

Transport Sector Bulletin

Version 5



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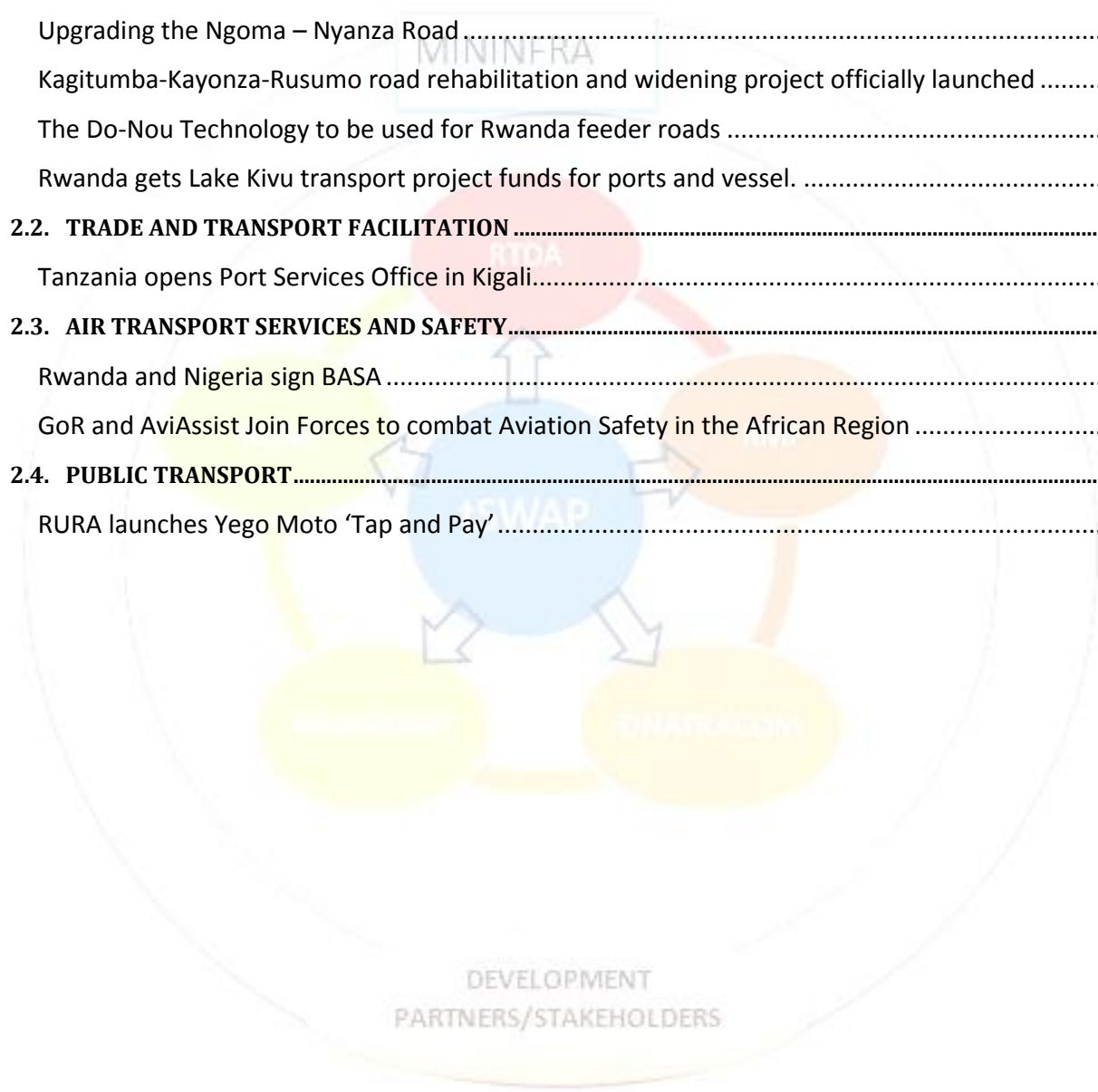
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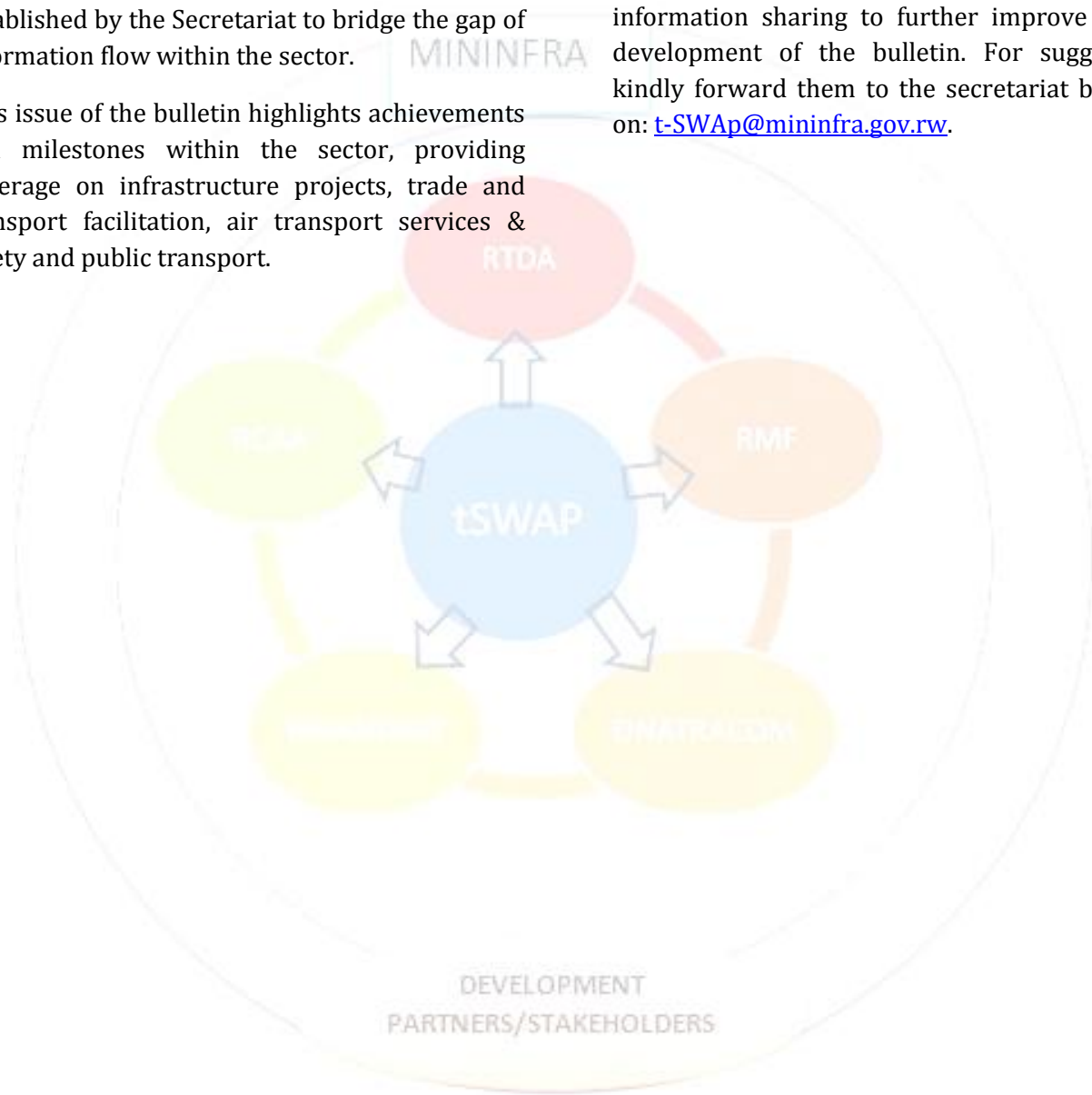


1. Introduction

The Transport Secretariat takes this opportune moment to share with esteemed stakeholders' in-depth information on the Transport Sector in the regular bulletin. The bulletin is a platform that was established by the Secretariat to bridge the gap of information flow within the sector.

This issue of the bulletin highlights achievements and milestones within the sector, providing coverage on infrastructure projects, trade and transport facilitation, air transport services & safety and public transport.

The secretariat acknowledges the valuable inputs from members of the Sector Working Group (SWG) and welcomes feedback at sectorial level for continual improvement, coordination and information sharing to further improve on the development of the bulletin. For suggestions, kindly forward them to the secretariat by email on: t-SWAp@mininfra.gov.rw.



2. Sector Highlights

2.1. Transport Infrastructure Projects

Standard Gauge Railway (SGR) Project which will connect Tanzania and Rwanda

Rwanda and the United Republic of Tanzania have taken further steps leading to the construction of a regional Standard Gauge Railway (SGR) that will cover the central corridor route. The President of the Republic of Rwanda and his counterpart from the Republic of Tanzania met in Dar es Salaam on the 14th January 2018 and both countries agreed to undertake financing and joint construction of the Standard Gauge Railway project. The two Presidents instructed Ministers with the transport portfolio in their mandate to discuss and streamline the implementation phase of the project.



Fig. 1: Heads of States exchange pleasantries after agreeing on the Joint Construction of SGR Project.

Following the approval from the Heads of State, Ministers in charge of Transport met on 20th January 2018, and agreed on fast tracking the implementation by setting up and adopting a Joint Technical Monitoring Committee of the project. In the joint communiqué that was signed by Mr. James Musoni, former Minister of Infrastructure of Rwanda and Prof. Makame M. Mbarawa, Tanzania's Minister for Works, Transport and Communications, it was agreed that the Isaka-Kigali route be launched by October 2018 and

adopted feasibility studies that were previously concluded in both countries.

The Ministers also agreed to replicate the Design and Build the Dar es Salaam–Morogoro-Makupuro route as well as that of Isaka – Kigali. This is, for purposes of uniformity of standards and to jointly mobilize funds of which each country will cater for the cost of construction in its territory.



Fig. 2: Rwandan and Tanzanian Ministers exchange documents after signing agreements

Upgrading the Ngoma – Nyanza Road

On 5th June 2017, The Government of Rwanda and the World Bank Group signed a financing agreement worth €75.9m (about Rwf71 billion) for upgrading the road linking Ngoma and Nyanza Districts.



Fig. 3: Amb. Claver Gatete, the former Minister for Finance and Economic Planning, and Yasser El-Gammal, the World Bank Country Director at the signing ceremony

The 119Km road stretches from Ngoma, near the border with Tanzania, to Nyanza, near the border with Burundi. The project is split into two sections; Ngoma-Ramiro (52.8Km) section is funded by the Japanese Government through JICA for \$68m; and Kibugabuga-Nshinga-Gasoro (66.5Km) section is funded by the World Bank for \$65 million. The Government will contribute \$23 million to the entire project.

Upon completion, the road will improve cross-border interconnectivity by developing an integrated, efficient, cost-effective and adequate transport system for economic growth and trade facilitation along the regional corridor from the border crossing at Rusumo to the border crossing to Burundi through Nemba and Democratic Republic of Congo through Rusizi. The project will also contribute to reducing the traffic on the central corridor since the trucks in transit will not have to go through Kigali, but rather use the new, shorter road to connect to Democratic Republic of Congo and Burundi therefore decongesting Kigali of traffic. The project financing scheme does not only finance the construction but also three years of road maintenance.

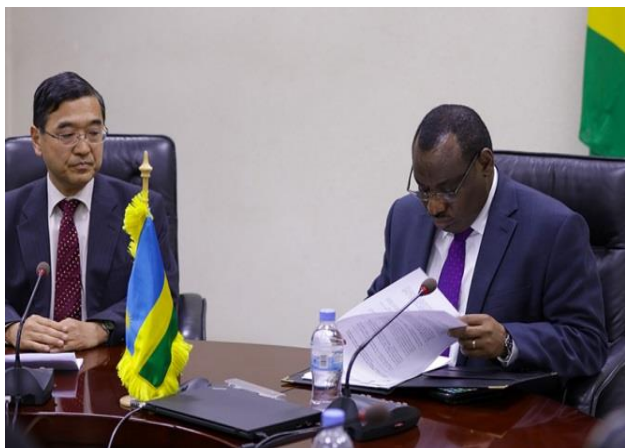


Fig. 4: Amb. Miyashita and Minister Amb. Claver Gatete at the signing ceremony

Kagitumba-Kayonza-Rusumo road rehabilitation and widening project officially launched

On 8th February, 2018, The Government of Rwanda in partnership with African Development Bank through the African Development Fund (ADF), the Japan International Cooperation Agency (JICA) and the European Union (EU) officiated the launch of Kagitumba-Kayonza-Rusumo (208km) road rehabilitation project. The ceremony was held in Kayonza District, Eastern Province.



Fig. 5: Former Minister of Infrastructure, Hon. James Musoni and other officials during the launch of Kagitumba-Kayonza- Rusumo road rehabilitation and widening works.

The ground breaking ceremony for multi-national road was officiated by the former Minister of Infrastructure, Honourable James Musoni in the presence of the Minister of State in charge of Transport, Honourable Jean de Dieu Uwihanganye, the Ambassador of Japan, Mr. Tukayiki Miyashita, the Head of Delegation of European Union, Mr. Nicola Belomo, the AfDB Country Representative, Ms. Martha Phiri and other dignitaries.

The multinational project started in May 2017 and will be completed by end November 2019. The project is estimated to cost 185 million dollars with support from African Development Fund (ADF), Japan International Cooperation Agency

(JICA) as well as European Union (EU) and Government of Rwanda (GoR).

The project development objectives are to contribute to the development and improvement of road transportation and trade facilitation along the Northern Corridor via Mirama/Kagitumba border & the Central Corridor using Rusumo border at regional while improving the national transport network from Kagitumba-Kayonza-linking to Rusumo area purposely to stimulate and support local economic activities. This project is connecting Northern Corridor to the Central Corridor and will contribute towards the realization of socio-economic development, poverty reduction and regional integration between Uganda, Rwanda and Tanzania. Besides facilitating the increase in household incomes in the eastern part of Rwanda, the project has the potential to transform Rwanda into a regional logistics hub.

The project will also support the construction of 10 water boreholes, rehabilitation of 10 milk collection centers, institutional support and ancillary Works for Pipeline road project studies, Road & Bridge Asset Management, Cross border markets near Kagitumba & Rusumo, Capacity building and providing technical assistance for Rwanda Transport Development Agency (RTDA).

In addition, the project will support training and building capacity of women entrepreneurs on cross border trade along Kagitumba and Mirama Hills. The project will also support the Transport Sector Wide Approach (t-SWAp) Secretariat, Road Safety Audit, monitoring and evaluating of socio-economic impact, as well as the compensation and resettlement components.

The Do-Nou Technology to be used for Rwanda feeder roads

Rwanda has received funding from the Government of Japan that will facilitate the construction of feeder roads using Do-Nou Technology, which is a soil reinforcement technique that uses geotextile materials, gunny bags, soil and gravel.

This follows the signing of a grant contract between the Government of Japan and Community Road Empowerment (CORE) that was done on 1st March 2018, to provide \$294,992 for implementing a project named “Sustainable Youth Employment through Road Improvement taking Locally Available Material Based Approach”. This project will be implemented in four (4) Districts namely; Rulindo, Gakenke, Nyamasheke and Rusizi in one year and targeting twelve (12) Districts within a period of three (3) years. This will ultimately create jobs for the youth, and improve on rural connectivity using affordable and locally available materials.



Fig. 6: Signing ceremony between Japan Ambassador Takayuki Mayishita and CORE representative

Rwanda gets Lake Kivu transport project funds for ports and vessel.

With support from Trade Mark East Africa (TMEA), a grant totaling to \$53 Million was awarded to the Ministry of Finance and Economic Planning to support interventions leading to job creation, poverty reduction and increased cross border trade. The grant agreement was signed on 20th March 2018.

TMEA has committed to work with Government and private partners to support the construction of storage facilities around Rubavu and Rusizi ports of Lake Kivu and provide support to Rwanda's plan of developing industrial parks. The project, seeks to link Rwanda to key markets in eastern Democratic Republic of Congo, in two phases.

Phase one involves building two passenger ships with a capacity of 120 people each & two cargo ships with a capacity of 150 tons each and construction of main shipyard, a ship building plant and a marine transport training centre at Bwishyura while the second phase of the project will involve constructing modern ports at Nyamyumba sector in Rubavu, Kamembe in Rusizi and Bwishura in Karongi. To supplement on the efforts of developing Lake Kivu transport network, the government plans to develop minor ports at Nkora landing site in Rutsiro and Kirambo in Nyamasheke.

With the efforts in place, water transport on Lake Kivu will boost trade between Rwanda and Democratic Republic of Congo which is Rwanda's largest regional trading partner with 79.7 per cent of the export market. Rwanda's exports to the DR Congo accounted for 83.3 per cent of the country's total informal cross-border trade last year (2017), according to Central Bank figures.

2.2. Trade and Transport Facilitation

Tanzania opens Port Services Office in Kigali

On 9th March 2018, the State Minister in charge of Transport, Hon. Jean de Dieu Uwihanganye and Tanzanian Minister for Works, Transport and Communication, Prof. Makame Mbarawa launched the Tanzania Ports Authority (TPA) office in Kigali, to help Rwanda traders solve queries and problems locally instead of traveling to Dar es Salaam and allow Rwanda business community to pay for port charges in Kigali.

Speaking at the launch, Honorable State Minister Eng. Jean de Dieu Uwihanganye stated that the decision to open a Liaison office in Kigali will stimulate business activities between the business people of Rwanda and the Tanzanian Ports Authority. The one stop center system will create confidence within Rwandese people since all port charges will be cleared in Kigali.



Fig. 7: Launching ceremony of the TPA Office in Kigali

The TPA Director General, Eng. Deusdedit C.V. Kakoko explained that they decided to open an office in Rwanda in order to bring services closer to Rwandan customers and increase on their client base. Dar es Salaam is the largest port handling over 80% of Rwanda's total sea borne trade.

The office will solve issues such as port delays, theft, non-tariff barriers along the corridor and unscrupulous clearing and forwarding agents. It is expected that cargo monitoring and tracking will even be done from Kigali and this in turn will help to speed up clearance as traders will have updated information on the status of their cargo.

2.3. Air Transport Services and Safety

Rwanda and Nigeria sign BASA

On 26th March 2018, the Government of Rwanda and the Government of the Federal Republic of Nigeria signed a Bilateral Air Service Agreement (BASA). The deal was signed off by Rwanda's Minister of State in Charge of Transport, Hon. Eng. Jean de Dieu Uwihanganye and the Nigerian Minister of State in Charge of Aviation, Sen. Hadi Abubakar Sirika.



Fig. 8: Hon. Eng. Jean de Dieu Uwihanganye and his counterpart Sen. Hadi Abubakar Sirika sign the agreement.

This agreement follows the MoU signed in 2013 in Kigali that allowed airlines from designated countries to operate international air services on a provisional basis pending the signing of the BASA.

Initially, Lagos was the only entry point provided but later in 2017, Nigeria granted Abuja as a

second entry point to RwandAir. With the provision of fifth freedom, which is reciprocal.

The interconnectivity between the two countries will facilitate the private sectors of both countries to realize and tap into the economic and social benefits.

The signing of the BASA with the Federal Republic of Nigeria will allow RwandAir to operate in all Nigeria's airports and carry passengers from there to any other airport in African countries. RwandAir currently flies to Lagos and is expected to start flights to Abuja in May 2018.

The opening of more routes by RwandAir will continue to provide Rwanda's private sector with enormous opportunities in an economically vibrant and large market of more than 190 million people.

GoR and AviAssist Join Forces to combat Aviation Safety in the African Region

On 12th October 2017, the Government of Rwanda through Rwanda Civil Aviation Authority (RCAA) signed a partnership deal with the AviAssist Foundation to establish the AviAssist Safety Promotion Centre (ASPC) in the country. The AviAssist Foundation is an independent, non-profit organization dedicated to promoting professionalism in African aviation safety.

The partnership aims to establish a long-term mutually beneficial association in capacity building on aviation safety skills as well as business and leadership skills at the ASPC in Rwanda.

The ASPC-Rwanda is geared to become East Africa's leading aviation safety resource center, making Rwanda and States in the East and

Southern African ICAO region more self-sufficient at safety promotion.

The center will impart safety training knowledge that is crucial to support aviation experts in their role as safety leaders and champions.



Fig. 9: RwandAir plane takes off at KIA

2.4. Public Transport

RURA launches Yego Moto ‘Tap and Pay’

On 26th January 2018, the new motorcycle transport payment system ‘Yego Moto Tap and Pay’ technology was inaugurated in Kigali by Rwanda Utility and Regulatory Authority (RURA). The moto payment system was inaugurated by Lt. Colonel Patrick Nyirishema, the Director General of RURA.



Fig. 10: Mr. Karanvir Singh demonstrates to Lt. Colonel Patrick Nyirishema how the payment system operates

This inauguration is a milestone which is in line with the country’s vision to leverage ICT in making life easier for the citizens; and moving from cash to cashless economy. It also shows the value of the motorcycle transport business.

Rwanda has committed to leverage cashless system countrywide. The initiative is supported by RURA, the National Bank of Rwanda, Rwanda National Police, and the Ministry of Infrastructure. The system will enable 1.3 million active mobile money users to pay for moto fares with MTN Tap and Pay, Yego Moto, Ride-Tap-Pay NFC tags and for the passengers without MTN Mobile Money Tag, Yego Moto drivers will provide them with a Ride-Tap-Pay NFC card for Rwf200.

The technology is under the new regulations of RURA that gives it a mandate to spearhead Smart Transport where it is expected that no one will be paying cash by September 2018.