

# **NORTHERN CORRIDOR TRANSIT AND TRANSPORT COORDINATION AUTHORITY (NCTTCA)**

**PRESENTATION DELIVERED AT THE 14<sup>TH</sup> AFRICA PPP INFRASTRUCTURE**

**INVESTMENT SUMMIT**

**CASABLANCA,**

**MOROCCO**

**24TH OCTOBER 2024**

**NORTHERN CORRIDOR TRANSIT AND TRANSPORT COORDINATION AUTHORITY**

**AUTORITE DE COORDINATION DE TRANSIT ET DE TRANSPORT DU CORRIDOR NORD**



# Presentation Outline

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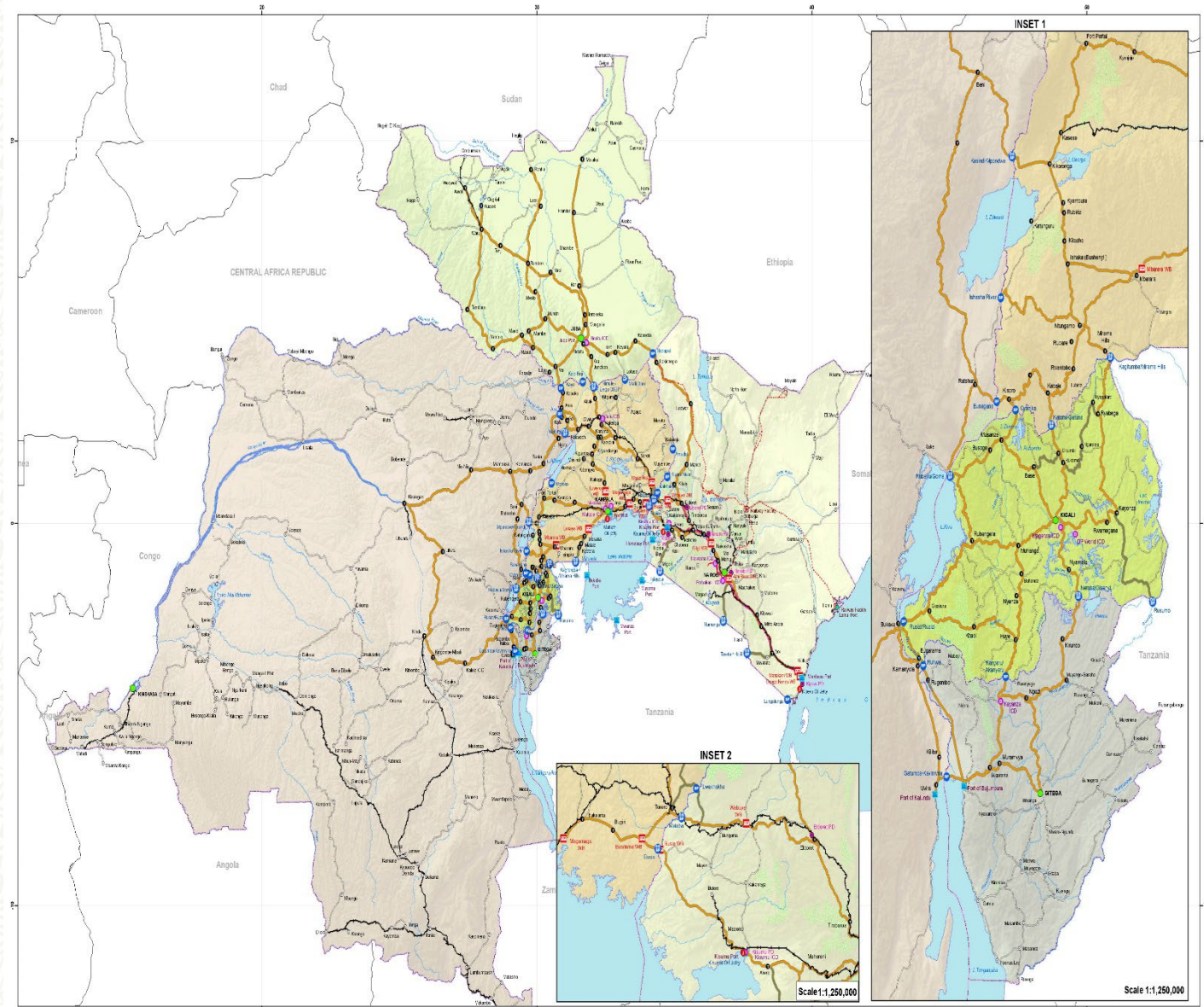
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CLIENT	TITLE	MAP DETAILS	LEGEND	MAP LOCATION	CONSULTANT
 Northern Corridor Transit and Transport Co-ordination Authority 119C, 119D, Road, Mtwara P.O. Box 3668 - 0119 Mombasa, Kenya Tel: 254 41 4470734, 254 729 622054, 254 753 524653, telex: 254 44470735 Email: ncttca@kenya.org	<b>NORTHERN CORRIDOR                      MULTIMODAL TRANSPORT                      INFRASTRUCTURE MAP</b>	1. Map Projection: Geographic Coordinate System World Geodetic System - 1984 (WGS84) 2. Northern Corridor Member States: Kenya, Uganda, South Sudan, Rwanda, Burundi & DRC 3. Map compiled with data provided by Northern Corridor Secretariat and publicly available datasets 4. Map publication date: October 2022	Town Transit Town CDP Inland Container Depot (ICD) Border Post One Stop Border Post High Bridge (HSB) Port Pipeline Depot (PD) Oil Jetty Large Port (LAPISSET) Railway Facilities (LAPISSET) Standard Gauge Railway Meter Gauge Railway Pipeline Northern Corridor Road Alternative Route Other Road River International Boundary Member State Boundary Member State Burundi DRC Kenya Rwanda South Sudan Uganda Forest Lake Member State Boundary	 Published by  Geomatics Centre Maitumbwa Road, Upperhill, P.O. Box 81071 00100, Tel: 254-020-27-5829-2713350, Email: geomaps@geomaps.co.ke This map is not an authority on boundaries	Scale 1:1,250,000 Scale 1:1,250,000 Scale 1:1,250,000



# THE NCTTCA BACKGROUND



# THE NORTHERN CORRIDOR

1. The Northern Corridor is a Transport Corridor linking the Great Lakes countries of Burundi, DR Congo, Rwanda, South Sudan and Uganda to the Kenyan seaport of Mombasa.
2. The Corridor also serves Tanzania, Ethiopia and Somalia and is the busiest route in East & Central Africa.
3. It is a multi-modal Corridor encompassing:
  - Road;
  - Rail;
  - Pipeline;
  - Ports; and
  - Inland Waterways.
4. NC Secretariat lead role is coordination of all Member States towards implementation of the NC Agreement and all 11 Protocols

# NCTTCA ROLES & OBJECTIVES

## FACILITATE

Facilitate Trade, movement of persons, vehicles and goods in domestic, regional and international transport



## STIMULATE

Stimulate and implement strategies for accelerating economic and social growth along the Corridor while ensuring environmental sustainability

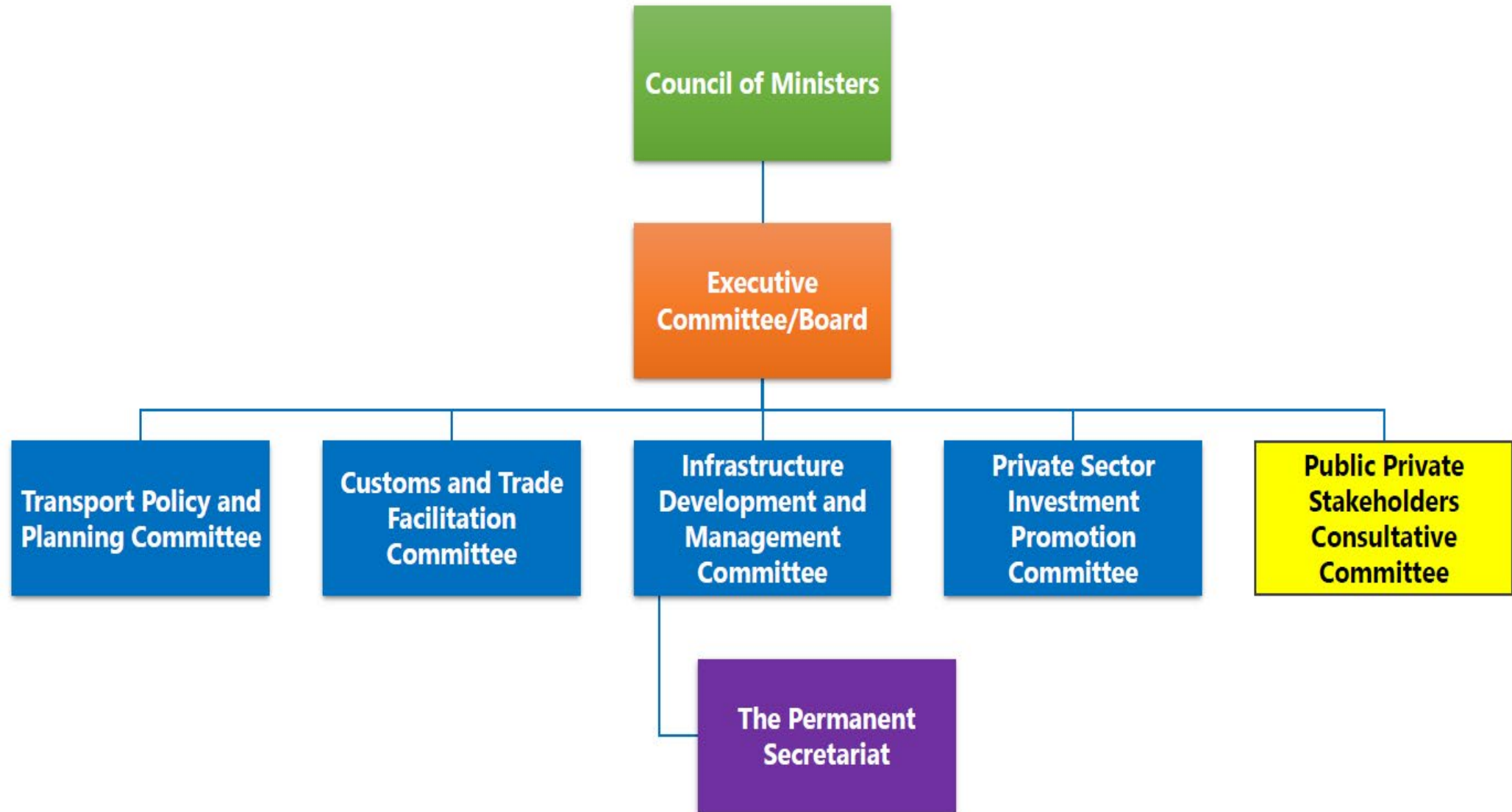


## TRANSFORM

Transform the Corridor into a Green Economic Development Corridor, offering safe, fast and competitive transport and transit services



# THE NORTHERN CORRIDOR INSTITUTIONAL FRAMEWORK





# COMPARATIVE & COMPETITIVE ADVANTAGE OF THE NORTHERN CORRIDOR REGION



# KEY HIGHLIGHTS

- A. Our strength as a Region** - 2 major global ports (Mombasa & Dar Es Salaam), plus inland Waterways (our tools of trade)
- B. Land** - vast, fertile and productive land
- C. Human Resource** - well trained and expereinced HR
- D. Access to Technology** - innovations and technology adaptations to transform production and value addition
- E. Access to Capital** - attraction of leading financial institutions, partners and private sector to invest in the Region

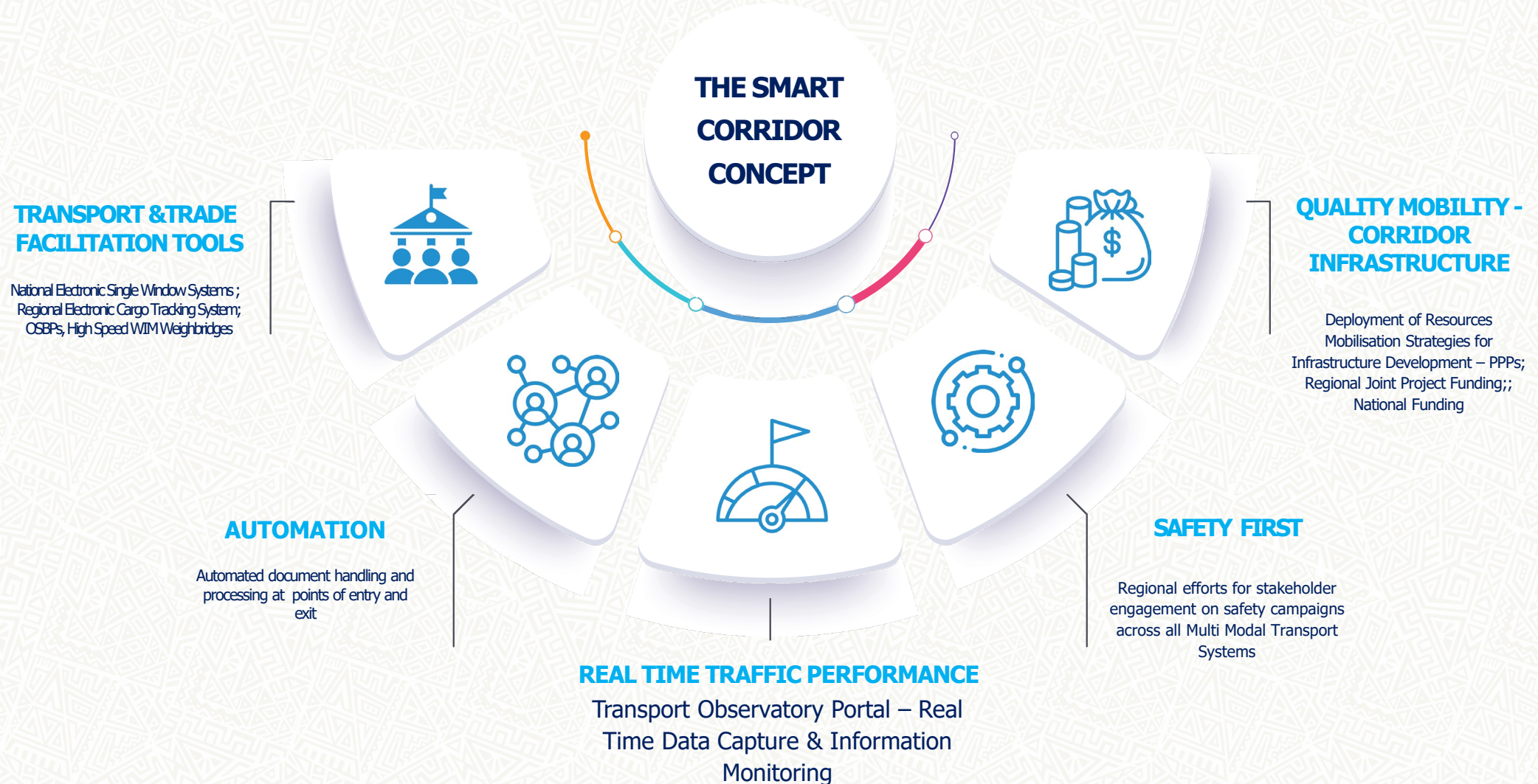




# THE SMART CORRIDOR CONCEPT



# SMART: Safety; Mobility; Automated; Real Time Traffic Management



# CRITICAL SUCCESS FACTORS - REGIONAL COMPETITIVENESS

- 1. Critical to upscale;** - from national to regional (trans-boundary infrastructure investments with strong commercial appeal);
- 2. Critical to add value;** - from exports of raw materials to exports of finished products;
- 3. Critical to build local capacity;** - indigenous local capacity & local content enhancement;
- 4. Critical to ensure competitiveness;** - cost effective; efficient; timely; high quality; latest supply chain technology deployment; and
- 5. Critical to build alliances & network** of partners across a multi-modal transport system.



# EFFICIENCY DRIVERS FOR REGIONAL SMART CORRIDORS



# GROWTH PERFORMANCE & OUTLOOK BY REGION (2020 - 2024)

## Central Africa:

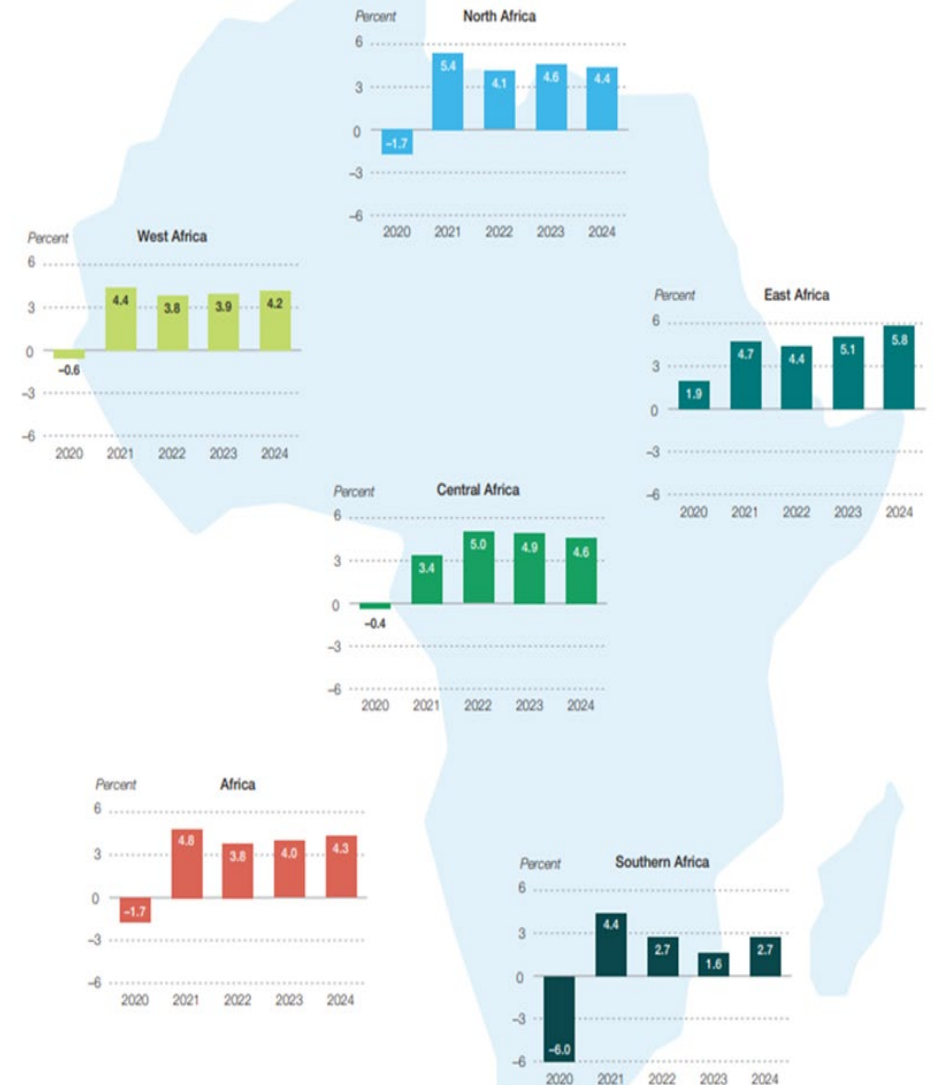
The growth momentum in Central Africa is projected to decline from an estimated 5.0 percent in 2022 to 4.9 percent in 2023 and 4.6 percent in 2024. The slowdown reflects a downward trend in commodity prices from their peak in 2022.

## East Africa:

Growth in East Africa is projected to strengthen from an estimated 4.4 percent in 2022 to 5.1 percent in 2023 and 5.8 percent in 2024.

## North Africa:

In North Africa, growth is projected to rise from an estimated 4.1 percent in 2022 to 4.6 percent in 2023 and 4.4 percent in 2024. The increase in 2023 will come largely from the strong recoveries in Morocco and Libya, the former from devastating drought, the latter from fluctuating oil production.



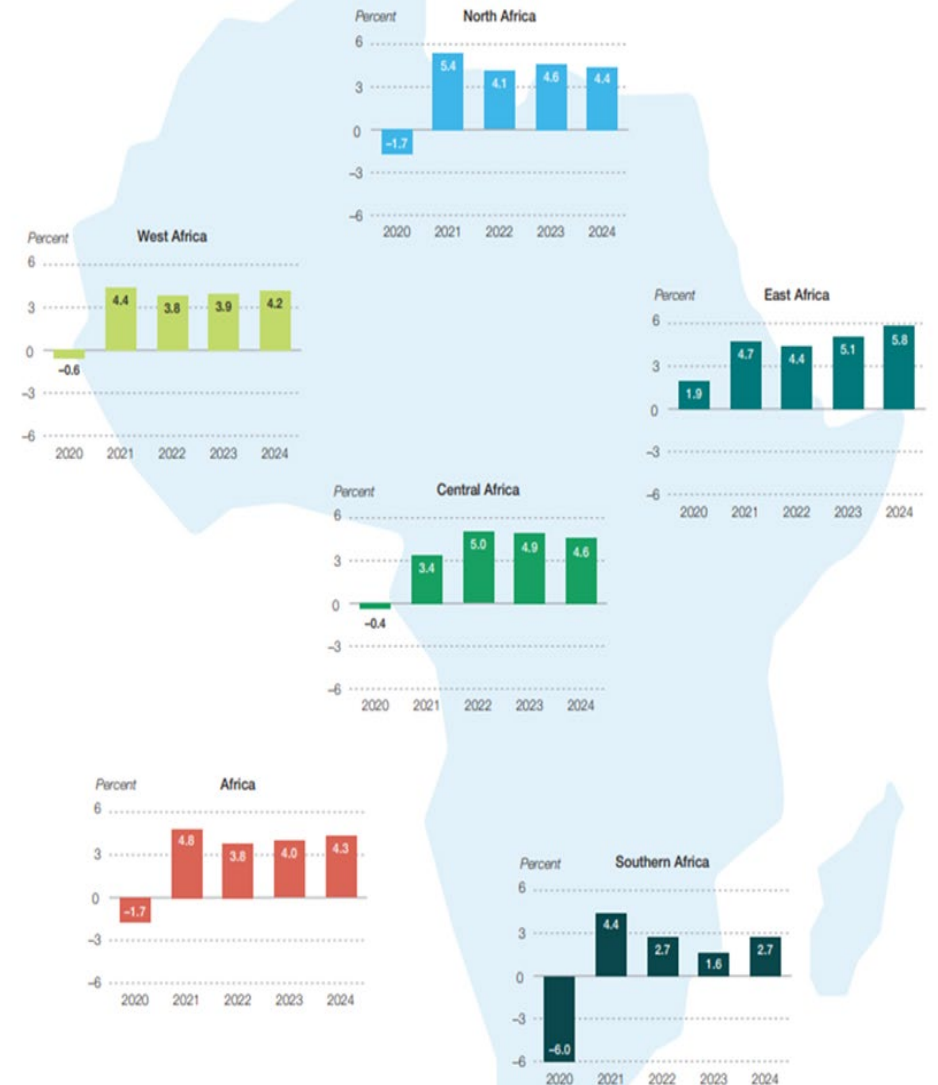
# GROWTH PERFORMANCE & OUTLOOK BY REGION (2020 - 2024)

## Southern Africa:

Growth in Southern Africa is projected to decelerate by 1.1 percentage points, from an estimated 2.7 percent in 2022 to 1.6 percent in 2023. But with the right policy interventions, growth could recover to 2.7 percent in 2024.

## West Africa:

Growth in West Africa, despite macroeconomic challenges in some of the region's large economies, is projected to rise from an estimated 3.8 percent in 2022 to 3.9 percent in 2023 and 4.2 percent in 2024.



# MAIN THREATS TO AFRICAN ECONOMIES



**Subdued global growth,** which, if it weakens further, could affect demand for Africa's exports.



The associated **persistence of tight global financial conditions,** which could exacerbate the cost of debt service and drive more countries into debt distress or a high risk of debt distress.



**Losses and damages due to frequent extreme weather events with potential to translate into a fiscal crisis** as countries expand public spending to rebuild damaged infrastructure and protect affected households.



**Sustained geopolitical tensions** including a prolonged Russia - Ukraine crisis, remains a major source of global risk and heightened uncertainty.



**Unresolved internal conflicts in some countries** are diverting resources from growth-enhancing public investments and activities toward military spending.



**Political risks** due to upcoming national elections in some countries could affect investors' confidence and cause disruptive capital outflows and depress investment.



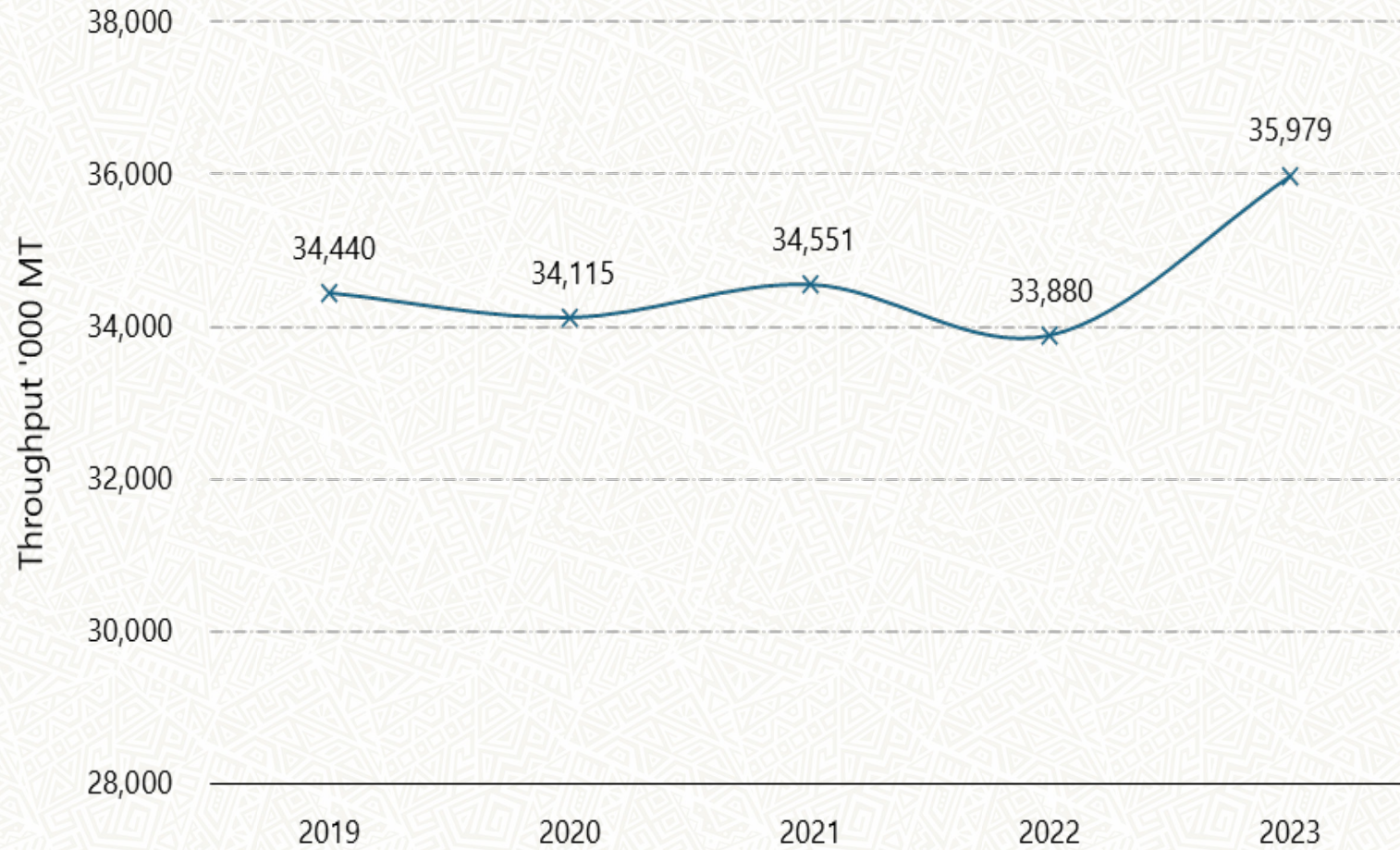
# MACRO ECONOMIC PERFORMANCE

Country	Growth in Real GDP (%)			Population (Million) 2023	Area (Km <sup>2</sup> )	Population Growth Rate 2023 (%)
	2022	2023*	2024*			
Burundi	1.8	3.3	6.0	13.24	27,834	2.71
DR Congo	8.9	6.7	4.7	102.24	2,345,000	3.26
Kenya	4.8	5.0	5.3	56.2	582,644	1.99
Rwanda	8.2	6.2	7.0	14.17	26,338	2.31
South Sudan	0.5	3.5	4.2	11.73	619,745	1.61
Uganda	6.4	4.6	5.7	49.95	241,037	2.82
	<b>Average 5.1</b>	<b>Average 4.9</b>	<b>Average 5.5</b>	<b>Total 247.53</b>	<b>Total 3,842,598</b>	<b>Average 2.45</b>

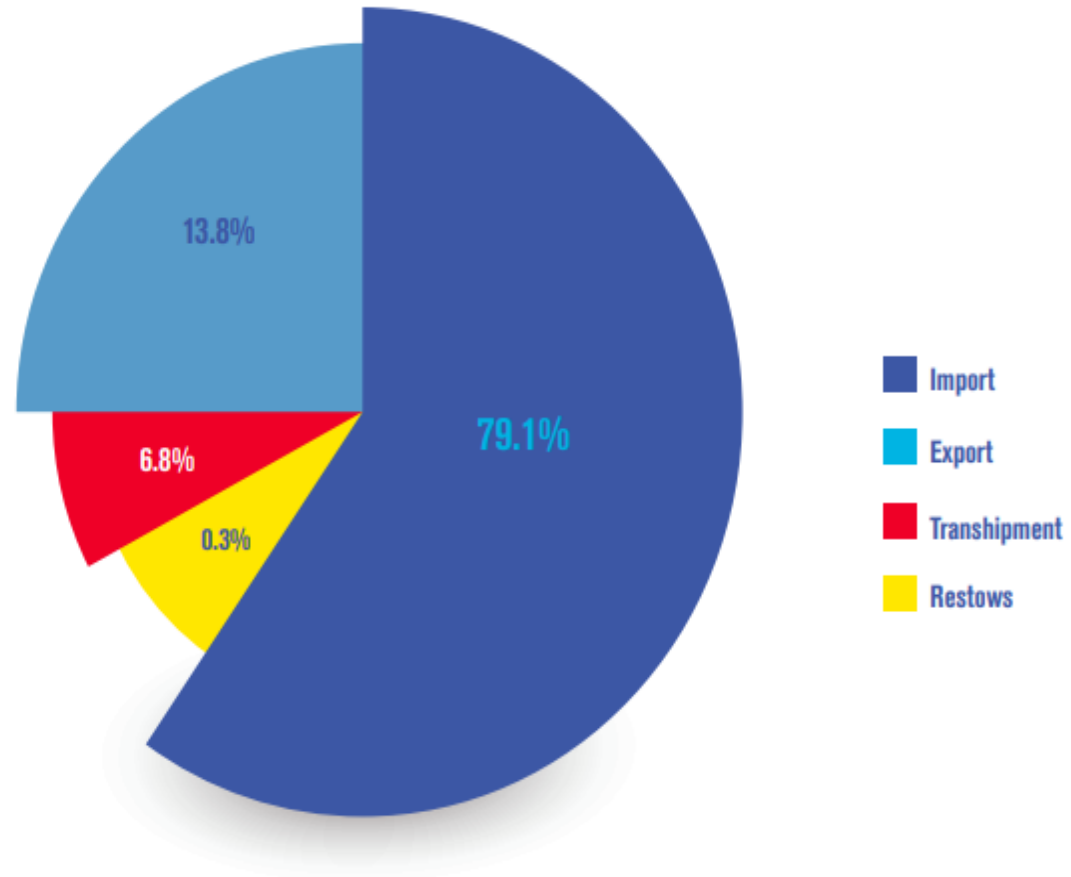
\* Projected (IMF/World Bank)



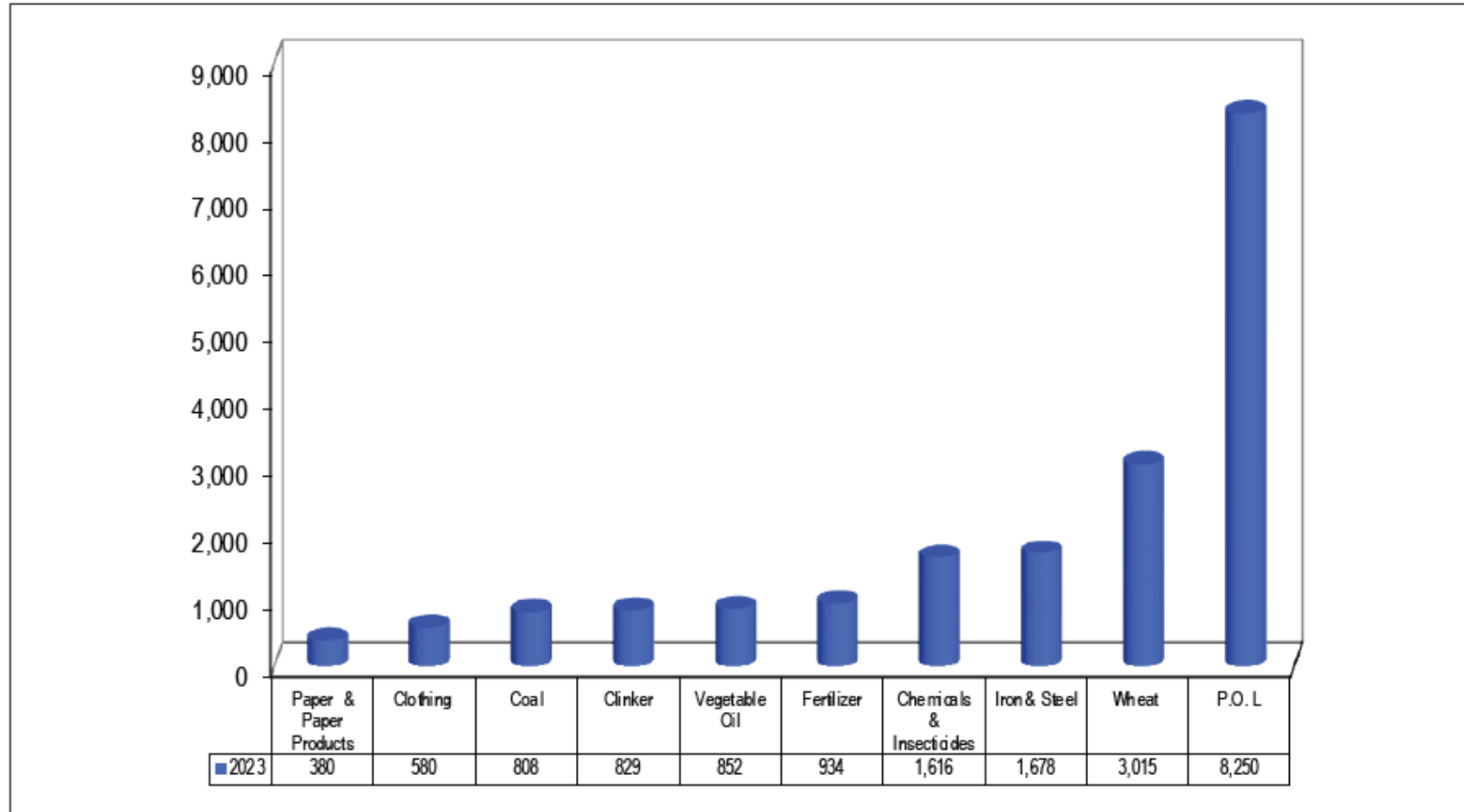
# MOMBASA PORT THROUGHPUT



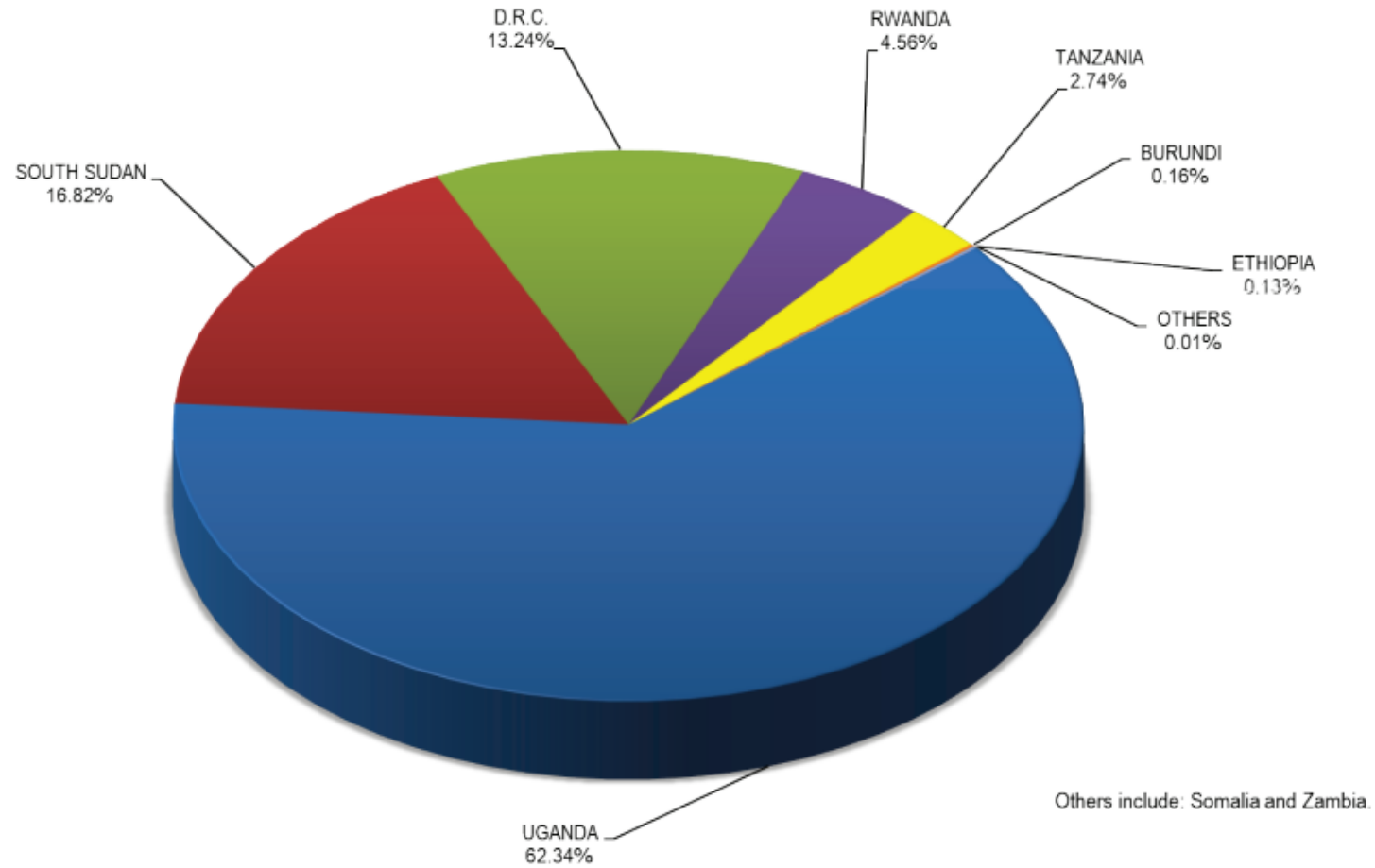
# MOMBASA PORT THROUGHPUT (% SHARE)



# TOP 10 IMPORT PRODUCTS (2023)

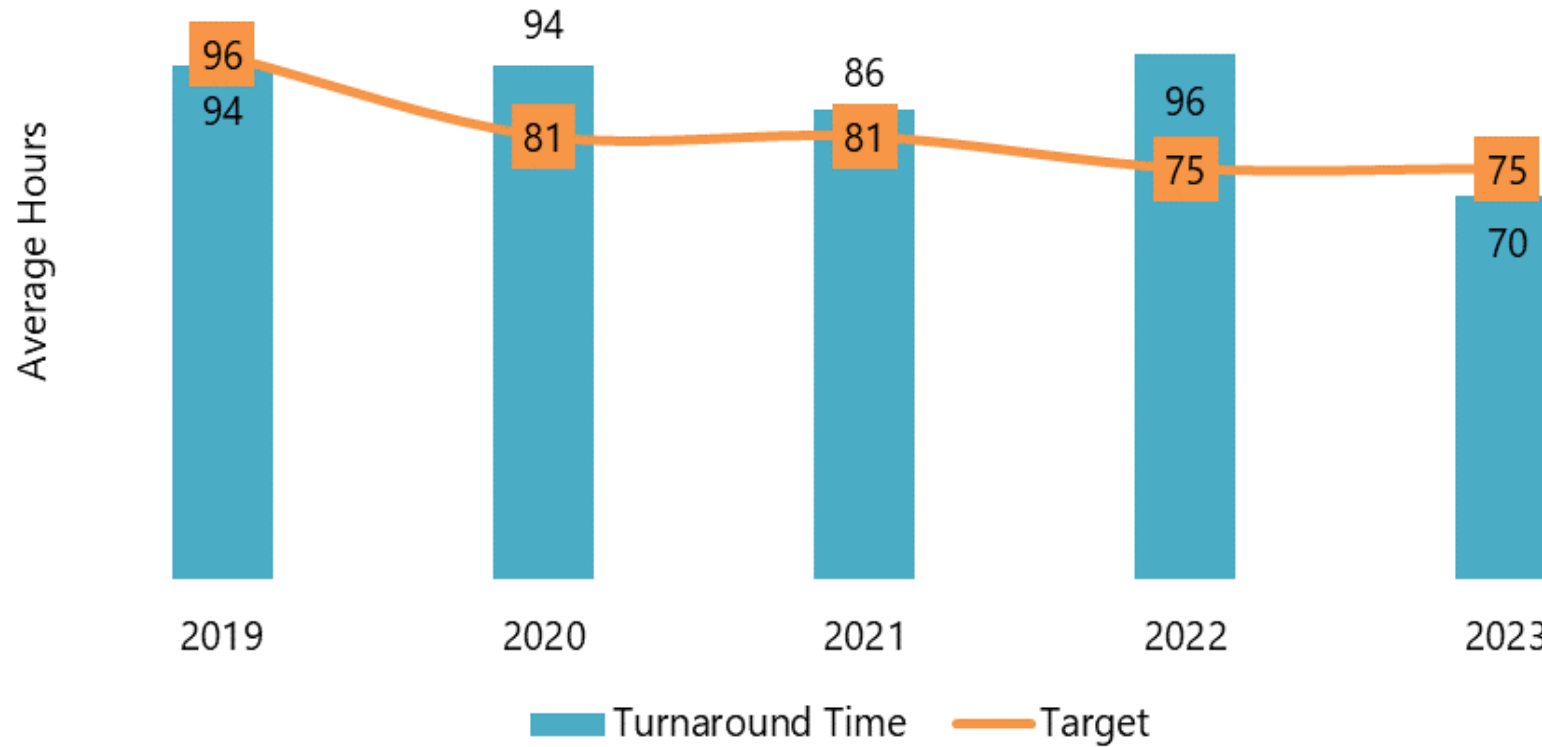


# TRANSIT MARKET SHARES (%)

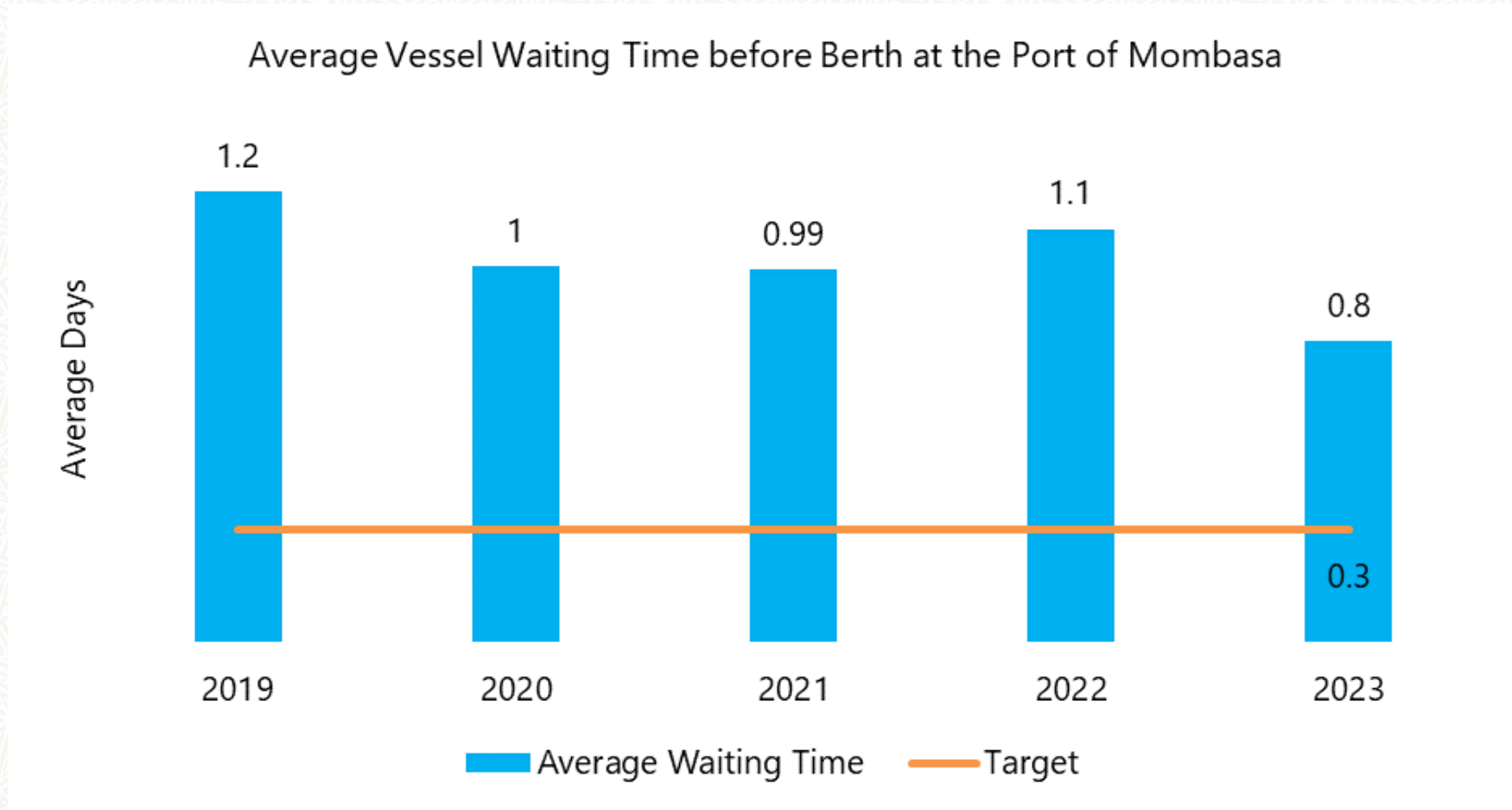


# CORRIDOR PERFORMANCE

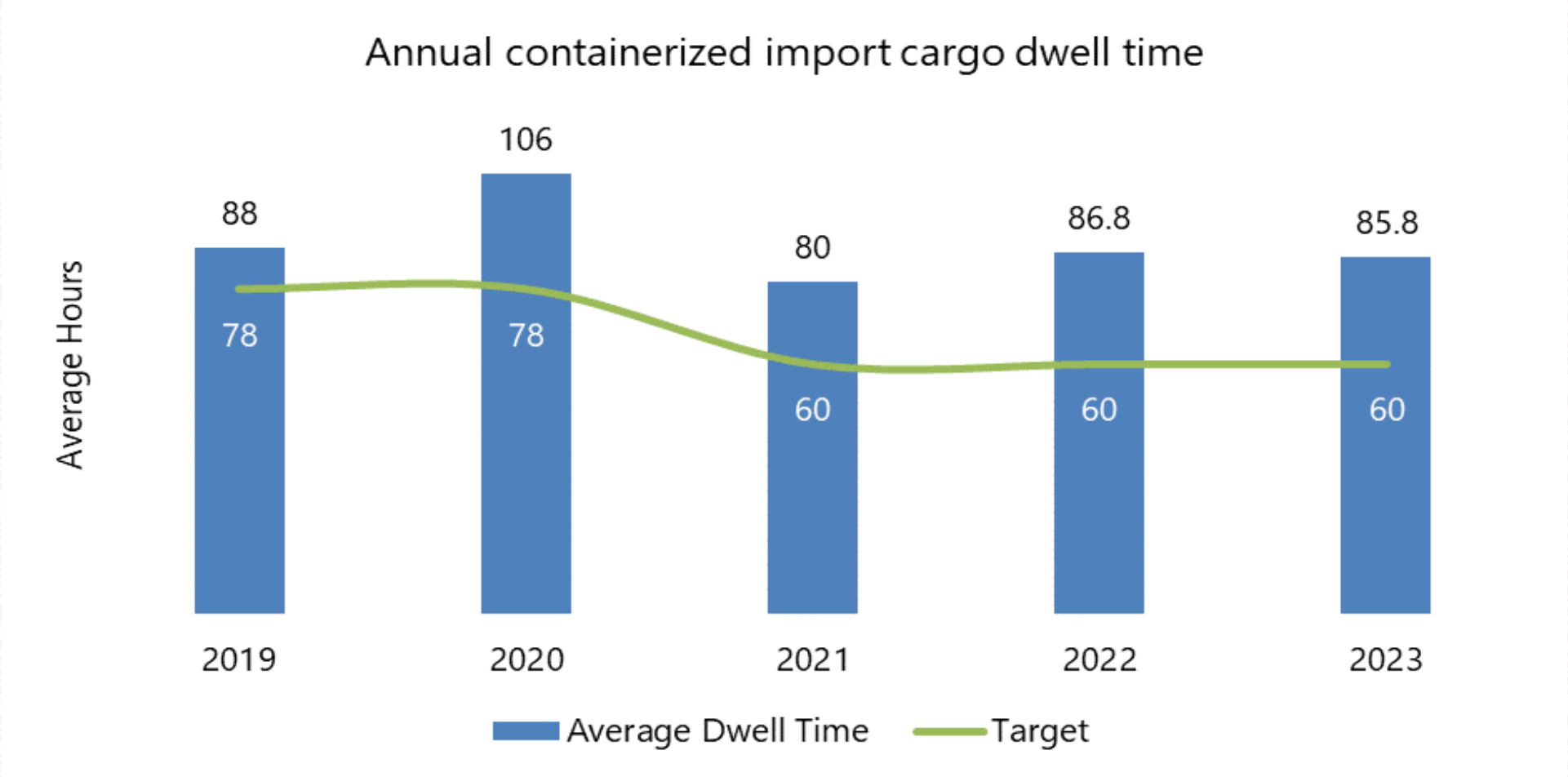
## Ship Turnaround Time at the Port of Mombasa



# CORRIDOR PERFORMANCE



# CORRIDOR PERFORMANCE



# CORRIDOR PERFORMANCE:

## WEIGHBRIDGE - WEIGHT COMPLIANCE (%) – KENYA SECTION

	<b>Mariakani</b>	<b>Athi River</b>	<b>Busia</b>	<b>Gilgil</b>	<b>Webuye</b>
<b>Jan</b>	98.65	97.78	87.33	94.36	94.93
<b>Feb</b>	99.11	98.46	84.92	95.14	94.98
<b>Mar</b>	98.02	98.01	80.04	96.72	95.02
<b>Apr</b>	99.01	98.34	83.47	96.53	92.11
<b>May</b>	99.52	98.01	80.31	97.73	94.71
<b>Jun</b>	99.01	99.23	79.53	95.09	94.04
<b>Jul</b>	97.46	97.58	85.02	92.19	94.89
<b>Aug</b>	96.62	97.15	85.88	92.42	92.39
<b>Sept</b>	95.94	97.55	87.73	89.35	93.09
<b>Oct</b>	95.93	96.21	91.91	95.45	97.06
<b>Nov</b>	98.56	95.95	89.30	90.79	93.52
<b>Dec</b>	97.07	98.67	90.62	87.36	94.75



## CORRIDOR PERFORMANCE:

### *ROAD TRANSPORT RATES – KENYA TO OTHER DESTINATIONS IN USD*

<b>From</b>	<b>To</b>	<b>Rates</b>	<b>Distance</b>	<b>Rate/Km</b>
<b>Mombasa</b>	<b>Nairobi</b>	1,026	481	2.13
<b>Mombasa</b>	<b>Kampala</b>	2,200	1,169	1.88
<b>Mombasa</b>	<b>Kigali</b>	3,900	1,682	2.32
<b>Mombasa</b>	<b>Bujumbura</b>	4,100	1,957	2.10
<b>Mombasa</b>	<b>Goma</b>	6,000	1,838	3.26
<b>Mombasa</b>	<b>Bunia</b>	6,500	1,666	3.90
<b>Mombasa</b>	<b>Butembo</b>	6,000	1,746	3.44
<b>Mombasa</b>	<b>Juba</b>	4,100	1,662	2.47
<b>Nairobi</b>	<b>Mombasa</b>	669	481	1.39
<b>Nairobi</b>	<b>Kampala</b>	1,800	688	2.62
<b>Nairobi</b>	<b>Kigali</b>	2,700	1,201	2.25
<b>Nairobi</b>	<b>Goma</b>	5,500	1,357	4.05
<b>Nairobi</b>	<b>Butembo</b>	5,500	1,265	4.35
<b>Nairobi</b>	<b>Bunia</b>	6,000	1,040	5.77

## CORRIDOR PERFORMANCE:

### *ROAD TRANSPORT (TANKER) RATES – KENYA TO OTHER DESTINATIONS IN USD*

<b>FROM/TO</b>	<b>NAIROBI</b>	<b>NAKURU</b>	<b>KISUMU</b>	<b>ELDORET</b>	<b>KAMPALA</b>
MOMBASA	Kshs 4.5 to Kshs 5 per litre of Diesel or petrol Kshs 5.3 for heavy Furnace oil	Kshs 5.5 per litre	Kshs 7 per litre	Kshs 7 per litre	USD 80 per 1,000 litres

## CORRIDOR PERFORMANCE:

### *ROAD TRANSPORT (TANKER) RATES – KENYA TO DRC & RWANDA IN USD*

<b>From</b>	<b>To</b>	<b>Amount (USD) 2023</b>
<b>Nairobi</b>	<b>Goma</b>	<b>5,500</b>
<b>Nakuru</b>	<b>Goma</b>	<b>5,500</b>
<b>Kisumu</b>	<b>Goma</b>	<b>5,500</b>
<b>Eldoret</b>	<b>Goma</b>	<b>5,000</b>
<b>Mombasa</b>	<b>Kigali</b>	<b>4,200</b>
<b>Nairobi</b>	<b>Kigali</b>	<b>2,900</b>
<b>Nakuru</b>	<b>Kigali</b>	<b>2,600</b>
<b>Kisumu</b>	<b>Kigali</b>	<b>2,000</b>
<b>Eldoret</b>	<b>Kigali</b>	<b>2,300</b>

# CORRIDOR PERFORMANCE:

## *KENYA RAILWAY TARIFF - IMPORT TRANSIT LOADED/EMPTY CONTAINERS RATE PER CONTAINER IN USD*

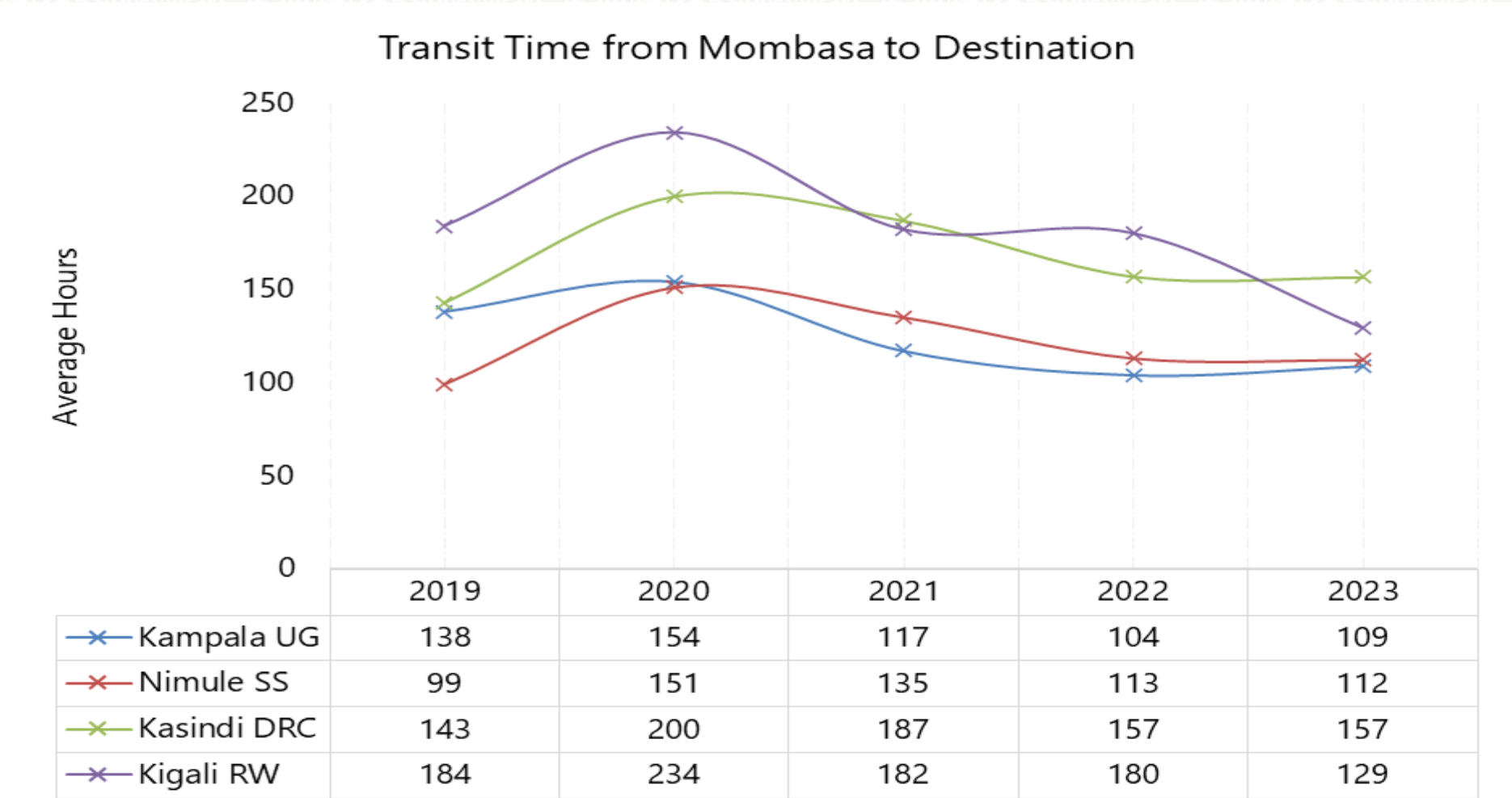
Rail Route	Rate USD/ container				Network
	20 FT		40 FT		
	0-30 TONS	ABOVE 30 TONS	0-30 TONS	ABOVE 30 TONS	
<b>Kilindini - Malaba</b>	860	960	1110	1260	SGR/ MGR
<b>Kilindini - Kisumu</b>	860	960	1110	1260	SGR/ MGR
<b>Kilindini - Naivasha</b>	650	750	865	1015	SGR
<b>Naivasha - Malaba</b>	350	450	460	610	MGR
<b>Naivasha - Kisumu</b>	350	450	460	610	MGR

# CORRIDOR PERFORMANCE:

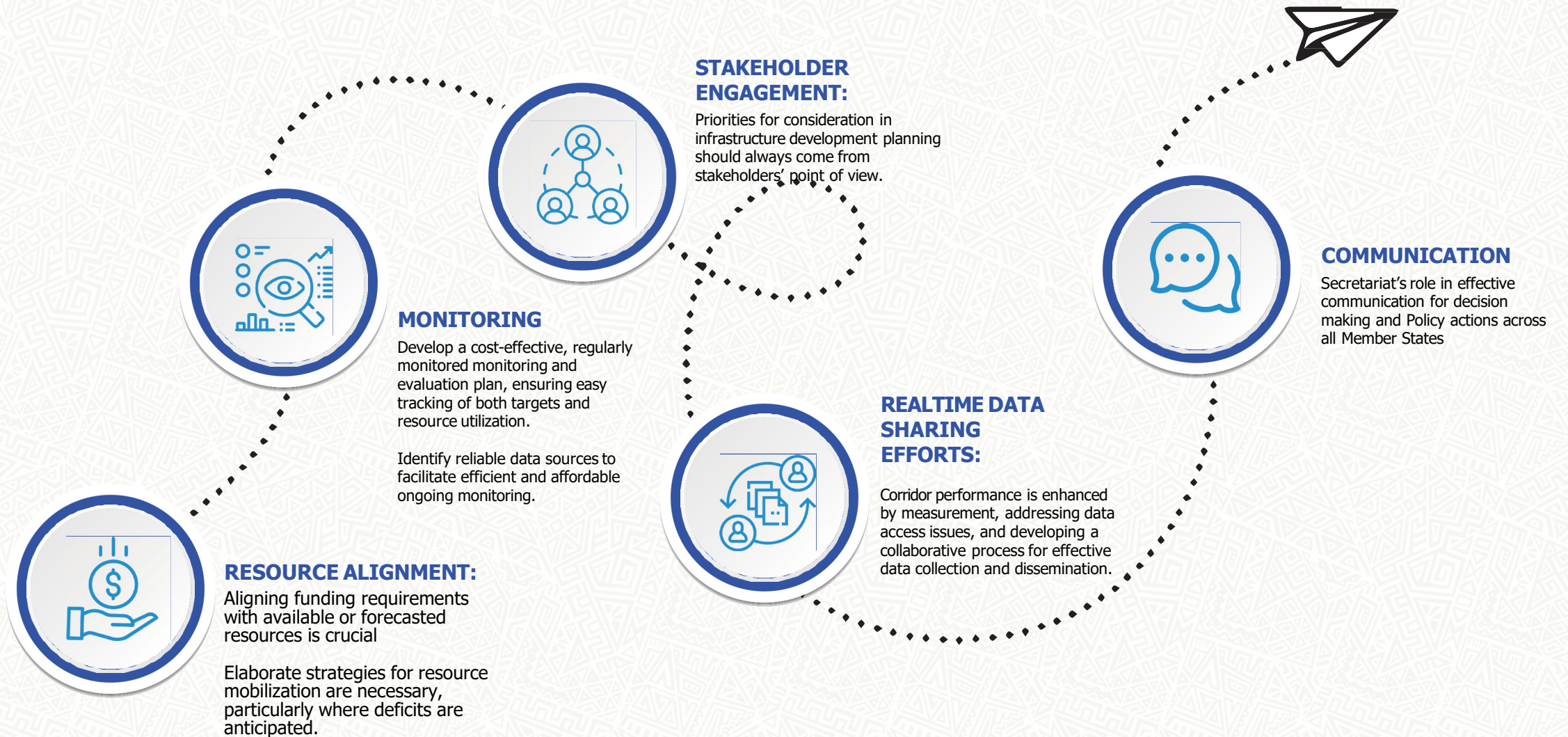
## UGANDA RAILWAY TARIFF IN USD

Corridor	Route	Type of Cargo	Road cost (US\$)	Rail cost (US\$)
<b>Northern Corridor</b>	Mombasa – Kampala	<b>Imports</b>	2,500 for 20ft	1,305 – 2,350
			2,900 for 40ft	
	Kisumu– Port Bell		1,100	400 – 800
	Kampala – Mombasa		<b>Exports</b>	900 – 1,200
	Tororo – Kampala	<b>Local cargo</b>	700	445 – 740
<b>Central Corridor</b>	Dar es Salaam – Mwanza	<b>Imports</b>	3,800 - 4000	1,840 - 2,348
	Mwanza – Kampala		2,000	600 – 880
	Kampala -Dar es Salaam	<b>Exports</b>	3800- 4000	1,840 – 2,680

# CORRIDOR PERFORMANCE



# LESSONS LEARNT





# NORTHERN CORRIDOR INTERVENTIONS







# THE CENTRAL FOCUS: ENABLING THE PRIVATE SECTOR TO ACHIEVE 2 KEY GOALS:

Enabling  
private sector  
led growth

## Creation of jobs

Helping create more jobs, especially those that can transition population from subsistence agriculture

## Reduction of current account deficit

Enabling more investments and exports regionally and globally and/or substituting imports with local goods

Northern Corridor Region's economic transformation strategy is hinged on a strong and competitive private sector



Private sector to lead in creating **productive and highly skilled jobs** transitioning from agriculture



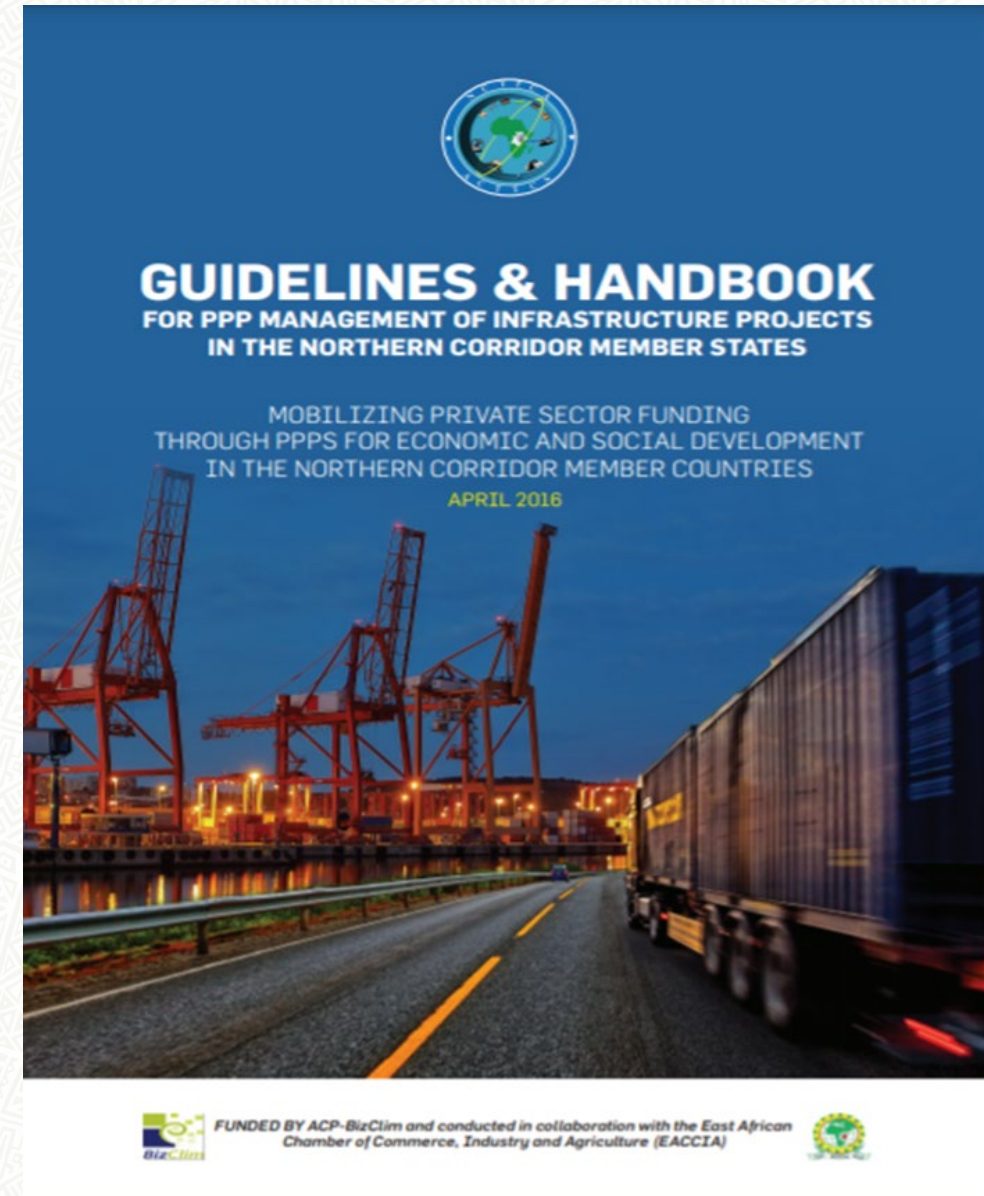
Private sector to play key role in **providing resources** for key economic activities and achieving **productivity gains**



Private sector strongly positioned to drive **innovation and technological advances**

# MAJOR PROJECTS AND PROGRAMS – PPP POTENTIAL

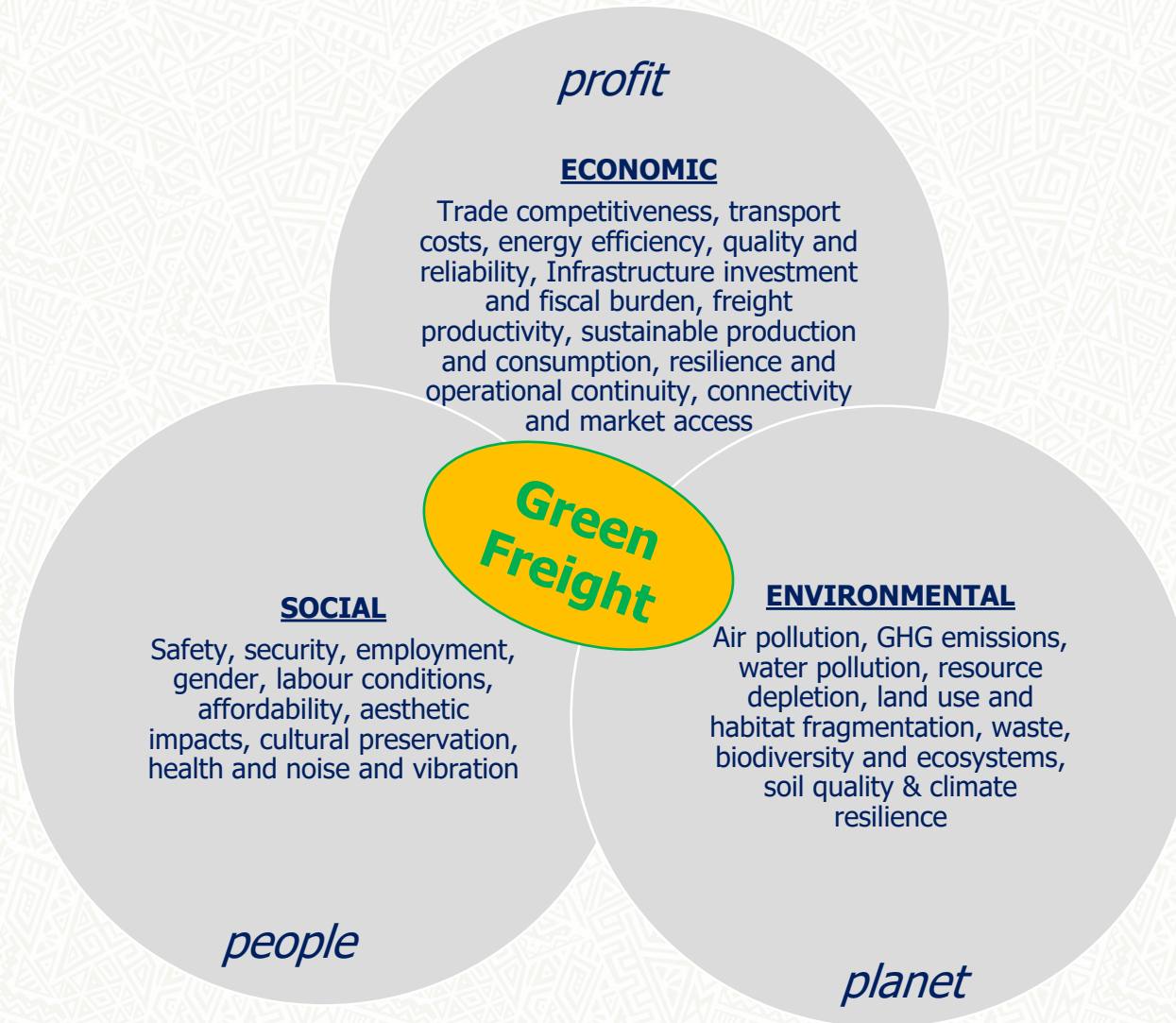
1. Road Side Stations (RSSs)
2. Transport Infrastructure;
  - a) Roads
  - b) Rail
  - c) International Ports
  - d) Inland Waterways
  - e) Pipelines
  - f) High Speed Weigh in Motion Systems



# MAJOR PROJECTS AND PROGRAMS – PPP POTENTIAL

3. Industrial Infrastructure;
  - a) Special Economic Zones
  - b) Industrial Parks
  - c) Energy
  
4. Technology
  - a) The Transport Observatory Portal (TOP)
  - b) Northern Corridor Business Information Portal (NCBIP)
  
5. Social Infrastructure & Utilities
  - a) Schools - Technical Training Facilities
  - b) Hospitals & Wellness Centers
  - c) Cross Border Markets

## 6. The Green Freight Program



"transformation of the freight sector aimed at reducing emissions intensity, pollution and fuel consumption, whilst promoting economic growth across the region".

Triple bottom line principle— Sustainable Development



# REGULATORY & INSTITUTIONAL FRAMEWORK



## Regulatory Framework

Regional NC PPP Guidelines



National PPP Laws



National PPP Regulations & Guidelines

## Institutional Framework

Northern Corridor Secretariat - PPC

Member States  
(Ministries of  
Infrastructure)



Member States  
Contracting  
Authorities

Member States PPP Regulatory Authorities

**NB. Northern Corridor (NC) PPPs are anchored in a strong Regulatory & Institutional framework to ensure efficient and transparent processes**





# KEY REFLECTIONS





# NCTTCA SECRETARIAT FACILITATION ROLE

1. *Capacity building for all Northern Corridor Member States*
2. *Networking and partnership for PPP Operators and practitioners*
3. *Partnership with critical global players for expertise and support; - Connex Support Unit; World Bank; others*
4. *Technical Committee discussions on PPP critical pipeline projects*
5. *Conversion of ideas into Bankable Projects attractive to Private Sector Investors*

## AFRICA PPP:

The Longest-Running Public-Private Partnerships event in Africa hosted in both Northern and Southern Africa



22-24 October 2024

Casablanca | Morocco

Hyatt Regency Hotel

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# KEY REFLECTIONS

1. What are the key lessons learnt?
  2. What areas are we already noting will require change in our regulatory framework/institutions/enabling environment?
  3. What specific areas do we already feel need to be enhanced with adequate capacity back home – project identification, definition, feasibility studies, procurement, negotiations, contracting?
  4. Where do we see we have gone wrong and what actions will we take to correct the situations on return?
1. Quels sont les principaux enseignements tirés ?
  2. Selon nous, quels domaines nécessiteront des changements dans notre cadre réglementaire/institutions/environnement favorable ?
  3. Quels domaines spécifiques, selon nous, doivent déjà être renforcés par des capacités adéquates dans notre pays : identification des projets, définition, études de faisabilité, passation des marchés, négociations, passation de contrats ?
  4. Où constatons-nous que nous avons commis des erreurs et quelles mesures prendrons-nous pour corriger la situation au retour ?





**THANK YOU**

