



ADDRESS OF H.E. DR. AMANI ABOU-ZEID, AUC COMMISSIONER FOR INFRASTRUCTURE AND ENERGY AT THE VIDEO CONFERENCE MEETING OF THE AFRICAN UNION SUB-COMMITTEE ON TRANSPORT, 23RD APRIL 2020

- **Honourable Chair of the Transport Sub-Committee**
- **Honourable Ministers of Transport**
- **Dear Colleagues**
- **All protocols observed:**

First and foremost, I wish to thank you for honoring our invitation to attend this meeting despite the difficult period we are all going through to contain the negative impact of COVID-19 pandemic.

- **Honourable Ministers**
- **Ladies and gentlemen**

As you may recall, the AU Heads of State held an extraordinary Summit on 3rd April 2020 with the objective to put together immediate response actions to prevent and mitigate the impacts that COVID-19 has had to our continent. The Heads of State established three important Ministerial Sub committees on Health, Finance and Transport to join all ongoing efforts to support the continental strategy on COVID-19.

For the Transport sector in particular, the prevention measures to contain COVID-19 that have been implemented by our member States have had a direct impact on all transport modes and this has obviously caused disruption to the supply chain for medical and food supplies as well as the humanitarian assistance missions by Africa CDC, WFP, WHO and other key partners in the fight against this pandemic.

Under Air Transport, the preliminary economic impact assessment conducted by ICO, in February 2020 has shown that the international passenger capacity decreased by 8%, mainly related to traffic to and from States that experienced an early outbreak. In March 2020, international passenger capacity decreased further by 22%, with significant reduction not only in States experiencing an early outbreak, but also on a global scale. Air traffic reduction is no longer limited to initial outbreak countries.

Already facing challenges before the outbreak of the COVID-19 pandemic, the contribution of the African civil aviation to the global traffic was an insignificant 2% and has been consistent dismal for the past 30 years; this being a sign of arrested growth over the years. This is likely to be eroded even further with concomitant job losses, GDP reduction, among others, and with a notable impact on the African civil aviation system. An ICAO economic

analysis indicates that Africa's civil aviation industry could lose up to USD 6.3 billion from the projected revenue for the first half of 2020 and a further loss of USD 1 billion by airports.

▪ **Honorable Ministers,**

Under the maritime transport sector, the COVID 19 crisis has had direct impact on port traffic and all shipping industries and economies and on the supply and foreign trade of States, including landlocked countries and finally on customs resources and therefore on State's economic performance.

It is true that the maritime transport sector is certainly affected but not sunk. The question of maritime transport could not remain inert, given the current economic context. 80% of world trade is transported by commercial sea freight. Africa is one of the continents whose dependence on the outside world remains considerable. Over 90% of our trade takes place by sea. You will agree with me that the dependence and the vulnerability of the African economies and on the export of raw materials and in particular to China are all elements to be taken into consideration given the current crisis. The recent measures imposed by the COVID-19 will definitely had an impact on the shipping industry.

On the roads and Railway Transport, the prevention measures that were put in place by the African States in order to contain COVID-19 pandemic has had the following impacts on the road and railway transport:

- Closure of borders between various African countries in order to stop the cross border movements that would cause the rapid spread of the pandemic
- Disruption of the supply chain for essential commodities (agricultural products, medical supplies and equipment) transported along the important corridors and across the borders and this has affected the intra African trade and tourism.

The first global figures indicated that travels have dropped by 40%, more passengers than freight, as some governments have sometimes guaranteed food market provision. Public transit usage has dropped even more (over 60% in many cases).

There are also impacts related to road and rail investments. While revenue from road tolls seriously declines, as a result of a significant drop in traffic, concessionaires and governments benefiting from PPP-funded routes may face challenges in reimbursing the borrowings on time.

The importance of the transport sector at this critical period of the crisis and during the post-COVID-19 recovery period cannot be over emphasized. As a matter of urgency, our States are requested to open important humanitarian corridors to facilitate fast movement of health rescue teams, medical and food supplies to the entire continent and at the same time ensure compliance to WHO to Africa CDC prevention measures in order to contain the spread of COVID-19. It also important to develop now the important relief measures to help the transport industry recover from the negative impacts of COVID-19 pandemic.

▪ **Honorable Ministers**

The objective of this meeting is therefore to exchange ideas on a comprehensive response and recovery plan for the Transport sector in line with the Continental Strategy on COVID-19. I am glad to inform you that the Department of Infrastructure and Energy has been

working closely with the Africa CDC, Social Affairs Department and our key partners in the African Transport sector to put together some proposals that will be submitted to you for consideration.

I wish to reiterate our commitment to work with you, Hon. Ministers, to support our continental strategy. I thank you again for all the measures you have put in place so far to implement national prevention measures to contain COVID-19.

I thank you and wish you fruitful deliberations.