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**Opening remarks for H.E. Mr. Moses Vilakati
Preview of the 2025 Africa Development Dynamics Report:
Infrastructure, Growth and Transformation**

Wednesday, 20 August 2025 | 12:40-14:10 | Exhibition Hall D - room S-07 |
in-person only
TICAD 9, Yokohama, Japan

[Open and thank partners]

Excellencies Ministers,

Distinguished guests,

Ladies and gentlemen.

It is a pleasure to be here today.

It is my great honour to welcome you to the launch of the 7th edition of the ***Africa's Development Dynamics Report: Infrastructure, Growth and Transformation.***

In 2025, Africa's real gross domestic product (GDP) is projected to grow at **3.9%** – outpacing Latin America and the Caribbean at 2.0%, but still below developing Asia at 4.4%. **Investing in quality infrastructure** can help Africa close this gap – boosting productivity, regional integration, and employment across the continent.

Integrated infrastructure networks enhance firm competitiveness and connect trade corridors – directly supporting the African Union's Agenda 2063 vision of “**world-class infrastructure that crisscrosses Africa.**” This vision is not abstract. It is grounded in the real needs and ambitions of our Member States, our businesses, and our citizens.

[Cite some report's key findings]

As Director Ragga already alluded to in her remarks, the African Union Commission, in collaboration with the OECD Development Centre, has prepared their new joint flagship report. It identifies the scale of investment required and proposes how to target it more strategically to achieve our aspirations in Agenda 2063. Let me cite some of the report's key findings:

- A key challenge we face – too often underestimated – is **infrastructure maintenance**. According to our estimates, 42% of Africa's infrastructure investment needs are for maintaining and upgrading existing assets – not just building new ones. And yet, **only one in three water and energy utilities in Africa currently recover their operating, maintenance** and debt service costs.
- Underinvestment also imposes social costs. The average African pays **USD 56 per month** for broadband internet – compared to USD 46 in Latin America and just USD 17 in Developing Asia. These gaps reflect broader infrastructure disparities that limit competitiveness, widen inequality, and restrict opportunities – especially for women, youth, and rural communities.

[Cite AU's infrastructure tools]

But developing infrastructure is not only about building and maintenance: it is about **coordination, prioritisation, and credibility**. To support this transformation, the African Union institutions have developed several strategic tools.

- One is the **Accelerated Industrial Development for Africa (AIDA)** – a continental framework to promote industrial growth and economic diversification. AIDA encourages policies and partnerships that build stronger regional value chains, increase manufacturing capacity, and create decent jobs across Africa.
- Another is the **Programme for Infrastructure Development in Africa (PIDA)**. PIDA identifies and supports priority cross-border infrastructure projects in energy, transport, digital and water – projects that are regional in scope and transformational in impact. With PIDA-PAP 2 – the second PIDA priority action plan for the period 2021-2030 – we now focus on fewer, better-prepared projects that are environmentally sound, technically feasible, and socially inclusive.

However, too many infrastructure projects struggle to secure financing. A lack of bankability, data, and investor confidence can stymie investment.

- To help close this gap, the **PIDA Quality Label** helps identifying and endorsing priority projects that meet standards for technical soundness, socio-environmental responsibility, and readiness for investment. As of 2025, 15 PIDA PAP2 projects used the PIDA Quality Label to signal investment readiness.
- I concur with Ragga that the **African Virtual Investment Platform (AVIP)**, will also make Africa's infrastructure pipeline more visible and more transparent and attract investors.

Of course, building regional infrastructure requires **effective coordination** across institutions. The African Union works closely with **AUDA-NEPAD**, **Regional Economic Communities (RECs)**, and national governments to align planning and investment. Master plans, harmonised standards, and project preparation facilities are essential to turn vision into delivery.

[Close and give the floor back]

The African Union Commission remains firmly committed to supporting Member States with the frameworks, tools and platforms needed to deliver high-impact infrastructure for Africa's growth and transformation.

To do so, we must continue to **strengthen dialogue and cooperation between African countries**, and between **Africa and our global partners**

– such as Japan. This is essential to ensure shared commitment to sustainable, resilient, and inclusive infrastructure for the continent.

Before I hand the floor over, allow me to acknowledge the *Africa's Development Dynamics* report teams at the African Union Commission and at the OECD Development Centre – led by Patrick Olomo and Arthur Minsat respectively.

Together, we can realise the promise of Agenda 2063 – and build the infrastructure that Africa needs.