FOURTH PIDA WEEK 2018
Conference Proceedings

Realising Africa’s Integration through Smart Infrastructure and Good Governance

26 -29 November
Elephant Hills Resort, Victoria Falls, Zimbabwe
CONFERENCE PROCEEDINGS

Sunday 25 November 2018
PIDA Steering Committee
PIDA Capacity Building Project Planning

Monday 26 November 2018
MORNING SESSION
PIDA Week Media Breakfast
AFUR Conference Day 1
Parallel Session 1: The Continental Business Network Roundtable: Mobilizing private investment for infrastructure development
Parallel Session 2: Single Africa Air Transport Market (SAATM)
Parallel Session 3: Accelerating Project Preparation and Financing of PIDA Water Priority Transboundary and Hydropower Projects
Parallel Session 4: Excellence in Infrastructure Project Preparation: the idea of the PIDA Quality Label
AXIS Steering Committee

AFTERNOON SESSION
Opening Plenary
High-Level Roundtable on Good Governance for Infrastructure Development
NEPAD-ILO MOU Signing
NEPAD-GWP MOU Signing
AFUR Conference Day 2
Job Creation Toolkit soft launch
Status update - PIDA Week 2017 showcased projects:
Zambia Tanzania Kenya Interconnector
Batoka Hydropower
Ethiopia Sudan interconnector
Kinshasa-Brazzaville Bridge
LAPSSET Corridor
PIDA Week 2018 Showcase:
Ruzizi III
Rusumo Falls
Abidjan-Lagos Corridor & Praia-Dakar
MoveAfrica Cross-border Logistics Dialogue: Equipment, Manufacturing and Repair Sector
Good Practice in PIDA Corridor Implementation

Tuesday 27 November 2018

Outcome
The PIDA Outlook: Demands and trends for regional infrastructure development in the next decade

Outcome
Site Visit: Kazungula Bridge
The Steering committee deliberated on the process and selection criteria that will be integrated in the development of the next phase of the PIDA PAP 2020 and beyond on how to select national and regional priority projects that are aligned and can be sustained. The underlying concept for the PIDA PAP 2020 is that of multisectoral corridors which was also discussed during PIDA Week 2018.

The PIDA Quality Label serves as a technical vetting instruments to screen PIDA PAP 1 projects to potentially integrate to PIDA PAP 2 and to screen PIDA PAP 2 projects proposals forwarded by the RECs.

The meeting agreed that the new selection criteria for the PIDA PAP will be defined on a consultative process involving all the stakeholders (i.e. RECs, MS, specialized agencies, civil society, academia etc.), including the private sector. The RECs play a crucial role in liaising with their Member States to develop respective project proposals.

Because of limited resources, the private sector has a significant role to play in the next phase of PIDA. This requires a greater focus on project development to generate more bankable projects and to leverage a larger pool of capital to fund them. In that regard the PIDA Continental Business Network should play a significant role to be discussed at PIDA Week 2018).

The current PIDA Action Plan is based on a market study from 2011 forecasting the demand for regional infrastructure on the continent until 2040. A lot has changed in the four sectors and therefore a new study which analyses the key trends in the market and demand for regional infrastructure in the four sectors will be conducted with the support of the European Union.

The process of the adoption of the Second Phase of the Priority Action Plan by the Summit of AU Heads of State and Government is now scheduled to January 2021. Meanwhile, the Steering Committee agreed that there is a need to ensure that ongoing projects in the First Phase are accelerated and implemented on the ground.

It was agreed to include soft infrastructure (policy, legal and regulatory frameworks) as quick wins in the development of next PIDA projects.

There is a need to better communicate PIDA (e.g. PIDA PAP 1 results and contributions of AUC/NEPAD) and hence the use of the PIDA network of journalists was deemed crucial by all participants.

It was noted that the development of the next phase of PIDA requires a lot of planning and operational resources and it was recommended that the AUC facilitates the financial commitments made by the European Union and GIZ within the limited timeframe.
UPDATE ON CLOSURE OF PIDA CAPACITY BUILDING PROJECT

- Background and context of the PIDA CAP Project
- PIDA CAP Financial status report
- Implementation of remaining activities

A presentation was made by Mr. George Murumba of NEPAD highlighting some of the key issues such as the project financial status and the work that had been done on the recruitment and placement of the remaining two PIDA experts based in ECCAS and UMA. All 8 REC’s experts have now been placed. Data collection on progress of the PIDA projects has been and is still taking place including the training on AID and VPIC. With placement of the experts in the various REC’s, coordination and communication has since improved between NPCA, AUC and REC’s. Profiling of projects has also since improved, including policy and communication) which led to results such as the PIDA journalist network. A remark was nevertheless made with respect to the full comprehensive report which will be presented at the AU Summit and showcasing the procurement activities and case studies.

The AfDB expressed their delight with the progress and commended the team on the hard work and milestones reached. They are determined to move forward to phase II.

NEPAD highlighted that with regards to PIDA CAP, the main issue concerns the grant resource that is not sufficient to date. In fact, this lack of resources has forced the NEPAD management to have to let go competent colleagues in the REC’s and internally who were implementing a much needed project at a strategic time (mid-term review, development of the next phase of PIDA PAP) where paradoxically potential partners seemed willing to get involved into the project. Therefore the NEPAD Agency and the AUC together called upon partners to think of how to crowd in additional funds to enable the implementation of this critical project so as to avoid waste of committed resources by losing internal capacities.

The Focus was later on the second phase of PIDA PAP and more specifically the criteria selection of projects for phase II and consultative process inherent to it.

- Prioritizing and reallocation of resources could be considered under PIDA CAP.
- A call has been made upon the partners to deliberate on how the experts in the REC’s can be maintained. By law they ARE supposed to be timeously informed of the contracts.
- An extra ordinary meeting to be called upon. The steering committee takes note of information provided by NEPAD and is affected by the ending of the project at the time the expertise is required at the RECs and the midterm review. AUC will invite the stakeholders, sometime in December to truly discuss the matter and find solutions.

- Sustainability of the project itself. If REC’s experts are going to be retained in the institution in the long term then NEPAD has to plan for these positions and create a support system for them. It can no longer be called “capacity building” but rather PIDA Implementation/PIDA Technical Support.
- The project will only end in December 2019. Achievements need be explicitly shown first before consideration is given to the next phase of the project. The objectives of the next project cannot be the same as the previous project. The internal process of project approval in the bank is long. It takes roughly 6 months to 1 year to approve these projects so there is need to start now.
- NEPAD needs to prepare a detailed proposal showing the rationale to continue with the project and sent to partners with innovative solutions to the matter. Clear budget and resource mobilization should be included.

Realising Africa’s Integration through Smart Infrastructure and Good Governance
The Breakfast Event jointly organized by the African Union Commission, the NEPAD Agency, the African Development Bank and the UN Economic Commission for Africa in collaboration with the Government of Zimbabwe, was aimed at helping media understand why PIDA Week is important, get familiar with the terminology and issues around the event, and introduce experts in the infrastructure area. The Briefing took a big-picture look at the Programme for Infrastructure Development in Africa (PIDA), the Service Delivery Mechanism and the Continental Business Network (CBN), its history, what to expect through the 2018 PIDA Week, as well as its continental impact after the meeting has taken place. The session also focused on relating to the media fraternity how PIDA remains key to unlocking Africa’s infrastructure potential, showcase PIDA’s achievements and to acknowledge the advocacy role of media in promoting PIDA and all its projects.

The breakfast meeting started with opening remarks which were presented by the Permanent Secretary Eng. Amos Mara- wa from Zimbabwe’s Ministry of Transport and Infrastructure Development, who welcomed the delegates and give a brief outline of the program. The session had a six member panel from African Union Commission (AUC), NEPAD, African Development Bank (AfDB), Africa Investor, Germany Development Agency and Development Bank of Southern Africa (DBSA) presenting their work and collaboration in Infrastructure projects in Africa.

The following points were noted;

GIZ alluded that PIDA is a huge milestone in developing regional infrastructure. Germany has been supporting PIDA since its formation with financial and technical support because it believes Africa, similar to the Asian Tigers, should leap forward like African lions in regional integration.
GIZ which provides both financial and technical support of PIDA projects are practical and have, together with AUC and NEPAD developed instruments to monitor progress of the projects and that can be accessed or tracked on line. Further, they mentioned the need to ensure quality of projects in order to increase growth and ensure communities are benefitting from these projects and whether it is attracting more private investment.

The Africa Development Bank, has been put aside $1 billion dollars towards supporting infrastructure development and are focusing on determining if the concepts developed can be bankable. Also they are funding partners to conduct feasibility studies on the kind of support needed. The lack of capacity for countries to do it alone was considered and therefore the need to integrate and collaborate. AFDB has also provided AU with a $5 million grant to implement Africa Continental Free Trade Area (ACFTA). The bank will continue supporting projects.

African Investor – a long time NEPAD partner talked about the 5% agenda and identification of optimal cross border project model useful for PIDA infrastructure. The 5% agenda came after the realization that typical financing in the market, due to regulatory changes, there was need to access new class of long term investors who have not been engaged in infrastructure investment. The 5% agenda was a bold initiative to reach an agreement which has capacity to mobilise 5% of institutional assets under management on the continent. This will unlock between $600bn and $1 trillion which has potential to leverage between $30 trillion and $40 trillion of global institutional capital looking for higher yield and diversification.

Development Bank of Southern Africa (DBSA) a National Development Financial Institution with 8 different projects and 6 energy projects. DBSA is working with other DFIs on regional projects. The bank is working with SAPP members to ensure that those with excess energy are able to trade with those facing deficits. DBSA is working with a Mozambican DFI and EDM to solve transmission and distribution losses. It is a good example of national DFIs working together.

African Union Commissioner for Infrastructure and Energy, Dr. Amani Abou-Zeid addressed the gathering on the work of PIDA within its mandate area. She spoke on the various projects being done to ease connectivity, the need to consider the infrastructure deficit challenge as an opportunity and ensure there is preparedness, packaging of information and making it accessible. She talked of E-governance to cut corruption, which resonates with this year’s theme on corruption. The $130 billion infrastructure deficit per year could be turned into an opportunity. Preparedness, attractiveness and good governance will be at the heart of infrastructure development. AUC are working on e-governance to curb corruption.

NEPAD Chief Executive, Dr. Ibrahim Mayaki talked on five critical issues and visibility of PIDA projects. The issues were;

I. Consensus to enable integration and collaboration on projects

II. Capacity – The challenge of bankable projects and emphasized that money is not the problem.

III. Governance (management issue) that there is need to work together to manage cross border projects and better coordination of such projects.

IV. Infrastructure to be used for development to promote cross border projects, create employment and work hand in hand with various partners.

V. The need for leaders to change institutions even when the resistance is high in order to build strong institutions. “Huge strides have been made and Africa’s future will no longer be about strong men but strong institutions,” says NEPAD CEO.

VI. The media, has a bigger role to play in painting a positive picture to the world that will promote investment and investor confidence, by projecting the good works being done on the ground. Progress is visible citing the upcoming visit to the Kazungula bridge

The media should play a critical role in telling the PIDA story and portray a positive picture of the work being done

Infrastructure should not remain in the public sector domain but the private sector should be engaged with an eye on long term projects.

Need to change the approach by ensuring bankable and well prepared projects.

A strong communications strategy to be put in place to communicate work on the ground

To build strong institutions and capacity of local private sector to lead infrastructure projects.

Use of ICTs and monitoring tools to assess progress and quality of projects being done and their feasibility.

Infrastructure projects should adopt a bottom up approach meaning it has to be inclusive as it is an enabler for development.

Lack of bankable projects has stalled the attraction of capital into infrastructure projects
Overview of Sessions Day 1


The African Forum for Utility Regulators (AFUR) is an initiative established on the basis of Clause 110 of the Framework Document of the New Partnership for Africa’s Development (NEPAD). AFUR was officially launched in November 2002 with its own constitution as a voluntary organisation of regulators on the continent. AFUR aims to establish and foster cooperation amongst utility regulators on the African continent in support of Africa’s growth and socio-economic development. AFUR’s primary focus is on issues pertaining to the regulation of infrastructure (energy, communications, water and sanitation as well as transport sectors). Another principal objective of AFUR is to fast-track the development of a standardised effective utility regulatory framework in Africa as this will facilitate infrastructure development and regional integration of the continent. AFUR pursues its mission by facilitating cooperation and information-sharing amongst its members, as well as through the development of regulatory capacity building initiatives.

The African Forum for Utility Regulators (AFUR) held its 15th Annual Conference at the Elephants Hills Hotel in Victoria Falls in Zimbabwe from the 26th to the 29th November 2018. The Conference was held as an event alongside the PIDA Week. The theme of the conference was “Innovation, Accessibility and Affordability of Utility Services in Rural Areas.” Sector Regulators representing Water & Sanitation, Energy and Transport were represented at the conference.

Summary of Session

As Africa thrives under surging economic and population growth rates, the continent faces the challenge of ensuring that everyone benefits optimally from the gains of development. Utilities are key to this growth. They can contribute significantly to the prosperous society with expanding opportunities that we all desire to achieve. Although off grid and mini-grid based electrification has received attention in recent times, their full exploitation requires several intervention measures.

Key Recommendations

I. Governments must develop appropriate policy measures to support the development of Off Grid and mini – Grid systems

II. It is now accepted that despite undue preference for grid extension, alternative approaches to electrification have to be pursued as well in order to meet the universal electrification objectives by 2030 due to the compressed timescale to achieve the target

III. Cost disadvantage of grid extension particularly in remote areas or for dispersed populations presents a good opportunity for off grid and mini grid systems to be developed.

IV. Technological innovation for electricity generation and end-use technologies (such as LED lamps, efficient storage) and rapid price decline of some technologies provide business opportunities for project developers and should thus be encouraged by Governments through appropriate frameworks.

V. While the stand-alone individual solutions have traditionally received greater attention, mini-grid systems can offer a collective solution at a relatively lower cost to facilitate basic needs as well as productive use of electricity thereby promoting local economic development. It is imperative therefore that sector regulators should develop appropriate price mechanisms to encourage further development of these technologies.
Continental Business Network Roundtable

**Introduction of Issue**

The CBN is designed as an exclusive platform for financing and implementing PIDA projects, it therefore aims to give a market viewpoint of ‘investability’ of PIDA related projects by provide technical review for projects. Furthermore, it is envisioned to become a self-sustaining network/structure.

- The discussion centred on how to sustain the CBN structure going forward.
- Critical elements that continue to inform the work done by the CBN since its initial inception are the CBN Report on De-Risking Infrastructure and PIDA Projects in Africa and recently the African Infrastructure Guarantee Mechanism (AIGM). The report outlined the challenges of attaining significant institutional investment for infrastructure projects in developing countries, with special emphasis on Africa’s regional infrastructure projects, through that; the CBN seek to close the financing gap by building relations between the private sector and public sector to work towards collaboration to improve the infrastructure financing environment.

**Title of Session**

**Summary of Session**

- The session aimed to review and assess current CBN institutional and governance structures in order to improve its member orientation and sustainability, service catalogue and value proposition within the scope and context of the NEPAD 5% Agenda Initiative and African Infrastructure Guarantee mechanism (AIGM).
- It was highlighted that one way of de-risking investments in Africa is to promote and advocate for increased institutional investments through the 5% Agenda, and subsequently develop a guarantee mechanism to increase institutional investors’ confidence for infrastructure development project in Africa.
- AIGM is aimed to support African and international institutional investors in investing in Africa’s infrastructure. Blended finance and market-based schemes can be used as market incentives to catalyse the creation of infrastructure risk mitigation and reinsurance instruments managed by the African Infrastructure Guarantee Mechanism (the aim is to get USD 25bn to mobilise in the next 5 years)
Overview of Sessions Day 1

Summary of Session continued...

- Roles of CBN; data collection this relates to how we can centralise this data for infrastructure financing, important to democratic access to data; advocacy for a number of areas i.e. knowledge on projects; facilitate project development and transactions; getting information for the core mandate (DAKAR Financing), advising leaders- PPPI statics are poor, to understand relations of Africa investors on how they can partner with international investors and build a stable relationship, also how we can increase Africa institutional investments in Africa.

- Institution and governance framework discussions:
  - Prior to the (in Mauritius) meeting it is recommended to meet one-on-one with the Pension funds group to ease the scepticism around this area of mobilising pension and sovereign wealth funds.
  - Issue of capacity-information and data (PPP resource centre) to be able to educate trustee, ministers, pension funds etc. how to procure and in lease the services of pension funds.
  - What is the impact we want from institutional investors.
  - The financing gap is in the financing development.

Key Recommendations

The main recommendations were as follows;

Prior to meeting collectively pension funds, to approach them individually to ease the scepticism through notably disseminating the African Heads of States decision on the 5% Agenda.

As the issue of capacity-information and data was discussed, it was equally proposed to put in place a PPP resource centre to be able to educate trustee, ministers, pension funds etc. how to procure and in lease the services of pension funds.

Question ourselves on what is the impact we want from institutional investors.

The CBN could help in identifying the proper risk reward.

With regards to the Institutional and governance, the below recommendations was suggested:

Establish a steering committee
Establish CEO/Leaders Council
Establish PIDA project specific working groups headed by NEPAD and the CBN involving AfDB, DBSA and pooling its instruments.

Elect Head of CBN; rotating leadership

Better coordination and communication between NEPAD and CBN to alleviate public-private trust challenges. This can be alleviated through CBN advocacy work.

The CBN could have the following functions due to its neutral and technical nature and political proximity:

Centralize data systems on projects (VPIC) and institutional investors and make this data openly available.

Continue its advocacy work for PIDA and regional infrastructure to also mitigate public-private trust challenges.

Project Development and Funding to technically review projects and assist in its further development and promotion. CBN via the NEPAD Agency should engage with Africa50 in further structuring and developing PIDA projects.

Advise Heads of State in improving the infrastructure financing environment.

CBN Partnership and Capacity Building Model to assist local companies, pension funds etc. in its outreach and investment application to build capacity of trustees of pension funds.

Adopt a screening process where you identify where private sector can participate/support in.

To bridge the trust deficit between private sector and public, that needs to be addressed by advocating for more transparency. The CBNs future four roles ought to focus on data transparency and dissemination; advocacy work; project development, review & funding; partnerships and capacity building.
Overview of Sessions Day 1

PIDA Transport: Single Africa Air Transport Market (SAATM)

Title of Session

The Single African Air Transport Market (SAATM) is a flagship project of the African Union Agenda 2063 aimed at creating a single unified air transport market in Africa, the liberalization of civil aviation in Africa and as an impetus to the Continent’s economic integration agenda.

Introduction of Issue

The Single African Air Transport presentation was done by Placide BADJI from Department of Infrastructure and Energy, AUC, who outlined that:

1. The African Union (AU) Assembly of Heads of State and Government decided, in January 2015, to adopt a flagship project of the AU Agenda 2063 on liberalization of the Air Transport Markets in Africa
2. 2016: Declaration of Solemn Commitment declared by a number of African countries (11) which were ready to be part of the single market.
3. A Ministerial Working Group on establishment of the SAATM was created.
4. 2018: The market was launched with 21 member States
5. The African Civil Aviation Commission was appointed as the Executing Agency of the SAATM.
6. The Ministerial Working Group adopted and underscored implementation of seven (7) immediate measures that are necessary for operationalization of the SAATM.

The Single Africa Air Transport Market session was opened by Mr. Adama Deen who outlined the following:

1. Agenda 2063 and Infrastructure Framework
2. Trans African Highways Network (THAN)
3. African Regional Infrastructure Network (ARTIN)
4. TAH/PIDA-ARTIN: Corridor Development – Objectives & Strategies

1. Agenda 2063 & Infrastructure Results Framework Aspiration 2: An Integrated Continent, Politically United, based on the ideals of Pan Africanism and the Vision of Africa’s Renaissance

Goal 10: World Class Infrastructure crisscrosses Africa
Overview of Sessions Day 1

Key priority of action: Communications and Infrastructure connectivity

Key Flagship Programmes & Results by 2023

- The Continental High Speed Freight Railways Network: 2-3 Regional HSFR Pilot Projects
- The Trans African Highways Network - Missing links: 12,000 upgrading 12,000km missing links
- The Single African Air Transport Market – SAATM: Operationalization of YD (“Willing & Ready Countries”)

2. Continental High Speed Freight Rail Programme: First 10-Year Implementation Plan (2017-2027)

Key Guiding Principles:

- Integrating and Interconnecting all African Countries and Capitals, including major economic/commercial hubs
- Inter-Operability vis passenger and freight rail infrastructure integration (HS-FR)
- Selection of high impact Corridors/routes (with proven business case)

A2063 Continental High Speed Freight Railway Programme:

- First 10-Year HSR Implementation Plan (2013-2023)

National-Regional Pilot Projects (2-3 projects)

Discussions:

- Continue the advocacy
- Implementation of the SAATM implementation action plan
- The African Union Commission is organising scheduled at the AU Headquarters in Addis Ababa, Ethiopia from 03rd to 05th December 2018:
- A capacity building workshop to disseminate the Yamoussoukro Decision Regulatory Texts including the competition and consumer protection regulations.
- review the draft dispute settlement mechanism for the Single African Air Transport Market

Key Recommendations

- Review the Draft External Policy guidelines on the negotiation of Air Service Agreement with third countries.
- Harmonization of implementation regulations at national, regional and continental level
- Including domestication of the Competition regulations, the Consumer protection regulations and elaboration of regulations for the authorization of eligible airlines under the SAATM
- Development of a continental air transport infrastructure master plan and a single Africa sky architecture by 2023
- Technical Assistance to States under the 61% Effective Implementation of ICAO’s aviation safety standards as well as to ensure compliance with ICAO’s security standards

The African Union (AU) has overall responsibility for formulating policies for the aviation industry in Africa with the aim of accelerating the political and socio-economic integration of the Continent. The AU Assembly, made up of all the Heads-of-State or Government of Member States, is the highest decision-making organ of the AU. Its Decision are implemented through the African Union Commission (AUC). The implementation of the Yamoussoukro Decision lies currently under the overall supervision of the Specialized Technical Committee (STC) on Transport, Transcontinental and Interregional Infrastructure, Energy and Tourism.

Institutions created for the implementation of the YD include:

- The Monitoring Body
- Executing Agency
- African Aviation Tribunal, to facilitate the dispute settlement mechanism; whilst the Regional Economic Communities are assigned the role of facilitating and coordinating the implementation of the Decision within their Member States
- Ministerial Working Group
The ICAO presentation was done by Mr. Ndikumana who outlined the following:

- The Declaration and framework for a plan of action for development of Aviation in Africa was adopted at the Third ICAO World Aviation Forum (IWAF/3) held from 20 to 22 November 2017 in Abuja, Nigeria.
- The Declaration was prepared within the framework of the Plan of Action 2017-2019 adopted at the 1st ordinary session of the AU Specialized Technical Committee (STC) on Transport in Lomé, Togo on 17 March 2017 and in consistence with the ICAO “No Country Left Behind” Initiative.
- The Declaration tasked ICAO and partners to, consistent with their respective mandates, provide technical expertise, resources and support for the implementation of the above actions; engage in a resource mobilization campaign to wards the realization of aviation infrastructure in Africa;

The Framework for a Plan of Action meant to implement the

### Key Recommendations

Declaration, includes the following five activities and actions for which ICAO is a lead agency, namely to:

- Complete the aviation infrastructure gap analysis and determine strategic infrastructure targets;
- b) Improve financial support to the implementation of the AFI Plan, the AFI SECFAL Plan and HRDF;
- c) Finalize and promote use of guidance for business case analysis of aviation infrastructure projects and tools;
- d) Sensitize States for the ratification of the international legal instruments; and
- e) Establish common framework for traffic growth in Africa

ICAO Council Decision -C-DEC 24/7 of 21 June 2018, resulting from consideration of the briefing on the outcomes of IWAF/3, provided strategic direction regarding the follow-up actions on the above:

That, ICAO’s activities and actions under the Declaration and Framework for a Plan of Action for Development of Aviation Infrastructure in Africa be implemented under existing arrangements, especially under the Comprehensive Regional Implementation Plan For Aviation Safety in Africa (ICAO AFI Plan) as a specific identifiable programme with timelines.
Overview of Sessions Day 1

Title of Session
PIDA Transport: North-South Corridor Rail Project

Summary of Session

In 2016, a memorandum of agreement (MOA) was signed between all NSC rail operators through the facilitation of the NEPAD Business Foundation to jointly develop a study aimed at creating a seamless rail logistics corridor.

In 2018, the technical component of the North-South Rail Corridor (NSC) study was completed and a series of projects were identified and recommended. The identified projects were approved for further investigation and development by the NSC Project Steering Committee. The projects are categorized as short-term, medium-term and long-term.

The African Union (AU) has overall responsibility of formulating policies for the aviation industry in Africa with the aim of accelerating the political and socio-economic integration of the Continent. The AU Assembly, made up of all the Heads-of-State or Government of Member States, is the highest decision-making organ of the AU. Its Decision is implemented through the African Union Commission SADC MINISTERS.

For all the NSC projects that have been agreed to be priorities, the following support will be required from the SADC Ministries of Transport and Finance:

- Endorsement/support for approved priority projects
- Allocation of funding support from Ministry of Finance budgets for development of the priority projects
- Inclusion of priority projects in the relevant country’s national development plan
- Support is required from the DRC ministry of transport to accelerate the reduction of dwell times at the Sakania border

DFIs/FINANCIERS

- Financial support required from project preparation funds to execute transaction advisory work
- DFIs/Financiers to make provision/allocation in their project preparation budgets for the neutral facilitation/programme management role
- Provision for long term finance

The implementation of the Yamoussoukro Decision lies currently under the overall supervision of the Specialized Technical Committee (STC) on Transport, Transcontinental and Interregional Infrastructure, Energy and Tourism.

- Institutions created for the implementation of the YD include:
  - The Monitoring Body
  - Executing Agency
  - African Aviation Tribunal, to facilitate the dispute settlement mechanism; whilst the Regional Economic Communities are assigned the role of facilitating and coordinating the implementation of the Decision within their Member States

Ministerial Working Group

Key Recommendations

- Optimisation
- Rehabilitation
- Upgrading of infrastructure
Overview of Sessions Day 1

Title of Session

Acceleration Project Preparation and Financing of PIDA Water Priority Transboundary and Hydropower Projects

Introduction of Issue

In November 2017, the NEPAD Agency and the African Ministers Council on Water (AMCOW) commissioned a review of the implementation of transboundary water projects under PIDA. According to the review water projects showed little progress compared to projects in other PIDA focus areas. To address the limited progress from conceptualisation to implementation of water projects, the NEPAD Planning and Coordination Agency in collaboration with the Global Water Partnership (GWP) has established 'PIDA Water' as part of the second Phase of PIDA from 2019-2024. PIDA Water will be implemented within the framework of AIP.

Summary of Session

The objective of the session was to discuss strategic pathways to: i) accelerate the preparation and financing of the PIDA transboundary water projects; and ii) foster a water-energy-food-ecosystems (WEFE) nexus approach in the development of the hydropower projects. Deliberations focused on mobilising partnerships, accelerating project preparation, financing and enhancing transaction management support and capacities among partnerships, institutions and stakeholders to catalyse investments and jobs.

PIDA Water Projects showcased were:
- Batoka Hydropower Project;
- Okavango River Basin;
- Noumbiel Dam; and
- Nubian Sandstone Aquifer System

Project presentations mainly dwelled on 3 key aspects i.e., Most significant progress so far, Most significant challenge/bottleneck and Proposed solution to resolve challenge/bottleneck.

The key challenges/bottlenecks that came out of the discussion:
- gaps and weaknesses in the institutional coordination mechanisms between/ among the member countries
- hosting the cross border projects
- galvanising political will of the countries to prioritize these projects
- conditions of political instability in some member countries which tends to impact the advancement of the rest of the project
- misalignment between the transboundary projects and the member states’ pipeline of projects

Country readiness to implement the projects is not always uniform among the hosting countries and there is competition between national projects and regional projects

Key Recommendations

- Priority should be given to capacity building in the member states which includes proposal writing, technical studies and preparation of winning projects that can attract financing especially from the private sector.
- A political champion is required at the highest level (presidential) to promote these projects and ensure political will.
- Manage expectations of donor funding and communicate clearly the availability of funds and criteria to be met to access them.
- Relook at and manage the timeframes of implementing these regional projects as they are rather short.
- Countries need to show clearly the project readiness, cost benefit analysis and demonstrate their absorptive capacity of funds
- A dedicated establishment of project preparation and transactional units in the various river basins to facilitate preparation of bankable projects for financing.
- Dedicate resources and set them aside for project preparation and make them are easily accessible to meet timelines for projects. Member states could also contribute to this fund.
Excellence in Infrastructure Project Preparation: the idea of PIDA Quality Label

The Project Preparation Facilities Network (PPFN) is a network of funding facilities and institutions dedicated to cooperate with the preparation of large-scale infrastructure projects. The NEPAD Agency established the PIDA Service Delivery Mechanism (SDM) to provide capacity for early-stage project preparation until the point where traditional PPFs can take over and feasibility studies can start. Within the framework of the SDM, the NEPAD Agency is currently developing the PIDA Quality Label (QL) as a "vetting instrument" for PIDA projects in the (early) preparation phase. The objective of the PIDA QL is to improve and ensure the quality in project preparation.

- PIDA Quality will speak and allude to investors that the PIDA projects in any sector are ready (they have all the project preparation steps that are needed to make them bankable to enhance the project preparation of PIDA projects)

- Why the quality label—there is a lack of well-prepared projects which impedes the development of PIDA as a whole; institutions use their own assessment criteria to review technical aspects of funding thus the PQL will seek to universalise this and coordinate the project preparation facilities

- PQL seeks to make the screening criteria more critical (not based on political popularism but financial and technical viability of the project to inform the PIDA PA-PA 2 projects) Therefore it will have a Quality at Entry level criteria (political & governance, technical, financial)

- It is important for projects to have good ratings from financial institutions (Moody’s, etc) this will link projects and make projects more attractive

- It is important to have some form of identity around PIDA projects, this is relevant for both MS and other financial institutions that have any interest PIDA, thus it is important to create the PQL awareness of the value addition (must be clearly outlined and defined) and it be translated through intensive consultations

- The basic idea and components of the PIDA Quality Label have been presented and endorsed. The PQL will be a tool to be awarded to well-prepared PIDA projects that fulfil specific quality at entry and bankability criteria.

- The audience highly welcomed the PQL as a key initiative to improve the quality of project preparation for PIDA projects. It was further recommended that the PQL should add further criteria addressing social sustainability and countries overall socio-economic performance.

- Moreover, a revised PQL should be presented to the business community for further technical sounding. NEPAD will refine the PQL for a next round of discussions with PPFs and other key stakeholders.

- Have a firm understanding of what investment banks need, therefore have it as a priority criteria when presenting projects for investability. The PQL needs to be presented to the business community for further vetting.

- On the PQL criteria, it was suggested to add another criteria (because these are on a project to project basis) thus the socio-economic performance of the country must be taken into consideration as well as the social sustainability within the national framework.

- It was further advocated to consider off-take agreements/contracts (volume) that will underpin viability of potential projects

- A document must be developed of universal standards of PPFN entry, this document would need to be circulated among MS states and key stakeholders as a basis to create the PQL as it would articulate clearly what the PQL seeks to resolve.

- The problem statement must stand out as this is a view that hasn’t come across strongly for the presentation of the proposed PQL.

- It must be clearly communicated that the PQL is not another bureaucratic layer “stamp” but a technical vetting instrument and process
Overview of Sessions Day 1

**Title of Session**

Africa Internet Exchange System Project (AXIS): Keeping Intra-Continental Internet Traffic Local

**Introduction of Issue**

The Internet in Africa has been growing steadily over the past several years and is playing a significant role in Africa’s development, creating employment, providing opportunities for innovation and entrepreneurship, as well as acting as an enabler in the digital delivery of government services, education, and healthcare among others. The African Internet Exchange System (AXIS) is a successful implementation of a PIDA PAP ICT Project. 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-five.

The Internet Exchange Points in Africa convened at the PIDA Week to review the current status and deliberate the way forward to enable growth of IXPs to become with large scale operations and save the continent hundreds of millions of dollars that would otherwise be paid to overseas internet carriers.

In 2012, the African Union Commission through the African Internet Exchange System (AXIS) project started working to reduce the transiting of intra-continental internet traffic through overseas carriers by supporting the establishment of internet exchange points in Member States that did not have any, and also supporting already existing internet exchange points to grow.

Following the support of the AU Commission, seventeen (17) Member States have since set up their Internet Exchange Points (IXPs). The Internet Exchange Point in Algeria is scheduled to be set up on 07th December 2018, becoming the 18th IXP to be set up since the AXIS project.

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.

**Key Recommendations**

- The African Internet Exchange System (AXIS) project of the African Union Commission has successfully contributed towards putting in place the routing infrastructure to access locally hosted internet content locally, however with the bulk of internet content hosted outside the continent, the full potential of benefits will not be realized.

- To build Data Infrastructure designed to host mission critical servers and computer systems. The hosting prices in these major data centres should be competitive enough to ensure all local internet content is hosted locally.

- To pursue the process to select PIDA PAP 2 projects with the aim of submitting a bankable green ICT project with regional or continental scope which will contribute to job creation and socio-economic development of Africa.

### Summary of Session

- The Internet Exchange Points in Africa convened at the PIDA Week to review the current status and deliberate the way forward to enable growth of IXPs to become with large scale operations and save the continent hundreds of millions of dollars that would otherwise be paid to overseas internet carriers.

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- Following the support of the AU Commission, seventeen (17) Member States have since set up their Internet Exchange Points (IXPs). The Internet Exchange Point in Algeria is scheduled to be set up on 07th December 2018, becoming the 18th IXP to be set up since the AXIS project.

- 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.
Overview of Sessions Day 1

Title of Session
Opening Plenary

Summary of Session
This session was moderated by Eng. Amos Marawa, permanent secretary for infrastructure and transport in Zimbabwe’s Ministry of Transport and Infrastructure Development.

Mr. Biggie Matiza, Zimbabwe Minister for Transport and Infrastructure Development

Capacity development, Job Creation and Empowerment
Low capacity for project preparation and implementation presents one of the major barriers to infrastructure development on the continent. There is a major need to build and boost technical capacity and skills at all levels of the project life cycle as well as relevant institutions to ensure efficient development and management of infrastructure. In addition, suitable infrastructure development on the continent needs to also provide a platform for job creation, build capacity and empower people including women and youth.

Dr. Ibrahim Mayaki, CEO, NEPAD

Smart and Integrated Infrastructure Development
PIDA’s priority projects are regional projects and is essentially about regional integration. The ultimate solution to national problems are regional solutions.

Governance is about creating the right conditions for implementation to take place especially at the regional level which is the implementation level

PIDA is contributing to the success of the African Continental Free Trade Area (AfCTA) and re-enforces an integrated approach to infrastructure development on the continent.

Financing is not the challenge but developing “bankable” projects and emphasizing smart and integrated infrastructure in Africa. For example, Smart Corridors would enable transport and trade facilitation and also contribute to: improved corridor coordination and management; reduction of transport cost as an overall component of exports and imports; and reduced corruption along the corridors.
Hon Raila Odinga, High Representative for Infrastructure Development in Africa, AUC

Technology, Innovation and Industrialisation

One of the fundamental issues to address in infrastructure development in Africa is the establishment of a comprehensive framework to foster innovation, technology transfer, technology adoption, technical co-operation as well as research and development. In Africa, where the system of innovation and the capacity is not adequate, the first step is to build innovation capacity that addresses local and specific issues. This will make it easier for technology absorption, modelling of technologies to meet local standards and conditions, and ensure effectiveness of businesses and public services. This will drive industrialisation and regional integration as well as leapfrog development and economic growth on the continent, amongst others.

Dr. Amani Abou-Zeid, Commissioner for Infrastructure and Energy, AUC

Africa is making a lot of progress in terms of infrastructure development. She implored the media to highlight the continent’s success stories in that regards.

New and emerging technologies provide ample opportunities to ensure services from infrastructure are made more efficient, reliable and cost-effective.

The emphasis has to be on smart technology to provide not just infrastructure but the very best infrastructure with cutting edge technology.

“African leaders are fully committed to the development of trans-boundary infrastructure projects on the continent which will make a huge difference in terms of regional integration and job creation.

Carla Montessi, Director Planning and Prosperity at the European Union,

The European Union acknowledges the critical role PIDA in providing infrastructure.

The EU will continue supporting the provision of “quality” infrastructure.

The need to address the infrastructure gap remains imperative and it is being address within the context of Agenda 2063.

There is a need to accelerate cross border projects and raise projects under construction from 32% to 50%.

There is a need to build and boost technical capacity and skills at all levels of the project life cycle as well as relevant institutions to ensure efficient development and management of infrastructure.

Smart infrastructure has to be the primary focus now and bankable projects development a priority.
Overview of Sessions Day 1

Title of Session

High – Level Roundtable on Good Governance for Infrastructure Development

Introduction of Issue

In order to develop infrastructure project that are inclusive, good governance must be a prerequisite condition for infrastructure delivery in any given country. This process hence implies to put in place the right governance structures and tools. The High-Level roundtable meeting on Good Governance saw each panellists giving their thoughts on why good governance is key to Africa’s regional integration.

Summary of Session

The panel consisted of NEPAD CEO Dr Ibrahim Mayaki, COMESA Assistant Secretary General for Finance and Budget Dev Haman, Africa Investor CEO Hubert Danso, African Development Bank’s Director for Regional Development and Regional Integration, Moono Mupotola, European Union Commission Director of Plane and Prosperity Carla Montesi. The discussion centred on the need for Africa to embrace change in order to succeed. The need for proper planning on the various projects in order to keep the focus and avoid wastage of resources was also stressed.

Key pointers included:

- Africa should stop unsolicited bids in its projects
  - The continent has steadily been making notable progress in infrastructure development as evidenced from a number of projects that are at various stages of implementation.
  - There are trends of bias thinking and aligning Africa as a uniform continent.
  - Africa is not homogeneous. The consensus was that what is needed look at now is how to break the fragmentation, and one such initiative towards breaking this fragmentation is through PIDA.
  -There is need to rethink Africa’s infrastructure implementation models.
  - There has been also of best practices since 2012 when PIDA was launched. These best practices can be replicated in other African member States to ensure that we accelerate the projects.
  - Poor governance is a major reason why infrastructure projects fail to meet their timeframe, budget and service delivery objectives.

- Infrastructure projects with deficient governance often result in cost overruns, delays, underperformance, underutilization, accelerated deterioration due to poor maintenance, and, occasionally, expensive “white elephants” and bridges-to-nowhere.
  - Given that the interests and challenges in developing infrastructure are common across countries, international good practices can help governments better seize opportunities and meet related challenges.
  - One natural starting point in this case is to assess the challenges that arise when governance arrangements fall short of stipulated requirements and benchmark.
  - Africa should to create an enabling environment for the private sector to have a buy in into priority projects. The private sector will not come on board of issues of trust are not looked into.
  - Establishing good governance frameworks and mechanisms for Africa infrastructure projects will not only boost investor confidence, it will also guarantee timely delivery of projects, within budget and to specification.

Realising Africa’s Integration through Smart Infrastructure and Good Governance
**NEPAD-ILO MOU Signing**

The purposes of this MOU is to provide a framework for cooperation and facilitate collaboration between the Parties here-to, on a non-exclusive basis, in areas of mutual interest and to establish the arrangements necessary for the implementation of the MOU.

The operation of this MOU will be guided by the core principles and values of the African Union, the NEPAD Agency, the United Nations and the ILO within the context of the Sustainable Development Goals (SDGs) and Agenda 2063.

**KEY AREAS OF COOPERATION**

The Parties hereby agree to join efforts and to maintain a close working relationship for the achievement of common objectives. To this end, the Parties shall, in accordance with the provisions set forth herein, cooperate on matters of common interest and collaborate on the drawing up and implementing joint work programmes within the keys areas of cooperation defined in this MOU.

All programmatic activities/projects carried out pursuant to this MOU shall be undertaken in accordance with the regulations, rules, policies and procedures of the Parties.

The following shall constitute the broad areas and scope for collaboration under the MOU:

I. Development, application or customization of relevant tools and templates;
II. Capacity building; and
III. Knowledge Products and Studies.

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**NEPAD-GWP MOU Signing**

The purposes of this MOU is to provide a framework for cooperation and facilitate collaboration between the Parties here-to in matters of common interest, on a non-exclusive basis in areas of mutual interest and to establish the arrangements necessary for the implementation of the MOU.

The operation of this MOU shall be guided by the core principles and values of the African Union, the NEPAD and the Global Water Partnership, towards the realization of the African Continent’s development objectives.

**KEY AREAS OF COOPERATION**

The Parties hereby agree to join efforts and to maintain a close working relationship for the achievement of the common objectives and for the implementation of the MOU. To this end, the Parties shall, in accordance with the provisions set forth herein, cooperate on matters of common interest and collaborate on the drawing up and implementation of work programmes for the execution of activities within the key areas of cooperation defined in the MOU.

The following shall constitute the key areas of this MOU, on which the Parties shall focus:

i. Convene joint global outreach and partnership events during Stockholm World Water Week, United Nations General Assembly (UNGA), Forum for Africa and China (FOCAC) and other relevant global forums;

ii. jointly convening Pan African activities and forums, organised for the purposes of cooperation within the framework of the Africa Water Investment Programme (AIP) and PIDA Water;

iii. Jointly supporting project preparation of the Africa Water Investment Programme and support to the PIDA Water Programme within a AIP framework;

iv. Development and implementation of joint programmes of action and related plans on water within the framework of the PIDA Water Programme;

v. Engaging their best efforts in joint resource mobilization to secure funding for joint projects through development of proposals.
African Forum for Utility Regulators (AFUR): Challenges in providing Rural Transportation

The Conference was informed that there are major challenges in the provision of transport services in rural areas. It is therefore important to form partnerships in the way transport services are provided in rural areas. The major challenges were identified as follows: Local transport and accessibility issues are complex and require intersecting with many other sectors such as different levels of government and policy areas; Low population densities and resource constraints in rural areas. All these challenges combined make innovation and flexibility in local transport a necessity.

I. Road Fund

Investment in rural roads has been a major concern of developing country governments. In the case of Sub Sahara Africa, overwhelming majority of countries have grossly inadequate road transport in rural areas. It was therefore resolved that an appropriate Road Fund should be set up for the construction, upgrade, and maintenance of rural roads. It was recognized that rural customers pay a high premium for travel costs. Such a fund would therefore cushion the otherwise higher tariffs for public transportation and achieve affordability for rural consumers.

II. Enforcement of Safety Measures

Rural communities face challenges in offering safe, affordable, and reliable methods of transportation. The conference resolved that were transportation of people, goods and services is done through motor cycles, there is a need to formulate and enforce safety standards. It was further recommended that a more integrated approach to rural transport planning should be advocated which not only concentrates on road building, but also on the promotion of different vehicle services. In addition, the provision of credit, operator and mechanic training, and a regulatory environment which does not restrict competition, are all essential elements to the provision of effective transport system in rural areas.

III. Coordination of Programs and Services

The conference recognised that there are several government departments that are involved in coordinating transportation systems and programs in the rural areas. While the involvement of various departments is important, coordination should be encouraged at every level. Rural communities often face challenges related to fragmentation and duplication of services among different programs that serve clients in the same geographic area. This lack of coordination among local and state agencies can lead to inefficient use of limited resources.

IV. Road Boards

The conference recognised that Road Boards have been established in many countries. These are dedicated to providing funding for maintenance derived from road user charges and fuel levies. There is, however, a limit to the scale of the charges that can be imposed before they increase road user costs and impact negatively on the economy. The conference observed that as economies grow and traffic increases, the rates of deterioration on gravel roads are likely to escalate and the problems associated with the maintenance of gravel roads will be exacerbated. There is a need therefore to consider options that make investments in sealed roads more attractive through technical innovation and the capture, in monetary terms, of the social, environmental and other benefits as well as the economic benefits of upgrading to a sealed road standard.
Water supply is the provision of water by private or public utilities, commercial organisations, community endeavours or by individuals, usually via a system of pumps and pipes.

I. Ownership

The meeting generally agreed that ownership does not guarantee higher performance in the urban water supply sector. Hence, adopting and implementing appropriate commercialization reforms, incentives and performance contracts can drive performance, while water utilities remain in public hands. Therefore, it is recommended and resolved that Governments in Africa should utilise these instruments to improve performance in the provision of water and Sanitation services.

II. Efficiency and Effectiveness

The conference resolved that comparisons of technical efficiency and effectiveness of water utilities in Sub-Saharan Africa should be encouraged by regulators and Public Authorities alike. This provides an additional instrument to motivate performance in the sector alongside incentive mechanisms stated in contracts between public authorities and operators. The responsible regulator (either an independent agency, a department within the line ministry, or the State Asset Holding Company) can take charge of this task. The actor can compare the performance of water utilities within a country or extend the comparison to water utilities from similar environments. This would increase transparency in the sector and encourage the less performing water utilities to align on the best practices in the sector.

The benefits derived from technical efficiency and effectiveness are numerous. When technical efficiency improves, it will in turn increase the volume of water delivered and the population served and bring new revenues to the sector. This new revenue could contribute to improving the operating performance (for example in replacing the leaks on the network) and likely the financial viability of the water utility. In the long term, this could contribute to covering operating and maintenance expenses and put the water utility on good path for financing new investments for more service coverage levels.

III. Cost Recovery

The meeting resolved that Governments in Africa should be encouraged to consider the provision of water service as an economic good, which implies that it should be priced with cost recovery in mind for financially viability. For fairness (affordability) purposes, cross-subsidies is an available instrument, which could be implemented by charging a higher than average price to non-residential customers (but not too high than they can rely on water from other sources) and a less than average price to the poor.

IV. Life Line Tariffs

Deriving lessons from other Sub-Saharan countries which have succeeded in improving accessibility rates, while the urban population is still growing, could help countries facing the same challenges in their respective environments. Lifeline rates – where a minimal amount of a service such as water or electricity is offered at a relatively low cost to targeted customers, should be encouraged.
Overview of Sessions Day 2

Job Creation Toolkit Soft Launch

The innovative Job Creation Toolkit developed by the NEPAD Agency is a key instrument that helps stakeholders and partners in maximizing the job creation potential and development impact of infrastructure projects, advocating and mobilising finance and resources for infrastructure development. The participants of the Job Creation Toolkit soft launch session on Tuesday emphasized that the information generated by the Toolkit is helpful to convince pertinent stakeholders including governments, financiers and development partners based on the benefits of infrastructure projects throughout the project development and life cycle.

Mr. Symerre Grey-Johnson introduced panelists and the topic of discussion - Job Creation Toolkit. He explained Job Creation Toolkit is anchored on the Declaration by African leaders at their July 2017 AU Summit which called for focus on technical, technological, overall job creation and youth employment matters, among others, through infrastructure development projects across Africa. He indicated the Toolkit is expected to be officially launched in February 2019 at the next AU Summit in Addis Ababa.

In a presentation on the demonstration of the Toolkit, Simbini Tichakunda, Energy Infrastructure Expert with NEPAD Agency, explained how the Toolkit works, how it helps and its benefits to stakeholders particularly project managers.

For example by simply inputting financial information about the planned project, the Tool helps project managers to estimate the direct, indirect and induced and secondary jobs created by infrastructure projects. Representative of the Zambezi Authority presented a case study for the toolkit in a form Experience sharing about the use and usage of the toolkit.

It was indicated by the moderator that GIZ provided technical support for the toolkit development.

A GIZ representative present among the panelists explained this is a very good tool for GIZ from advocacy, mobilising more resource and financing etc. He stated creating jobs in Africa is a key element for GIZ cooperation.

Mr. Joni Musabayana highlighted the importance of the tool in creating opportunities for youth employment through demand driven vocational training.

The discussion brought forward targeted job creation interventions, which can be implemented during the entire project’s life cycle and specifically during the project preparation process, for example for the NEPAD Service Delivery Mechanism. Examples include:

- Modification of terms of reference pre-feasibility and feasibly studies as well as PPP tender documents
- Inform agenda setting and policy planning for professional skills development and vocational training of public and private sector
- Matching of project labour demand and labour supply
- Political and financial marketing of projects

In bringing the Toolkit’s application further, the NEPAD Agency signed a MoU with the ILO on the sidelines of PIDA Week.

Key Recommendations

- The innovative Job Creation Toolkit developed by experts at NEPAD Agency is a key instrument that helps stakeholders and partners in advocating and mobilising finance and resources for infrastructure development.
- The participants of the Job Creation Toolkit soft launch session on Tuesday emphasized that the information generated by the Toolkit is helpful to convince pertinent stakeholders including financiers and development partners based on information about what the benefits of a certain project to society in the construction phase.
- NEPAD and ILO to work together in developing project specific interventions to maximize the job creation potential of PIDA projects.
Overview of Sessions Day 2: Status update - PIDA Week 2017 showcased projects:

**Title of Session**

Zambia–Tanzania–Kenya Interconnector

**Introduction of Issue**

The Zambia–Tanzania–Kenya Power Interconnector Project is a 2300 Km long interconnection project that will link the North-South Corridor, thereby making it possible for power trade between the East African Power Pool (EAPP) and the Southern African Power Pool (SAPP). With funding support of the EU, COMESA coordinated the project on behalf of the tripartite (COMESA, EAC and SADC).

The Final Feasibility Study, the Environment and Social Impact Assessment (ESIA) and Resettlement Action Plan (RAP) have been completed;

- Completion of the Conceptual Design for the project in November 2017;
- The Kenyan section of the interconnection is fully financed, and construction is expected to be completed in 2018;
- In June 2018, the World Bank approved the funding for the Tanzanian section of the project amounting to 455m USD under IDA credit. The funds will be used to strengthen the internal network in Tanzania as well build the remaining interconnection with Zambia estimated to cost 142m USD; and
- The Government of the Republic of Zambia is working on financial mobilization to finance the remaining sections of the interconnector. The total cost of funds required for the remaining part is estimated to be between 173m USD (as presented in feasibility study) and 300m USD (including some sections which were not included in the study). Some sections were already under financing negotiation hence were not included in the final cost presented in the feasibility study but are also not yet financed.

**Key Recommendations**

- The Zambian section is lacking financing. If construction of the Zambian section lags, the objective of promoting the ZTK project would be partly defeated. The EIB should therefore intensify their efforts in discussions with the Zambian Government to ensure that financial closure is reached. If possible, sourcing of more grant financing from other partners would greatly help speed up conclusion of financial closure.
- A concerted effort is needed to ensure that an adequate volume of project preparation resources is made available from African domestic funding and other sources, such as multilateral development banks and project preparation facilities like the NEPAD SDM.
- The efficiency of regional project preparation needs to substantially improve. For most African infrastructure initiatives, regional project preparation funding remains ad hoc and opportunistic, resulting in significant delays or repeated postponement of major projects. African countries and partners need to ensure that project preparation finance is aligned and if necessary, consolidated to avoid duplication of products and facilities that will continue to act as a brake on project development and ultimately delivery.
**Status update - PIDA Week 2017 showcased projects:**

**Title of Session**

**Batoka Hydropower Project**

**Introduction of Issue**

BGHES Project studies commenced back in 1972. Revisions and updates of studies have been done since then. The project is located within the central portion of the Zambezi River Basin, upstream of the existing Kariba Dam and 47km downstream of Victoria Falls.

**Summary of Session**

- The A presentation of the Batoka Gorge was made by the Zambezi River Authority (ZRA) during the PIDA Water session. Feasibility studies are currently ongoing and will be finalised in 2018. Following the meeting between the Zambezi River Authority (ZRA), the African Development Bank (AfDB) and NEPAD during the side-lines of PIDA Week 2017. The African Development Bank, ZRA and World Bank have formalised AfDB’s role as the lead arranger. The AfDB has also availed supplementary funding for the packaging studies, assigned a case manager and seconded a technical expert to the ZRA.

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

- The Batoka Gorge is pioneering the use of the AU-NEPAD Job Creation Estimation toolkit to develop a job creation case study as well as a job maximisation strategy. In addition the ZRA together with NEPAD are documenting the Ethiopian Domestic Resource mobilisation strategy, which was used to finance and develop the Grand Ethiopian Renaissance Hydropower Plant and the Gibe III Hydropower plant. The lessons learn will form the basis for developing a Domestic Resource Mobilisation Strategy for the Batoka Gorge Hydro Electric Scheme.

**Key Recommendations**

- There are three preparatory studies: i, Updating of Engineering Feasibility studies ii, ESIA iii, LFTAS.

- Preparatory studies are being co-financed by the World Bank ($6m) and the Authority

- Required financing to completion of preparatory studies estimated at $13.7m

- The AfDB is mandated lead arranger for financial mobilisation and assisting with financial mobilisation.

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**Title of Session**

**Ethiopia – Sudan Interconnector**

**Introduction of Issue**

The Ethiopia-Sudan interconnector is a 500kV transmission line between Ethiopia and Sudan. It will be the second interconnector between the two countries and will form the backbone of the Ethiopia – Sudan – Egypt interconnector.

**Summary of Session**

The presenter screened a video which highlighted the benefits of the project and the project status. The feasibility studies and Environmental, Social Impact Assessment studies have been completed. Interconnection Agreements documents are under negotiations. The two countries are seeking for finance to the project and have written a joint letter of request for finance, signed by the two finance Ministers to the African Development Bank (AfDB). The project is proposed to be commissioned in the year 2021.

**Key Recommendations**

The two countries are mobilising resources for the project which is estimated to cost USD566.01 million according to the Feasibility Study split as follows:-

- Sudan portion - USD 536.980 million and

- Ethiopia portion - USD 29.030 million
PIDA Week 2017 showcased projects:

**Title of Session**

Kinshasa – Brazzaville Road and Rail Bridge

**Introduction of Issue**

AfDB, Africa50 to finance Kinshasa - Brazzaville Ink Landmark Bridge Project. This landmark project, part of the Program for Infrastructure Development in Africa (PIDA) Priority Action Plan, consists of a 1,575-kilometer toll bridge over the Congo River. It will include a single railway track, a double-lane road, sidewalks, and a border checkpoint at each end. It will be connected to existing road infrastructure in both countries. The cost estimate in 2017 was US $ 550 million.

The bridge will improve transport networks between Kinshasa and Brazzaville. The two closest capitals in the world are currently only linked by ferries. Once the bridge is built, the existing traffic of an estimated 750,000 people and 340,000 tons of freight a year, is expected to increase to 3 million people and 2 million tons of freight by 2025.

**Summary of Session**

Moderator Mr. Daniel Makokera read out an article piece on the road and rail bridge project:

On the sidelines of the Africa Investment Forum, the African Development Bank and Africa have signed an agreement with the Democratic Republic of Congo and the Republic of Congo to develop and finance the first road-rail bridge project linking their capitals - Kinshasa and Brazzaville.

Under the terms of the framework agreement, the two governments have mandated Africa and the African Development Bank as a public private partnership, the bank will act as the debt provider under the aegis of the Economic Community of Central African States. As the main developer, Africa50 will lead the project development, help select a strategic partner, and provide equity for construction.

"Upgrading the infrastructure of the Republic of Congo is one of our foremost priorities, in particular transport, which can help us diversify our economy through increased trade and investment." Said Jean-Jacques Bouya, Minister of Large Construction Works of the Republic Congo.

The Minister intimated that the positive socio-economic impacts from this project will be significant, stimulating trade and economic growth and creating jobs in the Republic of Congo and beyond.

Modeste Bahati Lukwebo, Senior Minister of Planning of the Democratic Republic of Congo, added that, "The construction of this bridge will not only link to the cities, but will speed up regional integration beyond our borders.

The Democratic Republic of Congo is proud to be a partner in this effort, which is to modernize basic infrastructure. We look forward to working with Africa50, the African Development Bank and the Economic Community of Central African States.

The governments of the two countries have been working on this crucial infrastructure project, signing initial protocols in 2007, and cooperating on and co-funding the feasibility study with the African Development Bank.

The President of the African Development Bank, Akinwumi Adesina said, "The idea to connect the two capitals dates back to the mid-19th century. This project is just the beginning, more will follow."

Pierre Guislain, Vice-president: Private Sector, Infrastructure and Industrialization of the African Development Bank added "This project is an example of what the Africa Investment Forum is about: creating partnerships between African institutions and the private sector for transformative projects."

Alain Ebobisse, CEO of Africa50 said, "Straddling two borders, this project presents unique and complex structuring and development challenges, requiring a robust, detailed PPP framework. This is where our expertise in project development can make a difference.

With the guidance of the Democratic Republic of Congo and the Republic of Congo; and we are convinced that this transformative project can materialize in a few years."
Status update - PIDA Week 2017 showcased projects:

Timeline & Milestones

Berths 1-3’s completion is scheduled for December 2020 and operations is expected to start in 2021. Berths 4-6 is expected to be operational in 2025.

LAPSSET Corridor

The construction work has started on key roads. And LAPSSET is a flagship of the national vision of Kenya. The three countries involved in the project are Kenya, South Sudan and Ethiopia. All these three are assisted by NEPAD agency, UNECA, AFDB, DBSA and other stakeholders. LAPSSET is under the PIDA presidential champion initiative once completed the corridor provide gateway for the landlocked Ethiopia and South Sudan. The shipping port of the project is located in Lamu Kenya, and will have 32 sea berths. First 3 berths were constructed in 2014 and will be completed by 2020. The implementing authority of the project is Kenya port authority. The guiding frameworks for the LAPSSET corridor are PIDA presidential champion initiative, agenda 2063, Kenya vision 2030 and the sustainable development goals.

Transport (LAPSSET) Corridor Project to strengthen the country’s position as a gateway and a transport and logistics hub to the East African sub-region and the Great Lakes region to facilitate trade, promote regional economic integration and interconnectivity between African countries. The project is managed by the LAPSSET Corridor Development Authority (LCDA), which is domiciled under the Presidency.

Partner countries must:

- Plan, coordinate and sequence LAPSSET Corridor projects in collaboration with implementing ministries and agencies;
- Coordinate implementation of LAPSSET Corridor projects across implementing ministries and agencies;
- Provide leadership, direction and guidance in operations and implementation of the LAPSSET Corridor;
- Ensure implementation of all decisions and resolutions of the government;
- Mobilise funds to project components using a variety of resources including budgetary resources from government, donor loans, infrastructure bonds and private finance;
- In collaboration with National and County government department, build the capacity of LAPSSET Corridor towns to manage urban growth resulting from LAPSSET Corridor investments;
- Promote the competitiveness and use of the LAPSSET Corridor for the transport of goods and people; and
- Provide a forum for all stakeholders of the LAPSSET Corridor.

Ethiopia and South Sudan urged to make this project flagship of their national visions. Need for more development partners to come on board to accelerate the project.
Title of Session
Ruzizi III

Introduction of Issue
The Ruzizi III Hydropower Dam project is one on the first power pool to emerge as a key feature of shared infrastructure in East Africa. This is a hydropower project shared by Rwanda, Burundi, and the Democratic Republic of Congo. Ruzizi III is the hydropower project designed as a public-private partnership in the region. It will involve the construction of a run-of-river dam straddling the Ruzizi River between the DRC and Rwanda, as well as the 147MW power plant and distribution station. The project is expected to increase the region’s access to electricity by 300% and contribute to the sustainable socio-economic transformation of the region.

Summary of Session
This session was moderated by Daniel Makokera. A presentation was made by Managing Director of the organization for the Economic Community of the Great Lakes Countries (CEPGL), Charles Vumbi Mbenga to give an update on the project.

- The project has received funding from World Bank and AfDB. Once completed, the project will strengthen regional economic integration through the creation of an electricity market.
- Once completed the project will double Burundi’s current total capacity while Rwanda’s will increase by half.
- The DRC, Rwanda and Burundi have all been experiencing difficulties in meeting electricity demands due to a lack of major energy infrastructure investment during the past decade, while their populations and economic activity have continued to grow.
- Electricity generated from this project will also feed into the East African Power Pool.

Key Recommendations
- The need to accelerate the project because these shared infrastructures could bolster regional integration and are a pre-requisite for unleashing Africa’s growth potential.
- Infrastructure should not remain in the public sector domain but the private sector should be engaged with an eye on long term projects.
- Need to change the approach by ensuring bankable and well prepared projects.
- A strong communications strategy to be put in place to communicate work on the ground.
- To build strong institutions and capacity of local private sector to lead infrastructure projects.
- Use of ICTs and monitoring tools to assess progress and quality of projects being done and their feasibility.

Title of Session
Rusumo Falls

Introduction of Issue
The Rusumo Falls Hydroelectric Project (RFP) is an 80MW hydropower project jointly developed by the Governments of Republic of Burundi, Republic of Rwanda and United Republic of Tanzania supranational entity called Rusumo Power Company (RPCL). The project reached financial close in 2017 and is currently under construction.

Summary of Session
The presenter gave an overview of the progress made so far which include completion the cofferdam, the river diversion works, commencement of the water intake tunnel, headrace tunnel excavation and the creation of 400 direct jobs.

Key Recommendations
Construction is ongoing and the target is to operationalise the 80MW Power Plant by 2020.
Abidjan – Lagos Corridor came in line with the decision of the Presidents of the five countries along the Abidjan-Lagos Corridor in February 2013, to construct a 6-Lane (2x3) dual-carriage Highway from Abidjan in Côte d’Ivoire through Accra, Lome and Cotonou to Lagos in Nigeria.

Praia-Dakar-Abidjan Corridor Development Project seeks to extend the planned corridor development project on the Abidjan-Lagos Section to cover the entire Dakar-Lagos Corridor.

He stated that leaders of the countries along the cross-regional super highway corridor project in the have shown remarkably firm political commitment for the realisation of the project.

He stated that by according the necessary supra-national mandate to the Abidjan – Lagos Corridor Management Authority (ALCoMA) and by allowing sections within their domain to eventually be managed by ALCoMA. The countries along the corridor and their leadership have reaffirmed their political commitments for the realisation of the project.

In her intervention Lydie Ehouman, Principal Transport Economist with the African Development Bank (AfDB), indicated 80% of trade activities in West Africa takes place on the corridor.

She further stated that this shows the project is doable, easier for implementation and feasible based on the current realities on the ground of the countries along the corridor.

The issue of private sector reluctance to finance the project was also highlighted. Hence, ALCoMA is working on ways to attract various sources of financing including the private sector to involve in the construction of this super highway.

Accordingly it was indicated that ALCoMA is developing a public-private partnership (PPP) regime to be applied in the entire region to attract private sector financing for the project in every country.

The AfDB has committed funding for the project preparation and is working with ECOWAS to mobilise the remaining $8million gap.
PIDA Week 2018 Showcase:

Title of Session

MoveAfrica Cross-border Logistics Dialogue: Equipment, Manufacturing and Repair Sector

Introduction of Issue

Looking at Kasumbalesa the dialogue focused on issues surrounding tariffs, preferential treatments and capacity of border officials. Based on the initial rankings so far, the meeting showcased how the Traffic Light System’s (TLS) function can play a catalytic role bringing together strategic partnerships in the development of infrastructure, technology, applications and cash management solutions for the proposed improvements of logistics at border posts.

Summary of Session

The presenters Dr Ibrahim Mayaki (NEPAD Agency CEO), Mavis Sibanda (permanent secretary for Industry Commerce and Enterprise Development Zimbabwe), Jubilee Hamwala (Zambia Revenue Authority), Kisa Nkhoma (Project Manager MoveAfrica, Regional Infrastructure and Trade, NEPAD Agency and Adama Deen (Special Advisor to the NEPAD Agency CEO and Project Manager High Speed Rail) and Mavis Sibanda (permanent secretary Ministry of Industry, Commerce and Enterprise Development Zimbabwe).

- MoveAfrica is a transport and logistics initiative meant to drive down cross border costs of moving goods.
- It was launched in Kigali, Rwanda in 2016.
- Dr Mayaki said in the implementation of the PIDA priority action plan, they realised that they needed to open minds to unlock challenges affecting implementation of PIDA. One of the challenges was to manage challenges related to logistics. MoveAfrica feeds perfectly into design and implementation of Africa Continental Free Trade Area. It is a practical instrument which can allow the input into the calculation of intra-African regional trade. The Traffic Light System is important as it is not always about the numbers but what the numbers have said to unlock challenges at border posts.
- Jubilee Hamwala – Assistant Commissioner for Zambia Revenue Authority Livingstone: Said the Traffic Light System helps countries to measure efficiency in facilitation. The system will assist in assessing efficiency on cross border trade logistics. Border agencies will strive to improve operational conditions for cross border trade facilitation.
- Kisa Nkhoma Project Manager MoveAfrica, NEPAD gave a presentation of the Traffic Light System. She mentioned that the Traffic Light System identifies underlying issues pointed out in various indexes. The TLS through 10 key performance indicators seeks to dig deeper into the roots cause of the issues pointed out in -order to take corrective action. Consultations were done with stakeholders were done this year in partnership with the governments of Botswana, DRC, Zambia and Zimbabwe; COMESA and SADC.
- Adama Deen – Project Manager for High Speed Rail and Trans Africa Railway, said the Agenda 2063 places infrastructure as a critical pillar. Emphasis is on upgrading the infrastructure. The Africa Regional Transport Infrastructure seeks to upgrade the missing links and implementation of inter-Governmental agreements. The missing links are selected using four criterion:
  - Any project that is quick to implement and give results
  - Equitable development opportunity
  - Strategic development orientation
  - Project readiness
- The High Speed Rail project is meant to address the infrastructure deficit. Two pilot projects will be rolled out by 2023. It is up to RECs to select the areas where the pilot projects will take place
- Mavis Sibanda chairs the border efficiency management system in Zimbabwe. Zimbabwe is meeting Zambia in the 2nd week of December to improve efficiency at Chirundu Border Post. South Africa has come on board to make Beitbridge into a One Stop Border Post. This, will make the border as efficient as possible

Key Recommendations

- Border agencies should adopt the Traffic Light System to improve efficiencies at borders.
- Border agencies should strive to improve operational conditions for cross border trade facilitation looking at both the processes as well as the level of infrastructure
Good Practice in PIDA Corridor Implementation

Introduction of Issue
The session presented the PIDA Corridor Good Practice Guide as a useful knowledge product and reference material for stakeholders on how to plan, prepare and implement trans-boundary corridors in a holistic and integrated manner. The session also incorporated experiences in corridor development from stakeholders such as JICA, DBSA and REC’s.

Summary of Session
The session on the Good Practice in PIDA Corridor Implementation discussed crucial elements in bringing forward the effective planning and implementation of integrated and multisectoral infrastructure corridors. A best practice guide developed by NEPAD served as a reference document based on which a panel of experts and the audience suggested various inputs. It was advised that corridor planning need to be mindful of the following features:

- Inclusion of logistics and manufacturing value chains that go beyond hard infrastructure planning to also incorporate natural resource corridors and soft infrastructure issues.
- Early stage involvement of various public and private stakeholders to secure expert feedback and commitment.
- RECs as the central institution to distribute the Corridor Best Practice Guide.
- The Best Practice Corridor Guide as a reference and resource document to inform the PIDA-PAP 2 process.

Key Recommendations
Specifically, the best practice guide should incorporate:

- Integration and linkage of spatial development, social and economic elements e.g. Special Economic Zones, Logistics Hubs etc. The inclusion and integration of various public departments such as trade, infrastructure, industry and investment are central in the planning of such process.
- Integration of Smart Corridor concept with a reference to digitalized logistics management as the future of corridor management e.g. electronic freight clearance.
- Capacity building in national and regional public institutions as a central instrument to actualize the concept of integrated and smart corridor management e.g. via assistance of the PIDA CBN network.
- Prioritize elements of local economic development, gender sensitivity, renewable energy, integrated corridors, logistics hubs etc.
- Establish principles of to standardize and harmonized best practices for corridor implementation e.g. the PIDA Model Law application should be explained in the context of corridor planning. These harmonized principles should be incorporated into decision making processes to ensure consistency.
- In addition to NEPAD instruments, create additional guidance on other corridor and trade reference documents e.g. JICA Sourcebook.
The PIDA Outlook: Demands and Trends for Regional Infrastructure Development in the next decade

The session aimed to brainstorm about the future of infrastructure development in Africa i.e. what are the current trends and needs; how to address climate resilient and friendly infrastructure; how to scale wind and solar energy projects etc.? Gain feedback from the expertise gathered on the panel on the idea of integrated corridors.

This panel discussed the future demands and trends of infrastructure development in Africa as a basis for the second PIDA Action Plan (PIDA PAP 2, 2021-2030). The panellists discussed for example political milestone agreements such as the African Continental Free Trade Agreement (AfCFTA) that demand for cross-border transport, energy and information and communication technology (ICT) connectivity to enable the functioning of a free trade area that benefits industrial development and income growth.

Climate change requires for climate-friendly and climate-resilient infrastructure. Technological innovation now allows for more climate friendly large-scale renewable energy generation. A growing young population demands infrastructure to be an engine for local job creation.

The trend towards urbanisation requires that we conceptualise smart urban infrastructure and link it with rural areas to also provide living perspectives in more remote places of the continent. These elements fit very well with the planned integrated, multi-sectorial, employment- and development-oriented, climate-friendly corridor approach which shall form the conceptual basis for the PIDA PAP 2.

The discussion points will be factored into the selection of priority projects for the next PIDA Action Plan.
Site visit to Kazungula Bridge and One Stop Border Project

PIDA Week participants and delegates got an opportunity to visit the Kazungula Bridge. The multi-national and border crossing Kazungula Bridge is at the confluence of the Zambezi and Chobe River is expected to be complete by March 2019. The 923m long bridge will incorporate One-Stop-Border facilities where Zambia and Botswana Immigration and customs authorities will exercise control under one roof on both sides of the border.

The envisaged benefits of the bridge include reduced transit time for freight and passengers, reduced time-based trade and transport costs, improved border management operations arising from the new one-stop border facilities and increased traffic throughput along the North-South Corridor. This corridor is the busiest of all regional corridors in the SADC region. Upon completion, the bridge will serve the economies of eight SADC countries and a key trade route linking the port of Durban in South Africa to the inland countries of Botswana, Zambia, Malawi, and the DRC up to Tanzania.
Realising Africa’s Integration through Smart Infrastructure and Good Governance