

Dar es Salaam Port savours double delight

By <u>Mariam Said</u> 13 Jun 2017

With the transport sector still savouring the expected benefits of the announced scrapping of VAT on transit cargo, a move that is likely to increase volume of consignments at the Dar es Salaam Port, the harbour has received yet another shot in the arm.



The government through Tanzania Ports Authority (TPA), signed a 36-month contract with a Chinese firm for the designing, construction, deepening, and strengthening of the Dar es Salaam Port.

According to the contract, China Habour Engineering Company Limited (CHEC) will design, construct, deepen, and strengthen Dar es Salaam Port's berths numbers 1 up to 7.

Will be able to compete

The upgrading of the berths will enable the Port to receive large cargo ships, hence will be able to compete with the rest of the ports along the Indian Ocean coast.

Dar es Salaam Port currently competes with Mombasa in East Africa region, Beira in Mozambique, and others in South Africa.

Speaking during the signing ceremony at Dar es Salaam Port, minister for works, transport and communications prof Makame Mbarawa said that in the first phase of project implementation, the government expects to spend 336bn/-.

According to the minister, the seven berths will be deepened from the current depth of eight metres up to 15 metres.

"These measures will enable the Port to receive large vessels capable of carrying up to 19,000 containers."

Implementing other infrastructure projects

Mbarawa explained that the government will throw its weight into implementing other mega infrastructure projects such as railways and roads to speed up the clearing and transportation of cargo from the Port to the respective destinations.

"We don't need shipped containerised items and other cargo to spend much time at the Port after arriving that's why we are also focusing on constructing railway lines and roads to speed up transportation," he insisted.

He added: "The construction of standard gauge railway (SGR) from Dar es Salaam to the Lake Zone and Kigoma and the upgrading of Tanzania -Zambia Railway (Tazara) will facilitate good and quick performance of the Dar es Salaam Port."

The minister is of the view that the construction of the two railway lines and upgrading of Dar es Salaam Port will attract a good number of importers from landlocked countries.

He also asked Port employees to work diligently.

\$421m will be raised

Tanzania Ports Authority (TPA) director general, Eng Deusdedit Kakoko said \$421m (945.2/-bn/-) will be raised to cover the whole project out of which \$345m (774.5/-bn/-) will be provided by the World Bank as a soft loan.

He said that the completion of the construction will help do away with time wastage whereby cargo ships are compelled to wait to dock at the Port to offload cargo due to small space.

Dar es Salaam Port clears cargo destined for Rwanda, Burundi, DR Congo, Zambia, Malawi, Uganda, and Zimbabwe.

The upgrading of the seven berths of Dar es Salaam Port comes at a time when importers are rejoicing following the government's decision to remove Value Added Tax (VAT) on transit goods.

The business community has warmly welcomed the government decision, saying importers from landlocked countries who avoided the Port will no doubt return to use it.

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