



News

PIDA WEEK 2018

News

26 November 2018

2018 PIDA Week: Connecting dots between Good Governance and infrastructure development

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By **Sandra Nyaira, ECA, Millicent Segano, NEPAD Agency Sophia Nesri, African Union Commission**

Victoria Falls, Zimbabwe, November 26, 2018– Africa needs to unite and work hard to reverse colonial infrastructure systems which promoted the extraction of profitable agricultural and mineral wealth for export at the expense of local communities and the continent,” Zimbabwe’s Transport and Infrastructural Development and Transport Minister, Joel Biggie Matiza said as the Programme for Infrastructure Development in Africa (PIDA) Week opened on Monday in Victoria Falls, Zimbabwe buoyed by gathering momentum.

Speaking during the opening session of the 2018 PIDA Week in Victoria Falls, Mr. Matiza said for Africa to fully develop and integrate,

there was need for the continent to focus on infrastructure development, in particular transboundary projects, to ensure it was competitive enough to make a difference.

“Historically African countries inherited underdeveloped infrastructure geared towards exports-imports transportation rather than focusing on transforming and improving local production capacity as well as promoting intra-Africa trade. This is reason for us to reverse this legacy and as a continent we have crafted a new trajectory through PIDA, a turning point we should follow to ensure we transform the current state of affairs,” he said.

Mr. Matiza hailed PIDA for its efforts in trying to bridge Africa’s infrastructure deficit.

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He said PIDA Week offered a valuable opportunity for policymakers, project developers, private sector, civil society, and academia to exchange views and proffer solutions towards the implementation of regional infrastructure projects on the continent.

“PIDA is such a vital initiative, not only to catalyse intra-African trade but perhaps more important to provide a wider platform to encourage investment,” he said.

For his part, Chief Executive Officer of the NEPAD Agency, Dr. Ibrahim Assane Mayaki, said Africa needs to accelerate the development of transboundary infrastructure projects if it is to fully integrate. He said a lot of progress has been made since African leaders adopted PIDA in 2012.

“We recognise that optimal solutions for continental problems lie in Regional Integration. We are getting there progressively, but we need to accelerate implementation if we want regional integration. It’s not a question of lack of financial resources, it is a question of lack of bankable projects and sound rules. So we need to do our homework,” said Dr. Mayaki, adding that local, national and regional governance was key to the success Africa seeks in closing its infrastructure deficit.

The African Union Commissioner for Infrastructure and Energy, Dr. Amani Abou-Zeid said the current low levels of infrastructure on the continent posed one of the biggest challenges to Africa’s industrialization and development agenda, which is having a negative impact on Africa’s competitiveness and participation in the global markets.

According to the World Bank, the poor state of infrastructure in Sub-Saharan Africa in respect of its electricity, water, roads and ICT, reduces national economic growth by 2 percent annually and reduces productivity by as much as 40 percent.

“Meeting Africa’s infrastructure needs and developing cost-effective infrastructure services requires significant investments,” the Commissioner said, adding the continent should turn its challenges in infrastructure development into an opportunity.

The financing gap in Africa for infrastructure development is estimated at between US\$130 -170 billion per year.

“Despite encouraging investments on infrastructure, both at the domestic and international levels, which averages about US\$75 billion per year, there is a need for significant increase in infrastructure investments on the continent,” Dr. Abou-Zeid added.

She added: “There have been remarkable achievements within a short period of time considering the many barriers that exist within the continent. However, the scale of the challenge in infrastructure development on the continent calls for more accelerated implementation and innovative approaches to meet-up with the increasing demand for in-

frastructure services.”

For his part African Union’s High Representative for Infrastructure Development, Honorable Raila Amollo Odinga, said Africa needs to move away from the conference and feasibility study syndrome and move to implement agreed projects if it is to successfully integrate and achieve sustainable development and change the lives of its citizens for the better.

“Transformational decisions have to be taken if we are to move ahead. Africa must deal with political bottlenecks that hamper its development or we shall never compete,” said Mr. Odinga. “We must also overcome the habitual of feasibility study after feasibility study without implementing. We must change.”

Ms. Carla Montesi, European Commission’s Director for Planet and Prosperity and a representative of COMESA Secretary General, Ms. Chileshe Kapwepwe, also spoke in the opening session in support of Africa’s desire to invest in infrastructural development that will support Africa’s growth.

Ms. Montesi said the EU will continue to support Africa in its quest for an integrated infrastructure that generates jobs for the youth; helps reduce poverty; and supports regional integration.

Mr. Xiao Weiming, Director-General of the Belt and Road Unit, National Development and Reform Commission, the People’s Republic of China, said his country will continue to work with African nations to help build their infrastructure capacity.

He said China will continue to enhance cooperation with Africa through infrastructure development; adding PIDA was a transformative initiative that will change the face of Africa if fully and successfully implemented.

The 4th PIDA Week is being held under the theme; *Realizing Africa’s Integration through Smart Infrastructure and Good Governance*, and it intends to build on the relative achievements and the momentum created in the previous three events to continue to engage stakeholders on the effective delivery of infrastructure on the continent.

The event welcomed more than 400 participants brought together an impressive line-up of top-level government representatives, influential industry leaders, private sector, leading thinkers from international institutions, government, academia, business and finance.

It aims to provide a platform for stakeholders to engage in accelerating and synergizing their efforts to accelerate projects preparation and implementation; mobilize adequate financial and technical resources for projects; increase private sector participation in PIDA implementation; and mobilize Member States to integrate the PIDA projects into their national development plans.

MEDIA PUT TO TASK AS 2018 PIDA WEEK KICKS OFF



By
Sandra Nyaira, ECA,
Millicent Seganoe, NEPAD Agency
Sophia Nesri, African Union Commission

Victoria Falls, Zimbabwe, November 26, 2018: The 2018 Programme for Infrastructure Development in Africa (PIDA) Week kicked off today in Victoria Falls, Zimbabwe with a united call from panelists for the media to project Africa's image positively during a media breakfast session that brought together journalists, infrastructure policymakers, development partners and private sector to discuss Africa's infrastructure deficit and how that can be reduced to ensure inclusive development on the continent.

The African Union Commissioner for Infrastructure, Energy and Tourism, Dr. Amani Abou-Zeid said Africa was making a lot of progress in terms of infrastructure development. She implored the media to highlight the continent's success stories in that regards.

"African leaders are fully committed to the development of transboundary infrastructure projects on the continent which will make a huge difference in terms of regional integration, job creation and related issues so let us talk about the positive things that are happening on our continent so we can continue to build on that as we push for inclusive growth in Africa," Dr. Abou-Zeid said.

Echoing the same sentiments on the role of the media in advocating PIDA success stories, the NEPAD Agency CEO, Dr Ibrahim Mayaki urged the media to advocate on transboundary infrastructure projects such as Kazungula Bridge on the border of Zimbabwe, Zambia and Botswana, to remind Africa and the world that Africa is indeed rising.

He indicated that the role of PIDA in contributing to the success of the African Continental Free Trade Area (AfCTA) cannot be over-stated and necessitates an integrated approach to infrastructure development on the continent.

"As regional integration arrangements deepen and intra-African trade increases, we need to focus on improved trans-continental highways in terms of road and rail networks. And

deepening of financial markets and increased cross-border financial flows, including money transfer will require us to make additional investments in ICT and digitalisation while growing industrialization and agro-industries will require more reliable and affordable power supply across the energy mix."

Dr. Mayaki said he recognizes the key role that the media plays as agenda setters and opinion influencers on the continent.

"We therefore deem it necessary to continuously update the media fraternity on the work that we do in the realization of an integrated Africa through successful infrastructure projects," he added.

GIZ African Union Office Director, Dr. Inge Baumgarten said Africa has so much untapped potential that can be harnessed through massive infrastructure development.

"If the Asian tigers could make it then the African Lions can also take a giant leap forward and do it as well. It is not impossible," said Dr. Baumgarten, adding much has been achieved in infrastructure development through GIZ partnership with the African Union and its partners on the continent.

Mr. Hubert Danso, the Chief Executive Officer and Chairman of Africa Investor (Ai), said Africa is leading the way in terms of mobilizing financing, including from pension funds, to be able to invest in infrastructure development on the continent.

He praised the work done under PIDA by the African Union Commission, the NEPAD Agency, the African Development Bank and the UN Economic Commission for Africa in pushing the continent to close the infrastructure gap in Africa.

Ms. Moono Mupotola, the Regional Intergration Director at the African Development Bank said the bank will continue to support transboundary infrastructure development on the continent.

The Media Breakfast is a platform that seeks to raise the profile of infrastructure development in the African media landscape, increase the volume and quality of positive news on the role and impact of PIDA in infrastructure development on the continent.

The 2018 PIDA Week is being held under the theme "PIDA Implementation through Good Governance – Realizing Smart Infrastructure for Africa's Integration".

The Media Breakfast, which gathered more than 100 targeted participants, was co-organized by the African Union Commission (AUC), the NEPAD Agency the AfDB and the UN Economic Commission for Africa.

Africa infrastructure deficit an opportunity for Africa



By Sally Nyakanyanga

Infrastructure is an enabler for development and Africa should turn the infrastructure deficit into an opportunity, AU Commissioner for Infrastructure and Energy, Dr. Amani Abou-Zeid has said.

It is estimated that Africa has an infrastructure deficit of \$130 billion annually.

Speaking at the media breakfast meeting at the ongoing 4th Programme for Infrastructure Development in Africa (PIDA) Week on Monday, Abou-Zeid underscored the importance of infrastructure saying it was also an accelerator for development urging countries to see the deficit as an opportunity and come up with measures to close the gap.

She said infrastructure was key to drive the Africa Continental Free Trade Area, which came into being early, this year and created one of the largest markets in the world.

Abou-Zeid said preparedness, attractiveness and good governance will be at the heart of infrastructure development.

Opening the media breakfast session, the Permanent Secretary from the Ministry of Transport and Infrastructure Development in Zimbabwe, Engineer Amos Marava commended the efforts by PIDA, which he states are enhancing awareness on the importance of the implementation of PIDA programmes.

“I wish to encourage you to continue undertaking these initiatives on infrastructure development and the benefits they would usher to our continental blue print, Agenda 2063 and its key tenets with the ultimate goal of reducing poverty in

Africa,” Engineer Marava said.

A six member panel then gave an outline of the work they are doing on infrastructure development and progress made so far. Amongst them was NEPAD Chief Executive Officer, Ibrahim Mayaki, Hubert Danso from Investor Africa, Director at African Development Bank Moono Mupotola, Representatives from the Germany Development Aid (GIZ) and Development Bank of Southern Africa.

Mayaki said there was need to ensure projects are bankable and well planned to ensure progress and growth on infrastructure projects. Further, Dr Mayaki spoke on the role PIDA is playing on integration within the continent building on each other’s capacity and ensure there is consensus.

The critical role of the media was emphasized at the media briefing in shaping and portraying a positive picture of PIDA projects to the world.

“We therefore deem it necessary to continuously update the media fraternity on the work that we do in the realisation of an integrated Africa through successful infrastructure projects,” Dr Mayaki said.

The media was urged to promote the success of cross-boundary infrastructure projects and the world that Africa is indeed rising.

The session ended with recommendations around ensuring these infrastructure projects benefit all the stakeholders, hence encouraging

Honorable Raila Odinga urges Africa to urgently implement SAATM



By Omer Redi

Victoria Falls, Zimbabwe (November 26, 2018):- The African Union (AU) High Representative for Infrastructure Development in Africa, Honorable Raila Odinga, has urged African countries to treat the implementation of Single African Air Transport Market (SAATM) as a matter of emergency.

Mr. Odinga made the remark on Monday at a Parallel Session on SAATM on the sidelines of the PIDA Week 2018 taking place in Victoria Falls, Zimbabwe from November 26 to 29, 2018.

“Ratification is one thing, complying is another ... I think it is an emergency that we do this matter,” he said in his intervention alluding to the fact that the problem has always been with implementation. “... and I have been given this responsibility, I know the limitations, I know the challenge. But I am happy to see that at least at this level there is commitment and there is understanding,” Odinga said.

Appreciating the delegates attending the Parallel Session on SAATM for their commitments, Mr. Odinga also stated that working together Africa will be able to achieve what has been decided.

Jointly organised by the African Union Commission (AUC), the NEPAD Planning and Coordinating Agency, the African Development Bank (AfDB) and the United Nations Economic Commission for Africa (UNECA), PIDA Week 2018 is taking place under theme, PIDA Implementation through Good Governance – Realising Smart Infrastructure for Africa’s Integration.

Zimbabwe’s permanent secretary in Ministry of Transport and Infrastructural Development Engineer Amos Marawa said HR Odinga has addressed a fundamentally important matter regarding SAATM.



“He [Mr. Odinga] hit the nail by the head by saying it is one thing to ratify and another thing to implement,” he said.

According Engineer Marawa, the first step towards speedy implementation is to identify gaps in member states so that they can be supported in the implementation.

Also speaking at the same side event, AUC Director for Infrastructure and Energy, Chiekh Bedda said the priority should be building the capacity of the African Civil Aviation Commission (AFCAC).

“The starting point should be to strengthen the capacity of AFCAC. In this regards, able experts have been recruited for AFCAC” to give it the required capacity.

As a platform to bring together key stakeholders involved in the implementation of the PIDA programme, to take stock of progress and identify ways to continue to advance implementation, PIDA Week is believed to be an important platform that helps to push for the realisation of AU’s flagship projects.

SAATM is one of AU’s flagship project meant to create a single unified air transport market in Africa, the liberalisation of civil aviation in the continent and as an impetus to its economic integration agenda. It was launched at the January 2018 AU Summit in Addis Ababa, Ethiopia by the current Chairman of the AU and Rwandan President, H.E. Paul Kagame.

About 27 African countries have agreed to open up their skies so far as the first of the mega projects in AU’s Agenda 2063 - Africa’s roadmap for the next half a century - started to take root. SAATM has a key interlink with PIDA as the blueprint for infrastructure transformation in the continent for the period 2012-2040.

PIDA Week: A time to reflect on the merits of projects implementation

By Angel Navuri

While progress is being recorded in implementation of the Programme for Infrastructure Development in Africa (PIDA), the pace of implementation is slow and not on par with global developments and Africa's aspirations, NEPAD Agency CEO Dr. Ibrahim Mayaki has said.

According to Dr. Mayaki infrastructure deficit is one of the most serious problems the continent faces, especially in the energy sector.

"Although 145 million people on the African continent have been able to connect to electricity since the beginning of the millennium, 645 million Africans are still deprived of it," Dr Mayaki said, adding, "How can we expect to start a virtuous circle of industrialisation if the most basic prerequisite – access to affordable energy – is not fulfilled."

He said annual investments in infrastructure were \$50 billion annually which is less than half the requirements at over \$100 billion.

Dr Mayaki noted that the continent now devotes a little more than 4% of its GDP to infrastructure equipment. This is better than 10 years ago when it dropped to 2%. But it is still less than in China, where this proportion is up to 14%, he said.

He said that lack of infrastructure carries big costs. When economies are isolated, they become less attractive, since unified markets on a regional scale are difficult to create. Inadequate infrastructure increases production costs, weighs on business's competitiveness, and negatively impacts foreign direct investment.

However, according to Dr. Mayaki, Africa must still create 450 million jobs over the next 20 years to absorb its population growth. World Bank studies have shown that infrastructure deficit costs the continent two points of annual growth and generates a 40% shortfall in competitiveness gains for its enterprises.

"Having stated this fact, we need to think about solutions. Be it in energy or communication corridors, the regional dimen-



sion is essential and must receive the greatest attention," he said.

The NEPAD CEO said infrastructure covering several countries in the same region was more attractive to investors (both public and private) because it allows the pooling of costs and promotes integration. In 2012, the African Union set up the PIDA, which is managed jointly by NEPAD and the African Development Bank (AfDB). Its roadmap focuses on structuring cross-border projects, numbering 51, for a total package of \$360 billion. They are the pivots of the continent's real economic takeoff.

The approach chosen by PIDA is anchors the projects exclusively on Public Private Partnerships.

Last year, the NEPAD Agency launched the '5% Agenda' aimed at raising awareness, mobilise the African financial sector and encourage African insurance companies and pension funds to invest at least 5% of their investment portfolios to infrastructure. Currently the allocation is only 1.5%.

**Realising Africa's
Integration through
Smart Infrastructure and
Good Governance**



Good governance for infrastructure development



By Doreen Chilumba

It is a well known fact that infrastructure is crucial to Africa's growth prospects. Truly, infrastructure development has been identified as key to driving Africa's transformation agenda.

This hasn't been easy. Among the challenges is governance.

At the on-going 2018 Program for Infrastructure Development in Africa (PIDA) Week in Victoria Falls Zimbabwe, Africa Investor representative Hubert Danso notes that a major factor hindering infrastructure implementation is lack of good governance, in terms of focus and transparency in projects.

"We need a collective interest to bring the projects to a start. We have so many issues with unsolicited bids in these projects," Mr Danso says.

This, according to Mr Danso, makes it crucial for African countries to plan for infrastructure and develop governance frameworks that facilitate inclusive and sustainable investment decisions.

During the session, it was also heard that only 35 per cent of Africa's population has access to electricity.

Also access to modern transport has declined over the past 20 years, and 23 per cent of the population still lacks access to safe water.

Looking at all these challenges, there's certainly no denial that the need for infrastructure development on the continent is crucial.

NEPAD agency CEO, Dr. Ibrahim Mayaki, during this high level roundtable also noted that 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.

Dr. Mayaki noted that there is a trend of biases think and aligning Africa as a uniform continent.

"Africa is not homogeneous. What we need to look at now is how to break the fragmentation, and one such initiative towards breaking this fragmentation is through PIDA," Dr Mayaki says.

Dr Mayaki further notes the 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," Dr Mayaki says.

So, how do African countries attract and retain the kind of investment in infrastructure projects needed to help stimulate that growth?

In answering this question, European Commission Director of planet and prosperity, Carla Montesi notes that there is need to build trust between member States to ensure quick implementation of the various projects.

"We need to create an enabling environment for the private sector to have a buy in into our projects. The private sector will not come on board of issues of trust are not looked into," Mrs Montesi says.

It was heard that this is why governance, rather than development finance, is the primary focus of this roundtable.

Of course, finance is vital. Without finance, infrastructure development would not be possible.

It was concluded that there's a growing realisation globally and in Africa that if you get the governance aspects right, the finance will follow. Get it wrong and the investment will dry up.

Getting the governance right also allows for efficient and disciplined planning, which is crucial if a proposed infrastructure project is to be sustainable and contribute to growth and lift people out of poverty.

**Realising Africa's
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2018 Abridged PIDA Progress Report Launched



Victoria Falls, Zimbabwe, November 26, 2018: Mr. Symerre Grey-Johnson, the Head of the Regional Integration Infrastructure and Trade Division at the NEPAD Agency today un-

veiled the abridged PIDA progress report, highlighting the key engagements and events carried out by the PIDA partnership including the African Union Commission, the NEPAD Agency and the African Development Bank.

Mr. Grey-Johnson gave an overview of the PIDA projects status recently downloaded from the dashboard (Virtual PIDA Information Center) that allows the filtering and visualization PIDA projects data by sectors, latest stages, sub sectors, countries, programmes, regions, RECs, type, status and reference plan. He highlighted that partnerships are the engine of infrastructure development.

The 2018 PIDA Comprehensive Progress Report will be launched in February 2019 during the Ordinary February African Union Summit in Addis Ababa, Ethiopia. It is a critical tool – a report card to measure progress in PIDA implementation and the lives that have been impacted while emphasizing the essential importance of strengthened collaboration from implementing partners.

The NEPAD Agency has signed two Memorandum of Understanding (MoU) with the Global Water Partnership to accelerate the implementation of priority continental water infrastructure projects within the framework of the International Labour Organisation ILO have focusing on areas of collaboration in promoting decent jobs for all economic sectors for the people of Africa



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