

Overview of the SSATP Fourth Development Plan (2021-2025)

Africa Transport Policy Program's (SSATP)
Fourth Development Plan (DP4) Stakeholders Engagement Meetings
Brussels, Belgium. June 16-17, 2022



Content

- **SSATP development objective**
- **What do we do?**
- **SSATP Governance Structure**
- **Findings of the World Bank Flagship Study and relevance of policy reforms....SSATP**
- **SSATP Fourth Development Plan Priority Areas**
 - Regional Connectivity and Economic Integration
 - Sustainable Urban Mobility & Accessibility
 - Road Safety
 - Resilient Road Asset Management

SSATP: A Partnership Program for Transport Policy Development and Capacity Building in Africa



SSATP Financiers

- European Commission (EC)
- African Development Bank (AfDB)
- *Agence Française de Développement (AFD)*
- Swiss State Secretariat for Economic Affairs (SECO)



International Partnership

- 42 African member countries
- Continental institutions
- Regional economic communities (RECs)
- Development partners
- Transport professionals, policymakers, academics



MDTF Program (hosted by WBG)

- Program Management Team of 6-7 staff mainly Africa based and reporting to IWAT3/Africa RVP
- Leverages the global knowledge platform for experience and knowledge sharing

Guiding Principles:
Ownership | Partnership | Sustainability

What do we do

Knowledge products:

Policy notes, technical/
discussion papers and
guidelines

Implementation:

Report on experiences,
lessons – KPs
Identification/prioritization
(AGM)

Knowledge dissemination:

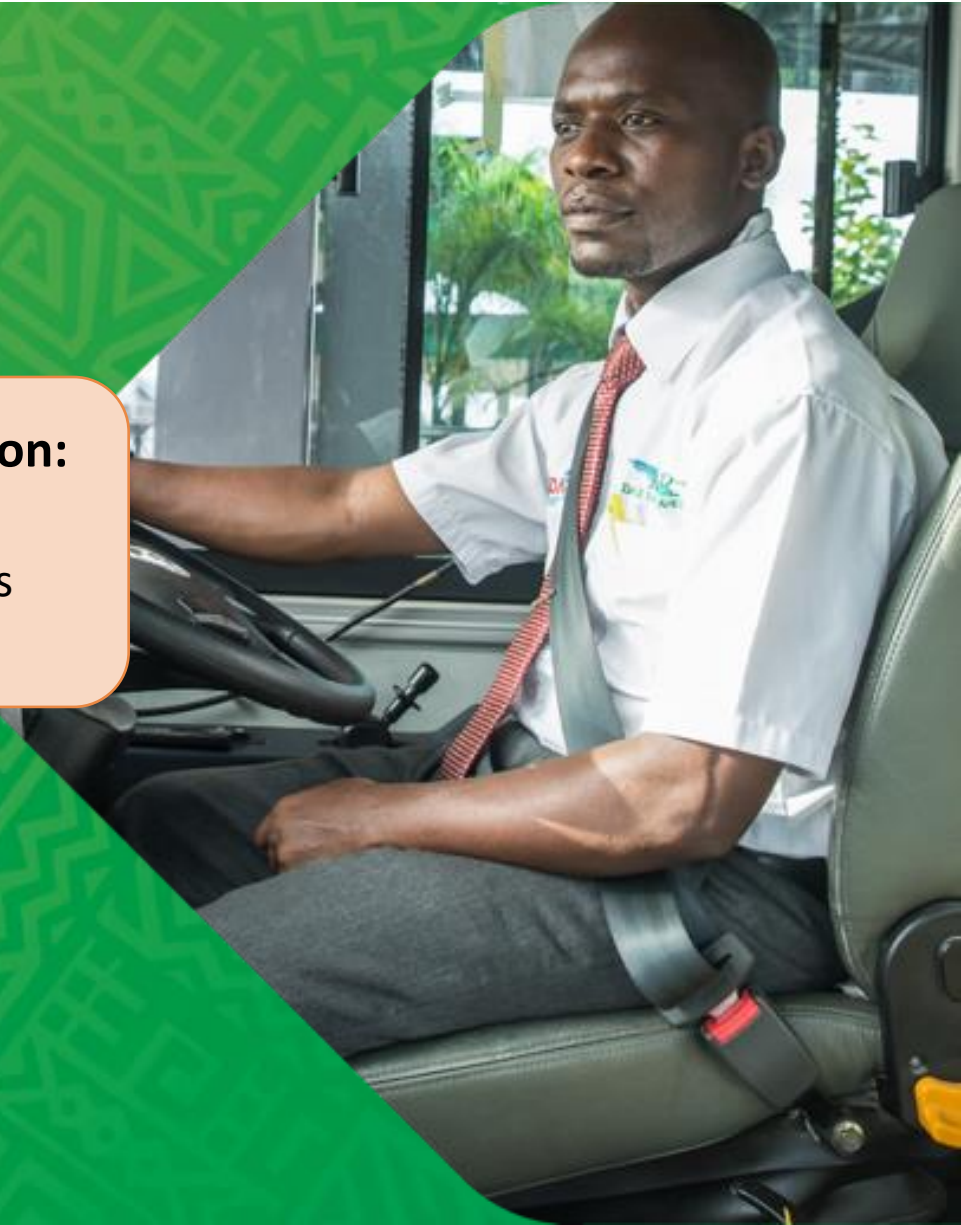
Sharing good practices,
technical group discussions
and workshops

Knowledge application:

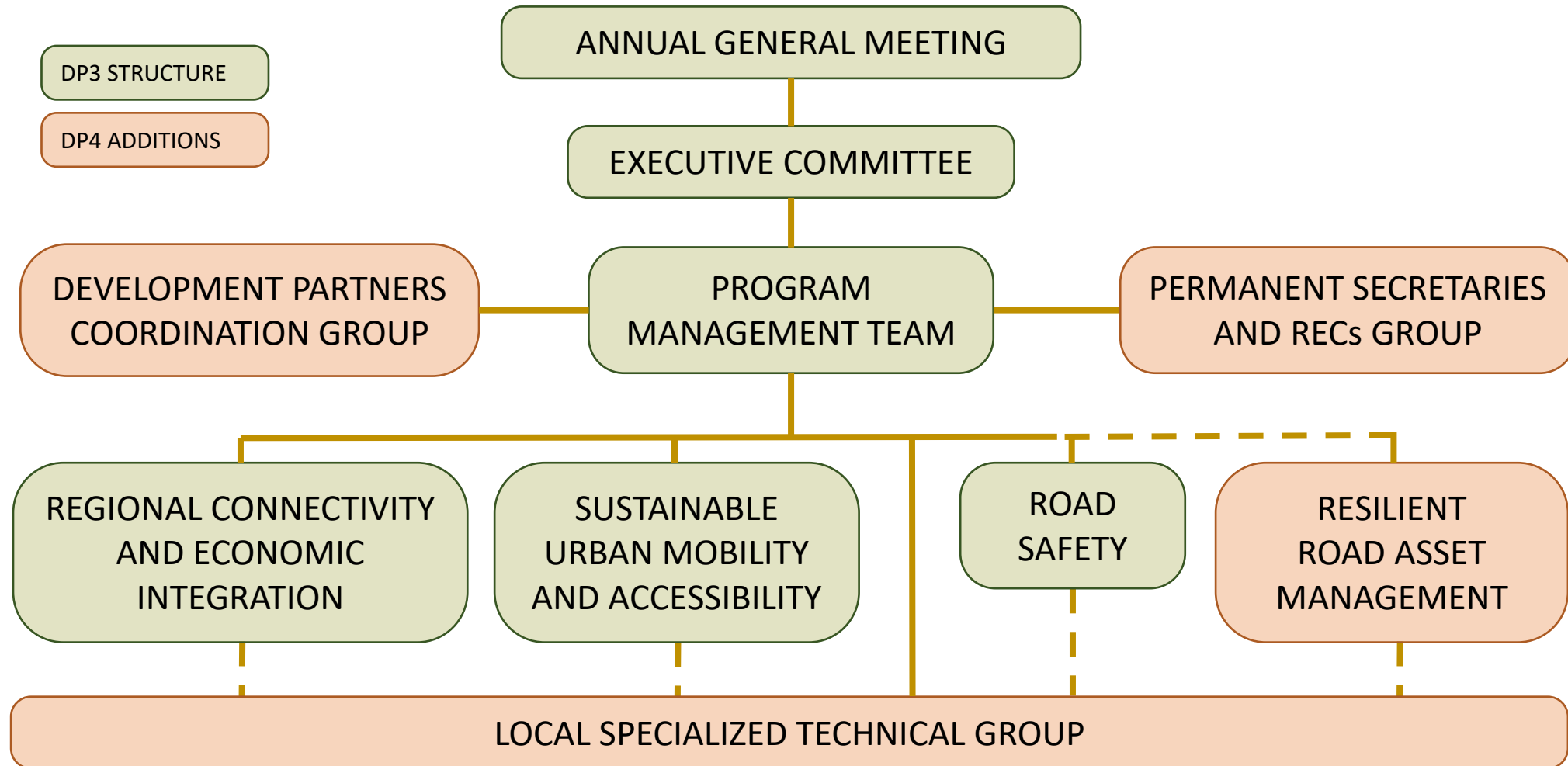
Support to pilot projects
and training programs

Advocacy:

Missions, technical study
tours, high-level panels,
conferences and policy
dialogues



SSATP Governance Structure



Infrastructure development linkages: Findings of the World Bank Flagship Study

1. Do we have evidence of how infrastructure affects development in Africa through multiple channels?

➤ Yes! We have rigorous economic evidence that infrastructure creates jobs, boosts incomes, facilitates trade, accelerates structural transformation, alleviates poverty and reduces inequality, as well as improving health services.

2. Are different types of infrastructure complementary?

➤ Yes! There are development synergies between roads, energy and digital access. Coordinating their provision can double development impacts.

3. Do soft policy reforms amplify development impact of hard infrastructure investments?

➤ Yes! Particularly when it comes to trade, the benefits of transport corridors can be multiplied several times through simultaneous border process reforms.

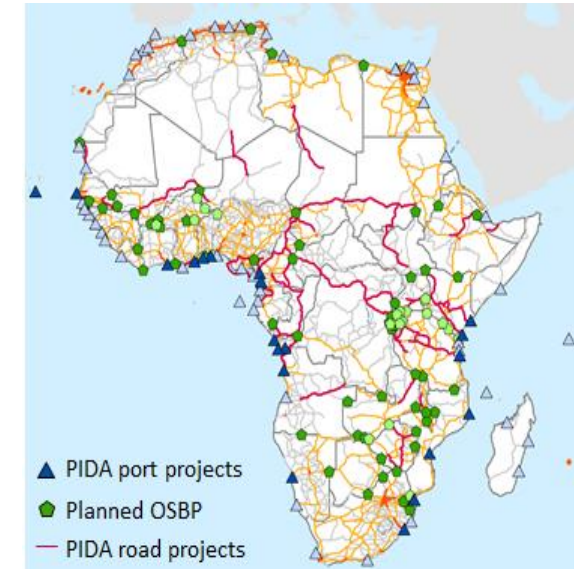
Trade agreements and infrastructure in SSA

Research question: What are gains from implementing deeper trade agreements and large infrastructure investments in Africa?

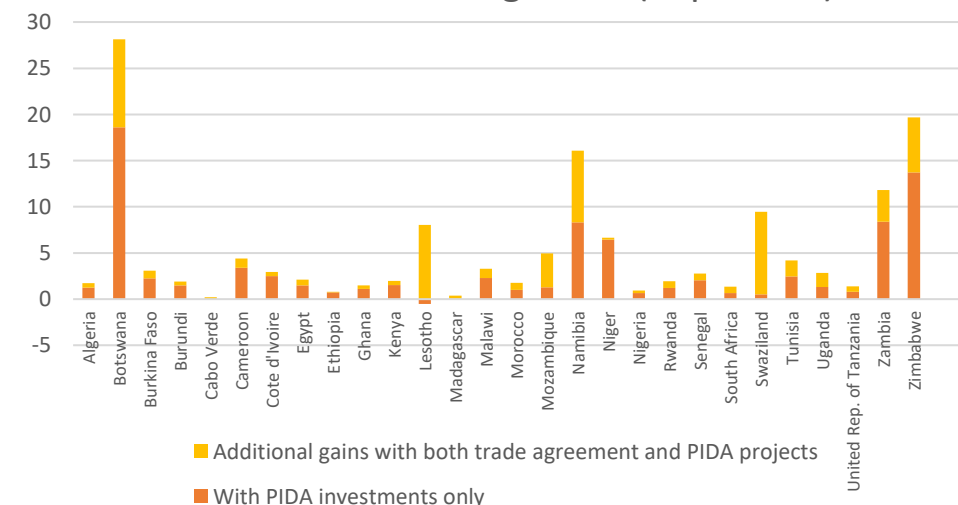
Results:

- An agreement eliminating both tariff and non-tariff barriers would increase African countries' exports by an average of 2.7% and their GDP by 0.5%.
- Complementing this trade integration process with improved roads, land borders, and ports as planned in the future infrastructure improvements included in the Program for Infrastructure Development in Africa (PIDA) would increase exports by 12.2% and GDP by 2.2%.

Policy implications: Infrastructure improvements and trade agreements will be essential to reap the full benefits of the AfCFTA.



Simulated GDP growth (in percent)



Infrastructure and structural change in Horn of Africa

Research questions:

- (Q1) How did infrastructure investments contributed to structural change in the past?
- (Q2) What will be the economic impacts of planned future regional integration?

Results:

- (Q1) Reduction in the share of agricultural employment of 9 pp from having access to a paved road, mostly toward manufacturing. Impacts double when roads are bundled with good access to electricity (top figure).
- (Q2) National welfare gains from structural change range from 5-10%, with more isolated countries benefiting more from access to regional markets. Benefits are more widely spread when border delays are simultaneously reduced (bottom figure).

Policy implications: Impact of infrastructure amplified when investments are synchronized across sectors and combined with transport & trade facilitation policy reforms.

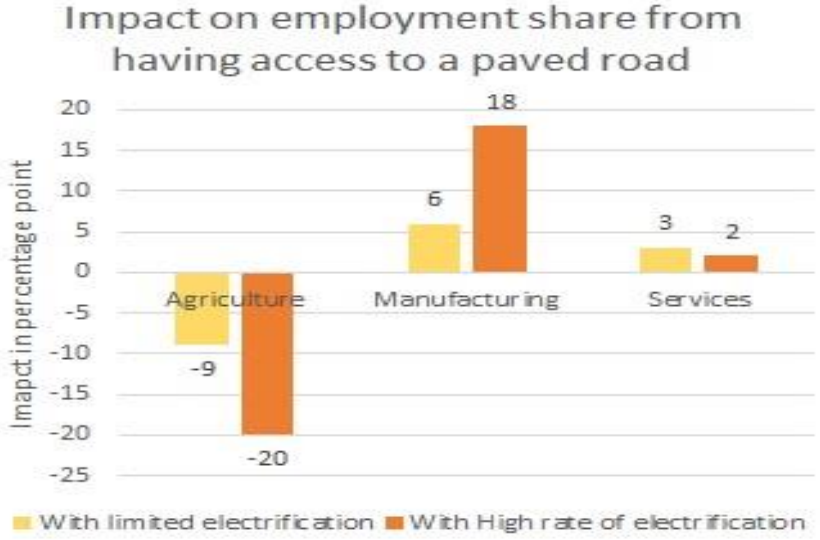
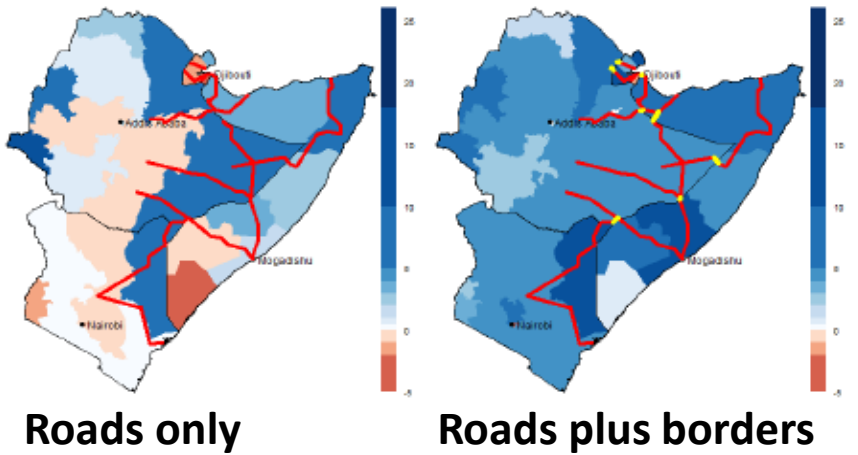


Figure 11: Regional welfare impacts from transport corridor investments (left) with additional border reduction (right) - percentage change in regional welfare



Infrastructure and structural change in Lake Chad

Research questions:

- (Q1) How did infrastructure investments contributed to structural change in the past?
- (Q2) What will be the economic impacts of planned future regional integration?

Results:

- (Q1) Past internet, roads and electricity investments have contributed to structural change out of agriculture. The impacts are largest when different infrastructures are combined and for isolated regions (top figure)
- (Q2) New road and rail investment in Cameroon and Chad will increase manufacturing employment around Yaoundé, but also bring income gains from lower prices for consumers in the Lake Chad area (bottom figure).

Policy implications: Impact of infrastructure amplified when investments are synchronized and combined with policy reforms.

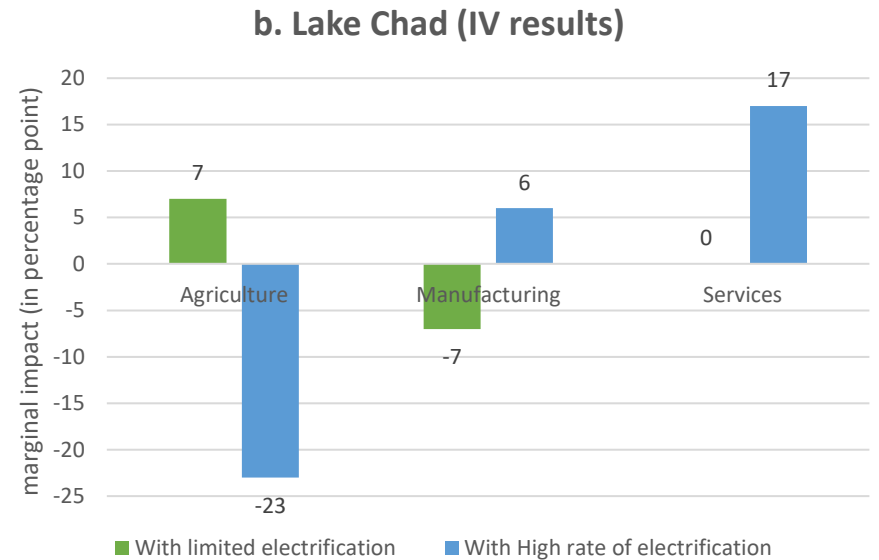
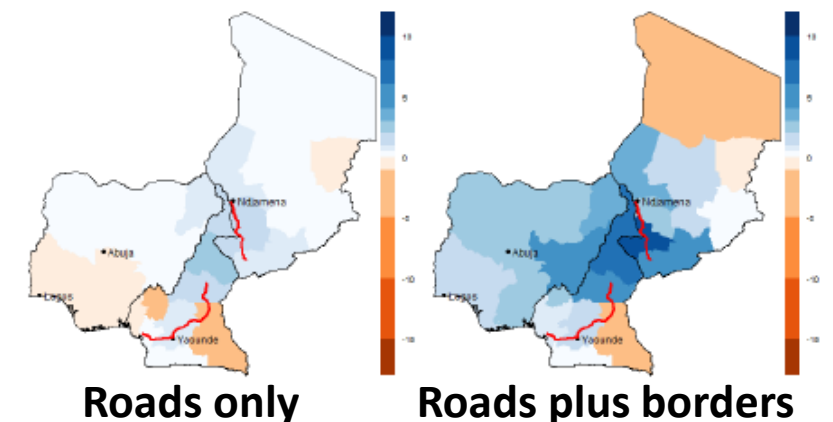


Figure 15: Regional welfare impacts from transport corridor investments (left) with additional border reduction (right) - percentage change in regional welfare



Towards a competitive air transport market in Africa: Role of Bilateral Air Service Agreements liberalization

Question: Has the liberalization of air transport market in Africa led to consumer welfare gains?

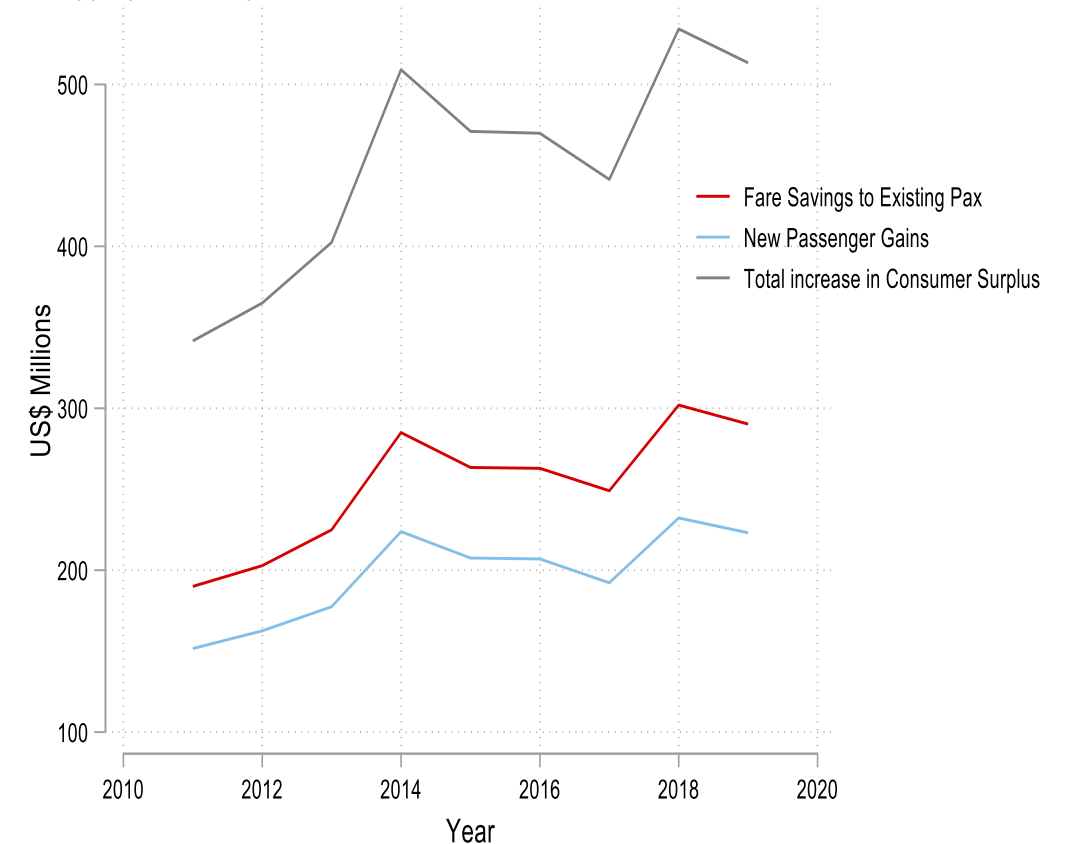
Results:

- Partial and full liberalization of BASAs leads to lower air fares, and higher air travel demand and flight frequency.
- Liberalization generates consumer benefits that are equivalent to a 50 percent drop in air fares,
- Consumer gains amount to between US\$290-513m. in 2019 (25-45% of air travel expenditures)

Policy Implications: Full liberalization of intra-African air transport market promises substantial consumer gains, but fifth traffic rights relaxation will be particularly crucial.

Fifth freedom. The fifth freedom **allows an airline to carry revenue traffic between foreign countries as a part of services connecting the airline's own country**. It is the right to carry passengers from one's own country to a second country, and from that country onward to a third country (and so on

Aggregate Changes in Consumer Surplus from Air Liberalization in Africa



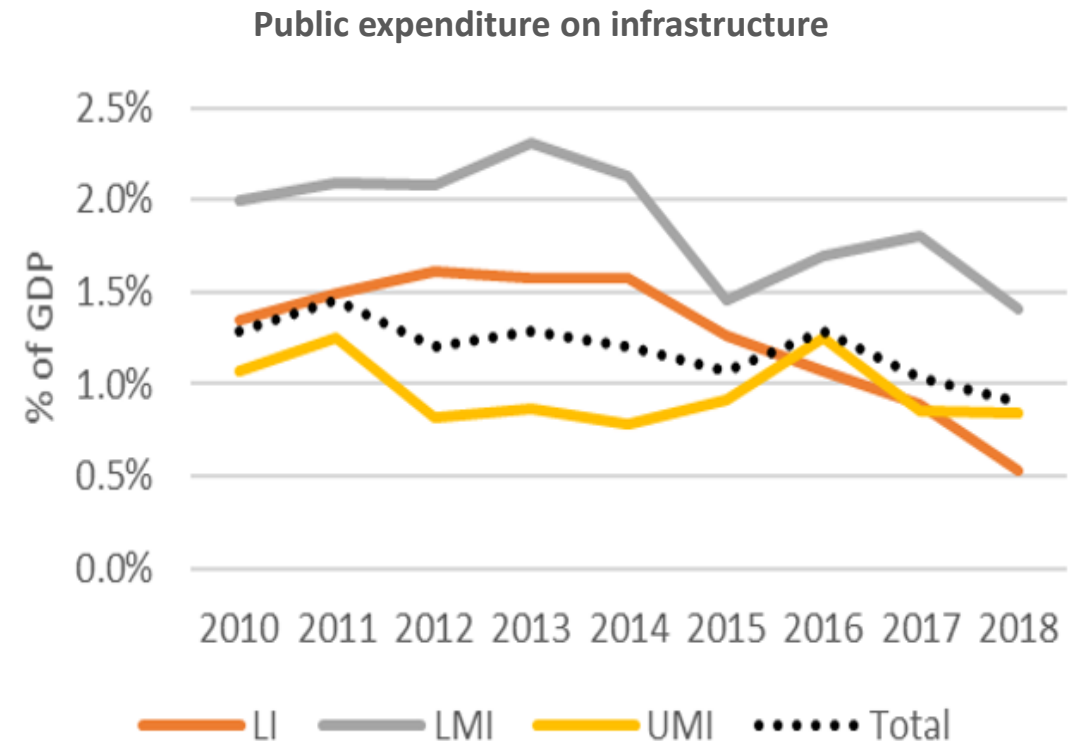
Understanding public spending trends for infrastructure in developing countries

Question: What factors drive infrastructure spending?
Is spending procyclical? Is spending efficient?

Results:

- On-budget infrastructure expenditure has been low, declining over time,
- There is a very pronounced capital bias in infrastructure spending (particularly for roads) – although countries with Road Funds seem to do better
- Budget execution ratios are very low (particularly for power and in LICs)
- No evidence that road sector spending has increased in efficiency over time
- Spending envelopes are well below needs, but there is also huge scope to increase spending efficiency

Policy Implications: The commercialization of the road sector remains an unfinished agenda



Rising incomes, transport demand, and sector decarbonization

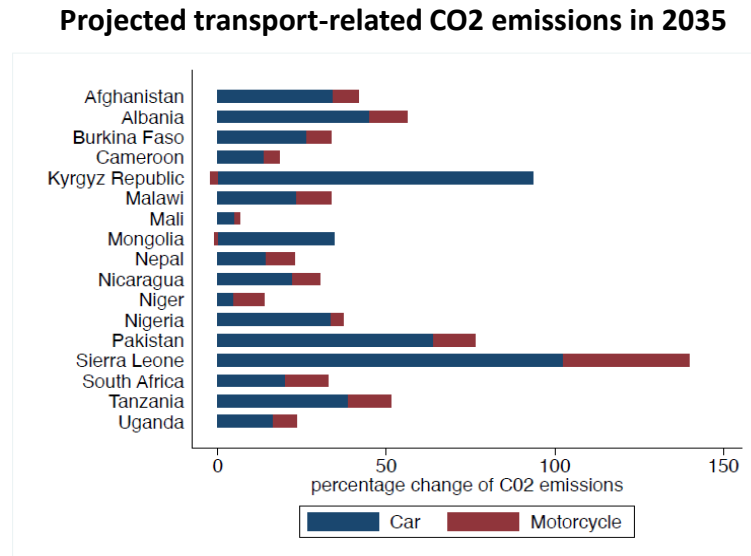
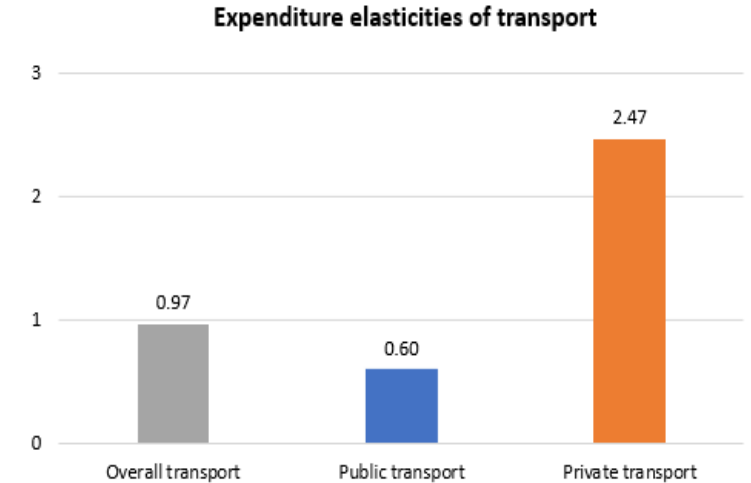
Research question: How do transport expenditures, modal choice and vehicle ownership change with household income in LMICs? How do these transport choices affect transport-related CO₂ emissions as incomes rise?

Results:

- Up to 30-80% of LMIC population reports zero transport expenditure suggesting total lack of mobility and suppressed demand
- As household expenditure rises, spending on public transport rises slower, while spending on private transport rises 2-3 times as fast (top figure).
- Based on projected income in 2035, vehicle ownership and usage will rise steeply, increasing CO₂ emissions from transport by 25-125% (bottom figure).

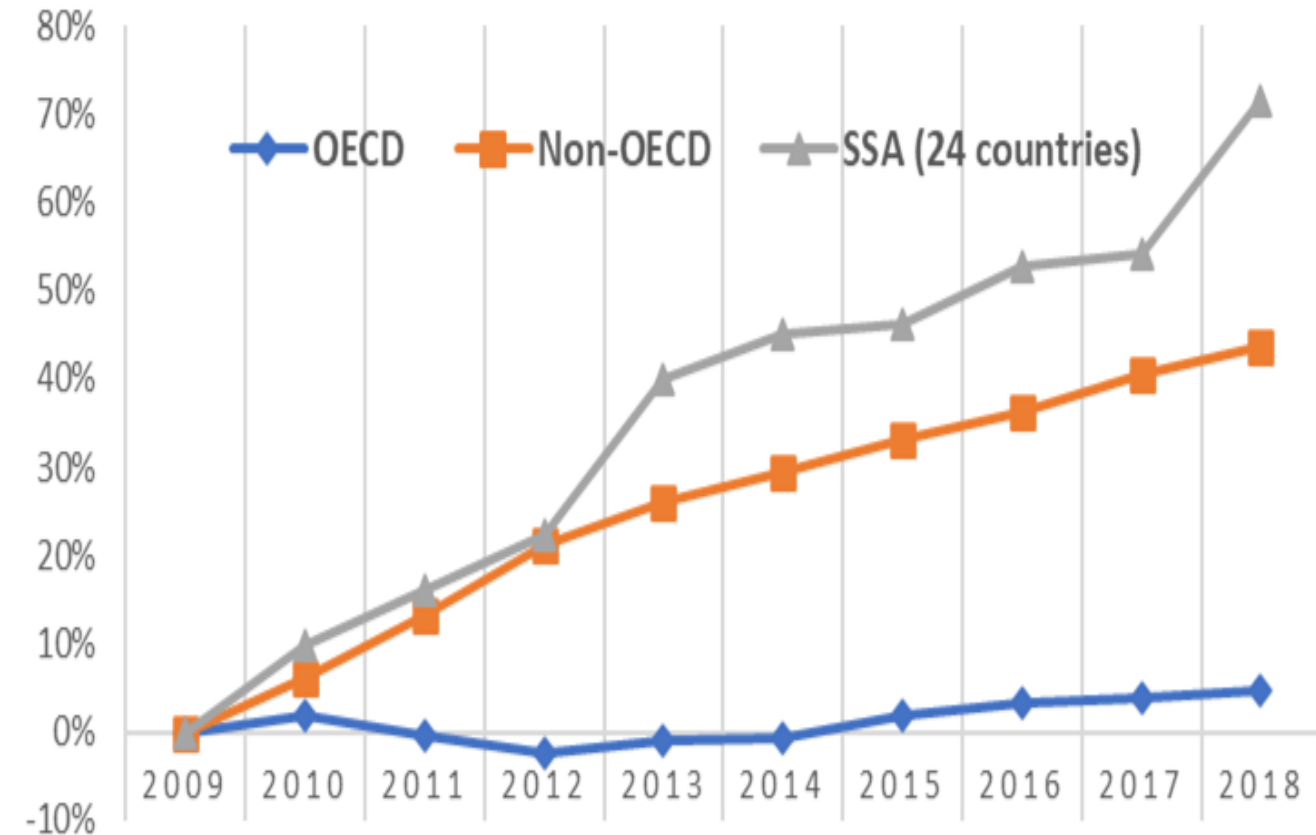
Policy implications:

Under business-as-usual, CO₂ emissions are set to grow extremely fast due to suppressed demand and high-income elasticities, making early action to decarbonize the sector particularly critical.

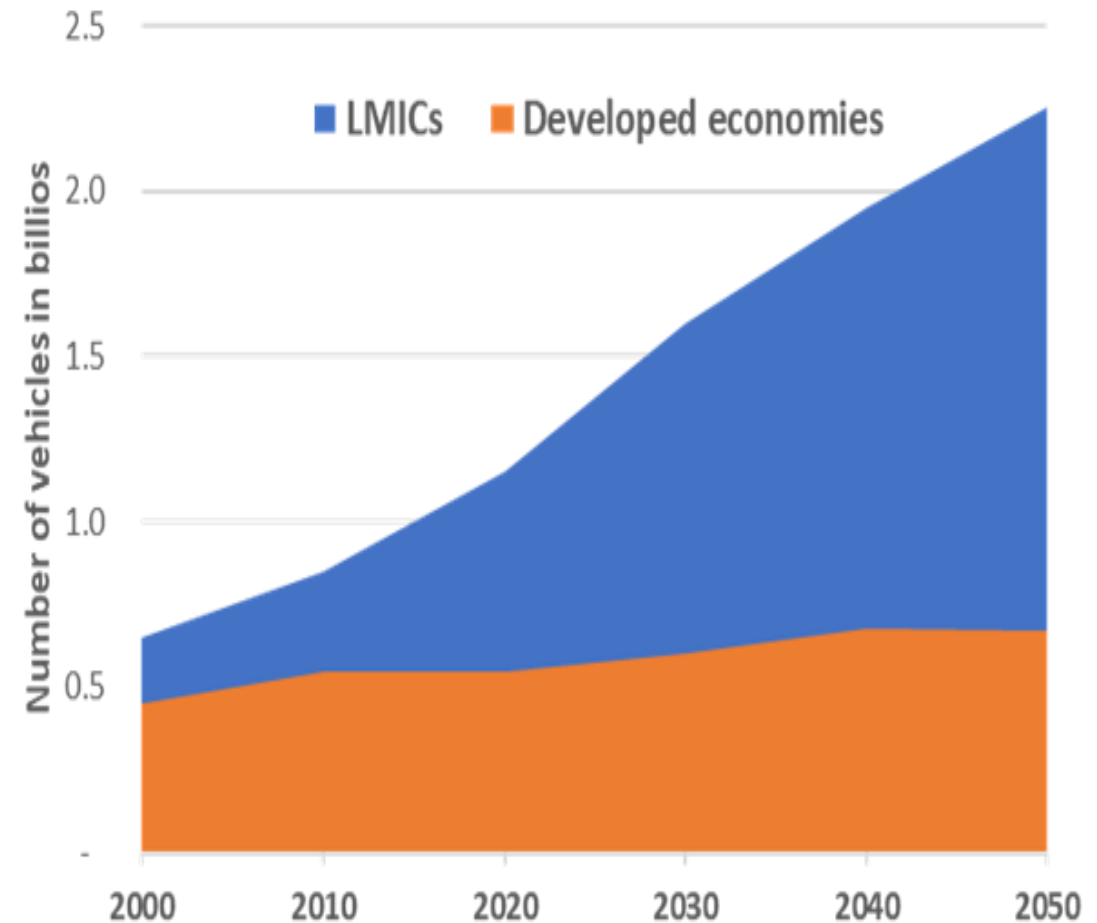


Growth of road transport emissions and motorization

Evolution of road transport CO2 emissions - IEA 2021



Actual and projected growth in total vehicles (billions) - UNEP 2020



Road Safety in Africa

- Africa's road fatality rate (26.6 per 100,000 people) is nearly three times that of Europe and disproportionately affects the poor;
- It is an escalating burden on the continent and deserves a proportionate response;
- The registry-based data sets available from countries do not accurately reflect the reality;
- Systematic under-reporting, which is estimated to be as high as 50%.
- Bridging the Data Gap in Africa will inform RS practices and policies.



Changing the Face
**OF TRANSPORT
IN AFRICA**



**REGIONAL
CONNECTIVITY
AND ECONOMIC
INTEGRATION**



**SUSTAINABLE
URBAN
MOBILITY AND
ACCESSIBILITY**



**ROAD
SAFETY**



**RESILIENT
ROAD ASSET
MANAGEMENT**



Objective

Facilitate the development of a more efficient and connected continental transport network to enhance Africa's economic activity and trade competitiveness

- ➔ Support the development of Regional/Sub-regional transport corridors strategies;
- ➔ Support to transport corridor management institutions;
- ➔ Guidance/Tools to assess and monitor regional transport corridors performance;
- ➔ Port and Logistic Platforms Digitalization;
- ➔ Support the effective implementation of the Single African Air Transport Market (SAAATM).



Objective

Further the development of sustainable urban transport policies to create more equitable and liveable cities

- ➔ Support to national and local urban mobility policies development;
- ➔ Support Reforming/Improving the informal public transport sector and leveraging digitalization to improve the efficiency of PT (fare collection systems);
- ➔ Support to institutional strengthening, leadership awareness and new skills development in urban mobility.



Objective

Promoting the adoption of the safe system approach and improving the road safety management in Africa

- ➔ support the harmonization of countries road safety regulations and practice in line with UN conventions and recommendations;
- ➔ Support to countries to develop RS policies and strategies aligned with the safe system approach;
- ➔ Capacity development and support to the establishment of RS lead Agencies;
- ➔ Support the operationalization of the **Africa Road Safety Observatory**.



Objective

Reasserting the importance of road maintenance and mainstreaming climate resilient practices into road asset management systems

- ➔ Conduct climate vulnerability assessments and mainstreaming climate resilient practices into road asset management systems;
- ➔ Reassert the importance of road maintenance in developing climate resilient road asset management systems;
- ➔ Support second-generation road funds effectiveness and efficient roads management practices.

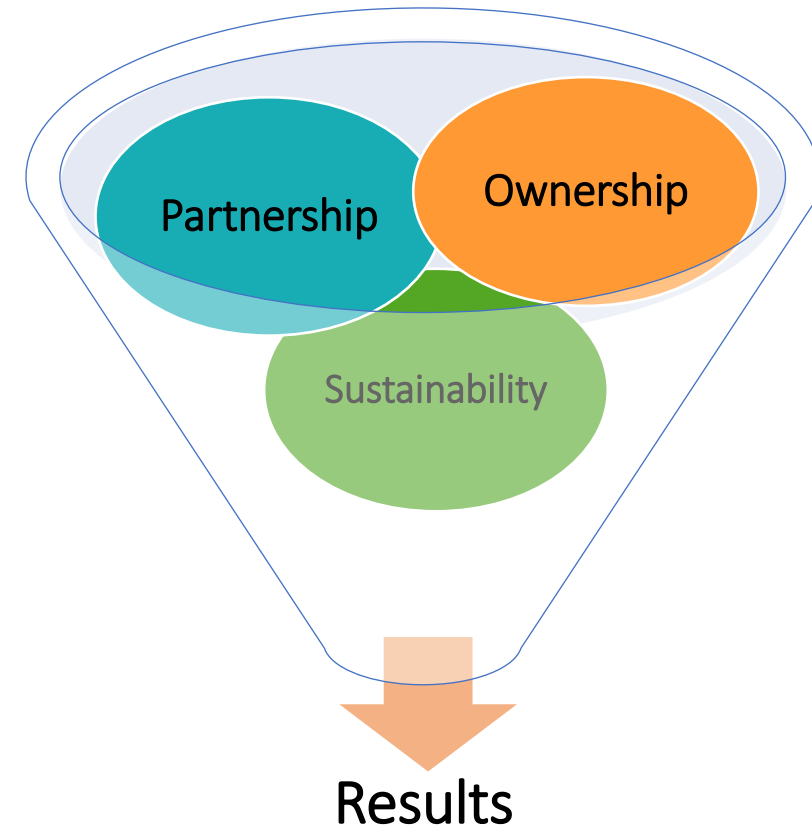


Communication & Stakeholder Engagement Strategy

LONG-TERM MISSION: Increase general awareness of – and political and financial support for – SSATP policy recommendations aimed at helping African member countries establish safe, reliable, and sustainable transport systems.

The communications and stakeholder engagement strategy is centered on four primary, integrated objectives:

1. Clarifying SSATP's narrative and mission
2. Activating influencers and building partnerships in support of SSATP's mission and work
3. Positioning SSATP as the authoritative leader – and trusted partner - on transport policy in Africa
4. Placing the transport agenda at the center of continental, regional and national development priorities



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