

Significant Events in the Rehabilitation of the Maputo Corridor



February 1994

Dr Matthews Phosa in his opening address as Premier of Mpumalanga raised the need to revive economic activity between our two countries and the neighbouring provinces of Maputo and Mpumalanga





11 June 1995

Memorandum of Understanding
between Province of Mpumalanga
and Province of Maputo signed

August 1995

Agreement between Ministers of Transport
in Mozambique and South Africa to
re-establish the Gauteng-Maputo rail link





6 May 1996

Maputo Development
Corridor was officially
launched at an
Investors' Conference

May 1996

MDC Investor's conference





26 July 1996

- Framework Agreement for the establishment of the MDC signed by Mozambican and South African governments,
- with three ancillary agreements
- 1. Protocol for the operation of the toll road,
- 2. Statement of intent to establish a Corridor Company,
- 3. Statement of intent about upgrading the railway and harbour.



May 1997

- Witbank-Maputo toll road concession awarded to TRAC



September 1997

Shoprite opens a
store in Maputo



SHOPRITE

December 1997

- Financial closure on toll road concession



December 1997

- Spoornet-led consortium named preferred bidder for the concession to operate the Ressano Garcia railway line



1998

- Mersey Docks-led consortium named preferred bidder for the concession to operate Maputo Port



March 1998

TRAC took charge of the N4



6 June 1998

- Construction of toll road officially launched at Ressano Garcia



July 1998

- Construction of Mozal officially launched



August 1998

Mozal concludes agreement with
CFM to develop and operate its
own port facilities





1 December 1998

US-Mozambique
bilateral investment
treaty signed



December 1998

Middleburg toll plaza opened



February 1999

Negotiations on the rail
concession break
down



30 April 1999

Framework agreement signed for MISF and Pande gas field



May 1999

Machado toll plaza opened



27 May 1999

- Contract for N3 concession signed with N3TC



July 1999

Nkomazi toll plaza opened



March 2000

Mozal Phase 1 completed
and on stream



March 2000

Moamba toll plaza opened



January 2001

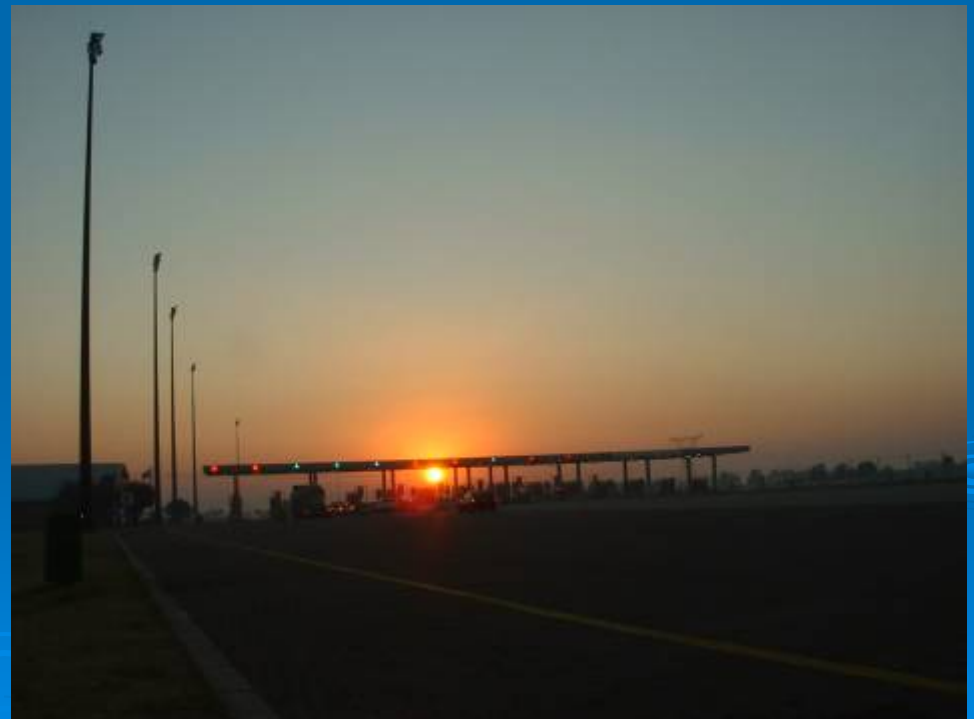
Maputo toll plaza
opened





March 2001

- End of Initial construction phase of the toll road



16 November 2001

- Revision Of Memorandum of Understanding of 1995 between Province of Mpumalanga and Province of Maputo



April 2002

- Open weighbridges in South Africa



28 August 2002

- Nkomazi Border Plaza (NBP) now the Lebombo Dry Port – concession signed and opened



December 2002

- Rail concession signed



14 April 2003

- Maputo Port Development Company took over port of Maputo





June 2003

- Mozal Phase 2 completed and on steam



June 2003

- Clearing Agents offices opened at Lebombo Dry Port facilities



23 September 2003

- Stakeholders forum in Nelspruit plea for institutional framework for engagement between public and private sector.



September 2003

- Start of port rehabilitation



1 October 2003

- Border crossing hours extended
- Passenger to 22:00 from 19:00
- Cargo from 15:30 to 17:30



January 2004

- The first fuel imported from Mozambique



February 2004

Sasol pipeline
completed



18 February 2004

➤ Launch of MCLI in Maputo

Maputo milestone

The shipping industry turned out in force last week to celebrate the official launch of the Maputo Corridor Logistics Initiative (MCLI), a private sector group dedicated to the promotion of the Maputo corridor.

Three busloads of freight industry staffers left Gauteng last Wednesday for Maputo to mark the milestone and observe at first

hand the progress achieved.

MCLI chief executive Brenda Horne joined in a toast at the launch with the two major in-port driving forces, Alec Don (left), Maputo Port Development Company CE, and Jorge Ferraz, Mozambique International Ports Services (MIPS) CE.

See page 16 for more developments.



56 *Lowveld* MONEY

Maputo Corridor first for import and export

The South African and Mozambican governments have worked with great commitment to facilitate improvements to infrastructure along the Maputo Corridor

■ **Stephané Bothma**

MAPUTO - A newly-formed private sector group, supported by organised South African and Mozambican business, has taken the initial step to promoting the Maputo Corridor as a first choice transportation route linking landlocked South African provinces and neighbouring states to world markets.

The Maputo Corridor Logistics Initiative (MCLI), a Section 21 company officially launched last week, aims to work with stakeholders, including local and Mozambican authorities, to improve efficiencies along the corridor and to provide exporters and importers with cost-effective access to their nearest deep-water ports in Maputo and neighbouring Matola.

"Some 120 companies have already expressed strong interest in the initiative," said chief executive Ms Brenda Horne.

"MCLI will also promote greater utilisation of the Maputo Corridor which runs along the N4 toll route linking Gauteng and Mpumalanga with Maputo," she added.

One of the most important aspects of the initiative involved the US\$70m upgrade of the Maputo Port, the establishment of a modern toll route on the N4 highway, upgrades of power and telecommunication links between SA and Mozambique, refurbishment of the railway line between the two countries and incremental

improvements to the Lebombo border post.

South African traffic through Maputo Port has increased gradually with the upgrading of privately operated terminals. "Total volume increased from 4,3 million tons in 2002 to 4,9 million tons last year," said Horne. "Container volumes improved by 15% in 2003 and the fresh produce terminal has reported a record 25% increase in throughput of first class fruit over the previous season."

The major companies already exporting through Maputo Port include Transvaal Sugar Ltd, Capespan, BHP Billiton, Xstrata, Ore and Metal, Highveld Steel, Rio Tinto and Columbus Stainless.

According to Horne, a growing number of other major companies, such as BMW South Africa, have stated publicly that they were seriously considering using Maputo Port as a cost-effective alternative to more distant South African ports.

"Limpopo fruit exporters, for example, estimate they will save one-third of their landside transportation costs by exporting through Maputo rather than Durban," Horne told *Lowveld*.

Tzaneen, the centre of prolific fruit production in Limpopo, is 450 kilometres by rail from Maputo and 1 156 kilometres from Durban.

"The South African and Mozambican governments have worked with great commitment to facilitate improvements to infrastructure along the Maputo

Corridor," said Horne, adding that it was now up to the private sector to build on this foundation and turn the corridor into the first choice for the region's exporters and importers.

"Greater utilisation of the corridor will create better economies of scale and a more cost effective transportation route," Horne said.

She concluded that the Maputo Corridor was seen as Nepad in action.

"African governments and businesses are working across borders to establish an efficient regional transportation route that will offer cost-effective access to world markets, boost trade and create a highly favourable climate for more investment."



17 March 2004

- MCLI registered as a multilateral, multi-stakeholder membership organisation to engage with public sector and to promote the corridor



June 2004

- Secure parking for trucks at Lebombo Dry Port





MAPUTO 2004 - FIRST VESSEL LOADING AT THE NEW EXPORT FERRO CHROME TERMINAL

August 2004

- Open weighbridges in Mozambique

October 2004

First trucks cleared for Game
opened in Maputo

Nov 2004

- Truck stop and diesel depot at Lebombo Dry Port



April 2005

Visa for Sa/Moz citizens
for less than 30 day
visits abolished



14 April 2005

Launch of MCLI 4 Focus Workgroups



April 2005

- Grindrod buys 12.5%
in the Port of Maputo



May 2005

- Access road to SA border post completed



November 2005

Mozambique Government cancelled rail concession

- CFM commits to stabilise, rehabilitate and run the line – Investment of \$12 M
- MCLI rail focus workgroup regularly updated on progress



16 February 2006

➤ Customs meeting with agents –

Announced intention to:

- extend commercial clearing hours;
- heavy traffic bypass road;
- SAD500 project





FEBRUARY 2006

DoT – BECOMES 9TH
FOUNDATION MEMBER OF
MCLI AND SERVES ON BOARD
OF MCLI





MAY 2006

MCLI AND SA DEPARTMENT OF TRANSPORT
SIGN TERMS OF REFERENCE FOR MCLI TO
BE THE SECRETARIAT FOR THE
MPUMALANGA FREIGHT LOGISTICS FORUM
TO ASSIST THE PROVINCE OF MPUMALANGA
TO ROL OUT THE NATIONAL FREIGHT
LOGISTICS STRATEGY

DoT – BECOMES 9TH FOUNDATION MEMBER
OF MCLI AND SERVES ON Board of MCLI



END JUNE 2006

- Heads of state announced re-commitment to “One-Stop” border post on corridor between South Africa and Mozambique



1 July 2006

- **Commercial cargo clearing hours extended to 22:00**



SCANNER INSTALLED IN PORT JULY 2006

- Customs outsourced the installation and operation of scanner to private company
- Scanning fee levied on all cargo (containers, break-bulk, cars, bulk such as granite, chrome, sugar, maize) moving in and out of the port by road, irrespective of scanned or not
- Pose serious threat to the growth of transit cargo through corridor
- MCLI opposes strongly



SEPTEMBER 2006

FIRST MULTI-LATERAL - MULTI-STAKEHOLDER MANAGEMENT MEETING HELD TO PLAN FOR THE LAUNCH OF THE MFLF



1 October 2006

- Roll out of SAD (Single administrative document) 500 on the SA side of our border



10 OCTOBER 2006

LAUNCH OF THE MFLF BY HIS HONOURABLE JEFF RADEBE THE SA MINISTER OF TRANSPORT





OCTOBER 2006

Petrol pipeline license application
from Maputo to Nelspruit and
Kendal in MCLI office for public
viewing

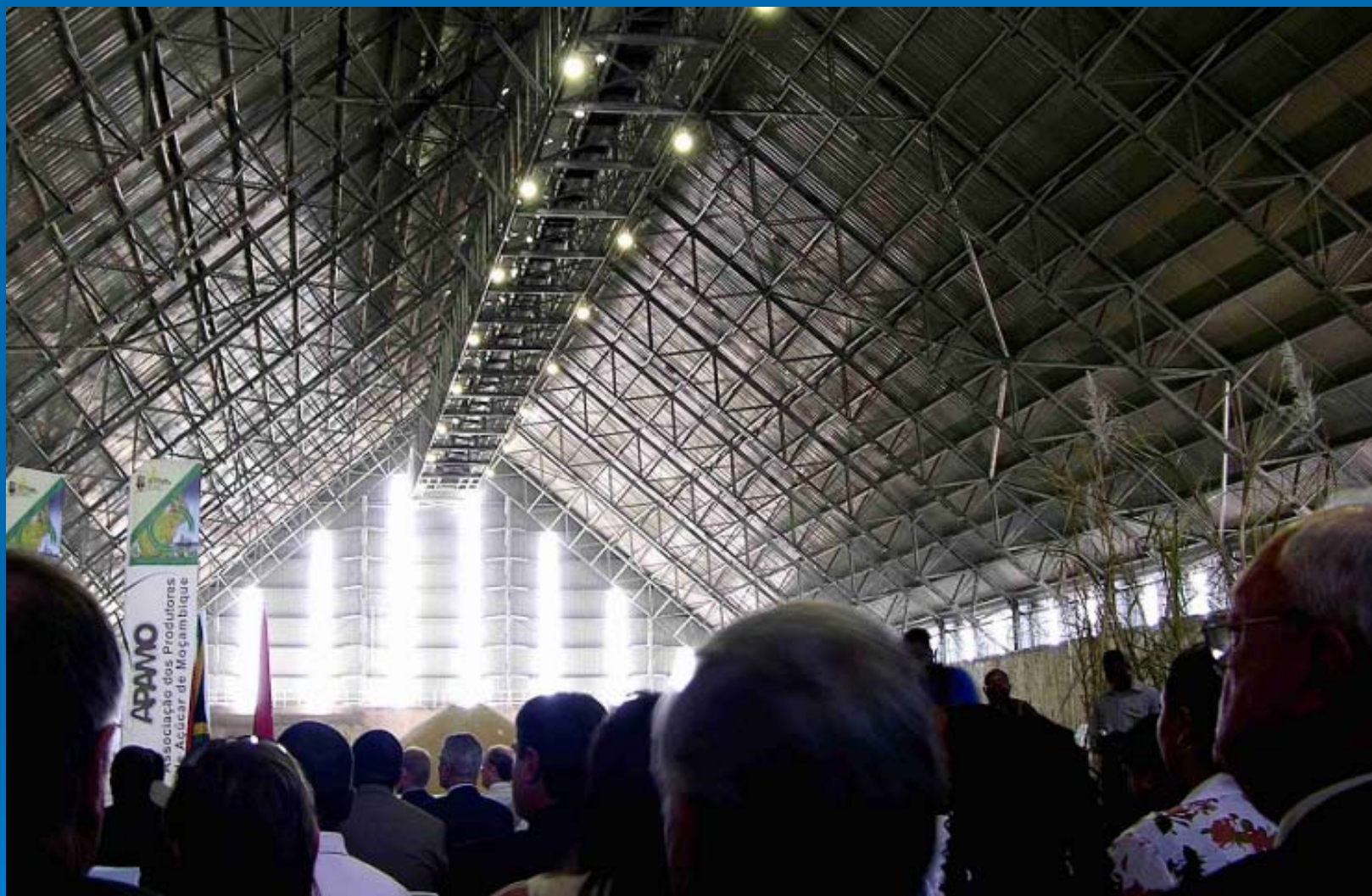


NOVEMBER 2006

- SSATP annual general meeting – Maputo
Corridor included in program



MATOLA 2006 – GRINDROD-API ANNOUNCE US\$25m MODERNISATION AND EXPANSION PROJECT



MAPUTO 2006 – 55,000 TONNE BULK SUGAR TERMINAL EXTENSION OPENED



MAPUTO 2006 – 10,000m² BAGGED SUGAR TERMINAL UNDER CONSTRUCTION



MAPUTO 2006 - PHASE 2 EXTENSION OF EXPORT FERRO CHROME TERMINAL



NOVEMBER 2006

FIRST LANDSIDE TRANSPORT WORKING GROUP OF THE MFLF HELD



OCTOBER 2006



CFM

MOÇAMBIQUE PORTS AND RAILWAYS
PORTOS E CAMINHOS DE FERRO DE MOÇAMBIQUE, E.P.

MAPUTO CORRIDOR REVIVAL



WORKING TOGETHER TO MAKE THE MAPUTO CORRIDOR
FIRST CHOICE FOR ALL STAKEHOLDERS



SPOORNET

AWAKENING A GIANT

CFM & SPOORNET SIGNED AGREEMENT OF COOPERATION ON THE MAPUTO CORRIDOR RAIL



FESTIVE PERIOD DEC 2006

44% Increase in passengers through border post from Dec 2005 with number of passengers doubling since December 2003

113,500 on single day 23 December, 2006



15 FEBRUARY 2007



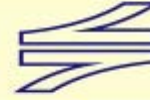
CFM

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SPOORNET

AWAKENING A GIANT

CFM & SPOORNET ROADSHOW

**Joint address by 2 ceo's and
announcing corridor rail strategy
for various sectors**

29 MARCH 2007

- MCLI MEMBER - Petroline RSA (Pty) Ltd announces that the National Energy Regulator of South Africa (NERSA) issued a licence for the construction of a liquid petroleum pipeline from the border of Mozambique at Komatipoort to Kendal via Nelspruit. The license also includes the construction of a petroleum storage depot in the vicinity of Nelspruit. The pipeline will run from an existing coastal fuel storage facility at Matola Harbour in Mozambique to the Nelspruit area in Mpumalanga, South Africa, where an inland storage depot will be constructed, complete with rail and road offloading infrastructure. The pipeline will continue to Kendal where it will potentially join the current petroleum pipeline network for inland distribution of the petroleum product.
- Petroline RSA will implement the project in a 50/50 joint venture with Petroline SARL of Mozambique.

MARCH 2007 – ANOTHER CITRUS TERMINAL

- The IDC (Industrial Development Corporation) and a consortium of private equity partners have just concluded a financial package
- The project is valued at **R30 million** and will have two major shareholders, Port Elizabeth Cold Store and a Mozambican company, Fidelity Investments.
- This facility will be able to handle **70,000 tons of citrus in a six month period and 10,000 tons of frozen juice**. This increase in capacity of the Maputo Port through put and the fact that there is now a weekly direct sailing from Maputo to the Far East will **save South African farmers about R15 million per year just in inland logistics costs**.





transport

Department:
Transport
REPUBLIC OF SOUTH AFRICA



BORDER CROSSING PASSENGERS FESTIVE PERIOD APRIL 2007

130% Increase in passengers through
border post from April 2005 when visas
were abolished for passengers of
SA/Mozambican for less than 30days

April 2005 165,957

April 2006 284351

April 2007 381560



2 MAY 2007

MPUMLANGA PROVINCIAL CABINET
APPROVES JV BETWEEN MCI AND
ECONOMIC DEVELOPMENT AND PLANNING
TO ESTABLISH THE MAPUTO CORRIDOR
FORUM TO PROMOTE THE MAPUTO
CORRIDOR AS ONE OF THE 5 FLAGSIP
PROJECTS OF THE PREMIER AND TO
EXTEND FOCUS BEYOND FREIGHT
LOGISTICS

EDAP 10 TH FOUNDATION MEMBER OF MCLI

3 May 2007

Signing of bilateral agreement - SA & Mozambique on the One Stop Border Post



22 MAY 2007

- FIRST MULTI-LATERAL, MULTI-MODAL
MAPUTO CORRIDOR TRANSPORT
COMMITTEE MEETING IN MAPUTO IN
LINE WITH SDC PROTOCOL



THE WAY FORWARD



We must all work together to make the Maputo Corridor the first choice for the region's stakeholders





**WORKING TOGETHER TO MAKE THE MAPUTO CORRIDOR
FIRST CHOICE FOR ALL STAKEHOLDERS**