

Sustaining CAREC corridor assets: Importance of high-level support for road asset management



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Don't Waste the Prior Investment

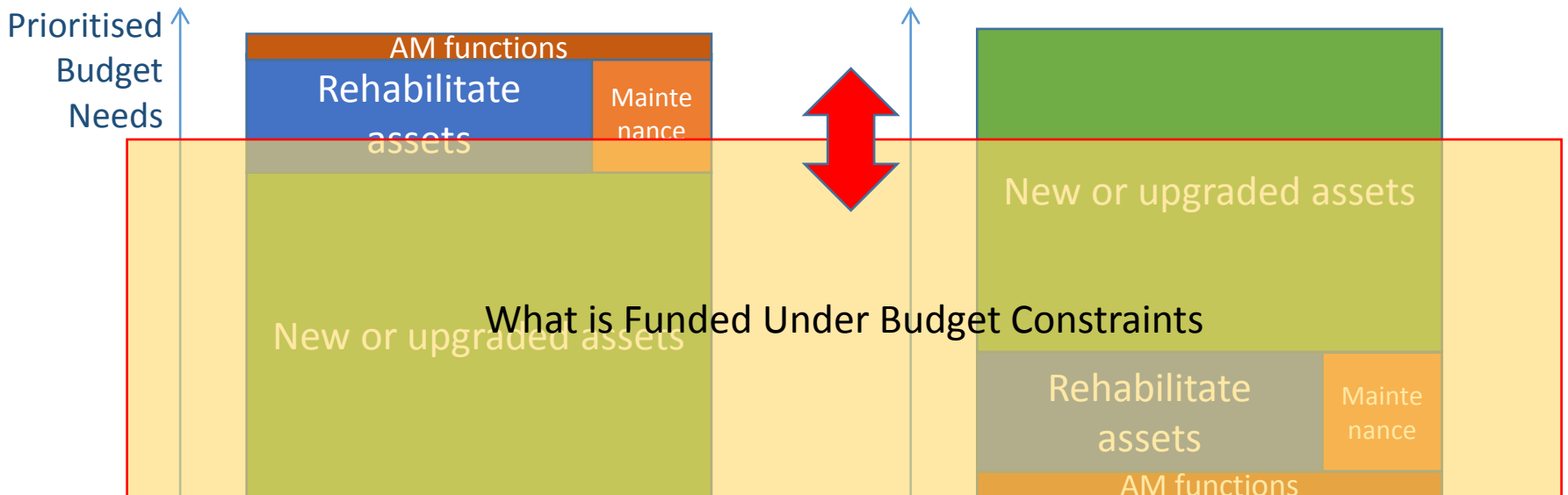
- If it was worth building, it is certainly worth looking after!



Investment Prioritisation

- Without an AM Focus

- With an AM Focus



What Service Level Can You Afford in the Long Term?



One size doesn't fit all – its all about affordability & risk



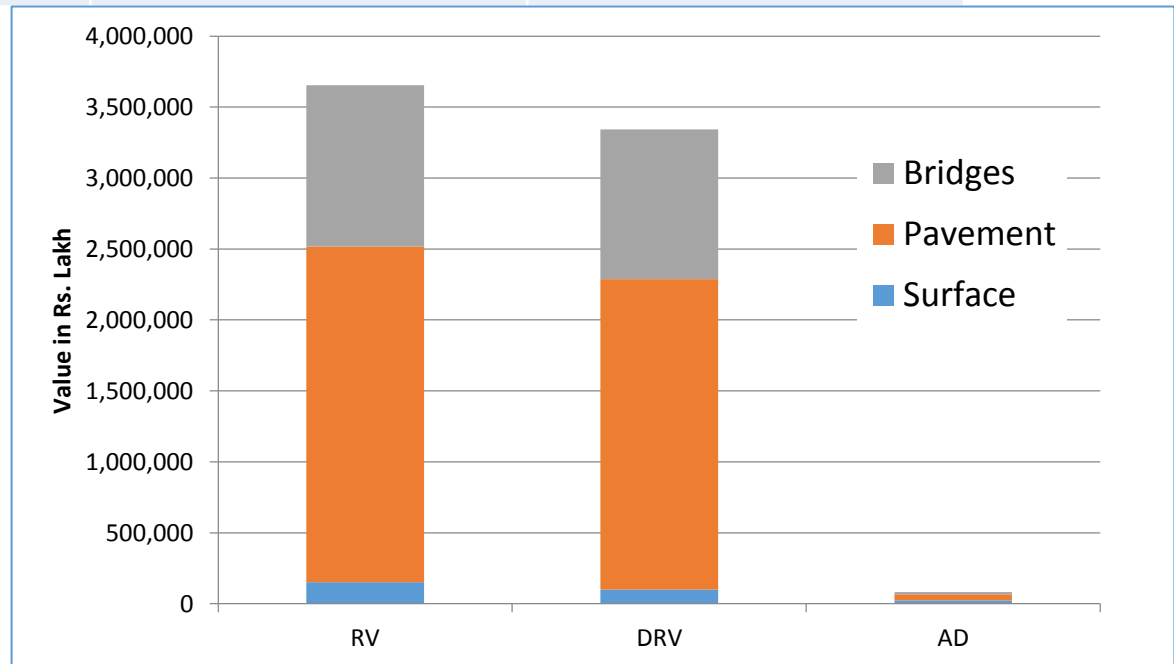
Example from Africa



Your Transport System is an Asset

Component	Replacement Value (Rs. Lakh)	Depreciated Replacement Value (Rs. Lakh)	Annual Depreciation (Rs. Lakh)
Surfacing	152,558	98,959	23,957
Pavement	2,365,020	2,188,446	42,214
Bridges	1,135,738	1,056,236	15,900
Total	3,653,316	3,343,641	82,071

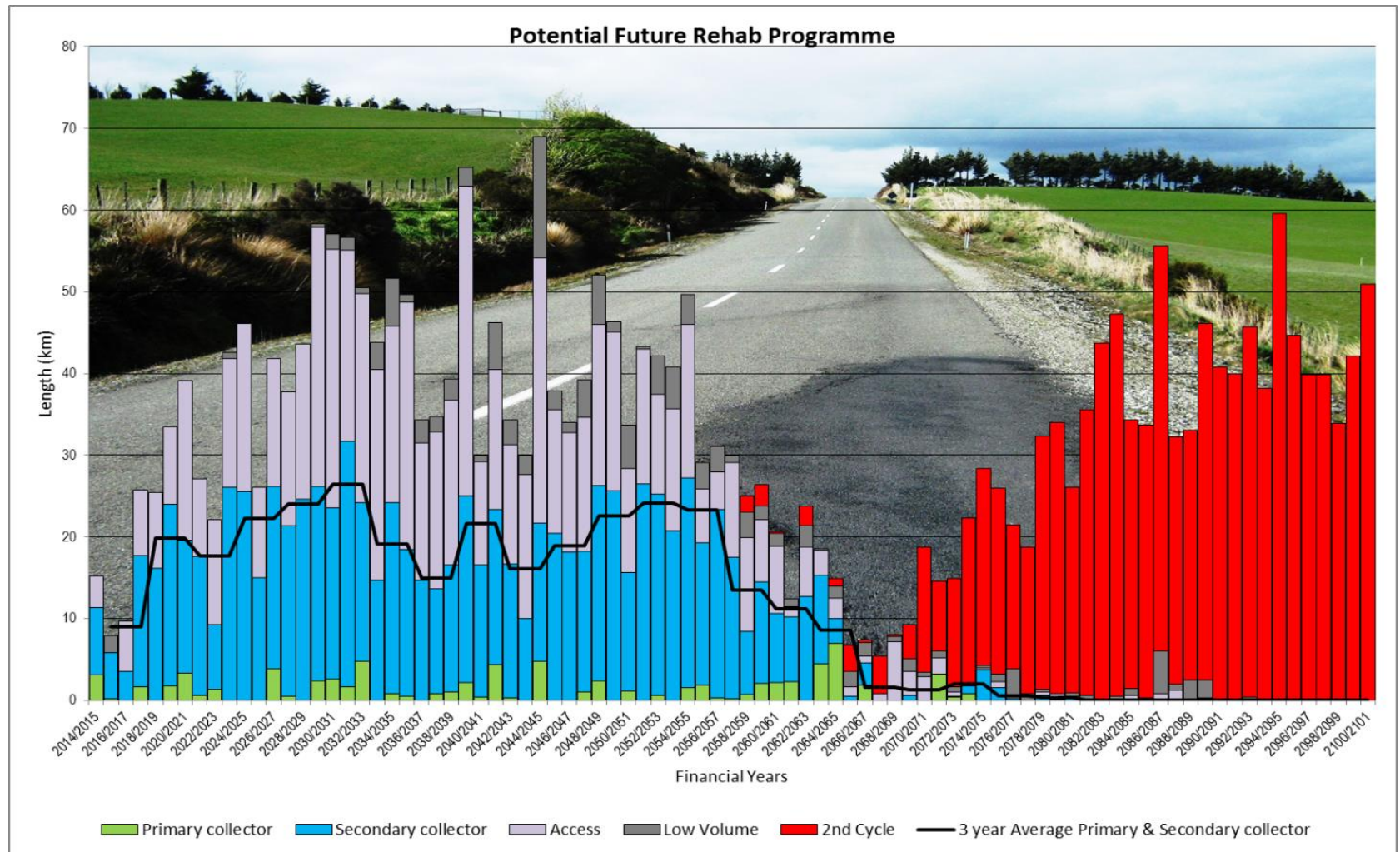
Typically need to invest an extra 2.5% of construction costs, into maintenance and renewal on an annual basis to retain the asset.



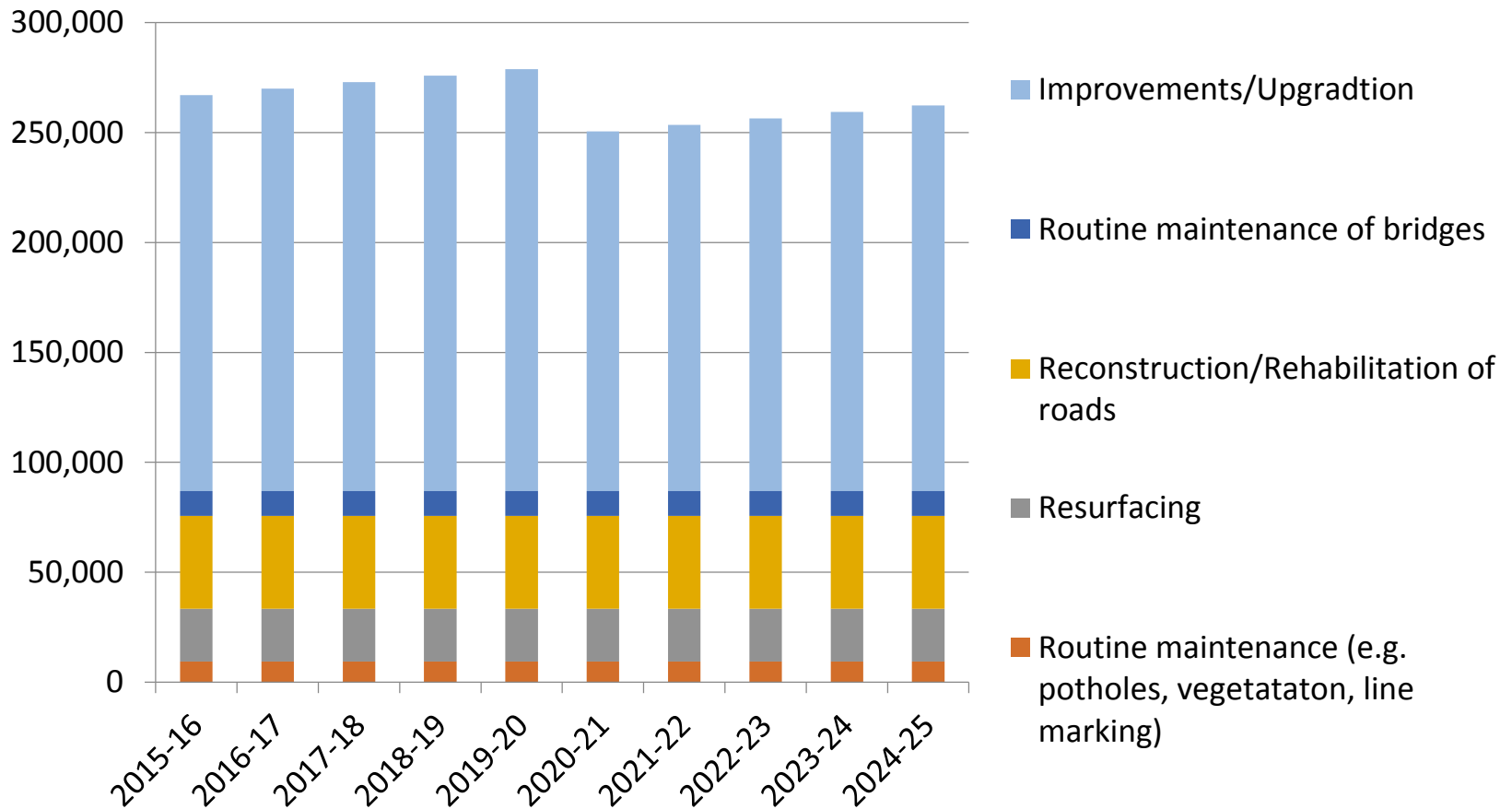
Plan for the Future Needs

Road	Ward	ROAD_ID	FOFFFROM	FOFFTO	length	Start Name	End Name	Year01	Year02	Year03	Year04	Year05	Year06	Year07	Year08	Year09	Year10	Year11	Year12	Year13
MAYBECK R	EDEN-	4066	0	108	108	NEW 7/9	7/9	RS							RS					
MAYBECK R	EDEN-	4066	108	214	106	7/9	ASQUITH	RS							RS					
MAYBURY S	TAMAKI-	882	0	159	159	LINE RD	17/19	SM				RS								
MAYBURY S	TAMAKI-	882	159	300	141	17/19	DALTON	SM				RS								
MAYBURY S	TAMAKI-	882	300	511	211	DALTON	64/66	SM				RS								
MAYBURY S	TAMAKI-	882	511	703	192	64/66	83/85	SM				RS								
MAYBURY S	TAMAKI-	882	703	852	149	83/85	ELSTREE	SM				RS								
MAYN AVE	AVONDA	4067	0	164	164	GIFFORD	END OF					SM			RS					
MAYORAL D	HOBSON	884	0	250	250	WELLES	COOK ST	AC									AC			
MAYORAL D	HOBSON	884	250	459	209	COOK ST	GREYS	AC												AC
MAYORAL D	HOBSON	884	459	592	133	GREYS	QUEEN	AC												
MAYORAL D	HOBSON	884	592	761	169	QUEEN ST	WAKEFIE	AC								AC				
MAYORAL D	HOBSON	884	761	1001	240	WAKEFIEL	WELLES	AC										AC		
MAYS RD	TAMAKI-	4069	0	135	135	MT SMART	ALFRED	AC												
MAYS RD	TAMAKI-	4069	135	407	272	ALFRED	CURZON	RS												AC
MAYS RD	TAMAKI-	4069	407	701	294	CURZON	CAPTAIN			AC										AC
MAYS RD	TAMAKI-	4069	701	858	157	CAPTAIN	FELIX ST	RS						AC						AC
MAYS RD	TAMAKI-	4069	858	1030	172	FELIX ST	RAILWAY	RS						ST						
MAYS RD	TAMAKI-	4069	1030	1234	204	RAILWAY	CHURCH	ST												
MARTHUR	EASTER	817	0	164	164	VALE RD	16/18	RS								RS				
MARTHUR	EASTER	817	164	303	139	16/18	END OF	RS								RS				
MCCOLL ST	HOBSON	3986	0	125	125	KHYBER	ROXBURG					SM			RS					
MCCRACKEN	TAMAKI-	3988	0	183	183	BARRACK	END OF	RS											RS	
MCCULLOCH	TAMAKI-	3989	0	198	198	STEWART	19/21			SM				RS						
MCCULLOCH	TAMAKI-	3989	198	378	180	19/21	39/41			SM				RS						
MCCULLOCH	TAMAKI-	3989	378	497	119	39/41	HOBSON			SM				RS						
MCCULLOUG	AVONDA	3990	0	96	96	MT	SMALLFIE					SM			RS					

Expenditure Profiles – How will you fund them?



What is the Total Funding Need?



Benefits of Supporting RAM

- Demonstrates strong and sound governance
- Shows you are thinking further ahead than just today
- Reduces/eliminates the negative publicity that is associated with deteriorated assets
 - Not doing RAM brings bad PR
 - Failed bridges
 - Pot holes
 - Rough roads
 - Congestion
 - Safety

Where Do You Start

- Looking after what you have, before building new liabilities
 - Prioritise fully funding the annual depreciation of existing assets ahead of new construction
- Include asset value into the accounts of the country
- Produce a 10 year (minimum) financing plan to show a sustainable funding model is in place
- Set a goal of achieving ISO55000 certification within a period of 5 years
 - Only seeking a standard of 'Competent' not 'World Best'
- Produce an Asset Management Plan every 2 years
 - Proof that RAM is occurring and progressing

Thank you

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