

**OUTCOMES STATEMENT OF  
THE INFRASTRUCTURE CONSORTIUM FOR AFRICA  
20 JUNE 2006**

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The second meeting of the Infrastructure Consortium for Africa was held on 19-20 June in Addis Ababa. The meeting was attended by ICA members<sup>1</sup> and observers<sup>2</sup>, as well as invited representatives from countries and development finance institutions<sup>3</sup>.

The joint actions and decisions made at the inaugural meeting of the Consortium in October 2005 were reviewed, and next steps agreed upon.

**1. Secretariat**

A Secretariat is operational and hosted by the African Development Bank (AfDB). The UK, Japan and the AfDB have provided staff. Financial contributions to the work and running of the Consortium have been provided by the UK, AfDB, and the Public Private Infrastructure Advisory Facility (PPIAF).

**2. Strengthened NEPAD Short Term Action Plan (STAP) on infrastructure**

ICA members have accelerated the implementation of regional projects from NEPAD's Short Term Action Plan (STAP). Between October 2005 and June 2006 funding was committed for a total of 11 NEPAD / STAP projects totalling US\$ 764.3m. A further US\$ 7.1m was committed to studies designed to advance the implementation of STAP projects<sup>4</sup>.

Outside of NEPAD / STAP, the ICA is responding to country priorities, and ICA members have increased their investment to regional and national infrastructure projects. From October 2005 to June 2006, Consortium members committed US\$ 3.44bn to country-level projects<sup>5</sup>. Overall, 4.24bn were spent in 9 months, up from US\$ 4bn for the whole of 2004<sup>6</sup>. This reflects the increasing donor commitment to infrastructure.

Given the scale of the investment required, the ICA will continue to advocate for more public and private resources to infrastructure.

The African Development Bank will take the lead on developing a process to identify and communicate Africa's prioritised regional infrastructure projects. Importantly, this process will take into account the significant work being done on Africa's economic geography, to ensure that the projects that are funded first have the maximum positive impact on continental growth opportunities.

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<sup>1</sup> G8 donors, World Bank Group, African Development Bank Group, European Community, European Investment Bank, Development Bank of Southern Africa

<sup>2</sup> African Union, NEPAD Secretariat, Regional Economic Communities – ECOWAS; SADC; IGAD; COMESA; EAC

<sup>3</sup> Islamic Development Bank, Kuwaiti Fund, Saudi Fund, China, India

<sup>4</sup> See Appendix 1

<sup>5</sup> See Appendix 2

<sup>6</sup> Estimated figure based on OECD data

The ICA will continue in its efforts to foster the development of instruments that respond to the need for flexible finance for regional infrastructure projects, and boost the role of the private sector.

### **3. Support to the process of project preparation**

The Consortium has developed a guide to the range of project preparation facilities, which provide public support to the preparation of projects. The guide will be available as a booklet and on the ICA website. It will show those involved in developing projects what funding options might be available to them and help to reduce preparation times.

The Consortium recognises the need to provide more resources to the upstream area of project preparation, where a large financing gap exists. This is a shared responsibility with the countries where projects originate.

The Infrastructure Project Preparation Fund, hosted by the African Development Bank, is now a multi-donor facility. It should be one of the first choices for donor support.

### **4. Capacity building**

The Consortium recognises the valuable ongoing work of the African Union Commission (AUC) on helping to clarify the roles and responsibilities of the AUC, NEPAD Secretariat and Regional Economic Communities. The Consortium looks forward to a report from the AUC/NEPAD Secretariat on progress, in time for its next meeting, which would include an assessment of capacity building priorities.

### **5. Energy Access and Security**

Recognising the power crisis that is affecting the continent, the Infrastructure Consortium for Africa met in the presence of the Hon. Daudi Migereko, Minister of Energy and Mineral Development, Uganda, Hon. Felix Mutati, Minister of Energy, Zambia and Hon. Asfaw Dingamo, Minister of Water Resources, Ethiopia, to discuss energy access and security.

Views were shared on the following:

- The power crisis in Africa deserves high-level attention and changes to the way donors and countries do business;
- Electric Power in Africa has been a neglected infrastructure sector. In conjunction with increased commitment on the part of Africans, donors should consider scaling up support to the sector;
- Countries need to ensure that energy is a priority in Poverty Reduction Strategies, and ensure that their regulatory frameworks are conducive to investment in the sector;

- Countries need to place greater emphasis on locally sustainable solutions, and explore in particular renewable energy sources;
- Regional integration needs to be accelerated. Regional Economic Communities have a key role to play in ensuring political commitments are made;
- Africa's vast hydropower potential is still largely untapped. Donors need to reconsider investment, whilst not repeating past mistakes;
- The political and economic environment in Africa continues to improve, which will lead to new opportunities for the private sector.

The Secretariat to the Consortium will support the organisation of a working-level meeting in late 2006 to help broker financing and fill financing gaps for well developed energy projects.

For this purpose, a priority list of projects ready for financing will be jointly prepared by the African Development Bank and the NEPAD Secretariat.

## **6. Analytical work in support of outcomes**

The ICA Secretariat will assess the capacity needs in Africa to help improve the flow of statistics on infrastructure. Support recommendations will be prepared in time for the next Consortium meeting.

The Secretariat will develop further user guides on risk guarantee products and donor lending instruments.

The Secretariat will prepare a study to help increase awareness of development partners' resources dedicated to infrastructure in Africa.

Sustainability of large infrastructure investments is key. ICA recognizes the importance of fiscal space in countries' own budgets to complement donor financing of investment and support adequate maintenance of infrastructure assets. The African Infrastructure Country Diagnostic study endorsed by the Consortium will provide key insights on this important issue. Preliminary results, based on pilot countries, will be presented at the next ICA meeting.

The Medium to Long Term Strategic Framework is the other important piece of work supported by the Consortium. This work is funded by the African Development Bank and the Nigeria Technical Cooperation Fund. The study will serve as the basis for defining, implementing and monitoring infrastructure development on the continent.

## **7. ICA communication**

The ICA website is under development and will be launched soon. The website will provide information on the ICA activities and contributions towards infrastructure in Africa.

A visual identity for ICA was adopted.

## **8. Programme and Budget**

The Secretariat to the ICA proposed a programme and budget for the remaining activities of 2006, and will report on progress at the next Consortium meeting.

## **9. Next Meeting**

The next meeting of the Consortium is provisionally scheduled for the end of the year 2006. The date and location of the meeting will be confirmed this autumn by the ICA Secretariat.

## Appendix 1 ICA Members' approved regional projects: October 05 – June 06

### 1. NEPAD-level Projects

11 projects funded, worth a total of **US\$ 764.3m**

Region	Project name	Amount US\$	Donor/s
1. EAC	East Africa Trade & Transport Facilitation	199	WB
2. EAC	East Africa Trade and TR	60	WB
3. ECOWAS	Mali-Senegal South Corridor Rd construction	9.3	Japan
4. ECOWAS	Kita-Saraya-Kedougou Rd (Mali-Senegal)	98	AfDB
5. ECOWAS	West Africa Air Transport & Security	34	WB
6. ECOWAS	Senegal River Basin Multi-Purpose Water Resource Management	110	WB
7. ECOWAS	West Africa Power Pool (WAPP) – Coastal Transmission Backbone	60	WB
8. ECOWAS	West Africa Power Pool – OMVS Felou Hydro Power Plant	75	WB
9. ECOWAS	Transport Facilities: Indicative Regional	80	EC
10. SADC	Caia Bridge over Zambezi River	25	Italy/Swe/EC
11. SADC	Shared Watercourses Project	14	AfDB

### 2. Studies in support of STAP projects

12 studies funded, worth a total of USD 7.1M

Region	Project name	Amount US\$	Donor/s
1. EAC	East Africa Trade and Transport Facilitation Program -OSBP Feasibility Study	0.013	UK
2. EAC	East Africa Trade and Transport Facilitation Program -OSBP Feasibility Study	0.028	Japan
3. EAC	Mtwara Corridor Development Study	0.14	Japan
4. EAC	Mombassa Port Rehabilitation	n/a	Japan
5. ECOWAS	Bridges along South Corridor Detailed Design	0.6	Japan
6. ECOWAS	OMVG Energy – Project Preparation	0.5	AfDB
7. ECOWAS	Ghana Ports Up-date of Feasibility Study	0.07	Japan
8. SADC	Nacala Corridor Feasibility Study	0.3	Japan
9. SADC	Nacala Corridor Pre Feasibility Study	2.5	Japan
10. SADC	Nacala free Trade Zone Study	n/a	USA
11. SADC	Mozambique 4 provinces Road pre-feasibility Study	n/a	USA
12. SADC	Rehabilitation of Angola Ports Feasibility Study	3	Japan

## Appendix 2

## ICA Members' approved country-level projects: October 05 – June 06

Region	Project name	Amount US\$	Donor/s
1. Benin	Sanitation	25	EC
2. Benin	Upgrading of Banikoara-Kandi Road	29	EC
3. Burundi	Rehab. of Hydro Infrastructure	18	AfDB
4. Burundi	Public Works and Employment Creation	31	WB
5. Cameroon	Yaoundé Sanitation Project	38	AfDB
6. Cameroon	Road Programme	101	EC
7. Central Africa	Rehabilitation of Sanitation System	9.4	EC
8. Chad	Rural Water Supply & Sanitation	19	AfDB
9. Chad	Support to Transport Sector Policy	105	EC
10. Comoros	Infrastructure Rehabilitation	3.9	EC
11. Congo	Reconstruction and monitoring of National Road	59	EC
12. DRC	Nsele-Lufimi & Kwango-Kenge Road Rehabilitat.	78	AfDB
13. DRC	Emergency Multi Sectoral Rehab. & Recovery.	125	WB
14. Egypt	Integrated Solar/Power Plant	106	Japan
15. Ethiopia	Rural Water Supply & Sanitation	65	AfDB
16. Ethiopia	Road Sector Development	87	WB
17. Ethiopia	Accelerated Electricity Access – Rural	134	WB
18. Gabon	Local Infrastructure Development	25	WB
19. Gambia	Rural Water Supply Sector	8	EC
20. Ghana	Water Supply & Sanitation Programme (Study)	1	AfDB
21. Ghana	Accra Sewage Improvement	69	AfDB
22. Ghana	Rehabilitation of Kumashi Teciman Road	45	EC
23. Ghana	Feeder Roads Improvement	34	EC
24. Ghana	Small Town Water and Sanitation	29	EC
25. Guinea	Electricity Sector Efficiency	7	WB
26. G-Bissau	Multi Sector Infrastructure Rehabilitation.	15	WB
27. Lesotho	Water Sanitation Rehabilitation	44	EC
28. Liberia	Emergency Infrastructure Project	25	WB
29. Madagascar	Rural Water Supply & Sanitation	76	AfDB
30. Malawi	Rural Infrastructure Services	40	WB
31. Mauritania	Construction of Road, Kaedi-Gouraye	83	EC
32. Morocco	Motorway Construction	177	Japan
33. Morocco	Sewage System	42	Japan
34. Morocco	Rural Electrification 3	52	Japan
35. Mozambique	Nhacangara Dam over Ponwe River	49	Italy
36. Mozambique	Maputo Drainage System	21	Italy
37. Mozambique	Limpopo Railway Line	7.5	EC
38. Mozambique	Beira Sanitation Project	41	EC
39. Niger	Tibiri-Dakoro & Madaoua-Tahoua Roads	33	AfDB
40. Niger	Road maintenance	86	EC
41. Niger	Air Region	14	EC
42. Rwanda	Urban Infrastructure Development	20	WB
43. Senegal	AES Sonel Electricity Project	75	AfDB
44. Senegal	Participatory Local Development	50	WB
45. Senegal	Road Rehabilitation	77	EC
46. Senegal	Support to Urban Development	20	EC
47. S-Leone	Matotoka-Sefadu Road (Study)	3	AfDB
48. S-Leone	Transport Infrastructure Development	44	WB
49. Sudan	Emergency Multi Sectoral Rehab. & Recovery	50	WB
50. Tanzania	Local Government Support	98	WB
51. Tanzania	Kilwa Road Construction	11	Japan
52. Tanzania	Rehabilitation of Mandela Road	40	EC
53. Tanzania	Rehabilitation and upgrading of Road	37	EC

54. Tunisia	Rural Water Supply	54	Japan
55. Uganda	Rural Water Supply & Sanitation	60	AfDB
56. Uganda	Northern Rehabilitation	25	EC
57. Uganda	Reconstruction of Priority Road	115	EC
58. Uganda	Strengthening of the Northern Road	24	EC
59. ACP	EC Energy Facility	275	EC
60. ACP	EC Water Facility	313	EC