

THE NEED FOR A COORDINATED TRANSPORTATION PLAN TO ENABLE INTRA-AFRICAN TRADE AND ECONOMIC DEVELOPMENT

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ABSTRACT

The African Economic Outlook 2017 has emphasized that intra-African trade has the greatest potential in promoting sustainable economic development on the continent as well as ensuring integration (OECD, 2017). Currently, individual countries on the continent have a variety of challenges but lack of transportation infrastructure remains a glaring obstacle that prohibits intra-African trade. In instances where there is infrastructure, it remains useful to a particular country but falls short of being a regional or continental corridor. Where there are plans to invest in infrastructure, it also appears to be uncoordinated in the context of continental planning. This paper therefore looks at the current transportation status as well as challenges on the continent. The paper also assesses economic policies, strategies and plans in Africa in the context of transportation. This is done at a level of individual countries, regional blocs and the continent. The study highlights the imperativeness of formulating and ensuring proper facilitation of a transportation plan on the continent to enable intra-African trade. The paper will also assess and evaluate current transport plans on the continent. From this, it will then identify deficiencies and make recommendations on the route Africa needs to follow to ensure that policies, plans and strategies are in line with economic and trade plans on the continent.

1. INTRODUCTION

Since its inception as the then Organisation of African Unity (OAU) in 1963, The African Union's mission has always been to unite Africa socially, economically, and politically (AOU Charter 1963). In its 2063 agenda, the African Union (AU) commissions aspiration (2) is that of an integrated continent, politically united, based on the ideals of Pan-Africanism and the vision of Africa's Renaissance. The union aims to achieve this by creating a "world class, integrative infrastructure that criss-crosses the continent". To date, one of the biggest obstacles confronting the union is dealing with fragmented member states, largely as a consequence of colonialism. There are also glaring systemic challenges such policies that are not cooperative, lack of planning of discordant planning where this is done (AU Commission 2015).

2. PROBLEM STATEMENT

Africa is a vast continent; its area is almost twice that of North America. Rich in history and mineral resources, it still remains the poorest region in the world. It is also economically and socially fragmented, with its citizens contributing the least to tourism. The combined economy of its 54 countries is just less than that of France. Intra-African trade stands at less than 11% of Africa's GDP. In terms of world trade, Africa's trade is only 2% (African

Trade Report 2018). KPMG estimates that transport costs in Africa are on average 50-175% higher than in other regions. The United Nations Economic Commission for Africa (UNECA) also estimates that transport costs in Africa account for 30% of the total value of exports, compared to 8.6% for all developing countries (Economic Report on Africa, 2013).

The World Bank Group's (2013) Sub-Saharan Africa Transport Policy Programme identifies the problem of a disconnected Africa. This is due to poor transport infrastructure. Road transport accounts for 80% of freight traffic and 90% of passenger traffic. However only a quarter of the total road network in Africa is paved and poor road conditions is still a huge problem in many areas.

The continent's fragmented transport planning is an impediment to growth. It also hampers the very unity the African Commission advocates for. It remains hard to imagine a united, trade-free, economically prosperous Africa without the formulation of a coordinated transport plan.

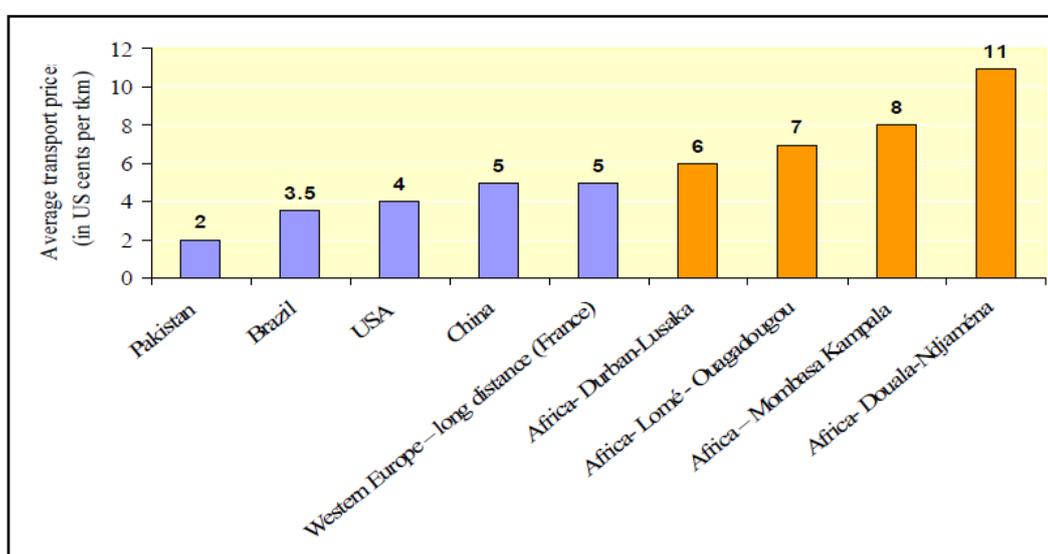


Figure 1: Average transport prices: a global comparison (Macchi & Raballand 2009)

3. PAPER OBJECTIVES

This paper is aimed at showing the imperativeness of a well-planned and coordinated transportation plan to enable intra-African trade and economic development. It will start by visiting existing literature to briefly look at the state of trade in the continent. In doing this, the paper will then identify existing systemic gaps and how these affect progress in trade and economic growth.

The author will also use existing literature showing a correlation between the quality of transport infrastructure and economic benefits. This will be done in the context of Africa's transportation system. In terms of policy and legislative framework, the paper will look at AU policies, individual country policies and how these can either be catalytic or detrimental to intra-African trade and economic development. Where policies are present, the paper will use exiting literature to test the efficiency of these policies. Where there are no policies, the paper will study those from other continents or regions and make recommendations where required. Some of past, current and future projects in the continent will be briefly highlighted and assessed. The author will look at continental transport in general but will put more emphasis on the Trans-Africa Highway project as it is by far the only

project covering the rest of the continent and has the biggest potential impact on changing the state of transport on the continent (see Figure 2).

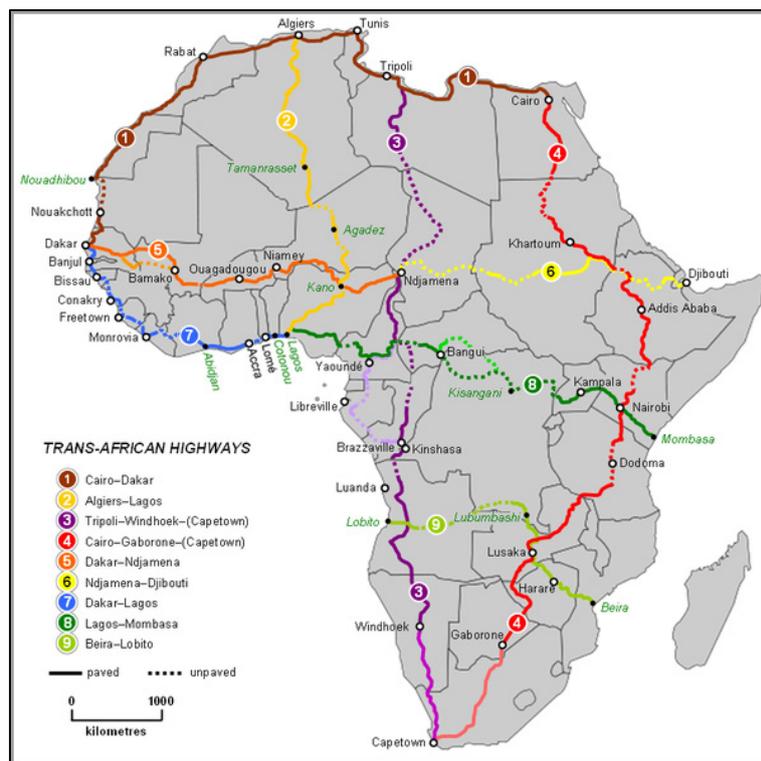


Figure 2: Trans-African Highways. (Image: UNECA)

4. BRIDGING THE GAP - OTHER INFRASTRUCTURE PROJECTS

The first concept to bridge the gap in transportation amongst African countries goes back to the early 1970s when the system of Trans African Highways was established by the United Nations Economic Commission for Africa (UNECA), the African Development Bank (ADB), and the African Union in conjunction with regional international communities. The intention was to create a network of highways to link the continent’s major cities. With these nine main corridors forming highways, travel time would be shortened and more direct routes would be formed, which could contribute to political, economic and social integration and cohesion of the continent. (SWECO, 2003).

Africa also has other projects aimed at connecting the currently fragmented transportation network on the continent from the level of countries, to respective regional blocs up to a continental level. These include the \$4.2 billion Ethiopia-Djibouti Rail Link which aims at connecting Ethiopia’s capital Addis Ababa with Djibouti City over a distance of more than 750 kilometres, effectively cutting travel time between these two countries.

Another key project is the West Africa regional rail integration, a 3,000 km long network connecting Niger, Benin, Burkina Faso, Côte d’Ivoire, Ghana, Nigeria and Togo. The project includes upgrading the existing rail network as well as installing new connections (UN, 2014). One of the key transport infrastructure projects is the East African Rail Masterplan which will link Uganda, Rwanda, South Sudan, and Ethiopia, in a move that will eventually integrate East African transport. The project is currently in its first phase, which aims at linking the capital Nairobi with the port city of Mombasa (Moyo, 2017).

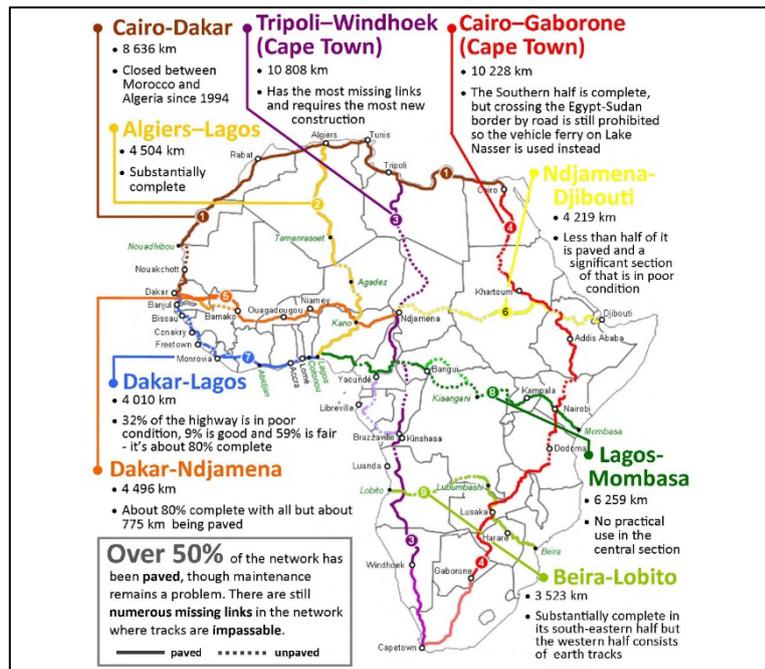


Figure 3: TAH routes and status. (Image: Africa Infrastructure Knowledge Program)

5. TRANS-AFRICAN HIGHWAY PROJECT STATUS

Of the nine routes forming the project, the only route that has been substantially completed is the Dakar-Ndjamena route which spans 4500 km. Also worth noting is that in the case of routes entering South Africa, there is sufficient infrastructure. Half of the routes are paved with another half unpaved. With the sections that have been paved, maintenance remains a problem in most areas and these roads will deteriorate in the near future (See Figure 3).

6. CHALLENGES

6.1 Reconfiguration and Intermodal integration

Since the introduction of Africa's first bus rapid transit (BRT) scheme in March 2008 in Lagos, Nigeria, the face of transport has changed on the continent (Kaenzig et.al 2010). The greatest impact was seen in South Africa where this was implemented at a larger scale. In 2013, Johannesburg's Rea Vaya, South Africa's first of 13 cities came into operation and from that time, two further cities including Tshwane and Cape Town, followed. This form of BRT transport has also been adopted in other cities in South Africa and more countries are following this lead (DoT, 2017). Scheduled BRT services and how they link to scheduled modes is key in making travel easier and easy, convenient and scheduled travel attracts uses.

During i-Transport and UATP Go Green Go Smart Conference in 2018, South Africa's Gauteng province announced that, in 2020, public transport users will be able to use one card/ticket for all their public transport journeys, across all modes, such as rail and bus. This seamless way of commuting is important and the continent can learn from it (Engineering news 2018).

6.2 Political will

On April 29 2019 the African Continental Free Trade Agreement (AfCFTA) secured minimum threshold of 22 ratification. The agreement will come into effect from 30 May 2019. This trade agreement has a goal of creating a single market followed by free movement and a single-currency union (African Union 2019). Seen as a first crucial step towards uniting the continent, this initiative will need transport infrastructure as well as an efficient transport system for it to materialise. As at end-March 2019, only three countries had not signed the consolidated text of the AfCFTA Agreement: Benin, Eritrea and Nigeria (AU 2019, Tralac 2019). Political will is needed to drive this agreement and the failure by some countries to enter into this agreement shows signs of political unwillingness

6.3 Spatial planning incoherence

In 1971 when the project was launched, the nine highways were identified with the aim of connecting the continent, and the eventuality of a single, well-connected road network making trade and tourism easier. However, these identified routes are mostly along existing developments, with only a few along greenfields. There is currently no linkage between spatial planning of individual countries and the overall Trans-Africa highway network. With growth in economies, improvements in developments, rezoning, and shifts such as urban sprawl and other changes in how land is used, there is a clear change in trip distribution and assignments.

This phenomenon has a direct impact on road networks including the potential of unforeseen trips generated onto these continental highways. Introduction of a new highway might lead to a change in land use along the road and consequently result in induced travel demand. Induced travel demand could possibly result in congestion on the Trans-Africa Highway. The absence of coordination between the Trans-Africa Highway and spatial planning of individual member states therefore creates a possibility of the project becoming incoherent and deemed for eventual failure.

6.4 Institutional framework

This project is a concept of the United Nations Economic Commission for Africa (UNECA), the African Development Bank (ADB), and the African Union in conjunction with regional international communities. In addition to the 54 individual states, there are also other stakeholders. In spite of this, there is still no official binding agreement in place. The lack of a proper institutional framework leaves many grey areas for implementation, management and maintenance issues. It also means that there is nobody who holds any of these parties accountable for any deficiencies or deviations. This remains a problem in the implementation of the highway and other projects.

6.5 Socio-economic challenges

One of the biggest challenges has always been funding. The only completed route of the highway is the Dakar–N'djamena route. Even with this route, China assisted to fund it. The route spans 4500 km through seven countries from Dakar, Senegal to N'djamena, Chad (Adegoke, 2018). With China willing to fund some of these highways, it becomes worrisome as Africa's debt to China has been increasing substantially over the years. Political instability and mismanagement of funds are major stumbling blocks in the way of some African countries soliciting financial aid needed for infrastructure.

6.6 Political climate

Africa has been embroiled in a number of long-lasting, detrimental tensions that preceded this project. Effects of this political instability have resulted in a range of economic disasters, including delays in this particular project. Disruptions due to political tensions go back as far as the 1970's after the Japanese government began construction of a four-lane highway link from Mombasa, Kenya to Lagos, Nigeria. This 7000 km long road would increase trade among six African states. This came to an abrupt end after Idi Amin took control of Uganda and threatened his neighbours. Kenya then subsequently closed its end of the highway. Today, political tensions and instability remains an impediment to the successful implementation of this project. From Sudan to the DRC, raging violence hampers success of the project, leaving travel costs high on the continent and consequently driving investment away from the continent.

7. CONCLUSION

With the African Union (AU) focusing on promoting tourism, economic development and social cohesion on the continent, more would need to be done in ensuring that transport works as an enabler. Initiatives such as the African Continental Free Trade Area (AfCFTA) cannot materialise without proper transport infrastructure. One of the first priorities should be to formulate an integrated multimodal continental transport plan and this should also be further cascaded into regional blocs and specific state transport plans.

A broad transport policy should be adopted and this should be monitored and enforced by specific parties. A practical example of this inter-state effort that materialized is the recently launched Rwanda-Tanzania cross border train project. The project has clear objectives and clear protocols. This ensures harmonization of policy, legal and institutional framework for Standard Gauge Railway (SGR). This flagship project, includes multi-parties, most importantly, two countries, started as a plan but has finally seen action. The project will yield a lot of economic benefits including reducing freight transport costs in the East Africa region. This \$2.5 billion project, known as the Isaka-Kigali Standard Gauge Railway (SGR) project was launched in January 2019 by both the governments of Tanzania and Rwanda (railway tech 2019).

All the missing links (e.g. missing links in the Trans-Africa highway system) should be identified and addressed and/or supplemented by other modes. Private sector participation should be encouraged and managed through a regulatory framework. All these transport plans and strategies should be linked to economic plans and developmental goals in the AU. Other constraints such as safety and security should be prioritised to ensure investor confidence. Maintenance plans and financial commitment to such plans should be formulated. Africa still has a long way to go in creating liveable spaces that are infrastructure-ready and fertile for investment. It remains the least connected continent in terms of road network linkages. It also remains the least commutable. The continent can learn from China, with the construction and development since 1949, China has since established a nationwide, integrated transportation network — including high-speed railways, expressways, a coastal port system, and airports — supporting a continuously expanding service area. In 1949, only 1.3% of cargo was transported by road and in 2009, roads accounted for 30.4% of cargo transport. Continuous expansion of transportation modes has seen China move from being behind in development to being a world leader in transport infrastructure including innovative transport solutions (Fengjun et al 2012)

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