



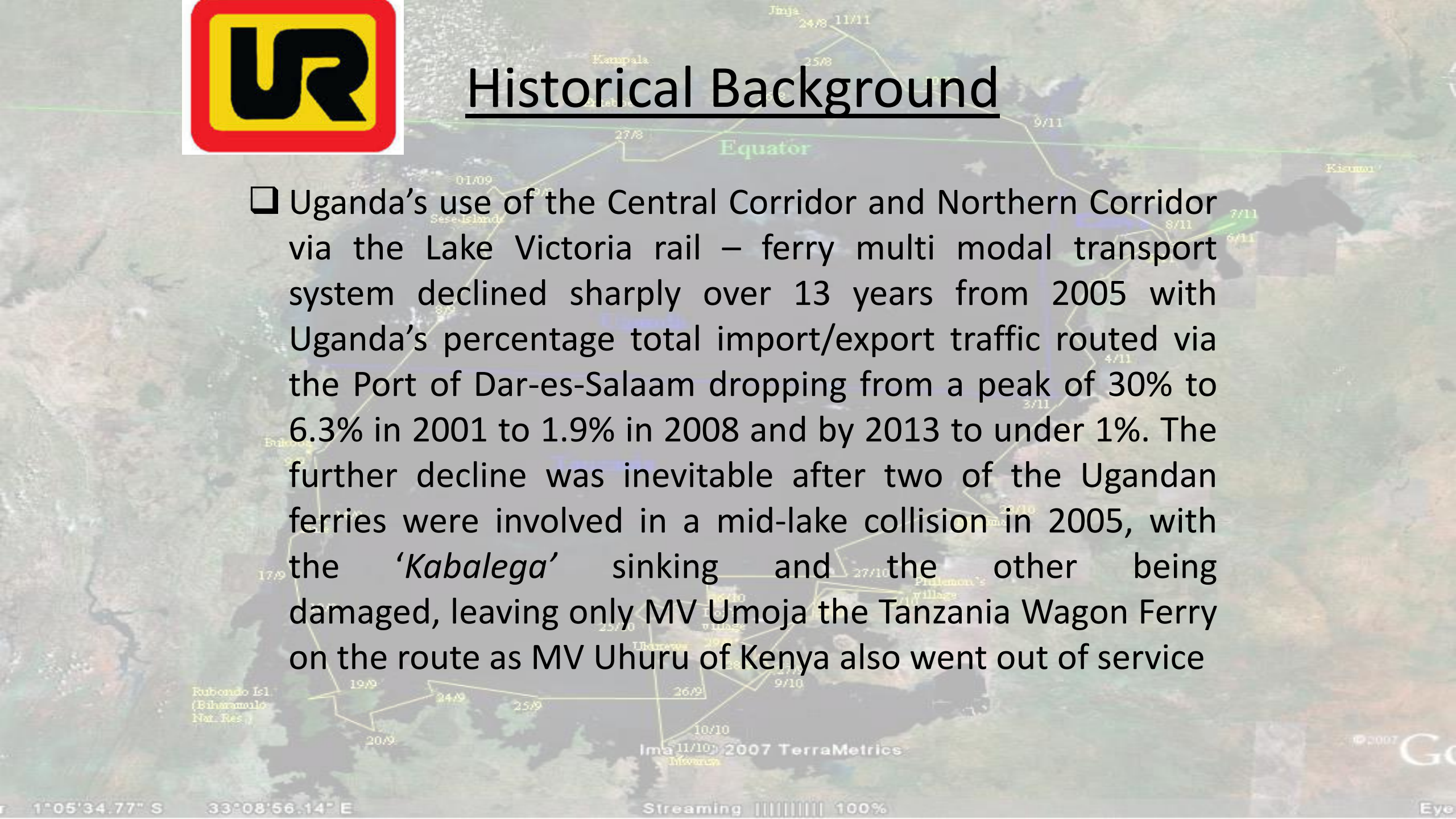
OPTIMIZATION OF ALTERNATIVE ROUTES IN THE REGION AND EXPLORING THE CONCEPT OF MULTIMODAL TRANSPORT

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(National Transport Master Plan 2021–2040)



Historical Background

- ❑ Uganda's use of the Central Corridor and Northern Corridor via the Lake Victoria rail – ferry multi modal transport system declined sharply over 13 years from 2005 with Uganda's percentage total import/export traffic routed via the Port of Dar-es-Salaam dropping from a peak of 30% to 6.3% in 2001 to 1.9% in 2008 and by 2013 to under 1%. The further decline was inevitable after two of the Ugandan ferries were involved in a mid-lake collision in 2005, with the 'Kabalega' sinking and the other being damaged, leaving only MV Umoja the Tanzania Wagon Ferry on the route as MV Uhuru of Kenya also went out of service

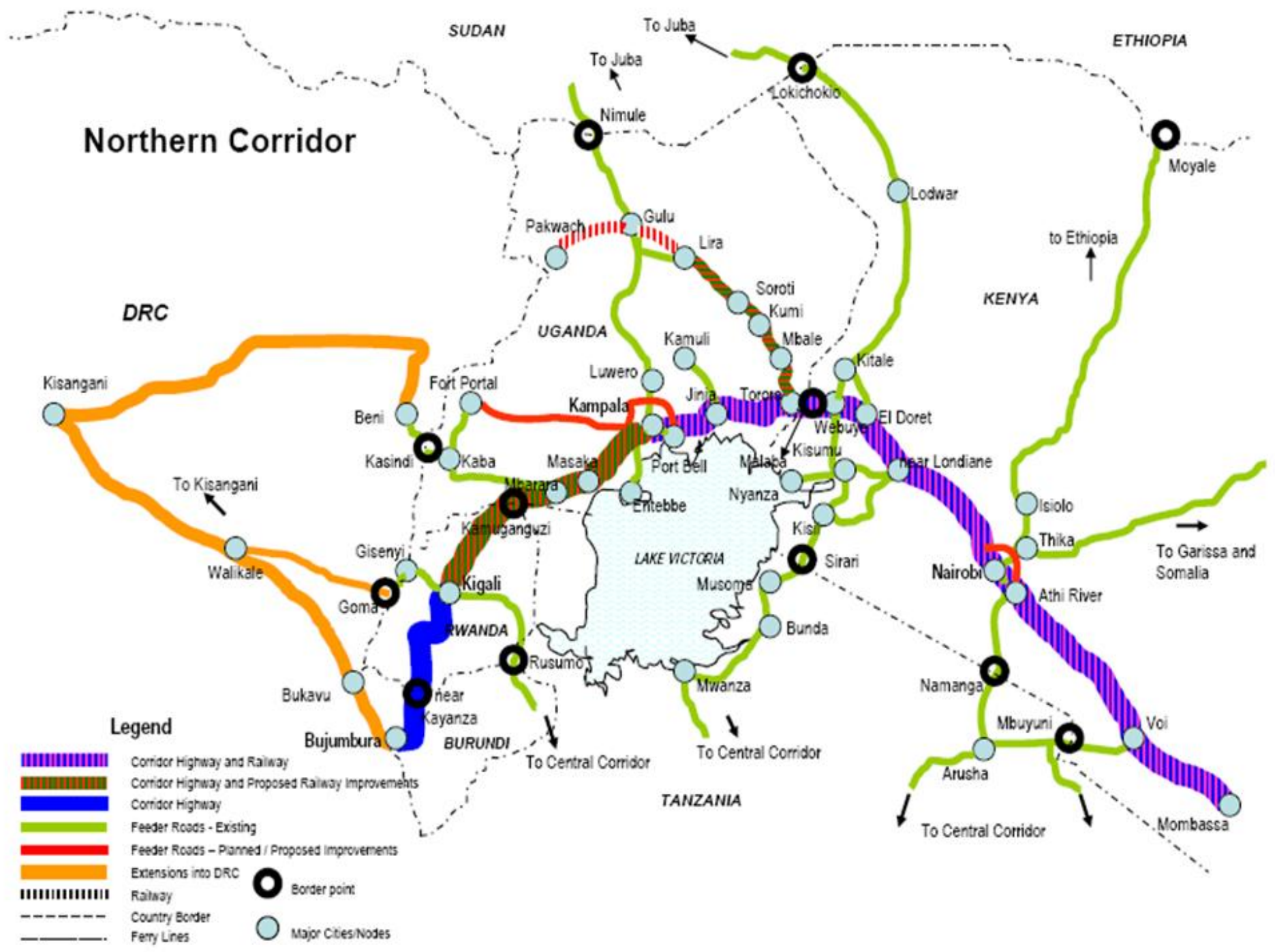




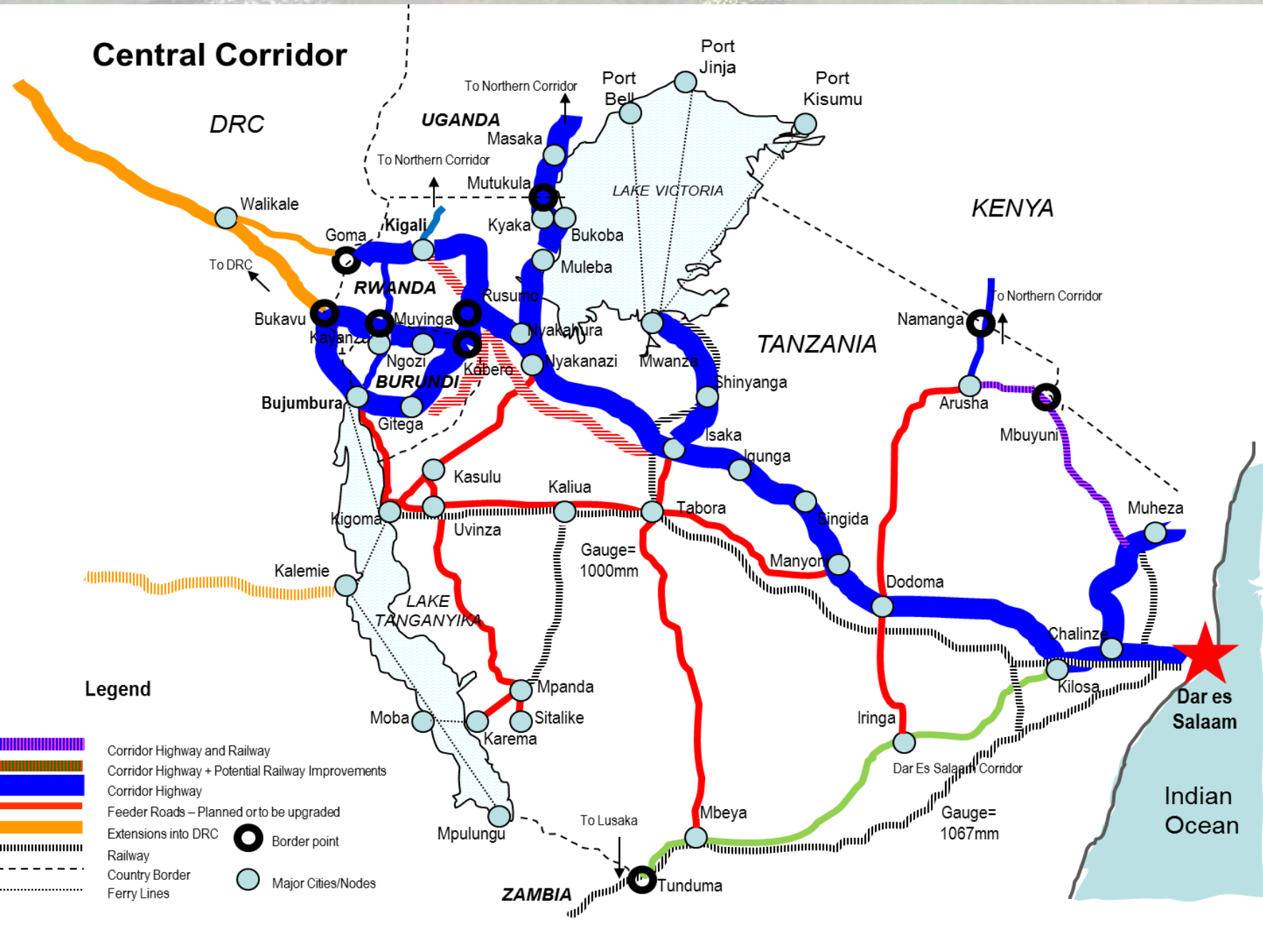
Revival of Marine Services



□ In 2012 one of the Ugandan vessels, the MV Kaawa was rehabilitated by MOWT Uganda Government and put back into service presently in operation with 1248 ton capacity with Roll on/Roll off Rail wagon transport capability, which has been rehabilitated in 2012 but underutilised until July 2018 when Container wagon traffic has restarted between Tanzania and Uganda after 13 years



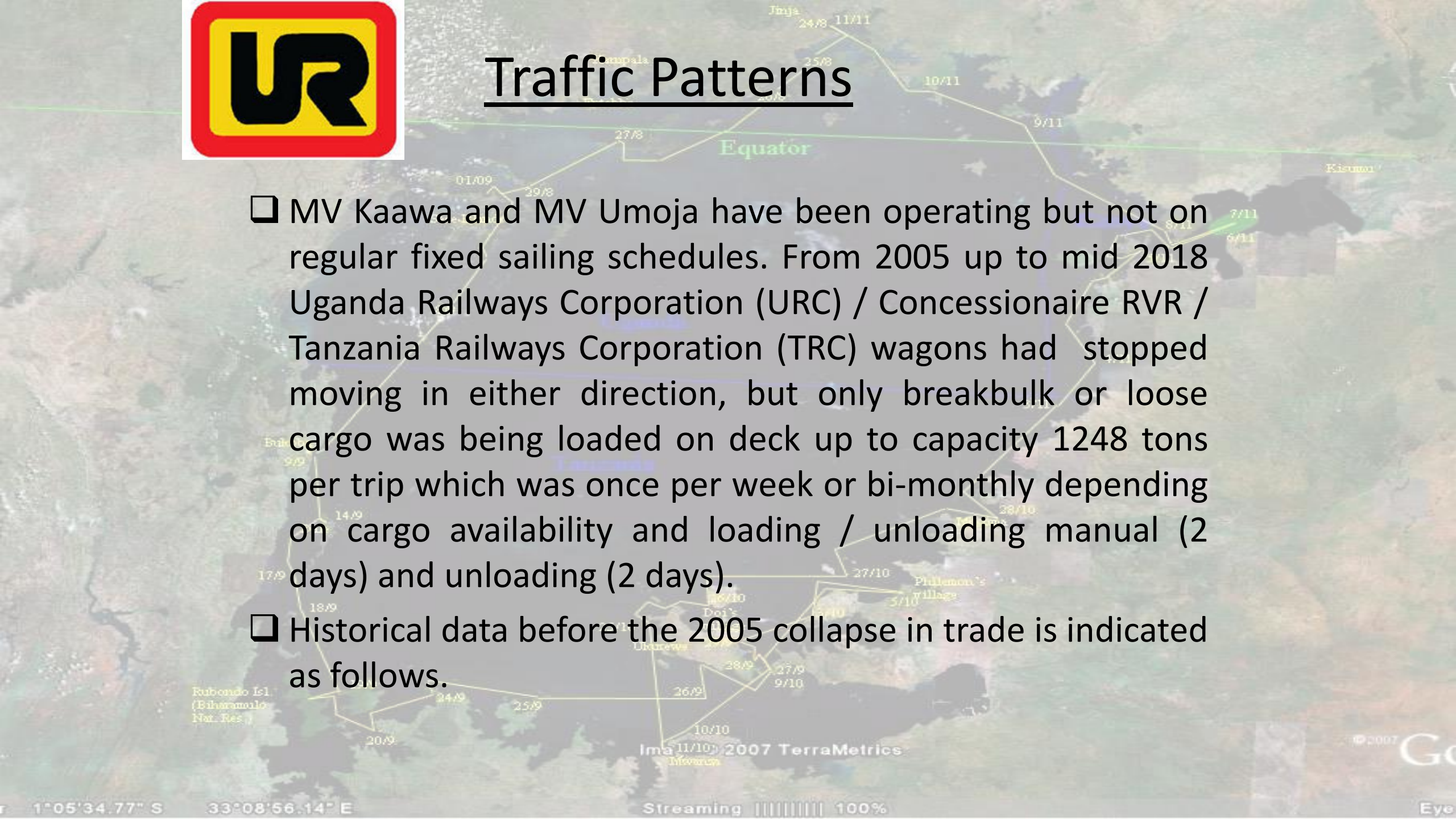
Central Corridor



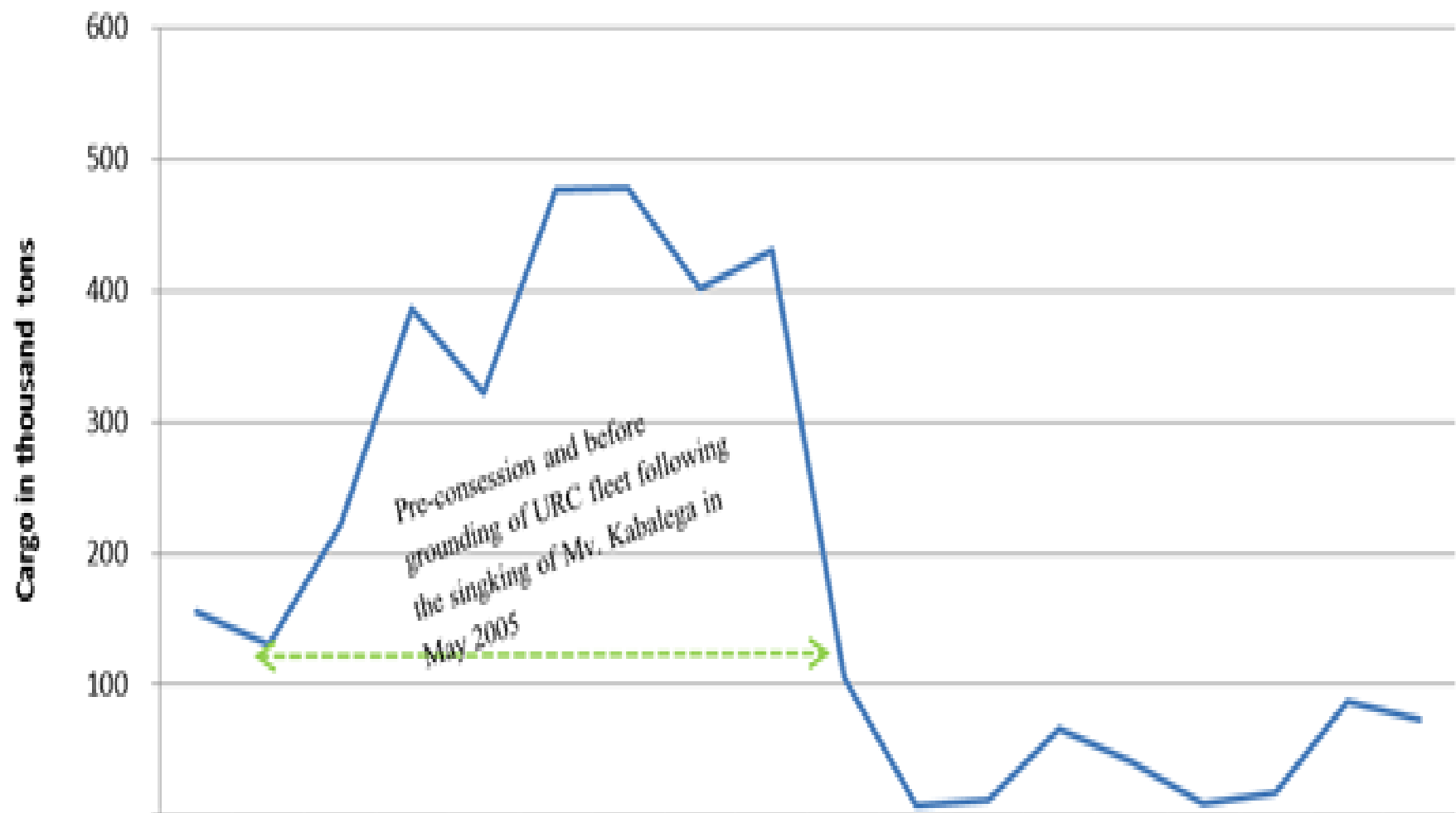


Traffic Patterns

- ❑ MV Kaawa and MV Umoja have been operating but not on regular fixed sailing schedules. From 2005 up to mid 2018 Uganda Railways Corporation (URC) / Concessionaire RVR / Tanzania Railways Corporation (TRC) wagons had stopped moving in either direction, but only breakbulk or loose cargo was being loaded on deck up to capacity 1248 tons per trip which was once per week or bi-monthly depending on cargo availability and loading / unloading manual (2 days) and unloading (2 days).
- ❑ Historical data before the 2005 collapse in trade is indicated as follows.



Cargo throughput at Portbell



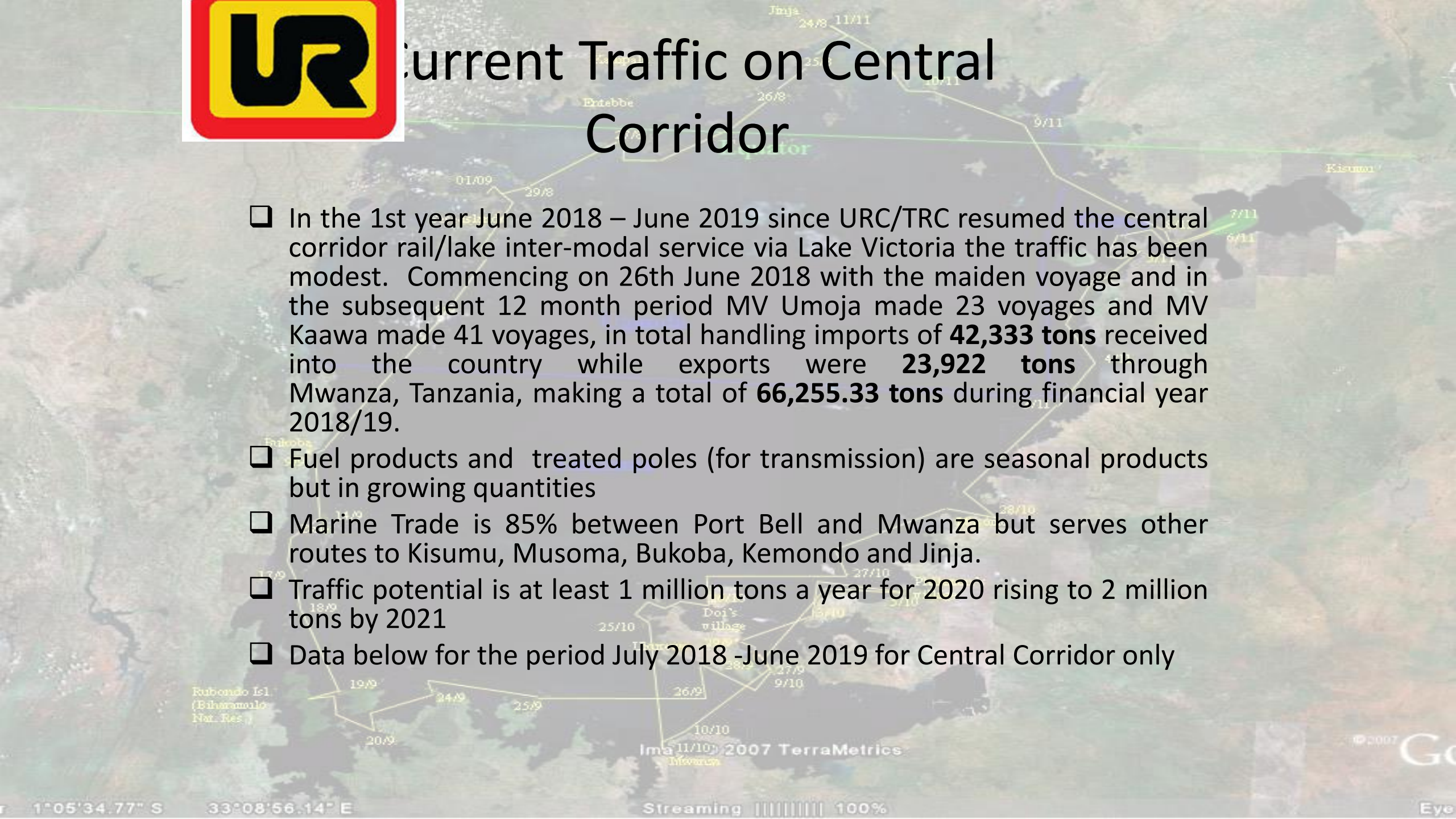
	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
— Cargo	155	131	222	387	323	477	478	402	431	105	8	12	66	41	9	18	88	74

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Current Traffic on Central Corridor

- ❑ In the 1st year June 2018 – June 2019 since URC/TRC resumed the central corridor rail/lake inter-modal service via Lake Victoria the traffic has been modest. Commencing on 26th June 2018 with the maiden voyage and in the subsequent 12 month period MV Umoja made 23 voyages and MV Kaawa made 41 voyages, in total handling imports of **42,333 tons** received into the country while exports were **23,922 tons** through Mwanza, Tanzania, making a total of **66,255.33 tons** during financial year 2018/19.
- ❑ Fuel products and treated poles (for transmission) are seasonal products but in growing quantities
- ❑ Marine Trade is 85% between Port Bell and Mwanza but serves other routes to Kisumu, Musoma, Bukoba, Kemonondo and Jinja.
- ❑ Traffic potential is at least 1 million tons a year for 2020 rising to 2 million tons by 2021
- ❑ Data below for the period July 2018 -June 2019 for Central Corridor only



Current Trade Mwanza – Port Bell

Month	Imports (Ton)	Exports (Ton)	Grand Total (Ton)
18-Jul	4,858.00	1,345.80	6,203.55
18-Aug	3,996.00	2,131.00	6,127.00
18-Sep	3,000.00	3,238.00	6,238.00
18-Oct	4,833.96	1,771.00	6,605.02
18-Nov	2,355.26	2,419.20	4,774.46
18-Dec	4,908.62	1,712.50	6,621.12
19-Jan	5,110.52	2,438.00	7,548.52
19-Feb	2,885.00	710.68	3,595.68
19-Mar	1,614.00	1,765.80	3,379.94
19-Apr	4,686.60	2,420.00	7,106.60
19-May	1,693.32	1,754.00	3,447.32
19-Jun	2,392.00	2,216.00	4,608.12
Total	42,333.28	23,921.98	66,255.33

Lake Port Infrastructure Development

- ❑ Ministry of Works and Transport with World bank support developed a master plan based on Public Private Partnership model for the rehabilitation and expansion of Port bell and Jinja.
- ❑ Rehabilitation of the rail ferry facilities involves rehabilitating the existing facilities to load rail wagons onto ferries. It does not involve significant new infrastructure projects. Alternatively, the wagon ferries can be used as RoRo vessels. • Lift on – Lift off (LoLo) barges: This will necessitate the construction of an appropriately-sized quay with adequate draft to allow vessels to berth alongside while being loaded by means of a crane. The cargo is usually not loaded directly from the truck or rail wagon, but is first stored in a storage area until the arrival of the vessel. There are thus at least 4 movements by crane/reach stacker needed: 2 at the port of departure, 2 at the port of arrival.
- ❑ Port Bell rehabilitation and expansion cost estimate is USD 30 million, status: master plan completed. Port area to be expanded to cover an area of 4.67 ha • 1 RoRo berth for multi-purpose vessels • 2 new berths (a total of 240m of berthing space) • Storage area for 290 TEU • Parking space for 135 trucks/trailers • New bridge for catamaran ferries • New cargo handling equipment • A port laborer's house (10m x 15m) • A warehouse and customs offices (97m x 30m) • Rehabilitation of the workshop (30m x 10m)



Rail Infrastructure Development



REHABILITATION OF TORORO-GULU RAILWAY LINE

- ❑ Funded through European Union (EU) grant and counterpart funding from GOU, 35Mn Euros
- ❑ 375 Km on MGR Feasibility Study Completed, RAP Ongoing
- ❑ Strengthening track formation, Drainage improvement, Track renewal, Ballasting, Overhaul of level crossings
- ❑ Linked with Gulu ICD construction as part of rail freight logistics chain

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Rail Infrastructure Development



GULU ICD/Logistics hub

- Funding from Trademark East Africa, 8.8 Mn USD
- Under enhanced Trade Environment strategic objective to add value to trade at the end of the Gulu – Juba corridor.

Potential Scope;

- Container Yard, Container Freight Station, Vehicle-holding area and traffic flows, Administration building , Perimeter wall, Upgrade of Access Roads, Upgrade of utilities i.e. electricity, drainage, water treatment and sewerage



Rail Infrastructure Investment



Uganda Government should allocate more resources to Railways.

Opportunities include:

- Purchase (300 No.) Leasing (200 No.) and rehabilitation (450 No.) of wagons
- Leasing (6 No.) and rehabilitation (10 No.) of Locomotives
- Rehabilitation (MV Pamba) and acquisition of 1 Marine vessel
- Acquisition of track materials, tools and equipment
- Acquisition of workshop plant, machinery and equipment
- Intelligent Transport Systems
- Cargo Handling equipment at Port Bell and Mwanza to enable Containerization

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Rail Infrastructure and Rolling Stock in Tanzania 2015 to date



- ❑ The Dar es Salaam to Mwanza line was partly rehabilitated by RAHACO, up to 600km was upgraded to 80 pound per yard and so the whole line is fully serviceable. TRC refurbished 22 locomotives fully re-engineered by a Malaysian company, and operational, each of which can efficiently haul up to 20 wagons
- ❑ TRC further procured 13 new locomotives from GE South Africa. 274 passenger wagons and 50 tankers were purchased
- ❑ TRC has the capacity to operate block trains to Mwanza dedicated to Ugandan shippers. The TRL wagon fleet includes 150 new wagons & 600 old ones. TRL's commitment to reviving Dar es Salaam – Mwanza route for Uganda cargo has been clearly demonstrated.

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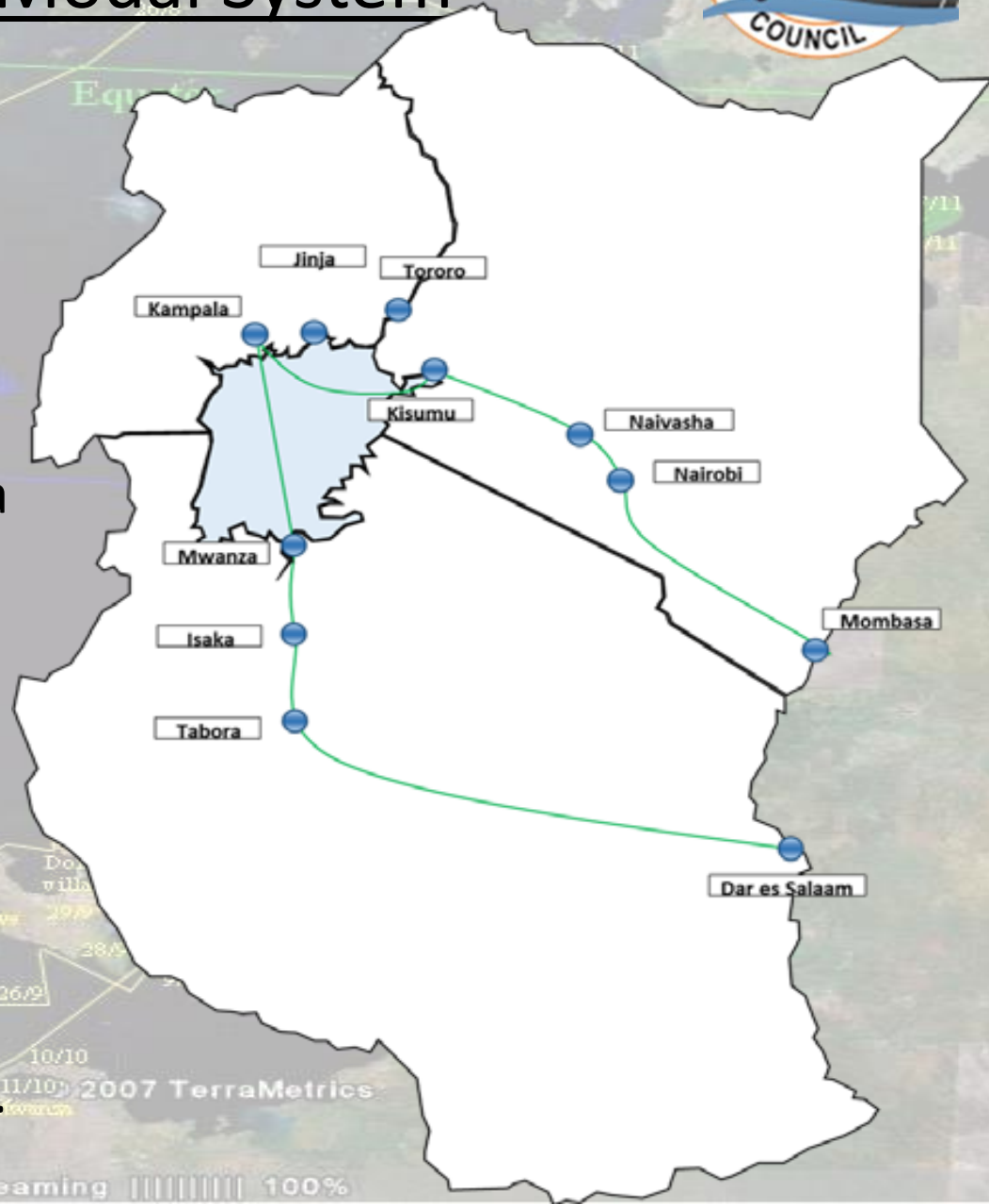
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E.Africa Rail – Lake Victoria Multi-Modal System



- ❑ The short to medium term to long term view are visualized in adjacent map with current Metre Gauge (MGR) / Ongoing Standard Gauge Rail (SGR) project construction from Mombasa port to Kisumu and Dar es Salaam to Mwanza.
- ❑ If Ugandan section of the SGR project may be completed at a much later stage, the multimodal (SGR and lake trade) routes will be the most competitive transport option via Kisumu.





Private Investment in Marine Transport

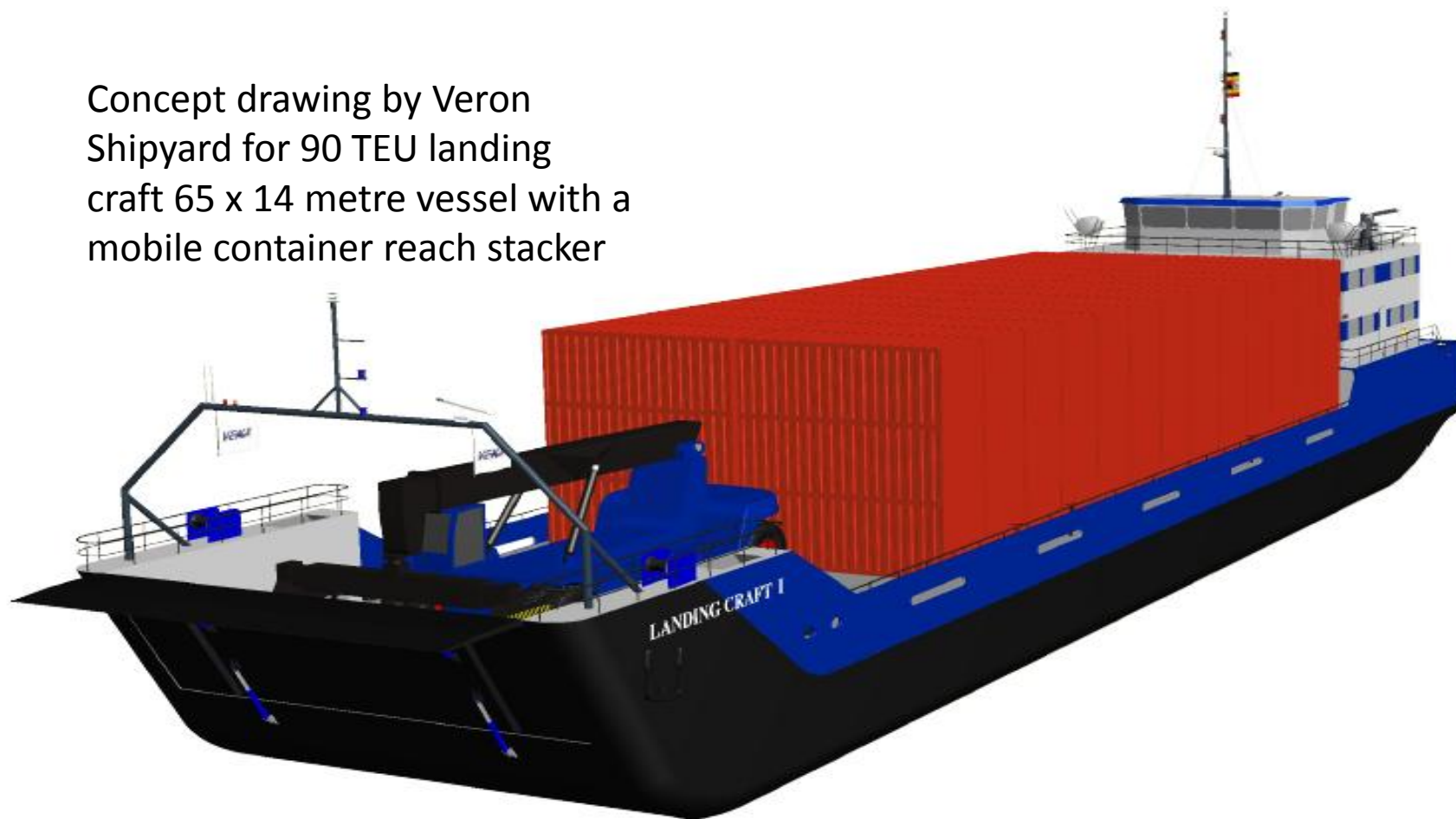


- ❑ Joint efforts of Governments of Tanzania and Uganda, Tanzania Ports Authority, Tanzania Railways Corp and Uganda Railways Corporation are commendable so far which have resulted in the MOU signed in July 2017 and resumption of container traffic from Dar es Salaam via Mwanza and across Lake Victoria in July 2018 after 13 years
- ❑ Private sector investors in Uganda Lake Victoria Marine Transport include:
 - Infraco / Eleqtra (Has planned construction of 2 x 1000 ton Roll On /Roll Off cargo vessels from 2019 -2024) The 1st Vessel construction will commence in November 2019. It will have capacity to carry 25 trucks / trailers
 - Mahathi Infra Services India (4 Fuel tanker barges starting with 1 under assembly from 2019)
 - Veron Shipyard Jinja has broken ground Q2 2018 and will be completed by end of 2020 with a Slipway in place.
- ❑ The potential market of 1,000,000 tons ++ intermodal cargo per year on Lake Victoria provides a huge investment opportunity for investors



Concept Landing Craft Vessel for Lake Victoria Transport

Concept drawing by Veron Shipyard for 90 TEU landing craft 65 x 14 metre vessel with a mobile container reach stacker





Impact of Lake Victoria Transport



- ❑ East Africa has amongst the highest freight and transport costs in the World. Apparently, freight logistics costs in East Africa per kilometer are more than 50% higher than the USA and Europe. These costs erode the competitiveness of imports/exports and costs of imported raw materials for industrialization therefore urgent action is required. It is projected that the revival of Lake Victoria maritime transport will reduce costs in Uganda and Great Lakes states by at least 15%
- ❑ Fully developed Lake Ports will ensure the efficient functioning of Central and Northern Corridors will inevitably spur regional & international trade logistics and economic development. Lake Victoria will be the “turn table” for the 2 corridors of East African trade logistics .



Conclusion

- ❑ Uganda Cargo traffic is over 8 million tons annually. It is anticipated that at the peak of Uganda's Oilfield development in the period 2019/2022 when an extra 1.5 million tons of Oil project cargo will be added to the general cargo traffic and this inevitably will put some strain on both Mombasa and Dar es Salaam hence the need to increase logistics capacity with both transport corridors fully available to our shippers.
- ❑ The Northern and Central Corridors are complementary for Uganda regardless of the imbalance in the traffic, therefore the Bukasa Trimodal Port development and Kisumu port rehabilitation is a very welcome development to and will boost regional trade facilitation and logistics

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Regional Stakeholders / Agencies

