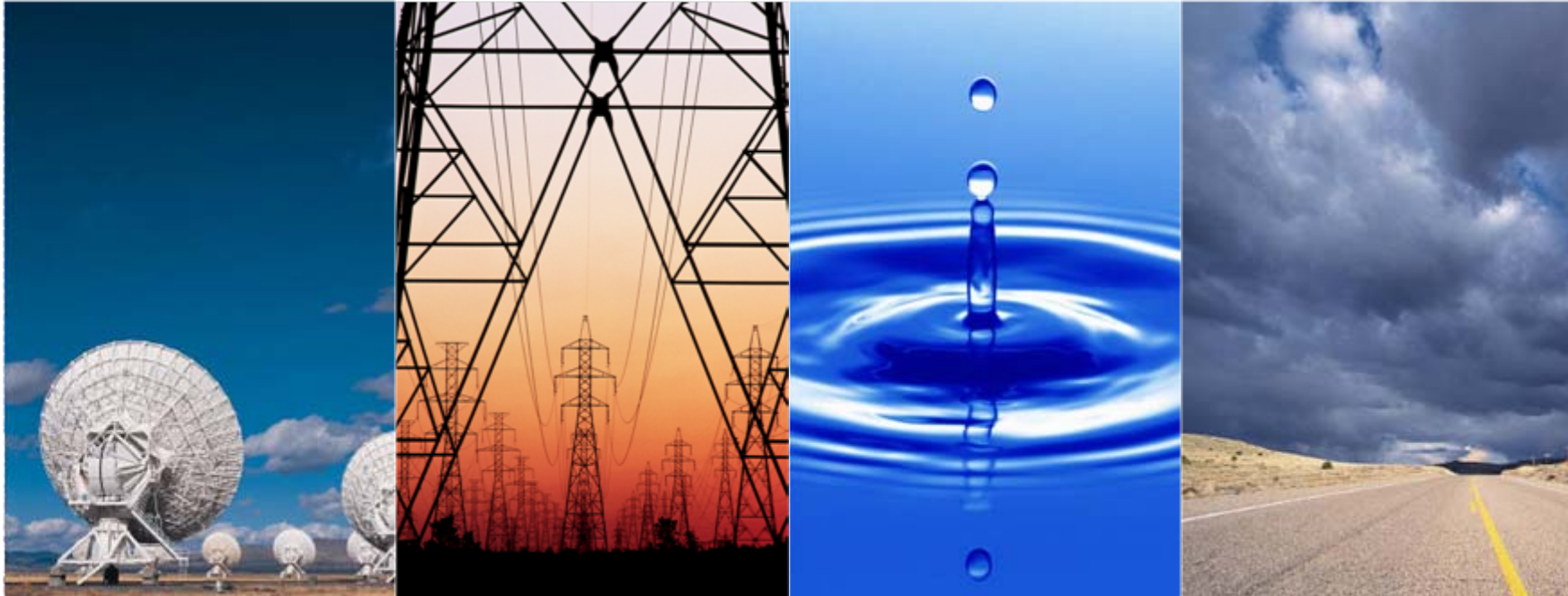


Report on ICA Secretariat 2008 Work Plan



ICA Annual Meeting, Rome

9-10-11 March 2009





- ❑ **2008 Work Plan approved at Tokyo Annual Meeting**
- ❑ **Washington US-Treasury Symposium on “Powering Africa’s growth : expanding private investment in Africa power infrastructure”**
- ❑ **Dakar Water Meeting on “Financing Water for Growth”**
- ❑ **Outreach**
 - **China**
 - **Arab Coordination Group**
- ❑ **Publications**
 - **ICA 2007 Annual Report**
 - **User guide to PPPs**
- ❑ **Support to other initiatives**
 - **UN-MDG Africa Steering Group**
 - **African Partnership Forum**
- ❑ **Communication**
 - **AICD – session 4**
 - **ICA Website and collaborative platform - session 6 and 7**

ICA strategic objectives



Enhance donor collaboration



Advocate for infrastructure in Africa



Enhance private sector participation



Support capacity building in African regional institutions



ICA Secretariat 2008 Focus



Communication



Donor collaboration



Water sector



Private sector investment



Outreach non-ICA members



Dissemination of AICD Study results

Laying the Foundations for Private Investment in Power

Session focused on attracting private investment in the power sector. Issues of political will and tariff setting, project subsidy, skills shortage, and corruption were discussed.



Developing Bankable Power Projects

- Global Financial Crisis
- Project Preparation
- Project Finance Model

Working Towards Solutions for Africa's Power Needs

- Help for training African officials
- Increased support for project preparation e.g. USAID's AIP
- Establishment of High-level ICA Working Group

First meeting of the working group will take place in the margins of the AfDB Annual Meetings in Dakar, Senegal in May 2009. Meetings will be structured around case studies and discussions of specific investment projects. World Bank and IFC assisting with preparations.

- New guide to 'Attracting Investors to African Public-Private Partnerships'

Meeting co-sponsored by ICA/USAID/PPIAF

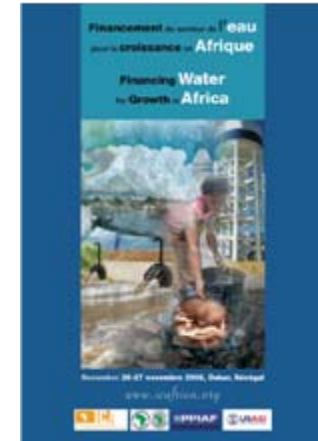
High level attendance including 2 Ministers from Senegal and Madagascar (representing AMCOW), AU, RECs, River Basin Organisations, Private Sector, Public Sector, Water Utilities, ICA members and International Financial Institutions. Meeting held back-to-back with a workshop on credit rating for water utilities.

Keynote speakers from World Bank, PPIAF, EIB, AfDB, IFC, AFD, International Water Experts, Local Private Sector

Key Messages

- An emerging African private sector has delivered success stories
- Commitments from African countries to improve the investment climate
- Financial gap to meet water MDGs – US\$4 billion
- New impetus required to find distinct solutions for fragile states (AICD findings)
- Urgent attention needed to finance multi-purpose dams for economic growth and to mitigate impacts of climate change

Messages from Dakar ICA meeting have been fed into the 5th World Water Forum, Istanbul, March 2009





Preparatory Mission to China December 2008

High Level Mission to China in February 2009 led by AfDB, including AU Commission, AfDB, KfW and ICA Secretariat

Seminar on African Infrastructure well attended by Chinese enterprises and financing agencies

Visit to the Three Gorges Dam Project

Key Outcomes

Decision to collaborate with ICA with People's Bank acting as facilitator of contacts with ICA

Decision to collaborate on two projects this year

Regular exchange of analytical work and knowledge

Members of the Arab Coordination Group are the Abu Dhabi Fund for Development, the Arab Bank for Economic Development in Africa (BADEA), the Arab Fund for Economic and Social Development (AFESD), the Islamic Development Bank, the Kuwait Fund for Arab Economic Development, the OPEC Fund for International Development OFID, Arab Gulf Programme for UN Development Organisations, and the Saudi Fund for Development



ICA Secretariat participated in as an observer for the first time

Strong interest in the activities of the ICA.

Following the recent Arab Economic Summit also held in Kuwait, members of the Coordination Group have decided to scale up assistance to Africa during this period of global economic crisis.

In the area of infrastructure, ICA seen as a useful platform for scaling up support and increasing their knowledge of the sector.

Missions to individual members of the Group will be at the appropriate time to identify concrete projects for possible collaboration between members of the Group and ICA members.

2007 Annual Report

- Needs remain high at around \$80bn (AICD)
- Africa received a minimum \$40 billion of external financial support to its infrastructure sector from all sources.
- ICA commitments reached **\$12.4 billion in 2007** – this was an increase of 61% over the \$7.5 billion committed in 2006. ODA commitments in SSA increased by 59% to reach \$8.17 billion.
- Commitments by China, India and Arab partners estimated at \$4.5 billion, \$700 million and \$2.6 billion respectively

Challenges

- Africa's power crisis continues to demand urgent attention
- Action is required now to prevent what might become 'Africa's water crisis'
- A greater emphasis on regional solutions is needed
- The returns to reform and increasing the efficiency of existing infrastructure are high
- Significant additional spending will be required on urban infrastructure



PPP guide

- ‘Attracting Investors to African Infrastructure Projects’ – will help the public sector in Africa to attract private sector investment through effective project advertising, management, and implementation.
- Guide will enhance the chances of developing effective public-private partnerships by overcoming major obstacles to project delivery by having the right information, on the right projects, for the right partners, at the right time.
- Assesses the relevant issues for selecting a project for public-private partnership, the actions for preparing projects for market, and the management process.
- Addresses hiring and managing expert advisers, explains how the public sector should interact with the private sector during the project selection and preparation phases to ensure that decisions during these phases are realistic
- And analyzes the issues of engagement with the private sector during the tender and after a contract has been signed.
- Available in English and French –with the financial support of PPIAF



UN-MDG Africa Steering Group

Report was launched in July 08 in margins of AU Summit in Sharm El Sheikh

Report calls for a strengthened ICA Secretariat



Africa Partnership Forum

ICA Secretariat attended APF meetings in Tokyo (April) and Addis Ababa (September)

Need to create stronger links

Africa Partnership Forum



Preliminary results

	2007	2008
ICA Total Commitments	\$ 12.4 bn	\$ 12.4 bn
ICA Total ODA	\$ 9.4 bn	\$ 8.1 bn
ICA Total NC	\$ 3.0 bn	\$ 4.3 bn

NB : The figures in 2008 include estimates by the ICA secretariat and should be regarded as preliminary.

