

CONSTRUCTION OF MODERNIZED RAILWAY TRAINING CENTER PROJECT

EXECUTIVE SUMMARY

The Government of the United Republic of Tanzania proposes the establishment of a Modernised Railway Training Centre at Ihumwa to address a critical shortage of skilled personnel required to support the country's rapidly expanding and technologically advanced railway sector, including the Standard Gauge Railway (SGR).

Tanzania's ongoing investments in railway infrastructure have significantly increased demand for specialized technical and operational competencies. However, existing training institutions lack the capacity, modern equipment, and industry-aligned curricula needed to meet these demands. This skills gap poses a risk to the sustainability, safety, and efficiency of railway operations and limits the country's ability to fully realize returns on its infrastructure investments.

The proposed project will establish a centre of excellence for railway training, delivering competency-based education in railway engineering, operations, maintenance, safety, and management. The centre will integrate modern training approaches, including simulation technologies and practical, hands-on learning, to ensure graduates meet international standards and industry needs.

From a development perspective, the project offers high socio-economic returns. It will:

- i. Strengthen national capacity and reduce reliance on expatriate expertise
- ii. Enhance operational efficiency and safety of railway systems
- iii. Support job creation and youth employment through market-relevant skills
- iv. Contribute to regional integration and trade facilitation
- v. Align with Tanzania's industrialization agenda and transport sector priorities

The project is technically feasible, with the Ihumwa site offering suitable land, accessibility, and conditions for development. Environmental and social assessments confirm that impacts are manageable and can be mitigated in line with national regulations and international best practices.

Financial analysis indicates that, while the project requires substantial upfront investment, it delivers strong long-term value for money through cost savings, improved system performance, and sustained human capital development. The project is therefore well-suited for development partner support, including concessional financing, grants, and technical assistance.

Key risks such as funding gaps, implementation delays, and evolving technological requirements have been identified and can be effectively managed through phased implementation, institutional strengthening, and partnerships with international training and railway institutions.

In conclusion, the Ihumwa Railway Training Centre represents a strategic, high-impact investment in human capital that is essential for safeguarding Tanzania's railway investments and advancing inclusive economic growth. Development partner support will be instrumental in ensuring timely implementation and in establishing a sustainable, world-class training facility with regional relevance.