



Africa's Time for
ACTION

The Role of JAPAN in PIDA

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Interconnecting, integrating and
transforming a continent

Programme for Infrastructure
Development in Africa

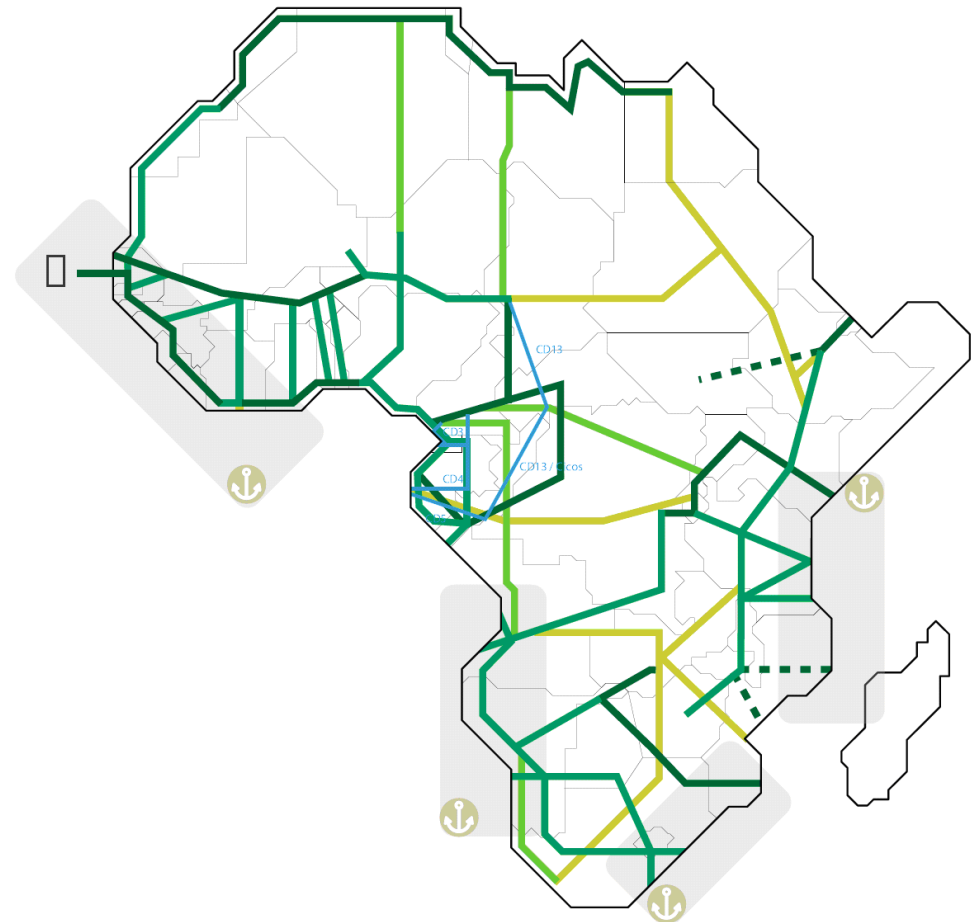
LONG-STANDING COLLABORATION WITH JAPAN

- **The Yokohama Action Plan/Tokyo International Conference on African Development (TICAD) IV**
 - The Steady progress made in the implementation of the Yokohama Action Plan
- **The Enhanced Private Sector Assistance (EPSA) Initiative**
 - At the Gleneagles Summit in 2005, EPSA to be announced and pledged by the Government of Japan (GOJ), providing total of US 1 billion over the five years.
 - As of end of 2010, GOJ had committed the following total amount;
 - EPSA Non-Sovereign Lending (USD 500 million)
 - Accelerated Co-Financing Facility (ACFA) (USD 484.29 million)
 - Fund for Africa Private Sector Assistance (FAPA) (US 34 million)
- **Cooperation with Infrastructure Consortium for Africa**
 - In-kind Contribution
 - Lead member of the ICA Transport Sector Platform

Transport Networks

24 items-USD 25 bn

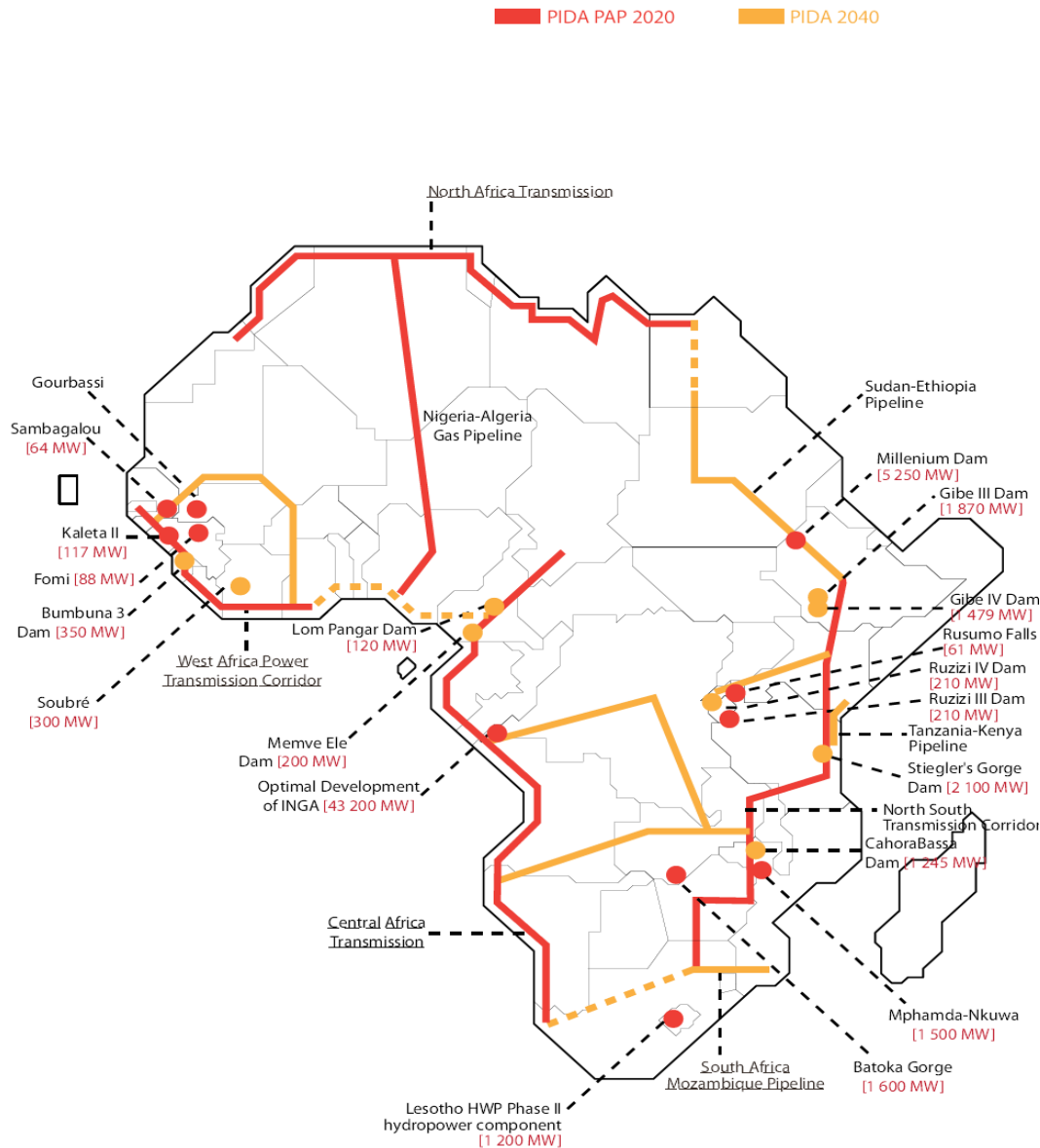
The transport program links the major production and consumption centers, provides connectivity among the major cities, defines the best hub ports and railway routes, and opens the land-locked countries to improved regional and continental trade.



Energy

15 items-USD 40 bn

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.



INVESTMENT NEEDS

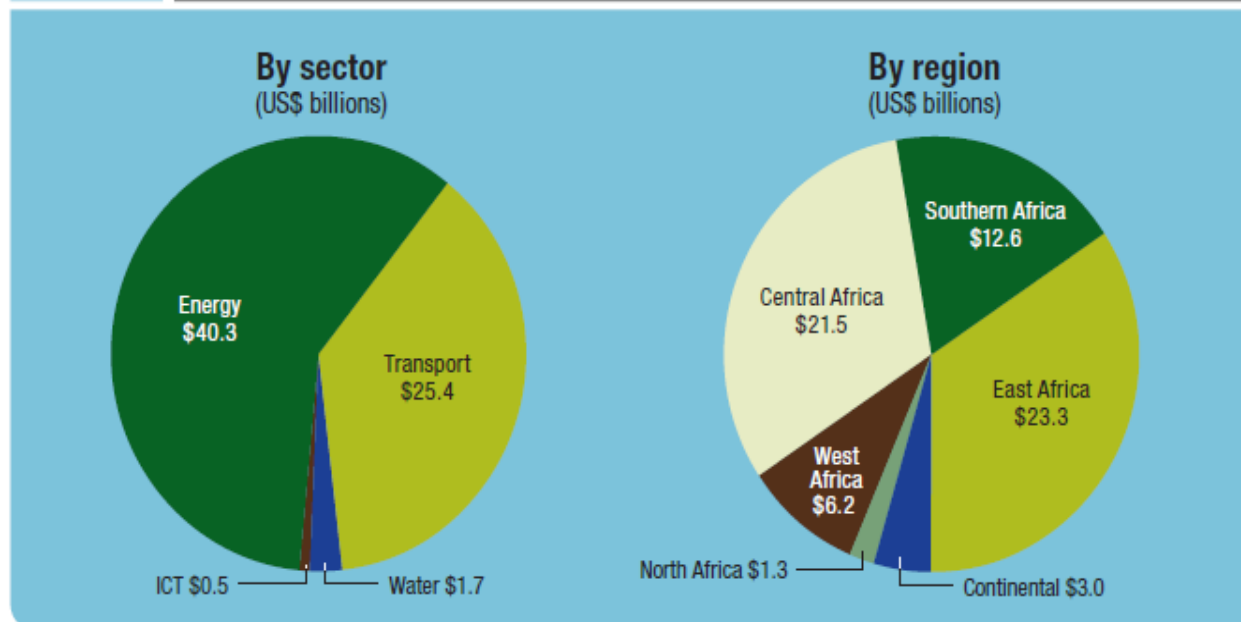
PIDA's long-term implementation through 2040: **More than US\$ 360 billion**

PAP from 2012 through 2020:

Nearly US\$ 68 billion or about **7.5 billion** per year
Plus US\$ 200 million per year for project preparation

Figure 1

Total capital cost of PIDA's PAP by sector and region: \$67.9 billion through 2020



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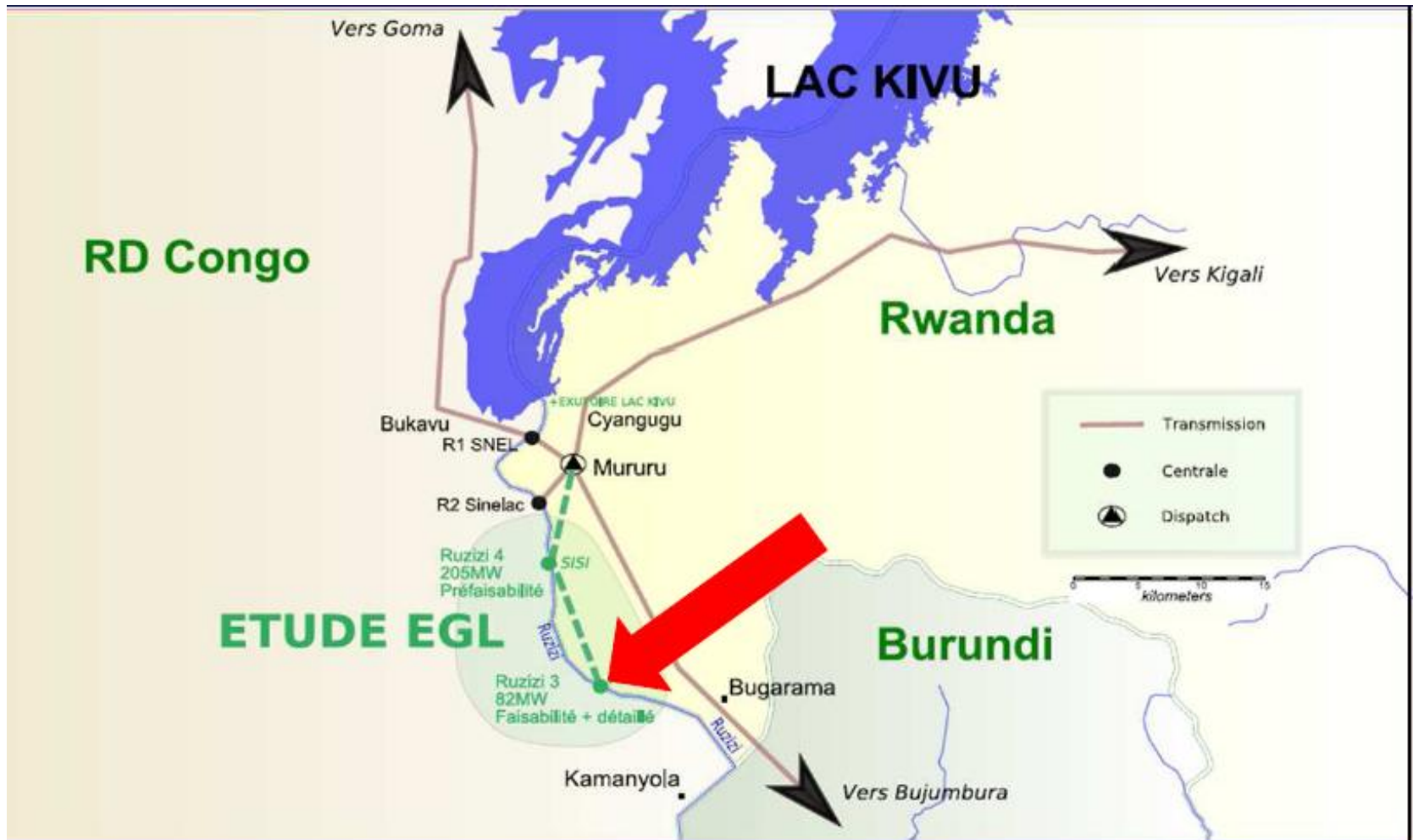


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Example of a PIDA PPP

Ruzizi III Hydropower Project



The Ruzizi III project-Fact

- Ruzizi River has potential for 5 hydro power facilities with a combined capacity of 600 MW
- Nominal capacity of the Ruzizi III Hydro Power Plant is 147 MW
 - Annual Production 700 GWh
- Anticipated cost 420 Mill EUR
- Anticipated commissioning 2016
- Three Governments involved
 - Democratic Republic of Congo
 - Rwanda
 - Burundi
- Off takers utilities of the three countries (SNEL, REDIGESO and EWSA) on 25 years Power Purchase Agreements

The Ruzizi III project-Structure

- Public Private Partnership (PPP)
 - Private developer will Build, Operate and Transfer (BOT) the facility to the Governments after 25 years
 - 70/30 sharing between private developer/public partners
 - Three Governments will contribute with 10% of the equity each
- Three potential private investors have been prequalified and the tender for selection of the investor is ongoing. Investor will be selected in September 2012
- Private investor to be selected on a 'Rate of Return' basis and revenues will be based on the capacity made available by the investor
- Financial close is expected in beginning of 2013
- Large interest from Development Financing Institution (EIB, AfDB, DBSA, AFD, KfW, IFC and others)
- First Regional PPP in the region

FUTURE COLLABORATION WITH JAPAN

- Renewed emphasis on boosting economic growth
- Emphasis on the importance of creating an enabling environment where the private sector can play a greater role as an engine for growth
- Financing PIDA projects with Yen loan, Grant, and Private investment
- To build key capabilities in RECs/Countries to be able to monitor, evaluate, manage and deliver PIDA
- Promotion of infrastructure development through Public Private Partnership (PPP) and formulation of bankable PPP projects

Thank you
for your attention

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