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Dr Kathleen Dermody
Committee Secretary
Senate Foreign Affairs, Defence and Trade Legislation Committee
PO Box 6100
Parliament House
Canberra ACT 2600
AUSTRALIA

Dear Dr Dermody

African Development Bank Bill 2013

The international Road Assessment Programme (iRAP) welcomes the opportunity to comment on the proposed African Development Bank Bill. As part of our submission we would also like to encourage and ensure the Australian Government advocates at the United Nations level for a “Safe and Sustainable Transport” Sustainable Development Goal in the post 2015 agenda. This recognizes the tremendous burden of road death and injury in Africa and across the world where road crashes are the biggest killer of young people. The Africa Region has the highest road traffic fatality rate in the world with an estimated 3,000,000 killed and seriously injured every year and a road death rate 5 times higher than Australia.

- 1) *Comments related to the additional financial and human resources required by the Commonwealth Treasury and the Australian Agency for International Development to support Australia's engagement with the African Development Bank Group.*

The Australian Government as a G20 nation has a responsibility to support development and poverty reduction initiatives in Africa. Membership of the African Development Bank and African Development Fund provides a cost and resource effective way to engage and support development in Africa. Additional financial and human resources will be required to support the initiative at the region-wide level and these resources are well justified.

The established mechanisms and membership of the Bank will also provide the conduit to prioritise and deliver development funds without the need for AusAID to duplicate country level engagement and governance in an often crowded international development space.

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2) Effectiveness of the African Development Bank Governance Structures

The Australian Government assessment of the African Development Bank in 2011¹ provides a comprehensive review of the governance structures of the Group. This report recognised the contribution of the Bank to the region and the role it plays in ensuring aid effectiveness. The Center for Global Development / Brookings Institute report also provides confidence on the governance of the Group.

With significant capital dedicated to delivery of road and transport projects, the African Development Bank must ensure safe and sustainable transport outcomes as part of their lending portfolio. Road crashes are the biggest killer of young people aged 5-24 worldwide and many major road projects proceed without the appropriate safeguards for road safety outcomes.

Introduction and specification of a minimum 3-star standard for pedestrians, cyclists, motorcyclists and vehicle occupants as part of all new road projects and lending (as applied by the [World Bank in India](#) for example) is recommended. This will provide the Australian Government with confidence that Australian funds are not supporting investment that leads to increased death, injury and poverty.

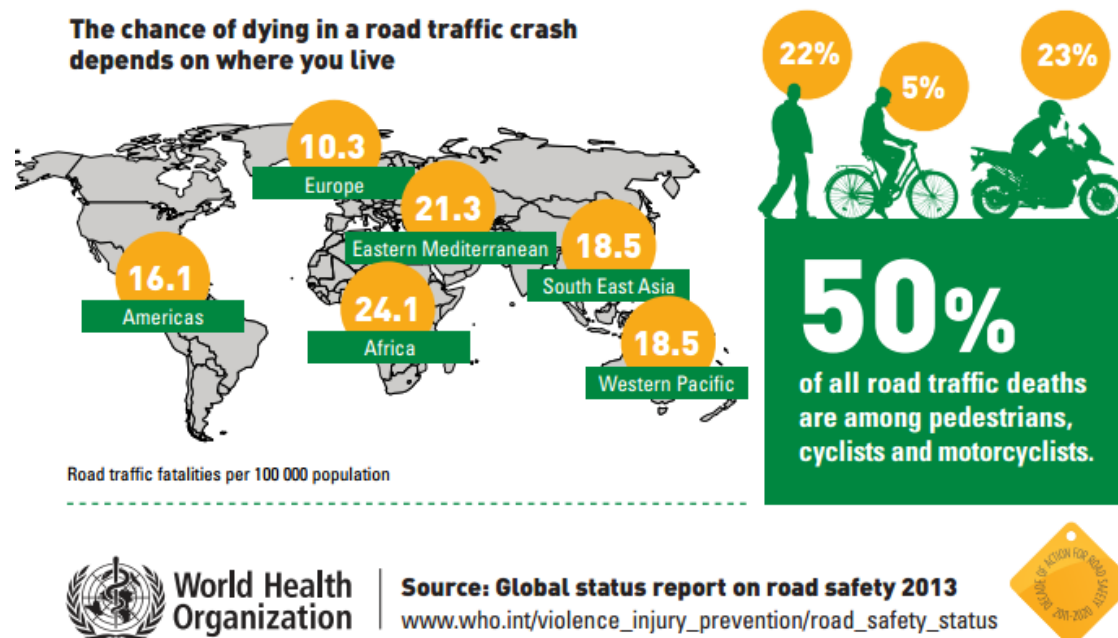
With rapid growth on the African continent expected there is an opportunity to lift the 3-5% of GDP annual burden of road crashes on economies by “leap-frogging” traditional practice and delivering safe infrastructure at the early stages of development. This simple action has the potential to deliver significant benefits across the health and social services sectors as road trauma is reduced and the typical spike in road crashes as a country develops is avoided in these countries that can least afford the consequences.

Some key road safety facts include:

- 1.2 million people die every year in road crashes, and an estimated 20-50 million are injured
- Road crashes are the leading cause of death for boys aged 5 to 14 and the leading cause of death for all young people aged between 15 and 24
- One in six road crash victims are children and young adults – 1,000 are killed every day and an estimated 10,000-30,000 are seriously injured
- Road traffic injuries are the second leading cause of death for primary and secondary school children.
- The loss of a “bread-winner” or need to permanently care for a family member places significant financial pressure on families and counters efforts to reduce poverty and social exclusion
- Road crash victims frequently occupy more than 50% of trauma unit beds in low and middle income countries and around 75% of hospital capacity for dealing with serious head injuries
- The United Nations has declared 2011-2020 the [UN Decade of Action for Road Safety](#) in recognition of the need to address the global road safety crisis.

¹ Australian Multilateral Assessment (AfDB) <http://www.ausaid.gov.au/partner/Documents/afdb-assessment.pdf>

The economic and social burden of road crashes globally

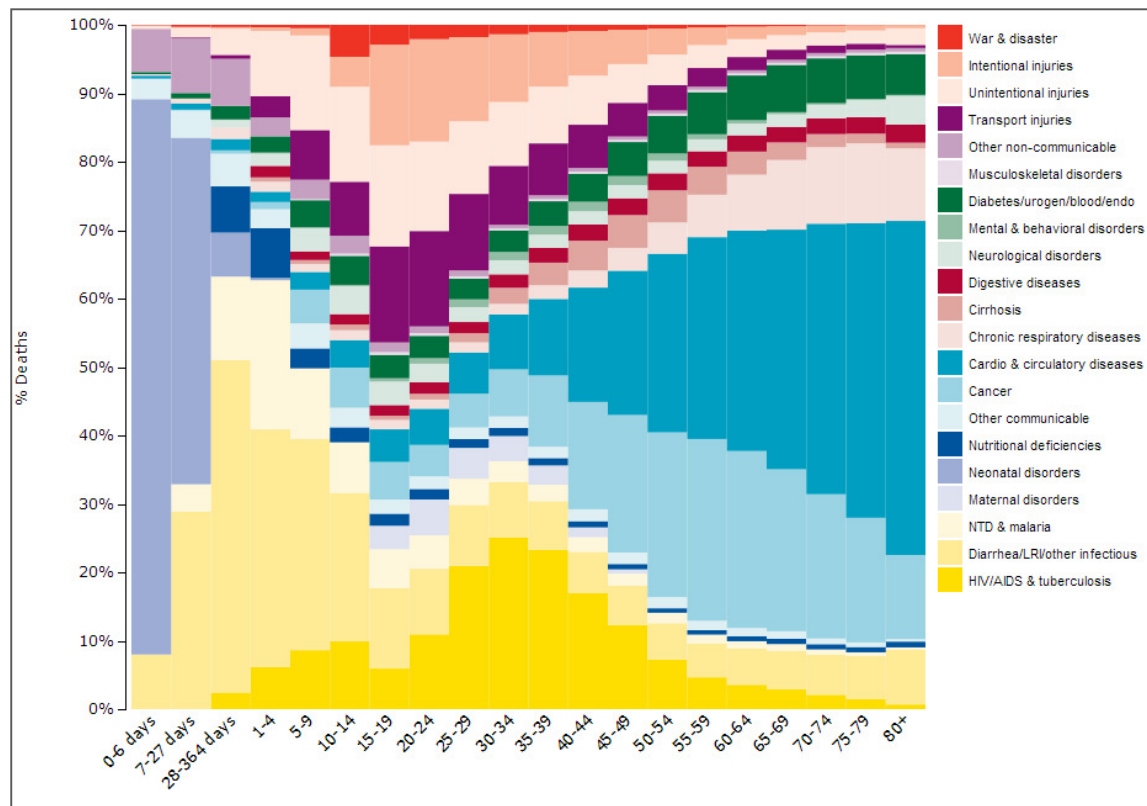


iRAP Global Fatal and Serious Injury Road Crash Cost in 2010 (USD)

Income Group	# countries	Fatalities & Serious Injuries (FSI)	Annual cost of FSI crashes	% of GDP
Low	33	1,280,220	\$ 17,478,000,000	4.3%
Lower middle	49	4,944,250	\$ 204,514,000,000	4.6%
Upper middle	47	5,092,990	\$ 778,583,000,000	5.1%
High	49	941,810	\$ 850,810,000,000	2.0%
	178	12,259,270	\$ 1,851,385,000,000	3.0%

Source: iRAP analysis of road crashes (WHO 2013); (McMahon, Dahdah 2008)

Road crashes disproportionately impact the young



Global Burden of Disease: Death by age group

<http://www.healthmetricsandevaluation.org/gbd>

The following comments are taken from an earlier submission to AusAID as part of developing the African Development Bank Bill and are repeated here for the information of the Senate Committee.

3) *Should Australia become a member of the African Development Bank and African Development Fund?*

The international Road Assessment Programme (iRAP) fully supports the Australian Government proposal to become a member of the African Development Bank and the African Development Fund. As highlighted in the consultation paper the African Development Bank networks, knowledge and majority African ownership provide a recipe for success in addressing poverty and development issues across the African continent.

4) *Will joining the African Development Bank and African Development Fund help address poverty and development challenges in Africa?*

The African Development Bank and African Development Fund are effective in addressing poverty and development challenges in Africa. As referenced in the discussion document the provision and condition of African infrastructure including road networks, are a major barrier to sustainable development. Large-scale improvement in road infrastructure is required to address access to health services, education and employment opportunities, economic development and trade. An integrated multi-country approach is required to build an African Highway Network (similar to the Asian Highway) that provides high standards of safety and access in an equitable manner – particularly for land-locked countries with trade disadvantages. The African Development Bank is well placed to deliver this need.

2011-2020 is the United Nations Decade of Action for Road Safety. Road crashes are the biggest killer of 5-24 year olds in the world. More than [1,000 children](#) are killed every day on the world's roads and an estimated 3,000,000 people are killed or seriously injured in road crashes every year in Africa. Road crashes are estimated to cost between 3-5% of GDP in Africa with per population death rates 5-6 times those in Australia despite lower levels of motorisation. iRAP estimates that safer road infrastructure across Africa can deliver over \$200 billion in economic benefits over the following 20 years.

The burden of road crashes falls on the most vulnerable and adversely impacts the health system, social support networks, poverty reduction initiatives in addition to economic and sustainable development. This global issue has recently been highlighted in the Rio+20 outcome document where the need for safe and sustainable transport has been specifically targeted.

With estimates quoted in the discussion document highlighting that almost 400 million Africans will be in the 15-24 age group in 2050, unless road safety issues are addressed there will be an epidemic on the scale of HIV affecting the future generations of Africa unless road safety is addressed immediately. Now is the time for Australia to display and share its road safety leadership and excellence and help Africa leap-frog the unnecessary growth in road trauma as their economies develop. Ensuring minimum 3 or 4 star standard for all road users as part of all new road construction projects will ensure expensive retro-fits are avoided in the future – and more importantly road death and injury is minimised immediately.

Recent [iRAP](#) discussions with the African Development Bank in Tunis in June 2012 highlighted the need for a dedicated Road Safety Trust Fund that will provide the institutional, political and technical foundation for action across Africa. The Bank is currently investing in their own road safety knowledge and Australia's unique experience in this area, particularly when looking at rural and remote road networks, will be highly effective. Leadership at this level is essential to ensure the UN Decade of Action for Road Safety achieves the global goals and targets outlined in the [UN Global Plan](#).

5) *Is becoming a member of the African Development Bank and the African Development Fund in Australia's national interest?*

iRAP believes that Australia becoming a member of the AfDB and AfDF is definitely in Australia's national interest and fully supports Australia's membership plans for the reasons highlighted above and in the discussion document.

Australia's membership will accelerate the pace at which poverty reduction through safe and sustainable development is achieved. Australia's involvement will reflect our ability and desire to be a global leader in the development space and support our ongoing leadership within the G20 and OECD nations. Supporting the African Development Bank direct will avoid aid fragmentation as recommended in the aid effectiveness review, and will ensure effective deployment of Australian resources.

To meet the needs of the United Nations Decade of Action for Road Safety there is also significant demand for activities that require support that are best delivered by non-government agencies such as [iRAP](#), [GRSP](#), [Global NCAP](#) and the [IFRC](#). These needs are greatest in Africa, and where the existing resources being deployed are lowest.

The World Health Organisation and the FIA Foundation have established the [Road Safety Fund](#) as the official global fund for the UN Decade of Action for Road Safety. The strong governance of the fund provides an effective mechanism to support road safety in Africa that will align with the requirements of the aid effectiveness review. The fund provides a single point for investment in all five pillars of the Decade of Action. Donors can direct who, where and how funds are dispersed if desired and receive recognition as appropriate. Australian Government review of this mechanism is highly recommended as part of the overall strategy for Africa.

Thank you for the opportunity to comment on the proposed membership. I look forward to Australia becoming a member of the African Development Bank and the African Development Fund in the near future.

Yours Sincerely

Rob McInerney
Chief Executive Officer