

Regional Road Project in Mali and Senegal Enhancing Trade and Integration through Saraya-Kita Road

THE CHALLENGE

Mali is a landlocked country, extending over a large territory, and the nearest port is in Dakar, Senegal, which is 1,300 km away. Dakar was linked to Bamako, the capital city of Mali, through an earth road, which was in pitiable condition. Due to the poor road condition, transportation of goods and people between Senegal and Mali was slow and expensive.



TRANSPORTATION OF GOODS IS NOW EASIER BETWEEN SENEGAL AND MALI



A SECTION OF THE SARAYA-KITA REGIONAL ROAD

THE PROPOSED SOLUTION

- Finance the construction of 310 km Saraya-Kita Road, a section of the Bamako – Dakar Axis Road, to achieve effective and continuous bituminous pavement link between Dakar and Bamako. The objective was to ease transfer of goods and people between Mali and Senegal, thereby reducing the cost of commodities and improving the economies of both countries.
- The project cost was estimated at US\$ 80.4 million, with US\$ 19 million funded by IDB and the rest co-financed by other financiers and the government. It was planned to be completed in 48 months from the date of approval in July 2003.

THE FINDINGS

- The project has constructed the 310 km Saraya-Kita road and additional 13 km of paved road to create two bypass roads and a diversion road.
- The paved road has contributed to reducing travel time between Saraya and Kita from 48 hours to 12 hours (for trucks) and from 20 hours to 4 hours (for cars).
- The Average Annual Daily Traffic on the road increased from 156 vehicles/day in 2003 (at appraisal) to 612 vehicles/day in 2015 (after the project). The traffic is expected to increase further if the border control check points are installed and are fully functional between the two countries.
- The project created 1560 temporary jobs during the construction phase of the road, and opened up opportunities for permanent employment mainly due to emergence of new businesses and mining activities along the road after completion of the project.
- Though the road sections financed by IDB were completed in time, the overall project faced a 30-month delay due to delays in counterpart funding and mobilizing funds from the other co-financiers involved.
- The actual project cost at completion was US\$ 175.8 million, resulting in a cost overrun of US\$ 95.4 million (141.3%), as compared with estimates of US\$ 80.4 million at appraisal.

THE LESSONS

- **Co-financing as a means of bridging financing gap requires good coordination:** To yield the maximum benefits, co-financing requires coordination and harmonization as the individual financiers have different preparation timelines and procedures. Therefore, if there is no coordination among financiers and beneficiaries, delays in disbursements can affect project efficiency in terms of time and resources.
- **Non installation of border control points (Immigration and Customs) is a major hindrance to utilization of regional road:** Since completion, the road has not recorded the desired traffic in terms of vehicle numbers and volume of goods due to the absence of border control check points. This has affected trade activities and revenue generation for both countries.

