

 Early Warning System

AFDB-P-Z1-DC0-046

Multinational - Tanzania-Burundi Standard Gauge Railways SGR Phase II



Quick Facts

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|--------------------------------|--|
| Countries | Burundi, Tanzania |
| Specific Location | Tabora – Kigoma (Tanzania), Uvinza – Malagarasi (Tanzania), Malagarasi – Musongati (Burundi) |
| Financial Institutions | African Development Bank (AFDB) |
| Status | Approved |
| Bank Risk Rating | A |
| Voting Date | 2023-12-08 |
| Borrower | Government of Tanzania, Government of Burundi |
| Sectors | Agriculture and Forestry, Industry and Trade, Infrastructure, Mining, Transport |
| Investment Type(s) | Grant |
| Investment Amount (USD) | \$ 99.96 million |
| Grant Amount (USD) | \$ 99.96 million |
| Project Cost (USD) | \$ 3,929.46 million |



Project Description

As stated by the AfDB, this intervention concerns the Tanzania-Burundi Standard Gauge Railways SGR Phase II. It is designed to enhance regional integration and reap the benefits of integrated markets and economies of scale resulting from joint development and operations, Tanzania, Burundi, and the Democratic Republic of Congo (DRC) are developing a phased Standard Gauge Railway (SGR) programme centred around the Port of Dares-Salaam and the Central Transport Corridor.

The project comprises six (06) main components : (i) Design and Build of Lot 6: Tabora – Kigoma SGR (Tanzania); (ii) Design and Build of Lot 7: Uvinza – Malagarasi SGR section (Tanzania); (iii) Design and Build of the Malagarasi – Musongati SGR (Burundi); (iv) Capacity Building and Technical Assistance; (v) Support for the joint Project Coordination Team (PCT); (vi) Consultancies for strategic studies and sensitization; and (vii) Rap Implementation.

The project cost is estimated at USD 3,929.46 million, including 12.5% financial and 12.5% physical contingencies. Tanzania sections will cost USD 3,209.27 million, while the Burundi section will cost USD 720.19 million.

The development objective of the project is to improve transport connectivity along Central Corridor to enhance regional integration and trade and incentivize large-scale mining and farming and through access to high-capacity railway transport service.

The railway is built to carry mining, agricultural and general cargo passengers. Then, the project immediate beneficiaries will be the mine operators, farmers, and the general population, who will benefit from access to efficient transport services, and the governments of Burundi and Tanzania, who will benefit from the commercial exploitation of mineral wealth.



Investment Description

- African Development Bank (AFDB)



Private Actors Description

As stated on the companies' websites:

China Civil Engineering Construction Corporation (CCECC), formerly the Foreign Aid Bureau of the Ministry of Railways, was established in 1979 under the approval of the State Council of the People's Republic of China and was incorporated into China Railway Construction Corporation (CRCC) in 2003 for strategic regrouping under the approval of the State-owned Assets Supervision and Administration Commission.

Formerly the Railway Engineering Corps, China Railway Construction Corporation Limited (CRCC) was solely established by China Railway Construction Corporation on November 5, 2007 in Beijing. Now we are a mega size construction enterprise under the administration of the State-owned Assets Supervision and Administration Commission of the State Council. We were listed in Shanghai (601186.SH) and Hong Kong (1186.HK) on March 10 and 13, 2008 respectively, with a registered capital of 13.58 billion yuan.

As one of the most powerful and largest general construction groups in the world, we were ranked 42nd among Fortune Global 500, 3rd among ENR's Top 250 Global Contractors and 12th among "China's Top 500 Enterprises" in 2021.

Dar is one of the world's leading consultancies, providing design, planning, engineering, sustainability consulting, digital solutions and services, and project management for buildings, cities, transportation, civil infrastructure, water and the environment.

Tanzania Railways Corporation (TRC) is a state corporation established under The Railway Act No. 10 of 2017 with the core mandate of providing an efficient and effective rail transport service, manage and develop rail infrastructure and ensuring rail infrastructure safety and security in Tanzania Mainland.



| Private Actor 1 | Private Actor 1 Role | Private Actor 1 Sector | Relation | Private Actor 2 | Private Actor 2 Role | Private Actor 2 Sector |
|---------------------------------------|----------------------|------------------------|----------|--|----------------------|------------------------|
| - | - | - | - | Dar Al-Handasah | Contractor | Infrastructure |
| - | - | - | - | Tanzania Railways Corporation | Contractor | Transport |
| China Railway Construction Corp. Ltd. | Contractor | Transport | owns | China Civil Engineering Construction Corporation | Contractor | Infrastructure |



Contact Information

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ACCESS TO INFORMATION

You can submit an information request for project information at: <https://www.afdb.org/en/disclosure-and-access-to-information/request-for-documents>. Under the AfDB's Disclosure and Access to Information policy, if you feel the Bank has omitted to publish information or your request for information is unreasonably denied, you can file an appeal at <https://www.afdb.org/en/disclosure-and-access-to-information/appeals-process>

ACCOUNTABILITY MECHANISM OF AfDB

The Independent Review Mechanism (IRM), which is administered by the Compliance Review and Mediation Unit (CRMU), is the independent complaint mechanism and fact-finding body for people who have been or are likely to be adversely affected by an African Development Bank (AfDB)-financed project. If you submit a complaint to the IRM, it may assist you by either seeking to address your problems by facilitating a dispute resolution dialogue between you and those implementing the project and/or investigating whether the AfDB complied with its policies to prevent environmental and social harms. You can submit a complaint electronically by emailing crmuinfo@afdb.org, b.kargougou@afdb.org, b.fall@afdb.org, and/or s.toure@afdb.org. You can learn more about the IRM and how to file a complaint at: <https://www.afdb.org/en/independent-review-mechanism/>



Bank Documents

- [Appraisal report \(English\)](#)
- [Appraisal report \(French\)](#)
- [Environmental and Social Impact Assessment MALAGARAZI - MUSONGATI - GITEGA](#)

Media

- [Chinese JV Awarded Final Section of \\$2.2B Tanzania Rail Project](#)
- [Tanzania Plans New \\$5.6 Billion Rail to Iron Ore, Coal-Rich Area](#)



Other Related Projects

- AFDB-P-Z1-DC0-041 Multinational - Tanzania / Burundi / DR Congo joint standard gauge railway project phase I