



MEDIA RELEASE

MINISTRY OF FOREIGN AFFAIRS

Dar-Es-Salaam: 07/07/2017

UGANDA AND TANZANIA SIGN JOINT MINISTERIAL CO-OPERATION FOR IMPROVEMENT OF PORTS, LAKE VICTORIA INLAND WATERWAYS AND RAILWAY TRANSPORT SERVICES

The Governments of the Republic of Uganda and the United Republic of Tanzania today 13th July 2017 signed a Memorandum of Understanding (MoU) on the Joint Ministerial Co-operation for Improvement of Ports, Lake Victoria Inland Waterways and Railway Transport Services.

The MoU was signed in Dar-es-Salaam, Tanzania by Hon. Prof. Makame Mbarawa, Minister of Works, Transport and Communications of the United Republic of Tanzania and Hon. Aggrey Henry Bagiire, State Minister of Works and Transport (Transport) of the Republic of Uganda.

In his remarks, Hon. Prof. Makame Mbarawa, the Minister of Works, Transport and Communications of the United Republic of Tanzania welcomed the Uganda dele delegation to Tanzania and noted that the MOU paves the way and aim to facilitate the use of Dar-es-Salaam Port by Uganda as an alternative route to the sea using the Central Corridor. He stated that this is a clear testimony to the importance that Uganda attaches to Dar-es-Salaam Port as a link in the Central Corridor linking Tanzania and Uganda.

The Minister pointed out that the current link to Uganda is through Lake Victoria, which is limited since only two ferries are functioning. To this extent, both Tanzania and Uganda are committed to providing additional ferries. On its part Tanzania, is building a Standard Gauge Railway (SGR) which will enable cargo to move from the Port of Dar-es-Salaam to Mwanza within 11 hours. Cargo can then take about 10-11 hrs by ferry to Port Bell. Therefore cargo should take a maximum of 24 hours to move from the Port of Dar-es-Salaam to Kampala.

The Minister also emphasized the commitment of the Tanzanian government to developing the roads, ports and railways to facilitate transport of goods and stimulate economic activities within the two countries and the region. Government is therefore working with Tanzania Ports Authority to develop the Dar-es-Salam port to meet the demands of its customers.

On his part, Hon. Aggrey Henry Bagiire, Minister of State for Transport of the Republic of Uganda appreciated the warm welcome and hospitality accorded to the Uganda delegation since arriving in the United Republic of Tanzania.

The Minister underscored the fact that the Government of the Republic of Uganda has set a target of attaining a middle-income status by 2020 and an efficient and effective and low cost transport, which this MoU aims to address, is one of the ways to facilitate the achievement of this target. This MOU is therefore timely in facilitating Uganda in its endeavors.

Hon. Bagiire emphasized that the Government of Uganda is desirous of the use of the Central Corridor to attain a middle-income status. In this regard, the Uganda Government is building a new port at Bukasa, will rehabilitate the 11 km road from Portbell to Kampala as well as refurbish about 250 train wagons to service transportation of goods through the Central Corridor.

On the other hand, Hon. Bagiire also raised the issue of high Road User charges for trucks from Uganda where Tanzania currently levies \$500 for each truck while Uganda charges only \$40 per truck from Tanzania. He said the high charges inhibit the use of the port of Dar Es Salaam by Ugandan trades since it increases the cost of transportation. He therefore appealed to his Tanzanian counterpart and indeed the Tanzanian Government to consider revising the rates downwards, hence lowering the cost of cargo transportation through the Port of Dar-es-Salaam in order to attract more traders to use the Port.

The Minister also appealed to the Government of Tanzania to expedite the process of joining the One Area Network, which will also contribute to reduction in the cost of doing business. Currently, he noted, it is very costly to make calls between the two countries. In this regard, Hon. Bagiire said the Government of Uganda will soon present a formal letter on this request and appealed to the Tanzanian side to work with Uganda to resolve the issue within the next three months.

The signing ceremony was witnessed by Oscar J. Edule, Charge D’Affairs a.i. of the Uganda High Commission in Dar-es-Salaam, Mr. Charles Kateba, Managing Director Uganda Railways Corporation, Mr. Odrek Rwabogo, TOMASI Group (also the Agent of Tanzania ports Authority in Uganda), senior government officials from the Republic of Uganda and the United Republic of Tanzania, Tanzania Ports Authority as well as representatives of the business community from both Uganda and Tanzania.

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