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investors, officials ponder rail-safety solutions

the train disaster that rocked the country on february 20 served as an alarm bell, of just how appalling the conditions are on the world's second oldest railway system as the body count and the cause of the blaze begin to fade from the public discourse is heating up about how best to prevent such tragedies from happening in the future. questions are also on the mind of newly appointed transportation minister hamdi shayeb.

according to a march 14 article in al-ahram weekly, third-class trains – such as the one that caught fire south of cairo on february 20 with hundreds of lives lost as a result – carry at least 100 million passengers on the egyptian rail system. one of the main obstacles to improving the system is the lack of funds available. currently, the 97,000 employee-strong system only covers its costs, and that is with an annual budget of around £e 1 billion.

to some railroad experts, a reworking of budgets might be the key to upgrading the system. "asked that subsidies for first – and second – class trains be trimmed down so more funds be allocated for third-class trains," hussein helim, former president of the egyptian railroad association, told *akhbar al youm* on march 9.

in the same article, helim said the railroad's budget included subsidies of £e 100 million for soldiers, £e 50 million for police and £e 50 million for others. he said the subsidies funds should not come from the railroad but from the respective ministries overseas.

however, the former railway association head said that he had reservations about the role the private sector could play. "the first thing [investors] would do is raise prices as the only way to ensure growth," helim said.

given that trains offer the cheapest method of long-distance travel for the country, the private option might conflict with social considerations.

according to milad hanna, an urban-planning pundit and former chairman of the housing committee, the system is too enormous to be managed effectively by the government. "we should leave the sick man to the rich government so that he can take care of him," he said.

britain's rails, the oldest in the world, were privatized hastily over a five-year period. the government, or rather citizens, have paid the price.

the two trains involved in a 1999 crash at paddington station were operated by two companies. in addition, the passenger cars and locomotives were owned by three companies, while the businesses maintained the tracks.

despite the british experiment, all options need not be closed to private investors. the private sector could play a valuable role in providing safety equipment. every passenger train should be equipped with two fire extinguishers and fitted with either an automatic or manual brake, nader riad, chairman and ceo of bavaria egypt, s.a.e., said.

private industries could also benefit from the development of security and safety procedures. "there should be rescue teams at every station," riad added. "they should be equipped with tools for cutting and lifting heavy objects."

in step with the safety theme, riad also said there was a role that telecommunications could play. by installing mobile phones at every station, the railway could tighten communication and quicken the response time in case of accidents.

but in the eyes of investors, railroad development has a lot more to offer than just transportation. with some 800 million passengers and 12 million tons of cargo moved annually, there are many opportunities for improvements – and profit – in egypt's system.

the egyptian national railways (enr) owns large amounts of property that could be developed for investment. in may 2000, the enr announced plans to offer management contracts for several key stations, including ramses and alexandria terminals. while the enr could not comment regarding the status of these plans, investors think stations would be a good area for the private sector to get involved. "you definitely cannot privatize all operations on the railway, but you can privatize the management of stations," said alfred assil anis, vice-president, of the anis trading company. one way such operations can develop is through government-private partnerships. however, anis warned that "these can be complicated in the details."

noting that services such as food and cleaning services had already been privatized, riad said these areas still offered opportunities for expansion and improvement.

other privatization proponents say the most money can be made in moving cargo. "a gradual privatization on certain lines," said hussein lotfy, managing partner and president of speedotrans. "for example, companies in the petroleum sector could lease out their own use."

moreover, if an advanced system for cargo were created, it could generate economic activity around stations. refrigerated cargo could offer an especially profitable niche for private companies.

according to riad of bavaria egypt, individual farmers currently transport food by truck to the cities. such services could be developed to include larger shipments into cities and the countryside. "imagine if in every egyptian village, there were industries built around the railway business," riad said. "this could help extend economic activity and provide more employment in rural areas."

furthermore, riad said, investors could be enticed to build three-star hotels at stations to accommodate businessmen, whose presence would necessitate banks and post offices.

britain's debacle might serve as a cautionary sign against giving private companies a hand in running the railroad. yet if the roles of different entities could be coordinated, private management could help speed development as well as improving travel times.

volkhard windfuhr, chairman of the cairo foreign press association and founder of the cairo foreign press association

the friends of the egyptian & arab railways, said egypt's tracks and trusses are in should be possible, without great effort, to cut the distance time-wise from here to hours," windfuhr said of the trip from cairo which currently takes up to 11 hours.

one way would be to enforce the rules already on the books, he added. people should walking across railway tracks – a move that would help trains move faster as well private sector, windfuhr added, could play a role in this by building pedestrian bridges intervals along railway lines.

another problem, which leads to hazards as well as delays, is excessive crowding as too many passengers wait for too few trains. "the enr needs to avoid mass gatherings and how you do this is to have more coaches and more trains," windfuhr said.

in the wake of the february 20 fire, the ministry of transportation has announced a plan for improving railway safety. as reported in al-ahram weekly, the plan calls for the replacement of old carriages and the retirement of outdated ones. in addition, all public-transport vehicles should be equipped with alarms and security systems, while railway carriages "will be equipped with fire extinguishers connected through a telephone network."

while on-board phones appear to be a new idea, the fire-extinguisher requirement has been in the books for years.

one point that could be significant, if the new plan is actually implemented, is that the use of mobile phones will not be allowed on trains," so that "all passengers will have to pay cash for their tickets."

in principle, the government agrees that private investment could help improve service on egypt's railroads while contributing to economic growth at the same time. ismail nassar, the minister of transportation, said that private/public sector cooperation should be encouraged. "the first step should be done is to hold a business meeting with the government and the investors to come up with the right strategy in this situation," nowar said.

hopefully, by working together, they can help prevent future tragedies.

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