

Statement by Monsieur Mamadou Hachim Koumare
Economic Commission for Africa,
Chairman of the SSATP Board

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Your Excellency Mr. Nancouma Keita, who is representing the Prime Minister,
Your Excellency Mr. Abdoulaye Koita, Minister of Equipment and Transport of Mali,
Your Excellencies Honorable Ministers of Transport and Equipment of countries represented here,
Your Excellencies Members of Government of Mali,
The Representative of the African Union,
Your Excellencies Ambassadors and Representatives of International Organizations,
Dear Colleagues and members of the Board of Directors of the Program,
Representatives of multilateral and bilateral partners,
Ladies and Gentlemen, invited guests and participants,

For the third time running, I once again have the honor and privilege to welcome you to the SSATP annual meetings, a program adopted by 32 countries, and which for over a decade now, has received the support of both the bilateral and multilateral development partners represented in this room.

The Program, whose activities are of interest to many non-governmental organizations, also receives support from the private sector, the African Development Bank, the Islamic Bank for Development, the African Union and NEPAD.

As you can see, the SSATP is a partnership program which fosters popular participation, with the constant commitment of all stakeholders of the Economic Commission for Africa (ECA), of which I am the representative on the Board of Directors.

I wish to renew my gratitude to all our partners for their unflinching support and the efforts deployed to integrate the objectives of SSATP into their operations and assistance programs.

Your Excellencies, Ladies and Gentlemen,

Your presence here is a strong signal for our partners as well as a manifestation of your interest in regional integration and the development of transport infrastructures and services, which are essential and necessary factors for the economic and social development of Africa. Transport infrastructure stimulates trade and brings together societies and economies. They are the cornerstone of regional integration and contribute to consolidating peace and promoting culture and gender concerns. I am therefore indeed pleased, and rightly so, that these meetings are being organized at Mali's *Palais de la Culture*.

These meetings will no doubt shed light on the difficulties faced by the transport sector as well as address the prospects and make concrete proposals to improve the situation. Indeed, an inefficient transport infrastructure and services system is an obstacle to the acceleration of economic growth and poverty reduction. An inefficient system does not foster inter-regional and international trade, and is an impediment to linking up production points to consumption areas. In such conditions, it is difficult, and indeed impossible, to market the thousands of tons of agricultural products from the rural areas. Farmers are thus left with no option but to produce just enough for their subsistence and probably dump their surplus in the rivers and streams.

All I am saying is that there should be **an efficient, safe and affordable transport system**. Such a system will augur well for:

- Improving the investment climate;
- Reducing business costs;
- Accessing competitive markets;
- Developing agriculture;
- Creating jobs and reducing unemployment; and
- Developing human capital.

A study conducted by ECA revealed that some African countries, including Mauritius, Namibia and South Africa experienced considerable growth in trade because of the competitive edge they had as a result of developing their transport infrastructure. Other studies have shown that an efficient transport system can lead to a 1 to 5% increase in GDP.

With regard to landlocked countries, which did not have the privilege to choose their neighbors, 15 of which are in Africa, a poor transport infrastructure and services and communication system could worsen the plight of their people and isolate them from the rest of the world. Such a situation is unacceptable in the current context of profound changes and globalization.

While I don't intend to give a review of the situation of transport in Africa, allow me to mention *some paradoxes of the transport system in Africa south of the Sahara*.

The situation in sub-Saharan Africa is worthy of our full attention. In most countries, basic infrastructure and services have deteriorated due to lack of finances and numerous social conflicts. Furthermore, transport networks are disjointed, with several missing sections, making it difficult to build trans-African highways that promote regional integration.

Transport costs for containers are very high, and the conveyance time is long. The cost for using multimodal transport in Europe is 0.98 Euros/km from Patras to Rothenburg, and 1.02 Euros/km from Barcelona to Warsaw. In Africa, along the Cote d'Ivoire-Mali corridor, the same form of transport costs 2 Euros/km and along the Cote d'Ivoire-Burkina Faso corridor it costs 2.2 Euros/km. It takes 30 days to ship a container from China to Central Africa and 90 days for the same container to travel between two countries within Central Africa. In Europe, 1,700 kilometers can be

covered in seven days, while in Africa this takes 14 days. This, in part, is why African goods are not competitive, and why our markets have been taken over by cheaper goods from Asia.

For example, a woven bag designed by the Kenyans costs more in Nairobi than the same bag produced in China, using Kenyan techniques. Some Central African countries import eggs from Latin America, which costs them less than importing them from any country in the West and Central African sub-region.

Very high accident rate

Another issue of concern is the high rate of accidents in sub-Saharan Africa. The accident rate is 28.3% per 100,000 inhabitants, compared to 11% on average within the European Union. In Great Britain, the rate is 5.9%. For Africa, the socio-economic impact of these accidents is estimated at 1% of GNP, i.e. nearly 3.7 billion dollars annually.

Obsolete and inappropriate equipment

Vehicle and aircraft fleet are obsolete. Over 70% of vehicles and aircraft are second-hand equipment that have reached their age limit. This situation exposes our means of transport to insecurity and permanent danger. In some countries, humans and animals are conveyed in the same truck. The vehicles used for urban transport are inappropriate.

Ordeal of the rural population

While our cities have modern infrastructure, the rural areas are wallowing in instability and unbearable under-development. These areas do not have the infrastructure and appropriate means of transport to reach hospitals. This is the reason for the high rate of infant mortality. Women are often transported in carts or two-wheel vehicles, through the bush to reach the nearest health centre. Likewise, girls spend more time walking to go and fetch water and take food to the farms than going to school. This explains the low literacy rates in these areas.

If these trends are not reversed, Africa will not achieve the Millennium Development Goals by 2010.

Inadequate financing

A last paradoxical point that I wish to address is the lack of financing for the infrastructure needed for regional integration, to enable Africa to participate efficiently in international trade. Supplementary annual investment requirements for priority national, sub-regional, urban and rural projects amount to US\$20 billion. This amount exceeds by far what African can afford.

Against this backdrop, how can we raise the challenges mentioned above and embrace the “Vision adopted by African Ministers of Transport in 2002”?

I have a two-pronged proposal. I would first like to give a few thoughts and suggestions before talking addressing the contribution of SSATP to the establishment of an efficient and affordable transport system.

The need for suitable policies

By our analysis, one of the main solutions is for States to formulate, adopt and implement suitable policies, because such policies attract funding and help in transport development. Bad policies bring with them costly investment options and curb foreign investments. A policy that is not suited to the environment does not result in improvements in infrastructure. African countries which, upon advice, based all their transport infrastructure development policies solely on the private sector, have experienced a decline. That is why the Africa Commission report prepared by the British Prime Minister, considers this policy a “serious mistake”. It may have worked for other regions, but it has brought hardship to Africa.

The reason for this is that the private sector in Africa is not very strong and conditions are not yet ripe for effective intervention by the sector. Moreover, private sector investments must yield a profit and are based on criteria which are only valid in a specific environment. Indeed, how does one calculate the rate of profit of a sub-regional international highway which links more than two countries on the basis of vehicle movement, volume of traffic, reliable statistics, etc. in countries where such information is not available? How is it possible when we know that parts of the highway are not constructed and that goods are transported on the head, on the backs of donkeys, etc.? Furthermore, all donors have their own area of intervention and requirements, and some African countries are not eligible to receive funds from certain financial institutions.

In my opinion, this problem of funding must be addressed by looking at the factors contributing to poverty reduction, to regional integration, and to the development of Africa. We should also look to adopting a code of conduct which will bind groups of countries and development partners. I hope this suggestion will be discussed in detail during your deliberations.

The question of the reduction of transport costs is dependent on the commitment by decision-makers to put in place and implement appropriate policies on the reduction of accident costs, on the maintenance and rehabilitation of infrastructure, on road management, institutional reform, regional integration and proper poverty reduction strategies. These are key matters of concern for this meeting and I look forward to the solutions which this historic meeting here in Bamako will come up with.

I would like to say that States must have a good transport and rural tracks development policy because such infrastructure helps boost agricultural development, brings about industrial change and facilitates manpower development. Policies are the prerogative of States and governments are required to play a major role by:

- Developing policies that fit into the global synergy of poverty reduction;

- Providing directives and formulating effective regulations and transparent legal frameworks which promote investments; and
- Including regional and sub-regional interests in all actions.

The leading role played by SSATP – a policy framework, not an institution

The above-mentioned issues are the *raison d'être* of the SSATP. Since its inception, the program has been a reservoir of ideas for appropriate policies and has published several technical notes, guidelines, studies and concepts for developing infrastructure. I would like, in this regard, to mention some areas in which the activities and commitment of the Program have been decisive:

- The influence of SSATP in sub-regional and regional policy and in the operations of donors and regional economic communities;
- The development of transport indicators, under the patronage of the African Union, to measure the objectives of the Millennium Declaration, which is a guide for taking account of transport in the PRSP (this has been done by 11 countries);
- The conceptualization of second generation road funds and its acceptance by donors; manuals on the commercialization of transport services; and
- The inclusion of transport issues in the agenda and partners' priorities.

The SSATP, which has 32 members, is increasingly recognized by partners as the most consistent transport program in Africa south of the Sahara. The SSATP intends to strengthen this image and to do better after the Bamako meeting, because this meeting marks the beginning of being more operational, after years of strategy formulation.

In this regard, I would like to assure you that the Board of Directors of the Program will spare no effort in implementing the conclusions from the various sessions of the Bamako meeting in order to improve the transport system in Africa south of the Sahara.

I would like to express to the honorable Ministers, how much we, namely Bruce from the EU, Maryvonne and Sanjivi from the World Bank, Mamadou Kaba Diakité from the private sector and myself, appreciate your participation, which will enable us preserve, strengthen and make transport a priority for the countries and the partners. Thanks to your participation, solidarity and determination, transport will contribute to poverty reduction. Your erudite contributions and guidelines will enable us build up SSATP activities to better respond to the aspirations of the beneficiaries and to develop Africa's infrastructure, which is of such importance to the success of the African union.

In addition to these thoughts that I have just put across, the conclusions of the working groups on the role of SSATP in poverty reduction, road management and funding, road safety and regional integration will be made available to you as you seek to help us.

Ladies and gentlemen,

I cannot end this speech without thanking, on behalf of my colleagues and all of you, His Excellency Amadou Toumani Touré, President of the Republic of Mali and the Government and people of

Mali for their efforts to make this meeting a success. It is proof of their commitment to regional integration. Mali is one of the few African countries to have included in its national anthem and constitution the notion of putting aside national sovereignty in favor of regional integration.

I also wish to thank His Excellency Nancouma Keita, who is standing in for the Prime Minister, for agreeing to grace our event by participating in the opening ceremony of our meetings, despite his busy schedule. Your presence is a sign of the Prime Minister's commitment to a cause that he has always defended, given that he has devoted a good part of his professional life to mobilizing resources and setting up global infrastructure systems to foster regional integration.

Lastly, I wish to sincerely thank the Minister of Equipment and Transport, His Excellency Mr. Abdoulaye Koita, for inviting the Program to meet in Mali. We are indeed, grateful for his personal commitment and that of the dynamic team put together under the supervision of the Secretary General, to coordinate the organization of the meeting. We wish to express our thanks to all the members of the committee from the various government departments. We are touched by Mali's legendary hospitality and the warm welcome we have received from the staff at the *Palais de la Culture* where the technical meetings are being held.

I also wish to thank the members of the program. To countries seeking the best technical solutions, the "know-how", the capacities and the knowledge to improve their transport systems, I say, visit SSATP, we are prepared to consider new membership.

This august meeting reminds me of an African Head of State, a respected leader, who, during the most trying moments of his life said "If the liberation of my people and freedom are the price to pay for the development of my country, then I am prepared to die for this cause". We wish to say here, Your Excellencies, that if what we are doing in SSATP is what you expect of us, then we are prepared to assist you to ensure that our people do not die of hunger and get them out of their abject poverty.

I wish you all success in your meetings and thank you for your kind attention.