

## **8th PIDA Week**

### **Statement by Claver Gatete**

#### **United Nations Under-Secretary-General and Executive Secretary of the Economic Commission for Africa**

**H.E. Dr. Abiy Ahmed**, Prime Minister of the Federal Democratic Republic of Ethiopia

**H.E. Mr. Moussa Faki Mahamat**, Chairperson of the African Union Commission

**H.E. Dr. Alemu Sime Feyisa**, Minister of Transport and Logistics, Ethiopia

**H.E. Dr Amani Abou Zeid**, Commissioner for Infrastructure and Energy, AUC

**H.E. Mrs. Nardos Bekele-Thomas**, Chief Executive Officer, African Union Development Agency,

**Distinguished Guests**

**Ladies and Gentlemen**

I am delighted to deliver remarks on this occasion of the celebration of the 8<sup>th</sup> PIDA Week. Let me at the outset thank the Government of the Federal Democratic Republic of Ethiopia for hosting this event in Addis Ababa, a city that is transforming at a rapid pace. This is an eloquent testimony of the government's commitment to infrastructure development. I also thank the African Union Commission and the African Union Development Agency for collaborating with the host country and ECA to organise this event.

The theme of the event “Fostering Resilient and Inclusive Infrastructure for Africa’s Sustainable Growth: Leveraging Transformative Financing and Regional Integration” is relevant and timely. It aligns well with the United Nations’ drive towards sustainable infrastructure development.

In 2023, the General Assembly declared the first ever United Nations Decade of Sustainable Transport to start in 2026 and called for the celebration of the next World Sustainable Transport Day on 26 November 2024 – which, coincidentally, is today. Within the framework of the

celebration and as part of PIDA Week, ECA is organizing a session this afternoon that will focus on “digital transformation and the Global Decade on Sustainable Transport”. We are delighted to be the bridge between global and African infrastructure development aspirations and invite you all to attend the session.

Your Excellences,

Infrastructure endowment (transport, energy, ICT, and water resources) has a direct impact on the cost of living and doing business in Africa. Inadequate infrastructure increases the continent’s production and transaction costs, which reduces its competitiveness in the global market. Africa’s infrastructure deficit lowers its per capita economic growth by 2% a year and reduces the productivity of its firms by as much as 40%. Infrastructure endowment is vital for industrialisation, trade, and regional integration. That is why ECA has prioritised infrastructure development over the years.

PIDA provides a strategic framework for priority projects aimed at transforming Africa through the construction of modern infrastructure to strengthen the continent’s competitiveness and integration into the global economy. Permit me to highlight three messages that are critical to the achievement of this objective.

First, we must strengthen the ownership of PIDA at the national level. In this regard, it is desirable for member States to take full control of all the 69 PIDA projects that were adopted by AU Heads of State and Government in 2021. This is critical to mobilizing the estimated US\$160.8 billion required to implement the projects from internal and external sources of finance. National ownership will empower ECA and other regional and continental organisations to contribute effectively to resource mobilization efforts. It will also enable access to reliable and updated information to assess progress in the implementation of PIDA.

The second message is linked to regional integration. It is that the African Continental Free Trade Area (AfCFTA) provides an opportunity to accelerate implementation of PIDA. Infrastructure development is key to fully harnessing the potential of the Free Trade Area. Our study shows that up to 61,540km of regional roads in Africa would require upgrading to accommodate the anticipated increase in traffic flows as a result of AfCFTA. Constructing the missing links of the Trans-African Highways and implementing PIDA and other planned infrastructure projects will reduce the length of critical road links by 20,031km (33%). This calls for the simultaneous implementation of AfCFTA and Africa's regional infrastructure programmes, including PIDA. It also provides an opportunity for investment in the construction industry.

Our study also indicates that full implementation of AfCFTA would result in the following by 2030:

- i. An increase in the share of rail transport from 0.3 to about 7% but road transport will continue to hold the lion's share of 70%; and
- ii. The need for over 2,000,000 trucks, 160,000 rail wagons, 243 aircraft and 135 maritime vessels.

Your Excellencies,

The third message is about sustainability. In this regard, PIDA projects face significant challenges, including environmental concerns, the need for sustainable development practices, and the complexities of coordinating between multiple nations with different political and economic landscapes. Addressing these challenges requires strong collaboration and commitment from all stakeholders involved.

Recent floods in Kenya that affected parts of the Lamu Port – South Sudan – Ethiopia Transport Corridor (LAPSSET) road network underscore the necessity to build the resilience of regional infrastructure to avoid delays in movement of freight. Regarding coordination, ECA is pleased to be part of the PIDA Steering Committee. PIDA Weeks also provide opportunities to enhanced understanding of the progress and challenges in PIDA implementation. It is an honour that ECA

is part of this ongoing effort. You can count on our support, which also includes efforts to digitalise the management of the infrastructure assets of regional corridors.

Distinguished guests,

We are witnessing a drive towards inter-regional infrastructure connectivity through initiatives launched by Africa's development partners. China's Belt and Road Initiative and the European Union's Global Gateway are prominent among these initiatives. Africa should take advantage of global connectivity aspirations. However, we must be mindful that the continent has a common position on partnerships for regional infrastructure development. The position stresses that PIDA, adopted by Heads of State and Government of the continent, should be the building block for all partnerships with non-African countries and organization. This is important to ensure that the continent remains focused on its priorities.

Let me end by recognizing that PIDA provides a platform for African countries and organisations to engage with development partners and international organisations on infrastructure development. I assure you that ECA will continue to work withing this platform with the view to closing Africa's infrastructure deficits.

Thank you for your attention.