

Uganda Railways boosts import, export trade

BY OWEN WAGABAZA

In September last year, Uganda Railways Corporation (URC) embarked on a five-year plan to revive the meter gauge railway. The \$340m plan is being funded by the European Union.

This is in accordance with the National Resistance Movement manifesto, which focuses on upgrade of the country's railway system from the traditional one-metre-wide system to a faster and modern one-and-a-half-metre wide SGR. This is in addition to the development of the Greater Kampala Metropolitan Area Light Rail Mass Transit System.

Uganda Railways Corporation, which took possession of the concession assets from the Rift Valley Railways Corporation (RVRC) in 2018 and resumed operating the metre-gauge railway system in Uganda, owns 1,200 cargo containers, which had remained redundant due to lack of a functional metre gauge system. The rehabilitation of the railway line will boost both the import and export markets within the East African region.

According to works minister Katumba Wamala, the ministry resolved to end the 25-year concession after Rift Valley Railways failed to meet

parameters, such as payment of concession fees, increase freight traffic volumes and turn around railway operations.

Stephen Wakasenza, the URC chief commercial/concession officer, says at the time of the takeover, railway transport in Uganda was in a mess.

"We have since made amends and we are now on track. The future is bright," he says.

According to Wakasenza, at the time of takeover, RVRC was only transporting goods on the

Northern Corridor because it was not in its interest to move in the Southern Corridor.

"It did not make business sense to it because it was not a profitable route. But as URC, we are looking at the bigger picture, we need to have an alternative access to the sea. It is, therefore, in our best interest to have the Central Corridor and the Northern Corridor operating," Wakasenza explains.

In June 2018, URC started movement on the Central Corridor, and as of now, URC is moving an average of 6,500 tonnes per month.

URC has also started moving local cargo from Tororo to Kampala. Currently, it is averaging 18,000-20,000 tonnes per month.

"Our biggest clients are Grain Bulk Houliers Limited, Roofings Limited, World Food Programme and Seroma Ltd. However, at the

IMPACT

Stanley Ssendegeya, the chief finance officer, says since January 2018, URC has transported 250,000 tonnes of cargo.

"Assuming this cargo was being transported by a 10-tonne truck (magulukumi) on road, we would have needed 25,000 10-tonne trucks. When you put those trucks off the road, the road's lifespan is extended," Ssendegeya says.

"On passenger service that runs between Namanve and Kampala, we transport 2,000 people, meaning 600,000 passengers since we started operations. Every trip of 1,000 passengers relieves the road of 70 taxis at ago, which reduces traffic congestion. It is time-saving as it takes only 45 minutes for one to travel from Kampala to Namanve," Ssendegeya adds.

"It is also cost-friendly. Users of the rail, such as WFP, Bollore and Spedag testify that it is far better as they carry bulk and save money. For example, exporters are able to save over 50% on transport. Safety is also assured. We have, therefore, contributed to the reduction of the cost of doing business in the country," Ssendegeya says.

time we took over, the Central Corridor was not there and neither was local cargo, which are now on board," Wakasenza says.

To open the Southern Corridor, URC had to repair the line from Port Bell to Kampala, as well as upgrade the machinery, which involves taking insurance and putting them in good shape.

They have also repaired Port Bell and Good Shed warehouse, which had been abandoned by RVRC. URC has since erected a fence, installed CCTV cameras to secure the cargo of the clients. They have also repaired warehouses in Mombasa.

ONGOING PROJECTS

At the moment, one of the ongoing projects is the repair of the Kampala-Malaba line.



Cargo trains help one save 50% of the transport cost

transit them onto other trucks for the next destination. The hub will facilitate the movement of goods.

We are also looking at developing the human resource capacity, Kateeba says.

MOVING PASSENGERS

Since February 2018, URC has been transporting passengers from Namanve to Kampala. In a month, they transport an average of 40,000 passengers, meaning about 2,000 people travel by train per day. The corporation is, however, undertaking a study to expand the service to decongest the city.

"The study looks at expanding routes from one to three; that is, extending the Namanve-Kampala route to Mukono and revive the Kampala-Port Bell route. The third route is expected to be Nalukolongo-Kampala-Bujuku," Wakasenza says.

"According to Wakasenza, the study entails fixing permanent roads, having stations in place for people to embark and disembark, having locomotives and coaches to move the passengers, which requires up to eight sets of trains. Our proposal is to transport between 15,000-20,000 persons per day. Fortunately, the right of way is already there," he adds.

Wakasenza says this is expected to have great impact on mobility in the city, reduce travel time, increase safety, reduce pollution and provide high economic returns.

"If people are able to reach their workplace in time, a lot can be achieved," he says.

We are also working on the strategic plan, recalibrating it, taking into consideration that we are no longer a contract manager, but rather doing the operations ourselves. We are, therefore, reviewing the strategic plan to cater for those developments. The strategic plan is in line with the National Development Plan II.

Of all the cargo moved by URC, 47% is imports, 37% exports and 16% local cargo. Under exports, the biggest items are timber, iron sheets and oil.

2018

Uganda Railways Corporation took over from Rift Valley Railways

Plan

URC plans to extend routes; from Kampala to Mukono, Kampala to Port Bell and Nalukolongo to Kampala



A passenger alighting a train. Passenger trains reduce travel time and reduce traffic congestion