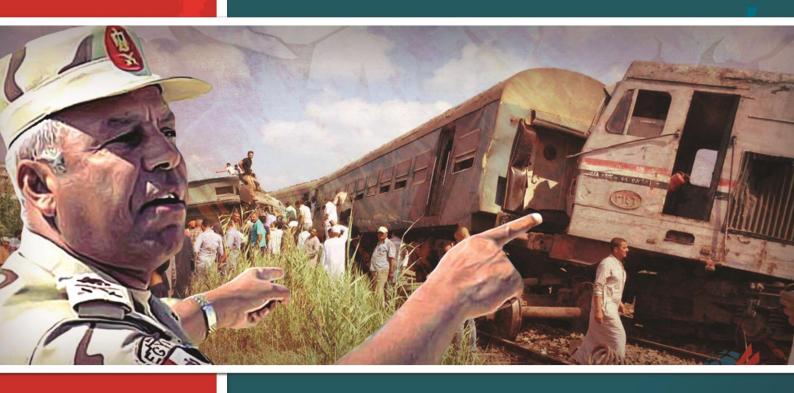
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Assessment of Egypt's Transportation Policies

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Appointment of Lt. General Kamel al-Wazir as Minister of Transport in Egypt is not a new trend towards militarization but rather an extension and consolidation of the already existing militarization of Egypt in general and the Ministry of Transport, in particular, being one of the primary ministries to be militarized.

This paper is an attempt to assess the Egyptian transport policies through three determinants, namely, the concept of public service to the military, the impact of military control on management of the transport system, and measuring performance indicators, as follows:

1- The military's concept of public service

Transportation service is a public service that the State provides to citizens and ensures its quality, development, and continuity; and allocates part of the State budget to support it, where the criterion of its success is to meet the needs of the marginalized and poor classes and coverage of as many citizens as possible.

Abdel Fattah El Sisi's talk on public service, particularly in the field of transport, represented a new trend and a shift that can be monitored through the following:

Privatization of transport services

In one of his speeches, Al-Sisi wondered about the reasons behind the success of Uber Egypt and the failure of the public transport sector in Cairo, stressing that the reasons behind this include lack of seriousness and mismanagement, adding that everyone is responsible for that failure, in reference to both the government and the people. In the same context, Sisi also referred to failure of Egyptian railways and ports sectors.

Liberation of the service

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In one of his speeches, Al Sisi said he will not offer any service for free, but also stressed that he will not raise the price of railway services until the service is upgraded.















Futility of spending on transport

"If I have LE 10 billion and deposit them in the bank, I will get an interest of about LE one billion or 2 billion. Meanwhile, the railways expenses reach LE 4 billion annually while proceeds do not exceed LE 2 billion.

The logic of business account or investment return with regard to the transport service is clear here, without considering three critical determinants of public service policy making:

- The State bears the cost bulk for providing the service without considering such money as losses
- Underestimation of the feasibility and value of maintenance and lack of awareness of the risks resulting from deterioration of the transport service on the lives of citizens, which is considered disregard for the fate of the poor who are prompted to use unsafe public transport in Egypt, most notably the railways.

2- The impact of military control on the transport sector

It is possible to monitor several effects of the military control of the Egyptian transport sector, including:

Killing the ambition of civil servants

One of the most important factors resulting from the military's control over all the leading and administrative positions in the transport sector is killing the ambition of the civil servants, which greatly affects the efficiency and effectiveness of their performance, making favoritism and belonging to the military class the only factor for career advancement.

Occupational segregation between civilians and the military

Although the military law prohibits military personnel from mentioning their military titles, military personnel do not abide by this law and are not held accountable for violating it. The Minister of Transport, himself adds his former military title to his name at signing his decisions. The spread of military titles in civilian sites gives a military impression in civilian work sites and adds discrimination in favor the military against civilians within civilian establishments.













The high salaries of military leaders

Although the military receive high military pensions for their previous service in the armed forces, they also receive substantial salaries and various privileges within the Ministry of Transport. Al-Tahrir, a pro-regime newspaper, said in a report in 2016 that there are 100 generals in the Ministry of Transport that receive monthly salaries of up to LE 50 million, while the rest of the employees receive only LE 8 million. The report revealed the army officers appointed by the former Transport Minister Saad El Geyoushi in the Transport Sector receive high salaries starting from LE 50,000 up to LE 200 thousand, adding that military generals also receive allowances for attending meetings of various committees, in addition to incentives.

Flabby performance

The prevailing culture of the Egyptian military is that civilian positions are provided to them as essential incentives to honor retired officers, and not as new jobs with new requirements. This feeling prevailing among former military officers makes their performance flabby and weak, being convinced that they are in such positions only to obtain financial privileges and not to undertake real duties.

Weak accounting system

Regardless of the fragility of the Administrative Control Authority in Egypt, and its inability to achieve oversight, discipline and accountability of civil servants, the fact that senior positions in the public work system are controlled by a group of generals supported by the so-called state sovereign organs makes accountability very difficult, especially that former military officers are appointed in these positions after nomination by the military intelligence and the Administrative Control Authority, which is also composed of army officers.

Civilian minister's inability to control generals

Importantly, it is difficult for a civilian minister to take control of more than 100 former armed forces generals, especially in the Egyptian case, where the military have ruled Egypt since 1952, and more prominently after the July 3, 2013 coup.

Conflict of interests

The generals' relationship with the service sectors that they had previously led does not end once they leave office. Recently, retired generals started to establish security, cleaning and construction













companies, where all these companies contract with the government institutions they had earlier worked in to carry out security supervision, cleaning, and construction activities, which affects integrity and transparency of Government services and activities assigned to those companies.

3- Public transport performance indicators:

There are some key indicators to measure performance; and we have chosen to study three indicators in attempt to identify effectiveness of the policies of militarization of public transport management, as follows:

Traffic density

In the past few years, Egypt has witnessed a significant expansion in the construction of new cities, most prominently the new administrative capital, the new Alamein city, and the new Mansoura city. Accordingly, the State has established a network of external roads to serve these cities. Last June, the Ministry of Transport announced on its website that 4,500 km. of the first and second national project for roads had been implemented by the ministries of defense, transport and housing at a cost of LE 75 billion, where the Ministry of Transport implemented 1000 km with a cost of LE 19 billion.

There is also a serious <u>imbalance</u> in distribution of proportions of shares among different governorates and regions, where Greater Cairo received only 9% of these roads most of which is linked to Cairo exits, while the Red Sea Governorate received 20%, Sinai 9.5%, and the New Valley 11%, and the Western Desert 14%, which means that the project did not include areas of population density and residential areas in general, which makes the project more of an investment project rather than a service project.

Quality of service and social justice

The quality of transport services has been linked to the extent of the citizen's ability to pay, where a new high-fee bus transport system has been introduced to serve only the rich, while buses used by the poor have remained highly crowded and in extremely low quality. Also, tolls have been imposed on cars that use free and high way roads, leaving the old narrow high-density roads for the poor's transport. Also, trains used by the poor are unsafe, insecure and highly congested compared to the trains used by the rich who can afford their high fees.









Financing transport projects through borrowing

In a previous report on <u>railway development</u>, we pointed out that loans represented the main source of funding for the projects of the Egyptian Railway Authority (ERA). Hisham Arafat, the former Minister of Transport, said that 70% of the Authority's projects relied on loans. However, the researcher believes that this statement is inaccurate, as all the Authority's projects depend on loans, whether internal or external, in addition to borrowing from the Ministry of Finance, since the government considers the Railway Authority an economic body that does not have any support from the state budget. It is noteworthy that loans have increased considerably between 2006 and 2019.

As for the Cairo subway, Abdel Fattah El-Sisi issued a decision No. 76 of 2019 approving a Government agreement with the European Investment Bank on development and renovation of the first Cairo Metro line, where the bank will provide a loan of 350 million euros to Egypt. In addition, an agreement has been signed with the Japanese side to implement the first phase of the fourth underground line with a cost of \$ 1.2 billion.

Conclusion

Reforming the transport system in Egypt requires involvement of all qualified and experienced Egyptians and avoiding monopoly of only one faction (the military) – even if it has the seriousness and skill – given that diversity of experience and multiplicity of views are key conditions for the success of any institution.

Militarization of the transport sector is apparently aimed at pleasing former military leaders and personnel, and to assure serving officers that they have a future in public work after leaving military service.

Thus, deterioration of conditions and resort to external borrowing is an inevitable fate of the public transport sector in Egypt.

*To read the full study in Arabic click here









