

BUILDING TRADE CAPACITY IN DEVELOPING COUNTRIES: PRIVATE SECTOR CONTRIBUTION TO AID FOR TRADE

TOTAL & World Bank Africa Road Safety Corridors Initiative (ARSCI)

1. Introduction

Through a Partnership with the World-Bank, TOTAL Group has engaged in a Road Safety initiative which aims to improve safety and significantly reduce crashes and victims in the main priority Transport & Trade Corridors in Africa, hence improving the efficiency of key international trade, transport and transit corridors of the continent.

This strengthened trade capacity in the concerned developing countries will have a positive social and humanitarian impact, and will lead to a reduction in operating costs for the trade players. The New Partnership for Africa's Development (NEPAD) considers road safety as one of its 4 top challenges in Africa's road network, considering that the high accident rate along Africa's roads is a source of loss and damage to trade and one of the major causes of injury and death. Hence, there is a clear link between Total's initiative and the increase of trade capacity in Africa. Some African countries are very much dependent upon their integration into the international trading system and, safety in trade corridors is a cost efficient way to facilitate trade on the continent.

The cost of road crashes at national level is estimated to range between about one and five percent of GDP in African Countries, where an average of 75% of road traffic casualties are amongst economically active young adults while pedestrians and passengers in mass transportation account for 80% of all fatalities.

The social impact of road crashes increases with dependency rates and poverty levels. Although economically active males are more than twice as likely to be killed on the roads than women, the burden of household lost earnings and care falls disproportionately onto women and girls, and often results in a decline into poverty. Poverty surveys repeatedly point to crash related death and injury of a family member as a cause of catastrophic impoverishment.

2. Brief Company Background

TOTAL is among the top five largest oil companies in the world, with a market leadership position in Africa where the Group has significant upstream and downstream activities.

Downstream activities in Africa include refining, logistics and marketing of various fuels, lubricants, LPG, etc... with more than 7500 employees.

Our Corporate Social Responsibility and Sustainable Development approaches are structured around core activities like training & capacity building (local content), an internal pension and social welfare system, road safety, fight against malaria & AIDS, management of and access to energy, waste management, etc... amongst other programs.

3. Motivation / Problem Identified / Issue Addressed / Focus

A partnership between TOTAL and GRSF (World-Bank), involving the private sector and the firm's large scale trucking activity throughout the continent, its accumulated experience, continued

attention to road safety, and dedicated road safety program, is a prime candidate for GRSF support and meets GRSF general principles that guide and shape country initiatives and related grant eligibility criteria. The proposed project complies with the Global Road Safety Facility (GRSF) eligibility criteria, as specified in the 2006-2015 GRSF Strategic Plan: it serves as a catalyst to accelerate the reduction in road deaths in Africa; it supports regional and country road safety initiatives linked with World Bank operations; it advances the shift from the current small, fragmented, one-off interventions in road safety to a harmonized, branded and replicable multi sectoral program where regional knowledge is accumulated, documented and shared; it seeks to increase country investments in safety by mainstreaming road safety financing in sector investment programs; it conforms with the second generation projects of road safety promoting leaning by doing within a result management framework, and finally; it seeks to adapt innovations to the circumstances of African countries. The project also brings partners together in order to enhance World Bank and other donors' activities in Africa. The project is to be carried out according to the Facility's governance arrangements and funding mechanisms.

The proposed UN Decade of Action for Road Safety provides a favorable framework and places additional onus on the proposed program.

4. <u>Description of the Initiative</u>

Program / Project objectives and outcome

The program seeks to align the proposed TOTAL corridor based road safety initiative in Africa with World Bank and other partners' country and regional road safety initiatives in the Region, in order to build a focused public - private sector partnership that may sustainably generate positive synergies, capacity building and improved road safety results. The first phase of this program will tackle two first priorities:

- The Northern Corridor linking the port of Mombasa (Kenya) to Nairobi (Kenya), Kampala (Uganda), Kigali (Rwanda) and Bujumbura (Burundi).
- The Central Africa Corridor linking the port of Douala (Cameroon) to Yaoundé (Cameroon),
 Ndjamena (Chad) and Bangui (Central African Republic).

It seeks to set a partnership model that bring synergy to the dispersed ongoing road safety activities of the public, private, humanitarian sector and civil society relevant to the both Corridors, and identifies, prepares, seeks financing, and possibly launches the activities of a full-fledged state of the art road safety corridor project. The project seeks to document the Corridors road safety activities, organized in modules, and their results, in such a way as to brand an Africa Corridor road safety approach that maximizes learning and sharing among stakeholders. On a longer term basis, it will further be all about facilitating replication, in sequence, along the twenty priority trade, transit and transport corridors of the continent.

The principles underpinning the project are:

- Package road safety activities in narrowly focused modules
- Document the activities and results in real time as they develop to promote knowledge building and sharing.
- Promote the continued active participation of partners through information sharing,
- Learn by doing and feedback lessons into the project design as they are identified;
- Brand the TOTAL-World Bank corridor road safety project approach to enhance visibility,
- Include partners from the entire spectrum of the transport business and stakeholders
- Think globally: implement the project with national Road Safety policies in mind,
- Contribute to the implementation of the Decade of Action for Road Safety in Africa.

The seven project modules are as follows:

- Module one concerns the vision, policy, legislation, regulations, and the corresponding institutional & governance framework
- Module two deals with the Safety Practice of Vehicles Management and of vehicle driving.
- Module three concerns the critical Infrastructure Safety Management along both pilot Corridors.
- Module four deals with the Enforcement of the Driving Code and Vehicle Safety Standards
- Module five deals with post crash emergency medical interventions
- Module six focuses on the generation of consistent standard road safety data, setting of safety performance objectives, monitoring safety along the Corridors, Evaluation and Analysis of results for feedback in the project and program.
- Module seven deals with Education, Information and Communication (EIC) at national and at regional level, along the corridors.

5. Impact/Results

The outcome of the project, after a few years, will be:

- (i) A vibrant public private partnership on road safety, with active civil society debate and with continued multi-media visibility of the road safety issues, policies and progress;
- (ii) A fully prepared state of the art road safety policy and investment program, with at least an identified source of financing and firm commitment for all the investment activities;
- (iii) A fully designed road safety regulatory package, including for driving code and vehicles, and a road map for harmonization with other EAC countries;
- (iv) An effective road safety monitoring and a casualty data base conforming to international standards along both pilot Corridors in Kenya, with a road map for extension and harmonization to the entire corridors;
- (v) An effective self enforcement, monitoring and reporting, of safe fleet management by the project official partners along the two priority Corridor, including private sector participants, all ODA and humanitarian agencies, and selected public institutions and government agencies, and including their transporters and sub-contractors;
- (vi) The inclusion of road safety audits, and compliance with star rating standards for vehicle users and for vulnerable road users, along the two pilot Corridors, within all donor funded and all approved investments, including rehabilitation and periodic maintenance of roads, and; a road map for the extension and harmonization of this practice along the entire corridor;
- (vii) The roll out and lessons from both priority Corridors Road safety project are fully documented and a template to replicate the project has been agreed under African regional leadership;
- (viii) The number of road casualties along the corridor has been reduced from the pre-project estimates. By reducing casualties and hence increasing safety on the road network, Total's initiative is helping to diminish the barriers to trade fluidity on the continent.

The outcome of the program, at the end of the Decade of Action for Road Safety, would be to include additional regions.

This concept and related programs were officially and formally launched at the Kenya – Uganda border town of Malaba for the Northern Corridor on April 27th, 2011. The popular event was chaired by special representatives of both Prime Ministers (Kenya and Uganda), attended by senior Ministers and authorities from both Governments, the Vice President Refining & Marketing Africa & Middle-East for TOTAL, and the Regional World-Bank Director (representing the World-Bank President), CEOs of private companies, etc... and a huge crowd of populations from both countries.

A similar event took place in Yaoundé (Cameroon) on June 22nd, 2011 on a double launch basis:

- The UN Decade of Action for Road Safety;
- The TOTAL & World-Bank Central Africa Corridor Road Safety Initiative.

The event was chaired by the Prime Minister of Cameroon. Chad and Central African Republic were represented by their Transport Ministers on behalf of their respective Prime Minister. The event was also attended by representative of Total Group, the Regional World Bank Director and by several ministers, authorities and senior CEOs of private companies from the three countries, amongst others...

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