

## Work set to start on pioneering freight ferry

8th of December 2021

**Entebbe, Uganda:** InfraCo Africa, part of the Private Infrastructure Development Group (PIDG), and Grindrod Limited (Grindrod) have now commissioned SECO Marine (U) Ltd, an affiliate company of Mombasa-based Shipyard, Southern Engineering Co. Ltd (SECO), to build a 96m long purpose-built roll-on/roll-off ferry.

Built in Entebbe, Uganda, the ferry will transport fully laden trucks, operating a safe, scheduled freight service between Port Bell (serving Kampala, Uganda) and the Port at Mwanza South, Tanzania with an anticipated journey time of circa 24 hours.

InfraCo Africa is the majority shareholder of the East Africa Marine Transport (EAMT) project which will pioneer a scheduled freight ferry service to facilitate trade across Lake Victoria. EAMT has benefitted from a European Union-Africa Infrastructure Trust Fund (EU-AITF) grant which provided funding for market and technical studies as well as for legal and regulatory support.

***“We are delighted to be partnering with Grindrod and SECO Marine to deliver the pioneering EAMT project, combining our own experience of delivering Kalangala Infrastructure Services, with Grindrod’s deep knowledge of African trade flow and SECO Marine’s ship-building expertise. By bypassing congested road networks, EAMT’s scheduled marine freight service is expected to prevent approximately 130,000 tonnes of CO<sub>2</sub> equivalent emissions each year, whilst opening up trade and promoting economic development in the Lake Victoria Basin and the wider region.”*** Gilles Vaes, Chief Executive Officer, InfraCo Africa.

In the countries bordering Lake Victoria, the majority of existing freight is transported by road, with journeys around the lake taking 3-4 days. To date, privately operated freight transport across the Lake has been undertaken on an ad hoc basis with smaller vessels sailing only when they are full. This approach has economic and opportunity costs for businesses, particularly those working with time-sensitive cargo.

***“Grindrod provides customers with efficient and cost-effective routes to market for their cargoes. This solution achieves that objective and will unlock economic growth in the region through a scheduled marine freight service offering, significantly improving time to get goods to the market. It will also bolster Grindrod’s existing presence in East Africa in line with our objective to grow in this region. We are privileged to be an operational partner of InfraCo on this initiative.”*** Xolani Mbambo, Chief Executive Officer, Grindrod Freight Services.

Expected to become operational in 2024, EAMT will create jobs and provide businesses with a faster, safer and more reliable route to regional markets. For those transporting fresh produce, a direct route across the Lake will prevent spoilage, enabling producers to cut waste and retain the value of their products. Reduced journey times are expected to boost trade and reduce emissions from road transport by removing freight vehicles from the region’s congested road network.

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## Notes for Editors:

- Formerly known as Lake Victoria Marine Transport, EAMT was originated by InfraCo Africa's developer, eleQtra.
- Inadequate transport infrastructure presents a major barrier to trade expansion in sub-Saharan Africa. Limited routes are vulnerable to disruption and the costs of transporting goods to market are prohibitively high for regional traders and producers.
- The Heads of State of the Common Market for Eastern and Southern Africa (COMESA) and the East African Community (EAC) are committed to adopting an integrated approach to diversifying trade routes, recognising the potential to transform Lake Victoria from a trade barrier to an important trade route.

**The Private Infrastructure Development Group (PIDG)** is an innovative infrastructure project developer and investor which mobilises private investment in sustainable and inclusive infrastructure in sub-Saharan Africa and south and south-east Asia. PIDG investments promote socio-economic development within a just transition to net zero emissions, combat poverty and contribute to the Sustainable Development Goals (SDGs). PIDG delivers its ambition in line with its values of opportunity, accountability, safety, integrity and impact. Since 2002, PIDG has supported 171 infrastructure projects to financial close which provided an estimated 217 million people with access to new or improved infrastructure. PIDG is funded by the governments of the United Kingdom, the Netherlands, Switzerland, Australia, Sweden, Germany and the IFC [www.pidg.org](http://www.pidg.org)

**InfraCo Africa:** InfraCo Africa is part of the Private Infrastructure Development Group (PIDG) and seeks to alleviate poverty by mobilising investment into sub-Saharan infrastructure projects. It does this by investing directly into early-stage projects or by funding experienced teams to provide project development leadership. Through its investments arm, InfraCo Africa can also provide equity to close a financing gap and start construction or fund innovative solutions that need support to scale-up, to pilot new products or enter new markets. InfraCo Africa is funded by the governments of the United Kingdom (through FCDO), the Netherlands (through DGIS) and Switzerland (through SECO). To find out more visit: [www.infracoafrica.com](http://www.infracoafrica.com)

**Grindrod Limited** is listed on the JSE, and invested in a port, strategically located dry-bulk and multi-purpose terminals, logistics operations and a bank. Logistics solutions include road transportation, rail services, sea freight, intermodal solutions, stevedoring, clearing & forwarding, ships agency and supporting services. We work hard every day to earn our customer's trust. We are passionate about understanding their unique requirements and collaborating with them to create the most cost-effective and efficient solution to move cargo across trade corridors in sub-Saharan Africa. To find out more visit [www.grindrod.com](http://www.grindrod.com)

**SECO Marine (U) Ltd:** an affiliate of a Mombasa-based Shipyard, Southern Engineering Co. Ltd (SECO) and a part of the larger Alpha Group of companies, is a solution-driven engineering company specializing in marine and offshore engineering solutions in Uganda. To find out more visit [www.secoafrica.com](http://www.secoafrica.com)

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**For further information please contact:**

Lorna McNae

Communications Manager, InfraCo Africa

[lmcnae@infracoafrica.com](mailto:lmcnae@infracoafrica.com)

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