

Mota-Engil Engenharia e Construção África, S.A.

Kano-Maradi | Kano-Dutse Railway Line, Nigeria

The Project



Construction of a standard gauge railway line with an alignment of about 387 km from Kano to Maradi and a branch line from Kano to Dutse. The 284 km Kano-Maradi Railway Line will connect three Federal States in Northern Nigeria, namely Kano, Jigawa and Katsina, and the Republic of Niger (Maradi), while the 93 km branch line will connect the capital of Jigawa's State (Dutse) to Kano. Consequently, the northern region of Nigeria and the Southern part of Niger will benefit from an important connection to the Nigerian railway network under construction and to Lagos and Lekki Port.

Scope of works

The design and construction of a single-track standard gauge rail line (with associated stations) between Kano to Maradi and a branch line between Kano to Dutse that comprises Earth Works, Track Works, Signaling and Communication works, Depot, Stations, Rolling Stock Facilities, etc.

Context | Current Status

In October 2018 Mota-Engil Africa was listed as preferred bidder for the Project. After a due diligence mission conducted by a delegation composed by the Ministry of Finance (MoF), the Nigerian Railway Company (NRC) and the Infrastructure Concession Regulatory Commission (ICRC), the company's expertise to execute the Project was confirmed and Mota-Engil was recommended for the Project to be taken by the Ministry of Transport (MoT) to the Federal Executive Council (FEC) for final approval.

The EPC Contract amounts to USD 1.88Bn.

Three reasons to be part of this turnkey project:

- **Positive social economic and environmental footprint:** this railway project is a trade enabling infrastructure which will facilitate intra-regional trade and contribute to the creation of socio-economic development of the Northern Nigeria, a region with high population density and agricultural production. The project is structured following the highest environmental and

social requirements in line with IFC and World Bank standards, OECD common approaches and Equator principles.

The projected new railway line will impact a population of approximately 8.8 million people with many positive social and economic effects, including encouraging economic development through ease of access to goods and services, facilitate transport of raw materials and manufactured goods, and creation of employment for a wide range of personnel. In addition, the rail line and its ancillary facilities will create conditions for the growth of existing businesses and industrial facilities, internal and external trades and country integration.

During construction, more than one thousand direct jobs will be created with a positive impact on the local economy, mainly local jobs that will benefit from training and from a know-how transference from Mota-Engil to the local communities, aligned with the Manuel Antonio da Mota Foundation goal that is “Contribute to the social development of the communities where it carries out its activities”

- **Priority project | Sovereign sponsorship:** The borrower and the guarantor is the Federal Ministry of Finance of Nigeria on behalf of the Federal Government of Nigeria.

- **Long term project:** The project will be arranged under a 14 years buyer credit and long-term commercial loans.