



From Priority Regional Programmes to Enhancing Regional Project Preparation -Where Do We Fit In?



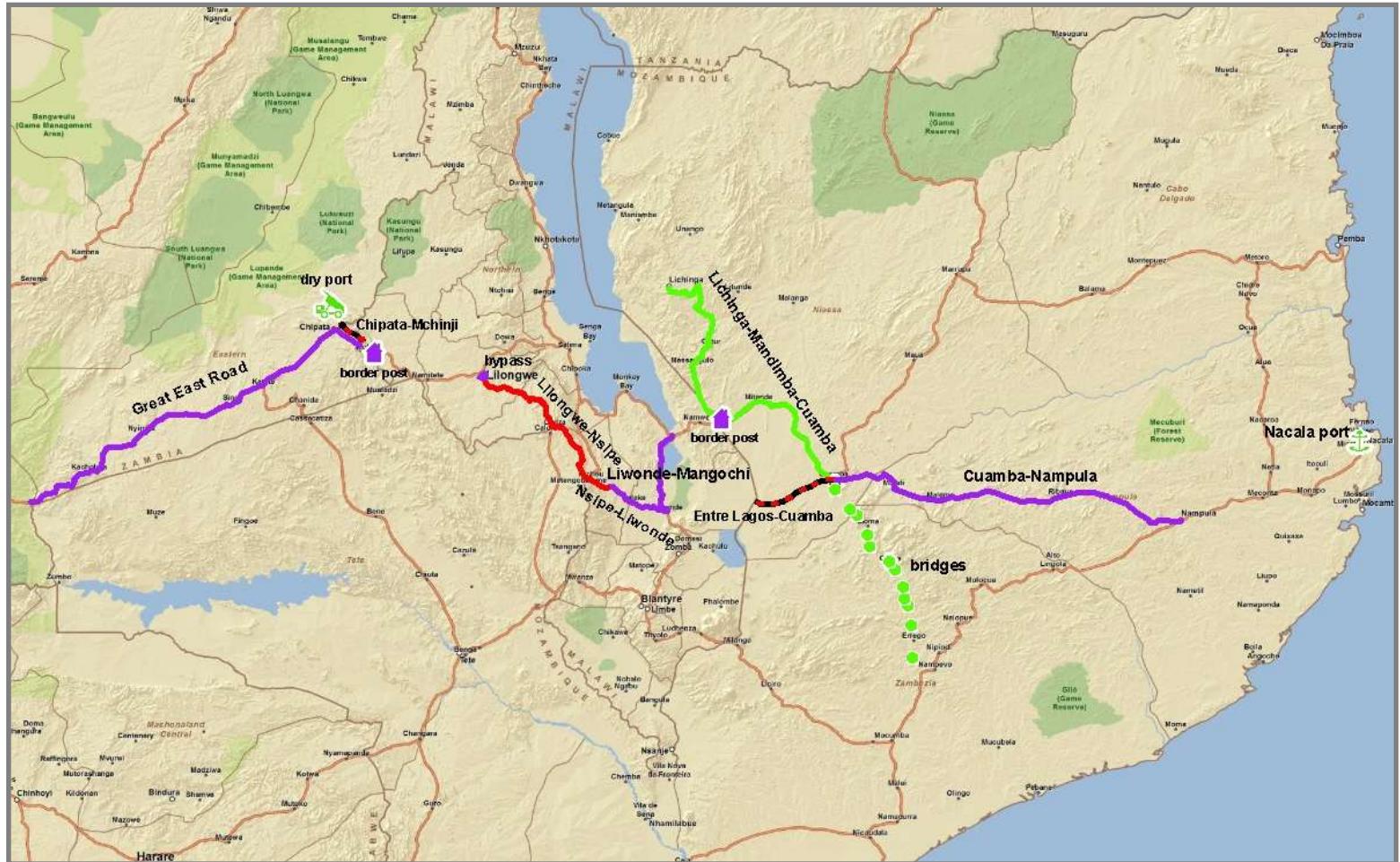


Terminology, Roles and Responsibilities?





Nacala Corridor and the Great East Road Rehabilitation - A Case Study and What does it tell us?





Nacala Corridor – its components – Roads in Mozambique, Malawi and Zambia

- ❖ **Upgrading Nampula-Cuamba road** (350 km), co-financing JICA-AfDB(phase I); civil works to start late 2010;
- ❖ **Upgrading Cuamba- Mandimba** (160km), feasibility study IPPF and JICA plus links; co-financing AfDB (phase III) and JICA;
- ❖ **Rehabilitation Mangochi-Liwonde road** (90 km); financed by AfDB (phase I); start end 2010;
- ❖ **Rehabilitation Liwonde-Nsipe road** (82 km); to be financed by AfDB (phase II; start 2011;
- ❖ **Periodic maintenance Nsipe-Lilongwe** (180 km); financed by EU; 2009-10;
- ❖ **Lilongwe by-pass road** (13 km) to be financed by AfDB (phase I);
- ❖ **Rehabilitation of the Great East Road** between Luangwa Bridge and Mwami border (360 km) to be co-financed by EU, EIB, AFD and AfDB; start constr mid 2011;
- ❖ Other sections in satisfactory condition; periodic maintenance reqd.

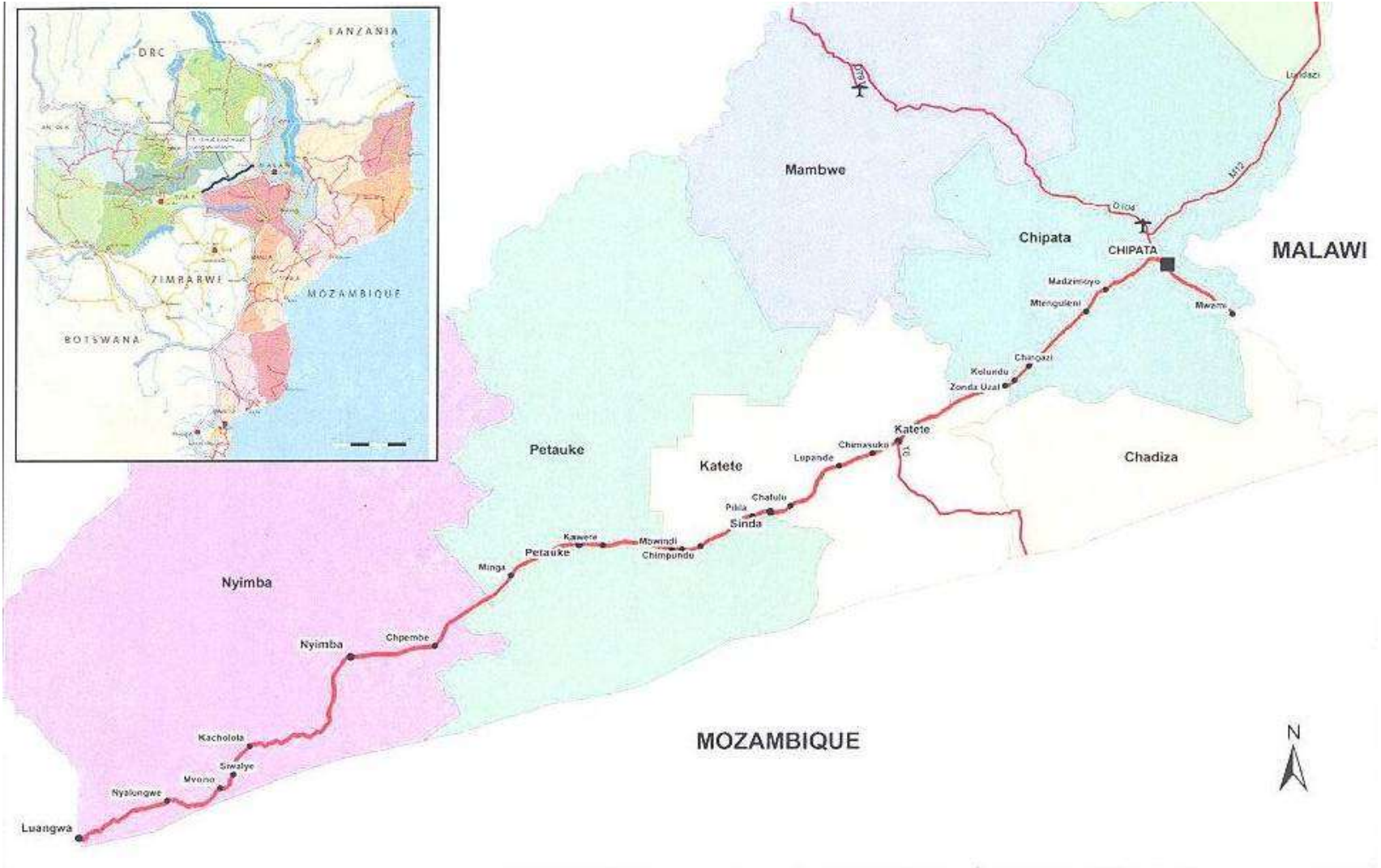


Nacala Corridor – other essential components

- ❖ **Construction one-stop border posts** Mozambique/Malawi and Malawi/Zambia: to be financed by AfDB (phase III)
- ❖ **Railway Entre Lagos-Cuamba** (78km) under rehabilitation financed by Government Mozambique;
- ❖ **Extension railway from Mchinji border to Chipata** (24 km); completed 2010 and financed by GRZ;
- ❖ **Construction of a dry port in Chipata**; feasibility study EU, civil works funding under EIB loan;
- ❖ **Nacala port development**. Feasibility study financed by JICA (started in June 2010);
- ❖ **Development of railway lines between Moatize and Nacala port**; ongoing feasibility by mining cos.



Great East Road- a Closer Look



0 10 20 40 60 80 Kilometers



Great East Road Rehabilitation



- **Part of Nacala Corridor**; 360km from Luangwa Bridge to Mwami Borde; EU funded pre-feasibility and feasibility studies and detailed designs (EDF 9/NIP); April 2010;
- **Joint appraisal missions** AfDB and EIB March 2010;
- Financing package:
 - EC grant €38m (EDF 10)
 - EIB loan €80m, plus ITF IRS of €25m
 - AFD loan €53m, plus ITF IRS €10.8m
 - AfDB loan €78m (phase II)
 - Various TA support packages



A Hierarchy for Progress- Making the Links

- Continental/Regional Planning and Commitment - conceptual analysis, planning, prioritisation and politics
- Prioritised Regional Programmes – a framework for harmonised, multi-donor collaboration with partners
- Advancing Priority Projects – preparation, information sharing, using comparative advantages



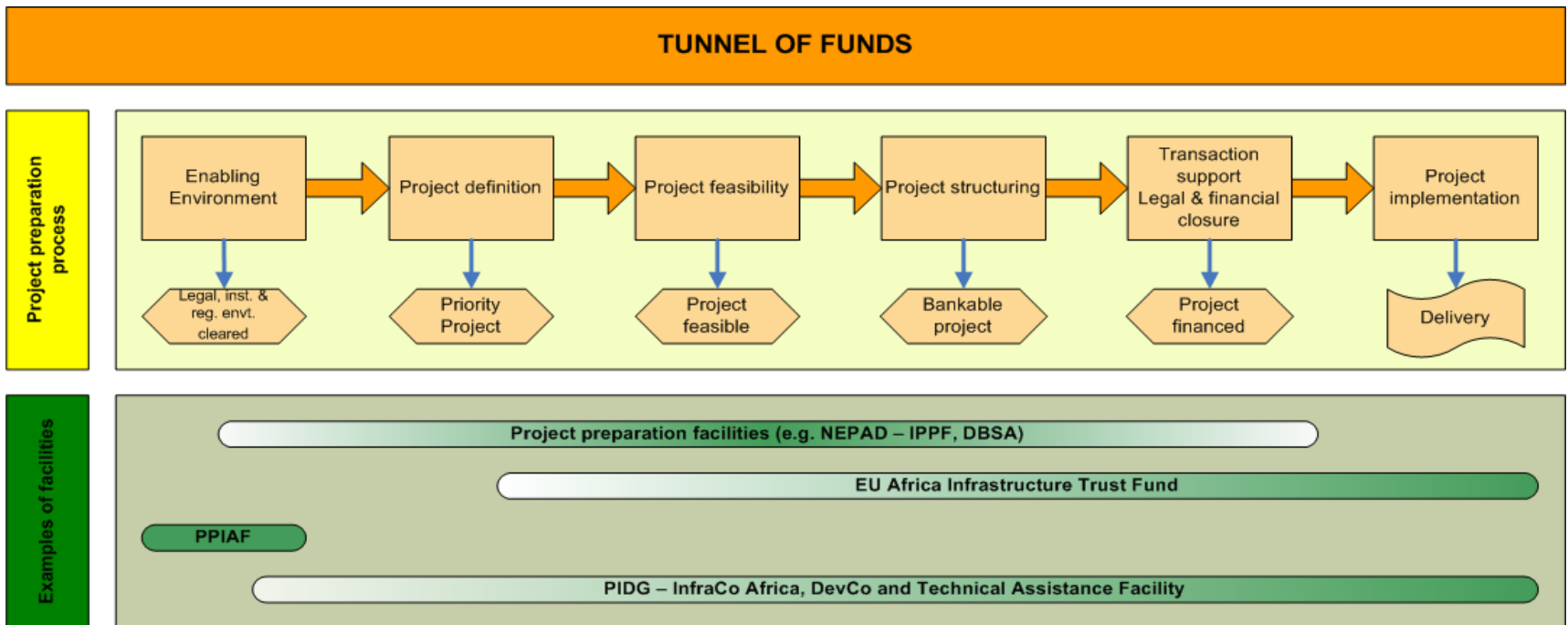
Prioritised Regional Programmes – an organising framework (Nacala Corridor)



- ❖ Defining the potential project components;
- ❖ Project sequencing (priorities; implementation order and duration);
- ❖ Likely optimal funding source (grant/TA; concessional loan; private sector);
- ❖ Co-financing arrangements



At the project level; project preparation engagement, Tunnel of Funds and project information exchange





Discussion on Regional Programmes



- ❖ Timing or serendipity;
- ❖ 3 level hierarchy;
- ❖ Breaking down into potential project packages;
- ❖ Harmonising interventions;
- ❖ Optimising available financing;
- ❖ ICA role?



Thank you !

