

**TANZANIA-ZAMBIA RAILWAY AUTHORITY**

***Head Office***

**COMMUNIQUE**

**ISSUED ON THE OCCASION OF THE VIRTUAL MEETING OF THE TANZANIA-ZAMBIA RAILWAY AUTHORITY (TAZARA) BOARD OF DIRECTORS**

The Tanzania-Zambia Railway Authority (TAZARA) Board of Directors, comprising the Permanent Secretaries responsible for Transport in the Republic of Zambia and the United Republic of Tanzania, Mr. Stephen Mbewe and Mr. Gabriel Migire, as Chairperson and Co-Chairperson, respectively, together with four other Board Members from both countries, Prof. Razack Lokina, Mrs. Rukia Shamte, Mr. Stanslous  Sichalwe and Mr. Peter Kazhila, virtually held the 117th Board Meeting via the e-Government Authority (e-GA) platform, on 18th October 2021.

The Board of Directors deliberated on various matters pertaining to the operations of the Authority and agreed on the following key resolutions, amongst others.

**Performance results for the Financial Year 2020/2021**

The Board reviewed the performance of the Authority for the Financial Year (FY) ending 30 June 2021 and commended the Management for a 19.4% improvement in freight traffic and 26.7% improvement in overall revenue earnings, compared to the previous FY ended 30 June 2020.

During the financial year 2020/2021, the Authority transported 217,661 metric tons of freight compared to 182,302 metric tons transported in the past FY 2019/2020.

With the addition of 262,140 metric tons moved by Calabash Freight Ltd, the private operator with access rights on TAZARA, the total line capacity utilisation for the year aggregated to 479,801 metric tons, up by 26.6% compared to the combined volume of 378,978 metric tons recorded during the FY 2019/2020.

Despite limitations on the movement of people globally due to the COVID-19 pandemic, the overall passenger traffic transported was 2,760,493 passengers during the FY 2020/2021, compared to the previous year’s 2,778,708 passengers, a drop of 0.66%.

The above performance resulted in overall revenue earnings of US$31.044 million for the FY ended 30 June 2021, including US$12.689 million earned from other non-operational income as well as Open Access Fees paid by the private operator plying on the TAZARA line. The overall revenue earnings for the past FY 2019/2020 was US$24.511 million.

**Revitalisation Bankable Business Plan**

The Board was confident that, with a new Cabinet now in place following successful general elections in Zambia on 12th August 2021, the TAZARA Council of Ministers would soon meet to make a decision on the proposed Revitalisation Bankable Business Plan, whose investment outlay of US$558 million underpinned a strong short-to-medium term blueprint for the required transformational actions necessary to turnaround the operations of TAZARA.

**Open Access Operations**

Whilst noting the positive impact of the private operator on the overall capacity utilisation of the TAZARA infrastructure, the Board welcomed Management’s report that two additional private operators were imminently expected to commence operations upon the conclusion of contract negotiations.

In this regard, the Board urged the Management to ensure that more funds were allocated towards maintenance of the rail track as traffic flow was expected to increase exponentially with the coming in of two additional players.

**Closure of the Chambeshi Bridge**

The Board received the report on the closure of the Chambeshi River Railway Bridge in Zambia with anguish, declaring the occurrence as a national emergency with consequences on the national economies of Tanzania and Zambia.

The Board directed the Management to present the matter to the Government of the Republic of Zambia for intervention.

**Done at Dar es Salaam, on 18 October 2021.**