



global Transport
Knowledge Partnership

Assessing Governance Capacity in the Roads Sub-Sector.

**Presentation to the 4th SARF/IRF Regional
Conference for Africa.**

Presented by Mark Thriscutt,
gTKP Governance Theme Champion

Cape Town, South Africa.

What is Governance (as it pertains to the Roads Sub-Sector)?

It covers a wide range of issues in the sub-sector:

- Government Policies & Legislation: responsibilities.
- Capacity of Public Sector Institutions.
- Capacity of Private Sector Suppliers.
- Funding Issues: Levels, Structure & Management.
- Availability of required skills, equipment, materials, etc.
- Accountability & Transparency.
- Participation and Awareness of Road Users.

Tackling Governance Issues requires:

- Long Term perspectives.
- Holistic view of the sector (whole-of-government).
- Thorough understanding of why changes are necessary.
- Bold leadership to see the strategic picture & overcome entrenched interests.
- Transparency & feedback.

Too often, institutional reforms are undermined by short-term & narrow perspectives, ignorance, self-interests, a lack of communication and poor leadership.

Past failures weaken future attempts at necessary reform.

Why is Governance Important?

Brooks Pyramid:
Each layer depends on the capacity of the layer(s) underneath it.

Technical
(Engineering, IT, Design, etc.)

Institutional
(Funding, Public sector Institutions, Private Sector Capacity, Policy, etc.)

External
(Law & Order, Peace, Macro-economic stability, Culture, etc.)

Focus of Attention Often Determines where the Money Goes

Fund holders often focus (understandably) on the wrong activities:

Type of Activity	Budget Requirements	(Relative) Timescale	Evaluating Success	“Political Visibility”
Technical	BIG	Short-Term	Easy to measure	High
Institutional	Small	Long-Term	Difficult	Low
External	Big?	Generational	Difficult	Low

These characteristics of institutional issues need to be considered in tailoring programmes to improve governance in the sector: supporting governance programmes needs to be long-term, their importance (visibility) raised, and methods developed to help evaluate their effectiveness.

Why Good Governance REALLY Matters in the Roads Sub-Sector.

- Roads matter: they are an important pillar to poverty alleviation and economic development in all countries.
- People care about them (especially if they are not as good as they could be), because they have a big impact on people's lives.
- They cost a LOT of money to build and maintain.

Why Governance is Particularly Difficult in the Roads Sub-Sector.

- They are often monopolies: transport users have little or no choice whether to use them or not.
- Traditionally funded and provided by monopolistic suppliers.
- Poor or indirect relationship between use, charge and cost.
- Involve both public and private sector suppliers.
- Incur substantial, indirect and unquantifiable benefits and costs (including externalities).
- Have a high historical, political and cultural legacy, making change more challenging.
- Institutional reforms take a long time to show benefits, but are quick to disrupt. Strong/brave leadership is required!

The Challenges of Evaluating Governance Capacity

Measuring governance is difficult because:

- The underlying causes of problems are likely to overlap.
- They take time to work: are current problems caused by previous weaknesses that have been rectified but not yet worked?
- How to measure governance aspects objectively?

But the Benefits from Measuring Governance Capacity are Great:

- They raise awareness and understanding of governance issues in the sector and the benefits from better governance (which should far exceed costs).
- They help to identify areas of weakness.
- They provide a tool to help assess where improvements are possible – and over time, where they have occurred.
- They help to compare the effectiveness of different governance solutions.

Caution: Consider the Messenger as well as the Message!

- Applying objective measures is challenging and should be subject to critical thinking in their development and application.
- Better governance reduces the opportunity for corruption and poor performance.
- Consider why someone might criticise attempts to improve governance? Is their rationale valid, or if not, why?

Proposed Design of Indicators

- Different indicators for different aspects of governance in the roads sub-sector.
- Overall score in each area comprises of the sum of scores to a series of ‘objective’ questions.
- Score from 0 (poor) to say, 3 (excellent).

Areas for Proposed Indicators

- Public Sector Institutions.
- **Finance & Funding.**
- Legislation & Policy formulation.
- National Road Management.
- **Local/Rural Road Management.**
- Urban Transport Management.
- Private Sector Suppliers.
- Involvement of Road Users.
- Training & Technical Capacity.
- **Road Safety.**
- Environmental & Sociological.
- Regional & International Integration.

Challenges / Issues

- Overcoming subjectivity?
- ‘Double counting’ of common issues?
- Which questions to ask?
- Equal weighting for every question?
- How should the indicators evolve over time?
- Can they be applied universally?

The Next Steps

- Workshop to Discuss these issues and consider some draft indicators.
- Open up a debate on these issues to elicit a broad range of ideas and backing.
- Testing out and refinement of draft indicators (SSATP?).
- Adoption of indicators to progressively improve governance in the sector.

If you Remember Just One thing, please Remember this!

- Building and maintaining roads is a **BUSINESS** (not just a social service). Huge amounts of money are involved, making roads the biggest business in most countries.
- **Treat it like a business:** expect the management of roads to be carried out in the same way as would be any private sector business of its size.
- **Good governance** ensures that it is!

Thank You!

Mark Thriscutt

gTKP Governance Theme Champion

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