

Outcomes of ICA Regional Infrastructure Project Collaboration Meeting – Luxembourg February 2008



Tokyo, March 2008

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 - Project prioritisation and planning
 - Finance
 - Capacity building
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Background

- More focus on regional infrastructure following ADF11, IDA15 and EU Africa Infrastructure Trust Fund
- Need to maximise **coordination and project collaboration** between ICA members

Three objectives

- To take stock of existing collaboration on regional projects
- To help maximise co-financing opportunities for regional projects between ICA members
- To find a collaborative solution to pipeline planning

The meeting

- “ICA Regional Infrastructure Project Collaboration Meeting” was held in Luxembourg on 15 Feb 2008 hosted by EIB,
- attended by about 30 senior representatives of:
 - EC, EIB, France, Germany, Italy, UK, USA
 - AfDB, World Bank
 - AU commission, DBSA
 - China Development Bank.

What was discussed?

(1) Project Prioritisation and Planning

- Joint AU/AfDB/NEPAD/ study needs to be fast tracked in order to retain its **strategic significance** for Africa and relevance to donors.
- The study needs to incorporate all existing works like AICD.
- In the mean time, technically and economically **viable projects** with political support should go ahead.
- **Lead partners** in different regions and sectors also should be identified.
- Continued dialogue with RECs and sector specialized agencies is necessary on their priorities.

What was discussed?

(2) Finance

- **Mobilising more money from the private sector** is essential to fill the financing gap. Dialogue with the private sector needs to begin at the early stages of project design.
- Until the **investment climate** is made right for Africa, the private sector may go for monopolistic and/or profitable sectors. But **policy barriers remain** even in the ICT sector. Weak financial viability, governance and accountability of some operators also remain as a barrier.
- More should be done to stimulate the involvement of SMEs in infrastructure provision.
- More attention to **sustainability** (operation and maintenance) is also needed.

What was discussed?

(3) Capacity Building

- Capacity building for RECs and sector specialised agencies is required to develop “**bankable**” projects.
- Governments and regional organisations need to devote **upstream project preparation** and policy formulation to facilitate investment.
- The Infrastructure Project Preparation Facility (IPPF) is one key donor instrument helping to **develop a pipeline of regional projects**.

From the inputs received from ICA members, here are examples of projects that need enhanced collaboration:

- Transport:** completion of missing road links and bridges on the Trans-African-Highways
- Energy:** interconnection of regional networks and generation to address the energy crisis
- ICT:** completion of missing links in broadband infrastructure and creation of centres of excellence to meet Connect Africa Summit goals
- Water:** support for river and lake basins, and WSS projects to meet specific MDG targets



Projects that need enhanced collaboration now

(Transport)

#	Project title	Geographical area / countries	Type of collaboration
1	Kinshasa-Brazzaville bridge	RDC, Congo Brazzaville	studies
2	Nigeria-Cameroon Highway transport facilitation program (Lagos-Mombasa Trans-African road corridor)	Nigeria, Cameroon	investment
3	Port of Pointe Noire	Central Africa (Bas Congo corridor)	studies and investment
4	Nacala Corridor	Mozambique, Malawi, Zambia	studies and investment
5	Lagos-Mombasa Trans-African road corridor the Bangui-Douala section, Garoua Boulai-Bouar road	Central Africa	investment
6	Trans-African Highway No. 5 (Dakar to N'Djamena)	West/Central Africa	studies and investment
7	Trans-African Highway No. 6 (N'Djamena to Djibouti)	Central/East Africa	studies



The Infrastructure Consortium for Africa
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Projects that need enhanced collaboration now

(Power)

#	Project title	Geographical area / countries	Type of collaboration
1	Inga site development <i>Inga 1, 2</i>	Continental	investment
2	Inga site study	Continental	studies
3	OMVG interconnection program	Gambia, Guinea, Guinea Bissau, Senegal (OMVG)	investment
4	Temani combined cycle power plant + transmission lines	Mozambique (export to South Africa envisaged)	investment
5	Felou hydroelectric systems	Mali, Mauritania, Senegal, Guinea (OMVS)	investment
6	Ethiopia-Kenya interconnection	Ethiopia, Kenya	studies and investment



Projects that need enhanced collaboration now

(ICT)

#	Project title	Geographical area / countries	Type of collaboration
1	East Africa Submarine System (EASSY)	East and Southern Africa	investment for terrestrial backhails
2	East Africa Community Broadband ICT network (EAC-BIN)	East Africa (15 countries)	studies and investment
3	Central Africa Community Broadband ICT network (CAB-BIN)	Central Africa (3 countries)	studies and investment
4	ICT centres of excellence	Tunisia and Rwanda	studies and investment

(Water)

#	Project title	Geographical area / countries	Type of collaboration
1	Lake Victoria Water and Sanitation Initiative	Burundi, Kenya, Rwanda, Tanzania, Uganda	studies
2	Nile Basin Initiative	Egypt, Ethiopia, Sudan, Eritrea (obs.), Kenya, Rwanda, Tanzania, Uganda, DRC, Burundi.	studies and investment
3	Commission Internationale du Bassin du Congo-Oubangui-Sangha (CICOS)	Cameroon, Central African Republic, Republic of Congo, DRC	studies and investment

ICA members will

- Look at new ways to try and mobilise additional finance for HIPC and **fragile states**.
- Do more to highlight **business environment constraints** faced by private investors on infrastructure
- Through their ongoing dialogue play a greater role in bringing China, India and Arab partners into co-financing regional infrastructure projects.
- Continue to work together to **harmonise procurement rules** and allow for **flexibility** when co-financing.

The ICA Secretariat will enhance its **communication** and analyses functions by:

- developing a **collaborative platform** on the ICA website to allow information sharing between its members on infrastructure projects,
- undertaking a mapping exercise of what ICA members are doing for infrastructure and in which sectors in line with the Paris Declaration,
- refining the initial list of regional projects which are being supported by ICA members and identify potential flagship projects for enhanced collaboration.