Next phase of PIDA moves into top gear as curtain comes down on PIDA Week 2018

By Ndamu Sandu, Sandra Nyaira, Millicent Seganoe and Sophia Nesri

28 November 2018, Victoria Falls, Zimbabwe: The 2018 Programme for Infrastructure Development in Africa (PIDA) concluded today amid calls by delegates to rethink the financing architecture and tap into new sources of funding such as the private sector and pension funds for the second phase of the PIDA Priority Action Plan (PAP), which is expected to be implemented from 2020-2030.

The event, which brought together about 400 delegates from the continent and beyond, was an action-packed event full of debates, networking and showcasing of selected PIDA projects and was held in Victoria Falls under the auspices of the Common Market for Eastern and Southern Africa (COMESA).

In his closing remarks, Zimbabwe’s State Minister for Matebeleland North Province, Richard Moyo emphasized the need for Africa to accelerate the implementation of PIDA projects.

“This will allow us to add impetus to the continent’s integration process. We need to have the right infrastructure mix and align our national infrastructural projects to the PIDA programme for collective gain,” he said, adding nothing was impossible if Africa united and stayed focused on what it would have agreed to.

NEPAD’s Chief Executive Officer, Dr. Ibrahim Assane Mayaki, also reiterated the need for the continent to accelerate the delivery of infrastructure projects as one.

“We also need to continue enabling a constructive dialogue with all the partners, including the private sector so that we can deliver concretely,” he said, adding over the past three days participants had managed to enhance their partnerships as “we fight for a peaceful, united and prosperous humanity.”

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For his part, the African Union Commission Director for Infrastructure and Energy, Mr. Cheikh Bedda emphasized the importance of good governance to promote infrastructural development that will positively impact the continent’s economies.

“We, as the African Union, will continue to work with Member States and all our partners to remove barriers affecting infrastructural development in order to create a strong united and prosperous Africa. But we always have to have in our minds the importance of good governance; resilience to climate change and related issues,” he said.

For his part, Mr. Mamady Souare, the African Development Bank’s Division manager in the Regional Integration Operation said “PIDA is here to stay with the African Development Bank (AfDB) saying it “will stick with PIDA”.

“We will play the financial role and the broker role to fund PIDA and support its transition into the second phase,” Mr. Souare concluded.

His remarks come when the European Union is now moving towards financing facilitation from financing facility, according to its representative to the African Union, Francisco Carreras.

“We want to catalyse private sector investors into the continent. We want to help prepare technically sound projects,” Mr. Carreras stated.

The excitement on the financing model will come to naught if the projects fail the bankability test.

The representative of GIZ, a major partner in the implementation of the PIDA programme, also spoke in support of Africa’s quest for an integrated infrastructure network.

“Big change is on the way for Africa through PIDA and we have to stay the course. Huge investments are required for it to become a reality. We, as GIZ, are with you. There are also huge opportunities in terms of human capital as well for the continent at all levels,” said GIZ African Union Director, Ms. Inge Baumgarten.

The African Union Director for Infrastructure and Energy, Mr. Cheikh Bedda, reading the final communiqué summarizing the main issues raised during the three-day meeting stated that the ministers and delegates attending the fourth Programme for Infrastructure Development in Africa (PIDA) Week 2018 agreed firm political commitment was necessary for the development of key transboundary infrastructure projects that will integrate the continent economically and socially for the benefit of its people.

Africa, Mr. Bedda read, has to increase projects under construction from the current 32 to 50 percent if it is to achieve its developmental aspirations.

As delegates flew out of Victoria Falls after a successful three days, they have two major takeaways from NEPAD Agency’s CEO, Dr Ibrahim Mayaki and the African Union Commissioner for Infrastructure and Energy, Dr. Amani Abou-Zeid.

“Infrastructure gaps in the continent are investment opportunities,” Dr. Amani Abou-Zeid reiterated throughout her interventions.

“If we want to accelerate Infrastructure Development in Africa, we need to deliver as one”, said Dr Mayaki as he officially closed PIDA Week 2018.
Africa could draw more from infrastructure Development

By Baboloki Semele

28 November 2018, Victoria Falls, Zimbabwe: During the last day of PIDA week commemoration in Victoria Falls, ZIMBABWE, high level experts of the African Union Commission, African Development Bank, NEPAD agency and other infrastructure development partners in the African continent convened a session to analyse the demands and trends for regional infrastructure development for the next decade.

The panelists concluded that infrastructure expenditure is rising significantly faster in Africa than anywhere else in the world. These experts highlighted that a successful infrastructure transformation should be done, especially to ensure that some basics such as transportation and a loyal and trained talent must be in place to attain the goals of a unified and proud Africa.

Many African countries were applauded for making strides in laying the groundwork, notwithstanding that some countries were still lagging behind.

It has been noted particularly, by the African Union Commission Director for infrastructure and energy, Mr. Cheick Bedda that new models of large-scale change led by the public and private sector have a lot of potential to expedite actualisation of infrastructure development towards regional integration. He cited PIDA as one such platform that needs further exploitation for the next 10 years by member states to help African countries increase their economic growth through infrastructure connectivity.

New estimates by the African Development Bank suggest that the continent’s infrastructure needs amount to 130-170 billion USD per year, with a financing gap ranging between 68-108 billion USD. These figures are far higher than previous estimates of 93 billion USD in annual needs and annual financing gaps of 31 billion USD. It was noted and highlighted that institutional Investor such as the insurance companies, pension funds and sovereign wealth assets managers have more than 100 trillion dollars in savings which can be tapped into, to further push the African agenda of regional infrastructure, as a small fraction of the excess savings and low yielded resources would be enough to plug Africa’s financing gap and finance productive and profitable integration.

The fact remains, Africa is still developing, and challenges facing the continent cannot be overemphasized, mostly war and instability, but infrastructure development has been identified as one tool to bring peace and stability as it has been concluded that financing productive and profitable infrastructure in Africa could boost aggregate demand, create employment in poor and rich countries alike and move the continent towards peace and prosperity.

In ideal for the next decade, political circumstances, a pact between rich and poor countries would codify a grant bargain based on infrastructure financing.

It has been established by the panelists that the positive impacts of infrastructure on economic growth and inclusive development signs are showing and needs to further be enhanced. They further alluded to the fact that infrastructure affect productivity and output directly as part of GDP formation and as an input to the production function of other sectors of he economy.

These experts shared similar sentiments that high quality infrastructure is essential for Africa to realise agenda 2063, sustainable development goals and the high fives of the African development Bank.

"It is needed for raising economic production and sustaining economic growth. Good Infrastructure has impact on growth directly and indirectly. It increases total factor productivity directly because infrastructure services enter production as an input and have an immediate impact on the productivity of enterprises," says African Development Bank’s Division Manager Regional Integration Operations Mr. Mamady Souare

It has therefore been concluded that for the next decade, Africa has a compelling case for accelerating infrastructure development because it is a continent of small open economies that will rely heavily on trade as the main engine of growth for the foreseeable future.

Acceleration of infrastructure development and regional integration has therefore been seen as no option but a must because international trade is no longer about manufacturing a product in one country and selling it in another, but a matter of cooperating across borders and time zones to minimize production costs and maximize market coverage.

The gathering was told that as much as infrastructure development is taking more from Africa at the moment, in the next decade, the economic rewards and benefits that Africa could draw from improved infrastructure are higher than those of other regions.
Inclusivity crucial for infrastructure development

By Sally Nyakanyanga

28 November 2018, Victoria Falls, Zimbabwe: Women and youth remain in the shadows of infrastructure development projects despite being key drivers to the implementation of these projects.

The development comes at a time the continent is faced with the dilemma on how to provide opportunities for its people in particular women and youth, who are the majority, so that they can have decent lives and contribute to the economic development.

Lindiwe Mabasa from Transnet who participated at this year’s 2018 PIDA Week stated that there is need to raise awareness of these initiatives to women and young girls.

“Infrastructure is seen as work for men as women feel they can’t contribute much. As women we don’t have information yet it is critical and enables people to develop interest in the area,” she said adding that there is need for more awareness of PIDA projects and build their capacity to enable women to fully participate.

Mabasa emphasized the need for women to take the initiative and mentor each other to venture into these lucrative projects that can economically upgrade them.

It was agreed at the PIDA Week that women, youth, small and medium enterprises remain vital to the full implementation of infrastructure projects in Africa.

African Development Bank’s Division Manager Regional Integration Operations Mr. Mamady Souare said in most of AfDB Projects, gender is critical.

“For any project to be approved it has to meet the gender component,” Souare said

Poor governance kills infrastructure projects

By Angel Navuri

28 November 2018, Victoria Falls, Zimbabwe: Poor governance is affecting infrastructure projects as it results in projects failing to meet their timeframe, budget and service delivery objectives, Director for Regional Development and Regional Integration at the African Development Bank (AfDB), Ms. Moono Mupotola said.

She said this during the 2018 Programme for Infrastructure Development in Africa (PIDA) Week that is currently underway in Victoria Falls, Zimbabwe under the theme “Realising Africa’s Integration through Smart Infrastructure and Good Governance”.

Mupotola said that poor governance on infrastructure projects often resulted in cost overruns, delays, underperformance, underutilisation, accelerated deterioration from poor maintenance, and, occasionally, expensive “white elephants” and bridges-to-nowhere.

“Based on the above, I expect that this year’s event will enable participants and policy makers to appreciate the role of governance in infrastructure development. This will include understanding the processes, tools and norms of interaction, and the decision-making and monitoring framework used to monitor implementation of infrastructure projects,” she said.

Mupotola said AfDB’s role as financier, facilitator and honest broker in the actualisation of infrastructure projects was helping to build the much-needed capacity and institutional frameworks on the continent.

“These will be crucial for establishing good governance and structuring disciplined financing required to deliver smart infrastructure in energy supply, regional transport corridors, internet connectivity as well as trans-boundary water management,” she said.
PIDA Week 2018: Africa and partners collaborate to accelerate public infrastructure development

By Wilfred Ewaleifoh

Victoria Falls, Zimbabwe (28/11/18): Dr Amani Abou-Zeid, Commissioner for Infrastructure and Energy at the African Union apparently does like to get this done with a certain verve. You feel it without touching it.

Without any prodding, she sauntered into the media Centre at the PIDA Week held at Victoria Falls in Zimbabwe where journalists were working on their stories.

That seemed unusual as holders of what is perceived as "exalted" positions in Africa generally tend to be forced to meet the media.

Dr. Abou-Zeid is apparently a different breed and informally engaged the journalists to drive home her submissions at an earlier media breakfast.

She re-iterated the urgent need for public infrastructure in Africa but put an interesting spin to it by positing that infrastructure gaps are investment opportunities.

The African Union Commissioner believes the estimated 170 billion dollars needed to develop public infrastructure in Africa represents 170 billion opportunities but the challenge is how do we communicate these opportunities?

This is where the Commissioner puts some energy into impressing upon the media that they can help the continent.

She said the media can be pivotal by telling stories about the good things happening in Africa as this can positively influence the flow of investors to the continent.

Investors, she argued passionately, get information from the local media and where all they read are negative stories, there is no way they will come near the continent.

Dr. Abou-Zeid has a point for actually some good things are happening with regards to developing public infrastructure in Africa.

The PIDA Week 2018 put the spotlight on this as experts on infrastructure and international development partners came together to see how the continent is doing on infrastructure development.

At the opening of the plenary session, the European Union, which supports PIDA with one million dollar every year, acknowledged the progress made and promised to continue with the support.

Chief Executive Officer of NEPAD, Dr. Ibrahim Mayaki says the goal is to accelerate the provision of public infrastructure in the four sectors covered by PIDA; transport, energy, ICT and trans-boundary water resources.

At the moment, out of the 400 + PIDA projects in 51 cross border programmes, 26% are moving to pre-feasibility stage, 16% are heading for tendering and 32% are under construction or already operational.

These include the border post projects across West Africa, the Abidjan-Lagos corridor, Praia-Dakar Corridor, the Grand Ethiopian Renaissance Dam, the Zambia, Tanzania and Kenya power inter-connect as well as the Kazungula bridge linking Botswana, Zambia, Zimbabwe and Namibia.

Dr. Mayaki says the target is now to increase the number of projects under construction from 32% to 50%.

Dr. Abou Zeid told the plenary there is need not only to accelerate infrastructure development but the emphasis must be on smart infrastructure with new technology.

And this was the focus of the 2018 PIDA Week held in Victoria Falls in Zimbabwe under the theme “Realising Africa’s integration through smart infrastructure and good governance”.

Experts on infrastructure from across the continent, financial advisers and Managers of some PIDA showcase projects discussed among others Abidjan-Lagos Corridor, Lamu Port-South Sudan-Ethiopia Corridor Project, the Single Africa Air Transport Market, PIDA Priority water and hydropower projects, the energy road map and the MoveAfrica initiative.

There were financial institutions, financial advisors and international partners to contribute towards structuring some of these into bankable projects.

Many on the continent do not know about these positive strides in planning, developing and launching critical infrastructure projects that Africa urgently needs and they all represent the many opportunities across many sectors that Dr. Abou-Zeid has been talking about. There is a connection between all these and the projected prosperity for the continent which NEPAD CEO, Dr. Ibrahim Mayaki believes can cascade down to an integrated Africa with connected markets, people and services.

At the closing ceremony of the PIDA week held in the alluring ambience of Victoria Falls, Minister of the host State, Mataleland, Richard Moyo capped it up by declaring that the actualisation of PIDA projects will enable Africans to achieve the Africa its people want.

So there is good news coming out of the continent and for the continent, we journalists are telling it as Dr. Abou-Zeid requested.

If the continent can run on the verve and energy shown by the perspicacious Commissioner for Infrastructure and Energy, Dr. Abou-Zeid, Africa may just turn the curve on the infamous infrastructure deficit.
28 November 2018, Victoria Falls, The 4th Programme for Infrastructure Development (PIDA) Week was a success, Cheikh Bedda, Director of Infrastructure at the African Union said in a briefing with reporters on Wednesday.

The Director gave a brief outline on the key discussions during the PIDA Week 2018 and took questions from reporters. “The assessment is rather positive compared to the previous editions as evidenced by the increase in the number of participants to over 400 this year and the inaugural participation of Chinese partners,” Bedda said.

“It was an element that was largely missing in the Sino-African cooperation framework, reiterating that PIDA Week 2018 was a success,” Mr. Bedda stated.

“Given the infrastructure backlog in the continent, we have to keep up the efforts to accelerate development of key infrastructure projects. PIDA projects, especially transboundary infrastructure projects, will bolster regional integration and are a pre-requisite for unleashing Africa’s growth potential,” the Director uttered.

He also stated that the delegates agreed that the continent should create an enabling environment for the private sector to have space to buy into the continent’s key priority projects.

“Establishing good governance frameworks and mechanisms for Africa’s infrastructure projects will not only boost investor confidence, it will also guarantee timely delivery of projects within budget and to specification,” Director Bedda concluded.

Realising Africa’s Integration through Smart Infrastructure and Good Governance