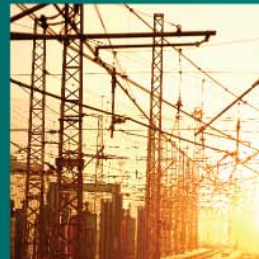




Progress Report 2017



AFRICAN DEVELOPMENT BANK GROUP
GROUPE DE LA BANQUE AFRICAINE
DE DEVELOPPEMENT

PIDA Progress Report 2017

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.

For feedback on this report, please email: DaphineM@nepad.org.

ISBN: 978-0-6399232-0-8-PIDA

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Recommended citation: NEPAD Agency, African Union Commission, African Development Bank, 2017, PIDA Progress Report 2017, NPCA, AUC, AfDB, Midrand, Addis Ababa, Abidjan.


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List of Acronyms

AA	Action Agenda	DCA	Djibouti Corridor Authority
AEWPP	Africa-EU Water Partnership Project	DFAT	Australian Department of Foreign Affairs and Trade
ADEPI	L'Agence pour le Développement et la Promotion d'Inga	DFI	Development Finance Institution
ADPI-DRC	Agency for the Development and Promotion of the Grand Inga Project	DFID	Department for International Development
AEC	African Economic Community	DFS	Dakar Financing Summit
AfDB	African Development Bank	DG DEVCO	European Commission's Directorate-General for International cooperation and Development
AfIF	African Investment Facility	DIRCO	South African Department of International Relations and Cooperation
AFUR	African Forum for Utility Regulators	DRC	Democratic Republic of Congo
Ai	Africa investor	DSS	Detailed Scoping Study
AID	African Infrastructure Database	EAC	East African Community
AIDA	Accelerating Industrial Development in Africa	EAPP	Eastern Africa Power Pool
AIHSRN	African Integrated High Speed Railway Network	EASSY	East African Submarine Cable System
AITF	African Infrastructure Trust Fund	ECA	Economic Commission for Africa
ALCO	Abidjan-Lagos Corridor	ECCAS	Economic Community of Central African States
ALCOma	Abidjan-Lagos Corridor Management Authority	ECG	Electricity Company of Ghana
AMA	Arab Maghreb Union (refer UMA)	ECOWAS	Economic Community of West African States
AMCOW	African Ministers Council on Water	EGNOS	European Geostationary Navigation Overlay Service
APV	Africa Power Vision	EIB	European Investment Bank
AREI	Africa Renewable Energy Initiative	EIP	External Investment Plan
ASII	Africa Strategic Infrastructure Initiative	EIRR	Economic Internal Rate of Return
AU	African Union	EPD	Energy Private Developers
AUC	African Union Commission	ESIA	Environmental and Social Impact Assessment
AUC-DIE	African Union Commission – Department of Infrastructure and Energy	EU	European Union
AUM	Assets Under Management	Eximbank	Export Import Bank
AUPG	AU Partner Group	FMCG	Fast Moving Consumer Goods
AVID	African Investment and Integration Desk	GLZ	Deutsche Gesellschaft für Internationale Zusammenarbeit
AXIS	African Internet Exchange System	GDC	Geothermal Development Company
BDC	Beira Development Corridor	GRX	GSM Roaming Exchange
BIAT	Boosting Intra-African Trade	GTAP	Global Trade Analysis Project
BMZ	German Federal Ministry for Economic Cooperation and Development	HSGOC	Heads of State and Government Orientation Committee
BOAD	West African Development Bank	IAG	Infrastructure Advisory Groups
CBN	Continental Business Network	IAIDA	Institutional Architecture for Infrastructure Development in Africa
CDN	Continent Delivery Network	ICA	Infrastructure Consortium for Africa
CcTLD	County Code Top Level Domain Name	ICT	Information and Communications Technology
CC	Central Corridor	IDB	Islamic Development Bank
CCTTFA	Central Corridor Transit Transport Facilitation Agency	IDC	Industrial Development Corporation
CDIP	Corridor Development Investment Program	IGAD	Intergovernmental Authority on Development
CID	Council for Infrastructure Development	IMR	International Mobile Roaming
CMA	Corridor Management Authority	IP	Investment Prospectus
COMESA	Common Market for Eastern and Southern Africa	IP3	Institute for Public Private Partnerships
CP3P	Certified PPP Professional Foundation Program	IPP	Independent Power Producer
CTI	Confederation of Tanzanian Industries	IPPF	Infrastructure Project Preparation Fund
CIWA	Cooperation in International Water for Africa DBSA Development Bank of Southern Africa	IRIMP	IGAD Regional Infrastructure Master Plan





IS4D	Infrastructure Skills for Development	PPP	Public Private Partnership
ISP	Internet Service Provider	PSC	PIDA Steering Committee
IWRM	Integrated Water Resource Management	PURC	Public Utility Regulatory Commission
IXP	Internet Exchange Point	PCOA	Put Call Option Agreement
JAES	Joint Africa-EU Strategy	QaE	Quality at Entry Criteria
JIC	Joint Implementation Committee	RAP	Resettlement Action Plan
JICA	Japan International Cooperation Agency	RBO	River Basin Organization
JTC	Joint Technical Committee	RCC	Roller-Compacted-Concrete
KfW	Kreditanstalt fuer Wiederaufbau	REAP	Renewable Energy Access Programme
LAPSSET	Lamu Port Southern Sudan-Ethiopia Transport	REC	Regional Economic Community
L/RBO	Lake and River Basin Organizations	REol	Request for Expression of Interest
LRP	Livelihood Restoration Program	RfP	Request for Proposal
M&E	Monitoring and Evaluation	RGI	Reference Group on Infrastructure
MDB	Multilateral Development Bank	RIITP	Regional Integration, Infrastructure and Trade Programme
MoU	Memorandum of Understanding	SADA	Shared Aquifer Diagnostic Analysis
MSIOA	Multi-sectoral Investment Opportunity Analysis	SADC	Southern African Development Community
MTW	Ministry of Transport and Works	SA	Specialized Agencies
MW	Mega Watt	SAP	Strategic Action Programme
NBF	NEPAD Business Foundation	SAPP	Southern African Power Pool
NDP	National Development Plan	SDIP	Sustainable Development Investment Partnership
NCTCA	Northern Corridor Transit and Transport Coordination Authority	SDG	Sustainable Development Goal
NELSAP	Nile Equatorial Lakes Subsidiary Action Program	SDM	Service Delivery Mechanism
NEPAD IPPF	NEPAD Infrastructure Project Preparation Fund	SE4ALL	Sustainable Energy for All
NPCA	NEPAD Planning and Coordination Centre	SECO	Swiss Agency for Development and Cooperation
NSC	North-South Corridor	SO	Strategic Objectives
ODA	Overseas Development Assistance	SPV	Special Purpose Vehicle
OFBI	Optical Fibre Backbone Infrastructures	SRII	SADC Region Information Infrastructure
OMVG	Gambia River Basin Development Organization	STC	Specialized Technical Committee
OPIC	Overseas Private Investment Corporation	TAH	Trans-African Highway
OPPI	Office for Promoting Private Power Investment	TICAD VI	Tokyo International Conference on African Development
OSBP	One Stop Border Post	TLS	Traffic Light System
PACBP	Pan African Capacity Building Programme	ToR	Terms of Reference
PACDICE	Plan for the Deployment of Electronic Communications Infrastructures	TTFA	Transit Transportation Facilitation Agency
PAP	PIDA Priority Action Plan	TFP1	Transport Facilitation Programme 1
PCOA	Put Call Option Agreement	TWM	Trans Boundary Water Management
PDAMDC	Praia-Dakar-Abidjan Multi-modal Development Corridor	UMA	Union du Maghreb Arabe
PICI	Presidential Infrastructure Champion Initiative	UN	United Nations
PIDA	Programme for Infrastructure Development in Africa	UNECA	UN Economic Commission for Africa
PIDA CAP	PIDA Capacity Building Project	UNRA	Uganda National Roads Authority
PIDA PAP	PIDA Priority Action Plan	USAID	US Agency for International Development
PIDA SDM	PIDA Service Delivery Mechanism	VPIC	Virtual PIDA Implementation Centre
PIP	Public Investment Plans	WB	World Bank
PIU	Project Implementation Unit	WCO	World Custom Organization
PLR	Policy, Legal and Regulatory	WEF	World Economic Forum
PP	Power Pools	ZTK	Zambia-Tanzania-Kenya
PPA	Power Purchase Agreement	ZRA	Zambezi River Authority
PPFN	Project Preparation Facilities Network		

1 Foreword

Dr Ibrahim Assane Mayaki,
the NEPAD Agency CEO



Currently, half of Africa's population of 1.1 Billion is under 25 years young and it is estimated that 300 million youth will enter the African labour markets until 2030. Additionally, there is a mismatch between skills demand and supply to absorb this socio-economic capability via a well-educated and skilled workforce. The African Union recognised this potential by naming 2017 as the year of Harnessing the Demographic Dividend through Investments in Youth. As a matter of fact, in March 2017, the AU Member States' Ministers for Transport, Transcontinental and Interregional Infrastructure, Energy and Tourism emphasized regional infrastructure as a key leverage to create jobs and invited AUC and NEPAD Agency to consider job creation a vital element during the implementation of the Programme for Infrastructure Development in Africa (PIDA).

Officials from the African Union (AU), the NEPAD Agency and the African Development Bank (AfDB) reaffirmed their commitment to ensure employment opportunities are included in infrastructure project design to create inclusive growth and sustainable development in Africa. The pledge was made at the closing ceremony of the second annual PIDA Week in Abidjan, Côte d'Ivoire in 2016. Consequently, the NEPAD Agency, as the AU's technical implementing organ, developed the PIDA Job Creation Online Toolkit to capitalize on the demographic dividend for job creation and wider regional economic development via PIDA infrastructure projects. This is as well underscored by this year's theme for PIDA Week "Regional Infrastructure Development for Job Creation and Economic Transformation."

Secondly, this year, infrastructure financing has also been the

key topic of PIDA's deliberation. Closing the infrastructure deficit is vital for Africa's economic prosperity and sustainable development. The costs of closing Africa's infrastructure gap are enormous. The PIDA project will cost around US\$ 360 billion between 2011 and 2040, with significant investments required by 2020. Such costs are beyond the financing capacities of African governments or even Development Finance Institutions (DFIs) and Multilateral Development Banks (MDBs). Therefore, a concerted effort has to be made to bring on-board all stakeholders that can pool in funds towards the financing of PIDA.

Attracting private sector participation through Public-Private Partnerships (PPPs) is therefore essential for the delivery of various infrastructure projects envisioned under PIDA. PIDA delivery will depend on effective Public-Private sector Partnerships (PPPs) and not just on the public sector or DFIs and MDBs. A clear and transparent regulatory framework is the foundation for a conducive business environment. For private investors to come on board, governments will need to create the right legislative, regulatory and institutional environment. Demonstrating political commitment by the government is key to attracting investors.

The Continental Business Network (CBN) is continuing its agenda towards de-risking infrastructure projects as a key element to attract financing. Pension and Sovereign Wealth Funds emerged as the key catalyst to close this financing gap. In September 2017, the NEPAD Agency, under the guidance of the CBN, has initiated a revolutionary campaign that is Africa-led and Africa-owned, aimed at





increasing the allocations of African asset owners to African infrastructure from its currently low base of approximately 1.5% of their Assets Under Management (AUM) to an impactful 5% of AUM. NEPAD-CBN, called for a more strategic engagement with domestic institutional investors in support of this campaign. The purpose of the 5% Agenda campaign is to work with Pension and Sovereign Wealth Funds including Ministers of Finance to gradually increase infrastructure investments, using financial resources available on the continent and strengthen public-private partnerships to mobilize financial and global institutional investments. There is need therefore, for policy makers to create an environment for pension and SWFs which will enable them to invest in large-scale infrastructure projects in Africa under the appropriate reform national and regional regulatory frameworks that will guide institutional investment in Africa.

2017 also saw the commissioning of the Continental High Speed Railway Network Project, an AU Commission-led initiative- designed to interconnect all African Capitals- including major economic, commercial and industrial hub - with appropriate high-speed rail infrastructure and technology. I am once again glad to inform you that our enhanced M&E System (VPic/ AID) has been revamped with more features fulfilling its promise in supplying the required infrastructure status information on PIDA implementation. Please visit the new VPic website: <http://www.au-pida.org>.

Let me conclude with these three critical points:

Africa must take leadership in financing its infrastructure projects, with African Pension and Sovereign Wealth Funds playing their rightful role.

Africa's regional infrastructure development is the foundation for the African transformation that we all expect and want, and the implementation of regional infrastructure projects will accelerate industrialisation and trade.

The 5% Agenda is revolutionary and another critical game changer that will drive financing by institutional investors into Africa's national and regional infrastructure projects, through the de-risking of projects

As always, I thank our partners and stakeholders for their continued commitment to the Programme and call upon your support and count on your usual determination in ensuring that the PIDA projects and Africa's infrastructures are prioritized particularly as we come to the end of PIDA PAP in 2020.



2 Executive Summary

As a follow-up to the endorsement of the Programme for Infrastructure Development in Africa by the African Union Assembly in January 2012, in Addis Ababa, Ethiopia, the first ever Financing Summit for infrastructure development on the continent named the Dakar Financing Summit (DFS) was held in June 2014 under leadership of President Macky Sall. It was at this Summit that the NEPAD Agency and its partners showcased 16 PIDA projects that had a potential of bankability.

The Summit identified four challenges as grid locks to PIDA implementation and added that the lack of private sector involvement was one of the four challenges, the other three being the lack of capacity, lack of funding for project preparation and the lack of adequate financing.

Since the DFS, NEPAD has restructured its delivery mechanism towards an effective approach on advancing PIDA implementation. NEPAD has been able to develop:

- **Service Delivery Mechanism (SDM)** The early-stage project preparation facility which this year has been focusing on the Commissioning of the Economic Community of West African States (ECOWAS). The objective was to advise with the institutional and legal establishment of a transnational corridor management authority to move the Abidjan–Lagos Transport Corridor from project origination to pre-feasibility stage. It is the expectation of the African Union's leadership and partners that this project provides a model for corridor facilitation throughout the continent, demonstrating the efficiency resulting from high-level political commitment and engagement in the development of cross-border infrastructure projects in Africa.
- **Policy legal and Regulatory Support (PLR)** to guide countries in the tariff setting and subsidy design and to provide infrastructure policy with related work. This year, the PLR, in conjunction with UNECA, have developed a model law to enhance investment in trans boundary infrastructure and have also commissioned a comprehensive study of the risks that pertain to investment in trans boundary infrastructure in Africa.
- **Continental Business Network (CBN)** A private sector platform to engage on PIDA Projects and public-sector decision makers. The CBN's focus has been on de-risking African infrastructure projects as a remedy to attract private finance. A de-risking report was produced and one of its main recommendations was to involve pension and Sovereign Wealth funds to invest in infrastructure. Thus, this year, the CBN has commissioned a 5% campaign which will encourage Pension Funds to increase their investment of 1, 8% to the declared 5% mark.

- **Virtual PIDA Information Centre (VPIC)** A database that allows up-to-date reporting on the progress of PIDA
- **Presidential Infrastructure Champion Initiative (PICI)** To be strengthened as a relevant platform to have heads of states champion and fast-track select PIDA Projects

NEPAD, under its trade pillar, is also working with MoveAfrica, an initiative guided by the Boosting Intra African Trade (BIAT) framework on developing a Traffic Light System (TLS) in order to unlock some of the transport and logistics challenges. The TLS is a tool for monitoring and evaluating the performance of transport and trade corridors, based on underlying factors pointed out in various reports that reviewed logistics and trade. The effectiveness of the services rendered along the corridors is critical in defining the overall performance of the One Stop Border Posts (OSBP).

The lack of capacity continues to be a key impediment to PIDA's implementation. In this regard, the AUC, NEPAD Agency, the AfDB and its partners have put in place interventions to address the lack of capacity in key areas, through skills development and the placement of technical experts at the RECs.

Examples of interventions developed to address capacity constraints in the PIDA Programme include the PIDA Capacity Building Project (PIDA CAP), infrastructure for skills development programmes and targeted bespoke training such as training programme on Public Private Partnerships. The NEPAD Agency, together with the AUC and GIZ, facilitated the training of PIDA stakeholders on Public Private Partnerships (PPP). This course was delivered by the Institute for Public Private Partnerships (IP3). The first phase of this course was delivered in Dakar Senegal in August with thirty seven participants from RECs, member states and project owners.

PIDA's implementation progress continues to rely on the support from partners such as GIZ, as well as the JICA, DBSA, EU, and Power Africa. This collaboration contributes towards the acceleration of regional and trans boundary energy, transport and ICT projects. Major recommendations from these stakeholders to ensure improved implementation of PIDA projects include:

- The need for Africa's infrastructure development to leverage on the anticipated youth dividend anticipated from the youthful population structure of Africa, as with a deliberate strategy to include and involve women in infrastructure projects as well as their implementation and management; and
- The need for an integrated, corridor development approach is crucial in developing PIDA projects, if the full development impacts of the projects are to be realized. The project economics and viability can be enhanced by taking advantage of synergies



3 Introduction

between large trans-boundary projects.

The Programme for Infrastructure Development in Africa, developed by the African Union Commission (AUC), NEPAD Agency, African Development Bank (AfDB), United Nations Economic United Nations Commission for Africa (UNECA) and the Regional Economic Communities, promotes regional economic integration through building mutually beneficial infrastructure, strengthening the abilities of countries to trade and establishing regional value chains for increased competitiveness. The 51 PIDA Priority Action Plan (PAP) programmes and projects are spread across the four sectors of Energy, Transport, Information & Communication Technology (ICT) and Trans-Boundary Water.

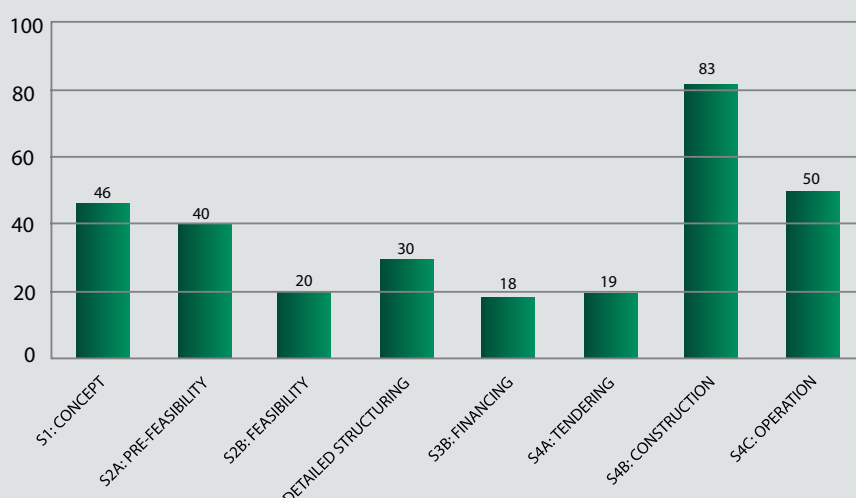
The 2017, PIDA PAP Progress Report provides a summary update of progress made in implementing the programme. Data was collected from questionnaires and sent to PIDA stakeholders, where updates were gleaned from progress reports of various PIDA programmes. Additional input was provided by various PIDA partners and stakeholders.

The AUC, in collaboration with the NEPAD Planning and Coordinating Agency (NPCA), convened two regional workshops on data collection and validation for PIDA. The main objectives of these workshops were to review, collect and validate new information on PIDA projects from regional and national stakeholders, while to establishing a mechanism for the provision of infrastructure data in Africa. During this process the enhanced African Infrastructure Database (AID) and the Virtual PIDA Information Centre (VPIC) were presented, with training provided to the participants on how to update projects information in AID.

STAGE	CONTINENTAL	AMU	COMESA	EAC	ECCAS	ECOWAS	IGAD	SADC	TOTAL
S1: CONCEPT	0	2	1	13	2	9	4	15	46
S2A: PRE-FEASIBILITY	0	4	4	7	12	1	2	10	40
S2B: FEASIBILITY	0	0	2	5	4	5	0	4	20
S3A: DETAILED STRUCTURING	0	1	2	9	2	5	2	9	30
S3B: FINANCING	0	1	0	9	2	2	0	4	18
S4A: TENDERING	0	0	9	4	1	4	0	1	19
S4B: CONSTRUCTION	1	1	6	19	20	22	2	12	83
S4C: OPERATION	1	2	5	19	1	13	1	8	50
TOTAL	2	11	29	85	44	61	11	63	306

For up-to-date information on specific project status in more detail, please visit <http://www.au-pida.org/>

By and large, the PIDA Progress Report presents updates on specific elements of the programme that facilitated implementation throughout the year, as well as the results achieved in this regard. It also provides updates on specific support to interventions from partners and key stakeholders. This results-based report starts with implemented activities and, where possible, details higher level results. In addition, it outlines key challenges in implementation.



The report is an exhaustive progress update which provides important elements against which the performance of PIDA can be measured. In addition, the report details the important adjustments made and lessons learned to apply a continuous improvement approach to gain critical momentum for implementation of PIDA.

The following table represents the status of PIDA projects as per the information collected in the 2017 data collection exercises.

4 Initiatives that facilitate PIDA implementation



The initiatives in this section provide the enabling environment for PIDA projects and respond to key challenges to accelerate implementation of PIDA, while strengthening coordination and engagement among the various stakeholders.

4.1 PIDA SERVICE DELIVERY MECHANISM (SDM)

The SDM is an instrument that tackles the lack of technical and financial capacity during the project preparation phase via technical advisory, in order to give initial momentum to PIDA projects to be tunneled through the project preparation cycle. The SDM's core mission is to make Africa's cross-border infrastructure projects technically sound, economically feasible and politically acceptable.

The traditional project preparation facilities focus on the mid to late stages of project preparation within a particular context of the capacity and resource constraints in many countries and lead infrastructure agencies. Consequently, many regional priority projects struggle in gaining support to progress from concept to a point where they meet the application criteria to Project Preparation Facilities could be provided.

The NEPAD Agency, as the PIDA SDM's host institution, responds directly to this gap and is thus mandated to support a cohort of activities at project origination stage.

The SDM works as a pool of resources seeded to jumpstart the procurement of high-quality expertise and to provide project preparation, origination and enabling environment advisory services. The clients of the SDM advisory services are national lead agencies, in collaboration with RECs involved, in the implementation of regional infrastructure projects, to get them technically ready for feasibility studies.

The SDM assists regional project owners with advisory services for early-stage project preparation to move projects from concept stage to the point where feasibility studies can start.

The SDM supports the conclusion of inter-governmental agreements among stakeholder countries and consequently the setup of Special Purpose Intergovernmental Entity as well as the formulation of ToRs for further project preparation.

I. Establishment of the Abidjan Lagos Corridor Management Authority

The NEPAD Agency provided technical assistance through PIDA SDM Services to the Commission of the Economic Community of West African States (ECOWAS). The objective of the SDM was to advise with the institutional and legal establishment of a transnational corridor management authority to move the Abidjan–Lagos Transport Corridor from project origination to pre-feasibility stage. It is the expectation of the African Union's leadership and partners that this project provides a model for corridor facilitation throughout the continent, demonstrating the efficiency resulting from high level political commitment and engagement in the development of cross-border infrastructure projects in Africa.

The SDM's work in ECOWAS concluded at the sign of multilateral treaty between the Heads of State and the respective governments of Benin, Cote d'Ivoire, Ghana, Nigeria and Togo, recognizing a supranational authority, the Abidjan Lagos Corridor Management Authority (ALCoMA). This is the first ever treaty of this nature that is signed in Africa to promote infrastructure development, trade and development. The unique value add of ALCoMA is illustrated by its authority to manage and coordinate the entire project cycle from preparation to construction and eventually operation & maintenance, which is unprecedented on the continent. In addition, the legal and institutional frameworks of the Authority were developed and the authority has all the necessary skeleton to function as a transnational management authority. We have also assisted ECOWAS with relevant communication and advocacy materials to promote the Corridor as a best practice example and reach the relevant stakeholders and partners.

II. Capacity Building to regional Economic communities

Under the overarching umbrella of the PIDA Capacity building project, NEPAD continues to provide capacity building to the RECs both on the human and institutional aspects. Currently, the NEPAD Agency has technical infrastructure experts deployed to regional transport corridor authority and seven of the eight regional communities. Those experts are fully integrated in the infrastructure teams at the regional level and serve as consistent communication channel between the NEPAD Headquarters, the regions. They support



the preparation of projects within the respective REC's.

III. Ongoing Project Management and Tracking

SDM is building strategic engagement with the Southern Africa Development Community (SADC) on the North South Corridor to accelerate the project development against a concrete project development timeline and establish benchmarks to enable dynamic reporting to project owners, host government senior leadership, and stakeholders. Furthermore, we are working with the Infrastructure Development Bank of Zimbabwe and the Zimbabwean National Road Administration to explore innovation mechanism for infrastructure project development.

IV. Expanding Partnership

The PIDA SDM, is concluding a strategic MoU with the NEPAD-IPPF and the Sustainable Infrastructure Foundation specifically on Project preparation and capacity building.

The challenges SDM is facing include lack of accurate projects data and information, the issue of financial resources and also coherent and adequate coordination with other initiatives and institutions dealing with Infrastructure development on the continent.

In 2018, the SDM will be working with Eastern African Communities to advance the EAC Multimodal corridors development projects.

1. Inferences and Recommendations

For development partners, infrastructure development is now viewed as a critical component to any initiative aiming to improve people's life in Africa. However, there is a clear consensus on the urgent imperative for improving early-design and development of Africa's cross-border infrastructure projects. Supporting the SDM mandate to deliver in well prepared projects will contribute to empower African institutions and help in achieving the sustainable development goal that aims to "build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation". Accordingly, the PIDA SDM managed by the NEPAD Agency contributes to the achievement AU's Agenda 2063 by facilitating the implementation of world Class Infrastructure Criss-Crosses Africa.

The issue of bankability is the most critical when it comes to infrastructure project development for the Private Sector. SDM's ultimate mission is to make regional projects economically feasible, technical sound and guarantee their

political acceptability.

As per African Governments, the SDM is a unique and the only specific African cross-border project preparation mechanism that aims to build capacity to project owners at country and regional (Regional Economic Communities) level. Therefore, the SDM can unlock complex regional challenges by enhancing capacity value at regional and also national level. In that regard, resources are optimally used to drive the inception of mega infrastructure projects. You can join and support our effort through Funding or Technical Cooperation with the NEPAD Agency, based on institutional agreements.

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4.2 RENEWABLE ENERGY ACCESS PROGRAMME (REAP)

The NEPAD Renewable Energy Access Project (REAP) has been launched with the sole purpose of targeting the acceleration of project implementation. It deals directly with the RE project owners at national level and assist in the provision of the assistance required to move the project to the next stage of development/implementation. Therefore, REAP, builds on Africa Renewable Energy Initiative (AREI's) objectives and contributes, in the short to medium term, to its objectives. Over 40 projects ranging from below 1 Mega Watt (MW) to over 1200MW were received. These projects span over 40 countries within the five Regional Economic communities (RECs).

Specific projects were chosen in 2017 and effective intervention from NPCA was done to move the country's renewable energy projects forward.

Country	NEPAD Intervention
The Gambia	The country identified a 6 MW Wind Project as priority and there was a Ministerial request for NPCA to assist in the development of the project documentation and to hold an investors round table. NPCA dispatched a team of energy technical experts who assessed the project status and the specific action to be taken to advance the project development. The energy cluster team at NPCA are currently updating the financial analysis of the feasibility study and will be holding a joint meeting with the Ministry officials and selected team of experts in the first week of December 2017 to finalize the update of the feasibility and environmental studies and engineering designs and to arrange for the holding of Investors round table to raise finance for the project implementation.
Madagascar	Following a presidential request from The Government of Madagascar to NPCA, a team of energy experts travelled to Madagascar in November 2016 to identify the specific needs of the Government of Madagascar in the energy field, where assistance is required, and to recommend a plan of action. Among the many areas of energy where support is needed, the President of Madagascar in a meeting with NPCA CEO early this year showed interest to focus on the provision of solar energy solutions to power Governmental buildings. A mission by NPCA Energy Experts is scheduled for Antananarivo with the main purpose of identifying government' buildings that require solar solutions; establishing the consumption patterns and come up with appropriate engineering design of the solar systems required to power the buildings. In addition, the mission plans to collect the required information and data to develop PIM for each building' solar system in order to raise the finance required for the project implementation.
Kenya	Geothermal Development Company (GDC) of Kenya formally requested financial support to complete the feasibility study of the 100MW Paka Geothermal project which is already underway. An application for NEPAD IPPF has been submitted for funding with the TOR of the feasibility study. A response is still being awaited.
Tanzania	A request has been received from the Permanent Secretary of the Ministry of Energy, Tanzania to fund the feasibility study of 150 MW Solar farm project in Kishapu-Shinyanga. The NEPAD IPPF form has been completed and submitted .Still awaiting the decision on financing the feasibility study.
Lesotho	Three hydro projects were received .Focus this year was on Senqu Multipurpose Dam Project. The Project consists of a dam, hydropower station, water treatment plant, water pipeline and a booster station to Quthing town, major villages and an off-take for commercial irrigation. The Project consists of a 60 M high asphalt core rockfill dam on the Senqu River, a hydropower station of 120MW capacity, water treatment plant of 15 Mm3/a capacity, adequate until 2047 for Quthing and major villages and an off-take of a pipeline towards irrigation of vast arable land in the vicinity of the project. Funding for feasibility study is requested and efforts are underway to secure the funding.



Tanzania and Rwanda (CCTTFA)	<p>Upon the request of the CCTTFA for support in its Renewable energy and energy efficiency programme a technical team went to Tanzania and Rwanda leaving Burundi, Uganda and DRC for next year. The main objectives were to:-</p> <ol style="list-style-type: none"> 1. Identify one high priority renewable energy project in Tanzania and Rwanda recommended by both the respective Ministries responsible for energy and the Power Utility, establish its status and identify actions that NEPAD can take to assist in driving the development of the project to the next stage. 2. Establish the most energy consuming industry in Tanzania and Rwanda, energy efficiency status in these industries and to come up with a programme to carry out energy audit to save energy at these industries and cut on the energy bill of the respective industries. <p>Ministry of Energy: The government is implementing a number of Energy sector initiatives supported by development partners. The Ministry recommended the Lake Victoria islands mini-grids projects as a priority area needing support.</p> <p>Confederation of Tanzanian Industries (CTI): CTI has conducted Energy Audits through Danish Support and is coordinating a programme by the French Development Agency, which provides concessional loans to Renewable Energy and Energy Efficiency projects. However Danish support coming to an end.</p> <p>The Lake Victoria Mini-grids power project and has been identified as a priority project which requires funding for its implementation. A total of \$1.4million has been invested to date in developing the distribution grid. It needs support in raising the financial gap to construct the Solar PV power generation plant. Land and licence has been secured. NEPAD and CCTTFA are to support in refining the business plan and marketing the project to development partners and potential investors with easy terms. REX group has submitted their proposal and business for NEPAD to refine and assist in raising finance in implementation of the island renewable energy project.</p> <p>In Energy Efficiency, METC is identified as one of the large power consuming company. METC group is the largest diversified company in Tanzania with operations in Transport, milling, manufacturing, finance and insurance. They requested for support in conducting an energy audit for one their textile mills. The company requested NEPAD to send a list of preliminary questions required (which includes sharing the electricity consumption data, monthly electricity bills and power factor measurement) to carry an initial assessment of the potential for energy saving before a site visit to the company and a detailed energy audit is carried out.</p>
Rwanda	<p>Focus was on energy efficiency. The ministry recommended energy audits for three high energy consumption industries namely the Cement Industry, Steel Industry and Water Sector. All three will be done through a collaborative effort, which will include the ministry of Infrastructure, CCTTFA and NEPAD.</p> <p>Energy Private Developers (EPD) is an association of private energy companies with a dual role of advocacy for the private sector to government and complimenting government in implementing national energy priorities. EPD proposed to work on a joint capacity building programme with NEPAD, CCTTFA, Ministry of Infrastructure and RURA to train Rwanda energy experts to become certified energy auditors. NEPAD will work closely with the EPD to develop and concept note for the training programme.</p> <p>CIMERWA is the largest cement manufacturing company in Rwanda. The company has just concluded an energy audit but agreed for NEPAD to validate the results of the Energy Audit and identify other potential energy efficiency measures that may have been excluded in the recommendations. CIMERWA will also share the electricity consumption data, monthly electricity bills and power factor measurement. Next steps will be decided on the outcomes of the energy audit validation.</p> <p>SteelRwa is one of the leading steel companies and the highest energy consumer in Rwanda. Though company monitors its energy consumption periodically, the Managing director will put NEPAD and CCTTFA team in touch with its electrical engineers for more detailed technical discussions. The outcome of the technical discussions will form the basis for follow up activities, which will include a site visit and possibly a detailed energy audit</p> <p>Furthermore, the ministry also requested support in raising finance for a feasibility study on the upgrade of the Rwanda, Tanzania interconnector from a single circuit unidirectional 220MW interconnector to a double circuit bidirectional interconnector. The ministry will submit half page concept notes on their requests.</p>

The above were the main activities under REAP in 2017. Other activities were carried out under AUC-NPCA –UNECA Bioenergy Programme which focused this year on assisting member states to identify, develop and package their high priority bioenergy projects.

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4.3 THE PRESIDENTIAL INFRASTRUCTURE CHAMPION INITIATIVE (PICI)

The Comprehensive PICI Report was prepared and was ready for distribution (in English and French) in June 2017. However, due to the postponement of the HSGOC, the report was never distributed.

NEPAD PICI worked very closely with the Government of Namibia to prepare and structure their proposed project for endorsement and adoption by the Technical Task Team of the PICI as the new member of the PICI. The Namibian project was unanimously endorsed by the Technical Task Team in January 2017. This project was also subsequently endorsed and approved by the Chair of the Ministerial Working Group (Minister Jeff Radebe in the Office of the Presidency – South Africa) and by the Chair of the PICI (President Jacob Zuma). Due to the postponement of the HSGOC meetings, during the AU Summits in January and July 2017, the Namibian Project: “International Logistics Hub” will now be officially endorsed by the HSGOC and the AU Assembly as the new member of the PICI during the next AU Summit in January 2018.

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4.4 HIGH SPEED RAIL PROJECT

The Continental High Speed Railway Network Project, is an AU

Commission-led initiative - designed to interconnect all African Capitals – including major economic, commercial and industrial hub - with appropriate high speed rail infrastructure/technology, and complementary electricity/power, water, and ICT broadband infrastructure, and services.

The African Union Commission (AUC) and the Peoples Republic of China, signed a Memorandum of Understanding (MoU), in January 2015, to promote Sino-Africa Cooperation in Continental Transport, High Speed Railway, Aviation, Roads and Highways, and Industrialization Infrastructure development in Africa. To operationalize the signed MoU, the AUC and China developed a joint high speed railway technical planning framework of Vision 2063: African Integrated High Speed Railway Network (AIHSRN), and a 5-year Roadmap.

The objective of the Project is to assess the technical feasibility of the AIHSRN Project, through a process, of high level Detailed Scoping Study (DSS) and the establishment of the Project Implementation Unit (PIU) – Phase 1 - to final feasibility studies and detailed engineering design stage (Phase 2). The outcome of the high level DSS will provide the basis for further consultation with key stakeholders, and for informed decision-making, to undertake, Phase 2 of the Project Initiative.

The current status of the HSR Project: A request for Expression of Interest (REoI), which was launched in August 2016; soon after the launch, the project experienced administrative and funding challenges; in June 2017, the NPCA and the TCT met in South Africa and reviewed the 20 Technical Proposals received from respondents who have expressed interest to undertake the DSS; a shortlist of the eight (8) most responsive firms to the Expression of Interest, were shortlisted, and will now be invited to submit Technical and Financial Proposals, to undertake the high level DSS studies. A planned Evaluation Workshop is scheduled for 11-15 December 2017, to evaluate the Technical and Financial Proposals, received from the 8 shortlisted firms.

The draft Study-terms of reference (ToR), and draft individual experts ToRs, are being finalized by NPCA, and the TCT, to complement the Request for Proposal (RfP) Invitations were issued end-October 2017.

Negotiations for the recruitment of the Consultancy firm, and



signing of the Contract, is scheduled for end-February 2018, given the busy AU/NEPAD statutory meetings/Summits, scheduled in January 2018.

The DSS Consultancy studies is provisioned for 6 months, beginning March 2018 – end August 2018.

Agenda 2063 Results Framework, sets out two (2) implementation targets, for the HSRN Project, of 20% 'network completion', of at least the first-set of regional HSR network by 2023; and a similar target of 20%, for the second-set of regional HSR network, to be completed by 2025. These two regional HSRN pilot projects, constitutes essentially, the main components of the First 10-Year Implementation Plan of Agenda 2063 AIHSRNP. Hence, to accelerate the implementation of the above two (2) regional pilot projects – the need to adopt a "willing and ready" strategy of member countries (and their RECs) with national/regional high speed railway network development programmes/plans – is seemingly evident, as the most prudent strategy to adopt.

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4.5 CYBERSECURITY AND DIGITAL TRANSFORMATION

Ratified and domestication of the AU Cybersecurity Convention. A Cybersecurity Assessment framework being prepared and was presented to the Ministers responsible for Communication and Information Technology in November. Currently there are 8 signatories and 2 ratifications to the Convention.

Developed digital Transformation Agenda. Digital transformation agenda will focus on trust and trade. Priority areas identified in this regard are open data and data centers as foundation for entrepreneurship and job creation

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4.6 ONE STOP BORDER POST (OSBP)

OSBP is JICA-NEPAD joint flagship initiative for trade facilitation. Since establishment of the first OSBP at Chirundu between Zimbabwe and Zambia in 2009, the concept and development of OSBPs have expanded rapidly as one of the major tools to tackle impediments to African trade growth, including recently operationalized Rusumo OSBP between Rwanda and Tanzania. There are around 80 OSBPs in various stages of implementation, while a small group of them are still operational. Considering that OSBPs are now one of the continent's highest priorities and integral part of PIDA, NEPAD, ICA and AfDB, along with JICA, updated and revised the 1st edition of the OSBP Sourcebook (2011) on the basis of recent good practices and lessons learned. To this end, a series of workshops were held with active participation of specialists across the continent:

- i. a preparatory workshop in Nairobi, Kenya, on 24 February 2015;
- ii. a 1st technical workshop for this project in Abidjan, Côte d'Ivoire, from 31 August to 2 September 2015; and
- iii. a 2nd technical workshop in Johannesburg, South Africa, from 26 to 28 October 2015;
- iv. Learning and Validation Workshop in Addis Ababa, Ethiopia, from 7 to 8 March 2016. Then, the Sourcebook was officially launched at the continental level at the occasion of TICADVI side event: "Boosting Intra-African Trade: A Key for Regional Economic Integration and African Competitiveness" held in Nairobi, Kenya on 26 August 2016.

The NEPAD agency has been taking the lead in promoting this Sourcebook and supports RECs, member states and other key stakeholders for OSBP development in cooperation with JICA. The Agency is establishing an OSBP practitioners' network to learn from each other as well as to regularly update the Sourcebook. In this regard, the Agency has held a technical regional domestication workshop of the Sourcebook in South Africa in February 2017 for 12 member states in Southern Africa with COMESA and SADC, and another one in Rwanda for 8 member states in East Africa with COMESA, EAC and SADC, in order to introduce the contents of the Sourcebook as well as share experiences and discuss key issues for OSBP development in each region. They provided good space where the participating countries share each other's experience and two countries sit down together to discuss



the way forward on concrete OSBP projects. The key challenges discussed include political commitment, coordination mechanism between two countries and among the relevant Ministries/Agencies in each country, and focus on soft areas such as procedures and ICT. Each workshop invited officers from the relevant Ministries/Agencies such as custom, infrastructure, immigration, agriculture, health and police in each country because OSBP is a multi-sectoral as well as cross-country field. As outputs from the workshops, each country came up with an action plan on OSBP at two prioritized borders, which is now under implementation stage. The workshops for West Africa and Central Africa are planned to be held next year. Also, together with planned Training of Trainers program for OSBP practitioners, the Agency is enhancing monitoring of those OSBP projects and introducing Traffic Light System to assess and truck corridor performance, starting with key OSBP projects at land borders.

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Trucks lining up at Kasumbalesa border between DRC and Zambia



Newly constructed international bridge and OSBP facilities at Rusumo border between Rwanda and Tanzania



Opening ceremony of the bridge and OSBP facilities at Rusumo

OSBP facility at Namanga border between Kenya and Tanzania



4.7 PRIVATE SECTOR PARTICIPATION IN PIDA

4.7.1 Continental Business Network (CBN)

Building on the guidance and recommendations of the Continental Business Network (CBN), NEPAD continues to convene influential stakeholders responsible for investment allocation decisions in Africa. CBN is another demonstration of NEPAD's ability to encourage and promote a conversation between key decision makers, players and experts who jointly have the potential to unlock institutional investment capital and direct such capital into regional and domestic infrastructure projects on the continent.

The 5 Percent Agenda is a campaign to increase investment allocations by African institutional asset owners into African infrastructure from its current low base of about 1.5% of assets under management to a more impactful 5%, and to do so within five years. Therefore, the 5% Agenda is aimed at increasing pension and sovereign investment into Africa's infrastructure and is a follow-up to the 2016 CBN meeting on "Derisking Africa's infrastructure and PIDA projects," which emphasised the need for Pension and Sovereign Wealth Funds to increase investments into African infrastructure.

As stressed by the Dakar Financing Summit (DFS) in 2014, an increased form of collaborative public-private initiatives is necessary to mobilise risk capital that accelerates PIDA project implementation. As such, the NEPAD Agency was mandated to establish the CBN together with the African Union (AU). CBN is an initiative that serves as an infrastructure investment advisory platform for government and business. This platform serves to engage and interface with high-level African policymakers and captains of industry on a range of strategic issues and the overall promotion of regional and domestic infrastructure investment projects.

At the second CBN meeting that was held in 2016 as part of the African Development Bank (AfDB) Annual Meetings in Lusaka, Zambia, the main discussion theme centred on the need to de-risk projects for private sector financing. The key recommendations made were compiled into the *Report on De-risking Infrastructure and the Programme for Infrastructure Development Programme (PIDA)*.

The 5% Agenda builds on one of the recommendations emanating from this Report, namely “the need to mobilise Africa’s institutional infrastructure investment community, including African Pension and Sovereign Wealth Fund capital”, as the key to meeting the financing gap that is currently hindering Africa’s infrastructure development.

The anticipated impact of the **5% Agenda** will be to:

1. Unlock notable and measurable pools of needed capital to implement regional and domestic infrastructure projects in Africa;
2. Broaden and deepen the currently shallow African capital markets whilst at the same time contributing significantly to regional integration and job creation;
3. Promote the development of innovative capital market products that are specific to the continent’s challenges with regards to infrastructure development; and
4. Raise the investment attractiveness for other institutional and non-institutional financiers who have thus far been hesitant to include African infrastructure projects as an asset class in their investment portfolios.

Whilst we are very hopeful that this campaign will become another “game changer” for increasing investments into Africa’s infrastructure, increased institutional capital investments will surely also assist African countries to assess their infrastructure investment gaps, which can then be structured and matched with the right institutional investors who have the requisite quantum of capital to direct towards such long-term investments.

This campaign will therefore create a coherent and coordinated approach to address the challenges of mobilising institutional investors while limiting their risk exposure. Specific policies must be in place to reduce certain unacceptable institutional investment risks, and instruments or methodologies to mitigate these risks will have to be developed. The ongoing reforms in Africa’s financial sector regulations will also play a significant role in making the 5% Agenda a reality with demonstrated results.

The NEPAD Agency, under the guidance of the African Union, will continue to work closely with UNECA and other strategic partners, like the Multilateral Development Banks, to ensure that the 5% Agenda demonstrates tangible results within the next five years, with African institutional investors increasing their investments significantly into African infrastructure.

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4.7.2 MoveAfrica – The Traffic Light System – TLS.

In 2017 NEPAD Agency’s MoveAfrica Initiative has been working on developing a Traffic Light System –TLS, in-order to unlock the Transport and Logistics challenges.

The TLS is a tool to monitor and evaluate the performance of transport and trade corridors, based on underlying factors pointed out in various reports that look at logistics and trade. It dwells on three sections namely: Transit Guarantees, Centre Attractiveness (Cost Benefit Analysis: Turn Around Time) and Risk Management to arrive at the traffic light categories of Green, Orange and Red.

Bearing in mind that the investment potential of any market depends on various factors, such as logistics issues including but not limited to the following: volume productivity, turnover, the assurance that goods are likely to reach the destination, the assurance of return loads in-order to optimize on costs with very minimal loss or damage. Therefore the key components of the Analysis will assess the Transit Guarantee schemes; Centre Attractiveness; and Risk Management (for the emergency response and humanitarian sector) for people and good that cross the selected OSBPs. The effectiveness of the services rendered along the corridors is critical in defining the overall performance of the OSBP.

Results achievements so far.

In the initial roll out, the TLS seeks to influence “independent variables” on the OSBPs particularly within the North - South Corridors.

In July 2017, the SADC Ministers of Transport for the Beira Development Corridor and North South Corridor countries, endorsed MoveAfrica Traffic Light System-TLS as the tool to monitor and evaluate the performance of trade corridors in-order to unlock the transport and logistics challenges based on underlying factors pointed out in various reports that look at logistics and trade.

Following the endorsement of the TLS in Beira, a technical meeting was held with the Development Bank of Southern Africa, the SADC Secretariat and Private Sector to develop the road map for piloting the TLS. The technical team selected 4 border posts (Beitbridge, Kazungula, Kasumbalesa and Chirundu) to pilot the TLS specifically. The 4 OSBPs were selected on based on volumes and the level of activity that goes on as well as the strategic location of that particular OSBP.



Next steps and opportunities to be explored.

The road map for the implementation of the TLS on the pilot border posts will be done in a 3 phase approach as follows:

- Phase 1, will look at the reporting of different indexes and sources.
- Phase 2, through will look deeper into the market dynamics, investment potential vis-à-vis risk assessments to ascertain the type and level of effort needed in a particular corridor by classifying the OSBPs into A, B or C categories.
- Phase 3 will give the overall ranking based on the variables in the first 2 Sections to arrive at the traffic light categories of Green, Orange and Red.

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4.8 IMPROVED POLICY, LEGAL AND REGULATORY ENVIRONMENT

4.8.1 Job Creation and PIDA Projects – How Can Infrastructure Create Employment and facilitate PIDA Implementation?

As the implementing agency for PIDA, the NEPAD Agency, with support from the German Government via the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) developed an econometric methodology that estimates the labor market effects of PIDA projects. This demonstration of labor market effects helps to raise political and financial commitment necessary for PIDA project implementation. In terms of the cross-border and large scale nature of infrastructure projects in Africa, the development of such a consistent and practical methodology is unprecedented. Moreover, PIDA project owners and their partners can use this new cross-border infrastructure job creation methodology as a policy instrument to assess how alternative project designs may impact African job creation. The PIDA Job Creation Estimation Methodology estimates direct, indirect and induced labor market effects during the planning, construction and operation & maintenance (O&M) phases of PIDA projects. Additionally, the methodology estimates secondary job effects, which are those jobs that are being created in other sectors of the economy due to the operational infrastructure service (e.g. improved energy access). All employment results are expressed in terms of job years (the number of jobs for one year) and are estimations based on certain assumptions as explained in the detailed methodology document.

For example, the methodology was used to estimate the potential employment effects of the PIDA Project Ruzizi III (a hydropower project serving Burundi, the Democratic Republic of Congo, and Rwanda). Potential employment across the three host countries was estimated at around 135,200 total job years over the project's useful life and construction period broken down as follows: Around 25,000 direct, indirect and induced job years during the project's construction phase; around 6,500 job years for the O&M phase; and around 103,700 secondary job years as a result of improved energy access across the three countries.

The methodology's underlying foundation is based on the assumption that project total investment costs will lead to the purchase of goods and services within an economy, which will then create employment. To categorize between type of jobs and project phases, the total investment costs are broken down into preparation; construction and O&M costs. These project costs are considered as industry inputs to the economy, which will yield outputs in the form of direct, indirect and induced jobs i.e. project costs investment split between **inputs purchase** of goods and services.

To generate these estimated outputs national Input-Output (I-O) tables are created. Used by governments, development institutions, and international organizations worldwide as best practice, I-O tables describe the sale and purchase relationships between producers and consumers in an economy. Given the lack of I-O tables for African countries, national I-O tables have been generated with information obtained from the Global Trade Analysis Project (GTAP 9 Database). GTAP Africa is based on country economic inter-sectorial data with three data reference years (2004, 2007, and 2011). As I-O tables depict the inter-industrial flow of goods and services per input to the economy, inter-sectoral coefficients can be used to estimate the additional employment being generated by the project investments (purchase of goods and services) on each host country's national economy. The Methodology accounts for a lack of detail on project investments in each of the three phases. As not all projects provide the investment breakdown for preparation, construction and O&M costs, sub-sector specific industry ratios per project phase serve as a benchmark to provide the needed investment input to the economy (e.g. on average 55.2% of the total hydropower plant costs are dedicated to civil works in hydropower construction).

The estimation of secondary job effects is sector specific and uses chain ratio analysis to estimate the economic spill-over effects based on the specific sector. For example in the case of energy generation, the methodology begins by subtracting distribution and transmission losses from the projected additional power supply of the respective project. This adjusted number is then converted to the dollar value of additional supply per kWh to calculate the total electricity input in USD value, which is then entered as additional electricity input

in the I-O table to calculate its overall economic impact. The secondary job impact of a PIDA Project is usually the greatest, given its transformative impacts, such as increasing a country's supply of energy or the ability to increase trade flows across countries

The NEPAD Agency plans to develop an online PIDA Job Creation Toolkit. This toolkit allows project owners to login and insert the respective project data (project name, project location, sector and sub-sector, project phase, preparation costs, construction costs, annual O&M costs) to obtain job estimations for their respective project. This is followed by an overview that specifies what types of jobs can be created within and outside of Africa. Moreover, the PIDA project owners and their technical partners can use the Toolkit to test alternative project designs to maximize African job creation. To enable PIDA project owners and partners to consider alternative project designs and policies, the **Best Practice Job Maximization Guide** will be part of the Job Creation Toolkit, detailing possible employment-generating interventions at both national and regional levels, leveraging best practices of job maximization for infrastructure projects worldwide.

The PIDA Job Creation Toolkit has been presented at the Africa Talks Jobs Conference in Addis Ababa, Ethiopia and with regular reporting cycles at the annual PIDA Week.

4.8.2 Good Practice Guide for PIDA Corridors

A Good Practice Guide for PIDA Corridors is under development and will be validated during PIDA Week in December 2017. The evolution of PIDA implementation has pointed to the need for integrated approaches across the 4 infrastructure sectors of energy, ICT, transport and water. This is underscored by the Lomé Declaration of the First Specialized Technical Committee (STC) on Transport, Transcontinental and Inter-regional Infrastructure, Energy and Tourism (March 2017) which recommended that member states adopt an integrated corridor approach to infrastructure development.

Through case studies of some PIDA corridors under implementation and drawing on global best practice, the Guide is intended to be a useful reference for stakeholders in the implementation of corridor projects in PIDA. The guide will be based on lessons learnt from past approaches on PIDA Corridors, will show how NEPAD RIIP instruments can be used for more effective corridor development and will provide a concept for a cross-sectorial, integrated corridor approach

4.8.3 The PIDA Model Law for Trans boundary Infrastructure Projects in Africa

There are many challenges facing investment in trans boundary infrastructure in Africa, but the two challenges that have emerged from experts and potential investors are:

- Plethora of policies, laws and regulations which inhibit private sector investment and curb its enthusiasm
- Specific risks associated with investment in trans boundary infrastructure in Africa

NEPAD and United Nations Economic Commission for Africa (UNECA) have developed a continent wide model law to enhance investment in trans boundary infrastructure and commissioned a Comprehensive study of risks that pertain to investment in trans boundary infrastructure in Africa. The aim is to implement and accelerate the Dakar Agenda for Action, in particular, private sector investment of the DFS Projects and to promote industrialisation of the African continent through the development of trans boundary infrastructure.

Objectives of the model law include:

- Facilitate private sector investment and financing in Trans boundary Infrastructure Projects;
- Ensure transparency, efficiency, accountability and sustainability of Trans boundary Infrastructure Projects;
- Harmonise cross-border regulation of Trans boundary Infrastructure Projects; and
- Promote intra-African trade and open domestic markets to international trade.

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4.9 GENDER AND INFRASTRUCTURE

Gender mainstreaming in PIDA is being implemented to:

- Provide technical support to projects implementers/ PIDA staff members during the different project phases
- Sensitize PIDA staff members/partners on gender issues during project designing, implementation and evaluation
- Evaluate Gender issues into PIDA/RECs projects

PIDA member's staff and partners have been sensitized on gender issues in infrastructure sector. Activities in 2017 include

- COMESA, 20-21 April 2017 in Livingstone, Zambia: How to mainstream gender in the energy sector.
- Women indaba, 20 February 2017, Sandton: Women in energy sector. During the Indaba, NEPAD was invited to deliver a keynote on the organization's contribution to women in the energy sector.
- IRENA, 27 April in Maseru, Lesotho: Gender in NEPAD renewable energy programme
- 29 September 2017: Gender Sensitization workshop in Magaliesburg where the NEPAD Gender expert sensitized the NEPAD RIIP team on mainstreaming

gender into infrastructure projects.

The impact has been clearly evident but not immediate because all projects are ongoing and the modification could impact projects budget. But all partners are conscientious that consideration of gender is important in project life and can contribute to the population wellbeing, particularly women's wellbeing. It is important for PIDA to continue the sensitization by participating in other activities or by organizing more sensitization workshops. Next steps will be to prepare a Gender Mainstreaming manual for the infrastructure sector.

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4.10 PARTNERSHIPS FOR GREATER FACILITATION AND IMPLEMENTATION OF PIDA

4.10.1 AFRICAN DEVELOPMENT BANK (AFDB)

The mandate of the African Development Bank Group (AfDB) is to spur sustainable economic development and social progress of its Regional Member Countries. This is done primarily through provision of development finance, advisory support and technical assistance. As such, Infrastructure development has been and remains a core focus area of the Bank's development assistance to African countries, their institutions and agencies, as well as to the private sector through direct equity investment, loans and guarantees as well as advice to enterprises for structuring projects. The Bank supports infrastructure development on the Continent through provision of development finance in the form of loans, grants, equity investment and guarantees; advisory support and technical assistance.

The Bank's strategic priorities are outlined in the High 5s, which are Light up and Power Africa, Feed Africa, Industrialize Africa, Integrate Africa and Improve the Quality of Life for Africans. As such the energy sector will remain a top priority for the foreseeable future along with infrastructure that supports agricultural transformation, industrialization and integration. Thus all the four main infrastructure sectors of transport, energy, ICT and Trans boundary Water covered by PIDA will continue to be supported by the Bank.

Support to PIDA

Some of the projects the PIDA projects being supported by the bank include Inga 3, Kazungula Bridge, Ethiopia – Kenya Interconnection, Isaka – Kigali railway, Nacala

Corridor road and railway, etc. Co-financing and partnerships will remain a major effort in mobilising more resources for PIDA implementation.

Project Financing: Since PIDA approval, the Bank continues to prioritize financing for PIDA PAP projects, a large number of which constitute the Bank's current and upcoming investment pipeline. The Bank has invested resources for PIDA project preparation. Some of the projects being supported by NEPAD IPPF currently include: Kolwezi-Solwezi power interconnection project (DRC/Zambia), Zizabona project (Zimbabwe, Zambia, Botswana and Namibia) and Batoka Gorge project (Zambia/Zimbabwe).

Capacity Building: The Bank is continuing to support efforts to address capacity deficiencies in major continental and regional institutions for the delivery of PIDA by financing the PIDA Capacity Building Programme (PIDA CAP), a UA5.6 million grant to provide technical assistance support to the AUC, the NPCA and the 8 AU recognized RECs to undertake upstream pre-investment work to accelerate project preparation for the PIDA PAP in order to move these projects to bankability, financing and implementation.

Project Preparation: A number of PIDA transport, energy and trans boundary water projects are under preparation with the Bank's support notably NEPAD-IPPF Grant facility, such as Rusumo Falls Hydroelectric Project, North South Corridor, Ruzizi III, Batoka Gorge Hydropower project, Abidjan Lagos Corridor, and Lamu Port, South Sudan, Ethiopia Transport Corridor (LAPSET). Despite other partners' project preparation facilities also providing support to PIDA PAP projects, mobilizing additional resources for project preparation especially from domestic sources should therefore remain an important priority for African Leaders

Several priority PIDA projects are making progress along the development cycle towards financial close and implementation. Of the 16 projects showcased at the Dakar Financing Summit (DFS) hosted by President Mack Sall of Senegal to market priority PIDA projects in June 2014, 8 have completed preparatory stage, two, the Sambangalou Hydropower dam in Senegal and Guinea and the Chnsali to Mpika road along the North South Corridor (NSC) have reached financial close, with others such as 5 roads along NSC and the Brazzaville Kinshasa Road Rail Bridge-Republic of Congo have reached completion of all preparatory studies. The Central Corridor Acceleration Programme and portions of the Zambia-Tanzania-Kenya (ZTK) Transmission line are currently undergoing feasibility studies, with the latter being implemented as 3 national segments in

Zambia, Tanzania and Kenya; whilst 3 priority projects, namely; Dakar-Bamako rail Line, INGA 111 and Abidjan-Lagos Coastal Corridor are still under early project preparation.

The Bank is continuing to support efforts to address capacity deficiencies in major continental and regional institutions for the delivery of PIDA by financing the PIDA Capacity Building Programme (PIDA CAP), a UA5.6 million grant to provide technical assistance support to the AUC, the NPCA and the 8 AU recognized RECs to undertake upstream pre-investment work to accelerate project preparation for the PIDA PAP in order to move these projects to bankability, financing and implementation. The Project has engaged 19 technical experts housed at these key institutions to accelerate implementation of PIDA PAP projects at regional and national level over an initial 3 year period up to December 2018, currently under implementation with the NPCA as the Executing Agency.

In 2017, the Bank has firmly focused on providing cross-cutting support by financing transport projects that significantly contribute to improved access and safe mobility throughout the continent.

Transport continues to occupy a unique position in the delivery of the Bank's ambitious targets in the priority areas of industrialization, regional integration and agriculture development. Investments in transport systems are catalyzing transformation in the agriculture sector by providing farmers with greater access to inputs and marketing opportunities. In addition, transport systems enable the integration of Africa's smaller economies, supporting the seamless functioning of value chains that are essential for growth and competitiveness of industry and importantly improving people lives by making cities livable, and providing access to jobs and social services.

The Bank's has also established a Cities and Urban Development Department to provide an analytical focus and greater support for emerging challenges in urban development.

4.10.2 United Nations Economic Commission for Africa (UNECA)

Unlocking private sector investment in PIDA infrastructure

ECA undertook major initiatives, at the behest of African heads of state and the NEPAD Steering Committee to enhance private sector investment in PIDA projects. A comprehensive risk mapping study was carried out into the 16 trans boundary infrastructure projects from the Dakar Financing Summit, using the industry standard ISO 31000. The study avails knowledge of the various risks which affect investment in infrastructure, their scope and how to mitigate them. The study responds to a common complaint from potential investor on the risky environment in Africa.

Subsequent to a decision of AU Assembly, ECA and NEPAD

Agency undertook research missions to the RECs (ECOWAS, COMESA, SADC, AMU, etc) RECs to have a better understanding of the applicable policies, laws and regulations pertaining to investment in infrastructure as a way to unlock opportunities for private sector investment. The result is the development of a continental legal framework (a Model Law) which deals with issues of project ownership, procurement, transparency, dispute resolution, repatriation of profits, movements of persons and goods, etc. The Model Law has been submitted to the AU processes and is being taken to targeted project owners (beginning with Rwanda, Burundi, DRC and Zambia) for a process of sensitization.

The Governments of Kenya, Tanzania and Zambia have agreed to connect their power systems in order to enhance power security and reliability as well as foster economic development in the region, through enhanced cross-border electricity trade. While the original intention of the project was to exchange power between these three countries, the intermediate addition of generation and transmission capacity, together with establishment of regional power pools (EAPP and SAPP), stipulate that the interconnector should be an "international four-lane highway" with electricity flowing in both directions and also originating from and destined to other EAPP and SAPP countries in addition to the three original counterparts. The ECA is assisting NPCA to conduct a study that will derive possible trading arrangements for the two interconnected regional power systems, the EAPP and SAPP. It is expected that this study will provide expert opinion on mutually beneficial trade scenarios and arrangements. The output of the study will be a set of template trading documents that determine and recommend tariff schemes and institutional frameworks to ensure effective transactions. This will be expected to mitigate risk in the interconnector's business case and provide comfort to potential financiers.

4.10.3 Japan International Cooperation Agency (JICA)

In supporting Africa's infrastructure development, JICA is aiming for promoting structural economic transformation through economic diversification and industrialization. In order to achieve this goal, we have been focusing on strengthening connectivity by promoting quality infrastructure investment.

JICA's approach to infrastructure development TICAD VI 2016 – 2018

- Quality Infrastructure Investment: approximately USD 10 billion
- Enhance the power generation capacity of 2,000 MW through collaboration between the public and private sectors. Supply electricity to around 3 million households by 2022 in the field of geothermal power generation
- Formulation of master plan for sustainable urban development in five cities.
- Facilitate Corridor development, including the three

geographical priority areas: the Northern Corridor of East Africa, the Nacala Corridor of Southern Africa, and the West Africa Growth Ring

JICA supports infrastructure development in Africa mainly through:

1. Technical Cooperation, Loans and grants

JICA has been focusing on Regional Integration in Africa through infrastructure development which includes hard and soft infrastructure. Under this context, they have been expanding to hard and soft infrastructure cooperation in energy, transportation sector and trade facilitation such as OSBP taking into account sub regional networking. Furthermore, JICA also intends to expand its financing and assistance in alignment with corridor development; Northern corridor, Nacala corridor and West Africa growth ring. The Japanese government made a commitment to region-wide development of these 3 priority projects during TICAD VI. The objective focusing on the 3 areas is to produce and showcase economic development models.

To continue driving PIDA projects implementation in the future, JICA will continue focusing on corridor development and OSBP cooperation. This is cross-border regional development which can make a positive impact on PIDA implementation. JICA is providing assistance to PIDA projects at all stages of the implementation process: Feasibility; Financial close; and Implementation.

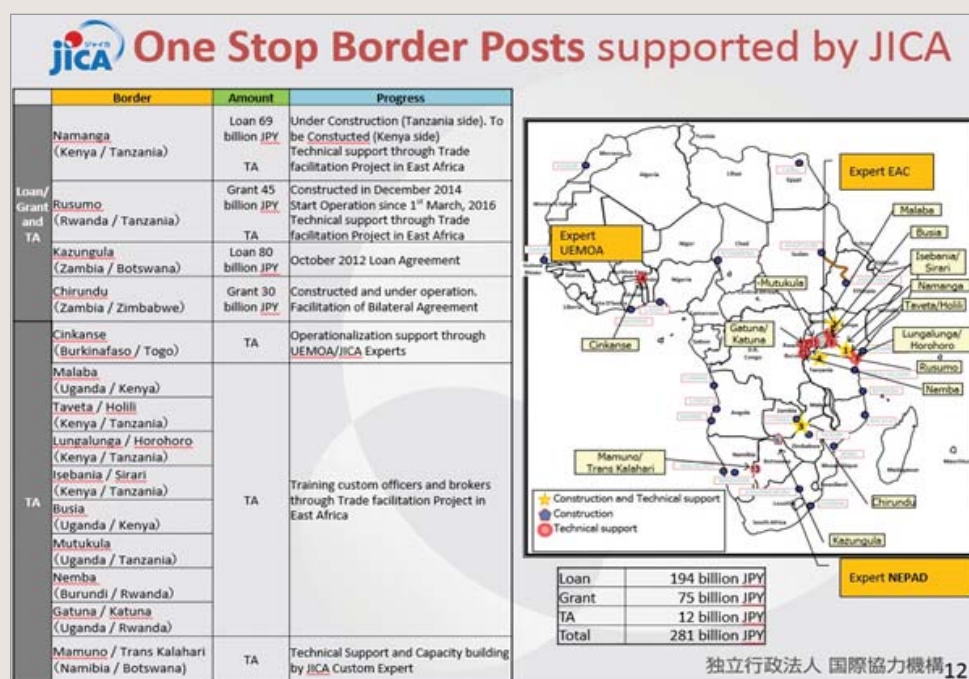
To date JICA's support to PIDA includes:

1. OSBP sourcebook has been published in May 2016 that will promote corridor developments in PIDA Implementation
2. Technical Support to ICA secretariat
3. Technical support for regional integration infrastructure programme (RIITP) of NEPAD.

JICA will continue its technical support to the NEPAD Agency. JICA has also conducted a South Africa Power Pool survey which reviews existing Master Plans and national policies of energy sector in order to clarify issues and things to be done toward achievement of SAPP.

JICA's support to PIDA Priority Projects 2017

PIDA Project	Area of Support
Abidjan-lagos Corridor – acceleration programme	<p>"The Project on the Corridor Development for West Africa Growth Ring Master Plan"(Ongoing)</p> <p>"The Project for Emergency Rehabilitation of Lagos Transmission Substation "(Ongoing)</p>
North-South Corridor (including Serenje-Nakonde and Beit Bridge OSBP)	<p>Logistics Diagnostic Survey of the North-South Corridor: between Durban and Harare"(Completed)</p> <p>"Construction of Kazungula bridge and OSBP facilities" (On-going)</p> <p>"The Project for improvement of road section along the northern part of the North-South Corridor"(Under Preparation)</p>
Central corridor – acceleration programme	<p>The Project for Construction of Rusumo International Bridge and One Stop Border Post Facilities"</p> <p>"Rusumo-Kayonza Road Improvement Project"(Ongoing)</p> <p>"Project on Capacity Development for International Trade Facilitation in the East African Region "(Completed)</p>
Dakar-Bamako rail revitalization project	Project for Rehabilitation of the Third Wharf in Dakar Port"(Ongoing)
Inga-3 Hydro	Project for Rehabilitation of Inga 2 Hydropower Station"(Under preparation
Djibouti Corridor	The Data Collection Survey for Djibouti Corridor"(Ongoing)
Lobito-Walvis Bay-Ndola-Lubumbashi Corridor	<p>Project for Improvement of Namibe Port" (Ongoing)</p> <p>"International Logistic Hub Master Plan of Namibia and its Implmentation(Ongoing)"</p>



4.10.4 German Support to PIDA – Federal Ministry for Economic Cooperation and Development (BMZ)

Germany has supported infrastructure development in Africa for many years via its technical cooperation through for instance the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) (technical advisory, capacity building) and financial cooperation through the Kreditanstalt fuer Wiederaufbau (KfW) (Project preparation financing, e.g. via NEPAD-IPPF and direct project funding).

GIZ provides technical advisory and support to infrastructure development in various African countries. The specific GIZ-PIDA programme cooperates with the infrastructure departments of the African Union Commission and the NEPAD Agency to promote the implementation of PIDA-PAP projects through the following fields of action:

1. PIDA Information Management and Progress Reporting
2. PIDA Marketing and promotion of cooperation with the private sector
3. Provision of capacity for early-stage project preparation
4. Capacity building (e.g. trainings on infrastructure PPPs)
5. Coordination between central PIDA stakeholders

Other GIZ projects either work on bilateral (e.g. reducing poverty in the Sahel through energy efficiency and renewable energies) or regional level (e.g. GIZ-CESARE: a common market for southern Africa).

Implementation Progress – Thanks to the established PIDA M&E System an aggregated progress reporting is now possible.

Accordingly, 30 PIDA-PAP projects are already operational, 54 are currently under construction and for 27 projects financing has been secured. This reporting is essential to further improve and steer the implementation of PIDA projects.

Creating Jobs with PIDA – The programme developed an econometric methodology to estimate the labour market effects of PIDA projects. Valid data on how many and what type of jobs can be created via infrastructure projects illustrate the socio-economic impact of PIDA and facilitate political and financial marketing. For example, the hydropower dam Ruzizi III has the potential to create about 25.000 jobs during the construction period and about 103.700 jobs resulting from improved electricity access.

Cross-Border Project Management – The SDM pilot pro-ject advised the Economic Community of West African States (ECOWAS) on how to set-up a cross-border project management authority to collectively implement the Abidjan-Lagos Transport Corridor. This supranational management unit will be the first of its kind on the continent allowing for a joint implementation of the 1028 km highway, which trans-ports an estimated 75% of all traded goods in West Africa through the five coastal stats.

The lack of capacity and expertise in the public sector is a key bottleneck for the planning and implementation of complex infrastructure projects. Thanks to the programme, more than 40 regional and national project managers are being trained on how to effectively set-up and manage Public Private Partnerships (PPPs) for improved project implementation.

GIZ supports the operations of PIDA Continental Business Network to drive further private sector involvement within PIDA.

The PIDA private sector network CBN communicated crucial recommendations on how to de-risk PIDA projects to African Heads of State and Government and other political decision-makers. The programme supports the realization of one these recommendations to increase infrastructure finance from African Pension and Sovereign Wealth Funds. Following the 2nd CBN Report, GIZ assists to realize the “5% Campaign” that foresees an increase of institutional investment from African Pension and Sovereign Wealth Funds from 1.5% to 5%. Further, GIZ supports the operational planning for future CBN actions.

GIZ assists with the market packaging of PIDA projects. During that process bankable PIDA projects are packaged according to investment type and eventually marketed to investors to secure finance for construction. Currently, this packaging focuses on Energy and Transport projects.

Cote d'Ivoire, Ethiopia, Ghana, Morocco, Rwanda, Senegal and Tunisia as those countries have been selected as “Compact Countries” to partner with via the G20 Compact with Africa Initiative. This initiative seeks to increase private sector finance to drive infrastructure development. NEPAD may play the role as the pan-African and continental agency to facilitate private investment in those countries (e.g. via the SDM or CBN).

Through capacity development and a coordinated approach towards regional infrastructure projects, the programme supports the packaging and marketing of selected PIDA projects – for example for the Zambia-Tanzania-Kenya Transmission Line which will establish a regional power market in excess of 60.000 MW – or for the Batoka Gorge Hydropower Dam which will increase the renewable energy sources for Zambia and Zimbabwe from currently 42% up to around 80%.

The implementation of infrastructure projects throughout the continent is supported through capacity building, strategies to increase infrastructure finance and the marketing of PIDA projects. This enables the African population to have an improved access to electricity, faster transport routes, increased internet connectivity and direct and indirect employment opportunities.



Transport:

GIZ supports for instance the development of a “PIDA Corridor Guide”, which serves as a best-practice guide for corridor management (preparation to implementation). In that regard, the North-South Corridor, the Central Corridor and the Abidjan-Lagos Corridor are taken as case studies as well as the use of NEPAD instruments in order to facilitate its implementation.

In addition, through GIZ support to the PIDA Service Delivery Mechanism, the institutional and legal establishment of the Abidjan-Lagos Corridor Management Authority, with adjacent financing for its operation and feasibility study by the AfDB has been facilitated.

Cross-sectoral:

GIZ supports the development of a PIDA Job Creation Online Toolkit which estimates the potential labor market effects of PIDA projects throughout different project phases. Additionally, users will also be able to screen recommendations on how to maximize job creation during their respective project stage and access PIDA case studies, which will provide broader policy recommendations on national and regional level for job creation in infrastructure. Usage is primarily aimed at PIDA project owners and RECs but also other users can apply this methodology as a policy instrument to assess how alternative project designs may impact African job creation (e.g. through local sourcing of materials and labor).

Financial cooperation through KfW Development Bank

KfW Development Bank (business area of KfW Group) acts on behalf of the Federal Ministry for Economic Cooperation and Development (BMZ) as co-financier for PIDA project preparation. Since 2009 it supports the NEPAD-IPPF. Furthermore, KfW provides grant support for the SADC Project Preparation and Development Facility (Context: PIDA E.02 North-South Power Transmission Corridor). In addition, Germany through KfW is engaged in PIDA via direct investment funding and project implementation (for instance support of the West Africa Power Transmission Corridor (PIDA E.08), the Hydro Power Plant Ruzizi III (PIDA E.12), the Northern Multimodal Corridor (PIDA T.05) and the Regional Transmission Line Mozambique / Malawi (PIDA E.02; under preparation). Also, KfW and BMZ are both



member of the Infrastructure Consortium for Africa (ICA), which has been launched at the G8 Gleneagles Summit in 2005. ICA's role is to encourage, support and promote increased investment in infrastructure in Africa, from both public and private sources.

4.10.5 European Union (EU)

The EU is a strategic partner of the African Union, and as part of the Joint Africa-EU strategy, signed in Lisbon, Portugal in 2007, the two continents have identified areas to work together. EU's support to the PIDA forms part of this strategic partnership. The EU is committed to the provisions of the PIDA, which is recognized as the African-owned strategy for responding to the infrastructure needs of the continent to reduce poverty and boost growth. The EU shares PIDA's view on its investment approach, but also – and equally important – on its sector governance agenda to tackle sector inefficiencies that eventually hamper investments to yield. The EU considers PIDA as a guiding framework for all donors and African partner countries, facilitating identification, preparation and implementation of regional African investment projects.

In support of the PIDA Priority Action Plan implementation, the EU-Africa Infrastructure Partnership aims to support increased investment in Africa's transport, energy, water and ICT networks.

The EU is supporting PIDA implementation in various forms, by promoting infrastructure investments for regional integration through the EU-Africa Infrastructure Trust Fund (AITF) and the new African Investment Facility (AfIF), by supporting preparation of studies, infrastructure sector reforms and good governance.

More specifically in 2016 and 2017, several events were organized in the scope of the Africa-EU partnership, as a follow-up to the joint roadmap agreed by the African and European Heads of States and Governments during the 4th EU-Africa Summit (Brussels, April 2014) and these events gave the opportunity to recall the commitments highlighted above, e.g.:

- The Reference Group on Infrastructure (Brussels, 24, 25 April 2017); which took stock of the existing infrastructure related projects and initiatives.

- Presentation on the European External Investment plan for the African Union Member State Ambassadors (members of the AU Permanent Representative Committee – PRC) and the EU Heads of Mission based in Addis Ababa.

- The EU also takes an active part in PIDA-related events such as the PIDA steering committee and PIDA week, highlighting its full backing to the PIDA process.

The EU-AU heads of state summit, which took place in November 2017, identified the areas that the two continents will collaborate for the period 2018-2020.

The EU's external investment plan (EIP), was adopted at the same summit. The EIP will help mobilize additional investments by combining existing investment facilities (blending) with a new innovative instrument - guarantee – to mitigate risks of private and public sector investments, especially in fragile countries in Africa. Massive infrastructure investments (e.g., in energy, water, digitalization, interconnectivity, etc.) are needed across Africa to achieve the SDGs that cannot be financed only by the overseas development Assistance (ODA).

The EIP will have integrated 3-pillar approach of the EIP: the significant financial envelope and leverage aspects (blending platform and guarantee mechanism), but also the importance of Technical Assistance and policy dialogue as part of a broader package for promoting sustainable investments and an enhanced investment climate. The EU is committed towards responsible investments, i.e., to uphold key EU values in terms of respect for social, environmental, labour and governance standards and the need for due diligence on the investors' side.

4.10.5.1 PIDA related projects that the EU supports:

1. The support to the transport sector development program. The overall objective of the project is to contribute to the achievement of inclusive political, economic and social development through enhanced regional integration of ACP countries with focus on Sub-Saharan Africa, and to support achieving the MDGs. The project was financed by the EU under the 10th European Development Fund (EDF), to the value of 4 million Euros. The



Consultant, NTU International A/S in consortium with Louis Berger, was in charge of the implementation.

The project consisted of 4 main activities, as listed below.

- Support to the Department of Infrastructure and Energy in the African Union Commission in the fields of transport policy harmonization and transport sector and services development;
- Support to PIDA Priority Action Plan (PAP) for the start-up of smart corridor activities;
- Support to the Infrastructure Consortium for Africa (ICA) for implementing its strategic business plan; and
- Editing and publishing of comprehensive transport sector guidelines.

Under the first part of the project (Lot 1), Support to PIDA Priority Action Plan (PAP) for the start-up of smart corridor activities; two pilot projects on the Dar-es-Salaam and North South Corridor have been developed. Once implemented the projects will be duplicated in the other African corridors

Draft Transport Policy (White Paper) and the Governance Paper were also the main deliverables for the project, laying the basis for further policy development in the transport sector at continental level. The same deliverables will help to strengthen AU's capacity to regulate, organize, promote and finance improved inter regional and continental transport infrastructure and services through interconnectivity across regions, by promoting safe trans-boundary transport corridors and harmonized transport policies.

For the second project (Lot 2) a draft transport policy white paper and that encapsulates the vision, goals and objectives, policy principles and statements and includes the evolving challenges within the context of Agenda 2063 including the Malabo Ministerial Declaration on Transport, UN Agenda 2030 on SDGs, Climate Change Agenda COP21/22, Habitat III, Migration and urban mobility and climate change for all modes of transport, was developed. Once approved, the Transport White Paper will be the blue print for the development of transport infrastructure and services in Africa.

In addition, the EU provided technical assistance to the AUC, for the Air transport sector, to promote the full implementation of the Yamoussoukro Decision on the establishment of a Single African Air Transport Market.

2. In the Energy sector,

The EU has continued its support to AUC/DIE which started in 2015 for the development of a **Legal Harmonised Continental Regulatory Framework for the Energy Sector in Africa**. The African Continental Harmonized Regulatory and Policy Framework for Energy was approved by Energy

Ministers in March 2017, Specialized Technical Committee Meeting(STC) organized in Lome, Togo on March 13-17 – focusing on Transport, Inter-continental and Inter-regional infrastructures, Energy and Tourism and an Action Plan with clear responsibilities at all levels has been developed.

The first phase of the same project was finalized, and a second phase, upon a request from the AUC- has kicked off in May 2017. The focus will be on harmonization of transmission tariff methodology Institutional and policy model for micro grids / mini-grids.

In the Water sector, support is provided to the African Ministerial Council on Water/AMCOW, to river basin organizations.

In addition, the EU is in the process of preparing new multi-annual indicative programme for 2018-2020 (to be adopted in April 2018), and need to reassess possible support in the coming years in light of future priorities, the details of which were also discussed in the EU-AU summit. The EU is also considering a new framework for development New EU Consensus on Development, which will incorporate and align with the principles of the UN Agenda 2030.

4.10.5.2 EU Africa Summit 2017

The meeting of the Reference Group on Infrastructure (RGI) jointly convened by the European Union and the African Union Commission was held on 24 and 25 April 2017 to develop the 2018-2020 strategic infrastructure roadmap in Brussels, Belgium. The Reference Group on Infrastructure (RGI), which is mandated under the Joint Africa-EU Strategy to steer strategic Infrastructure policy orientations and cross sectoral coordination, aims to address the cooperation challenges and priorities arising from the Agenda 2030, the AU Agenda 2063 and the proposed 2017 New European Consensus on Development through the lenses of energy, transport, water & sanitation and ICT.

The Reference Group on Infrastructure (RGI) examined and took note of the positive progress made to date, emphasizing that the formulation of the new comprehensive EU approach for Digital for Development (D4D), focusing mainly in Africa, provides new ground to promote affordable broadband connectivity, digital skills and literacy, digital entrepreneurship and mainstream digital across sectors such as e-Government, e-Health, e-Agriculture, e-Education and e-Finance.

The 13th Meeting of the Strategic Group for International Energy Cooperation noted progress made in PIDA implementation, the strategic Africa initiative for infrastructure projects, which provides the framework for the development of the digital sector (establishing the enabling environment /



terrestrial connectivity), and shortcomings and challenges as well. This includes the following:

- PIDA is a sensible framework; making it functional requires significant capital commitment, greater coordination amongst key political actors, and engagement of the private sector;
- Lack of bankable projects remains a key bottleneck of PIDA;
- Limited implementation of activities on cybersecurity and e-strategies due to lack of resources.

4.10.6 The Development Bank of Southern Africa (DBSA)

The mandate of DBSA is to advance the development impact in the region by expanding access to development finance and effectively integrating and implementing sustainable development solutions to:

- Improve the quality of life of people through the development of social infrastructure
- Support economic growth through the investment in economic infrastructure
- Support regional integration
- Promote sustainable use of scarce resource

DBSA supports the de-risking of infrastructure projects and delivers project concepts to bankability. In essence, the DBSA services include Project identification, feasibility assessment, technical assistance, financial structuring, managing project preparation funds and security as mandated lead arranger role for DBSA.

The DBSA core focus areas are on large scale infrastructure projects within the private and public sector. The primary sectors are water, energy, transport and ICT. The DBSA further supports the continent's regional integration objectives by providing funding, related products and services for commercially viable and sustainable projects, primarily in the energy, transport, water and telecommunications sectors, which contribute to economic development and regional integration outside South Africa. It further supports project planning and development, advocacy and partnership building for resource mobilization and Promote inter - regional integration and cooperation between SADC and the adjoining regional economic communities in Africa. In essence the DBSA's regional development and integration strategy is aimed at facilitating trade in Africa by investing in infrastructure projects outside South Africa.

Currently the DBSA has been focusing a lot on the energy sector, especially the renewable energy sector in the South African Renewable Energy Independent Power Producer Procurement Programme. The DBSA intends to invest more

into the transport and ICT sectors on the African continent, as well as the LNG sector.

Project preparation facilities are currently struggling to disburse funding on infrastructure projects due to governance issues or capacity constraints among project owners. The USTDA, DBSA in collaboration with the Sustainable Development Investment Partnership (SDIP) of the WEF is currently mapping the project preparation facilities investing in Africa and the ASEAN regions to identify and raise awareness of the sources of financial support for projects being developed in the region to increase the pipeline of bankable infrastructure projects. The survey hopes to contribute to the identification and Assessment of the right Sources of Capital for Project Preparation in Africa and the ASEAN region with which project owners and developers can connect with and thus accelerate the process of preparing the projects that matter and is aligned with the objective of the PIDA

Harmonisation of policies across regions and the adoption of good governance principles for infrastructure development on the continent remain key policy programmes for the unlocking of infrastructure projects – this is where NEPAD can play a key coordinating role in collaboration with the Regional Economic Communities.

The DBSA renewed its MoU with NEPAD in 2016 to confirm its commitment to the PIDA programme. In essence, the DBSA to date has provided advisory services and financial support to PIDA and MOVE Africa events in the 2017 calendar year. The bank's strategy is driven by the need to create world class infrastructure catalyzing capabilities in an ever-increasing competitive environment. The DBSA has chosen to respond in ways that will give effect to that, and has initiated actions to achieve that. In fulfilling its mandate, the DBSA is guided by a number of international, regional and local policies, accords and agreements. These include amongst other the PIDA programme, AGENDA 2063, the goals and targets of the United Nation's "Transforming our World: the 2030 Agenda for Sustainable Development". Furthermore, in accordance with COP21, it supports business innovation. The strategy of the DBSA is linked to the objectives of a country's National Development Plan and the Sustainable Development Goal (SDG) objectives.

The DBSA's focus on regional integration ensures that it further provides capacity building programmes through the Pan African Capacity Building Programme (PACBP), a partnership initiative of the DBSA, and the Industrial Development Corporation (IDC). Short courses are provided to government departments and regional economic communities in providing them with the necessary skills and tools in achieving their infrastructure development goals.

The DBSA is playing a critical role in supporting the LAPSET Corridor with the aim to fund the Lamu Port and road

programme of the LAPSET Corridor. In addition, the DBSA are in the process of funding the following projects in preparation stages:

- Angola - Namibia Transmission Interconnector (pre-feasibility) through the SADC PPDF funds that it manage
- Mozambique – Zimbabwe – South Africa Interconnector (MOZISA) (pre-feasibility) through the SADC PPDF Funds.
- Batoka Gorge Hydro Electric Power Scheme – in discussion with the NEPAD IPPF.
- Rehabilitation and Upgrade of the North-South Rail Corridor through the SADC PPDF – first disbursement concluded for the Pre-feasibility study in March 2017.

Some of our great achievements include working closely with the CCTTFA on the central Corridor Programme, Supporting the SADC in driving the signing of the MoU's for the North-South Corridor member states and the Beira Development Corridor and funding the North-South Corridor rail programme.

DBSA's Support to PIDA:

1. Financial support to MoveAfrica at WEF 2017 in Africa (NEPAD)
2. Financial support to PIDA week 2017 (NEPAD)
3. Identified key PIDA projects which were presented at the SDIP market place in collaboration with AfDB and SADC.
4. Provided Advisory Services at first ordinary session of the specialized technical committee on transport, intercontinental and interregional infrastructures, energy and tourism (AU)
5. Supported SADC with their Energy Conference held in Swaziland by providing financial support, advisory services and drafting the brochure which included most of the PIDA energy projects.
6. DBSA is also currently in discussion with AfDB in providing them with support for the inaugural Africa Investment Forum for 2018.
7. DBSA further supports and provide advisory services to the South African Presidency as the champion of the North-South Corridor – a report presented at the NEPAD Heads of State annual meetings for the Presidential Infrastructure Champion initiatives.

The DBSA in collaboration with the World Bank and other partners conducted the first Governance on Infrastructure summit. Some of the key outcomes include the following:

1. Difficulties have been experienced to date in meeting the sustainable infrastructure investment objectives in Africa, but we have also seen the success stories such as the LAPSET CORRIDOR through Kenya.
2. The discussion re-affirmed the critical importance of a clear plan for infrastructure programs to guide the selection of projects in line with development priorities and societal goals. However delivery of these projects requires strong

political leadership, such as the Presidential Infrastructure Champion Initiative programme where key projects have come to fruition.

The next summit on Africa will be in May 2018.

4.10.7 USAID/ Power Africa

Power Africa and NEPAD signed an MOU in September 2014, which outlined joint areas of collaboration, including support for PIDA, as outlined under the Africa Power Vision (APV). Since then, we have worked collaboratively to support advancement of APV list of priority energy projects, through the development of the "Africa Power Vision Concept Note and Implementation Plan: From Vision to Action," which was presented to and validated by to the African Union's Heads of State and Government Orientation Committee (HSGOC) in January 2015. From 2015-2016, Power Africa also seconded a transaction advisor to NEPAD's energy team to support advancement of deals and to provide technical assistance and capacity building support. We continue to work closely with NEPAD to identify continuing opportunities to support the roll-out of their Renewable Energy Initiative and support energy projects of mutual interest across the African continent.

4.10.8 The Project Preparation Facilities Network: NEPAD IPPF

The NEPAD Project Preparation Facility (NEPAD-IPPF), a Multi-donor Special Fund hosted by the AfDB whose mandate is to spur sustainable infrastructure development on the African continent through preparation of bankable, investment-ready projects. This is done by providing grants and expertise to help African countries, Regional Economic Communities (RECs) and specialized agencies (SA) to prepare viable and bankable projects in the areas of energy, transport, information technology and communication (ICT), and trans-boundary water resources. NEPAD-IPPF also provides assistance in specific sub-sectors within the broad sector definitions such as roads, rail, and ports under transport; generation, transmission oil and gas and renewables under energy; telecommunications and broadband under ICT; water resources management, water supply and sanitation.

Donors contributing to the NEPAD-IPPF Special Fund are, Canada, Germany, UK, Spain, Denmark and Norway as well as USAID and USTDA (co-financing on specific projects).

NEPAD-IPPF supports project preparation development for continental/ regional infrastructure projects to RECs, Power Pools, Corridor Agencies, and River Basin Organizations through the provision of development finance in the form of Grants, transaction advisory support such as PPP or other private sector financing options and technical assistance such as pre-feasibility, feasibility studies and ESIA are also provided. The AfDB supported and coordinated the preparation of PIDA. NEPAD-IPPF provided the initial grant

funding of US\$2 million which crowded in additional funding from other financiers to prepare PIDA and the PIDA Priority Action Plan (PIDA-PAP).

NEPAD-IPPF's 3 Key Strategic Objectives (SO) are

- i. Increase the availability of viable, well-prepared regional infrastructure projects;
- ii. Enhance collaboration among project stakeholders and project financiers on financing; and
- iii. Improve sustainability of project preparation financing for regional infrastructure projects. A major focus of the third SO is increased domestic resource mobilization to supplement Donor resources and enhancing co-financing partnerships through continued Collaboration with other relevant public & private entities will remain a major effort in mobilizing more resources for PIDA implementation.

The three SOs are underpinned by a cross-cutting SO which is to "Improve the development impact of project preparation" by mainstreaming gender, fragility (countries in transition), environment and climate resilience and linkages to ensure that the impact of well-prepared infrastructure projects is broad-based.

Since PIDA approval, NEPAD-IPPF continues to prioritize financing for PIDA PAP projects, a large number of which constitute the special fund current and upcoming investment pipeline.

Thus far, NEPAD-IPPF has provided US\$91.3 million for the preparation of 72 infrastructure projects, 35 of which have been completed generating US\$7.3 billion in downstream financing and most of these are PIDA projects. Recent projects supported by NEPAD-IPPF aligned to PIDA are, in the:

Energy Sector - Ethiopia-Kenya Power Interconnector; ZTK (Zambia-Tanzania-Kenya) Power Interconnector; ZIZABONA (Zimbabwe-Zambia-Botswana-Namibia) Power Interconnector; North Core (Nigeria-Niger-Burkina Faso-Benin); Sambangalou and Kaleta Hydro Power Projects (West Africa); Ruzizi III (East Africa); Nigeria-Benin Power Interconnector; Batoka Gorge Transmission Evaluation Infrastructure. In the

Transport Sector - PIDA projects supported by NEPAD-IPPF include, Kazungula Bridge (Botswana-Zambia; Road and Rail Bridge over the Congos; San Pedro Port Development (Cote d'Ivoire); Nacala Road Corridor; , Kampala-Juba- Addis- Djibouti Road Corridor, Uganda/Tanzania Multinational Roads Projects; North-South Corridor Road Projects. In the

Water Sector - Shire-Zambezi Waterway; Songwe River Basin (Malawi, Tanzania); Orange-Sengu River Basin (Lesotho, South Africa, Botswana and Namibia); Lake Tanganyika Corrido Projects (Burundi, Zambia); and in the

ICT Sector - Central Africa ICT Backbone.

NEPAD IPPF supports project preparation activities across the "Project Preparation or Development Cycle" which includes

- i. Studies: Prefeasibility and feasibility studies; Detailed engineering designs; Financial, economic, environmental and social impact assessments; and Market studies,
- ii. Transaction Advisory Services: Due diligence, transaction analysis and project structuring/packaging including PPP; Pre-contract services including preparation and revision of tender documents, launching, processing, evaluation of bids and contracts negotiations.
- iii. Project Marketing and Fund raising: Technical assistance in the preparation and delivery of workshops, road shows, seminars and conferences involving stakeholders, investors and lenders

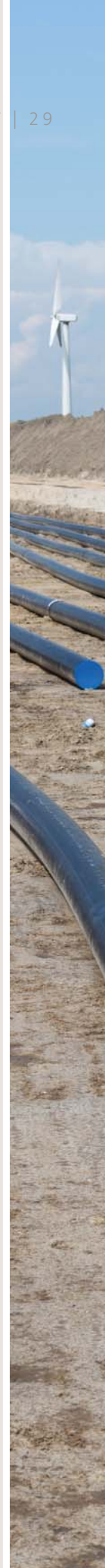
Several priority PIDA projects are making progress along the development cycle towards financial close and implementation. Among others are the Ruzizi III which achieved financial closure and Zambia-Tanzania-Kenya power interconnection have both reached financial closure, the OMVG (Kaleta and Sambangalou) which are reaching financial close and Ethiopia-Gibe III project .

Additional grants to provide technical assistance support to undertake upstream pre-investment work to accelerate project preparation for the PIDA PAP in order to move these projects to bankability, will remain to be the top priority for the AfDB

The current NEPAD-IPPF strategic focus seek to support Infrastructure development by prioritizing the development of viable well-prepared bankable regional and continental infrastructure projects, the special funds support all the AfDB High Fives priorities by (a) enhancing collaboration among projects stakeholders; (b) enhancing the financial sustainability of project preparation for regional infrastructure and (c) increasing the development impact of project preparation (nexus projects that mainstream gender, fragile states or countries in transition, climate actions or jobs and business linkages).

A key lesson learnt is that partnerships are necessary to plan, design, prepare and deliver complex cross-border infrastructure projects. Another lesson is that to ensure financing of prepared projects, it is necessary to engage potential financiers at an early stage so as to ensure that prepared projects are aligned to the funding considerations of financiers. Demonstrable commitment by countries through some financial contributions is critical to leverage additional resources as it demonstrates both ownership and shared risk

In 2017, the NEPAD-IPPF Special Fund has firmly focused on providing cross-cutting support by preparing regional projects in energy power generation; transmission; green energy - to attract financing for implementation. Continue to liaise with (RECS, RMCs, Power Pools, Corridor Authorities and NPCA) at



early stages of infrastructure project process to assure transformative bankable deliveries and mainstream cross-cutting themes in project preparation. Amongst others, projects in 2017 include, the ECREE Feasibility Study for Business Opportunities for Women Businesses in the Energy Value Chain, a project that aims to supporting the creation of the enabling environment and identification of specific business opportunities for women entrepreneurs in energy. The aim is to scale this regulatory approaches for promoting renewable energy and energy efficiency markets by engaging women as an integral part to address energy challenges in the 15 member countries of the ECOWAS region. The aim is to replicate this model to other infrastructure sectors and regions of Africa. The aim is to ensure that NEPAD-IPPF support does not just result in bankable infrastructure projects which are financeable, but leads to opening up business opportunities and linkages within communities and across countries and regions to empower and expand economic and business opportunities for women and the youth so as to achieve greater development impact.

On an annual basis, NEPAD-IPPF liaises with Power Pools, Corridor Agencies, River Basin Organizations and other Specialized Agencies who prioritize PIDA Projects aligned to their National or Regional Infrastructure Master Plans before submission to NEPAD-IPPF. This is the basis for determining priorities and the NEPAD-IPPF Project Pipeline for each year.

As part of its new strategic orientation, NEPAD-IPPF has developed a new Quality at Entry Criteria (QaE) which projects must fulfill before they are eligible for preparation funding. The criteria requires that projects are part of the National or Regional Infrastructure Master Plans; they have budgetary provisions in the national plans; there is demonstrable donor or investor interest in the projects; initial scoping work has already been undertaken (i.e. Project Concept Notes, etc), and there is strong national or regional ownership. The lesson learnt is that this has resulted in submission of stronger projects by countries and in turn, this has strengthened the quality of the NEPAD-IPPF Project Pipeline with a greater likelihood of such projects reaching financial close and attracting financing for implementation.

4.10.9 NEPAD Business Foundation (NBF)

The mandate of the NEPAD Business Foundation in supporting Africa's infrastructure development includes:

- To support the implementation of regional infrastructure masterplans (e.g. PIDA, SADC RIDMP) and projects by mobilizing the private sector; and
- To actively support human development and capacity

building for both governments and business.

NBF provides support to Africa's infrastructure development through:

- Champion projects to drive the implementation of priority regional projects by leveraging the private sector
- Facilitate preparation of infrastructure projects through early stage engagement of the private sector
- Capacitate government as well as private sector practitioners especially focusing on alternative procurement and financial structuring methodologies through the delivery of the World Bank initiated and international accredited Certified PPP Professional Foundation Program (CP3P).

Infrastructure sectors:

- Transport Sector:
 - Project facilitator for the North-South Rail Corridor project
 - Local Economic Development Guidelines for Tanzania Infrastructure Development
- Energy Sector:
 - Hosts the Southern Africa Business Forum Energy Working Group
- Financial Service Sector:
 - Working with the IFC, JSE and EY to establish and grow sustainable finance solutions i.e. Green bonds
- Water Sector:
 - The NBF through its Africa Investment and Integration Desk (AVID) are contracted by the Stockholm International Water Institute to unblock major water and sanitation projects across the African continent. The Africa-EU Water Partnership Project (AEWPP) is a joint undertaking by the European Union (EU), the African Ministers Council on Water (AMCOW) and the Government of Sweden.
- Cross-sectoral:
 - The CP3P training course covers all infrastructure sectors and training courses are designed if and where applicable to include specific country policies, legislation and or sector specific sector case studies.
 - SADC PIDA Infrastructure Project Acceleration Programme

The NBF intends to expand its operations into:

- SADC regional gas strategy
- Local Economic Development Guidelines for adoption by SADC/NPCA/AUC (incl Country Readiness Reports, Training, etc)
- The NBF/AVID is planning to deliver the CP3P training courses across the African continent and from October 2017 until the end of 2018 targets

one course per month in key African countries.

• Support East Africa Infrastructure Acceleration Programme
Some of the achievements to-date that have NBF managed to drive in terms of PIDA Implementation:

- North-South Rail Corridor:
 - Memorandum of Agreement signed by DRC, Zambia, Zimbabwe, South Africa Rail Operators
 - Project endorsed by SADC Ministers of Transport as the priority regional rail project
 - Project preparation funding secured from SADC PPDF (administered by the DBSA)
 - Appointed advisor for the pre-feasibility study
- SADC PIDA Acceleration Programme:
 - Early stage engagement of the Private Sector for Dondo Dry Port, ZTK Transmission Line, Francistown-Nata Road, Beitbridge Border Post
- The NBF/AVID has since its accreditation trained 85 government and private sector PPP practitioners. The highlight during this period was the development and conclusion of an energy focused PPP course wherein we addressed electricity generation, transmission and distribution case studies. This training course was delivered to 31 ESKOM, South Africa employees.
- SADC PIDA Acceleration Programme Lessons learnt: Programme
 - Whole process needs to be aligned from inception (Dedicated Programme/Project Management)
 - Project Screening exercise needs to be more robust (evidence based)
 - Programme should be sector specific and/or match Ministers Meeting mandate
 - Status and method of minister approval needs to be binding
 - Projects:
 - Early engagement of Project Preparation Funds to ensure ongoing support to projects selected
 - Better due diligence of projects is required to verify status and requirements
 - More realistic time required to properly complete (based on project due diligence) – every project is unique
 - Consultant should only be engaged once the requirements are fully understood and scoped
- North-South Rail Corridor:
 - Memorandum of Agreement signed by DRC, Zambia, Zimbabwe, South Africa Rail Operators
 - Project endorsed by SADC Ministers of Transport as the priority regional rail project
 - Project preparation funding secured from SADC PPDF (administered by the DBSA)
 - Appointed advisor for the pre-feasibility study

4.10.10 Transnet

Transnet SOC Ltd is a state owned company that operates

ports, rail and pipelines in SA. The role of Transnet is to promote regional integration through investments in the infrastructure space of port, rail, and pipelines.

Transnet has wide and deep capabilities in the freight transport sector. They are able to partner with other state owned port, rail and pipeline operators to improve efficiencies and productivity which ultimately migrate cargo from road to rail.

Transnet is technically competent to supply rolling stock and is currently establishing itself to be the hub for rolling stock manufacturing.

- a. Port, Rail and Pipeline Operations
- b. Training (we have 5 Schools inside Transnet)
- c. Manufacturing and supply of rolling stock including technical training
- d. Operational Due Diligences

Transnet is involved in the Freight logistics sector and intends to expand in this area within the region. They are ready to partner with DFI's, commercial banks and technical partners to expand in the region. Transnet operates 22000 KM of rail network in SA and has vital links to several landlocked countries within the SADC countries. Investing in these corridors will promote regional integration.

To date:

- NSC pre-feasibility study commenced. Status completion is around 41% complete.
- MoA signed with 6 Railway operators to develop one corridor masterplan for the entire corridor from DRC to Durban.
- There are several Schools in Transnet:
 - School of Engineering
 - School of Leadership
 - Maritime School of Excellence
 - School of Pipelines

Transnet is able to support the PIDA programme through training from the above mentioned schools.



5 Capacity Building for PIDA



The lack of capacity continues to be a key impediment to PIDA's implementation. In this regard, the AUC, NEPAD Agency, AfDB and its partners have put in place interventions to address the lack of capacity in key areas through skills development and placement of technical experts at the RECs.

Examples of interventions developed to address capacity constraints in the PIDA Programme include the PIDA Capacity Building Project (PIDA CAP), Infrastructure for Skills Development Programme and targeted bespoke training such as training programme on Public Private Partnerships.

5.1 THE PIDA CAPACITY BUILDING PROJECT

The PIDA Capacity Building Project (PIDA CAP) was conceived to develop the capacities of the RECs and member states to effectively navigate the myriad of issues impeding the successful implementation of PIDA. RECs and member states require timely guidance and support on a coordinated basis to ensure that they collectively accelerate the implementation of the PIDA PAP projects.

The PIDA CAP programme strengthens the capacity of the AUC, NEPAD Agency and RECs to plan, facilitate and co-ordinate implementation of regional infrastructure programmes and projects.

It also supports delivery of an integrated communication framework and policy analysis of cross-cutting issues for PIDA by the AUC. This will enhance the capacity of RECs and RMCs to diagnose and monitor PIDA implementation bottlenecks and introduce solutions.

5.1.1 PIDA CAP Project Progress

Since its roll out in 2015, PIDA CAP has contributed significantly to PIDA's implementation through placement of Technical Experts in the RECS and at NPCA. The PIDA CAP approach is one that seeks to ensure that sustained capacity is located at the right place (the REC and NEPAD) to provide Technical Advisory support, and leverage on all PIDA priority activities at the RECs in order to ensure the implementation of PIDA Projects. Since inception, the project has a complement of technical at SADC, EAC, CCTTFA, COMESA, IGAD and ECOWAS.

Recruitment being finalized for UMA.

Following improved technical capacity at complemented with grant support towards specific activities that support the acceleration of key priority projects, replication of the PIDA acceleration is begging to bear fruit with the realization of key results such as the finalization of the MoU regarding the establishment of the NSC Management Institution and project packaging and market sounding, and the procurement of consultants for nodal activities that seek to accelerate the implementation of the projects. For example PIDA CAP has supported acceleration of projects in the Central Corridor, Beira Development Corridor, the North-South Corridor and the Dakar-Abidjan-Lagos Multimodal Corridor. In October 2016, Beira and North-South Corridors acceleration programme in SADC attained a significant milestone with the conclusion and adoption of the respective MoUs by the concerned member states. SADC also organized an investor round-table to promote 10 projects that had been identified for prioritization through the acceleration process. ECOWAS, EAC and CCTTFA are in the process of finalizing RFPs for project packaging.

Ancillary PIDA CAP support activities at NEPAD center on providing a 'hub and spoke' administrative support to the RECs. Key amongst this has been support in procuring consultants following prescribed AfDB rules and financial management support.

5.1.2 Overall PIDA CAP Project Outcomes

The following are outcomes realized from PIDA CAP, in support of PIDA Implementation;

- There has been notable improved capacity at the RECS to address implementation of PIDA Projects, through placement of Infrastructure sector experts;
- Enhanced capacity as a result of capacity building initiatives at the RECS and member states has fast-tracked the implementation of PIDA projects,
- There is increased collaboration on select priority PIDA projects between REC secretariats, as well as the AUC and NEPAD Agency in the implementation of the PIDA PAP Project components through collaborative activities
- Acceleration of PIDA projects - PIDA CAP has supported specific activities that facilitated the acceleration of PIDA projects. This has resulted in a number of projects being packaged in Central Corridor, EAC and ECOWAS and SADC specifically these are;
 - The signing of the SADC's governance frameworks for the Beira and North South Corridors. These agreements set on course the establishment of a Corridor Management Institution for North South and Beira Corridors, a key milestone for these corridors.
 - Development of Corridors Development Investment Plan (CDIP) of EAC-based Multimodal Corridors in support of PIDA Acceleration. A consultant is now



being procured to package the projects.

Project Packaging Consultancy for Selected Baka- Abidjan Lagos Corridor with the submission of a Corridor Development Investment and Marketing Plan as the final output.

- Improved Data Collection for PIDA Projects - PIDA CAP has supported all RECs (SADC, EAC, ECOWAS, UMA) to host member states to discuss the status of PIDA projects and gather data on these projects. This has led to a significantly improved data collection process as visible through VIPIC and AID portals where project data quality and content has significantly improved.
- Through a raft of activities and linkages from ongoing capacity-building initiatives such as workshops that target RECS and member states, there has been significant improvement on the knowledge of PIDA projects at the REC and country level.
- There is a marked improvement in reporting on PIDA Progress, achievements, challenges and opportunities on PIDA implementation.

5.2 INFRASTRUCTURE SKILLS FOR DEVELOPMENT PARTNERSHIP (IS4D)

Infrastructure Skills for Development (IS4D) is a short, work-based, action learning program designed to equip professionals working in infrastructure related public sector agencies with the project management competencies required to initiate and oversee key infrastructure projects, especially the Priority Action Projects (PAPs) that form part of the Programme for Infrastructure Development in Africa (PIDA).

Participants undertake a 'real work / real time' project that is critical to their sector. The action learning model, which underpins the IS4D program, involves the participants in a process of activity and reflection that requires them to analyse the project, identify obstacles or bottlenecks, and develop strategies to ensure the successful completion of the project or project stage. Participants are supported in this process by being provided with access to:

There have been two phases of IS4D that attracted participants from eight countries, namely the Democratic Republic of Congo, Uganda, Kenya, Tanzania, Malawi, Mozambique, South Sudan and Zambia. These participants are involved in a variety of major regional projects in the road, rail and power transmission sectors. Overall 65 participants from 17 public sector agencies have taken part in the IS4D program - 38 in IS4D1 and 27 in IS4D2. The participants were all senior and middle level infrastructure development professionals working on regional PIDA projects or national components of projects linked to PIDA. Participants included engineers,

economists, valuers, legal officers, surveyors, project planners and regulators.

5.3 PUBLIC PRIVATE PARTNERSHIPS TRAINING

The NEPAD Agency together with the AUC and GIZ facilitated the training of PIDA stakeholder on **Public Private Partnerships (PPP)**. This course was delivered by the Institute for Public Private Partnerships (IP3). The first phase of this course was delivered in Dakar Senegal in August with 37 participants from RECs, member state and project owners.

The PPP Fundamentals: Strategies, Methods, and the PPP Cycle training provides participants with a comprehensive overview of public-private partnership (PPP) procurement and project structuring. In this training. The course content includes key topics, such as the definition and rationale of the PPP procurement option; prefeasibility and screening processes; financial and contractual planning; procurement, negotiation, and monitoring procedures; and institutional requirements. The training will also offer an introduction to the financial aspects of project structuring, including project finance and the core elements of PPP bankability.

The NEPAD Agency received an overwhelming number of applications from suitable infrastructure experts to attend the PPP course, against forty opportunities available. This high demand demonstrates keen interest that key personnel working in the infrastructure sector have towards improving their skills.

5.4 WAY FORWARD

The NEPAD Agency, AUC and GIZ are working to ensure that there are synergies across all capacity development interventions for PIDA and using lessons learned to inform all future interventions.

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6 The African Inernet System Project (AXIS)



The overall objective of Agenda 2063 is to chart Africa's development trajectory over the next 50 years. One of the envisaged flagship project activities is putting in place an intra-African broad band terrestrial infrastructure.

The Program on Infrastructure Development in Africa (PIDA) has further highlighted in its priority action plan, the importance of establishing Internet Exchange Points.

Africa is currently paying overseas carriers to exchange intra- continental traffic on our behalf. This is both costly as well as an inefficient way of handling exchange of local Internet traffic.

It is in this context that the African Union Commission initiated the African Internet Exchange System project to promote keeping of intra-Africa's internet traffic within the continent by supporting the establishment of National Internet Exchange Points and Regional Internet Exchange Points in Africa.

Having regard to relevant AU decisions related to the African Internet Exchange System project, the African Union Commission signed an agreement for the implementation of the African Internet Exchange System project funded by the EU-Africa Infrastructure Trust Fund and the Government of Luxembourg.

A total of 553 participants have been awarded certificates on Technical Aspects of Setting up, Operating and Administering Internet Exchange Points.

Through the support of the African Internet Exchange System (AXIS) project, AU Member States with internet exchange points (IXPs) have increased from eighteen to thirty three.

With many IXPs in Africa exchanging intra-country traffic locally and intra-regional traffic being exchanged regionally, this will reduce the latency and save costs by eliminating the international transit through overseas carriers.

For example, following the establishment of the internet exchange point in Namibia, latency was reduced from 300ms to 2ms and 1.8 million US dollars was saved in one year.

The project has also been supporting Regional Economic Communities to develop regional interconnection policy frameworks. The East African Community (EAC) cross-border interconnection regulations and the Southern African Development Community (SADC) IP Interconnection Policy Framework have been developed.

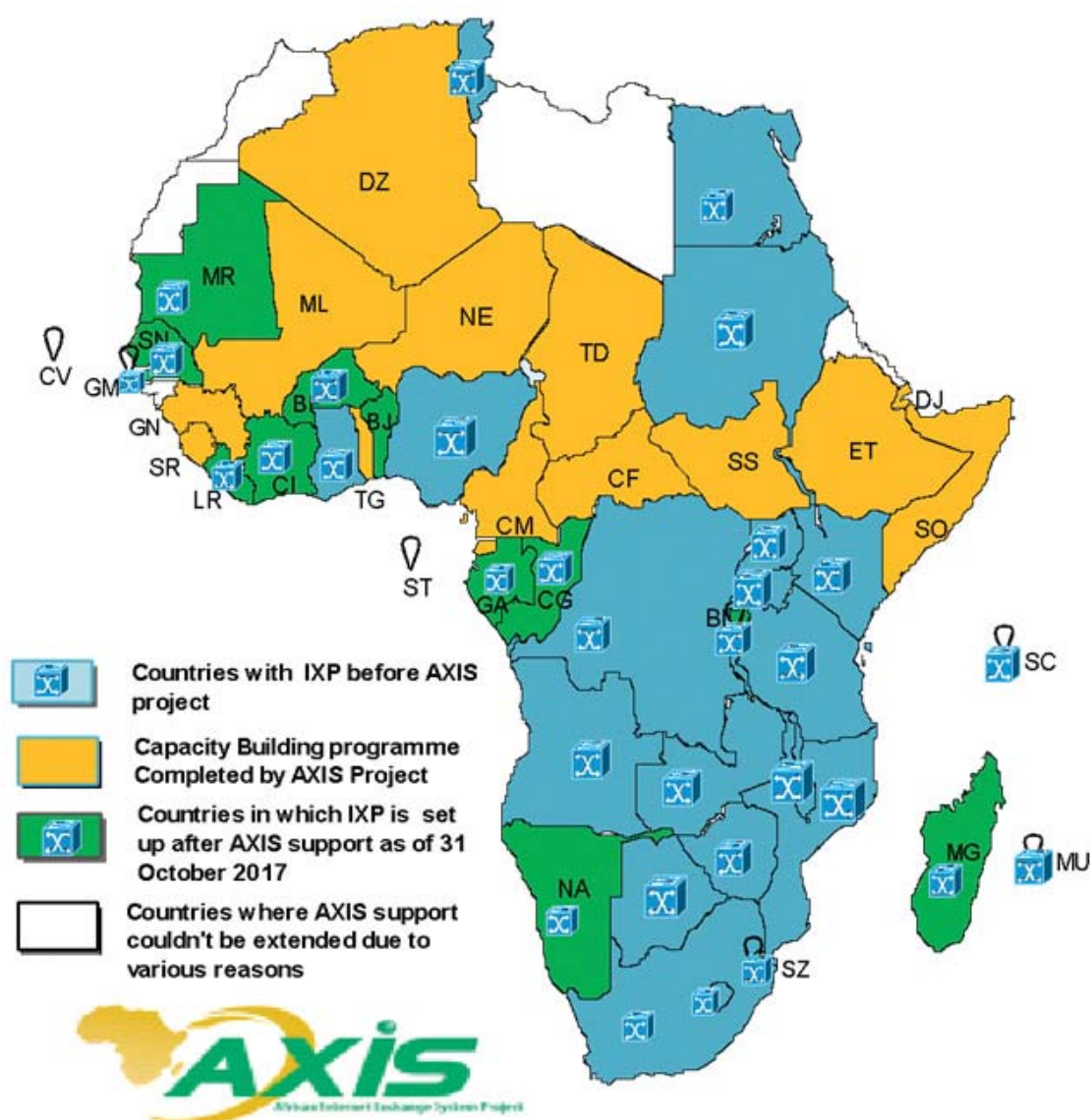
Following three calls for proposals issued through open tendering, grants have also been awarded to eight internet exchange points to grow to become regional internet exchange points - Kenya and Rwanda in Eastern Africa; South Africa and Zimbabwe in Southern Africa; Congo and Gabon in Central Africa; Egypt in Northern Africa; and Nigeria in Western Africa.

The support includes but is not limited to the following;

- Upgrade of IXP infrastructure to have the capacity to carry regional traffic
- Enhance technical capacity of staff through training and study visits to IXPs with large scale operations to equip them with the skills to become, and run a large scale IXIP
- Promotion of the IXP as a Regional IXP

Within Africa, regulators and policymakers have expressed concerns about international mobile roaming (IMR), especially regarding prices. Considerable dialogue has taken place between regulators, policymakers and industry, which has at times been challenging due to the economic, commercial and technical complexities of international mobile roaming.

Under the grant awarded to the Kenya Internet Exchange point, the African Union Commission supported the establishment of the first Global GSM Roaming Exchange (GRX) in Africa.



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.

There is significant evidence that Internet adoption now lags behind access availability in many regions, and that actual usage lags its potential. In other words, existing access infrastructure may be under-utilized, with the broader Internet ecosystem also remaining under-developed.

For Internet Exchange Points to have sustainable impact in contributing to reduction of access costs and promote growth of internet usage, it is critical that users have fast and affordable access to locally hosted content.

Locally hosted content refers to content that is hosted in-country, either on servers, in caches, or delivered by content delivery networks (CDNs) with a presence in the country.

In Africa, there is very little Internet content hosted locally, with the bulk of it hosted outside Africa.

Post AXIS support should focus on a project to bring back Africa's Internet Content to Africa by working with content developers, hosting service providers and country code top level domain names (CcTLD), to locally host Africa's internet content that is currently hosted outside Africa.



7 Monitoring PIDA Progress

7.1 DATA COLLECTION

7.1.1 Tracking Project Implementation

Reliable and up-to-date information on projects is key for the provision of effective project support in accelerating the implementation of PIDA PAP. Although work has been ongoing to improve the flow of information on PIDA projects in the previous years, challenges remain, in terms of data collection, verification and analysis. In most cases, information on projects are still incomplete, partly inaccurate, inadequate and outdated. To address this concern NEPAD Agency and AUC have recently renewed their efforts to improve the data collection, validation and dissemination for PIDA PAP projects.

Enhancing the existing information systems that are used for managing project and related information has been one of the areas that needed improvement. These systems include: the Virtual PIDA Information Centre (VPIC) web portal and the African Infrastructure Database (AID). NEPAD Agency have recently enhanced these systems based on emerging needs and feedback from end users.

7.1.2 Virtual PIDA Information Center (VPIC)

VPIC is an online knowledge portal that provides content on activities related to PIDA by all parties involved in accelerating PIDA PAP. The specific purpose of VPIC is to facilitate the sharing of PIDA-PAP information, promoting participation in PIDA-implementation, enabling the tracking and reporting of progress in PIDA-PAP implementation, and promoting investment opportunities in PIDA-PAP projects. The contents include items such as news, events, external links, media galleries and documents. VPIC also presents information on PIDA projects, in an interactive way, directly from AID. Stakeholders of VPIC include users and institutions at international, continental, regional and national levels including development partners, project financiers, private and public institutions, media and the general public interested in PIDA.

Some of the enhancements made in VPIC include the redesigning of home page, informative text on PIDA such as its history, governance, success stories, and impact and implementation activities. The new PIDA Projects Dashboard presents users with information on the 51 PIDA programmes and projects in an interactive way. The enhanced VPIC also provides users with up-to-date infrastructure news and events as well as document and multimedia gallery.

7.1.3 African Infrastructure Database (AID)

AID is data management tool for collecting, validating, storing and disseminating quality assured and up-to-date infrastructure project data in Africa. The contents of AID are managed by project owners/implementers from all over the continent. These include RECs, corridor authorities/agencies, power pools, river basin organizations, other regional institutions and relevant institutions in member states with primary data on infrastructure projects. Users in each of these institutions have a permission to add, edit and/or publish their own project information through a workflow to ensure the quality of information disseminated. A number of new functionalities have been added to AID as part of the enhancement effort. These include the introduction of more project descriptors such as project contact persons, maintenance and operation costs and the integration of PIDA M&E indicators to monitor project progress. Some of the key features introduced to simplify the data management tasks include data approval workflow for data validation to ensure quality, revision control to manage data changes, screen digitizing to capture geographic data and an interface to share information to other systems such as VPIC.

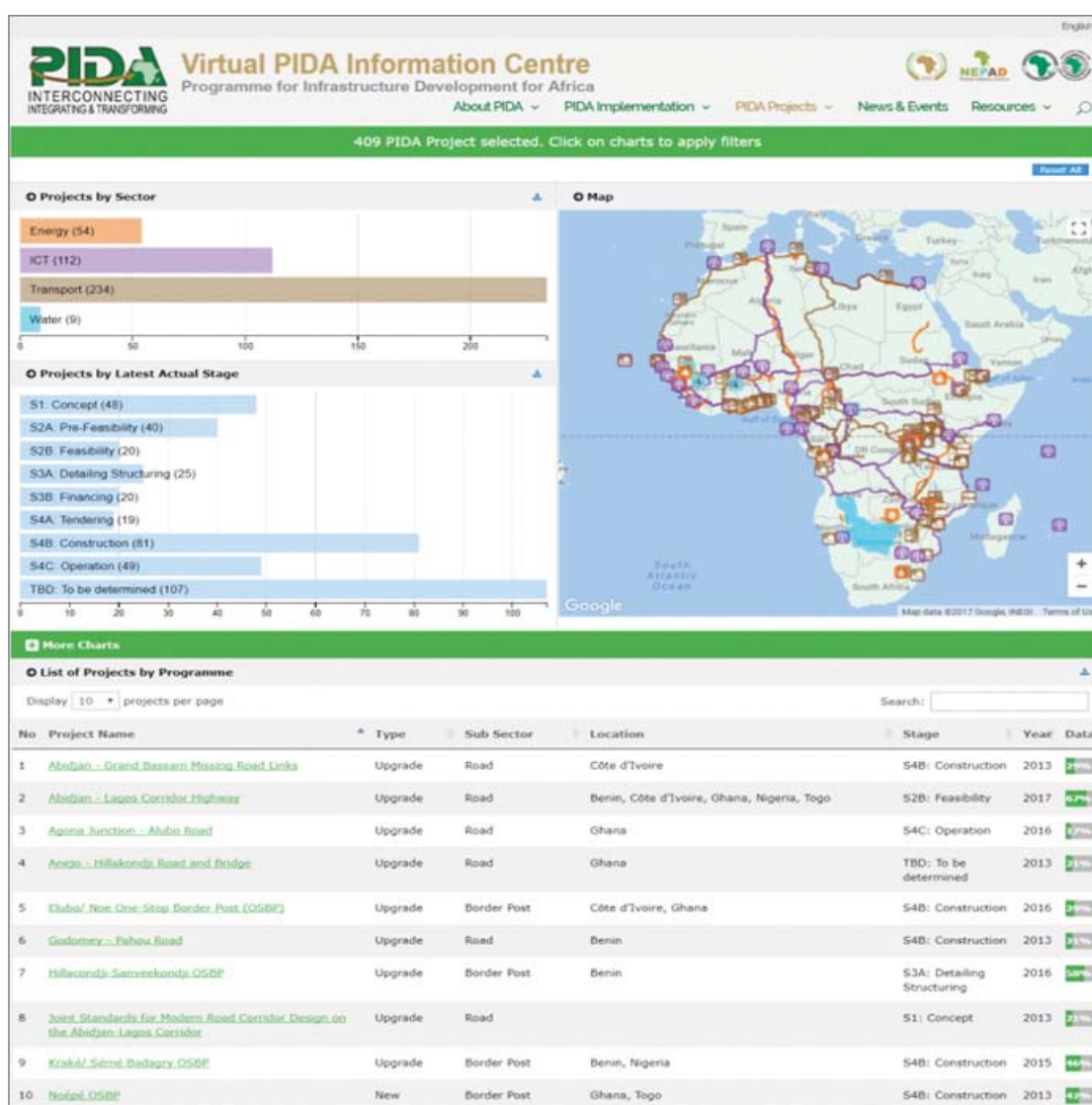
7.2 DATA COLLECTION ACTIVITIES IN 2017

Two training workshops have been held in September 2017 to collect and validate project information including training on the enhanced systems. The first workshop was held in Accra covering western and central Africa region and the second one was held in Nairobi covering eastern and southern Africa region with a total of 25 participants attending. Participants have continued updating project information after the workshop. More training workshops have been organized for smaller groups in the remaining months of the year in an effort to get as much projects updates as possible on a continuous manner.

With these renewed efforts of data collection and validation coupled with the enhanced systems for storing and disseminating the information, it is expected that all interested stakeholders will be well informed of the status of projects as well as challenges and success stories and thereby contribute in advancing the implementation of infrastructure projects in the continent.

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8 Highlights of PIDA Activities at RECS

8.1 INTERGOVERNMENTAL AUTHORITY FOR DEVELOPMENT (IGAD)

Procurements are currently underway for the following projects

- Nubian Sandstone Aquifer System
- Development of Sudan-Ethiopia Rail Line missing Link
- Development of Sudan-Egypt Power interconnection (Part of North-South Transmission Line)
- GIS mapping of IGAD corridors
- trade facilitation study of Nairobi-Addis-Khartoum corridor
- IGAD regional master plan

8.2 SOUTHERN AFRICA DEVELOPMENT COMMUNITY (SADC)

8.2.1 Establishment of a Corridor Management Institution for the North South Corridor; and an Agreement on the Beira Development Corridor

The SADC Task Force and Senior Officials responsible for both the North South Corridor and the Beira Development Corridor, during their meetings in July 2017 in Beira, Mozambique cleared the legal instruments once again were recommending them for signature.

During this meeting:

- i. Ministers from Botswana, Malawi and Mozambique: signed the Memorandum of Understanding on the Establishment of Corridor Management Institution for North South Corridor;
- ii. Ministers from Malawi and Mozambique signed the Agreement on Beira Development Corridor;
- iii. Ministers approved that both the MoU and MoA be circulated for other Corridor States to sign by the SADC Secretariat.
- iv. Ministers approved the BDC and NSC List of Minimum Requirements for hosting the BDC and NSC Management Institutions;
- v. Ministers approved the roadmaps for setting up the BDC and NSC Management Institutions;

Progress on the following projects:

Project	Current Status
Inga III	<p>A Mission was organized by SADC and NEPAD Agency to Kinshasa DRC, to engage with the Agency for the Development and Promotion of the Grand Inga Project (ADPI-DRC) in August to gain an understanding of the status of the Implementation of the Inga III and potential areas still needing support from SADC/NEPAD. An Action plan was developed to;</p> <ul style="list-style-type: none"> • Help ADPI-DRC adopt international procedures, in the promotion, development and management of the Grand Inga project. • Help ADPI-DRC with Technical Assistance. Two of its staff members are already being sponsored to train in PPP certification and they have finished the first module. • Help ADPI-DRC package and showcase the Inga III during the PIDA Week. • Help ADPI-DRC apply for US \$ 5 million grant money from NEPAD-Infrastructure Project Preparation Facility (NEPAD IPPF) to fill the gap for financing complementary studies.
Batoka Gorge Hydro Electric Project (BGHES):	<ul style="list-style-type: none"> • A Mission was organized by SADC and NEPAD Agency to Lusaka and Livingstone Zambia, to engage with the Zambezi River Authority (ZRA) in September 2017. The achieved mission objectives are: • An understanding of the status of the Implementation of the BGHES and potential areas still needing support. • A visit to the dam site. • NEPAD Agency in conjunction with Southern Africa Power Pool-Project Preparation Unit (SAPP-PAU) supporting ZRA to finalise the application to NEPAD-Infrastructure Project Preparation Facility (NEPAD-IPPF) for financing to enable undertaking of the feasibility studies for the additional transmission lines. • Help ZRA with Technical Assistance and Capacity development. Three of its staff members were shortlisted to attend Training on PPP. One is already being sponsored to train in PPP certification and has finished the first module. The rest will be training next year. • Help ZRA package and showcase the Batoka Gorge during the AU-EU summit and PIDA Week. • Discuss modalities of organising an exchange visit to Ethiopia to enable ZRA gain insight on how the Grand Ethiopian Renaissance dam was financed using domestic resources. • Agreed to adopt an integrated approach to develop the project, which take into consideration synergies with other regional projects (e.g. Inga III, Zambia-Tanzania-Kenya Interconnector), water, tourism, agriculture and urban planning.

<p>Tripartite (COMESA, EAC and SADC) ICT Missing Links</p>	<p>A workshop attended by representatives of the Tripartite (COMESA, EAC and SADC) was organised by SADC in October to discuss Tripartite ICT Missing Links. The objective was to engage a consultant to carry out a study on the Tripartite ICT Missing Links. The focus of this exercise was to identify, at the regional level, any gaps in ICT Broadband intra and inter connection within the Tripartite.</p> <p>The deliverables from the workshop were:</p> <ul style="list-style-type: none"> • Consolidated Concept note, Terms of Reference and Expression of Interest developed and finalised; • Budget and cost estimates of the study prepared; • Road map for implementation of study developed and agreed; and • Submission of the documents to the AfDB for No Objection Approval. <p>The objectives of the study for the Tripartite region are:</p> <ul style="list-style-type: none"> • To define an optimal ICT optic fibre network architecture to realize full interconnectivity among Tripartite Member States and the rest of the world. • To identify existing alternative fibre infrastructure currently deployed and its usage by telecom operators in the Tripartite Region (i.e. Power grids, roads, railways, sewage, oil and gas pipelines). • To identify the existing cross-border interconnections, constraints, missing links (intra-inter) and inadequate capacities among Tripartite Member States based on the optimal network. • To determine the cost of investment to realize the optimal network. • To develop model policy and regulatory guidelines for use of alternative fibre infrastructure on an open access principle • To assess existing regional and national regulatory frameworks that would facilitate investments into regional ICT infrastructure and develop a harmonized framework for the Tripartite Region.
<p>PIDA Week Swakopmund Namibia 10th to 14th December 2017</p>	<p>Since the last two events were hosted in West Africa it was proposed that this year's PIDA Week be held in Southern Africa. PIDA Implementation partners requested SADC to host the Third PIDA Week. SADC accepted to host the Third PIDA Week and in turn requested Namibia to host and Namibia accepted. SADC Projects to be showcased during the PIDA Week are:</p> <ul style="list-style-type: none"> • The Inga III; • The Batoka Gorge Hydro Project; and • The Zambia-Tanzania-Kenya Transmission Line (ZTK).
<p>Capacity Building and Technical Assistance</p>	<p>During the Dakar Financing Summit, one of the major problems identified as contributing to poor project preparation and lack of projects prepared to bankability was lack of capacity by project sponsors to prepare projects to bankability. To address this problem the NPCA and RECs have embarked on a PPP training programme. Selected SADC Projects and public sector agencies had their representatives trained on Public Private Partnerships (PPP) by I3P in September 2017 in Dakar, Senegal. The following projects had their representatives trained using their projects as case studies during training.</p> <ul style="list-style-type: none"> • Batoka Gorge Hydro Electric Project. • Inga III Hydro Electric Project • Bulawayo Beitbridge Road

One Stop Border Posts (OSBPs)	<p>The progress of key border posts in SADC region is as follows:</p> <p>Beitbridge: Recently the Presidents of South Africa and Zimbabwe agreed to fast-track operationalisation of the Beitbridge One-Stop Border-Post (OSBP) and welcomed establishment of the Joint Technical Committees (JTCs) to develop the necessary legal framework for its OSBP. A joint benchmarking Mission to Chirundu was undertaken by South Africa, Zambia and Zimbabwe. The following next steps are recommended by the Secretariat:</p> <ul style="list-style-type: none"> • Formulation of comprehensive bilateral “road map” for the operationalization of Beitbridge OSBP • Integration of the Beitbridge Master Plans between Zimbabwe and South Africa. • Finalization of legal set up at national and bilateral level • Functionalization of Institutional framework at national and bilateral level <p>Kazungula Bridge: The on-going project consists of 3 packages, the bridge physical structure, the OSBP facilities on the Botswana side and the OSBP facilities on the Zambia side. The progress is as follows (as of Aug 2017);</p> <ul style="list-style-type: none"> • Bridge to be completed in January 2019. • The OSBP on the Botswana side to be completed in September 2018. It is being financed by Botswana and JICA. • The OSBP on the Zambia side to be completed in December 2019. It is being financed by Zambia and AFDB. • Both Botswana and Zambia have OSBP law in place. • There is need for creation and signing of an OSBP Bilateral Agreement between Zambia and Botswana <p>Chirundu Border Post The following are current observations at Chirundu;</p> <ul style="list-style-type: none"> • Current practice of scanning every truck is causing additional delays. Risk management procedure should be reviewed bilaterally. • Detailed assessment such as time release or time measurement survey should be done bilaterally in order to identify actual bottlenecks <p>Martins Drift Border Post Fast becoming a major bottleneck and the Secretariat is recommending that a two way bridge be constructed and the border post be made into an OSBP.</p>
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8.3 ECONOMIC COMMUNITY OF WEST AFRICAN STATES (ECOWAS)

8.3.1 Transport

Project	Current Status
Abidjan-Lagos	<p>To date the Steering Committee has met 8 times and key achievements are:</p> <ul style="list-style-type: none"> • Ratification of the Treaty by Member States • Signing of Loans/Grants • Driving the progress of the procurement plans of project activities • Approval of the Institutional Structure of ALCoMA and the Legal Documents for then Corridor and its Management Structures

Dakar-Abidjan	<p>The Treaty was finalized and signed by Presidents of Member States at the ECOWAS Authority of Heads of State and Government on 4th June, 2017 in Monrovia, Liberia.</p> <p>Projects Packaging Consultancy and Validation: The following achievements were registered:</p> <ul style="list-style-type: none"> i. Evaluation of Expressions of Interest (Eols) have been completed <p>Draft request for Proposals completed and to be sent to AfDB for approval by the end of October 2017</p>
Akanu-Noepe JBP and Semi/Krake JBP	<p>The Transport Facilitation Programme I (TFP I), financed by 9th EDF under a Financing Agreement signed in February 2006 with a total amount of 63,8 million was used to be implemented.</p> <ul style="list-style-type: none"> i. Construction of two JBPs in Seme-Krake (Nigeria/Benin) and Noepe (Ghana/Togo) under the management of ECOWAS ii. As a continuation of the 9th EDF support, the EU agreed to fund a Transport Facilitation Programme II (TFP II), financed by 10th EDF under a Financing Agreement signed in June 2010 and entered into force on 10th June, 2014 part of which is currently being implemented, the operationalization of the three JBP (Seme-Krake, Noepe and Malanville) through the completion of minor outstanding works, supply of equipment and technical support for the Joint Border Posts <p>Construction of all three JBPs are substantially completed</p> <p>Procurement of equipment for the Noepe and Seme JBPs has been completed and Contracts awarded for supplies within 120 days from 8th September, 2017.</p> <p>Technical Assistance support for the management of the JBP is also being prepared with funding from the European Union. The JBP will be fully operational by end of the first quarter of 2018.</p>
Dakar-Bamako Rail	<p>Discussions held with Gov'ts of Mali and Senegal on project</p> <p>TOR for the study finalized with the 2 Countries Procurement processes (EOIs, RFPs, proposal evaluations) are completed</p> <p>Contract terms negotiated with selected consultant (TYPISA, Spain)</p> <p>Draft contract prepared for signature between ECOWAS and Consultants</p>

8.3.2 Energy

225 kV Cote d'Ivoire-Liberia-Sierra Leone-Guinea Transmission Interconnector (CSLG)	<p>The project is being financed by the AfDB, WB, EIB and KfW with an estimated cost of €329 million. The Owner's Engineer for the supervision of Work has been recruited. Tenders for works have been launched excepting for works relating to SCADA and frequency regulation. Commissioning of the project is expected in 2019. The rural electrification of communities along the Interconnection line was completed in Côte d'Ivoire whilst, detailed studies were on-going in Liberia, Sierra Leone and Guinea by the close of 2016.</p> <p>Implementation of the project by TRANSCO-CLSG is ongoing. The Owner's Engineer for the supervision of works has been recruited and construction works were launched in March 2017. The commissioning of works is expected in 2019.</p>
330 kV Nigeria-Niger-Benin-Burkina Faso Transmission Interconnector	<p>The pre-investment studies are funded by NEPAD-IPPF with a financial counterpart from the beneficiary utilities. The Environmental permitting by the relevant authorities is on-going in each country. The Final Report on the Feasibility Study was adopted by stakeholders and the project cost is estimated at US\$ 894.11 million including the necessary networks reinforcements to ensure the viability of the project at long term. The process to mobilize funding for the project has commenced as well as the formulation of an appropriate institutional framework for the implementation of the project. Pre-investment Studies has been completed. The Requests for environmental permit is being considered by the relevant Environmental Authorities in the various countries. The project cost is estimated at US\$ 681.7 million has been completely mobilized from AFD, AfDB, EBID, IsDB, EU and WB. Discussions are ongoing to determine an appropriate way forward on the Institutional Framework for the realization of the project.</p>

330 kV Ghana – Togo – Benin Transmission Interconnector	The project is being financed by the African Development Bank (AfDB), World Bank (WB), KfW and Banque Ouest Africain de Développement (BOAD) to the tune of US\$105 million. Construction works on the Ghana portion of the project were completed. The construction works for the Togo/ Benin portion are in progress. Works on the Togo/Benin side are ongoing and expected to be completed by the end of 2017.
450 MW WAPP Regional power generation facility in Benin (Maria Gleta)	The project is being implemented under a Public Private Partnership (PPP). Draft Final Feasibility Study Report for the 450 MW Maria Gleta Regional Power Generation Facility has been adopted by stakeholders as well as the technical, financials and structure for the offtake from the project and also an updated Implementation Schedule. The outcomes of the pre-feasibility study of the project were approved by the Joint Implementation Committee (JIC) and the Managing Directors of the WAPP utilities involved in the project. Feasibility study was launched and is on-going.
450 MW WAPP Regional power generation facility in Ghana (Domuli)	The project is being implemented under a Public-Private Partnership. The outcomes of the pre-feasibility study of the project was approved by the Joint Implementation Committee (JIC) and the Managing Directors of the WAPP utilities involved in the project. A study for the relocation of the project site at Dawa (30 km Tema) is being carried out by the Private Partner. Updated studies for the 450 MW Domunli Regional Power Generation Facility are ongoing.

8.3.4 ICT

Guinea National Backbone project	<p>This project is for the construction of a fibre optic backbone in the territory of Guinea. Included in the scope of the project are links from Conakry to borders of the neighbouring Member States namely Guinea Bissau, Mali, Cote D'Ivoire and Sierra Leone. These links to the borders make up the Guinea section of PIDA ICT Fibre Optic projects from Conakry to the capital cities of neighbouring Member States.</p> <p>The first phase of the 4,000km long project, consisting of 1,200km was completed in 2016.</p> <p>The following fibre optic routes have now been completed and delivered: Conakry (the capital) – Mamou, Mamou – Labé, Mamou – Kankan, Conakry – Boké, Mamou – Faranah, Kolaboui – Kamsar, and Tanéné – Fria. In addition, the civil engineering works have reportedly been completed for the following routes: Kankan - Nzerekore, Kankan - Mandiana, Kouroussa – Siguiri - Kouremale, Faranah – Kissidougou - Ouamou, Guéckedou – Bofossou - Macenta, Coyah – Forécariah – Farmoreyah, and Boké – Gaoual – Koundara. The completion of civil works on the remaining routes is expected to be completed by the end of 2017.</p>
Guinea Bissau National Backbone Project	<p>The scope of this project is the deployment of a national fibre-optic backbone for Guinea Bissau, with links to the borders of the neighbouring countries of Guinea and Senegal. The installation of the Optical Fibre Cable is planned to be completed in 2 phases. Route of phase I is 1232 km, including the principal sites and the route of phase II is 856 km. The pre-feasibility study for the project was completed in 2016 and this placed the total estimated cost of the project at USD 100,444,725.64.</p> <p>A subcomponent of the project is being considered for implementation under a World Bank project financing agreement within the scope of the West African Regional Communications Infrastructure Project (WARCIP). This subcomponent will finance mainly the construction of terrestrial fibre optic missing links connecting Bissau city to the secondary cities (e.g. Bafata, Buba, Cacheu, Famir, and Gabu). The total distance of these fiber optic link is estimated at around 500 kilometers. This subcomponent will also finance a technical assistance to: (a) determine the technical aspects related to the design of the missing terrestrial links and their exact itinerary, through an engineering survey; (b) identify and select the PPP arrangement for the national backbone through a detailed feasibility of backbone ownership and management options;</p> <p>27 and (c) prepare the bidding documents for the construction of the terrestrial missing links and the necessary control/evaluation contracts.</p>



8.4 EAST AFRICAN COMMUNITY (EAC)

8.4.1 Key milestones

Date	Activity
December 2016	EAC Secretariat under NEPAD Agency support held a workshop to Review EAC PIDA Work Plan Implementation and jointly elaborate 2017 EAC PIDA Work Plan; Ensure inclusion of PIDA PAP projects and PIDA activities in National Development Plans (NDPs), or Public Investment Plans (PIPs) of EAC Secretariat and EAC Partner states and increase the visibility of the projects to EAC development partners; Capacity building focusing on Training on PPP strategies, OSBP Management and Operations best practices;
May 2017	EAC Secretariat convened the 3rd EAC Regional PIDA meeting in Nairobi “The Scoping and Project Selection for Acceleration of The Development of EAC-based Multimodal Corridors” to shortlist mature projects from EAC to be packaged to bankability to unlock private investment. The meeting was attended by experts from EAC Secretariat, EAC Partner States, regional specialized agencies (i.e. TAZARA, LAPSET authority, LVBC, NCTTCA, PMAESA, LTA, EAPP, and NELSAP-CU), and development partners namely, the World Bank/SSATPP, AfDB, GIZ, and NEPAD Agencies.
July 2017	NEPAD Agency supported EAC Secretariat in a bid to facilitate the technical structuring of Lamu-Isiolo-Juba Highway Project, the 1800 km trunk road, as one of the pillars of the LAPSET Corridor Development. With a look at stocktaking of the lessons learnt from implementation of EAC multinational road projects, deliberations on this project involved the Republics of Kenya, South Sudan, and the East African Community (EAC) Secretariat, and established a roadmap for a joint project implementation coordination, designs harmonization (i.e. Kenya Highway Design and Construction Standards, South Sudan Highway Design and Construction, and EAC Road design standards for corridor highways) and resource mobilization. Overall, The LAPSET corridor aims at creating seamless connectivity between the Eastern African Countries of Kenya, Ethiopia and South Sudan by connecting a population of 160 million people in the three countries, with potential to impact the wider Eastern and Central African regions. Furthermore, the LAPSET Corridor is part of the larger land bridge that will connect the East African coast from Lamu Port to the West coast of Africa at Douala Port.
September 2017	An expression of interest (EoI) for Projects Packaging was advertised to package 36 projects jointly identified by the projects scoping meeting as mature projects to be well packaged to unlock private and/or public capital. Overall, the selection was mostly based on their regional spillover effects, availability of supporting data to facilitate investors due diligence including their updated feasibility studies, and the private sector attractiveness features including the country commitment to fund viability gap where there is limited revenue stream potentials.
Ongoing	Viewing that a number of the submitted potential projects during the scoping meeting were at early stage of development, i.e. not selected to immediate packaging for market intake, and with a view of keeping the momentum. To this end, NEPAD Agency and EAC Secretariat through SDM instrument support are allocating resources to facilitate their preparations to bankability.
Ongoing	NEPAD Agency is supporting EAC Secretariat in a joint tripartite set-up with COMESA and SADC Secretariats to carry out ICT missing links study in the 26 Tripartite Member States to serve as a baseline survey in order to establish the status of implementation of cross-border optical fibre backbone infrastructures (i.e. OFBI) in the run of improved regional interconnectivity “ICT Missing Links and Infrastructure Sharing in COMESA-EAC-SADC Tripartite Region”. The project is linked to 1.1.4 ‘Modern Affordable and Livable habitat’ Agenda 2063. This project would address the current network unbalance between the inland and submarine connectivity. While the submarine cables have been developed on both the western and eastern cost of Africa the in land connectivity remains fragmented with a lot of gaps in terms of physical connectivity, efficient traffic routing and with a lot of inefficient duplication of networks. Among many awaited outcomes, the study would define an optimal regional OFBI network (‘the optimal network’) that meets current and future requirements for cross-border broadband interconnectivity to realize full interconnectivity among Tripartite Member States and the rest of the world.

September 2017	A phase 1 of PPP training was organized at continental level in Dakar and EAC Secretariat plus EAC Partner States Experts benefited much from it. The training is equipping regional professional workforce of fundamental strategies and techniques for initiating, identification, screening, preparation, procuring, negotiating, designing, and managing an infrastructure PPP project with best practices emanating from global PPP transactions – from upstream to downstream with careful attention to risks identification, allocation and mitigation. A second phase is scheduled in November 2017
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8.5 COMMON MARKET FOR EAST AND SOUTHERN AFRICA (COMESA)

8.5.1 Progress, Preparation Bankability and Financing: North South Multimodal Transport Corridor (NSC)

The Project Preparation Unit (COMESA) with the Assistance from NPCA technical and financial has finalised the following Six Project Preparation activities;

Project	Current Status
Serenje – Nakonde	This is part of the great North road from Serenje in Zambia's central province to Nakonde in the Muchinga Province covering a total distance of 615 km. The road has been prepared to the cost of Euro 2 Million and is at construction stage. Resettlement action Plan (RAP) was revised in August 2017 due to the period lapse between project preparation and execution of the project.
Two (2) links in Zimbabwe	(i) Bulawayo to Gwanda and (ii) Gwanda to Beitbridge 320km of the road has been designed and completed at the cost of USD2.3 Million, with the Government of Zimbabwe providing counterpart funding of USD300,000;
Two (2) Links in Botswana	(i) Palapye – Martins Drift and (ii) Nata – Pandamatenga: 175km in Botswana have been fully prepared to the tune of USD1,3 Million;
One (1) link in Malawi	Kamuzu International Turn off to Mzimba Turn Off, 234km in Malawi have been fully prepared to the draft final stage, at the cost of USD 1, 1 Million.

8.5.2 Value Proposition of Project Preparation

Overall these Projects have been prepared at a total cost of USD7,2 Million. This initial investment in Project preparation has the potential to unlock the construction investment of USD1.3 Billion, of which over half about USD700 Million has already been secured for Serenje – Nakonde Road, with financing from European Investment Bank (EIB) and African Development Bank whilst the road in Malawi has received a conditional grant approval, whilst waiting for the final detailed engineering design which has since been completed.

The cost of project preparation versus the unlocked investment opportunities. The cost of preparation varies according to the project size, sector, target beneficiaries, rural or urban focus, and various other parameters. Recent estimates by the NEPAD-IPPF (2014) show that project preparation can be up to 10-12% of the total project costs for large regional projects in Africa. World Economic Forum (2013b) estimates the cost of project preparation almost 4%.

For the six projects prepared, the overall cost of preparation was USD7.2 Million. However according to the estimates by AfDB, NEPAD IPPF and World Economic forum this would have costed approximately, USD49 Million. This is one of the value proposition that PIDA CAP has enhanced through the secondments of PIDA Expert in the RECs, worth emulating and sustaining.

8.6 ECONOMIC COMMUNITY OF CENTRAL AFRICAN STATES (ECCAS)

As part of the implementation of PIDA by ECCAS, in the Telecommunications / ICT sector the following results were obtained:

Project	Current status
ICT Regulatory and Policy Harmonization Program	the Regional Model Laws on Telecommunications / ICTs and Cybersecurity have been adopted by Ministers of Community Member States and a Fiber Cross-Border Interconnection Framework optics was adopted by the ICT Ministers of the Member States of the Community;
Implementation of terrestrial fiber optic connectivity	ECCAS is in the process of validating its Consensus Implementation Plan for the Deployment of Electronic Communications Infrastructures (PACDICE-AC). This PACDICE contains all the ICT infrastructure projects of the Member States and all the cross-border interconnection projects of the Member States. A ministerial adoption meeting is planned by the end of 2017
The establishment of Internet exchange points in Africa	With the support of the African Union Internet Exchange Point System (AXIS) project of the African Union, ECCAS has two exchange points Regional Internet (Republic of Congo and Gabonese Republic). A capacity building workshop on good practices in setting up national and regional Internet exchange points.

In the Energy sector, a Round Table of Donors met in June 2016 on Power Sector Projects in Central Africa, in which the following activities were carried out:

Interconnection of the electricity networks of CAMEROON and CHAD	Studies have been completed Loan of financing for the physical realization in progress by the ADB and the countries concerned;
Hydroelectric development of RUZIZI III	Physical realization of the project in progress, under funding from the European Union.

8.7 THE CENTRAL CORRIDOR, TTFA (CCTTFA)

The CCTTFA engaged with the NEPAD Agency, during the arrangement of the Infrastructure Acceleration process events of 25th March 2015 Presidential Round Table and the 26th March 2015 High Level Industry and Investors Forum which was held in Dar es Salaam, Tanzania in partnership with the World Economic Forum and the Development Bank of South Africa.

Following the above engagement, the NEPAD Agency in collaboration with the African Development Bank extended support to the CCTTFA with US \$ 304,000 to undertake the second round of Early Project preparation of the Infrastructure Acceleration Process which commenced in August 2016 up to December 2016 covering all the five-member states of the Central Corridor.

The two vital stages of the Infrastructure Acceleration Process culminated into identification the Country Priority Infrastructure projects, the details of which have already been communicated in a separate cover.

Out of the priority list, CCTTFA has the following projects that have attracted support for project Preparation Activities: namely Feasibility Studies, Detailed Engineering Designs and Preparation of Bidding documents.

The Key highlights of the collaboration with the NEPAD Agency are summarized below:

1. KEY HIGHLIGHTS,

a. **Second round of Country Infrastructure Project Identification and Prioritisation for the Infrastructure Acceleration Process**
The NEPAD Agency in collaboration with the African Development Bank extended support to the CCTTFA with US \$ 304,000 to undertake the second round of Country Infrastructure Project Identification and Prioritisation for the Infrastructure Acceleration Process which commenced in August 2016 and ended in December 2016 covering all the five-member states of the Central Corridor.

b. **Technical Support on the Infrastructure Technical Expert;**

In June 2016, The NEPAD Agency extended support of a Technical Infrastructure Expert for six months. His contract has since been extended.

c. **Kalundu Port – Uvira – Ruberizi road, Lot 1 of road;**

Out of the priority projects, the NEPAD Agency has extended support to the Central Corridor, TTFA to prepare the above project.

The CCTFA is in the process of procuring a Consultant to undertake the Feasibility study and Detailed Engineering Design of the Upgrading of Kalundu-Port-Uvira-Ruberizi road which is Lot 1 part of the Kalundu Port to Bukavu Road;

d. Financial support in the preparation of Chalinze-Morogoro Road – NEPAD IPPF;

Again, out of the priority projects, the NEPAD IPPF at AfDB in Abidjan is arranging to extend support to the preparation of Chalinze-Morogoro road toll project. The NEPAD IPPF was expected to undertake an Appraisal Mission of this project in October / November 2017. Due to other travel commitments, the mission was postponed to February 2018 when the NEPAD IPPF will undertake the appraisal Mission to look into the preparation of the proposed 100 km Chalinze-Morogoro Expressway, 100km.

e. Technical support of the Railway Specialist;

The CCTFA is in the process of recruitment of a Railway Specialist under the support of the NEPAD Agency.

2. LESSONS LEARNT

- a. The CCTFA appreciates support extended by the NEPAD Agency. Nevertheless, a few delays have been encountered during the implementation of the second round of acceleration process; in spite of these delays in release of the second half of the support funds, the CCTFA managed to implement the phase to completion.
- b. The process of mobilising funds is not straight forward especially when unforeseen events arise during the implementation phase;
- c. Delays in giving no-objections or comments for objection at different levels of the procurement process are frequently witnessed.

3. RECOMMENDATIONS

- a. The process of mobilising funds should involve establishment of clear mechanisms which should be understood by all stakeholders involved. All stakeholders should be committed to adhering to both physical implementation plans and financial disbursement plans as agreed during the planning process;
- b. There is need to develop and strengthen processes of shared responsibilities to ensure that the agreed objectives of projects are ultimately achieved;
- c. Implementing Agents should always have plan 'B' just in case the anticipated funds are not forthcoming;
- d. When documents are submitted for no-objections, a mechanism for a quick response should be devised even when there is objection to approving the document; the reasons for objection for approval should be communicated as soon as possible.

9 Update on PIDA

Priority Projects 2017



The NEPAD Agency under its Regional Integration Infrastructure and Trade Programme (RIITP) selects priority projects for each year based on the APV, DFS and PICI.

9.1 ABIDJAN-LAGOS CORRIDOR - ACCELERATION PROGRAMME

ECOWAS Commission as the client of NEPAD SDM services: Advisory Services for the Early Stage Preparation of the Abidjan-Lagos Corridor Highway Development Programme

- Flagship ECOWAS program; 1028km long corridor; serving about 75% of regional trade
- Presidents of Benin, Cote d'Ivoire, Ghana, Nigeria and Togo agreed to a construction of 6 lane highway from Abidjan to Lagos and signed a treaty formalizing agreement in March 2014

July 2016 – August 2017, consultative SDM process between NEPAD, ECOWAS, Corridor Member States, GIZ and consultants

- Design institutional arrangement to guide preparation, construction, operations and management/maintenance of corridor;
- Draft legal instruments; Create communication material

Ministers approved the institutional and legal design of the trans boundary institutional authority to manage Abidjan Lagos Corridor
 ▣ Abidjan Lagos Corridor Management Authority (ALCoMA).

First transnational project management corridor authority in Africa that has the authority for front-end corridor planning/implementation (preparation, construction, operations, management/maintenance).

Lessons Learnt: continues/consultative process between project stats and ECOWAS

Way forward: in 2018 selection of ALCoMA board members, CEO, formal inauguration, commencement of operations



9.2 NORTH-SOUTH CORRIDOR (INCLUDING SERENJE-NAKONDE AND BEIT BRIDGE OSBP)

The project is defined as a multi-modal (road, rail and ports) trans-continental interconnector, ultimately connecting Cape Town in the south and Cairo in the north. South Africa champions this project, which will involve numerous countries and RECs. The project entails several components, all of which are in various stages of the development lifecycle. These include road, rail, bridge, border post and energy projects. In the short term, 1 041 km of road must be upgraded, with another 5 156 km due for upgrading in the next two to five years.

The NSC is a key infrastructure development programme for the Tripartite and is supported by all development partners active in the region. The programme is one of the PIDA Priority Action Plan (PAP) projects – the continental regional infrastructure development programme adopted for implementation by the African Union Heads of State in January 2012. The PIDA PAP, meant for implementation up to year 2020 is being prioritised for assistance by all regional and continental stakeholders and development partners and has consequently been ranked high by the NEPAD-IPPF Strategic Business Plan for 2011 – 2015

The Corridor links the port of Dar-es-Salaam (Tanzania) to the Copperbelt sub-region (Southern DR Congo and Northern Zambia),

and connects the Copperbelt to the southern ports of South Africa specifically the port of Durban. The Corridor system, with its spurs, services eight countries – Tanzania, DR Congo, Zambia, Malawi, Botswana, Zimbabwe, Mozambique, and South Africa.

A study conducted in 2009 identified critical links in the NSC that needed immediate attention in terms of rehabilitation. The primary aim of the intervention on these links was to reduce the time, and so the costs, of road and rail transport along this priority Corridor traversing the region.

The Tripartite (COMESA, EAC, and SADC) received a grant financing of USD4.9 million to undertake project preparation studies. The objective of these studies were to improve the conditions of some critical road sections along the NSC by undertaking feasibility, environmental and social impact assessments, detailed engineering design and preparation of tender documents for their proposed rehabilitation. The road sections are the 64km Pandamatenga – Nata and the 111km Palapye – Martins drift (border with South Africa) road sections in Botswana; the 234km Kamuzu International Turn Off (M1) – Mzimba Turn Off section in Malawi, the 120km Bulawayo – Gwanda link and the 200km Gwanda – Beitbridge road section in Zimbabwe.

The cost breakdown for the studies is: NEPAD-IPPF USD 4,500,000 (90.8%) and the Tripartite USD 455,533 (9.2%). The IPPF grant financed the main consultancy services to produce the feasibility studies, detailed engineering design, drawings, and tender documents, whilst the tripartite contribution will support activities related to the organization of workshops to review reports and other outputs, as well as provision for a contingency.

9.3 ZAMBIA-TANZANIA-KENYA INTERCONNECTION

Progress has been made on the ZTK transmission line. Some sections in Kenya and Tanzania are under construction and the feasibility study as well as the detailed design studies for the remaining sections in Zambia and Tanzania have been completed. Construction of the sections from Isinya in Kenya to Iringa in Tanzania is ongoing. Zambia has also awarded EPC contracts for the Nakonde-Kasama Link and the reinforcement of the Kabwe-Pensulo link.

NEPAD has supported the ZTK member states in several ways in 2017. NEPAD in collaboration with the COMESA, NELSAP and the OPPPI provided support to the member states, which has resulted in the following milestones:-

- Harmonization of Tanzania and Zambia's positions on the capacity of the interconnector in April 2017
- Hosting an emergency meeting to discuss the draft feasibility study in June 2017
- Meeting to discuss the draft final feasibility study in August 2017

- d. Site visit on the Kabwe to Nakonde sections to capture footage for the Financiers Conference documentary.

In addition, through GIZ support, the ZTK was part of the 5 projects that benefited from the development of a Project Information Memorandum (PIM), which was presented at the AU-EU Summit, the ZTK Financiers conference and PIDA Week. NEPAD provided financial support through PIDA CAP funds for the successful hosting of the ZTK financiers conference that was held from 29 to 30 November in Livingstone Zambia.

NEPAD has supported the ZTK member states in several ways this year. NEPAD in collaboration with the COMESA, NELSAP and the OPPPI assisted the member states to achieve key milestones, which include:-

- a. Harmonization of Tanzania and Zambia's positions on the capacity of the interconnector in April 2017
- b. Hosting an emergency meeting to discuss the draft feasibility study in June 2017
- c. Meeting to discuss the draft final feasibility study in August 2017
- d. Site visit on the Kabwe to Nakonde sections

In addition, through GIZ support, the ZTK was part of the 5 projects that benefited from the development of a Project Information Memorandum (PIM), that was presented at the AU-EU Summit, the ZTK Financiers conference and PIDA Week. NEPAD provided financial support through PIDA CAP funds for the successful hosting of the ZTK financiers conference that was held from 29 to 30 November in Livingstone Zambia.

9.3.1 Next steps and opportunities to be explored

The next steps moving into 2019 include assisting the Zambia and Tanzania to reach financial closure. NEPAD in collaboration with UNECA will also support the ZTK member states to develop the electricity trade modalities, wheeling agreements and power purchase

9.4 DAKAR-BAMAKO RAIL REVITALIZATION PROJECT

This is a combination of the Trans-African Highway 5 (Dakar to N'djamena) and 6 (N'djamena to Djibouti) a total of 8,715Km. This corridor (Dakar-Djibouti) includes: Senegal, Mali, Burkina-Faso, Niger, Nigeria, Cameroon, Chad, Sudan, Ethiopia and Djibouti.

9.4.1 Current Status: The Dakar-Bamako Rail Project has been prioritized by the Government of Senegal as the first phase of the Project. It entails the rehabilitation of the existing railway network between Dakar and Bamako (1,228Km). The total cost of this project is US\$2.2billion. This project was featured as one of the bankable PIDA projects during the Dakar Financing Conference that was held in June 2014. WAEMU organized a meeting with the funding institutions in Dubai, in September 2014. At the same time the Senegalese Government is negotiating with Chinese companies and other partners to fund the project. The project has been divided into three phases, and the Senegalese government is determined to proceed with or without the Chinese funding. Indications are that the Chinese will not fund the entire project. It is expected that the project implementation phase will start before 2018.

9.4.2 Next Steps: All the technical studies are completed and awaiting the Chinese funding. The government of Senegal is

determined to go ahead with the project in 2017.

9.5 KINSHASA-BRAZZAVILLE BRIDGE ROAD AND RAIL

The construction of a fixed crossing linking Kinshasa and Brazzaville (DRC and Republic of Congo) ensuring continuity in railway and road traffic to the eastern border of DRC and beyond, facilitating railway and road interconnections in Central, Eastern and Southern Africa.

9.5.1 Current Status: Study of the Rail Road Bridge between the cities of Brazzaville and Kinshasa (PRR) and the extension of the Kinshasa-Ilebo Railway (CFKI) have been completed. The Method of financing: Public-Private partnership or concession type; Referral to the African Legal Support Facility to support the two states in project formulation and contracting; Search for financing for the construction of the project: was registered with the AfDB in the 2017 action program. A joint financing request to the AfDB was also signed. ECCAS request for funding for this project is also in the process of being signed. Proposed preparation/identification mission by the AfDB is scheduled for March/April 2017.

9.5.2 Next Steps: The countries (DRC and the Republic of Congo) have not yet signed the agreement for financing. Public Private Partnership type. Findings from the AfDB were not distributed timely. All the other studies have been completed. March/April 2017 will be the kick off cycle for funding. ECCAS has taken chair of this project. US\$2 million has been assigned for the studies. All the other studies have been completed except the geotechnical. It is recommended that given the progress of the project the PICI Champion HE President Denis Sassou Nguesso should be now more engaged in the project so that financial close can be accelerated. In this regard, the NEPAD Agency and ECCAS will work closely together to facilitate this through the PICI process.

9.6 INGA-3 HYDRO

The Inga 3 project and its hydroelectric plant at Inga Falls on the mighty Congo River in the Democratic Republic of Congo, will, for the first time in Africa generate electricity of more than 10 000 MW.

A NEPAD Agency mission was undertaken to the Agency for Grand Inga Development and Promotion of the Democratic Republic of Congo (ADPI-DRC), from 10-11 August in Kinshasa, as part of NEPAD's mandate to facilitate and coordinate the implementation of Africa's priority programmes and projects. The objective for the mission was to conduct consultations and working sessions with ADPI experts in order to take appropriate and practical measures to accelerate the commencement of the Inga3 Project.

The findings and recommendations during the NEPAD Agency's mission are contained in an aide-memoire that was signed by both parties. The time spent in the DRC provided an opportunity to take stock of the actual working conditions of the ADPI, noting the current progress of the Inga3 Project. Inquiry into the concerns and needs of the ADPI was also made in order for the NEPAD Agency and ADPI to agree on a strategy with an action plan to accelerate the implementation of this flagship and strategic Programme for Infrastructure Development in Africa (PIDA) project. This will go a long way in contributing to the



objectives of Agenda 2063 on access to electricity in Africa.

A new vision for the promotion of Grand Inga and Inga3, based on an integrated project approach that contributes to the socio-economic development of the DRC, the sub-region and the continent of Africa was also agreed upon.

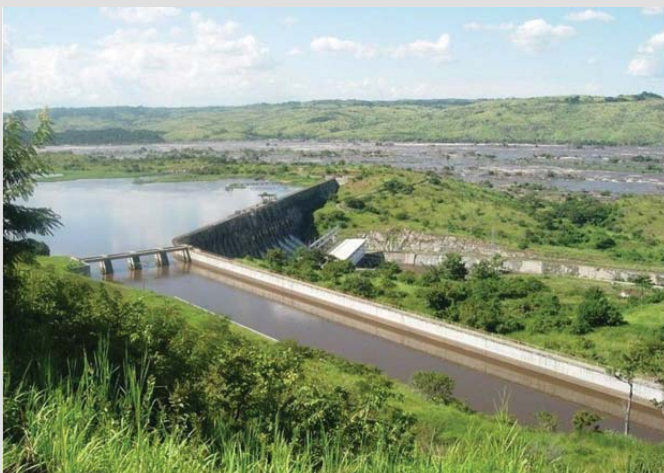
The Inga3 and Grand Inga projects are both PIDA Priority Action Plan (PIDA-PAP) projects and flagship projects in Agenda 2063. Thus, with the realisation of Inga3, for the first time in Africa, we will generate electricity of more than 10 000 MW to be transported by a network of interconnecting transmission lines.

The DRC and South Africa have already signed a power purchase agreement for 2500 MW. The DRC and the countries in Central Africa are also in the process of establishing more Power Purchase Agreements. Power purchase agreements will also have to be signed between the DRC and the countries through which the transmission lines will pass on the way to South Africa.

Currently, the Inga3 project has seen the ADPI-DRC Agency go through tender processes and bringing on board a pro-Inga international partners (American-Hispanic) and Chinese groups to form a consortium to present an Optimised Common Offer on the High-Fall, with production power of between 10,000 MW and 12,000 MW. This combined offer is expected to be presented by the end of September 2017. The initial cost of the Inga3 project, estimated at US\$12 billion will be revised, while financing will be through a public-private partnership. The actual production of electricity is projected for 2021.

There is hope that will Africa finally start providing for its people sustainable electric power, at a lower cost towards the continent's industrial transformation.

The Grand INGA Dam



9.7 LAMU PORT SOUTH SUDAN ETHIOPIA TRANSPORT CORRIDOR (LAPSSET)

The LAPSSET Corridor Program is a regional flagship project intended to provide transport and logistics infrastructure aimed at creating seamless connectivity between the Eastern African Countries of Kenya, Ethiopia and South Sudan.

The Highway comprises of Inter-regional Highways totalling 2,618kms from Lamu to Isiolo, Isiolo to Juba (South Sudan), Isiolo to Addis Ababa (Ethiopia), and Lamu to Garsen (Kenya), where 363kms (South Sudan); 1,769kms (Kenya); and 500 kms (Ethiopia).

The LAPSSET Transport Corridor Project is the latest addition to the PICI project list. Studies on LAPSSET Corridor were commissioned and completed in November 2011. The Studies concluded that each component of the project had good economic rate of returns. The construction of the LAPSSET plaza is completed as well as LAMU Port police station. Electric power has been delivered from Rabai to Lamu port to power the infrastructure. In Kenya, WB and AfDB are financing some of the projects. Government of Kenya in August 2014 signed a 480 million U.S. dollar agreement with a Chinese firm for the construction of the first three berths of Lamu Port. The three berths will serve general cargo, bulk cargo and container cargo. The Contractor for the construction of the first three berths (out of 32) is on site. The berths are expected to be completed in 2019 at an estimated cost of US\$412Million. The Isiolo-Moyale road construction of about 505Km was completed in 2016. After construction, the berths will be operated by a private concession and the construction of the remaining berths will also be based on PPPs. The Economic Internal Rate of Return (EIRR) estimated at 21.6% complemented by crude oil anticipations in Kenya and Uganda.

9.7.1 Next Steps: The need to present this project as a truly regional project rather than a national project is urgent. There is a need to relaunch this project and get all the Heads of State of the four countries (Kenya, Ethiopia, Uganda and South Sudan) actively involved. In addition, there is also a need to create an overarching Coordinating Structure that includes all the member states that will be responsible for the implementation of the Project.

9.8 BATOKA GORGE

The review of the 1993 Engineering Feasibility Studies and Environmental and Social Impact Assessment studies are underway. In parallel, Transaction, Financial and Legal Advisory Services to prepare the project for the market are also underway. The preparatory activities are being funded by the World Bank through a US\$6 million grant under the Cooperation in International Waters for Africa (CIWA).

The Options Assessment recommend a 181m high Roller-Compacted-Concrete (RCC) gravity arch dam with two surface power stations situated either side of the river each with an installed capacity of 1,200MW, giving a total installed capacity of 2,400 MW. The scheme is planned as a run-of-river scheme where the reservoir will be contained within the Batoka Gorge.

The associated transmission lines for power evacuation were initially

proposed from Batoka to Muzuma and Hwange in Zambia and Zimbabwe respectively. However, due to the increase in installed power from 1600MW in Feasibility Studies of 1993 to current 2400MW. Additional transmission lines are now being proposed from Batoka North Bank Power Station to Livingstone; Batoka North Bank Power Station to Choma; Batoka North Bank Power Station to Mumbwa; Batoka South Bank Power Station to Hwange and Batoka South Bank Power Station to Chakari.

The Council of Ministers approved the preferred commercial structure for the BGHES development in December 2016, based on the need to minimise the amount of additional debt on each country's balance sheet. In the proposed structure the dam would be owned by the Zambezi River Authority (ZRA) and financed by debt and grants raised by the two countries; and the power plants would be developed under a project finance structure and owned by a Special Purpose Vehicle ("SPV") with equity being provided by the private sector and possibly each country's utility, and debt being raised from the private sector and DFIs.

NEPAD together with SADC engaged with ZRA and agreed to support the ZRA's application for US\$ 9.26 million to the NEPAD IPPF for project preparation of the proposed new transmission lines. Other activities include undertaken in 2017 include:-

- Holding joint presentations with the ZRA at investment forums,
- Capacity building by providing training for ZRA staff and member states on Public Private Partnerships. ZRA has also submitted its capacity building requirement for 2018 and these are under consideration,
- Assisting the ZRA in packaging the BGHES for presentation at the AU-EU Summit and the third PIDA Week and other investment forums.

9.8.1 Next steps and opportunities to be explored

The next steps and opportunities to be explored for 2018 include:

- Exploring the potential for domestic resource mobilisation for the project through a Diaspora Bond. An exchange visit to Ethiopia is planned for January 2018.
- Supporting the ZRA's 2018 capacity building program
- Assisting the ZRA to raise the 5% counterpart funding required for the preparation of the transmission lines
- Adopting an integrated corridor approach for the development of the dam, which takes into account urban planning, tourism development, agriculture and fisheries development, industrial development and the inter-dependence/synergies between the Batoka Gorge and other PIDA projects (i.e. The Grand Inga, Inga Transmission lines into Zambia, Zimbabwe and South Africa and the ZTK interconnector).



10 PIDA Governance

In a joint effort, experts affiliated with the AUC, the AfDB, the NPCA

and the ECA developed the Institutional Architecture for Infrastructure Development in Africa (IAIDA) Handbook.

The IAIDA Handbook on the roles and responsibilities of PIDA Implementing Partners both at decision-making and implementation processes is a publication of the African Union Commission (AUC), in partnership with the African Development Bank (AfDB), the NEPAD Planning and Coordinating Agency (NPCA) and the United Nations Economic Commission for Africa (ECA).

Together, the authors provided insight into the PIDA implementation process, which is grounded in the Institutional Architecture for Infrastructure Development in Africa (IAIDA).

The main purpose of this Handbook is to provide in one document a summary of the roles and responsibilities of the key stakeholders both at decision-making and implementation processes and identify areas where duplication and overlapping of roles could be avoided.

10.1 THE COUNCIL FOR INFRASTRUCTURE DEVELOPMENT (CID)

The main function of the CID is to review selected projects and ensure coherence and harmonisation across sectors, arbitrate and approve priority projects, as well as provide strategic guidance for resource mobilisation and technical cooperation. It also reviews project or programme implementation reports and may resolve any issue brought to its attention.

The CID advises the AU Executive Council on ways of tackling challenges in the implementation of PIDA projects and guarantees successful realisation of the programme by 2020.

10.2 INFRASTRUCTURE ADVISORY GROUPS (IAG)

The Infrastructure Advisory Group advises the AUC on technical economic and financial relevance on sectoral infrastructure projects and programmes. The Group is in charge of alignment of programmes to African priorities; resource mobilization strategies and policies; and lobbying and advocacy. It meets at least twice a year in ordinary sessions to prepare the CID meetings.

10.3 PIDA STEERING COMMITTEE (PSC)

The PIDA Steering Committee (PSC) is an ad-hoc organ to provide advice to the IAG on the implementation of PIDA. It is co-chaired by the AU Director for Infrastructure and Energy and the NPCA Head of Regional Integration Infrastructure and Trade.

The seventh meeting of the PIDA Steering Committee (PSC), jointly organized by AU Commission and the NEPAD Planning and Coordinating Agency (NEPAD Agency) was held on the 4 and 5 October 2017 in Addis Ababa, Ethiopia.

Among other recommendations the PSC called the conclusion of conclude the MoU before the next steering committee and oversight committee of the IPPF, reflect on innovative financing mechanisms for PIDA implementation. In addition the meeting the African Governments should have their role to play as this will assure confidence and interest from the Partners engaged in PIDA implementation.

These recommendation will be submitted to the next IAG meeting during the PIDA Week planned from 10 to 14 November in Walvis Bay, Namibia.



11 Key Lessons Learned and Recommendations

The following are lessons learned and recommendations from RECs, partners and project implementers on PIDA implementation:

- As regional integration arrangements deepen and intra-African trade increases, there is need to focus on improved trans-continental highways in terms of road and rail networks; deepening of financial markets and increased cross-border financial flows including money transfer will require additional investments in ICT terrestrial links as well as national and regional data centres; while growing industrialization and agro-industries will require more reliable and affordable power supply across the energy mix.
- In terms of Energy and related infrastructure, Africa has abundant reserves of fossil fuels and an even greater abundance of renewable energy assets which provides a key opportunity for Africa's infrastructure development for the future. The continent has more than half of the world's renewable energy potential.
- Africa's infrastructure development can also leverage on the anticipated youth dividend anticipated from the youthful population structure of Africa as well as a deliberate strategy to include and involve women in infrastructure projects, implementation and management.
- An integrated corridor development approach is crucial in developing PIDA projects, if the full development impact of the projects is to be realized. The project economics and viability can be enhanced by taking advantage of synergies between large trans-boundary projects.
- PIDA must also build upon and optimize existing instruments such as:
 - IAIDA to strengthen coordination and cooperation between PIDA actors
 - Regularly stakeholder meetings such as the PIDA Steering Committee
 - SDM services of stakeholder mapping and assisting with cost/benefit sharing agreements between countries
 - Use team planning/coordination/retreats between continental and regional institutions
- PIDA projects implementation is low in the Central African region causing the region to remain below the PIDA targets despite being one of the regions with high resources. The Northern region also has a low number of PIDA programs. Additionally, strengthening linkages between Central and the rest of Africa will help to accelerate Africa's integration. To provide equity for all regions in terms of PIDA projects implementation, it is important to unlock further financing to support infrastructure development, enhance policy harmonization and increase/ encourage governments to engage and commit more resources to implement development projects.
- Other areas that need to be looked at specifically are joint resource mobilization strategies, more financial engagement from government, and supporting countries in conflict or transition situations to graduate from conflict to cooperation through joint regional projects such as cross-border roads, railways and power transmission projects.



14 PIDA Impact

1. PIDA Goes Operational: Energy Access through Regional Infrastructure in West Africa

The Programme for Infrastructure Development in Africa (PIDA) demonstrated its “Energy Vision” through the implementation of the Kaleta Hydropower Dam situated on the Konkoure River, approximately 120km from Guinea’s capital Conakry. The Kaleta Dam harnesses renewable (hydropower) energy resources in order for households, businesses and industries to gain energy access, not only in Guinea but for West Africa. The growth and improvement of resourceful, dependable, cost effective, and ecologically friendly energy infrastructure is a stepping stone towards poverty eradication and sustainable development in the region.

Socio-Economic-Impacts-and Regional Power Distribution

As part of the Economic Community of West African States (ECOWAS) Regional Energy Efficiency Policy, a long-term energy strategy was announced by the Guinean government to alleviate the energy crisis that has been hindering the development of the country. As a result, the implementation of the Kaleta hydropower plant improved energy access for the population of Guinea by adding 240 MW to the national electricity grid. In addition, it has widened the potential of businesses to expand, create more jobs as well as to increase the confidence for further investments in West Africa. In essence, the Kaleta Dam has a positive impact on the country’s socio-economic development as Guinea’s hydroelectric generating capacity increased from 2012 levels of 128 MW to 368 MW, almost tripling its mounted hydro capability. In addition, power generated from the dam plays a noteworthy part in providing unswerving power for Conakry’s 1.7 million citizens.

The development of renewable energy by means of the Kaleta Hydropower Dam was brought to fruition in 2015 after three years of construction. The Dam is resourceful in meeting the power demands of Guinea and an estimation of 30% of Kaleta’s output is intended to go to neighbouring Gambia, Guinea-Bissau and Senegal. At the core, the electricity generated at Kaleta feeds into the operation of the West African Power Pool’s vision of incorporating national power systems into an integrated regional electricity market. The main goal is to provide a consistent and dependable energy delivery at economical cost for the ECOWAS region as part of its Regional Energy Efficiency Policy.

Construction of the dam has been a great achievement for the West African nation, which was grappling with only 17% of its urban population and 3% of the rural population having access to electricity. Residents of Conakry did not have access to power for more than 6 hours per day. The project was also established to enable the construction of more mining refineries for the country’s natural resources, through which employment opportunities would be created.

Roughly 2500 Guineans and 800 Chinese workers benefited through employment opportunities throughout the three year period in which the dam was constructed. Constant power outages hindered business

operations, schools and potential investments into the country. With a population used to regular blackouts, the Kaleta Dam project has contributed immensely to the daily livelihoods of citizens and economy of the country.



Further Outlook

In the upcoming years, the PIDA energy infrastructure framework plans to include transmission lines to connect the continent’s power pools and permit a large increase in inter-regional energy trade. PIDA as the continental infrastructure framework is supported by the German Government through technical advisory services of the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ). With PIDA projects becoming operational, it continues to promote regional economic integration via the advancement of cross-border infrastructure on the African continent.

2. Rusumo Falls Hydroelectric Project: A Best Practice for Socio-Environmental Risk Mitigation

What is Rusumo Falls?

The Rusumo Hydro Power Plant is a trans boundary project traversing over Rwanda, Tanzania and Burundi located on the Kagera River on the border between Rwanda and Tanzania, and nearly 25 kilometres downstream of Burundi. Rusumo Falls is also a PIDA Priority Project to which the African Development Bank (AfDB) provided a \$4 million grant to the Nile Basin Initiative to technical studies for the transmission lines.

National and Regional Impact of Rusumo Falls

The project is envisioned to strengthen regional power interconnection and to provide job prospects for more than 500 skilled and non-skilled labour forces from the recipient countries Burundi, Rwanda and Tanzania. It is forecasted to improve livelihoods of about 7000 households in the beneficiary districts and an additional 188 households directly affected by the projects through Livelihood Restoration Program (LRP) implemented by the Nile Equatorial Lakes Subsidiary Action Program (NELSAP).

Transboundary Water Management as success for Socio-Environmental Risk Mitigation

Naturally, the development of large scale infrastructure can be to the disadvantage of nature and communities. Therefore, it is of utmost importance that project states in cooperation with regional actors such as River Basin Organization (RBOs) communicate early in the project preparation stage on socio-environmental risk mitigation. This is exactly what happened during the development of Rusumo Falls via Trans boundary Water Management (TWM).

NELSAP as the RBO developed above mentioned livelihood restoration program, which is part of a broader Resettlement Action Plan (RAP) prepared in accordance with the World Bank social safeguard requirements and the AfDB Involuntary Resettlement Policy. Additionally, the RAP, to relocate people in a publicly responsible method and conferring to good international practice, was bolstered by a well-coordinated notification and consultation process of the three project states. Through the notification process, and the ensuing environmental and social assessments, it was decided to alter the original design of a 90MW plant and projected displacement of 90,000 people to an 80 MW hydropower scheme merely displacing about 500 people. This process demonstrated the significance and benefits of engaging a broader range of stakeholders at the national and regional level so as to promote RBOs and to achieve national level buy-in.

The Rusumo Hydro Power Plant has thus far been on track with satisfactory progress. Where there is impending trans boundary impact, national standards should still apply to the degree that they correspond with universally established international rules and standards. The respective recipient countries have reported on the positive impacts the development of the project has had thus far, the most noteworthy being the absence of load shedding since December 2015 and the assertion that current power cuts are associated with network issues. It can thus serve as best practice example in mitigating socio-environmental risks in infrastructure development in Africa.

3. Evaluation of the Implementation Status of Water-Related PIDA Projects

Study carried out for the African Ministers' Council on Water (AMCOW) Hartmut Krugmann, Consultant to AMCOW; draft, 10 September 2017

Background

The PIDA priority action plan (PAP) comprises 51 PIDA programs and projects designed to address sector-specific priority infrastructure deficits, of which nine (9) are classified as trans-boundary water sector projects. Four (4) of the nine PIDA trans-boundary water projects are multi-purpose dam development initiatives located in the West African or Central African regions, three (3) projects are aquifer system management initiatives involving countries mostly in the North African region, and the remaining two projects, both located in the Southern African region, are categorized as integrated water resource management (IWRM) projects.

Purpose of the study

The purpose of the study is: i) to provide a better understanding of the status of PIDA water projects; ii) to assess how their implementation has been progressing, identifying reasons why projects have progressed or stagnated and analyzing the main factors that have helped or hindered project implementation; and iii) to suggest ways in which the pace of project implementation might be accelerated, specifically through the use of instruments PIDA has developed to catalyze the planning, preparation, and implementation of PIDA PAP projects.

Preliminary results

The information collection process began in mid-June 2017 with an official introductory e-mail sent out by AMCOW to a range of project stakeholders (including RBOs and RECs). Responses received from project stakeholders were followed up by the consultant with e-mails requesting information on project-specific implementation progress. Progress on establishing contact with project focal points and stakeholders and collecting updated project information proved to be slow. Preliminary results obtained by around mid-September 2017 are summarised in the table below.

Project	Description	Project Implementation Status (preliminary results)
Palambo Dam (Congo River Basin)	Regulation dam to improve navigability of Obangui River with added hydropower component	The project continues to be at the pre-feasibility and needs assessment stage. Apparently little project implementation progress has materialised since the PIDA Priority Action Plan (PAP) was formulated in 2012
Fomi Dam (Niger River Basin)	Hydropower station in Guinea with irrigation water supply for Mali and regulation of the Niger river (nine countries)	The principal preparatory studies have been supported under the WB-funded Water Resources Development and Sustainable Ecosystem Management (WRD SEM) APL-1 project. Additional support via the Niger River Basin Management Project, funded through the WB-managed multi-donor CIWA (Cooperation in International Waters in Africa) initiative, has been aimed at strengthening the Niger Basin Authority's (NBA's) capacity for Fomi Dam project preparation and at supporting additional, complementary preparatory studies. Implementation progress since 2014 is unclear and requires additional project information to be assessed.

Gourbassy Dam (Senegal River basin)	Multipurpose dam located in Guinea: regulation of the Senegal river (four countries)	A Feasibility Study and Preliminary Design for the Gourbassy Dam project was completed by SNC LAVALIN International in 2012 with support from the World Bank under the project PGIRE 1. Since then, some progress has been made on project preparation and mobilisation of finance: terms of reference for detailed design studies and tender documents have been prepared; studies to estimate the cost of building the dam are being prepared; and efforts have started toward mobilising finance plans, including planning for a donor round table and sending out funding requests to potential partners. .
Noumbiel Dam (Volta River basin)	Multipurpose dam with hydropower generation (for Burkina Faso and Ghana) component	The project continues to be at the pre-feasibility stage. A consultant was hired by the African Development Bank (AfDB) in 2014 to carry out a feasibility study. However, the work of the consultant was not supervised by the Volta Basin Authority (VBA), and the VBA never saw the results of the feasibility study or any reports produced by the consultant. The national authorities of Burkina Faso and Ghana have so far not responded to requests for information on the feasibility study and follow-up work.
Nubian Sandstone Aquifer System	Implementation of regional strategy for the use of the aquifer system	A Shared Aquifer Diagnostic Analysis (SADA) was completed in the period 2006 -2009 and a Strategic Action Programme (SAP) was subsequently developed, both with UNDP-GEF and IAEA support. The four member states (Chad, Egypt, Libya, and Sudan) and the Joint Authority for the Study and Development of the Nubian Sandstone Aquifer System (JASAD-NSAS) signed the SAP on 18 Sep 2013. Recently, a full-sized project entitled "Enabling Implementation of the Regional SAP for the Rational and Equitable Management of the Nubian Sandstone Aquifer System (NSAS)" has been prepared for UNDP-GEF support, with the project document envisaged to be approved by the four member states at a meeting scheduled for 10-11 September 2017 in Khartoum. Such approval would make it possible to receive UNDP-GEF support and establish a regional focal point for the project.
North-West Sahara Aquifer System	Prefeasibility studies for improved use of the aquifer system	This project went through three phases: Phase 1 (1999-2002) funded by IFAD, SDC, and FAO and broadly focused on improving knowledge; Phase 2 (2003 – 2007) funded by SDC, France, and UNEP-GEF and broadly focussed on the development of a consultation mechanism; and Phase 3 (2009 – 2014) funded by AfDB's African Water Facility (AWF), FFEM (France) and UNEP-GEF and broadly focused on developing a strategy for sustainable management of the NWSAS (equivalent to a TDA). During Phase 2, the three member countries (Algeria, Libya, and Tunisia) established a permanent Consultation Mechanism which included a dedicated Secretariat and Project Coordination Unit based at the Observatory for the Sahara and Sahel (OSS) in Tunis. Implementation progress since 2014 is unclear and requires additional project information to be assessed.
Iullemeden Aquifer System	Prefeasibility studies for improved use of the aquifer system	A GEF-supported project implemented during 2004 – 2009 produced a TDA published in 2011. The TDA was supported by complementary studies such as mathematical aquifer modelling and by the development of a process to set up a tripartite consultation mechanism. The project has also demonstrated the interchange between the surface waters of the Niger River and the Iullemeden Aquifer System. The GEF-supported project was followed by a large regional project entitled "Gestion intégrée et concertée des ressources en eau des systems d'Iullemeden, Taoudéni/Tanezrouft, and le fleuve Niger" (GICRESAIT involving seven countries (Algeria, Benin, Burkina Faso, Mali, Mauritania, Niger and Nigeria), funded by AfDB's AWF and FFEM (France) and implemented during 2010-2017. Promotional and awareness-building activities are underway toward preparing a follow-up phase to GICRESAIT.

Multi-sectoral Investment Opportun. Studies (Cub-Okavango River Basin)	Identification and preparation of an investment programme in the basin	A Multisectoral Investment Opportunity Analysis (MSIOA) has been carried out in the period of 2014-2017. The technical part of the work was completed in 2016. The draft MSIOA report recommends 'no regret' improved livelihoods strategies, along with ecotourism development and a shared large-scale infrastructure development programme. The endorsement of the final report by OKACOM members and World Bank and its publication is expected to happen later in 2017. There are plans to hold a series of roundtable consultations with development partners, potential investors, government officials, and other stakeholders to discuss options for implementing and financing recommended investment options.
Lesotho Highland Water Project, Ph2 (Orange-Senqu River Basin)	Water infrastructure (dam and tunnel) for transferring water from the Senqu River in Lesotho to the Vaal River in the Gauteng Province of South Africa	The LWHP Phase 2 Feasibility Study was completed by Consult4 Consortium & Seed Consult in 2009. The Governments of Lesotho and South Africa signed the LHWP Phase 2 Agreement in Aug 2011. As of Oct 2012, the project implementation plan (Master Programme) envisaged the main water infrastructure (dam and tunnel) to be built during Aug 2016 – Nov 2020 and water transfer to South Africa to start in Nov 2020. An update of the Master Programme in July 2017 projects the main works to be completed, and water transfer to be initiated only by the end of the year 2025. This indicates a time slippage of 5 years in projected project completion within a 5-year period (from Oct 2012 to July 2017).

Next steps

E-mail (and phone) communications have provided useful new information on the implementation status of PIDA water projects. But project status information remains incomplete and very little has been learned so far about the factors that have helped or hindered project implementation progress or about possibilities for PIDA instruments to be used toward strengthening existing project plans and turning these plans into reality. It is clear that project visits, along with direct stakeholder engagement, are indispensable to gain insights on these more complex and challenging aspects of the study. To this end, three (3) of the nine (9) PIDA water projects have been selected: the Iullemeden and NWS aquifer projects as well as the Cubango-Okavango MSIOA. These projects will be visited in the first half of October 2017. The final report will then be drafted and finalised in the course of November 2017.

Challenges

E-mail responses from project stakeholders, including the RECs, were often slow and usually provided only limited information. Attempts to speed up communications by trying to reach project stakeholders over the phone were largely unsuccessful. By contrast, informal e-mail communications with personal contacts were of more help. While reasons for the slow reactions from project stakeholders are not clear at this stage, factors such as the following may well have played a role: lack of interest (given that project finance comes from sources other than PIDA); lack of awareness or appreciation of ways in which PIDA can facilitate and add value to project development and implementation (e.g. through PIDA project planning/preparation instruments); lack of awareness of AMCOW's new role as PIDA agency providing technical inputs in support of PIDA water projects; and as a result of the above factors, relatively low priority being given to interactions with NEPAD and AMCOW concerning PIDA water projects.

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12 APPENDIX 1: On-Going & Completed Unbundled DFS Projects: Summary

AP1

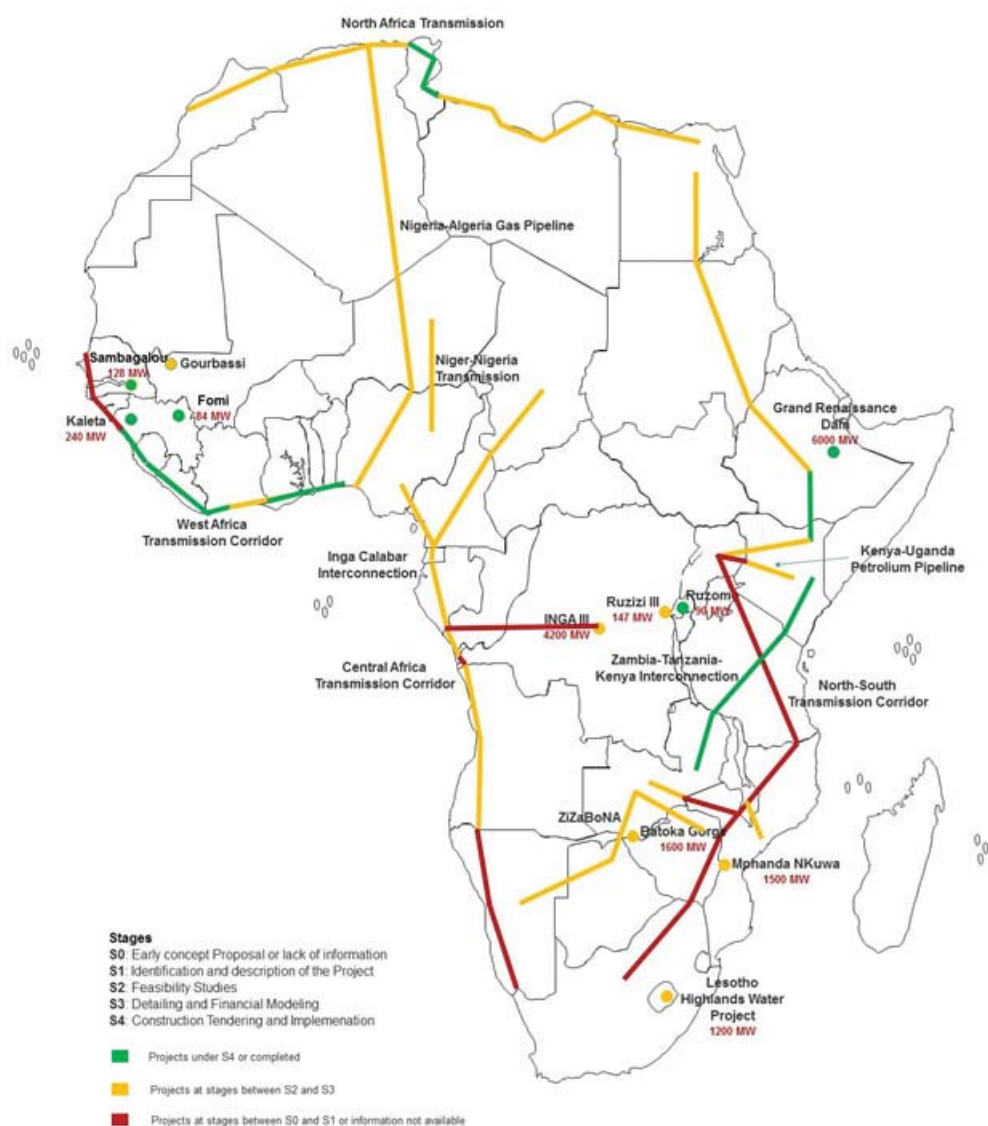
Project Name	Type	Sector	Sub Sector	Status	Location	REC	Stage	Year
Batoka Gorge Hydro Electric Power Scheme	Upgrade	Energy	Hydro Power Plant	Active	Zambia, Zimbabwe	SADC	S2B: Feasibility	2017
Ruzizi III Hydropower Plant	Upgrade	Energy	Hydro Power Plant	Active	Democratic Republic of Congo, Rwanda	EAC	S3B: Financing	2017
Sambangalou Hydropower Plant	Upgrade	Energy	Hydro Power Plant	Active	Guinea, Senegal	ECOWAS-CEDEAO	S4A: Tendering	2016
Trans-Sahara Gas pipeline	Upgrade	Energy	Petroleum/Gas Pipeline	Active	Algeria, Niger, Nigeria	ECOWAS-CEDEAO	S2B: Feasibility	2017
ZTK Transmission Interconnector (Kenya section)	Upgrade	Energy	Power Interconnector	Active	Kenya	EAC,COMESA	S4B: Construction	2016
ZTK Transmission Interconnector (Tanzania section)	Upgrade	Energy	Power Interconnector	Active	Tanzania	EAC,SADC,COMESA	S4B: Construction	2016
ZTK Transmission Interconnector (Zambia section)	Upgrade	Energy	Power Interconnector	Active	Zambia	SADC,COMESA	S4A: Tendering	2016
Lusaka - Lilongwe Fibre-optic Link (Zambia section)	Upgrade	ICT	Fibre Optic Cable	Active	Zambia	SADC	S3A: Detailing Structuring	2016
Lusaka-Lilongwe Fibre-optic Link (Malawi section)	Upgrade	ICT	Fibre Optic Cable	Completed	Malawi	SADC	S4C: Operation	2017
Elubo/ Noe One-Stop Border Post (OSBP)	Upgrade	Transport	Border Post	Active	Côte d'Ivoire, Ghana	ECOWAS-CEDEAO,UEMOA	S4B: Construction	2016
Brazzaville-Kinshasa Road/Rail Bridge	Upgrade	Transport	Bridge	Active	Democratic Republic of Congo, Republic of Congo	CEEAC-ECCAS	S2B: Feasibility	2017
Dakar - Bamako Standard Gauge Railway (Mali section)	Upgrade	Transport	Railway	Active	Mali	ECOWAS-CEDEAO	S2B: Feasibility	2017
Dakar - Bamako Standard Gauge Railway (Senegal section)	Upgrade	Transport	Railway	Active	Mali, Senegal	ECOWAS-CEDEAO	S2B: Feasibility	2017
Kinshasa - Ilebo Railway	Upgrade	Transport	Railway	Active	Democratic Republic of Congo	CEEAC-ECCAS	S2B: Feasibility	2017
Agona Junction - Alubo Road	Upgrade	Transport	Road	Completed	Ghana	ECOWAS-CEDEAO	S4C: Operation	2016
Dar es Salaam Port Access Roads Development	Upgrade	Transport	Road	Completed	Tanzania	EAC	S4C: Operation	2016
Juba-Torit-Kapoeta-Nadapal Road	Upgrade	Transport	Road	Active	Kenya, South-Sudan	IGAD	S3A: Detailing Structuring	2017
Serenje - Nakonde Road Link 1 (Serenje - Mpika)	Upgrade	Transport	Road	Active	Zambia	COMESA	S2B: Feasibility	2016
Serenje - Nakonde Road Link 2 (Mpika - Chinsali)	Upgrade	Transport	Road	Active	Zambia	COMESA	S2B: Feasibility	2016
Serenje - Nakonde Road Link 3 (Chinsali - Nakonde)	Upgrade	Transport	Road	Active	Zambia	COMESA	S4A: Tendering	2016
Dar es Salaam New Berths Vijibweni, Mbwamaji and Kunduchi	Upgrade	Transport	Sea Port	Active	Tanzania	EAC	S1: Concept	2016
Dar es Salaam New Container Terminal	Upgrade	Transport	Sea Port	Active	Tanzania	EAC	S3B: Financing	2016
Dar es Salaam New SPM Oil Terminal	Upgrade	Transport	Sea Port	Completed	Tanzania	EAC	S4C: Operation	2016
Dar es Salaam Port Modernisation	Upgrade	Transport	Sea Port	Active	Tanzania	EAC	S3B: Financing	2016

13 APPENDIX 2: Summary of Operational PIDA Projects with Accumulated “On the ground data”

Programme	Project	Impact	Region	Country	Sources
Abidjan - Lagos Corridor	Agona Junction-Alubo Road	(Overall Impact)> Main economic driver in West Africa, accounts for more than 75% of economic activities in ECOWAS. Accelerates integration and increased trade at regional level, and reduction of trade and transport barrier in ports and roads. Reduction of cost of trade. Contributes to the region's economic development and poverty reduction. Coastal erosion protection in Togo as a major environmental impact.	ECOWAS	Benin, Côte d'Ivoire, Ghana, Nigeria and Togo	https://www.afdb.org/en/news-and-events/the-abidjan-lagos-corridor-a-pida-flagship-programme-and-catalyst-for-economic-growth-in-west-africa-16078/
West Africa Power Transmission Corridor	Benin - Togo Power Inter-connection	Create employment opportunities and improve socio-economic position of Benin, Togo, Nigeria (objectives). Linking electricity grid to connected grids of Benin, Togo, Côte d'Ivoire and Burkina Faso. Improving reliability of supply and optimization of production costs within subregion	ECOWAS	Ghana, Togo, Benin	ADF: National Electric Power Authority and Communauté Electrique Du Benin pdf
North Africa Power Transmission	Algeria - Tunisia ELTAM Transmission Interconnector	Facilitating market integration between 5 countries (Egypt, Libya, Tunisia, Algeria, Mali).	UMA	Tunisia, Algeria	www.au-pida.org
Kaleta Hydro-power Plant		Hydroelectric generating capacity increase from 128MW to 368MW. 30% output intended for Gambia, Guinea-Bissau and Senegal. Feeds deeply into West African Power Pool. Contributes to expansion of businesses, create more job opportunities and deeper investments into West Africa	ECOWAS	Guinea	Kaleta Dam article: PIDA goes operational
Southern Africa Hub Port and Rail Programme	Beira Port Dredging	Dredging amounts to 2.5 million cubic metres of sediment per year. Ships of up to 60 000 registered tons can move around the port compared to the 30 000 ton ships previously. Malawi is free to use the Beira for the movement of goods to and from the ports. Transport by river takes up to 12 days compared to a day and a half from Lilongwe to Beira. Serves as a gateway to African countries by road and rail and pipeline to Zimbabwe and road and rail to Botswana, Zambia, DR Congo and Malawi.	SADC	Mozambique	http://www.transportworldafrica.co.za/2015/09/04/dredging-commences-at-quelimane/ https://malawi24.com/2017/06/07/no-good-neighbour-mozambique-still-refuses-support-shire-zambezi-waterway-project/
Northern Multi-modal Transport Corridor	Kampala - Wakiso Road	The road (Wakiso district) bridges the massive economic divide between urban Lubowa along Entebbe Road and Ndeje. The upgrade increases the resource base as the property value of housing will go high to benefit owners and government through commodity taxes and property tax. Residents have also been included in terms of employment during the upgrade and work in good relations with the engineers.	EAC	Uganda	https://www.newvision.co.ug/new_vision/news/1326238/wakiso-road-construction-commissioned
	Masaka – Malaba Road	Construction of Masaka (-Mbarara) Road is the most dominant transport mode in Uganda accounting for 90% plus of passengers and freight traffic. Provides the only way of access to most of the rural communities. Positive effect on the economy. Travel times have been reduced significantly and contributes to the promotion of agriculture, trade and commerce and socioeconomic development of the rural population. Employment opportunities for surrounding communities have been created. Tourism has also flared up since it takes a shorter time to visit tourist sites such as Lake Mburo NP, Gorilla Park in South Western Uganda.	EAC	Uganda	https://constructionreviewonline.com/2013/03/uganda-construction-of-the-masaka-mbarara-road/
	Kampala – Eldoret Road	Increased trade between EAC countries of Kenya and Uganda. Uganda section is about 73km and upgraded from gravel to tarmac which alleviates farmers around the Sebei Sub-region. The corridor links the productive sub-regions of Bugisu, Karamoja and Sebei (known for production of maize, barley, sorghum and coffee). On the Kenya section it is about 35km. Greatest impact felt by subsistence and smallholder farmers. Rightful land owners in Uganda entitled to compensation for displacement. Compensation includes loss for physical assets, crops and revenue or income. Total compensation projected to be at about Sh30b and incurred by Ugandan government.	EAC	Kenya	http://www.monitor.co.ug/Business/Markets/Uganda-seeks-Shs270b-for-Kapchorwa-Suam-road-/688606-3016962-115xe46/index.html
	Nairobi Southern Bypass Upgrading	Offers a durable solution to traffic congestion in Nairobi. Unclogs traffic congestion in Nairobi's central business district. Creates new economic opportunities along its route, boosts regional integration through faster movement of people and goods. Positive impacts include increased employment and trading opportunities, land value appreciation and improved infrastructural developments such as good sewer networks, water connections, internet accessibility, and communication networks triggered by improved accessibility.	EAC	Kenya	http://www.logupdateafrica.com/global-kenyan-and-tanzanian-leaders-launch-new-nairobi-southern-bypass
	Mombasa Port New Container Terminal	Creates about 1000 jobs, the three Lamu berths about 1500. Mombasa port is the biggest employer at the coast with over 7000 workers. The upgrade and modernisation programme transforms the port into a modern facility capable of serving Kenya and the rest of the EAC region. Upgrade will provide additional capacity of 450 000 TEU/y in January 2018. A third phase vision will increase capacity by a further 500 000 TEU/y. Once all phases are completed, the terminal will have a total of 1.5 million 20 foot equivalent units (TEUs) a year.	EAC	Kenya	http://mobile.nation.co.ke/counties/Mungatana-promises-2500-new-jobs-at-ports/1950480-2441496-format-xhtml-o11cbe/index.html
	Voi-Athi Road		EAC	Kenya	https://www.trademarka.com/news/kenya-to-build-339-2m-container-terminal-in-the-race-to-remain-e-africas-biggest-port/
	Molo-Eldoret Road		EAC	Kenya	
Djibouti-Addis Multimodal Transport Corridor	Bungoma-Eldoret Road		EAC	Kenya	
	Semera Dry Port	The capacity of Modjo and Semera dry port increased from 12% in 2009/10 to 42% in 2010/11.	IGAD	Ethiopia	Ethiopia National Report Semera Dry Port pdf
	Modjo Dry Port	90% of inbound containers are processed at Modjo dry port.	COMESA	Ethiopia	Combined project information documents pdf
Central Multi-modal Transport Corridor	Dobi-Galafi Road	Estimated in 2012 to improve livelihood of the local area and contribute to economic activities and development of trade and urban centers with a total population of 472 108 in project influence area. Upgrading of the project has high national and regional priority for trade and development and strengthen inter-state trade and integration	COMESA	Ethiopia	http://documents.worldbank.org/curated/en/300311468752087903/text/P11773101SD-SOP012201201331529460674.txt
	Dar es Salaam New SPM Oil Terminal	Intended to also capture lucrative market in neighbouring Uganda, Rwanda and Burundi (landlocked countries).	EAC	Tanzania	https://www.trademarka.com/news/kenya-dar-build-new-oil-terminals/
	Kigoma-Kidawe Road		EAC	Tanzania	
	Tabora-Nyahua Road		EAC	Tanzania	
	Dar es Salaam Port Access Roads Development		EAC	Tanzania	



PIDA PAP ENERGY SECTOR

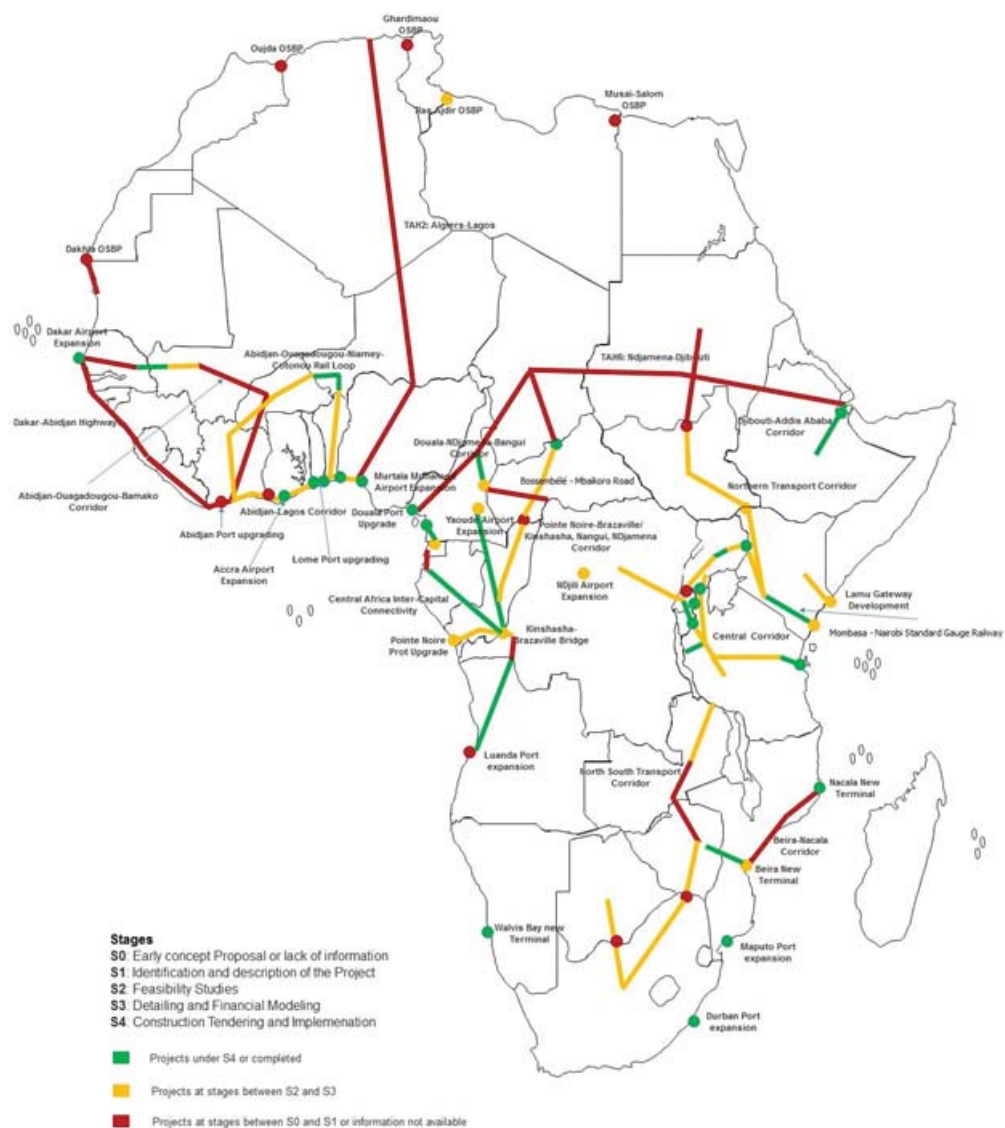


Disclaimer: The Map is based on the information at our disposal on the time of publication. If you have a more updated information or comments you may contact travny@afca-union.org

Sources: PIDA Progress Report 2017 and African Infrastructure Database (<http://africa-pida.org>)

Produced in October 2017





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