



OVERVIEW OF THE ETHIOPIAN ROAD SECTOR DEVELOPMENT PROGRAM

September 2017
Seoul, Korea

TOPICS OF THE PRESENTATION

1. Country Profile
2. Ethiopian Roads Authority
3. Road Sector Development Program (RSDP)
4. Korea EXIM Bank Financed Projects
5. Works Opportunities
6. Procurement Process

1. Country Profile



Basic Information - ETHIOPIA



- **Location:** In the horn of Africa between 3°N - 15°N
Latitude,
33°E - 48°E Longitude;
- **Capital:** Addis Ababa, Was founded in 1887
The host of the African Union (AU) and the
United Nations Economic Commission for
Africa (UNECA)
- **Land area:** 1.1 million km²
- **Population:** 100 million, more than 80 ethnic groups and a
wide diversity of languages. More than 80% of
the population live in rural areas.
- **Elevation extremes:**
Lowest point: Denakil Depression -125 m
Highest point: Ras Dejen 4,620 m
- **Have potential agricultural land, several important perennial rivers
and large livestock population**



Coffee

- ✓ Is one of the major exports of the Country
- ✓ Coffee Arabica, first discovered in the 'Kaffa' region (from which the name coffee is derived) in south western Ethiopia





Climate

There are two seasons in Ethiopia:

- ✓ **in most of the country the dry season prevails from October until May with short rains in March;**
- ✓ **the wet season runs from June until the end of September.**

2. ETHIOPIAN ROADS AUTHORITY

2.1. Ethiopian Roads Authority

- Established in 1951
- Is a legally autonomous agency responsible for:
 - Overall Planning, Construction, Maintenance and Management of the **Country's** Trunk and Major Link Roads, Federal Roads.
 - Policy Formulation and Standard Setting of the **Country's** Road Network.
- Is headed by a Director General and Has Four technical Departments Each Headed by a Deputy Director General:
 - a) Engineering Operation Department;
 - b) Road Asset Management Department;
 - c) Planning & ICT Department; and
 - d) Human Resources & Finance Department

Vision

Assure the provision of an adequate and high quality road network to Ethiopian and open up all potential development areas in all parts of the country.

Mission

Provide safe, comfortable and adequate road infrastructure to support the socio-economic development of the nation and satisfy road users by

- ✓ Improving the condition of roads ,
- ✓ Expanding the network
- ✓ Preserving road asset

2.2. Institutional Responsibility of Roads

- **Ethiopian Roads Authority**
 - Responsible for Federal Roads
 - Giving TA to Regional Roads Authorities

- **Regional Rural Roads Authorities**
 - Responsible for Regional Roads

- **Wereda Road Desks**
 - Responsible for URRAP Roads

- **Municipalities**
 - Responsible for Urban Roads

3. ROAD SECTOR DEVELOPMENT PROGRAM

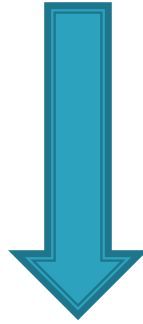
3.1. The Rational for Action

Indicators	1996/97
Proportion of Total Road network in Good Condition	22%
Road Density/ 1000 sq. km	24 km
Proportion of area more than 5km from all weather road	79%
Average distance to all weather road	21.4 km
Vehicle Kilometer of Travel (VKM)	3.8 million



- High Transport Cost;
- Lack of Accessibility
- Sustainability of Road Asset Management
- High Road Accidents, etc

3.2. Comprehensive RSDP Launched in 1997



With Overall Objectives

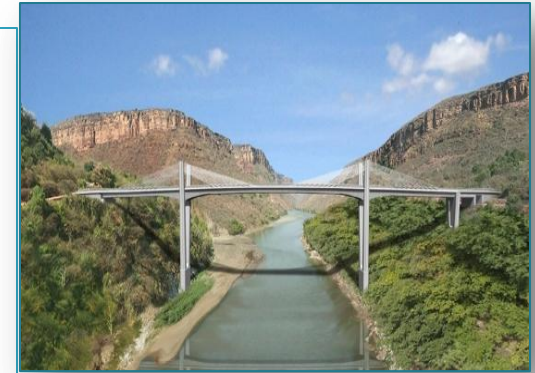
- To improve transport operating efficiency and reduce road transport cost;
- To Improve Rural Accessibility to support efficient production and distribution; and
- To Enhance the Capacity of the Road Sector

➤ RSDP:

- ✓ Phase I: 1997-2002, completed
- ✓ Phase II: 2003-2007, completed
- ✓ Phase III: 2008-2010, completed
- ✓ Phase IV: 2011- 2015, completed
- ✓ Phase V: 2016-2020, on-going

➤ Partners include:

World Bank, EU, AfDB, BADEA, OFID,
Saudi Fund, Governments of Japan, **People's**
Republic of China, South Korea, Kuwait Fund, Abu
Dhabi Fund, Germany, NDF, U.K.,
Ireland, the Road Fund and Government of
Ethiopia.



3.3. Selected Indicators and Outcomes

Indicators	1997 Base Year	2016
Asphalt roads in Good Condition	17%	73%
Total Road Network in Good Condition	22%	72%
Road Density/ 1000 sq. km	24.0 km	102.8km
Road Density/ 1000 Pop.	0.49 km	1.23km
Area more than 5km from road	79%	35.8%
Average distance to all weather road	21.4 km	4.9km
Time Taken to Reach to all weather road	7.1 hr	1.6 hr
Total Road Network, km	26,550	113,066
Asphalt Roads (Federal), km	3,708	14,633

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- More people/Districts have got access to road;
 - Villages are Connected to big markets;
 - Farmers have increased their productivity;
 - Rural people have access to social services;
 - Rural People diversified their source of Income by engaging in off farm activities.

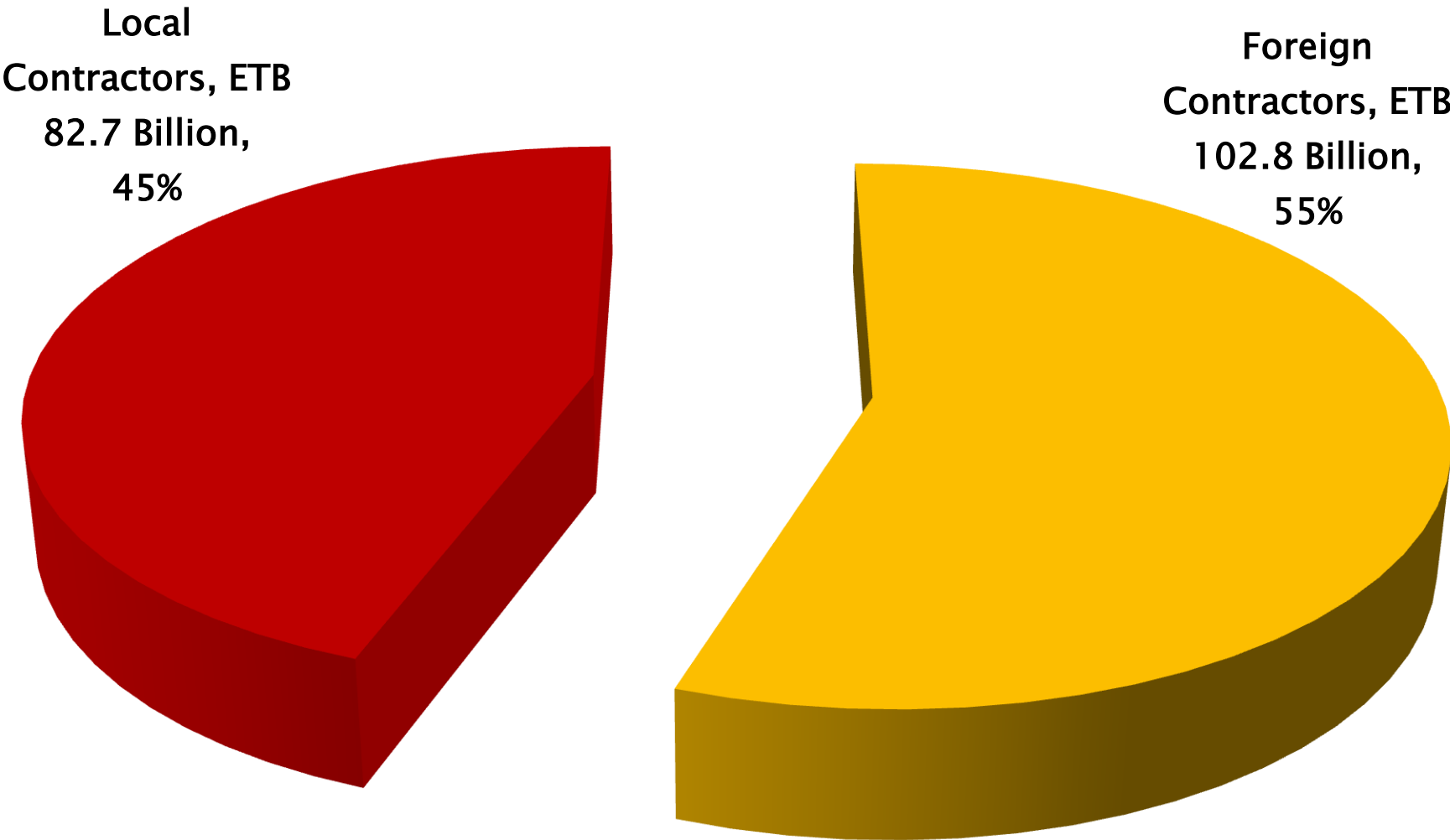
3.4. Disbursement by Source of Finance, 1998 - 2016

Development
Partners, ETB
50.6 Billion, 19%

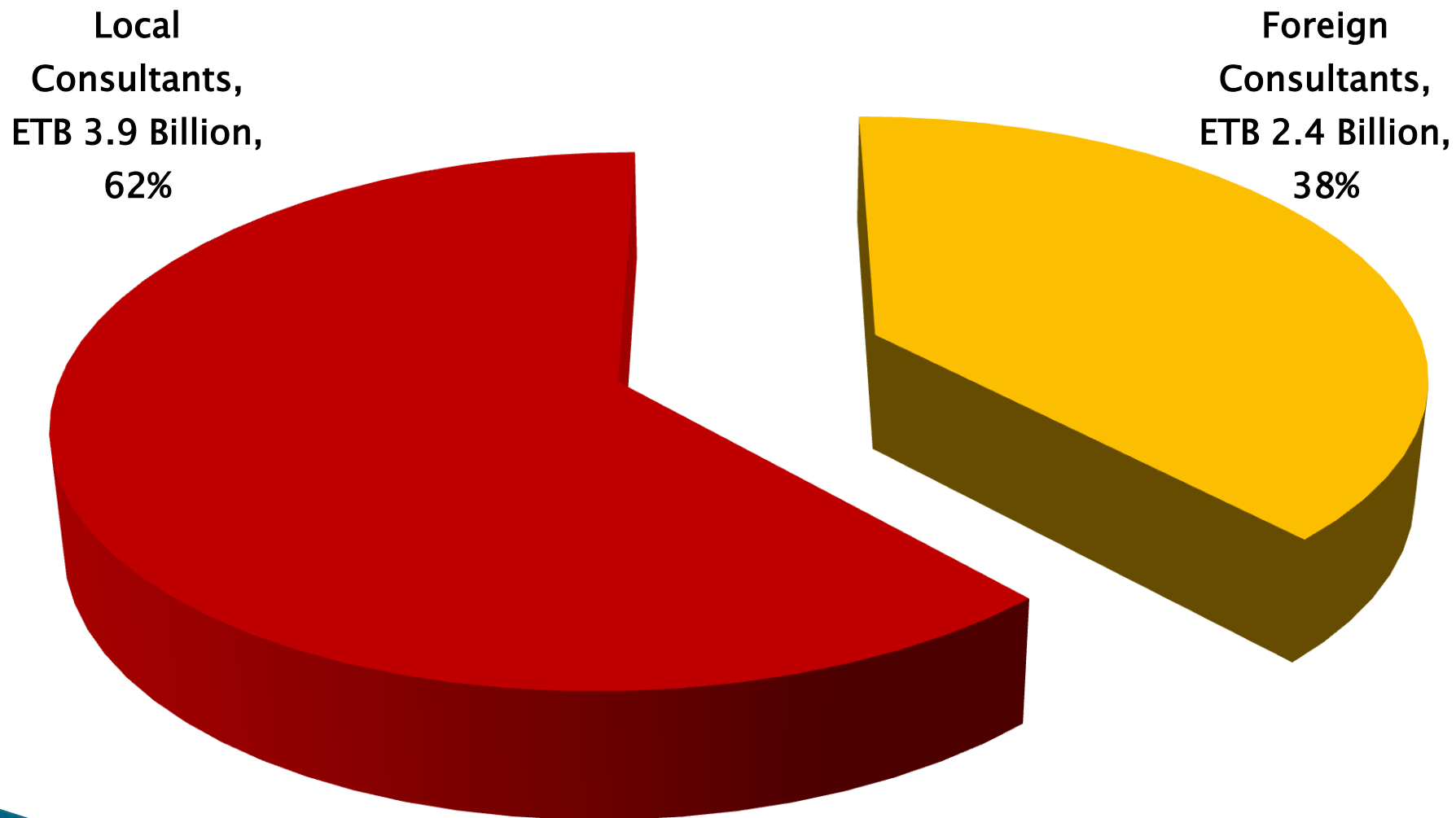


Internal Sources,
ETB 215.7
Billion, 81%

3.5. Participation of local and foreign Contractors (1998-2016)



3.6. Total Cost of Projects Awarded to Local and Foreign Consultants, (1998-2016)



RSDP V/GTP II Plan

3.7. Strategy or Focus Area

- Giving More Attention to Asset Management;
- Rehabilitation and Upgrading of the Existing Roads;
- Construction of New Roads;
- Modernizing the Road Network;
 - ✓ Modjo – Hawassa;
 - ✓ Adama – Awash - Mieso;
 - ✓ Mieso – D/Dawa;
 - ✓ Awash – Semera – Djibouti Border;
 - ✓ Addis - Jimma; etc,;
- Enhance Competition in the Sector;
- Improve Implementation Capacity of the Sector;
- Giving more attention to Green and Safe Roads

3.8. Cost Estimate and Financing Plan, Total

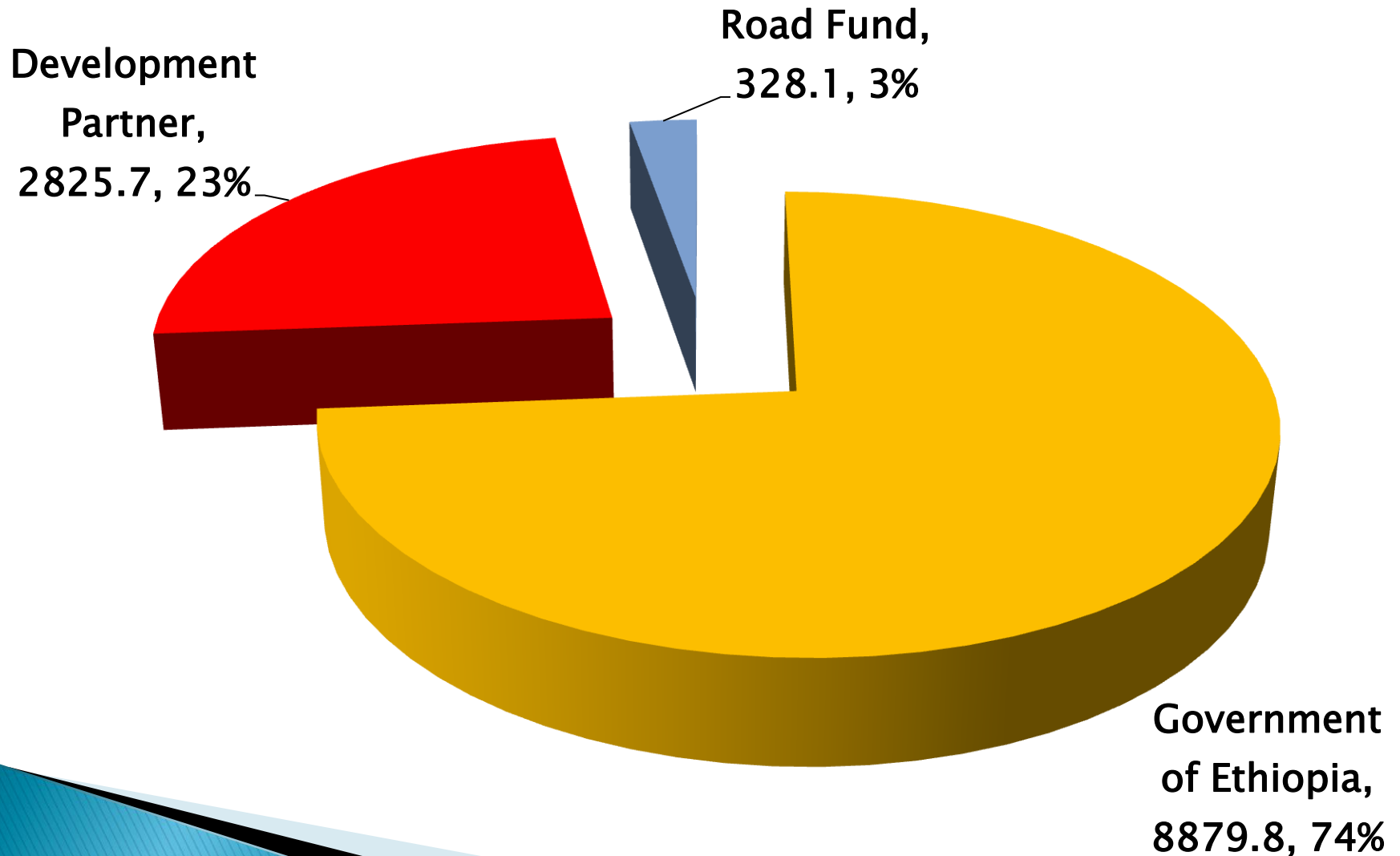
1. Cost Estimate:

Category	Billion USD	%age
Federal Roads	12.0	79
Regional Roads	1.0	7
Woreda Roads	2.1	14
Total	15.1	100

2. Source of Finance:

Source	Billion USD	%age
Government	11.9	78.8
Road Fund	0.4	2.6
Development Partner	2.8	18.6
Total	15.1	100

3.9. Estimated Budget by Source of Finance, Federal MUSD



3.10. Targets

Targets	Annual Targets					
	2015 Baseline	2016	2017	2018	2019	2020
All Weather Road, km	110414	129000	151000	174000	195000	215000
Road Density (km/1000km ²)	100.4	117.3	137.3	158.2	177.3	195.5
Road Density – (km per 1000 population)	1.3	1.4	1.6	1.8	2.0	2.1
Average time taken to reach to all weather road, hrs	1.7	1.4	1.2	1.1	0.9	0.9
Proportion of area more than 5 km from all weather road, %	36.6	31.0	25.3	20.6	17.1	14.2
Total Road Network in Good Condition, %	70	72	74	76	78	80

4. KOREA EXIM Bank Financed Projects

4.1. On-Going Road Project

Basic Contract Data

Project Name	Modjo – Hawassa Highway Project Phase I Modjo – Zeway Lot II: Meki – Zeway Section (37km)
Type of Contract	Design and Build
Contractor	Daewoo Engineering & Construction Co. Ltd <ul style="list-style-type: none">• Contract signed on February 15, 2016• Commencement date on May 9, 2016• Contract Completion on September 08, 2019
Consultant	Kyongdong Engineering JV with Kunhwa Engineering & Dong IL Engineering in Association with CORE (sub-consultant) <ul style="list-style-type: none">• Contract signed on September 22, 2015
Overall Progress	8% of the overall works were completed

4.2. New Gore – Tepi Road Upgrading Project t

- ✓ Length - 141 km
- ✓ Cost Estimate – USD 140 million
- ✓ Project Description
 - Found in Western Part of the Country in Oromiya and Southern Regions
 - Proposed to Upgrade the existing poor Gravel road to Asphalt Concrete
 - The road helps the Coffee Cultivation area and Open Up the potential Fertile lands to investments and ease access
 - Reduce Vehicle Operating Cost and also Transportation cost

5. WORKS OPPORTUNITIES

5.1. Works Opportunity in Ethiopia

- Massive Road Construction/Rehabilitation Works;
- Big Opportunities for International/Foreign Contractors

5.2. International Competitive Bid Projects

Item No.	Name of Road Project	Length (km)	Proposed Work	Tender Strategy	Financier
1	Gore - Tepi	145	Asphalt Concrete (AC)	Design and Build (DB)	Korea
2	Haik – Bitsima - Chifra	75	AC	Design, Bid and Build (DBB)	World Bank
3	Dembi Dollo – Gambela	112	AC	DBB	World Bank
4	Debre Birhan – Deneba – Lemi/ Deneba – Jihur	105	AC	DBB	World Bank
5	Shashamane – Halaba	60	AC	DBB	World Bank
6	Hamusite - Estie	77	Surface Treatment (DBST)	DBB	Arab Bank/OFID
7	Shambu - Agemsa	95	AC	DBB	Arab Bank/OFID

Projects for Participation Continued

Item No.	Name of Road Project	Length (km)	Proposed Work	Tender Strategy	Financier
8	Korem – Sekota – Abiadi/Agbe	200	AC	Design, Bid and Build (DBB)	Government of Ethiopia
9	Shishinda - Tepi	76	AC	Design, Bid and Build (DBB)	Government of Ethiopia
10	Harar – Combolcha – Ejersa Goro - Bombas	86	AC	Design, Bid and Build (DBB)	Government of Ethiopia
11	Tarmaber – Molale – Mehal Meda	97	AC	Design, Bid and Build (DBB)	Government of Ethiopia
12	Jimma – Agaro – Dedessa River	79	AC	Design, Bid and Build (DBB)	Government of Ethiopia
13	Bilalo – Kersa – Arsi Negele	93	DBST	Design and Build	Government of Ethiopia

6. PROCUREMENT PROCESS

6.1. Procurement Procedures

Works	Services
<ul style="list-style-type: none">• Post-Qualification (and two envelopes)• Pre-Qualification (Only qualification)	<ul style="list-style-type: none">• Shot listing (EOI)• Open Invitation• Direct negotiation

6.2. Types of Contract

Works	Services
<ul style="list-style-type: none">- Unit Rate (Admeasurements)- Lump sum (in case of Design and Build Contract)	<ul style="list-style-type: none">- Time Based (mostly for supervision projects)- Lump sum (Mostly for design projects)

6.3. Selection Methods

❖ Services

- Quality and cost based selection (QCBS) (Point merit system)
- Quality Based Selection (QBS)
- Least Cost Selection (LCS)
- Based on fixed Budget (FBS)
- Based on the Consultant's Qualification (CQS)

❖ Works

➤ Qualification

- Pass/Fail Criteria
- Point Merit System

➤ Least Evaluated Bidder

6.4. Main Evaluation and Qualification Criteria

Works (Contractor)

- Legal Documents
- Eligibility of the bidder
- Performance Assessment
- Annual Construction Turn over
- Financial Capability
- General Construction Experience
- Specific Construction Experience

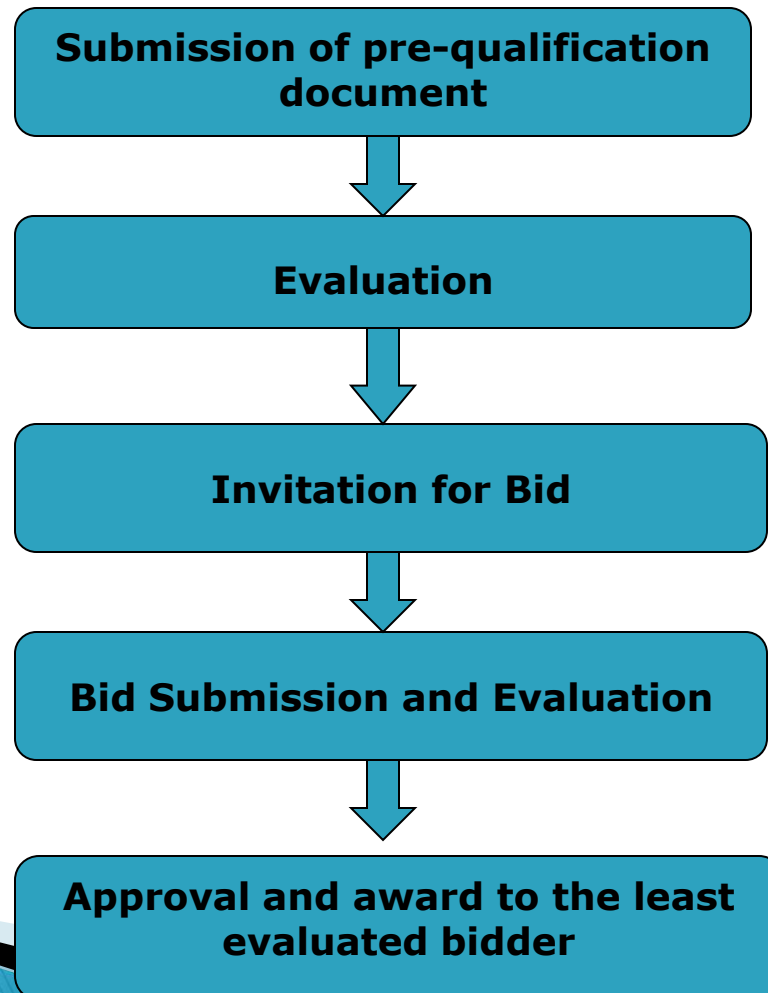
Services (Consultants)

- Legal Document
- Eligibility of Bidders
- Relevant Experience related to the Assignment
- Methodology
- Key Personnel

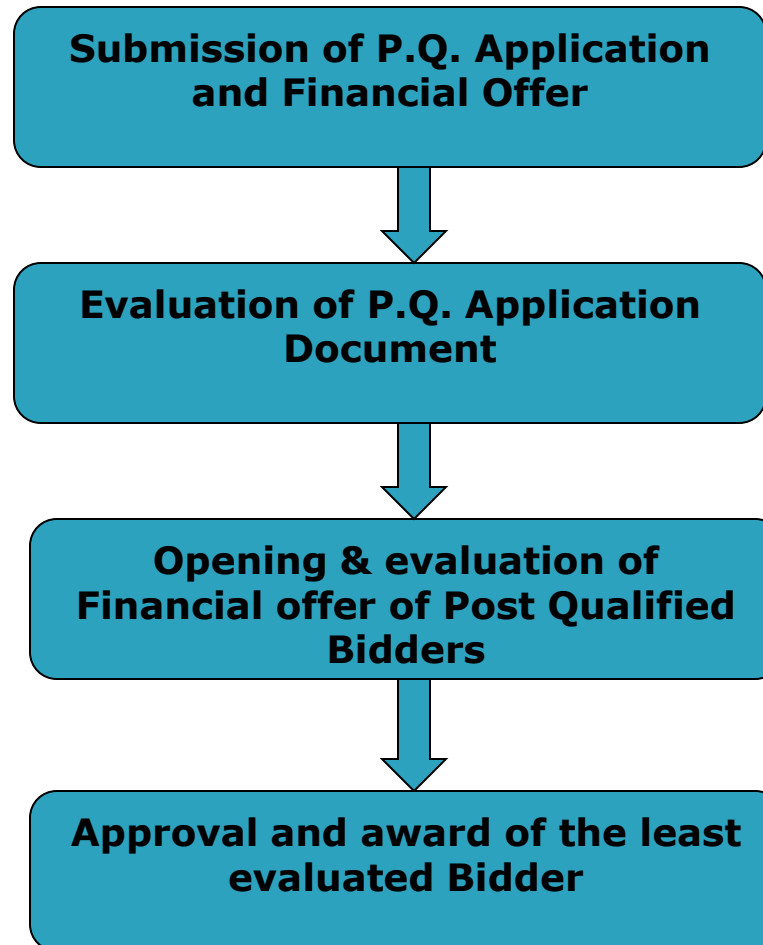
6.5. Evaluation Procedure

6.4.1 Works

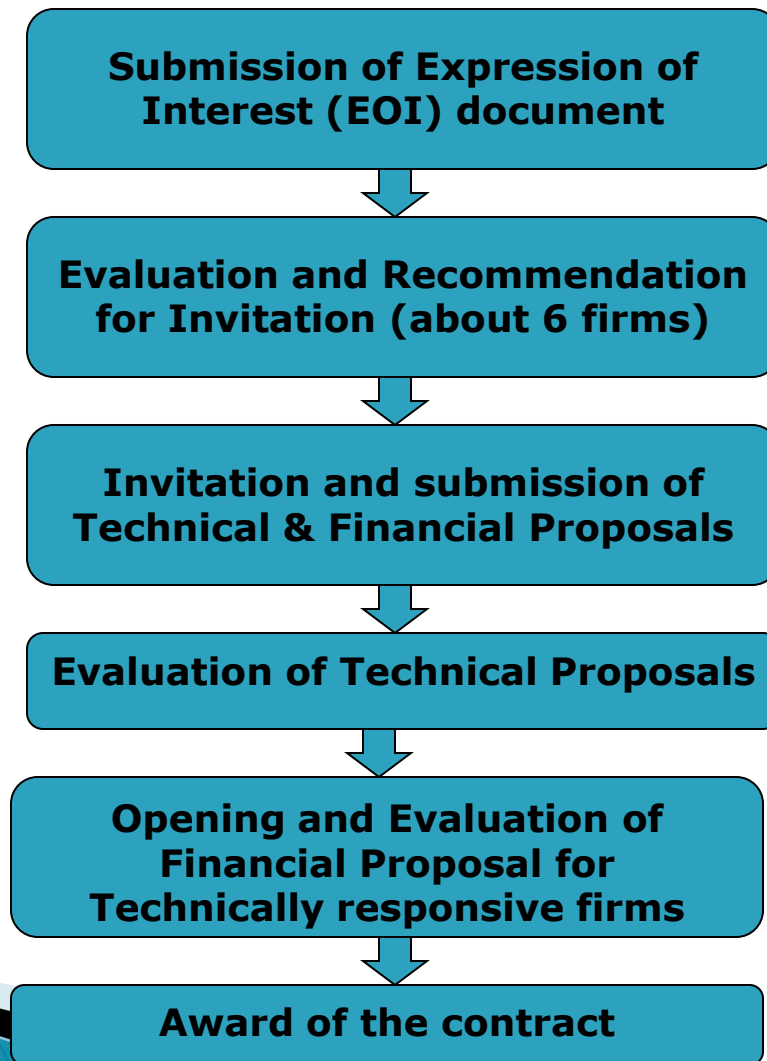
i. Pre-Qualification



ii. Post-Qualification (two Envelope)



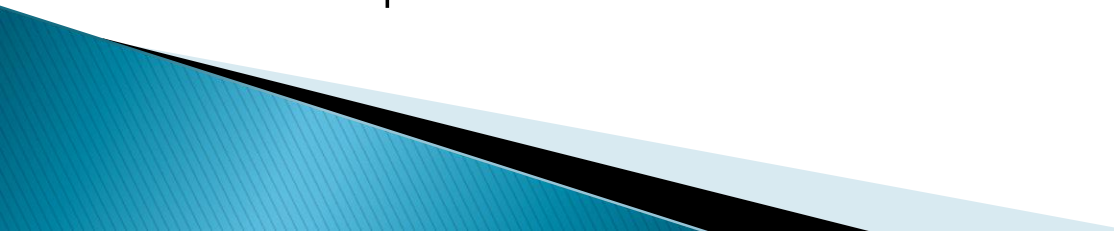
i. Short Listing (EOI)



6.6. Award of Contract and Handover

- Invitation to Negotiation and Negotiation
(If there is unclear issues in the submitted bid)
- Preparation of Contract Document
- Contract Signing

6.7. Summary

- Transparent Tender Process;
 - Adequacy and Continuity of Work;
 - Conducive Working Environment;
 - Reliable Peace & Stability;
 - Adequate Labor Force & Skilled Manpower
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