## Railroader Digital Newsletter 3/2018

# Parastatals' privatisation: NRZ sets the pace

The National Railways of Zimbabwe (NRZ) is pioneering privatisation of parastatals in the country and the recapitalisation deal with the Diaspora Infrastructure Development Group (DIDG)/ Transnet Consortium must succeed as all eyes are on the organisation, the General Manager, Engineer Lewis Mukwada, said. Speaking at a farewell ceremony for a high powered team from the DIDG/ Transnet Consortium which was in the country for a due diligence of NRZ facilities, Eng. Mukwada said NRZ was the first parastatal to be privatised under the recently signed Joint Venture Act where private investors are allowed to have a stake in State owned enterprises.

"There are a lot of expectations as this deal is not just about NRZ. For the people of Bulawayo, there are a lot of expectations in terms of downstream benefits to industry. "From a national perspective there are a lot of expectations. Out of the various parastatals that government owns, I think this is one that has gone this journey in terms of privatisation, the first one to venture under the Joint Venture Act. We are pioneers and people are waiting to see how this will pan out. The pressure is



### NRZ General Manager Eng. Lewis Mukwada

on everyone to succeed and what has to be done has to be done," he said.

The General Manager said workers have now been incorporated into the processes to ensure success of the transaction with representatives of unions being included in some of the committees set up for the Due Diligence exercise.

Eng. Mukwada said the Due Diligence visit by the team from DIDG/Transnet Consortium was in reciprocation of a similar visit undertaken by NRZ management to South Africa.

He said Due Diligences allowed parties in the deal to know more about each other and also get relevant information about the entities.

DIDG also expressed confidence in the rail giant.

DIDG chairman Mr Donovan Chimhandamba said while many people questioned the DIDG's sanity in bidding to run a seemingly rundown NRZ, information at hand showed that the company had a lot of potential.



Diaspora Infrastructure Development Group Chairman Mr Donovan Chimhandamba

"Thank you very much for the co-operation from NRZ in terms of giving information without keeping anything back," he said He said the due diligence provided a lot of insights about NRZ to the South Africans. The due diligence started on 29 April and ended on 5 May. It involved work streams in which teams from DIDG/Transnet sought information about NRZ operations. The work streams involved

The work streams involved presentations from the branches on their activities which were followed by questions and answer sessions.

The teams toured NRZ facilities including IT Branch, Dabuka, Central Electrical Workshops, Signals, Bridge Yards and the Mechanical Workshops.

He said NRZ lost customers to road because it was not getting adequate financial support to run its operations effectively and not that there was no business in the country.

"When we started this bid, we were not sure of the market or volumes. Once we started engaging business, we have been pleasantly surprised by the numbers that we see in terms of business," he said.

Mr Chimhandamba said after the Due Diligence, the next critical stage in the agreement was the Legal Close which will conclude all the agreements.

He said the Legal Close should be signed by June 30, after which the Transition Strategy would be set into motion in readiness for the new concession operator. He said it was during the transition stage where issues of staff would be discussed. Transnet praised the NRZ for its co-operation and information outlay to the visiting team. Transnet representative Mr Felix Ndlovu said the team from South Africa had been well received by NRZ. He also said they managed to get most of the information they required.

#### TFR Executive Manager, Crossborder Projects, Mr Felix Ndlovu





### Top award for General Manager



The General Manager, Eng. Lewis Mukwada, (centre), receives his award from Megafest officials

#### By Soka Masuku

As the National Railways of Zimbabwe (NRZ) undergoes transformation to regain its status as the bulk transporter of choice, the organisation has, of late attracted interest from all quarters of the business community for its sterling efforts to turn around its fortunes.

The latest being recognition of the team members behind its revival.

The General Manager, Engineer Lewis Mukwada, was recently recognised at the Megafest Awards in Harare where he received the Outstanding Public Service Leader of the Year award. Eng. Mukwada was presented with a certificate and trophy at a glittering awards dinner in Harare on 31 May, 2018.

In his acceptance speech, Eng Mukwada said "the honour was not his alone but for the entire organisation which is currently on a rebuilding drive".

Eng. Mukwada said he could not have been recognised without the support of the entire railway family.

### ... As NRZ shines at ZITF 2018

The National Railways of Zimbabwe (NRZ) won two awards at the 2018 Zimbabwe International Trade Fair (ZITF). The rail giant's Passenger Services inspired exhibition clinched the First Runner Up prize for the Best Zimbabwean Exhibit in Tourism and Travel Sector.

On display at the Passenger Services stand within the NRZ pavilion was a model of the Premier Class coach which provides top class comfort unmatched by any form of land travel currently available in Zimbabwe.

The NRZ Premier Class coach offers carpeted compartments with either single or double beds, hot and cold shower facilities as well as breakfast. Most visitors to the NRZ

pavilion were keen to find out more about the coaches recently leased from Transnet as part of the Interim Solution Equipment under an agreement with the Diaspora Infrastructure Development Group (DIDG) /Transnet Consortium.

The NRZ in February this year took delivery of seven passenger coaches on lease from Transnet and the coaches have proved

popular with travellers on the Bulawayo-Victoria Falls route where they have been deployed with passenger volumes rising 20 percent.

Also on display were other products offered by Passenger Services, including steam trains and Catering Services.

Visitors were amazed to learn that ordinary people can afford to ride on NRZ steam trains. The impression among the majority of visitors was that steam train excursions run by the NRZ Rail

Leisure business unit were for those with money or foreign tourists.

Not to be outdone was the NRZ Inter-Rail-Tech engineering brand which impressed judges and was Second Runner Up in the Mining and Engineering Sector.

Inter-Rail-Tech was taking part at the ZITF for the first time after having been formed last year by rebranding NRZ's Mechanical, Electrical and Structural workshops to form a company that offered services to customers outside the railways. Before the launch of Inter-Rail-Tech, NRZ workshops offered services to outside companies on a small scale.

Last year at the same exhibition the rail giant failed to get any accolade and the achievements of 2018 ZITF reflect a great leap in improvement and dynamism.

### NRZ ME's deliver wagons expediently

Acting Chief Engineer (Traction and Rolling Stock) Engineer Daniso Mlambo has commended workers at the Mechanical Engineer's (ME's) Workshops in Bulawayo for the expediency work on refurbishing wagons under a Private-Public-Partnership (PPP) with the Bulawayo Beitbridge Railway (BBR).

Eng. Mlambo said a small function would be organised on for the workers to show management's appreciation for their efforts.

NRZ signed a PPP agreement with BBR in January to refurbish 25 high sided wagons. BBR provided US\$270 000 to buy material for the refurbishment exercise while NRZ provided the labour.

The wagons had been stabled and not working for varying periods of time due to defects.

Work started in early January and by March 7, 10 of the wagons had been completed and handed over to BBR

Eng. Mlambo said the fact that the wagons were completed in a short space of time showed that NRZ still had the skills to carry out complex projects despite the challenges it was facing. ME's Workshop Engineer Vincent



Officials from Traction and Rolling Stock Branch pose with BBR representatives at the handover of refurbished wagons

Ndlela said the refurbishment work was carried out in record time and showed what they could do if adequate resources were availed.

He said the carrying out of the rehabilitation work in a short space of time displayed the workshop's capabilities. "As workshops, we can deliver if we get the inputs. We are grateful to BBR for the material and Headquarters for supporting us as well," he said. Eng. Ndlela said he hoped that the agreement with BBR marked the start of a

long term co-operation with MEs workshops.

BBR Technical Manager (Rolling Stock) Engineer Joshua Kaseke paid tribute to the NRZ and said the refurbished wagons would be used to carry clinker on the Colleen Bawn- Masasa route. "We thank NRZ and Traction and Rolling Stock for rehabilitating the wagons. They will be used for clinker and will benefit both the NRZ and BBR," he said. Work on the remaining wagons is expected to be completed shortly before they are handed over to BBR.

## Stop gold panning, protect State infrastructure

Gold panners are causing damage to railway infrastructure as they dig for the precious metal within the railway reserve land. Panners are digging pits and tunnels a few metres from the railway line and in some cases. digging under railway tracks as they chase the gold belt. Digging trenches close to the railway line poses a risk to the travelling public and there is a risk of the rail collapsing under the weight of trains due to the weakened ground or surface. Illegal gold miners and panners in railway reserve land are found at Tatagura in Mazowe, Bindura town, Jumbo Siding, Shurugwi,

Kwekwe, Kadoma, Esigodini, Shamva, Ngezi River, Redfield

The longest stretch where illegal

and in Chiwundura.

mining activities are taking place is on the section between Gado and Chiwundura where 14 km of railway reserve land has been invaded by panners Station Master Bindura Mr Charles Pili said illegal mining activities at Kitsiyatota near the railway station started years ago but escalated in 2014 when hundreds of panners set up camp within the railway reserve. He said mining activities were taking place a few metres from the railway line and repeated efforts to have the panners removed have failed. Mr Pili said some tunnels dug by

panners were running under the railway line and wash aways had been experienced on some sections due to the gold panning activities.

"This is State infrastructure. They are killing State infrastructure and the livelihood of railway



Pits dug by gold panners close to a railway line in Bindura

employees," he said.

Because there were no toilet facilities in areas where the panners were operating, Mr Pili said a health time bomb is imminent.

A resident of Bindura Mr Frank Notte said gold panners operating along railway lines must be arrested because they did not care about the damage they were causing to national infrastructure.

He said people in the province would suffer greatly if the railway track was damage and trains could no longer bring goods to Bindura.

"These people have no concern for our province because the railway line is used to transport goods from other parts of the country. They must be arrested," he said.

It is illegal to undertake any mining, cultivation or building

activities within railway reserve land.

The railway reserve land is 45m wide either side of the track on all main lines.

The Railways Act (Chapter 13.09) Clause 38 paragraph 4, section c states that "any person who digs, excavates, drills, tunnels under or otherwise tempers with the ground within 45m on either side of the middle of a railway track to the actual or potential detriment of the safety of railway traffic: shall be guilty of an offence and be liable to imprisonment for a period of not less than five years" The NRZ is engaging relevant

stakeholders as it formulates a publicity awareness campaign against gold panning within the railway reserve.

# NRZ steam train rides proving popular

A few years ago, a steam enthusiast remarked that the National Railways of Zimbabwe (NRZ) was sitting on a gold mine with its steam trains.

He said with proper marketing, Rail Leisure could earn the organisation much needed revenue while contributing to the country's tourism industry

through steam train excursion. The man's sentiments were proved true when a Valentine's Day Sashay Steam train which ran on 18 February 2018, was oversubscrib ed. The steam train was from Harare to Kintyre Siding from

where

were transferred

passengers

by bus to Kuimba Shiri Bird Sanctuary on the shores of Lake Chivero.

At Kuimba Shiri passengers enjoyed an array of activities which included boat cruises, bird viewing, horse riding and fishing. So successful was the run that some passengers were turned away because they could not be accommodated on the consist which included two economy class coaches, two sleeper coaches and three dining cars. Eventually 248 adults and 84

children boarded the train and this took all by surprise with the NRZ being overwhelmed as it has not experienced such huge numbers in the past. Kuimba Shiri management did what is unheard of in business. The sanctuary told the NRZ that while they appreciated the business, future runs should be

passengers paying to ride the train despite it being powered by a diesel locomotive.

The run was from Harare to Kintyre Siding and patrons had a wonderful time again at Kuimba Shiri Bird Sanctuary.

Passenger Services Assistant Mr Wonder Mukuyu said there was a

> ready niche market for steam trains. He also said with intensified publicity, steam excursions had the potential to capture all sections of society to promote domestic tourism. NRZ steam train rides are popular especially among steam train enthusiasts who are



limited to a maximum of 250 people per trip.

Following the initial successful run, Kuimba Shiri is considering a long-term collaboration with the NRZ which will benefit both organisations.

Kuimba Shiri then went on to request for further runs to gauge the passenger volumes and see if the steam trains can be run on a monthly basis. The second run organised on 25 March 2018 proved to be another success with 180

prepared to pay top dollar to relapse into the past.

The NRZ is one of the few organisations in the world with

organisations in the world with operational steam engines. This puts Rail Leisure in a unique position to attract tourists with a nostalgia for the past.

Rail Leisure is now a known brand among international steam enthusiasts and the collaboration between NRZ and Kuimba Shiri will allow locals to enjoy their heritage.

## My View

### "Let's respect each other at work"

This month, I would like to share with you a letter I got in my email inbox. The letter is produced as is below.

"Dear Editor,

Growing up in the rural areas many years ago, I was taught that if you wanted something from a father, you did not go directly to him. The message was supposed to be passed through the mother, it was taboo to go direct.

A father was viewed as mystical, someone feared.

I also observed while roasting and eating *maputi padare/enkudleni*, youngsters did not address elders directly. There was a way of sending messages using a chain of command. The youngest person at *padare/enkudleni* would pass a message to the one next in age to him and so on as the message went up the chain.

It could take time before the message reached the most senior person. The response from the eldest took the reverse route starting with the oldest until it got to the youngest.

I never got to find out why one hadto go through a mother to reach their father or why elders took a rou ndabout way of passing a message considering that everyone heard it at every stage.

Maybe its culture.

I had almost forgotten about how we communicated with our elders until a recent incident. At a recent event, some junior

workers and interns were assigned to issue out tickets for meals to members of staff who comprised both lower grades, supervisors and officers. While the lower ranks enthusiastically grabbed their meal tickets, some "chefs" were offended. To them it was an affront to be given meal tickets by a junior employee.

It did not show respect to their positions.

When I heard the story it took me back to my childhood. Maybe we (the "chefs" and me) grew up in the same generation when vakuru/abadhala were unapproachable by the young. But it also made me think. What are we teaching interns who are the future managers of this company? What example are we showing them on how to interact with those below them?

Fortunately that same day, my confidence in leadership was restored when one member of Manex passed through and interacted with one of the interns present.

Never at one time did the Manex member look down on the student as she explained what they did in their section".

Food for thought. nrzjuicybits@gmail.com

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## From train ashes to Division One football



NRZ Leopards before going into battle

#### By Bongiwe Dube

Formed from the ashes of a tragedy 15 years ago, NRZ Leopards Football Club has developed over the years from a social soccer outfit to playing Division One League football. Dete-based NRZ Leopards was promoted to the Zifa Southern Region Division One after winning an Area championship at the end of last year.

Although in its present form the team has been in existence since 2003, the team's history is a rich one, dating back to more than 46 years ago when it was formed as Hotspur Leopards Football Club in 1972.

With the passage of time it became defunct but was revived in 2003 after the Mambanje Train Disaster when NRZ workers and dependants of the people killed in the accident came together and formed NRZ Leopards.

Since then it played in the lower leagues until its recent promotion to Division One.

Club chief executive Mr Ronald Mjumi said they had overcome many challenges, including operating without a sponsor, to reach where they are.

The team, he said, was being funded through contributions from the Dete community and well-wishers.

Lack of official sponsorship, he said, had not deterred them in their determination.

Mr Mjumi said they were looking at strengthening the team by signing up new players to turn the club into a portent force.

"From inception, the team was made up of NRZ workers and dependants but as the competition grows, we are casting our net wide to any talented individual so as to make the team competitive. "The idea is to go as far as we can and we hope that one day the corporate world will smile on us and sponsor us as I believe the team has great potential to go far." The major challenge the team

The major challenge the team faced was lack of resources. "The team has to go to matches by train and late train running means fatigue and no time to prepare for the match leading to poor performances.

If the team can get a room or two to accommodate them in Bulawayo so that they can arrive for a match a day before, that would give them time to rest and be ready for the game". Mr Mjumi said the team also struggles paying referee allowances with players making contributions to raise the money. The team is currently lying 13 in the 16-team league with six points out of a possible 24. It has won only one match, drew three and lost four.

The Dete community today finds identity, solace and smiles in the team after enduring 15 years of lamentation and groaning as a result of the 2003 train disaster which claimed over 50 people leaving many permanently injured.

### Due Diligence in Pictures



General Manager Eng. Lewis Mukwada chats to officials from DIDG/Transnet Consortium at a welcoming ceremony at the Railway Museum



NRZ employees follow proceedings at a Due Diligence team farewell reception



A member of the visiting delegation asks a question at the welcoming ceremony



Members of the Management Executive (Manex) are introduced to the visiting delegation



Director Operations Mr Samson Bhuza responds to a question

We apologise
for the low resolution
pictures. This is due
to the 2MB limit
on our email system.
Quality pictures require
more megabytes



A lucky member of the DIDG/Transnet Consortium is presented with a prize by the General Manager Eng. Mukwada after winning a raffle

### **NRZ** in Pictures



Transport and Infrastructure Development
Minister Dr Joram Gumbo is taken on a tour of
The NRZ stand at ZITF 2018 by management



NRZ workers listen to speeches during a reception to mark the end of ZITF 2018



High school pupils are shown an exhibit at the NRZ stand by a Public Relations intern



Wagon shop employees pose with acting Chief Engineer Traction and Rolling Stock beside one of the wagons refurbished under an agreement with Bulawayo-Beitbridge-Railways



The motor trolley remains a popular feature with visitors at the NRZ ZITF pavilion



Mr Taurai Sibanda from Passenger Services attends to visitors at the NRZ ZITF stand