



Welcome to Issue 40 of our eNewsletter November 2008

Welcome Message:

Welcome to the monthly newsletter of the [global Transport Knowledge Partnership](http://www.gtkp.com) (gTKP) www.gtkp.com where you will find the latest news on **global road transport** in each of our seven themes: [governance](#), [road safety](#), [rural transport](#), [social development](#), [urban transport](#), [finance and economics](#) and [environment and climate change](#).

The financial crisis and protecting the transport sector

This month, perhaps inevitably, there is much talk of difficult economic times for the road sector, and for developing countries generally. The financial crisis that began in the US mortgage market is now well and truly being felt around the world. The question of how this will affect developing countries is addressed in an interesting new report from the [Institute for Development Studies](#) (IDS). The IDS invited "key thinkers, academics and policy-makers" from 14 developing countries to outline how they think their own country will be affected. While transport was not specifically mentioned, it is almost certain to slide further down the list of spending priorities. Financing opportunities will be scarce, aid money may be reduced and exports will likely decline. According to the report, lessons from the Asian financial crisis of the late 1990s tell us that protecting pro-poor spending, not only on health and education, but also on infrastructure, can go a long way towards mitigating the impact of such crises on the most vulnerable. One small bright spot for the transport sector, if it can be considered so, is the declining price of fuel and essential commodities, which could present some opportunity to counter the reduction in available capital. Read the full report, which also urges governments and institutions to honour their aid commitments at this difficult time, [here](#).

Free advice from technical experts

gTKP offers free expertise to transport practitioners and other interested people. You can contact us with a query by emailing info@gtkp.com or by finding the most relevant theme champion and contacting them directly. Email addresses of all our theme champions are in this newsletter under each theme.

As always we welcome your comments, questions and suggestions. You can contact us on info@gtkp.com or by joining our discussion groups on www.gtkp.com.

Governance

Governance theme mobilises further civil society discussions

An e-mail "civilsociety" listserv has been set up to assist in improving communications between people interested in involving civil society in improving governance following on the Asia and Africa regional gTKP workshops, [Mobilising civil society to improve governance in transport](#). Summaries of the results from both the Asia and Africa workshops will be available on the gTKP website over the next few weeks.

Participants in both workshops are invited to join the *civilsociety* list and we hope that this facility will encourage further discussion of some of the topics raised at the workshops. Any member of

the group can send an e-mail to all other members of the group. Anyone else who is interested in joining *civilsociety* should e-mail governance@gtkp.com.

If this initial trial is successful, other groups with common interests can also be formed in the future. Another group is already planned to link together people involved in collecting and developing the gTKP governance theme road benchmarks. More information on joining this group will be available soon.

Contact Stephen Vincent, Theme Champion for Governance, on stephen.vincent@gtkp.com.

Road Safety

Technology addresses China's road safety challenge

Road safety is a growing concern in China and measures to reduce road deaths are a high priority. The number of traffic accidents in China was around 6,000 in 1951. Today the annual figure is more than 800,000, with over 120,000 people killed and over 600,000 injured. This makes China number one in the world for death toll. The figure is growing by 10% a year. The death rate per 10,000 automobiles in China is eight times higher than in the US.

Chinese authorities and industries have expressed interest in cooperation with [eSafetyAware](#) on promoting eSafety technologies in China. eSafetyAware and the [FIA Foundation](#) promoted ESC, a braking system that prevents skidding, at the International [Intelligent Transport Systems](#) (ITS) conference and exhibition in Shanghai last month.

New road safety topic: driving for work

It is estimated that between a quarter and a half of all road crashes involve someone who is at work. Action is needed by employers to address this. gTKP will be partnering with a number of companies and institutions to develop a global programme to spread good practice and initiatives. Many of these will form the core of The U.S. National Institute for Occupational Safety and Health (NIOSH) [International Conference](#) on Road Safety at Work on February 16-18, 2009, at which gTKP's Adrian Walsh will be speaking.

The event will provide a forum for business, labour, policy-makers, and researchers to discuss strategies to prevent road traffic crashes in the workplace. This is the first international conference dedicated to this important occupational safety issue. More information about NIOSH research on preventing motor vehicle-related occupational injuries and deaths can be found [here](#).

Royal award for the Nigerian Federal Road Safety Commission

Since 1987, outstanding innovations and achievement in road safety have been recognised by The Prince Michael Road Safety Awards. The Prince, Royal Patron of the Commission for Global Road Safety, this year awarded the honour to the [Nigerian Federal Road Safety Commission](#) for showing the essential leadership needed to achieve the cooperation at many levels - government, industry, civil society and the local level. Prince Michael will present the award in London on 9 December.

Osita Chidoka, the FRSC Corps Marshal and Chief Executive made a [keynote presentation](#) to the Make Roads Safe conference hosted by the European Bank for Reconstruction and Development (EBRD) in July.

Spotlight on safety in Central Asia transport project

This project aims to assist the countries of Central Asia develop coordinated national transport policies to encourage trade, growth and prosperity in the region. An Expert Working Group on road safety has been established as part of the project. The Working Group will seek to advance

road safety through taking forward various proposals, initiatives and demonstration projects. More information is available [here](#).

Contact Adrian Walsh, Theme Champion for Road Safety, on adrian.walsh@gtkp.com.

Rural Transport

gTKP eco-roads findings demand follow-up

The global road sector is almost totally dependent on two capital and energy intensive products: bitumen and cement. A recently completed [gTKP report on eco-roads](#), *Eco-Road Building for Emerging Economies: An Initial Scan for Promising Alternative Technologies*, shows that there are alternatives: Imagine new road building technologies that could provide year-round and affordable access to the more than one billion rural poor in developing countries, as well as improve durability and reduce the maintenance burden on existing roads. Imagine that they would be low-cost, produced using waste products from agriculture and other industries, or created from new crops that would not compete with food production by using currently idle marginal land. Imagine that some of the products could be produced close to the construction site with low transport costs and opportunities for employment in small scale growing operations and production facilities for local men and women. These techniques could be environmentally sustainable and with a low energy footprint; actually locking 'free' carbon permanently into the road works. *Eco-Road Building for Emerging Economies* demonstrates that these objectives are feasible. In fact, some techniques are already at an advanced state of development. There is an urgent need to follow up on the promising leads highlighted in the report and little time to waste in finding sustainable alternatives to bitumen and cement. The [International Energy Agency](#) is warning that the natural output from the world's oilfields is declining faster than previously thought. The temporary downturn in demand from the current recession will eventually give way to renewed pressure on global oil capacity and will re-ignite energy prices in the medium term future.

SEACAP meeting highlights successes in knowledge

The [SEACAP Practitioners Meeting](#) held this month in Vientiane, Lao PDR, brought together about 130 people involved with this successful rural transport initiative in Southeast Asia. The event was an opportunity for presentations on the various SEACAP projects and notable successes in terms of knowledge generation. Topics included earth, gravel and surfaced roads, appropriate low-volume rural road standards, bio-engineering, human resource development and other important subjects, as well as awareness creation on key rural transport issues relating to poverty reduction.

Contact Rob Petts, Theme Champion for Rural Transport, on rob.petts@gtkp.com.

Social Development

gTKP Event: Transport solutions for access to healthcare in rural Africa

gTKP's [social development theme](#), along with the International Forum for Rural Transport and Development ([IFRTD](#)) and the Southern Africa National Transport Forum (SA-NFG) are together organising a three-day workshop that aims at providing greater visibility to the links between access to health care and the challenges of transportation in rural areas.

The workshop is a culmination of a two-year IFRTD-led international programme of networked research that has been examining the nexus between transport and health outcomes in rural areas. It will take place from 8-10 December in Pretoria, South Africa.

For more information contact Xochitl Benjamin (details below)

Event: Euro Access final workshop

[Euro Access](#) will hold its final workshop on the 3 December 2008 in Brussels. Euro Access has been working to improve the accessibility of public transport for people with disabilities. The workshop will be a good opportunity to discuss Euro Access results with public transport authorities, policy makers and people with disabilities. Attendance is free and the venue is fully accessible. The project team invites everyone to take the opportunity to join the discussion and help contribute good ideas for the improvement of accessible transportation in Europe. Registration information is available [here](#).

Website update: Human trafficking and migration knowledge now available

Transport has many social consequences, both positive and negative. Some less-recognised but important impacts include transport's long-term impact on human trafficking and migration in areas where new roads are built. gTKP recently commissioned some work on human trafficking and migration, as well as on the related topic of behaviour change communication, for the gTKP website. Click [here](#) to read them.

Contact Xochitl Benjamin, Theme Champion for Social Development, on xochitl.benjamin@gtkp.com.

Urban Transport

gTKP at first World Urban Transport Leaders Summit

The inaugural World Urban Transport Leaders Summit was held in Singapore from 4-6 November focussing on transforming urban transport for liveability and sustainability. It included several presentations on four main themes: good governance and sustainable transport, transforming public transport, managing congestion and strategies for emerging cities. To conclude there was a discussion on the way forward to transforming urban transport. The Summit attracted about a hundred high-level overseas and local officials/professionals from more than 30 countries in the Asia region, Europe, the UK, the Middle East, Africa and the US.

The event was organised and hosted by the [Land Transport Authority Academy](#) (LTA Academy) of Singapore. Participants went on site visits to an integrated transport hub, the ITS centre, the 12km long KPE Expressway (which includes 8.5km of tunnels, making it the longest underground expressway in Southeast Asia), the Urban Redevelopment Authority, Changi Airport Terminal 3 and the Port of Singapore Authority container port.

gTKP's [Urban Transport](#) Theme Champion, Peter Midgley attended, along with gTKP Steering Group Chair Tony Ridley.

gTKP signs Memorandum of Cooperation with the Singapore Land Transport Authority Academy.

While in Singapore for the World Urban Transport Leaders Summit, gTKP signed a Memorandum of Cooperation (MoC) with the [LTA Academy](#). The MoC will enable gTKP and the LTA Academy to collaborate in knowledge-sharing and dissemination activities and will contribute highly to the successes of both organisations.

Speaking at the signing ceremony, gTKP Chair Tony Ridley said the MoC promised to be instrumental in enabling high-level and meaningful cooperation between gTKP and the LTA Academy, particularly on key urban transport challenges. "Our two organisations have similar goals of ensuring that transport policy-makers and professionals have the benefit of shared experience and technical expertise. There are numerous opportunities for us to work together on this."

The LTA Academy was established in 2006 to share Singapore's experience and expertise in land transport and to promote the research and exchange of best practices within the global land transport community. The Academy has designed, conducted and hosted numerous professional programmes and international conferences. More than 5,000 high-level officials/professionals from 70 countries around the world have attended its programmes.

The MoC was signed on behalf of gTKP by Tony Ridley and for LTA Academy by the Dean, Mr. Mohinder Singh. Also present at the signing ceremony were Singapore Minister for Transport and Chairman, Chief Executive and senior management of LTA. The signing was witnessed by gTKP Urban Transport Theme Champion, Peter Midgley, and LTA Academy Deputy Director, Loh Chow Kuang.

For more information, contact Peter Midgley or the LTA Academy: ltacademy@lta.gov.sg.

Contact Peter Midgley, Theme Champion for Urban Transport, on peter.midgley@gtkp.com.

Finance & Economics

Financial crisis hits road projects

As of May 2008, South Africa had 18 signed public-private partnerships (PPPs) for infrastructure development and 55 more in process. Nigeria has embarked on a major concessions program for infrastructure development along with the necessary legal and regulatory regimes. With the second largest road network in the world, India's 11th Development Plan (2008-2012) includes 46,000 kms of road with US\$50.6 public sector funding and US\$26.7 private financing.

The current world-wide financial crisis and credit problems are beginning to affect the delivery of transport infrastructure. The specific impact varies from country to country, but the case of India is indicative of the current and prospective situation for many emerging and developing countries.

About 40% of the current projects sanctioned by the National Highways Authority of India (NHAI) are struggling to obtain financial closure after banks began raising the interest rate (14-16% as opposed to 9-11% just a few months ago).

The availability of bank finance is particularly critical to road projects for which debt typically constitutes 70-75% of project costs. Banks usually provide loans to highway developers over a 12-13 year period, which includes much of the 15 to 20 year concession period. If the debt:equity ratio is 75:25, the company is generally asked to come up with half the equity and the balance is split between the bank and company in equal proportions. Once construction is completed, the company is generally allowed a moratorium of between six months to a year on paying back principal, during which time only interest is paid. Afterwards, full principal and interest payments must be made.

In the current credit-scarce environment, banks that have made long-term commitments are finding them difficult to keep. Banks are also becoming much more selective in committing to new projects. Financial closure with higher interest rates adversely affects margins, making some projects unviable to the developer as well. Developers are currently arguing for a government policy of reduced interest rates for priority projects to ensure that they are not delayed further. With the options for external commercial borrowing (ECB) drying up (despite relaxation of GOI regulation of ECB) and little ability to raise capital from the stock market, companies are forced to rely increasingly on the domestic banks that are reluctant to supply cheaper capital.

Read more [here](#).

Contact Lynn Harmon, Theme Champion for Finance and Economics, on lynn.harmon@gtkp.com.

gTKP underscores link between transport, air quality and climate change

gTKP, represented by Sanjivi Sundar, Theme Champion for [Environment and Climate Change](#), Divya Sharma and Charles Melhuish, gTKP's Technical Themes Leader hosted an event to bring together stakeholders interested in *Transport, Air Quality and Climate Change*. The event was held in Bangkok on 10 November prior to the [Better Air Quality](#) about (BAQ) 2008 Workshop. The BAQ Workshop is a bi-annual event to bring together policy-makers and stakeholders to discuss how to improve air quality management in Asian cities.

gTKP's day long pre-BAQ event was attended by more than 50 people from diverse organisations across throughout the Asia-Pacific region and beyond. It was intended to draw attention to transport in the climate change debate, and to draw the link between efforts to improve air quality and efforts to combat climate change.

The day was structured around four sessions discussing major issues relating to air quality and climate change in the transport sector. Several notable speakers, including policy-makers, transport practitioners and researchers made presentations that were followed by in-depth discussions designed to facilitate debate of different point of views and exchange of country and institution specific experiences. gTKP's Charles Melhuish summed up the results and recommendations of the discussions and presentations. These are summed up in the Workshop Report available [here](#). For full information, including the agenda and presentations, click [here](#).

A gTKP booth was also set up at BAQ in order to get more practitioners and policy makers involved in the initiative and in networking and information-sharing. Sanjivi Sundar was also involved in another pre-BAQ event, [Fuel Economy: Towards a Global Framework](#) where he made a presentation on fuel economy standards. The *Fuel Economy* event was co-organised by the [FIA Foundation](#), [International Energy Agency](#) (IEA), [International Transport Forum](#) (ITF), the [United Nations Environment Program](#) (UNEP) and [CAI-Asia](#).

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