ROAD FUNDS IN AFRICA

Sylvestre Janvier KOTCHOFA

STRUCTURE OF PRESENTATION

Introduction

I. Second Generation Road Funds

- Background of reforms

- Objectives of reforms

- Reforms

II. Impact of reforms and lessons learned

III. Challenges

Conclusion

INTRODUCTION

SOME DATA ON AFRICA

- Countries :   54
- Surface : 30,415,873 km2
- Population, total : 1,044,304 (Thousand), 2011
- GDP, Current : 1,871,043 (Mln US $), 2011
- GNI per capita : 1,549 (US $), 2010

INTRODUCTION (cont.)

<u>DATA ON AFRICA</u>

- African road network : over 2,000,000 km

 - corridors (link sea ports to hinterland): 10,000 km BUT more than 200 billions US $ for trade revenues (transportation of goods)

 - emerging concept of transafrican highways BUT missing sections or poor maintenance of important sections debase the targeted objectives

 - Need of 60,000 to 100,000 km of additional transafrican highways

INTRODUCTION

- urban roads : in general, fair conditions, but levels of service depend on countries

- BUT largely unpaved

- rural roads : unclassified network ;

- generally in poor conditions

- less than 40 % of rural population live near (2 km) a road passable in all seasons.

I- Second Generation Road Funds in Africa

BACKGROUND OF REFORMS

- **Economic doldrums of 1980S**

  – Disadvantage during annual budget debate (vs Health,education)

  - Growing shortage of finance in road sector

- **Where Road Funds of 1st generation exist :**

  - Their performance was generally quite poor

  - Poor financial management,

  - absence of independant audit,

  - extensive use of funds for unauthorised expenditures

  - and weak oversight

BACKGROUND OF REFORMS (Cont…)

Consequences of Less Funds

- There was low expenditure on roads.

- Road network condition deteriorated heavily with most roads becoming impassable hence increasing VOCs

- The gap between allocations from