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\$4m rail wagons coming

By Abel Mboozi

THE Railway Systems of Zambia (RSZ) will invest US\$4 million in new wagons in 2010, chief executive officer Benjamin Even has said.

Mr. Even said in Kabwe that RSZ had performed well this year and that so far it had invested \$30 million in its operations.

The investments the company had made were self-financed.

"Operations of the company have been splendid and cannot be compared to TLC of Tanzania, which receives money from the government to pay salaries," he said on Monday during the RSZ Open Day held at Tuskers Hotel.

Mr. Even said the concession agreement with the Government required that the company should invest \$15 million within five years of its operations, but the figure today stood at \$30 million.

RSZ has development arrangements with Congolese National Railways, Tanzania Zambia Railway Authority, National Railways of Zimbabwe and Transport Freight Rail, formerly Spoonet, of South Africa.

He said the major challenge the company was facing was unfair competition created through fuel levy as well as vandalism.

RSZ has continued to pay its share of fuel levy to the Government but he said the money goes towards the maintenance of roads at the expense of reinvestment in the railway infrastructure.

"Despite these challenges, RSZ has continued to provide satisfactory service to its local and international clients. The company has capacity to haul 3.5 million tones of cargo per annum which is supported by an adequate number of wagons,"Mr. Even said.

He assured the Government and other stakeholders that RSZ would address the issue of traffic lights "although the company will not risk undertaking ventures that will make it incur losses".

Communications and Transport Deputy Minister Mubika Mubika directed RSZ management to ensure it worked on traffic lights at major crossing points to avoid accidents.