

AFRICAN ROAD MAINTENANCE FUNDS ASSOCIATION (ARMFA)

REPORT ON TECHNICAL WORKSHOP

ACCRA, GHANA. 27-29TH SEPTEMBER 2006

1.0 INTRODUCTION

Following the formation of ARMFA in 2003, four annual meetings have been held with the objectives of creating a forum to enable the Association meet its objectives. The last meeting was held in Arusha, Tanzania from 7-9th November 2005. The Accra meeting was held at the M Plaza Hotel in Accra from 27-29th September 2006. It was attended by 92 participants from 30 countries (Annex 1)

2.0 OPENING CEREMONY

The main points are summarised as follows:

Given the strategic importance of roads to the economies of all the African countries, there is need for Governments to support the operation of the road funds.

The meeting underscored the need for all Road Funds to pay attention to the six features of the second generation Road Funds, namely:

- sound legal basis,
- strong and independent oversight Board,
- agency which is a purchaser, not a provider, of road maintenance services
- sound financial management system
- regular technical and financial audits
- autonomy of the Board

3.0 SOURCES OF ROAD FUND RESOURCES

The following were identified:

Fuel levy, road tolls, transit fees and weight control fines, vehicle registrations, court fines from motor traffic offences.

3.1 Fuel levy

This is still by far the major source of revenue for all Road Funds. Contribution varies from 52 per cent of the total budget in Benin to 92 per cent in Ghana. There was an urgent call for all member countries of ARMFA to gradually diversify revenue sources to reduce overdependence on fuel levy into the Road Fund.

3.2 Road Tolls

Outsourced to the private sector in most countries and paid directly into the Road Fund. To enhance this source of funding, it was resolved that member countries should make an attempt to toll as many roads as possible; especially when they are improved to offer higher levels of service subject to the tolls covering the cost of tolling. It was understood that such funds can be used to defray maintenance

costs or provide additional funds for subsequent maintenance activities. There is the need to keep cost of collection low.

3.3 Transit Fees

Transit fees are collected from foreign vehicles with origins outside our countries that either pass through or have destinations within our countries. Usually collected by either private sector or customs and channelled directly into the Road Fund. The meeting resolved that mechanisms are to be evolved to ensure that fuel meant for other countries which are tax exempt is not offloaded in the transit country and thereby evade payment of appropriate levies which would otherwise accrue to the Road Fund.

3.4 Weight Control Fines

Basically fines are when legal axle load limits are exceeded. They are not reliable sources of revenue as weight control is intended as dissuasive measure and if we are successful in effectively controlling weights of vehicles, on our roads, the fines should be very small indeed. The need to employ properly trained transport managers who would understand the need not to overload the vehicles was stressed. Such training can be channelled through the various associations who also control entry into, and exit from the industry. It was therefore resolved that member countries can use education and monitoring to check overloading of vehicles from their loading points. This is a good practice to be emulated by other countries.

4.0 NEGOTIATIONS FOR WIDENING OF ROAD TARIFFS

No common basis for negotiating the widening of road tariffs. As much as possible, everyone wants to keep the rates low but we need to have a procedure for adjusting or increasing rates of user charges. Based on the good practices from Kenya, Lesotho, and Ghana, it was resolved that ARMFA member countries should begin to use the media and also lobby politicians and parliament to accept increases in road user charges as a way of mobilising more resources for Road Funds. We should also ensure that there are few stakeholders negotiating for widening of the tariffs. The various Road Fund Boards should play a lead role in this respect.

5.0 ACHIEVEMENTS

- Only about 30 percent of Road Funds may now be meeting routine maintenance expenditure needs on a regular basis.
- 27 active Road Fund Boards in place in both Anglophone and Francophone Africa – most of them backed by legislation. Out of this number 12 Road Fund Boards have a private sector majority.
- Funds are channelled directly into Road Fund accounts
- Quality control of road works is also very critical and efforts are being made to institutionalise that practice.
- Payment for works executed has improved with the establishment of Road Funds. In Cameroon for example, contractors can receive payments in seven days and some enterprises have grown as a result and road conditions have improved.
- Institutional reforms are on-going but rather slow
- Gradual involvement of road users in Road Fund matters (public hearing, etc)
- Some Road Funds are virtually autonomous (Ghana, Togo, Chad, Namibia, Rwanda and Tanzania)
- Monitoring and evaluation systems are in place (In Cameroon audits are carried out throughout the year as continuous evaluations)

6.0 THE WAY FORWARD

- Based on considerations of viability, cost of collection, maintenance cost among others, roads with varied or even low volumes can be tolled. However, cost of facilities for the collection of the tolls should be part of the contract.
- There is the need for harmonisation of axle load limits to serve economies of member countries and help integrate them. This should be facilitated by political will from leaders.
- ARMFA should develop indices for measuring and monitoring progress being made towards achievement of the association's objectives
- ARMFA should collaborate with other stakeholders including development partners and SSATP. The association should also build partnerships to promote its activities.
- Need to channel funds directly into Road Funds
- Reports of Technical and financial audits to be taken more seriously
- Need to diversify sources of road user charges, RUC, (no more over-reliance on fuel levies)
- Revenue leakages or loopholes to be plugged
- Need to evolve clear criteria for disbursement of Road Funds for road maintenance activities
- Keep levels rates as low as possible
- Need to justify any increases, however small
- Continue using our allies, lobby and use the media to the extent possible for more funds
- Need for coordination and collaboration with various Ministries, Departments and Agencies (Human Development, Transport, and Works in Cameroon)
- Improve constructing and supervisory capacities
- Ensure that provisions in Road Fund have sound legal basis
- Roads to be marketed a commodities to be bought
- Continuous education of road users to understand the need not to overload vehicles
- Need to toll roads when level of service improves, irrespective of ADT volumes

LIST OF PARTICIPANTS ARMFA CONFERENCE 2006

NO.	NAME	COUNTRY	ORGANISATION
1	OSEI –ASAMOAH JOHN	GHANA	MIN. OF TRANSPORTATION
2.	AGYEMANG-BADU KWAME	GHANA	GHANA COMMERCE BANK
3.	INKOOM DANIEL K.B	GHANA	KNUST
4.	SARFOH SOLOMON K.	GHANA	ROAD FUND BOARD
5.	AIREY ANTHONY	GHANA	DFID GHANA
6.	BLAY PETER E.	GHANA	NATIONAL INVEST. BANK
7.	QUARCOO JAMES	GHANA	DEPT. OF URBAN ROADS
8.	BROCKE WODWIN	GHANA	MIN. OF TRANSPORTATION
9.	DR. GYABEA K. FOSU	GHANA	ROAD FUND GHANA
10.	SALIA EDWARD	GHANA	PARLIAMENT OF GHANA
11.	DANSO JOHN KWESI	GHANA	GHANA HIGHWAY AUTHORITY
12.	BANNAAMAN MUSTAPHA	BRITIAN	WORLD BANK
13.	IDOSSOU TCHONA	BENIN	AGEPAR
14.	KEITA GABOUNA	MALI	AGEPAR
15.	BITOUANGA MARIE CLAIRE	CENTRAL AFRICA	FER
16.	SOUMAHRO GABRIEL	BENIN	AGEPAR
17.	TUMASI-BAAKYE ALEX	GHANA	DEPT. OF URBAN ROAD
18.	ADOM BOAKEY	GHANA	NATIONAL ROAD SAFETY COMM.
19.	HAULE JOSEPH ODO	TANZANIA	ROAD FUND BOARD
20.	ETA JEROME OBI	CAMEROUN	ARMFA
21.	NANG-BEKALE GUY	GABON	FER
22.	PEREZ MATINEZ EDGARDS	HONDURAS	FOND VIAL
23.	YOUNG-GYAMPO NANA YAW	GHANA	ASROL
24.	KWAKWA AMA SERWAH	GHANA	ECOBANK
25.	GEREADS PAULUS	GHANA	EUROPEAN COMM
26.	KUMOR GERSHON	GHANA	MIN. OF TRANSPORTATION
27.	BECKLEY GEORGE	GHANA	MIN. OF TRANSPORTATION
28.	TUTU KWAKU OPON	GHANA	DEPT. OF URBAN ROADS
29.	MENSAH KOBINA	GHANA	DEPT. OF URBAN ROADS
30.	HON. OBODAI SAMUEL	GHANA	PARLIAMENT OF GHANA
31.	ADARKWA KWASI	GHANA	KNUST
32.	AMOAH DANIEL	GHANA	MIN. OF ENERGY
33.	OFOFU ASUMADU PETER	GHANA	MIN. OF TRANSPORTATION
34.	DIGBER FRANCIS MENSAH	GHANA	DEPT. OF FEEDER ROADS
35.	PEREIRA FRANCISCO MANUEL	MOZAMBIQUE	ROAD FUND
36.	MAGARI PHILIP	TANZANIA	ROAD FUND
37.	ALANDO ABUBAKARI SIDIK	GHANA	GPRTU
38.	MASENGA ROSE	TANZANIA	ROAD FUND BOARD
39.	KHAMIS SAID ALLY	TANZANIA	ROAD FUND BOARD
40.	CHIPEWO HENRY	ZAMBIA	ROAD FUND AGENCY
41.	WALLACE J.D	LIBERIA	REGIONAL DEV'T FUND

			(ECOWAS)
42.	JUMAH MAXWEL KOFI	GHANA	PARLIAMENT OF GHANA
43.	KISSI ANNOH	GHANA	CEPS
44.	CHRISTIAN SOFTIE	GHANA	ROAD FUND BOARD
45.	MUTOMBEBE JOAO SIMEAS	MOZAMBIQUE	ROAD FUND
46.	NYANGAGA FRANK	KENYA	ROADS BOARD
47.	RUWA JACOB ZECHA	KENYA	ROADS BOARD
48.	JUMA ALFRED	KENYA	ROADS BOARD
49.	IKELA ERASTUS	NAMIBIA	ASANRA
50.	BOROTHO MICHAEL	LESOTHO	ROAD FUND
51.	PEKO RENANETSOE	LESOTHO	ROAD FUND
52.	ADBUL WAHID RASHID	ETHIOPIA	ROAD FUND
53.	MOIANE LAIZARO JOAO	MOZAMBEQUE	ROAD FUND
54.	GETERA RUTABAGISHA	RWANDA	ROAD MAINT. FUND
55.	GOLIATI DANIEL	RWANDA	NAT. ROAD AUTHORITY
56.	HWEKWETE FRANCIS	ZIMBABWE	ZINARA
57.	AMOAH KINGSFORD	GHANA	
58.	OWUSU SENYAH JUDE	GHANA	MIN. OF TRANSFORMATION
59.	ELENGA OBAT NZENGUET	CONGO BRAZ	AGEPAR
60.	ONANGA TSLALE	CONGO BRAZ	AGEPAR
61.	ESSIE RAPHEAL	GABON	FONDS D'ENTRENEEN ROUTIER
62.	TCHAMSI ASSOULIAN	TOGO	FER
63.	COULIBALY BE LANONA	LA'COTE D'VOIRE	FER
64.	MOHANADON SAMBO	NIGER	CAFER
65.	SUNLEIMAN NOUNIN	DJIBOUTI	FER
66.	BOUNDA BALONZI ARMOL	GABON	FONDS D'ENTRENEEN ROUTIER
67.	MUHITIRA ARTHENON	BURUNDI	FOND ROUTIER
68.	LOKPE NICOLAS	BENIN	FOND ROUTIER
69.	KENTE MORY	MALI	FER
70.	MANGA LULIENNE	CAMEROUN	FER
71.	ROBINSON LOLY	MADAGASCA	FER
72.	OKUDI ROBERT	UGANDA	MIN. OF FINANCE, PLAN AND ECO.
73.	AIDOO GEORGE AFFUL	GHANA	ROAD FUND SEC
74.	FRANCIS ARTHUR	GHANA	ROAD FUND
75.	LUIZA JOSEPH VERDIAN	TANZANIA	TAN ROADS
76.	KUDENGA NELSON	ZIMBABWE	MIN. OF TRANSPORT AND COMM.
77.	DR. SALIFU MOHAMMED	GHANA	KNUST
78.	ISSIFU TRAWULE MOHAMMED	GHANA	CUSTOMS
79.	HASSAN OMAR	TANZANIA	ROAD FUNDS
80.	MLELE Y.K	TANZANIA	ZANZIBAR ROAD FUNDS
81.	MANU JOSEPHINE	GHANA	MIN. OF TRANSPORTATION
82.	ASARE AWUKU KWADWO	GHANA	MIN. OF TRANSPORTATION
83.	DARDSON MERCY BAABA	GHANA	ROAD FUND SECRETARIAT

84.	KWAKYE E.A	GHANA	MIN. OF TRANSPORTATION
85	OKINE NII AYI	GHANA	EX – GHA
86.	ASARE NANA YEBOA	GHANA	ROAD FUND
87.	NUNOO SAMUEL KWAME	GHANA	PRIVATE CONSULTANT
88.	APPIAH NOBLE JONAH	GHANA	NRSC
89.	MOSE KOJO	GHANA	ROAD TRANSPORT CO-ORDINATION COUNCIL
90.	DR. Y. ADUBOFOUR TUFFOUR	GHANA	KNUST
91.	TRAWULE I. MOHAMMED	GHANA	CEPS
92.	NENGUE SAMUEL DONATIEN	CAMEROON	ROAD FUND