Press Release

TANZANIA today signed a Memorandum of Understanding with a Coalition of Development Partners, including the World Bank, the United Kingdom Department for International Development, and TradeMark East Africa to develop Dar es Salaam port.

Dar es Salaam, September 12, 2014—World Bank Group Managing Director Sri Mulyani Indrawati witnessed the signing of the Memorandum of Understanding (MOU) by Phillipe Dongier, World Bank Country Director for Tanzania, Uganda and Burundi; Ms. Ros Cooper, Acting Head of Office, DFID Tanzania; David Stanton, Director General, TradeMark East Africa; and Dr. Shaabani Mwinjakah, the Permanent Secretary, Ministry of Transport, to increase the cooperation in the development of Dar es Salaam Port. The signing ceremony was also attended by Hon. Dr. Harrison G. Mwakyembe (MP), Minister of Transport; Josapht Kweka, TMEA Country Director for Tanzania; and Aloyce Matei, Acting Director General of the Tanzania Ports Authority (TPA).

The cooperation, which will be delivered through the Dar es Salaam Maritime Gateway Project, includes the provision of financial support to facilitate the deepening and strengthening of berths 1-7, the dredging of the entrance channel and turning basin in the port, the construction of a new berth and roll on – roll off terminal, and improvements in the spatial efficiency and operational effectiveness of the Port of Dar es Salaam. The provisional cost of the project is US$565 million, and will be covered by a mixture of loan, credit, and grant from the Development Partners.

The overall objective of the co-operation is to support the TPA to realize the objectives of the Government of the United Republic of Tanzania for the maritime sub-sector, as expressed in the Big Results Now (BRN) Initiative, Part of Tanzania Vision 2025, and increase the capacity of the port to 28 million tons by 2020 from current 14.6 million tons handled in 2013/14.

This Memorandum of Understanding marks another significant milestone in the history of relations of the World Bank and Tanzania”, said Mr. Phillipe Dongier World Bank Country Director for Tanzania. “The World Bank Group has been a consistent supporter to the transport sector in the country in the past and we are delighted that now we are closely working with the UK Department for International Development and TradeMark East Africa, which has an ongoing program of support for the last 4 years since its establishment in Tanzania, and the Tanzania Ports Authority to deliver a project that will make a substantive contribution to the development of both the country and the East Africa region. The proposed DMGP will support the priorities of the Government in the maritime sub-sector and improve the key infrastructure in the country. We believe that the Bank’s international expertise in the area of maritime transportation and logistics and public private partnerships will help Tanzania performance levels of the world’s best practices.”

Ms Ros Cooper added that 'The Port of Dar es Salaam is arguably Tanzania's most important infrastructure asset. Future growth of the economy depends on the Port's ability to improve, to become more efficient and to be able to handle more trade. This partnership between TPA, the World Bank, DFID and TMEA will make that happen. We are extremely excited to be part of this initiative that I know will
help Tanzania to be more competitive and that will support economic development and growth across the region. And through this, improve the lives of millions of people'.

TradeMark Director General David Stanton noted that trade infrastructure is critical to East Africa’s prosperity, and in creating the much needed jobs in the region. Currently East Africa’s trade corridors are characterized by long transit times and high costs. Freight costs per kilometre are more than 50% higher than costs in the United States and Europe, and for the landlocked countries, transport costs can be as high as 45% of the value of exports.

“The World Bank is an important partner in promoting regional and economic integration in East Africa. TradeMark East Africa will continue to focus its efforts on increasing trade and prosperity in East Africa, primarily through investing where there will be the biggest impact for East Africa’s people and the private sector. Facilitating regional trade is an effective means to alleviate poverty. This investment in modernising the Dar port is the catalyst needed to bring about prosperity to the region,” said Stanton.

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