

**OUTCOMES STATEMENT OF
THIRD MEETING OF THE INFRASTRUCTURE CONSORTIUM FOR AFRICA,
BERLIN, 17-18 JANUARY, 2007**

The third senior-level meeting of the Infrastructure Consortium for Africa (ICA) was held from 17 to 18 January 2007 in Berlin. At the outset of the German Presidency of the G8, the meeting was hosted by the Federal Ministry for Economic Cooperation and Development (BMZ).

The meeting was attended by senior representatives of G8 ministries and bilateral agencies in charge of infrastructure-related programmes in Africa, multilateral agencies and key African institutions. China participated as an observer for the first time. A full list of participants is attached as Annex 1.

Members welcomed the announcement by Germany that they would use their Presidency of the G8 in 2007 to ensure that the focus on Africa is maintained with particular emphasis on improving the investment climate and the removal of infrastructure bottlenecks.

1. Scaled up resources

In 2006 an estimated **US\$7.7bn¹** was committed by ICA members to the infrastructure sector in Africa. This figure was up from US\$7.0bn 2005. Increased commitments resulted primarily from the activities of the World Bank, European Commission and the African Development Bank. Amongst bilateral donors Japan and the USA showed the biggest increases in direct expenditure on infrastructure projects. While the overall support provided by ICA members to develop infrastructure in Africa was scaled up by around 10 per cent during its first year, ODA to Sub-Saharan Africa for the sector increased by approximately 15 per cent.

Donor support to multi-country projects in Africa doubled in 2006 (approximately 20 per cent of total spend). Despite this, current resources were not sufficient to meet demand. In addition, members stressed the importance of making adequate provision for operations and maintenance.

Members agreed with the World Bank and African Development Bank that replenishment discussions in 2007, for IDA 15 and ADF 11, needed to make a strong case for more money to infrastructure and, in particular, regional projects. The EU-Africa Trust Fund, the financing instrument of the EU-Africa Partnership on Infrastructure, which will channel EU contributions in support for regional and cross-border projects, is scheduled to commence operations in the spring of 2007 and will be managed by EIB.

2. Collaboration with China

Members welcomed for the first time as observers representatives from the People's Bank of China and China Eximbank. It was noted that following the recent Sino-

¹ Estimate includes ODA and non-concessional lending to the whole of Africa from ICA Member donor agencies and development banks.

Africa summit held in Beijing in November 2006, China has made a commitment to invest \$5 billion in African infrastructure over the next three years.

It was agreed that dialogue between ICA members and China should increase. Harmonising policies and procedures, along with seeking win-win results, were two areas that China suggested could be explored.

China welcomed more information on Africa's regional projects as a first step to getting more involved.

The ICA Secretariat will continue to explore ways to deepen collaboration between China in support of ICA members' on-going efforts.

3. REC Capacity Building

Germany presented a concept paper for capacity building of Regional Economic Communities (REC) for infrastructure delivery, as part of her Presidency of the G8. Members agreed on the importance of REC capacity building for infrastructure and decided to work together with Germany and African partners to help shape the initiative in advance of the G8 Summit in July.

Members commented that the initiative was timely and should be used to provide support in response to well defined roles, responsibilities and capacity development needs, and well prepared infrastructure delivery plans from RECs recognised by the African Union. To ensure complementarity and a harmonised approach, the initiative needed to take into account and be aligned with all on-going initiatives and the work of African institutions such as the African Capacity Building Foundation.

Members welcomed as a first step the new "Coordination Mechanism" document from the African Union Commission (AUC), designed to help clarify the roles and responsibilities of the AUC, NEPAD Secretariat and the RECs with respect to infrastructure provision. The document should serve as a basis for improved coordination and alignment of activities including capacity building.

At a side meeting held on 17 January 2007 on the next steps, it was agreed between the AUC, AfDB, BMZ and the WB that a planning meeting for the "G8 Capacity Building Initiative" would be held at the premises of the AUC in Addis Ababa from 5 to 6 March, 2007.

Japan showed the readiness to provide technical cooperation for REC's capacity building in a practical manner, related to project preparation, coordinating project information with the relevant countries, building consensus at regional and country level, helping to bring projects to bankable stage smoothly.

4. Support to Africa's energy needs

Members reiterated the importance of increasing their support to the energy sector in Africa.

The meeting '*Financing Electricity for Growth in Africa*' held in Tunis in December 2006, succeeded in helping to maintain a focus on the continent's energy crisis, and in opening up new and important dialogues with the private sector. Members called for a follow-up meeting in 2007.

Offers of further support for capacity building of the Power Pools were received from the EC, Japan and USA.

5. Public Private Partnerships and Engaging with the Private Sector

Members agreed on the importance of engaging both the local and international private sector with particular emphasis on supporting local businesses. Sharing of information and reaching out to the private sector through conferences are two examples of how the ICA Secretariat can support this effort.

Members will work to ensure information on current risk instruments is better available to the private sector.

6. Ongoing Support to Analytical Work

The Africa Infrastructure Country Diagnostic (AICD) Study and the NEPAD Medium to Long-Term Strategic Framework (MLTSF) are both on track and will be finalised in 2007.

The UK offered support for expanding the scope of the AICD to more countries in Africa. The EC confirmed it too would support AICD as part of the 2007 start-up activities in EU-Africa Partnership on infrastructure.

Members will consider a report proposal by the AfDB for ensuring sustainability of the statistics generated by the two studies which members will consider.

7. Road transport development in Africa

Recognising the importance of road transport in Africa to regional integration and trade, a specific half-day discussion was held on the theme, in the presence of senior transport experts, including the Chairman of the Sub-Saharan Africa Transport Policy Programme (SSATP).

Views were shared as follows:

- While some progress has been made in completing some of the missing links of the Trans-African Highways, little progress has been made removing non-physical barriers. Trading conditions remain difficult and the benefits of investments remain to be fully attained;
- New results from the World Bank's gravity trade model show the potential benefits of a Trans-Africa Road Network for intra-regional trade;
- RECs have an important role to play in supporting and working with their Member Countries in the removal of non-physical barriers and regional policy harmonisation;

- Corridor management groups, facilitated by SSATP, are showing early signs of success in facilitating transport, such as through the establishment of one-stop border posts. The case of the Northern Corridor in East Africa was cited;
- There is need to make road transport sector more amenable for private sector participation such as the financing of toll roads, maintenance of the highways and to getting the 'right' policy that gives the private sector the confidence to invest. The Spatial Development Initiative (SDI) is one approach that could ensure greater private sector participation and sustainability of investments;
- The Corridor approach at the regional level should complement the sector-wide approach at country level that includes transport services and other transport modes;
- Poor maintenance of roads is still an over-riding constraint and that financing solutions in many countries are yet to be sustainable. Complementary approaches for exploration are, for example, long term performance based maintenance and build and maintain contracts, the increase in government financing through general budget support and the development of sector budget support.

In concluding this session, members agreed on the proposal made by the Secretariat to convene a technical-level meeting covering all transport modes in 2007 with the aim of helping to increase private sector participation.

8. 2007 ICA Work Plan and Budget

The proposed 2007 Work Plan and Budget were circulated to members for comments and possible contributions in cash or kind. France announced they would second an expert to the ICA Secretariat for a period of two years.

9. Venue and date of the next meeting

In light of the proposal to have one senior level meeting a year, the next meeting of the Consortium is provisionally scheduled for early 2008. The date and location of the meeting will be confirmed by the ICA Secretariat.

List of participants
ICA Senior-level meeting, Berlin, 17-18 January 2007

G8		
1	Ned Cabot	Head of Africa Division, US Trade and Development Agency
2	Ronald Greenberg	Chief, Econ.Growth, Env, and Agriculture, Office of Sustainable Development, USAID
3	Louise Clément	Director General for the Pan Africa Program and the Canada Fund for Africa, CIDA
4	Ralf Schroeder	Head of Division, BMZ
5	Andreas Foerster	RD - BMZ
6	Friederike Bauer	BMZ
7	Jochen Hoettcke	G8 Prsidency support UNIT
8	Walter walter	Consultant BMZ /GTZ
9	Jean-Stéphane Couture	Senior Program Officer, CIDA
10	Dr. Michael Hofmann	Director General, BMZ
11	Dr. Manfred Konukiewitz	Deputy Deirector General, BMZ
12	Bruno Wenn	Senior Vice President, SSA, KfW
13	Klaus Ghir	Division Chief, Transport and Regional Infrastructure , KfW
14	Rolf Hennes	Principal Transport Engineer, KfW
15	André Pouillès-Duplaix	Deputy Director, Ministry of Foreign Affairs
16	Christelle Josselin	Institutional and Strategic Dialogue Division - French Development Agency
17	Jean-Francis Benhamou	Economist, Infra. and Urban Dev. Department - French Development Agency
18	Mr Naofumi Hashimoto	Director, Economic Cooperation Bureau, MFA
19	Norimasa Yoshida	NEPAD Advisor seconded to DBSA, JICA
20	Yuka Hananogi	Special Advisor, JICA
21	Sam Sharpe	Pan-Africa Director, DFID
22	Ian Curtis	Senior Advisor, DFID
23	Giancarlo Palma	Ministry of Foreign Affairs, Italy
24	Filippo Scammacca	Head of Financial Cooperation, Ministry of Foreign Affairs, Italy
25	Oleg Vlasov	Senior Counsellor, Ministry of Foreign Affairs, Russia
Multilateral		
26	Michel Wormser	Senior Director Sustainable Development, Africa Region, World Bank
27	Mark Tomlinson	Director, Regional Programmes, Africa Region, World Bank
28	Vivien Foster	Senior Economist
29	Sanjivi Rajasingham	Sector Manager, Transport, Africa
30	Uwe Deichmann	Development Research Group
31	Sascha Djumena	Senior Operation's Officier / World Bank
32	Antonio Garcia Fragio	Head of Eco. Governance Division: Infrastructure, Trade & Regional Integration, EC
33	Bruce Thompson	Head of Infrastructure, Economic Governance Division, EC
34	Dr. Mandla Gantsho	Vice President Infrastructure, AfDB
35	Gilbert Mbesherubusa	Director Infrastructure, AfDB

36	Ali Kies	Division Manager, Transport Division, AfDB
37	Ini Urua	Acting Manager NEPAD Unit, AfDB
38	Amadou Oumarou	Principal Transport Engineer, AfDB
40	Dr. Bane Maleke	Manager, Africa Partnerships Unit, DBSA
42	Robert Fiege	Senior Corporate Planner, European Investment Bank (EIB)
China		
43	Xin Bin	Deputy General Director of Concessional Loan Department, China Eximbank
44	Gao Zhen	Deputy Director, Concessional Loan Department, China Eximbank
45	Li Jingyang	Deputy Representative, Germany, The People's Bank of China
AU/NEPAD		
46	Dr. Bernard Zoba	Infrastructure Commissioner, African Union Commission (AUC)
47	David Kajange	Head of Transport and Tourism, AUC
48	Dr. Maurice Niaty-Mouamba	Consultant Transport Economist, AUC
49	Jean Prosper Miamona	Special Assistant, AUC
50	Reatile Mochebelele	Infrastructure Advisor, NEPAD Secretariat
51	Godwin Punungwe	Transport Advisor, NEPAD Secretariat
Regional Economic Communities		
52	David L.B. Kamara	Director of Infrastructure and Industry, ECOWAS
53	Joao Caholo	SADC Deputy Executive Secretary
54	Remigious Makumbe	SADC Acting Chief Director and Director, Infrastructure and Services
55	Antoine Ntsimi	Deputy Secretary General of ECCAS
56	Jean-Paul Libebele	ECCAS
57	Amos Marawa	Director, Infrastructure Development, COMESA
Other		
58	Ahmed A Alyahya	DG Research and Economic Studies Department, Saudi Fund
59	Abdullah Alsubiai	Senior Civil Engineer, Saudi Fund
60	Robert Okello	Director, NEPAD and Regional Integration, ECA
61	Hachim Koumare	Chairman, SSATP
62	Karim Dahou	Technical Advisor, Africa Partnership Forum
63	Ita Mannathoko	Advisor to the Executive Director, Africa Group 1, World Bank
ICA Secretariat		
64	Alex Rugamba	ICA Secretariat
65	Dr Andrew Roberts	ICA Secretariat
66	Guillaume Grosso	ICA Secretariat
67	Akira Murata	ICA Secretariat
68	Donia Ben Saad	Admin support
69	Jeannette Ndongo	Admin support