Transit-Infrastructure Costs in the Arab World

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Setting up the picture

22 countries

423M
Population
2015 estimate

21 currencies

$3.5tr
GDP - Nominal
2011 estimate
A Bit of history…

• The first railway in the Arab World was opened in the 1850s in Egypt. Railways were subsequently built in Morocco, Algeria, Tunisia, Sudan, Syria, Lebanon, and Iraq.

• The most important railway at that time was the Hejaz Railway, linking Medina in Saudi Arabia with Damascus in Syria, via Palestine, and Jordan. The railway was opened in 1908 and was closed in 1920.
A Bit of history...
What were we looking for?

- **Location**: State, region, city
- **Duration**: Years from announcement until project's delivery
- **Stations**: Amount and type
- **Phases and Lines**: Specification on the transit lines and construction phases/extensions
- **Network Length**: Track length by lines and extensions
- **Contractors**: Managing, design, and construction
- **Coverage Type**: National, regional, or urban
- **Tunneling**: Type and length of tunnels (if exists)
- **Costs**: Converted by year and currency
Collected data

<table>
<thead>
<tr>
<th>Category</th>
<th>Quantity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Countries</td>
<td>16</td>
</tr>
<tr>
<td>Projects</td>
<td>72</td>
</tr>
<tr>
<td>Progressed</td>
<td>38</td>
</tr>
<tr>
<td>Postponed</td>
<td>30</td>
</tr>
<tr>
<td>Valid Entries</td>
<td>90</td>
</tr>
</tbody>
</table>
Collected data

Networks under construction works per country

- Number of networks where works were initiated
- Number of networks that construction works were announced in regard to
Qualitative insights

- Unsurprisingly, transit infrastructure construction is much related to geo-political and global economic trends. Examples for that are: Syria, GCC project, Saudi Arabia, and Qatar.

- Syria, who had a decent railway infrastructure and relevant bodies (Arab Union of Railways), has almost completely vanished from the map of running projects and operating systems.
Arab Railway Network (Arab League Study)
<table>
<thead>
<tr>
<th>Country</th>
<th>Line length</th>
<th>Local Plans</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kuwait</td>
<td>145</td>
<td>511-574</td>
</tr>
<tr>
<td>Bahrain</td>
<td>36</td>
<td></td>
</tr>
<tr>
<td>Qatar</td>
<td>283</td>
<td>400</td>
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<tr>
<td>Saudi Arabia</td>
<td>663</td>
<td></td>
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<tr>
<td>United Arab Emirates</td>
<td>684</td>
<td></td>
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<tr>
<td>Oman</td>
<td>306</td>
<td></td>
</tr>
</tbody>
</table>

Gulf Railway (GCC)

The Gulf Railway (GCC) project is expected to be completed by 2017. It aims to connect the Gulf countries and other GCC countries. The project is estimated to cost around 1.5 billion dollars. The project will involve the construction of a high-speed railway line connecting the Gulf countries. The project will be implemented by the national governments of the GCC countries, with the support of international organizations and companies. The project is expected to boost economic development and facilitate trade and tourism in the region.
Qualitative insights

• Transparency and accessible official information are NOT widespread among official leaders and entities. Often, they themselves are “fed” by state officials or executing contractors.

• Most detailed information was found in Western media outlets, or contractors’ websites.
Qualitative insights

• Inter-urban or regional systems’ costs per KM are generally lower than urban systems’ costs.

• Gulf countries and North African countries had the most significant number of transit construction projects in the last two decades. Algeria, UAE, and Saudi Arabia stand at the top of the table in terms of transit projects.

• There are almost no projects in the Levant region.
Qualitative insights

• Roughly speaking, costs for North African countries were lower than the costs of the Gulf countries.

• Many reasons can be attributed to this difference. Such as the characteristics of the projects, the local topographies, the past-experience, and relations.

• This also can raise questions about post-colonial relations, projects’ “necessity” and demands, and willingness to pay.

Mecca, KSA
Qualitative insights

• Some European enterprises operate on the local-national level in North African countries, most notably, in Algeria as the example of Alstom Algerie SPA has been operating in Algeria since 2002. This, in contrast to the ad-hoc consortiums’ establishment in Gulf countries.

• The involvement of the French government and European banks is also noteworthy in the context of Morocco, Tunisia, and Algeria.
Thank you!

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