

TANZANIA RAILWAYS LIMITED (TRL)

PRIORITY PROJECTS FOR FUNDING MARCH, 2016

Ministry	MINISTRY OF WORK, TRANSPORT AND COMMUNICATION
Project Code	4292
Project Name	REVITALIZATION OF TANZANIA RAILWAYS LIMITED (TRL)
Project Objective	Procurement and Repair of Rolling Stock to increase capacity of operating equipment and improve availability.
Project owner (Implementing Authority)	Tanzania Railways Limited through the Government of Tanzania (GOT)
Location:	Throughout the Tanzania Railways system with 2,707 kms of track running east to west (central corridor) and passing through seven regions i.e Dar es Salaam. Coast, Morogoro, Dodoma, Singida, Tabora and Shinyanga also Kigoma and Katavi.
Short Description	The project is intended to revamp railway operations of the central line to Kigoma and Mwanza by increasing haulage capacity of passengers and freight traffic within the country and neighboring countries of Rwanda, Burundi, Uganda and Eastern part of DRC.
Project Benefits	<ul style="list-style-type: none"> • Railways capacity to haul large volumes including bulky traffic lowers unit cost of transportation thereby enabling sellers to set low prices to last consumers thereby contribute to poverty reduction. • Increased railway throughput will reduce road transport requirement which will save the Government the cost of construction/maintaining roads. • It will provide easy accessibility to various social services to the community along the project area. • Enable trade facilitation between Tanzania and neighboring countries of DRC, Rwanda, Burundi and Uganda. <p>Increase in number and reliability of rolling stock and track condition will reduce transit and turn-round time of rolling stock</p>

<p>Pre-feasibility studies</p>	<ul style="list-style-type: none"> • .Comprehensive Transport and trade System Development Master plan in United Republic of Tanzania by JICA(2012) • Corridor Diagnostic study of the Northern and Central Corridors of East Africa funded jointly by USAID and DFID 2011/2012 • Tanzania Railways Upgrading and performance study by CPCS Transom International(2012) • (TRL) Transformation Business Strategy 2013-2015 • Canarail
<p>Project status/Stage of the projects</p>	<ul style="list-style-type: none"> • Procurement of 63 (13+50) locomotives, 13 have been paid for under GOT funding and delivery was in September, 2015. Funding for the 11 locomotives has included in 2014/2015 budget while Funding for the remaining 39 new locomotives not yet secured. • For 2,234 freight wagons, 274 freight wagons have been paid for under GOT funding. All wagons has been delivered up to june, 2015. Funding for the 204 freight wagons has been included in 2014/2015 Government budget while the funding for the remaining 1,756 new freight wagons not yet secured. • For procurement of 44 (22+22) passenger coaches, fund for procurement of 22 have been paid for through Government funding and delivery was in December, 2014. The remaining 22 passenger coaches have no funds. • Remanufacture of 18 shunting engine @ USD 837,900 • Procurement of 4 set of Diesel Multiple Unit (DMU) for DSM City train @USD 21 Mil.
<p>Project Cost Estimates:</p>	<p>Total project estimated cost is USD 32,465.86 Millions which deals with activities as shown in APPENDIX No .1:</p>

Financial Status:	Funding not yet in place.
Contribution to income generation and/or poverty eradication:	<ul style="list-style-type: none"> • Creation of direct and indirect employment opportunities to local people. • Reduction in transportations costs and increase of its reliability will facilitate movements of agricultural products from production centers to the market(s) and hence increase farm gate prices and facilitate movements of farm implements. • Promote petty business along the project area thereby increase income of the community. <p>Promote mining prospects particularly gold, nickel and diamond.</p>
Description of the regional character of the project and benefiting countries	TRL serves four neighboring landlocked countries which rely on Dar es Salaam Port for their imports and exports. These are: Uganda, Rwanda, Burundi and Democratic Republic of Congo (DRC).
Mode of Investment	Accepted finance modes:- Dept finance Joint venture
Description of partnership required:	Public private partnership (PPP)
Contact person:	Ag. MANAGING DIRECTOR
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APPENDIX 1

A: PROPOSED PRIORITY PROJECTS FOR FUNDING MARCH, 2016

S/NO	Investment Area	Activity Description	Project cost in USD Mil
1	Locomotives	Remanufacturing of 18 existing shunting engine @ USD 837,900	15,082
	Locomotives	Procurement of 39 new High Horsepower locomotives @USD 3.29 Mil	128.31
	Goods wagons	Procurement of 1,756 freight wagons @ USD 103,960	182.55
2	Diesel Multiple Unit	Procurement of 4 set of Diesel Multiple Units DMU @ USD 21 Mil.	84
3	Passenger Coaches	Procurement of 22 passenger coaches @USD 772,221.4	16,989
GRAND TOTAL			32,465.86