

His Excellency Deputy Minister of Transport and Communication

**The Chairmen of the Maputo Development Corridor Logistics Initiative
(MCLI)**

The Chairman of Transnet Freight Rail

The Chairman of Swaziland Railways

Distinguished Members of MCLI

Dear Colleagues

Ladies and Gentlemen

It is a privilege for me to, in the name of the Chairman and the Board of Directors of CFM, say these few words and address you during this august Assembly and warmly welcome you all to the City of Maputo and this Century-old Station.

It is indeed an honour for us to host the Sixth MCLI General Assembly here, a space that is a living testimony to the integration of Peoples, Countries and Cultures. Possibly, you might all be remembering that this Building in which we are meeting today, recently celebrated in March last, a Century of its existence and that it is considered, according to a recent publication by a prestigious international magazine, as the Seventh most beautiful Railway Station in the World.

Ladies and Gentlemen

MCLI is a platform through which all the *stakeholders* of the Countries served by it identify and discuss the various logistic constraints which affect the fluid conveyance of cargos and passengers along the Corridor and through which they propose the appropriate solutions. These *stakeholders* represent the Public and Private Sectors in the areas of finance, railway and road transport, navigation, ports and the various terminals, clearing and forwarding agencies, suppliers of logistic services, banking and consultancy institutions.

This exercise necessarily involves an intense and healthy interaction with the Governments of the Countries that are served by the Maputo Corridor right from the highest level so that Economic Regional Integration becomes a reality.

Hence, today, we are in the process of implementing the process of a common border among some of our countries and in this way permitting a better way of attending and facilitating the movement of people and goods between the border posts; the harmonization of operational and institutional procedures; the facilitation in the timely implementation of development projects by eliminating unnecessary bureaucratic burdens for their approval, among other measures.

It is no wonder that during the NEPAD Summit on Transport and Infrastructures that was held in November 2009, MCLI was considered as a good example of pro-activity in an effort to attain regional integration.

We, as *Ports and Railways of Mozambique*, are committed and we hereby reiterate our determination to accomplish our common objectives and are prepared to face the challenges of MCLI since they constitute a platform so that commercial transactions can efficiently and with the necessary flexibility be materialized and through which the operators can render the appropriate quality service to their clients. We are implementing significant investments in the Ressano Garcia Railway Line and in the Port so that we efficiently and

competitively respond to the increase in the volumes of traffic from and to the rich and vast hinterland Region of Southern Africa.

The MCLI's efforts to promote the activities of the Maputo Corridor within the business community of South Africa are well-known, a fact that we both appreciate and laud. Multi-sector teams from CFM, TFR, SR and MCLI are continuously involved in providing the Corridor with a *seamless* service.

Ladies and Gentlemen

In last June, the Government of Mozambique authorised the extension of the Concession Contract of the Port of Maputo for an additional period of 15 years so that the Concessionaire can implement investments of more than US\$800 million in accordance with the *Master Plan*. This is undoubtedly a major step for the materialization of a set of the Port's development and expansion projects.

In parallel with this measure, CFM, in conjunction with the Private Sector, has established a Company to fund the dredging of the Access Channel to the Port of Maputo, estimated at a total of US\$15 million. With this Project, now already underway, about 2 million cubic metres of silt will be dredged.

Upon the termination of this Project, that is, in January 2011, the Port of Maputo will be in a position to handle larger sized vessels, significantly improving its competitiveness and thus increasing the volumes of traffic handled.

Still with regard to the Expansion Projects, the rehabilitation of the Matola Fuels Terminal is currently underway at an estimated cost of US\$9 million so that its capacity will be increased to handle 8 million tons per year.

Ladies and Gentlemen

It is with great pleasure and a privilege to announce that we have recently taken a decisive step towards the implementation of the Ponta Techobanine Port Project which may constitute the Region's strategic reserve for fuel and an appropriate infrastructure for handling minerals and container traffic from South Africa, Swaziland and the other Countries of the Region.

In addition to Techobanine being endowed with excellent natural conditions for the construction of a natural deep-sea port, we are encouraged by the fact that 30% of international maritime traffic passes through the Mozambique Channel and this reinforces our conviction with regard to the complementarity nature of the neighbouring Countries. We have always defended the complementarity nature of services since we are of the opinion that this is the real key for us to achieve to this most desired goal, which is regional economic integration.

Finally, I wish you all success in all the deliberations of this General Assembly and that together we shall find the correct solutions to the various problems which we currently encounter.

Thank you.

Maputo, 29 September 2010