

# **4<sup>th</sup> Intermodal Africa 2006 Namibia Exhibition and Conference**

**Session: Namibia Intermodal Trade Corridors**

## **Trans Kalahari Express**

**Case Study**

**Swakopmund, 3 February 2006**



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CORRIDOR  
GROUP**

# Walvis Bay Corridor Group and TRANS KALAHARI EXPRESS

1. Regional Context & Walvis Bay Corridor development

2. Trans Kalahari Express

- Project design
- Market
- Stakeholders & Management
- Investment

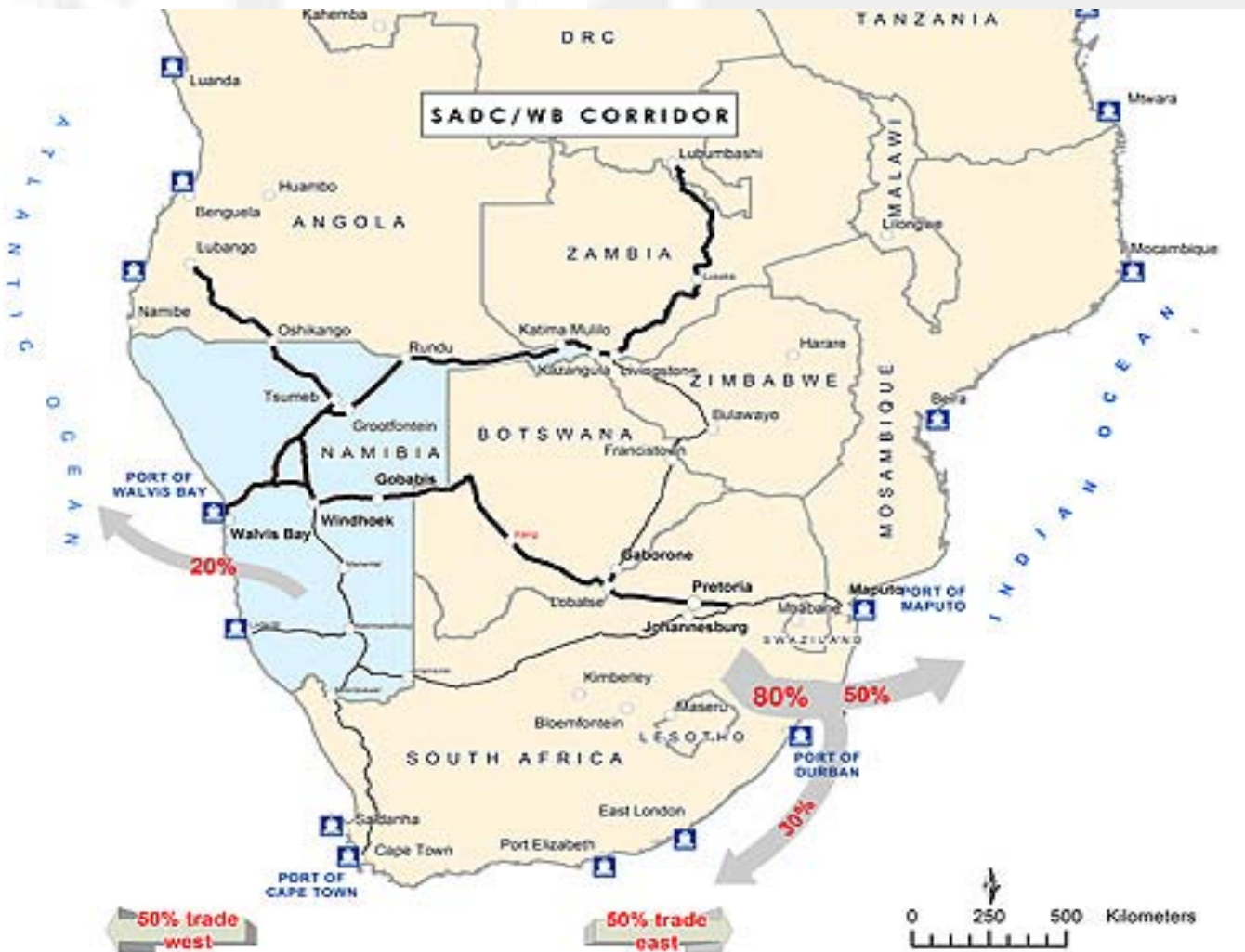
3. Conclusions



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# Regional Context

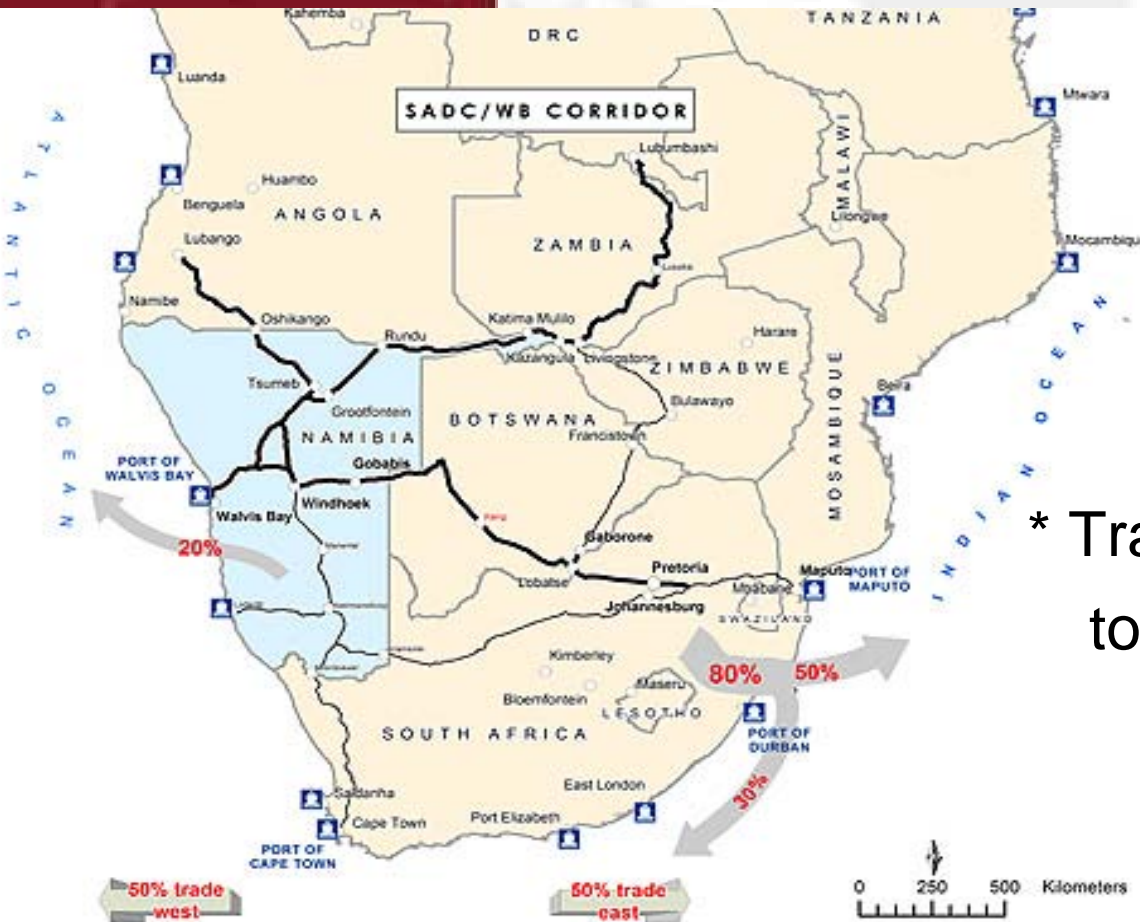
- \* Namibia – situated on the west coast of Southern Africa
- \* SADC – Southern Africa Development Community  
Imbalance of trade
- \* Walvis Bay – natural Western Gateway to SADC



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# Walvis Bay Corridor

## - Corridor infrastructure development



\* Port of Walvis Bay – local to regional hub port

\* Trans Cunene Corridor - access to Angola

\* Trans Caprivi Corridor - access to Zambia/DRC



\* Trans Kalahari Corridor - link to South Africa and Gauteng



# Walvis Bay – Corridor Group

## Task

- \* Optimize Corridor Competitiveness
- \* Business development

## Institutional design

- \* Public Private Partnership



Walvis Bay Port Users Association



Namibian association of freight forward



Namibian road carriers association



Namibian Ports Authority



Namibian chamber of Commerce & Industry



Municipality of Walvis Bay



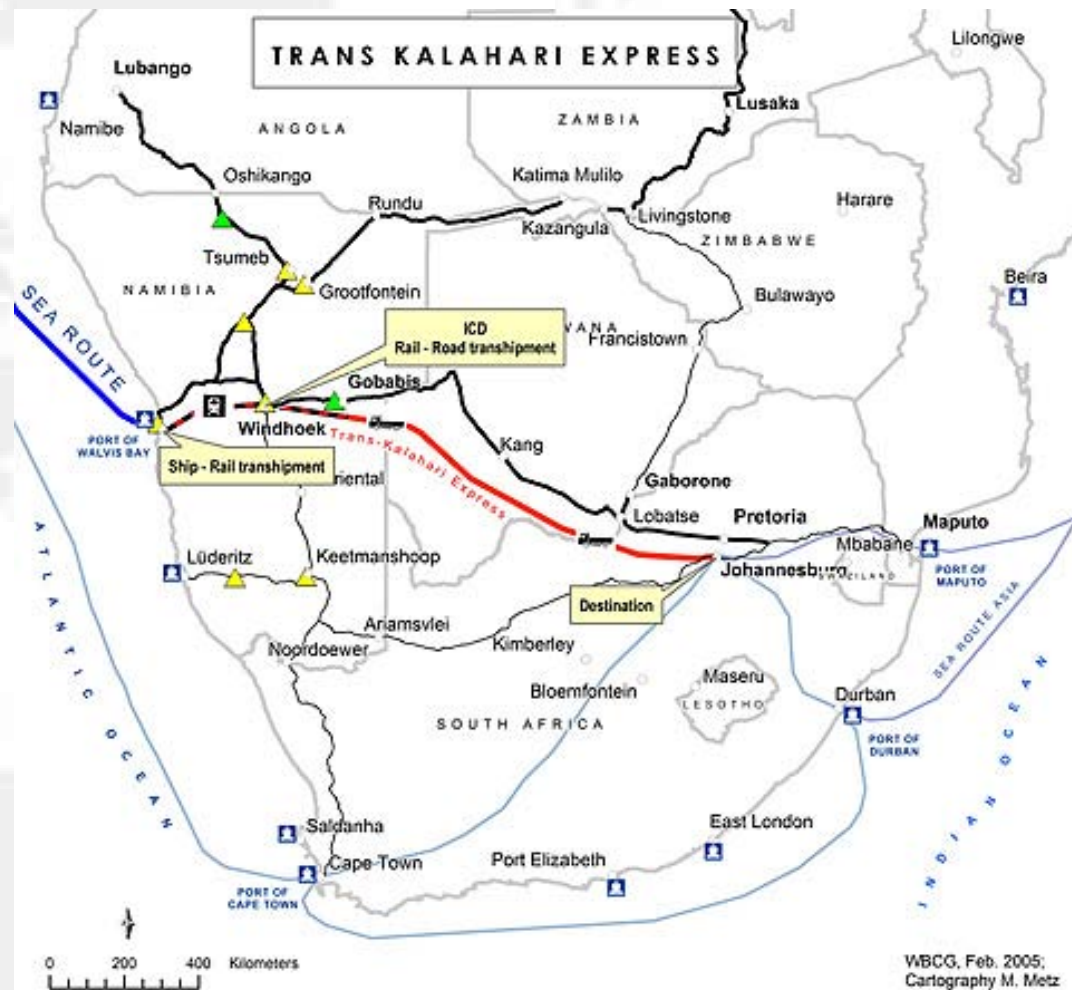
Ministry of Trade & Industry  
Investment Center



Ministry of Finance  
Ministry of Works, Transport  
& Communication



# TKE - project

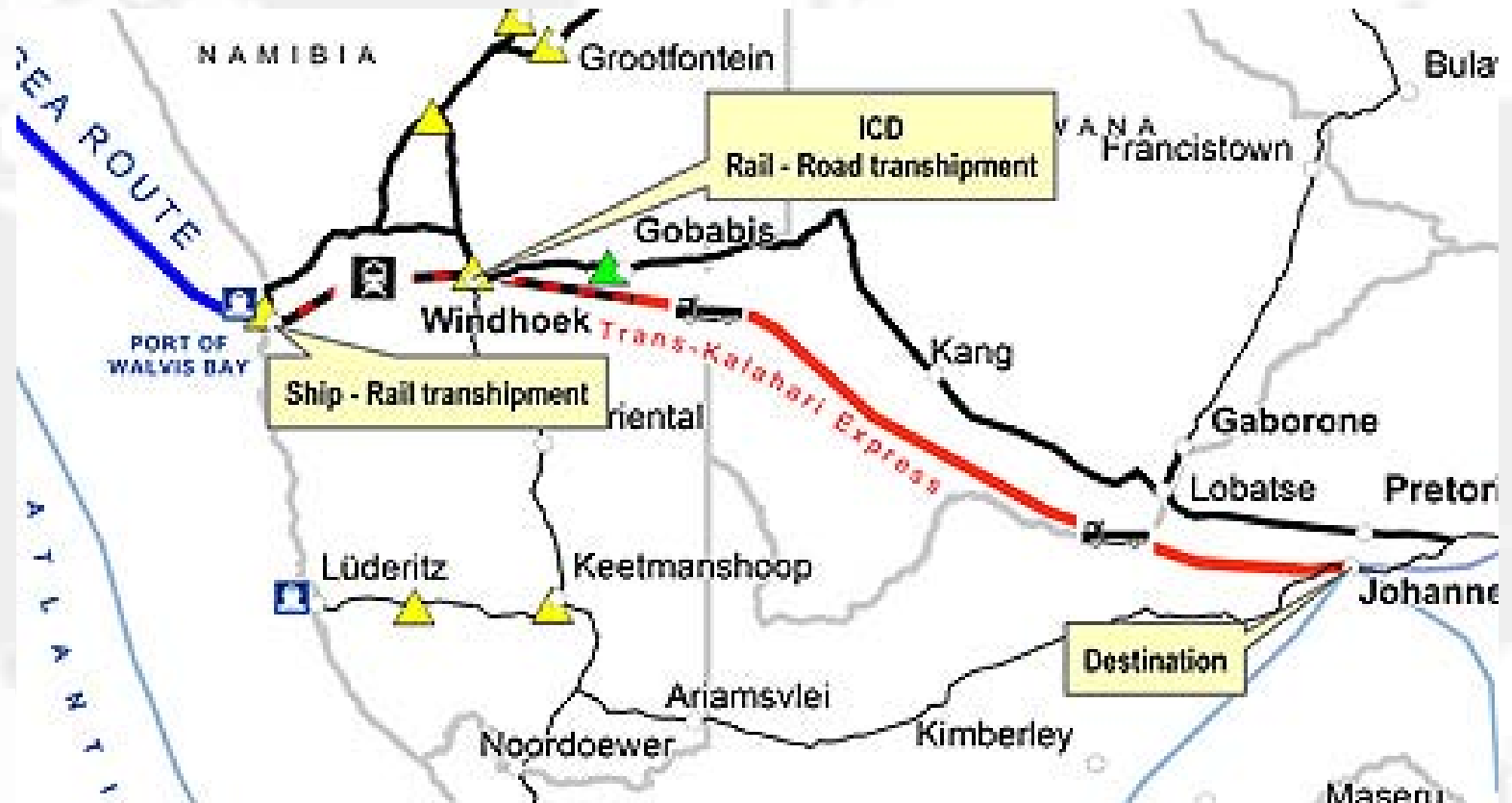


Feasibility Study through US TDA and TERA International

State of the Art Multi Modal Transport System

Provides for EFFICIENCIES and CAPACITIES for increasing volumes

# TKE – Project



**Aim:**

Operational integration of port, rail and road

Product: 2 day premium and 3-4 day standard service

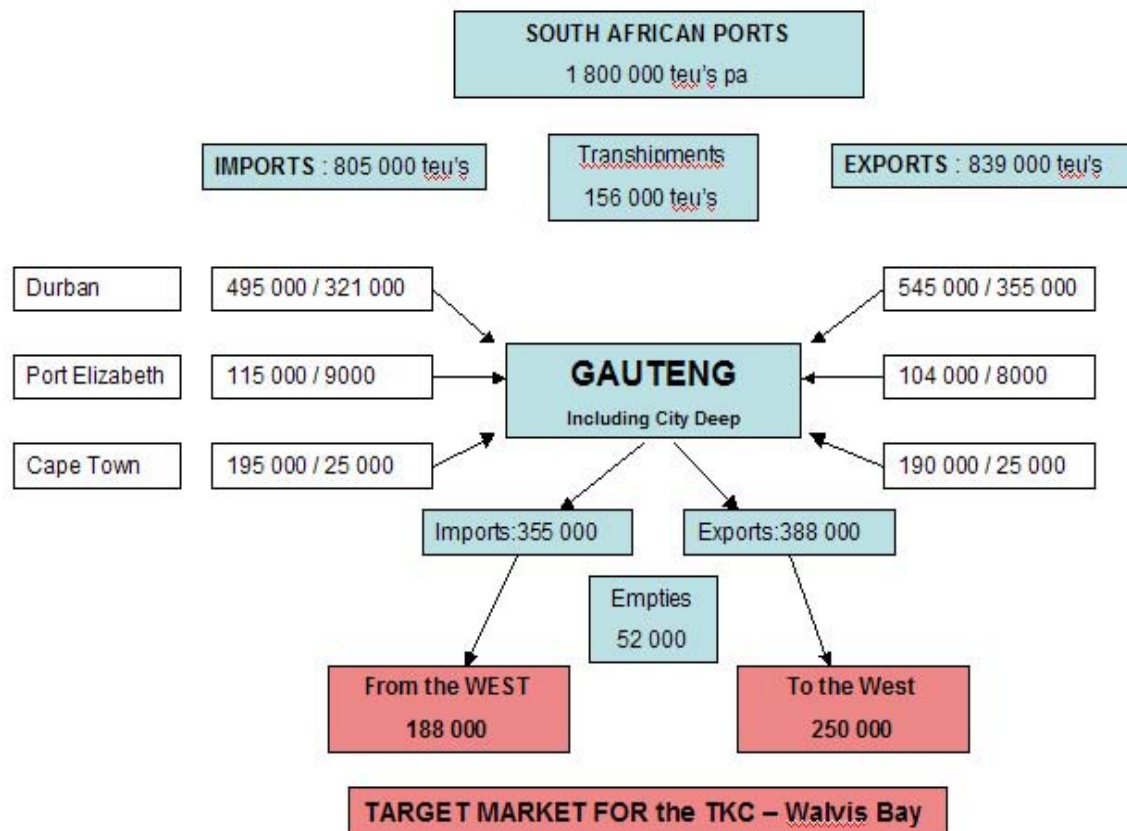
WB - Gauteng



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# TKE - Market Gauteng

WBCG : Gauteng - Walvis Bay Container Freight Target Market



= 26 % of  
SADC GDP

= 743,000  
TEU

= 438,000  
TEU

= 5-10%

\* time & reliability sensitive cargo

# TKE stakeholders

## Namport



- \* strengthen ability for intermodal handling of increasing volumes of cargo
- \* streamline “container terminal investment program” into intermodal capacities
- \* enhance cooperation with Customs for pre clearance of TKC goods



# TKE stakeholders - TransNamib



- \* expansion of locos and wagons for dedicated Trans Kalahari container trains
- \* upgrade of existing inland container depot at Windhoek
- \* creation of “ring fenced” intermodal department



# TKE stakeholders - Trucking sector



- \* trucking shuttle service between Windhoek (Gobabis) and Gauteng
- \* operated by Namibia, Botswana and South Africa trucking companies
- \* procurement of trucking and service equipment based on contracts



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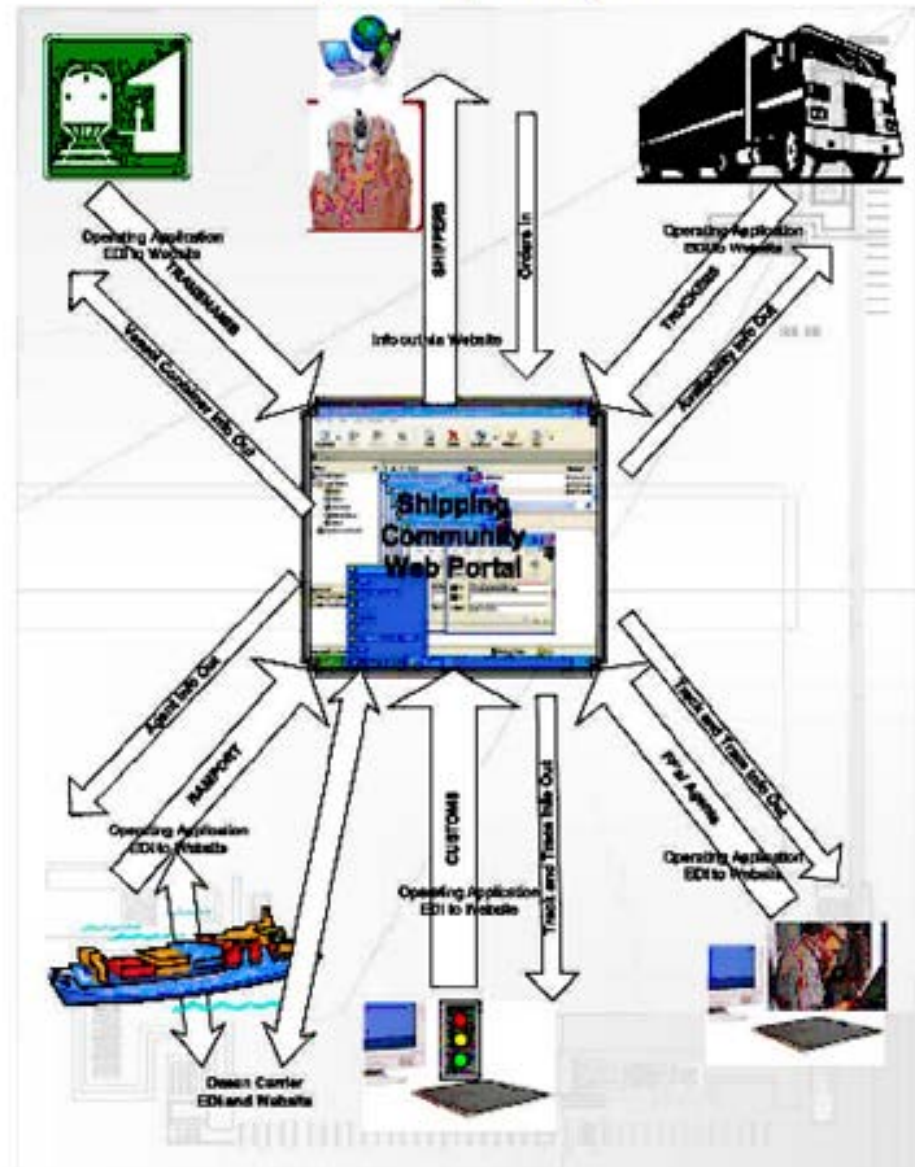
# TKE Integration through IT

## Web Portal



- \* interface between IT systems of TKE stakeholders, e.g. liner, port, rail, forwarding, customs
- \* information flow & supply chain visibility
- \* provides for (non-) secure information and e-business

Figure 5-1: Proposed IT System



# TKE - Logistics Management Company



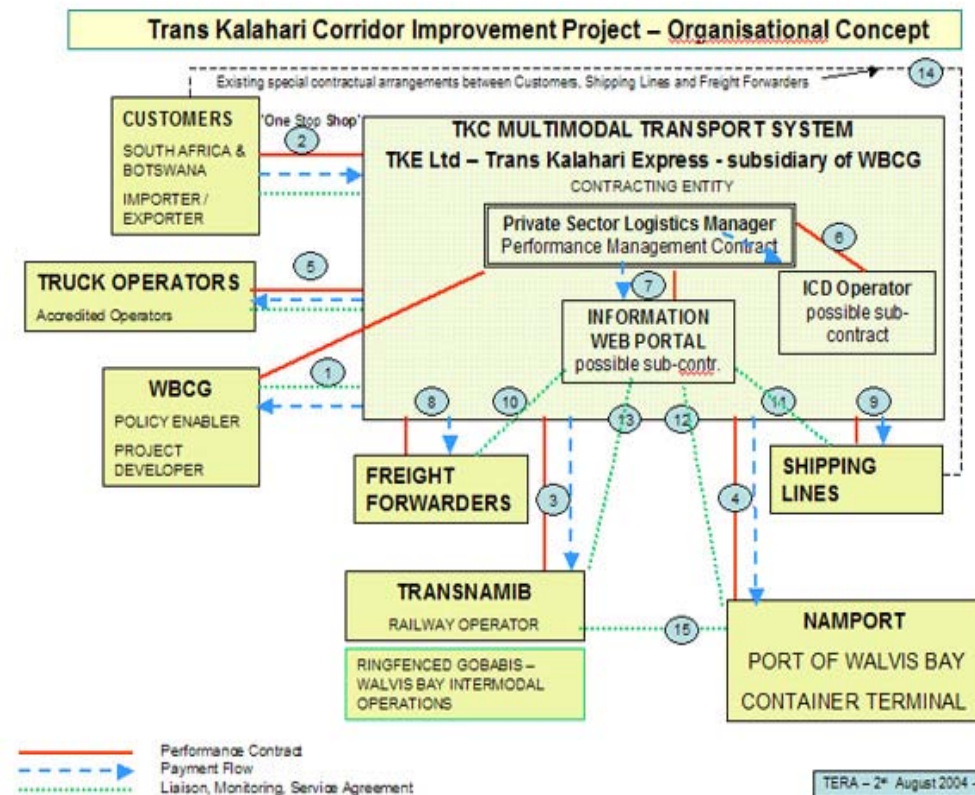
## Responsibility:

- \* Manage & coordinate overall system, ensure delivery
- \* Marketing & sales; provide the core customer

## Benefit:

- \* Have the sole right to market the integrated system

## Org. structure:



## International competitive bidding process:

- Encouraging response
- Strong private sector partner for TKE



**GRINDROD**

FREIGHT INVESTMENTS  
(PTY) LTD



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# TKE Implementation

## Phase 1 – Phase 4

Volume target: 30,000 / 42,000 / 84,000 / 125,000 TEU new traffic

Investment in Port & Rail (intermodal) infrastructure

Operational: 1-3 dedicated container trains;  
ICD's



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# TKE – Investment schedule

Table 1-1: Investment Requirements By Phase (US\$)

Category	Phase 1	Phase 2	Phase 3	Phase 4	Total
ICD Infrastructure	0	1,509,000	0	0	1,509,000
ICD Equipment	714,000	42,000	179,000	179,000	1,114,000
Railway Infrastructure	32,000			6,000,000	6,032,000
Railway Locos/Wagons	6,100,000	300,000	2,800,000	6,000,000	15,200,000
Namport Intermodal Infrastructure	60,000	1,694,000	0	5,626,000	7,380,000
Namport Intermodal Equipment	210,000	42,000	683,000	1,544,000	2,479,000
Web Portal/MIS	750,000	Hosting & Maintenance Fee	Hosting & Maintenance Fee	Hosting & Maintenance Fee	750,000
<b>Total</b>	<b>7,866,000</b>	<b>3,587,000</b>	<b>3,662,000</b>	<b>19,349,000</b>	<b>34,464,000</b>



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# TKE Conclusions

## 1 Strong concept and successful project

- Regional / international expertise and support
- Public Private Partnership; private sector “buy in”

## 2 Economic viable and beneficial project

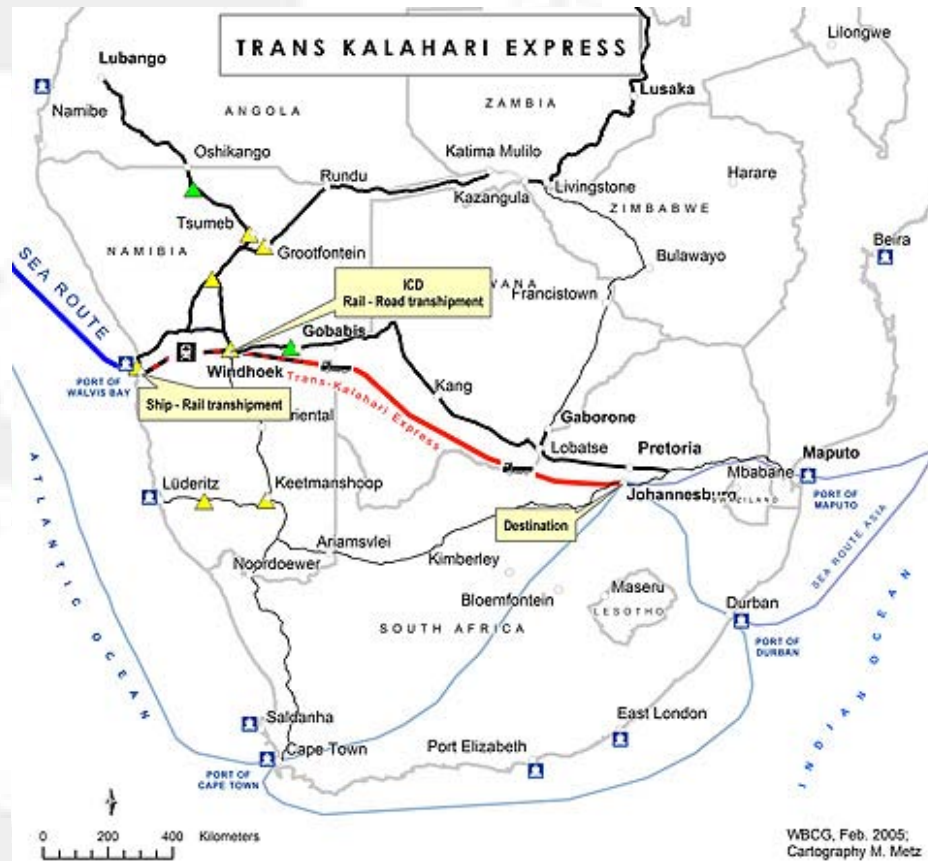
- Business opportunities for transport industry &
- Optimized import/export logistics for shippers
- Economic benefits for TKC, Namibia and the region

## 3 Model arrangement

- Replication along other WBC routes and other regional Trade Corridors
- NEPAD “accreditation” as a strategic regional project



# Trans Kalahari Express



# Thank You



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