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**“Hard Infrastructure Development in Africa  
– the Role of Japan”**

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UNITED NATIONS  
UNIVERSITY



NEPAD

A PROGRAMME OF THE AFRICAN UNION

**AFRICAN DIPLOMATIC CORP**

NEPAD Planning and Coordinating Agency  
Agence de Planification et de Coordination du NEPAD

# Presentation Outline

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- ❖ **What is NEPAD?**
- ❖ **Africa's Economic Growth & Infrastructure**
- ❖ **The Programme for Infrastructure Development in Africa (PIDA)**
- ❖ **The NPCA & Japan Towards TICAD V**
- ❖ **The Way Forward**

# What is NEPAD?

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## What is NEPAD?

✓ New Partnership for Africa's Development (NEPAD)

✓ NEPAD was created during the African Union Summit in July 2001 in Lusaka (Zambia)

✓ **Vision & Strategic Policy Framework** – to accelerate Africa's Regional and continental integration, in the context of creating the African Economic Community by 2028

# What is NEPAD?

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## Nepad Agency Mandate

- ✓ Coordinate the implementation of continental and regional priority programmes and projects
- ✓ Mobilize resources and partners
- ✓ Monitor and evaluate the implementation
- ✓ Research & knowledge management
- ✓ Advocate on the vision, mission and core values of the AU and NEPAD Programme

# What is NEPAD?

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## NEPAD Thematic Areas

**Agriculture and Food  
Security**

**Regional integration  
and infrastructure**

**Climate Change and  
Natural Resource  
Management**

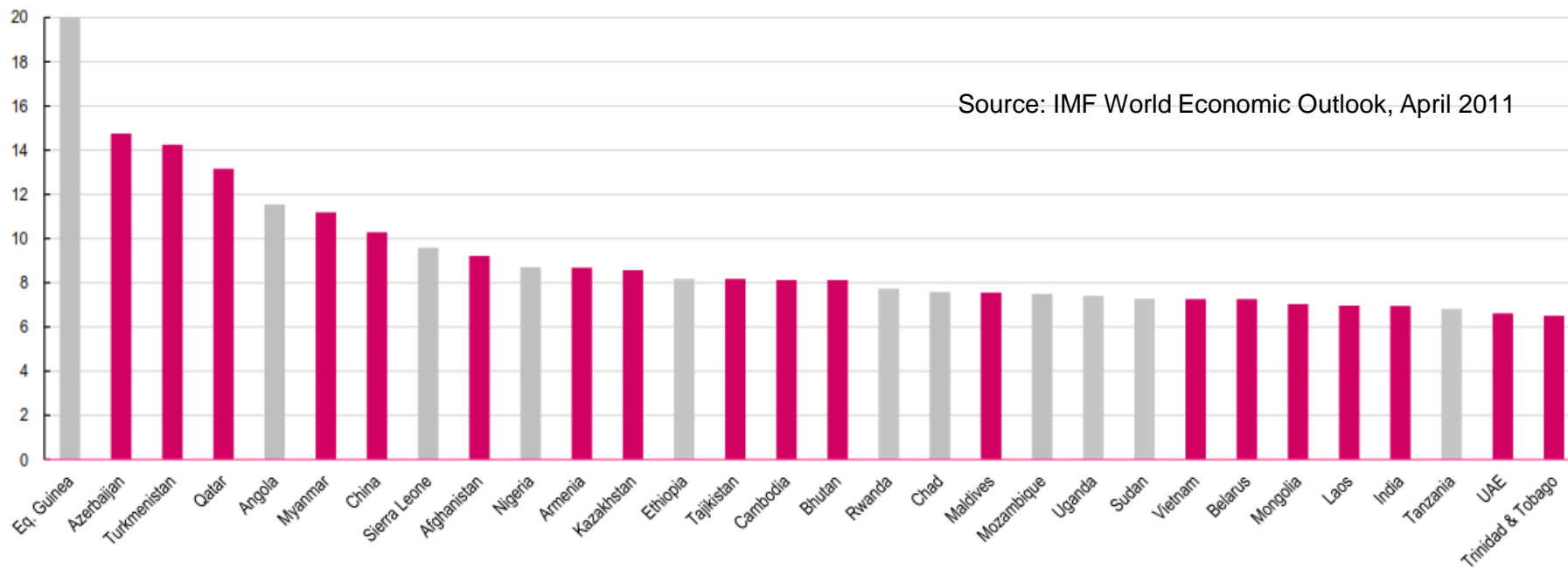
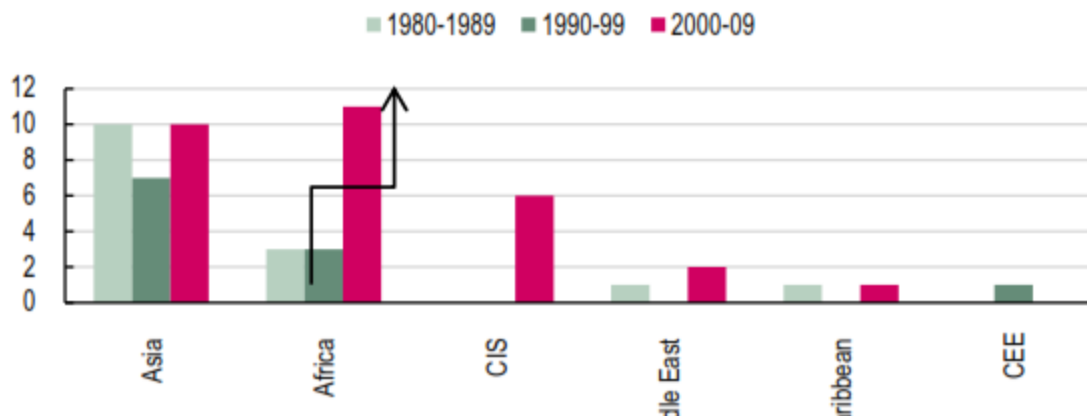
**Human Development**

**Economic and  
Corporate Governance**

**Cross-cutting issues**

# Africa's Economic Growth

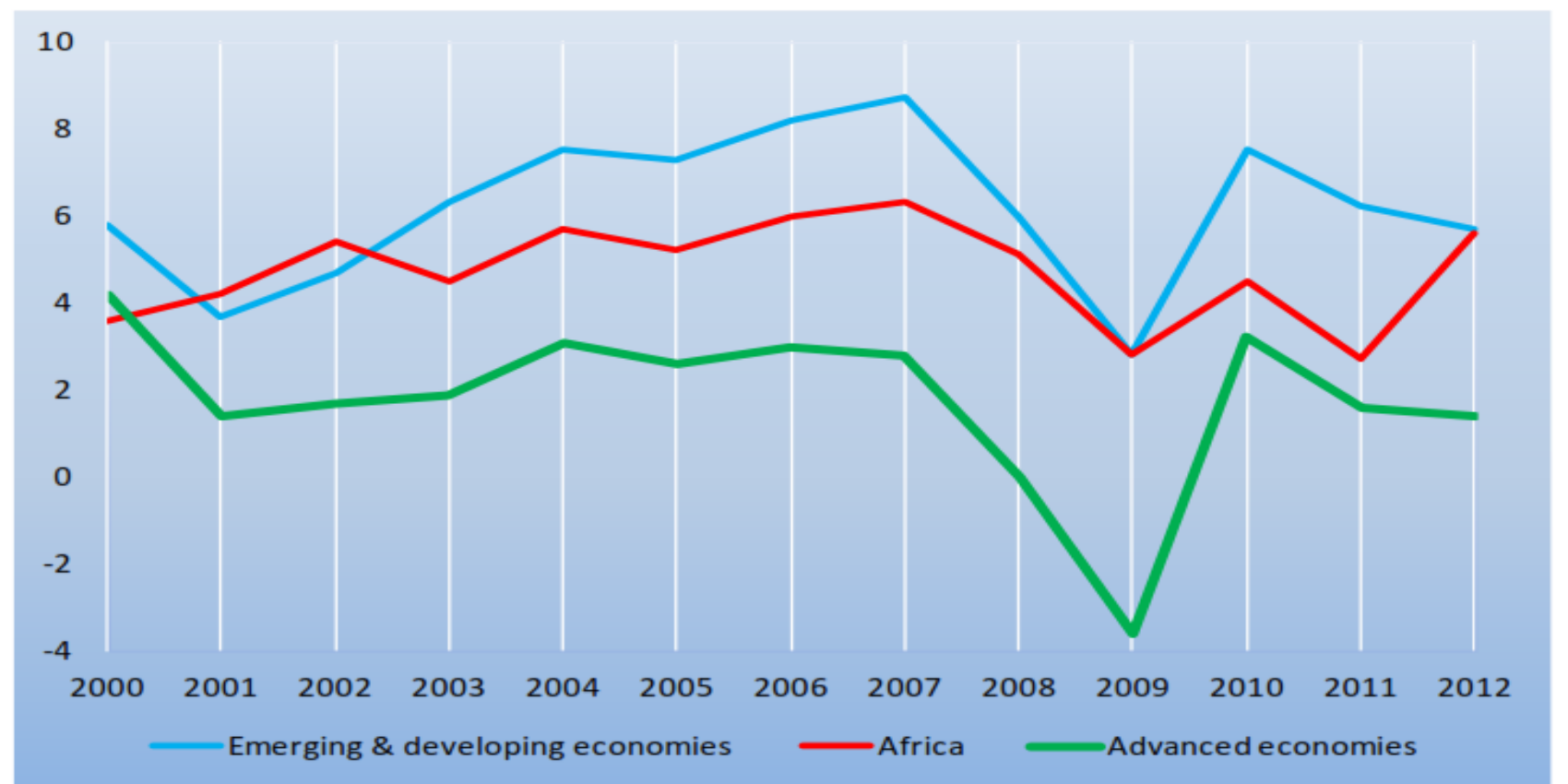
11 of the World's fastest Growing Economies are in Africa



Source: IMF World Economic Outlook, April 2011

# Africa's Economy

Real GDP Growth



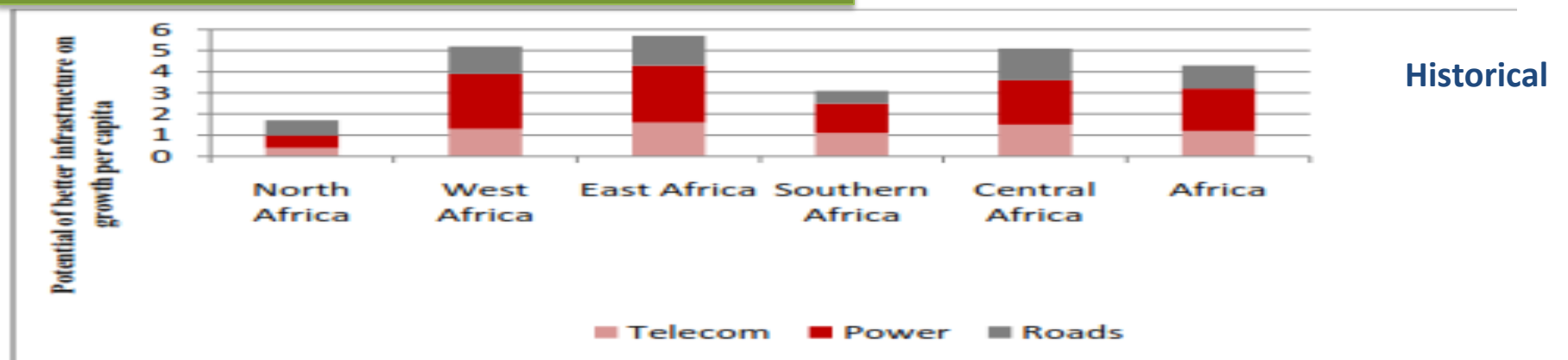
Real GDP Growth	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Emerging and developing economies	5.8	3.7	4.7	6.3	7.5	7.3	8.2	8.7	6.0	2.8	7.5	6.2	5.7
Africa	3.6	4.2	5.4	4.5	5.7	5.2	6.0	6.3	5.1	2.8	4.5	2.7	5.6
Advanced economies	4.2	1.4	1.7	1.9	3.1	2.6	3.0	2.8	0.0	-3.6	3.2	1.6	1.4

Source: WEO April 2012 and calculations using WEO data.

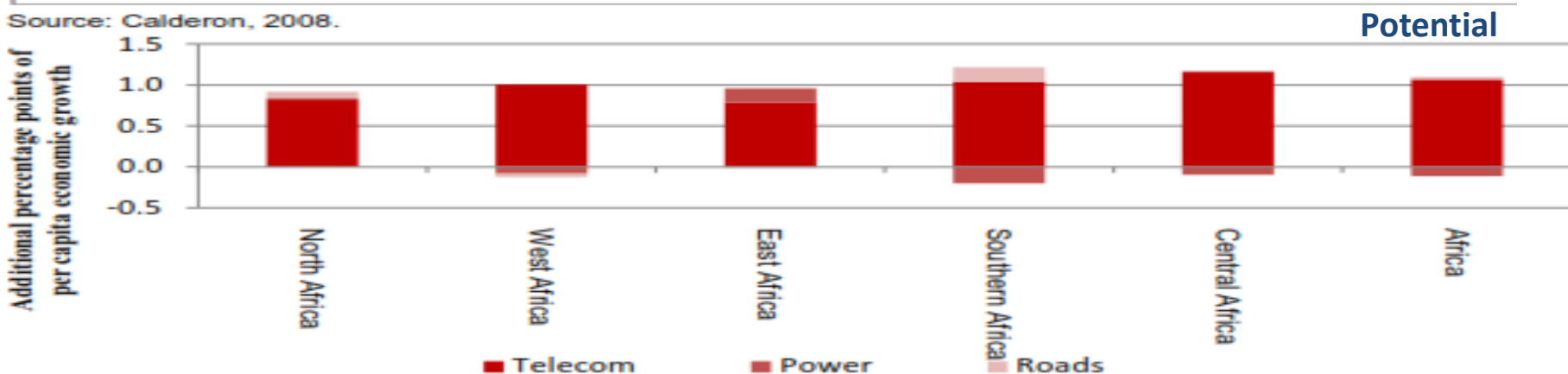
# Infrastructure Contribution to Economic Growth

*Infrastructure contributed to over half of Africa's improved growth performance*

*Infrastructure's Contribution to growth Performance  
(% GDP per capita per year)*



Source: Calderon, 2008.



*Infrastructure could potentially affect growth by more than 2.5% with system upgrades and improvement in power.*



# Africa's Infrastructure Challenges

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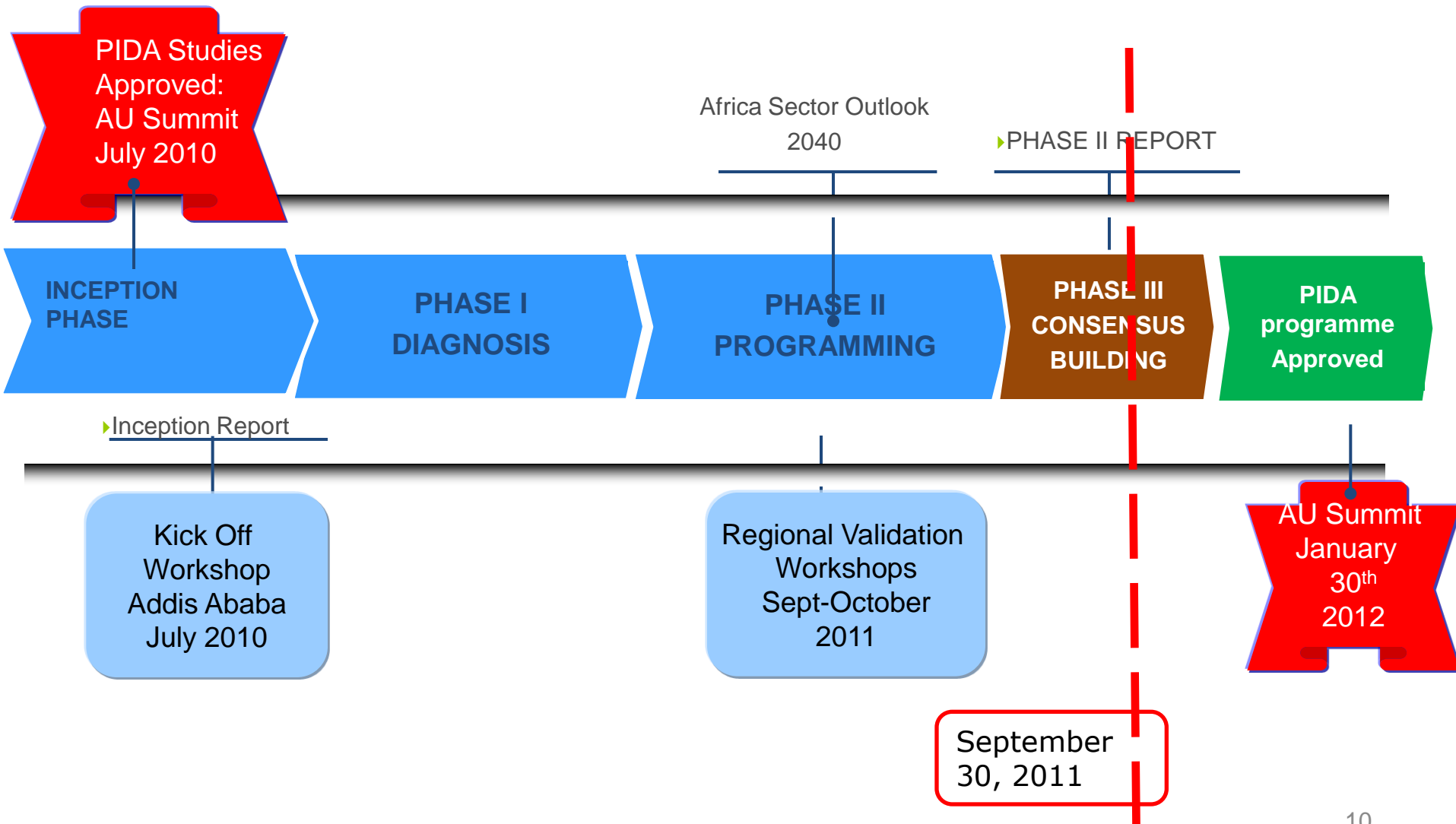
Sound infrastructure is the *lifeline* of a modern economy that *powers* economic growth

## AFRICA'S INFRASTRUCTURE FINANCING GAP

- ✓ Approx. **US\$60 to \$93bn /yr** is needed to meet current deficit
- ✓ Current spending **\$45bn /yr**
- ✓ Further **\$17bn** can be gained with improved efficiency

**Funding Gap of \$31bn** (75% capital & 25% Maintenance)!

# The Programme for Infrastructure Development in Africa (PIDA)



## 4 socio-economic drivers

Population  
Growth

Increase in  
Trade

Education

Technology  
Windfall

## PIDA Strategic Framework



## Macro economic Outlook 2040 : Africa GDP Projections

- ▶ The PIDA programme relies on **macro and sector outlooks to 2040 grounded on a 6.2%** annual rate of growth of African GDP
- ▶ The **main drivers** of this growth are **population, trade, technology windfall and education** .



- ▶ Africa's economic performance 2005-2008 exceeded 6%; the forecast 2011-2013 is above 5% higher than Europe and America as they recover from the global economic and financial crisis.



Projected GDP growth

**six fold GDP increase by 2040 and a per capita income above \$10,000 in 2005 PPP**

## PIDA Priority Action Plan (PAP)

Sector	Number of Projects	Investment Required (Bn. USD)
Energy	15	40.3
Transport	24	25.4
Water	9	1.7
ICT	3	0.5
<b>Total</b>	<b>51</b>	<b>67.9</b>

While the overall capital cost of PIDA's long-term implementation to 2040 is currently estimated at more than *\$360 billion*, the overall capital cost of delivering the PAP through 2020 is expected to reach *\$68 billion* or about *\$7.5 billion* annually.

# PIDA

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**Weak infrastructure remains the major constraint to growth and achieving the Millennium Development Goals. Thus more of an urgent need to improve *public-private partnerships* and implement *PIDA PAP*.”**

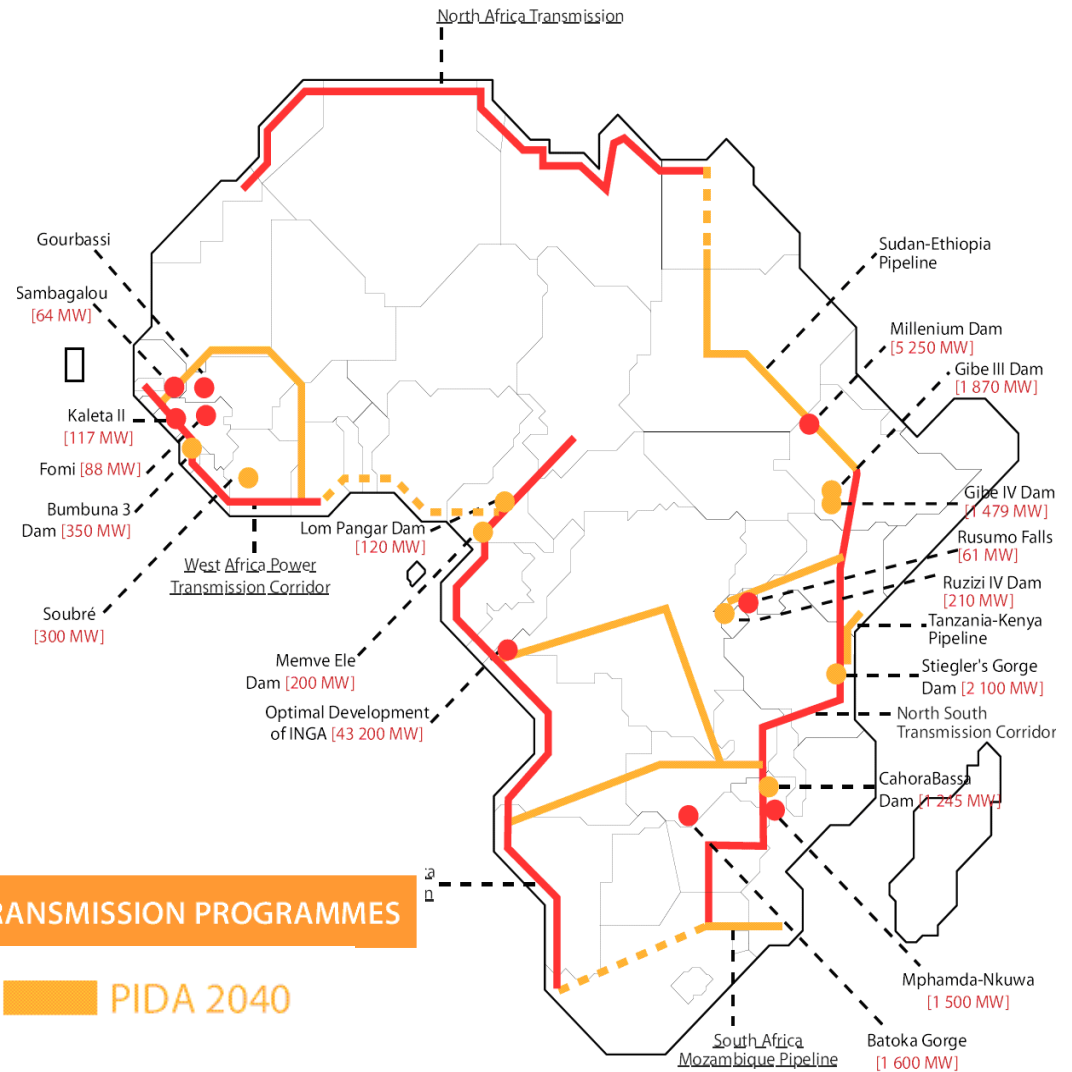
## **PIDA PAP Deliverables**

- ✓ **Energy:** 35% of the population have access to electricity by 2020;
- ✓ **Transportation:** the proportion of people living beyond 2km from an all-season road halved by 2015;
- ✓ **Water & Sanitation:** 75% reduction of the portion of people without access to safe water and sanitation by 2015.
- ✓ **ICT:** all African capitals and major cities interconnected by 2012.

# PIDA OUTCOMES: The PAP

## PIDA ENERGY PAP: 2020&2040

The energy infrastructure program focuses on major hydroelectric projects and interconnects the power pools to meet the forecast increase in demand. One regional petroleum products pipeline is also included.



ENERGY - PIDA 2040 & PIDA PAP - GENERATION AND TRANSMISSION PROGRAMMES

PIDA PAP 2020

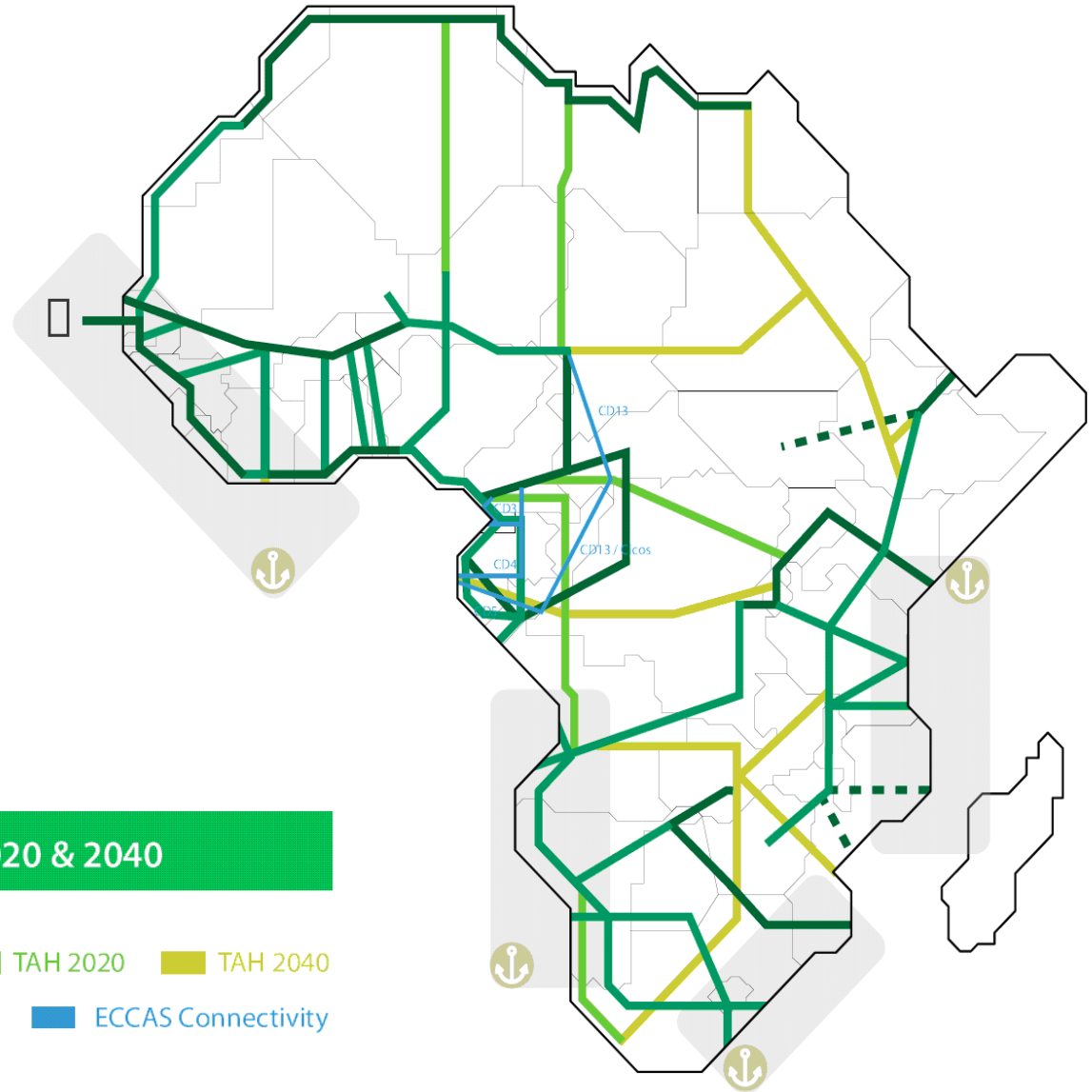
PIDA 2040



# PIDA OUTCOMES: The PAP

## Transport Networks: 2020&2040

The transport program links the major production and consumption centers, provides connectivity among the major cities, defines the best hub ports and railway routes, and opens the land-locked countries to improved regional and continental trade.



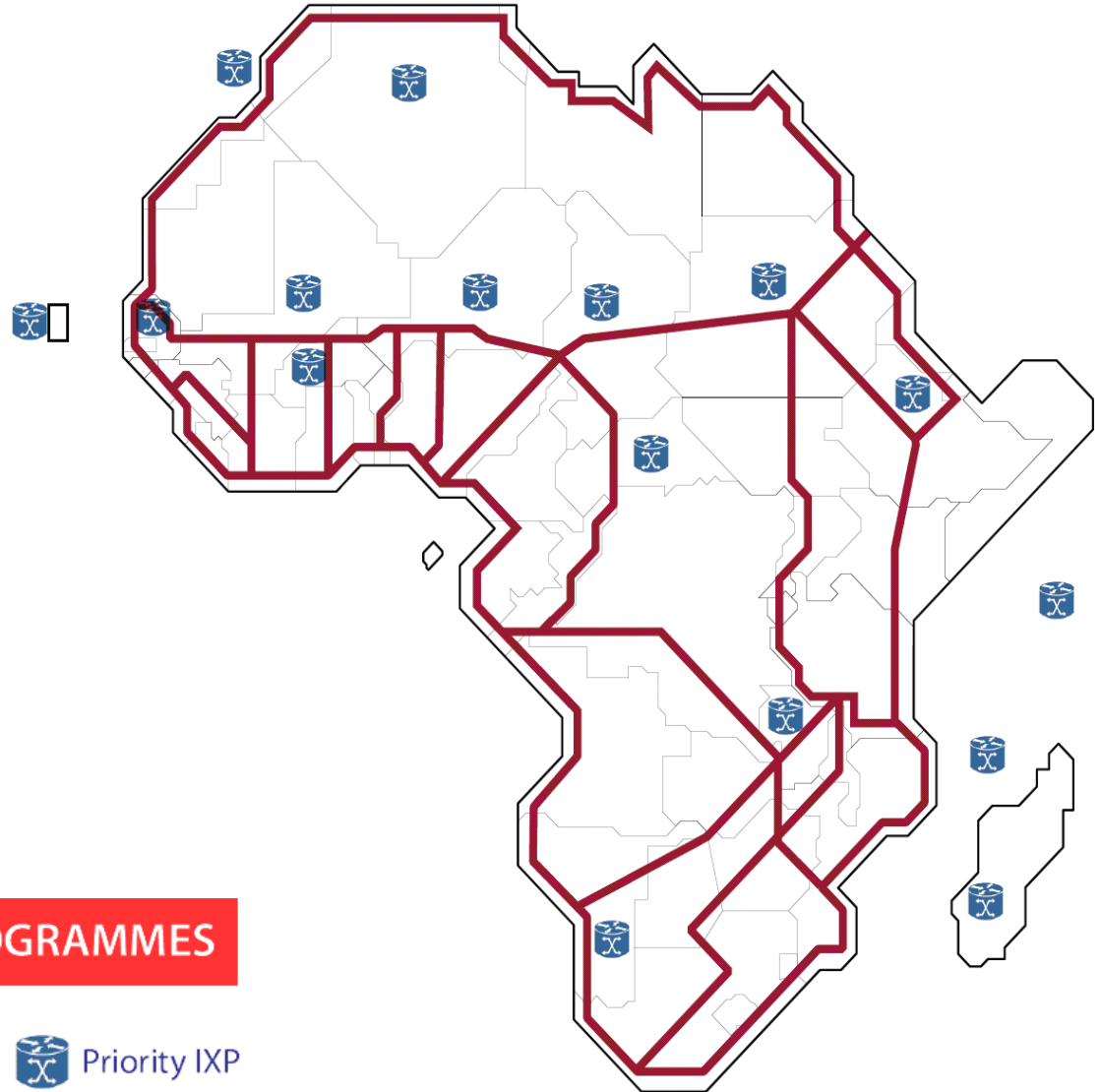
### PIDA - TRANSPORT NETWORKS 2020 & 2040

- Corridor 2020
- Corridor 2040
- TAH 2020
- TAH 2040
- Hub Port Programmes
- ECCAS Connectivity

# PIDA OUTCOMES: The PAP

## ICT: 2020&2040

The ICT program will establish an enabling environment for completing the land fiber optic infrastructure and installing Internet exchange points in countries without them. It will connect each country to two different submarine cables to take advantage of the expanded capacity.



### ICT PIDA PROGRAMMES

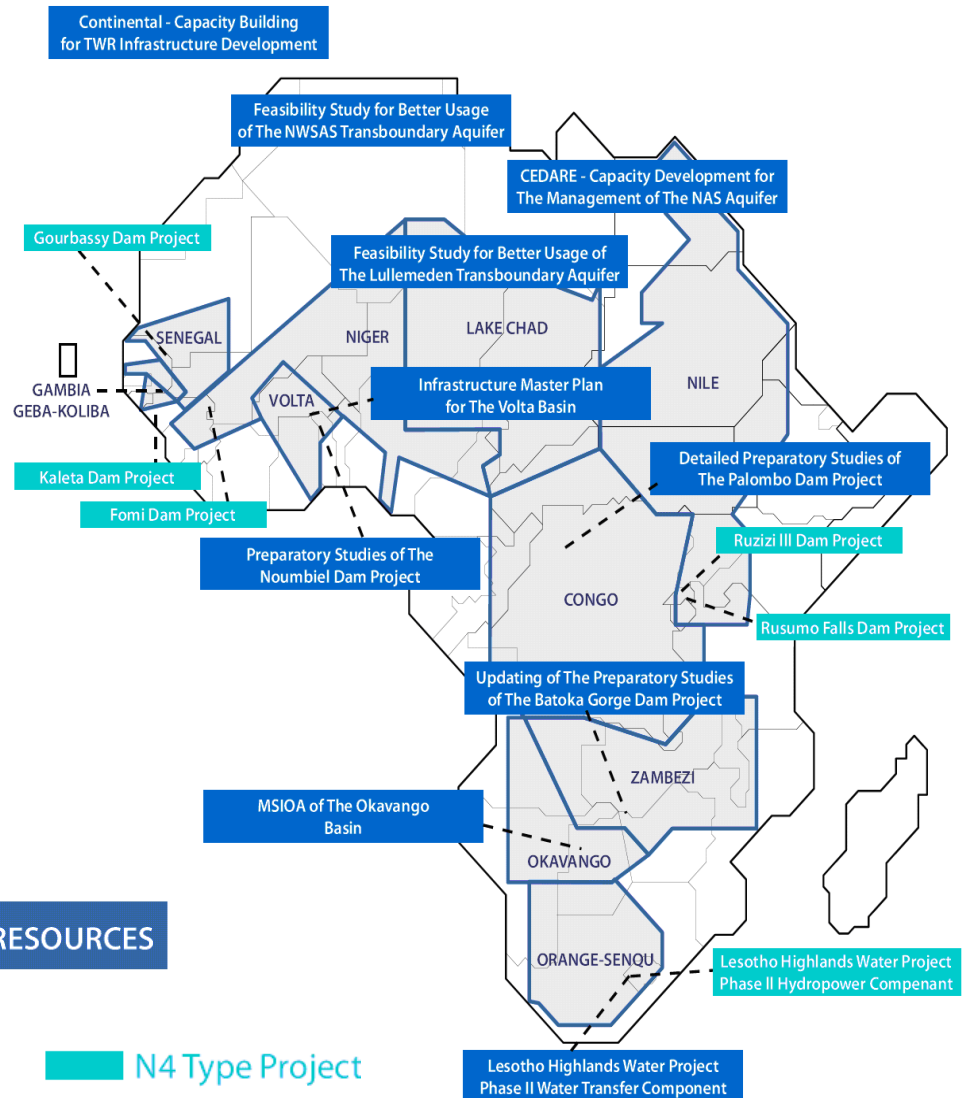
TERRESTRIAL CONNECTIVITY

Priority IXP

# PIDA OUTCOMES: The PAP

## Water Resources: 2020&2040

The transboundary water program targets the development of multipurpose dams and builds the capacity of Africa's lake and river basin organizations so that they can plan and develop hydraulic infrastructure. The program would also help address the looming food deficit.



PIDA WATER RESOURCES PAP - TRANSBOUNDARY WATER RESOURCES

# The Role of Japan in PIDA

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- ✓ **Prioritizing Regional Projects:** Japan called upon the African stakeholders to accelerate formulation of a medium- to long-term strategic plan for infrastructure development to achieve prioritization.
- ✓ **One of the Key Inputs to the PIDA study:** JICA-funded “Preparatory Survey for Southern Africa Integrated Regional Transport Programme Study,” Final Report dd. March 2010.
- ✓ **Survey Results shared with the NPCA and the PIDA Study Project Management Team addressed:** potential priority road corridors, highlighting the ‘missing links’ and areas of possible collaboration with RECs and challenges facing the development of regional power network

# The NPCA's Role in TICAD Process

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- ✓ **TICAD III** set the stage for NEPAD's role in TICAD process, when the international community including Japan recognized NEPAD as the development blueprint for Africa.
- ✓ The current role of **NEPAD/NPCA in TICAD** is to provide strong advocacy and, through the AUC, bring convening resources to aid the process.

# The Way Forward

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The **PIDA studies outcome** (i.e. the PIDA PAP) will most likely influence the infrastructure development priorities of Africa for the next 20 - 30 years, given the consensus around PIDA between Africa and its G8/ G20 partners.



Rally TICAD  
Partners  
around  
PIDA

The outcomes from aligning the national, regional & continental priorities should be a guide for setting the TICAD V priorities...

*....thus enhancing regional and continental integration bringing Africa closer to the vision of the Economic Community by 2028 as envisioned in the Lagos Plan of Action .*

***The NEPAD Agency is ready to facilitate the process of reaching an African consensus, on the next phase of TICAD, in which your role as African government representatives, is crucial.***

ありがとう

***Thank you  
for your Attention***

***Merci de votre  
Attention***