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Promise Tracker

New special report. The *Promise Tracker* is *Daily Monitor*'s weekly special feature that will track the promises made by leaders of all categories as well as public agencies to the people. The aim is to cause accountability, show status and analyse whether it was a realistic, unrealistic or empty promise.

Preparation. A grader excavates land where the Standard Gauge Railway line is supposed to pass in Tororo District last month. PHOTO BY RACHEL MABALA

Uganda in seven year wait for Standard Gauge Railway project

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THE PROMISE:

In the run up to the 2011 general election, the NRM government promised that it would, between 2010 and 2015, carry out various infrastructural developments in the area of transport with a view of bringing down the cost of doing business.

One of the areas that featured prominently in what has since been described as a manifesto that focused on "accelerating prosperity for all" through "service delivery and job creation" was the development of railway transport.

"The NRM government shall take measures aimed at reducing the cost of doing business. This will include, among others; investment in energy, road, railways, and simplification of the procedures of registering a business including registering land," the document reads in parts

High up on the list of railway infrastructure projects that were to be undertaken within the period was the construction of the Standard Gauge Railway (SGR).

"NRM government will mainstream investment in the railway transport. Construction of the SGR from Malaba to Kampala will be undertaken," the party promised.

The ideas had first come up in 2008 when Presidents Museveni and Mwai Kibaki first met in Nairobi. The two principals agreed to interconnect East and Central Africa with the SGR. The two countries were meant to follow up those discussions by signing a bilateral agreement in 2009, but sources within the ministries of Works and that of Finance have since revealed that well as the Kenyan ministers had appended their signatures and sent the document over for their Ugandan counterparts to sign, only one of the two Ugandan ministers appended his signature.

The other minister was reportedly unappreciative of the benefits of having an SGR and reportedly asked for more time to study the documents and the project in its entirety.

Kenya did not wait for Uganda to wake from its slumber. Officials studied plans and designs. By 2013, when Rwanda, Uganda, Kenya, and South Sudan agreed to undertake the SGR project, an undertaking under the Northern Corridor Integration Projects Initiative was already good to go.

The 2014 launch of the SGR by Presidents Museveni, Salva Kiir of South Sudan and Paul Kagame of Rwanda during a function in Munyonyo, Kampala, came months after construction work on the Kenyan SGR had kicked off.

At the end of May this year, Kenya's president Uhuru Kenyatta took a 472km ride on a passenger train from the Indian Ocean Port City of Mombasa to Nairobi, in what signified the completion of the first phase of the country's section of the SGR.

$2.3 billion

Cost. The projected cost of the line, which would snake through nine towns of Tororo, Butaleja, Namutumba, Luuka, Iganga, Mayuge, Jinja, Mukono and Wakiso.

A week prior to the launch, Mr Kenyatta had announced via his Twitter handle that Kenya had secured funding for the second phase, a stretch of approximately 150kms, which runs from Naivasha to Kisumu on the shores of Lake Victoria.

Despite that announcement, work on the Nairobi-Navisha, Naivasha-Eldoret-Kisumu and Eldoret-Malaba lines is yet to be worked on.

Uganda on its part plans to go about the construction of the 1724Km of its share of the SGR in a phased manner. In line with the promise made in the manifesto, it had been planned that the first phase would be the 273km stretch from Malaba on the border with Kenya to the capital Kampala.

It was projected that the line which would snake through nine towns, namely Tororo, Butaleja, Namutumba, Luuka, Iganga, Mayuge, Jinja, Mukono and Wakiso would cost at least $2.3b (about Shs8.3 trillion).

However, eight years since Mr Museveni laid the SGR project out in his manifesto, the only things that have happened include designing of the project, mapping out the areas in which it is going to pass and compensating some of the landlords

VERDICT

Promise was Realistic ☐ Promise was Unrealistic ☐ Promise was Empty ☐ Promise Is Overdue ☑

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through whose land the project is expected to pass.

The other important milestone that has been achieved was the signing by President Museveni, who was on a State visit to China in September 2015, of an Engineering Procurement Construction (EPC) with officials of the China Harbour Engineering Company Ltd (CHEC).

Little wonder then that the SGR was to once again feature prominently in the NRM's campaign manifesto between 2016 and 2021, which the party says was aimed at "taking Uganda to modernity through job creation and inclusive development."

In giving an appraisal of what had so far been done, the party said, the preliminary engineering studies, solicitation of funds and lunch of construction process and signing of formal agreements with Rwanda, Kenya and South Sudan were done.

The document then repeated the promise to work on the SGR as a follow up to what had been achieved.

"Over the next five years, the NRM government will focus on the upgrade of the country's railways from the traditional one metre-wide system to a faster and modern one and a-half metre wide SGR," the document read in part.

The situation has started creating doubts in people's minds. The skepticism has been fuelled by the recent announcement by the government of Uganda that it had reviewed the project completion date from March 2018 to an unspecified date in 2020.

Sources within both the ministries of Finance and that of Works have since indicated that while China had been open to providing funding for the project through the China's Export Import Bank, it would first like Uganda to fully compensate all project affected persons.

At the same time, Uganda and Kenya had in June 2017 penned an agreement binding themselves to the synchronisation of construction work on the Naivasha-Kisumu, Kisumu-Malaba with Malaba-Kampala routes along with that of the Kisumu-Malaba and Malaba-Kampala routes in order to increase viability of the SGR project. However, Kenya has not been moving at the expected speed, prompting the Chinese to demand that Uganda secures guarantees from Kenya that it is still interested in the project and will secure funding to the tune of $8billion to fund the construction of the line from Nairobi to Malaba.

OFFICIAL POSITION

It is not clear whether those guarantees have been given sparking off doubts in sections of the public that the project will ever take off. However, the coordinator of the SGR Project, Mr Kasingye Kyamugambi, insists that work is ongoing. He will not commit himself on the day work will commence, but insists that it will begin sooner than later.

"Yes, the completion dates have been shifting. As to when we get started, my answer has been that (we begin) when we close financing," he says.

So what is that has been causing the delay? Mr Kyamugambi, points at the consultancy process around the project.

"Given the process that we have to go through, I wouldn't say that we are dragging behind. I would have wanted it to be done faster, but the problem is that there are processes you have to go through and you cannot shorten them. One of them is appraisal of the project by a consultant. For example, EXIM bank hired a Consultant (China Railway Fourth Survey and Design) in August to carry out the appraisal. He has not submitted his report to Exim Bank of China," he says.

He adds: "I cannot do much because the consultant must look at the design, economics, financial, social and environmental issues around the project before he advises the bank very well".

IMPACT

The main driving force behind government's decision to invest heavily in the development of infrastructure, especially the railway line was to reduce the cost of doing business.

Following a decline in the 1970s in the amounts of money that government was making available for reinvestment in the railway and transport sectors, which in turn led to a fall in the quality of service on offer, the business community, especially manufacturers and those involved in the export and import trade have been increasingly reliant on road transport to haul their goods, the cost of which the importers and manufacturers have been and continue to pass on to the consumers.

Matters are complicated by fluctuating prices of fuel, barriers such as road blocks and checkpoints and hidden taxes.

This situation was meant to be mitigated by construction of the SGR, which according to Mr Kyamugambi, was meant to help Uganda to not only grow its industrial sector, but also become more competitive in all sectors as it is dependable, efficient, and suited for the movement of bulky and heavy types of goods over long distances.

It would therefore suffice to say that failure of the project to take off, has meant that the cost of doing business remains much higher, the industries remain uncompetitive and that the expected industrialisation has not taken place.

VOICES

"I think that besides catalysing industrialisation, the SGR might mean a revival of local connections like the Busoga Railway, which would boost trade in agricultural produce, which was one of the main activities here. Farmers have been having difficulties in accessing markets because lorries and pickup trucks are expensive and also prone to accidents. We hope that a train service will solve such problems," HAJATI REHEMA WATONGOLA, MP (NRM), KAMULI MUNICIPALITY

"The train is an experience in itself and it is very cheap and easy to access. One would be able to enjoy the wonderful scenery that Uganda has to offer and at the same time access services such as accommodation and restaurants. It can accommodate all classes of people and it will no doubt enhance our tourist numbers. In fact I would have wished for it (SGR) to cover the whole country," STEPHEN ASIIMWE, EXECUTIVE DIRECTOR, UGANDA TOURISM BOARD

"Besides being of national importance in terms of the push towards industrialisation, it will save Uganda's roads. The wear and tear that they are being subjected to an account of having to deal with heavy and wide loads has resulted into astronomical maintenance bills. I also think that this could be a chance for us to develop our iron ore and make steel. This would create jobs and also save the country some foreign exchange," DAUDI MIGEREKO, CHAIRMAN UGANDA TOURISM BOARD

Launched. The Kenyan Stadard Gauge railway, which was launched in May. COURTESY PHOTO

MONITOR'S POSITION

One of the biggest concerns that have arisen out of major infrastructural developments that have been undertaken in various parts of the country in the last couple of years has been their failure to positively impact on the communities in which they are located.

The construction of the Owen Falls Dam in the first half of the 1950s led to the construction of decent housing, schools such as Kiira Primary School, a modern Police Station aimed at providing the facility with security and the famous Amber Court Club. This inevitably led to the rise of Amber Court market where construction employees and later employees of the Uganda Electricity Board, could access fresh vegetables and other needs. All these coupled with the industrialisation of Jinja boosted the national economy.

Recent projects cannot be said to sparking off similar developments, which points at a failure by those in authority to negotiate packages that would have seen the country start reaping benefits of the projects long before their completion date. Let the same not arise out of the Standard Gauge Railway project. Ugandans should start reaping from it now and not when it is complete.