accommodation

#### Weakness

- ➤ High turnover of experienced employees from commercial and operation department due to lack of satisfaction and insufficient compensation.
- ➤ Lack of experienced top management personnel particularly shipping experience.
- > Low financial performance and market share
- Low vessels carrying capacity and similar type of fleets.
- The working system, procurement, and financial activities are not aligned with international shipping standards that is manual paper work and unfriendly IT systems.
- Disorganized marketing research sector and lack of modern promotional and brand marketing system.
- Lack of modern technology and IT system
- Lack of foreign currency
- > Inadequate worker skill around dray port

#### **Opportunities**

- The country's fast economic growth textiles, chemicals, livestock, automotive to export.
- Investment opportunities on ports, logistics services, and terminals and in neighboring ports.
- Already functioning and organized inland, air, rail and multi-modal transportations.
- Maritime institute and other universities are able to supply skilled human resources for the company.
- > Construction of roads and rail ways to facilitate logistics service land link neighbor ports.

#### Threats

- > High berthing and other service cost at Djibouti port.
- Lack of diversifying investment such as lack of investing on ports, terminals, and other different services.

- > The situation (draft) on the berth and anchor of Djibouti port does not enable the company to develop its fleets.
- > The lower market share especially lower export activity that leads to shipping empty container.
- > The underdeveloped stakeholders particularly customs, transport offices, and different authorities.
- worker/employee turnover

#### **CHAPTER THREE**

# 3.LESSONS, EXPERIENCES AND SKILLS

# 3.1 Major benefit derived from practical attachment [knowledge, skill and experience]

- ✓ During my internship at ESL, I was able learn how a product from the point of origin to the final destination various stakeholders are involved like, Supplier, Agent, Carriers and Consignee or banks.
- ✓ I Understood the flow of information and money in ESL Company
- √ The advantages of integration of team work
- ✓ I was able learn how take care of the customers and I understand the value of planning, punctuality and heading and seen a perfectly laid out plan and organized team.
- ✓ I have also learned how employee communication with their supervisor or manager and other department employees.

#### **CHAPTER FOUR**

#### 4. CHALLENGES, ISSUE ANALAYSIS AND LIMITATIONS

#### **CHALLENGES**

- ❖ I had no space to enter the letter and start seminar work on company.
- **❖** The problem of using the Elevator
- The weather conditions
- Lack of communication languages with foreign customer
- Absence of employees, it means I can't the proper information I need
- Lack of computer skill

## Forwarding solution to the problem

I have put some solution to the above problems

- ✓ For lack of computer skill: In a certain way, I was able to understand by asking the staff about use of the computer.
- ✓ For the absence of employees, I can't the proper information I need, I have put some solution in their free time, we meet on the phone and in person and I have them me about what they know or explain to me.
- ✓ For the problem of using Elevator, I asked people to show me

#### **CHAPTER FIVE**

# **5.CONCLUSION AND RECOMMENDATIONS Conclusion**

As a part of curriculum program, I did my internship program at ETHIOPIAN SHIPPING AND LOGISTICS SERVICE ENTERPRISE, one of government-owned business enterprise which was formed as a result of the amalgamation of three national companies, which offers both shipping as well as inland transportation, dry port container depots, warehousing, forwarding and clearance activities for both import and export cargoes. During my internship program I observe ESLSE should work more on quality service to its customers, compensate its employees, gain higher revenue and profitability, gain a higher market share, and maintain reduced operational costs. This can be achieved through utilize its potential and processes to gain high performance on the service. Because of ESLSE is a state-owned company that enjoys protection and financial support from the government, it's not utilizing the opportunities to invest in ports, terminals, and logistics services, and it is not focusing on strong and adequate strategy that can include all the necessary issues. some external factors also affecting their performances, our current political instability is affecting import and export service. however, I see they are working on their problems and a government should also work more on its strategic and competitive strategy. Dry ports are building on advanced way, modio is a great example. In the next year they will finish building wide terminal of 36000 and more than containers capacity. Generally, the thing which I wonder is the integration between ESLSE and Ethiopian custom cooperation and their oracle system in order to work as fast as they can and minimize paper works and these 5 different departments working together in order to meet their mission.

#### Recommendation

- ✓ The ESLSE needs improvement on the ICT to enhance the efficient service in terms of coverage, capability, facilitation, and integration. The information communication between the enterprise and shipping agent are very poor. The communication tools depend on the personal mail and telephone.
- ✓ ESLSE need to work more on its employees, the lack of knowledge and skill in ESLSE can be solved with training and education.
- ✓ ESLSE management needs to build the quality of management system into their processes that enabling them to avoid the challenges of any transportation operation and delivering a quality of services at expected time and quality.
- ✓ The management of ESLSE should co-operating from custom office, transport minister, road authority, railway authority, maritime authority, and truck owners in order to solve the lack of knowledge and skills of logistics personnel, lack of training, lack of commitment, lack of ICT and infrastructure.
- ✓ Ethiopian Government should support more this enterprise on it's strategic plans. And also, as the infrastructure provider, better invest the limited resources prudently on road, railway, dry ports and terminal infrastructures in line with intermodal transport requirements

# Reference

- 1, <a href="https://www.eslse.et">https://www.eslse.et</a>
- 2,https://www.2merkato.com/articles/customs/35-customs-procedures-in-ethiopia,April
  - 2016

- 3, ASYCUDA++ technical training (2019), ESLSE
- 4, Emnet.doc of ESLSE
- 5, ESLSE (2013), unimodal custom clearing and forwarding operation manual
  - 6, Ethiopian shipping and Logistics service enterprise. (2015) Shipping Agency procedure. Addis Ababa, Ethiopia.