

## **BRIEF ON TRANSPORT AND COMMUNICATIONS COOPERATION**

### **I. Introduction**

Well-functioning, effective, and sustainable transport systems are one of the most important necessities for modern economic and social life. The conditions within which the transport networks operate and the quality of the transport services affect a range of economic activities from agricultural and industrial production to investments, from tourism to trade. Transport is also essential for accessing basic public services such as health and education. Therefore, it has a direct impact on the development of countries.

The increased per capita income and mobility needs of the households, trade globalization, deregulation and privatization trends in transportation infrastructure and services, and the technological progress in vehicle technology have all contributed to the high growth rate of the transportation industry.

International Transport Forum (ITF) estimates that the trade related international freight will grow by a factor of 4.3 by 2050. Maritime transport is more characterized by movement of freights as almost 85% of global trade is carried by sea in terms of weight. Therefore, increasing international trade will result in unprecedented challenges for the transport infrastructure, especially for ports. According to ITF projections, port volumes are expected to increase nearly fourfold by 2050 (OECD/ITF, 2015). In fact, Infrastructure to 2030 (OECD, 2012) argues that worldwide container throughput could quadruple even by 2030.

With regard to the surface transport, worldwide road and rail passenger travel is expected to grow by around 120% to 230% until 2050, whereas this growth is expected to range from 240% to 450% for non-OECD economies. Besides, the global road and rail freight transport is projected to increase by 230% to 420% (OECD/ITF, 2015).

Infrastructure to 2030 concludes that global transport and distribution infrastructure investment needs, i.e., airports, ports, rail, and oil and gas, may exceed USD 11 trillion over 2009-2030 period. As major infrastructure can take around 10 to 20 years to plan and implement, countries that want to develop their infrastructure at the right time and location will need to get two crucial things right, i.e., national policy frameworks and assured funding (OECD, 2012).

Transport infrastructure is crucial for both economic and social development of the nations and “quality infrastructure is a key pillar of international competitiveness” (OECD, 2012). It is therefore not surprising to see that developing transport infrastructure is assessed as a powerful instrument for a wide variety of policy goals such as reducing logistics costs, poverty (through enhancing rural road infrastructure) and congestion, and enabling the mobility of the workforce, etc.

The problems associated with the transport infrastructure vary across the nations. For developed nations, for example, the major transportation problem is to sustain the aging infrastructure in the most cost-effective way and to maintain their competitive power through efficient transport networks. For the least developed nations, the major concern is to establish a transportation infrastructure by meeting at least the basic needs.

The variation in the needs of transportation infrastructure across the OIC countries is in parallel with the situation outlined above. On the one hand, there is a group of oil producing gulf countries with high income per capita and relatively smaller areas (except Saudi Arabia). On the other hand, there is a large pool of OIC countries with low income per capita and relatively larger areas, mostly from Sub-Saharan Africa. The Global Competitiveness Report 2015–2016 (WEF, 2015) of the World Economic Forum provides evidence on this gap. Five of the seven best performing OIC countries (i.e. UAE, Malaysia, Qatar, Bahrain, Saudi Arabia, Turkey, and Oman) in terms of quality of transport infrastructure are oil producing gulf countries. On the other hand, seven out of eight worst performing OIC countries (i.e. Guinea, Lebanon, Sierra Leone, Mauritania, Chad, Nigeria, Benin, and Mozambique) in the same measure are from Sub-Saharan Africa.

Table 1 presents the variation in the quality of transport infrastructure in terms of indexes among the 37 OIC countries (i.e. 13 countries from OIC-Sub-Saharan Africa, 15 from OIC-MENA, and 9 from OIC-Asia). The indexes range from 1 to 7, where 1 represents the extremely underdeveloped infrastructure and 7 stands for extensive and efficient infrastructure by international standards.

One implication of Table 2 is that all of the OIC and OIC-Sub-Saharan Africa averages fall below world averages in every measure. Secondly, OIC-MENA performs better than world average in every measure except the quality of railroad infrastructure. Finally, OIC-Asia underperforms world averages in every measure except the quality of railroad infrastructure.

**Table 1: The indexes for the quality of transport infrastructure**

Region	Quality of overall infrastructure	Quality of roads	Quality of railroad infrastructure	Quality of port infrastructure	Quality of air transport infrastructure
World Average	4.13	4.03	3.32	4.03	4.36
OIC Average	3.77	3.75	2.72	3.78	4.03
OIC-Sub Saharan Africa	2.98	3.05	2.02	3.19	3.23
OIC-MENA	4.35	4.43	2.84	4.47	4.66
OIC-Asia	3.93	3.61	3.48	3.48	4.14
OIC Maximum	6.4 (U.A.E.)	6.6 (U.A.E.)	5.1 (Malaysia)	6.4 (U.A.E.)	6.7 (U.A.E.)
OIC Minimum	2.0 (Guinea)	1.9 (Guinea)	1.3 (Albania)	1.3 (Chad)	2.4 (Sierra Leone)

*Source: Author from the Global Competitiveness Report 2015–2016 (WEF, 2015)*

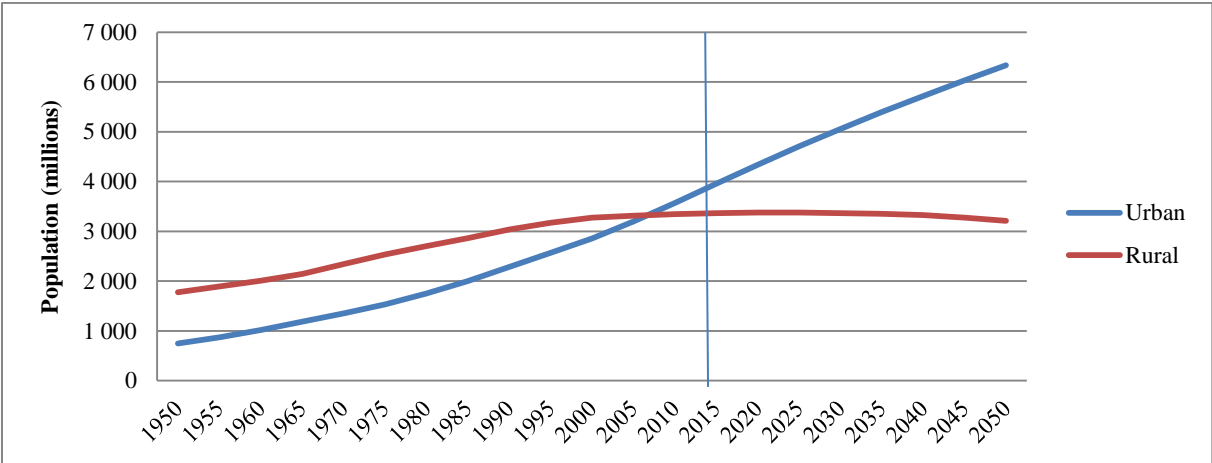
Being aware of the significance of the transport infrastructure and its effects on the well-being of the nations, COMCEC Transport and Communications Working Group designed its fifth meeting to specifically dwell upon the maritime ports in the OIC Member States and their importance in the global trade volume.

On the other hand, transport infrastructure is also very critical for the urban transport as well. Urban transport associated with the high rate of urbanization trend recently over the world is one of the most challenging issues on the global agenda.

**II. Global Trends in Urban Transport**

Urbanisation is a one of the major changes taking place globally. The urban global tipping point was reached in 2007 when, for the first time in history, over half of the world’s population 3.3 billion people were living in urbans areas. In 1950, more than two-thirds (70 per cent) of people worldwide lived in rural settlements and less than one-third (30 per cent) in urban settlements. In 2014, 54 per cent of the world’s population is urban. The urban population is expected to continue to grow, so that by 2050, the world will be one-third rural (34 per cent) and two-thirds urban (66 per cent), roughly the reverse of the global rural-urban population distribution of the mid-twentieth century<sup>1</sup>.

**Figure 1: Urban and rural population of the world, 1950-2050**



Source: UN, 2014

This rush to the cities, caused in part by the attraction of opportunities for wealth generation and economic development, has created the phenomenon of ‘megacities’: urban areas with a population of 10 million or more.

According to the UN Population Division, in 1990, there were ten “mega-cities” with 10 million inhabitants or more, which were home to 153 million people or slightly less than seven per cent of the global urban population at that time. In 2014, there are 28 mega-cities worldwide (Table 2), home to 453 million people or about 12 percent of the world’s urban dwellers. Of today’s 28 mega-cities, sixteen are located in Asia, four in Latin America, three each in Africa and Europe, and two in Northern America. By 2030, the world is projected to have 41 mega-cities with 10 million inhabitants or more.

<sup>1</sup> World UrbanizationProspects: The 2014 Revision, Highlights (ST/ESA/SER.A/352).

**Table 2: Population size and ranking of urban agglomeration as of 1 July 2014**

Urban Agglomeration	Country or area	Population(thousands)			Rank			Average annual rate of change (percent) 2010-2015
		1990	2014	2030	1990	2014	2030	
Tokyo	Japan	32530	37833	37190	1	1	1	0.6
Delhi	India	9726	24953	36060	12	2	2	3.2
Shanghai	China	7823	22991	30751	20	3	3	3.4
Cuidad de Mexico (Mexico City)	Mexico	15642	20843	23865	4	4	10	0.8
Sao Paulo	Brazil	14776	20831	23444	5	5	11	1.4
Mumbai (Bombay)	India	12436	20741	27706	23	8	5	4.6
Kinki M.M.A. (Osaka)	Japan	18389	20123	19976	2	7	13	0.8
Beijing	China	6788	18591	24502	24	8	6	3.6
New York – Newark	USA	16086	18591	19885	3	9	14	0.2
Al-Qahirah (Cairo)	Egypt	9892	18419	24502	11	10	8	2.1
Dhaka	Bangladesh	6621	16982	27374	24	11	6	3.6
Karachi	Pakistan	7147	16126	24838	22	12	7	3.3
Buenos Aires	Argentina	10513	15024	16956	10	13	18	1.3
Kolkata (Calcutta)	India	10890	14766	19092	7	14	15	0.8
Istanbul	Turkey	6552	13954	16694	25	15	20	2.2
Chongqing	China	4011	12916	17380	43	16	17	3.4
Rio de Janeiro	Brazil	9697	12825	14174	13	17	23	0.8
Manila	Philippines	7973	12764	16756	19	18	19	1.7
Lagos	Nigeria	4764	12614	24239	33	19	9	3.9
Los Angeles-Long Beach-Santa Ana	USA	10883	12308	13257	8	20	26	0.2
Moskva (Moscow)	Russian Federation	8987	12063	13257	8	20	26	0.2
Guangzhou, Guangdong	China	3072	11843	17574	63	22	16	5.2
Kinshasa	Democratic Republic of the Congo	3686	11116	19996	50	23	12	4.2
Tianjin	China	4558	10860	14655	37	24	22	3.4
Paris	France	9330	10764	11803	14	25	33	0.7
Shenzhen	China	875	10680	12673	308	26	29	1.0
London	United Kingdom	8054	10189	11467	18	27	36	1.2
Jakarta	Indonesia	8175	10176	13812	17	28	25	1.4

Source: Urban Transport in the OIC Megacities, COMCEC Coordination Office, Ankara, October 2015

U.N. projections to 2025 suggest that the future list of megacities will be dominated by lower-income cities, with growth primarily in places like Africa and central Asia. Among the likely new entrants are Lima (Peru), Kinshasa (Democratic Republic of the Congo) and Tianjin (China). At least seven others (Chennai, Bangalore, Bogota, Ho Chi Minh City, Dongguan, Chengdu and Hyderabad) are now above

8 million, making them likely they could reach megacity status by 2030. Among high-income world cities, London might finally reach 10 million while the only other high-income world candidate, Chicago, with more than 9 million residents, could take until 2040 to reach megacity status.<sup>2</sup>

While the transportation in the Megacities is a local issue, it is without doubt a global question today. The transportation problems in any megacity (i.e., cities with a population of 10 million or more) in developing world are more or less the same. Extreme congestion, long commute times, choking air pollution, deadly traffic accidents and inadequate public transport are the norm. Billions of dollars in economic productivity are lost due to congestion. Air and noise pollution severely impacts health and quality of life. The poor lack affordable or comfortable mobility.

The inevitability of further population growth in the megacities is a common issue. Mitigating of people needs in terms of urban transportation is a crucial issue before the policy makers. Monitoring population change effectively and being able to respond through planning and infrastructure development will be major challenges in today's world. Without a range of appropriate interventions being applied within the broader context of urban transport policies, social exclusion and poverty will continue to spiral out of control.

Five major trends<sup>3</sup> that are shaping the future of urban transportation in developing countries are as follows;

1. More people are buying personal vehicles
2. The demand for safe and convenient public transportation is growing
3. Clean air concerns and energy costs are driving technological change
4. Governments are experimenting with creative traffic management regulations in the largest cities
5. Global civil society is lobbying for change

- **Urban Transport in the OIC Member Countries**

At the moment there are 28 megacities in the world, six of which are in Islamic Countries. These six cities are: Cairo, Dhaka, Karachi, Istanbul, Lagos and Jakarta. However, it can be noted that Tehran is considered as a megacity as well based on the population of its wider metropolitan area. Of the 7 megacities, Cairo is the city with the largest population, with 18.4 million, followed by Dhaka (with 17.0 million) and Karachi (with 16.1 million). Istanbul has a population of 14.0 million, Lagos has 12.6 million and Jakarta 10.2 million. Finally, Tehran has a population of 8.4 million, but nearly 11 million live in its wider urban area. Cairo is currently the 10<sup>th</sup> largest city in the world and is expected to be the 8<sup>th</sup> largest by 2030, as it grows by 2.1 percent annually. However, Dhaka and Karachi are growing significantly faster (3.6 and 3.3 percent annually respectively), and are therefore expected to have a larger population than Cairo by 2030. Dhaka is expected to be the 6<sup>th</sup> largest city in the world and Karachi the 7<sup>th</sup>. In addition, Lagos, which is now the 19<sup>th</sup> largest city in the world, is expected to be the 9<sup>th</sup> largest by 2030 as its annual average population growth rate is 3.9 percent.<sup>4</sup>

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<sup>2</sup> <http://www.forbes.com/sites/joelkotkin/2013/04/08/the-worlds-fastest-growing-megacities/>

<sup>3</sup> The Frederic S. Pardee Center for the Study of the Longer-Range Future 4, Boston University, November 2008

<sup>4</sup> *Urban Transport in the OIC Megacities*, COMCEC Coordination Office, Ankara, October 2015

**Table 1: Megacities in the OIC Member Countries**

Urban Agglomeration	Country or area	Population(thousands)			Rank			Average annual rate of change (percent) 2010-2015
		1990	2014	2030	1990	2014	2030	
Al-Qahirah (Cairo)	Egypt	9892	18419	24502	11	10	8	2.1
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Lagos	Nigeria	4764	12614	24239	33	19	9	3.9
Jakarta	Indonesia	8175	10176	13812	17	28	25	1.4
Tehran	Iran	6365	8353	9990	26	40	42	0.9

Source: *Urban Transport in the OIC Megacities, COMCEC Coordination Office, Ankara, October 2015*

The OIC megacities share both differences and similarities in their economies, cultural characteristics, institutional arrangements and, inevitably, transport problems. To begin with, Islamic megacities borrow the characteristics of the wider area where they belong. For example, Lagos shares common characteristics with other African cities; Cairo has common characteristics with other Arabic cities, and Istanbul is also influenced by both Europe and Western Asia. The geographic location of cities does not only influence their societal characteristics but also their governance and best practice sharing. Although cities are beginning to build larger networks and share information using information communication technologies, it is still more likely that cities that are closer geographically will seek advice and borrow practices and policies from each other.<sup>5</sup>

While demand for transport constantly grew, few people were able to afford private cars. Despite the fact that the modal share of private cars remains low in OIC megacities, cars occupy the largest part of streets causing congestion, accidents and environmental pollution. At the same time, public, as well as non motorised transport, is often unable to meet the mobility needs of the citizens. Although the availability of public transport systems differs significantly among OIC megacities, congestion is a common problem. Some of the cities examined in this report are or have been among the most congested cities in the world (Istanbul, Dhaka) or are among those with the poorest air quality conditions (Karachi). The wider impact of congestion is not limited to air pollution, economic losses and accidents but is also contributing to and increasing the cities' vulnerability to climate change, causing long term health problems to the population, increasing the levels of social exclusion, and causing a general deterioration of the urban environment which loses its human dimension and offers fewer opportunities for human interaction.

OIC megacities have recognised the importance of urban transport for achieving sustainability and viability. Efforts to improve transport availability and quality vary across the megacities in terms of scale and success. All megacities are considered to have the potential to make significant improvements in their transport systems and become best practice examples for other cities in both the developing and the developed world.<sup>6</sup>

<sup>5</sup> *ibid*

<sup>6</sup> *ibid*

Being aware of the importance of the urban transport issue, COMCEC on Transport and Communications Working Group designed its sixth meeting to specifically elaborate on this topic and figure out possible ways and means for international cooperation in this area.

### **III. Transport Cooperation under the COMCEC**

Given the importance of an efficient and effective urban transport system for ensuring sustainable development in the member states, considerable efforts have been made under the COMCEC umbrella.

Transport and Communications is one of the six cooperation areas of the COMCEC Strategy. The strategic objective of cooperation in transport and communications is defined as “*Improving the functioning, effectiveness and sustainability of transport and communications in the Member States*”. Regulatory Framework, Institutional and Human Capacity, Transport Infrastructure Policies and Information and Communication Technologies have been identified as the output areas in the field of transport and communications by the Strategy.

#### **3.1 Fifth Meeting of the Transport and Communications Working Group**

The Fifth Meeting of the COMCEC Transport and Communications Working Group was held on February 12th, 2014 in Ankara, Turkey with the theme “Evaluating the Ownership, Governance Structures and Performances of Ports in the OIC Member Countries”.

During the meeting, the delegates of the Member States as well as the representatives of international institutions and private sector shared their experiences, achievements and challenges in increasing port efficiency in their respective point of views. The discussions were also enriched by the presentations from the international organizations and private sector representatives.

The Meeting considered two Studies: the first was the Analytical Study entitled “Evaluating the Ownership, Governance Structures and Performances of the Ports in the OIC Member States”, commissioned by the CCO which aims at describing and assessing the state of affairs of ports in the OIC Member States and provides policy recommendations for enhancing port performances. The second study was “COMCEC Transport Outlook 2014–Revised Edition” prepared by the CCO, which provides a general overview of transport sector in the Member States. The Proceedings of the Meeting as well as the Analytical Study and COMCEC Transport Outlook are available on the COMCEC website ([www.comcec.org](http://www.comcec.org)).

As the main output of the meeting, some important political recommendations were underscored as follows;

Member states are;

- invited to enhance the private sector participation in the port sector
- encouraged to establish port regulators
- called on to promote intermodal container transportation

**3.2Sixth Meeting of the Transport and Communications Working Group**

The Sixth Meeting of the COMCEC Transport and Communications Working Group was held on October 22nd, 2015 in Ankara, Turkey with the theme “Urban Transport in the OIC Megacities”.

The Meeting considered two Studies:thefirst was the Analytical Study entitled "Urban Transport in the OIC Megacities" commissioned by the CCO which aims at describing and assessing the state of affairs of urban transport in the OIC Megacities and provides policy recommendations for enhancing the quality of urban transport services. The second study was “COMCEC Transport Outlook 2015” prepared by the CCO which provides a general overview of transport sector in the Member States.

During the meeting, the representatives of the Member States shared their experiences, achievements and challenges in the field of urban transport in megacities in their respective countries. Additionally, the issue of policies that can be implemented to improve the quality of services provided in this field was discussed. The discussions were also enriched by the presentations from the international organizations and private sector representatives.

The second Project Call under the COMCEC Project Funding was made in September 2014 and one project was announced as final-listed. The implementation period of this project has started on March 30th, 2015.

The third call has been made in September 2015 and 3 projects have been shortlisted. The final listed projects will be announced in mid-January, 2016.

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