



Sub-Saharan Africa Transport Policy Program (SSATP)

Focus on efficiency and results
effectiveness-The Road
Maintenance Initiative (RMI)
revisited

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Summary of this presentation

- Objective of this presentation
- Context and strategic direction
- Issues from RMI Implementation
- The way forward
 - key features of a proposed Commercialized Road Management (CRM) Model
 - Aspects of RMI refinement
 - Strategy and Next steps
- Critical factors

Objective of this presentation

- To share shortcomings identified by stakeholders with the implementation of the Road Maintenance Initiative (RMI)
- To discuss the proposed way forward for achieving greater efficiency and results in the road sector

Context

SSATP strategic objective and direction-DP2:

- Sustainable institutions and financing for roads and transport services
- Work programs adopted at the SSATP annual general meeting – Lilongwe 2009
- Accomplishments and good practices under the RMI (Separate presentation Tomorrow in group discussions)

Methodology

- Highly participatory and consensus building through:
 - Workshops in ARUSHA and Johannesburg to receive stakeholder feedback
 - Discussions at the SSATP AGM for endorsement
 - More stakeholder consultations (ARMFA in November 2010, AGEPAR in early 2011 and SSATP-sponsored workshops in 2011)
- SSATP-sponsored survey on progress on application of RMI principles in Road agencies (7 countries)

Issues arising from RMI Implementation

- Not enough focus on efficiency and result effectiveness in road planning and program delivery
- Weak results after close to 2 decades of RMI-general feeling that results could be better
- Limited focus on monitoring and evaluation (M&E)
- key commercial management principles not respected in most countries
- SSATP-led advocacy for reform stopped
- RMI quiet on emerging challenges; e.g. decentralization, climate change

- Recognition of need to balance quest for financing with improvement of results on the ground
- Better results in countries practicing CRM
- Ownership crisis:
 - Solutions generally perceived as imposed from outside
 - Over 20 RMF tools developed but surveys point to little awareness, little use
 - Dependence on foreign expertise and financing
 - Limited support from governments, continental institutions
- Limited enforcement of standards
- Little emphasis on research & development

The proposed way forward: The Commercialized Road Management (CRM) Model-AIM

To **refine** some aspects of the RMI model to lay emphasis on new challenges:

- management efficiency
- results effectiveness
- M&E and
- advocacy for change

The way forward: Expected Outcomes

- Increased management efficiency and results effectiveness on the ground
- Improved M&E with ability to monitor, measure and rank performance in and across countries using **standardized data**
- **Independently led** advocacy and incentives to promote continued policy compliance and results improvement

What is the CRM Model?

A computerized system with:

- Quantitative and standardized criteria to measure, compare and rank road management efficiency and results effectiveness on the ground in and across countries
- Harmonized benchmarks and triggers on which to base assessments of achievement and continuing progress
- A Country Road Performance Index (CRPI)- to rank countries based on results and/or progress

Pillar 1. Efficiency compliance Criteria

A scoring system (modified RMI pillars) to quantify and rank a country's level of compliance with internationally recognized business management principles:

- Policy and regulatory compliance
- Organizational effectiveness:
- Leadership and strategic planning
- Management efficiency: Process and resource productivity; quality Control and oversight: audit compliance, etc.

Pillar 2. Results effectiveness criteria

A scoring system (modified RMI pillars) to quantify and rank a country's results on the ground, including:

- Fitness for User: costs, Time, Safety, environment, road condition, etc.
- Coverage: Density; distance from social/economic centers, regional/international links; year round passability, etc.

Pillar 3. Monitoring and evaluation

Harmonized benchmarks and triggers widely accepted as a measure in and across countries of progress levels toward the attainment of performance goals over time (e.g. Levels 1, 2, 3 ...)

Pillar 4. Advocacy and Sustainability:

Independent evaluations and awards

- An independently administered country Road Performance Index (CRPI) to rank countries by performance, for promotional and advocacy purposes:
 - Awards for excellence: recognition for leading (good practice) results
 - Continuing improvement prizes –recognition (incentive) for progress-also to be managed independently
 - Results framework to guide country/Regional dialogue
- Sustainability
 - Financing: Returns on assets; cost recoveries; etc.
 - Economic viability

Success factors : Tools, Data and Budgets

- Simplified and affordable tools to collect, analyze and compare data
- Readily available data on country road sector profiles and performance-AICD?
- Sustainable financing of data requirements
- Regional Roads Associations in driver seat
- Continued research and innovation

Discussion: Which CRM principles?

- Overarching principle: Road construction is a business:
 - should be managed on internationally recognized commercial lines;
 - owes its existence to the quality of its products
 - attracts investors only if financially viable (ROI)
 - Has an owner; the investor (public, private or community)
 - The owner defines policies and is responsible for success
- The road is a commercial product:
 - has a value (asset); undergoes depreciation
 - has a price (to the beneficiary), cannot be given out for free
 - should be depreciated, accounted
 - is produced (constructed), managed, maintained, protected and renewed (reconstructed)

Discussion: Which CRM principles

- the road is produced for customers with a fitness for purpose (cost, time, comfort, health and safety, environment, etc.
- **Change of focus:**
 - Change RMI pillars (Responsibility, Ownership, Financing and Management) to emphasize the four CRM pillars proposed:
 - Management efficiency,
 - Results effectiveness;
 - advocacy and promotion
 - and sustainability
 - Replace “User pays” principle with “Beneficiary pays”
 - Apply cost recovery or “beneficial pays” principle on all road types, regardless of volume

Which principles? (con't)

- For a board to implement policy and exercise management oversight, its membership must reflect established skill profiles/mix: Hence, needed expertise (required skill mix) should take precedence over public/private representation; discourage political appointments; encourage equity ownership
- Routine maintenance is a management function-its cost should be treated as part of management costs
- Apply “Fitness for user” principle systematically in road designs- Customer interest; e.g. through beneficiary surveys
- Like the Board, management focus is on efficiency and productivity. Should be systematically outsourced or key staff recruited on contract

Project strategy

- Seek upfront endorsement at SSATP AGM
- Seek upfront consensus among SSA stakeholders on generic RMF issues, RMI shortcomings and proposed solutions
- `Confirm stakeholder ownership at continental forums
- Produce and test model blue print before computerization
- Use training in RONET to leverage commitment to data collection at country levels

Project Strategy (con't)

- Base support to countries on demand-upfront commitment assurance
- Implementation: country-based
- Promotion and oversight: regional associations; advocacy component by independent body (tbd)

Project strategy (con't)

- Financing:
 - SSATP: TA for project and model design, validation workshops, RONET training and documentation
 - Regional associations: consultations on project design
 - Countries: travel for trainees and consultations
 - Donors: capacity building (for associations and countries), data collection and management systems
 - AICD: data collection and analysis for some countries
- Evaluation: independent bodies under the supervision of regional associations

Tentative Project Steps:2010-2011

- Feedback on project rationale and design at continental forums: Arusha in august 2010, ASANRA in Sept 2010, SSATP in Oct 2010, ARMFA in November 2010
- Project included in SSATP work program at the 2010 AGM
- concept note approved by PMT by January 2011
- agreement on roles and contributions of continental associations (ARMFA, ASANRA and AGEPAR) by January 2011 through revised MOUs with SSATP

Tentative Project Steps: 2010-2011

- launch enrolment for RONET training by countries (RAs and RFs and RAs before October 2010)
- identify two countries for training in RONET at SSATP 2010 AGM
- prepare RONET training tools by Oct 2010
- conduct RONET training of trainers for English and French speaking audiences by February 2011
- recruit TA to assist with model design by March 2010



■ Thank You