

SADC

giant leap in transport development overdue



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Southern African Development Community (SADC) member countries can no longer afford to isolate themselves from the muscle that the SADC is. They do so at their own peril. If SADC is indeed a muscle, transport is the core muscle fibre, without which the region cannot move. This article discusses ways in which transport can be an enabler for sustainable development through the implementation of the 1996 Protocol on Transport, Telecommunications and Meteorology.

OVERVIEW

The 1996 Protocol on Transport, Telecommunications and Meteorology in the South African Development Community (SADC) region set the framework for cooperative infrastructure investment in the SADC. The Protocol recognises the geographical interdependence of transport, telecommunications and meteorology in the region, and that failure to implement regionally integrated transport, telecommunications and meteorology strategies would be detrimental to the SADC region.

The Protocol articulates the fundamental importance of integrated transport in the region, which it defines as “a regional transport system which integrates all modes, designates a network of defined transport corridors, emphasises connections, choices and co-ordination of transport services, and promotes an optimal yield from the region’s transport resources”. Such an integrated transport system is characterised in the Protocol by, for example, harmonised legislation, simplified cross-border controls, improved capacity utilisation of transport, and the ability to achieve agreed performance indicators.

In the almost two decades of the existence of the Protocol, particularly with respect to transport, it is prudent to ask the following questions:

- What has changed?
- Is the SADC moving in the right direction?
- What needs to be done to accelerate the attainment of the Protocol’s ideals?

This article attempts to answer these questions and provide a way forward, from a transport perspective.

SOME NOTABLES ABOUT THE SADC

The SADC comprises a community of 15 member states, namely Angola, Botswana, the Democratic Republic of the Congo, Lesotho, Madagascar, Malawi, Mauritius, Mozambique, Namibia, Seychelles, South Africa, Swaziland, Tanzania, Zambia and Zimbabwe. With a population of close to 280 million, the SADC as a whole has a size comparable to countries such as the United States (320 million), Indonesia (250 million) and Brazil (200 million). The regional economy produces over US\$4 000 per capita GDP. The sizes of the SADC population and economy imply that the individual countries in the region would need to increasingly work together in order to be globally competitive in respect of economies of scale.

Of the fifteen SADC countries, six (Botswana, Lesotho, Malawi, Swaziland, Zambia and Zimbabwe) are landlocked. These landlocked countries are primarily dependent on the other countries with sea ports for maritime-related trade. Landlocked countries are generally characterised by above average transport costs, with dependence on neighbours’ infrastructure, peace and stability, administrative practices, and cross-border political relations (Faye *et al* 2004).

The SADC is also characterised by significant inter-country migration patterns. It is estimated that in 2013 over 4 million people within the SADC were considered migrants, more than half of whom were in South Africa (International Organisation for Migration 2014). The rather large volume of migrants gives rise to highly peaked passenger traffic during holiday seasons.

The SADC region is expected to grow substantially over time. For example, the SADC Infrastructure Development Master Plan (SADC 2012) estimates that total port traffic within the SADC will increase from 92 million tonnes in 2009 to 500 million tonnes by 2027. Therefore, investment in infrastructure capacity enhancement should always be on the agenda.

There appears to be increased acknowledgement among the SADC member states that addressing transport costs should be one of the developmental priorities. Foster and Briceño-Garmendia (2010), for example, report that, while in other developing regions the road freight tariffs can be between US\$0.01 to US\$0.04 per ton kilometre, in sub-Saharan Africa (inclusive of the SADC) the tariffs are from US\$0.04 to US\$0.14 per ton kilometre. Transport costs are particularly high in landlocked states. This acknowledgement of high transport costs is the first step towards solving the problem.

SADC STRATEGIC AGENDA FOR TRANSPORT

Since 2011 the SADC, through the SADC Secretariat based in Botswana, has been implementing what is referred to as the Regional Indicative Strategic Development Plan (RISDP). For transport, RISDP identified the following areas of intervention (SADC 2011):

- Maintenance and upgrading of infrastructure
- Rehabilitation of transport infrastructure
- Construction of missing regional transport links
- Accessibility for rural communities
- Integrated transport infrastructure and services
- Liberalisation of transport markets
- Development of transport corridors
- Development of sustainable sources of funding for maintenance, and upgrading of transport infrastructure.

Subsequently, in 2012, the SADC formulated the Regional Infrastructure Development Master Plan (RIDMP) (SADC 2012), inclusive of a short-term action. The RIDMP is regarded as the infrastructure development blue print for the region to "guide the development of seamless, cost-effective trans-boundary infrastructure". The implementation of the RIDMP is primarily dependent on sovereign financing mechanisms of the individual member states, in collaboration with other affected member states.

Some of the key interventions mooted by the RIDMP include the promotion of cost reflective tariffs (as part of the user-pays principle implementation), establishment of a regional rail regulator, and a consolidated project financing fund.

SOME EVIDENT PROGRESS

Intra-regional trade within the SADC, by value traded, has been increasing significantly in absolute terms (Kalaba & Tsedu 2008; Sandray 2013). When market size and geography are controlled, trade within the SADC is significantly high (Behar & Edwards 2011). This has partly been due to the gradual eradication of intra-regional trade barriers. However, intra-regional trade still remains low at about 10% of total trade, relative to intra-regional trade in the European Union (66%), North American Free Trade Agreement (54%) and the Association of South East Asian Nations (25%) (Kalaba & Tsedu 2008). The current moves to establish an SADC customs union (with an associated common market and monetary union) will also contribute towards improved trade relations.

Some progress has also been achieved in respect of corridor development, for example the definition of strategic corridors, the establishment of corridor committees, and the development of harmonised infrastructure guidelines. Specific progress includes the Maputo corridor programme, as well as the implementation of the Chirundu one-stop border post between Zimbabwe and Zambia as part of the North-South Corridor, which included the management of fairly complex concession contracts with the private sector. The modernisation of border posts has proved to be beneficial for improved efficiency (for example the Lebombo border post between South Africa and Mozambique). The regional developments have also spurred individual member countries to invest in large-scale infrastructure maintenance activities. A comprehensive spatially referenced database of on-going SADC projects (<http://www.ridmp-gis.org>) has also been implemented.

Overall, however, progress has been painfully slow. In this regard it is important for member states to realise that the SADC cannot afford to move at this slow pace if it is to address prevalent backlogs, while at the same time setting the tone for accelerated development.

HOW TO ACCELERATE THE ATTAINMENT OF PROTOCOL IDEALS

The SADC has great economic potential due to an abundance of mineral resources, productive land and relatively affordable labour. In order for the region to leverage on this comparative advantage with regard to attracting and inducing development, there is a critical need to overcome transport challenges, among other compelling areas that need to be addressed. Notwithstanding progress being made, the region faces severe transport challenges that range from disjointed planning and policy setting at regional level to inefficient transport regulation, lack of intermodal integration, inefficient transport management and governance systems, insufficient and poorly maintained infrastructure which culminates in poor regional connectivity, network inefficiencies, low transport system productivity and reduced economic integration.

The key players who should address the problems are mainly government authorities in the respective member states at policy, strategy and governance levels, and government departments and agencies at more operational levels. Interventions need to be crafted with a regional perspective such that local solutions will be part of the bigger regional solution. This calls for a systems approach that looks at the regional transport system as a whole, cascading down to national transport systems. Thus, ad hoc retrofitting and quick pumping of money into suggested solutions should be avoided.

Apart from the movement of goods, land-based transport plays an important role in enabling the movement of people

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across the region. Given the economic landscape in the SADC region, there is a relatively high demand for passenger transport emanating from migrant labour, regional commuting, visiting relatives and friends, travelling to and from economic hubs by households for purposes of procuring commodities for domestic consumption, and for small-scale retail. Therefore, reality on the ground reflects that SADC countries need to become more and more functionally interconnected. Thus, the role of land-based transport systems is becoming important in enabling the interconnectedness of the SADC. In fact, as the region becomes increasingly integrated, intra-regional trade is more likely to increase the likelihood of a higher rate of transnational development and regional integration. Investment in fit-for-purpose international passenger transport facilities to accommodate cross-border transport should be high on the agenda.

Solutions should be informed by principles of sustainability, liberalisation, productivity, affordability, connectivity, and system seamlessness. This should be complemented by thinking beyond national boundaries when designing the solutions. Apart from these interventions, the SADC region needs to think beyond putting emphasis on regulatory control alone. Rather, as member states, there is a need for even greater emphasis on transport facilitation and improved service design. There is also a need to ensure a balance between control and facilitation to ensure that externalities are properly and adequately managed, and that network infrastructure is preserved. From a network efficiency level there is nothing that stops the SADC to start thinking, for example, of high-speed and high-mass land-based transport systems like rail and mega trucks and buses linking major economic nodes in the region. Such systems will improve network productivity whilst reducing traffic volumes on the network.

THOUGHTS FOR THE WAY FORWARD

The SADC as a region has made great strides from which to draw lessons for accelerated implementation of the 1996 Protocol on Transport, Telecommunications, and Meteorology. From a transport perspective, the following are some of the corrective measures that need to be made in the current programmes:

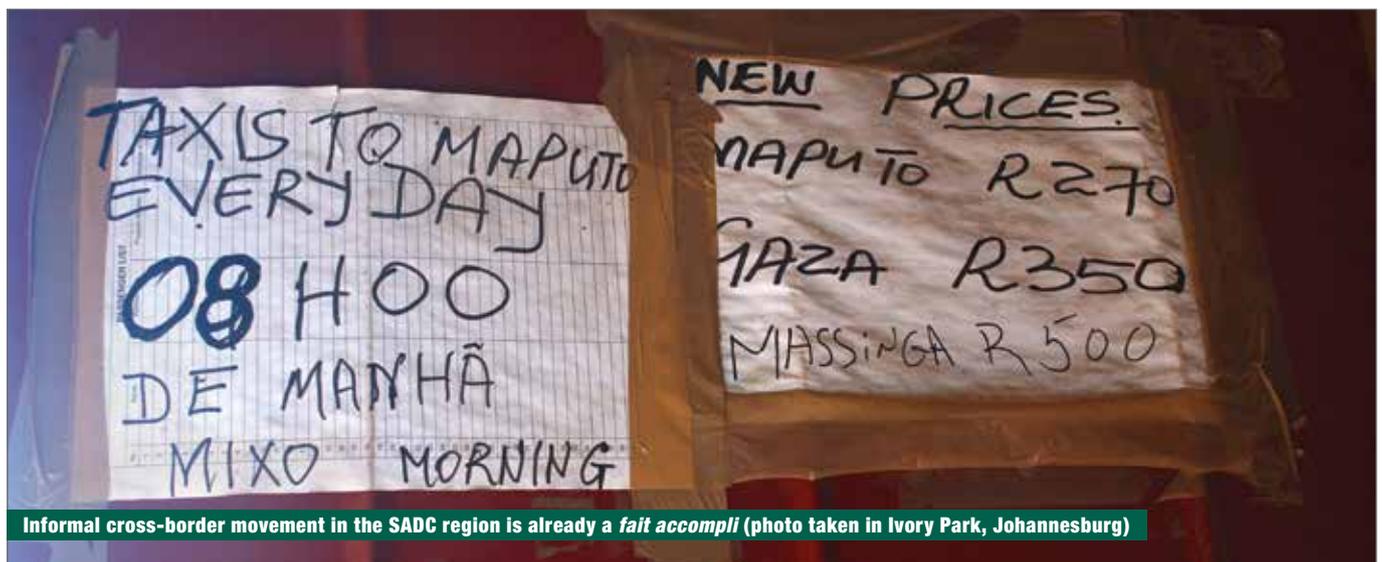
- Clear definition of an SADC strategic transport network. Unlike corridors the network approach recognises that these corridors need to be functionally connected.

- Defining projects as part of built environment programmes, as opposed to transport projects only. By so doing, multi-disciplinary projects become more functionally integrated, maximising value for beneficiaries.
- Urgent agreement on the performance indicators for the SADC strategic transport network to drive more performance-based interventions.

In agreement with Dr Stergomena Lawrence, the current SADC Executive Secretary, it is also important for member states to reduce dependency on foreign aid for critical projects and programmes. Where such aid is provided, it should supplement rather than replace regional commitments from the member states. Also, the need for a more focused programme implementation entity within the SADC cannot be overemphasised. This can be in the form of substantially strengthening the capacity of the current SADC Secretariat and increasing the scope of its mandate.

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Informal cross-border movement in the SADC region is already a *fait accompli* (photo taken in Ivory Park, Johannesburg)