



IGAD Infrastructure Projects Based on **Horn of Africa Initiative (HOAI) **Infrastructure Projects****

**Presentation for EDF 11
Infrastructure workshop
2 June 2014**



Presentation Outline

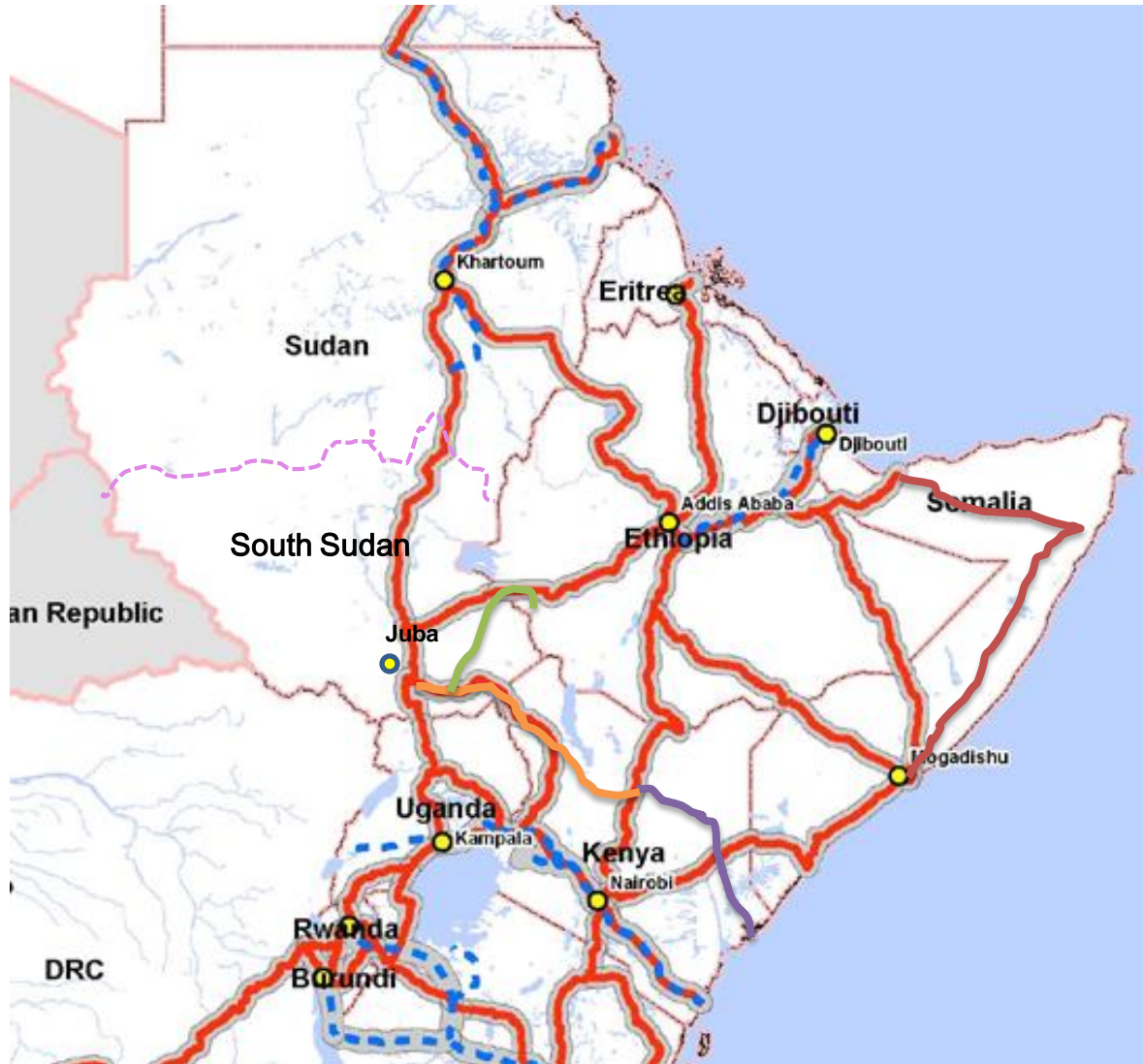
- ▶ **Brief profile of IGAD Region**
- ▶ **Rationale for IGAD Regional Transport and ICT Policies**
- ▶ **Status of implementation of the Horn of Africa Initiative**
- ▶ **Proposals for EDF 11 funding**



IGAD Nations



IGAD Major Corridors



Disclaimer: The boundaries on the map are only indicative

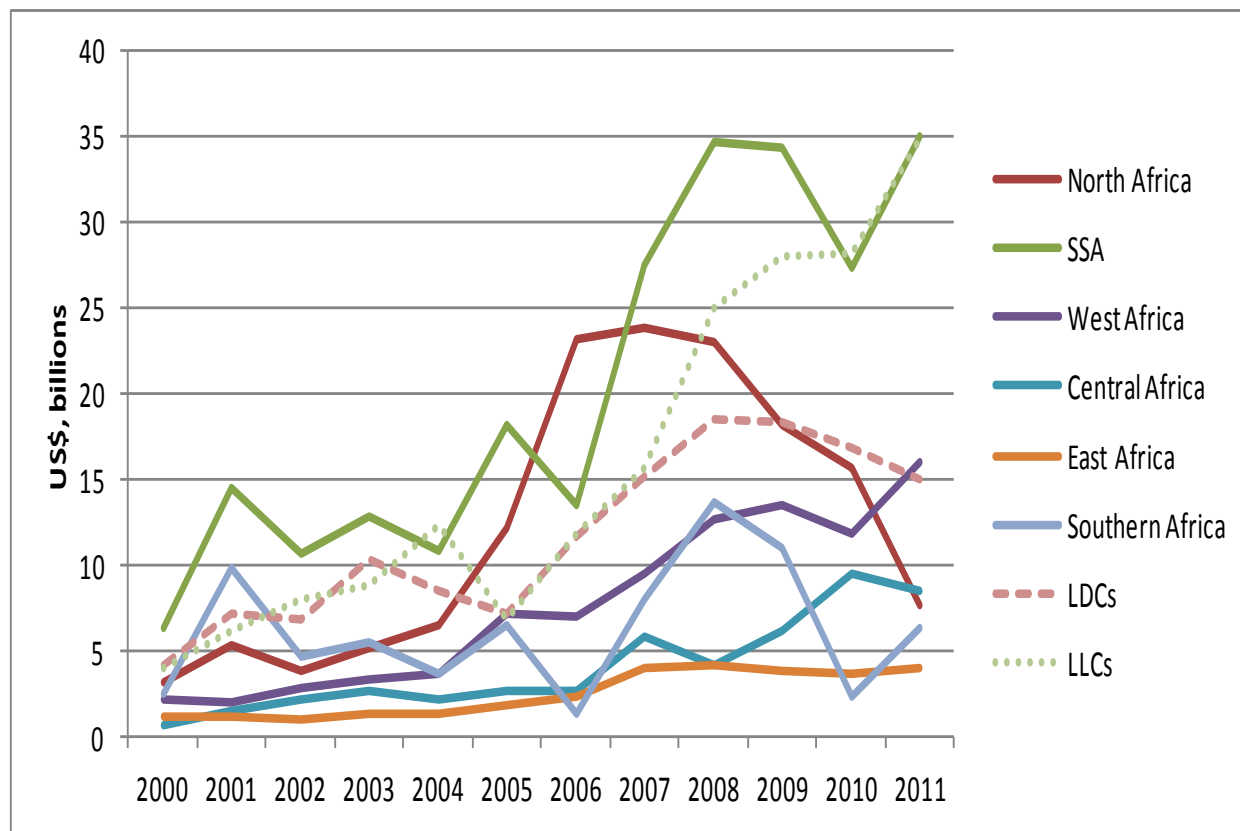


Brief profile of IGAD Region

- ▶ IGAD Region has 8 member states
 - Djibouti, Eritrea, Ethiopia, Kenya, Somalia, South Sudan, Sudan, and Uganda
 - Ethiopia, South Sudan, Uganda are landlocked
- ▶ IGAD region -
 - 21% of Africa's population and covers 17% of Africa's landmass
 - 9% of Africa's combined GDP (2012 current prices, and excluding South Sudan and Somalia)
 - Largely rural based population that is heavily dependent on agriculture
 - Lowest recipient of FDI in Africa largely due to civil conflict and governance challenges



Brief profile of IGAD Region .../2



Infrastructure is among key factors in attracting foreign direct investment (FDI)



Rationale for IGAD

Regional infrastructure Policies

- ▶ IGAD is resource-abundant but with low
 - degree of industrialization
 - engagement in the knowledge society
- ▶ Poor transportation and communication infrastructure are key impediments
- ▶ IGAD's over-arching objective of regional integration is to create an open, unified, regional economy
 - a single market open to competitive entry and well integrated into the global economy
 - Requires regional infrastructure and harmonization of policies for removal of physical and non-physical barriers



Key challenges for IGAD's infrastructure sector

Roads

- Poor road network and missing links for regional connectivity
- High transport costs due to state of the road network
- Burdensome trade logistics due to non-physical barriers

Poor rail network and missing links for regional connectivity
High transport costs due to state of the rail network
Burdensome trade logistics due to non-physical barriers

- Inefficient railway system - aging tracks, lack of maintenance and different gauges of tracks

Seaports

- Capacity constraints leading to congestion and berthing delays

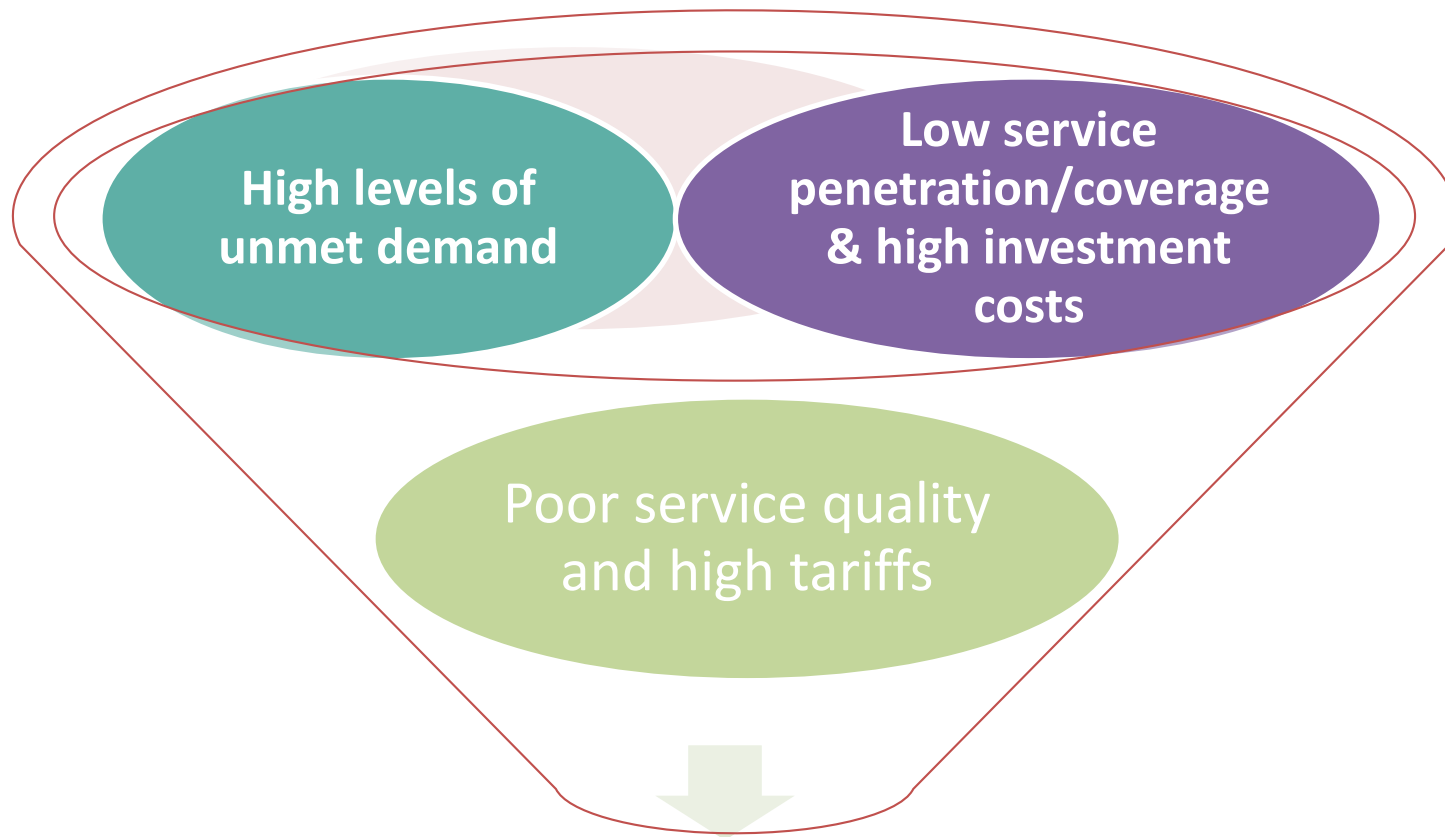
Airports

- Air traffic un-matched with enhanced regional connectivity
- Inadequate air traffic control and airport infrastructure



Key challenges for IGAD's Infrastructure Contd

ICT Sub-sector



Low access and utilisation of ICTs



Transport

- **Projects under implementation**
 - **Isiolo – Moyale – Addis Ababa (Ke/Eth)**
 - **Kampala – Nimule – Juba (Ug/S-Su)**
 - **Djibouti – Addis Ababa (road & rail)
(Dji/Eth)**



Transport

- **Projects under Preparation**

- ❖ Juba – Raad – Mizan (Juba – Addis Ababa - Djibouti Corridor)[S-Su/Eth]
- ❖ Juba – Nadapal – Eldoret (Northern Corridor/LAPSSET) [S-Su/Ke]
- ❖ Berbera – Togochole (Berbera – Addis Ababa Corridor) [So/Eth]
- ❖ Lamu Port – South Sudan – Ethiopia Transport Corridor (LAPSSET)



Energy

- **Power interconnection projects under implementation**
 - ❖ **Ethiopia – Sudan (commissioned in 2013)**
 - ❖ **Kenya – Ethiopia**
 - ❖ **Ethiopia – Djibouti (commissioned in 2012)**



Energy cont...

- **Power interconnection projects to be prepared**
 - ❖ **South Sudan - Uganda**
 - ❖ **Sudan – Eritrea (ongoing)**



Energy cont...

Renewable Energy Development projects under consideration:

1. Geothermal development
2. Small Scale Wind & Solar Pumps
3. Solar Photovoltaics (PVs) and Solar Water Heaters for Rural Institutions and Commercial Establishments



Proposals for 11th EDF

1. Berbera – Hargeisa - Togochole Road (Berbera – Addis Ababa Corridor) Project

- To rehabilitate the Berbera – Hargeisa-Kalabaydh (221km) section of the road;
- Upgrade the Kalabaydh -Togochole (20km) section;
- Construct the Hargeisa Bypass (25km)

Project currently undergoing Feasibility Studies and Detailed Engineering Design funded under the 10th EDF.
Completion expected: September 2014

Estimated cost of the project is about €200 million



Proposals for 11th EDF cont...

2. Horn of Africa Backbone Study

- Feasibility study which aims to develop the regional ICT strategy and priority Investment Plan which is one of the major studies that will serve the Horn of Africa countries.
- It has been identified in the priority list of PIDA particularly the missing links of the Horn of Africa Backbone
- The main deliverable will be an ICT connectivity strategy with a list of priority interconnection projects between IGAD Member States.
- The output of the study will be a physical project whose outcome will contribute towards reducing the cost of doing business and thereby increasing IGAD's competitiveness through improving its connectivity and enhancing the integration in the region.
- Estimated to cost about €1.5 million



Proposals for 11th EDF cont...

3. Development of Regional Renewable Energy Sources

- A regional focus on promoting public-private initiatives in the energy sector expected to lead to increased private sector in the economy, support for the restructuring and reorganizing of the energy sector, and, more generally, provide working examples for other private sector investments in the region.
- Identifying technically and economically viable applications of wind/solar/geothermal energy for grid-connected, isolated grid and direct uses that are replicable on small and large scale in the Horn of Africa region (especially in ASALs areas which account for almost 60%)
- Estimated to cost about €50 million



THANK YOU