



PIDA Progress Report 2018



The PIDA Implementation Progress Report 2017 is the outcomes account/report/evaluation of collaborations between all PIDA stakeholders who shared information on projects and interventions on the ground and on progress being made.

We thank PIDA stakeholders who supplied information on project fiches as well as data for the launch of the new VPIC- AID. These include the African Union Commission, African Development Bank, REC's, NEPAD IPPF, EU, Transnet, Japan International Cooperation Agency, Development Bank of South Africa, European Union, Deutsche Gesellschaft für Internationale Zusammenarbeit and the United Nations Economic Commission for Africa.

The core team is comprised staff of the NEPAD Agency, NEPAD Infrastructure Technical Experts in the REC's, with input provided by the AUC Department of Infrastructure and Energy.

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FOREWORD

Dr. Ibrahim Assane Mayaki, CEO of the NEPAD Agency

Five years ago, Africa launched Agenda 2063, a clarion call for the development of world-class integrated infrastructure that criss-crosses the continent. This vision also mirrors the spirit of the PIDA, which was adopted a year earlier in 2012.

The first PIDA PAP focuses on the implementation of key transboundary infrastructure projects that will interconnect and integrate Africa, while contributing towards the structural transformation of the continent's geographic and economic regions by 2020.

During 2018, the NEPAD Agency, together with the AUC and our partners, achieved a number of successes, in terms of executing PIDA PAP and the first 10 year implementation plan of Agenda 2063.

A total of 44 of the 55 AU member states have already signed the consolidated AfCFTA text, which is now being ratified. Notably, these countries have a combined population of more than a billion people and a total gross domestic product that exceeds US\$3,4-trillion.

As a driver of regional integration, PIDA's contribution towards the success of the AfCFTA cannot be over-stated.

As regional integration arrangements deepen and intra-African trade increases, we need to continue our focus on improved trans-continental road and railway corridors.

Meanwhile, we will also have to ensure that additional investments are made into ICT and digitalisation, considering the deepening of financial markets and

increased cross-border financial flows, including money transfers.

Growth in industrialisation and agro-industries on the continent also depend upon more reliable and affordable power supply, comprising a diverse energy mix. The NEPAD Agency will, therefore, continue to pursue its integrated approach to corridor development, taking full advantage of the existing synergies between large trans-boundary projects in PIDA.

In January 2018, the AU Assembly also launched the SAATM, and designated H.E. Faure Essozimna Gnassingbé, President of Togo, as its designated champion.

IATA has recognised SAATM as a significant driver of transformation by connecting the continent and, in so doing, building prosperity.

The NEPAD Agency is leading the sub-core team on SAATM infrastructure and will continue collaborating with the AUC, AfDB, ICAO and other partners to reduce travel fares and costs by 50% to drive double-digit growth rates in air traffic on the continent by 2023.

Every year, about 15-million Africans of working age enter the labour market. It is, therefore, imperative that we also continue to consider ways in which large-scale infrastructure and PIDA, in particular, can help absorb a portion of this latent labour force.

In response, the NEPAD Agency has, over the past two years, been developing the PIDA Job Creation Toolkit, an initiative that is being supported by the German government, through the GIZ. It includes a method of

quantifying the employment creation impacts of infrastructure projects and provides guidelines on how to mainstream labour market effects into PIDA project planning and implementation.

Moreover, it enables users to explore ways in which to maximise job creation from infrastructure development to capitalise on Africa's demographic dividend and respond to opportunities for wider regional economic development.

Certainly, we are looking forward to launching this innovation at the AU Summit in February 2019.

It is projected that Africa's population will reach 1,6-billion people by 2030, and this will place immense pressure on the continent's existing food production and water resources.

By this time, it is anticipated that water demand for power generation, alone, will have increased tenfold.

Meanwhile, rapid urbanisation and industrialisation will continue to place strain on these resources and it is, therefore, imperative that we invest in related infrastructure.

Working with the GWP, we have established PIDA Water in response to the limited progress made in the implementation of transboundary water projects thus far.

PIDA Water intends accelerating the preparation and financing of these projects and drive a water-food-energy nexus approach to the development of hydropower projects. Its portfolio comprises nine transboundary water and 10 hydropower projects on the continent.



In 2016, we established the CBN as a platform for high-level engagement with the private sector to facilitate investment in transboundary infrastructure projects.

The CBN continues to consider ways in which Africa can finance its infrastructure. Importantly, it also seeks to de-risk infrastructure projects to attract the necessary private-sector investment, while also exploring innovative approaches and instruments to bridge the US\$108-billion infrastructure backlog on the continent.

In 2018, the CBN convened international investors, pension funds, CEOs of stock exchanges, multi-lateral development

banks and G7 representatives at the New York Stock Exchange in the United States to help find ways in which to structure an AIGM. This initiative will attract participation from institutional and long-term investors, and is in line with the mandate of the 5% Agenda that was launched in 2017.

Attracting the required investment for infrastructure development is also dependent upon well-prepared and packaged projects. We have, therefore, continued to strengthen and promote the PIDA SDM. This initiative provides advisory services to regional project owners to assist them in early-stage project preparation.

We have started to apply this instrumentation to LAPSSSET, based on the valuable experiences gained and lessons learnt on the Abidjan-Lagos Corridor.

In October 2018, Hon. Railia Odinga was appointed by the the Chairperson of the AU Commission, H.E Moussa Faki Mahamat, as the High Representative for Infrastructure Development in Africa.

In this capacity, Odinga will support us in the implementation of the PIDA by championing the upgrading and modernisation of the missing links of the Trans-African Highways Network and the C-HSFRN. These are two critical Agenda 2063 infrastructure projects and form part of its first 10 year implementation strategy.

As emphasised in this report, partnerships remain an integral element to PIDA implementation. We will, thus, continue to work with GIZ, DBSA, the EU, AfDB, UNECA and other critical partners.

In 2019, our cooperation with GIZ and capacity-building support provided by the AfDB will enter a new phase, while working closely with the EU via the new phase of its Infrastructure Support Mechanism.

I look forward to more successes in 2019 and beyond.



FOREWORD

H.E. Dr Amani Abou-Zeid, Commissioner for Infrastructure and Energy of the AUC

Africa's population is forecasted to double to about 2.5-billion people by 2050 and, according to the UN, almost a billion will comprise young people.

Efforts geared at transformative growth, social development, trade and industrialisation, therefore, need to be accelerated to grow employment opportunities for young Africans.

The necessary transformative economic opportunities that are needed to create jobs, alleviate poverty and promote sustainable development have not accompanied the impressive growth of African economies over the past one-and-a-half decades due to limited investment into infrastructure.

This has negatively impacted Africa's ability to compete in the global economy and stunted the development of domestic markets. The poor state of infrastructure, especially water, roads and ICT, in sub-Saharan Africa has restricted national economic growth by two percent a year and reduced productivity by as much as 40%.

The AfDB's Private Sector Development Strategy estimates that infrastructure services in Africa cost twice as much as those in other developing regions, while also noting the exceptionally high tariffs on the continent.

East Asian companies, for example, achieve cost savings of close to 70% and Latin American and South Asian companies 50% in transportation compared to their African counterparts.

The AU Agenda 2063, therefore, highlights the need to enhance regional and continental efforts to accelerate and integrate infrastructure development, in addition to the effective and sustainable deployment of energy resources.

This objective is being facilitated by high-level policy development and engagement, consensus building, promotion of regional integration, as well as by mobilising financial and technical resources to support African member states.

PIDA is the reference continental framework for regional infrastructure development in Africa. It continues to provide a platform for all stakeholders to invest in the provision of efficient infrastructure services on the continent.

Implementing partners, namely the AUC, NPCA, AfDB, UNECA and the RECs, have remained committed to delivering the PAP since the adoption of the PIDA framework.

The PIDA initiative has already achieved laudable results. These include the addition of 16 066 km of roads and 4 077 km of railway lines to the African transport infrastructure network; 3 506 km of transmission lines to the power grid; and the connection of 17 countries with regional fibre-optic cables. Notably, the construction and operation phases of its projects have created already 112 900 direct and 49 400 indirect jobs.

Advocacy for infrastructure development on the continent remained a key priority for the AUC. A major milestone in

terms of this agenda is the recently launched AfCFTA and the establishment of a SAATM in 2018.

Both of these initiatives rely heavily on infrastructure development across all four of the PIDA sectors to drive the unification and integration of Africa, comprising more than a billion consumers, the majority of whom are young entrepreneurs of the future.

The first phase of the PIDA is nearing completion in 2020, and the AUC, in collaboration with its implementing partners, is developing the second phase.

We have already initiated several processes for this 10 year phase, which will commence in 2020. These include the PIDA MTR, as well as the PIDA Markets and Demand and Projects Selection Criteria studies.

Experiences gained and important lessons learnt in implementing the PIDA PAP thus far will guide and enhance our strategies to accelerate the delivery of important infrastructure projects on the continent.

The 2018 PIDA Progress Report outlines the achievements of PIDA over the past year and, importantly, the impact that these have had on the lives of Africans.

Notably, it also highlights the importance of strengthened collaboration between implementing partners.

During 2019, the AUC will also be exploring further creative and collaborative ways in which to make full use of the experience, data and the knowledge gained from the PIDA MTR to deliver stronger results for Africans during the design of the next phase of the programme.



I thank all our African and international partners and stakeholders for their continued commitment to those efforts geared at developing infrastructure on the continent.

We value your ongoing support and unwavering commitment to ensuring that Africa's infrastructure projects are effectively and efficiently implemented.

1 PIDA IMPLEMENTATION STATUS

The Virtual PIDA Information Centre (<http://www.au-pida.org/>) provides regular infrastructure-related information, including updates on projects. It is complemented by the PIDA e-newsletter, which features regular news on activities undertaken during the year.

The following table provides a status of PIDA projects, based upon information garnered in 2018:

Project stage	Continental	AMU	COMESA	EAC	ECCAS	ECOWAS	IGAD	SADC	Total
S1: Project definition		2	2	13	3	9	4	13	46
S2A: Pre-feasibility		4	5	6	12	1	2	8	38
S2B: Feasibility			4	5	4	7		7	27
S3A: Project structuring		1	2	11	2	5	2	8	31
S3B: Transaction support and financial close		1		9	2	1		4	17
S4A: Tendering			9	5	1	4	1		20
S4B: Construction	1	1	4	19	19	22	2	12	80
S4C: Operation	1	4	7	19	2	15	1	8	57
Total	2	13	33	87	45	64	12	60	316

2 2018 HIGHLIGHTS

Hon. Odinga appointed as High Representative for Infrastructure Development In Africa

Addressing the dearth of African infrastructure is vital for economic advancement and sustainable development. However, this can only be achieved through regional and continental co-operation, as well solution-finding, which depend heavily upon greater political will and buy-in.

H.E. Mr Moussa Faki Mahamat, chairperson of the AUC, appointed H.E. Mr Raila Odinga of Kenya as High Representative for Infrastructure Development in Africa, on the 20th of October 2018. This decision is in line with the AU's drive to expedite the integration of the continent

through infrastructure and, in so doing, promoting economic growth and sustainable development.

Mahamat expressed appreciation to Uhuru Kenyatta, President of the Republic of Kenya, for supporting this decision and again demonstrating his commitment to African integration.

As High Representative for Infrastructure, Odinga will work to support and strengthen the efforts of the commission's relevant departments and those of the NEPAD Agency, within the framework of the PIDA.

His mandate includes mobilising further political support and development assistance from member states and RECs.

Odinga will also help facilitate greater ownership of the initiative by all concerned stakeholders on the continent and provide support to the NEPAD Agency's initiatives to encourage increased commitment from development partners.

He will also pay particular attention to the missing links along the transnational highway corridors and focus on

the development of a continental high-speed railway network, one of the flagship projects of the first 10 year implementation plan of Agenda 2063.

Importantly, Odinga will also engage with the existing champions of related AU and NEPAD Agency initiatives and seek their guidance to ensure synergy and coherence

PIDA Job Creation Toolkit



This on-line platform allows users to quantify the job creation potential of PIDA and other African infrastructure projects. It also allows users to explore ways in which to maximise employment prospects from infrastructure projects to capitalise on Africa's demographic dividend and respond to opportunities for wider regional economic development.

The toolkit will be used by project owners, technical partners, as well as policymakers and development partners, in addition to both public and private-sector providers of project preparation support and finance.

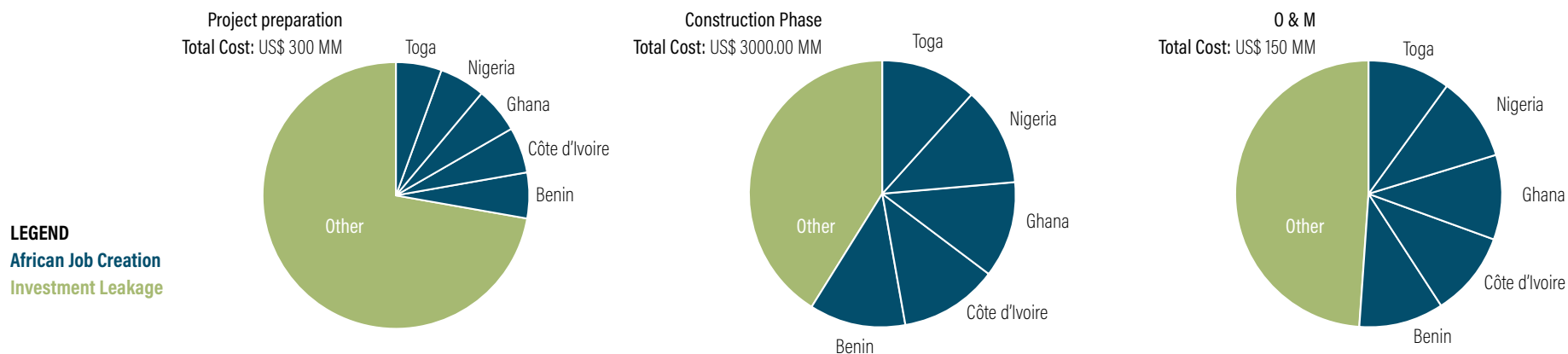
This is considering that it supports the facilitation of the significant political and financial commitment that is

needed to accelerate the development and finance for PIDA and other African infrastructure projects.

Moreover, it can be used as a planning and policy tool to assess the impact of alternative project designs on employment and skills development. This capability will inform education and skills planning at both national and regional levels to formulate robust guidelines and policies for development, local content and procurement.

Meanwhile, the NEPAD Agency held a workshop in Tshwane, South Africa, from the 17th to 18th July 2018 to train PIDA project owners and officials from the RECs and the AUC in the use and application of the toolkit for their respective projects.

Exhibit 1: Abidjan-Lagos Corridor Highway: Amount and location of Investment per Project Phase



Location Where Project Investment Spent	Total Project Preparation Costs	Total Construction Costs	Annual Cost of Operations & Maintenance	Over Project Life Cycle
Total Costs (US\$ MM)	300	3000.00	150	7,800
INVESTMENT SPENT IN AFRICA (percentage total investment)				
Togo	5.0%	11.4%	9.9%	10.3%
Nigeria	5.0%	11.4%	9.9%	10.3%
Ghana	5.0%	11.4%	9.9%	10.3%
Côte d'Ivoire	5.0%	11.4%	9.9%	10.3%
Benin	5.0%	11.4%	9.9%	10.3%
INVESTMENT SPENT OUTSIDE AFRICA ("Investment Leakage")				
Other	65.0%	39.5%	47.2%	44.9%
Total	90.0%	96.5%	96.5%	96.3%

An illustrative example of data generated from the Job Creation Toolkit for a highway project.

PIDA Water to accelerate transboundary and hydropower project preparation and financing

In March 2018, the HLPW released its outcome document, which called for the launch of an AIP.

The HLPW was co-convened in 2016 by the UN Secretary-General and World Bank. It comprised 11 sitting heads of state and governments from Australia, Bangladesh,

Hungary, Jordan, South Africa, Mauritius, Mexico, Netherlands, Peru, Senegal and Tajikistan, in addition to a special advisor.

The AIP was developed by the GWP, together with the AU, AfDB, AWF and the AMCOW.

It intends transforming and improving the investment outlook for water security and sustainable sanitation on the continent by accelerating project preparation, as well as mobilising partnerships and resources.

A review of the implementation of PIDA transboundary

water projects, commissioned by the NEPAD Agency and the AMCOW in November 2017, noted that very little progress has been made in advancing water projects compared to other PIDA focus areas, namely transport, energy and ICT.



PIDA Water, established by the NPCA and GWP, is a direct response to these findings.

Part of the second phase of PIDA, it intends accelerating the preparation and financing of transboundary water projects, while driving a water-food-energy nexus approach to the development of African hydropower projects.

Moreover, it will enhance job creation through the preparation and financing of gender-sensitive investments in transboundary water and hydropower projects, as well as industrialisation and climate-resilient development.

AIP support to PIDA Water will be to the benefit of the AU Agenda 2063, the heads of state and AU Sharm el-Sheikh Declaration on Water and Sanitation, as well as the N’Gor Declaration on Water Security, Sanitation and Hygiene and the objectives of the Africa Water investment Programme.

PIDA Water was officially unveiled on the 29th of August 2018 during Water Week in Stockholm, Sweden, while the collaboration with GWP was also formalised with the signing of a MoU during PIDA Week, which was held at Victoria Falls, Zimbabwe, from the 26th to 28th of November 2018.

Scope of PIDA Water 2019 – 2023

PIDA Water comprises a portfolio of transboundary water and hydropower projects, and will be implemented by the NEPAD Agency, RECs, RBOs, member states and executed by GWP in collaboration with other partners.

Its objectives are as follows:

- Accelerate the delivery of critical PIDA Water infrastructure to meet the needs of water-dependent growth sectors and the poor;

- Prepare bankable projects based on a water-energy-food nexus approach and support governments in accessing finance for implementation through innovative PPPs;
- Develop SDG 6 investment and business cases to motivate high-level political support, as well as increased budgets and investments to assist in facilitating job creation, gender empowerment and industrialisation;
- Remove transaction management-related blockages for the development of transformational transboundary and national water projects;
- Integrate water security and climate resilience into project development; and
- Improve water governance and knowledge, in addition to strengthening institutional capacity.

It comprises the following components:

1. Catalyse high-level political commitment to support climate resilient economic growth, jobs and water security-related SDG investments by:
 - Leveraging high-level political support for water security and demonstrating economic growth dependencies with SDG investments in water resources;
 - Leveraging innovative financing from a variety of sources, including from the private sector and African development finance instruments that transcend the water sector; and
 - Mainstreaming climate resilience, gender and social inclusion in project development.
2. Mobilise innovative partnerships for water governance and investments by:
 - Developing a Water Investment Readiness Index to inform public and private investment decisions;

- Facilitating country-driven integrated socio-economic analysis to determine the costs and benefits of improved water security; and
- Strengthening water governance at regional, transboundary and national levels.

3. Accelerate project preparation and transaction management by:

- Supporting the preparation of bankable projects, while embedding IWRM principles, as well as water-food-energy nexus and IUWM approaches;
- Accelerating project preparation through enhanced transaction-management, capacity development and knowledge; and
- Implementing programme coordination, M&E and experiential learning.

PIDA Water implementation will facilitate project preparation and investment into nine prioritised PIDA PAP Water Projects. They include three water aquifer, one river-basin management, five multi-purpose reservoir and 10 hydropower projects as follows:

- Palambo regulation dam, which will improve the navigability of Obangui River and also features a hydropower component in the Congo River Basin;
- The water-transfer component of the Lesotho Highlands Water Project Phase II in the Orange-Senqu River Basin;
- Numbiel multipurpose dam, including a hydropower generation component, in the Volta River Basin;
- Pre-feasibility studies for the improved use of the North-West Sahara Aquifer System;
- Guinea’s Fomi hydropower station, which will also supply irrigation water to Mali and Niger River and Niger River Basin regulation;

- Multi-Sectoral Investment opportunity studies for various programmes in the Okavango River Basin;
- Guinea’s Goubassy multipurpose dam, which includes regulation of the Senegal River and Senegal River Basin.
- Implementation of a regional strategy for the use of the Nubian Sandstone Aquifer and North-West Sahara Aquifer systems; and
- Pre-feasibility studies for the improved use of the North-West Sahara Aquifer, Lullemeden and Taoudent/Tanezrouft Aquifer systems.

Meanwhile, PIDA Water hydropower projects for water-energy-food nexus include:

- Grand Ethiopian Renaissance Dam,
- Batoka Gorge,
- Sambangalou Dam,
- Ruzizi III,
- Rusumo Falls III,
- Polihali Hydropower Dam and Transfer Tunnel to Katse Dam,
- Mpanda Nkuwa,
- Kobong Pumped Storage Dam,
- Kalong, and
- Inga III.

3 KEY EVENTS AND ENGAGEMENTS

The Single African Air Transport Market (SAATM)

SAATM, a flagship project of Agenda 2063, was established at the 30th Ordinary Summit of the AU Assembly of Heads of States and Government summit that was held in Addis Ababa, Ethiopia, on 29 January 2018.

A total of 28 countries have already committed to the initiative. They include Benin, Burkina Faso, Botswana, Cameroon, Cabo Verde, Central African Republic, Republic of Congo, Côte d'Ivoire, Chad, Egypt, Ethiopia, Gabon,

Gambia, Ghana, Guinea, Kenya, Lesotho, Liberia, Mali, Mozambique, Niger, Nigeria, Rwanda, Sierra Leone, South Africa, eSwatini, Togo and Zimbabwe.

Since its launch, the commission and the various industry stakeholders have constantly advocated for more states to join in line with the decision establishing the SAATM Assembly/AU/Dec.665 (XXX).

The assembly decision also requires the AUC to develop a framework for the establishment of the Single African sky architecture by 2023 to bolster aviation safety and security, as well as ensure efficient and harmonised seamless air navigational and communication systems.

A multi-stakeholder consultative meeting, organised by the AU and held in March last year in Abidjan, Cote D'Ivoire, recommended the development of a prioritised joint

action plan for the operationalisation of the SAATM during 2018 and 2019.

The main activities outlined in the plan include advocating for more states to join; strengthening the capacities of implementing agencies; enhancing safety and security oversight levels; and ensuring cooperation between the various stakeholders, especially among African airlines.



SAATM Prioritised Action Plan

Pillar 1	<p>Advocating the effective implementation of the SAATM:</p> <ul style="list-style-type: none"> • Develop and implement effective advocacy and communication strategies; <ul style="list-style-type: none"> ▷ Motivate the subscription of more states to the SAATM by 2018; and ▷ Member states to implement solid measures to support SAATM.
Pillar 2	<p>Developing the SAATM Regulatory Texts, as well as the harmonisation and domestication of existing texts:</p> <ul style="list-style-type: none"> • Ensure availability of the appropriate regulations for the oversight of the SAATM; and • Sensitise member states and RECs on the Yamoussoukro Decision texts.
Pillar 3	<p>Operationalisation of the SAATM with a specific focus on the Executing Agency of the SAATM:</p> <ul style="list-style-type: none"> • Execute a continent-wide study and development of audio-visual material on the advantages of aviation for the African socio-economic landscape; <ul style="list-style-type: none"> ▷ Strengthen the capacity of implementing entities; and ▷ Facilitate the cooperation and adoption of SAATM by the airlines; • Harmonise policies on aeronautical-related taxes and charges, as well as other non-tariff barriers; and • Implement M&E of the SAATM.
Pillar 4	<p>Planning SAATM infrastructure to accommodate future growth:</p> <ul style="list-style-type: none"> • Plan for future traffic growth; and • Establish a Single African Sky Architecture by 2023.
Pillar 5	<p>Enhancing safety and security by ensuring all countries attain the minimum standard (at least 60% Employment Insurance):</p> <ul style="list-style-type: none"> • Ensure all SAATM countries meet the Abuja safety targets; • Implement the Windhoek security and facilitation targets; • Improve continental safety oversight; and • Ensure all airlines meet minimum safety standards.
Pillar 6	<p>Financing the aviation industry:</p> <ul style="list-style-type: none"> • Access sustainable funding; and • Ensure the executing agency has sufficient resources.



Mid-Term Review (MTR) of the PIDA PAP

The AUC initiated a MTR of the PIDA PAP as part of the development of the second phase of the programme that will extend from 2020 to 2030. This review will assess the progress made in implementing the programme thus far, while also identifying strengths and weaknesses in the existing processes and instruments to achieve the 2020 targets.

The outcome of the review will help chart a way forward to accelerate the implementation of the PIDA PAP by identifying and determining the actions required to ensure a positive outcome.

Moreover, this learning and experience will guide the formulation of the second phase of the PIDA programme.

Over the past year, the AUC undertook the following activities:

Consultation workshops:

The AUC, together with the NPCA, hosted three PIDA MTR consultation workshops with the RECs and their respective member states, including:

- The AMU and the UMA, as well as IGAD consultation workshop in Tunis, Tunisia, from the 8th to 10th of May 2018;
- The EAC consultative workshop in Nairobi, Kenya, from the 25th to the 26th of May; and
- The ECOWAS workshop in Accra, Ghana, from the 25th to 28th of June.

These events focused on sensitising member states on the process for the development of the second phase of the PIDA PAP.

Moreover, they provided a forum in which to collaborate in formulating questionnaires that will be used to gauge the progress made thus far in implementation the programme.

This is in addition to identifying the strengths and weaknesses in the existing processes and instruments to achieve the PIDA PAP 2020 targets.

The following recommendations were made at these events:

- Coordination among continental, regional and national stakeholders needs to be bolstered;
- Financing for project implementation needs to be mobilised;
- Capacity building is required to improve the preparation of projects in member states; and
- Activities for regional projects require backing.

Procurement of consultancy services

The AUC has procured the services of a consulting firm to undertake an independent review of the implementation of the PIDA PAP, as well as its governing architecture. The study is expected to be completed by April 2019.

Professional training for media practitioners

As part of its communication strategy, the AUC also focused on providing training to African journalists to enhance visibility of PIDA projects at a global, regional and national level.

PIDA Journalists' Training Workshops were held in Accra, Ghana, in May and Addis Ababa, Ethiopia, in November of 2018, and focused on achieving the following objectives:

- Enhancing PIDA as a brand and framework for regional infrastructure development;
- Raising journalists' understanding and appreciation of the role that PIDA plays in strengthening economic growth through infrastructure development;
- Providing a forum for sharing of experiences, while also exploring the latest approaches and techniques, including new media resources for reporting on PIDA.

A total of 24 media practitioners from across Africa participated in the workshop in Addis Ababa. They were exposed to the mechanics of PIDA and trained to analyse the impact of its work.

Importantly, they were shown where and how to access credible and accurate information on PIDA, as well as its initiatives and projects to compile comprehensive and factual reports.

The journalists demonstrated a willingness to improve their knowledge, especially in terms of infrastructure development on the continent.

If honed, these skills could be harnessed to the benefit of PIDA and its stakeholders through additional exposure in external media outlets, as well as the origination of a wealth of quality content for www.au-pida.org, which attracts an international audience.

It was further concluded that the PIDA Journalists' Network had the potential to become one of Africa's foremost databases of media professionals, equipped with the knowledge and skills required to report on business on the continent.

The workshop included a visit to Grand Ethiopian Renaissance Dam, currently Africa's largest hydropower project.

This PIDA project is at an advanced stage of implementation and, once completed, will have an installed capacity of 6 000 MW.

Construction of the dam commenced in April 2011 and the extensive works have already created employment opportunities for 12 000 people.

The workshop is part of the AfDB-backed CAP, which aims to strengthen the capacity of the AUC, the NEPAD Agency and the RECs for planning and facilitation. This is in addition to playing a part in the coordinating and implementation of regional infrastructure programmes and projects that are needed to enhance Africa's physical and economic integration and socio-economic development

AUC, NEPAD and GIZ discuss new €7-million envelope dedicated to the next PIDA phase

The next phase of GIZ support to PIDA Programme, with a €7-million envelope for the next three years, was a major focus to the PIDA PAP 2 was a major focus of a meeting held in Addis Ababa, Ethiopia, on the 12th and 13th of November 2018.

Cheikh Bedda, Director for Infrastructure and Energy of the AUC, noted that the meeting was being held at a strategic time in the life of the PIDA, considering that the first phase of the programme was nearing completion.

“It is critical that the activities and programmes of all involved, including the AUC, NEPAD and GIZ, are harmonised and coordinated in such a manner that we are able to better plough our combined financial and human resources into achieving a common goal for PIDA. There is a need for stronger partnerships and collaborations among regional, continental and international institutions, as well as active engagement by our member states,” Bedda said at the event.

Symerre Grey-Johnson, Head of Regional Integration Infrastructure and Trade of the NPCA, also called for tangible results from PIDA that would have a positive impact on the lives of Africans, while emphasising the importance of bolstering collaboration between PIDA's implementing partners.

The meeting set out to achieve a joint understanding of the objectives and content of GIZ's next support phase, which commenced in August 2018.

Clarification was sought on the modes of cooperation, communication and monitoring progress, while a joint work plan for GIZ support to the PIDA from 2018 to 2021 was also developed.

About 30 representatives from the three institutions attended the meeting, which was jointly organised by the AUC, the NPCA and GIZ.



AUC and NEPAD rally partners for PIDA's next phase

The AUC and the NPCA also convened other key partners at the event to rally support for the next phase of the PIDA.

In addition to GIZ, representatives from the EU, Chinese Mission to the AU, as well as the embassies of the Republic of Indonesia and Korea, which represented MIKTA, an informal partnership between Mexico, Indonesia, South Korea, Turkey and Australia, were present.

A number of key themes were discussed, including the need for wider involvement of the private sector in infrastructure development.

Delegates agreed that it was also necessary to formulate selection criteria for projects, in addition to mobilising support to the SDM's expert pool for early-stage project

preparation and to optimise the CBN to ensure increased private-sector engagement.

Partners lauded the AUC and the NEPAD Agency for the proactive approach it had adopted ahead of the next phase of the PIDA, and concurred that every effort should be made to reduce overlaps and duplication to ensure increased efficiencies moving forward.

It was also decided that the AUC and NEPAD would organise bilateral meetings with individual partners to streamline work plans and find common areas of cooperation.

Attended by about 20 delegates and jointly organised by the AUC and the NPCA, this was the first such meeting with key PIDA partners.

Final PPP training session for NEPAD, AUC, GIZ and the RECs

The NEPAD Agency, together with the AUC and the GIZ, held the second round of the PIDA executive workshop on PPPs in Kigali, Rwanda, from the 2nd to 6th of July 2018.

Training was geared at strengthening the competences of project implementers from NEPAD, AUC, RECs and specialised sectoral and national institutions. This will enable them to better coordinate, conduct and steer project-preparation activities with a specific focus on PPPs.

The first workshop was held in Dakar, Senegal, from the 26th to the 30th of October 2017 and attended by 42 professionals.

A total of 35 representatives from 17 different countries, as well as from the AUC, the NEPAD Agency, RECs, PIDA project teams and GIZ, attended the latest training session.

It included a recap of the first training workshop, an overview of project finance fundamentals, financing arrangements, contractual agreements between financiers and lenders, project risks, role of financial models in project finance, as well as cash waterfall and financial modelling.

Notably, each workshop has raised the number of PIDA implementation experts with the necessary skills in fundamental PPP strategies and techniques, infrastructure

project finance/preparation and procurement tactics, ranging from marketing through to financial closure.

Delegates are also taught how to structure projects in such a manner to improve the mobilisation of domestic resources.

Notably, these workshops also facilitated the important sharing of insights on strategic and practical considerations, as well as critical success factors in developing and operationalising PPP projects.

The training was provided by Washington DC-based

Institute of Public Private Partnerships, a recognised specialist in the field.

It was funded by the AfDB and is part of the PIDA Capacity Building Programme that focuses on raising the technical competencies of PIDA implementation experts throughout the continent.

Due to an overwhelming demand, it is anticipated that an additional group of 40 participants will be trained in 2019.



4 SPOTLIGHT ON THE RECS

Common Market for Eastern and Southern Africa (COMESA)

PROJECT: North-South Multimodal Transport Corridor

The North-South Multimodal Transport Corridor is a PIDA project that is administered through the COMESA-EAC-SADC Tripartite process that focuses on transport and transit-related issues.

This corridor spans the port of Dar es Salaam in Tanzania to the Copperbelt in Zambia and DRC. It traverses south through Zimbabwe and Botswana to ports in southern Africa, and takes in “spur” connections that travel through Malawi and Mozambique in the east.

The programme aims to coordinate the various initiatives, as well as to identify and address the missing links along the corridor.

Currently the busiest in the region, both in terms of values and volumes of freight, the corridor has come under significant pressure over the years. This has been exacerbated by increased volumes of exports and imports

due to growth in mining activity in the region, as evidenced by the delays at border posts and sections of the road that are now in need of urgent rehabilitation and improvement, although the network is still in fairly good condition.

Progress on PIDA PAP project preparation

COMESA, with funding from the AfDB and NEPAD, embarked on project preparation for five links along the North South Corridor, and the total number of kilometers of roads along the corridor that have been actively prepared over the past four years have increased from 25 km in 2010 to 1 800 km.

Meanwhile, final detailed engineering designs, economic evaluation, engineering drawings, tender documentation, as well as ESIA reports have been completed for:

- Bulawayo-Gwanda road in Zimbabwe,

- Gwanda Beit Bridge Road in Zimbabwe,
- Pandamatenga-Nata Road in Botswana,
- Palapye-Martins Drift link 1 in Botswana, and
- Kamuzu International Airport turnoff-Mzimba turnoff links 1 to 3 (NSRo – 087 – 089) in Malawi.

Value proposition

The average preparation time of between 14 to 22 months for the projects compares favourably with the World Bank average for similar undertakings.

Projects were prepared at a total direct cost of US\$72-million, which includes the Serenje-Nakonde portion on the Great North Road in Zambia (PIDA PAP -T.06.03.01.01).

The initial investment in the project preparation has the potential to unlock US\$1,3-billion in capital investment for construction.

To date, more than half of US\$700-million has been secured, achieving the ultimate goal of any project preparation, namely “to attain financial closure”.

The cost of project preparation versus the unlocked investment opportunities far outweighs the results and well-founded estimates on project preparation.

In this instance, it is 0,6% of the cost of construction. According to the WEF, the cost of project preparation is estimated at four percent, while PIDA estimates this at seven percent. Under normal circumstances, the cost of project preparation would have, therefore, been US\$49-million versus US\$72-million. PIDA has, thus, shown that it is easier to receive grant, donor and private financing for well prepared and packaged projects at a reasonable cost and within time.



The red sections of the corridor are in need of rehabilitation. They are heavily trafficked, creating bottlenecks and safety concerns.



Intergovernmental Authority for Development (IGAD)

PROJECT: Establishment of monitoring networks for the Nubian Sandstone Aquifer System (NSAS)

Shared between Sudan, Libya, Egypt and Chad, the NSAS underlies an area of more than 2,2-million km² and covers the eastern Sahara in north-east Africa, extending between latitude 14 and 33 N and longitude 19 and 34 E.

Underlying about 376 000 km² of north-west Sudan, this deep artesian aquifer has an estimated storage capacity of 33 877,70 km³ from which an estimated 16 500 km³ of water can be extracted.

Despite their having been no evaluation of the resources or monitoring of the water levels, agricultural and other development projects are under way in the area, and the system is expected to come under further pressure following a decision by the Sudanese government to cultivate wheat in Northern and Nile State.

Project objectives

With an estimated total cost of €171 000, the project aims to achieve the following:

- Detect changes in groundwater storage, flow and quality;
- Assess specific risks to the aquifer;
- Assess aquifer recharge and discharge;
- Assess abstraction rates to provide a comprehensive assessment as part of the monitoring process;
- Enhance and improve decision-making on water policy and water-resources management in the NSAS;
- Organise the collection and reporting of high-quality information on water levels and use;
- Address the needs of users of the resource;
- Develop and organise water actors and the necessary information systems; and
- Build capacity of staff tasked with various operations

Anticipated outcomes of the project

The project is expected to achieve the following outcomes:

- Establish a monitoring network;
 - Establish an appropriate continuous system for the routine monitoring of the quantity and quality of water in both wet and dry seasons and shallow and deep aquifers;
 - Installation of water-level recorders and monitoring gauges;
 - Establish a monitoring network database and link to a geographic-information system, Modflow and any other relevant software to update aquifer studies;
 - Update the existing Nubian aquifer model;
 - Develop a system of analysing and evaluating using the latest technology in the field;
 - Update hydrogeological properties of the aquifer;
- Locate a favourable site for the drilling of a successful borehole that will produce potable groundwater of the required quality and quantity;
 - Develop a system to enhance, streamline and harmonise the exchange of data between stakeholders;
 - Develop a system for the sound management of water resources in the Nubian aquifer to ensure sustainable supplies for future generations;
 - Develop a database that will provide the necessary technical information to improve knowledge and management capabilities of government or non-government institutions; and
 - Enhance the analysis of water resources information by developing the appropriate monitoring network systems.



Southern African Development Community (SADC)

PROJECT: Lobito Corridor Trade Facilitation Programme

The project aims to strengthen institutional capacity to improve the planning and coordination of corridor-development activities and create harmonised trade-facilitation instruments, in addition to enhancing the productivity and competitiveness of SMEs by developing connections with established firms and markets in targeted value chains along the corridor.

More than 400 members of three cooperatives in Zambia and three in Angola will also benefit from the project through training and technical assistance, as well as from those business linkages established with large participants in the mining, agriculture and retail value chains.

The project will also be to the advantage of government departments responsible for corridor development and coordination, while enhanced cross-border and domestic market opportunities bodes well for private sector Apex bodies.

Project objectives

The project sets out to achieve the following objectives:

- Accelerate growth in domestic and cross-border trading via trade-facilitation instruments;
- Strengthen coordination of joint corridor infrastructure;
- Ensure effective participation of SMEs in value chains;
- Mainstream gender and increase, or consolidate participation of women and youth in economic activities; and

- Promote the Lobito corridor as a short route to port for mining firms in the DRC and Zambia.

The project will be implemented over 36 months and is divided into the following three components:

1. Capacity building for trade facilitation and corridor coordination:
 - ▷ Implementation of a STR at Jimbe, Zambia, and Kipushi, DRC, borders;
 - ▷ Development of harmonised trade-facilitation tools for transit and border management;
 - ▷ Deployment of mobile labs;
 - ▷ Establishment of a trade and business facilitation one-stop-shop in Solwezi, Zambia;
 - ▷ Provision of support to conclude negotiations for a MoU for the corridor;
 - ▷ Provision of technical assistance to establish effective corridor-management institutions; and
 - ▷ Convening and coordination.

This component of the project is anticipated to cost US\$5 001 000.

2. Technical assistance for value chains and economic clusters:
 - ▷ Development of business linkage programmes that connect SMEs to large firms;
 - ▷ Development of business incubation programmes; and

- ▷ Establishment of a private sector platform that will be used to develop business linkages and for networking, including two transboundary forums for trade facilitation.
 - ▷ This component is expected to cost US\$2 381 000.
3. Project management:
 - ▷ Monitoring and knowledge management;
 - ▷ Project auditing, and
 - ▷ Procurement of specialised project-management software and training.
 - ▷ The cost of this component is anticipated to be about US\$760 000.

Way forward

A sensitisation meeting, facilitated by the SADC Secretariat and Lobito Corridor Trade Facilitation PMU, was held in Lusaka, Zambia, on the 11th and 12th of October 2018.

It was attended by government officials from Angola, DRC and Zambia. This is in addition to Zambian-accredited Angolan and Mozambican ambassadors and representatives from state and private-sector agencies, as well as GIZ.

The following were recommended at the meeting:

- It is necessary to decide and agree on the form and structure of the Lobito Corridor Management Institution, bearing in mind the participation of member states in other corridor-management bodies and the high costs involved.

- Member states need to agree on the composition of stakeholders, with the draft agreement clearly defining the involvement of the private sector in various committees.
- The three member states need to create a corridor-steering committee that mirrors the existing national steering committee, or corridor authorities in Angola, DRC and Zambia.
- Consideration needs to be given to modularising the existing large and cumbersome Zambian National Steering Committee according to thematic areas. This will ensure that the sub-committee is able to easily convene and attend to issues, enabling the committee in its entirety should to meet to resolve global issues.
- There is a need for both Zambia and Angola to act with urgency to jointly establish a rail and/or road link between the two countries. The feasibility studies for the 300 km railway link undertaken by the two countries need to be shared, before synchronising the development and implementation of the infrastructure. This requirement should be incorporated into the Lobito Corridor Railway Network Master Plan Road Map for the sub-committee to action. It was also noted that the preparation and implementation of the remedial action for the poor road connection from Luau to Jimbe and that needs be shared between the two member states to improve coordination. This requirement should be included in the Lobito Corridor Road Network Master Plan Road Map for the sub-committee to action.

- Accelerated implementation of the Lobito Corridor Trade Facilitation Project and related infrastructure projects should be requested from the heads of state for the corridor member states. This is considering that a section of the corridor lacks infrastructure, despite its location within one of the richest areas of the continent, namely the Copperbelt.
- There has been partial resuscitation of the railway link in Angola over the past three years and the SADC Secretariat should, therefore, lobby for the migration of the movement of goods from road to rail. This is considering that heavy commercial vehicles travelling between Katanga, DRC, and to Durban, South Africa have damaged this section of the corridor.
- There is a need for regular meetings for the implementation of the Lobito Corridor Projects. These should include site visits to gain insights into and an appreciation of the extent of the work that needs to be undertaken to ensure that swift remedial action is taken. It was also recommended that they be undertaken by country experts and coordinated by the SADC Secretariat.
- Some of the planned studies and assignments rely heavily upon the skills and experience of national and regional experts.



The Arab and Maghreb Union (AMU/UMA)

PROJECT: Feasibility study for the Morocco-Algeria-Tunisia-Libya Corridor Mediterranean Highway Development

This study is in line with the UMA's Vision 2020 and the AfDB's common vision to deepen integration in this region.

Part of the UMA Regional Transport Facilitation and Road Transit Programme, the corridor will also play a role in economic, social and tourist development in North Africa by connecting the important urban hubs.

Moreover, the development of the Mediterranean Sea highway corridor is also in line with the objectives of the NEPAD and a flagship PIDA project.

It will comprise a two-lane dual carriageway, of which 90 km will traverse Morocco, 390 km Algeria, 130 km Tunisia and 325 km Libya.

Development partners' activities and donor-coordination arrangements in the countries

Over the years, DPs along the Mediterranean highway corridor have undertaken several ongoing interventions. These include improvements to the existing road infrastructure, restructuring of border posts and the introduction of soft transport-facilitation interventions to improve the efficient flow of people and freight along the corridor.

Other DPs involved in the project include the World Bank, the EU, AFD, IsDB, MCA, EBID, BOAD, KfW, JICA and DANIDA.

In 2014, the ECOWAS Commission established the Infrastructure Thematic Group, which is coordinating technical and financial resources for infrastructure

Countries:	Morocco, Algeria, Tunisia and Libya
Grant Recipient	UMA
Sector	Transport
Status of project preparation	Identification and preparation missions will be undertaken from January to March 2019
Implementing Agency	The UMA Commission will be the executing agency for the study. The daily management of the study will be undertaken by a designated SIT, which will report to the Commissioner for Infrastructure of the Commission.
Joint instrument/project	ADF Grant and NEPAD-IPPF Grant
Project implementation period	15 months after commencement, excluding procurement.
Financing Information	
Total project amount:	US\$1,445-million
Amount of ADF Financing (Loan/Grant)	ADF Grant of UA --- million and NEPAD IPPF Grant of UA ---- million
Proposed intervention Instrument:	ADF Grant and NEPAD IPPF

development towards the realisation of the UMA 2020 Vision. This is in response to the absence of a regional platform through which DPs are able to collaborate using a set of rules and procedures, as well as a roadmap. The bank co-chairs the Infrastructure Group with the Commissioner for Infrastructure of UMA, while the PIDA platform bolsters regional coordination.

Next step

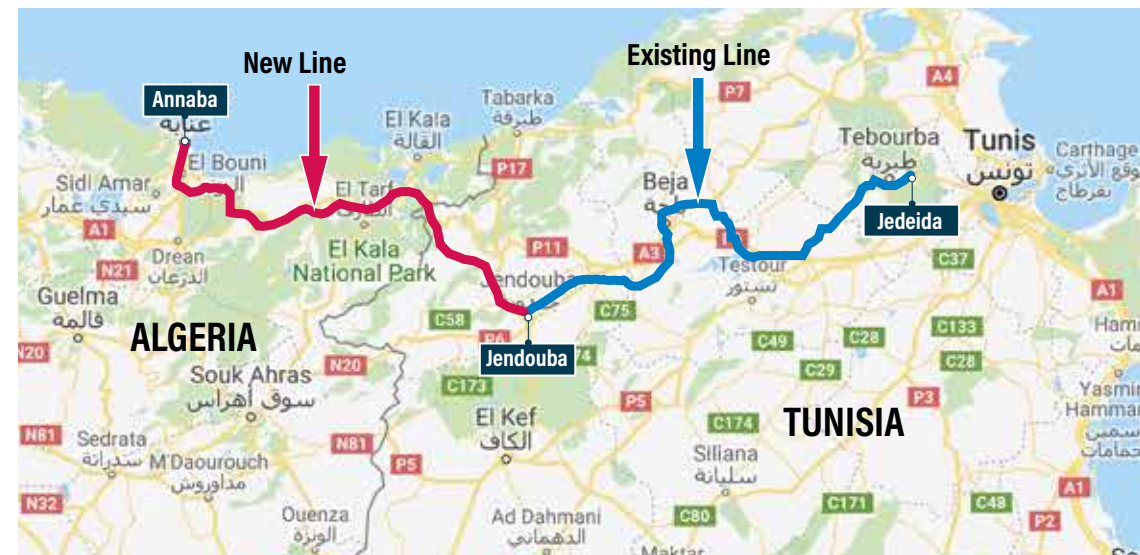
- NEPAD and UMA are organising a data-collection workshop;
- UMA experts and project owners will be trained in the entry of data into VPIC and AID, in addition to ToR for projects;
- UMA and Egypt are organising an energy market workshop that will be held in North Africa;
- A meeting will be convened with the AfDB at the UMA's head-offices to initiate a study for the Trans-Maghreb train and other future projects that are also likely to be financed; and
- A PCN briefing was transmitted by AfDB for the first project.

Feasibility study for the selected option of the Trans-Maghreb Railway Line



Modernisation of the existing 354 km line from Fès to Oujda in Morocco.

Modernisation of the existing 17 km line from Oujda to Akid Abbas in Algeria.



Development of a new 110 km line from South Annaba, Algeria, to East Jendouba, Tunisia.

Modernisation of the existing 150km line from Jendouba to Jedaida in Tunisia.

Preliminary studies for sound agricultural practice in the North-Western Sahara Aquifer System (SASS) and Iullemeden Aquifer System Areas

UMA undertook two studies into the state of water resources in the Northern Sahara SASS aquifer and Iullemeden Aquifer System basin areas within the context of the PIDA programme. The studies included identifying profitable and economically-viable irrigation practices with the intention of scaling them up in all regions of the Maghreb.

They noted the high potential to use of the available groundwater resources to establish intense agricultural operations that will have a positive impact on the economies of the area.

Moreover, these projects will be able to sustain future generations in the area and stimulate further prospects for economic and social development, serving as a blueprint for other desert areas.

The study made the following recommendations:

- The establishment of solar-energy programme for the demineralisation of brackish water for irrigation purposes;
- The development of capacity building programmes; and
- The organisation of regional and national workshops. The Iullemeden Bassi project is expected to cost US\$5 500 000, and will include raising of institutional and technical capacities, E&M, in addition to the development of the 20 ha oasis and drainage system.

Meanwhile, the SASS Basin project, including the study, design, equipment, such as solar stations and electric pumps, and E&M, is expected to cost US\$1 990 000.



Economic Community Of West African States (ECOWAS)

PROJECT: Abidjan-Lagos Corridor Highway Development Programme

This project supports the decision taken in February 2013 by the presidents of the five countries along the Abidjan-Lagos Corridor to construct a six-lane dual-carriage highway from Abidjan, Côte d'Ivoire, to Lagos, Nigeria, traversing Accra, Ghana; Lome, Togo; and Cotonou, Benin.

The commission has successfully held 10 steering committee meetings of works ministers, and major milestones achieved thus far include:

1. Ratification of a project treaty:

All member states have signed and fully ratified the Abidjan-Lagos Corridor Treaty, which establishes the legal and institutional framework for the implementation of the project.

2. Ratification of project-financing agreements:

- Financing agreements for the feasibility and detailed engineering study have been signed and ratified by member states.
- Consultations are ongoing with the AfDB to secure the required additional funding. A funding shortfall

of about US\$9 205 828 was identified following the negotiation of contracts for the feasibility study and environmental, ESIA and detailed engineering design.

3. Studies completed for the establishment of the Abidjan-Lagos Corridor Management Authority (ALCoMA):

- A study on the institutional and legal framework required for the establishment of the ALCoMA has been completed.
- The completed intergovernmental agreement for the establishment of the ALCoMA has been validated by member states and was signed by the ministers in charge of the project on the 19th of October 2018 in Abidjan, Cote d'Ivoire.

4. Technical studies:

The awarding of the contract for the feasibility and engineering design study has been recommended to the AfDB for no-objection, while the procurement of consultancy services for other components of the technical studies is underway.

PROJECT: Praia-Dakar-Abidjan Corridor Development Programme

The project aims to extend the development of the section between Abidjan, Côte d'Ivoire, and Lagos, Nigeria, to cover the entire Dakar-Lagos Corridor.

Two works ministers' steering-committee meetings were held and a number of major milestones have been recorded in pursuing this objective, including:

1. Signing of the Corridor Treaty Agreement:

A Corridor Treaty Agreement for the establishment of the Dakar-Abidjan Corridor was signed on June 2017 by the heads of state of the seven corridor countries.

2. Technical studies and financing:

- ToR have been drafted for the following studies:
 - feasibility, environmental and social impact, as well as detailed engineering;

- technical assistance to ECOWAS and member states;
- economic and spatial-development initiatives, as well as a corridor investment plan and corridor management and development.
- A financing request for the estimated US\$45-million required for the technical studies and project management were submitted to the AfDB in August 2018. The financial estimates for the technical studies will be confirmed during a corridor-identification mission to all relevant countries. Discussions are ongoing with JICA, IsDB and MCC to secure additional funding for the technical studies.



East African Community (EAC)

PROJECT: Lamu-Garissa-Isiolo-Lokichar-Lodwar-Nadapal Highway (LAPSSET)

The project is part of the Lamu Gateway Development, a PIDA project commonly referred to as LAPSSET.

It comprises the Lamu Port expansion programme, which includes the development of 32 deep-sea berths, making it the largest port in East Africa.

Three of the berths are being developed by the government of Kenya, paving the way forward for private investors to develop the remaining 30 facilities.

The World Bank financed the upgrading of 338 km sections of roads between Isiolo and Nakodok in Kenya to bitumen standard in April 2018 as part of the project.

This follows the conclusion of a design, build, finance, maintain, operate and transfer agreement between the Kenyan government and the Lamu Road Consortium, a private developer comprising the DBSA and other financing entities. The agreement is for the development of a 530 km section of road from Lamu Garissa and Isiolo.

Central Corridor Transit Transport Facilitation Agency (CCTTFA)

PROJECT: Lake Tanganyika Multimodal Transport Programme (LTP)

The LTP, comprising prioritised PIDA projects, responds to the need to develop an integrated, efficient and cost-effective transport system in the EAC region and, particularly, along the Central Corridor.

Implementation of the programme will enable regional integration and facilitate trade by developing and enhancing, as well as integrating multimodal transport among member states, namely Burundi, the DRC, Tanzania and Zambia.

The following milestones have been achieved thus far:

1. Development partners agree to fund projects:

- Development partners have agreed to fund a certain number of projects, identified and prioritised by member states.
- A meeting on the programme was held from the 16th to the 18th of October, and updates were provided by development partners and riparian states as follows:
- The World Bank is funding the feasibility study for improvements to the access routes to the Port of Lake Tanganyika and navigational safety. The study objectives include:
 - collecting data and charting, including bathymetric, geotechnical and hydrodynamic studies;
 - identifying an optimal dredging level, taking into consideration port infrastructure, current and future traffic and fluctuating lake levels;

- identifying the most appropriate dredging and disposal methods; and
- preparing tender documents, a third-party review of the draft SESIA, in addition to developing an outline ESIA/ESMP and contracting strategy for dredging works.

2. Ports identified for participation:

Ports that will participate in the programme include:

- Kigoma, Karema and Kasanga in Tanzania;
- Kalemie and Kalundu in the DRC;
- Rumonge and Bujumbura in Burundi; and
- Mpulungu in Zambia.

3. Establish a search and rescue (SAR) service on Lake Tanganyika:

- Establish a project team within each SAR authority, which will also comprise one project manager.
- Establish a communication network of existing SAR facilities in each country.
- Establish a first radio-control centre, preferably in Kigoma, Tanzania; Rumonge, or Bujumbura in Burundi to host the SAR Coordinating agency. Adequate mobile phone infrastructure around the lake is a prerequisite.
- Training of staff in SAR operations.
- Undertaking a strategic SESIA of the Lake Tanganyika transport and sustainability programme.

The World Bank has provisionally set aside US\$550-million to support the implementation of the LTP, while an

additional US\$120-million of funding has been made available for the LTEMP.

It will support the improvement of institutional and physical infrastructure, including ports and roads; and the strengthening of regional policy frameworks.

Other partners include:

- AfDB, which will finance the modernisation of the Mpulungu Port for US\$71-million and Bujumbura Port for US\$35,27-million;
- TMEA;
- JICA, which will finance the rehabilitation of Bujumbura Port; and
- UKAid, which has allocated US\$5-million to support preparatory studies for the Lake Tanganyika Transport Programme.

4. Next steps:

Funds will be mobilised for implementing and monitoring the ongoing projects.

5 PIDA PROJECT SHOWCASE

Inga 3 Hydropower Plant

The project entails the construction of an additional 11 050 MW hydropower plant at the existing Inga complex on the Congo River in the DRC to generate an abundance of clean energy.

It also includes the development of a vast network of transmission lines, 2 000 km of which will be located inside the DRC and 3 000 km outside of its border to transmit about 2 500 MW of energy to South Africa via the SAPP.

Transmission lines in the western portion of the DRC could also be connected to Nigeria and Angola to establish another power corridor.

The project is in line with NEPAD's objectives to increase power interconnections throughout the continent. This will promote trade in electricity to drive economic development, creating many employment opportunities in the DRC, as well as member countries of the SAPP, CAPP and WAPP.

By promoting cooperation across borders and beyond, it will also play a critical role in stabilising the political landscape on the continent.

The following milestones have been achieved, to date:

In 2013, an Interstate Agreement was signed between DRC and South Africa to jointly develop the power station. It is anticipated that the signing of the treaty is imminent.

Pre-feasibility studies for the project were completed in 2017.

Offers outlines were submitted to the government of DRC in 2018. Private partners will fund the generation part of the project and a pre-concession contract is to be signed within the next six months. Meanwhile, financial closing for the generation and transmission components is scheduled to take place during upcoming semesters.





Ethiopia-Sudan Interconnector

Sudan and Ethiopia intend interconnecting their power systems at extra-high voltage levels. This follows the earlier interconnection of their national grid at 220 kV.

In 2015, a techno-economic feasibility study was completed, together with the development of technical specifications, as well as drafting of tender documentation and interconnection agreements by an Italian-based consulting engineering firm.

The about €2,4-million for the study was financed jointly by the two countries from their own resources and the final feasibility study report was submitted in February 2017.

It is estimated that the project will cost US\$566,01-million, of which the Sudanese portion will be about US\$536,980-million and the Ethiopian section estimated at US\$29,030-million.

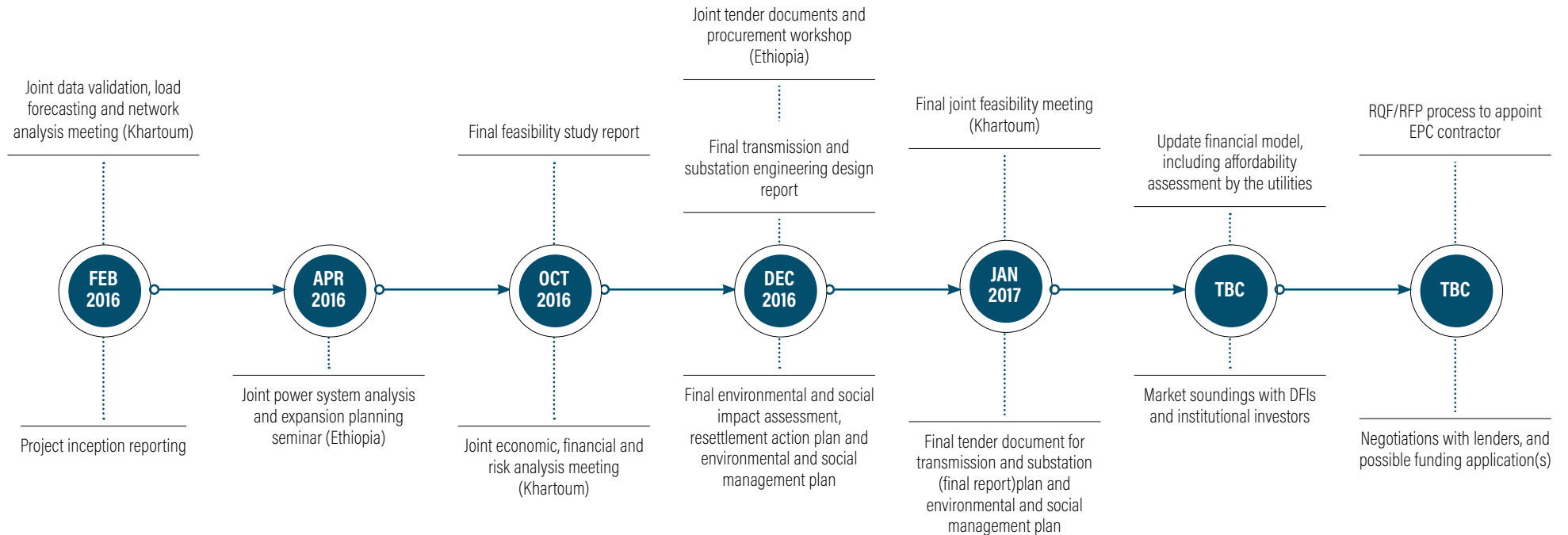
Project status

It has been proposed that the project be commissioned in 2021, and the following milestones have been achieved thus far:

- The feasibility study, ESIA, RAP, engineering design and tender documents have been completed;
- Negotiation of interconnection agreements are under underway; and

- The Ethiopian and Sudanese ministers have jointly requested finance from the AfDB.

Way forward



Zambia-Tanzania-Kenya Power Interconnector

This 2 300 km interconnector will connect to the North-South Corridor to enable the trade in power between the EAPP and the SAPP.

It is receiving the necessary funding support from the EU, while COMESA is coordinating the project on behalf of the tripartite, which also includes EAC and SADC.

Project status

The following key milestones have been achieved, to date:

- The final feasibility study, ESIA and RAP have been completed.
- The conceptual design for the project was finalised in November 2017.
- The Kenyan section of the interconnection is fully financed, and its construction was due for completion in 2018.
- In June 2018, the World Bank approved US\$455-million funding for the Tanzanian section of the project under

IDA credit. The funds will be used to strengthen the internal network, as well as to build the remaining US\$142-million interconnection with Zambia.

- The Zambian government is working on mobilising finance for the remaining sections of the interconnector. This is expected to cost up to US\$300-million, counting some sections that were already under negotiation for financing and, therefore, not included in the final cost presented in the feasibility study.

Challenges

- Inadequate priority given to strengthening and developing government's capacity to undertake upstream activities to provide the necessary enabling environment and the ability to identify important infrastructure programmes. Upstream activities ensure that the most beneficial proposals are selected

for the preparation process through effective and rigorous review and pre-appraisal.

- Insufficient systematic and comprehensive support, especially to ensure accelerated financial closure of large projects.
- Limited sustainable funding mechanisms and institutions for project preparation.
- Slow progress in reaching financial closure on the Zambian section of the project.
- Dichotomy in the regulatory framework, including the existing transmission tariff methodology between the SAPP and EAPP regions. However, some activities are being undertaken under COMESA, through the EU-financed Sustainable Regional Energy Markets project; EAPP; and SAPP, to attend to this issue.

Way forward

The following recommendations have been made to ensure progress on this project:

- The EIB needs to intensify its efforts in negotiating with the Zambian government to achieve financial closure. Sourcing of additional grant financing from other partners, if possible, would also assist in significantly accelerating financial closure.
- A concerted effort is required to ensure that adequate project-preparation resources are made available from African domestic funding and other sources, such as multilateral development banks and project preparation facilities, including the NEPAD SDM.
- A substantial improvement in the efficiency of regional project preparation is necessary. In most instances, regional project preparation funding is undertaken on an ad hoc and opportunistic basis, resulting in significant delays or repeated postponements. African countries and partners must, therefore, align project-preparation finance and, if necessary, consolidate to avoid duplication of products and facilities.



Batoka Hydropower Plant

Ongoing feasibility studies for the Batoka Hydropower Plant were due for completion in 2018.

A meeting between the ZRA, the AfDB and NEPAD took place during PIDA Week 2017. The role of AfDB as the lead arranger has since been finalised and the bank has also availed supplementary funding for the packaging studies, while assigning a case manager and technical expert to the ZRA.

Meanwhile, the ZRA is mobilising resources for the supplementary studies into the transmission lines to evacuate power from the dam into Zambia and Zimbabwe, as well as to update the market study.

Notably, the Job Creation Estimation toolkit has also been deployed on this project to develop a job creation case-study and job maximisation strategy.

Experiences gained using the Ethiopian Domestic Resource Mobilisation Strategy to finance and develop the Grand Ethiopian Renaissance Hydropower and Gibe III Hydropower plant will guide the establishment of a Domestic Resource Mobilisation Strategy for the Batoka Gorge hydro-electric scheme. The ZRA and NEPAD are documenting the strategy of the Ethiopian Domestic Resource Mobilisation Strategy for this purpose.

Kinshasa-Brazzaville Bridge Road-Rail Project

At the Africa Investment Forum, AfDB and Africa50 signed an agreement with the DRC and the Republic of Congo to develop and finance the first road-rail bridge project to connect Kinshasa and Brazzaville.

Kinshasa in the DRC and Brazzaville in the Republic of Congo are the two closest capital cities in the world and are currently only linked via ferries.

The governments have mandated Africa50 and the AfDB to develop the project as a PPP.

AfDB will act as the debt provider under the aegis of the

ECCAS and Africa50 will take the lead in project development, assist in selecting a strategic partner and provide equity for construction.

This milestone project, which was anticipated to cost US\$550-million in 2017, comprises a 1 575-km toll bridge over the Congo River.

It will cater to an estimated 750 000 people and 340 000 tons of freight a year, and this traffic is expected to increase to more than 3-million people and 2-million tons of freight by 2025.

Also part of the project is the construction of a single railway track, a double-lane road with sidewalks and border checkpoints at both ends of the bridge, while will be integrated into existing transport systems in both countries.

The governments of the two countries have long been working on this project.

They signed the initial protocols in 2007 and have, since, co-operated on and co-funded the feasibility study with the AfDB.



Ruzizi III Hydropower Dam

Benefiting Rwanda, Burundi and the DRC, the Ruzizi III Hydropower Dam project will be a sound example of shared infrastructure in East Africa.

The project, which has received funding from the World Bank, has been designed as a regional PPP.

It envisages the construction of a run-of-river dam that

straddles the Ruzizi River between the DRC and Rwanda, in addition to a 147 MW power plant and distribution station.

Electricity generated from power station will be supplied to the EAPP to bolster the entire region's access to electricity by 300%, doubling Burundi's total installed generation capacity and increasing Rwanda's by half.

Rusumo Falls Hydropower Project

This 80 MW hydropower project was jointly developed by the governments of Burundi, Rwanda and Tanzania under the auspices of the supranational entity, RPCL.

The project reached financial close in 2017 and is intended to be commissioned by 2019.

Both the cofferdam and the river-diversion works have been completed and construction has commenced on the water-intake and headrace tunnels.

About 400 direct jobs have already been created during the construction phase.



The African Internet Exchange Project (AXIS)

AXIS stands out as a sound example of the successful implementation of a PIDA PAP ICT project, having already increased the number of IXPs in member states from 18 to 35.

This will reduce latency and save costs by eliminating international transit through overseas carriers. In Namibia, for example, IXPs reduced latency from 300 ms to only two milliseconds and saved US\$1,8-million in a year.

The project has also supported RECs in developing regional-interconnection policy frameworks and cross-border interconnection regulations in the EAC.

Following three calls for proposals that were issued through open tendering, grants have also been awarded to eight IXPs to grow into regional operations. They are based in Kenya and Rwanda in East Africa; South Africa and Zimbabwe in southern Africa; Congo Brazzaville and Gabon in Central Africa; Egypt in North Africa; and Nigeria in West Africa.

The support includes and is not limited to the following:

- Upgrading IXP infrastructure to provide the capacity needed to carry regional traffic;
- Enhancing technical capacity of staff through training and hosting study visits for IXPs to equip them with the skills they need to develop into and operate large-scale operations; and
- Promotion of the development of regional IXPs.

African regulators and policymakers have expressed concerns regarding the high prices of international mobile roaming. While considerable dialogue has already taken place between regulators, policymakers and industry, it can, at times, be a challenging topic to gauge, considering its economic, commercial and technical complexities.

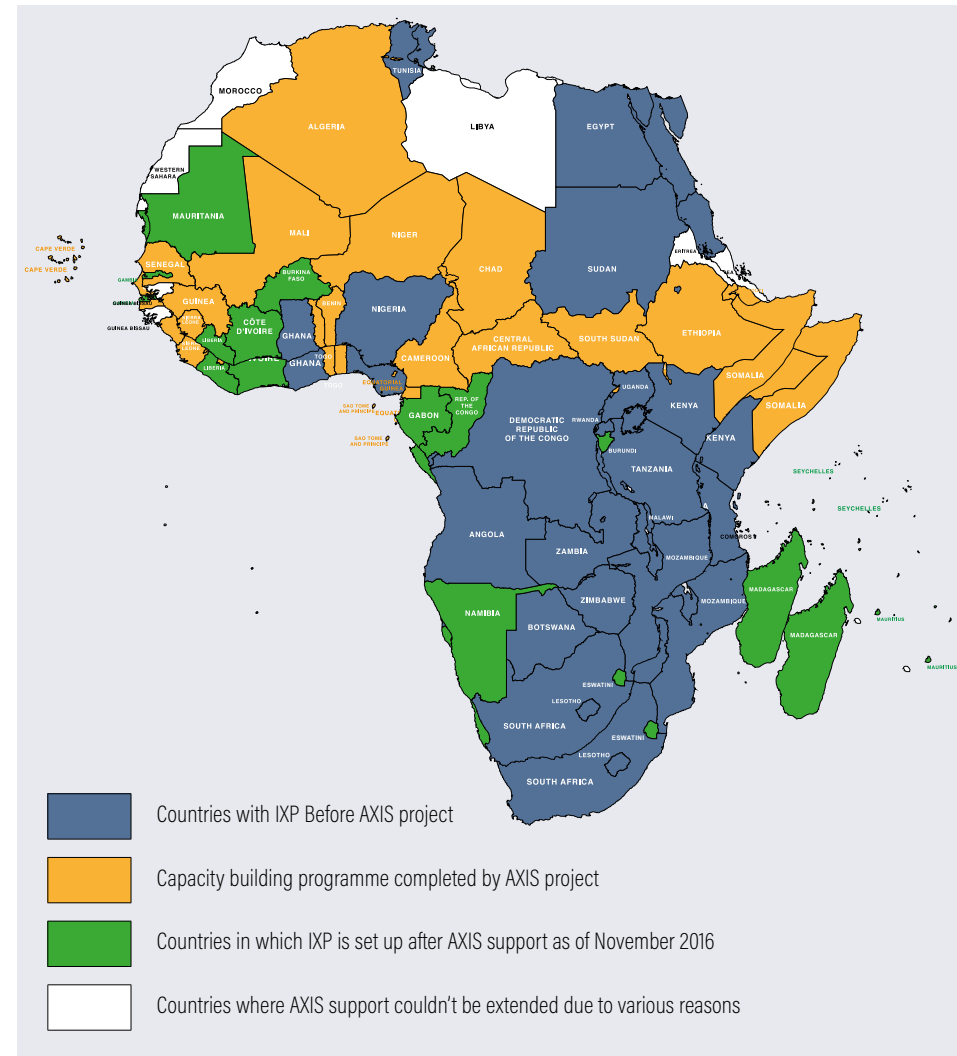
Under the grant awarded to the Kenya IXP, the AXIS project supported the establishment of the first Global GRX on the continent. By joining forces and pooling their roaming traffic, operators using the facility will benefit from lower rates and be able to make more attractive offers on mobile roaming data.

It is critical that users have access to fast and affordable locally-hosted content to ensure that IXPs are able to sustainably grow internet use on the continent.

It is, therefore, recommended that PIDA PAP 2 build on the successes achieved by AXIS to date by supporting infrastructure localisation projects.

Africa needs Tier III and Tier IV data centre infrastructure that has been designed to host mission-critical servers and computer systems, with fully redundant subsystems, including cooling, power, network links and storage, as well as compartmentalised security zones that are controlled by biometric access control.

Despite 17% of the world's population residing in Africa, the continent currently only hosts less than a percent of the world's data centres.





6 INITIATIVES THAT FACILITATE PIDA IMPLEMENTATION

PIDA Service Delivery Mechanism (SDM) and NEPAD Infrastructure Project Preparation Facility (IPPF)

Activities undertaken in 2018

- Regional strategic dialogue advanced infrastructure development, and culminated in the establishment of an action plan that provides an integrated approach to project preparation and finance. This, in turn, led to the launch of the AIGM under the NEPAD 5% Agenda in New York, United States, in September 2018.
- PIMS were developed for the remaining terminals at Lamu Port, as well as the Ruzizi III project, and are expected to enhance the attractiveness of these projects.

- Cross-border harmonisation and commercial viability studies on the North South Corridor Railway Projects were undertaken.
- The NEPAD Agency is currently working with the SADC secretariat and the NEPAD Business Foundation to provide technical assistance for the implementation of the North South Corridor Railway Network. This includes assisting in the study of the revenue-sharing model and pricing structure, as well as the necessary policy, legal and institutional harmonisation throughout stakeholder countries.
- Support was provided to the ZRA for the development of the BGHPS project. An assessment of the

employment potential of the project by Nepad Agency estimated that 59 000 jobs would be created during the implementation phases of the infrastructure. Moreover, advice was provided to the ZRA on ways in which to harness local industries and SMEs in Zambia and Zimbabwe to the benefit of the project. NEPAD will also provide ZRA with TA to access the Green Climate Fund.

- Technical support was provided to the LAPSET Authority for the early stage preparation of the Grande High Falls hydropower project.

Outlook for 2019 and beyond

Moving forward, PIDA will:

- Strengthen ties between PIDA SDM and the PPF Network members;
- Develop the IDA Quality Label as a standard requirement for the PPF qualification of PIDA projects for further studies;
- Establish the SDM Expert Pool;
- Place more emphasis on projects in the conceptual phases to feed PPF pipelines; and
- Reinforce the NEPAD integrated approach by streamlining SDM activities with the CBN and AIGM.





Continental Business Network (CBN)

The AU and NEPAD are advocating for the establishment of an AIGM that will enable the immediate scaling-up of institutional investment in infrastructure. This is in direct response to African institutional investors' calls for additional risk mitigation.

Activities undertaken in 2018

Organised by the NEPAD Agency, a technical meeting was held in Victoria Falls, Zimbabwe, from the 25th to the 26th of June 2018 where a myriad of experts endorsed the urgent need for the 5% Agenda and AIGM. They included

technical policymakers, development practitioners, infrastructure experts, financiers, risk-mitigation and project-preparation facility providers, as well as representatives from the private sector.

On the 25th of September 2018, the NEPAD CBN convened international investors and multilateral development banks, in addition to representatives of pension funds, CEOs of stock exchanges to track progress made in the launch of the 5% Agenda.

The NEPAD Agency has developed four strategies for the establishment of the AIGM, namely:

1. The creation of a new African Infrastructure Guarantee Facility

The facility will provide institutional investors with 100% financial guarantees for their investment in Africa's infrastructure assets. This includes for project development and operation, in addition to other infrastructure-investment vehicles, such as bonds, funds and companies.

2. Crowd-in existing risk-mitigation support

This will be achieved via an IGM that serves as a one-stop shop referral system for project owners and developers to existing providers of risk mitigation.

3. Existing risk-mitigation providers

A joint application process will be implemented and managed by the AIGM.

4. Blended Market-Based Scheme

It will use incentives to catalyse the creation of an expanded specialist African infrastructure risk-mitigation and reinsurance market, and scale the commercial use of guarantees and credit enhancements that meet the strict requirements of institutional investors.



MoveAfrica and One-Stop Border (OSB) Posts

MoveAfrica was launched in 2016 to address those challenges in the way of the development of efficient trans-boundary trade and logistics infrastructure.

During the launch, it was recommended that the NEPAD Agency develop a Seminal Annual Report, which ranks and tracks the ability to move goods and services throughout the continent.

This culminated in the development of the TLS, which monitors and evaluates the performance of transport and trade corridors.

In July 2017, SADC Ministers endorsed MoveAfrica and approved the use of TLS for piloting at four border posts, namely Beitbridge, Kazungula, Kasumbalesa and Chirundu.

NEPAD Agency advised representatives of SADC, COMESA, the Zambia Ministry of Industry & Commerce and the Zimbabwe Ministry of Commerce, Trade & Industry in the establishment of baselines on indicators. This was

undertaken in February 2018 when the representatives also agreed upon a TLS pilot implementation roadmap.

The TLS is being developed as an online tool and the prototype, which will be launched in 2019, is being populated with data garnered at selected border posts.

NEPAD Agency also organised the second Humanitarian Dialogue at the 73rd UN General Assembly that was held on the 28th of September 2018.

High-level private-sector stakeholders, African permanent representatives to the UN and development agencies convened to find ways of improving the movement of goods and services for humanitarian assistance in Africa.

It was agreed that just as much focus should be placed on the humanitarian portion of intra-African trade, which is anticipated to grow by more than 50% by 2022 due to the AfCFTA.

The findings of the TLS will, therefore, be published in various print media outlets to inform the public and influence policymakers.

While the continental free-trade agreement is a major step forward in terms of strengthening countries' economies, it must also ensure that issues, such as axle-load restriction and customs fees, which vary from one country to the next, are harmonised throughout Africa.

Currently one of the continent's largest responsibilities and an integral component of PIDA, there are about 80 OSBPs in various stages of implementation and a small number of them are operational.

NEPAD, ICA, AfDB and JICA also updated and revised the OSBP Sourcebook, based on recent good practices and lessons learned.

Working closely with JICA, the NEPAD agency has taken the lead in promoting the OSBP Sourcebook and supports RECs, member states and other key stakeholders in their implementation.

Moreover, it is establishing an OSBP practitioners' network that will allow for knowledge transfer and regular updating of the Sourcebook.

This is in addition to the work that it is undertaking is establishing a monitoring framework for those prioritised OSBP projects in line with VPIC data-collection processes.

Meanwhile, a continental and regional capacity-development plan for OSBPs is being developed and the monitoring framework will be connected to the work undertaken in developing a TLS for MoveAfrica to assess cross-border transport, starting with land borders.

A knowledge-sharing workshop on ways in which to operationalise OSBPs as trade-facilitation instruments in the West and Central African regions was also cohosted by the NEPAD Agency, together with ECCAS, ECOWAS and UMA in Accra, Ghana, on the 5th and 6th of December 2018.

In addition, the agency is enhancing the monitoring of OSBP projects and introducing TLS to assess truck-corridor performance. This focus will commence with key OSBP projects at land borders, complemented by planned training-of-trainers programmes for OSBP practitioners.



Policy legal and regulatory support

PIDA Good Practice Guide for Integrated Corridor Development:

The PIDA Good Practice Guide for Integrated Corridor Development considers the following:

- The positioning of corridors as anchors of economic development;
- Integrated approaches that explore corridor development from the perspective of all PIDA sectors, namely energy, ICT, transport and water;

- Intersections with the smart corridors that have been adopted by the AUC and that are in line with other PIDA and regional integration initiatives; and
- The use of the NEPAD Agency's infrastructure-development instruments in the planning and implementation of projects.

The guide documents good practices in corridor development with respect to the following key attributes:

- Appropriate legal and regulatory frameworks;

- Institutional models for corridor development and management;
- Project preparation and implementation;
- Positioning of corridors as anchors of economic development; and
- Attracting private-sector financing.

Due to be formally launched in mid-2019, the guide is intended for use as a reference by stakeholders, including

RECs, corridor agencies and the NEPAD Agency in planning, preparing and implementing transboundary corridors in a holistic and integrated manner.

The guide provides examples, guidelines and practical checklists for project implementers, while also considering the experience of the NEPAD Agency, the CCTTFA, ECOWAS and SADC in preparing, planning and developing the Central Corridor, the Abidjan-Lagos Corridor and the North South Corridor.

Renewable Energy Access Programme (REAP)

In 2018, emphasis was placed on providing NEPAD support to both The Gambia and Madagascar.

In The Gambia, the feasibility study for a six megawatt wind project was updated by NEPAD and ibis.

A private investor was identified for the project at an investors' roundtable that was arranged by NEPAD. It has since signed a MoU with the Gambian government to finance, build, operate and maintain the infrastructure.

In Madagascar, NEPAD completed the engineering design of a solar system to power the government's main building, which houses four ministries.

The engineering design included a number of options, namely solar PV with and without storage and a hybrid system, comprising both solar and diesel generator systems.

Micro-grid development and implementation

In 2018, Zimbabwe, Malawi, Ghana and Mali were identified for the development and implementation of micro-grid projects.

The micro-grid projects submitted by the four countries will be closely examined to assess their status and determine the NEPAD specific intervention required for their development and implementation.

Renewable energy projects submitted by the four countries will be selected for closer examination. Two of these projects will then be chosen for development to bankability and one these will be implemented in 2019.

The micro-grid programmes will empower communities by providing clean power for light and the energy needed by small and medium industries in outlying areas.



Presidential Infrastructure Champions Initiative (PICI)

Co-hosted with Nepad Kenya, the PICI TTT Workshop was attended by all of the Country Focal Points or their nominated representatives, in addition to the AfDB, UNECA, DIRCO, EAC, CCTFA, UMA, COMESA, IGAD and ECOWAS.

It also entailed a site visit to Lamu Port to provide delegates with an opportunity to witness progress being made on the construction of a PICI project that is being championed by Uhuru Kenyatta, President of Kenya.

These workshops provide a platform for Country Focal Points to exchange ideas and share their experiences working on PICI projects.

Importantly, the Focal Points are also required to present a factual account of the progress made thus far on their respective projects. This is used to prepare a Comprehensive PICI Project Status Report, which is then submitted to the PICI Chair for presentation at the HSGOC meeting and subsequently at the AU Assembly for adoption.

Most of the PICI projects have progressed since January 2017 as follows:

Missing-Link of the Trans-Sahara Highway (Algeria)

Construction is underway on two road packages, despite some challenges in the payment of contractors. The 125 km first package was due for completion in December 2018 and the 100 km second package in July 2019.

Nigeria–Algeria Gas Pipeline: Trans-Saharan Gas Pipeline (TSGP) (Nigeria)

The Nigerian government stands committed to realising this project, especially the pipeline segment located in the country. Financial close was expected by December 2018 and construction is planned for the second quarter of 2019. Managed by the NNPC, it is based on a BT model and is completely financed by the contractor.



Kinshasa-Brazzaville Bridge Road/Rail (Republic of Congo)

Structuring of the project to make it bankable continues, while discussions between the AfDB and the Africa 50 Fund have already taken place. Meanwhile, Africa 50 Fund and AfDB undertook a joint mission to Libreville, Gabon; Brazzaville, Republic of Congo; and Kinshasa, DRC; from the 30th of April to 13th May 2018. The governments of these countries and AfDB seem to be content with the proposal for Africa 50 Fund to develop the project. The parties have agreed to sign a MOU to define the condition of intervention of Africa 50 Fund.

The unblocking of political bottlenecks for ICT broadband and optic-fibre projects in neighbouring states and the SMART Africa Project (Rwanda)

The ICT Broadband and Optic Fibre Project for all the EAC countries were completed in 2013. ONA is also being implemented between Gabon and Rwanda, which have started on voice services, while SMS and Data will follow at a later stage. Rwanda, Uganda, Kenya and South Sudan already have ONA and seven countries in the ECOWAS have implemented similar initiatives with different termination rates. To date, 25 countries have joined this initiative, and the ONA concept is being extended to all Smart Africa member states for participation. A resolution

document was developed and will be validated by all relevant regulators.

Establishment of a Navigational Line from Lake Victoria to the Mediterranean Sea (VICMED) (Egypt)

The inception report for the first phase of the feasibility study was completed and sent to COMESA in May 2017 to be submitted to footprint countries.

It was subsequently approved with comments during the third SCM and the zero draft interim report sent to the Egyptian PMU at the end of April 2018 for review. It was proposed that two operational (main and connection) units fall under the auspices of NEPAD to play a role as the RSU.

Funding is now being sought by the Egyptian government to commence with the second phase of the feasibility study. The TOR for Phase II includes the training of footprint states.

Lamu Port South Sudan Ethiopia Transport Corridor Project (LAPSSET) (Kenya)

The JDA for the crude oil pipeline from Lamu to Isiolo, Isiolo to Nakodok and Nakodok in Kenya to Juba, South Sudan, was signed between the upstream companies and GOK in 2017.

First oil is anticipated to flow by 2021, or 2022, and an EPC tender will be issued upon completion of the FEED studies which, together with the ESIA, commenced in April 2018.

The bilateral agreement between Kenya and Ethiopia to jointly develop the product oil pipeline from Lamu to Isiolo, Isiolo to Moyale on the border of Kenya and Ethiopia and from there to Addis Ababa, Ethiopia, was signed in 2018.

Meanwhile, preliminary engineering and feasibility studies were also undertaken for the interregional standard-gauge railway lines.

They will connect Lamu to Isiolo, Isiolo to Nakodok and Juba, in addition to Isiolo to Moyale and Addis Ababa and Nairobi, Kenya's capital, to Isiolo.

A Technical Coordination Committee, comprising Ethiopia and Kenya, was established to develop a joint implementation plan and funding strategy.

Meanwhile, the construction of the three berths at the Port of Lamu at a cost of US\$480 million is forging ahead as planned.

Construction of the works has been let out to a Chinese contractor, which is being supervised by a South Korean engineering company.

Up to 48% of the project has already been completed with the construction of the first berth due to be finalised in 2019.

The installation of the piles, each 52 m in length and 1,2 m in diameter, for the two remaining berths is underway and these are expected to be completed in 2020.

Included in the scope works is kilometre long ship yard and 500 m wide channel that can be doubled in length in future.

Meanwhile, construction of the remaining 29 berths planned at Lamu Port is expected to commence in 2021.

Certainly, this is the most impressive of all the PICI projects, in terms of accelerated implementation.

Significant progress has been made on the project since 2016, when work commenced on the building of port administrative offices and a police station, and we commend the Kenyan government for its stellar efforts in fast-tracking the project.

International Logistics Hub Projects (Namibia)

The Namibian government undertook consultation missions to all of the footprint states, namely Botswana, Malawi, Zambia, Zimbabwe, DRC and Angola. It has since requested the NEPAD Agency to assist it with the technical and operational structuring of the projects in line with the PICI modalities and process.



High Speed Rail Project

A flagship of Agenda 2063, the African high-speed railway project aims to integrate the continent. The following progress has been made on the project:

- The Steering Committee of the Coordinating Mechanism of the Continental High Speed Railway Network Project and the NEPAD Agency organised the inaugural Steering Committee Meeting of Stakeholders in Dakar, Senegal, in September 2017 to chart the way forward.
- Led by NEPAD, TCT, comprising select African railway experts, arranged a series of workshops in South Africa where the HSR procurement process was reviewed.
- Technical and financial bids were received from eight shortlisted consultancy firms through the NEPAD Agency PU. It then evaluated the proposals and ranked the three most responsive firms, in terms of their technical capabilities.
- Approval was sought from AUC-IPC to proceed and open the financial bids of the firms, which included WS Atkins International of the United Kingdom, Italian Italferr and CPCS of Canada.
- The financial bids were opened on the 26th of March 2018, and the three firms offered.
- CPCS was ranked the most cost-effective with the ability to add the most value for the client, following an analysis of the combined technical and financial scoring undertaken by the NEPAD PU.
- An evaluation report was then compiled and submitted to AU-IPC for recommendation by CPCS and final approval from the NEPAD Agency to proceed with negotiations with the preferred firm at its bid price.
- The AUC-IPC commission appointed this consultant in July.

Further progress made on this project will be presented at the AU Summit in January 2019.



7 UPDATE ON THE PIDA CAPACITY BUILDING PROJECT (PIDA CAP)

The PIDA PAP comprises 51 programmes with more than 400 projects conceived as strategy to accelerate implementation of critical continental infrastructure programmes. Since the adoption of the PIDA by the AU Summit in January 2012, many activities have been undertaken to create an enabling environment, build human capacity and drive high-level decision making.

Some key activities included:

- Organising the First Meeting of the Council for Infrastructure Development in January 2014;
- Organising the Dakar Financing Summit in June 2014;
- Launching the PIDA SDM in November 2014;
- Launching the CBN in June 2015; and
- Organising the three annual PIDA Week events.

In 2018, the following key activities were undertaken:

Mid-Term Review (MTR) of the PIDA Priority Action Plan:

The AUC, NEPAD and its implementing partners commissioned a MTR to assess progress made in implementing the programme over the past eight years, in addition to identifying strengths and weaknesses in

existing processes and instruments to achieve the 2020 targets.

It will assist in charting the way forward by identifying those actions that need to be undertaken to accelerate the implementation of the PIDA PAP, in addition to informing the formulation of the next phase of the PIDA PAP from 2020 to 2030.

The AUC and NEPAD commissioned a series of consultative workshops with RECs and member states that focused on the importance of the MTR and its key objectives, as well as identifying ways of strengthening existing processes.

These resulted in following recommendations:

- Criteria and methods used to select projects for the PIDA PAP need to be refined;
- PIDA PAP issues need to be communicated at a REC level;
- Insufficient capital commitment required to advance PIDA as a programme need to be addressed;
- Action needs to be taken to attend to inadequate private sector investment, or limited involvement in PIDA; and

- Steps need to be taken to attend to capacity constraints at a member state level.

Capacity building for PIDA:

Human and technical capacity remains one of the key challenges in the way of efficient implementation of the PIDA PAP. AUC, NEPAD and AfDB and stakeholders, therefore, continue to assess areas where remedial action is required.

Such initiatives by the NEPAD and the AUC include:

- Training in the collection of data: The AUC, NEPAD Agency and stakeholders depend on data collated by project owners, member countries and RECs to monitor progress made in the implementation of PIDA PAP. However, accessing key data remains a challenge and, when available, it is of an inconsistent quality. The AUC and NEPAD, together with member states of the RECs and project owners, therefore, conducted a series of data collection workshops in UMA, ECOWAS and EAC. These sessions also provided an opportunity to collect data from project owners.
- Deployment of technical experts at the RECs: The NEPAD Agency has deployed technical experts to all

RECs. They provide the ongoing critical support that is needed to address the lack of technical capacity, while also improving the collection of data, considering their proximity to projects.

- Project packaging in ECOWAS and the EAC regions: NEPAD, through the AfDB-funded PIDA-CAP, supported the ECOWAS and the EAC Secretariat to appoint a consultant to assist in developing a CDIP. This will accelerate implementation of the PIDA priority infrastructure projects in the ECOWAS and the EAC regions and, in so doing, complementing the PIDA Acceleration Strategy. The consultancy assignments include packaging shortlisted projects to bankability, based on their relative attractiveness. An economic analysis, financial model and risk matrix will also be prepared for each project to gauge the level of appetite of both private- and public-sector investors. This work, which is now in its final phases and expected to be completed by mid-2019, will culminate in a CDIP and marketing plan to develop and implement the selected multimodal corridor projects.

PIDA Information Management (VPIC-AID)

In 2018, NEPAD NPCA and the AUC undertook data-collection and validation activities together with the consultation workshops to assess the PIDA MTR. Held in the UMA, ECOWAS and EAC regions, these workshops also provided an opportunity to interact with various project owners.

Small groups of infrastructure experts who work at COMESA and EAC were also trained to update and validate project information in their respective regions.

The VPIC has been providing infrastructure-related information, including project updates on a continuous basis. These initiatives were complemented by the PIDA e-newsletter, which also provides regular updates on programme activities and initiatives.



8 PARTNER SUPPORT TO PIDA IMPLEMENTATION

African Development Bank (AfDB): Africa Investment Forum (AIF)

The AfDB is championing the AIF, a multi-stakeholder and multi-disciplinary platform dedicated to advancing projects to bankable stages, raising capital and accelerating the financial closure of deals.

Through the AIF, the AfDB, together with its partners, will structure deals, screen and enhance projects, attract co-investors and facilitate transactions to close Africa's infrastructure gaps. It will reduce intermediation costs and improve the quality of project information and documentation. This is in addition to raising the level of active and productive engagements between African governments and private-sector participants. The marketplace provides investors efficient access to a structured platform with bankable and de-risked projects within an enabling environment.

The NEPAD and AIF have agreed to collaborate in the following areas:

Support for PIDA implementation – The Project Preparation Facilities Network (PPFN)

NEPAD will work with AfDB and DBSA to reinvigorate the PPFN as a core platform for coordinated project preparation.

The parties concur that there is a need for an integrated approach to project preparation whereby the objectives of the 5% Agenda and the deal terms of institutional investors are integrated into early-stage project preparation.

Collaboration in events and roadshows

The following events were organised in 2018:

- **NEPAD Strategic Dialogue on Advancing African Infrastructure Development:**

Held on the 25th and 26th of June 2018 in Victoria Falls, Zimbabwe, this multi-stakeholder consultation focused on recommending sound policies for Africa's leadership to advance infrastructure project implementation.

- **PIDA Water in Gaborone, Botswana:**

The purpose of this meeting, which was held on 12 July, was to review and discuss the proposed NEPAD support project for preparation and financing of PIDA water projects. It was undertaken together with partners to ensure their cooperation, including financial and technical input. This project will address challenges and, in particular, the bottlenecks to project preparation. AfDB committed to organising a meeting of ministers of finance and water to facilitate investment into water infrastructure using domestic sources.

- **Aviation at NEPAD:**

Held on the 30th and 31st of July, the meeting focused on developing a road map for the Continental Aviation Infrastructure Master Plan, based on the prioritised regional projects.

- **Africa Infrastructure Guarantee Mechanism (AIGM) and 5% Agenda and G20:**

This meeting took place on the 25th of September in New York, United States.

The 5% Agenda

This initiative provides effective risk-mitigation instruments by creating a co-guarantee platform from which the AfDB, NEPAD, development finance institutions and guarantee providers will collectively launch innovative instruments to de-risk private-sector investments at scale.

Guarantee facility

This is a tentative step taken towards the establishment of the AIGM to attract institutional investors to Africa's infrastructure-development agenda.

The NEPAD and AIF have also agreed to collaborate in the following areas:

- Joint invitations to specific HoS/HoG and Ministers for AIF;
- Creating an enabling environment and work done with G20 Compact in Africa; and
- Pursuing the development of a scorecard to provide further accountability.



German support to PIDA – Federal Ministry For Economic Cooperation and Development (BMZ)

The German government support to the PIDA through the Federal Ministry for Economic Cooperation and Development (BMZ) implemented by Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) (technical advisory, capacity building) achieved several milestones, in terms of technical advisory and capacity building, as follows:

1. Support to the PIDA Job Creation Toolkit:

Launched at the fourth PIDA Week, the toolkit was deployed on the toll road from Chalinze to Dar es Salaam in Tanzania to estimate that the project would create a total of 1 710 direct and 1 721 indirect jobs during the construction phase. This is in addition to 35 848 employment opportunities a year due to improved road infrastructure in the country.

Hosted in July 2018, the training workshop in the use of the toolkit was attended by 39 people, including representatives from member states and RECs, in addition to project owners.

Please visit <http://jobs.au-pida.org> and www.au-pida.org for more information on the Job Creation Toolkit.

2. Assisting with early Stage Project Preparation:

In 2018, GIZ and NEPAD supported the early stage project preparation phases through the SDM. This culminated in the signing and ratification of an intergovernmental agreement for the ALCoMA in October 2018. The feasibility and detailed design study for the project is planned to commence by January 2019, and will be funded by the AfDB and EU.

GIZ also supported technical dialogue on project preparation and finance at an event that was held in Victoria Falls, Zimbabwe, in March 2018, as well as the development of a template ToR with a preparation guide for PIDA energy and transport projects. This will enhance capacity at project-management levels and improve the ability to prepare projects that will eventually be bankable.

Another related initiative is the establishment of an Expert Service Pool that will support PIDA projects during the early phases and rapidly deploy consultants at a project level.

Moreover, the PIDA Quality Label that will be awarded to projects in the early phases to confirm their development orientation and viability, together with preparation funds, is being developed.

3. Information management:

Now operational, the PIDA Information Management for impact reporting is used to quantify the number of kilometres of roads, railway and transmission lines that have been constructed, in addition to the number of houses connected to energy distribution grids under the programme.

A GIZ-supported AU/NEPAD M&E system has assisted more than 50 PIDA projects to advance in their implementation. To date, 16 066 km of road, 4 077 km of railway lines and 3 506 km of transmission lines have already been constructed. These achievements have been complemented by the digital connection of 17 countries via optic-fibre cables. Notably, about 112 900 direct and 49 400 indirect jobs were created during the construction and operational phases of these PIDA projects.

4. Continental Business Network (CBN):

The GIZ supports the engagement of the private sector in project preparation and implementation through the CBN.

In this regard, the CBN also suggested continental policy recommendations, such as the De-Risking Infrastructure Report and the 5% Agenda to facilitate infrastructure investment.

In 2018, GIZ supported the market packaging of the Ruzizi III Hydropower Plant and Lamu Port projects, both of which seek backing from the private sector.

5. Training in public-private partnerships

In 2018, GIZ supported the second series of training on PPPs. These sessions were attended by 26 people from national, regional and continental organisations. They benefited from modules that were designed to strengthen the skills and expertise of public officials to better prepare, structure, negotiate, procure and manage large-scale infrastructure PPPs.



United Nations Economic Commission For Africa (UNECA)

UNECA played a critical role in advocating for the implementation of PIDA at various global and strategic partnership platforms.

For example, ECA worked closely with AUC and NEPAD to identify PIDA projects to be showcased at the 2018 Beijing Summit at the FOCAC. Some of these projects were also highlighted at an event on African energy interconnection that was jointly organised by the GEIDCO, ECA and AUC.

UNECA also continues to work closely with the AUC to promote the implementation of the TAH network. Both organisations have already developed a roadmap to accelerate the ratification and implementation of the intergovernmental agreement for the harmonisation of norms and standards of TAH.

In response to a request made by the AU Assembly, ECA collaborated with NEPAD Agency and various RECs to develop a common framework to harmonise policies, laws and regulations on investment in PIDA projects. Specific focus was placed on the 16 infrastructure projects endorsed at the DFS 16. The AU Assembly endorsed the framework, namely the PIDA Model Law on Investment in Transboundary Infrastructure, in January 2018. Eight sections and 23 articles of the PIDA Model Law address

those issues relating specifically to various investment concerns by the private sector. These include procurement, movement of persons, goods and services, profit repatriation, as well as dispute resolution.

Using ISO 31000, ECA also comprehensively mapped risks relating to investment in the DFS 16. This has enabled a better understanding of investment risks and identified ways in which to mitigate them to attract private-sector investment.

ECA has also responded to a request made by the NPCA to undertake a study into possible trading scenarios and arrangements for EAPP and SAPP. The outcome of the study will include template trading documents, recommended tariff schemes and institutional frameworks to ensure effective transactions to mitigate risk for potential financiers.

The governments of Kenya, Tanzania and Zambia have agreed to connect their power systems to enhance power security and reliability, while fostering economic development in East Africa. This enhanced cross-border electricity trade in the region will be facilitated by the ZTK Interconnector Project. It can be viewed as an “international four-lane highway” that facilitates the flow

of electricity in both directions, originating from and destined to other EAPP and SAPP countries.

Working with Swiss-based RWG, ECA is advocating the LRP as an option for railway rolling stock financing for Africa. Adopted at a diplomatic conference that was hosted in Luxembourg in 2007, the LRP will extend the Cape Town Convention to apply to all railway equipment, including light rail, metro trains and trams. Moreover, it provides a new common legal framework throughout Africa for securing lessors of, and secured lenders on, railway rolling stock. ECA has, by way of meetings and presentations in 2018, advised and educated interested participants from the African public and private sectors on the merits of deploying private credit and leasing to provide the financial resources needed to revitalise and expand the African rail network.

In 2019, ECA will advise African States on the implementation of the Protocol through meetings, seminars, articles and other documentation, while working closely with the AU, NPCA, RECs, as well as regional and pan-African development banks and agencies.

Way forward

ECA will work closely with AUC, NPCA and AfDB to develop a strategy for mainstreaming Africa’s regional infrastructure projects, especially those under the PIDA banner. These strategic partnerships include, among others, FOCAC, especially the Belt and Road initiative; the TICAD; and EU-Africa Infrastructure Partnership.

This will facilitate a coordinated approach to Africa’s participation in these strategic partnerships and ensure that PIDA remains at the top of the continent’s infrastructure agenda.

Moreover, ECA will work with NPCA and the RECs to domesticate the PIDA Model Law in African countries in line with a decision taken by the AU Assembly.

It will also work closely with AUC and NPCA to crowd-in private sector investment in PIDA projects, while ensuring that they are climate resilient and that road safety has been mainstreamed during their design and construction phases.



European Union (EU)

Fifth AU-EU Summit (November 2017)

It was agreed at the summit to continue to promote intra-Africa trade and advance greater economic integration by building on the PIDA, as well as NEPAD programmes and AU Agenda 2063 flagship projects. This is in addition to promoting full implementation of the 1999 Yamoussoukro Decision with a view to establishing and strengthening a SAATM.

New Africa- Europe Alliance (September 2018)

The commission adopted a communication on a new Africa-Europe Alliance for Sustainable Investment and Jobs. It builds on those political partnerships with Africa that were further confirmed at the Abidjan AU-EU Summit. The alliance envisages a coherent economic strategy that focuses on Africa's economic potential and the mobilisation of the private sector, with the intention of strengthening investment and job creation in Africa. Advanced in partnership with Africa, it will unite and coordinate actions of the EU and its members. Connectivity and infrastructure investments are critical to fully capitalise on job and growth creation opportunities.

PIDA – Request from AU at the RGI:

Proposed result:	Timeline:
The strategic framework for regional infrastructure development on the continent for PIDA PAP 2 from 2020 to 2030 will be elaborated.	April 2019
RECs, member states and other participants from the private sector and civil society will be capacitated and pro-actively engaged in the development of the PIDA PAP 2.	July 2019 to July 2021
The PIDA PAP 2 will be presented to the AU Summit for adoption.	January 2020
14 PIDA projects will obtain a PIDA Quality Label during early-stage preparation and subsequent funding from PPFs.	April 2021
The CBN will provide funding from the private sector for 10 PIDA projects to contribute to their advancement by at least one implementation stage.	July 2021
Adequate resources will be mobilised for project preparation and implementation.	July 2020
The PIDA Information System will report on PIDA implementation status and promote job creation through infrastructure development.	January 2021

AU Support Programme from 2019 to 2022:

The support programme will contribute towards the transformation of the AUC into an efficient institution that adds value to accelerate the AU institutional reform process, guide the advancement of Agenda 2063 and consolidate the partnership between the EU and AU.

It comprises two components, namely institutional strengthening, as well as policy development and coordination with the RECs. Support is provided to

implement the PIDA and a contribution is made towards the second phase of the process.

The programme also contributes towards specific flagship infrastructure projects according to the commitments made at the AU-EU Abidjan Summit commitments. Some examples include the AREI, AEEP, AU Agenda 2063 flagship projects and SAATM.

It is aligned with the AUC MTP 2018-2023 and advances continental integration through:

- PIDA;

- AREI;
- energy development cooperation initiatives, which have been enhanced through the AEEP;
- continental infrastructure policies and regulatory frameworks for transport, energy and ICT; and
- continental e-governance framework.

Flagship projects of Agenda 2063 include:

- SAATM; and
- Africa Outer Space Strategy

The Development Bank of Southern Africa (DBSA)

African DFIs now have a greater role to play in closing the rapidly growing infrastructure gap, as noted at the launch of the Africa Investment Forum in Sandton, South Africa, in November 2018.

DFIs support African governments and political bodies drive the implementation of these priority infrastructure programmes and projects. In so doing, they complement the role played by NEPAD Agency in identifying and unlocking priority projects on the continent.

The DBSA strives to create a prosperous and integrated resource-efficient region, progressively free of poverty and dependency.

It continues to contribute towards the delivery of the goals of the NEPAD Agency and, specifically, those objectives of the CBN. It achieves this objective by providing project-preparation support through the various DBSA-managed funds. This is in addition to capacity support to

governments on key topics to develop public institutions' capability to deliver their priority projects.

Continental Business Network (CBN)

The DBSA's new strategy aims to unlock more private sector and institutional investments into infrastructure projects in Africa and to play a catalytic role throughout the infrastructure-development cycle.

The OECD estimates that only a percent of pension fund assets are allocated directly to infrastructure projects and these approximations are from the larger pool of pension funds and global institutional investors. The African Pension and Sovereign Wealth Fund Infrastructure Co-Investment Platform is, therefore, an important initiative that explores in detail ways in which to de-risk large infrastructure projects more effectively. This is in addition to mobilising the necessary local and international institutional investments into infrastructure assets.

DBSA supported the NEPAD agency with the CBN initiative by providing financial support towards technical meetings where modalities of establishing an aggregated financial guarantee mechanism were discussed and the follow on workshops that focused on establishing financial guarantee mechanisms for PIDA infrastructure projects.

Project Preparation funding

The 2017 PIDA Update Report notes that about 44% of its 306 projects are still in the preparation phases. Investors often highlight the lack of investment-ready projects as one of the key reasons for the lack of capital flows into African infrastructure projects. The DBSA has, therefore, partnered various institutions to invest more funding into the preparation of infrastructure projects and is managing some of these strategic funds. Two sound examples include:

- **SADC PPDF:** This initiative provides technical assistant grants for infrastructure identification, preparation and feasibility studies for projects in the SADC region. The fund, which is administered and managed by the DBSA and funded by the EU and the German government through KfW, focuses on preparing projects that will enable regional integration within SADC.
- **EU's IIPSA:** This is a joint initiative between the South African government and the EU. The fund is administered by the DBSA and seeks to provide project-development funding for infrastructure in South Africa and the larger SADC region. Trans-border and national projects that demonstrate a significant regional impact potential can qualify.

The following selected projects are being funded through these initiatives:

Project Name	Sector	Country	Amounts approved	Project Stage
North-South Rail Corridor	Transport	SADC	US\$962 000	Pre-feasibility
Kasomeno-Mwenda Toll Road	Transport	DRC/Zambia	US\$3 000 000	Bankable feasibility
Mozambique- Zimbabwe Interconnector	Energy	Mozambique/SouthAfrica	US\$1 500 000	Pre-feasibility
Second Alaska Sherwood 400 kv Line	Energy	Zimbabwe	US\$2 100 000	Pre-feasibility
Luapula Hydro Power Development	Energy	Zambia/DRC	US\$3 500 000	Pre-feasibility
Angola - Namibia Transmission Interconnector	Energy	Angola/Namibia	US\$550 000	Concept studies
Mulembo-Lelya Hydro Electric Power	Energy	Zambia	US\$2 000 000	Pre-feasibility
Botswana-South Africa Interconnector	Energy	Botswana/South Africa	US\$2 600 000	Pre-feasibility

Led by the AfDB, Batoka Gorge is now under review by the DBSA as are the funds of up to US\$3-million it is managing for project preparation support.

A total of 12 key North-South Rail Corridor-related capital projects were identified in the pre-feasibility study.

A service provider was also recently appointed to make institutional, legal and funding recommendations for projects. This is in addition to advising on a procurement approach on the institutional and funding structures.

The DBSA also approved preparation funding for the Lamu-Isiolo Road, and is working closely with the LAPSSET Corridor and the Kenyan government in developing this project.

Capacity-building support

In 2017, SIF and NEPAD Agency signed an Aide Memoire to collaborate in developing the web service provided by the VPIC to link with SOURCE, as well as the type and format of information to be shared on the SIF project-preparation platform.

SOURCE is a joint global initiative by the MDBs in response to the G20 to bridge the global infrastructure gap and advance the UN sustainable development agenda by delivering well-prepared projects.

SIF coordinates the provision of SOURCE to global users to aid capacity building on a long-term basis with a focus on project preparation.

The DBSA partnered NEPAD and the SADC to introduce, SOURCE, to government departments and senior officials.

It provides them with a global standard in software that is reliable, secure and user-friendly to maximise financing

options, which includes PPPs, by providing well-prepared projects to an international community of contractors, investors and lenders in a consistent and transparent manner.

Private-sector participants, MDBs and DFIs fund the services and government institutions are able to access them for free.

The following SOURCE-related capacity development was provided:

- **Train-the-trainer:** On the 26th of March, a training session was held for employees of SADC, DBSA and NEPAD in the use of SOURCE.
- **A training session in Port Louis, Mauritius:** Training was undertaken together with the MFED and representatives from 18 IAs. Some of these included the Ministry of Housing and Lands, Ministry of Health and Quality of Life, Ministry of Energy and Public Utilities and Mauritius Port Authority. Held from the

27th to the 29th of March, the workshop presented the approach and functionalities of SOURCE. The training also included exercises to familiarise participants in the use of the platform to better prepare and manage projects. It was supported by SADC and DBSA representatives, who were trained in Johannesburg under the supervision of SIF.

The DBSA has been requested by the government of Mauritius to provide support in integrating SOURCE into its planning processes for all infrastructure projects. It also received similar requests from the Mozambican government and South African municipalities.

DBSA is in discussion with the AfDB and European partners to determine ways in which to collaborate in supporting the various governments that intend implementing the software program as an instrument for project preparation.



Global Water Partnerships (GWP)

The AUC, NEPAD Agency, AfDB, AWF, AMCOW and GWP unveiled the PIDA Water Project at the World Water Week in Stockholm, Sweden.

At a side event, organising institutions for the PIDA Water Project called upon AMCOW to support the partnership to prioritise and accelerate implementation of water infrastructure to contribute towards Africa's development agenda.

The partners also signed a communique in Stockholm that called for the nomination of an AU Presidential Championship on Water to promote investment in the sector. In addition, they acknowledged the need for support to accelerate project preparation and financing of priority PIDA Water transboundary projects expressed by partners and stakeholders. This is in addition to fostering a water-food-energy-environment nexus approach to the development of hydropower projects

through the implementation of the PIDA Water Project from 2019 to 2024.

Moreover, the session encouraged close cooperation with the AU member states sponsoring the individual water and hydropower projects.

Emphasis was also placed on the active mobilisation and involvement of the private sector and the AU's technical, financial and implementing partners to transform and

improve the investment outlook for water security and sustainable sanitation in Africa.

The GWP expressed its readiness to also support PIDA PAP2 on water-related matters. In addition, it is prepared to second an expert to assist in building a pipeline of water-related projects under the second phase of the programme.

Meanwhile, NEPAD, GWP and the chairperson of GWP Africa signed a MoU at PIDA Week 2018.



TRANSNET

BRICS Business Forum at the Ninth BRICS Summit

During his keynote address at the Ninth BRICS Business Forum, Chinese President, Xi Jinping, called for the promotion of a BRICS Plus approach to building a diversified network of development partners. This transcends the BRICS agenda beyond the five member states by placing significant emphasis on cooperation with other emerging market and developing countries and effectively engaging with them.

Continental and inter-regional cooperation and integration efforts have been ongoing for several decades. Theory

and practical experience have proved that such cooperation can make a meaningful contribution towards capacity, infrastructure and economic development across countries and regions.

The theme for the 2018 BRICS Summit was BRICS in Africa: Cooperation with Developing Countries for Inclusive Growth and Shared Prosperity in the Fourth Industrial Revolution. In line with this theme, one of the IWG's focus areas for the 2018 Chairmanship was to create and foster relationships with the AU and SADC through the Africa Outreach Initiative. This was achieved by inviting NEPAD Agency to participate in the BRICS-SA IWG.

The following recommendations were made:

- BRICS member states must collaborate instead of compete. A paper on mutual cooperation will, therefore, be developed for consideration by the Working Group, and forwarded to the BRICS Business Council for approval.
- A desk dedicated to women and youth in infrastructure needs to be established. Among others, it will explore the possibility of establishing an exchange programme within BRICS. Moreover, member states of the working group were requested to forward their initiatives focusing on the development of women

and youth and to consolidate them. China and Russia indicated that they already had such programmes in place.

- Women- and youth-related Infrastructure Working Group programmes need to be aligned with the Skills Working Group to avoid duplication.
- Portal access needs to be made available to other member states as suggested by the chairperson.
- A sustainable blue economy declaration be developed and signed and such a proposal be forwarded to the Business Council in line with a suggestion made by the Indian delegation.



NEPAD Business Foundation (NBF)

In 2018, the technical component of the NSC study was completed and a series of projects were identified and recommended.

The identified projects were approved for further investigation and development by the NSC Project Steering Committee. Funding and institutional structuring for all identified projects is still to be completed.

Identified projects were further classified as short-, medium- and long-term in nature. Long-term projects include the upgrading and rehabilitation of railway tracks, signaling and telecommunications. This is in addition to the upgrading of axle loads, as well as the addition of crossing loops and multi-user freight terminals.

Medium-term projects entail the rehabilitation of existing and acquisition of new rolling stock.

Short-term projects comprise the development of a scheduled railway service; a pricing and revenue-sharing model; and structuring for institutional and funding for identified medium- to long-term projects.

Next steps:

- Continued implementation of the short-term projects as recommended by the NSC Study;
- Execution of the funding and institutional structuring for projects identified by the technical component of the NSC Study; and
- Securing project preparation funding to execute additional studies as recommended by the NSC Study.



ANNEXURE 1

Summary of PIDA Projects at Financial Close Stage

Programme Name	Project Name	Sector	Sub Sector	Status	Location	REC	Stage	Year
Ruzizi 3 Hydropower	Ruzizi III Hydropower Plant	Energy	Hydro Power Plant	Active	Democratic Republic of Congo, Rwanda	EAC	S3B: Transaction Support & Financial Close	2018
North-South Power Transmission Corridor	ZiZaBoNa Transmission Interconnector (Victoria Falls - Livingstone section)	Energy	Power Interconnector	Active	Zambia, Zimbabwe	SADC	S3B: Transaction Support & Financial Close	2017
North-South Power Transmission Corridor	ZiZaBoNa Transmission Interconnector (Livingstone - Katima Mulilo section)	Energy	Power Interconnector	Active	Zambia	SADC	S3B: Transaction Support & Financial Close	2017
North-South Power Transmission Corridor	ZiZaBoNa Transmission Interconnector (Hwange - Victoria Falls section)	Energy	Power Interconnector	Active	Zimbabwe	SADC	S3B: Transaction Support & Financial Close	2017
Central African Power Interconnection	Interconnexion des réseaux électriques du Cameroun et du Tchad:Chad-Cameroon Transmission Interconnector	Energy	Power Interconnector	Active	Cameroon	CEEAC-ECCAS	S3B: Transaction Support & Financial Close	2017
Fomi Multipurpose Dam	Fomi Multi-purpose Dam (Niger River Basin)	Water	Multi-purpose Reservoir	Active	Guinea	ECOWAS-CEDEAO	S3B: Transaction Support & Financial Close	2017
Central Multimodal Transport Corridor	Bujumbura - Rumonge-Nyanza Lac-Mugina (RN3) Road (168 km)	Transport	Road	Active	Burundi	EAC	S3B: Transaction Support & Financial Close	2017

Programme Name	Project Name	Sector	Sub Sector	Status	Location	REC	Stage	Year
Central Multimodal Transport Corridor	Nyahua-Chaya, Urambo-Kaliua, Kazirambwa-Chagu and Malagarasi-Uvinza Roads	Transport	Road	Active	Tanzania	EAC	S3B: Transaction Support & Financial Close	2016
Mphanda Nkuwa Hydropower	Mpanda Nkuwa Hydropower Plant (HMNK)	Energy	Hydro Power Plant	Active	Mozambique	SADC	S3B: Transaction Support & Financial Close	2016
Uganda-Kenya Petroleum Products Pipeline	Kenya-Uganda Petroleum Products Pipeline (Kenya section)	Energy	Petroleum/Gas Pipeline	Active	Kenya	EAC	S3B: Transaction Support & Financial Close	2016
Northern Multimodal Transport Corridor	Kampala-Kibuye Busega-Mpigi Expressway Road	Transport	Road	Active	Uganda	EAC	S3B: Transaction Support & Financial Close	2016
Northern Multimodal Transport Corridor	Eldoret - Kitale Road	Transport	Road	Active	Kenya	EAC	S3B: Transaction Support & Financial Close	2016
Central Multimodal Transport Corridor	Dar es Salaam Port Modernisation	Transport	Sea Port	Active	Tanzania	EAC	S3B: Transaction Support & Financial Close	2016
Central Multimodal Transport Corridor	Dar es Salaam New Container Terminal	Transport	Sea Port	Active	Tanzania	EAC	S3B: Transaction Support & Financial Close	2016
Trans-Maghreb Highway	Ras Adjir OSBP	Transport	Border Post	Active	Libya, Tunisia	UMA-AMU	S3B: Transaction Support & Financial Close	2013
Central Africa Hub Port and Rail Programme	Pointe Noire Port Upgrading	Transport	Sea Port	Active	Republic of Congo	CEEAC-ECCAS	S3B: Transaction Support & Financial Close	2013
Central Multimodal Transport Corridor	Kidahwe-Kanazi-Kasulu Road	Transport	Road	Active	Tanzania	EAC	S3B: Transaction Support & Financial Close	2013

ANNEXURE 2

Summary of PIDA Projects at Construction Phase

Programme Name	Project Name	Sector	Status	Location	REC	Stage	Year
Central Multimodal Transport Corridor	Dar es Salaam - Isaka - Mwanza/Kigali Standard Gauge Railway	Transport	Active	Tanzania	EAC	S4B: Construction	2018
ICT Terrestrial Broadband Connectivity	Freetown-Monrovia-Abidjan Fibre-optic Link (Liberia section)	ICT	Active	Liberia	ECOWAS-CEDEAO	S4B: Construction	2018
Internet Exchange Point (IXP) Programme	Guinea Internet Exchange Point (IXP)	ICT	Active	Guinea	ECOWAS-CEDEAO	S4B: Construction	2018
North-South Power Transmission Corridor	ZTK Transmission Interconnector (Kenya section)	Energy	Active	Kenya	EAC,COMESA,SADC	S4B: Construction	2018
West Africa Power Transmission Corridor	225 kV Côte d'Ivoire - Liberia - Sierra Leone - Guinea Interconnection Project	Energy	Active	Côte d'Ivoire, Guinea, Liberia, Sierra Leone	ECOWAS-CEDEAO	S4B: Construction	2018
Central African Inter-Capital Connectivity	Ketta-Djoum Road	Transport	Active	Cameroon, Republic of Congo	CEEAC-ECCAS	S4B: Construction	2017
Central African Inter-Capital Connectivity	Ndende - Doussala - Dolisie	Transport	Active	Gabon, Republic of Congo	CEEAC-ECCAS	S4B: Construction	2017
Central Multimodal Transport Corridor	Nyakarara - Mwaro - Mweya -Gitega (RN18) Road Upgrade	Transport	Active	Burundi	EAC	S4B: Construction	2017

Programme Name	Project Name	Sector	Status	Location	REC	Stage	Year
Grand Ethiopian Renaissance Dam	Grand Ethiopian Renaissance Dam (GERD)	Energy	Active	Ethiopia	COMESA	S4B: Construction	2017
ICT Terrestrial Broadband Connectivity	Bissau-Conakry Fibre-optic Link (Guinea section)	ICT	Active	Guinea	ECOWAS-CEDEAO	S4B: Construction	2017
ICT Terrestrial Broadband Connectivity	Conakry-Abidjan Fibre-optic Link (Guinea section)	ICT	Active	Guinea	ECOWAS-CEDEAO	S4B: Construction	2017
ICT Terrestrial Broadband Connectivity	Conakry-Bamako Fibre-optic Link (Guinea section)	ICT	Active	Guinea	ECOWAS-CEDEAO	S4B: Construction	2017
ICT Terrestrial Broadband Connectivity	Conakry-Freetown Fibre-optic Link (Guinea section)	ICT	Active	Guinea	ECOWAS-CEDEAO	S4B: Construction	2017
Internet Exchange Point (IXP) Programme	Algeria IXP	ICT	Active	Algeria	UMA-AMU	S4B: Construction	2017
Internet Exchange Point (IXP) Programme	Cameroon IXP	ICT	Active	Cameroon	CEEAC-ECCAS	S4B: Construction	2017
Internet Exchange Point (IXP) Programme	Cape Verde IXP	ICT	Active	Cabo Verde	ECOWAS-CEDEAO	S4B: Construction	2017
Internet Exchange Point (IXP) Programme	CAR Internet EXchange Point	ICT	Active	Central African Republic	CEEAC-ECCAS	S4B: Construction	2017
Internet Exchange Point (IXP) Programme	Chad IXP	ICT	Active	Chad	CEEAC-ECCAS	S4B: Construction	2017

Programme Name	Project Name	Sector	Status	Location	REC	Stage	Year
Internet Exchange Point (IXP) Programme	Comoros IXP	ICT	Completed	Comoros	COMESA	S4B: Construction	2017
Internet Exchange Point (IXP) Programme	Egypt Regional Internet Exchange Point(RIXP)	ICT	Active	Egypt	COMESA	S4B: Construction	2017
Internet Exchange Point (IXP) Programme	Equatorial Guinea Intenet EXchange Point (IXP)	ICT	Active	Equatorial Guinea	CEEAC-ECCAS	S4B: Construction	2017
Internet Exchange Point (IXP) Programme	Guinea-Bissau IXP	ICT	Active	Guinea-Bissau	ECOWAS-CEDEAO	S4B: Construction	2017
Internet Exchange Point (IXP) Programme	Kenya Regional Internet Exchange Point(RIXP)	ICT	Active	Kenya	EAC	S4B: Construction	2017
Internet Exchange Point (IXP) Programme	Niger IXP	ICT	Active	Niger	CEEAC-ECCAS	S4B: Construction	2017
Internet Exchange Point (IXP) Programme	Nigeria Regional Internet Exchange Point(RIXP)	ICT	Active	Nigeria	ECOWAS-CEDEAO	S4B: Construction	2017
Internet Exchange Point (IXP) Programme	Republic of Congo Regional Internet Exchange Point(RIXP)	ICT	Active	Republic of Congo	CEEAC-ECCAS	S4B: Construction	2017
Internet Exchange Point (IXP) Programme	Sao Tome IXP	ICT	Active	Sao Tome and Principe	CEEAC-ECCAS	S4B: Construction	2017
Internet Exchange Point (IXP) Programme	Somalia IXP	ICT	Active	Somalia	IGAD	S4B: Construction	2017

Programme Name	Project Name	Sector	Status	Location	REC	Stage	Year
Internet Exchange Point (IXP) Programme	South Africa Regional Internet Exchange Point (RIXP)	ICT	Active	South Africa	SADC	S4B: Construction	2017
Internet Exchange Point (IXP) Programme	South Sudan IXP	ICT	Active	South-Sudan	IGAD	S4B: Construction	2017
Internet Exchange Point (IXP) Programme	Togo IXP	ICT	Active	Togo	ECOWAS-CEDEAO	S4B: Construction	2017
Lesotho HWP Phase 2 Water Transfer Component	Lesotho Highlands Water Project (LHWP) Phase II	Water	Active	Lesotho	SADC	S4B: Construction	2017
Trans-African Highway Programme	TAH2: Algiers to Lagos - Missing Road Links in Niger	Transport	Active	Niger	ECOWAS-CEDEAO	S4B: Construction	2017
West Africa Power Transmission Corridor	330 kV Ghana – Togo – Benin Transmission Interconnection Project	Energy	Active	Benin, Ghana, Togo	ECOWAS-CEDEAO	S4B: Construction	2017
Abidjan-Lagos Coastal Transport Corridor	Elubo/ Noe One-Stop Border Post (OSBP)	Transport	Active	Côte d'Ivoire, Ghana	ECOWAS-CEDEAO	S4B: Construction	2016
Central Multimodal Transport Corridor	Chaya-Manyoni Road	Transport	Active	Tanzania	EAC	S4B: Construction	2016
Central Multimodal Transport Corridor	Kidahwe-Uvinza Road	Transport	Active	Tanzania	EAC	S4B: Construction	2016
Central Multimodal Transport Corridor	Malagarasi Bridge and Approach Roads	Transport	Active	Tanzania	EAC	S4B: Construction	2016

Programme Name	Project Name	Sector	Status	Location	REC	Stage	Year
Central Multimodal Transport Corridor	Mpanda - Kanazi Road	Transport	Active	Tanzania	EAC	S4B: Construction	2016
Central Multimodal Transport Corridor	Mpanda-Kasulu-Nyakanazi and Kasulu-Kigoma Roads	Transport	Active	Tanzania	EAC	S4B: Construction	2016
Central Multimodal Transport Corridor	Nzega-Tabora Road	Transport	Active	Tanzania	EAC	S4B: Construction	2016
Central Multimodal Transport Corridor	Urambo-Taboro Road	Transport	Active	Tanzania	EAC	S4B: Construction	2016
Djibouti-Addis Transport Corridor	Galafi OSBP	Transport	Active	Djibouti, Ethiopia	COMESA	S4B: Construction	2016
Northern Multimodal Transport Corridor	Bachuma Gate – Maji ya Chumvi Road	Transport	Active	Kenya	EAC	S4B: Construction	2016
Northern Multimodal Transport Corridor	Katuna/Gatuna OSBP	Transport	Active	Rwanda, Uganda	EAC	S4B: Construction	2016
Northern Multimodal Transport Corridor	Mombasa Southern Bypass Road	Transport	Active	Kenya	EAC	S4B: Construction	2016

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