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AI Infrastructure Newsletter

CONNECTING AFRICA



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COMMISSION

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*Dr. Jean Ping,
Chairperson, African Union Commission*

MOT DU PRESIDENT

«L'Afrique, un continent fort et uni à travers le développement des infrastructures»

La réalisation d'une croissance économique durable est l'un des défis majeurs de notre Continent. L'amélioration des infrastructures représente dans ce cadre, une des conditions essentielles contribuant à la réduction de la pauvreté et au développement du Continent et qui participe à la mise en œuvre de la Vision de l'Union Africaine, à savoir, l'unité du Continent. En effet, les infrastructures ne sont pas seulement un vecteur de croissance et du commerce. Elles constituent également un facteur important dans l'intégration du Continent et pour la consolidation de la Paix et la Stabilité.

“Infrastructure” et “Intégration” sont donc les deux piliers qui contribuent fortement à une croissance économique plus soutenue en Afrique et à la réalisation de la Vision de l'Union Africaine. La nécessité de l'intégration régionale comme moyen essentiel pour le développement de l'Afrique a d'ailleurs été rappelée dans le Traité d'Abuja de 1991. Elle permet en effet, d'augmenter sensiblement la portée du marché africain en réalisant d'importantes économies d'échelle capables

de justifier le développement de grands programmes d'infrastructure, tels que les réseaux de production et de distribution d'énergie, les réseaux de transport, tous modes confondus, ainsi que ceux des télécommunications via les technologies de l'information et de la communication. Elle va également susciter et accroître l'intérêt du secteur privé.

Ceci explique la place et la priorité accordées par la Commission de l'Union Africaine et les Communautés Économiques Régionales au développement du secteur des infrastructures. Les nombreuses actions initiées ces dernières années dont le lancement en juillet de l'année dernière du Programme PIDA, illustrent les efforts que nous avons déployés dans ce sens. Les principaux objectifs sont, entre autres, de favoriser l'intégration des marchés africains à travers une meilleure connectivité, de réduire les coûts de services et de faciliter les investissements ainsi que le transfert des technologies en Afrique.

Ainsi, avec des cadres juridiques et réglementaires de plus en plus harmonisés, comme ce que l'on voit en Afrique de l'Est, par exemple, l'intégration des infrastructures, des marchés des biens, des finances, de l'emploi et de l'énergie va assurer l'économie d'échelle et la concurrence.

Pour plusieurs pays africains sans littoral, la question d'accès à la mer reste vitale, car elle facilite les échanges transfrontaliers et la coordination des investissements des infrastructures transfrontalières.

La coopération transfrontière dans le développement des infrastructures et de leurs services réduit substantiellement leurs coûts entre les Etats membres concernés et améliore leur fiabilité. Le système d'échange d'énergie électrique en Afrique Australe est une illustration parfaite de cette approche, car elle autorise un partage optimal des ressources et une réduction significative des coûts de production d'électricité.

Dans une large mesure, les préalables pour une intégration régionale réussie sont politiques, notamment la paix intérieure et la sécurité dans les pays, l'engagement politique et civique et le renforcement de la coopération entre les Etats membres. Si la subsidiarité demeure le principe de base, la création d'un environnement d'affaires pour une meilleure intervention du secteur privé n'en reste pas moins une des préoccupations majeures.

Sur le plan économique, ces conditions préalables se traduiraient par un minimum de stabilité macroéconomique et de bonne gestion financière. Il s'agit aussi de procéder à des réformes nationales adéquates visant à créer des marchés plus importants par leurs nouvelles tailles régionales.

Pour leur part, la Commission de l'Union Africaine et les Communautés Économiques Régionales continuent donc à œuvrer à travers leurs programmes respectifs, à atteindre ces objectifs du Traité d'Abuja, pour assurer un développement économique et social durable de l'Afrique.

EDITORIAL

"Infrastructure and policy to strengthen institutional capacity in Africa"



H.E. Dr. Elham Mahmoud Ahmed IBRAHIM
AU Commissioner for Infrastructure & Energy

Today, the establishment of an adequate institutional framework to create an environment conducive to the harmonious development of interconnection facilities for African countries is a key concern of the African Union and development partners.

Thus, at the 23rd Summit of Heads of State and Government of NEPAD, held in Kampala, Uganda, July 24, 2010, the Zuma initiative was adopted with the aim to appoint Heads of State 's politically involved in sponsoring and promoting the effective implementation of some major infrastructure projects, hence the name of heads of state championship of these projects.

Similarly, the AU Executive Council at its 17th Ordinary Session held in Kampala from 19 to 23 July 2010, decided to establish the Institutional Architecture for Infrastructure Development in Africa (IAIDA).

Indeed, after more than five decades, the major trans-African highway projects, large hydro-electric dams, rail iron and more recently terrestrial fiber optic remained mere dreams. For example, Cairo is still not connected to Cape Town via Gaborone, and also from Dakar to Djibouti; Rail Dakar-Bamako-Niamey, Abidjan-Ouagadougou-Niamey (RAN) and Cotonou-Niamey, Africa 's West, are still not realized. To this we may add, without being exhaustive, the largest hydroelectric dam of Inga in the Democratic Republic of Congo, the bridge over the River Gambia and that on the Congo River from Brazzaville and Kinshasa, are still not built.

It is within this context that the Programme of Infrastructure Development in Africa (PIDA) was launched as a unique political and strategic framework for harmonization of sectoral policies and programs for transportation, energy, transboundary water, telecommunications and ICT.

The effective implementation of PIDA requires not only large investments estimated at over U.S. \$ 80 billion over the next ten years, but also a rigorous collaborative complex cross-border projects management, involving the intervention of multiple actors.

Indeed funding of regional and continental infrastructure is the major challenge for African countries. But the lack of appropriate institutional frameworks for coordination and limited capacity of Regional Economic Communities (RECs) and the various specialized continental structures hampers every effort to meet these challenges.

Today, examples of projects such as the transport corridor Dakar-N'Djamena-Djibouti, railway interconnection Abidjan-Ouagadougou-Niamey-Cotonou, or fiber optic project in Central Africa, are illustrative of this weakness.

African countries must benefit from the improved political climate and circumstances favorable economic growth on the continent and the renewed commitment of development partners to strengthen institutional and technical capacity and accelerate the realization of infrastructure projects.

It is for these reasons that the African Union Commission, in cooperation with the NEPAD Planning and Coordination Agency and support from development partners, has initiated the establishment of the Institutional Architecture Development infrastructure in Africa (IAIDA).

This architecture represents a qualitative shift in the overall institutional framework of the African Union and meets the pressing need to assign key roles to different stakeholders in the implementation of infrastructure programs. It allows better coordination and improved staff relations, organizational and decision-making, as it strengthens the synergy of action between the various African and international stakeholders.

Africa needs strong institutions whose operation is underpinned by a set of rules, standards, structural relationships and shared values that provide collaborative governance, and a strong as well as a dynamic management objective and coherent method of a sustainable infrastructure development.

To this end, it is imperative to rapidly make operational the institutional architecture of infrastructure development to create suitable conditions for mobilizing domestic resources, implementation of innovative financing, and improving legal and regulatory frameworks of transparent incentive for private sector investment in Africa.

Let's combine all our efforts to establish and make operational quickly the institutional infrastructure development in Africa to accelerate the realization of major projects on regional interconnection, essential to the revitalization of intra-African trade, capable of creating thousands of jobs and support the continent's economic productivity.

EDITORIAL

«Cadre institutionnel de développement des infrastructures pour la dynamisation, la coordination et l'harmonisation des politiques sectorielles en Afrique »

Aujourd'hui, la mise en place d'un cadre institutionnel adéquat pour créer un environnement favorisant le développement harmonieux des infrastructures d'interconnexion des pays africains constitue une préoccupation essentielle de l'Union Africaine et des Partenaires au développement.

Ainsi, lors du 23ème Sommet des Chefs d'Etat et de Gouvernement du NEPAD, tenu à Kampala, Ouganda, le 24 juillet 2010, l'initiative dite ZUMA a été adoptée avec l'objectif de désigner des Chefs d'Etat qui s'engagent politiquement à sponsoriser et promouvoir la réalisation effective de certains projets majeurs d'infrastructures, d'où l'appellation de Chefs d'Etat champions de ces projets.

De même, le Conseil Exécutif de l'UA lors de sa 17ème Session ordinaire tenue à Kampala, du 19 au 23 juillet 2010, a décidé de l'établissement de l'Architecture institutionnelle pour le développement des infrastructures en Afrique.

En effet, après plus de cinq décennies, les grands projets de routes transafricaines, de grands barrages hydroélectriques, de liaisons ferroviaires fer et plus récemment de fibres optiques terrestres sont restés de simples rêves. Par exemple, Le Caire n'est toujours pas relié au Cap via Gaborone, de même de Dakar à Djibouti ; les lignes ferroviaires Dakar-Bamako-Niamey, Abidjan-Ouagadougou-Niamey (RAN) et Cotonou-Niamey, en Afrique de l'Ouest, ne sont toujours pas réalisés. A cela, on peut ajouter, sans être exhaustif, le grand barrage hydroélectrique du site d'INGA en République Démocratique du Congo, le pont sur le fleuve Gambie et celui sur le fleuve Congo entre Brazzaville et Kinshasa, ne sont toujours pas réalisés.

C'est dans ce contexte que le Programme de Développement des Infrastructures en Afrique (PIDA) a été lancé comme unique cadre politique et stratégique de d'harmonisation des politiques sectorielles et de programmes de transport, d'énergie, des eaux transfrontalières, des télécommunications et TIC.

La mise en œuvre effective du PIDA requiert non seulement de lourds investissements estimés à plus de 80 milliards de dollars US pour les dix prochaines années mais également une gestion concertée et rigoureuse des projets complexes transfrontaliers impliquant l'intervention de multiples acteurs.

Certes, le financement des infrastructures régionales et continentales constitue le défi majeur pour les pays africains. Mais l'absence de cadres institutionnels appropriés de coordination et les capacités limitées des Communautés Economiques Régionales ainsi que des différentes structures spécialisées continentales obèrent tous les efforts pour relever ces défis.

Aujourd'hui les exemples des projets du corridor de transport Dakar-N'Djamena-Djibouti, d'interconnexion ferroviaire Abidjan-Ouagadougou-Niamey-Cotonou, ou du projet de fibre optique de l'Afrique Centrale sont illustratifs de cette faiblesse.

Les pays africains doivent tirer profit de l'amélioration du climat politique et de la situation de croissance économique favorable sur le continent ainsi que l'engagement renouvelé des partenaires au développement pour renforcer les capacités institutionnelles et techniques et accélérer la réalisation des projets d'infrastructures.

C'est pour ces raisons que la Commission de l'Union Africaine, en collaboration avec l'Agence de planification et de coordination du NEPAD et l'appui de Partenaires au développement, a engagé l'établissement de l'Architecture Institutionnelle de Développement des Infrastructures en Afrique (IAIDA).

Cette architecture constitue une évolution qualitative du cadre institutionnel global de l'Union Africaine et répond au besoin pressant d'assigner des rôles clés aux différentes parties prenantes dans la mise en œuvre des programmes des infrastructures. Elle permet une meilleure coordination et une amélioration des relations fonctionnelles, organisationnelles et décisionnelles, de même qu'elle renforce la synergie d'action entre les différentes parties prenantes africaines et internationales.

L'Afrique a besoin d'institutions fortes dont le fonctionnement est sous-tendu par un ensemble de règles, de normes, de relations structurelles et de valeurs partagées qui assurent une gouvernance concertée, dynamique et solide ainsi qu'une gestion objective et cohérente d'un développement durable des infrastructures.

A cet effet, il urge de rendre rapidement opérationnel l'architecture institutionnelle de développement des infrastructures pour créer les conditions idoines de mobilisation des ressources internes, de mise en place d'instruments novateurs de financement, et pour améliorer les cadres réglementaires et juridiques transparents d'incitation aux investissements du secteur privé en Afrique.

Mettons ensemble tous nos efforts pour établir et rendre rapidement opérationnel l'architecture institutionnelle de développement des infrastructures en Afrique en vue d'accélérer la réalisation effective des grands projets régionaux d'interconnexion, essentiels à la revitalisation du commerce intra-africain, capables de créer des milliers d'emplois et de soutenir la productivité économique du Continent.



Aboubakari BABA-MOUSSA
Director of the Department of Infrastructure and Energy

WHAT HAPPEND IN AU INFRASTRUCTURE AND ENERGY DEPARTMENT (IED) DURING THE LAST SIX MONTHS?

👉 Transport and Tourism Sector

👉 Energy Sector

👉 ICT Sector

👉 PIDA and IAIDA

Dear Reader,

It is a pleasure to introduce to you the second issue of the Newsletter of the Infrastructure and Energy Department of the African Union Commission, through which we hope to keep you informed on our activities and receive your input. Together, let us make this Newsletter an informative platform for knowledge exchange and dissemination in the area of infrastructure and energy development in Africa.

The last six months, from January to June 2011, have been quite hectic at the AU Department of Infrastructure and Energy, with the conception and/or progressive implementation of several programmatic activities, as succinctly described in this Newsletter.

Much progress has been made in every sector and we could not possibly cover in detail all the accomplishments of the department, given the necessary limits of this publication. However, considering their sub-regional and/or regional significance and potential impact, some of these achievements must be mentioned. These include: the validation of the Institutional Architecture Infrastructure Development in Africa (IAIDA); studies and preparatory activities for projects aimed at completing missing links on major transport corridors including roads, railways and bridges; the establishment, with the support of the German Government, of the Geothermal Risk Mitigation Facility for the Eastern Africa Rift System countries, etc.

These developments will be presented to African Union Heads of State and Government during the 17th AU Summit, scheduled to take place from 23rd June to 1st July 2011, in Malabo, Equatorial Guinea.

While wishing you a pleasant reading experience, we look forward to your thoughtful and constructive feedback.

With best regards,

The Director



TRANSPORT AND TOURISM SECTOR

AIR TRANSPORT

1.1 Support to the operationalisation of the Executing Agency of the Yamoussoukro Decision: The meeting aimed at introducing the INDECON Team to the African Civil Aviation Commission (AFCAC) for the implementation of the project for the support of the operationalisation of the continental Air Transport Executing Agency whose functions have been entrusted to AFCAC was held in Dakar on 15 and 16 February 2011.

1.2 Continental evaluation of the implementation of the Yamoussoukro Decision: The launch meeting of the project on the continental evaluation of the implementation of the Yamoussoukro Decision on the Liberalisation of Air Transport Markets in Africa was held in Addis Ababa on 30 March 2011.

1.6 The participation of the African Union Commission in the 67th IATA Annual General Meeting held in Singapore from 5 to 7 June 2011 was critical and provided a productive ground in dealing with matters of common interest such as addressing challenges faced by African airlines in Safety, Security and Environment. In that regard, it was a good opportunity to meet the Director General.

1.3 European Geo-Stationary Navigation Service Overlay (EGNOS): Regarding the ongoing AU-EU Dialogue on Africa-EU Aviation Cooperation, good progress has been made on the implementation of the proposed extension of EGNOS to Africa whereby agreement has been reached on the initial Plan of Action focusing on capacity building activities for African stakeholders. In that regard, an EGNOS and Africa – First joint Africa – EU GNSS management meeting was held in Brussels on 14 and 15 April 2011. Funds have been obtained through the EU-ACP arrangement for that purpose. Implementation is expected to begin once Joint Statement on Africa-EU Aviation Cooperation by the two Commissions.

1.4 AU-EU Joint Statement on Africa-EU Aviation Cooperation: The process of negotiating and signing of the longstanding AU-EU Joint Statement on Africa-EU Aviation Cooperation has also reached final stage with the two sides reaching a mutual agreement to separate the conclusion of the Statement and that of the Cooperation Framework and Action Plan. The Joint Statement should be a broad-based overall policy framework for guiding cooperation over the medium to long term periods. Subsequently, a Joint Cooperation Committee provided for in the draft Joint Statement would work on the specific issues to be addressed in the Cooperation Framework and Action Plan. Before the signature, AUC and EC should first negotiate suitable formulation of provisions concerning negotiations of air services agreements which has currently stalled all the process.

1.5 Relationship with IATA: IATA has been actively participating as observer in the Conference of African Ministers of Transport and has been of assistance in providing technical advice to the Commission on matters related to the air transport industry whenever needed. In implementing the decisions specific to aviation safety adopted by the first and second AU Conference of Ministers responsible for air transport, IATA has trained, in 2005 and 2006, a number of airlines and government aviation safety experts throughout the continent. It carries out the IATA's Operational Safety Audit (IOSA) which currently is mandatory for membership in the association.

TRANSPORT CORRIDORS (RAILWAY/ROAD)

Inaugural meetings of the project Steering Committees were held as from February to April for the launching of the projects as well as for consideration of the submitted projects' Inception Reports including agreeing on the organisation, methodologies and calendar of the studies most of which are expected to be completed in early 2012. The major point of success in this regard, has been the effective mobilisation of the concerned Regional Economic Communities to own and take the lead in the facilitation and management of the projects.

1. Dakar-N'djamena-Djibouti Transport Corridor

The pre-feasibility study of the missing links on the Dakar-N'djamena-Djibouti transport corridor which is conducted by the consultancy firm, STUDI International has advanced substantively. The Interim Report was submitted and considered by the stakeholder institutions (AUC, ADB, UNECA, ECOWAS, ECCAS, COMESA and IGAD) in March 2011. The consultant has already submitted the Draft Final Report. The study is expected to be completed in the second half of 2011.

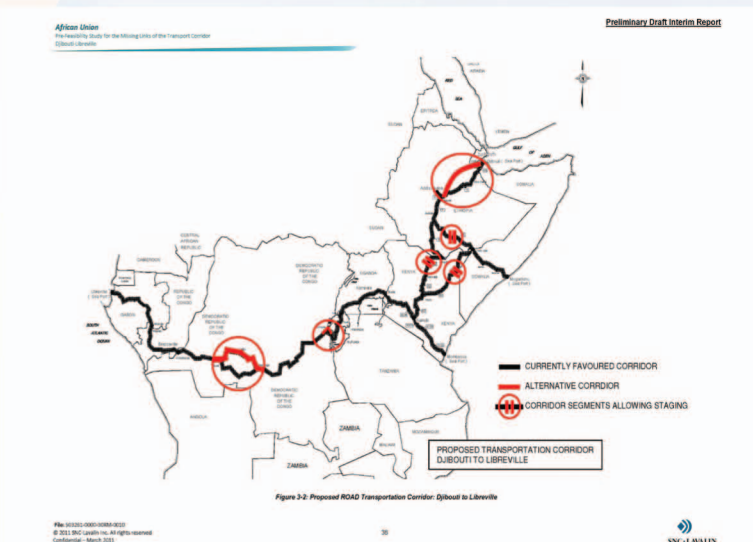
2. Djibouti-Libreville transport corridor

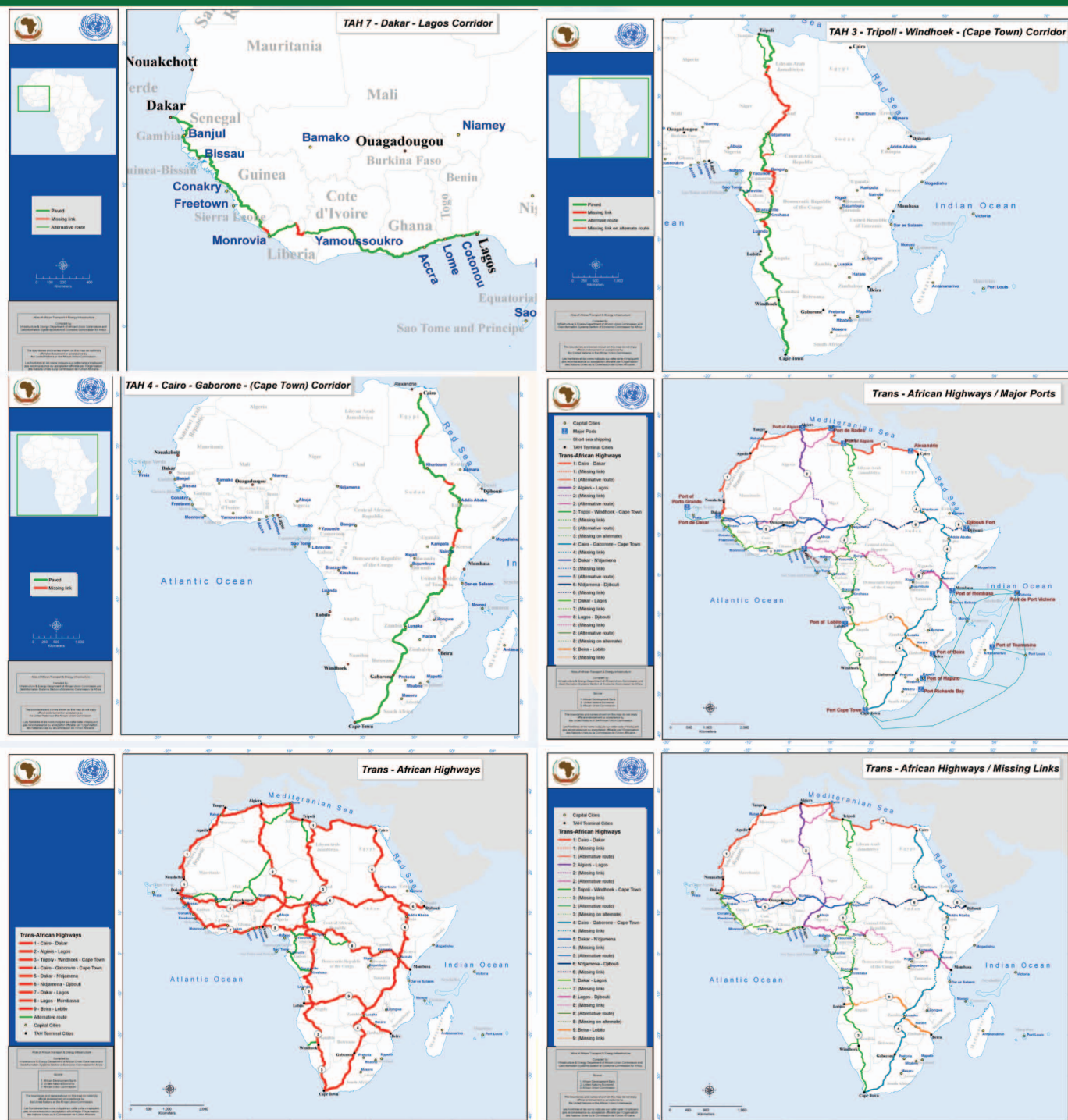
Regarding the Djibouti-Libreville transport corridor' pre-feasibility study conducted by the consultancy firm SNC-LAVALIN International, also its Interim Report was submitted and considered concurrently with that of the Dakar-N'djamena-Djibouti Corridor in March 2011 since most of the stakeholders are the same. The Final Draft Report is expected by end of July 2011.

Pre-feasibility and Feasibility Studies of Trans-African Rail/Road Transport Corridors Implemented in the Framework of the Africa-EU Infrastructure Partnership

3. Following the December 20, 2010 signature of contracts for seven (7) projects funded under the Port Moresby financing Agreement for start-up activities of the Africa-EU Infrastructure, the AU Commission has launched all of the four (4) projects related to completion of missing links on major regional transport corridors which are:

- Feasibility Study of **Lobito Corridor on Trans-African Highway No. 9 (Beira-Lobito)**
- Technical Advocacy and Support Activities for **Gambia Bridge Project (Trans-African Highway No. 7: Dakar-Lagos)**.
- Comprehensive Market Analysis and Options Study for Implementation, Operation and Financing of **Cotonou-Niamey-Ougadougou-Abidjan Railway**.
- Regional Transport study of **Trans-African Highway no. 3 (Tripoli-Windhoek)** with Pre-feasibility Study of Selected Road Sections and Strategic Options Study for Regional Ports in Central Africa.





MARITIME TRANSPORT

1. The Commission is currently making efforts to facilitate the entry into force of the African Maritime Transport Charter adopted by the Second African Union Conference of Ministers responsible for Maritime Transport and endorsed by the 15th Ordinary Session of the Assembly of the African Union. The Charter has been sent to the Member States and RECs with the request to speed up its signature and ratification. It will also be open for signature at main events of the Union including the June/July Summit in Malabo, Equatorial Guinea. The Commission would like to kindly appeal to the Member States to give priority to the ratification of the Charter in order to enable the Commission to pursue the maritime agenda of the Union in full strength.
2. Also, the Commission has continued to collaborate with the international community in addressing the growing menace of piracy and armed robbery at sea particularly in the Gulf of Aden as part of the implementation of the Durban Declaration on Maritime Safety, Security and Protection of the Marine Environment.

ENERGY SECTOR



6TH JEG MEETING OF THE AFRICA EU ENERGY PARTNERSHIP (AEEP) IN MAURITIUS, 16-18 MARCH 2011.



The Department for Infrastructure and Energy (IED) organized in collaboration with the Ministry of Energy and Public Utilities of the Republic of Mauritius, the Sixth Joint Experts Group (JEG) meeting of the Africa-EU Energy Partnership in Port Louis, Mauritius on 17 - 18 March 2011. It was preceded by a consultative meeting on the Conference of Energy Ministers of Africa (CEMA), the African Implementation Team Meeting and a presentation of the Institutional Architecture for Infrastructure Development in Africa (IAIDA) study on 15-16 March 2011, in Mauritius also.

The JEG meeting which focused on the implementation of the 2nd Action Plan was attended by representatives of eight African and four European countries, African Union Commission and European Commission, SADC, Central African Power Pool, African Energy Specialized Institutions, African Development Bank, Infrastructure Consortium for Africa, NPCA and other organisations in an observer role.

Talking of AEEP, the status of the 2nd Action Plan was reviewed and the main issues of the discussions were the financing and implementing mechanisms of the partnership; the African Priority Projects; the monitoring mechanism for the 2020 targets the Renewable Energy Cooperation Programme and the upcoming Partnership Forum involving private sector, civil society and research institutions planned for early 2012.

As side events of the JEG meeting, two meetings were organized on CEMA and IAIDA. Regarding the Conference of Energy Ministers of Africa (CEMA), the participants agreed on: the draft of rules of procedure of the CEMA; the activities to be achieved during 2011 and "Renewable energy" as main theme of the next CEMA Meeting to be held in 2012.

On the subject on Institutional Architecture for Infrastructure Development in Africa (IAIDA), the process of the IAIDA was presented and discussed in the framework of the implementation of this Institutional Architecture for the energy sector. The participants amended the structure of IAIDA for energy sector and the roles and functions dedicated to different organs at national, regional and continental levels involved in the implementation of regional and continental energy projects.

The participants express their heartfelt condolences to Japan, regarding the situation in Fukushima (Japan).

IN FRANKFURT, THE DIRECTOR OF IED MET WITH KfW AND BGR

Frankfurt, 7-8 April 2011_ On the invitation of the KfW and BGR (Bundesanstalt für Geowissenschaften und Rohstoffe – Federal Institute for Geosciences and Natural Resources), African Union Commission's delegation composed of Mr. Aboubakari BABA-MOUSSA and Philippe NIYONGABO, Director and Head of Energy Division, respectively, met at the KfW office in Frankfurt, Germany, with Dr. Thomas DUVE, KfW Development Bank Regional director, Ms. Katrin KESSELS, KfW Project Manager, Dr. Peter LINDLEIN, Tender Agent for the Geothermal Risk Mitigation Facility (GRMF) and Dr. Dirk KUSTER, Section Head Africa, BGR.

Discussions were focused on: (i) technical documents relating to the tender and procurement process of recruiting the Technical Consultant for the GRMF and the Financing Agreement to be signed between AUC and KfW, (ii) on the establishment of the Regional Geothermal Coordination Unit (RGCU) and (iii) the human resources support to be provided to AUC by BGR and by KfW through consultants.

The German Ministry for Economic Cooperation (BMZ) via KfW and the African Union Commission ('AUC') have agreed to establish the GRMF. The objective of the GRMF is to encourage public and private investors to develop geothermal prospects for power generation in Eastern Africa by providing grants for financial contributions for two types of activities:

- Surface studies to determine the optimal location of exploration wells at the most promising geothermal prospects;
- Drilling of exploration wells at the most promising geothermal prospects to assist Developers secure finance for subsequent exploration or appraisal wells.

The GRMF's vision is to support East African Rift System countries. However, initially the GRMF will be a pilot and focus on geothermal prospects in Ethiopia, Kenya, Rwanda, Tanzania and Uganda due to availability of funding. It is envisaged that the GRMF will be expanded to other countries as additional funding is attracted to the Facility. The initially available amount for the GRMF provided by the BMZ is Twenty million EUROS. A Financing Agreement to be concluded and signed between KfW and AUC is under discussion.

In addition, a Financial Contribution (grant) amounting EUR 1,500,00 for Expert Services will be provided by KfW to AUC as Accompanying Measures with respect to the implementation of the Geothermal Risk Mitigation Facility. The related Financing Agreement is also under discussion.

For the establishment of the Regional Geothermal Coordination Unit at the AUC, it was also agreed by meeting that AUC will cover the cost of an energy expert and administrative assistant; BGR will support the cost of the Program Manager and KfW will provide a Training Consultant (in addition to the Technical Firm).

The AUC, KfW and BGR delegations exchanged views on the great interest shown by other development partners such as AfDB, USAID and European Commission in supporting the Geothermal Risk Mitigation Facility. In this regard, it was agreed to mobilize and attract as many partners as possible in view of getting more financial resources.



PRIME MINISTER MELES ZENAWI INVITES FOR HYDROPOWER 2011 CONFERENCE IN ADDIS ABABA, ETHIOPIA



H.E. Meles Zenawi
Ethiopian Prime Minister

The Conference on Hydropower for Sustainable Development 2011 was organized at the United Nations Conference Centre (UNCC) in Addis Ababa, Ethiopia from 31 March – 01 April 2011. It was at the initiative of Prime Minister Meles Zenawi who invited the International Hydropower Association (IHA) to discuss how to implement the Ethiopian ambitious hydropower development programme in a sustainable manner in September 2010. He tasked IHA to work closely with the Ministry of Water and Energy on the preparation of the Conference to be held on 31 March–1 April 2011.

The main objective of the Conference was to gather and mobilize the actors involved in hydropower development in Eastern Africa and in other parts of the continent and beyond to discuss solutions for sustainable development in Africa and the role that sustainable hydropower can play in solving water and energy challenges. The Conference aimed to give participants an opportunity to exchange on regional perspectives, experiences and responses that are pertinent to the above themes.

The Conference was attended by about 200 participants representing energy and water ministries and specialists from 32 countries of both continents as well as representatives of the AU Commission, UNECA, Power Pools, Regional Economic Communities, African specialized institutions and river basin initiatives, together with participants from bilateral and multilateral financing institutions, academia, industry and civil society.

The Conference was officially opened by H.E. Mr. Meles Zenawi, Prime Minister of Ethiopia who was also its Guest of Honour.



H. E. Dr. Elham Mahmoud Ahmed IBRAHIM, with senior staff of IED Energy Division

In his opening statement, the Prime Minister of Ethiopia stressed that “My country’s ambitious plan to build up to 8,000 MW of additional capacity from hydropower in the next five years would not only contribute to filling the infrastructure gap in the region, but also help reduce the country’s carbon emissions to zero and those of neighbouring countries significantly”. He enumerated the benefits that could be derived from the Ethiopia’s hydropower development programme.

The African Union Commission, through its Infrastructure and Energy Department, was among the main partners of the Conference.



*H.E. Dr. Elham Mahmoud Ahmed IBRAHIM,
AU Commissioner for
Infrastructure & Energy*

In her opening statement, H. E. Dr. Elham Mahmoud Ahmed IBRAHIM, Commissioner for Infrastructure & Energy of the AU Commission praised the Ethiopian Government for its ambitious plan to add 15,000 MW of new hydropower generation capacity within the next 10 years that will benefit not only Ethiopia but also the Northern, Eastern and Southern regions.

She said that acute energy crisis that many African countries still face, in spite of efforts made by AUC, African Development Bank, Regional Economic Communities, Power Pools and River Basins Organizations to develop hydropower projects, had compelled the AUC to officially launch the “Hydropower 2020 Initiative” in February 2009 with the objective of promoting the exploitation and development of the vast hydroelectric potential of the major river basins in Africa through the construction of large hydroelectric dams and high voltage transmission networks between 2010 and 2020 in order to ensure African people’s access to reliable and affordable electrical energy. She added that this objective was shared by the Africa-EU Renewable Energy Cooperation Programme (RECP) which seeks, among other things, to install hydroelectric power facilities totaling at least 10,000 MW of new installed capacity by 2020.

She informed the Conference that the AUC had commissioned studies on the creation of a continental co-ordination structure for the development of major integrative hydropower projects. She further informed the Conference that AUC was involved in promoting other renewable energy sources, such as wind, solar and geothermal power. She added that the AUC was coordinating the studies on the preparation of the Programme for Infrastructure Development (PIDA) whose energy component will take into account hydropower projects identified within the “Hydropower 2020 Initiative”.

Presentations and discussions at the Conference evolved around four themes:

- Africa’s renewable energy potential, and hydropower development in Ethiopia
- Regional cooperation for water and energy, including transboundary issues;
- Sustainability and good practices; and
- Finance and investments.

The main outcomes of the Conference consisted in a set of recommendations focusing on (i) encouraging coordinated and harmonized regional development; (ii) giving impetus on existing initiatives such as PIDA and hydropower 2020 and strengthening Power Pools and RECs; (iii) enabling finance and investments; (iv) advancing the role of hydropower; (v) delivering sustainable hydropower and (vi) in the interest of capacity building, establish in Ethiopia a continental center of excellence on sustainable hydropower development. The AUC will play a significant role in implementing these recommendations through PIDA and Hydropower 2020 continental initiatives.

RECOMMENDATIONS ON ACHIEVING SUSTAINABLE HYDROPOWER DEVELOPMENT IN AFRICA

Hydropower for Sustainable Development 2011 concluded in Addis Ababa 1st April 2011 with the presentation by Dr Joseph Atta-Mensah, Director of Regional Integration, Infrastructure and Trade Division at the Economic Commission for Africa, of the Hydropower for Sustainable Development 2011 Conference Ministerial Recommendations, and the announcement that the Ethiopian Electric Power Corporation (EEPCo) has become a member of the International Hydropower Association (IHA), and an IHA Sustainability Partner.

Providing practical guidance on achieving sustainable hydropower development in Africa, the Recommendations address four areas: Encouraging Regional Development, Enabling Finance and Investment, Advancing the Role of Hydropower and Delivering Sustainable Hydropower.

In order to deliver sustainable hydropower, the Recommendations encourage the use of the Hydropower Sustainability Assessment Protocol to guide and evaluate hydropower project development, and in the interests of capacity building, establish in Ethiopia a continental centre of excellence on sustainable hydropower development.

The Recommendations call for further emphasis to be put on coordinated and harmonised regional development, existing initiatives to be given the impetus to accelerate progress from the point of view of river-basin and continental initiatives, power pools and regional economic communities to be strengthened, and encourages environmental conservation to be taken into account when undertaking regional development projects.

Under Enabling Finance & Investment, the Recommendations recognise the need to increase the role of the private sector in hydropower development, and call for the differentiated roles of the public and private sectors to be well defined and utilised, and for the capacity of the utilities in developing bankable projects to be enhanced.

Stating that there is a need for innovation in the structuring of financing, the Recommendations advocate for the realities of regional hydropower development to be taken into account, including the high capital costs, long development lead times and long operational lives.

The Recommendations call for the role of hydropower to be further advanced by:

- ☞ **Catalyzing improvements in water security and management**
- ☞ **Nurturing the development of multi-purpose water infrastructure and use**
- ☞ **Strengthening and expanding regional power transmission systems**
- ☞ **Promoting and utilising knowledge on climate-change mitigation and adaptation**
- ☞ **Ensuring that project impact assessment and related management plans are responsibly implemented**
- ☞ **Encouraging an appropriate approach among riparian states and strengthening relations between them**
- ☞ **Prioritising the delivery of benefits to affected communities**
- ☞ **Promoting the distribution of water and energy services to local areas**

ICT SECTOR

CROSS-CUTTING ISSUES

- Launching in collaboration of the World Bank and AfDB of 8 Projects related to the introduction of ICT in the sectors of Health, education, climate change, agriculture, financial services, public services delivery, Local ICT and trade and integration. The workshop on the studies will be held in June and the public Launching will take place in September 2011
- Participated and contribute to the CODIST meeting sepcifacilly with regard to TIGA award for the best African ICT projects and services
- Hosted in the Connect Africa follow up yearly meeting. The meeting noted the participation of ITU, ATU, UNECA, EU, World Bank, Spain and Some RECs
- Participated in the WISIS follow up meeting and UPU Conference in Switzerland

SPECIFIC PROJECTS:

i. Coordination of the management of scarce common resources and implementation of DotAfrica Project
With the contribution of the African experts Task for Dot Africa, a clarification communiqué has been released and an EoI has been published to select an institution to manage Dot Africa for the benefits of African businesses and communities

iii. Harmonization of Policies and regulations in the field of telecommunications/ICT Finalized the project paper with USAID on Policy harmonization and Consumer protection in Africa. The HIPSSA project is ongoing and S request has put forward to ACP, ITU and EUC for the extension of The project.

v. African Space Agency
Launched the study during a in a kick off meeting with the consultants

vii. Implementation of specific Decisions of the CITMC-3
Concluded with Sudan the organization of the meeting of CITMC Bureau and Steering Committee meetings during the period from 13-15 June 2011;
Drafted Rules and Procedures of the Conference and the bureau of the conference

ii. The Pan-African e-Network for Tele-medicine and Tele-education (PAeN)

As part of the implementation of the PAeN, the division conducted a routine visit to the Hub of the Network in Dakar. In collaboration with India the Division prepared a raining workshop on the network in New Delhi

iv. Development of Telecommunications/ICT Infrastructure Conducted a joint Mission with World Bank in Central Africa to solve the issue of Governance and funding of the Central African Backbone Projects. Contributed to solving the issue of Embargo on RASCOM.

vi. Harmonization of Postal Policies and Regulations and Strategies for Postal Development in Africa

Prepared and participated in the Conference on postal financial services in Ouagadougou from 7-9 February 2011.

Participated in meeting the activities related to the African Institute for Remittances (AIR)

CONFERENCE OF AFRICAN MINISTERS RESPONSIBLE FOR COMMUNICATION & INFORMATION TECHNOLOGIES (CITMC)

3RD ORDINARY MEETING OF THE BUREAU AND THE STEERING COMMITTEE 13 to 15 2011 in Khartoum, Sudan

The Government of Sudan in collaboration with the African Union Commission organized the Third Ordinary session of the Conference of African Union Ministers responsible of Communications and Information Technology (CITMC) sector, which include Telecommunication, ICT and post, and the Ministerial Conference Bureau and a Steering Committee from 13th to 15th, June 2011, in Khartoum, Sudan.

The Meeting of the Ministers Bureau will be held on 15th, June 2011. It will be preceded by a meeting of the Steering Committee from 13th to 14th, June 2011.

The main objectives of the Third meeting of the Steering Committee and the Bureau of the CITMC are to review the progress of ongoing activities, provide guidance and adopt recommendations for speeding up their implementation.

The specific objectives of the Conference focused on: (i) Review the progress made in the implementation of activities in the fields of Telecommunications/ICT, Post and Broadcasting since the 3rd Conference held in May 2010 in Abuja August 2010 and (2) consideration of the Action Plan and various projects and programmes undertaken by key stakeholders to foster the development of the Communication and Information Technologies in Africa.

Many participants attended both meetings such as Representatives of the countries as well as members of the Bureau elected by the CITMC3 held in Abuja on August 2010, Representatives of the AUC, Representatives of the NEPAD Planning and Coordinating Agency (NPCA) and Associate Members.

The Meeting of the bureau major outcomes are the following:

- Recommendation and guidance to speed up the implementation of the flagship projects and activities,
- Revised Action Plan for the implementation of decisions and declarations of CITMC and Heads of States and Government (HoS&G) Summits of the African Union related to CIT sector, in line with the Abuja 2010 Declaration
- Rules of Procedures of the Steering Committee and the Bureau of the CITMC;



PROGRAMME DE DEVELOPPEMENT DES INFRASTRUCTURES EN AFRIQUE



L'objectif principal du Programme de Développement des Infrastructures en Afrique (PIDA), ici rappelé, est d'optimiser les efforts et l'utilisation des ressources disponibles pour permettre aux Parties prenantes africaines de parler d'une seule voix sur la base d'un agenda commun et une vision commune en matières de développement des infrastructures en Afrique. De manière plus spécifique, le PIDA doit permettre aux décideurs africains de :

- Etablir un cadre stratégique de développement des infrastructures à caractère régional et continental (énergie, transport, technologies de l'information et de la communication, eau) fondé sur une vision de développement, des objectifs stratégiques et des politiques sectorielles ;
- Etablir un programme de développement de ces infrastructures, hiérarchisé et articulé en phases ; et
- Préparer une stratégie et un processus de mise en œuvre de ce programme, comprenant notamment un plan d'actions prioritaires.

Les Parties prenantes africaines (CUA, BAD, NPCA, CER, IS...) avec l'appui multiforme des Partenaires au développement ont engagé depuis avril 2010 le processus d'élaboration du PIDA, prévu pour une durée de dix-huit (18) mois.

Après le lancement officiel du PIDA à Kampala (Ouganda), lors du XVe Sommet de l'Union Africaine, en juillet 2010, plusieurs activités ont été réalisées. Au cours du premier semestre de l'année 2011, le projet de rapports sur les projections de politiques régionales et de programmes sectoriels de la Phase I de l'étude du PIDA a été soumis. Un atelier de validation a eu lieu du 18 au 20 avril 2011 à Libreville (Gabon), suivi d'une réunion du Comité de Pilotage du PIDA qui a donné des orientations en vue de finaliser ces rapports et assurer l'exécution de cette étude dans les délais prescrits.

Pour le second semestre, des ateliers sectoriels vont être organisés en vue d'examiner les projets de politiques et programmes. Les rapports issus de ces ateliers ainsi que les projets de recommandations y relatives, vont être soumis aux ateliers régionaux pour le consensus nécessaire à la poursuite sereine du PIDA. Suivra enfin le processus la revue par les conférences ministérielles avant l'adoption par les organes de l'Union lors du prochain Sommet de l'union Africaine de janvier 2012.





*Les Participants de l'Atelier de validation du Rapport de la Phase I du PIDA
18 au 20 avril 2011 à l'Hôtel IAI CO, Libreville (Gabon)*

INSTITUTIONAL ARCHITECTURE FOR INFRASTRUCTURE DEVELOPMENT IN AFRICA (IAIDA)

OBJECTIVES

The main objective of this architecture is to create an integrated and enabling management environment capable of enhancing the capacity of African Union and its institutions to streamline all efforts in infrastructure programme into tangible achievements.

In this regard, this architecture will support the implementation of the Programme for Infrastructure Development in Africa (PIDA) and to serve as a backbone for the implementation of any AU infrastructure programme.

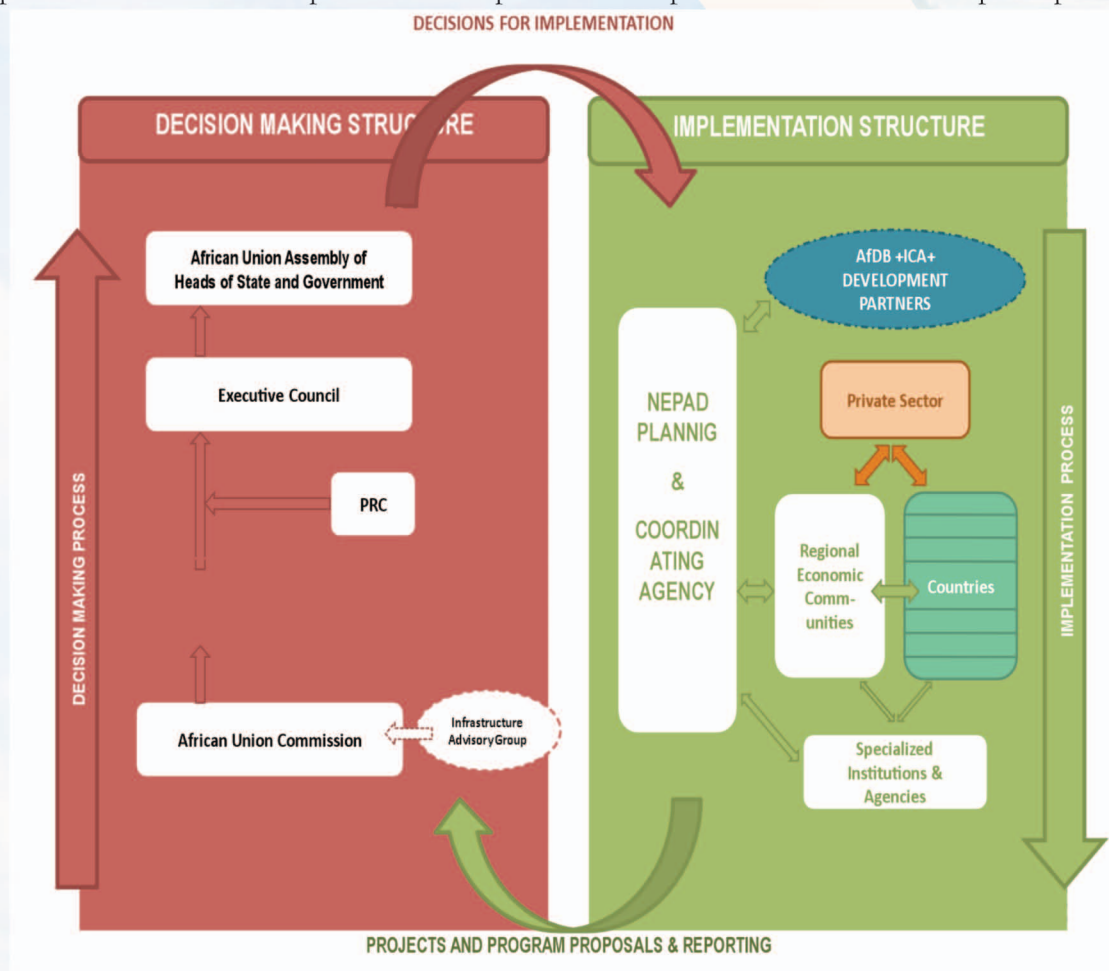
The specific objectives are to:

- Constitute a single and integrated platform where all business processes for infrastructure development will be undertaken and shared;
- Assign role and clear responsibilities to avoid duplication of tasks and responsibility, unnecessary duplication of events/forum and unclear line of decisions.
- Devise on innovative and efficient options to mobilize resource and technical cooperation in infrastructure development.

STRUCTURE AND GOVERNANCE

The Institutional Architecture comprises two mechanisms, a decision making one and an implementation mechanism that are hereafter defined.

The proposed structure hereafter presented is respectful of the political mandates of the participating Institutions.



IAIDA DELIVERABLES

The Institutional Architecture sets organs, mechanisms and platforms for the implementation of PIDA and brings the following deliverables:

- Clear and single decision making and implementation mechanisms that clarify roles and responsibilities of AU institutions and reduce transaction costs;
- An enabling platform for planning, implementation and speedy delivery of PIDA and required capacity building;
- An enabling business environment that reinforces accountability and control mechanisms and promotes good governance;
- Clear rules and platforms for priority projects selection;
- Technical cooperation and resource mobilization to enable productive investment;
- Enhanced institutional and human capacity;
- Technology transfer and domestication;
- An enhanced framework for Public/Private Partnership, to allow consultations with Development Partners, investors and financiers on infrastructure development opportunities;
- Enhanced collaboration among all stakeholders involved in infrastructure development.

A periodic report will be elaborated by the AUC in monitoring and evaluating the achievements of the deliverables.

OPERATIONALIZATION OF THE INSTITUTIONAL ARCHITECTURE

The operationalization of IAIDA will require among others:

- ☞ Adoption of the proposed Institutional Architecture by the AU Organs;
- ☞ Provision of adequate resources (management tools/procedures and financial and human resources) to AUC and NPCA to discharge their functions and particularly to develop the following instruments:
 - Project planning and management tools;
 - Monitoring and Evaluation tools;
 - accountability mechanisms;
 - Procurement guidelines;
 - Auditing procedures;
 - Antifraud and anticorruption compliance mechanisms;
 - Risk guaranty mechanisms;
 - Rules of procedures for CID, roles and functions of Champions, etc...
- ☞ Resource mobilization for the PIDA priority programme.

This will require:

- To support the development of domestic financial markets in order to expand the availability of funds for infrastructure projects (including inter alia local infrastructure funds, funds borrowed on the local market, from the local private sector, funds from insurance companies, pension funds and post offices savings, securitization, leasing);
- To enhance the role of regional development banks and support credit enhancement as a way to mitigate risk;
- To create an enabling environment for regional and continental infrastructure investment, effective coordination among different stakeholders and legal and regulatory reforms in equity markets and insurance and guarantee schemes;
- To give responses to political risk insurance and reinsurance and uncertainty in regulatory regimes, creditworthiness, and market condition to make private financing possible;
- To develop new innovative and secured financial instruments

CONCLUSION

The situation analysis of institutions intervening in infrastructure sector in Africa continent revealed major issues that hamper infrastructure development.

The proposed Institutional Architecture for Infrastructure Development in Africa is addressing the issues related to the lack of coordination on decision making and implementation processes. It brings clarity also on roles and responsibilities of the stakeholders.

There is a need for a strong political commitment of African Leaders to endorse and support IAIDA operationalization.



10,000,000.00 USD PORT MORESBY AGREEMENT 7 PROJECTS



LAUNCH OF THE COTONOU-NIAMEY-OUAGADOUGOU-ABIDJAN RAILWAY STUDY IN THE ECOWAS REGION
Ouagadougou, Burkina Faso, 15 March 2011

INTRODUCTION

L'accord "Port-moresby" dans le cadre du partenariat union européenne-afrique pour les infrastructures qui a pour Objectifs:

- Stimuler une croissance économique durable
- Promouvoir un commerce compétitif
- Renforcer l'intégration régionale
- Contribuer effectivement à la réduction de la pauvreté et l'atteinte des OMD
- Stratégie: complémentarité régionale & nationale
- Appui aux programmes facilitant la connectivité au niveau continental & régional
- Appui aux programmes axes sur les stratégies nationales de réduction de la pauvreté et les stratégies sectorielles des infrastructures

L'Accord "Port-Moresby" a été signé le 21 décembre 2007 entre les ACP et la Commission Européenne pour appuyer la Commission de l'Union Africaine dans les activités de préparation et d'études : Assistance Technique pour la formulation, la préparation et la gestion des projets prioritaires des Infrastructures Régionales dans les domaines des Transports, de l'Energie et des TIC.

Le montant total de l'Accord "Port-Moresby" est de 10,000,000.00 Euros.

OPERATIONALISATION DU PARTENARIAT UNION EUROPEENNE - AFRIQUE POUR LES INFRASTRUCTURES

Un Appel d'Offres international a été lancé pour apporter l'Assistance Technique nécessaire à la Commission de l'Union Africaine. Le Bureau Egis BCEOM avait ainsi été retenu.

L'Assistance Technique a commencé en février 2010 (Contract EuropAid/125741/C/SER/ACP)

Sept projets prioritaires ont été retenus et préparés avec succès : Energie (1) et Transport (6) et les contrats ont été signés le 20 décembre 2010 à Addis-Abeba (Ethiopie).

L'appel d'offres pour le projet TIC a été infructueux et les crédits affectés ont été perdus (crédits valides jusqu'au 21 décembre 2010).

PROJETS DE L'ACCORD PORT MORESBY

Projet	Objet	Bénéficiaire	Base opérationnelle	Résultats	Durée	Consultant
Opérationnalisation de l'Agence d'Exécution de la Décision de Yamoussoukro. EuropeAid/130156/D/SER/MULTI Budget Euro 520,000	Assistance Technique pour l'opérationnalisation des pouvoirs/missions de l'AE de la DY	Commission Africaine de l'Aviation Civile (CAFAC), Institution Spécialisée de l'Union Africaine	Dakar, Sénégal	Etablissement d'un cadre opérationnel de Développement des procédures et méthodes pour les pouvoirs légaux, règles de concurrence, protection des usagers et élaboration de la base de données d'indicateurs	12 mois	INDECON en association avec DFS Deutsche Flugsicherung et Lufthansa Consulting

Projet	Objet	Bénéficiaire	Base opérationnelle	Résultats	Durée	Consultant
Evaluation Continentale de la mise en œuvre de la DY Procédure simplifiée Budget Euro 199,999	Synthèse des études régionales de la mise en œuvre de la DY, critères d'évaluation, étude de connectivité, atelier continental de validation	CUA-DIE, CAFAC	Addis-Abeba, Ethiopie	Adoption de critères d'évaluation la mise en œuvre de la DY (CMAT), recommandations pour une meilleure connectivité	8 mois	SOFRECO

Projet	Objet	Bénéficiaire	Base opérationnelle	Résultats	Durée	Consultant
Etude de faisabilité du Corridor Beira-Lobito (TAH9) EuropeAid/ 130157/D/SER/ MULTI Budget Euro 1,850,000	Etude de demande régionale: étude de faisabilité des sections routières (longueur totale 1,372km), mesures de facilitation du commerce et transport, entretien routier et contrôle de charge à l'essieu, base de données	SADC / CEEAC Pays: Angola, RDC et Zambie	Lusaka, Zambie	Choix des sections et de sources de financement Proposition de mesures de facilitation du commerce durable Etablissement d'une base de données	12 mois	PLANET SA en association avec ADK SA

Projet	Objet	Bénéficiaire	Base opérationnelle	Résultats	Durée	Consultant
Plaidoyer Technique et Appui aux activités pour la réalisation du Pont de Gambie EuropeAid/ 130159/D/SER/ MULTI Euro 800,000	Préparation de la convention spéciale, mise à jour de l'analyse financière, convention de facilitation du commerce et du transport, études détaillées (péage, postes juxtaposés & autres servitudes)	OMVG, CEDEAO Pays: Gambie / Sénégal	Banjul, Gambie / (Dakar, Sénégal ?)	Favoriser le financement et autres facilités	12 mois	MOTT MACDONALD en association avec Crown Agents

Projet	Objet	Bénéficiaire	Base opérationnelle	Résultats	Durée	Consultant
Analyse détaillée de marche: Analyse des options d'études pour l'opérationnalisation et le financement du chemin de fer Cotonou-Niamey-Ouagadougou-Abidjan. Europeaid/130161/ D/SER/MULTI Budget Euro 1,100,000	Etude de demande régionale (notamment minière), évaluation économique des options de réhabilitation (longueur totale 3,179km), sources de financement, Câble large bande pour les TIC	CEDEAO, UEMOA Pays: Benin, Burkina Faso, Cote d'Ivoire, Niger	Ouagadougou, Burkina Faso	Identifier les sections possibles, Plan d'investissement et sources de financement	12 mois	PROINTEC en association avec Aurecon et Sofreco

Projet	Objet	Bénéficiaire	Base opérationnelle	Résultats	Durée	Consultant
Etude Régionale de Transport de la TAH3 avec études de faisabilité des sections routières sélectionnées et des options stratégiques des Ports régionaux EuropeAid/130162/D/SER/MULTI Budget Euro 950,000	Etude régionale de transport, pré-faisabilité des sections routières (longueur totale 867km), étude des options stratégique des ports régionaux de Pointe-Noire et Banana, étude de mesures de facilitation du commerce et du transport	CEEAC, CICOS Pays: RDC, République du Congo, RCA, Cameroun	Brazzaville, République du Congo	Identifier les sections faisables et sources de financement Mesures de facilitation du commerce	12 mois	LOUIS BERGER

Projet	Objet	Bénéficiaire	Base opérationnelle	Résultats	Durée	Consultant
Assistance technique à la mise en œuvre de l'Agenda de la Politique d'Energie de la CUA EuropeAid/130158/D/SER/MULTI Budget Euro 1,250,000	Appui à l'initiative Hydro 2020 Appui institutionnel à l'AFREC Appui au dialogue pour l'interconnexion de Inga III et Grand Inga	CUA-DIE, AFREC, AFSEC, Pools Energétiques Africains	Addis-Abeba, Ethiopie	Développement de l'Agenda de la Politique d'hydroélectricité Renforcement des capacités des Institutions en charge du développement des Projets Inga	12 mois	MERCADOS en association avec Sofreco



AFRICAN CIVIL AVIATION
COMMISSION

LAUNCHING OF ONE OF THE SEVEN PROJECTS FINANCED BY "PORT MORESBY AGREEMENT" 10 MILLION EURO.

Addis Ababa, 24 February 2011

During a meeting held in Dakar, Senegal, on 15 and 16 February 2011, the African Union (AU) Commission launched the project aimed at supporting the Operationalisation of the African Civil Aviation Commission (AFCAC) as Executing Agency, entrusted by the AU Executive Council Decision Ex. Cl/Dec.359 and main beneficiary of the project.



This project is one of the pilot projects signed on 20th December 2010, between the Infrastructure and Energy Department (IED) and the selected consultancy firms to conduct studies and preparatory actions for seven (7) projects financed by the Euro 10 million provided by the European Union under the Port Moresby Agreement (9th EDF).

The African Union Commission was represented by Mr. David Kajange, Head of Transport and Tourism Division and Mr. Adiron Alberto, Senior Policy Officer (Air Transport).

During the gathering, the Team of Experts of the appointed Consultancy Firm, INDECON to conduct the project, was introduced to AFCAC and matters concerning the project concept and management modalities were considered.

After discussion on matters indicated above, the meeting concluded the following:

1. installation and working arrangements with AFCAC;
2. During the inception stage, AFCAC should:
 - a. furnish the consultants with necessary data information in view of updating the Terms of Reference;
 - b. provide accommodation and necessary facilitation to the consultants
 - c. be associated to the validation process to be carried out by AUC, as the contracting authority, on the overall management of the project;
3. The Monitoring Body of the Yamoussoukro Decision will assume the role of the steering committee of the project;
4. The focal person in the AUC is Mr. Adiron Alberto, Senior Policy Officer (Air Transport) and in AFCAC is Mr. Fidelis ONYIYI.

The African Civil Aviation Commission (AFCAC) is the specialised institution of the African Union on matters related to civil aviation. The AFCAC Headquarters is located in Dakar, Senegal.

LAUNCH OF THE REGIONAL TRANSPORT PREFEASIBILITY STUDY OF THE TRANS AFRICAN HIGHWAY N3 IN THE ECCAS REGION

Libreville, Gabon, 03-04 February 2011



CONTRIBUTION

AFRICAN PETROLEUM FUND ADVOCACY - June 2011



Philippe Niyongabo
Head, Energy Division
AUC-IED

BACKGROUND AND CONTEXT

During the recent years, the world oil price has been raising and falling due to several reasons that range from unsustainable supply to high demand from the fast growing economies (Fig. 1). The high oil prices have been impacting negatively the consumers and economies worldwide,

however the blow has been most severe in Africa. Consequently, many of the relative gains of the hard-fought "debt relief" provided by donors over the last decade were being eroded. It is indisputable that oil remains essential to improving the quality of life and production opportunities in Africa and in the rest of the world.

Copping mechanisms depend on the country to put up policies that can work sustainably pro social development and stability such as cross subsidies to the specific groups that the country defines as most vulnerable. Copping policy mechanisms could include the issues related to inventories and its management which can be regarded as a defensive stockpile. Part of oil price shock in many African countries can be mitigated given innovative oil inventory management strategy. Yet most of the countries do not have or cannot afford to have any sizable oil inventory.

cision Assembly/AU/8(VI) Add.6, directing the AU Commission to convene a meeting of experts to consider the proposal for the establishment of a Fund within the African Union to mitigate the effects of the increase in oil prices on African Countries.

It was against this background that the African Development Bank (AfDB) and the African Union (AU) agreed to jointly undertake studies on: (i) The Impact of High Oil Prices on African Economies; (ii) The Proposed Establishment of an African Petroleum Fund (APF): Operational Modalities; and (iii) A Prospective Analysis of the Oil and Gas Situation in Africa.

The studies identified the major issues pertaining to the operational modalities of the African Petroleum Fund, including the various options for its administration; the proposed composition of the governing body of the Fund, the areas of intervention, the resources and the allocation formula.

The 1st Hydrocarbon Ministerial Conference held in Cairo, Egypt in December 2006, recommended the AUC and AfDB to finalize the joint studies and share the results with AU member States.

Three workshops, aiming at validation of the joint studies results were organized in Addis Ababa (December 2008, September 2009) and Cotonou (April 2009).

Furthermore, the 12th AU Summit held early February 2009 in Addis Ababa, Ethiopia adopted a Declaration on the development of transport and energy infrastructure in Africa, in which the Heads of State and Government underscored, among others, "the urgent need to enhance access to energy infrastructure and services for the majority of the African population, as well as to enhance the production of and inter-State trade in energy by implementing major integrative hydroelectric power projects and high capacity oil refineries as well as gas and oil pipeline projects".

The Heads of State and Government are committed to "promote innovative financing mechanisms to speed up the development of energy infrastructure". Finally, they urged Member States of the African

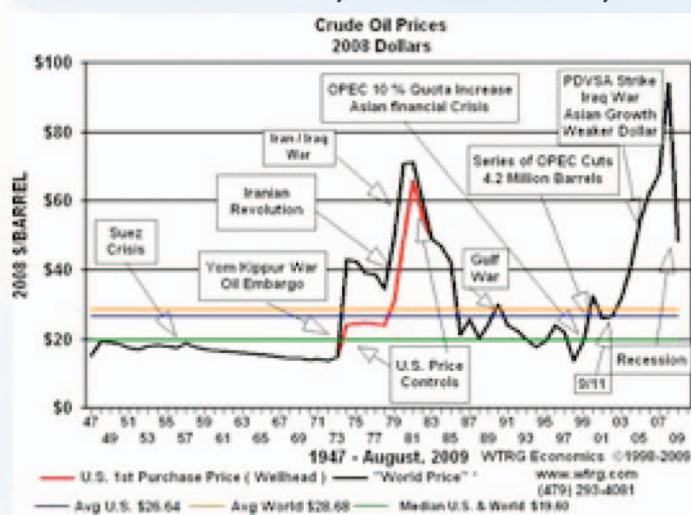


Figure 1. Crude Oil prices in 2008 USD terms with indication of the main events that affected oil price.

Following the high and volatile oil price trends, the Sixth General Assembly of the African Union (AU) held in Khartoum, adopted on January 24, 2006, De-

Union and the Regional Economic Communities to “foster inter-African and international cooperation in the energy sector”.

The validation workshops’ participants recognized that Africa has great potential for achieving sustained growth from oil and gas resources if it can establish solidarity mechanisms and a coherent strategy aiming at adequate revenue management. It was also noted that the Oil and Gas sector in Africa faces innumerable challenges which are exacerbated by the volatility of the oil price. These challenges include lack of access, low downstream and value addition, inadequate human and financial resources, poor revenue management, disadvantageous contracts, distortions in the balance of payment, and other.

Both workshops recommended that the APF need to be sustainable from the beginning in order to prevent its failure due to inadequate funding. The workshops participants recommended also that the Fund should be a solidarity Fund that would promote regional integration and foster African Intra-trade in the Oil and Gas sector.

The APF was also proposed taking into account the major challenges identified in the sector:

- a. The low access to and consumption of energy (including oil and gas) on the continent;
- b. The poor state and weak oil and gas infrastructure as manifested by insufficient number of refineries, storage bunkers and pipelines to promote adequate regional energy trade;
- c. Most African Refineries are old and non operational which result in low supply of quality refined oil products;
- d. The weak intra-regional trade in oil and gas sector in Africa.

THE AFRICAN PETROLEUM INITIATIVE

The African Petroleum Fund is a solidarity mechanism, practical short- medium-term solution, most especially for the 38 Low Income Net Oil Importing Countries (LINOICs). It is expected that the APF will reduce the balance of payment (BOP) impact of volatile international oil prices on the LINOICs. It will also shield the governments from uncertainties in budgets and expenditures, and create avenues for dialogue and capacity building of African oil exporters in order to secure that oil revenues better serve

the continent’s development needs. The APF is an AU initiative that is to be hosted at the African Development Bank.

The specific objective of the APF is to smooth out domestic (African) price fluctuation of oil and petroleum derivative fuels caused by unpredictable changes in the international market dynamics. The immediate expected result is reduction on effects of unforeseen natural and geopolitical factors that drive the international oil prices.

The APF aims also at becoming a platform for regional integration of African countries by promoting intraregional import and export of oil products and becoming a forum for dialogue and discussion on mitigating the impacts of high oil prices.

The APF will also facilitate the funding for high priority multi-national and regional integration petroleum and energy related initiatives:

The objective is to encourage and fund studies and proposals for projects on a multi-national or regional scale that benefit a wider area and are cost-effective due to economies of scale. Such projects include: feasibility studies for construction of new refining and processing units or the expansion or upgrades of existing ones; cross border pipelines for the transportation of petroleum products; the planning of reserve storage facilities strategically located across sub-regional areas; unitization or joint development of oilfields across national boundaries, etc. These initiatives will contribute to a true regional integration of people, communities, and countries’ economies.

The APF will fund negotiating expertise and development of indigenous human capacity in the field of oil and gas:

A priority consideration is the identified increased rush by foreign investors eager to secure a share of African oil supplies. This funding is therefore intended to support the provision of experts (e.g. geologists, economic geologists, lawyers, financial analysts, petroleum economists, etc) to assist capacity constrained host governments, ideally, at an early stage in the negotiations of oil resources’ agreements with international oil companies.

Assistance in petroleum revenue management:

This intervention comprises technical assistance to petroleum producing countries in designing strategies for managing the wealth generated by the exploitation of oil and gas. Relevant support components include competence building, institutional strengthening based on good governance principles that enhance transparency, accountability, oversight and monitoring in the management of revenue flows.

The APF is to become a Petroleum Resource/Knowledge Centre:

This intervention covers the collection, maintenance and updating of relevant petroleum database accessible at a nominal fee on the website of the APF. The database would include: petroleum legislation and regulations in all member countries of the AU; information on petroleum bidding and licensing rounds; information on conferences; and, a directory of African experts and specialists in petroleum and related fields. In due course, the Fund will be sourcing experts from its database for services to host governments, state-owned companies, lenders, or the Fund's Technical Committee etc.

The APF will support alternative energy sources projects:

Oil is a finite fossil resource. Thus, it is proposed that the APF supports initiatives and projects related to finding solutions for the substitution of oil, especially as source of energy for domestic use. The possible solution will entail environmentally sound and cleaner sources of energy in Africa.

The APF will facilitate Co-financing of regional or sub-regional petroleum projects:

The Fund may exceptionally agree to assist a sponsor seeking finance for regional projects through using its acquired experience, knowledge and moral influence to attract regional and international financing institutions to the lending syndicate. Since the Fund is not intended to finance infrastructure projects, it will only commit amounts in respect of specific components like feasibility studies, local contents, environmental impact studies or support with respect to products storage and distribution. This support can be extended to co-funding through AfDB instruments for bank guaranty of the projects.

The APF will contribute for poverty alleviation and to a considerable extent also to the attainment of the MDGs by African countries.

The resources of the APF shall consist of the following:

- a. Contributions:
 - (i) There should be voluntary contributions from all African Union Member States;
 - (ii) Voluntary Contributions from international oil companies doing business in Africa;;
 - (iii) Contributions from developed countries and bilateral development partners;
 - (iv) Contributions from regional, international and multilateral institutions;
 - (v) Contributions from other development partners including foundations and individuals;
- b. All sums received in connection with the activities financed out of the resources of the APF;
- c. All sums which accrue to the APF by way of interest, dividends, fees, sale of assets or otherwise.

There are similar Funds at country level in Lesotho, East Timor, Norway, just to mention few initiatives. It is also recognized that many regions have developed on the basis of equitable and sustainable exploitation of their natural resources, these regions include the Western Australia (minerals), Middle East (oil), Russia (gas and minerals), Norway (oil). These experiences show that Africa as a region has the opportunity to achieve equitable development by promoting regional integration projects anchored on natural resources (minerals, oil and gas)

The African Petroleum Fund will benefit all African Union Member States according to their needs and will integrate economically the sub regions. Nevertheless, the challenges that face the APF initiative, mainly due to weak financial status of the continent and most of its States and to the inadequate regional infrastructure associated with few unrest sub regions, do not discourage the initiative.

The APF will capitalize on the high level political will manifested by the AU Heads of State and Government , the traditional spirit of solidarity among Africans, the encouraging discussions during the validation workshops and ministerial conferences and the existence of development partners that would like to see Africa move to first world in this century.

Given the above background, all African Union Member States are urged to promote political and economical will to operationalize the APF initiative by contributing to the Fund and by proposing innovative ways to make the fund sustainable.

UPCOMING EVENTS

17th African Union Summit

23 June - 1 July, 2011 Malabo, Equatorial Guinea

Youth empowerment for sustainable development

[Click for more](#)



"HIGH LEVEL MEETING ON INFRASTRUCTURE" Side Event of the 17th AU Summit Malabo, EQUATORIAL GUINEA 29TH June, 2011

DAY : 29 JUNE 2011	
12 :30	BEGINNING OF CEREMONY
12:30-13:00	
a. Arrival and seating of Invited Guests b. Lunch sponsored by AUC/AfDB	
13:00-13:05	
c. Presentation of the Event Programme by the Master of Ceremony	
13:05-13:45	
d. Introduction remark of AUC Commissioner for Infrastructure and Energy:	5 Minutes
e. Presentation on PIDA progress:	15 minutes
f. Presentations on IAIDA:	10 minutes
g. Presentation on ongoing major projects:	10 minutes
13:45-14:00	
h. Remarks / Comments by AU Commission Chairperson i. Remarks / Comments by President of African Development Bank	
14:00-14:30	
j. Words from the Sponsors of the Ceremony (Heads of State)	
14:30	END OF CEREMONY
14:30-15:00	
k. Press Conference : AU Commission Chairperson and President of AfDB Attended by AUC Deputy Chairperson AfBD AfDB Vice-President, Commissioner for Infrastructure and Energy/AUC and Vice-President of AfDB in charge of NEPAD, Regional Integration and Private Sector and NPCA CEO	
l. Interviews: AUC Deputy Chairperson, AUC Commissioner for Infrastructure and Energy, AfBD Vice-President and NPCA CEO m. Table round Media : special PIDA Media interview of High Level on infrastructure in Africa; n. Collect of personal interviews in preparation of a video for AU Summit January 2012.	



SECOND SESSION OF THE CONFERENCE OF AFRICAN MINISTERS OF TRANSPORT (CMAT II)

21st-25 November 2011 in Luanda, ANGOLA

The Department of Infrastructure and Energy of the African Union Commission is organising, in collaboration with the Government of the Republic of Angola, the Second Session of the Conference of African Ministers of Transport (CAMT II) scheduled to take place from 21st to 25th November in Luanda, Angola.





The Africa-EU Energy Partnership (AEEP)

Partnership Forum 2012

Three Stakeholder Groups – Two Continents – One Joint Responsibility

The establishment of an Africa-EU Energy Partnership Forum including stakeholders from the private sector, NGO's and academia/research institutions – has long been an objective of the AEEP. So far, however, the AEEP has focused mainly on government level activities. Now, the realisation of the Forum has come closer. It is envisaged to take place in early 2012.

The aim of the Africa-EU Energy Partnership (AEEP) Forum is to achieve progress on the AEEP 2020 Political Targets by actively involving the European and African private sector, NGO's, and academia/research institutions in the partnership. The Forum will be an opportunity to bring together all relevant stakeholder groups including financial institutions to jointly explore the potential of implementing "actions on the ground" and to discuss and communicate key issues as well as recommendations to political decision-makers. Another achievement of the Forum will be the final decision on the focal points of the respective stakeholder groups and the development of a mechanism that allows involving the three stakeholder groups in the workings of the AEEP on a regular basis.

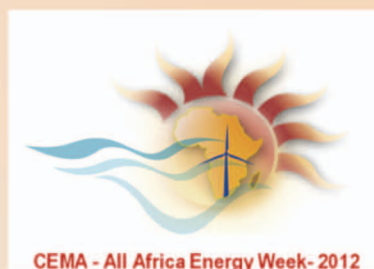
As a next step, selected African and European stakeholder representatives will meet in Vienna on 20th June to discuss the topics to be addressed in the Forum. There will be an opportunity for additional stakeholders from both continents to feed in their comments in the further process.

Special Focus on Renewable Energy

The role of renewable energy to reach the AEEP 2020 targets

- Current energy supply largely based on RE sources in Africa with vast potential untapped.
- RE will therefore make a significant contribution to increasing access to energy, both grid-connected and off-grid.
- Grid-connected, utility-scale RE needs regional interconnections and will therefore enhance energy security.
- Private investments, technology innovation and transfer and civil society watchfulness are crucial to make public interventions on RE successful.
- Europe has a competitive advantage in RE, both regarding policies and technologies resulting in large scope for cooperation.
- Clear link with Renewable Energy Cooperation Programme (RECP) of the AEEP.
- International access agenda (with 2012 as UN year for universal access) presents opportunity for positioning joint RE solutions.

For more information please contact: info@euei-pdf.org .



African Union



African Development Bank



UN Economic Commission for Africa

Announcing the Conference of Energy Ministers of Africa and All Africa Energy Week 2012

The Conference of Energy Ministers of Africa (CEMA) is pleased to announce the organization of the **All Africa Energy Week II, 2012**, together with the 2012 **session of the Conference under the auspices of the African Union**.

The All Africa Energy Week Conference and Exhibition is a CEMA framework for assessing the progress achieved in developing regional energy infrastructure and services, build consensus on emerging issues, and promote high level coordination of all sector players and stakeholders in energy in Africa.

Theme:

Renewable Energy for Sustainable Development: From Potential to Infrastructure and Services

Sub-themes:

Stepping up hydropower development for regional integration

Solar energy viability in Africa

Harnessing wind and geothermal potential

Grid connection and tariff issues

Regulations and policies

Meeting the financing needs

Target Participants:

African Ministers responsible for energy, Regional Economic Communities (RECs), African specialized institutions, country experts, Financial Institutions, investors, private sector and development partners, industries, energy NGO, selected academia and research institutions.

Date: June 4-8, 2012

Venue: To be communicated in the Second Announcement

For Information: P. Niyongabo, African Union Commission,

E-mail: niyongabop@africa-union.org

PARTNERSHIP / COOPERATION



67th IATA Annual General Meeting held in Singapore from 5 to 7 June 2011

From left to right: Mr. Mike Higgins (IATA VP Africa), Mr. Alberto Adiron (AU-IED), Mr. Giovanni Bisignani (IATA DG & CEO), H.E. Dr Elham M. A. Ibrahim (AU-CIE), and Mr. Günther J. Matschnigg (IATA Sr VP Safety, Operations and Infrastructure)



Rencontre entre S.E. Dr Elham Ibrahim, Commissaire Infrastructures et Energie, CUA et M. Ibrahim TAMPONE, Commissaire de l'UEMOA en charge de l'Aménagement du Territoire Communautaire, des Transports et du Tourisme Ouagadougou, Burkina Faso, le 11 février 2011.



H.E. Dr Elham Ibrahim, Commissioner, Infrastructure and Energy, AUC at the First Assembly of International Renewable Energy Agency (IRENA) 4-5 April 2011, Abu Dhabi, UAE <http://www.iisd.ca/irena/irenaa1/>



16th Annual World Congress of the Africa Travel Association (ATA) and the Second Edition of the International Fair on Tourism and Handicrafts (TICAA), Dakar, Senegal, 25 - 29th May 2011



IAIDA validation report process - One of the meetings held at GIZ office in Addis Ababa. In presence of Mr. Aboubakari Baba-Moussa (AU-IED), Mr. Zarges (GIZ), Mr. Audace and Mr. Omar N'Diaye (both consultants for IAIDA report study)

VISITE DE M. YVES DE ROSEE, DU FONDS FIDUCIAIRE UE-AFRIQUE POUR LES INFRASTRUCTURES, A S.E. DR ELHAM IBRAHIM, DE LA COMMISSION DE L'UA.



Addis-Abeba, 28 mars 2011 – Le lundi 28 Mars 2011, une délégation du Fonds Fiduciaire (FF) UE-Afrique pour les Infrastructures conduite par M. Yves de Rosée, Chef du Secrétariat du Fonds Fiduciaire UE-Afrique pour les Infrastructures, a effectué une visite à l'Union Africaine, plus précisément au Département des Infrastructures et de l'Energie.

Cette visite en Ethiopie s'inscrit dans le cadre du Partenariat EU-Afrique pour les Infrastructures soutenu par le fonds fi-

duciaire, qui a pour vocation d'encourager par des dons les investissements dans les Infrastructures en Afrique en vue de promouvoir l'intégration et les échanges régionaux.

S.E. Dr Elham Ibrahim, Commissaire en charge des Infrastructures et de l'Energie a exposé la situation des Infrastructures au niveau continental et sur les attentes des pays africains du Partenariat et du fonds fiduciaire pour le développement des Infrastructures en Afrique. Elle a souligné le fait que le Fonds fiduciaire représente un excellent instrument de soutien pour les infrastructures en Afrique mais qu'il est loin de répondre aux besoins africains qui se chiffrent à 40 milliards de dollars et qui sont au-delà des 400 millions d'Euros du fonds et qu'elle souhaite que le fonds prenne en compte les stratégies et les priorités du programme tripartite UA-ADB-NEPAD dit programme PIDA, qui est actuellement en cours de réalisation.

Par ailleurs, elle a réitéré la demande de la Commission de l'Union Africaine relative à l'implication et la participation de la Commission au Comité Exécutif du Fonds fiduciaire et a exprimé son souhait que cette demande soit examinée durant la prochaine réunion du Comité du pilotage du Partenariat EU-Afrique pour les Infrastructures qui se tiendra à Addis Abeba courant le mois de Mai 2011.

Au cours de cette visite, Dr Elham Mohmoud Ibrahim a été interviewée pour les besoins d'un film conçu pour mettre en lumière les besoins en infrastructure en Afrique, et illustrer les bénéfices que les investissements apportent aux économies et populations locales.

M. Yves de Rosée s'est réjoui des bonnes relations de coopération entre le FF et les partenaires africains et a fait le point des activités du FF, ainsi que des projets futurs qu'il pourrait financer dans le cadre des priorités de l'UA. Il a fait cas également d'un nouvel outil technologique à la disposition des partenaires aux projets, à savoir un Système d'information géographique (SIG), disponible sur le site internet du FF www.eu-africa-infrastructure-tf.net





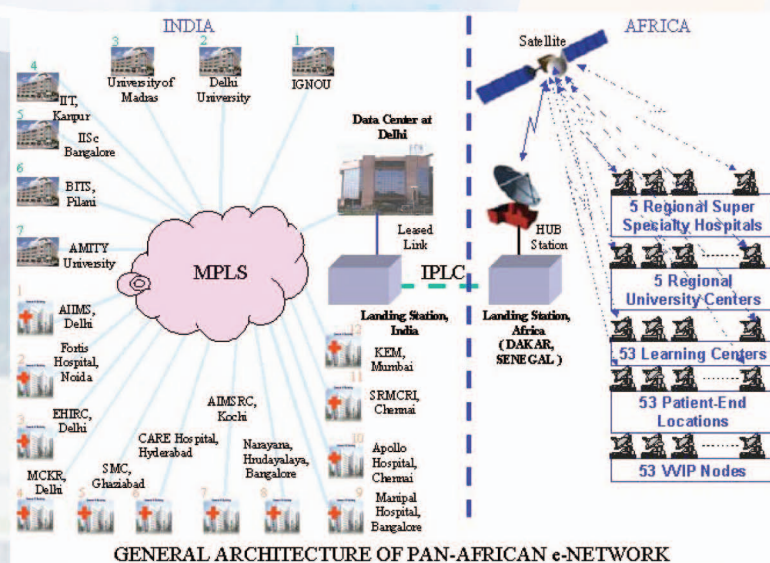
Pan-African e-Network Project Launched

An initiative of India and African Union

Inspired by recent advances in the provision of healthcare and medical education through the use of Information and Communication Technology, and recognizing that Africa-India cooperation can play a major role in harnessing the benefits of globalisation for mutual advantage, the former President of India Dr. A. P. J. Abdul Kalam, during the inaugural session of the Pan-African Parliament held in Johannesburg on 16th September 2004, proposed in his address to connect all the 53 nations of the African Union by a satellite and fiber optic network that would provide effective communication for Tele-education, Tele-medicine, Internet, Videoconferencing and VoIP services and also support e-Governance, e-Commerce, infotainment, resource mapping, meteorological services etc.

The network is global in nature connecting two continents and is designed to connect 190 sites/centers as per the details given below:

The network is state-of-the-art, open, scalable and can be integrated with other networks on IP platform. However, the network is evolved as a Closed User Group (CUG) primarily for delivering tele-education and tele-medicine services from Indian and African institutions to the AU member States.



Objective, Scope, Features and Benefits of the Project

- The network is designed to provide e-Services with priority on tele-education and tele-medicine services, and VVIP connectivity (Video-conferencing and VoIP services) among the Heads of States.
- The network has been implemented in all the 47 countries, which signs the country agreement with TCIL.
- The basic objective of the Pan-African e-Network project is to help Africa in capacity building by way of imparting quality education to students, from some of the best Indian Universities/ Educational Institutions and to provide tele-medicine services (online medical consultations and continuing medical education).
- In quantitative terms, the major benefits envisaged

from the project to the African countries are summarized as follows:

- Education of 10,000 students in various educational programmes over a period of 5 years - 2000 in Post-Graduate (PG) programmes, 3000 in Under-Graduate (UG) programmes, 5000 in skill enabling certificate, diploma and PG diploma programmes offered by India;
- Online medical consultation for one hour everyday to each of the 53 African countries, for 5 years (considering 300 working days in a year) from Indian medical specialists - which amounts to 79500 hours of consultation; Consultation will be given in almost all medical disciplines/specialties/subspecialties of interest to Africa;
- Offline Medical advice for 5 patients per day for each country for 5 years from Indian medical specialists - which translates to 247500 cases;
- Continuing Medical Education (CME) sessions from experienced medical faculty from India in various medical disciplines, to update the medical knowledge and upgrade the clinical skills of practising doctors and nurses/physicians' assistants;

In addition, tele-education will be provided by 5 regional leading universities (selected by AU) of Africa in various educational courses and tele-medicine will be provided by 5 regional super specialty hospitals (selected by AU) of Africa on the same lines as the Indian institutions;

For more details log on: www.panafricanenetwork.com