

ZAMBIA DAILY MAIL - TUESDAY 30TH JANUARY 2007
A LOOK AT ZAMBIA'S RAIL TRANSPORT
SPECIAL REPORT BY JOY SATA

The rail transport sector is one area which has not received attention following the liberalisation of the road passenger service by Government since 1992. This was even worsened by the removal of duty on importation of passenger transport vehicles in 1993, which saw an influx of buses. As a result, there was a drop in rail passenger and freight transport to Northern, Southern and Copperbelt Provinces as roads were now rehabilitated and the public felt that it was quicker and safer to move by road. However, Government engaged foreign expatriates to manage Zambia Railways Limited (ZRL) until 2003 when the company was concessioned to New Limpopo Investments, who eventually established the Railway Systems of Zambia Limited (RSZ). Our Features Editor JOY SATA now looks at the success story of concessioning the Livingstone-Chililabombwe railway line.

ON FEBRUARY 14, 2003, Government and NLPI, which is consortium of four companies, signed a concession agreement for the latter to operate Zambia Railways, which was later re-named Railway Systems of Zambia Limited (RSZ) for 20 to 30 years.

NLPI consists of Nedbank Corporate, Old Mutual Asset Managers, Sanlam (South Africa) and New Limpopo Bridge Projects Limited, company established by private entrepreneurs to promote infrastructure related projects in Sub-Sahara Africa and the Southern African Development Community (SADC) region.

When NLPI took over the 900 kilometre of mainline railway and 300 Km inter mine rail line, the company was facing severe financial and technical constraints in form of bad infrastructure, unreliable locomotives and daily derailments.

Most of the infrastructure was in disrepair or vandalized while the workforce was demotivated as most of them were not sure whether they would be taken on by the new owners.

Radio systems were hardly in existence while the telecommunications equipment was obsolete.

A visit to Kabwe recently depicted a different story about the railway company which almost went into oblivion after a boom in road transport.

The company has come back to life, considering the major investment poured into the company by the shareholders.

RSZ is a different story from the ZRL which existed before 2003 as it has been turned from loss making to profit orientated company.

According to RSZ General Manager, Babe Botana, the new managers prepared a new infrastructure investment programme while still adhering to the concession agreement and offering an acceptable level of services to customers.

On the track development, RSZ introduced what they termed, "First Aid" track rehabilitation programme as a forerunner to the full upgrade programme. This was to carry out spot improvements and Mr Botana explained that this covered areas both in the north and south regions including the branch lines.

The most impressive aspect of the concession is the local rehabilitation of locomotives by Zambian engineers at their Kabwe workshop.

The proud engineers and technicians bragged that their standard of work and that done by their colleagues from the United States where three locomotives were overhauled was the same.

The local technicians have so far overhauled two locomotives which were also running alongside those done in the USA.

Said engineer Holland Mulenga: "We are now working on this locomotive (pointing to one which was being worked on by two Zambian engineers during a visit to the workshop recently) as we test both worked on here in our workshop and those brought in from USA, to see whether they are running at the same level and I must say we are proud of our work here".

The workshop also rehabilitates all the passenger coaches which also run between Livingstone and Nkana Mine in Kitwe.

All the locomotives and wagons are now being worked on at the local sheds in Kabwe where most of the Zambian engineers have been retained since the establishment of RSZ.

According to Mr Mulenga, all the locomotives were brought in for maintenance and ensure continuity of service on the rail tracks.

RSZ also opened up the loco shed in Kabwe last year which was shut down for about ten years. The cranes have been repaired, lit up the washing bay and provided a standby generator while conforming to all environmental requirements.

Mr Botana explained that the company spent about K10 million at the shed to divert all the oil that came from the shed as a way of contributing to the environmental clean up.

Other pollution control and environmental mitigation measures include the construction of oil separators, incinerators and dump sites at Kabwe, Livingstone, Ndola and Kitwe.

This also involves the cleaning up of historically contaminated sites at Livingstone, Kafue, Kabwe, Ndola and Kitwe.

At stations and relief quarters, RSZ has given a facelift to the station buildings and Ndola, Lusaka, Kabwe and Livingstone.

In Kabwe, the catering and cleaning of surroundings have been sub contracted while the waiting lounge has also been given a facelift. Some of the toilets have been turned into fee paying facilities while others are free of charge.

The sleeping quarters have also been given a facelift with new furniture.

The cargo, RSZ has introduced armed escorts using both railway and state police as well as by road, of all trains conveying sensitive and more valuable cargo, sweeper trolley operations to clear the route, permanent and uninterrupted communication between ground and on the board escort with the centralized Train Control Centre in Kabwe.

In a bid to offer a competitive service and ensure safety, apart from rehabilitating the flash lights, RSZ has introduced traffic men at all rail crossings throughout the country to control road traffic whenever a train was crossing the road.

These were stationed at the rail crossing on a daily basis.

On the train running speed, transit time between Durban and the Copperbelt has been improved from an average of 45 days to about 15 to 20 days.

RSZ attributes this to better logistics arrangement such as the facilitation in customs clearance and handling of traffic at border points.

For a company that was almost going into oblivion, RSZ has turned the tables round by ensuring that they had a competitive tariff structure, which has made it possible for the company to design and offer better levels of services to the customer.

The Southern Africa Railways Association (SARA) executive director, Bernard Dzawanda had this to say about RSZ:

"Following our tour of RSZ facilities, my observation is that the company is doing an excellent job considering that they have managed to transform the company within a short space of time.

Their Achievements to date speak for themselves and I have no doubt that a regional railway powerhouse is in the making. Considering the strategic investment decisions RSZ has taken so far, it is very clear that management has taken key decisions that have in the past been ignored to the detriment of the railway organisation as a whole. If the company maintains this momentum, they will qualify to the railway model of the region.

This being the case, the decision by the Zambian Government to award the concession to RSZ was indeed a good decision given the benefits that have been realized within this short space of time".

With such accolades, RSZ's future in the rail transport sector looks very bright.

Mr Botana said RSZ were there for business and they would take decisions that make business sense. He cited an example where some political statements were made regarding rail freight from Ndola to Sakania sometime last year.

"What must be taken note of is that there is only 16 km of Zambian rail into the Democratic Republic of Congo and it would not make business sense for RSZ to give prioritise wagon allocation for the short stretch of line as this would create an artificial shortage of capacity in Zambia", Mr Botana said.

On the future out look of the company, Mr Botana said they were looking at modernizing the entire network and providing a rail infrastructure that meets international standards.

RSZ was considering providing one of the best telecommunication systems in the region.

Looking at the investment made so far of US\$20 million, RSZ is currently looking at phase two of their business investment.

With such plans, RSZ seems set for higher heights and better service delivery to the customers.