Transforming Fiji’s Road Management and Rebuilding Fiji’s Roads

August 2013

Submitted to
REAAA 2013 Roadshow
Today’s Overview

1. Why the Government changed the way roads are managed in Fiji

2. What changed

3. The Challenges for NZ Business in Fiji
The Government recognised compelling reasons to reform Road Management in Fiji

- The poor condition of the current network and its rapid deterioration
- A need to inject funds to reverse the backlog and ensure those funds are effectively spent
- Poor industry knowledge and skills in road maintenance and management
- A lack of accountability throughout the current organisational structure
- Corruption and competency issues leading to some bizarre outcomes
Road maintenance and rehabilitation has fallen behind in the last 10 years

- No effective reseals or rehabilitation
- Poor unsealed road management
- Very poor response to rapid changes in condition (potholes and unsealed road)
- No Bridge Management Program with now more than 30 at risk bridges

**VERY POOR KNOWLEDGE OF THE NETWORK**
Unsealed roads with no remaining strength fail rapidly under load – especially when wet
When they fail quickly and dramatically
and expensively
Many Urban Roads are beyond normal maintenance
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Service Authorities also lack the planning, supply chain management and skills to effect reasonable repairs.
Overloaded vehicles cause problems for roads and bridges
Of Approximately 1000 bridges 300 need significant work and approximately 100 need urgent work

We are still finding “new” bridges
Each Bridge Presents a new set of problems!
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High rainfall and large storm and cyclone events present additional challenges
Poor or no design means new bridges have low durability and resilience: This bridge only lasted two years.
We have moved to close some of the worst bridges – but there are other economic factors to consider
Just in time?
The Government knew change was necessary but did not want to put more money into a broken system.
The reform drives accountability through contracts and performance management

The new FRA has a lean structure –
The reform

- defines the business drivers
- addresses business capability

Increased Investment will improve the Asset Capability

The FRA still has a number of key challenges to improve Asset Capability
The Government has been clear on what Service Improvements it wants

- Improved Roads!!
- Better Access for Children in remote villages to school and health
- Economic Stimulation for Rural Communities
- Road Safety and Safer Roads
- Support for the Tourist Industry
- Improved resilience to storms
There is a lot of work going on

- Three Road Maintenance and Renewal Contracts totalling $120M + pa
  - Higgins
  - Fulton Hogan Hiway Stabilizers JV
  - Blacktop
- A new traffic and streetlights contract being completed by Prime from Australia
- Chinese Contractors working on some $FJD420M of work
- $20-40M pa of bridge repair and renewal work
- Two new four laning projects in Suva and Nadi of ~ $150M
We all have to learn to work in Fiji?

• The whole Supply Chain is weak affecting efficiency
• New tax regimes
• Transparency needed in an environment trying to root out corruption
• The weather – impacts construction planning
• Local materials are often weak/poor needing special care
• Major flood events
• Rapidly changing priorities on a network where so much is in poor condition
• THERE IS NO FIJI TIME ON FIJI ROADS!!!!!
• Very Open Government – Everyone has access to the PM
• The Government sometimes value action over thinking – do not always like hearing …… “but we need to understand the problem”
• But they recognise that well reasoned answers save money
• A whole lot of poor contracts underway that still need to be sorted through
• Still got more Shit to uncover !!!! Hardly a week goes by!!
• Active and Passive sabotage!
The Industry Challenges

- Low level of Skills in the Industry
  - Management
  - Technical (client, consultant and contractor)
  - Contractors tended to be plant hire business resulting in no real project or site management ability
  - Little focus on quality materials, plant or delivery
  - Poor procurement approaches
- Difficulties in raising revenue etc
- Corruption
- The Supply Chain is weak, with low quality and poor capacity
New Zealand Priority Paradigms do not apply

• The unsealed network is critical in the micro economy and the poverty reduction strategy
• Drivers are both worse and better – there is a different safety paradigm (it needs to be understood)
• 80% of people movement is by bus or RSL – bus routes are critical
• **We can not assume maintenance will continue**
• Inter-island economies are important
• Sugarcane Transport dominates loading and safety concerns
The “Road Maintenance Challenge” Where do we start?

• Full condition rating would only say everything is urgent
  – The sealed network has not been resealed in ten years – it leaks! – badly and it rains – hard and often!
  – Large lengths of unsealed road have no residual strength when wet
  – We need condition rating to show improvement and for 3 years time
• We are developing a decision matrix to bring transparency to complex decision making around priorities

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<th>Key Considerations for reseals and rehabilitation</th>
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<tr>
<td>Condition</td>
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<td>% Preservation vs failure</td>
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<td>% Urban vs % Rural</td>
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<td>% of Arterial</td>
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<td>Bus Routes</td>
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<td>Rural Development</td>
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<td>Regional (Division) Investment</td>
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<td>Traffic Volume</td>
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<td>Safety</td>
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• The “Department of National Roads is gone”
• Four new maintenance contractors
  (3 roads and bridges, 1 traffic and street lights)
• Tidied up some non performing Contractors
• “Intercepted” poor design details that would have lead to durability problems on new bridges
• New technology being introduced
  – Foamed bitumen Stabilisation
  – Improved unsealed road rehabilitation
  – Use of Composite Fibre Bridges in marine environment
• Established a GIS based Asset Management System and now embedding processes
• On track to deliver 100km of reseals and 50km of rehabilitation