

MOZAMBIQUE PORTS AND RAILWAYS, E.P.

Fact Sheet



Corporate Restructuring

April/2006

Mozambique Ports and Railways, E.P

- ❑ **CFM is a Public company**
- ❑ **Collective person in public law;**
- ❑ **Core Business: Port and Railway system Management**
- ❑ **National railway extention: 2243 kms;**
- ❑ **The National Railway System consists of three railway subsystems:**
 - ❑ **CFM-South: Port of Maputo, Ressano Garcia, Goba and Limpopo Line;**
 - ❑ **CFM-Centre: Port of Beira, Machipanda and Sena Line;**
 - ❑ **CFM-North: Port of Nacala, Nacala-Entre-lagos and Cuamba Lichinga Line.**

Mozambique Ports and Railways, E.P

THE MISSION OF CFM

“To promote and develop rail and port infrastructures and services, so that will reveal a modern, competitive, efficient system, market oriented and financially viable in partnership with the private sector in transport and logistical operations in the region and worldwide”

Restructuring Programme – The Strategy (I)

Since 1995 the Government of Mozambique and CFM have embarked in a far reaching restructuring, arising from reforms undergone in recent decades.



Restructuring Programme – The Strategy (II)

The first approach was to privatize the management of specific port terminals:

- Maputo Container Terminal
- Maputo Sugar Terminal
- Maputo Citrus Terminal
- Matola Coal Terminal
- Container Terminal
- Container and Multipurpose Terminal at the Port of Beira

Under this approach CFM acts as a land lord and keeps the operations of the railways and the remaining port terminals.

Restructuring Programme – The Strategy (III)

Under this approach, the leasing out of port and rail infrastructures would be forwarded to a consortium complying with the following shareholder structure:

- **CFM: 49%;**
- **Private Investor: 51%;**
- **Regional and local private interested parties defined as a trustee by CFM: 16%.**

Macro objectives

- ◉ To promote and develop rail and port infrastructures and services;
- ◉ To promote the development of transport and logistical activities through increased private sector participation in their operation and management;
- ◉ Operate the system of rail and port infrastructures in partnership with the private sector;
- ◉ Maximise the use of CFM assets in a rationalised and profitable manner.

The Components of the Restructuring

 **Corporate and Institutional Restructuring**

 **Labour Force Rationalization**

 **Concession of Ports and Railways**

 **Diversification of Activities**

 **Assets Rationalization**

The Components of the Restructuring

In the context of the new organizational structure, CFM has to reinforce its mission within the concessioned areas of operation where the company is simultaneously a shareholder and supervisor of the Government interests, such as performance standards, observation of regulations, safety and environmental standards, public interests, terms of the contract , public social obligations, etc...



Concession of the Ports and Railways (I)

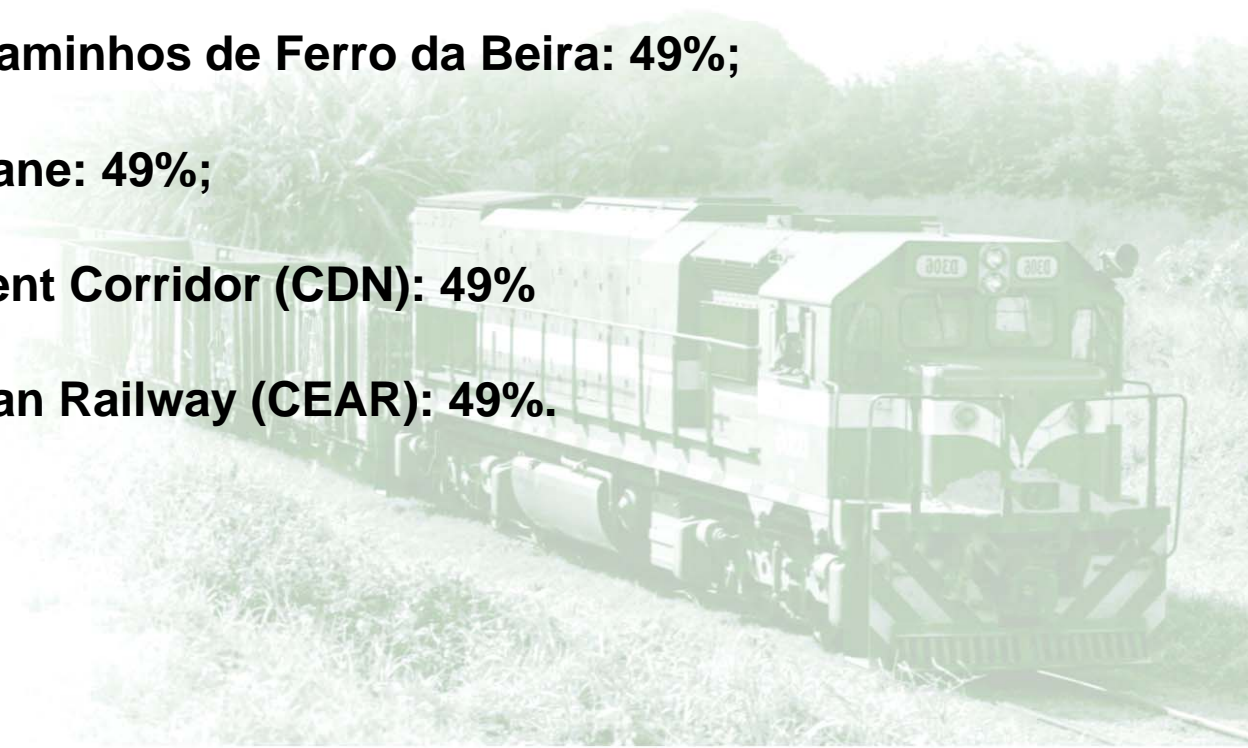
CFM South

- **Maputo Port Development Company (MPDC):49%;**
 - **Mozambique International Port Services (MIPS): 40%;**
 - **Maputo Produce Terminal (MPT);**
 - **Maputo Sugar Terminal (STAM);**
 - **Matola Coal Terminal (TCM);**
- **Maputo Coasting Terminal (TCM): 49%;**
- **Sociedade de Terminais de Moçambique (STM): 50%.**

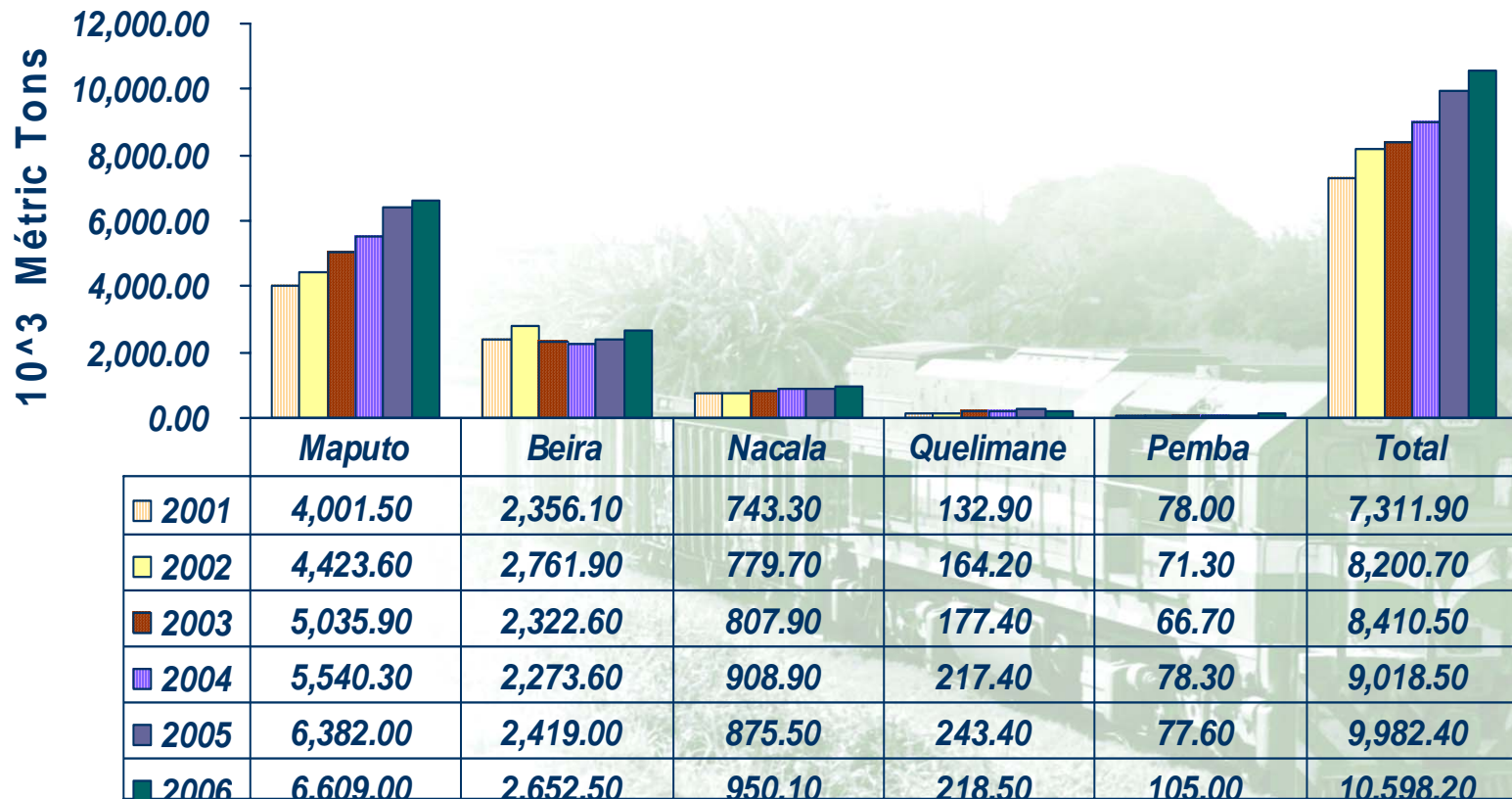
Concession of the Ports and Railways (II)

CFM-Centre / CFM-North

- **Cornelder de Moçambique (CdM): 30%;**
- **Companhia dos Caminhos de Ferro da Beira: 49%;**
- **Cornelder Quelimane: 49%;**
- **Nacala Development Corridor (CDN): 49%**
- **Central East African Railway (CEAR): 49%.**

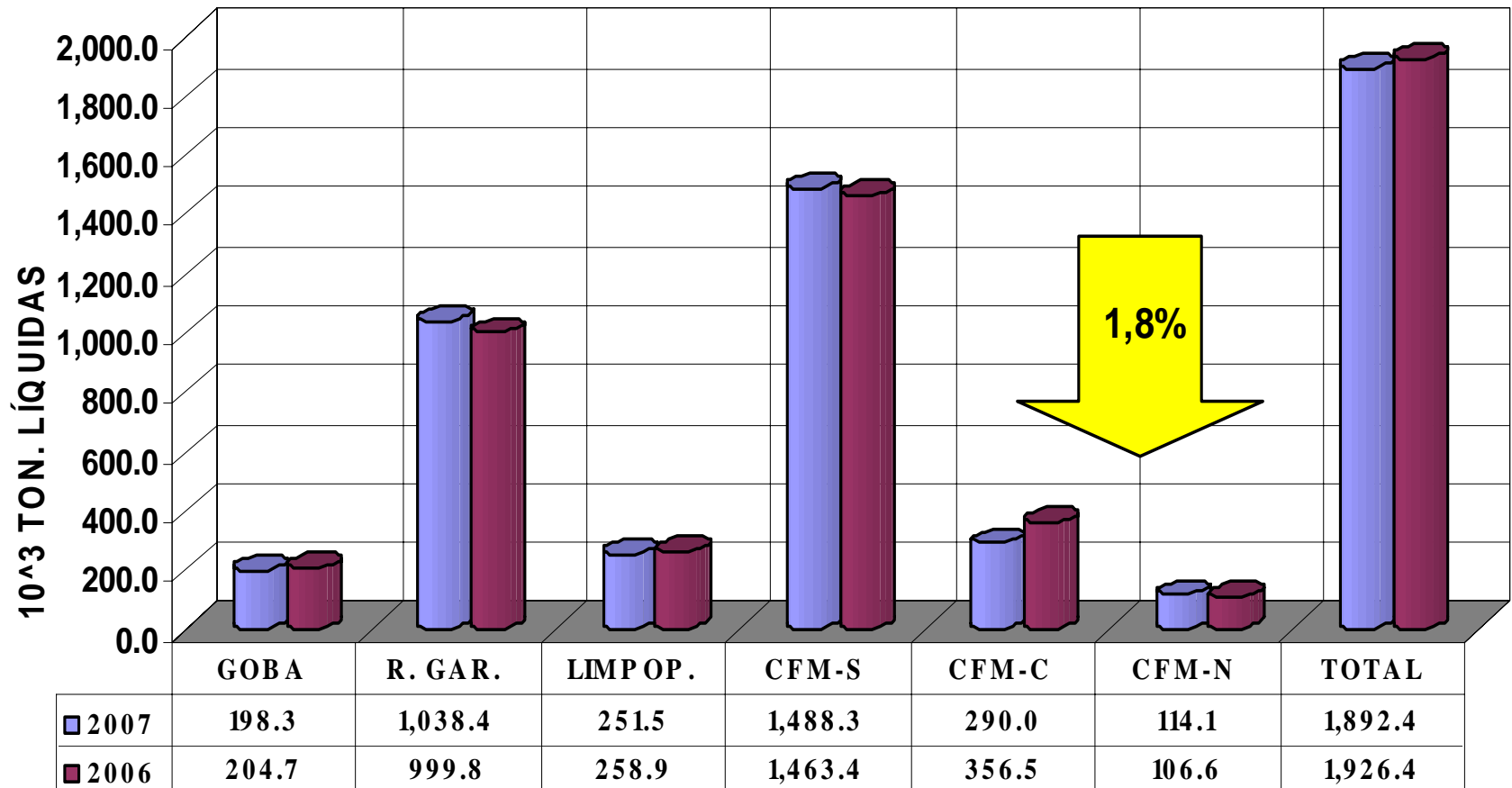


CFM PORT TRAFFIC



RAILWAY FREIGHT TRAFFIC (*1st Semester*)

TRANSPORTE FERROVIÁRIO DE CARGA



Major Commodities Handled

- **Port of Maputo:** Coal, Alumina/Aluminium, Ferro-chrome, Containers, Cereals and Sugar.
- **Port of Beira:** Containers, Cereals, Granite, Fuel, Fertilizers, and Ferro-chrome.
- **Port of Nacala:** Fuel, Containers, Clinker and Fertilizers.

New Investments

1. **New Granite Terminal at the Port of Maputo;**
2. **New Ferrous Terminal at the Maputo Port;**
3. **Capital dredging of Beira Port including a acquisition of a new dredger;**
4. **Rehabilitation of Quelimane Port;**
5. **Rehabilitation of the Ressano Garcia Line;**
6. **Rehabilitation Sena and Machipanda Lines;**
7. **Refurbishment of the locomotive fleet.**
8. **Upgrade and Improve Maputo Access Port to Post Panamax Plus Type of Vessels**
9. **Expansion of Container Terminal at Port of Maputo**
10. **Build New Crude Oil Terminal at Ponta Dabela**
11. **Build New Oil Pipe Line Dabela to Matola Refinery**
12. **Build new Iron Ore and Heavy Sands Terminal**
13. **Build new Car Terminal**

PARTNERS - WHAT WE AIM AT

- ❖ Internationally recognized firm with experience & know-how in transport, logistics & distribution industry
- ❖ Capacity and ability to increase trade flows through Mozambique
- ❖ Strong financial capability to implement new investments
- ❖ Capacity to achieve high levels of return
- ❖ Global networking with ocean going trade & transport industry as whole

Thank you