



International Conference on the Great Lakes Region

Regional Programme of Action for Economic Development and Regional Integration

Project No. 3.3.5

Pre-feasibility Study on the Northern Corridor Railway
Extension

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Preamble

The proposed project to link the Indian Ocean with the Atlantic Ocean by an integrated system of transport infrastructures which includes the railway from Mombasa to Kisangani with off ramps to Kigali and Bujumbura responds to the concern expressed in the Dar-es-Salaam Declaration adopted in the United Republic of Tanzania, on 20 November 2004, by the Heads of State and Governments to promote regional co-operation in trade, transport, as well in telecommunication, with particular attention to railways. This promotion will be achieved by rebuilding and developing infrastructure to facilitate the movement of goods and people, and as a corollary, the development of trade between the States of the region and beyond.

Since the 1980s, some Member States of the International Conference on the Great Lakes Region that are members of the Northern Corridor had already shown, their willingness to cooperate in the transport sector through the signature of the Northern Corridor Transit Agreement (NCTA).

Analytic summary

Countries of the Northern Corridor have been collaborating on the extension of the pipeline from Kenya to the landlocked countries. Moreover, Kenya and Uganda are envisaging giving the joint concession of their railway networks to a single agent who should take over in December 2005.

The NCTA Council of ministers held an extraordinary session on 5 August 2004 to examine and agree on the development of the railway sections missing between the countries.

The meeting resulted in the decision to extend the railway network to Kisangani in the Democratic Republic of the Congo and thus create a land bridge linking the Indian Ocean to the Atlantic Ocean by a combination of rail and water-ways. While the main rail link would require the extension of the railway from Kasese in the West of Uganda to Kisangani via Beni, Bunia and Komanda, it is also envisaged creating related links to Goma, Kigali, Bukavu and Bujumbura. The agreed rail network is as shown on the attached map.

It is proposed to undertake a pre-feasibility study with a view to facilitating decision taking on the next steps of the project. The study will be conducted by a consultant and the cost is estimated at USD 1,121,750.

Major problems to resolve

There are no major problems anticipated in conducting this study as the States committed themselves in the a ministerial meeting held at Nairobi in August 2004

and that project coordination and management structures have been clearly defined.

Problems might be encountered in the work on the ground given the nature and the extent of the area covered by the project.

Specific constraints to overcome

Some constraints which should be overcome so that the project can go forward under the best conditions are:

1. The organisation of the Steering Committee's meetings will have to be well prepared. The budget will have to be made available for this purpose by the member States to enable those responsible for co-ordination to meet whenever necessary.
2. The Great Lakes Region concerned by the project is landlocked and fragile, and this might influence the course of activities.
3. The financing of the study should be mobilised as soon as possible in order to facilitate the start of the study.

TERMS OF REFERENCE FOR PRE-FEASIBILITY STUDY OF THE NORTHERN CORRIDOR RAILWAY EXTENSION

I. INTRODUCTION

1.1. About the Northern Corridor and the Transit Transport Coordination Authority (TTCA)

1. The transport corridor linking the Kenyan seaport of Mombasa, on the Indian Ocean coast, with Uganda, Rwanda, Burundi, the Democratic Republic of Congo and Southern Sudan is referred to as the Northern Corridor. It is the busiest corridor in East and Central Africa handling in the region of 12 million tons of import/export cargo of the countries mentioned above. The corridor also handles a substantial volume of intra-regional trade.

2. The Northern Corridor is a multi-modal transport corridor, combining surface modes of transportation, which include road, rail, waterways and pipeline. The corridor route network extends from Mombasa and links major urban centres, which include, Kampala, Kigali, Bujumbura, Goma, Bukavu, Beni, Bunia and Kisangani.

3. In 1985, four countries, namely Kenya, Uganda, Rwanda and Burundi, which rely primarily on the Northern Corridor route and the port of Mombasa, signed the Northern Corridor Transit Agreement (NCTA). Later in 1987, the

Democratic Republic of Congo acceded to the Agreement thereby becoming the fifth contracting state.

4. The NCTA provides the basic framework for cooperation among the contracting states in the facilitation of trade and traffic between their respective territories and to and from the sea through the port of Mombasa. The NCTA also provides for cooperation in joint development and maintenance of transport infrastructure and facilities. It also provides for cooperation in customs control, documentation and procedures, as well as regulation of all surface transport modes.

5. In line with the provisions of the NCTA, the Transit Transport Coordination Authority (TTCA) of the Northern Corridor was established in 1986, following the ratification of the Agreement. The TTCA has three basic organs, namely the Authority, the Executive Board and the Secretariat, which is headquartered in Mombasa, Kenya. The Authority constituting a Council of Ministers responsible for transport matters is the highest political organ, which is responsible for overseeing the implementation of the Agreement and adoption of new policies. Its decisions are binding on all the contracting states. Next to the Authority are the Executive Board, which a Committee of high-ranking government officials at the level of Permanent Secretaries and their advisors. The Executive Board plays an advisory role to the Authority. The above two organs are assisted by the Permanent Secretariat, which is based in Mombasa, Kenya and is headed by an Executive Secretary.

6. Recently, two specialized committees have been established, namely: the Infrastructure Development and Management Committee and the Committee on Customs, Trade and Transport Facilitation. In addition, the Northern Corridor Stakeholders Consultative Form, which brings together private and public sector operators, has been in existence since 1999.

1.2. Context of the Study

7. As indicated above, the NCTA provides the framework for co-operation among its contracting states in various transport related fields, including joint development of transport infrastructure and facilities. In this regard, it should be noted that the member States of the Northern Corridor have had a long history of jointly promoting regional road infrastructure projects, inland waterways, pipeline and rail transport.

8. They are collaborating in the extension of the oil pipeline from Kenya into the land-locked countries. In addition, Kenya and Uganda are pursuing joint concession of their railway systems to a single agent, expected to take over in December 2005.

9. Furthermore, the countries of the Northern Corridor have in principle agreed to transform the corridor into an economic development corridor. The development corridor concept recognizes the interdependence of various sectors of the economy and seeks to create synergies between the development of transport infrastructure and the development of other sectors of the economy, such as agriculture expansion, mining, industrial development, tourism and others. Under this framework, the Northern Corridor countries would like to see that rail transport becomes a backbone of transport infrastructure of the region. It is in this regard that the TTCA Council of Ministers held an extra-ordinary session on 5 August 2004 to discuss and agree on the development of missing railway links between the countries.

10. The outcome of the meeting was the decision to extend the rail network to Kisangani in the Democratic Republic of Congo and in so doing create a land bridge linking the Indian Ocean and Atlantic Ocean through a combination of rail and inland waterways. Whereas the main rail link would entail extending the railway from Kasese in Western Uganda to Kisangani, through Beni, Bunia and Komanda, spur links to Goma, Kigali, Bukavu and Bujumbura are also envisaged. The agreed rail network is as shown in the attached map.

11. The proposed extension of the Northern Corridor rail network has been included in the AU/NEPAD Programme for 2005-2007 and is now part of the NEPAD program for infrastructure development.

12. The extension of the railway to Kisangani in the DRC, with off ramps to Goma, Kigali, Bukavu and Bujumbura, is expected to unlock the economic potential of the Great Lakes region, thereby resulting in the creation of wealth and the reduction of poverty. Throughout the Great lakes region and in the DRC in particular, there is optimism that the project would create trading and business opportunities that could become an ingredient in ending the current conflicts in the region.

1.3. Situation Analysis of Economies of the Region

13. The economies of the Northern Corridor countries are predominantly agriculture based, with some degree of mining, in the case of the D R Congo and manufacturing in the case of Kenya. This implies the economic potential of the region is not yet fully exploited. This fact is perhaps better illustrated by comparing the volumes of imports versus exports. Imports are generally about three times more than exports, both in terms of volumes and value. This fact is further illustrated by the negative balance of payments of these countries, necessitating borrowings, even to support consumption, thereby worsening both the debt and poverty situation.

14. Nevertheless, there are encouraging growth-trends exemplified by Uganda and Rwanda economies. The Kenyan economy is also very stable and

has of recent shown positive growth. With peace returning to the Eastern part of the Democratic Republic of Congo, and Southern Sudan, the economic prospects of the Great Lakes region in particular and Northern Corridor countries as a whole, look very promising. The realisation of the proposed railway extension would go a long way in strengthening the economies of the region.

2.0. THE TRANSPORT SECTOR

2.1. The Northern Corridor Transport Systems

15. The Northern Corridor transport systems are dominated by road and rail transport modes. Road transport accounts for over 70% of all freight and rail transport accounts for less than 30%. Air transport is predominantly for passenger traffic between the member states of the Northern Corridor. However, due to the poor state of road infrastructure in the DRC in particular, and the limited extent of the rail network, goods are transported by rail/road up to Goma, Beni or Bunia and then airlifted to Kisangani, Kindu and other destinations within the eastern part of that country. As a result consumer prices are 3 to 4 times more expensive in places like Kisangani and Kindu.

16. The transport sector is characterized by poor and inadequate infrastructure and services, resulting in high transport costs, high consumer prices and high costs of farm and industrial inputs. Consequently, the economies of the region are less competitive in the global market.

17. Despite the inadequacy of infrastructure and services, the contribution of the transport sector in the national economies ranges from 5 to 10% of the GDP.

2.2. The Northern Corridor Road Transport

18. The Northern Corridor main road network distribution is as depicted in Table 1 below:

Table 1: Distribution of the Main Road Network by Country

Country	Paved	Unpaved	Total
Burundi	320	36	356
Congo DR	721	1960	2641
Kenya	1196	0	1196
Rwanda	814	0	814
Uganda	1042	657	1669
Total	4093	2613	6706
Per Cent	61%	39%	100%

19. The above table only depicts the main road route network. While for the entire corridor nearly 40% of the main road network is unpaved, it is interesting to note that in the case of Congo DR; nearly 75% of the network is unpaved. In addition the actual physical condition of the sections listed as paved is extremely poor.

20. The deterioration of rail transport services during the past two decades or so resulted in a large proportion of long distance bulk haulage being diverted to the road network. This has resulted in a lot of pressure being exerted on the road network, leading to a lot of deterioration. Moreover, in most countries, no mechanisms have been put in place to control vehicle overloading. In the case of Uganda and Kenya, where axle load controls have been established, the exercise is marred by malpractice. Urgent action is required to expand rail capacity, which is a cheaper mode, in order to preserve the road network.

2.3. The Northern Corridor Rail Transport

2.3.1. Analysis of Physical Aspects and Traffic

21. The Northern Corridor rail network currently consists of the rail networks of Kenya and Uganda linking the port of Mombasa with Kasese in western Uganda and Pakwach on the River Nile in north-western Uganda. The total network of Kenya and Uganda is about 3300km, of single line and narrow gauge (1000mm) rail.

22. The condition of the network varies from section to section as indicated below:

(i) Mombasa-Nairobi (530km)

This section, which is laid with 95lb rail, requires spot improvements and replacement of rails and sleepers.

(ii) Nairobi-Malaba (550km)

This section requires upgrading to 110lb rails, replacement of sleepers and reconstruction culverts.

(iii) Nakuru-Kisumu (217 km)

Upgrading of the section, Nakuru-Mau Summit from 60lb to 80lb rail has been undertaken during the past 2 years. The remaining sections (approximately 160km) require upgrading to 80lb rails.

(iv) Malaba-Kampala (251 km)

Emergency repairs of bad spots (approximately 30km) are currently in progress with financing from the EU. The remaining sections will also require rehabilitation very soon. The Malaba-Kampala section is laid with 80lb rails.

(v) Kampala-Kasese (330km)

This line is currently closed due to its poor state and requires major rehabilitation, which will entail strengthening of the basement, realignment, reconstruction of culverts and bridges and replacement of rails and sleepers. The necessary studies were carried out and options analysed.

(vi) Tororo-Malaba-Soroti-Gulu-Pakwach Line (517km)

This line is laid with light materials (50-60lb rails). Insecurity in some areas through which the line passes led to its closure in 1995. However, since this year, the line has been re-opened up to Lira. The intension of the Uganda government is to re-open the line all the way to Pakwach. The line had in the past played a significant role in conveying agricultural produce from Southern Sudan and Northern Uganda to export markets.

(vii) Other Sections

The rest of the network comprises branch lines such as the Magadi Soda railway, links to Thika, Nanyuki and Butere, within Kenya.

23. The two rail carriers of Uganda and Kenya are mainly engaged in the transportation of imports and exports of the countries of the Northern Corridor. The opportunity available to the railways is represented by traffic volumes passing through the port of Mombasa, which has grown from 8.5 million tons in 1998 to nearly 12 million tons in 2003 as shown in Table 2 below, representing an average annual growth rate of 7%.

Table 2: Mombasa Port throughput 1998-2003 (million tons)

Year	1998	1999	2000	2001	2002	2003	Growth % p.a
Domestic	7.32	6.74	7.47	8.18	8.01	8.87	4.2
Transit	1.13	1.31	1.45	2.12	2.22	2.45	17.6
Transhipment	0.11	0.14	0.20	0.30	0.34	0.61	42.6
TOTAL	8.56	8.16	9.13	10.60	10.56	11.93	7.2

Source: Kenya Ports Authority

24. Similarly, transit traffic to and from the landlocked countries has more than doubled in the last 5 years as shown in Table 3 below. Transit traffic grew from 1.13 million tons in 1998 to 2.45 million tons in 2003, representing an annual

average growth rate of nearly 18%. For the year 2004, transit traffic was 2.89 million tons.

25. Whereas the market share of rail transport has declined to less than 30% of the total traffic, it is envisaged that following the concession of the Kenya/Uganda, the total traffic carried by the two rail networks (currently approximately 3 million tons) would double within the next five years. Projected business performance Road/Rail modal split, during the next 20 years is as depicted in Table 4 below:

Table 3: Mombasa Port Transit Traffic by Country 1998-2003 in (000s tons)

Country	1998	1999	2000	2001	2002	2003	Growth%
Uganda	841.9	1012.6	1114.6	1669.8	1710.1	1893.7	
Tanzania	57.7	63.3	93.2	145.9	157.0	181.8	
Burundi	1.2	4.2	2.3	6.8	28.8	4.2	
Rwanda	94.4	109.3	71.7	109.1	80.8	176.8	
Sudan	52.2	46.3	45.1	67.4	90.0	75.3	
Congo DR	59.5	52.4	76.3	68.5	100.2	71.6	
Others	20.1	21.8	51.2	49.4	45.1	49.2	
TOTAL	1126.8	1310.0	1454.3	2116.8	2214.9	2452.6	
%change	-	16.2	11.0	45.5	4.6	10.7	17.6

Source: Kenya Ports Authority

Table 4: Projected Road/Rail Modal Split 2004-2024 (000's tons)

Year	Total Traffic	Road	Rail	% Rail
2003	11,930	8,295	2,975	25
2009	14,910	7,465	7,465	50
2014	18,640	9,320	9,320	50
2019	23,300	11,150	11,150	50
2024	29,120	14,560	14,560	50

Source: Kenya Railways Corporation

2.3.2. Institutional Reform Aspects

26. Currently the railways in the region are 100% government owned and their management still in the public sector. However, concession has been adopted by the countries in the region as a viable way of attracting both short to medium capital, as well as management skills in the rail sector. It is in line with this policy

that Kenya and Uganda have made substantial progress toward the joint concession of their railways.

27. Seven firms pre-qualified in October 2004 have undertaken due diligence assessments, with a view to preparing their bids to be submitted by August 2005. Thereafter, the most technically and financially competent firm will be selected, leading to the signing of the Concession Agreement for a period of 25 years, with targeted commencement date of December 2005.

28. While the concession agreement will lead to handing over to the concessionaire a large portion of the Kenya/Uganda rail network, not all sections will be covered. In addition, the development of rail infrastructure will remain the responsibility of the governments. The extension of the Northern Corridor rail network should therefore be viewed in this context. Nevertheless, various financing options, including as BOTs are to be promoted by the governments. Joint public and private sector partnerships are considered to be one of the viable options.

2.3.3. Financial Aspects

29. Analysis of the accounts for the past five years of Kenya and Uganda railways companies are being compiled and will be incorporated in these terms of reference as soon as the figures become available.

2.4. Multi-modal Transport in the Northern Corridor Countries

30. As indicated earlier, the Northern Corridor is a multi-modal transport corridor where a combination of surface transport modes is in use.

2.5. Maritime Transport and Ports of the Northern Corridor Countries

2.5.1. Mombasa Port Cargo Traffic

30. The primary port is the Mombasa port, whose total throughput, for the past six years, is depicted in Table 2, under section 2.3.1. The following table shows cargo traffic by major products.

2.5.2. Analysis of Transit Traffic to Landlocked Countries

Table 5: Traffic handled at the Port of Mombasa by major category (000s) DWT

Year	1998	1999	2000	2001	2002	2003
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Dry General Cargo	5,065	3,723	3,806	4,429	4,527	4,781
Dry Bulk Cargo	827	1,401	1,421	1,378	1,562	1,783
Total Dry Cargo	5,892	5,133	5,227	5,807	6,089	6,564
P.O.L. in Bulk	2,338	2,521	3,232	3,920	3,594	4,147
Bunker Oils	32	139	93	105	100	75
Other Bulk Liquids	193	252	378	466	440	540
Total Bulk Liquids	2,563	2912	3,703	4,490	4,134	4,762
Total Imports & Exports	8,455	8045	8,930	10,297	10,224	11,326
Transshipment	106	143	196	303	240	605
GRAND TOTAL	8,561	8,188	9,126	10,600	10,564	11,931

Source: Kenya Ports Authority

31. The table below depicts import and export traffic for the period 1998 to 2003:

Table 6: Mombasa Port Transit Traffic by Country in Metric Tons

Country	Direction	1998	1999	2000	2001	2002	2003
UGANDA	Imports	650,529	777,442	898,850	1,452,341	1,426,772	1,676,918
	Exports	191,372	235,139	215,736	217,475	283,326	216,772
	Total	841,901	1,012,581	1,114,586	1,669,816	1,710,098	1,893,690
TANZANIA	Imports	40,987	50,979	78,699	126,125	134,809	161,466
	Exports	16,714	12,343	14,455	19,809	22,160	20,314
	Total	57,701	63,322	93,154	145,934	156,969	181,780
BURUNDI	Imports	1,169	3,403	1,783	2,939	24,738	2,791
	Exports	-	846	538	3,827	4,022	1,414
	Total	1,169	4,249	2,321	6,766	28,760	4,205
RWANDA	Imports	83,306	91,421	51,130	88,457	66,241	164,021
	Exports	11,066	17,866	20,584	20,610	14,581	12,781
	Total	94,372	109,287	71,714	109,067	80,822	176,802
SUDAN	Imports	51,832	46,349	45,030	67,197	92,836	75,019
	Exports	330	-	44	174	163	308
	Total	52,162	46,349	45,074	67,371	92,999	75,327
D.R. CONGO	Imports	42,707	42,250	26,875	57,220	85,575	57,129
	Exports	16,751	10,127	49,418	11,299	14,650	14,462
	Total	59,458	52,377	76,293	68,519	100,225	71,591
OTHERS	Imports	17,595	13,031	50,985	49,248	43,668	49,061
	Exports	2,474	8,795	198	121	1,416	135
	Total	20,069	21,826	51,183	49,369	45,084	49,196
TOTAL	Imports	888,125	1,024,875	1,153,352	1,843,527	1,874,639	2,186,405
	Exports	238,707	285,116	300,973	273,315	340,318	266,186
	Total	1,126,832	1,309,991	1,454,325	2,116,842	2,214,957	2,452,591

Source: Kenya Ports Authority (KPA)

2.6. Air Transport

32. Air transport plays a significant role in the movement of passengers between the member States of the Northern Corridor, with little freight transport between the countries. However, in the case of the eastern part of the DRC, air transport is used to carry freight between the major urban centres, due to lack of rail and road links.

33. The air transport industry in all the Northern Corridor countries have been liberalized in accordance with the Yamoussoukro Declaration and the COMESA open skies policy. This has led to the formation of a number of private airline companies to fill the void left by the collapse of some of the national carriers. The liberalized environment has also enabled the surviving national carriers to enter into partnership with private carriers, both locally and internationally.

34. This trend is likely to continue as governments move away from ownership and operation of transport companies.

2.7. Inland Waterways Transport in the Great Lakes Region

35. The Great Lakes region possesses unutilized potential in inland waterways transport services. There are major lakes, such as Lake Victoria, Lake Tanganyika, Lake Kivu, Lake Edward and Lake Albert. In addition, there are three major rivers which add to this potential, namely River Nile, River Congo and River Akagera.

36. The study will determine the necessary links between the proposed rail extension and the utilization of the inland waterways. In this regard, there will be need to examine necessary improvements to existing port facilities on the River Congo, which links Kisangani with the port of Matadi on the Atlantic coast.

2.8. Transport Policy

37. The TTCA Strategic Plan calls the harmonization of transport policies and regulations of the Northern Corridor countries. In this regard, it is worthy noting that substantial progress has been made in the following areas:

- Simplification and harmonization of customs documentation and procedures
- Elimination of the remaining non-physical barriers to traffic and trade
- Establishment of joint controls at the major border posts in order to convert them into one-stop border posts
- Upgrading of transport infrastructure and facilities, through the promotion of public, private partnerships in their provision and maintenance
- Promotion of rail transport as a cheaper, safer and more environmentally friendly mode, for long distance bulk haulage
- Reduction of corrupt practices along the corridor, with a view to reducing transportation costs

- Application of ICT to enhance efficiency and information exchange

3. PROPOSED STUDY

3.1. Formulation

3.1.1. General formulation of the study

38. The study was recommended by the extra-ordinary meeting of the TTCA Council of Ministers held in Nairobi on 5th August 2004. The Nairobi meeting also agreed to the establishment of a Steering Committee to comprise Permanent Secretaries and other officials from the member States, as well as representatives of the African Union, COMESA, East African Community, the Economic Commission for Africa and the African Development Bank. The TTCA Secretariat would coordinate the work of the Committee.

3.1.2. Donor Coordination

39. The Extra-Ordinary meeting of the TTCA Council of Ministers also requested the African Development Bank to take the lead in mobilising resources for the project. In this regard, it is anticipated that the AfDB will liaise with multilateral and bilateral aid agencies, such as the European Union, USAID, DFID, DANIDA, NORAD, JICA, SIDA, etc. in mobilising necessary resources for the project, including private sector investments.

3.2. Objectives of the Study

40. The study has the following objectives:

- (i) Study the existing rail networks with a view to determining the necessary intervention to strengthen the network;
- (ii) Determine whether it is necessary to move from the current 1000mm gauge to wider gauges and the cost implications of the selected gauge;
- (iii) Survey the proposed rail extensions to Kisangani and the links to Goma, Kigali, Bukavu and Bujumbura, with a view to determining the most suitable alignment and routing of the proposed links;
- (iv) Assess necessary improvements of the inland waterways facilities associated with the project, including the expansion of the Kisangani port;

- (v) Provide the cost estimates of the proposed extensions and advise on the appropriate phasing of the works, taking into account economic and financial considerations;
- (vi) Make a preliminary assessment of the impact to the environment of the proposed rail extensions.
- (vii) Advise on the most suitable financing options, including public, private partnerships and management structure of the rail networks.
- (viii) Undertake cost benefit analysis of the project, including a comparison of long-term costs of construction and maintenance of roads and railways;

3.3. Description of the Study

3.3.1. Detailed description of the content of the study and definition of expected results

41. The study objectives listed above broadly describe the study. Given the above objectives, the following are the expected results of the study:

- (i) Determination of the necessary improvements to sections of the existing rail network;
- (ii) Recommendation on the most appropriate gauge for the Northern Corridor rail network;
- (iii) Determination of the most cost effective alignment of the proposed rail extensions, clearly indicating the likely costs and benefits of the alignment options;
- (iv) Recommendation on the options that should be advanced to full feasibility and engineering design studies;
- (v) Traffic forecasts for the proposed rail extensions;
- (vi) Determination of the likely synergies between the proposed Northern Corridor rail extension and similar regional initiatives;
- (vii) Recommendation on the necessary improvements to related infrastructure and facilities, such as inland waterways and ports, including cost estimates of such improvements;
- (viii) Environmental impact analysis of the project and recommendations on mitigation measures;

- (ix) Determination of economic benefits of the recommended improvements to existing rail networks, as well as the proposed extensions;
- (x) Recommendations on the most appropriate financing mechanisms, as well as the management structure of the proposed rail extensions.

3.4. Estimated Costs of the Study

42. The Study is estimated to cost US\$ 1,121,750.00, whose breakdown is as shown in the Annex.

4. ORGANISATION AND MANAGEMENT OF THE STUDY

4.1. Implementing Organ

43. The study will be undertaken under the auspices of the TTCA, which is the implementing and coordinating organ.

4.2. Coordination and Management of the Study

45. In line with the resolutions of the extra-ordinary meeting of the Authority, a Project Steering Committee will be established to comprise the Permanent Secretaries and technical officials from the member States, as well as representatives from the African Union, AfDB, COMESA, ECA and the East African Community.

4.3. Provisional duration for the implementation of the study

46. The study will be carried out over a period not exceeding six months.

We propose the following timetable for carrying out the study::

	Activity or Event	Organ(s) responsible	Proposed timetable
1.	Mobilising the finance	Member States, TTCA, Donors	April 2007
2.	Recruitment of the cabinet of consultants	TTCA, Steering Committee	July 2007
3.	Start of the Study	Consultant	August 2007
4.	Completion of the study	Consultant	February 2008
5.	Adoption of the report	TTCA, Steering Committee	March 2008

5. JUSTIFICATION OF THE STUDY

5.1. Reason for the study

47. The objectives of the study already outlined under section 3, provide the reasons for the study.

5.2. Traffic for the last five years

48. The traffic carried by the Kenya and Uganda railway companies along the Northern Corridor, during the period 1999 to 2003 is as shown in the tables below:

Table 7: Total Traffic Carried by KRC and URC 1999 to 2003 (tons)

Year	1999	2000	2001	2002	2003
Kenya Railways	2,264,67	2,440,78	2,235,39	2,255,76	1,996,584
Uganda Railways	0	6	0	5	595,491
	510,959	527,127	583,445	623,430	
Total	2,775,62 9	2,967,91 3	2,818,83 5	2,879,19 5	2,592,075

Source: Kenya Railways, Uganda Railways

Table 8: Uganda Transit Traffic carried by Rail and Road 1999-2003 (tons)

Year	Total Traffic	Road	Rail	% Rail
1999	1,012,581.00	429,682.03	412,218.97	48.96
2000	1,114,586.00	624,803.00	387,778.00	38.30
2001	1,669,816.00	1,203,607.7	466,208.30	27.92
2002	1,710,098.00	0	480,914.50	28.12
2003	1,893,690.00	1,229,183.5 0 1,388,220.6 0	505,469.40	26.69
Total	7,400,771.00	4,875,496.8 0	2,252,589.1 0	30.44

Sources: Kenya Ports Authority, Kenya Railways, Uganda Railways

5.3. Projected Rail Traffic on the Mombasa-Kampala-Kisangani Railway Line

49. Table 4 above gives traffic projections for the Kenya Uganda Railways up to the year 2024. Traffic projections for the new rail extensions will be provided by the study.

5.4. Benefits of the study

50. There are complimentary initiatives in the Great Lakes region, which include the proposed COMESA Great Lakes Railway Project and the proposed extension of the railway from Isaka in Tanzania to Kigali, Rwanda. The study will clearly determine the synergies between the extension of the Northern Corridor rail network, vis-à-vis the other regional initiatives.

51. The study will also help in the selection of optional alignments for further investigation at feasibility and detailed engineering design levels.

ANNEX

DETAILED COST ESTIMATES OF THE STUDY

No	DESIGNATION	NUMBER		Unit Price \$	Total Amount \$
		In the field	Home Office		
1	HONORARIUM				
1.1	Key Staff				
	Project Director (at the headquarters of the consultant)	0.5mm	1.0mm	10,500	15,750
	Chief of Mission (Rail Engineer)	4	2	10,500	63,000
	Rail Engineer	4	2	10,500	63,000
	Specialist of rail operations	2	2	10,500	42,000
	Geo-technical Engineer/ Geology Engineer	3	1	10,500	42,000
	Hydrology Engineer	3	1	10,500	42,000
	Transport Economist	2	2	10,500	42,000
	Socio-Economist	1	1	10,500	21,000
	Expert in Environment	1	1	10,500	21,000
	Others	2	2	10,500	42,000
1.2	Support Personnel				
	Secretary	6	-	1,500	9,000
	Driver	6	-	1,200	7,200
	Messenger	6	-	1,000	6,000
	SUB TOTAL HONORARIUM				415,950
2	ACTIVITIES AND FIELD WORKS				
	Topography				50,000
	Cartography				50,000
	Geo-technology				50,000
	Miscellaneous				7,500
	SUB TOTAL FIELD WORKS				157,500
3	PER DIEM, LOGISTICS AND TRAVELS				
	Per Diem	700days	250		175,000

	Air Transport	30 trips	1000		30,000
	Surface Transport				30,000
	Computers and related office work	15 units	1500		22,500
	Reproduction and expeditions				20,000
	Office location				10,000
	Communications				20,000
	Miscellaneous				12,875
	SUB TOTAL ITEM 3				320,375
4	SEMINAR ON THE OUTCOME OF THE STUDY				30,000
5	COORDINATION AND MANAGEMENT (Project Steering Committee)				50,000
	Miscellaneous (communication, etc)				5,000
6	BASIC COSTS (1+2+3+4+5)				978,825
7	Physical miscellaneous				42,850
8	Financial risks/ shortcomings				45,000
9	GROSS TOTAL - duty free (6+7+8)				1,066,675
	Tax elements				55,075
10	Total all taxes inclusive (9+ tax elements)				1,121,750

Annex III :

PROPOSED EXTENSION OF THE TTCA RAIL NETWORK ENDORSED BY THE AUTHORITY

