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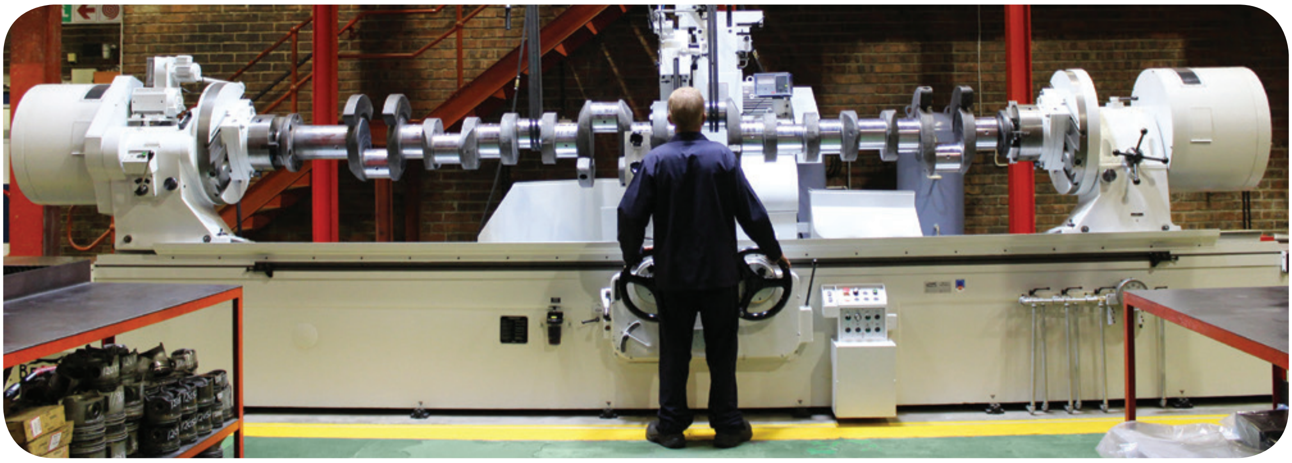
ISSUE 2:2019

TMH AFRICA Unveils Its Rolling Stock Manufacturing Facility

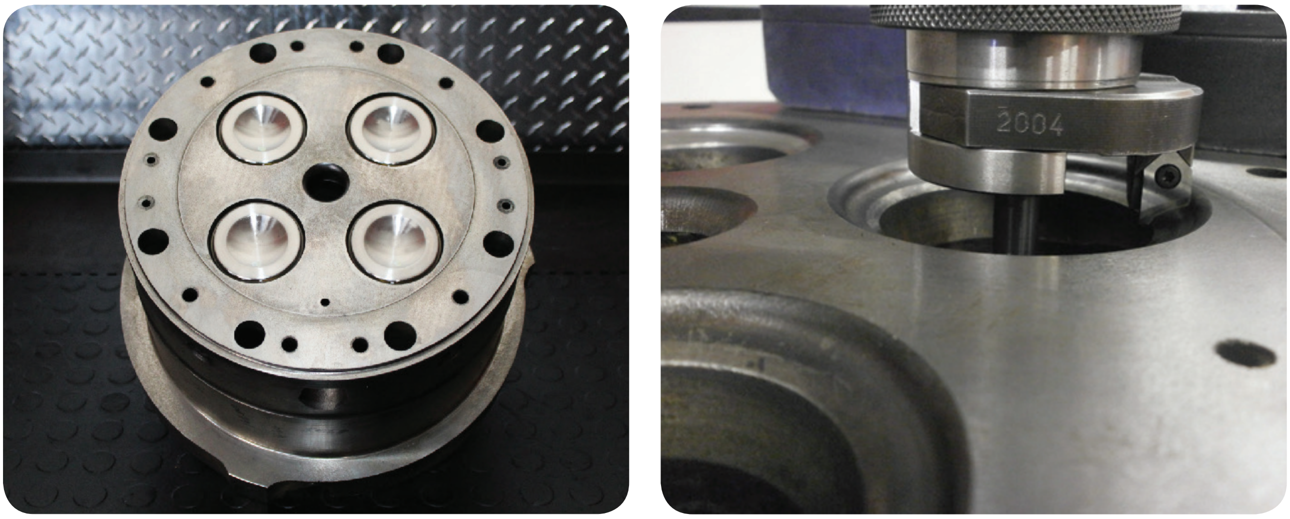
THE AUTHORITATIVE AFRICAN RAILWAY PUBLICATION



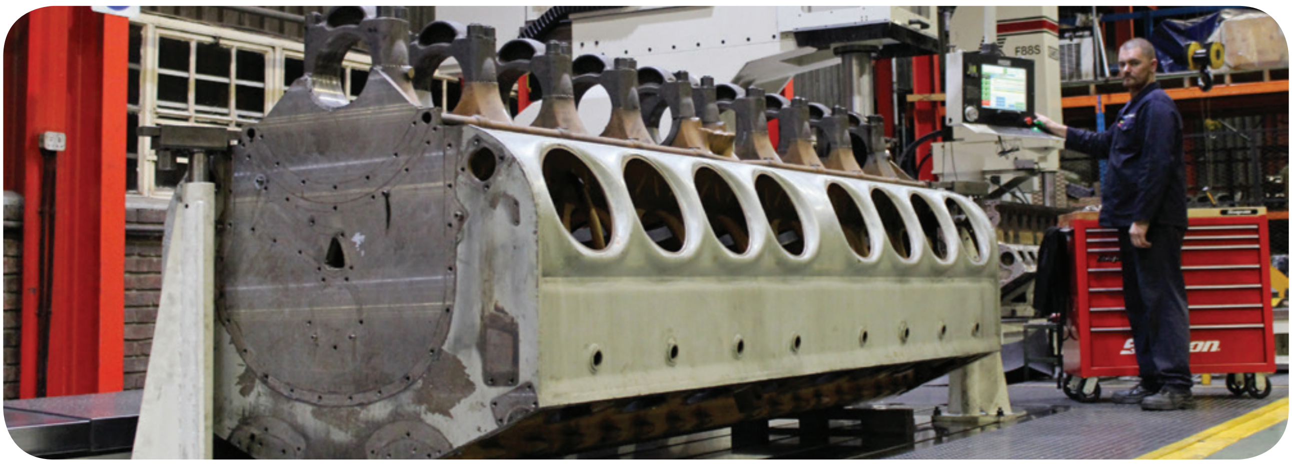
Grinding of crankshafts with lengths of up to 4.7 metres and weights of up to 5 ton

METRIC

AUTOMOTIVE ENGINEERING



Zero hour cylinder head remanufacturing



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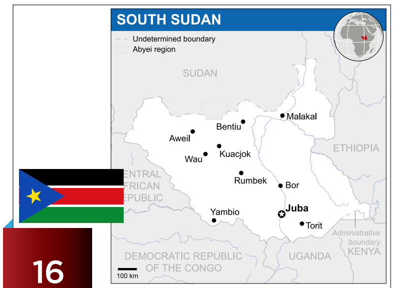
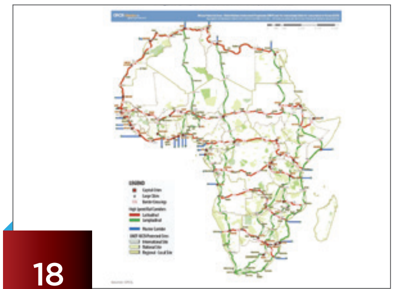
Issue 2: Highlights





Welcome to this issue of Railways Africa.

I am really pleased to let you know that the Android app for Railways Africa has been developed and is officially available for download. We will let you know when the IOS version is available.

http://bit.ly/2MtT6Vd
Search "Railways Africa Magazine" in the GooglePlay Store

We recently attended the Southern African Railway Association's annual conference and exhibition, always good to connect with industry.

The more we have the discussion around road versus rail, the more it becomes clear that road will win. Sounds defeatist I know! But, I am not looking at this from the aspect of moving commodities from one transport mode to the other, I am looking at it from the perspective of feasibility, funding and development. Without a doubt, compared to rail, more road related infrastructure is currently being funded and developed in Africa.

This has more to do with how banks view bankability.

In my recent Coffee with the Editor, interview with Benji Coetzee, founder of multi award-winning technology platform, EmptyTrips. I asked her opinion on the topic, coming from a financier's perspective having previously been an investment banker.

Bankability is all about the ability to pay back the loan, so risk plays an important role. Payback is linked to the potential revenue that a project is going to generate. The cost of putting down a railway verse road, it is a given that road is more expensive. One would therefore

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think that rail would get preference - however, data for the perceived demand / use for a road project, can be collected, there is historical data. It is easier to see what the growth forecast would be and because of that, it is easier to prove bankability. Whereas in rail, there is a lack of historical data and proving trends and bankability is almost impossible.

Could technology play a more significant role in improving the bankability of rail projects in Africa? Absolutely, and there are three things that operators / governments could do to get that right, find out more http://bit.ly/2MvGvB1.

EmptyTrips - Benji and her team launched in April 2017. The technology uses directional capacity matching algorithms to better match freight to vehicles on routes; aggregating thousands of users inputs, better connecting counterparts and thereby reducing wasted space, costs and facilitate better sharing.

After successfully launching RoadFOX (Road Freight Open eXchange), the team looked at Rail and the opportunities to bring efficiency to both the customer and the operators in Africa.

Railfox™, was launched at Africa Rail 2018, and has been marked as the most innovative enabler to regional integration, trade facilitation and corridor development acceleration. The platform allows access to view trains running, generate quotes and even book wagons instantly (ideally at discounted rates) with reliable operators.

The power of the platform is its' network effects of aggregating both cargo and capacity. By enabling round trips and freight volumes to be consolidated, the average cost per tonne is reduced, utilisation and yields are improved for carriers, an all-round winning solution.

And ultimately this technology generates much needed data for better decision making!

So whilst there might be a stalemate in seeing this technology work in South Africa – there are some fantastic advantage for private concession operators and actually operators in Africa who are looking to give themselves the edge!

Go to Coffee with the Editor to find this interview and more.

Till the next issue.

Phillippa Dean

Benji Coetzee, Founder - EmptyTrips.

TMH Africa Unveils Its Rolling Stock Manufacturing Facility

In less than a year of announcing their entry into the South African market, Russian rolling stock manufacturer TMH has unveiled its rolling stock manufacturing facility.

Globally, TMH Group has an annual turnover of 4,5 billion Euros, over 100,000 employees, 13 industrial sites, 10 repair sites and 15,000 locomotives under maintenance.

In Africa, the company will trade as TMH Africa with 30% of its shareholding owned by MJISA, a South African investment partner.

The company enters the South African market at a time when the rail industry is experiencing immense opportunity, hindered by varied level of successful delivery on big orders of rolling stock. Past contracts have proven that delivery of quality products on time and within cost is key.

Martin Vaujour - CEO, TMH International; Hans Schabert - President, TMH International; Kirill Lipa - Global CEO, TMH; David Makhura - Gauteng Premier, Jerome Boyet – CEO, TMH Africa.

TMH AFRICA

So, What Exactly Is TMH Bringing to the Party?

"We are bringing a proven track record of delivering world class products as the largest railroad and urban transport manufacturer in Russia and amongst the largest rolling stock manufacturers in the world. We are bringing in our full product portfolio with our own Intellectual Property for local manufacturing to address our worldwide needs in narrow gauge products," says Jerome Boyet – CEO, TMH Africa.

He adds that their newly acquired facility has been around for 108 years and has produced in excess of 130,000 wagons, 1000 surface locomotives, 4,000 underground locomotives, and more than 278,000 bogies.

"We are combining our global expertise and the proven track record of the work done in this facility to create a strategic partner for South Africa and the continent. We firmly believe that this is a much-needed competence and capacity to be able to locally address manufacturing, maintenance and repairs of rolling stock," Boyet shares.

He expands that, the 45,000m^2 facility will be modernised over time and that, including small and medium enterprises into the value chain and upskilling the workforce are his immediate priorities.

The Future of TMH Africa

Jerome Boyet – CEO, TMH Africa – Discusses the official unveiling of TMH Africa's facility in South Africa, following the acquisition of DCD Rolling Stock last year. Jerome talks about the skills that they acquired as a result of their investment locally and the focus of the business going forward. Currently the company is bidding with an international OEM to support their local content requirements in the area of manufacturing for diesel locomotives, for export into the SADC region. TMH Africa will also focus on locomotive maintenance drawing on their expertise locally and internationally – globally, the company maintains 15,000 locomotives. Vision for 2020 – TMH Africa, will be looking to grow a bit further, incorporating their already established OEM capacity. They are working on an R&D program jointly from South Africa with their engineering teams in Moscow and Switzerland, to develop passenger coaches for service in Africa.

Watch Video
https://youtu.be/x2XIVWA2LCQ

His plans are aligned with the country's socio-economic priorities as shared by the Premier of Gauteng, Honourable David Makhura. At the official unveiling ceremony the Premier said, "the Gauteng Provincial Government remains committed to economic transformation. Our province is one of the largest economies on the African continent and we remain "Thee" manufacturing hub for Sub Saharan Africa. TMH Africa's investment is part of our strategy to revitalise the economy and create more jobs for our people."

TMH Africa positions itself as an implementation partner of choice to any OEM as a contract manufacturing partner. This will enhance the ability of OEMs' to deliver on their localisation targets whilst meeting international benchmarks on quality levels.

The TMH Group focuses on locomotives and coaches, both in new build and refurbishment. TMH Africa will replicate this model for narrow gauge customers around the world with a primary focus on the southern part of Africa.

In addition, TMH is an OEM for diesel locomotives and engines, passenger coaches and metro cars, digital solutions for production and operation, and traffic control systems.

Boyet says, "now that the facility is officially open, we are actively participating in various tenders, to add to our order book, beyond what was part of the books at the time of the acquisition. The key target for 2019 is really South Africa and specifically maintenance activities for the overhauling of trains, both passenger and freight."

"We see this investment as the beginning of our long journey into growing our footprint in South Africa and on the continent. We are convinced that our maintenance expertise will help step up trains availability and reliability and will eventually benefit the ordinary citizens whose lives we seek to improve," announced Kirill Lipa, Global group CEO, at the opening.

During the tour of the plant at the opening, guests witnessed the recently completed contract for Progress Rail, which included full overhaul of locomotives, gauge adaptation and compliance for homologation in the SADEC region. Also on display, diesel locomotives recently constructed for General Electric and the ongoing manufacturing of car bodies for Bombardier Transportation as part of the supply chain to Transnet.

TMH Africa has identified the need to partner with the local supply chain for various components, and key to their delivery is the development of skills. The development of skills will continue in partnership with central teams in Russia and Switzerland to ensure South Africa delivers the same quality and commitments TMH is known for.

TMH AFRICA

Dr Hans Schabert: Inauguration of the TMH Africa rolling stock facility

Inauguration of the TMH Africa rolling stock facility took place on the 2nd of April 2019. Dr Hans Schabert, President of TMH International - took a moment to discuss what it means for the organisation and the TMH Group. Hans, talks about the starting point of where they are at present and the work that needs to be done to meet the vision that they have set out. Whilst on a tour of the facility we noticed Bombardier locomotive bodies as well as locomotives that have been refurbished on behalf of Progress Rail, Hans elaborates further.

Watch Video
https://youtu.be/IKBLLkITmZw

"We are combining our global expertise and the proven track record of the work done in this facility to create a strategic partner for South Africa and the continent. We firmly believe that being able to locally address manufacturing, maintenance and repairs of rolling stock is a much-needed competence in the region"

~ Jerome Boyet – TMH Africa CEO

Project Updates in Brief

Projects in brief are highlights from selected projects, for more detail on these and other projects please consult our projects section on the Railways Africa website - content for premium subscribers only.

Ghana

May 2019 - Four firms have met the requirements for the Ghana-Burkina Railway Interconnectivity Project - China Railway Construction Consortium, African Global Development, Frontline Consortium and China Railway Number 10 Consortium. The final stages of the bidding process will continue in due course. The project is expected to begin early 2020.

April 2019 - China Turkmenistan and Ghana Railway Development Department successfully signed the first phase of the Ghana mid-line railway project in Ghana. The Ghana mid-line railway project starts from Kumasi, the second largest city in Ghana, and Tamali, the capital of the northern province, with a total length of 417km. It is an important link between ports and major mineral resources and North-East Burkina Faso. The route is an important part of the railway network in West Africa and has important strategic and socio-economic significance for Ghana. The contracted project is the first phase of the Ghanaian Middle Line Railway. The line is about 100km long and the construction period is 24 months. The contract amount is USD$500 million.

Eastern Line - The Ghanaian- European Railway Consortium (GERC), Investors who are to construct the $2.2 billion Eastern Railway line, have expressed their readiness to commence work as soon as possible. This came to light at the launch of the commencement of negotiations on the concession agreement for the new Eastern line (standard gauge) railway project. GERC is expected to operate 24 passenger trains and six freight trains after completion of the 340km railway project. The Eastern Railway line, which links Accra, Tema and Kumasi, is expected to boost economic activities along the corridor, especially at the Boankra Inland Port after completion. The construction is expected to last for three years.

There will be 6 main stations and 34 sub-stations along the double track corridor. The concession period is 27 years and the consortium hopes to recoup its investment within the period. The Minister for Railways Development, Hon. Joe Ghartey, said the project which is on a Build, Operate and Transfer (BOT) basis is the first of its kind in Africa.

Rwanda - Tanzania

Both Tanzania and Rwanda have ratified the Isaka-Kigali Standard Gauge Railway Project, a joint project between the two countries.

With a total cost of $3.6 billion, of which of $2.3 billion for Tanzania of 394km and $1.3 billion for Rwandan section of 138km. Progress as of February 2019, the construction progress of Dar Es Salaam-Morogoro (205km) was estimated at 45.9%; Morogoro-Makutupora (336km), at 7.12% and the section Makutupora-Isaka (427km) is under fund mobilisation.

Commencing in June 2018, CPCS with Aurecon, have been working with the Rwanda Transport Development Agency (RTDA) and Tanzania Railways Corporation (TRC) to update the feasibility study for the Dar es Salaam-Isaka-Kigali Standard Gauge Railway (SGR) line and prepare an alignment and engineering design and tender document for the Isaka-Kigali portion of the railway.

The project considers the following updates to the proposed railway: higher speeds on an electrified SGR line; the inclusion of a branch line to Rwanda's new international airport located at Bugesera, and spur lines to Kabanga mine in Tanzania and Kigali Logistic Platform in Rwanda.

Nigeria

In May this year, the Kaduna State Governor Nasir Ahmad Elrufai, flagged off the first cargo delivery by rail, at Nigeria's first functioning Inland Dry Port in Kaduna State.

Stalled Projects

The Federal Government has blamed the inability to secure the required capital to link the major cities across the country by rail as the main reason why construction work has not commenced, saying that its doors are open to all willing investors that can muster the capital required for the projects.

The Minister of Transportation, Rt. Hon. Chibuike Rotimi Amaechi disclosed this during the 2019 Budget Defence before the Senate Committee on Land Transport at the National Assembly, Abuja.

According to the Minister, these include:

- The Lagos-Calabar Coastal Rail line which was approved for construction by the Administration of President Goodluck Ebele Jonathan,
- Kano-Katsina-Jibiya to Maradi in Niger Republic,
- Port Harcourt-Maiduguri passing through Enugu, Lafia, Makurdi, Gombe, Owerri, Onitsha, Awka, Abakaliki, Yola, Jalingo and Damaturu.

Similarly, others suffering the same fate are:

- Railway Industrial Park in Port Harcourt, and
- Deep Seaport in Bonny with railway connections.

Furthermore, the Minister disclosed that under the Railway Modernisation Programme, the construction of the Lagos-Ibadan Standard Gauge Rail line has reached 65.5% completion, noting that the rail tracks have been laid up to Abeokuta from Lagos and hopefully by end of May 2019 it will get to Ibadan.

He informed that the construction of train stations along the corridor of the rail lines and other ancillaries are ongoing and progressing and will be commissioned this year - all things being equal.

The Itakpe-Ajaokuta-Warri Standard Gauge Rail Line, the partial passenger services has commenced as the tracks are fully laid while the construction of 12 stations, the signalling and telecommunication works are progressing.

On the Narrow Gauge Line, the Minister stated that the process for its concession is also ongoing, noting that the Ministry, Nigerian Railway Corporation (NRC) and the Infrastructure Concession Regulatory Commission (ICRC) are working on the best concession model for the NRC in their dealings with the preferred Concessionaire – Transnet International Holdings of South Africa who took over the lead role from General Electric (GE) after GE pulled out of the concession transaction, due mainly to the closure of their Transport business unit.

The Ministry has reactivated the ECOWAS Inter-State Road Transit Scheme to deepen regional integration and economic growth in the sub-region. The idea is to promote free flow of trade among member states free of duties, taxes and restrictions while in transit.

Kenya

Extension Of The SGR And Rehabilitation Of Existing Meter Gauge Railway

In a press statement issued by the State House, Nairobi, Chief of Staff addressing issues arising from the recent state visit to China. Details regarding the current status of the SGR were provided. The Chief of Staff noted, “The SGR project is a regional project and the complexities in negotiating its completion involve several countries and securing financing for its completion could take several years of intricate negotiations. Given the public interest in the matter it is important to acknowledge that the SGR Phase 2A of the Railway from Nairobi to Naivasha will be complete by August 2019.”

In this context, President Kenyatta highlighted to his counterpart the plans of the Government of Kenya to break ground on the Industrial Park and Dry Port to be constructed at the Naivasha Special Economic Zone by June 2019. The President extended a welcome to Chinese companies interested in establishing industries in Kenya’s Special Economic Zones to come and visit the site.

It was further appreciated that once the Industrial Park and Dry Port serving regional neighbours Uganda, The Democratic Republic of Congo, Rwanda and South Sudan come into operation, it will be necessary to ensure that there will be no disruption in the movement of cargo from Naivasha to the region, whilst financial aspect regarding the extension of the SGR is concluded.

To mitigate any risk of disruption to the movement of cargo, the Government of Kenya has shared its short-term plans to rehabilitate the existing meter gauge railway to the Port of Kisumu to ensure seamless interconnection with the SGR at the Naivasha facilities.

The SGR remains an essential project of Kenya's Vision 2030 strategy and a key enabler of regional economic growth within East and Central Africa. As a Pan-Africanist, President Kenyatta remains committed to laying the necessary foundation for the Trans-African rail and road infrastructure that will transform intra-African connectivity and trade for the economic benefit of over a billion Africans.

Kenya Ministry of Transport, speaking at the Kenya - Uganda Partnership meeting noted the following planned developments:

- Enhancement of railway linkages between Nairobi and Malaba
- Construction of Phase Two of the Second Container Terminal
- Expansion of the Inland Container Depot (ICD) Nairobi
- Upgrading of the Nairobi - Nakuru - Mau Summit road
- Construction of the Mombasa - Nairobi express highway

Uganda

Tororo-Gulu Railway

Rehabilitation of Uganda’s 375km meter gauge railway line from Tororo-Mbale-Gulu is set to commence in July 2019. Funding secured for works USD$26,8m grant from the European Union.

The government of Uganda will provide USD$15,1m into the project and an extra USD$29,3m will be required to complete the entire project.

The line provided a link between the East African Northern Corridor to the port of Mombasa and Eastern Uganda to Northern Uganda, as well as South Sudan and the Democratic Republic of Congo.


IRZ

Bombardier Transportation South Africa (Pty) Ltd, recently hosted a media engagement session - at their propulsion plant in Isando. Whilst, the propulsion system is essentially the heart and the soul of their locomotive - it does all look a lot more impressive when it's a complete locomotive!

Bombardier Media Engagement Session – Meeting Local Content Requirements And Status On A Few African Projects

The facility required an investment of R25 million, which includes the set-up cost of manufacturing, testing and troubleshooting facility, as well as, the capital equipment, machinery, software and operational expenditure. The facility was officially opened in August 2016.

In 2014, Bombardier signed a contract with Transnet Freight Rail (TFR) for the delivery of 240 BOMBARDIER TRAXX electric locomotives. These state-of-the-art locomotives form part of Transnet's fleet renewal programme. Bombardier has committed to more than 60% local content in terms of contract scope and is building these locomotives in South Africa. This implies investments in local manufacturing capacity, training and further improving the skills development of local employees, while working with local partners to achieve the same objectives.

TFR will use the multi-system electric locomotives (which can operate under overhead catenaries fed either by direct or by alternating current) for its general freight business in South Africa. The locomotives are designed for speeds of up to 100km/h. The TRAXX Africa design benefits from the vast experience of the TRAXX multi-system locomotives being in operation with many of the leading European rail freight and passenger operators. TRAXX locomotives are well known for their high reliability, excellent traction capabilities, energy efficiency and low maintenance cost.

Bombardier's factory in Johannesburg produces the propulsion equipment, the car bodies are produced by DCD in Boksburg, (now TMH Africa) and the bogies are produced at Transnet Engineering's Durban facility.

The project supply chain currently comprises 70 key suppliers (by value and criticality of scope). The overall supply chain consists of 220 suppliers.

To-date, the Traxx Project value-chain has created 1,800 jobs (this includes BT at tier 1 and key suppliers at tier 2) and a consolidated R50 million spent on skills transfer (tier 1 and tier 2).

Laser Junction a 100% women and youth owned company

manufactures mechanical parts for the project. Pamodzi, a woman led group manufactures and supplies pantographs. Remkor, is a 51% black women owned company that specialises in the manufacturing and supply of complex mechanical assemblies and components for the propulsion units.

All TRAXX Africa Locomotive are manufactured in South Africa for South Africa, with sites across the country making a contribution. A critical part of this success has come from acquiring and building upon rail solutions and technologies manufactured in South Africa with local suppliers for the South African rail industry.

Due to the project and Bombardier's involvement, foreign companies (such as IEC Holden) have set up new local manufacturing facilities in South Africa. Local companies have also upgraded their facilities and/or set up dedicated production lines to support the project.

To-date, 37 locomotives are successfully operating on the rail network in South Africa, 17 locomotives are in different stages of production and testing.

Other projects in Africa:

Algeria

Bombardier has delivered on over 315km of track within Algeria including the design and material scope for Tabia-Mecheria line. Bombardier has also delivered INTERFLO 250 technology European Rail Traffic Management System (ERTMS) Level 1 on the Saida – Moulay Slissen line, the Birtouta – Zeralda line and the Saida – Tiaret line. Projects are in different phases.

Ethiopia

INTERFLO 250 ERTMS Level 1 solution is being delivered for Ethiopia's 400km Awash – Weldia line. The use of an ERTMS-based system will ensure the new railway's high utilisation and interoperability with other lines and new vehicles. This project is one of the longest lines tendered as a turn-key project in sub-Saharan Africa. INTERFLO signalling solutions are typically used for busy, mainline networks, where headways are reduced and higher safety levels are required.

Zambia

A consortium of Bombardier Transportation, Huawei and GMC Technologies is delivering a project to install European Rail Traffic Management System (ERTMS) regional solution on 1,000km Chingola to Livingstone railway in Zambia. The contract covers the supply of INTERFLO 550 ERTMS solution, which meets the new rail control specification of the International Union of Railways for less intensively used routes.

Other projects to highlight:

Re-Signalling project in Durban

As leader of the Bombardier Africa Alliance consortium, Bombardier won a contract at the beginning of 2013 to implement one of the largest conventional mainline re-signalling projects in Durban, South Africa. The consortium, which includes ERB Technologies, Basil Read, Bakara Engineering, R&H Railway Consultants, SIMS and Tractionel, is delivering the globally-proven, state-of-the-art BOMBARDIER INTERFLO 200 rail control solution for the Passenger Rail Agency of South Africa (PRASA).

It constitutes a major multidisciplinary rail modernisation of the Durban main corridors. The Bombardier Africa Alliance includes local and international railway expertise that share the vision of PRASA and the South African Government to create a modern rail environment.

Bombardier is responsible for the signalling technology and is the overall project management lead on this highly complex metro application. The INTERFLO technology is being delivered for 42 stations and 120km of double-track. It will enable 2,5 minute headways, eliminating bottlenecks while increasing safety and availability.

The upgrade also introduces the latest generation, high capacity BOMBARDIER EBI Lock 950 computer-based interlocking and EBI Screen 900 local Central Traffic Control (CTC) systems to the market and includes replacement of all wayside equipment.

Associated telecommunications equipment (fibre-optic backbone and voice radio) is being provided while the civil works include modifications to existing platforms, track and overhead equipment and new pedestrian bridges. The consortium's contribution to the local community in Kwa-Zulu Natal will also be significant as the project aims to create approximately 270 new jobs.

An African Dream - Gautrain Rapid Rail Link

The Bombela Consortium was awarded a contract by the Gauteng Provincial Government of South Africa to provide an 80km rapid rail transit system to connect Johannesburg, Tshwane (Pretoria) and the OR Tambo International Airport. The complete system commenced service in June 2012. Bombardier delivered the design and supply of the core electrical and mechanical systems for Gautrain, a prestigious project including a fleet of 96 state-of-the-art BOMBARDIER ELECTROSTAR vehicles, as well as providing 15 years of maintenance services together with their local Broad-Based Black Empowerment partners. The majority of the 96 Gautrain vehicles underwent final assembly in South Africa.

The ELECTROSTAR vehicles are designed for commuter operation and are capable of operating at speeds of up to 160km/h. The new intercity system features the BOMBARDIER CITYFLO 250 train control technology, well proven on transportation systems in Europe. The Gautrain project created more than 8,200 local direct jobs, and an estimated 44,300 indirect jobs.

With over 68,000 employees across four business segments, Bombardier is a global leader in the transportation industry, creating innovative and game-changing planes and trains. Their products and services provide world-class transportation experiences that set new standards in passenger comfort, energy efficiency, reliability and safety.

Investment Opportunities South Sudan

A high-level ministerial delegation on behalf of the government of the Republic of South Sudan, in April, embarked on an international investment led roadshow. Starting in the USA and stopping in Dubai and South Africa. Providing an ideal platform to better educate the global markets on the vision of South Sudan and showcase the potential opportunities in the country.

The Honourable Nhial Deng Nhial, Minister of Foreign Affairs and International Cooperation notes, “We have come through the test of strife. Now we must rebuild, maintain peace, and create. With help, we are ready to show the world that we are capable of being a nation that works. This is an opportunity to partner with us to build an economy and the country.”

Past conflict curtailed oil production in South Sudan, but since the peace accord was signed, the country has resumed production, generating increased revenues to fund development.

South Sudan’s mineral deposits, fertile land, and infrastructure and industrial needs all offer potential investors opportunities outside the petroleum sector. In fact, it is “ground zero” and a favourable time in essence to build a “state-of-the-art, smart country” from the ground up!

What Are The Opportunities?

Speaking to Gabriel Thokuj Deng, Minister of Mining at the recent investment summit:

Mining might be considered in its infancy stage, but with over 100 concessions issued, 16 identified commodities, it won’t be long before the sector begins to establish itself. No active mining activity happening right now, although there are two international mining houses about to begin operations.

Small scale artisanal mining activities are underway and South Sudan is concerned with the increase in minerals being smuggled out of the country.

The key opportunities outside of developing a mine for instance, would obviously be the infrastructure required to move commodities, in this landlocked country. Majority of the mining activity is in remote areas and according to the Minister, rail would probably be the most efficient means of transport.

Potentially, as the mines are relatively close to one another, this could be a multi-funded, multi-user opportunity, with centralised rolling stock and a joint operations center – ideal world of course!

The responsibility of rail transport, despite the fact that it would have a direct benefit for the economic value to be derived from mining, is with the Minister of Transport, who sadly was not at the event, so we were unable to engage.

Dr. Abraham Mamer, Secretary General, South Sudan Investment Authority noted that rail is absolutely part of their plans, although no masterplan for the sector has been developed as yet.

Although the interim government deadline has been pushed from the 12 of May for another 12 months, it will be interesting to see if this slows down investment.

South Sudan Minister Of Mines

Watch Video
http://bit.ly/2IXxgWO

No Masterplan, But Rail Is Certainly Part Of South Sudan’s Infrastructure Investment Strategy

Watch Video
http://bit.ly/2IWj93X

Associated Projects:

The LAPSSET Corridor Program is a regional flagship project, and part of Kenya's 2030 strategy. It is intended to provide transport and logistics infrastructure aimed at creating seamless connectivity between the eastern African countries of Kenya, Ethiopia and South Sudan. The project connects a population of 160 million people in three countries.

Additionally, the LAPSSET Corridor is part of the larger land bridge that will connect the East African coast from Lamu Port to the West coast of Africa at Douala Port.

- Inter-regional Standard Gauge Railway lines from Lamu to Isiolo, Isiolo,
- to Nakodok (Kenya/South Sudan border) and Juba(South Sudan), Isiolo,
- to Moyale (Kenya/Ethiopia border) and Addis Ababa (Ethiopia),
- Nairobi to Isiolo. 1,776km of the railway will be in Kenya. The railway will consist of a single track line with passing loops. There will be branches at Isiolo to Nakodok and Moyale. In addition, the study also considers a branch linking from Isiolo to Nairobi linking the LAPSSET Corridor by rail to the capital. Trains would take approximately 7 hours 10 mins to reach Isiolo and further 6 hours to Moyale or 10 hours 30 mins to Nakadok.

It is proposed that the railway will run diesel traction engines with potential for future electrification. The line capacity would be for around 28 trains per day with a maximum speed of 120km/h. (this according to the Preliminary Master Plan For Lamu Port City And Investment Framework)

Preliminary Engineering and Feasibility studies have been carried out on the projected lines between Kenya and Ethiopia. Bilateral agreements have been signed between Kenya and Ethiopia on the development of the Railway.

According the report prepared in April 2017 - the main rationale for the project is for freight services, particularly serving Ethiopia and South Sudan. The railway is likely to be used for the transportation of: liquids, bulk, break bulk, containers and refined petroleum. Estimates for passenger demand are also considered.

Basically the challenge is the same for the proposed project between Ethiopia and South Sudan as it is for every rail project and that is feasibility and bankability, and with no demand model in place, things continue to progress, slowly!

Northern Corridor Integration Project

The Northern Corridor Integration Project, is a multilateral development initiative established in 2013 to speed up growth in the region through the improvement of infrastructure for the ease of movement of people, goods and services.

On 19 August 2008, a meeting took place to review the Uganda-Sudan joint ministerial commission provisions relating to transport and to discuss a proposed rail link from Gulu (on the Uganda Railway Corporation (URC) Tororo-Pakwach branch) via Juba (250km) to Wå, the south-western Sudanese railhead (a further 500km). No indication has been given of likely cost, nor source of funding.

However, in this issue we note that the rehabilitation of the Tororo- Gulu line has received funding and works are set to begin in July this year.

Sudan and South Sudan

There were talks in January last year, regarding the rehabilitation of the line, but nothing concrete has begun.

China's change in heart for the funding of several projects in the region has put in jeopardy the proposed links between several neighbouring countries including Rwanda, Ethiopia and Uganda.

From a history perspective, South Sudan gained independence from Sudan in 2011 and in 2013, the country plunged into a bloody civil war, impacting millions of people and killing close to half a million people. The country managed towards the end of last year to reach a "peace deal". A unity government should have been formed by now, but it appears that a 12 month extension has been requested. This of course is very much a "nut shell" version and there is a plethora of information and media available online.

Delegation of participants included:

Honorable Nhial Deng Nhial, Minister of Foreign Affairs and International Cooperation

Hon. Salvatore Garang Mabiordit, Minister of Finance and Planning

Hon. Paul Mayom Akech, Minister of Trade, Industry and East African Affairs

Hon. Onyoti Adigo Nyikwac, Minister of Agriculture and Food Security

Hon. Amb. Ezekiel Lol Gatkuoth, Minister of Petroleum

Hon. Gabriel Thokuj Deng, Minister of Mining

Hon. Dr Abraham Maliet, Secretary General of the South Sudan Investment Authority (SSIA)

Dr Chol Thon Abel, Managing Director, Nilepet Corporation

Hon. Dier Tong, Central Bank Governor

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Africa High Speed Rail
Pilot Projects Identified

In December 2018, AUDA–NEPAD engaged the services of a consultant for Africa's Integrated High Speed Railway Network Project. The first experts' meeting to review the outputs was held in Nairobi, from the 10-12 April 2019. The objective of the experts meeting was to review and agree on the results and outcomes of the Project Preparation Framework analysis, to be piloted during the first 10-Year Implementation Plan of Agenda 2063. The meeting was attended by over 20 experts from around the continent.

A High-Speed Rail Network Will Connect Africa's Borders By 2063

The ambitious multi-billion project christened as the African Integrated High-Speed Railway Network (AIHSRN) of the AU Commission, aims at interconnecting African Capitals with each other to ease the movement of goods and people across African borders. It will bank on building and improving existing national railways to link Africa's 54 countries, constructing at least 12,000km of new tracks.

The high-speed rail will pass through six major corridors grouped from the continent's AU-recognised Regional Economic Blocks (RECs). It is designed to be a steel-web that runs through Africa longitudinally and latitudinally passing through African capitals.

The six regions are:

1. North Western and North Central Region which covers Algeria, Egypt, Libya, Mauritania, Morocco, Tunisia, and Western Sahara
2. Western Region which covers Benin, Burkina Faso, Cape Verde, Gambia, Ghana, Guinea, Guinea Bissau, Ivory Coast, Liberia, Mali, Niger, Nigeria, Senegal, Sierra Leone, and Togo
3. North-eastern Region which covers Djibouti, Eritrea, Ethiopia, Somalia, and Sudan
4. Eastern Region which covers Kenya, Burundi, Rwanda, South Sudan, Tanzania, and Uganda
5. Central Region which covers Angola, Cameroon, Central African Republic(CAR), Chad, Congo, Democratic Republic of Congo (DRC), Equatorial Guinea, Gabon, and Sao Tome
6. Southern Region which covers Botswana, Comoros, Eswatini, Lesotho, Madagascar, Malawi, Mauritius, Mozambique, Namibia, Seychelles, South Africa, Zambia, and Zimbabwe

The drivers of this project are aiming at the completion of 20% of the project's pilot phase in the next four years.

Speaking during an Expert Group Meeting on AIHSRN, Mr. Daniel Osiemo, CEO, NEPAD / APRM Kenya Secretariat urged the continent to look to funding from within.

"Look at the pension funds, all over the continent we have pension funds that have been established, but which have not been channelled to productive investments," said Mr. Osiemo. "So, if these are harnessed and put into this kind of investments, in a little time to come, they will be sufficient to finance the project and this will be a win-win for everybody," he added.

This project is guided by the AU Vision: "An integrated, prosperous and peaceful Africa, driven by its own citizens and representing a dynamic force in the international arena". This vision is the guiding principle for Agenda 2063, whose first 10-year Implementation Plan has selected Flagship Projects which include the continental high-speed rail.

By achieving an integrated Africa, the AU aims at having a continent that is politically united, based on the ideals of Pan Africanism and the vision of Africa's Renaissance, whereas by a Prosperous Africa, AU strives to have a continent that is based on inclusive growth and sustainable development.

Selecting The Pilot Projects

CPCS the consulting company that has been working with NEPAD-African Union Development Agency (AUDA) to conduct a Detailed Scoping Study ("DSS") for the Vision 2063, specifically the flagship project, Africa Integrated High Speed Railway Network ("AIHSRN").

The DSS, is the first of three planned phases of the AIHSRN initiative. The main objectives of the DSS assignment was to identify 2-3 pilot HSR projects, in order to move forward. Showcasing high speed rail (HSR) success stories on the African continent, conduct scoping studies on the selected pilot projects, prepare them for the next steps (Phase 2), and develop the remaining projects (i.e. proposed

HSR links) that form part of AIHSRN as an AIHSRN Master Plan.

Whilst this initiative is aimed at interconnecting African capitals with each other, there is the added economic activity and development in terms of industrial hubs and major tourism locations across the continent. In addition to the development of technology and other complementary attributes such as power, transboundary water, and Information and Communications Technology (ICT) broadband infrastructure and services, which will promote the continent.

The research considers a multitude of factors, including where freight would come from, go to, as well as the movement of people and the development of road infrastructure, and the regulatory and business environment of each country.

Since 2016, the 200km journey from Abuja to Kaduna in Northern Nigeria can be completed in one hour. Other routes are now being planned for example between Kaduna and Kano or Kano and Lagos.

While economic gains are expected, social and political impact will also be visible. Through these infrastructure developments, inequalities between northern regions that have historically been perceived as neglected and oil-rich southern areas will be reduced.

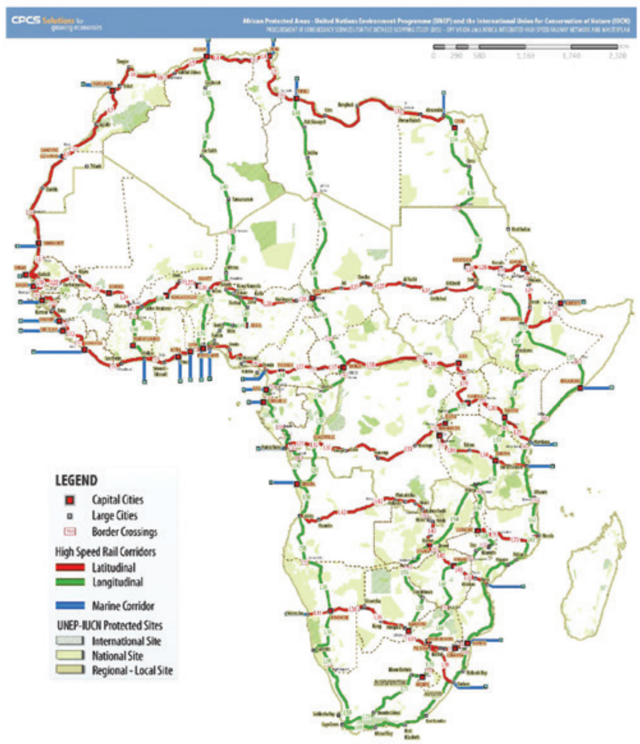
The report notes, The Gautrain, which was launched in 2010 between Johannesburg International Airport and Pretoria is another example of dynamism in that sector. This high-speed line, which raised some controversy at its announcement now carries a significant number of passengers a day. It has strongly reduced daily traffic jams in the Gauteng province, the industrial heart of South Africa.

Table 4-19: Top Ten Projects based on MCA

Rank	Link No.	Link Description	MCA Score	Region	Recommendation
1	L30	Addis Ababa, ETH - Djibouti, DJI	72.72%	Northeastern	Not selected this time because there is new electrified SGR designed to provide passenger and freight transport.
2	L20	Kampala, UGD - Nairobi, KEN	70.39%	Eastern	**Accelerated Piloting**
3	L39	Pretoria, SAF - Durban, SAF	66.60%	Southern	**Accelerated Piloting (combined with L37 to make it a cross-border project)**
4	L36	Windhoek, NAM - Gaborone, BOT	66.30%	Southern	Not selected this time due to consideration for distributing pilot projects across the continent.
5	L66	Ouagadougou, BFA - Abidjan, CIV	62.38%	Western	**Accelerated Piloting**
6	L4	Tunis, TUN - Algiers, DZA	62.33%	Northwestern & Northcentral	**Potential Pilot**
7	L72	Kampala, UGD - Kigali, RWA	60.76%	Eastern	Not selected this time due to consideration for distributing pilot projects across the continent.
8	L37	Gaborone, BOT - Johannesburg, SAF	60.06%	Southern	**Accelerated Piloting (combined with L39 to make it a cross-border project)**
9	L13	Monrovia, LIB - Abidjan, CIV	59.72%	Western	Not selected this time due to consideration for distributing pilot projects across the continent.
10	L58	Luanda, AGO - Windhoek, NAM	59.54%	Central and Southern	Not selected this time due to consideration for distributing pilot projects across the continent.
:					
19	L31/ L32	Pointe Noire, CGO - Kinshasa, DOC	58.09%	Central	**Potential Pilot***
:					
38	L56	Alexandria, EGY - Khartoum, SDN	52.41%	Northeastern	**Potential Pilot****

* This is the highest ranked link located solely in Central Region. Luanda-Windhoek, while ranked No. 10, was not selected because part of the link lies within Southern Region, which already has one Accelerated Pilot project.
**This is the highest ranked link located in Northeastern Region after Addis Ababa-Djibouti. All the links ranked No. 11 to No. 37 were not selected due to consideration for distributing pilot projects across the continent.

Figure 3-1: Map of 74 Links and Environmentally Sensitive Areas



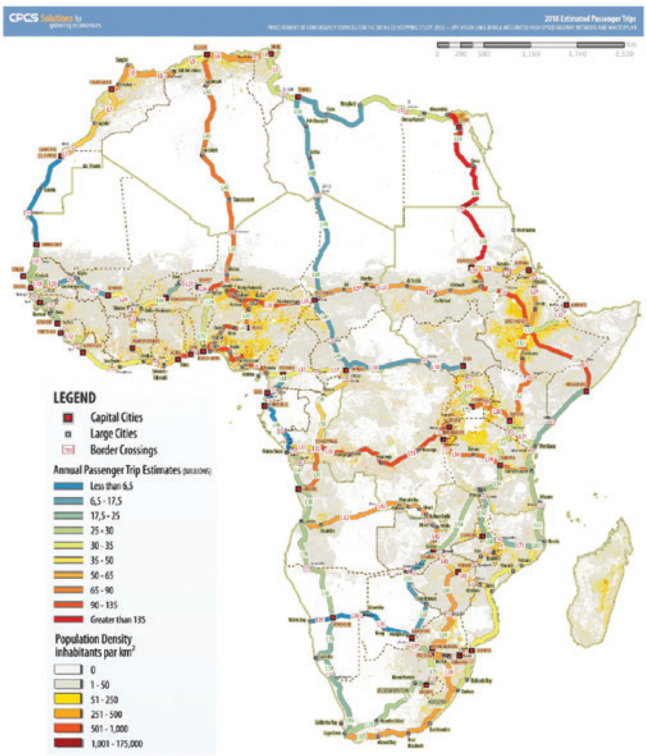
Source: CPCS.

Seventy four links were analysed in order to establish the proposed priority projects for the pilot phase. Each link was evaluated for its standalone viability - accounting all financial benefits and costs of the project excluding any distinctions in the sources of finance.

Dr. Ibrahim Mayaki, AUDA-NEPAD CEO, noted that, high-speed rail has made significant inroads across the continent. A 300km line between Tangier and Casablanca was inaugurated in Morocco in November 2018 and the journey now takes two hours instead of six, with only a moderate increase in ticket price.

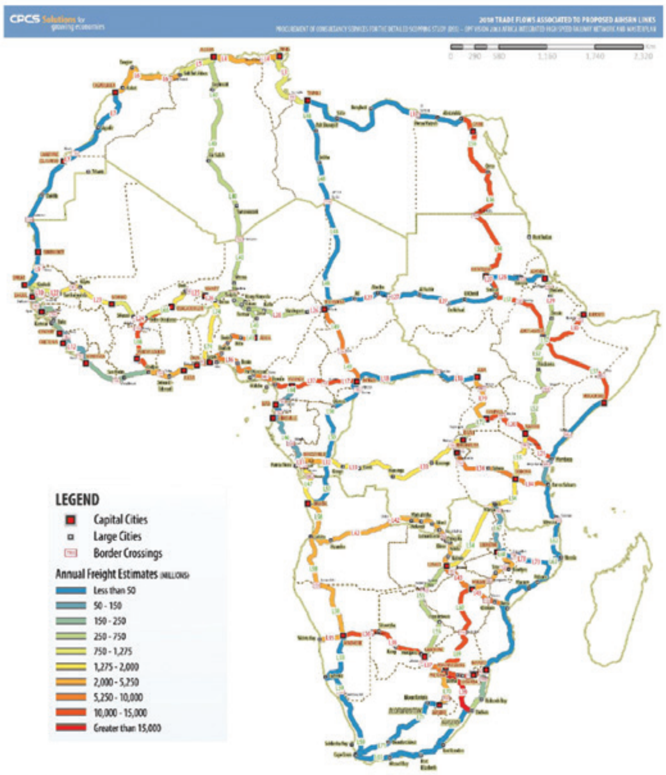
Africa's economic integration depends first and foremost on its transport infrastructure, which is still influenced by the planning policies of the colonial era. There are too few highways between countries and too few trains, out of Africa's 90,000km of rail network, to cross borders. The network linking Uganda to Tanzania, Ethiopia to Djibouti or South Africa to Zimbabwe remains the exception rather than the rule. Entering the 21st century, railway use remains focused on the transport of goods and raw materials between the coast and the hinterland as was the case decades ago.

Figure 3-4: Passenger Trip Estimates by Link (Number of Trips), 2018



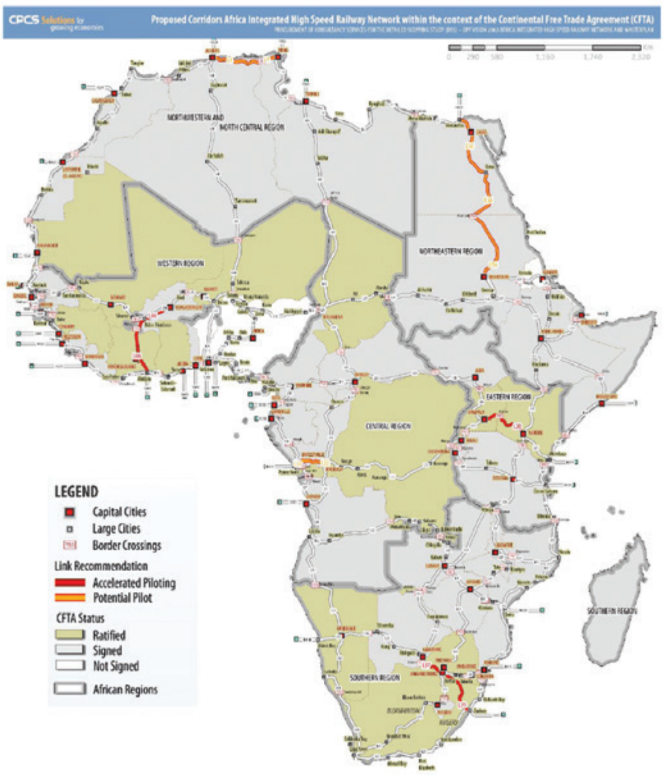
Source: CPCS.

Figure 3-3: Freight Traffic Estimates by Link (Tonnes), 2018



Source: CPCS.

Figure 4-1: Recommended Projects for Accelerated Piloting and Potential Piloting



Source: CPCS.

This situation must change, so that Africa can finally trade internally on a larger scale. The African Integrated High Speed Railway Network, one of the flagship projects of the African Union's Agenda 2063, is one step in the right direction.

The modernisation and extension of rail networks will not be possible without the use of technologies, a key element of modern "intelligent" transport. Africa has already demonstrated a spectacular ability to "leapfrog" in the digital sector as proven by the number of mobile phone users and mobile banking customers. It could be the same in railways, where the continent would directly move on to the use of advanced technologies in transportation.

Images for this article were used from the reports which are available for download.

HSR DSS-WP1 Project Prioritization 20190402 (English) - http://bit.ly/2JUFyQK

HSR DSS WP2 Project Ranking 20190408 (English) - http://bit.ly/2JX0eaC

http://www.nepadkenya.org/connecting-africa-by-high-speed-rail/

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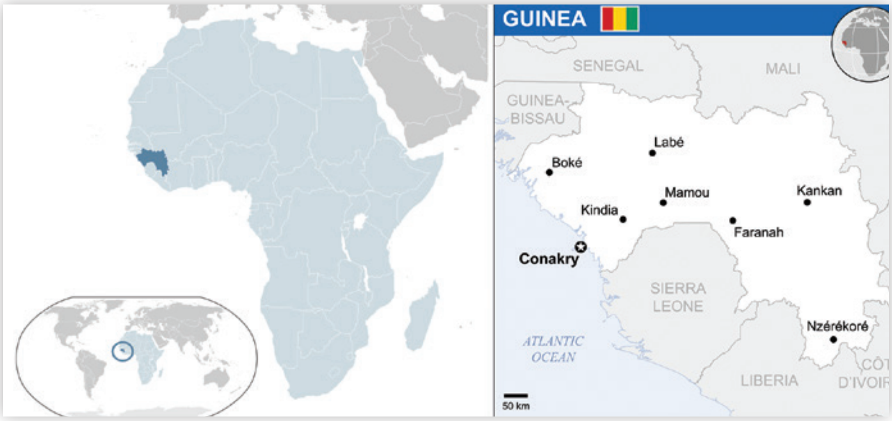
REPUBLIC OF GUINEA

The Republic of Guinea is the largest producer of bauxite in Africa, and its vast mineral resources include the largest untapped deposits of high quality iron in the world.



In 2014 Guinea became a full member of the Extractive Industries Transparency Initiative (EITI) – the global standard in the promotion of open and accountable natural resource management.

Until recently the Ministry of Mines and Geology (MMG) did not have a sectoral development plan. The new Mining Sector Development Plan (MSDP) has been developed in line with the National Economic and Social Development Plan (PNDES 2016-2020), and consistent with the new sectoral policy formulated in the Declaration of Mining Policy (DPM), it proposes concrete ways and means to materialise policies and the strategic directions set out in this Policy up to 2025.

The Guinean government has taken a somewhat different approach, one which we at Railways Africa agree with - by identifying the synergies between mining and the necessary infrastructure for their exploitation, and seeks to create "corridors of growth" around the axis of transport. With the aim of unlocking the strong growth potential of the Guinean economy, locally and nationally. Transport costs in remote areas can reach 77% of the value of exported goods, according to the World Bank.

The “Mine Symposium Guinea 2019” organised by the Ministry of Mines and Geology in collaboration with Amtrade was held from 24 - 26 April 2019, under the theme: *Synergy Mines and Infrastructure*. 630 official delegates from approximately 40 countries participated in this event. The symposium provides the opportunity for Guinea to attract partners who share the vision of responsible mining development, as advocated and carried by the President of the Republic.

The Ministry of Transport is also actively promoting road, rail and maritime initiatives. Strategically the need to rehabilitate the Conakry-Kankan railway to develop economic exchanges within the country and with the states of the sub-region, weighs heavily on the list of things to do.

In a recent update on activities the transport ministry noted:

- The construction of a 42km line between Conakry to Gomboya (Coyah), part of the Conakry-Kankan vision. (Not being entirely fluent in French, there could be a miscommunication into the exact stage of progress).
- The launch of a second passenger train called "Dubreka Express" on the Fria line, with new rolling stock arriving soon – no disclosure on who the supplier is.
- The establishment of a rail shuttle on the Fria route.
- The installation of three sidings on the track CBK to multiply the traffic of "Conakry Express".

The Local Content

In the mining sector the policy that has been developed by the Guinean government in partnership with the likes of the International Finance Corporation (IFC), the African Development Bank and the World Bank, is to ensure a strong contribution of mining projects to the national economy and the development of skills.

However, the policy for local content extends beyond the mining sector as well as in built on three corner stones: jobs, suppliers and capacity building.

Recent Project Highlights That Involve Rail

135km Line As A Build Operate Transfer (BOT) With A Duration Of 33 Years

Founded in 2014, the SMB Winning Consortium brings together three global partners in the areas of bauxite mining, production, and transportation: Singapore's Winning Shipping Ltd., a leading Asian shipping company; UMS, a French transportation and logistics company that has had a presence in Guinea for over 20 years; and Shandong Weiqiao, a leading Chinese aluminium production company. The Republic of Guinea is a partner and shareholder of up to 10%.

Following a memorandum of understanding finalised March 21, 2018, the SMB Winning Consortium, represented by Société Minière de Boké, and the government of the Republic of Guinea signed three agreements to carry out an extensive project in the Boké Region. It includes (i) construction of 135km of railway in a corridor stretching from Boffa Prefecture to Boké Prefecture, (ii) production and industrial exploitation of bauxite resources in the new mining areas of Santou II and Houda, and (iii) construction and operation of an alumina refinery in the Boké Special Economic Zone. The Consortium has also committed to a large-scale agricultural development project along the railway corridor.

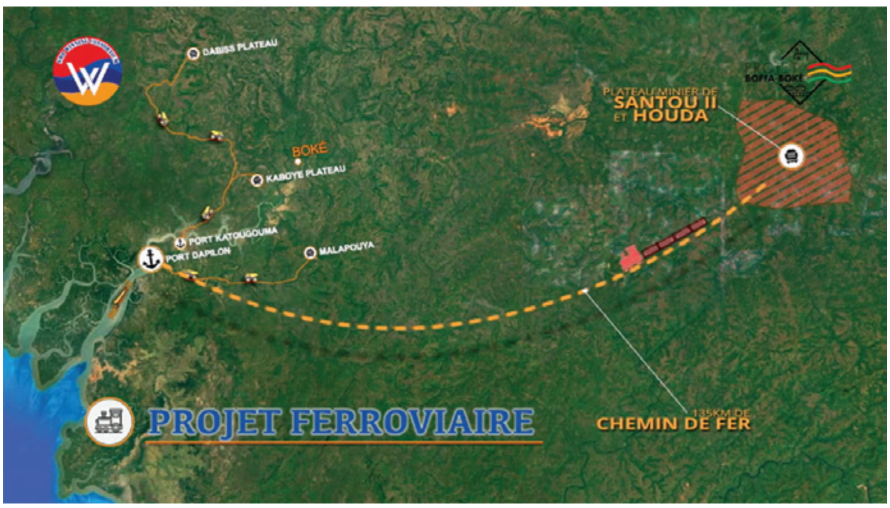
The new mining deposits are expected to begin operations in 2022, with a projected production of 10 million tonnes in the first year. Production should reach 20 million tons in 2023 and 30 million tonnes in 2024. The bauxite will be transported along the railway that will connect the mining areas of Santou and Houda (Téliméle Prefecture) to the Dapilon river terminal (Boké Prefecture). It will require the construction of six bridges and two long tunnels for a total investment of $US1,2 billion. The technical studies will be completed by the end of 2018, construction will begin in 2019, and operations will begin in 2022.

The planned period for construction is over three years. Rolling stock requirements include 24 locomotives and 1,440 wagons. The line is being developed as a Build Operate Transfer (BOT) with a duration of 33 years, after which, the infrastructure will be transferred to the Guinean State.

On 29 March, The SMB-Winning Consortium, in the presence of its President and CEO Mr. Sun Xiushun, the President of the Republic of Guinea, His Excellency Professor Alpha Condé, and several members of the Guinean Government - represented by the Minister Mines and Geology, Mr. Abdoulaye Magassouba, and the Minister of Investment and Public-Private Partnerships, Mr. Gabriel Curtis, laid the foundation stone of a new railway.

Map of SMB's commercial sites

Initially the line will be exclusively used for the transport of bauxite for SMB. It could, in the long term be "leased" to other mining companies.



Arrival of two SD40-2 shunting-locomotives that will be used to move rail wagons around GAC's loading area at the mine location and at its unloading platform at Kamsar.

In addition to the transport of bauxite, the railway will be an excellent tool for opening up the entire area crossed, particularly for agricultural products, and may encourage the development of tourism.

In terms of local benefits, the construction of this railway will allow the creation jobs, the training of many Guineans and will benefit many Guinean companies engaged as service providers on this major infrastructure project. To ensure that the CSR policy applied to the construction of this railway meets the highest international standards, the SMB-Winning Consortium relies on two partners of excellence in the field: the Society of Environmental and Social Expertise (SEES) and the international law firm Louis Berger.

The empty 120-wagon train took two-and-a-half hours to complete the 89 kilometer journey, which was designed to test the locomotives, wagons and new track and involved drivers from both Compagnie des Bauxites de Guinée (CBG) and GAC.

Guinea Alumina Corporation Builds Rail Spur

Although previously covered it fits well in this feature.

Guinea Alumina Corporation S.A. (GAC) is a Guinean bauxite mining company and a wholly-owned subsidiary of Emirates Global Aluminium (EGA), one of the largest aluminium companies in the world. They have been developing a bauxite mine and associated export facilities in the Boké region of north-western Guinea, close to existing mines that are operated by other companies. Their concession is close to an existing railway line operated by Compagnie des Bauxites de Guinée and used by other companies mining nearby to transport bauxite ore to the port at Kamsar some 75km to the southwest.

GAC has built rail spurs and loops to connect to the existing line at both Kamsar and at its mine site, Kamsar is located at the mouth of a river, Rio Nunez.

Railways Africa reported in January that GAC's first bauxite train left the company's mine en route to the company's stockpile and facilities located in the port of Kamsar, this took place in December. The 80-wagon train, carrying 6,800 tonnes of high-grade bauxite ore, took just under three hours to cover the 90km journey.

In the Media release, André Henry, GAC's Senior Manager for rail interface said, "this is a great achievement and the result of fantastic teamwork. The most important challenge was worker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familiarisation, to enable them to work with new technology that has never been seen in this country before, this includes a state-of-the-art train braking system. Furthermore, since there is not a ‘railway culture’ here in Guinea, we have had to educate new employees that rail travel is different to that associated with road vehicles.”

Compagnie des Bauxites de Guinée

A multinational company owned 51% by the Halco Consortium (Rio Tinto / Alcan, Alcoa, and Dadco) and 49% by the Guinean State, CBG plays a major role in Guinea's economy.

Since 1973, CBG has been mining bauxite in the heart of the Boké Hills, on the Sangarédi Plateau, the world's richest known bauxite deposit.

Aside from having a number of mining sites, the company also operates a number of logistics solutions including a 135km railway, which has a share agreement with GAC and Rusal.

New Wagons For Compagnie Des Bauxites De Guinee

As part of the project to expand its bauxite production and shipping capabilities, Compagnie des Bauxites de Guinee (CBG) has purchased 125 wagons.

Multi user operations

It was set up on June 24, 2015, as a multi-user operation contract of the Boké Railway between the National Agency for Development of Mining Infrastructures and the Company of Bauxites of Guinea, Guinea Alumina Corporation and the Company. of Dian Dian Bauxites.

The management of the CFB, is responsible for the operation of the Boké Railway for the transport of minerals from the three company signatories of the Multi-User Operation Agreement.

In order to operationalise this contract, a Directorate called the Multi-User Project of the CFB has been set up under the responsibility of the CFB with the aim of extending the capacity of the current track to transport 51 million tonnes of bauxite per year in 2020 and 70 million tonnes in 2023.

The work to increase the capacity of the current Boké Railway is being carried out in batches, this includes the earthworks and laying of the track; a new signalling system; an increase in the locomotive fleet, the definition and implementation of the ORP.

Vale in Guinea

In 2010 Vale was working on the Conakry to Kankan railroad, however things have not gone to plan and VALE in a recent media statement, announced in April 23,that it had commenced a proceeding against BSG Resources Limited (BSGR) in the United States District Court for the Southern District of New York to enforce Vale's arbitral award against BSGR, totalling over US$ 1,2 billion (with interest and costs, exceeding US$2.0 billion), which was issued on April 4, 2019 by an arbitral tribunal under the auspices of the London Court of International Arbitration.

The award arises out of fraud and breaches of representations and warranties committed by BSGR, a company under the beneficial ownership of Israeli billionaire Beny Steinmetz, to induce Vale to purchase from BSGR a 51% interest in concessions held by BSGR to develop what is reported to be the world's largest unexploited iron ore deposit in Simandou in the Republic of Guinea, and the adjacent Zogota concession.

Vale paid BSGR an initial price of US$500 million, and invested over US$700 million, principally in Zogota, before the Guinean government withdrew the concessions upon finding that BSGR had obtained its rights to Simandou as a result of corruption of Guinean officials. The Guinean government explicitly found that Vale played no role in BSGR's corrupt activities. The arbitral award follows a U.S. Department of Justice investigation in which one of Steinmetz's associates, Frederic Cilins, was audio recorded trying to secure and destroy at Steinmetz's direction incriminating documents evidencing the bribery, for which Cilins served time in jail in the United States.

Vale has commenced and will be commencing other proceedings in other countries to enforce its award against BSGR, as well as against persons connected with it who it believes to be liable for the award, to have received Vale's payments to BSGR, or to otherwise be responsible for Vale's loss as found by the arbitral tribunal. It is also investigating recent reports that BSGR has entered into an agreement with the Republic of Guinea that would give it, through a company called Niron plc, rights with respect to Zogota that, to the extent they exist, would be assets subject to enforcement of Vale's award against BSGR.

In the Meantime

The Government of the Republic of Liberia and Niron Metals Plc ("Niron" or "the Company") jointly announced the signing of a Memorandum of Understanding ("the MOU"), regarding the passage through Liberia of iron ore from the Zogota iron ore deposit in the Republic of Guinea ("Zogota" or "the Project"). The MOU relates to the use of existing rail and port infrastructure in Liberia.

The signing of the MoU follows the joint vision of economic cooperation, expressed by the leaders of the Republic of Guinea and Liberia, H.E. President Alpha Condé and H.E. President George Weah, at a meeting held in Dakar on the 2 April 2019.

The Government of Guinea has already given authorisation for Niron to export material from Zogota in compliance with the Mining Code of the Republic of Guinea 2013. The Chairman of the Liberian National Investment Commission, Mr. Molewuleh Gray said: "This MoU is an important milestone in our plans to develop the Zogota project.

"This agreement opens a new chapter and supports the development of a world-class mining and logistics project for the benefit of the people of the Mano River Union.

"The Government will now initiate discussions with the railway and port concessionaire, relating to third-party access rights. Thereafter we anticipate accelerated tripartite discussions to commence."

Sir Mick Davis, Chairman of Niron said: "We intend to complete our feasibility study within six months and continue to work with relevant stakeholders to bring Zogota rapidly into production for the benefit of all."

Returning to the Simandou Project

The project has three key components according to the dedicated page on Rio Tinto's website.

The Mine: An iron ore exploration and mining project located towards the southern end of the 110km long Simandou mountain range, 550km southeast of Guinea's capital city Conakry. It is one of the largest undeveloped high grade iron ore deposits in the world, it is to be a conventional open pit mine with an expected capacity of 100 million metric tonnes of iron ore per annum.

The Infrastructure: Includes a new 650km trans-Guinean railway line to transport iron ore from the Simandou mine to a new deep-sea port, located south of Conakry on the Morebaya River. Both rail and port will be available for use by third parties, on prescribed terms.

Ancillary infrastructure: Access roads, accommodation, power generation and water systems to directly support the Simandou Project.

However, Rio Tinto shelved this project, agreeing to a sale in 2016. In October 2018, the company announced that the non-binding heads of agreement, originally signed on 28 October 2016, for Chinalco to acquire Rio Tinto's entire interest in the Simandou iron ore project in Guinea has lapsed. Rio Tinto and Chinalco, who respectively own 45.05% and 39.95% of Simandou, will continue to work with the Government of Guinea to explore other options to realise value from the world-class Simandou iron ore deposit. The Government of Guinea owns a 15%stake in the project.

It will be interesting to see how this particular project all unfolds, especially the significant of the trans-Guinean railway - a much anticipated link to unlock Guinea's west coast.

Conclusion

Developing symbiotic infrastructure simultaneously especially in developing countries is the "fast track" way to go. The amount of time it takes to put down a site and build associated infrastructure means that the project from development to actual implementation is almost seamless. In simplistic terms, the transport aspect and the site would be ready more or less at the same time, as GAC has demonstrated.

Specifically in the mining environment the reduced transport costs, prioritised scheduled operations including maintenance, that are within the control of the mine, would result in less disruptions to operations - all round - less headaches, getting to market.

And, if access is granted to other mines in the area, an additional or potential profitability component is added to the project, recouping initial capital outlay, at the same time – rolling stock costs aside, a lease pool of equipment could be established.

From a government perspective developing infrastructure in BOT framework, to meet the needs of industrialisation ultimately releases otherwise allocated resources or the lack thereof, to further develop integrated transport solutions and support services, including public transport.

If you are a supplier, the advantage is multiple customers instead of just one state owned entity, well for the next three decades anyway! And, let's not forget the interaction with the Integrated African High speed rail connection...

World Bank Study: Guinea Urban Sector Review: Planning, Connecting, Financing in Conakry

Download the study directly from the world bank website: http://bit.ly/2QGb6uc

The World bank has released a study that looks into the challenges and opportunities posed by urbanization in Guinea, reviewing briefly the trends at the national level but focusing on the urban area of Conakry. The main reasons for focusing on the urban area of Conakry are the following. While secondary cities in Guinea are growing economically and in population, Conakry already represents close to 50% of the urban population and its demographic growth outpaces that of other urban areas. This creates a sense of urgency to solving the country's capital problems. Secondly, Conakry remains the country's main interface for international trade through its port facility. Failure to address Conakry's issues, including congestion levels, would likely weaken its (and Guinea's) attractiveness in the long run. Follow-up studies could however look into Guinea's system of cities, including how they are connected to each other within the country and with their neighbours. The analysis presented in this review shows that urban areas in Guinea, and Conakry in particular are currently not acting as engines of growth and competitiveness and are failing at providing public services and quality living standards for their residents. It argues that the reasons are to be found i) in the business environment which, recent progress aside, stymies private sector job creation and economic diversification, ii) in Conakry's deficient connectivity system which acts as a bottleneck for residents to have access to economic opportunities, iii) in its obsolete and unenforced planning strategies and its rigid land markets and iv) in the lack of institutional clarity and financial resources which leads to under investment in public services. Rail makes a substantial appearance.

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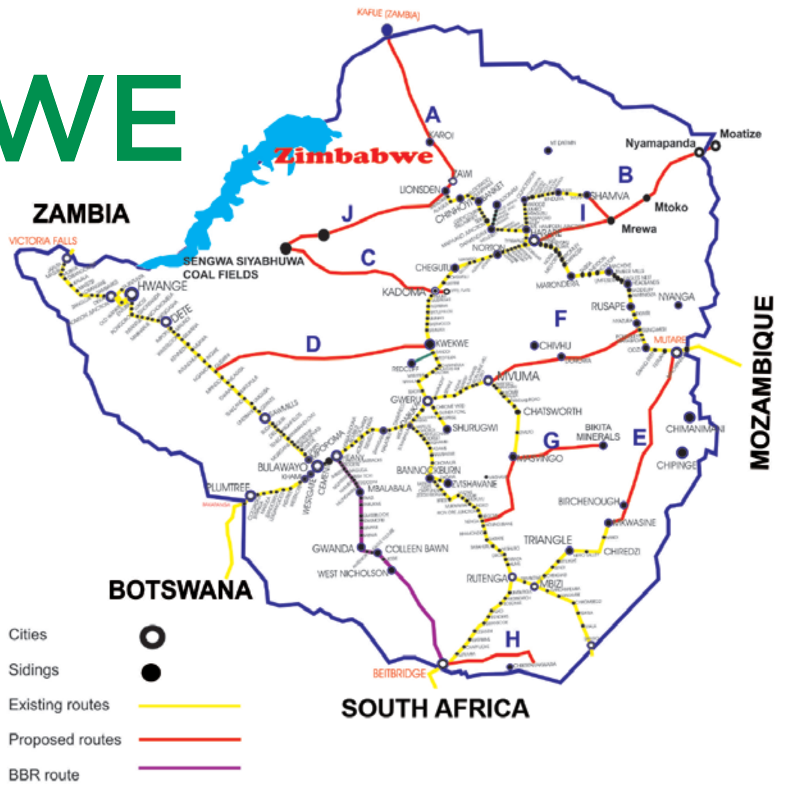
ZIMBABWE



NRZ TO RISE AGAIN

During the period 1990 to 1999, the National Railways of Zimbabwe (NRZ) transported an average of 13 million tonnes of freight a year. The start of the new century in 2000 saw freight volumes start a gradual downward decline, the same time that the country's economic fortunes also took a downturn. Cargo volumes started dropping until they reached a low of 2,7 million tonnes in 2016.

Apart from the effects of a declining national economy, which saw some of NRZ's major customers closing down or scaling down operations, negatively affecting business, NRZ has been affected by an ageing infrastructure due to failure to invest in new equipment over the years.

The NRZ has a fleet of 168 locomotives but only 60 are in service and out of 7,515 wagons owned, 3,512 are in use. An estimated 10% of NRZ's track infrastructure (about 270km) is under caution (temporary speed restrictions).

The automatic centralised train control (CTC) system which covered the network's main line of about 1,580km is now dysfunctional whilst, the 313km electrified section between Dabuka in Gweru and Msasa in Harare has been vandalised, resulting in the suspension of the electric train service.

The last meaningful capital investment was made in the mid-1990s when a fleet of new locomotives was bought. Despite the dark past, NRZ's future looks bright. Cargo volumes have started increasing as the company prepares for an injection of fresh capital under the $400 million recapitalisation project, to be undertaken with partners- Diaspora Infrastructure Development Group (DIDG)/ Transnet Consortium.

Negotiations to finalise the recapitalisation of the NRZ are on track after the Government extended the Framework Agreement between the partners by a further six months to August 2019.

The Framework Agreement, signed in February 2018, expired in February 2019 when negotiations were expected to have been concluded. However, because of the complexity of the deal, the deadline could not be met, resulting in the intervention by the government to extend the Framework Agreement.

Under the Framework Agreement, NRZ has received an interim solution of equipment comprising, 13 locomotives, 7 coaches and 200 wagons to capacitate its operations.

Once the recapitalisation deal is finalised, NRZ is expected to receive desperately needed equipment including locomotives, wagons, signalling software and the rehabilitation of rail.

This will effectively put the NRZ on the road to recovery and carry freight closer to its design capacity of 18 million tonnes a year.

The recapitalisation of NRZ will benefit the Southern Africa Rail Association (SARA) members, given Zimbabwe's strategic location on the North-South Rail Corridor.

Zimbabwe provides a vital link to the sea ports in South Africa and Mozambique to Zambia and Democratic Republic of Congo (DRC).

An adequately capitalised NRZ will make it possible for goods destined for countries either to the north or south of Zimbabwe to move efficiently.

NRZ is currently undertaking feasibility studies for new railway links with its neighbours to cut distances. Under consideration is the Lion's Den- Kafue railway which will significantly reduce the rail distance between Zambia and Beira. At present, Zambia rail traffic from Beira has to be routed through Bulawayo and Victoria Falls.

Also on the cards is the proposed railway line from Harare through Murewa and Mutoko to Nyamapanda which will link with the coal mining area of Moatize in Mozambique.

The recapitalisation of the NRZ will see the organisation retaking its place as a major player in the movement of bulk goods not only in Zimbabwe but the region.

GHANA

Ghana - Standard Gauge Western Line

An agreement has been signed between the Ghana Railway Development Authority (GRDA) and China Railway Wuju Group Corporation (CRWJ), also known as China Railway No. 5 Engineering Group Co. Ltd for the continuation of the new Standard Gauge Western line. The US$500 million project will facilitate both passenger and freight services.

Under this agreement, the Manso through Tarkwa to Dunkwa section of the line which is approximately 100km will be developed. The Kojokrom to Manso section being 22km was awarded to Messers Amandi in 2017 and is presently under construction.

CRWJ has been present in the Ghanaian market since 2007. It has six (6) subsidiaries presently conducting businesses in Ghana. They include CR3, CR5, CR7, CR10 and the China Railway Major Bridge Construction Group with over 1,500 local employees.

Rolling Stock

The Ministry is currently in the process of procuring standard gauge rolling stock, which includes, locomotives, coaches and a variety of wagons. According to the Minister, approximately US$230 million has been approved by the President for this purchase and will be the most significant procurement of rolling stock in the history of Ghana. The orders have not as yet been placed, the consultants are still deciding on the type / specifications. It was unclear if this was going to open tender or if a supplier had already been identified.

Coffee With The Editor - Update On Various Activities

Earlier this year, the Ghana Railway Development Authority (GRDA), CEO, Mr. Richard Dombo recently had a virtual "Coffee with the Editor" by the end of the conversation I, had a better understanding of Ghana's expansive railway vision and the role of the GRDA. In addition, Richard, provided insight into current and future projects both narrow and standard gauge, touching on freight, mining and passenger projects.

Brief mention was made regarding ongoing activities involving the partnership with Transnet in relation to training of existing railway engineers and support staff in terms of maintenance. As well as, the provision of coaches to GRCL to operate on the newly rehabilitated lines. No additional information was provided regarding the Sky Rail system.

The GRDA was established under the railways Act 779 in 2008, mandated to promote the development of railway and railway assets in Ghana. The authority administers and improves rail assets as well as being the authority to grant licenses and concessions. In addition to being the administrative authority for the special Railways Development Fund.

The master plan includes the development of rail projects in 6 phases - in no specific order, with the vision to connect all regions within Ghana by rail.

With the review of the new rail masterplan, the Government intends to connect all existing mining sites and new mining sites by rail. The existing plan, connects all mines in the Western and Eastern part of Ghana to the two major ports in Tema and Takoradi. There are also plans to connect new mine fields in Kyebi, Nyinahin to the rail network.

Feasibility studies are ongoing for the TransEcowas Aflao to Elubo line. A joint committee is in place to facilitate the Ghana and Burkina Faso rail connection between Tema port and Ouagadougou.

Feasibility studies are currently underway for light rail systems for Accra and Kumasi.

Currently three existing narrow-gauge lines have been rehabilitated and are in operation. The Accra to Tema line has been rehabilitated by the Ghana Railway Company Limited

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http://bit.ly/2QGf3yM

Ghana Railway Development Authority Update

and has been in operation since January 2019.

The Accra to Nsawam line is currently under rehabilitation and expected to be completed shortly, this has a total track length of about 45km. Rehabilitation works for the Kojokrom to Tarkwa narrow gauge lines has also started. All the rehabilitated lines are passenger lines.

The Kojokrom to Tarkwa line which is about 62km is expected to be completed this year. It will link the Takoradi to Tarkwa in the Western region.

The Accra -Kumasi Line (Eastern Line) 340km, is expected to be funded in 2019 through a BOT process. Procurement processes for the selection of a suitable private partners is ongoing and expected to be completed before the end of the year.

Construction for the central spine is expected to start before the end of the year. This will connect Kumasi -Buipe -Tamale and Paga. Feasibility studies have already been completed and a consultant will complete the final designs over the next few months.

Sections of this projects are expected to be financed partly form the Chinese and Indian loan agreements.

All new projects will be constructed as Standard Gauge.

The government intends to procure some rolling stock for the Tema to Akosombo rail project, which should be completed in June 2020. This is a multimodal rail project connecting the Tema port to a newly constructed inland port and Mpakhadan.

Who Does What?

The Ministry of Railway Development - was established by Executive Instrument in 2017 to exercise overall responsibility for railways development in Ghana. It is mandated to initiate and formulate Railway Sector policies and also develop the railway industry in Ghana.

The Ministry of Transport - is mandated to develop policies and strategies for other sectors of transport in Ghana. It is mandated to develop policies for maritime and road transport in Ghana. This Ministry used to have oversight responsibility over the rail sector and aviation sector before the railways and Aviation Ministries were set up in 2017.

Ghana Railway Development Authority - was established under the railways Act 779 in 2008 of mandate to promote the development of railway and railway assets in Ghana, the authority administer and improves rail assets and grants licenses and concessions. The authority has a mandated to administer a special Railways Development Fund.

The Ghana Railway Company Limited - is a limited liability company. It was initially the sole operator and administrator of railways in Ghana during the colonial period. When the railways act was passed in parliament in 2009 All asset of the company were transferred to GRDA. The company now has a mandate to operate freight transport, provide quality passenger train services and provide maintenance and rehabilitation of tracks and rolling stock for existing lines.

Did You Know?

Ghana is now Africa's top gold producer, removing South Africa from the top spot, according to data recently released by the World Bank.

AFCFTA AGREEMENT SECURES MINIMUM THRESHOLD OF 22 RATIFICATION AS SIERRA LEONE AND THE SAHARAWI REPUBLIC DEPOSIT INSTRUMENTS.

Addis Abeba, 29 April 2019: The Chairperson of the AUC Commission Moussa Faki Mahamat, flanked by the African Union Commissioner for Trade and Industry, His Excellency Albert Muchanga received two (2) deposits of instruments of ratification of the African Continental Free Trade Area (AfCFTA) Agreement today.

The instruments were from H.E. Dr. Brima Patrick Kapuwa, Permanent Representative of Sierra Leone to the African Union (representing the 21st member state to do so) and H.E. Lamin Baali Permanent Representative of the Saharawi Republic to the African Union (representing the 22nd ratification).

The Chairperson hailed the two deposits as timely and significant steps towards removing the fragmentation of African economies and markets, a process that will create a large market that is critical to increasing trade and investments on the continent.

The two deposits meet the minimum threshold of ratifications required under Article 23 of the AfCFTA Agreement for it to enter into force thirty days after deposit of the twenty second deposit made by the Saharawi Republic. The AfCFTA Agreement will in this regard enter into force on 30th May, 2019.

All that is now left is for the African Union and African Ministers of Trade to finalise work on supporting instruments to facilitate the launch of the operational phase of the AfCFTA during an Extra-Ordinary heads of state and government summit on 7th July 2019.

The supporting instruments are: rules of origin; schedules of tariff concessions on trade in goods; online non-tariff barriers monitoring and elimination mechanism; digital payments and settlement platform; and, African Trade Observatory Portal.

The African Ministers of Trade are scheduled to meet in Kampala, Uganda in the first week of June this year to review work on these supporting instruments ahead of the Extra-Ordinary Summit on the AfCFTA.

The Chairperson also paid tribute to the Champion of the AfCFTA His Excellency Mr. Mahamadou Issoufou, President of the Republic of Niger for his strong and sustained advocacy to have all African Union Member States sigh and ratify the AfCFTA Agreement.

PRASA PLACES VARIOUS EXECUTIVES ON SUSPENSION AND SPECIAL LEAVE

The PRASA Board of Control and Group CEO, Dr. Nkosinathi Sishi have placed various executives on suspension and special leave as follows:

1. Dr. Sipho Sithole, PRASA Chief Strategy Officer on suspension.
2. Ms. Martha Ngoye PRASA Head of Legal, Risk and Compliance and
3. Mr. Tiro Holele Executive in the office of the Group CEO on special leave.

This decision follows the outcomes and ongoing investigations that have dogged PRASA of improper, irregular, corrupt, fruitless and wasteful expenditure by various employees of PRASA, at all levels of the organisation. The suspension and placement on special leave of these executives, is to ensure a fair process based on a principle of innocent until proven guilty.

NEW BOARD MEMBERS FOR NIGERIA RAILWAY CORPORATION

4th from left is the Hon. Minister of Transportation, Rt. Hon. Chibuike Rotimi Amaechi, 5th is the Chairman, NRC Board Chairman, Engr. Ibrahim Alhassan, 3rd from left is the NRC MD, Engr. Fidet Okhiria and flanked by other members.

The Hon. Minister of Transportation, Rt. Hon. Chibuike Rotimi Amaechi, has inaugurated the Nigerian Railway Corporation, (NRC) Board Members led by the Chairman, Engr. Ibrahim Alhassan.

The Board members are; Engr. Ibrahim Alhassan - Chairman Mr. Kayode Isiak Opeifa - Member Hon. Dele Obadina - Member Malam Idris Waziri Othman - Member Hon. Idahosa E. Charles - Member Hon. Gabriel E. Edi - Member Musa Bayero Muhammad - Member Alh. Abubakar Bobboyi J. - Member Hon. Adetunji Taiwo O. - Member Maj. Gen. Chioba Ekwenugo - Member AIG. Umar U. Ambursa (Rtd). - Member Engr. Yakubu W. Bello - Member Paul Godwon Haruna - Member Hon. Musa Mahmod - Member Sen. Maitama Yusuf - Member Prof. Obiaraeri Nnamdi O. - Member Dr. Helen Gabriel Longpet - Member Mr. Augustine C. Umahi - Member.

The minister noted that, "as Governing Board Members, you are responsible for setting out the parastatals economic, financial, operational administrative policies in accordance with Government policy directives aimed at assisting the Corporation to achieve its mandate. You are also charged with the responsibilities for measuring performance against targets and introducing broad policy measures that will curtail any deviations to ensure that the targets are achieved."

NEW PRIME MINISTER FOR DRC

The President of the DRC, Félix Antoine Tshisekedi Tshilombo has made public the appointed of Professor Sylvestre Ilunga Ilunkamba to the post of Prime Minister.

Prof. Ilunga considers this appointment a heavy responsibility at this crucial moment across the DRC. "I pledge to mobilise all my abilities to be able to harmoniously confirm the coalition at government level and contribute to improving the living conditions of Congolese citizens in transparency," he said.

Prof. Sylvestre Ilunga Ilunkamba holds a doctorate in economics from the University of Kinshasa (UNIKIN). He has served twice as Minister of Planning and Finance and four times Deputy Minister, he is also the previous head of the SNCC railway.

OFFICIAL LAUNCH OF THE TRAINING INTEGRATION SUPPORT PROJECT (PAIF)

As part of its assistance to the reform of the Regional Training Centre for Road Maintenance (CERFER), the African Development Bank has set up a project called Training Integration Support Project (PAIF).

CFAF 5,216,000,000 is the sum donated by the African Development Bank (ADB) to the Council of the CEREFER. Through the Training Integration Support Project (PAIF) in road, railway and mining trades, in member countries. The project was officially launched on Tuesday, March 19, 2019 in Lomé.

The objectives of the PAIF are: the renovation of management and strategic management tools; setting up a system for prospecting and monitoring the professional integration of graduates; the rehabilitation and extension of the training centre; partnership development at the national, regional and international levels; the revision of the contents of the training; equipment and materials and didactic materials for training; strengthening the pedagogical and didactic capacities of teachers, etc.

PRASA WELCOMES THE CONSTITUTIONAL COURT DECISION ON THE SWIFAMBO MATTER

The Passenger Rail Agency of South Africa (PRASA) welcomes the ruling by the ten judges of the Constitutional Court that dismissed an application brought by Swifambo Rail Leasing (Pty) Limited (In Liquidation) ("Swifambo") for leave to appeal a decision of the Supreme Court of Appeal. On 3 July 2017, Judge Francis J of the South Gauteng High ordered the review and setting aside of a contract for the supply of locomotives by Swifambo that were not fit for purpose to PRASA.

Lucky Montana, ex-CEO of PRASA trying to convince journalists that the height of the newly purchased AFRO4000 from Swifambo Rail Leasing was of no concern.

In his judgement, Francis J, found that: "The relationship that exists between Swifambo and Vossloh [the original equipment manufacturer] amounts to exploitation of the intended beneficiaries, being black people as defined in the B-BBEE Act, "it is a criminal offence under the B-BBEE Act." Swifambo took this decision on appeal to the Supreme Court and the appeal was unsuccessful. Delivering the unanimous judgement, Lewis JA stated that: "the continued performance of the contract would serve no useful purpose. It might benefit Vossloh and Swifambo, but it would be to the detriment of the public and to the detriment of PRASA," The SCA also noted that "While Swifambo contends that Vossloh is ready to deliver more locomotives, Vossloh is silent."

The Constitutional Court found that Swifambo's application for leave to appeal bore "no reasonable prospects of success". PRASA is pleased that it's contention of the unlawfulness of this award and the futility of this contract to effectively deal with the operational challenges of PRASA was confirmed by 16 judges up to the apex court. "This leaves Swifambo with no further legal remedies and paves the way for PRASA to recover taxpayer monies paid as a result of an unlawful contract to a company found by the court to have been used as a front," said Ms Khanyisile Kweyama, Chairperson of the PRASA Board of Control.

Ms Kweyama further emphasised the Board's strong opposition to companies using fronting as a means to access government tenders at PRASA, "Government Policy on Black empowerment is meant to create real transformation for the black majority who have been on the fringes of economic benefits. The lengthy but triumphant battle to ensure that black exploitation is reversed is a testament to our commitment to the BBBE and the empowerment of our people as the Board". PRASA will now focus on ensuring that it has locomotives that will be suitable for the network and suitable for PRASA's operational requirements. "Our transformation policies in this country are meant to empower the previously disenfranchised and create business opportunities that dismantle racial biases without compromising the quality of goods supplied and services rendered to SOEs," added Ms Kweyama.

PIDG COMPANY THE EMERGING AFRICA INFRASTRUCTURE FUND INVESTS US$40 MILLION IN GUINEA

- Expanded rail and port facilities will drive economic growth in one of Africa's poorest nations
- Helping create a new trade corridor
- At least 3% GDP growth boost predicted
- 1,000 new jobs created

The Emerging Africa Infrastructure Fund (EAIF), part of the Private Infrastructure Development Group (PIDG), is supporting investment in a large-scale project that will see expanded rail and port facilities in Guinea driving economic growth in one of Africa's poorest countries.

EAIF is lending the Guinea Alumina Corporation (GAC) US$40 million over 14 years, as part of a US$750 million debt package being led by the International Finance Corporation (IFC). The majority of the capital will be used to finance port and marine facilities, the railway and associated infrastructure. The development of a greenfield bauxite mine, that will produce 12 metric tonnes of bauxite a year for export, will account for some 6% of the investment. Financial close was achieved on 26th April.

Efficiently moving high volumes of crushed bauxite from the mine to the port requires the existing railway line to be upgraded and 27,7km of new tracks laid. The railway is currently used by passenger and goods traffic. The additional and more efficient rail capacity is expected to deliver more economic activity and greater passenger traffic.

A 2,7km 'marine trestle' is under construction at Kamsar port. It will transport the bauxite from the port railhead to barges. A multi-use container quay, currently being utilised by GAC, was completed in 2016. As the local economy strengthens, the new infrastructure has the potential to stimulate the creation of a trade corridor in the region and open up the container facility to more local and international traffic. Guinea's main port of Conakry is 250km away, so the Kamsar port offers strong future potential for growth.

EAIF Executive Director Emilio Cattaneo said, "This project aligns with PIDG's focus on infrastructure development in the world's poorest countries, and once completed, is expected to add at least 3% to GDP. Construction work has already well advanced, and at peak employed over 4,600 people. The mine and its allied infrastructure will provide permanent jobs to approximately 1,000 people."

Images sourced from Facebook and CBG website.

NEW WAGONS FOR COMPAGNIE DES BAUXITES DE GUINEE

As part of the project to expand its bauxite production and shipping capabilities, Compagnie des Bauxites de Guinee (CBG) has purchased 125 wagons.

The assembly operations of these wagons started on Monday, May 13th. Executed by ECMG, a local company, supervised by two technicians from Transnet, as well as the local projects team and the General Directorate.

The new wagons will enable CBG to increase their capacity and run six daily trains.

SURTEES GROUP CELEBRATES 14 YEARS OF CONTINUED SERVICE FROM CHINESE LOCOMOTIVES

14 years ago, the Surtees Group procured four SDD2 – 2 200HP-100tn diesel-electric locomotives, fitted with Caterpillar 3516B 16-cylinder engines, from China South Railways. Prior to the purchase of these locomotives, the Surtees Group executed extensive due diligence thereto to ensure they were manufactured according to the required specifications in order to maximise the benefits of the assets long term.

At the time of purchase, the locomotives boasted state-of-the-art on board technology, as well as improved fuel efficiency and reduced emissions, among other technological advancements. Still significant to this day, the Surtees Group, through its internal maintenance division, has continued to keep the locomotives in peak operating condition.

Over the last 14 years, the locomotives, which from part of the lease fleet under African Rail & Traction Services, a company belonging to the Surtees Group, has successfully executed in excess of 30 000 hours each in varying harsh working environments.

The in-depth technical knowledge developed by the Surtees Group over the last 14 years, has evolved to the point where they can confidently offer their technical expertise and know-how to operators in Africa who own and operate Chinese manufactured locomotives. In addition, the Surtees Group has significant relations with Chinese OEM's and are able to supply an extensive range of spare parts and components for Chinese manufactured locomotives, models SDD6A, SDD6, CKD8F, CK6E1, CK6E, SDD2, CKD7C, CKD8A, CKD8B.

Botswana Railways

BOTSWANA RAILWAYS - BANKABLE FEASIBILITY STUDY – TENDER NOTICE

Early March this year, news circulated announcing the collaboration between Transnet and Botswana Railways to resuscitated discussions for the construction of a heavy haul railway line to link the two countries via Lephalale in Limpopo.

This was then followed by an international tender, issued by Botswana Railways for bankable feasibility studies to be conducted on two rail links - Mosetse - Kazungula and Mmamabula – Lephalale, closing early May.

The Mosetse-Kazungula project will provide a railway line from Mosetse in Botswana, connecting to Zambia and beyond through the Kazungula bridge, the length of the line is estimated at 367km and is part of the North South Corridor (NSC). The estimated cost to design, supervise, build is listed at BWP13 billion, excluding rolling stock requirements. It is anticipated that the line will require 14 locomotives and as the traffic will be mostly transit, the wagons would be supplied from point of origin. The heavy haul line will be cape gauge, 26 ton/axle. Initial tonnages are pegged at 2 million tonnes, expected to grow to 4 million tonnes.

The Mmamabula – Lephalale line - is estimated at 56km, and will require a bridge to cross the Limpopo river. The heavy haul line will be cape gauge, 26 ton/axle and is expected to start off at 10.5mtpa, ramping up to 24mtpa, costing approximately BWP2 billion to build, excluding rolling stock. Initial rolling stock requirements note, 60 locomotives (3000HP) and 2000 wagons.

Techobanine Rail Line - Ongoing talks continue regarding this particular project, which, involves an alternative route to the deep-sea port of Techobanine, aimed at assisting Botswana export coal.

The development includes a new line from Selibe Phikwe in Botswana to connect to Rutenga in Zimbabwe, to proceed to Techobanine through the Chicualacuala line.

The first 600km to Rutenga will be a new line while the rest of the line is to be an upgrade to the heavy haul line. This line will also provide Botswana Railways an alternative route for the import of petroleum products and forms part of the forms part of the North- South Corridor, if coupled with Mosetse-Kazungula rail line.

Aside from renewing the relevant MoU's every three years between the relevant parties in Botswana, Zimbabwe and Mozambique, no real progress has been made or publicised.

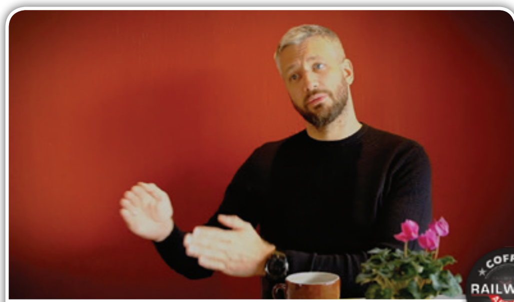
PROGRESS FOR THE ISAKA-KIGALI STANDARD GAUGE RAILWAY PROJECT AS RWANDA RATIFIES THE AGREEMENT

The Minister of State in charge of Transport, Hon. Eng. Jean de Dieu Uwihanganye recently presented to the Chamber of Deputies, the draft law approving the ratification of the agreement between the Government of Rwanda and the Government of the United Republic of Tanzania for the joint implementation of Isaka-Kigali Standard Gauge Railway Project, signed at Kigali, in on 9 March 2018. The ratification of this agreement is an important step that will enable the Government of Rwanda to mobilise funds. The agreement has already been ratified by the Government of United Republic of Tanzania.

The Isaka-Kigali SGR (532km) is a joint project between the Government of Rwanda and the Government of the United Republic of Tanzania with a total cost of $3.6 billion, of which of $2,3 billion for Tanzania of 394km and $1.3 billion for Rwandan section of 138km.

Progress on the sections preceding Isaka-Kigali, the Minister of State said that, as of February, 2019 the construction progress of Dar es Salaam-Morogoro (205km) was estimated at 45.9%; Morogoro-Makutupora (336km), at 7,12% and the section Makutupora-Isaka (427km) was under fund mobilisation.

When completed, the railway line is expected to improve trade between the two countries by making it easier and more cost effective for people and cargo to move across the common border.



Ticketing Systems And Automated Fare Collection For Transit Systems

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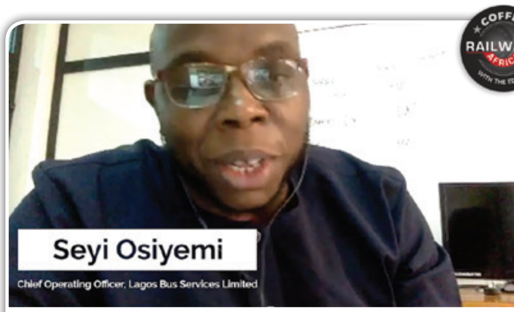


Public Transport in Lagos

Watch Video
http://bit.ly/2MqZI6T

TRANSNAMB TO STIMULATE GROWTH AT GROOTFONTEIN

TransNamib and Ascon Energy (Pty) Ltd recently signed a Rail Transport Agreement (RTA), for the transport of coal, containers and various commodities between Walvis Bay and the inland terminals of Grootfontein and Gobabis.

The signed RTA will cater for the transportation of more than 600,000 tonnes per annum of various commodities, other bulk commodities as well as containers.

The initial focus will be the imports and exports on the Walvis Bay to Grootfontein route; followed by the Gobabis to Walvis Bay route, utilising the Trans Kalahari Corridor.

The envisaged commencement of this contract will be within the next quarter and will be used as a stimulus to grow the train service between Grootfontein and Walvis Bay for Congolese and Zambian traffic. TransNamib is also in discussion with other logistics service providers within the region to develop the intermodal facilities at Grootfontein to support the growth of volumes in the short to medium term.

Ascon Energy Pty, a subsidiary of the Ascon Group, of which the latter is an international oil and commodities trading organisation that has been serving the global physical markets for more than three decades, always paying due attention to the needs of their clients. Their key focus areas are Eastern Europe, West and Southern Africa, the Middle East as well as the Asian outlets. They are particularly concentrating on niche markets where they operate and cooperate with local companies.

Ascon's typical day to day operations entail the structuring and execution of various oil and commodity trade related transactions whilst their core business is the refined derivative product and coal trading. Since inception in 1984 they have been expanding and diversifying their business in a balanced manner, from their roots in crude oil and refined product trading in Eastern Europe and the Middle East to Asia and Africa.

transnamib

TRANSNAMIB NEW CORPORATE BRAND - "RAIL IT"

TransNamib Holdings Ltd, has launched a new corporate brand identity and tagline. The reputation and equity built under its previous identity is a valuable asset, but no longer accurately reflects the organisation's strategic and expansive direction going forward. The new brand effectively addresses the strategic objectives of the company, aimed at better leveraging its business potential, capitalising on market opportunities and enhancing stakeholder engagement.

In all, the new branding embodies an organisation that is reinventing itself, but is still very committed to its mandate. The new identity builds upon its history of rail experience as well as opens doors to the future.

Chief Executive Officer, Johny Smith in his speech noted that the new brand was developed and designed internally, at no cost, with special mention going to Deon Villas, a creative designer within the commercial and marketing department at TransNamib. Highlighting the human capacity potential available within the organisation and bringing into focus the need to build and develop the people within the company.

The new slogan "Rail It" complements the new logo and replaces the previous slogan "Transporting Namibia's Success". The new brand complements its road to rail strategy, which is currently underway. Hence, an opportune time to embark on a new foundation and the beginning of a new era.

COFFEE RAILWAYS AFRICA WITH THE EDITOR

TransNamib Limited: The Future

Watch Video
http://bit.ly/2MuPGS4

ZANAGA IRON ORE INVESTIGATING LOGISTIC ROUTES

Republic of Congo - The Zanaga Iron Ore Project is one of the largest iron ore deposits in Africa and has the potential to become a world-class iron ore producer. On the 28th of March, a project update was provided for investors and existing shareholders. Of particular interest;

Brownfield logistics solution for the project entering final stages of definition:

- Minor road upgrade cost of USD$1m confirmed for road route to Franceville, Gabon
- Multiple trucking contractors engaged – optimal solution being refined
- Rail and port costs entering detailed negotiation.

The presentation notes, that the majority of operational items have been outsourced to minimise development risk and capex. Including the contractor for the Rail and Port aspects. As such they have reported that a cost proposal has been received and they are seeking to conclude discussions in Q2, 2019.

From the Zanaga mine site to the Transgabonais rail siding in Franceville, Gabon, via truck is 173km, this would appear to be the preferred route for commencement of operations. The estimated capex requirement is USD$1 million. Other options include trucking from the site, 160km, to the rail siding in Mossendjo, republic of Congo, the estimated capex required USD$10 million – the road requires development.

To download the presentation from their website go to: http://bit.ly/2QBYzYC

According to the presentation, discussions are underway to finalise the rail and port operating cost with Transgabonais railway SETRAG, where no capex from the mine would be required. The 648km railway, already transporting 3mtpa manganese, expandable up to 22mtpa. SETRAG's phased expansion 2018-2025 is currently underway.

Investigations continue with regard to addressing the challenges of the CFCO railway - ramp up would require more than USD$5 million.

MARECHAL® TECHNOLOGY ELIMINATES THE RISK OF LOOSE CONNECTIONS

The truth of the matter is, that today's standard industrial plug and socket-outlets using pin and sleeve connection are not much different to those of the 19th century and the technology, almost as outdated as the discovery of electricity itself.

Whether mounted on a locomotive or wagon, intended for inter-coach power connection, individual wagon hydraulic power supply, or simply rough handling of trailing cable; plug & socket-outlet failure from loose connections has long been a challenge in the rail industry.

The growing demand for reliability and extended performance of electrical connectors, has lead MARECHAL® to innovate a technology that guarantees securely terminated wire strands over thousands of kilometres or operations.

The DECONTACTOR™, offers the benefit of a power socket with the performance of a switch in one unit, making it a one of a kind design. Added to that, is the unique way in which the cables terminate into the back-end socket-outlets and plugs.

Resistant to vibrations and thermal cycling, the DECONTACTOR™ terminal design compensates for strand displacement and copper creep. A constant force is applied to the conductor by means of a screw and an elliptical deforming ring around a split terminal body.

The split terminal allows for constant force, while the ring prevents loosening of the conductor. To prevent damage to the strands, the tightening screw has a soft head and its diameter is optimised. The conductor tunnel is offset to maximise the number of threads engaged by the screw.

Under pressure from the screw, the split terminal body opens until the ring holds it. The ring deforms elliptically in such a way that the combined resilience of the split body and of the ring compensates for any yield or strand settlement. Dimensional variation due to thermal cycling is overcome. This elastic tightening eliminates the loosening of the screw due to vibrations.

Different constructions across the range of the DECONTACTOR™ series are all based on the same principle, according to the size of the relevant conductor required.

The MARECHAL® range extends to 700A @ 1000V accommodating a broad range of applications within the rail industry.

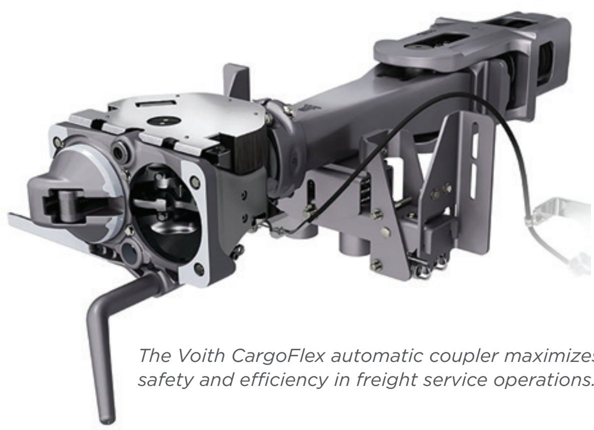
VOITH CARGOFLEX AUTOMATIC COUPLER FOR RAIL FREIGHT

Quick, easy and safe automatic coupling of freight cars

With its CargoFlex range of automatic freight couplers, Voith has risen to the challenge of bringing an end to 150 years of laborious manual coupling and uncoupling of freight cars. The coupler accommodates the high loads present in rail freight services and increases efficiency by significantly reducing the time otherwise spent on manual coupling.

The latest iteration of CargoFlex features a newly developed, digitally enhanced automation concept including power transmission through electric heads. This is the next step towards further automation functionalities such as electro-pneumatic braking and telematics applications based on data transmission. All functions are being developed in close cooperation with the customer to fully grasp market requirements and current conditions.

Automatic coupling for maximised efficiency



The Voith CargoFlex automatic coupler maximizes safety and efficiency in freight service operations.

To meet the challenge of rising transport volumes, Voith has developed the CargoFlex coupler for increased safety, efficiency and transport performance in freight service operation. Since 2017, the Voith CargoFlex Type Scharfenberg has successfully been used in an ongoing trial operation at SBB Cargo, the freight subsidiary of the Swiss Federal Railroad (SBB).

The CargoFlex comes equipped with a UIC vehicle interface. Adapted to the high loads present in rail freight service operations, it features a very light and robust design for extraordinary reliability and a long service life. This is complemented by a modular concept for need-based upgrading with existing and future modules like automatic uncoupling and data transmission.

Watch Video
http://bit.ly/2lyb6Ky

"Gautrain 2", Rolling Stock And Public Transport

It is always such a pleasure to spend time with Jack, his knowledge and expertise in transport is incredible! So, you can image that our coffee session was not just focused on Gautrain but transport as a whole, including his view on Africa and his opinion on distributive technologies and the hyperloop. I also asked Jack his opinion on why Cape Town and Durban do not have a version of Gautrain yet!

We did touch on the impact of the Gautrain on Gauteng, including issues impacting ridership and current numbers. Status on the expansion of the system or "Gautrain 2" as it has become known. Clarification on the procurement of additional rolling stock and the solutions that they are investigating going forward. And, what options the GMA has when the concession comes to an end in the next few years.

Jack also took the time to unpack the patronage guarantee,how it is made up and clarifies the difference between the patronage guarantee and public transport subsidies.

Metric Automotive Engineering "Show 'n Tell" Series

Andrew Yorke, the Operations Director for Metric Automotive Engineering walks us through their facility in Germiston, South Africa.

From goods receiving through to dispatch. Metric Automotive Engineering, is one of Africa's most comprehensively equipped heavy diesel engine and component remanufacturers.

The company remanufactures heavy diesel engine components for a range of different end-user industries, including rail – to their original OEM specification, and has developed a long and impressive track record.

Metric Automotive has invested in specialised state-of-the-art equipment and has stayed abreast of the latest global developments in diesel engine technology.

Experience Factory Tour

http://bit.ly/2IUXnO3

LIEBHERR ENSURES PASSENGER COMFORT IN FULLY AUTOMATED PEOPLE MOVER SYSTEMS

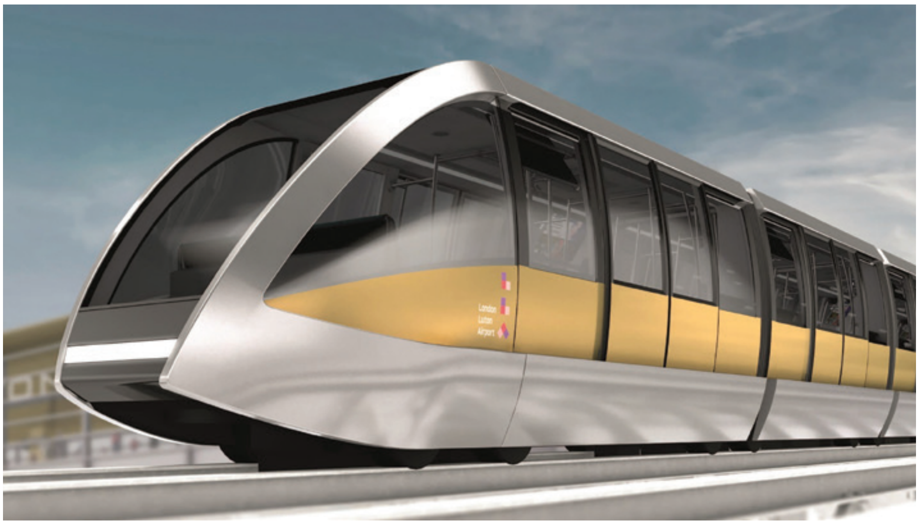
Liebherr-Transportation Systems was recently commissioned by the Austrian company CARVATECH Karosserie- und Kabinenbau GmbH to supply 24 air conditioning systems for two fully automated cable propelled people mover systems (CABLE Liner®) from Doppelmayr Cable Car GmbH.

For each train, 12 Modular Air Conditioning Systems, MACS for short, will be installed at CARVATECH in Oberweis. The scope of delivery also includes four BK4 microprocessor control systems developed by Liebherr. The compact, powerful modular controller system controls the air conditioning units and ensures the full functionality of the air conditioning systems throughout their entire operating time.

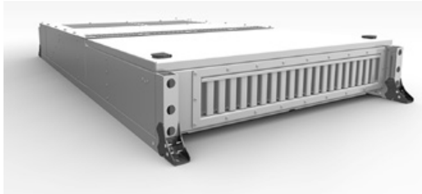
Assembly work on the cabins of the Cable Liner® Double Shuttles is scheduled to begin this month. The customer is the well-known Austrian company Doppelmayr Cable Car GmbH in Wolfurt, which is responsible for the design, manufacturing, delivery installation, commissioning, operation and maintenance of the automated people mover system. From April 2021, a Cable Liner® installation (the Luton DART) - almost two kilometres long - will start operation in England from the Luton Airport Parkway railway station to London Luton Airport. It will then be possible to transport up to 2,720 passengers per hour per direction. The MACS 8.0 units from Liebherr provide pleasant air conditioning and therefore travelling comfort for passengers on board the fully automated local transit systems.

Dirk Junghans, Managing Director, Head of Sales, Marketing & Customer Service, Liebherr Transportation Systems GmbH & Co KG, commented: "This order strengthens our position as a supplier of air conditioning systems for railway applications, and we are now equipping cable cars with our standard product MACS 8.0 for the first time. It is also a major milestone for our future cooperation with CARVATECH."

Thomas Kurz, Project Director for the Luton DART for Doppelmayr Cable Car also expects a lot from the cooperation between CARVATECH and Liebherr: "We are convinced, with the new air



Cable-Liner-London-Luton-Airport_Copyright-Doppelmayr.jpg
The Cable Liner® will travel with Liebherr technology on board. - © Doppelmayr



liebherr-modular-air-conditioning-system-macs8-0.jpg
MACS 8.0 offers 70 percent more cooling capacity per kilogram of weight and can be flexibly combined. - © Liebherr

conditioning units designed by Liebherr, we are able to increase the passenger comfort and therefore improve the passenger experience for London Luton Airport with our iconic people mover system".

MACS 8.0 – the new air conditioning system for all types of rail vehicles
MACS 8.0 from Liebherr is an efficient and flexibly configurable HVAC system for rail vehicles of all kinds. It impresses with its high degree of standardization, its low weight and its low overall height. Particular mention should also be made of its extremely low energy consumption, with an approx. 70% higher power density compared to conventional systems. The MACS 8.0 basic module features a cooling performance of 8 kW. Depending on performance requirements, the system can be extended with identical modules – for example, with three additional modules to 32 kW.

MACS 8.0 is only 220mm high with each module weighing 125kg. This makes the HVAC system about 300kg lighter than other systems with a cooling capacity of 32kW. MACS 8.0 thus offers approx. 70% more cooling performance per kilogram of weight. Since a module can be replaced within a very short time thanks to its plug-and-play design, cost-effective service concepts are easy to implement and vehicle downtimes are shorter than with conventional systems. MACS 8.0 can be installed as a single module or combined with multiple modules. This means that the cooling and heating capacity for the passenger compartment and operator's platform can be flexibly designed to meet specific requirements. Its multiple redundancy also ensures maximum availability: should one module fail, the others continue to run.

Liebherr-Transportation Systems – Renowned Manufacturer of Railway Technology
Liebherr-Aerospace & Transportation SAS in Toulouse (France) is one of eleven divisional control companies in the Liebherr Group and coordinates all activities in the fields of transportation and aviation equipment. It employs around 5,800 people worldwide.

Liebherr's transportation systems division supplies cab and saloon heating, ventilation and air conditioning (HVAC) systems, thermal management systems for diverse, mobile and stationary e-mobility applications, hydraulic actuation systems, dampers and hydraulic load levelling equipment for rail vehicles of all kinds. Liebherr has many years of experience in the development, manufacture, and field service of these technologies, offering support throughout the entire product lifecycle. The company invests continuously in its R&D activities in order to offer its customers new generations of diverse transportation systems solutions.

Liebherr-Transportation Systems has three production plants in Korneuburg (Austria), Marica (Bulgaria) and Zhuji (China). In addition to its own sales and service centers, the division has access to the Liebherr Group's extensive and unique technologies as well as development and service facilities around the world. This global set-up means that Liebherr-Transportation Systems is there for its customers wherever they may be.

Reduce Wear And Increase Life Span Of Critical Rolling Stock Components

"Coffee with The Editor" with the Vesconite Bearings team, MD Dr Jean-Patrick Leger and Zané Easton and Thomas Utermark, Pr Eng – discussing the impact of their products in wheel/rail interface and how wear impacts operations both track and rolling stock applications, highlighting their Superlube Load Pads and what they look like after two years in operation on the Sishen-Saldanha line. Vesconite manufacturers in South Africa and supplies a global market a variety of products in the mining, shipping, agriculture and construction sectors.

Watch Video
http://bit.ly/2Mv7z3a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- Creation and retention of jobs, development of skills
- 45,000 m² industrial facility in Boksburg
- Design, Manufacturing, Assembly and Services
- Localization partner for global manufacturers
- Supporting TMH narrow gauge customer worldwide

ABOUT TMH AFRICA

- TMH Africa Pty Ltd was formed on December 2017 and is based in Boksburg, near Johannesburg, in South Africa.
- TMH Africa expanded following the successful R500 million acquisition of DCD Rolling Stock's 45 000 sqm rail connected facility. As part of the transaction, the facility will be modernized and employees trained to new technologies.
- TMH Africa was officially unveiled on 2 April 2019 by Gauteng Premier, Honourable David Makhura.
- TMH Africa is 70% owned by TMH International and 30% owned by MJISA, a South African based investment company.

TMH AFRICA

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