AFRICA Tanzania

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Photos: Wolf-Dietrich Geitz

Six commuter trains each day now connect Dar es Salaam with Ubungo.

Hopes rise in post-concession era

Backed by international lenders, the government is taking a more pro-active role in railway investment in Tanzania's two narrow-gauge networks, after an over-reliance on private investment left both the EACC and Tazara routes at a low ebb.

A decision by the World Bank on April 24 to approve US$300m in International Development Association funding to support the creation of 'reliable open access railway infrastructure' on the Dar es Salaam – Isaka section of the East African Central Corridor could prove a much-needed turning point in the fortunes of Tanzania's railways.

Tanzania has two distinct railway networks of 1 000 mm and 1 067 mm gauge. The metre-gauge EACC routes from Dar es Salaam to Kigoma and Mwanza, including several branch lines, date back to the German and British colonial eras, while China supported construction of the southern Tazara railway from Dar es Salaam over the border into Zambia in the 1970s.

Both networks are strategically-vital transport corridors, not only for Tanzania but for the wider central African region. They form part of trade routes which reach neighbouring countries such as Burundi and Rwanda, and the rest of the southern African Cape-gauge network in the case of Tazara. But this strategic role has not been enough to stem a dramatic decline in usage over the past two decades as governance and funding issues have conspired to thwart efforts to develop either network.

According to the World Bank's Project Director Henry des Longchamps, the funding package should enable a strengthening of the country's railway agencies, enable them to better manage operations, commercial activities, infrastructure and regulatory issues. 'Besides constraining economic activity in Tanzania and reducing the competitiveness of the country's tradable sectors, poor infrastructure on the EACC creates delays and high costs for transport of goods between Tanzania and its landlocked neighbours (Rwanda, Burundi and Uganda), as well as the Democratic Republic of Congo', des Longchamps argues.

Rail freight traffic is constrained by a shortage of wagons and locomotives.

Concession hopes

At the turn of the millennium, the Tanzanian government adopted a policy of seeking private investors to modernise its railways. The search for a concessionaire for the EACC network dragged on for several years, and during this period almost no investment was made in the existing infrastructure. Finally, the RITES group of India took on the agreement (RG 10.07 p592). The government also established an infrastructure manager, Reli Asset Holding Co, and a railway regulation department within the existing surface and marine transport safety body SUMATRA.

The problems began almost immediately. Already hindered by dilapidated infrastructure, train operations were further constrained by a lack of serviceable locomotives and limited local knowledge on the part of the concessionaire, the management of which had its background in Indian Railways. These operational difficulties were further exacerbated by a failure to finalise agreements over minimum wages and staff reduction between RITES, the government and trade unions.

These issues were never resolved, as the government opted to cancel the concession after just four years (RG 9.11 p11), by which point the EACC network was in a desolate state. Freight traffic volumes had declined from 1·6 million tonnes in 2003 to just 200 000 tonnes in 2010, and there has been no increase since then. Passenger numbers have dwindled similarly as the number of trains operated has reduced; previously daily trains from Dar es Salaam to Kigoma and Mwanza now run approximately once or twice weekly.

Such is the fragility of the EACC at present that the government-owned operator Tanzania Railways Ltd is often unable to do any service planning at all. If diesel fuel can be paid for, and there is serviceable rolling stock, then the trains will run. Only 12 locomotives are typically operational over the entire 2 700 km network, while a freight service leaving the bustling port of Dar es

Salaam often comprises just a shunting locomotive and five wagons.

Tazara decline

At first glance, the outlook for Tazara seems to be better, with stations and infrastructure around Dar es Salaam in a markedly better condition. But it too has faced a precipitous decline in passenger and freight traffic, and poor staff morale has led to regular strike action over unpaid wages and unfulfilled pension contributions in recent months.

In contrast to the EACC network, which has been run directly by the Tanzanian government since the end of the concession, Tazara is managed under bilateral agreements with Zambia, meaning that neither country can step in independently to ensure staff are paid on time, for example. In recent times support from China has been much more limited, amounting only to the supply of basic components such as sleepers on an occasional basis.

With such a constricted management process, attempts to develop traffic over the railway have been piecemeal, and it appears that only the dependence of a few key shippers on rail transit has ensured trains have carried on running.

Glimmers of hope

The unreliability and poor conditions afflicting the whole railway in Tanzania have finally started to hit home with institutions and policymakers, however. In particular, Tanzania's agricultural industry is unhappy that its produce is already uncompetitive on the global market by the time it reaches port because of transport costs and delays.

In the passenger sector, overcrowded bus services and 'no-frills' airlines are no substitute for safe and affordable trains, while the Indian Ocean port operators feel increasingly disadvantaged compared to those elsewhere in eastern and southern Africa. The highway authority has complained about the high maintenance costs caused by overloaded trucks, and the economy as a whole suffers under the external costs of road congestion, pollution and safety concerns.

A further geopolitical factor is the logistics demand from non-governmental organisations operating in conflict zones in central Africa, who are beginning to put pressure on Tanzanian officials to make better use of the EACC. Local politicians are now starting to reflect in speeches and documentation these calls for rail to have a greater role in regional transport policy.

Some noteworthy practical steps are also being taken. Scarce government funding has been released to allow TRL to invest again in its locomotive fleet, both through overhauling its existing units and acquiring new, and spares for rolling stock have been exempted from import duty.

A prime focus of the World Bank funding, helped by additional loans from JICA, is the reintroduction of regular container trains between Dar es Salaam and an inland logistics hub at Isaka in the west of the country, on the branch to Mwanza. As well as institutional support, the funding will support track, subgrade and bridge renewals, and the construction of enhanced container transhipment facilities.

In the passenger market, extra commuter trains have been running over the past 18 months between Dar es Salaam and Ubungo, a distance of around 15 km. Six return workings operate each weekday, with an end-to-end journey time of around 35 min. Limited investment in rolling stock means that each train is formed of nine coaches plus two diesel locomotives, but the travelling public has taken to the service with enthusiasm, and every working is fully loaded. The same route is also served by segregated bus rapid transit, which is expected to form the basis for Dar es Salaam's first light rail line in the medium term.

Strong institutions, realistic vision

Tanzania has learnt much from its experience with concessioning and attempting to secure private investment in railway infrastructure. Now the government, its railway management bodies RAHCO and SUMATRA, and the World Bank are seeking to move forward using an open access model that would prevent an unhealthy monopoly from arising. The hope is that shippers would be incentivised to start running their own trains; indeed, in January Tazara and major customer Impala Warehousing & Logistics International signed a memorandum of understanding which could lead to the private company doing just that in partnership with Vecturis of Belgium (p33).

12 locos

TYPICALLY OPERATIONAL OVER THE ENTIRE EACC NETWORK

The breakdown of the concession model on the EACC network has served to highlight how important the rail network could be to the country. Finally, a more pragmatic and realistic approach to rail investment, with the government playing a central role, is starting to emerge, and there is hope that by 2015-16 substantial improvements to both TRL and Tazara's operations could be in evidence. This would be a highly desirable short-term outcome, as making the existing assets function reliably and safely should be a priority for the region. Talk of thousands of km of new standard gauge lines — still less an 'East African bullet train' — should for now remain firmly in the realms of fantasy. ■