CMA CGM / DELMAS DEVELOPING INLAND SERVICES IN AFRICA

• A NETWORK OF NEW LOGISTICS PLATFORMS
• NEW 3CTC LOGISTICS PLATFORM OPENS IN DOUALA, CAMEROON

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## Eastern & Southern Africa

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<tr>
<th>Corridor</th>
<th>Current Situation</th>
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<tbody>
<tr>
<td><strong>1</strong> Kenya-Great Lakes/S. Sudan</td>
<td>The Group offers extensive CTBL services throughout Kenya. Following a new deal negotiated with Rift Valley Railways [RVR], the operator of the Kenya-Uganda Railways, we are able to offer very competitive and reduced rates to the ICD Embakasi, Nairobi from Mombasa port, Kenya. Enforcement of cargo weight regulations laws in Kenya combined to the network failures on Single Customs Territory is a challenge to our productivity. No more overweight container is accepted by the transporters at present. Our ASEA KENYA service, providing direct weekly services from Asia to Mombasa, enhances our inland solutions to domestic Kenya, Uganda, Rwanda, South Sudan, eastern DRC. We also offer routes to the North Kivu region in eastern DRC and new connections through Mombasa port to Beni, Butembo and Kisangani, towns all lying on the main national route N4.</td>
</tr>
<tr>
<td><strong>2</strong> Tanzania-Great Lakes</td>
<td>With a new improved ASEA TANZANIA service we offer direct weekly service from Asia to Dar Es Salaam enhancing inland solutions to the heart of DRC, Burundi, Rwanda. Roads from Dar Es Salaam to North Rwanda, Burundi and DRC [Goma / Bukavu / Uvira are in good condition. Burundi transit times are still impacted due to a deviation to avoid a broken bridge. Trucks are forced to use another route adding an additional 200-km equating to 1-2 days transit. Rwanda, Burundi and Uganda are now part of the EAC single custom territory with Tanzania. The single customs territory is due to start soon but not yet fully operational via Dar Es Salaam and not enforced by Tanzanian authorities. The new Custom TOOL in TZDAR is now working normally.</td>
</tr>
<tr>
<td><strong>3</strong> Tanzania-Copper Belt</td>
<td>Roads through Mbeya offer an alternative to the train to Ndola. The Group is the only shipping line to have its own office in Lubumbashi which closely monitors the local situation. The transport corridor from Dar Es Salaam to Lusaka, Copper belt &amp; Lubumbashi is safe and we can offer competitive rates and transit times. Our local agent is working with local hauliers to further improve this. With an improved ASEA TANZANIA service we offer direct weekly service from Asia to Dar Es Salaam enhancing inland solutions to Malawi and Zambia.</td>
</tr>
<tr>
<td><strong>4</strong> Mozambique Nacala Corridor</td>
<td>Following flooding across the region which impacted sections of the Nacala railway we can announce that the corridor is now REOPENED with immediate effect. Our rail option from Nacala-Blantyre and Nacala-Lilongwe are available. According to an announcement from Corredor de Desenvolvimento do Norte [CDN - Nacala railway] Operations should restart slowly from the 10th of February.</td>
</tr>
<tr>
<td><strong>5</strong> Mozambique Beira Corridor</td>
<td>A bond agreement with customs is in place and we have our own broker at our agency office to shorten clearance time and trucking. We are using new local transporters to cope with the increase in demand for this service.</td>
</tr>
<tr>
<td><strong>6</strong> Mozambique Maputo Corridor</td>
<td>New competitive solutions are available to Zimbabwe by rail from Maputo-Hwange. Please note there are no port storage invoiced if shortage of wagons in Maputo.</td>
</tr>
<tr>
<td><strong>7</strong> S. Africa Durban</td>
<td>New competitive rates available to Lusaka &amp; Copperbelt [Zambia], Lubumbashi [DRC] and Gaborone [Botswana]. We have extended our South African inland reefer service from/to the port of Durban to Johannesburg.</td>
</tr>
<tr>
<td><strong>8</strong> Namibia Walvis Bay</td>
<td>New CTBL export solutions are available from DRC and Zambia to Walvis Bay. The transport corridor to Lusaka, Kitwe, Ndola &amp; Lubumbashi in south DRC are running well. Our 1st breakbulk load was successfully trucked from Walvis Bay to Lubumbashi as was our first reefer trial shipment by road. Please be advised we can also offer Windhoek!</td>
</tr>
</tbody>
</table>
## Western Africa

<table>
<thead>
<tr>
<th>Corridor</th>
<th>Current Situation</th>
</tr>
</thead>
<tbody>
<tr>
<td>1  ● Senegal-Mali</td>
<td>Both road and rail options are running smoothly with good transits available.</td>
</tr>
<tr>
<td>2  ● Senegal-Guinea Bissau</td>
<td>The corridor remains open but due to the Ebola crisis the border process and status will be checked on a case by case basis before booking.</td>
</tr>
<tr>
<td>3  ● Cote d’Ivoire-Burkina/Mali</td>
<td>Due to the present difficulties in the evacuation of containers by rail via the Abidjan corridor, we recommend the road option for your shipments to Ouagadougou and Bobo Dioulasso. This option is working well! Transits to both are just 12 days by road.</td>
</tr>
<tr>
<td>4  ● Ghana-Burkina</td>
<td>As part of measures to reduce the high cost of doing business at the country’s ports, the Ghana Shippers Authority [GSA] is set to implement the Advance Shipment Information System [ASHI]. The new system when operational on the 1st of March. Tema-Ouagadougou service is now available as an additional option. The Tema corridor to Burkina is now the most competitive pricewise, with excellent transit time from Asia with AFEX service. Our expert TBL team is now in place and fully involved for all your booking requests.</td>
</tr>
<tr>
<td>5  ● Togo-Burkina/Niger</td>
<td>Service is running well. Please note that the port of Lome is strict on enforcing weight regulations for trucks.</td>
</tr>
<tr>
<td>6  ● Cameroon-Chad</td>
<td>There are currently delays by rail as the operator CAMRAIL is experiencing congestion in both Douala &amp; N’Gaoundere stations. We therefore suggest cargo is moved via our road TBL service.</td>
</tr>
<tr>
<td>7  ● Cameroon-CAR</td>
<td>Douala-Bangui is now open. This corridor is offered on a case by case with agreement from our local Douala Agency. Political security is not 100% on this corridor.</td>
</tr>
<tr>
<td>8  ● Gabon Corridor</td>
<td>The Libreville-Franceville corridor is REOPENED on a request basis. We have been undertaking some trial shipments as a test case.</td>
</tr>
<tr>
<td>9  ● Congo Corridor</td>
<td>Pointe Noire-Brazzaville corridor is REOPENED on a request basis. We are undertaking some trial shipments as a test case.</td>
</tr>
<tr>
<td>10 ● DRC Corridor</td>
<td>Matadi-Kinshasa service running slowly due to congestion and delays at Pointe Noire port.</td>
</tr>
</tbody>
</table>
CMA CGM / DELMAS Developing Inland Services In Africa

A Network Of New Logistics Platforms

In order to enlarge its range of services throughout Africa, the CMA CGM Group is deploying a strategic plan to develop inland services through the establishment of a comprehensive network of logistics platforms. African economic growth for the next 20-years is high and as such there will be an increased need for inland solutions. This month we interview Alexis Michel, CMA CGM Group Central Director, CMA CGM Inland Services [CCIS] Managing Director, on how the CMA CGM Group will take a strategic position in this growth area.

CCIS is a 100% CMA CGM Group affiliated company charged with the development of inland logistics structures and solutions such as logistics platforms, container-freight stations [CFS], inland container depots [ICD], off dock, warehousing, road/rail transport amongst others.

How is your team developing inland services?
Through our Group subsidiary, CMA CGM Inland Services [CCIS], a dedicated project team of 4-staff based in Marseille is charged with identifying, selecting and deploying logistic platforms in key areas across the continent. With the support of local teams the department leads and supervises each project from beginning to end. From identifying business opportunities, defining business models, finding suitable yards and setting up local companies and operations.

What facilities are offered by the CCIS network?
In February 2014 CMA CGM / DELMAS expanded its facilities in Dakar, Senegal, with the addition of TCD2 a dedicated multi-activity 15,000m² logistics platform to compliment TCD1 [12,000m²]. We are also developing a new logistics platform near the port of Douala that will facilitate land operations for import / export in Cameroon and its hinterland of Chad and Central African Republic [CAR]. Other examples include CC InterAfrica which provides rail, trucking and logistics solutions in South Africa for both local and transit cargo. This new setup increases our presence in these strategic areas where opportunities of growth are important. CC2T in Abidjan [Ivory Coast] offers road transport solutions; firstly the facility improves transport efficiency and reliability of our CTBL via both intermodal rail and road to landlocked Burkina Faso and CC2T will also develop a trucking service for our local Abidjan customers. Furthermore in Burkina Faso CCIS’s main objective is to develop partnerships with exporters who desire to increase the exit of cargo by containers from Burkina Faso. ‘All in’ services are offered including warehousing, stuffing, customs clearance and road/rail transport to port of loading.

How are locations chosen?
Future facility locations are selected on current but also future development potential. We look at key ports and corridors to serve West, East or Central African landlocked countries.
What services do CCIS platforms and depots offer?
CCIS, through its logistics platforms, offers a large range of services. On the import cycle, CCIS organises container transfer from port, container storage, unstuffing and delivery from port or depot to consignee’s premises. We also plan to build our own warehouses to store bulk cargo and different agro-commodities.

On the export side, CCIS offers cargo storage solutions, cargo stuffing and container storage services, container positioning, customs clearance, etc... For specialist reefer cargo, CCIS also offers a comprehensive reefer package offering services such as pre-trip inspection [PTI], empty positioning to shipper’s facility, return to depot and plug until shipment... Flexibility and responsiveness is key to deliver efficient and cost effective services to our customers. We listen to their specific needs and make sure we can offer them the best tailored service.

What solutions do you offer customers?
Our customers are looking more and more for integrated logistics solutions where one entity will take care of the entire supply chain. We aim to fulfill such expectations. With the deployment of these new freight facilities, we offer extended services in connection with our maritime shipping offer. We take care of our customers cargo on the inland cycle though a comprehensive and integrated package. The mining sector is a good example of this. We are now approached by mining companies who export minerals by container and who look to gain flexibility and efficiency within a full package solution. So we are developing comprehensive services including road carriage of the mineral from mine site, stuffing in containers, customs clearance and sea transport to various worldwide destinations.

How does this integrated network support CMA CGM / DELMAS?
Supporting our core maritime shipping business, CCIS takes care of cargo pre and post shipment offering a natural complementary service. As a support of CC LOG, CMA CGM Freight Forwarder, CCIS provides local and controlled logistics solutions with the objective to diversify the CC LOG offer to/from Africa. CCIS works hand to hand with Intermodal Africa to offer cost effective, new and more efficient transport solutions with the aim to develop new corridors for our CTBL inland service.

What are your future development plans?
Several new projects will materialize in 2015 and 2016. We are focusing on building our network with new platform facilities in Mali, Ghana, Mozambique and Madagascar. In East African, projects are under study to serve the Great Lakes Area and Eastern Congo. In Austral Africa, a focus will be given to the copper belt to serve the mining industry and local consumers via several corridors such as Lobito in Angola, Zambia, Malawi.

Our future is bright. Our development plan over the next 5 years is ambitious with the aim to make CCIS one of the best logistics provider in Africa. Thank our existing agency network and local recognition, we will make CMA CGM Group a fully integrated operator by using all Group synergy inside and outside the continent.
3CTC Logistics Platform Opens In Douala, Cameroon

To further facilitate land operations for import and export in Cameroon, the CMA CGM Group has opened the CMA CGM Cameroon Container Terminal [3CTC], a new modern logistics platform.

The facility, covering 2-ha, is completely secured and strategically located 2km away from the port of Douala. With 18 committed and experienced agents in African logistics and adapted equipment [2 reach stackers, 1 empty handler, 2 forklifts], 3CTC offers high performance land solutions. The launch of 3CTC compliments the ever expanding Group facilities offered throughout the region. It follows the opening earlier this year of the Dakar Container Terminal [TCD2].

Strengths
- 3CTC provides the best logistics services to answer your needs thanks to:
  - Our expertise in logistics activities in Africa
  - The commitment and know-how of our agents
  - Partnership agreements with several transportation companies
  - A close relationship with the CMA CGM / DELMAS Cameroon agency

Contact
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Fax: + 237 233 43 13 00
Email: dlo.3ctc@cma-cgm.com
3CTC Logistics Services

**Containers: Storage & Drayage**
- Empty container storage
- Full import / export container storage
- Container preparation and dressing
- Empty container positioning to stuffing locations, and transport of full container back to 3CTC before shipment
- Drayage [the transport of goods over a short distance] from / to terminal

**Inland Transportation**
- Transport of containerized goods to/from:
  - Douala
  - Main cities in Cameroon
  - Neighbouring countries: Chad and Central African Republic

**Goods: Storage, Stripping & Stuffing**
- Capacity to store and manage import/export goods:
  - Reception and storage of goods in a shed of 1,200m² [timber, commodities, etc.]
  - Unstuffing of import containers
  - Shipping order preparation and container stuffing [timber, commodities, etc.]

**Additional Services**
- Complementary services:
  - Reefer services [plug-in, monitoring, pre-trip inspection [PTI], etc]
  - Containers for sale
  - Container handling equipment and forklifts for rent
  - Transit declarations – in progress
  - Distribution – in progress

**Yard**
- Our land is strategically located on the main road to Yaoundé, 2km from the port:
  - 24/7 secured 20,000m² platform
  - 1,200m² of sheltered area
  - An area dedicated stripping and stuffing containers
  - Large container storage area
  - Reefer station [cleaning, plug-in, etc]

**Handling Equipment**
- Modern and efficient handling equipment is available:
  - 2 reachstakers PPMTFC 45
  - 1 empty handler Hyster
  - 1 Hyster forklift: 9 tons
  - 1 Hyster forklift: 4 tons
South Africa: Extended Reefer Service To Johannesburg

CMA CGM / DELMAS has extended its South African inland reefer service from/to the port of Durban to Johannesburg. Through local negotiations we have sourced new solutions through our local service providers as part of our new offer. The Johannesburg area is split into 3-major areas radiating by distance from the suburb of City Deep: 00 to 30km, 30 to 60km and 60 to 90km.

Please be advised all rates are indicative of distance and include gensets. If a genset is not required we will need a letter of intent [LOI] stating that no claim can be lodged against the Group in regard to any degradation of cargo upon arrival. For exports from Johannesburg if the container arrives before the stacks opening, extra charges in Durban will be applicable such as lift, monitoring and storage costs...etc.

For bookings and rates please contact your nearest local agent.

Mozambique Nacala–Malawi Corridor Reopens After Floods

Following flooding across the region which impacted sections of the Nacala railway we can now announce that the corridor is now REOPENED with immediate effect.

Our rail option from Nacala-Blantyre and Nacala-Lilongwe are available.

According to an announcement from Corredor de Desenvolvimento do Norte [CDN - Nacala railway] operations should restart slowly from the 10th of February.
Pan Africa

China Steps Up Drive To Integrate Africa With Maritime Silk Road

China has accelerated its drive to draw Africa into the Maritime Silk Road - Beijing’s ambitious transcontinental initiative - following a 5-nation visit by Foreign Minister Wang Yi. The push for speedy construction of a modern standard-gauge rail link between Nairobi and Mombasa was one of the star highlights.

The project to link the capital of Kenya and the country’s well-established port has much larger implications. Once it is through, the rail corridor will help connect the vast hinterland of East Africa with the Indian Ocean, making it a strategic project, which will add to the realisation of President Xi Jinping’s dream of establishing a 21st century Maritime Silk Road (MSR). If plans materialise, Mombasa would link with Malaba in west Kenya and then Kampala, Kigali and Juba - capitals of Uganda, Rwanda and South Sudan.

The Chinese undertook the project, clearly aware of the larger regional opportunities that it presented. Symbolically, this was evident when the leaders from Uganda, Rwanda and South Sudan stood aside with visiting Chinese Prime Minister Li Keqiang in Nairobi, along with representatives from Tanzania, Burundi and the African Development Bank, to sign a deal on the project.

As concrete steps are taken on ground, it has become apparent that Africa is becoming one the pillars of the MSR project. Apart from building railroads, highways and airports, the Chinese are developing 12 deep water ports, seven of which are along the African coastline. These are Djibouti, Dar es Salaam, Maputo, Libreville [Gabon], Tema [Ghana], Dakar [Senegal], Bizerte [Tunisia]. In turn, these ports connect with the MSR.

Africa connects well with one of the major spurs of the MSR - the Chinese province of Yunnan, which shares borders with Myanmar, Vietnam and Laos, with Thailand further to the south. Hoping to avoid the vulnerable Malacca strait, the Chinese are building rail corridors from Kunming, Yunnan’s capital, to Myanmar and Thailand via landlocked Laos.

China has signed an agreement to build a rail corridor that will connect Yunnan with Myanmar’s port city of Kyaukphyu on the Bay of Bengal, thus bypassing Malacca straits. Kyaukphyu is also the starting point of the China-Myanmar oil and gas pipeline, and enters China at the city of Ruili. With Laos, the China-Vientiane railroad project is expected to be completed by 2018. China has recently approved a 23 billion dollar project, which includes a high-speed link between Chiang Khong, just south of the Laos’ capital Vientiane, with Ban Phachi in Thailand.

Some analysts are of the view that China and Thailand are taking the lead in building the MSR’s connection with Africa. The website East by Southeast reported that in 2014, Chinese and Thai officials have formed investment vehicles for the construction of the seven strategic ports on the African coastlines. Thai rice exporters are likely to be one of the main beneficiaries of the Asia-Africa link under the MSR plan. Already 60% of Thai rice exports in 2013 headed for Africa, and consumption trend was even higher in 2014.

[The Hindu 19/01/15]
Progress On African PICI Infrastructure Projects

The Presidential Infrastructure Championing Initiative [PICI] headed by President Jacob Zuma has announced the progress of several cross-border and regional infrastructural projects aimed at accelerating regional trade. The PICI serves to link African heads of State to specific corridors to ensure strategic political leadership in the championing of the cross-border North-South Corridor; including road, rail, border posts, bridges, ports, energy and other related infrastructure. The corridor passes through 12 countries: Tanzania, Congo, Malawi, Zimbabwe, South Africa, Zambia, Botswana, Mozambique, Kenya, Ethiopia, Sudan and Egypt.

<table>
<thead>
<tr>
<th>Project Name</th>
<th>Description</th>
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<tbody>
<tr>
<td>Trans-Sahara Highway</td>
<td>The missing link in the road corridor aimed at improving and easing border formalities on an existing trade route across the Sahara Desert will see the construction of the remaining 100km stretch across Algeria starting early this year to be completed by 2017.</td>
</tr>
<tr>
<td>Dakar-Ndjamena-Djibouti Road &amp; Rail Link</td>
<td>The West African Economic and Monetary Union [WAEMU/UEMOA] has agreed to finance all technical studies related to the road and rail link, which are expected to be completed at the end of November. The project implementation phase is due to start before 2018.</td>
</tr>
<tr>
<td>Kinshasa–Brazzaville Bridge Road &amp; Rail Project</td>
<td>2-workshops are planned for 2015 to finalise the detailed design stage of the Kinshasa–Brazzaville Bridge road and rail project, after which the project would move to the tender process for construction of the bridge – envisaged to be completed by 2025.</td>
</tr>
<tr>
<td>Lake Victoria -Mediterranean Sea Navigational Line</td>
<td>The prefeasibility study for the establishment of a navigational line from Lake Victoria to the Mediterranean Sea via the River Nile project, in Egypt, is expected to be completed by the end of May. The project will embrace an intermodal transport system.</td>
</tr>
<tr>
<td>Beit Bridge OSBP</td>
<td>South Africa and Zimbabwe continued to work together to improve operations at the Beit Bridge one stop border post [OSBP].</td>
</tr>
</tbody>
</table>

Rwanda

Country Benefits From EAC Integration

Trade volumes through Rwanda have grown substantially over the past 5-years. Trade volume is up from 1.6 million to 2.7 million tonnes p.a from 2007 through to 2012, an increase of 69%. Nominal value in Rwandan Francs increased at an even more striking rate, from Rwf517bn to Rwf1.8tn, an increase of 146% despite the removal of regional freight and insurance from CIF in mid-2009. Reasons behind this growth include:

<table>
<thead>
<tr>
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<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Harmonisation Of Road Tolls</td>
<td>Rwanda Truckers’ Association benefited from the harmonisation of the road tolls within the East African Community. Prior to this harmonisation, Rwandan truckers were charged US$500 to use Tanzania’s roads, while Tanzanian truckers were only charged US$152 in road tolls upon entry into Rwanda, leaving the latter’s trucking firms at a competitive disadvantage to supply the Rwandan market. Today, the 2-Partner States charge US$152 each.</td>
</tr>
<tr>
<td>Road Blocks</td>
<td>Road blocks and check points have reduced from 127 to 7 along the Central Corridor, which links Rwanda to the port of Dar es Salaam, Tanzania.</td>
</tr>
<tr>
<td>Working Hours</td>
<td>Working hours at Nyakahura, one of the important weigh bridges along the Central Corridor, has increased from 12 hours to 24 hours. This has had a great impact on truckers who save time and money. Dar es Salam port working hours also increased to 24 hours, this has significantly reduced delays.</td>
</tr>
<tr>
<td>Electronic Cargo Trucking System</td>
<td>Rwanda’s truckers associations also have testified the benefit brought about by the use of electronic cargo trucking system which replaced the transit movement forms that were formally issued by Revenue Authorities; today a device is installed and a truck is monitored along the way.</td>
</tr>
</tbody>
</table>
Tanzania

World Economic Forum Seeks Central Corridor Implementation

Tanzania and the World Economic Forum [WEF] are working on the Central Corridor Acceleration Project that will see railways, roads, marine and air routes linking Dar es Salaam to the landlocked countries of Uganda, Burundi, Rwanda and the Democratic Republic of Congo [DRC]. The project is also promoted by the landlocked nations in partnership with the WEF.

The Central Corridor is a multimodal trade and transport corridor. Currently, the project has a combination of railway and road networks that link the port of Dar es Salaam to landlocked countries.

The development of the Central Corridor Acceleration Process was launched during the WEF in Davos in January, 2014. It was identified as a programme for acceleration of investment through private sector participation. After the January meeting, implementation of the project took off under the supervision of the government of Tanzania.

The initiatives that have been given priority include:

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<tr>
<th>Country</th>
<th>Mode</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Burundi / Tanzania</td>
<td>Port</td>
<td>Port improvement at Kigoma and Bujumbura on Lake Tanganyika.</td>
</tr>
<tr>
<td>Burundi</td>
<td>Road</td>
<td>Rehabilitation to a road that links Ruhwa to Bujumbura, Rumonge and Mugina towns.</td>
</tr>
<tr>
<td>DRC</td>
<td>Rail</td>
<td>The railway that connects Kalemie to Kabalo and Kamina [1,500km] will be improved.</td>
</tr>
<tr>
<td>DRC</td>
<td>Port</td>
<td>Dredging, rehabilitation and modernisation of the ports at Kalundu and Kalemie on Lake Tanganyika.</td>
</tr>
<tr>
<td>DRC</td>
<td>Road</td>
<td>Repairs on the road that links Bukavu to Kisangani [648km].</td>
</tr>
<tr>
<td>Kenya</td>
<td>Port</td>
<td>Improve port infrastructure in Dar es Salaam mainly taking in Berth 13 and 14.</td>
</tr>
<tr>
<td>Kenya / Rwanda</td>
<td>Rail</td>
<td>Construction of a 1,682km railway that links the city of Dar es Salaam to Isaka, Keza, Kigali, Gitega and Musongati in Rwanda. The scheme also includes a line linking Uvinza to Musongati, Mpanda and Karuma and the upgrading to standard gauge of the Isaka to Mwanza railway [250km] and the portions that connect Tabora to Kigoma and Kaliua to Mpanda [411 and 212km respectively].</td>
</tr>
<tr>
<td>Kenya</td>
<td>Road</td>
<td>Road construction will take in the expressway that links the city of Dar es Salaam to Chalinze [100km] and the supporting route of Mlandizi-Bagamoyo [37km].</td>
</tr>
<tr>
<td>Rwanda</td>
<td>Road</td>
<td>Repair of the highway to Bugesera Airport and rehabilitation of Ngoma-Busegera- Nyanza road. The roads connect Rwanda to the Central Corridor through Rusumo.</td>
</tr>
<tr>
<td>Tanzania</td>
<td>Air</td>
<td>Construction of a new airport at Msalato in Dodoma; upgrading of Mwanza Airport [to include a new passenger terminal]; facility expansion at Julius Nyerere International Airport and a new airport at Isaka. There will also be airport infrastructure improvement work at Kigoma [to include control tower, passenger terminal, and runway upgrading and support facilities.</td>
</tr>
<tr>
<td>Uganda</td>
<td>Road</td>
<td>Initiative will jack up the outlook of the roads that link Masaka to Kyotera and Mtukula to Kyotera.</td>
</tr>
<tr>
<td>Uganda</td>
<td>Port</td>
<td>The port facilities at Jinja, Lake Victoria, will be refurbished.</td>
</tr>
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The Central Corridor intends to put in place a revolving project preparation fund to meet the construction challenges. WEF has in total 50 initiatives that are currently being led by the Forum, with the aim of contributing positive, transformative change.

[Daily News 23/01/15]
Uganda

Country To Focus On Central Corridor

There are principally 2-corridors that lead to Uganda from the coast of East Africa – the northern and central corridors. The northern corridor, which moves through Kenya to Uganda and other landlocked countries of Rwanda, Burundi, South Sudan, is the busier of the two. The central corridor which passes through Tanzania brings in far lesser volumes of goods to Uganda. In fact, less than 2% of the cargo handled in Dar es Salaam nowadays is Uganda-bound. The Central Corridor Transit Transport Facilitation Agency [CCTTFA] wants this trend to change, arguing that it is in Uganda’s interests to use the corridor.

Speaking at a dialogue organised by CCTTFA and members of the Uganda Shippers Council [USC] in Kampala, Rukia Shamte, its chief executive said the central corridor has been vastly improved, with the road from Mutukula to Dar es Salaam now paved, and with the railway service to Mwanza operating. The longer distance to Dar es Salaam port when compared to Mombasa has been working against the central corridor, but Tanzania is now offering special rates to Uganda to make up for the extra miles.

Meanwhile Charles Kareba, the chairman of USC urged the Ugandan government to speed up the delivery of wagon ferries on Lake Victoria so that Ugandan cargo owners can benefit from the improvements in Tanzania. Further still, unlike the Mombasa Port, Dar es Salaam does not levy terminal handling charges. Uganda has also in the past paid a heavy price for largely depending on the Kenyan coastal port of Mombasa.

Electronic Cargo Tracking System Easing Trade

The new electronic cargo tracking system [ECTS] that was introduced by Uganda Revenue Authority [URA] in 2014 is already easing trade flows at the border.

The electronic tracking of cargo trucks had led to the complete elimination of physical escorts, improved the security of goods in transit, avoid delays and reduced transit time from 8-days to 2-days resulting in cost savings of around US$400-600 per truck per day. The URA is looking forward to even better results and growth once enough tracking devices are employed.

Currently 7% of all cargo is tracked, particularly high risk cargo. TradeMark East Africa, who are lead consultants said they will continue support the URA customs reforms because of the substantive contributions to the development of Uganda.

"The reforms have cut down significantly the average clearance time to less than one day which has led to a reduction in the cost of doing business. We therefore expect to see increased trade activity between Uganda and other countries in the EAC as we believe that this investment in customs reforms is the catalyst that was needed to bring about prosperity to the region."

Frank Matsaert
CEO of TradeMark East Africa
Kenya/Uganda

Cross-Border Efficiencies Lift Trade

Border facilities at the Kenya-Uganda main posts are being overhauled and improved. The integrated border system will eliminate duplication of services on both Uganda and Kenya side and this means elimination of delays and time wastages at the border. There are many expected advantages from the facility which is 80% complete and due to be fully functionally in March 2015. The unit will enhance service delivery by coordinating all clearance agencies thereby eliminating duplication of services at the border which will reduce transit time and attract investors to Uganda.

[EA Business Week 01/02/15]

Namibia

Zimbabwe’s Walvis Bay Dry Port Facility Ready By July

The first phase of a US$1.5 million Walvis Bay dry port project being jointly pursued by Zimbabwe and Namibia is expected to be completed by July, the state-run National Railways of Zimbabwe [NRZ] revealed. Civil works at the 19,000m² dry port are nearly complete. Zimbabwe is one of landlocked countries in the region that Namibia has allocated land for them to construct dry ports. Botswana and Zambia are said to have also made progress with their dry ports facilities.

[APA 15/01/15]

Rwanda/Uganda

One-Stop Borders Require Financial Services

The refurbished Kagitumba-Mirama Hills One Stop Border Post [OSBP] on the Rwanda-Uganda border is 95% complete. It is funded by TradeMark East Africa [TMEA] which channelled US$10.5 million on the Rwandan side. The construction of the OSBP follows EAC summit directives. It is projected that this will in turn improve intra-regional trade as well as boost revenue collection.

Once complete, the 24-hr OSBP will reduce the time to clear the border from more than 2-hours to less than 40 minutes. By April, all the infrastructure-customs and immigration offices, police post, customs inspection sheds and warehouse, clearing and forwarding offices will be ready. Also to be built are roads, water treatment and storage tanks, parking yards and staff quarters. Last October, Ugandan President Yoweri Museveni launched works to upgrade the 37km Ntungamo-Mirama Hills road to bitumen. Once that part of the major northern corridor road is upgraded to bitumen standard, traffic on the border is expected to more than double.

However while the business community is upbeat about benefits when Kagitumba-Mirama Hills OSBP opens there is a need to extend financial services such as banking and insurance to facilitate trade. The nearest commercial bank, Banque Populaire du Rwanda, is 10km away in Matimba trading centre while insurance firms such as Corar and Radiant are in Nyagatare.

TMEA also noted that by the end of the year, the 2-bridges at the border will also be completed. Of the total US$10.5 million TMEA package US$2.4 million is for construction of the bridges, one on each side of the old bridge at the border. A similar OSBP was recently launched at Rusumo border with Tanzania. It was funded by the Japanese government.

[New Times 01/02/15]
South Africa/Zimbabwe

Beitbridge Delays Costly But Are Easily Solved

Chronic delays at the Beitbridge border post between South Africa and Zimbabwe, the busiest regional transit link in southern and eastern Africa, are hugely costly for business and yet could be addressed in fairly quick and simple ways if there was the political will to do so. This was noted in a research report by the South African Institute of International Affairs [SAIIA].

Current delays experienced by trucks carrying goods to and from Zimbabwe, Botswana, Zambia, the Democratic Republic of Congo [DRC], Malawi, Tanzania and northern Mozambique push up transport costs and the price of consumer and intermediate goods. SAIIA argues that a few relatively short-term interventions at the Beitbridge border post would improve the efficiency of government services, such as customs, immigration and policing.

The SAIIA study estimated that more than 400 trucks cross the Beitbridge border post every day and that they experience average delays of about 3-days crossing the border. These can extend up to a week and truck drivers have reported being delayed for up to 2-weeks at times. Each delay is estimated to cost US$400 per truck per day and adds to the price of the goods they are carrying. A delay of 3-days could increase the price of transported petrol about 3.3% and transported sugar about 3%.

The situation at the border post is made worse by the poor condition or lack of capacity of both soft and hard infrastructure. The road leading to the border post only has 2-lanes in each direction, 1-passenger vehicles and 1-commercial vehicles. Given that the Beitbridge border post is the busiest regional transit link in Southern and Eastern Africa, the fact that most of SA’s road freight to countries to the north is being bottlenecked into a single lane is a critical issue the report noted. The situation is aggravated by the fact that trucks share a lane with passenger buses. A single lane dedicated to commercial vehicles is grossly inadequate for the volume of traffic going through the border. This urgently needs to be updated.

Furthermore SAIIA noted the area should be redesigned so that taxi ranks and informal traders’ space, does not interfere with commercial traffic. Hardware such as scanners used by the South African Revenue Service [SARS] and the Zimbabwe Revenue Authority [Zimra] need to be upgraded to deal with high traffic volumes. Zimra’s information technology also needs to be upgraded to prevent the frequent communication crashes between the Beitbridge and Harare offices, which added to the delays. SARS and Zimra should also harmonise their customs software to expedite processing.

Power shortages on both sides of the border also contribute to delays. The situation is particularly bad on the Zimbabwean side, where electricity supply is down for a few hours daily on a regular basis. Cargo inspections at the container depot are another cause for monumental delays. According to SAIIA the numerous permits and regulatory fees applied to cross-border transporters carrying goods through Zimbabwe appear to be taxes on doing business rather than economic policy tools designed to achieve desirable outcomes.

SAIIA urged the introduction of a regional transit bond to save transporters the cost and delays of having to get a separate customs bond to cover the duty payable on the cargo for each border crossed. Although SAIIA concedes that a revenue-sharing model will have to be worked out to overcome resistance to the idea.

[Business Day 26/01/15]
OSIS Project To Reduce Non-Tariff Barriers To Trade

The government has embarked on a project to develop 3-One Stop Inspection Stations [OSISs] to reduce non-tariff barriers to trade which inhibit intra-trade in the East African region. The 3-stations will be set up at Vigwaza in Coast Region, Manyoni in Singida Region and Nyakanazi in Kagera Region, where all regulatory authorities involved in vehicle inspection along the Central Corridor will conduct their inspections jointly at one location.

According to a statement by TradeMark East Africa which supports the project, the locations have been carefully selected to capture the largest amount of transit traffic. The stations will combine in one location activities of the Tanzanian National Roads Agency [TANROADS], which controls the weighbridges, the police force, which checks the condition of vehicles and the Tanzanian Revenue Authority [TRA], which carries out customs checks.

The site at Vigwaza is the first major weighbridge location outside of Dar es Salaam capturing both central corridor and the Dar es Salaam Corridor traffic to Southern Africa. The site at Manyoni captures traffic from the central corridor and that from Kenya into Tanzania and the site at Nyakanazi handles Ugandan, Burundian and Rwandan vehicles. TMEA and the European Union [EU] have funded the preparation of the detailed design, supervision and construction of two of the three OSISs at Manyoni and at Nyakanazi. The World Bank has agreed to support the preparation of the DED, supervision and construction of the third OSIS at Vigwaza, through the Southern Africa Trade and Transport Facilitation Project. TANROADS has been appointed as the Executing Agency of the OSIS project.

The OSIS project will be a shared facility with an installed relevant ICT infrastructure to enable sharing of information. It is expected that the stations would reduce time and cost of transporting transit goods along the Central Corridor by only requiring transit trucks to stop at 3-locations along the central corridor. According to the “Big Results Now” [BRN] Initiative the project will reduce the number of official checks for Transit Trucks from 17 to 3 along the Central Corridor undertaking joint checks from the police, TANROADS and revenue authorities at all sites.
Kenya

President Launches AfDB-financed Nairobi Outer Ring Road Project

President Kenyatta officially launched, on January 22, the commencement of the Nairobi Outer Ring Road Improvement Project, jointly financed by the African Development Bank and the Government of Kenya as part of Vision 2030.

The total cost is estimated at US$125.18m of which the African Development Fund [ADF] is financing US$112.43m while the Kenya Government will contribute US$12.75m.

The project involves the construction of a 13km long dual highway to traverse the northern and eastern districts of Nairobi city. Once completed, the entire project will drastically decongest the environs of the two districts, including arterial roads connecting Nairobi-Thika Highway, Eastern Bypass, Northern Bypass, Mombasa Road, and the Jomo-Kenyatta International Airport [JKIA]. Consequently, the project will contribute to creating conducive business environment and improving travel conditions for commuters.

Kenya To Complete US$186 Million Southern Bypass By July 2015

Kenya National Highways Authority [Kenha] has announced that construction of the US$186m Nairobi Southern Bypass is expected to be complete by July 2015. The contractor, China Road and Bridge Corporation is working to ensure the road is complete planning to hand over section 3 of the project by mid-February. The Southern bypass starts from the junction of Mombasa Road junction and ends on the Kabete-Limuru road at Kikuyu town. It crosses the west of Nairobi National Park, goes through Lang'ata Road, Ngong Road, Motoini River, Dagoretti Road, Thogoto Road then passes over Ondiri River and the railway line towards Kikuyu town. The project is 85% funded by China’s EXIM Bank, with the Kenyan government covering the remainder. It will have interchanges at Ngong and Mombasa road and bridges at Community, Dagoretti, Thogoto and Kibera. The 28.6km dual carriageway is expected to ease Nairobi traffic.

Meru To Construct 120KM In Annuity Roads Program

Meru county will benefit from the governments’ annuity roads construction program by building 120km of roads. The government initiated a 10,000km road rehabilitation/construction program this year. Under the program, contractors will be allowed to use loans guaranteed by state to construct/rehabilitate roads, and then the national treasury will pay in instalment after inspection is carried out. The Kenya Commercial Bank [KCB] has offered to fund the contractors under the engagement.

Highways Set For Tolling Stations In March

Motorists using the Thika superhighway, Mombasa-Nairobi-Nakuru highway and the Southern bypass will start paying toll fees in March. A transaction adviser will carry out feasibility studies, designs, outline toll charges, surveys and advise on the legal and technical mechanisms. The government is scouting for environmental, traffic, engineering and legal consultants to help implement the toll-paying system.

The Mombasa-Nairobi highway will have 2-stations, in Mnarubari and at the Machakos turn-off. The Nairobi-Nakuru highway will have three, at Rironi [Limuru], Naivasha and Lanet. The highways will be put on the plan for 30 years.
Treasury Signs US$30 Million Deal To Expand Port Reitz Road

TradeMark East Africa [TMEA] with support from the UK through the Department for International Development [DFID] and the Government of Kenya through the National Treasury signed a US$30m agreement to support the dualling and improvement of the existing Port Reitz and Moi International Airport access roads. The project will be implemented by the Kenya National Highways Authority [KeNHA].

The Port Reitz Road is crucial as it will provide the only link to the new Container Terminal pending the completion of the Mombasa Southern By-pass project. The signing ceremony was presided over by Cabinet Secretaries Hon Eng. Michael Kamau [Transport] and Hon Henry Rotich [National Treasury] and TradeMark East Africa’s Mr Frank Matsaert [CEO].

The agreement will see TradeMark East Africa contribute US$20m to the project, whilst the Government through KeNHA will give US$10m of the additional costs. Access to the new terminal will decongest the existing container berths at the Mombasa port which are currently operating at almost full capacity.

“The signing of the financing agreement between KeNHA and TradeMark East Africa is a milestone to the facilitation of the movement of cargo along the Northern Corridor. This road will provide greater access and bring efficiency to operations in the port. The project is set to reduce the costs of doing business, boost trade volumes and more importantly increase our overall competitiveness in infrastructure as a country.”

Eng. Michael Kamau
Cabinet Secretary, Ministry of Transport

Port Reitz Road will reduce truck operating costs along the transport route, to and from Kipevu West Container Terminal. It will also reduce the time it takes to enter and exit the port gates by opening up the new gate 22 serving Kipevu West. This will accommodate approximately 30% of the traffic from the existing terminal.

Mombasa port has recorded significant growth in traffic volumes. In the last 10 years, traffic increased more than 6% p.a. to 22.3 million tons in 2013. Container traffic grew faster on average by more than 8% p.a., rising to nearly 900,000 TEU in 2013 from 438,597 TEU in 2004. KPA projects that the port will handle 1,650,000 TEU by 2016.
Namibia

Construction Starts On N$239 Million B1 Road Project

Construction group Aveng Grinaker-LTA has started upgrading the B1 national road between Windhoek and Okahandja to a dual carriageway at a cost of N$239-million. The road is considered the country’s most dangerous, owing to the large number of heavy vehicles it accommodates, prompting the Namibian government and roads authority to upgrade it. Two interchanges will be built. The project is expected to be completed by April 2016.

[Engineering News 15/01/15]

South Africa

South Africa To Upgrade N3 Highway

South African National Road Agency Limited [Sanral] announced the N3 highway stretch between Durban and Johannesburg will be upgraded in the middle of 2015 at a cost of US$35.05m over 2-years. Works will include additional lanes between Tweedie and Cedara interchanges located North of Pietermaritzburg. This stretch is important in that it’s South Africa’s principal freight and logistics corridor. The N3 highway stretch links the Port of Durban and Gauteng, which are South Africa’s economic hubs and is funded and managed by N3 Toll Concession [N3TC].

[CR 26/01/15]

Murray & Roberts Wins N4 Road Upgrade Tender

The Trans African Concessions [Trac] has awarded a 22 months contract for the upgrade of N4 Toll road connecting Mozambique to South Africa to Murray & Roberts Infrastructure [MRI]. Upgrading works will begin east of Rockdale Interchange and end west of Arnot Interchange located in Mpumalanga. Work on the N4 Toll road upgrade includes construction of a new double-lane eastbound carriageway, which will help increase the capacity of the section of road which is 18km. There would also be construction of an overpass bridge at the Klein Olifants river and minor renovation on existing bridges. In addition, MRI had reconfigured the section of road into a 3-lanes carriageway. Completion of the road upgrade is expected to be in 2016.

[CR 16/02/15]

Moody’s Downgrades Sanral

Rating agency Moody’s has changed the South African National Roads Agency Limited’s [Sanral’s] outlook from stable to negative, due to debt and decreased e-toll revenue. The non-payment of e-tolls increased following a decision by the provincial government to establish a panel to assess the impact of e-tolls in doing business, which sparked speculation among the general public that the e-toll project may be abandoned. This caused e-toll revenue collections to drop by 38% from July to November 2014, which in turn led Sanral to revise downward its expected e-toll revenue for the fiscal year 2014/15 to R907-million, against R1.4-billion previously. Last week, Gauteng premier David Makhura released the findings and recommendations made by a panel set up on July 17 to examine the economic and social impact of the Gauteng Freeway Improvement Project and the e-tolling system set up to fund it. Moody’s anticipates that Sanral’s debt will increase more than expected and reach R44.1-billion by 31 March 2015, from R39.6-billion at 31 March 2014.

[SAPA 20/01/15]
Ethiopia

New Rail To Djibouti To Start Early 2016

Ethiopia expects to open a new rail line linking the capital Addis Ababa with the Red Sea state of Djibouti in early 2016, a project at the centre of plans to create new manufacturing industries. The 700km line is being built at a cost of US$4 billion by China Railway Engineering Corporation (CREC) and China Civil Engineering Construction (CCECC). Ethiopia is seeking to have 5,000 km of new lines working across the country by 2020. According to the Ethiopian Railways Corporation (ERC) by October 2015, a considerable portion of the Addis Ababa-Djibouti project will be finished with trains expected run by early 2016.

In addition to the Djibouti line, 2-others are being built across the country in a bid to keep the economy expanding at the 8% it is already achieves. The nation wants to become a manufacturing hub, offering investors efficient transport, labour and cheap power. In the capital, a new $475 million light railway system will be tested this month before scheduled services start. It will be the first city metro to operate in Sub-Saharan Africa.

Among the new national railway lines, one will connect the region of Afar, where Ethiopia is encouraging the mining of potash for fertiliser, to Djibouti, the main export point for land-locked Ethiopia. Canada’s Allana Potash Corp is among the firms developing mines there. It is drawing investors from China and India. For now, logistical difficulties such as poor roads and an old fleet of trucks mean transporting goods from the capital to Djibouti can take days. The new railway line will cut the journey time to about 8-hours.

[Trade Arabia 28/01/15]

Kenya-Uganda

Qalaa Invests US$70 Million In Rift Valley As China Builds Rail Link

Egyptian private-equity company Qalaa Holdings SAE is investing US$70 million to accelerate the movement of rail cargo carried from Mombasa, East Africa’s busiest port, as it faces competition from a new Chinese-backed link. Qalaa controls Rift Valley Railways Ltd., the operator of a railway built almost a century ago running from Kenya’s Mombasa port to neighbouring Uganda. It covers a portion of the same route as a new rail line under construction from Mombasa, designed to speed up freight-transit times, cut transport costs and boost mining and agricultural exports. It isn’t yet clear who will operate the second railway. Qalaa is investing heavily in a new subsidiary, which will complement RVR by handling cargo at the port of Mombasa in Kenya.

Qalaa, formerly known as Citadel Capital SAE, in April bought the 34% stake that Kenyan-based TransCentury Ltd.’s Safari Rail Co. owned in RVR, raising its shareholding to 85%. Citadel first acquired a minority interest in RVR in 2010. Since then, it’s led investments to upgrade hundreds of kilometers of tracks, rehabilitate rolling stock, and restore service on a rail section in Uganda that was idle for 2-decades. RVR said in September it agreed to borrow US$20 million from Standard Bank Group Ltd. and other lenders to buy 20 locomotives, which should all be delivered from General Electric Co. [GE] by April.

Currently, more than 90% of cargo is ferried by road from Mombasa. Kenya is the largest economy in the five-nation East African Community, also comprising Tanzania, Uganda, Rwanda and Burundi, which formed a customs union in 2010 to strengthen intra-regional trading. South Sudan is seeking to join the EAC. *Kenya remains the pivot state in East Africa and the route to the sea and the world markets for a lot of countries in East Africa. RVR has devised a good strategy of integrating the railway with a door-to-door delivery service. An estimated 23.5 million MT of freight is expected to pass through the Mombasa port last year, up about 5% from 2013, according to the Kenya Ports Authority. Durban, Africa’s busiest port according to the Port Management Association of Eastern and Southern Africa, handled 44.8 million tons of cargo in 2013-14.

Qalaa’s spending on RVR comes as construction gets underway on a US$3.8 billion railway linking Mombasa to Kenya’s capital, Nairobi, being 90% financed by the Export-Import Bank of China. It is expected to take 42 months from October to complete, and the line will eventually continue to Uganda and the landlocked states of Rwanda, Burundi and South Sudan. The “standard-gauge railway will enable locomotives to travel as fast as 80 km/hr for cargo.

Meanwhile in neighbouring South Sudan, Qalaa, through its Nile Logistics arm, plans to acquire additional handling equipment for its river-transport and marine-port businesses. Its service, operating a fleet of barges between the north and south of the country, was disrupted in December 2013 when a civil war erupted. Spending by Qalaa this year in South Sudan is estimated to reach US$35 million.

[Bloomberg 20/01/15]
President Uhuru Kenyatta has declared that the Standard Gauge Railway, a modern high speed rail system currently under construction from Nairobi to Mombasa, will raise Kenya’s GDP by 1.5% once it becomes operational. According to him, the economic benefits of the link will be significant. Immediate effects will include decongestion of Mombasa port which is expected to lead to higher volumes of trade. China’s Exim Bank is providing 90% of funding towards construction of the 472km line. Kenyatta continues to push for the project to be completed within 3-years as planned with the hopes Kenya can achieve growth rates of 8% up from 5.8%.
Namibia

Trans-Kalahari Railway Line On Track

Namibia’s High Commissioner to Botswana, Mbapeua Muvangua, noted the Botswana government remains committed to the construction of the Trans-Kalahari railway line although funding needed to be allocated by both governments. The project plans are reportedly at an advanced stage with a project office expected to be operational in February. The project is being developed through a public-private partnership [PPP] based on a DBOOT contractual arrangement whereby developer undertakes the financing, design, construction, operation and maintenance of the project.

In 2014 a bilateral agreement was signed between Namibia and Botswana on the development of the Trans-Kalahari railway. Also, an agreement on the project management office was signed in Gaborone and agreed that facility would be located in Windhoek. The 1,500km line will traverse the Kalahari desert from Botswana to Namibia, with the sole benefit of connecting landlocked Botswana to Namibia’s port of Walvis Bay. The move will unlock the value of coal mining in Botswana and power generation in the region. The line will mirror the existing Trans-Kalahari Highway or corridor, which links Botswana to Walvis Bay, and will stretch 1,900km from Walvis Bay through Windhoek, Gaborone in Botswana and Johannesburg to Pretoria in South Africa. Construction is expected to cost approximately N$100 billion. Financing will be sourced through private stakeholders.

[New Era 10/02/15]
TransNamib’s Turnaround Plan - Refurbished Locomotives Received

Namibia’s transport minister welcomed the first 5-refurbished locomotives from South Africa to be used by TransNamib. Last September TransNamib embarked on a turn-around strategy inking a contract in November with South Africa’s Transnet Engineering to add 21 refurbished locomotives to its fleet of General Electric [GE] Class-33 locomotives. The contract includes a bridging finance for about N$200-million. 31 Class-33 GE locomotive of TransNamib’s own fleet will be refurbished in Windhoek with support from Transnet. These efforts will push the current running fleet from 18 to over 50 locomotives. Transnet Engineering will support TransNamib over the next 5-years with rolling stock operations and maintenance.

In all TransNamib will need N$9 billion to upgrade its aging and dilapidated railway lines as tracks are not in a good condition and need to be upgraded to acceptable standards. The tracks are not owned by TransNamib but by the government.

[Engineering News 20/01/15]

South Africa

CNR Dalian Orders MTU Engines For Transnet Fleet

Rolls-Royce has announced a €100m order to supply CNR Dalian and its South African business CNRRSSA with 232 engines for use on locomotives ordered by Transnet Freight Rail. Delivery to CNR is scheduled for 2015-17. The first 20 will be produced at Friedrichshafen in Germany and supplied directly to CNR, with the remaining engines to be delivered to MTU South Africa for final assembly. Transnet announced the largest locomotive supply contract in South Africa’s history in March 2014, covering a total of total of 1,064 units to be supplied by CNR Rolling Stock [232], GE Transportation [233], CSR Zhuzhou [359] and Bombardier [240].

[Railway Gazette 26/01/14]

Zambia

Phase 1 North-West Rail Project Gets US$500m Boost

Zambia has been awarded US$500m by Grindrod Limited Group of South Africa to undertake Phase-1 construction of the North West Rail project. Estimated to have a total cost of US$1bn, the line will be 580km long linking Zambia and Angola. The line will also improve the transportation of mineral products on the Copper belt and Northwest regions of Zambia, as it connects with most of Zambia’s copper mines. Phase-1 construction will be 290km running from Kansanshi, Chingola, Kalumbila and Lwama mines located in the Northwest at a cost of US$489m. Phase-2 will cost US$500m and will involve connection of the line to the Benguela railway located on the Zambian-Angola border opening directly to Lobito. Zambia is currently using road trucks to transport its minerals to South Africa and Tanzania, something which is expensive. The new lines will make transportations economical.

[Construction Review 15/01/15]
Angola/Zambia

Angola And Zambia Sign Bilateral Agreements On Water And Railway

Angola and Zambia have signed 2-bilateral agreements on water and railway transport which will facilitate the movement of people and goods and boost trade between the 2-countries.

The rail line will further facilitate connectivity between Benguela railway line and the 600 km North-Western Railways of Zambia to be built from Chingola, Solwezi, Lumwana up to Mwinilunga-Jimbe. The construction of the railway line to start before June, will be launched by Zambian President Lungu. The railway line will connect Zambia to the port of Lobito in Angola. This connectivity is important because it will ease importation and exportation of goods to and from Europe as well as importation of oil from Angola, which is constructing an oil refinery in Zambia to be completed over the next year.

The setting up of a refinery company by Angola will benefit Zambia, especially North-Western and Copperbelt provinces. The railway construction project is estimated to cost about US$1 billion between Jimbe and Chingola. About 45% of the resources have already been mobilised by the private sector.

The agreement on water transport hopes to operationalise the development of the Shangombo-Rivungu canal, a 10 km waterway which links western Zambia to the south-eastern part of Angola. Construction on the canal have reached an advanced stage as facilities such as landing bays are almost complete.

Ghana

Advance Shipment Information System [ASHI]

As part of measures to reduce the high cost of doing business at the country’s ports, the Ghana Shippers Authority [GSA] is set to implement the Advance Shipment Information System [ASHI]. The new system when operational on the 1st of March. It will enable importers to fill out documentation online to expedite the cargo clearance process. The move is in conformity with the Ghana Shippers Authority Regulations, LI 2190 of 2012.

The GSA has assigned Antaser Afrique and its international agency network as sole representative, who will be in charge of the issuance and validation of the ASHI, through the dedicated website www.antaser.com.

Full details are available within comprehensive country datasheets available on the DELMAS website at https://www.delmas.com/products-services/shipping-guide. This areas offers advice on Ghana and 36 other countries across the sub-region.

Ghana-Togo

GRA To Facilitate Trade Activities At Border

The Ghana Revenue Authority [GRA] is stepping up efforts to halt duplication of activities in the clearance process at the Ghana-Togo Border. The authority is creating a one-stop checkpoint [OSBP] at Nuepe to address the current situation where traders undergo the same checks at both the Ghana and Togo posts. The initiative dubbed “the Integrated Border Management System” seeks to simplify the customs procedures and aid trade activities along the border.

[Joy 28/01/15]
Cote d’Ivoire

Yamoussoukro-Tiebissou Road Funding Approved

The Islamic Development Bank [IDB] has approved, on the occasion of the 302nd meeting of its Board of Directors held on January 18th, funding of US$136 million for Cote d’Ivoire to finance the construction of a road connecting Yamoussoukro to Tiebissou. The road is part of the highway linking Abidjan port to Burkina Faso, Mali and Niger. The highway is part of a regional network promoted by the Economic Community of West African States [ECOWAS].

Cote d’Ivoire/Guinea/Liberia

US$50 Million ADB Loan To Develop Roads

The African Development Bank [AFDB] and Guinea signed on February 12 loan agreements for US$50m to finance a highway development and trade facilitation program within the Mano River Union. The program will see 276.35km of roads in Guinea, Ivory Coast and Liberia rehabilitated to promote trade. Also planned is the construction of 2- borders check points aiming to reduce the time to cross from 24 hours today to 12 hours. The total cost of the project is US$333m.
West Africa - Rail Network:
A Boost To Inter-Regional Trade

Building a railroad network along the West African coast from Abidjan in Côte d’Ivoire to Lomé in Togo has been talked about for years. The network is expected to boost trade among Benin, Burkina Faso, Côte d’Ivoire, Niger and Togo. After several delays, the project is now firmly back on track following the decision by the exclusively francophone Conseil de l’Entente [Council of Accord], the oldest West African sub regional cooperation forum, to start construction. Niger and Benin started working on their stretch of the project in April, to be followed by Burkina Faso and Togo shortly thereafter.

Landlocked Niger depends on its neighbours’ seaports and road infrastructure to move its exports and imports. Much of its international trade is conducted through Cotonou and Lomé seaports. Until recently, road transit across the region has been unreliable. The situation, however, is improving gradually as international trade corridors are being rehabilitated and many police checkpoints that were slowing down traffic and being used to solicit bribes have been removed. Yet even in those improved conditions, a private car could take up to 18 hours to travel the 1,050-km trip from Niamey to Cotonou. For freight transport, travel times are even longer; drivers could spend up to 3/4-days on the road.

A 2011 study of infrastructure within the Economic Community of West African States [ECOWAS] region found that road freight across the West African region moves at an average of 1.6 km/hr, almost double the average velocity in southern Africa. The study, which was done by the World Bank’s Africa Infrastructure Country Diagnostic [AICD], a project that examines physical infrastructure in Africa, also found surface transport to be more expensive than in the rest of Africa and other developing countries. It costs US$0.08/km to move one tonne of freight, twice the average cost in the rest of the developing world.
The projected regional railroad network is expected to speed up transit times for freight and reduce the prices of consumer goods for landlocked Sahelian countries such as Burkina Faso and Niger because most imported goods will be shipped by train. Those countries are also expecting the regional railroad network to boost their exports of natural resources.

Niger’s government hopes to quadruple the revenue from uranium. Authorities recognize that reducing production costs is key to maximising profits and tax advantages. This will entail shifting to moving uranium ore to the Cotonou seaport by rail wagons, rather than trucking it over the 2,000 km from the Northern Agadez region. A 2013 study by Conseil de l’Entente projects mineral exports for the entire region will rise from 109,200 tonnes per year over the 2012-2020 period to 3.4 million tonnes per year over the 2020-2030 period. Since shipping goods to and receiving them from Niger and Nigeria accounts for 90% of the Cotonou seaport’s activities, Benin stands to gain from improved transportation infrastructure.

The new tracks being laid from Niamey will connect to an existing sub-network in neighbouring Benin. That segment is part of a bigger West African rail track project that will loop back to Abidjan with the addition of a coastal rail line running through Cotonou [Benin], Badagry [Nigeria], Lomé [Togo] and Accra [Ghana]. Experts estimate that the Niger-Benin section will cost US$1.6 billion, a sum that has long deterred investors. Governments have now started exploring innovative financing alternatives. Because of the economic potential of these projects and Africa’s expected growth over the coming years, regional authorities are eager to let private investors take control of the “strategic infrastructure” for as long as necessary to recoup their initial investments and make profits. They are inviting the private sector to invest under build, operate and transfer [BOT] arrangements.

Bolloré Africa Logistics [BAL], the French company that has been awarded the Niger-Benin contract, currently operates public service concessions in Côte d’Ivoire and Burkina Faso through a subsidiary, the Société Internationale de Transport Africain par Rail. Once the coastal rail line is completed, the whole network will be 3,000km with 1,200km of new track, in addition to the existing 1,800km, which are to be rehabilitated. Other countries in the region are looking at similar BOT arrangements. Leaders from Benin, Côte d’Ivoire, Ghana, Nigeria, and Togo recently called on both BAL and Pan-African Minerals, a UK-based mining company, to finance the coastal rail line linking Côte d’Ivoire to Nigeria. The projected cost for this rail project is about US$58.9 billion.

Since 2009, ECOWAS has been pushing for interconnection of the rail networks that exist in 11 of its 15 member states. But unlike in Southern Africa, where intra-regional rail networks are well developed and integrated, in West Africa the rail systems are mostly fragmented and operate on 3-different rail gauges [widths]. Most francophone countries’ rails are 1,000 mm wide, but Ghanaian and Nigerian rails are 1,067 mm wide, while Guinea and Liberia use the standard 1,435 mm width. The coastal rail line project carries hope for the entire region, in part because its completion would demonstrate that once-insurmountable technical challenges can be overcome.

[Guardian 28/01/15]
Angola

Chinese Benguela Railway Launched - Reconnects Coast And Interior

A 1,344km railway that traverses Angola built by the China Railway Construction Corp started operating on 14 February. The Benguela Railway links the Atlantic port of Lobito on the west to the eastern border town of Luau, as well as to rail networks in the Democratic Republic of the Congo (DRC), of Zambia and beyond. The build is part of a public works project of Chinese design costing an estimated US$1.83 billion. It is the second-longest railway to be built by a Chinese company for Africa, after the Tanzania-Zambia line, which was built in the 1970s.

The new line, under construction since 2004, will be linked with the Angola-Zambia railway and the Tanzania-Zambia railway in the future, part of a grand international rail passage connecting the Atlantic and Indian oceans. There are 67 stops and 42 bridges with trains running at speeds of up to 90 km/h. The inaugural train departed Lobito, and took about 30 hours to travel the 1,344km to get to Luau, on the border with DRC. The line is expected to transport 20 million tons of cargo and 4-million passengers per year.

The Benguela Railway was first completed by Portuguese colonists in 1912 to link the Lobito and Benguela with Huambo, Angola’s second-largest city. The line was deserted in 1975, a year that saw both the independence of Angola and the beginning of a 27-year civil war.

The reopened railway could mean huge business for Angola because the railway will open a direct, shorter line for the export of copper and other minerals from the virtually land-locked DRC. Last year, the DRC mined the most cobalt in the world and was the world’s 8th largest producer of copper. The majority of this mined copper is currently transported about 3,500km by road from Katanga to South Africa’s port city of Durban or east to Dar es Salaam, Tanzania, on the Indian Ocean coast. Using the railway to transport these and other mined materials will significantly reduce the cost of this export, a likely immediate use and benefit of the railway. One long-term hope is that reopening the railway will encourage investment in the agricultural areas of eastern Angola.

The revamping of the Benguela Railway has also led to upgrades and improvements to the Port of Lobito. With the help of the China Harbour Engineering Company, the Port of Lobito now has new terminals for containers, ore, and fuel. Once the railway is brought to full capacity, the Port of Lobito’s capacity is expected to grow from 3.7 million tons of cargo to 4.1 million tons.

[China Daily/Macauhub/Mail 16/02/15]
Benin

Inaugurates Station Of Sub-Region Railway

Benin’s President Boni Yayi and Nigerien Prime Minister Brigi Rafini inaugurated the Cotonou Railway Station part of a sub-regional railway line project that will link 5 West African countries’ capitals: Lome, Cotonou, Niamey, Ouagadougou and Abidjan. The Cotonou Railway Station will in future become an economic hub in Benin, creating a third growth center around transport infrastructures after the port and the airport.

[Xinhua 15/01/15]

Ghana

Ghana To Launch Eastern Rail Project This Year

A contract to rebuild the 330km eastern railway corridor in Ghana will be awarded by the end of the year. The project involves reconstruction of the 1067mm-gauge railway, converting it to standard gauge, strengthening and widening bridges and culverts, and rehabilitation of signalling and telecommunication systems. PWC was appointed by the Ministry of Transport in July 2014 as transaction advisors for a joint project to rehabilitate the railway connecting the port of Tema, east of Accra, with Nsawam and Kumasi and develop an inland port at Boankra. The project will be developed as a public-private partnership [PPP] scheme. PWC is working on the financial and economic models with World Bank funding, and will prepare bidding documents by Q4 2015. The project is part of Ghana’s Railway Master Plan which envisages expanding the existing 953km network, which is only partially operational, to around 4000km.

[IRJ 30/01/15]

Nigeria

Rail Contractor Excited Over Project Delivery

The contractor that executed the Port Harcourt-Enugu railway lines, Eser West Africa Limited has completed and formally hand-over the project to the Nigerian Railways Corporation [NRC]. Turkish company, Eser is also rehabilitating the Enugu-Makurdi section of the railway line, which will be ready for handing over by early 2015.

[Tide 11/02/15]