



Draft Concept Note

Policy Dialogue on Facilitating the Implementation of the Programme for Infrastructure Development in Africa (PIDA)

Theme: *Regional and Continental infrastructure to unlock access to remote and rural areas of Africa*

**19 - 22 December, 2018
Addis Ababa, Ethiopia**

I. BACKGROUND

The development of infrastructure in Africa is an integral part of the African Union Agenda 2063, which captures the aspirations of the African people. In the context of unlocking access to basic infrastructure to rural and remote areas of Africa, Aspiration One of the AU Agenda 2063 aims for a "prosperous Africa based on inclusive growth and sustainable development" with the objective of promoting social, economic, human and political development.

The importance of regional integration for supporting Africa's economic development has long been recognized by African Leaders, who have consistently expressed their desire to build a common market for goods and services (Abuja Treaty, 1991). The African Union Heads of State and Government adopted the Programme for Infrastructure Development in Africa (PIDA) in January 2012, as the only African-owned strategic framework for regional and continental infrastructure development in Africa.

The Programme for Infrastructure Development in Africa (PIDA), which serves as the reference programme for regional and continental infrastructure development in Africa aims to facilitate economic and social integration on the continent through improved access to integrated regional and continental infrastructure networks and services. PIDA covers four (4) main sectors including transport, energy, Information and Communication Technology (ICT) and trans-boundary water. The implementation of PIDA is prioritised into three (3) main phases including: (1) short term (2012-2020) also referred to as the PIDA Priority Action Plans (PIDA PAP), medium-term (2020-2030) and long-term (2030-2040).

Since the adoption of PIDA in January 2012, notable achievements have been recorded in all four sectors, ranging from establishing institutional and operational structures to projects preparation and implementation. Furthermore, member States have taken significant strides in ensuring the implementation of the PIDA projects. From the 433 individual project fiches, about 32% (131 projects) are either under construction or already operational, 16% are currently being structured for tendering, while about 26% have moved from concept to pre-feasibility and feasibility phases.

Despite the significant progress made in the implementation of the PIDA PAP, there is still an urgent need to continue engaging with all relevant stakeholders to ensure the accelerated delivery of regional and continental infrastructure.

Some of the major pre-requisites for the continued success and acceleration of PIDA implementation include harmonisation of regional policies between Regional Economic Communities (RECs), coordination of stakeholders, creation of enabling policy and financial environment to facilitate private sector investment, greater focus on project development to generate more bankable projects and to leverage a larger pool of capital to fund them, amongst others.

On the other hand, the achievement of an inclusive socio-economic development and transformation on the continent requires the development of adequate infrastructure at the continental, regional, national and local levels including in rural and remote areas.

Various types of infrastructure are required to provide commodities and services essential to enable, sustain, or enhance societal living conditions. These include: Public utilities – power, telecommunications, piped water supply, sanitation and waste management; Public works – roads, highways, bridges, major dams and canal works for irrigation and drainage; Other transport sectors – urban and inter-urban railways, urban transport, ports and waterways, and airports and airways and social infrastructure such as health, education and financial services. These aspects of infrastructure can be classed as either “economic” or “social/soft” infrastructures¹.

Although Africa is one of the fastest urbanizing regions in the world at a rate of 3.7% per year, 60% of Africa’s population currently live in rural areas. Even with the current rate of urbanisation, more than 40% will still live in rural areas by 2050. Rural areas in Africa are generally characterised by the absence or low levels of access to infrastructure mainly due to the nature of settlements, low economic activities, and distance to access points as well as low population density. Rural areas are also often overlooked in regional and national development plans, which means there are limited opportunities and facilities to stimulate and promote socio-economic activities in these areas. These contribute more in widening the development and socio-economic divide between urban and rural areas.

Most of Africa’s rural population is engaged in agricultural activities from which they earn a living and contribute to food production. The paradox is that rural areas contribute significantly to the African economy despite having little or no access to basic infrastructure. According to the International Fund for Agricultural Development (IFAD)², small farms continue to provide livelihoods for up to 2.5 billion people and account for up to 80% of food produced in Asia and sub-Saharan Africa. In a fast-changing world, rural areas must transform rapidly in order to be sustainably included in growing economies and to contribute to overall prosperity. According to African Development Bank (2010), some 85% of crop production takes place within six hours travel time from the largest cities

Meanwhile, PIDA projects mainly focus in linking big cities while the rural communities which may or may not be disrupted by the construction of these infrastructure projects do not directly benefit from them. In this context, the Specialized Technical Committee on

¹ **Economic infrastructure** is defined as the infrastructure that promotes economic activity, such as roads, highways, railroads, airports, sea ports, electricity, telecommunications, water supply and sanitation. **Social infrastructure/soft Infrastructure** (such as schools, libraries, universities, clinics, hospitals, courts, museums, theatres, playgrounds, parks, fountains and statues) is defined as the infrastructure that promotes the health, education and cultural standards of the population – activities that have both direct and indirect impact on the welfare and lifestyle.

²Rural Development Report 2016

Transport, Interregional and Intercontinental Infrastructure, Energy and Tourism in March 2017 adopted the concept of a new programme to unlock access to rural and remote areas through integrated infrastructure services.

In the development of a strategic document to unlock access to remote area in Africa, the AU Department of Infrastructure and Energy has recruited two companies, one in charging of drafting the strategy and policy framework and the other to assess the Mid-Term Review of the Priority Action Plan of PIDA.

The mid-term review of PIDA provides an opportunity to examine the nexus between PIDA and the African Continental Free Trade Area (AfCFTA) as well as the continent's industrialisation agenda. Viewing PIDA from AfCFTA and industrialisation perspectives shed light on the interface between the programme and access to rural and remote areas as natural resources that are critical for trade and industrialisation and are often located in these areas. It is, therefore, important to link rural and remote areas to PIDA and hence to regional markets.

To this end, the continental PIDA implementing partners – the African Union Commission (AUC), the NEPAD Planning and Coordinating Agency (NPCA), the African Development Bank (AfDB), and the United Nations Economic Commission for Africa (UNECA) – are organising a Policy Dialogue to develop strategies for better coordination and harmonisation of efforts and commitments. Special emphasis will be made on the contribution of regional infrastructure to unlocking access to remote areas using an integrated infrastructure service approach.

The theme of the conference is: ***Regional and Continental infrastructure to unlock access to remote and rural areas of Africa.***

II. OBJECTIVE

The main objective of the Policy Dialogue is to provide a platform for PIDA stakeholders to create synergies between the different implementation institutions, regional and continental and other stakeholders.

Specifically, the dialogue aims to:

- Achieve a consensus on enhanced coordination and harmonisation of efforts amongst all the stakeholders and minimise duplication through a joint understanding of PIDA, its instruments and the way towards PIDA-PAP 2;
- Identify key policy and regulatory frameworks that will facilitate and accelerate the delivery of PIDA PAP projects;
- Promote the maximising of socio-economic impacts of PIDA Projects using Infrastructure Development as an instrument to create jobs and improve the standard of living in remote and rural areas; and
- Propose strategies for creating an enabling policy and financing environment for private sector engagement, funds mobilisation and implementation of infrastructure projects, as well as engagement of Non-African partners.

III. DATE AND VENUE

From **19 to 21 December 2018** in Addis Ababa, Ethiopia.

IV. PARTICIPANTS

The conference is expected to be attended by more than 300 people including continental organizations (AUC, UNECA, NPCA, AfDB), Member States, RECs, Specialised Institutions (SIs), Academia, Civil Society Organisations (CSOs), specialized institutions, start-ups, private sector, civil society organizations, journalists, gender specialists, youth and international partners.