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## Second Phase of Nacala Corridor Concession Completed

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**Pittsburgh, Pennsylvania (USA) / January 14, 2005** — Robert A. Pietrandrea, President of Railroad Development Corporation (RDC) and Chairman of its Malawi investment Central East African Railways (CEAR), announced that Mozambique's Nacala Port and Railway began operations by the private sector at 12:01 AM on January 10, 2005. This represents an important and long-awaited step in the evolution of Africa's Nacala Corridor. The new company, **Corredor de Desenvolvimento do Norte, S.A.R.L. (CDN)**, will immediately begin the rehabilitation of the railway and the upgrading of port facilities, operating the system for a 15-year concession.

The RDC-led consortium has been working since 1997 to create the first regional integrated port/railway transportation system for Malawi, Mozambique and Zambia. The first accomplishment of this effort was the concessioning of Malawi's railway in 1999.

In addition to **RDC**, the consortium includes **Edlow Resources Limited (ERL)** (Bermuda), **MANICA** (Mozambique), **Mozambican private investors** and **CFM** (Mozambique's Port and Railway administration). The **U.S. Overseas Private Investment Corporation (OPIC)** ([www.opic.gov](http://www.opic.gov)) will provide US\$29.6 million of financing for the project.

The Nacala Corridor consists of the Port of Nacala in Mozambique, the Northern Railway network of Mozambique, and the railway system of Malawi (CEAR). After many years of war and neglect and to improve the overall operational efficiency, the government of Mozambique invited the private sector to participate in a concession for the corridor that will connect landlocked Malawi and Zambia to the port of Nacala. The project will rehabilitate the 77-km section of the line between Cuamba and the border with Malawi at Entre Lagos, infrastructure improvements for Malawi to improve drainage and reduce line interruptions during the annual rains, as well as refurbish the largest natural deep-water port on the east African coast — the Port of Nacala.

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RDC is a privately held Pittsburgh-based railway management and investment company, focusing on “Emerging Corridors in Emerging Markets.” For more information about RDC and its joint ventures in the USA, Argentina, Guatemala, Peru, Estonia and Malawi, please visit [www.RRDC.com](http://www.RRDC.com).

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