No. 50315

South Africa and Swaziland

Memorandum of Understanding between the Government of the Republic of South Africa and the Government of the Kingdom of Swaziland on cooperation in the field of rail transport. Pretoria, 2 August 2012

Entry into force: 2 August 2012 by signature, in accordance with article 12

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Afrique du Sud et Swaziland

Mémorandum d'accord entre le Gouvernement de la République sud-africaine et le Gouvernement du Royaume du Swaziland relatif à la coopération dans le domaine du transport ferroviaire. Pretoria, 2 août 2012

Entrée en vigueur : 2 août 2012 par signature, conformément à l'article 12

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Enregistrement auprès du Secrétariat de l'Organisation des Nations Unies: Afrique du Sud,

11 décembre 2012

[ENGLISH TEXT – TEXTE ANGLAIS]

MEMORANDUM OF UNDERSTANDING

BETWEEN

THE GOVERNMENT OF THE REPUBLIC OF SOUTH AFRICA

AND

THE GOVERNMENT OF THE KINGDOM OF SWAZILAND

ON

COOPERATION

IN THE FIELD OF RAIL TRANSPORT

Preamble

WHEREAS the Government of the Republic of South Africa and the Government of the Kingdom of Swaziland (hereinafter referred to individually as "Party" and collectively as "Parties") need to ensure economic stimulation and growth within their respective Countries;

AND WHEREAS Transnet Freight Rail(TFR) and Swaziland Railway (SR), (the railways of the respective Parties) are positioned to ensure such economic stimulation and growth through the transportation of freight by rail between their own borders and across borders between the two Countries;

AND WHEREAS the Parties have identified an opportunity within their rail infrastructure to ensure growth of freight by rail and thus stimulate the growth of the economies for both countries;

AND WHEREAS such an opportunity involves the possibility of the building or construction of a rail line which will link certain existing railway lines in both countries with each other:

AND WHEREAS such an opportunity will involve various feasibility studies, research, sourcing of possible funding and other preliminary work;

AND WHEREAS the Parties wish to cooperate closely with each other and to enable TFR and SR to conclude the necessary feasibility studies, research, sourcing of possible funding and other preliminary work;

NOW THEREFORE, the Parties agree as follows:

Article 1

Competent Authority

The competent authorities responsible for the implementation of this Memorandum shall be:

- 1.1 in the case of the Kingdom of Swaziland, the Ministry of Public Works & Transport; and
- 1.2 in the case of the Republic of South Africa, the Department of Public Enterprises.

Article 2

Purpose

The purpose of this Memorandum of Understanding ("Memorandum") is to record the intention of the Parties and to provide a framework for cooperation between the Parties to enable TFR and SR to undertake all such preliminary work as may be necessary to give effect to the economic cooperation envisaged in this Memorandum.

Article 3

Undertakings

3.1 The Parties undertake to cooperate with each other, according to the terms and conditions set out in this Memorandum in order to ensure that TFR and SR jointly conduct any feasibility studies, research and other preliminary work (including sourcing of possible funding) that need to be carried out in order to determine the viability of constructing a rail link between existing railway lines of the Parties.

3.2 Furthermore, the Parties commit themselves to facilitating the fast tracking of the processes of obtaining the government and regulatory approvals necessary for the successful construction of the envisaged rail line including but not limited to the environmental approvals and compliance with legal formalities prescribed by both Governments.

Article 4

Form of Cooperation

- 4.1 The primary obligation of the Parties is to provide a conducive environment for TFR and SR to assess the viability of constructing the rail links between the two countries. The Parties in their capacity as shareholder representatives, shall ensure that the TFR and SR are empowered and sufficiently resourced to be able to embark on the envisaged project.
- 4.2 The signatories, in their capacity as cabinet ministers, shall use their best endeavours to ensure that the necessary government approvals and buy-in are sought and obtained expeditiously.
- 4.3 This Memorandum shall be subordinate to any multilateral agreements which may exist or come into force after the commencement of this Memorandum which governs the economic cooperation between the Parties.

Article 5

Description of Opportunity/Project

The Project for which the feasibility studies, research and other preliminary work will be required, is the Lothair to Matsapha rail link which will include the possibility of the construction of a new rail line of approximately 155 Kilometres between Lothair and Matsapha, the upgrade of the Phuzamoya to Golela rail line and the upgrade of the Golela to Richards Bay rail line.