

WHAT'S GOING ON WITH THE LEKKI-EPE EXPRESSWAY?

Interview with Opuayo Oforiokuma, Managing Director/CEO of Lekki Concession Company



*Opuayo Oforiokuma
MD/CEO. LCC*

Mr Oforiokuma, stakeholders along the Lekki axis are complaining about the impact of your construction works on Lekki-Epe Expressway traffic. They say their journey times are getting longer, and their patience is running out. What does LCC have to say on this?

There is no doubt that the construction works contribute to traffic congestion from time to time. Where our works are responsible, LCC offers our unreserved apologies for the inconvenience caused. Given the nature and conditions of the area that we are working in, however, it is inevitable that there will be some impact on traffic flow. There are various other factors beyond LCC's control, which also contribute to the difficult traffic situation in and around the area. These include the sometimes poor and inconsistent traffic management on ground; the lack of motorable access roads to which traffic can be diverted away from zones of construction; the sheer volume of traffic in the area - 85,000 vehicles a day pass by Lekki Phase I; impact of fuel scarcity causing vehicles queuing up at petrol stations to spillover onto the road; lack of motor park facilities causing public transport to use the road for dropping off and picking up passengers; bad driving habits, such as making illegal U-turns, driving against traffic, drivers' lack of patience, and their refusal to obey traffic instructions; and other menaces such as reckless driving by danfo drivers and okada riders.

You say that poor traffic management is sometimes responsible for the traffic congestion. Isn't that your responsibility?

Actually, traffic management on Lekki-Epe Expressway is not LCC's responsibility. Under the terms of our Concession Agreement with Lagos State Government, that responsibility rests primarily with LASTMA. LASTMA Law (No.9) of 2004 confirms

LASTMA's responsibility for regulating, controlling and managing road traffic in Lagos State, and for enforcing road traffic laws as well as prosecuting road traffic offenders. The Nigeria Police also has traffic management responsibilities. We at LCC therefore look to the relevant Authorities to manage traffic on the road. LCC has contributed equipment such as patrol vans, walkie-talkies, protective clothing, and other resources, to help them be more effective in doing their jobs.

So are you blaming LASTMA and the Nigeria Police for the traffic congestion on the road?

Absolutely not! As I have previously indicated, various factors, including our construction works, and the way that road users themselves drive on the road, are key factors. That being said, effective and consistent traffic management and planning is critical. We look to LASTMA and the Nigeria Police to take charge of traffic management on the road, as well as to enforce traffic regulations and the law so that things do not descend into chaos on the road as often happens when no one is seen taking charge. The reality is that people, while they want to have the new infrastructure we are constructing, are understandably frustrated by the traffic situation. We have much empathy for how they feel.

Okay, but what is being done to alleviate the pain that road users are feeling at the moment?

First and foremost, LCC is committed to completing more of the construction works as fast as conditions permit. We are therefore working closely with and assisting our construction contractor, Hitech, to build up greater momentum and pace in delivering the works. We have instructed them to repair certain damaged sections of the road passing through the construction area, which road users complained about, so that traffic can flow more smoothly through those areas. We are also in regular dialogue with LASTMA officials, the Nigeria Police, and Lagos State Ministry of Transport officials, to agree ways that traffic management can

WHAT'S GOING ON WITH THE LEKKI-EPE EXPRESSWAY?

Interview with Opuiyo Oforiokuma, Managing Director/CEO of Lekki Concession Company

be improved. For example, we will continue to carefully plan route diversions in advance with the assistance of LASTMA and the Nigeria Police, and inform the public of the same, when major new stages of the works unfold such as when it becomes necessary to close existing lanes to traffic. The Special Adviser to the Governor on Transport, Mr Kayode Opeifa, has been quite helpful, and has even gone on the road himself to direct traffic and make sure that things are functioning better. I understand that more LASTMA officers are to be deployed, especially between the 1st and 2nd roundabouts, where many complaints have been emerging from. The new complementary LCC Route Patrol service, which went live in October 2009, is also on hand to assist motorists in distress. We have assisted in excess of 1,000 road users since inception of the service, with problems such as providing water to cure overheating, fuel, jump-starts, tow truck services, and support at the scene of accidents. We hope that all the various measures I have mentioned will improve the situation of road users. We implore road users, nevertheless, to continue to exercise patience and to bear with us while the works are ongoing.

Let's now talk about the works that you are actually doing. People are concerned because they believe that LCC is more focused on constructing toll plazas at the expense of building the road. They think that your plan is to charge tolls as soon as you finish the first toll plaza, irrespective of whether you have finished the road. What do you have to say about that?

Stakeholders have nothing to worry about. The concerns you raise are possibly borne out of a misunderstanding of how our Concession is structured, as well as of the mechanics of how the works get done. Firstly, let me deal with the matter of the Concession structure. For the purposes of tolling on Lekki-Epe Expressway, our Concession area is divided into 3 road sections: Km 0-6, Km 6-15; and Km 15-23. Each road section comprises a toll plaza as well as a rehabilitated and upgraded length of the road. Unless the relevant road section has been completed, tolling cannot commence. Completion

must be certified by the Independent Engineer, who in our case is an internationally recognized firm with experience in infrastructure projects such as ours. On the issue of the mechanics of delivering the works, the key thing to point out is that the construction aspect of projects such as ours typically involves managing a series of parallel activities over a defined period. If one or more of those activities is delayed, others will still continue while the delayed activities are recovered. The project company will already have invested substantial resources in plant, materials and manpower, which if they are not applied to good use in the meantime, would result in wastage and inefficient use of resources. In simplistic terms, LCC's construction works can be broken down into three main activities: the road; toll plazas; and other structures, for example, Falomo On-Ramp and ExxonMobil Bridge. The bridge structures and toll plazas are at specific locations, whereas the road spans several kilometres. The road is therefore more vulnerable to Right of Way obstructions from items such as electricity infrastructure, PTO cables, direct accesses onto the Expressway, encroachment by illegal trading and markets, and other obstructions. It is the length of time that it has been taking to clear the Right of way, which has compelled LCC to press on with the less constrained activities, that is, the toll plazas and bridge structures, while waiting for the Right of Way to be freed up after which the road can be built. You should therefore hopefully see that the real situation is not what people have been thinking. LCC is not obsessed with constructing toll plazas at the expense of the road. In any event, we have to complete each road section before we can toll there. Building a toll plaza without the corresponding road section won't work contractually, and is therefore not our plan.

Thanks for explaining that. Another major concern people have is their belief that you want to force them to pay tolls, and that they will have no way to bypass your toll plazas if they don't want to pay. Is this true? Will there be alternative routes?

Totally untrue! There will definitely be alternative routes around each of the three toll plazas. We've answered these same questions on numerous

WHAT'S GOING ON WITH THE LEKKI-EPE EXPRESSWAY?

Interview with Opuayo Oforiokuma, Managing Director/CEO of Lekki Concession Company

occasions in the past, and via various communications channels. Perhaps people will only believe it when they see it. Perhaps we need to do more about getting our messages out. It is Lagos State Government's, and not LCC's, responsibility to construct the alternative routes; however, we are working together with government to ensure that the routes exist before each toll plaza goes live. For example, the Oniru Market Road was constructed to provide an alternative route around the first toll plaza. I can also confirm that the tender process for the design and construction of the alternative route around the second toll plaza, which is located close to Chevron Roundabout and Eleganza Estate, is already ongoing.

You've previously stated in public that you expect tolling to commence this year. Is that still the case?

Yes. The first road section, which I have already explained, covers the first toll plaza and Km 0-6 of the road, nearly up to the existing 2nd roundabout, should be ready around May, weather permitting. The second road section, including the toll plaza and Km 6-15 of the road, that's just after Eleganza Estate, should be ready around November. We will be entitled to commence tolling at each of those plazas after they have been certified as complete by the Independent Engineer, as I described earlier.

How will road users pay for the tolls? We understand that electronic tolling methods will be used. Is this correct?

Correct! There will be two main ways of paying for passage through the toll plazas. These will be by electronic means or in cash. Customers wishing to use the electronic options will be able to do so using either the eTag or the SwiftPass card. eTag is a device that will be fixed to the vehicle windscreen, and will be obtainable after registering for a customer account with LCC. As long as there is sufficient credit on the customer's account, he or she will be able to gain unlimited access through the toll plazas, and will have exclusive use of the express lanes while also being able to use all other lanes. eTag users will not have to stop in the express lanes, since once their accounts carry sufficient credit, the

barrier will open automatically to allow their vehicles have uninterrupted passage through the lanes. SwiftPass on the other hand is a contactless card that the customer can use to carry enough credit for a set amount of passages. The card balance can be topped up if needed, so that SwiftPass users can continue to use it for as long as they wish. When seeking passage through the toll plazas, the SwiftPass user will need to stop momentarily in the lane in order to point the card at the card reader, following which if there is sufficient credit on the card, the barrier will automatically open to allow the vehicle pass through. Registration for a customer account is not necessary for SwiftPass; however, users of the card will not be entitled to use the express lanes reserved exclusively for eTag users. They will also not benefit from as high a price incentive as eTag users will enjoy. Motorists who wish to pay by cash simply have to drive up to a toll booth manned by a Toll Collector, where they will be informed of the price to pay. On receipt of payment by cash or with a valid debit card, the Toll Collector will open the barrier via electronic controls, granting the vehicle passage through the toll plaza. Full details of the payment mechanisms and the outlets where road users will be able to obtain their eTags and SwiftPasses, will be advertised ahead of the commencement of tolling.

What sort of price incentives or discounts will be available to road users? Some people living close to the first toll plaza say that if this type of project was being done in other countries, they wouldn't have to pay for it.

Lekki-Epe Expressway will not be the first example worldwide where a toll road is provided under end user pays principles. There is therefore nothing strange about what we are doing. Toll charging in various countries is used to influence social behaviour, for example, to discourage people from going into a particular area, or to change how people move around, such as causing them to leave their cars at home in preference for bus, rail, ferry or other passenger mass transit systems. Toll charging is also used to recover the costs of construction, operation, maintenance and financing of the road,

WHAT'S GOING ON WITH THE LEKKI-EPE EXPRESSWAY?

Interview with Opuayo Oforiokuma, Managing Director/CEO of Lekki Concession Company

from end users, on the basis of their use of the road. The cost recovery model is what is being applied to Lekki-Epe Expressway; hence, everyone pays except for where exemptions apply such as the constitutional right of Armed Forces registered vehicles on official duty to pass through toll plazas anywhere in the country free of charge. As in other countries, nevertheless, LCC will be offering price incentives and discounts to certain classes of vehicles. For example, danfo buses will be given a discount off the standard toll charge. Such discount is intended to ease the burden on the passengers of such public transport vehicles. We will also be offering frequent user incentives to users of the eTag electronic payment option, so that above a certain threshold, the more you pass through the toll plazas, the less you pay. We therefore expect that people living or working close to the toll plazas, who may end up using the toll road more often than other road users, will benefit most from the frequent user price incentive if they register for eTag. Of, course, and as I have already explained, road users will be able to use the alternative routes if they prefer not to pay for use of the toll road.

Okay, so people will have to pay for their use of the road. It's taking forever to build though. Will you ever finish this project? When do you expect to complete the works?

The project at the moment is taking longer to build than we originally envisaged, mainly owing to factors outside LCC's control and scope of contractual responsibility. Slow and patchy access to the Right of Way has been a problem, especially owing to obstructions from utility infrastructure such as electricity pylons, and buried fibre-optic and other cables located within the Right of Way. This has been compounded by the high volume of traffic passing through what is still a construction site, because there is a lack of motorable access roads onto which traffic can be diverted away from the areas where we are working. Clearance of the Right of Way and provision of access roads fall outside LCC's contractual responsibilities. In addition, LCC itself does not physically undertake the construction works on the road. That is the job of our

construction contractor, Hitech. Obstructions often impede their progress. Hitech notify us of when they expect to complete various stages of the works, which LCC then communicates to stakeholders. LCC, while taking full ownership for delivering the new road infrastructure, has to rely on others to do their bit as well. We do not do it all on our own. Our motto is "working together to make the difference". Despite the various challenges, we believe strongly that we will complete the project. We kicked-off 2010 with a number of the major obstacles that were previously in the way, now being successfully dealt with. For example, subcontractors appointed by PHCN are now relocating obstructive electricity poles and cables located mainly on the left-hand-side, to new positions outside the Right of Way. In addition, Lagos State Government has empowered LCC to assist it with making various access roads that they are responsible for, more motorable, and also to construct new alternative routes around the remaining toll plazas. These developments should mean that the works progress much faster this year than we saw in 2009, and also that we stay on track to complete the works up to Km 49.4, that is, the end of our Concession area, by the end of 2011.

Finally, are you satisfied with how the project is currently going?

I frequently say that we're not paid to be satisfied. The project spans a 30-year horizon. We can't sit on our laurels at any time. Things can always be better; hence, LCC's focus on continuous improvement. People complain that the pace of construction is slow; that the traffic congestion is bad. While there are valid reasons for this as I have already explained, LCC and other organizations involved in the project, must still focus on what more we can do to speed things up and ease the pain on road users. Nigeria is a fairly tough and volatile environment in which to execute a project such as ours. Things don't always go the way you want, no matter how much you plan. It is therefore necessary to continuously innovate and to find ways around problems that arise, sometimes unexpectedly. Most important of all is to stay committed and to keep pushing ahead. That, we definitely are!