

Maritime transport

The project of establishing company/shipping line for COMESA countries has been chosen as the principle project for the maritime transport sector which will be presented to their Excellencies the Ministers through an MOU containing a feasibility study (required to be financed by Egypt). A committee will be established to draft the main law of the company noting that it will start investing in one vessel and a number of containers then it will expand by purchasing another vessel.

The co-working group which was formed from the delegations of Egypt, Sudan, Zambia and Kenya was convened after the session of 8th August, 2005 to discuss the concept paper for establishing COMESA MARITIME SERVICES COMPANY (CMS) and it decided as follows:

Introduction

After completing the workshop discussing the possibility of developing maritime transport among COMESA countries, the chairman discussed the availability of offering this concept paper to be applied to the elected chairman of the workshops Admiral Sherine Hassan.

Herewith, kindly find enclosed the suggested concept paper which is being prepared by the following volunteering committee among us to what so called:

TERMS OF REFERENCE as per the committee consisting of:

- i. Eng.Hamdy Barghout, Bsiness Development Director of Egyptians.
- ii. Mr. David A. Ojwangm Managing Director Kenya National Shopping Line Ltd.
- iii. Mr. Nawraniy Dafalla, Acting Director General of Sudan Shipping Line.
- iv. Mr. Gilbert M.maeti, Senior Transport Economist COMESA.
- v. Adm. Saleh Abdel Wahed, Alex Branch Director of the Institute of International Transport and Logistics.
- vi. Capt. Essam Shaaban, Chairman Egypt Trade Maritime Services Ltd
- vii. Capt. Tarek Shahim, Maritime Transport Sector, Ministry of Transport.
- viii. Mr. Eyasu Yimam, Planning and Research Department Manager, Ethiopian Shipping Lines.

SUGGESTED ELEMENTS TO BE CONSIDERED FOR THE FEASIBILITY STUDY

- i. Economic and Foreign Trade development for regional and international trade.
- ii. Market study:
 - a. Future potential trade.
 - b. Future potential traffic for the company market shares.
 - c. SWOT analysis.
- iii. Technical study:
 - a. COMESA Ports analysis.
 - b. Shipping Lines, fleets, operators,...etc for COMESA countries
 - c. Suggested roads starting Egyptian Red Sea Ports down to South Africa
 - d. Numbers, size, type, crewing, management for the selected vessels serving this line.

- iv. Financial study:
 - a. Source of finance
 - b. Capital calculation
 - c. Beside all other standard financial aspects example investment on calculating, cost analysis, revenues, .etc.

INCENTIVES REQUIRED FROM MINISTERS OF TRANSPORT FOR COMESA COUNTRIES

- i. COMESA Cargo first refusal
- ii. Berthing Priority
- iii. Special Rebate in Port tariff
- iv. Full rights, authorities in management and operating the company by the board of directors

TIME SCHEDULE

The nominating CONSULTING Office to conduct the feasibility study is to follow the following schedule:

- i. Dead line for applying the pre-feasibility study is October, 2005.
- ii. Dead line for applying the feasibility study is January, 2006.
- iii. Start up the operation March, 2006.

RIVER TRANSPORT

The project of standardizing the navigational safety standards and requirements for rivers and lakes ongoing units.

The workshop received status report from member States on the state and needs of the inland water transport sub-sector. The main areas were with respect the poor infrastructure, safety conditions and capacity. The workshop recommended the following projects as priority projects in the sub-sector:

- i. Implementation of common standards and safety regulations in member States.
- ii. Recommendation of the barrage on the outflow in Lake Tanganyika.