



REPUBLIC OF UGANDA

MINISTRY OF WORKS AND TRANSPORT

2ND ANNUAL REGIONAL LOGISTICS EXPO-2019

**THE ROLE OF MINISTRY OF WORKS AND TRANSPORT IN PROMOTING
THE LOGISTICS SECTOR IN UGANDA**

PRESENTED BY

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PRESENTATION OUTLINE

1. Introduction about Uganda`s Transport Sector



2. Role of MoWT in promoting the Logistics sector



3. MoWT interventions to support transport and logistics development in Uganda



4. Challenges



5. Conclusion

1. INTRODUCTION - Uganda`s Transport Sector

- ❑ Uganda`s transport system comprises Road, Air, Rail, and Inland Water transport
- ❑ Road transport is most prominent mode of transport used in the country carrying over 95% of the total traffic
- ❑ Air and Rail transport modes are still growing with limited utilization while Inland water transport is less developed
- ❑ Ministry of Works and Transport is the Lead Agency and is supported by Implementing Agencies namely;
 - **Uganda National Roads Authority (UNRA)** for development and maintenance of national roads
 - **Uganda Road Fund (URF)** for financing road maintenance
 - **Uganda Civil Aviation Authority (CAA)** for management and regulation of Air transport
 - **Uganda Railways Corporation (URC)** for management and regulation of Railway transport

2.0 ROLE OF MOWT IN PROMOTING LOGISTICS DEVELOPMENT

□ Role of MoWT in promoting Logistics development

- i. Putting in place enabling environment (Policy, Legal, Institutional and Regulatory Framework) for attracting Private or Foreign Direct Investment in the Sector.
- ii. Providing enabling infrastructure to unlock major economic growth constraints, facilitate trade, enhance the quality of services /Global Competitiveness and contribute to economic growth

ROLE OF MOWT IN PROMOTING TRANSPORT & LOGISTICS DEVELOPMENT

3.1 Enabling Environment

- I. Formulating a National Transport and Logistics Policy (Final draft stage).
- II. Prepared a Logistics Master Plan for the Northern Economic Corridor (with GOK) to guide infrastructure developments to support the Logistics sector.
- III. Completed a Skills needs assessment study for the development of the transport and logistics sector in Uganda (implementation of the recommendations are on-going).
- IV. Created a Logistics unit in the Ministry structure to oversee the Logistics sector (operational since FY 2018/19).
- V. Recently signed an MOU with National Logistics Platform to spearhead development of the Logistics sector in Uganda (Key areas to be addressed: policy reforms, Skills enhancement, Capacity development, Access to capital, etc).
- VI. Harmonization of laws, regulations, standards at regional level to ease of movement of goods.

ROLE OF MOWT IN PROMOTING LOGISTICS DEVELOPMENT

3.2.1 ENABLING INFRASTRUCTURE – ROADS (Priority Projects)

- I. Transport corridor projects connecting Uganda to its neighbors.
 - II. Construction of roads to facilitate Oil and Gas, Minerals and Tourism.
 - III. Construction of roads in gazetted industrial parks/ leading to major production centers.
 - IV. Construction of Express Ways to reduce traffic congestion and ease movement of transit traffic.
- ❖ In the last four FYs (2015/16-2018/19), a total of **1,052.2km** has been added to the national paved road network and **769.5km** rehabilitated.
 - ❖ Civil works contracts for upgrading **1,134km** of roads are on-going.

COMPLETED ROAD UPGRADING PROJECTS (1,052.2km)

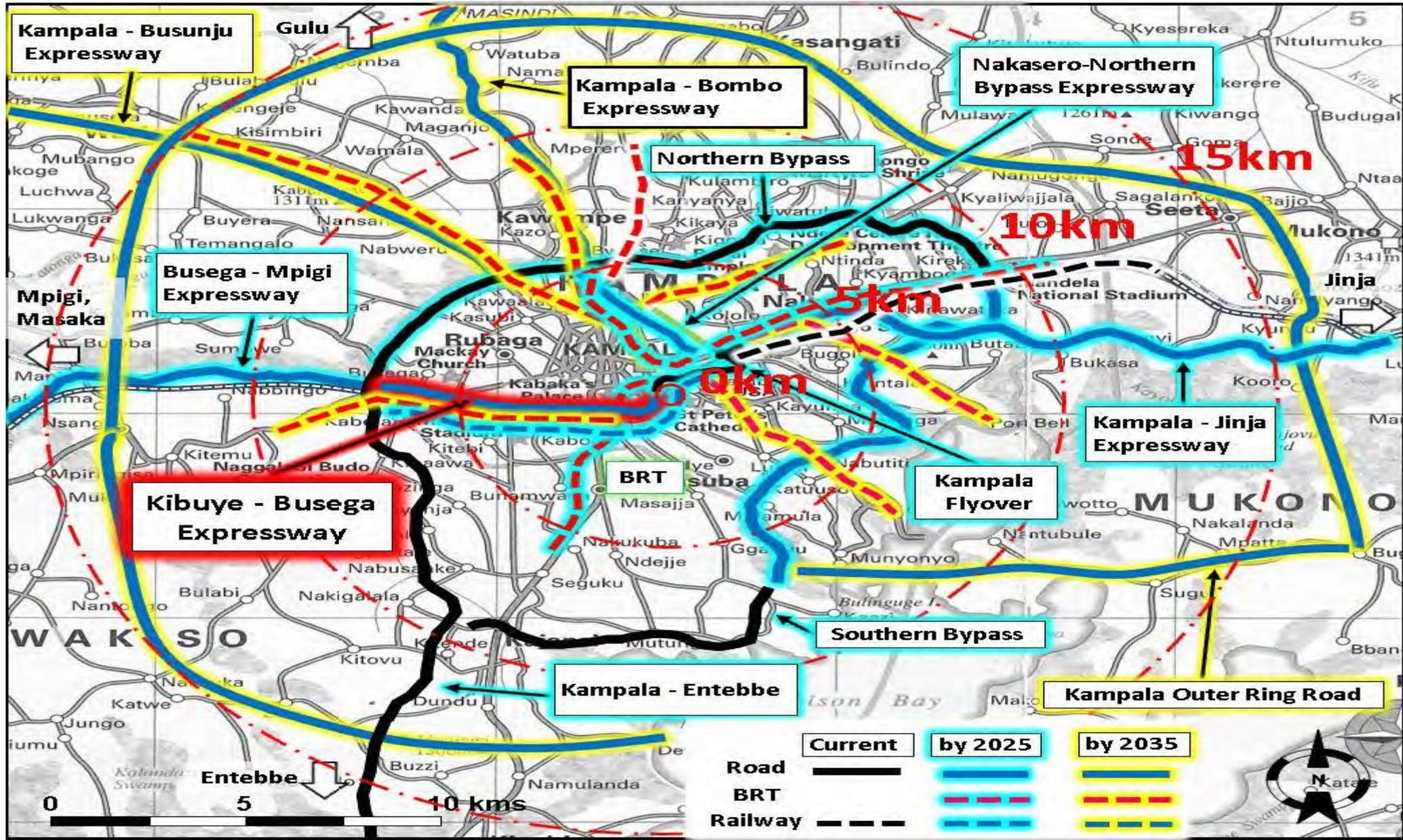
| Road projects - FY 2015/2016 | Km | Road projects - FY 2016/17 | Km |
|-------------------------------------|----------------|---|----------------|
| i. Atiak-Nimule | 35km | i. Fort-Portal-Kamwenge | 65km |
| ii. Ishaka – Kagamba Road | 35.7km | ii. Ntungamo-Mirama Hills | 35km |
| iii. Moroto - Nakapiripirit | 114km | Sub-total | 100km |
| iv. Nyakabande-Mutolere | 5km | Road projects -FY 2018/19 | |
| v. Nyakabande-Muganzi | 7km | i. Mukono-Kyetume-Katosi/Nyenga | 74km |
| vi. Kazo-Ibanda | 32km | ii. Musita-Lumino/ Busia-Majanji | 104km |
| vi. Vurra-Oraba | 9.4km | iii. Olwiyo- Gulu | 70.3km |
| Sub-total | 238.1km | iv. Akisim-Moroto | 50.3km |
| Road projects - FY 2017/2018 | | v. Kanoni-Sembabule-Villa Maria | 110km |
| i. Mbarara-bypass | 14km | vi. Kashenyi-Mitooma | 11.5km |
| ii. Kampala-Entebbe Express way | 41km | Sub-total | 420.1km |
| iii. Rushere-Nshwerenkye | 11km | Some of the on-going Road projects | |
| iv. Gulu-Acholibur | 78km | i. Kapchorwa-Suam | 73km |
| v. Acholibur-Musingo | 86km | ii. Hoima-Butiaba-Wanseko | 111km |
| vi. Mpigi-Kanoni | 65km | iii. Rukungiri-Kihihi-Ishasha/Kanungu | 78.5km |
| Sub-total | 294km | iv. Masaka-Bukakata | 41km |

Corridor Projects to ease movement of transit traffic

| No. Road Project and Progress | |
|-------------------------------|--|
| 1 | Kampala – Entebbe Expressway/ Munyonyo (51km)- Completed |
| 2 | Kampala-Jinja Expressway (77km) – under procurement |
| 3 | Kampala-Mpigi Expressway (32km)- awarded civil works contract for Busega-Mpigi section |
| 4 | Design of Kampala-Bombo Expressway (50km) - Detailed design on-going |
| 5 | Design of Kampala Outer Beltway-100km (Ggaba–Seeta–Matugga–Wakiso–Nsangi) - Detailed Design completed |
| 6 | Capacity improvement of Kampala Northern Bypass (17.5km) – Progress is 62% |



Priority Road Projects to ease movement of transit traffic



3.2.2 Construction of One Stop Border Posts

Better Facilities for trade facilitation through reduced border clearance and crossing time, reduced transit time, improved cargo security, and reduction in transport costs



- **Malaba**, Busia, Mutukula, Mirama Hills & Elegu OSBPs completed and operational; Katuna on-going
- Designs for Goli OSBP and Ntoroko port substantially completed- construction to commence Feb 2020.
- Designs for Mpondwe, Bunagana , Cyanilka and Suam are on-going.

3.2.3 ENABLING INFRASTRUCTURE – AIR TRANSPORT (Priority Projects)

1. Revival of the National Airline to develop Entebbe International Airport into a regional hub

- ✓ Two (2) of the four (4) Bombardier CRJ900 aircraft were delivered on 23rd April 2019. Commercial operations will start on 28 August 2019. The remaining two (2) will be delivered in September 2019. Two (2) Airbus aircraft (A330) are expected in December 2020.



ENABLING INFRASTRUCTURE – AIR TRANSPORT (Priority Projects)

2. Expansion and upgrading of Entebbe International Airport to accommodate increasing traffic- **construction works are on-going and will be completed in FY 2020/21**
3. Development of a new International Airport at Kabaale (Hoima) to support the oil and Gas industry- **Construction works on-going (28% progress – to be completed in 2021/22)**
4. Development of Domestic airports- gazetted Kasese, Arua, Gulu, Pakuba and Kidepo as entry/exit points for International flights. **Gulu, Arua and Kasese have been prioritized for immediate upgrade and development**



Artistic impression of the proposed Expansion and Upgrade of Entebbe International Airport

3.2.4 ENABLING INFRASTRUCTURE – RAILWAY TRANSPORT (Priority Projects)



a) Malaba-Kampala SGR: Design studies completed. Land acquisition ongoing; Financing arrangements for the Construction phase are being concluded.

✓ **A Study on development of a modern and cost-efficient freight logistics system in Uganda is on-going**



ENABLING INFRASTRUCTURE – RAILWAY TRANSPORT (Priority Projects)

b) Rehabilitation of the Meter gauge railway line

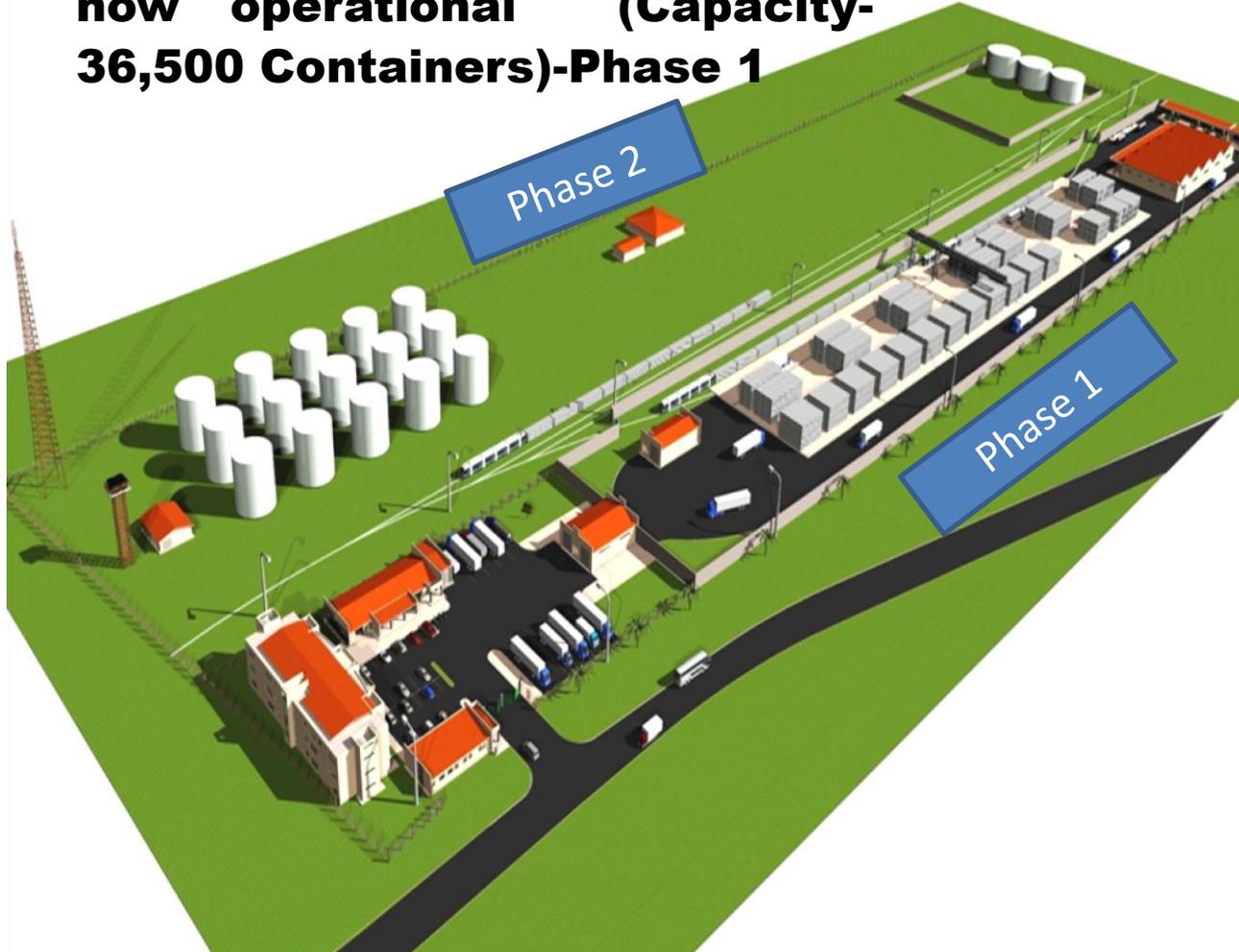
- i. Revived the Southern Route i.e. rehabilitated PortBell-Kampala route (9km) and resumed operations of MV Kaawa.
- ii. Rehabilitation works for Tororo-Gulu railway line (375km) to commence before end 2019 with support from European Union.
- iii. Project to address capacity issues of URC (rolling stock, repair of the main line, improvement of Goodshed and Nalukolongo w/shop) to commence next FY

c) Provision of Railway Passenger Service- currently from K'la-Namanve. Plans to expand the service to other parts of GKMA are ongoing



ENABLING INFRASTRUCTURE – RAILWAY TRANSPORT (Priority Projects)

d) Recently constructed **RAILWAY ICD IN MUKONO**. The Facility is now operational (Capacity-36,500 Containers)-Phase 1



e) **GULU LOGISTICS HUB** - to serve markets in N.Uganda, S.Sudan, DRC and boost Uganda`s potential as a regional distribution hub.

- GoU has provided land (24 acres) at Gulu railway station for this dev`nt
- Feasibility & detailed designs done
- Procurement of Contractor for civil works ongoing (Evaluation stage)
- Civil works planned to commence in Nov 2019 for a period of 18 months.

f) **DRY PORT-NAIVASHA (GoK land offer)**

- Technical Team to assess the viability of the project

3.4.5 ENABLING INFRASTRUCTURE – WATER TRANSPORT (Priority Projects)

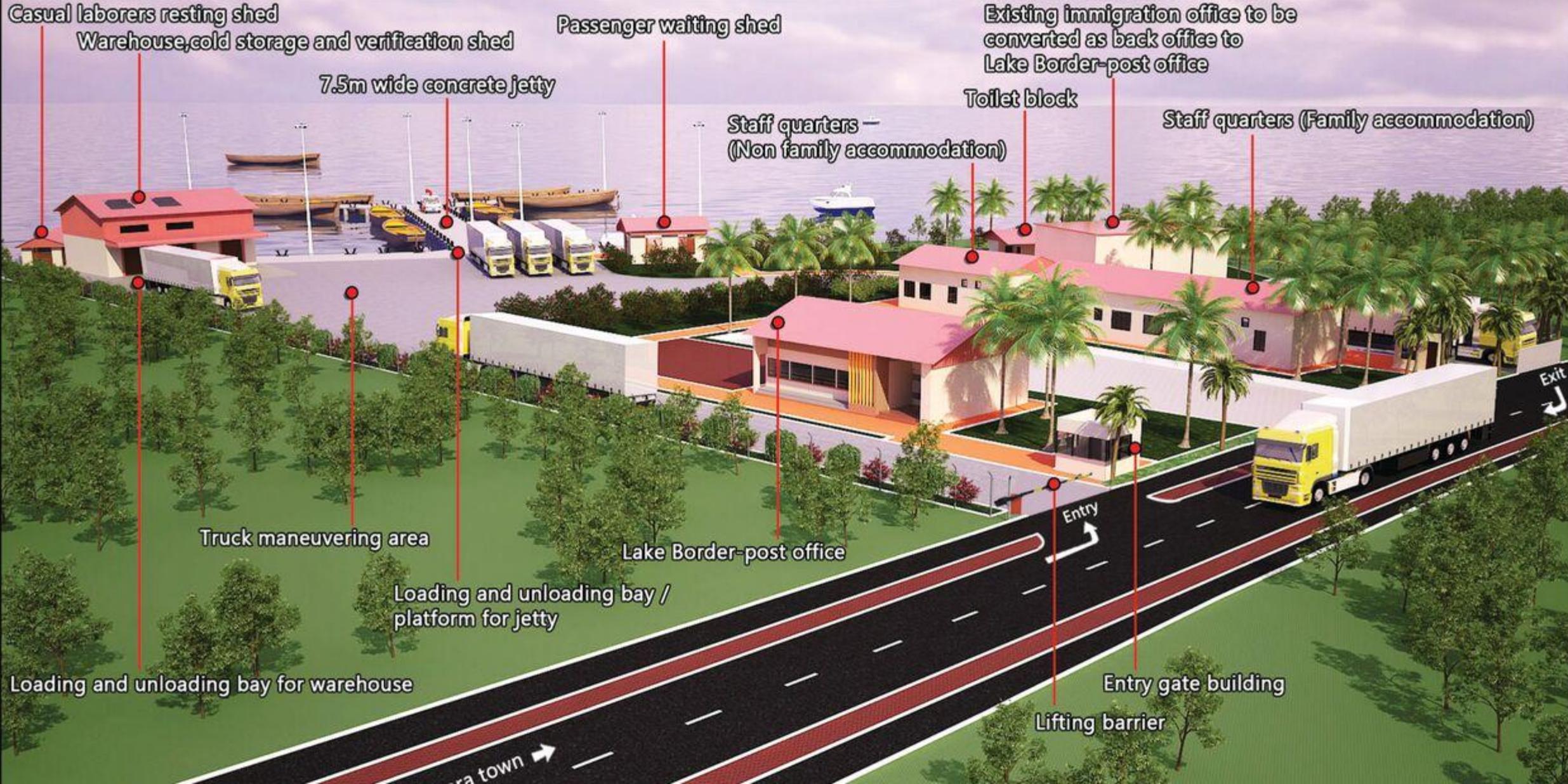
❑ Development of the Southern Route through Lake Victoria to the Sea Ports of Tanga and Dar-es-salam

- a) Development of New Kampala Port at Bukasa (Capacity 7.5 Mn tones)- Phase 1 ongoing (Designs and Port Master Plan completed; Civil works on access road ongoing; Port dredging and surcharging works to commence soon).
- b) Remodelling and expansion of Port Bell and Jinja ports – Designs completed and Environmental studies under-way.
- c) Regional meeting (UG, KE and TZ) to discuss the Lake Victoria Transport Programme is scheduled for November 2019.
- d) Development of River Nile Transport Corridor Project –Prefeasibility study completed.
- ❖ Investments by the Private Sector e.g. Mahathi fuel jetty and storage facilities in Kawuku (Entebbe)

BUKASA PORT MASTER PLAN



Lake port Ntoroko - Lot 1 (UG)



Casual laborers resting shed

Warehouse, cold storage and verification shed

7.5m wide concrete jetty

Passenger waiting shed

Staff quarters —
(Non family accommodation)

Existing immigration office to be converted as back office to Lake Border-post office

Toilet block

Staff quarters (Family accommodation)

Truck maneuvering area

Lake Border-post office

Loading and unloading bay / platform for jetty

Loading and unloading bay for warehouse

Entry

Entry gate building

Lifting barrier

Exit

to town

4. KEY CHALLENGES AND ACTIONS BEING TAKEN



-Infrastructure and operational bottlenecks. infrastructure constraints still exist in some areas with less options for intermodal transport.



-Embracing non- conventional modes of financing; Rehabilitation of the Metre gauge railway. Development of the intermodal port at 'Bukasa; Study on development of a modern and cost-efficient freight logistics

-Fragmented and less regulated transport and logistics industry leading to high transportation costs



-Formulating a National Transport and Logistics Policy; Supporting the Freight Logistics Management Bill. Logistics Master Plan in place to guide investments in the Logistics sector; Logistics unit in the Ministry to oversee the sector

-Capacity constraints in the Logistics industry - Limited professionals and investment by the Private Sector



**-Implementing the recommendations of the Logistics Skills needs assessment study
MOU Signed with National Logistics Platform will address capacity issues**

5. CONCLUSION

- ❑ Government is committed to developing the Logistics sector so as foster economic growth.
- ❑ A number of interventions are being undertaken to support transport and logistics development in Uganda and the region.
- ❑ These Government interventions/ projects present opportunities to create the desired change in the Logistics industry.
- ❑ We urge Private sector players to take lead in exploiting these opportunities and transforming the logistics industry because the Sector is ripe for change.



THANK YOU

