PRESENTATION OF Mr. Jean-François NTOUTOUME-EMANE PRIME MINISTER, HEAD OF THE GOVERNMENT

UPON THE OCCASION OF THE OPENING CEREMONY OF THE FIRST CONFERENCE OF AFRICAN ROAD MAINTENANCE FUNDS

Libreville, December 15, 2003

Ladies and Gentlemen the Representatives of the Constitutional Institutions,

Ladies and Gentlemen the Members of the Government,

Your Excellencies, Ladies and Gentlemen the Ambassadors and Representatives of the International Organisations,

Ladies and Gentlemen the Delegates of the Brother Countries in Africa,

Distinguished Guests,

Ladies and Gentlemen,

I would like first of all to request that you please excuse the absence of the President of the Republic, Head of State, **His Excellency El Hadj OMAR BONGO ONDIMBA**, who would so much have liked to preside over this opening ceremony himself for the "First African Conference of Road Maintenance Funds", given the importance and interest that he devotes to the problem of the road network in our country, and that he has put at the first rank of governmental priorities. However, the various duties of his busy responsibilities have not allowed him to be with us.

He has given me the great honour of representing him and, in his name, it is my pleasure to wish each and everyone of you, in the name of the Gabonese people, the warmest and most cordial welcome to Libreville – an attractive city, with freedom and friendship, the history of which is filled with symbols that promote a real power of solidarity, when necessary and useful in the process of development on the African continent.

The choice of Gabon and Libreville – its capital, to have this "First African Conference of Road Maintenance Funds", is recognition of the role played by President **Omar BONGO ONDIMBA** in favour of African integration and unity. In fact, through the initiative of the New Partnership for the Development of Africa (NEPAD), President **Omar BONGO ONDIMBA** and some other African leaders have not ceased to emphasize that the development of Africa cannot take place unless we ourselves take

responsibility for our own destiny. President **Omar BONGO ONDIMBA** himself has a deep conviction in the concept of a dynamic development shared among all our states on the continent. His role was expanded when he was recently nominated by his peers to go to TOKYO and present the African vision of development and cooperation with Japan through the TICAD III.

The choice of Gabon to welcome this conference is also a recognition of the dynamic spirit of those responsible for the Road Maintenance Fund in Gabon, who were the initiators of the constitutive General Assembly meeting of the "Association of African Road Maintenance Funds", during the annual meeting of the "Sub-Saharan Africa Transport Policy Program" (SSATP), held in KIGALI from May 26 to 30, 2003.

From this viewpoint, the inspiration, opportunity and framework offered in Libreville, should prove to be powerful factors towards the successful results of your meeting.

We are quite honoured by the massive turnout you have all shown at this First Conference in Libreville, and I am persuaded, when I glance at the subjects to be discussed, that we can contribute to the development in all our respective countries. Our shared conviction is that the road networks are a powerful factor of social and economic progress, and that this must be at the basis of African integration.

Such a state of mind shall bring forth good quality discussions and exchanges, and also the pertinence of a sustained partnership approach by the majority of donors and participants in the development process, and shall therefore, be defined as a basic vector of the success of road maintenance policies on the Continent by the African public powers and our international financial partners; notably, the World Bank.

Ladies and Gentlemen the Delegates,

Distinguished Guests,

As you know, the meeting of this First Conference is being held within the structure of the "Association of African Road Maintenance Funds" (ARMFA in English: "African Road Maintenance Funds Association"), and shall be based on the exchange of "the practical experience of African road maintenance Funds".

When I see so many of you in this room, I am convinced that each of you has perfectly measured the importance of this question, and will do his best so that this meeting in Libreville will honour the expectations of the public powers of our respective States.

Already I would like to make special mention to all participants who have come from far away, bringing us your experience and support, that we would like to extend to you our most sincere gratitude for having accepted this invitation, despite your numerous occupations, and you honour us by your presence at this Libreville meeting to which the Head of State and the Gabonese Government have given their full support.

I would also like to thank and congratulate very sincerely the organisers of this "First Conference of African Road Maintenance Funds", and hope that the welcome that has been reserved for all the participants has been warm and that your stay in Libreville will be pleasant.

I know that it has been a considerable task for the Minister of Public Works, Equipment and Building, his collaborators and those responsible for the Gabonese Road Maintenance Fund (FER), to have prepared such a meeting. Since I am convinced of your qualities as organisers, and of the results that will come from the meeting, I will already extend to you my deep gratitude for your contribution.

Ladies and Gentlemen the Delegates,

Distinguished Guests,

It is well known that Gabon has heavy rainfall, a dense and thick equatorial forest, numerous rivers and a very uneven land surface. All these factors multiply not only the technical and financial constraints in road building and planning, but also the rapid degradation of these roads, thereby diminishing the colossal financial efforts of the Government concerning the maintenance and upkeep of our road networks.

As an important factor in the process of integration and national unity, the road network is an absolute priority for the President of the Republic, Head of State, and he has put this at the center of governmental action. The road network is in fact an essential factor in the communication between people and the development of exchanges. To be integrated, we must first be able to circulate.

This is why the Gabonese State, who has already devoted major investments in this sector, despite a difficult economic and financial period, means to intensify their effort in road building and maintenance. A National Road Network Program has been adopted by the Government for the next 10 to 15 years.

This program concerns 2,579 km. of priority roads, and 810 km. of level two priorities. The final result is to adapt the road network in such a way as to meet the expectations of the population, taking into consideration the social, economic and financial constraints of the country.

Such an orientation of the national policy of Gabon in the area of roads, automatically predisposes my country to encourage any initiative which would allow us to share practical experiences with the other countries in Africa, and this is why we have become members of the SSATP, and in particular, of the "Initiative for Management of the Roads" (IGR), the objective of which is the commitment of Gabon to preserve its road heritage and to improve the means of financing road maintenance.

The Road Maintenance Fund in Gabon was created in 1997 by Law N°2/97, and it was one of the first created in Africa. The State has set aside several different tax sources for its financing, and they are credited to a special account in the Bank of the Central African States (BEAC). Although we have had some encouraging and noteworthy results in the accomplishing of its role, the Gabonese Road Maintenance Fund has, nevertheless,

had some weaknesses and difficulties the most important of which could be the following:

- 1) its fragility despite the legal and regulatory framework;
- 2) the irregularity of the payment of receipts into the special account for the Fund;
- 3) the financing of road investment projects from the budget of the Road Maintenance Fund:
- 4) An insufficient control of the expenses, in terms of quality (in terms of the level of service, security and comfort) and quantity (in terms of the length of the network to be repaired).

Ladies and Gentlemen,

Distinguished Guests,

Despite a particularly drastic economic and financial context due essentially to the constraints imposed by the reimbursement of the foreign debt and the severe contraction of our budgetary resources, the national road maintenance policy initiated during the past few years by the Government shall be pursued and intensified. It will be centered around a rigorous management of the Road Maintenance Fund, a reinforced control for the quality of the work done, cooperation on the part of the public and private operators.

To do so, and without forcing you to have a certain viewpoint or jumping to conclusions concerning your exchanges in the present meeting, the passing to a Second Generation Road Maintenance Fund in Gabon, as is now done by the majority of the road funds in other African countries, has now become a definite necessity.

This change must obviously give autonomy of management to the Fund, which should be co-managed by the Government administration and the road users. This autonomy shall have the following effects:

- the imputation of the cost of road maintenance given to the road user;
- the financing by non fiscal receipts, such as 'user fees', normally, based on the price of fuel or gasoline at the gas pumps;
- a fixed-rate tax (and not a percentage), since the receipts should not fluctuate given the basic rate of fuel prices;
- the payment of receipts by the collecting organisms directly into a bank account opened in the name of the Fund;
- little by little, the suppression of budgetary contributions since the receipts should cover the expenses.

The constraints tied to such an evolution, in addition to having an impact on the loss of receipts for the State budget, shall lead to an improved capacity of businesses (especially small and medium-sized businesses) to respond to the growth in the road maintenance markets, and finally, the representation of professional road transport organisations or those similar in objectives, who shall have to be restructured.

Excellencies, Ladies and Gentlemen,

The improvement in the management and financing of road maintenance, since this is the problem we are dealing with today, is a 'must', and also in light of the economic and financial difficulties that our countries are now confronted with. This management and financing shall henceforth be concerned with a commercialisation of the road sector; that is, the use of the road shall have to obey certain commercial laws, there will be fees for road usage, and the roads shall be managed as any other commercial undertaking.

In fact, more than technical solutions, the maintenance of roads, often badly covered in the great majority of our countries, now requires institutional reforms. The financing must thereby be separate from the general State budget, and it must be managed autonomously, by creating and setting up road user's fees. This is the direction we must take, if we want to guarantee that our roads will be long lasting, for as you know, the problems of climate and uneven land surface in our countries has put us before a real challenge. And in our equatorial environment; notably, the costs of road planning, building and maintenance are not only quite high, but in addition, there is the possibility that they disappear and be physically destroyed, and we must keep this in mind.

At the time when the destiny of Africa is worrying Africans themselves as much as the friends of Africa, when considering the chaotic evolution observed here and there, today this involves going further in searching for new proposals and assuring very concrete applicable solutions for the Governments.

Caught up between violence and disease of every kind, excluded from the main international economic exchanges, trapped in the infernal foreign debt, our Continent, despite an effort made on the part of numerous among us, remains marked, and legitimately so, by doubt and uncertainty, that we have the absolute obligation to transform into hope, for no durable equilibrium in the world is possible as long as we remain left aside from the mainstream of development.

The economic and financial period that our countries are going through should not be considered as something fatal, for as was taught by Professor François PERROUX, "the pathway to growth is but a long peaceful river", to build, develop and maintain roads, surely means to build, protect and provide safety for drivers and traffic, and it also means changing behaviour. The Association of African Road Maintenance Funds, I am convinced, shall be endowed with a certain number of regulatory tools in the service of a policy of clarification and harmonisation of rules which shall be necessary for the functioning of the various financing organisms for road maintenance in our respective countries.

Ladies and Gentlemen the Delegates,

Distinguished Guests,

It is through the awareness of the Head of State and the Gabonese Government of the important role that roads will play as a main tool for the physical integration of our territories, that roads have become an essential vector in the process of development and the need that these roads should last a long time, that our country has actively contributed to the baptism of the Fund as "The Association of the African Road Maintenance Funds"

Your Association through this first conference should also be complimented by the confirmation of African solidarity and integration, this essential task of any Government turned towards globalisation, this is our challenge!

It is an expression of our will to have unity and effective management, we are being called upon to act together in a great and necessary synergy, for the road to development must necessarily pass by the development of the roads.

I am deeply optimistic concerning the quality of the results that you will attain. I firmly believe that the debates of your meeting will favour the elaboration of a consensus towards practical and structured solutions that shall guarantee the realisation of our collective ambition.

The present conference thereby constitutes a privileged framework for reflection and analysis wherein the synergy shall allow us to see the enormous disparities between our countries, the considerable weight of the external and internal constraints, the contradictory interests at stake, and the need to create above all, a consensus and effectiveness of solutions to be proposed. In this way, we can avoid problems and negative performance, and can better assure the happiness and welfare of our respective populations.

There you have it, Ladies and Gentlemen the Representatives of the Constitutional Institutions, Ladies and Gentlemen the Members of the Government, Your Excellencies, Ladies and Gentlemen the Ambassadors and Representatives of the International Organisations, Ladies and Gentlemen the Delegates, Distinguished Guests, a few words that I wanted to express at the opening of this Conference.

In wishing you full success in your meeting and in very warmly thanking you again for your presence in Libreville, I would like to declare this meeting open the "First Conference of African Road Maintenance Funds".

I thank you.