



# STANDARD GAUGE RAILWAY

Driving Uganda to middle income status

## STIMULATING INDUSTRIALISATION

### SPEED TRAIN

**120** Km/h  
for Passengers

**100** Km/h  
for Cargo



## SAVINGS ON TRANSPORT

**\$2B**  
Saved  
Annually



## MOMBASA-KAMPALA TRAVEL TIME DOWN

From  
**10-14**  
days to  
**1** day



## WHO WE ARE

The Standard Gauge Railway (SGR) Project is a Government Project established by Cabinet Minute 107 (CT 2015) to develop a modern, integrated, and efficient railway transport system to address both the freight and passenger transportation needs of the country.

In 2014, Uganda together with her Northern Corridor Partner States of Kenya, Rwanda and South Sudan signed a Regional SGR Protocol to develop a seamless transport system interconnecting their cities as well as connecting them to the coast. To date, DR Congo and Ethiopia have also expressed interest in joining the initiative.

Uganda ratified the Protocol through Cabinet Minute 62 (CT 2015).

The Project is, therefore, expected to discharge its mandate in the most cost effective and businesslike manner and in accordance with modern management practices.

### **Purpose**

To build an efficient railway system that will stimulate industrialization, reduce unemployment and transform Uganda.

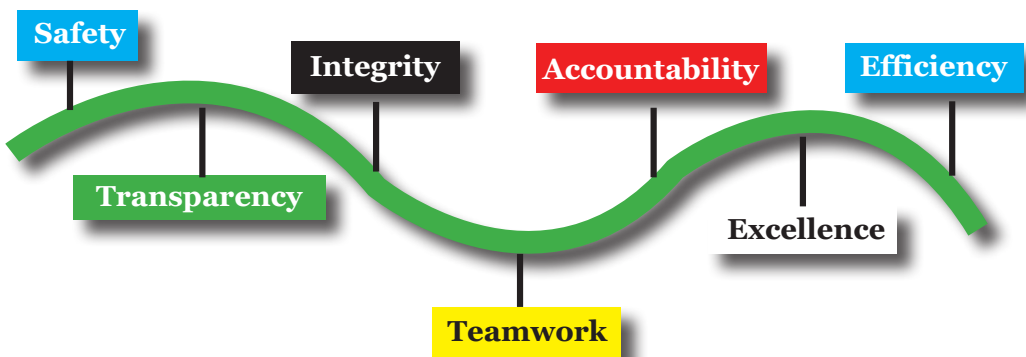
### **Vision**

"Modern and efficient railway transport systems in Uganda by 2025"

### **Mission Statement**

"To develop in a cost effective manner the SGR network in line with the Regional SGR Protocol and the Greater Kampala Light Rail Mass Transit (LRT) system".

## OUR SHARED VALUES



# Welcome Aboard

## *The Standard Gauge Railway!*



We have the pleasure to present to you our maiden edition of ***The Standard Gauge Railway*** newsletter, an initiative of the Standard Gauge Railway Project Management Unit to keep you updated on the day to day progress of this transformational Project.

Every single day at the Project is filled with activity, excitement and energy as our teams set out to different locations to pave way for this historic project that will see us develop a modern and efficient railway transport system for our country. So far, we have made some great strides, albeit with many more miles to go. Our story is a developing one, but we are happy to share it with you. We acknowledge your important role thus far, as a Government Ministry, Department or Agency, (MDAs), in supporting the Government to deliver this project to the country. We also acknowledge the role of our Development Partners,

Regional Partner States, Project affected persons and local communities, and the general populace, among other stakeholders, in shaping the success story of this Project.

It is our belief that by sharing with you regular updates and information on the SGR Project, we will be able to harmonise, work together and support each other better. This will enable a faster delivery of the Standard Gauge Railway, which remains a significant milestone in Uganda's journey to middle income status.

Through this platform, we will broadly keep you updated on the progress of our activities, including the land acquisition process. We will also share the ongoing preparations for construction, opportunities and benefits for our people as well as how we are working with other MDAs to ensure harmonisation of the country's respective development plans.

### Wishing you an insightful reading!

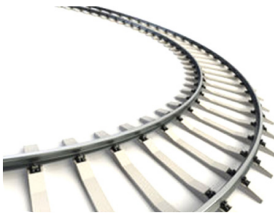


# Uganda aiming at exporting to high end



**Eng. Kasingye Kyamugambi, Project Coordinator Standard Gauge Railway**

The land acquisition process has now entered Kampala, its final leg for the Eastern Route that constitutes a route length of 273km while discussions around financial closure are ongoing. In this first part of a detailed question and answer session, the SGR Project Coordinator, **Eng. Kasingye Kyamugambi**, talks about the transformational benefits of a functional railway line, the financing, the regional connection and land acquisition among others.



The railway is  
a key feature of  
Uganda's Vision  
**2040**

**Q** Give us a brief background of the Standard Gauge Railway (SGR) project?

**A** The Standard Gauge Railway (SGR) Project was formed by the Cabinet of Uganda. This was as a result of the Summit of the four Heads of State of South Sudan, Rwanda, Uganda and Kenya under the auspices of the Northern Corridor Integration Projects (NCIP). The Summit directed that a seamless railway transport system from Mombasa to Nairobi

***We are not looking at railway as a transport system, but as a transformational project.***

through Kampala to Kigali and Juba be developed. It is a total of 3,200km connecting the four capitals to the coast port of Mombasa. Our mandate is to construct the railway in line with the regional SGR Protocol signed on May 11, 2014. This SGR Proto-



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# markets with the railway - Kyamugambi

col gives us the collaborative framework among the four states especially on standards, specifications and for seamless connectivity.

**Q** Kenya started building its railway line before Uganda, how will we catch up and connect?

**A** As I mentioned, the railway starts from Mombasa to Nairobi through to Kampala and then to Kigali and Juba. The construction must also follow that logic. By the time Uganda builds Malaba- Kampala, Kenya will be building Naivasha to Malaba so that you can start a journey on the railway from Mombasa and move all the way to Kampala. There is need to avoid downtime such that when the railway is developed, it functions as planned. This is very expensive infrastructure. When you are sourcing financing, you must make sure the feasibility studies make business sense or that the project is bankable.

**Q** What will be the benefits of this new railway?

**A** We are not looking at the railway as a transport system, but as a transformational Project. The railway is a key feature of Uganda's Vision 2040 and in NDP I & II. What has limited our industrialization and capacity to attract heavy foreign direct investment in the manufacturing sector and subsequently, exporting commodities to high end markets of Europe and America is lack of access to the sea. The Asian tigers became manufacturing hubs because of cheap connectivity to the high end markets. This is the strategy - cheap energy and cheap, reliable and efficient transport. So by connecting the railway, you are stimulating industrialisation. And by doing this, you are transforming the country. We are currently losing \$2b

every year in transport costs from Mombasa to Kampala because of slow and expensive transport. As you are aware, nearly 97% of our goods are transported by road.

***Earth materials like sand, gravel, aggregates, ballast will all be locally sourced.***

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**Q** How far with local content and the objective of involving Ugandan suppliers in the project?

**A** The provision of local content is in the contract. We are aware there are many technical constraints but we try our level best to support local content in SGR. We however do not want this to hold us back in achieving our ultimate objective of building an efficient effective railway system. We are discussing with local manufacturers of steel and cement among others. In the contract, 90% of workers must be Ugandans. Earth materials like sand, gravel, aggregates, ballast will all be locally sourced so we are looking at the involvement of Ugandans as much as possible in developing this railway system.

**Q** Why are you not upgrading the current railway line?

**A** The current railway system was built nearly 100 years ago. The population and economic target market then was very low. Clearly, it has done its part. Most importantly, even if we upgraded the MGR, we would not exceed 10 million tonnes of freight cargo annually. With our current imports, we are tending towards that, so it would not make economic and financial sense. For example, last year Mombasa handled over 26.7m tonnes of freight and nearly a third was coming to Uganda.

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**90%**  
of workers  
must be  
Ugandans

# SGR boosting integration



**Heads of State of the Northern Corridor at the launch of the SGR in October 2014 in Kampala.**

**Northern Corridor SGR Partners: Uganda, Kenya, Rwanda and South Sudan.**

Secondly the technology is outdated and obsolete. In our national Vision 2040, we are looking at creating a competitive environment to attract private sector investment, so whatever you do must be internationally competitive. If you upgraded and the technology is not the latest, you can reduce the cost of doing business but remain uncompetitive. Remember we are competing for international private capital for investments. That is why we are coming up with an electric system for which the tariff is competitive globally. Also, the interconnectivity issue within Africa was agreed on in 2009, under the auspices of the African Union for a similar railway system which is SGR to interconnect Africa. Ethiopia, Kenya, Tanzania, Rwanda and others are all planning or are already building SGR systems. We wanted Africa to be integrated all through. Also internationally, SGR is the widely used railway system, accounting for 70% of the railways in the world

**Q Is there a provision for passenger transportation?**

**A** What we are designing is 95% cargo and 5% passengers. For any integration of the Region and trade, there must be

movement of people.

**Q Why are you not using the current railway reserve land or the infrastructure of the Uganda Railways?**

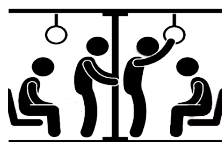
**A** We cannot use the existing land 100% because we are designing a new system that is faster, heavier and longer than the existing system. This implies that the curvatures are wider, slopes are gentler. However, we are using part of this land where possible. For example, the whole of Tororo and Kampala stations are part of the existing railway corridor.

**Q Why are you not under Uganda Railways Corporation?**

**A** This is a policy question, Government had intention to divest URC when they put it under Class 2 of the PERD Act Statute that guides the divestiture process. But noting from the NCIP Summits and the Cabinet directive. Government's intention has changed. Cabinet Minutes 107 (CT-2015) approved that this should be a stand alone project, not under URC. Government wants to build railways for creating an internationally competitive manufacturing and trade environment. Currently NCIP studies are ongoing to harmonize the policy, legal and institutional framework in the NCIP countries.

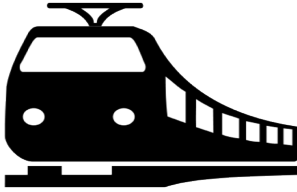


**95%**  
cargo



**5%**  
passengers

# So what is the actual cost of the SGR Project?



Malaba to Kampala Confirmed  
Construction cost is **US\$2.3b**

Distance from  
Kampala-Malaba



**273km**



## Steps to Reaching Actual Construction price

- Planning Estimate
- Feasibility Study Estimate
- Design Estimates/ engineer's estimate
- Contractor's Price



- SGR network in the entire Country



**1,724km**

(Planning estimates US\$12.8b)



## Planning estimates are subject to:

- Engineer's estimates / Design estimates
- Other considerations
- Standardization



Engineer's estimates have limited variance of plus or minus

**15%**



# Land Acquisition District Updates

We are most grateful for the extensive support we have received from all the 11 project affected districts thus far. We are especially thankful for the office space offered to us which has enabled our teams set up SGR Area offices within the districts as well as work closely with the district authorities and Project affected persons whenever they need any assistance.

1



## TORORO

### Quick Facts- Total of 1097 Project Affected Persons

- Over 85% of PAPs (952) paid in Tororo.
- Vacations ongoing.
- Only Tororo Station payment pending, because of land ownership, identity verification.
- Right of way, valuation, verification and disclosure complete.
- Extensive sensitization and continuous mobilization of residents and district leaders.

2



## BUTALEJA

### Quick Facts- Total of 273 Project Affected Persons

- Compensation complete
- Next step is vacation & clearing of acquired right of way.
- Sensitisation held for communities in affected villages, and with District Council and leadership.
- Sensitisation continues in preparation for vacations, corridor clearance and boundary marking of acquired corridor.

3

## NAMUTUMBA

### Quick Facts- Total of 492 Project Affected Persons

- Compensation complete
- Next step is vacation and clearing of acquired corridor
- Right of way complete
- Meetings with district authorities in preparation for boundary marking and corridor clearing exercise ongoing.

4

## IGANGA

### Quick Facts- Total of 1376 PAPs

- Right of way complete
- Valuation report approved by CGV
- Disclosure and verification ongoing
- Sensitisation continues



8

# Land Acquisition District Updates

5



## LUUKA

### Quick Facts- Total of 121 PAPs

- Final report approved by CGV, disclosure and verification complete.
- Right of way complete.
- Sensitisation sessions held with district councilors, RDC, CAO and local leaders.

6

## MUKONO

- Right of way team reach the Kilometre 219 mark- a major milestone.
- Sensitization sessions held with affected communities, district councillors.
- Assessment is completed.

7

## JINJA

- SGR liaison office set up in the district to support SGR activities.

8



## BUIKWE

- Right of way complete in 7km.
- Sensitisation of district councillors, leaders and LC1 Chair persons of affected villages done - engagements continue.
- Joint evaluation of Mabira forest reserve by NFA and SGR to offset any biodiversity implications is ongoing.

9



## MAYUGE

- Right of way complete
- Survey and valuation of properties complete.
- Compilation Of Final Valuation Report Ongoing.
- Joint verification and valuation of Namufuma forest reserve done in partnership with NFA is complete.
- Boundary marking done at Magamaga Forest Reserve.

10

## WAKISO

- Right of way completed.
- Assessment and valuation ongoing.
- Sensitisation of affected communities, district leaders continue.

11

## KAMPALA

- Land acquisition now in Kampala.
- Marking of ROW of way ongoing as well as assessment and valuation to determine compensation values.
- Onground sensitisation.



# Standard Gauge Rail



*H.E. Yoweri Museveni, President of Uganda, witnessing the signing*



**Alex Bwangamoi Okello**  
Chairman, SGR Board



*Setting out the Right Of Way in Kirewa  
Sub County, Simwenga Parish, Tororo District.*



*The Standard Gauge Railway  
to commence operations*



# Standard Gauge Railway Uganda 2016



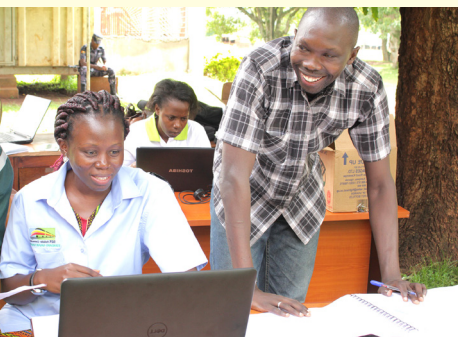
of the EPC contract.



**Minister of Works and Transport, Hon. Eng. Monica Azuba Ntege, Minister of State for Transport Hon. Aggrey Bagiire during the Ministers' visit to the SGR offices.**



**The Project Coordinator Standard Gauge Railway and Head of PR and Corporate Affairs during a media briefing.**



**Standard Gauge Railway Project team preparing compensation payments to affected persons on Friday May 6th, 2016.**



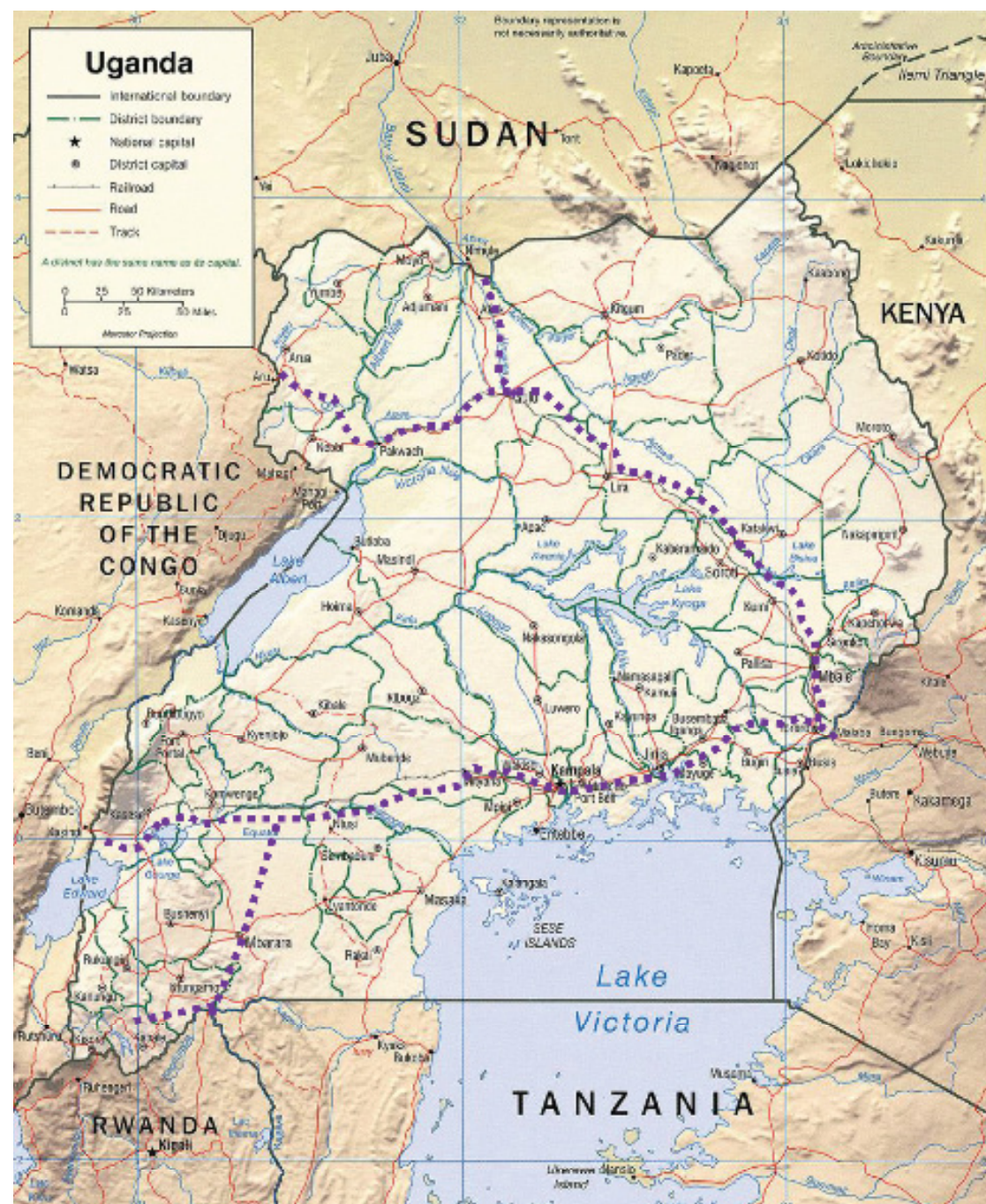
**SGR valuer assessing Project Affected Person in Walugogo, Iganga District.**

## PROPOSED STANDARD GAUGE RAILWAY (SGR) VS EXISTING METRE GAUGE RAILWAY (MGR)

| PARAMETER                        | PROPOSED SGR  | EXISTING MGR  |
|----------------------------------|---|---|
| Track gauge                      | Standard Gauge (1.435 m)  | Metre Gauge (1.000 m)   |
| Speed                            | 120 kph for passengers and 100 kph for cargo  | 15 - 30 kph maximum for all trains  |
| Axle loading                     | 25 tonne  | 13-15 tonnes  |
| Structure Gauge                  | Double-stack container wagons and double-decker passenger coaches with overhead electrification | Single-stack container wagons and conventional single-decker passenger coaches            |
| Train capacity/<br>Trailing load | 4,000 tonne cargo (160 containers) per train  | 880 tonne cargo (44 containers) per train   |
| Mombasa-Kampala transit time     | 24 hours(1 day)   | 10-14 days  |
| Maximum gradient                 | 1.20%   | 2.00%   |
| Horizontal curvature             | 1200m radius  | 175m radius   |
| Rail size and type               | 50 kg/m continuously welded   | 40 kg/m jointed   |
| Sleepers                         | Prestressed concrete  | Steel   |
| Traction                         | Electric 27.5 kV AC overhead  | Diesel  |
| Wagons                           | Double stock well wagon with 80 tonnes payload  | 40 tonne payload per wagon  |
| Passenger coaches                | Double-decker   | Single-decker   |
| Cargo transport capacity         | 25 million tonnes per annum   | 2 million tonnes per annum  |
| Level crossings                  | None except on minor roads  | More than 200 level crossings (legal and illegal) on active network including major roads |
| Fencing of railway (reserve)     | Fencing in urban areas and reinforced corridor concrete boundary markers in rural areas         | No fencing even at railway stations   |



## Proposed SGR Network in Uganda





# SGR signs MoU with NFA for right of way



SGR and National Forestry Authority officials conduct joint assessments in the railway corridor.

The SGR has signed a memorandum of understanding (MoU) with the National Forestry Authority (NFA) to acquire the right of way through nine (9) central forest reserves covering a total of 22.2km stretch. The SGR is planned as a green and ecological sound Project with keen protection and preservation of the environment some of which will include replanting trees along the line. "We will not take over the forest reserves and the forest will not be degazetted," said Naomi Nerima, SGR senior environment officer. SGR is teaming up with NFA to do joint evaluation of the ecosystem that will be impacted upon. The ecological offset will be agreed on between NFA and the Project. This exercise will be followed by the physical boundary marking of the secured railway corridor.

## Railway project acquires environmental permits from NEMA

The environmental watchdog-National Environmental Management Authority (NEMA) has provided environmental permits for right of way in the wet-

lands. SGR will access 53.1km strips of wetlands through the entire eastern route corridor from Malaba to Kampala. NEMA has stated that no wet-

land is going to be degazetted and its use supervised jointly. The move is a sign of the partnership for the establishment of this transformational project.

## Key Facts about SGR

Railway is the most cost-effective mode of transport for bulk and dangerous cargo. Its construction costs are approximately six times lower than those for road for comparative periods. Imagine how many roads would have to be built carrying same cargo as on the rail in 100 years.

### Bigger, faster and safer trains

The main Standard Gauge Railway speeds will be 100 kph for containerized freight and 120 kph for passengers.

### Boosting competitiveness

The SGR will stimulate industrialization, reducing Uganda's cost of freight from Mombasa by 69% from the current \$160 to an average \$50.

### Transport savings

Uganda's economy will save over \$2b annually in transport costs because of faster, safer and bigger railway line and trains.

### Travel Time

The SGR will reduce the transportation time from the average 7-14 days to a single day of

travel time from Mombasa to Kampala.

### Green Rail

Reduce transport emissions from road vehicles by 72%

### Integration

Provide the missing link for bulk, safe and quick transportation between Kenya, Rwanda, South Sudan, Burundi and DR Congo

### Lower road maintenance costs

Reduce road wear and tear and therefore maintenance costs by shifting over 70% of import/export cargo from road to rail

### Electric train

Lower operation & maintenance costs thus lower tariffs for users

## Major Milestones

- Cabinet approves SGR development- May 2014
- SGR Protocol signed among Partner States
- EPC/ turnkey contract for development of the Eastern, Northern section signed- 30th March 2015.
- Establishment of SGR PMU approved by cabinet
- Preliminary works launched in Tororo- May 2015
- MoU for Western and South Western route signed with CCECC
- MoU for development of GKMALRT signed with CCCC –June 2016
- Project Board appointed
- Land acquisition commences in February 2016
- Compensation of PAPs ongoing, as well as vacations and clearing of acquired corridor
- Harmonization with other city infrastructure ongoing
- National SGR local content strategy completed

## LAND COMPENSATION

### Q How come compensation rates vary?

**A** Compensation rates vary depending on market prices that vary along the route, district compensation rates for temporary developments that vary per district and the developments on the land.

### Q The existing URC has been heavily encroached, what will you do to ensure

### this does not occur with SGR?

**A** We will plant boundary markers, trees, work with local authorities and push for legislative framework.

### Q If my land title is in the bank? When it comes to compensation, what happens?

**A** We will liaise with the bank and discuss modalities.

# Standard Gauge Railway Uganda 2016



*SGR team with local steel manufacturers after a meeting on local content. The Project seeks to ensure that local suppliers are involved and benefit from the Project*



*The Right Of Way in Namanve at Km 220+100.*



*SGR valuers assessing Affected Persons.*



*SGR land acquisition team updating the Project Coordinator about their progress in Mayuge.*



*Assessment and valuation in Mukono District.*



# Standard Gauge Railway Uganda 2016



*SGR Staff after a staff meeting in Jinja District.*



*A pre-construction meeting between SGR and the Contractor CHEC at SGR offices.*



*SGR staff check on a Project Affected Person (Centre) in Malaba as part of sensitisation.*



*Some of the voluntary demolitions taking place in Malaba Town Council after compensation.*



*SGR valuers assessing Project Affected Persons in Iganga District.*

# “KULERWE” Our stop Station

In this section, we bring you the softer side of the SGR team and the behind the scenes activities at SGR. It is a combination of pictures and the funny and lighter stories of staff in their day to day activities.



Part of SGR staff standing at Kilometre Zero- the point at which the railway line will begin on the Ugandan side at River Malaba.

## *The call for a grave detector by one staff in Iganga*

who has been approached by some residents who claim presence of graves which cannot be seen. Upon further investigation, they feign ignorance of the whole claim.

K.K., we should have a grave detector or something," she called out during a staff meeting recently.

Then the Project Affected Person in Lugazi - actually who acknowledged the project, the compensation for his land and even warmly welcomed the team. But he had one concern! "What about the space in the air above his land, would he be compensated for that too?, he asked." And the SGR team looked at each other in disbelief because compensation is strictly for physical things, not "air."



The land acquisition team celebrate reaching 226km in Kampala out of the entire 273km Eastern Route in late August

reaching  
**226km**  
team in  
Kampala





# HOW TO FIND US



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