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# Training Seminar on International Road Haulage in the Euro-Mediterranean Region

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**Stage 1: Frameworks and Challenges for International  
Road Freight Transport**

**Main Issues and Challenges for Road Freight  
Transport in MEDA Countries**

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**G. Emmanoulopoulos**  
Core Expert on Road Transport  
EuroMed Transport Project – Main Contract  
Transportation Planner – Engineer, M.S.c  
President of BoD of TRADEMCO S.A.

## Main Issues and Challenges for Road Freight Transport in MEDA Countries

- Overview of Road Freight Transport in the MEDA Region
- Institutional Issues
- Organisational Issues
- Operational Issues
- Infrastructure Bottlenecks and Border-Crossing Barriers



## Overview of Road Freight Transport in the MEDA Region

Table: Road Transport Main Statistics (2001)

	Surface area (10 <sup>3</sup> km <sup>2</sup> )	Population [10 <sup>3</sup> 2002]	Roads (km 2001)	Number of Goods Vehicles (trucks) (10 <sup>3</sup> )	Vehicles (10 <sup>3</sup> )	Rate of motorisation (cars per 1000 inhabitants)	Road network density (km/'000 inh.)	Road network density (km/'000 sq. km)
EU-15	3 191,1	374 600	3 952 937	23670	185 700	496	10,6	1 238,7
Egypt	1 001,5	66 372	45345	605	1975	30	0,7	45,3
Israel	21,1	6 494	16521	330	1486	228	2,5	784,5
Jordan	89,2	5 171	7259	154	324	62	1,4	81,4
Lebanon	10,4	4 441	6598	90	1428	326	1,5	634,4
Palestine (1999)	6,2	3 212	2495	24	n.a.	36	0,8	402,4
Syria (MoT)	185,2	17 005	45860	138	n.a.	9	2,7	247,7
Algeria	2 381,7	31 320	104729	1060	1708	55	3,3	44,0
Morocco (2000)	446,6	29 641	57226	360	1807	42	1,9	128,2
Tunisia	163,6	9 788	19050	263	550	57	1,9	116,4
Cyprus	9,3	765	11408	117	280	366	14,9	1 225,8
Malta	0,3	397	2254	44	195	499	5,8	7 513,3
Turkey	780,6	69 626	429223	1271	4535	66	6,2	549,8
Total MEDA	5 095,7	244 232	747968	4092	12481	51	3,1	146,8

1. EUROSTAT underlines the fact that differences in definitions between countries limit the comparability of the data. For this reason, only total network length (Roads of all types) and total number of Goods Vehicles (trucks of all types) are presented above.

## **Overview of Road Freight Transport in the MEDA region**

### **→ Road Network Density**

- In the MEDA region: 147 km per 1,000 square km
- In the EU: 1,239 km per 1,000 square km
- Desert areas partly explain the difference

### **→ Road Network Length**

Over 748 thousand kilometres of road across the MEDA region (year 2001). With about 429 thousand kilometres of roads, Turkey has 57% of the total. Algeria follows with 105 thousand kilometres, representing about 14%.

### **→ Goods Vehicles Fleet**

MEDA region disposes of 4.1 million goods vehicles against the 23.7 million recorded in the EU.

## **Overview of Road Freight Transport in the MEDA Region**

### **→ Importance of Road Freight Transport**

Importance is underlined from the following points:

- International road transport offers unique advantages (door to door, flexibility, low cost), plays a major role and has an increasing share, provides direct access to every city, village or region, access to every production or consumption site, adaptable to change, is reliable despite barriers, can offer just in time services.
- International road transport is not only important in South - South transport, where due to closed borders, etc. it is not operating properly, but also in North - South transport, either through Ro-Ro in Maghreb (in future through tunnel too) or through Turkey to Mashrek.
- There is always a national road leg involved in every International road freight transport with other modes (for delivery from the port or the railway station or the airport to the final destination). The efficiency of the road leg is very important for the overall transport chain.
- Port hinterland connections in the MEDA countries are not of high level in most cases i.e. especially in Algeria and Egypt.

## Overview of Road Freight Transport in the MEDA Region

**Table: Assessment of the Role and Importance of Road Sector in International Freight Transport per MEDA Country**

Country	Role of International road freight transport sector
Algeria	<u>Very limited role</u> , is like an island due to closed borders, lack of appropriate road links (e.g. sub-Saharan Africa), lack of trade with African countries with which it has land borders (most trade with EU through sea but Ro-Ro connections can play a rising role)
Cyprus	Island, no land borders, only through Ro-Ro connections, <u>very limited role</u>
Egypt	<u>Still limited role</u> due to lack of proper connections to the South and to the East but can play an increasing role
Jordan	<u>Very important role</u> as it has mainly land borders; it is a transit country for M. East
Israel	<u>Limited role</u> , closed borders with Lebanon - Syria, if political problems are solved can play an increasing role
Lebanon	<u>Quite important</u> through Syria, however, still limited due to closed borders with Israel
Malta	Island, <u>no role</u> (only Ro-Ro <sup>1</sup> )
Morocco	<u>Limited role</u> , like an island (closed borders to Algeria). No considerable trade to South, only Ro-Ro with Europe, will increase
Palestine	<u>Important</u> through Israel, Jordan (nearly land-locked)
Syria	<u>Very important</u> , a transit country for M. East
Tunisia	<u>Limited role</u> , as an island (very low exchanges with bordering countries only through Ro-Ro to Europe)
Turkey	<u>Very important role</u> as Turkey is a transit country from Europe to the East and provides the only land connection to Mashrek and to Maghreb through Syria, Jordan, Egypt due to proximity and common land borders with EU (Greece) and rest of Europe in general through Bulgaria and Greece.

Source: EuroMed Transort

<sup>1</sup> It is however, necessary to make a difference between Ro-Ro on singular points (the Gibraltar Strait) with truck and trailer, and Ro-Ro where the long sea leg implies an important share of trailers

### Institutional Issues

- ➔ The road transport system is a complex one comprising a multitude of actors and elements, thus there is a need for a complicated institutional framework
- ➔ Actors are private, public, national, international
- ➔ Elements refer to different types of vehicles, freight, transport and charging on the national and international level
- ➔ The major actors and elements of the road transport system in the MEDA countries are summarised in the following tables

## Institutional Issues

**Table: A lot of actors involved in the road transport system**

<b>Actors</b>	<b>Categories &amp; Characteristics</b>
<b>Owners</b>	<b>Individuals, Companies (private or public, both for freight or passenger traffic)</b>
<b>Drivers</b>	<b>Nationality, training, owners or not</b>
<b>Intermediaries</b>	<b>Forwarders, Transit agents,...</b>
<b>Ministries involved</b>	<b>Essentially MoT and/or Ministry of Public Works. Eventually Ministry of Communication, Ministry of Finance or National Economy, Ministry of Interior, ...</b>
<b>Authorities</b>	<b>Customs, Police, Sanitary Controls, ....</b>
<b>International Organisations involved</b>	<b>IRU, UNECE, EC, WTO, WCO, Arab League, ECMT,...</b>
<b>National Organisations involved</b>	<b>Unions, Associations of drivers, Carriers, Forwarders, Chambers of Commerce, Automobile clubs, ...</b>

# Main Issues and Challenges for Road Freight Transport in MEDA Countries

## Institutional Issues

**Table: Elements of the road transport system**

Element	Categories and Characteristics which define the complexity and the requirements
Vehicles	Vehicle registration document, trucks of various dimensions with trailer or not, tractors or not, various weights, axles, types of suspension, refrigerated or not, special for very large cargo etc, "booklet triptych"
Cargo	Bulk, unitised, fresh, valuable, bulky, light, heavy, dangerous, illegal, etc
Unitisation	Container, swap body, palettes, other
Door to door	Only road can offer this service in all cases (apart in the case of rail private sidings, marginal in the MEDA area)
Combined, Inter-modal, Multi-modal	There is nearly always a road component
National	In most cases, an international transport by sea or air or even rail has a national road transport component to the final destination (from origin to port, etc)
International	Can be door-to-door by road or a combination of modes (e.g. high speed Ro-Ro Greece-Italy, Austria shifts cargo from road to trains by piggy packing trucks)
Legislation <sup>1</sup>	National, Regional, International
Agreements	Bilateral, Trilateral, Sub-regional, Regional, International (EC, ECMT, UNECE, Arab League, UMA)
Taxation, tolls, tariffs, charges, fines	In the EU: Eurovignette, ecopoints or environmental sensitive routes. In the MEDA countries (apart from Malta and Cyprus) these topics do not exist; but there are fines for overload, discrimination in charges for nationals or foreigners (Arab or not).

**1. Access to profession of road carrier, driving hours, access to markets, cabotage, vehicle technical characteristics, authorisations and permits, time windows, bans, road signs, driving licenses, etc.**

## Institutional Issues

### → The Institutional Framework in the MEDA Countries

- **Bilateral and Multilateral Agreements**

Current institutional framework variable and rather fragmented. Many bilateral road transport agreements, often leading to confusion and conflict.

Some multilateral initiatives, aiming at the regulation and harmonisation of road freight transport between countries e.g. the Arab Transit Agreement promoted by the Arab League, the United Nations ESCWA Agreement on the International Roads in the Arab Mashreq, the Agreement between Jordan, Syria and Lebanon on the Standard Vehicle Circulation Booklet, and the Road Transport Agreement of the Arab Maghreb Union (AMU).

A certain level of coordination therefore exists at a regional or sub-regional level, although most agreements do not cover all countries within a sub-region, hereby having their effectiveness limited (e.g. Egypt is not part of the agreements between Lebanon, Syria and Jordan).

Furthermore, these agreements focus mainly on certain aspects of road transport (e.g. transit) and largely neglect other fundamental aspects such as the standards relating to the training of drivers, vehicle conditions, social rules, etc.

## Institutional Issues

### → The Institutional framework in the MEDA Countries

- **International Agreements**

Concerning the international agreements for regulating international road transport (mainly the conventions of the United Nations Economic Commission for Europe – UNECE), most MEDA countries remain inactive with respect to ratifying these conventions.

Specifically, Mashreq and Maghreb countries seem to have a low interest in these conventions due to the limited volume of road traffic exchanges with the EU (except for Morocco, which shows a higher degree of involvement in such conventions, due to the significant Ro-Ro traffic with the EU).

On the other hand, Cyprus, Malta and Turkey are somewhat more active in joining these conventions, although they have disregarded several conventions. This can be related to their adoption of the EU *acquis*, which acts as a substitute for such agreements in relation to road transport.

## **Institutional Issues**

### **→ The Institutional Framework in the MEDA Countries**

- **IRU membership**

All MEDA countries are members of International Road Union (IRU) with the exception of Algeria, Egypt and the Palestinian Authority.

- **Driver's VISA**

In some cases it is difficult to obtain

- **Conclusion**

In conclusion, the overall fragmentation and variability of the institutional framework in the region constitutes a difficulty that currently hampers the development and prospects of road freight transport in the MEDA countries.

## **Organisation Issues**

### **→ Mostly private companies**

Access to the road freight transport industry has been greatly liberalised in all MEDA countries in recent years, with the private sector being highly involved in this business, for both the national and international goods traffic.

In some countries the state still provides some freight transport services using its own truck fleets, such as in Egypt, Jordan and Morocco. This, however, is not generally a problem as long as governments ensure that no special advantages are given to the state-owned trucks and that fair competition is maintained between the state and the private sector.

## Organisation Issues

### → Licensing

- In all MEDA countries, private operators are granted operation rights through a license.
- With the exception of Cyprus, Malta and Turkey (which have adopted EU licensing regulations and procedures), the current licensing schemes do not sufficiently match international standards and pose a potential threat to transport efficiency and safety, not to mention possible damages to the environment.
- This is particularly the case in Mashreq countries where the issuing of licenses is based on minimal requirements focusing mainly on the availability of asset capital. For the Maghreb region, although licensing schemes are more advanced taking into account the financial, technical and professional qualifications of operators, they are still not entirely adapted to international best practices.
- The inadequacy of the licensing schemes has resulted in a highly fragmented road haulage industry in the region, characterised by the emergence of numerous owner-operators who cannot take advantage of economies of scale. This is a major reason for the deterioration of the road haulage industry, as the high operation costs encountered by the individual operators directly lead to low quality of service (e.g. neglecting safety and environmental standards).
- Nevertheless, some countries have already started to make efforts towards the rectification of this situation. For example, Egypt has recently passed the Unified Transport Act, which aims, among other objectives, at improving the licensing mechanisms and the consolidation of the road freight transport industry. Lebanon has launched some studies in this respect and is expected to incorporate the results of these studies into the transport legislation in the future.

### Operational Issues

#### → Road Safety

- A specific issue, which has to be highlighted, is road safety.
- In 2001 ~ 27 000 lives were lost in road accidents in the MEDA region. Even if a decreasing trend can be noticed - since 1997 - in the number of fatalities reported in Lebanon (with annual average rate of  $-4,1\%$ ), Cyprus ( $-3,7\%$ ), Turkey ( $-3,6$ ) and Malta ( $-2,8\%$ ), in the majority of the MEDA countries road safety remains a serious concern as the number of killed and injured has been increasing.
- The EU average is 10,4 persons killed per 100 000 inhabitants and the MEDA average is 11,0. But, if the traffic density is considered (through the number of passenger cars), the EU average is 0,21 per 1000 passenger cars and the MEDA average is 1,71 (8 times over).
- Moreover, it has to be noticed that regional differences exist from 4,1 killed per 100 000 inhabitants in Malta (2001) to 16,7 in Tunisia and 16,4 in Algeria.

# Main Issues and Challenges for Road Freight Transport in MEDA Countries

## Operational Issues

**Table: Number of persons killed and injured in road accidents**

Country	Number of killed			Killed per 100 000 inhabitants	
	1997	2001	annual average growth (%)	1997	2001
Algeria	4 765	5 087	1,7	16,4	16,4
Morocco	3 081	3 644	4,6	11,3	12,5
Tunisia	1 301	1 618	6,1	14,1	16,7
Egypt	5 457	5 743(1)	1,3	9,1	9,2 (1)
Jordan	577	783	8,9	12,5	15,1
Lebanon	482	402	-4,1	12,5	9,2
Syria	1 696	2 188	7,3	11,3	13,1
Israel	530	542	0,6	9,0	8,3
Palestinian Terr.	180	186 (1)	0,8	6,5	6,2 (1)
Cyprus	115	98	-3,7	15,5	12,9
Malta	18	16	-2,8	4,8	4,1
Turkey	6 919	5 921	-3,6	11,1	8,6
<b>MEDA</b>	<b>25 121</b>	<b>26 228</b>	<b>1,1</b>	<b>11,3</b>	<b>11,0</b>
<b>EU-15</b>	<b>43 312</b>	<b>41 082</b>	<b>-1,3</b>	<b>11,6</b>	<b>10,4</b>
(1)	1999 data				

## Operational Issues

### → Road Safety: Main factors behind the figures

- Road Authorities often lack specialised road safety departments
- Safety aspects are not well integrated in road design, construction, operation
- Inadequate regulatory framework for training / testing of drivers
- Inadequate regulatory framework for vehicle conditions
- Shortage of traffic control & guidance systems (signs, markings, signals, etc)
- Shortage of road safety furniture (guard rails, barriers, etc)
- Absence of advanced technologies (ITS, road safety management systems)
- Inappropriate enforcement / control of driving regulations by traffic police
- Inappropriate inspection of vehicles for compliance with regulations
- Poor physical conditions of road networks

In international transport, the above are compounded by:

- Heterogeneity of road transport regulations across the MEDA countries and the EU: differences in limits on speeds, alcohol level, driving times, as well as differences in traffic control & guidance systems

## **Infrastructure Bottlenecks and Border-Crossing Barriers**

- **Infrastructure Bottlenecks include:**
  - ✓ Missing links (either roads/bridges or Ro-Ro)
  - ✓ Congested links (usually near or through cities and towns-need for bypasses, seasonality)
  - ✓ Lack of proper border-crossing infrastructure
  
- **Border-Crossing Barriers (excluding infrastructure issues) are created due to organisational or institutional issues:**
  - ✓ Closed borders between countries
  - ✓ VISA problems for drivers
  - ✓ Convoys
  - ✓ No TIR agreement
  - ✓ Long security checks
  - ✓ Working hours of border control authorities may differ

## **Summary of Main Barriers**

### **→ Main barriers and issues**

**As presented, the main barriers to road transport and trade growth can be physical, institutional and organisational and refer to many issues such as bottlenecks, missing links, paperwork barriers, interoperability barriers, customs procedures (especially border-crossing procedures for trucks), working (driving) hours, disharmony in time windows and emissions, disharmony in loads per axle (maximum permissible weight disharmony), tachograph, market segmentation, language barriers, culture barriers, disharmony in supply and demand in road sector, competition to rail and combined transport, lack of one stop shopping, lack of terminals, legislative disharmony. Here follows a non-exhaustive list by country of main barriers pointed out during the discussions with officials during the visits to MEDA countries.**

**The barriers referred to above per country are summarised in the following table**

# Main Issues and Challenges for Road Freight Transport in MEDA Countries

## Summary of Main Instit., organ., oper., infras. barriers

Table: Summary of main barriers - bottlenecks

Barrier	Type of Barrier	Algeria	Egypt	Jordan	Lebanon	Syria	Tunisia	Morocco	Turkey	Notes
Visa for drivers	inst.	●	●	●		●	●	●		
Complicated customs controls	inst.	●	●	●		●	●	●		
Need for customs officers training	inst.	●	●	●	●	●	●	●		
Border delays	infras.	●	●	●					●	
Need for drivers training	inst.	●	●	●	●	●	●	●	●	
En route controls	inst., organ.		●	●		●				
S. Arabia (TIR)	inst.			●	●	●			●	<i>breaks TIR chain unloads trucks</i>
Egypt, (TIR)	inst.			●	●	●			●	<i>breaks TIR chain</i>
Turkey, transit	infra, inst.					●				<i>trucks not allowed to transit</i>
Spain, tachograph	infra., inst.							●	●	<i>tachograph not accepted</i>
Closed borders	infra, inst.	●			●	●		●		
Techn. Standards axle weight	inst.		●						●	
Dimensions	inst.		●							
Old age of trucks	org.	●	●	●	●	●	●	●		
Lack of refrigerated trucks	org.	●	●	●		●	●	●		
Limited working hours at borders	oper.									
Convoys	inst., oper.		●	●		●				
Lack of Ro-Ro connection to Europe	infra		●		●	●				
Lack of fast Ro-Ro connection to Europe	infra	●					●	●		
Lack of appropriate road to South	infra	●	●					●		