

ECOWAS COMMISSION



COMMISSION DE LA CEDEAO



ABIDJAN-LAGOS
CORRIDOR
ONE ROAD - ONE VISION

Abidjan-Lagos & Praia-Dakar-Abidjan Corridors Development Programs 2018 PIDA Week



Department of Infrastructure
ECOWAS Commission
November, 2018

Presentation Outline

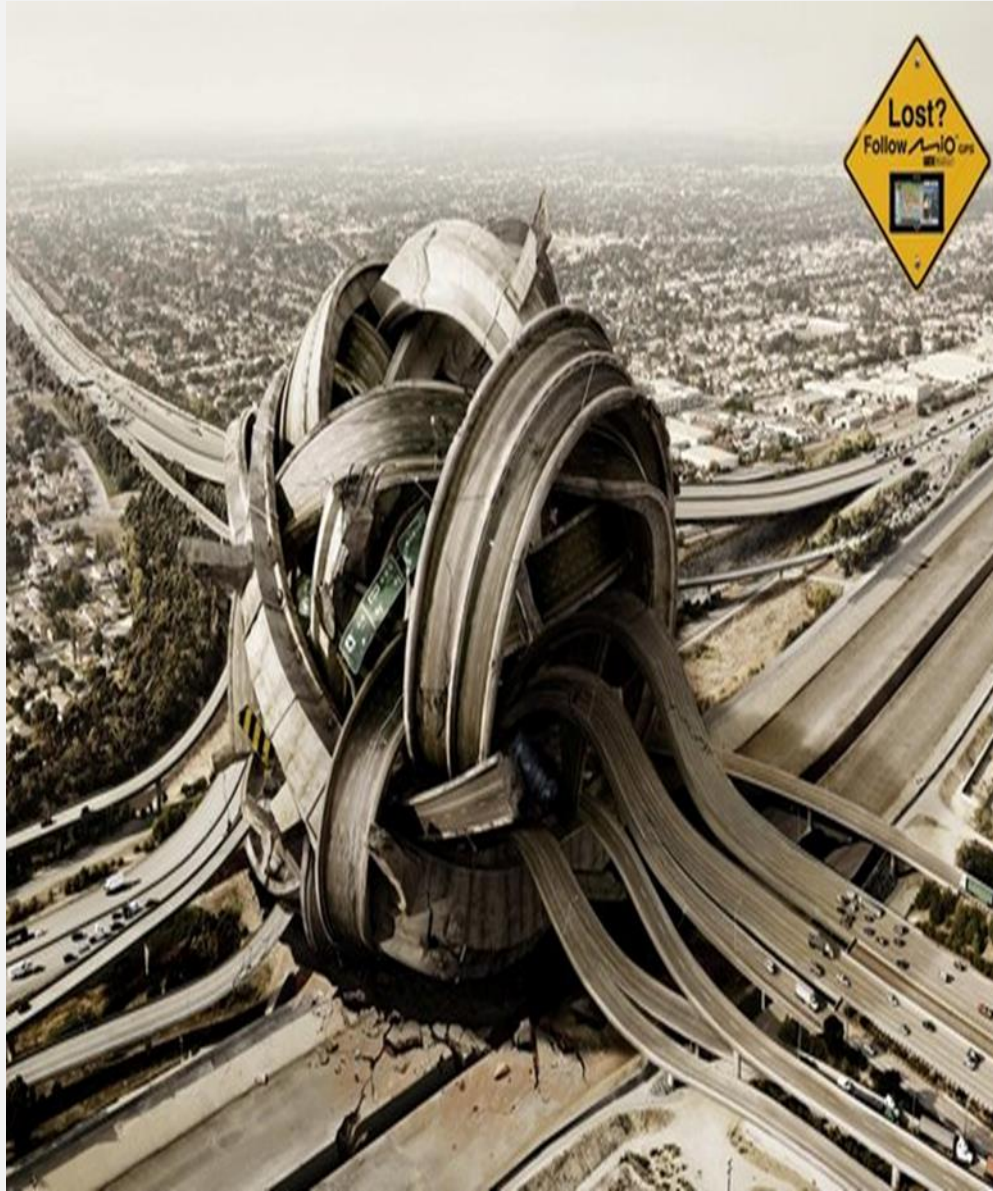
- ❑ Corridor Data Sheet
- ❑ Current Operating Status
- ❑ Way Forward
- ❑ Program High-Level Objectives
- ❑ Strategic Context of Corridor Development
- ❑ Program Components
- ❑ Program Legal Framework
 - Program Management & Institutional Framework
- ❑ Partners-Technical Study
- ❑ Conclusion Abidjan-Lagos Corridor Dev
- ❑ Praia-Dakar-Abidjan Corridor Development

ABIDJAN-LAGOS CORRIDOR DEVELOPMENT PROJECT: KEY PROJECT DATA

- **MEMBER STATES:** Benin, Cote d'Ivoire, Ghana, Nigeria and Togo
- **PROGRAM TITLE:** Abidjan-Lagos Corridor Highway Development Program
- **EXECUTING AGENCY:** ECOWAS Commission, Abuja – Nigeria
- **DEV'T PARTNERS** (Project Preparation): AfDB, European Union, GIZ
- **LENGTH:** **1,080km** (Indicative), made up of exiting and new alignments

Current Operating Status

.....Trader's Perspective



Bottlenecks

- Poor links between Market with both Agricultural Production & industry
- Low-level Business Environment
- Physical & Non-physical Barriers
- Cumbersome Border Control processes
- Poor Access to Social Services
- High Transport Cost

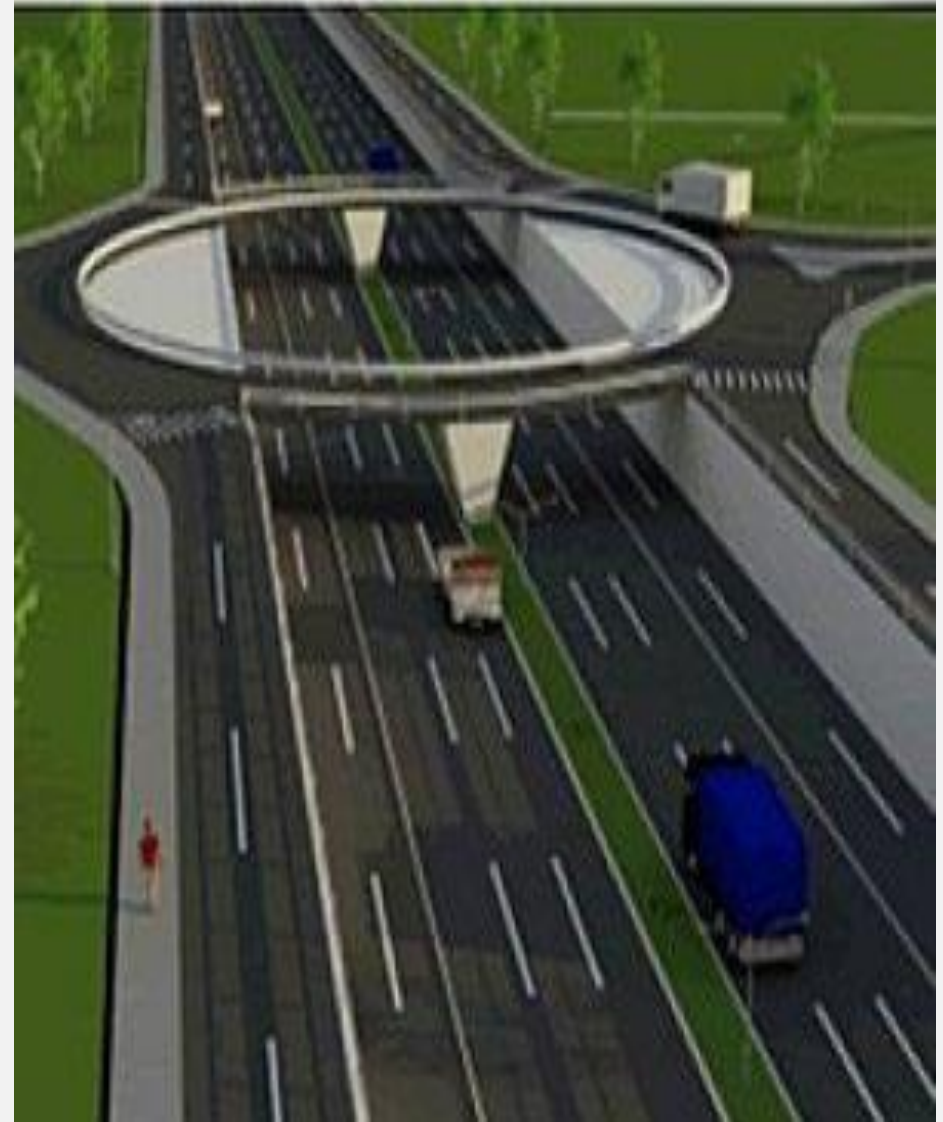
Way Forward.....Develop Economic Corridor



Road transport remains the dominant mode of transport in Africa, accounting for 80 to 90 per cent of inter-city and inter-state freight traffic.

(Source : AfDB, 2012).

From Transport Corridor to Economic Corridor



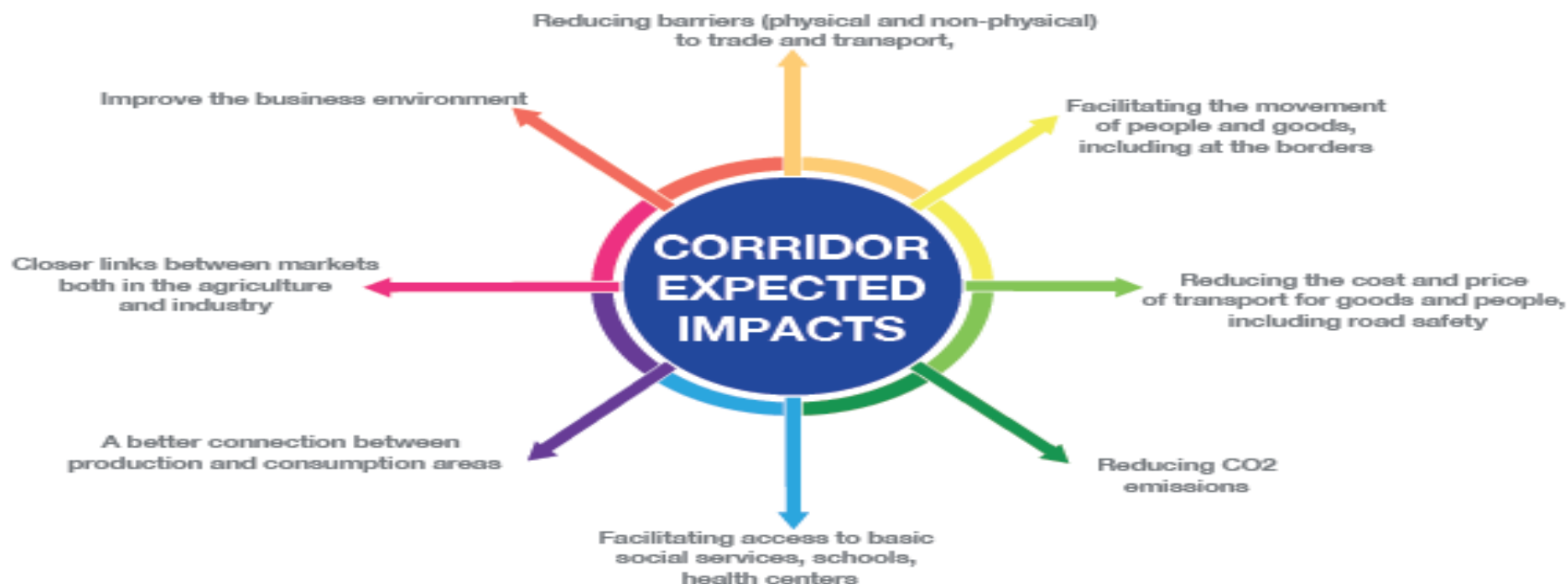
ABIDJAN-LAGOS CORRIDOR DEVELOPMENT PROJECT: High Level Objectives



80%
to
90%

Road transport remains the dominant mode of transport in Africa, accounting for 80 to 90 per cent of inter-city and inter-state freight traffic.

(Source : AfDB, 2012).



Generating more economic and social activities,

Integrating the ECOWAS economies

Fostering the integration of the region into the global economy

STRATEGIC CONTEXT (Continental, Regional)

PIDA-Priority Action Plan

- **Praia-Dakar-Abidjan-Lagos (TAH No. 7)** to connect to Mombasa through Yaounde, Bangui, Kisangani, Kampala & Nairobi in East Africa through Central Africa
- Corridor part of Dakar (DFS) 16 Priority Continental Infrastructure projects to accelerate PIDA implementation

ECOWAS Vision 2020

- *GOAL 5 - “facilitate Infrastructure development to achieve a competitive business environment and increase investment capacities”in ECOWAS*

Regional Infrastructure Development Programme

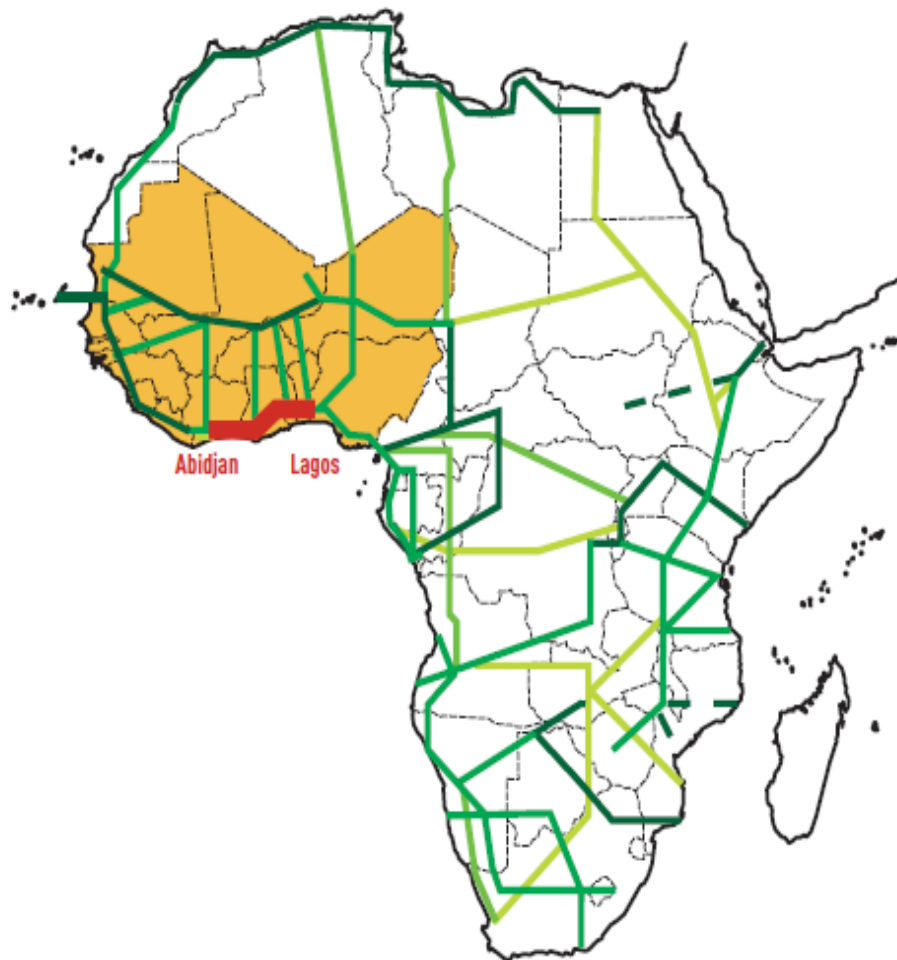
- Adopted by Regulation C/Reg.12/06/13 in June 2013. containing regional projects as well as PIDA- PAP projects (continental framework for Infrastructure development) in West Africa

AfDB “Hi 5s” & Regional West Africa Integration Strategy

- Integrate Africa High 5s
- 3 Regional Integration Strategic Framework (RISF) pillars namely infrastructure connectivity, trade and investment and financial integration

Corridor In Continental Outlook

TRANSPORT CORRIDORS IN AFRICA BY 2040, ACCORDING TO THE PROGRAM FOR INFRASTRUCTURE DEVELOPMENT IN AFRICA (PIDA)



PROJECT LEGAL & INSTITUTIONAL FRAMEWORK

Corridor Legal Framework

- **Corridor Treaty** signed in March, 2014 by Presidents of Corridor member States
- All Corridor Member States **completed ratification of Treaty** in 2017
- **Intergovernmental Agreement** for the creation of a dedicated Corridor Agency signed in October, 2018
- **International Project Agreement (IPA)** drafted and adopted.

Abidjan-Lagos Corridor Development Project: Institutional Framework

Oversight
From States



Corridor Treaty

INTERIM/EXISTING

Steering Committee

Experts Committee

ECOWAS Commission
Executing Agency

PIU

Technical Assistance

Technical &
Financial Support

- ❑ AfDB
- ❑ EU
- ❑ GIZ
- ❑ Etc.

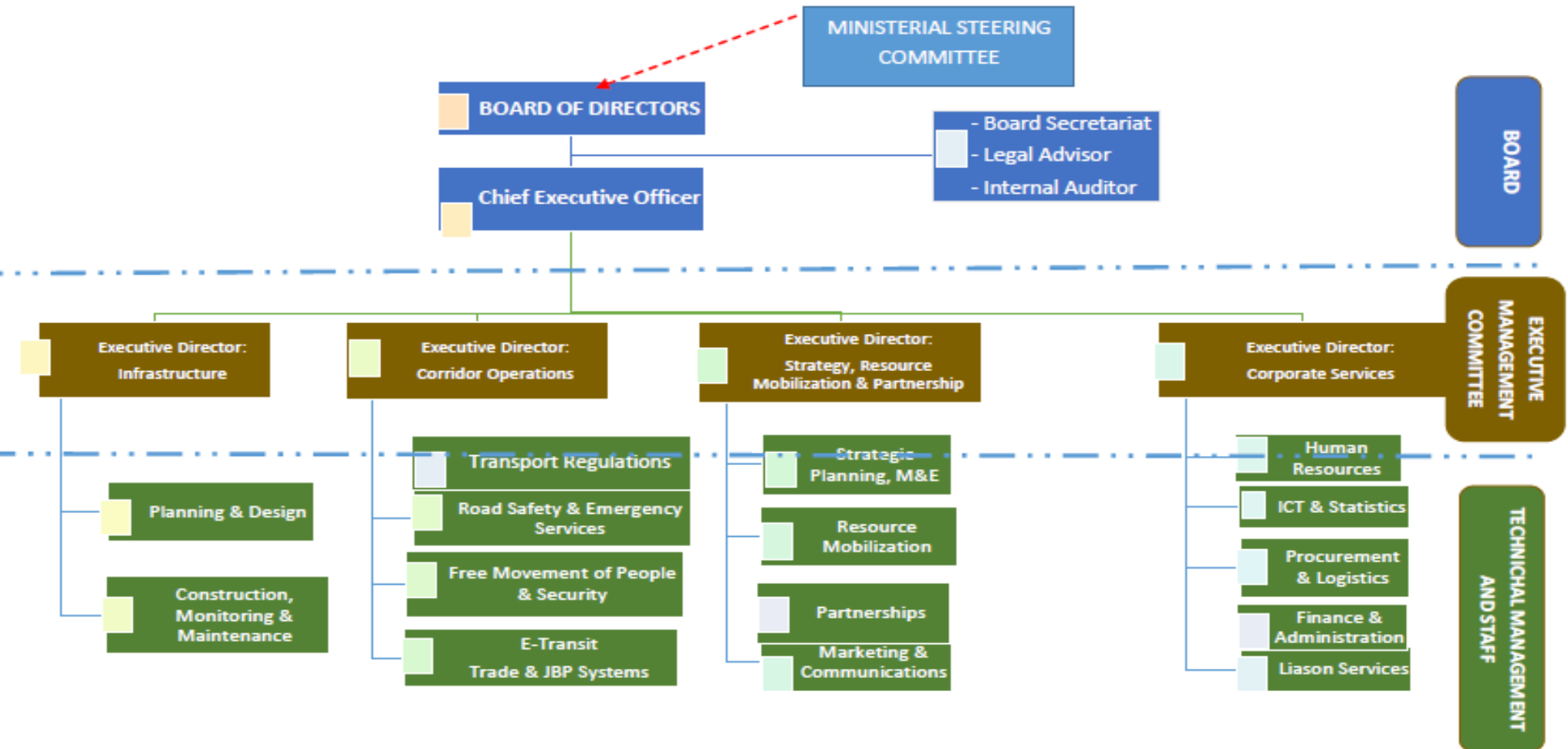
LONGTERM/PERMANENT

ALCoMA

- **Board of Directors**
- **Management**
 - **Technical**

Corridor Management Authority (ALCoMA):

Figure 1: ALCoMA ORGANIZATIONAL STRUCTURE



PROGRAM COMPONENTS & TECHNICAL STUDIES

Components	Expected Outcome	Implementation Update
Feasibility , Environmental, Social Impacts Assessment (ESIA), Detailed Engineering Studies, Road Safety Audit	Feasibility Studies, Financial & Economic Analysis, PPP Viability Assessment, Detailed Engineering Designs & tender Documents	Contract Negotiation Completed Draft Contract
Transaction Advisory Services	Financial Structuring, Value for Money Assessment, Market Investment Briefs	EOI
Corridor Economic & Spatial Development Initiatives Study (Transform the corridor into a major economic development corridor)	Realistic, Market Feasible and Implementable Corridor projects pipeline and Investment Masterplan	Shortlisting

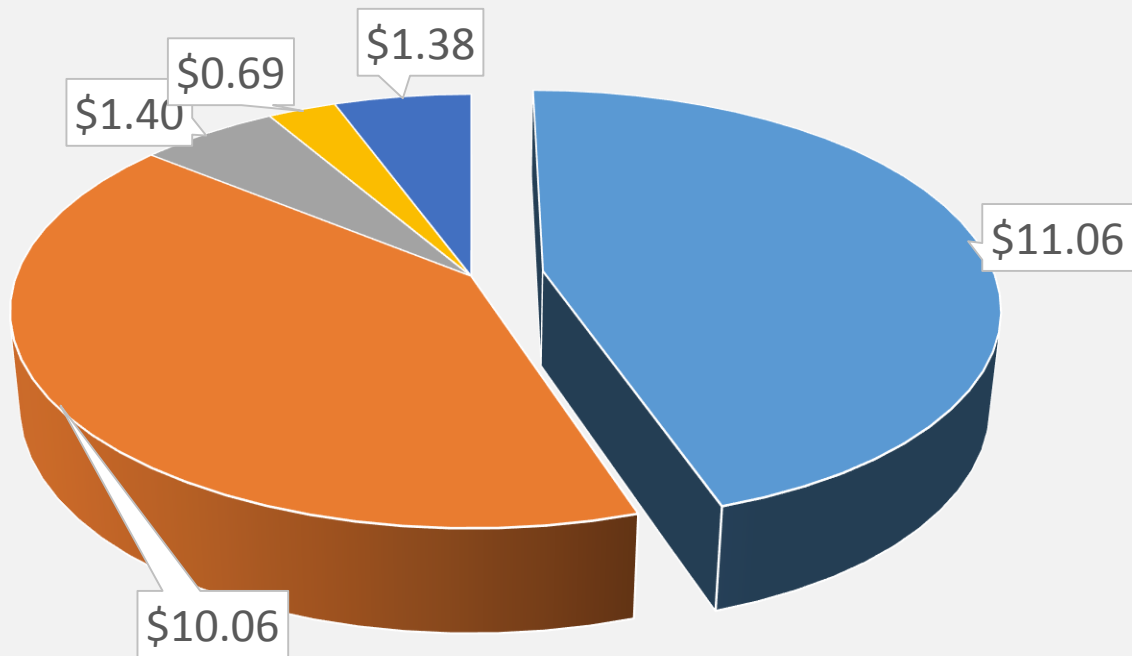
PROGRAM COMPONENTS & TECHNICAL STUDIES

Components	Expected Outcome	Implementation Update
Corridor Management Authority Establishment and Operations	Institutional Structure Intergovernmental Agreement for creation of Corridor Agency Organogram and Job Profiles for Staff	Institutional Study Completed; Inter-governmental Agreement Signed
Trade and Transport Facilitation	SMART Corridor Initiatives; harmonized customs transit systems; Integrated Border Mgmt. Systems, AEOs, Single Windows, etc.	Baseline Assessment Study Completed
Technical Assistance Service to ECOWAS and Member States	Consulting and advisory services; Project visibility (marketing); multi-lateral coordination activities	Request for Proposals (relunching)

PARTNERS – TECHNICAL STUDIES



PROJECT PREPARATION FINANCING



- AfDB (Nig & Ben - Loan; CI & Togo - Grant)
- EU
- ECOWAS
- GIZ (PIDA-CAP)
- Ghana



Financing Gap – US\$15m.....(Feasibility & Design negotiated contracts sums over 110% over estimates. Other Estimates expected to go up)

COMPONENT NAME	APPROVED AMOUNT	PROPOSED REALLOCATI ON BUDGET	FINANCING GAPS FOR OTHER COMPONENTS
Feasibility Study and Environmental, Social Impacts Assessment (ESIA) & Detailed Engineering Design	8.37	17.58	
PPP Structuring and Transaction Advisory	1.51	0	1.51
Corridor Economic Development Study	1.17	1	0.17
Trade and Transport Facilitation	0.98	0	0.98
Corridor Management - Establishment and Operations	5.65	0	5.65
Technical Assistance Service to ECOWAS and Member States	1.46	1.22	0.24
Project Implementation Unit	2.76	2.11	0.65
Road Safety Audits	0.46	0.46	0
Financial Audits	0.08	0.08	0

Conclusions

- **Due to Current Market Rates on the Negotiated Contracts (3 Lots), the ALC Studies Require Additional Funds for Completion**
 - ❑ By the original estimates for F&DS (US\$8.37M); Negotiated Contract **210%** of estimates(US\$17.6M) therefore a financing gap of **US\$ 9.2M(110%)** is required as per TOR;
 - ❑ Considering comparable increases in cost for the other complimentary studies and a two (2) year operating cost of ALCoMA a gap of **US\$15M** is anticipated.
- **Finance Contribution Modalities:** AfDB is Coordinating resource mobilization

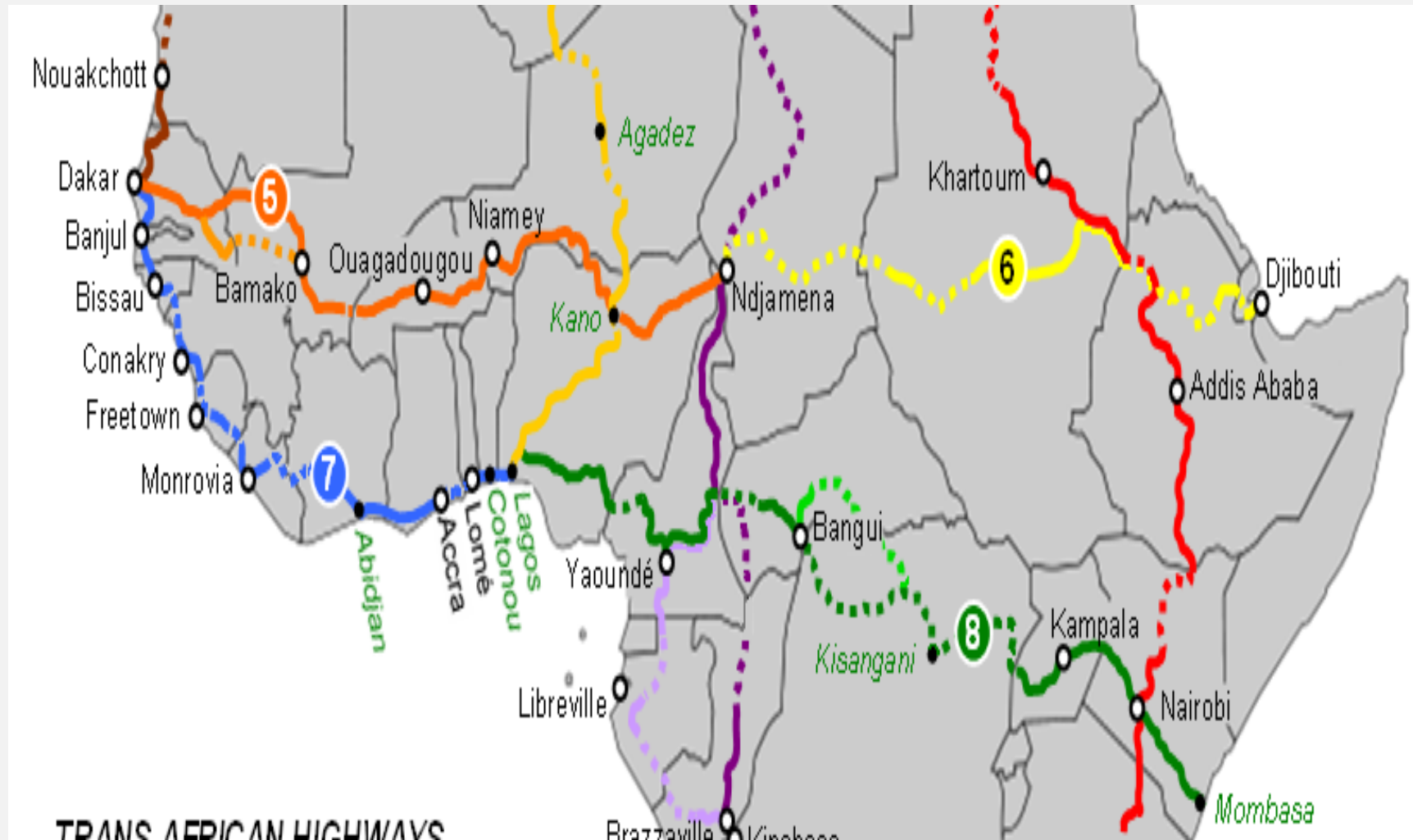
PRAIA-DAKAR-ABIDJAN CORRIDOR DEVELOPMENT PROJECT: **KEY PROJECT DATA**

- **MEMBER STATES:** Senegal, Gambia, Guinea Bissau, Guinea Conakry, Sierra Leone, Liberia & Cote d'Ivoire
- **PROGRAM TITLE:** Praia-Dakar-Abidjan Corridor Highway Development Program
- **EXECUTING AGENCY:** ECOWAS Commission, Abuja – Nigeria
- **DEV'T PARTNERS** (Project Preparation): Seeking for Partners
- **LENGTH:** 3,164km (Indicative), made up of exiting and new alignments

PROJECT LEGAL & INSTITUTIONAL FRAMEWORK

- **Corridor Treaty** signed in June, 2017 by Presidents of Corridor member States
- Accession of Cabo Verde to the Corridor Treaty **in progress**
- **Ratification of Treaty** by Corridor Member States **ongoing**
- **Project Steering Committee in place**
 - The ECOWAS Commission has submit a financing request to AfDB on behalf of CMS
 - Submission of financing to other Partners are being prepared

Dakar-Abidjan Corridor (TAH 7)



PROJECT PREPARATION COST ESTIMATES

COMPONENT	EST. COST/ US\$M
Feasibility Study, Environmental and social Impact assessment & Detailed Engineering Design (6 Lots)	51.3
Transaction Advisory & PPP Structuring	2.5
Road safety Audit (3 Lots)	2.1
Corridor Development Study	3.9
Trade & Transport Facilitation Study	1.6
Technical assistance to ECOWAS & Corridor Member States	3.8
Project Implementation Unit + Validation Work Shop	5.8
Corridor Management: Establishment and Operation	10.3
Financial Audit	0.2
Total Estimated Cost	81.5



THANK YOU
MERCI

**ECOWAS
Commission
Infrastructure
Department**

www.ecowas.int
<https://www.facebook.com/ecowasinfrastucture/>