

Nigeria needs \$16bn to construct, modernise rail lines

By <u>Sani Tukur</u> 9 Oct 2017

The Nigerian government needs about \$16 billion to construct and modernise major rail lines, an official said.



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This was revealed by the Minister of Transportation, Rotimi Amaechi, on Thursday while speaking with State House correspondents after emerging from a meeting with President Muhammadu Buhari.

Amaechi said he was summoned by the president to brief him on the progress made on the projects.

"You are aware that we have gotten approval for eastern flank of the Nigerian Railway modernisation which is from Port Harcourt to Maiduguri, which is cutting across Aba, Owerri, Enugu, Umuahia, down to Abakalili, Awka, Makurdi, Lafia, Bauchi, Gombe, Yola and to Damaturu and ends in Borno.



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"And then the other railway from Kano to Maradi in Niger Republic and then (I came) to brief the president about how we are progressing with the negotiations for loans and possible financiers," he said.

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Amaechi also said he briefed Buhari about projects within the Lagos-Ibadan axis and what is being done we to complete the Lagos-Kano railway.

The transportation minister said his ministry has already been given approval for all the projects, adding that the government "has to look for the money first."

"The money is not just there, it is a total of about \$16 billion and you don't just pluck \$16 billion from the sky," he said.

He also said the ministry is looking at the possibility of a public private partnership (PPP) for some of the projects.



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"We will try and see if we can get PPP especially as it pertains to the seaports. Don't forget that there are two deep sea ports that were approved: Bonny Deep Sea Port and Warri Deep Sea Port.

"For the Port Harcourt Railway industrial park; we should also be able to get that through PPP; I hope we can. But I doubt if we can get Railway as PPP because it is quite expensive," he said.

Amaechi said the Nigerian Ports Authority (NPA) is handling that dredging of Calabar Port in Cross River State. He said the NPA has already advertised for a PPP arrangement.

On how much loan the government intends to go for to finance the projects, Amaechi said, "the total expenditure for that area will come to about \$16 billion.

"But not all is necessarily loan, that is why I said the first step of action is PPP, it is after we finish PPP that we can say what the actual total figure for the loan will look like."

Amaechi said he was summoned by Buhari because "the president sleeps and wakes up thinking about railways.

He said Buhari was particularly pleased with what had been done in terms of "railway narrow gauge". He said between now and December 2017, the ministry will ensure efficiency in the rail system.

"We are bringing in more locomotives, coaches, and wagons." In terms of the narrow gauge, if not for a hitch, we would have commenced trucking cargo from Apapa Sea Port to Ebute-Metta and taking away the challenges we are having with that Apapa road. That would happen before December," he said.

The minister said he was expecting 10 trains for Kaduna-Abuja rail line, while another seven will also come soon at the Itakpe-Warri rail line.

"We believe that by next year, June, Itakpe-Warri should be ready," he said.