

FIRST AFRICAN CONFERENCE OF THE ROAD MAINTENANCE FUNDS

CONCLUSIONS OF THE TECHNICAL SEMINAR

Within the framework of the First African Conference of Road Maintenance Funds, a Technical Seminar was organised by Gabonese Road Fund under the patronage of the Ministry of Public Works, Equipment and Construction of Gabon, and with the support of the Road Management Initiative of the SSATP/World Bank.

The Seminar was entitled “**Experience and Practice of the African Road Maintenance Funds**”. The objective of the Seminar was to share experiences amongst the executive managers of the African Road Maintenance Funds.

As an introduction, Mr. Louis FERNIQUE (RMI/SSATP, the World Bank) recalled the duties and organisation of Road Maintenance Funds. In particular he talked of the following points:

1. Differences in the conceptual models of the first and second generation of Road Funds;
2. The various types of risk facing the Road Funds:
 - (a) wrong or weak institutional design;
 - (b) Institutional rivalries (conflict of powers);
 - (c) abuse of authority by the administrative supervisors (mostly to impose financing of non-eligible works);
 - (d) overcommitments (resulting in growing arrears);
 - (e) financial raids;
 - (f) upstream and downstream embezzlements;
 - (g) internal facts of corruption;
 - (h) strangulation by overgrowing needs (without revenue growth);
 - (i) manifest failure of maintenance policy.
3. Differences in the legal instruments that organise the various Funds.

Mr. FERNIQUE then introduced **the five themes of the Technical Seminar:**

1. Channels for revenue collection

How to collect and channel user fees, without delay, smoothly, while avoiding losses and any other risks?

2. Management methods and Accountancy tools

How to reconcile contradictory obligations: “business management” by a public payer?

3. Oversight on roadworks programs

How the RMF, as a “local donor” but not a road authority, can make sure of the sound use of its funds and the technical quality (without interfering in contractual relationships of the road agencies)...but efficiently?

In case of proven drifts, what lever to use?

4. Fair revenue distribution to the road authorities

What factor to prioritise for fund distribution to the different road agencies? Revenue production? Work needs? Capacities?

How to “serve” the subsidiary networks without detriment to the trunk network?

5. Performance monitoring tools

Appraising the operations in real time / Accounting for financial management / Proving the final efficiency / Sizing and justifying tariff adjustments

The summaries of the various presentations and the following discussions were already made available to the participants and partners.

CONCLUSION

During the Seminar a great deal of information on the organisation and functioning of the various RMFs was shared amongst the participants. The problem of monitoring of works programs was especially dear to many of the Road Fund Managers. In this respect, the consensus arrived is that Road Funds are complementary structures to Road Maintenance Executing agencies, and, as such should not carry out conflicting monitoring arrangements. However they have strong accounting obligations towards the general public, regarding effectiveness and quality of roadworks, which calls for appropriate modalities of general quality control.

On the creation or reform of first generation Road Funds to second generation, the assembly felt that given the political will, the second-generation road maintenance funds can be put in place. The participants resolved to obtain this political will from their superiors through education, information and canvassing the latter of the usefulness of road maintenance in the development of the

economy. This road maintenance can only be properly done if there is sustainable and adequate funding.

The SSATP will help RMFs in restructuring reforms necessary to transform them to second generation RMFs.

The African Road Maintenance Fund Managers agreed to improve transparency and good governance in their management of the funds entrusted to their care. They will henceforth ensure that they obtain value for the funds spent on road maintenance and acquire the confidence of the general public that their contributions are being properly used.

On the performance-monitoring model presented at the seminar the managers of African Road Maintenance Funds agreed to volunteer for test operation in 2004 (8-10 RMFs). SSATP or another donor will make funds available for the exercise and provide technical assistance. It was shown that results are crucial and AFERA can play a major role in monitoring performance.
