PUBLIC TRANSPORT IN SUB-SHARA AFRICA UNDER THE DEREGULATION

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1. Introduction

In 1990s Sub-Sahara Africa countries has undergone economic reform, characterized by minimizing the role of the governments. The main objective was to rid off what is then seen as inefficiency in public enterprises and their heavy reliance on subsidies. The transport sector in general and public transport in particular, is not an exceptional to this restructuring. The bottom line of the reform was to improve the social well-being, and after 20 years the issue remains quite sensitive. This paper doesn't intend to get deep into the argument, rather highlight the post-reform challenges and opportunities of public transport in Sub-Sahara Africa, in the local context.

2. Background of the Transport System

(1)Transportation system Development

Most of the African modern transportation systems` foundations were laid during colonization. The primary objective, however, was to serve the economic objective of the colonizers (Refer Ambe J Njoh, for more)[1)]. As a result transportation infrastructural development was mainly to ensure smooth flow of natural resources out of the region. Even though the development of transpiration system was influenced by the flow of goods during colonization, many of the public transports (mostly composed of buses and urban) took also root during this time.

After the independence, in 1960s and early 1970s, many of the Sub-Sahara Africa governments stepped up their role in public transport services marking the second phase of PT development of the region. Countries like Uganda, Cameroon, Central African Republic, Tanzania, Cote-D'lvoire either nationalized or monopolized public transport service. The service, since then faced many challenges and become heavily dependent on subsidies, yet couldn't meet the growing demand.

At the end of 1980s and 1990s, many countries the region took *economic structural adjustment programs (SAP)*, supported by the international financial institutions (World Bank and IMF). The public transport sector has been affected by this reform, as it had to be regulated and governments had to end the monopoly and suspend the subsidy. The public transport development after the reform is explained below.

(2)The Role of Public Transport in Sub-Sahara Africa

Law income countries are the least motorized, and Sub-Sahara Africa where more than 60% of LI countries are located is a prominent example. Sub-Sahara Africa accounts 2% of the world vehicles, for over 800 million people of the region, making 13%

Keywords: public transport, deregulation, minibuses

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of the world [2),5)]. There is a high variation in registered vehicles in Sub-Sahara Africa countries (Figure 1) ,South Africa and Nigeria making over half of the registered vehicles, and total registered vehicles of region is less than a third of that of Japan [1)].

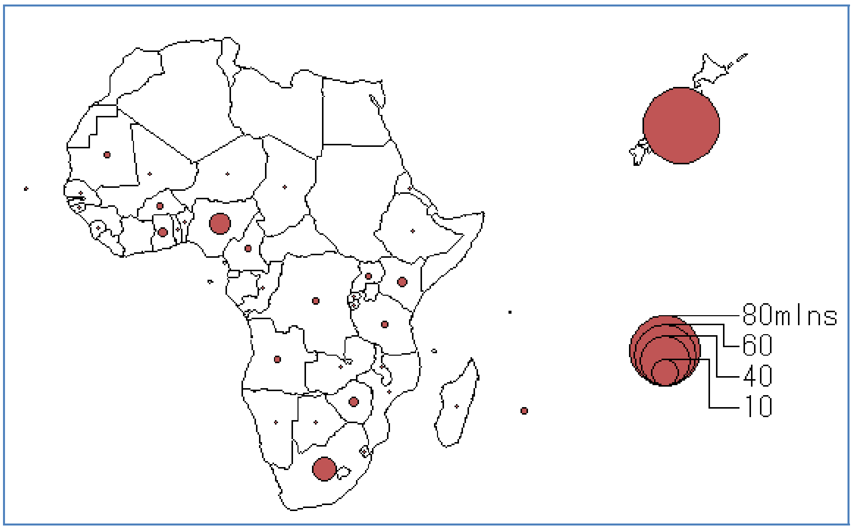

Figure 1Registered vehicles in SSA countries and Japan
(2007)

It is, therefore, evident that for overwhelming majority of the population of the region public transport is the only means of transport. Despite the heavy reliance on PT of the Sub-Sahara Africa, the sector is has gone through different stages of changes and facing daunting challenges to satisfy the growing demand of the region.

3. Deregulation of PT

The main objective of the liberalization and deregulation under the SAP, was to ensure self sufficient, efficient public transportation service system. This was also seen as a solution to the problems public transports service under the state control entangled with.

Many of the regional countries deregulated the public transport service, ending the monopoly. For example, Tnazania-1983, Ethiopia -1992, Cameroon in 1995, Malawi-1990s made open the sector for public services. This in contrast with Japan, where public transport was deregulated in 2000.Since then, the role of the Sub-Sahara Africa governments basically diminished to regulation.

(1) Atomized Service

After the deregulation the entrance to the public transport service was limited to road worthiness of the vehicles, in many of Sub-Sahara Africa countries. The roadworthiness is basically based on visual inspection, as the institutions have limited capacity.

This paved the way for the introduction of minibuses, which was illegal in some countries of the region to serve as public transport. Since then, the minibuses have been flourishing overtaking the conventional large bus public transports. Minibuses are dominant public transport mode of transport: in Kenya minibuses make 75% of the public transport share, 65% of commuter trips in South Africa[6)] and in some cities the minibuses have overtaken the total market (Kampala, Dar es Salam –Table-1 for more).

The easy to acquire minibuses and their ability to maneuver in poor narrow roads has contributed to their dominance minibus service. Private individual could easily start public service with old, used minibus at cost which doesn't' exceed US$ 3000 as it is in the case of Uganda[3)]. As a result, minibuses belong to private individuals who mostly own not more than one vehicle.

Even though, the role of the governments is limited to regulating the sector, which is minimal, this simply doesn't exist. Government institutions are too weak and don't have necessary data and parameters to properly allocate the public service vehicles properly. It is also beyond the capacity of the public institutions to monitor minibuses which decide their service on individual interest basis.

(2) Monopolistic Operators

As mentioned in the above, even though the government has the mandate to regulate the largely informal public transport sectors it is simply beyond its capacity. The vacuum created by lack of effective regulator is filled by minibus owner associations which serve as operators, founded by the individual private owners. The role of the association varies, but in general they have more leverage on the minibus service than the government that their role in route allocation and fare setting is substantial.

In countries like Uganda the association which serves as operator is influential as it controls not only the routes and fares but the parking areas that new entrance is unlikely without their consensus. In Kenya too the sector has similar role, and as it emerged the dominant public transport provider service strike which paralyses the country has become a common tactic to shield the minibus industry

There is growing mistrust between the minibus industry and the government as they become primary opponents re-structures the industry or reform the service. Both in Kenya and Uganda the initiative to introduce BRT to meet the growing safety and reliability concerns has been challenged by the minibus owners who are concerned for the market share. Minibus operators in Kenya have been resisting strict safety rules that the government has been attempting to apply through organized strikes.

Table-1 Mode share in some African Cities

City	Large bus	Mini-bus	Tax	Motor-cycle	Private-car	walk	Other
Abidjan	11	19	29	0	18	22	1
Accra	10	52	9	0	13	12	4
Addis-Abeba	35	20	5	0	7	30	3
Bamako[1]	1	10	5	56	19	…	9
Conakry	1	14	6	0	1	78	0
Dakar	3	73	6	6	11	…	1
Dar es Salaam	0	61	1	1	10	26	1
Douala	10	…	13	12	2	60	3
Kampala[1]	0	41	…	20	35	…	4
Kigali	1	75	10	0	10	5	0
Lagos[1]	10	75	5	5	5	High	0
Nairobi	7	29	15	2	…	47	0
Ouagadougou[1]	8	0	…	58	14	…	20

Sources: City authorities, published documents. (Cited by World Bank)

Note: … = Not available., 1: The modal share shown reflects motorized trips only.

3. Revival of Conventional Buses

Conventional large size buses which were serving under largely monopolized dwindled after the deregulation. However, the emergence of the minibus industry which was acting under purely interest basis under regulatory vacuum environment only explains partially the decline of the conventional bus industry. Unlike the minibuses, conventional large bus services were under the influences of the states, their fares were kept lower than it can sustain. The conventional buses were not properly compensated for the regulation, other than some exceptions where local authorities was providing limited subsidies which was declining over time-like the case in Addis-Abeba (which explain the large share as shown in Table-1). Despite, these conventional buses had to compete with the informal minibus services and often on the same routes making their service unsustainable. Of course, the incompetency nature of the operators of the large buses and their failure to adopt the new environment may have speeded up their collapse.

In general, with the exception of South Africa, the Sub-Sahara Africa countries don’t have polices which favor public transport. Moreover, and under equal field competition principle, they treated all type of public transport equally despite their distinctive nature. In Kenya, for example, the minibus public transport service was largely blamed for growing safety problems. However, in 2004 when the government issued strict safety rules as a result, large volume buses weren’t an exception. This has led to the collapse of Kenya Bus Service (KBS), the only conventional public private partnership conventional large bus service provider as the new rule prohibited standing passengers and limiting its income as a result.

After the deregulation, self sustainable public service industry dominated by fragmented minibus service has emerged. This has been, however, not without cost. Safety is one of the major problems that the minibus public transport service is associated with. The fact that minibuses are owned by individuals who are trying t maximize their income, in certain over supplied routes perceived profitable has created unnecessary on road competition. Poor roads and lack of alternatives for travelers, and inexistence of effective regulators have exacerbated the situation.

The relationship between the safety of public transport and the deregulation of the sector in the region needs to be established. However, the safety problems and the chaos of the public transport is entangled with are evident. In Ghana bus fatality makes 22% of fatality[4)], twice as many as that of cars, and Bus user fatalities make 16% of total fatalities in South Africa[7)]. Buses also record highest fatality rate in the region: Per 10,000 vehicles the fatality rate is 130 for minibuses in Ethiopia and 51 in South Africa, in contrast to that of motorcars which is about 12 and 14 fatalities per 10,000 vehicles respectively[7)]. As a result, insurance companies are reluctant to cover the public transport sectors: in Kenya only less than 10% of the insurance companies offer insurance for public transport and the sector is blamed for the collapse couples insurance companies. The reluctance of insurance companies to cover the public transport, and introduction of safety rules targeting sector, (ex, that Legal Notice N0 161 commonly known as "*Michuki rule* in Kenya), shows the growing concerns over safety of the public transport services. The decline of large buses and the dominance of minibuses ahs also raised concerns over growing congestion, efficiency and environmental impacts.

Several countries of the region have attempted to reintroduce high volume buses, though they have yet to make tangible progress. The initiatives widely vary across the region, from soft measures of encouraging the transformation of the sector through incentives as it is in South Africa, to total ban of the sector as Cameroon did. Some countries like Ghana are planning to introduce BRT, and despite expected resistance from the minibus owners. Re-introduction of large bust volumes is an ongoing process and it is too early to judge. However, as public transport is and should be the basic mode of the region sanity should be restored.

4. Conclusions and Recommendation

Arguably, Sub-Sahara Africa may be the only region where radical deregulation of public transport is accompanied with poor infrastructure and defunct institutions are combined with. The problem isn't in the deregulation per se, but the timing, level and context of introduction is questionable. The consequence of leaving the public transport service to fragmented vehicles that is even difficult to manage by well organized institutions let alone weak and under equipped establishments is something that should be considered critically. Gradual deregulation in parallel to socio-economic level of the region could have been an option. The government could have encouraged the entrance to the market in corporate from, as it could have made easier to deal with, under limited institutional capacity for limited transition period.

The minibus industry is well established and they core part of the public transport. It is beyond the capacity of the states to make overnight substitutes. Trust should be build and the minibus industry should be recognized and positively engaged. Sidelining this sector, in any substantial reform may not feasible if the sustainable changes have to be made. The minibus sector, should be encouraged to be a a stake holder in any measure state investment in public transport sectors.

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