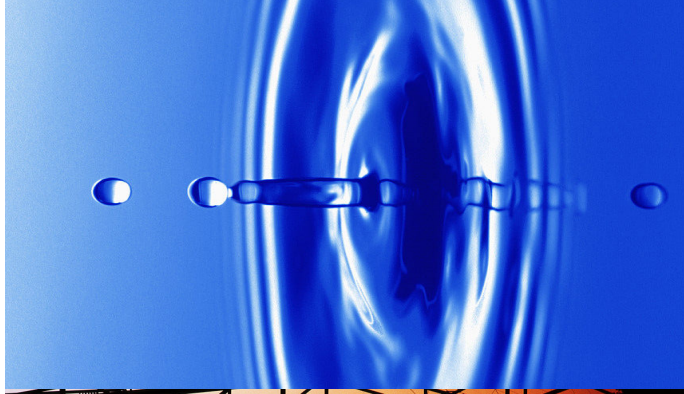
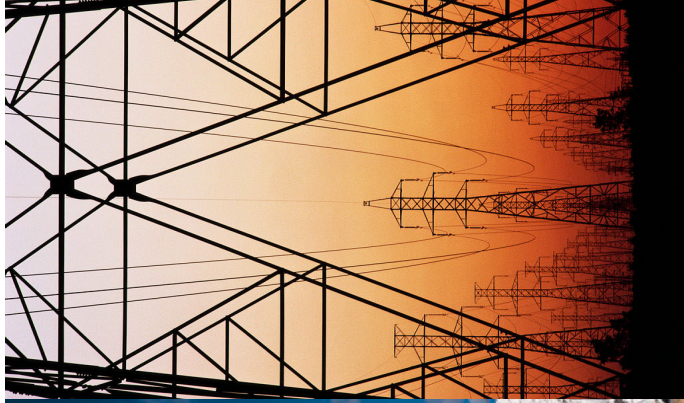


ICA Annual Report 2009

Highlights of Analysis





Overview

- Overview
- Preliminary remarks
- External financial support to African infrastructure
 - The big picture
 - Trend at first glance
- ICA member support
 - ICA members total commitments 2005-2009
 - Trend at first glance
- Sectors
 - ICA members commitments by sectors
 - Trend at first glance
- Projects
 - ICA members commitments to regional projects
 - Top 8 commitments
 - Top 8 pipeline
- Non OECD commitments
- Outlook – Threats and Opportunities

Preliminary remarks

- Data of 2009 in this presentation is **preliminary** and based on responses to the questionnaire on 2009 commitments to **infrastructure projects in Africa** of following ICA Members:

Bilateral:

Canada*, France, Germany, Italy, Japan, USA*

Multilateral :

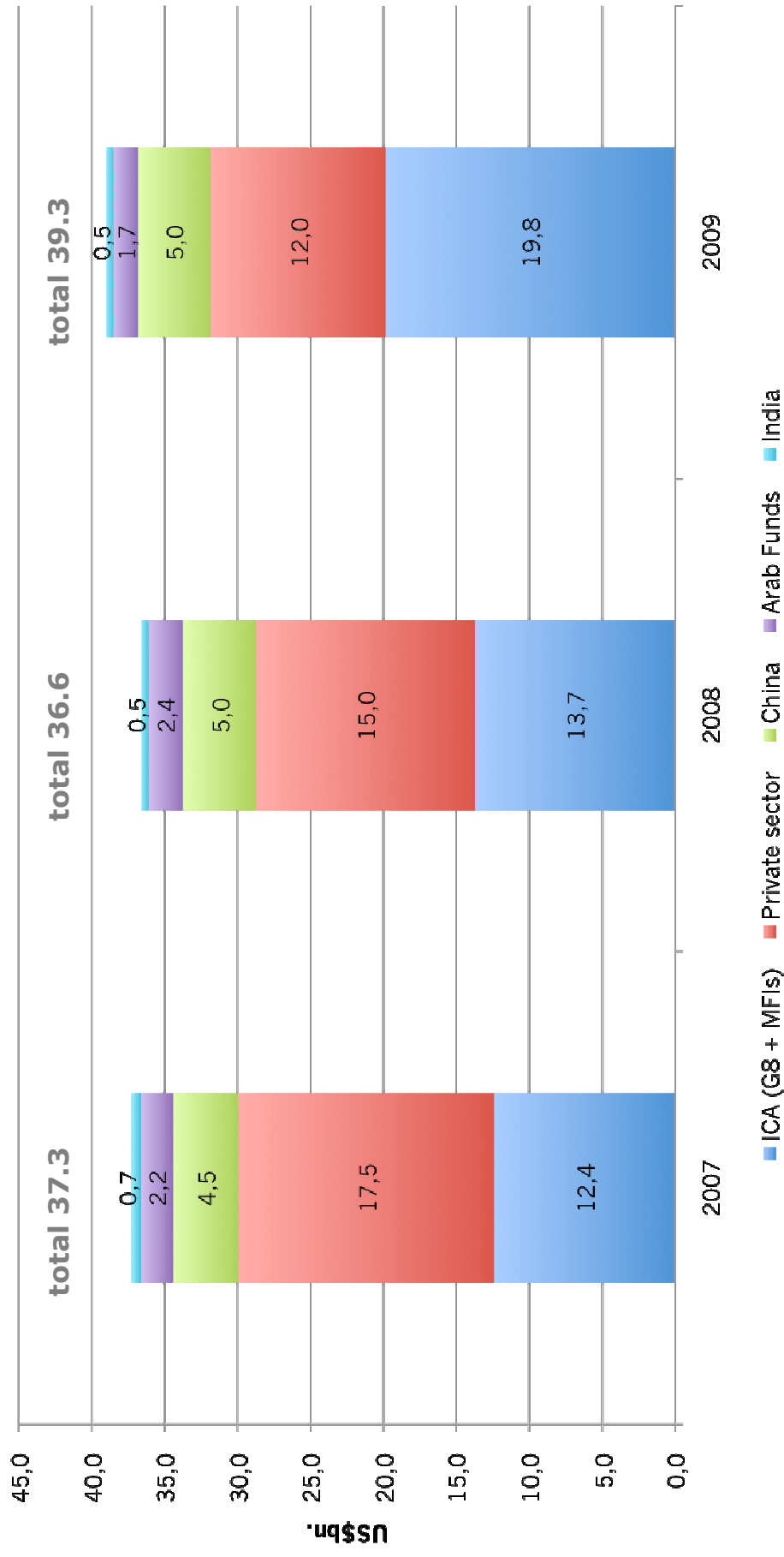
AfDB, DBSA, EC, EIB, IFC, World Bank

(* Partial information)

- This information enabled the ICA Secretariat to draft up this **preliminary analysis** of financial commitments. As some responses are still to be confirmed, final numbers in the ICA Annual Report 2009 will deviate from following figures.
- Previous years are covered through data from the ICA Annual Reports 2006-2008.

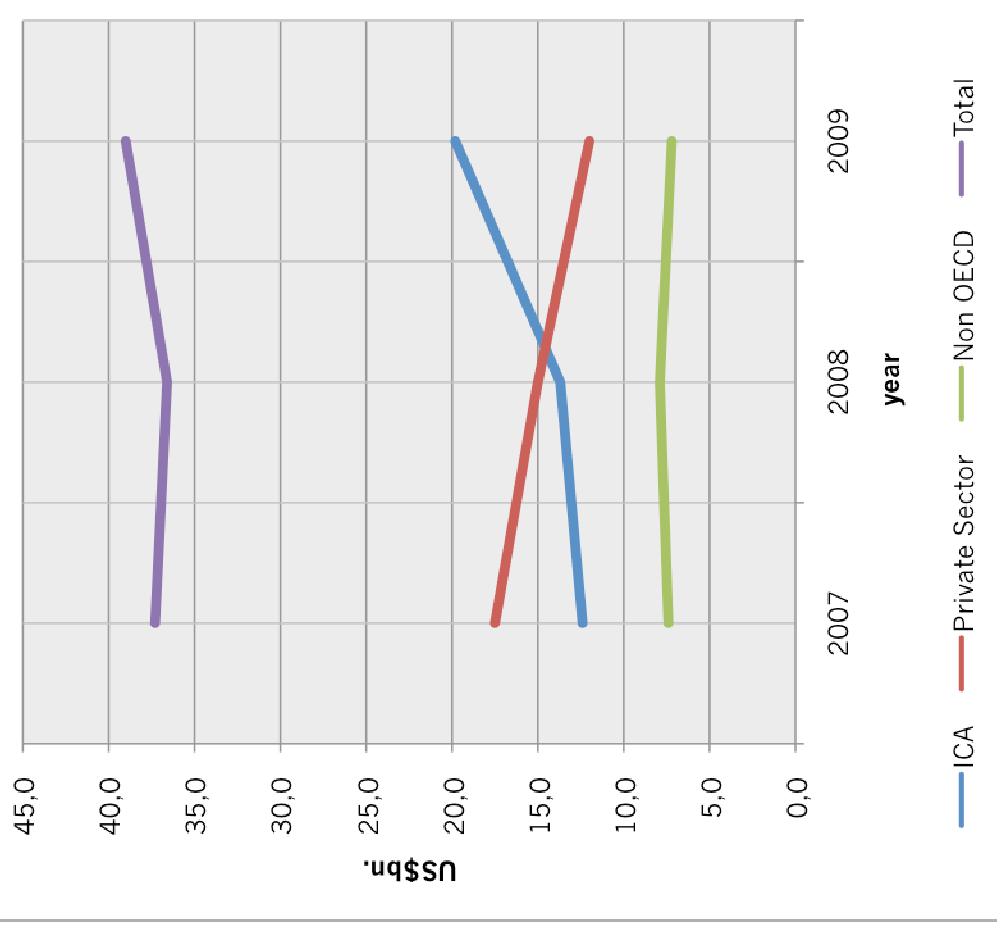
External financial support – the big picture

Minimum external financial support to African infrastructure.



External financial support – trend at first glance

- 2009 total commitment level to Africa increases 6,5% to US \$39 billion.
- private sector again **20% down** from 2008 level continuing the trend triggered by the financial crisis
- ICA member support almost **45% up** acting **contracyclical**

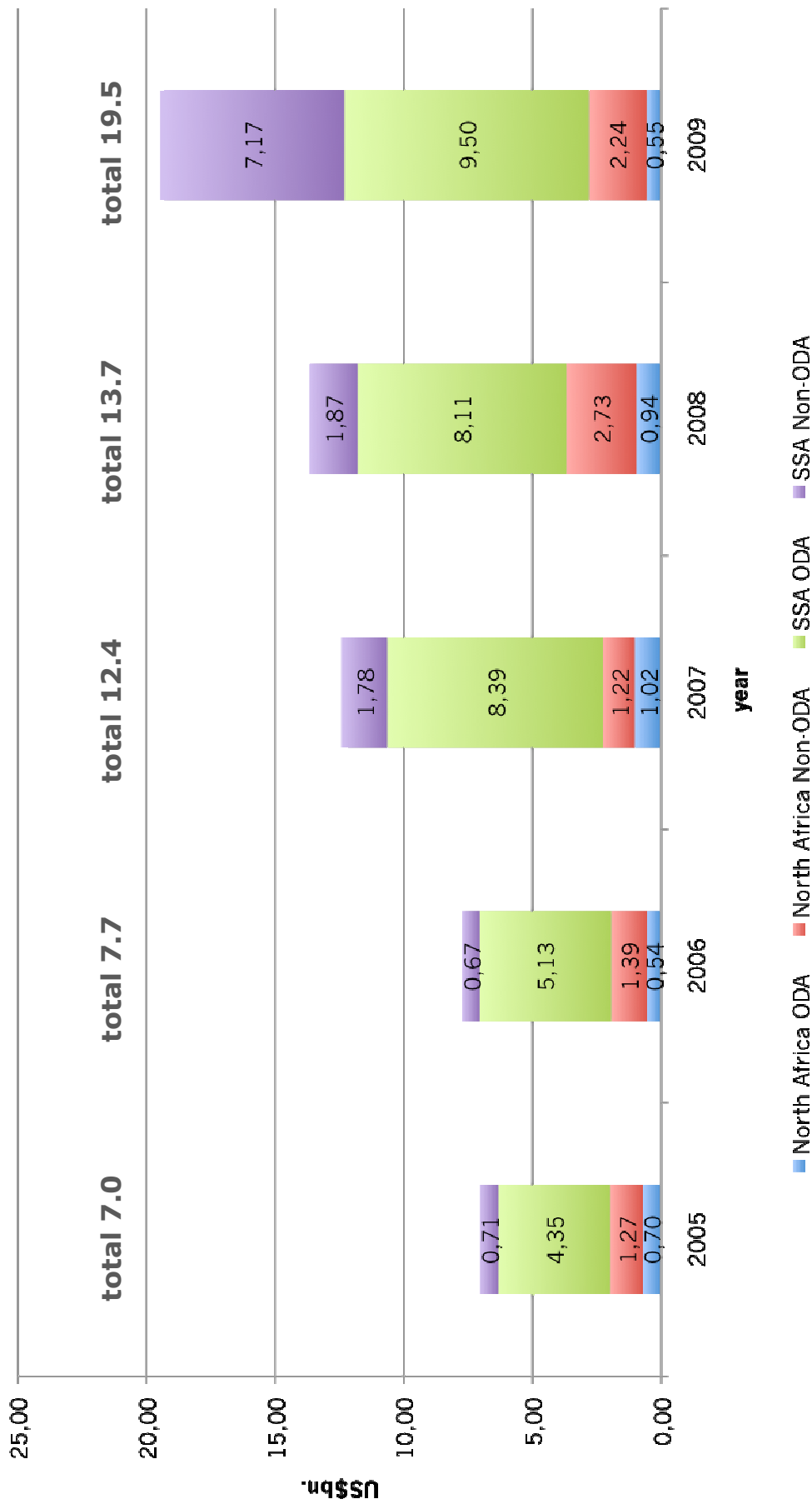




The Infrastructure Consortium for Africa
Le Consortium pour les Infrastructures en Afrique

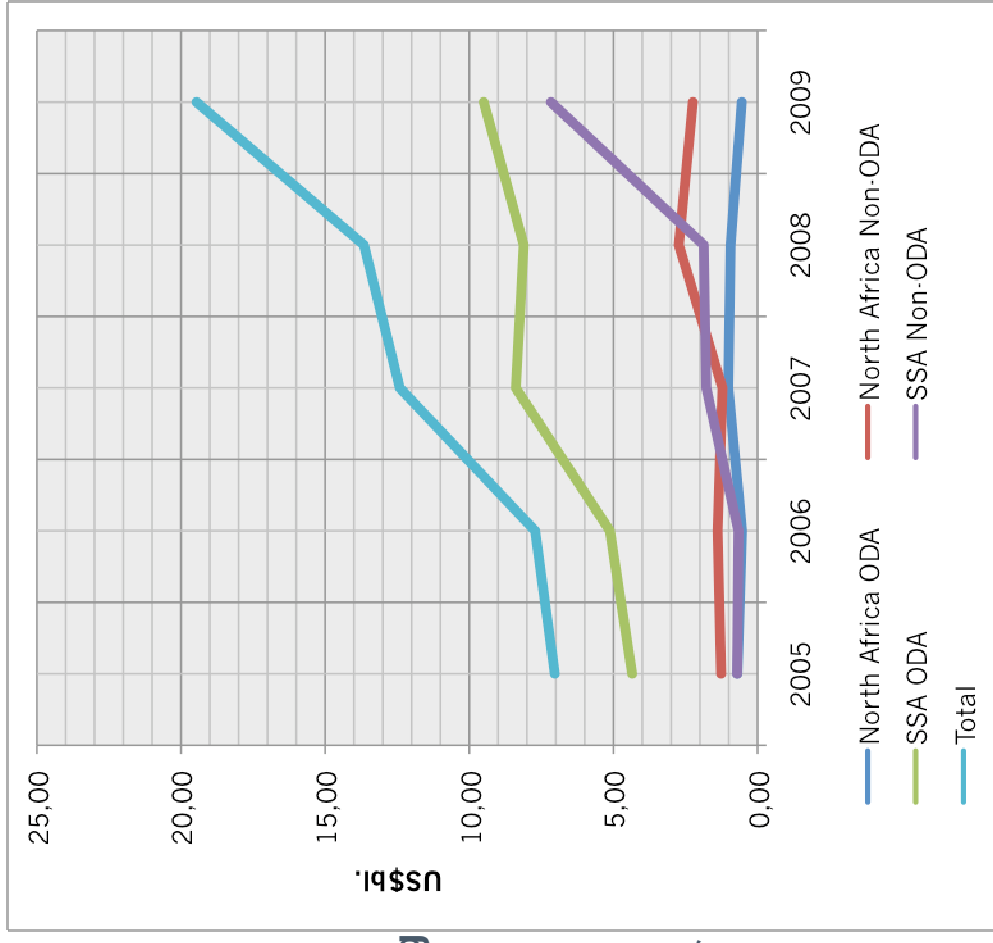
Catalysing Africa's
Infrastructure Development

ICA Members commitments



ICA Member Support – trend at first glance

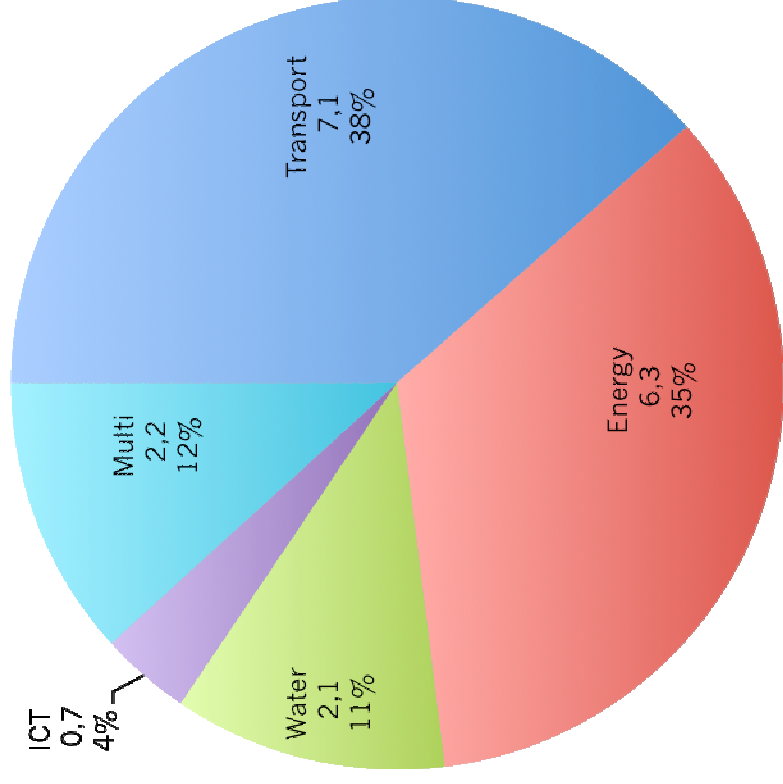
- Total 2009 ICA members support climbs to an all time high of **US\$ 19.5 bl.**
- IFI
 - Responded to the severe disruption of financial flows by implementing **new fast-disbursing instruments** and budget support, as well as a trade financing facility in cooperation with the IFC – and other non traditional financial instruments
 - **Substituted several private sector commitments** to port, airport and road PPP-projects to ensure they were not abandoned



Sectors

□ Total commitments of
US\$ 18.4 billion*

■ Transport	38%
■ Energy	35%
■ Water	11%
■ ICT	4%
■ Multi and others	12%



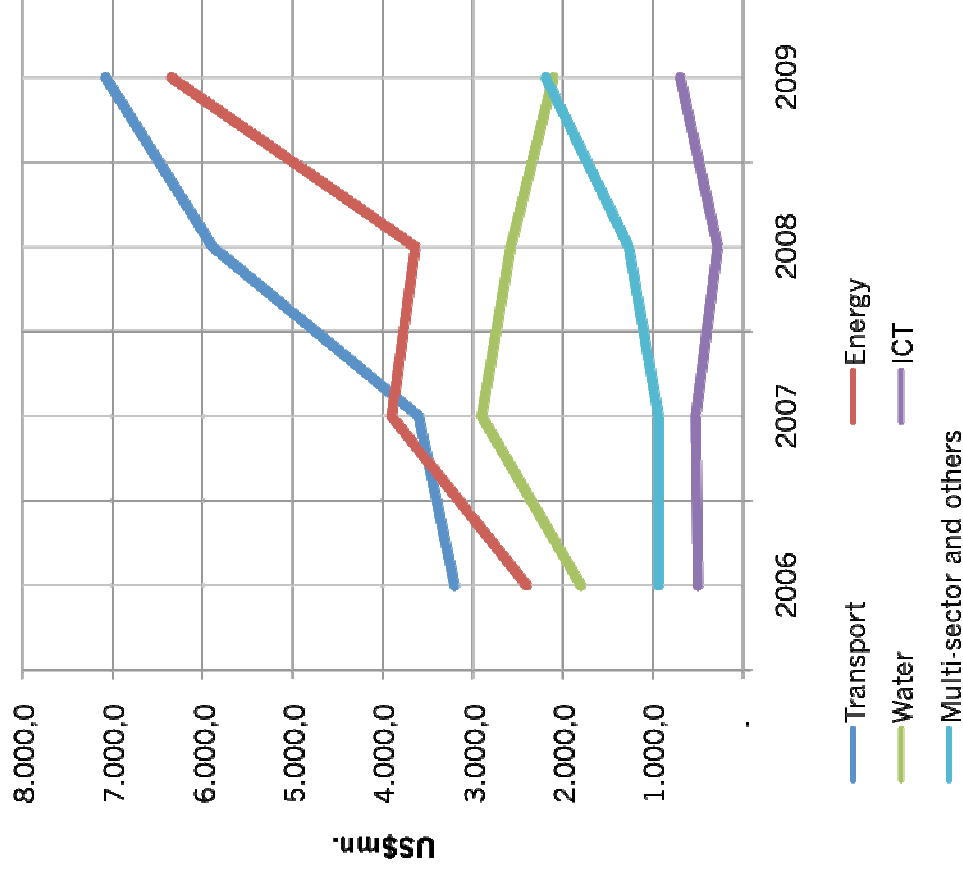
* excluding total commitments of USA in 2009 of approx. US\$ 1 bn.

Sectors – trend at first glance

□ ICA by sectors*

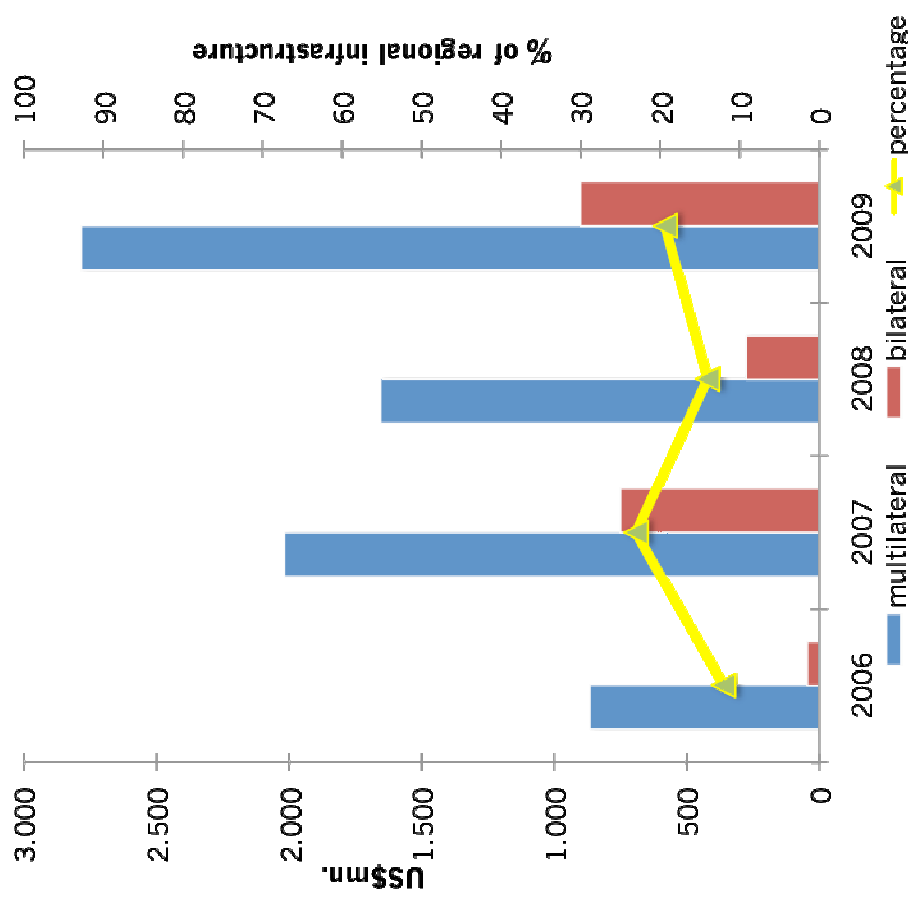
- Energy sector commitments **increased by 75%** compared to 2008 to a level of US\$6.3bn.
- Transport **increased by 20%** to US \$7.1bn.
- Water commitments decreased by 18% to US \$ 2.1 bn. (to verify)
- ICT almost **doubled** to US\$0.7bn.

* excluding total commitments of USA in 2009 of US\$ 1.05 bn.



Regional Projects

- Commitments to regional projects in 2009 at **US\$ 3.7 billion**
 - increase by 91% compared to 2008 (US\$1.9 bn.) level
 - Up from 14% in 2008 to **19%** of total ICA commitments





Projects – Top 8 commitments

Project name	Beneficiary region(s)	Project estimate (US\$ mn)	Commitment (US\$ mn)	Funding scheme	ICA Member	Co-Financiers
Mombasa-Nairobi-Addis Abeba Road Corridor Project - Phase II	East	529,7	338,1	ADF Loan and Grant	AfDB	Governments
AUTOROUTE SFAX - GABES	North	651,6	325,8	Investment Loan	EIB	N/A
AUTOROUTES DE MAROC VI	North	629,3	313,3	Investment Loan	EIB	Arab Fund for Economic/Social Development
Extension of container terminal in Cape Town	South		296,5		France	
Commitment to EU Africa Infrastructure Trust Fund	All	N/A	278,4	EDF Grant	EC	EU Member State Financing Institutions and EIB
Kenya Northern Corridor Additional Financing	East	0,0	253,0	IDA	WB	Counterpart financing and Foreign Private Commercial Sources
CEMAC Transport Transit Facilitation - Additional financing Central African Republic and Cameroon	Central	0,0	217,0	IDA	WB	Counterpart financing
Route Ketta-Djoum (Ouesso-Sangmélima/Doussala-Dolisie)	Central	335,9	195,1	ADF Loan and Grant	AfDB	Governments

Projects – Top 8 pipeline

Project considered	Beneficiary region(s)	Project financial estimate (US\$ mn)	Lead Donor
Mmamabula Energy Project	Botswana (SADC)	6000,0	DBSA/AfDB
GIBE III HYDROPOWER	East	2018,7	N/A
Kenya - geothermal power	East	1809,9	AfD
ETHIOPIA-KENYA POWER INTERCONNECTION	East	1176,4	KfW
Senegal- International Airport Diagne	West	905,0	AfD
Zambia-Tanzania-Kenya Power Interconnector	Regional - SADC	860,0	DBSA
OMVG - SAMBANGALOU ET KALETA	West	696,1	Partner DFIs: KfW, EIB, AfDB, AfD
RUZIZI III	Central	487,3	EIB

Non OECD – Arab Partners

- Arab Partners continue to play a significant role
 - total commitment 2009 at **US\$ 1.7 bl.**
 - to **31** African countries
 - tendency of concentration in North Africa with 60% followed by East Africa with 13%.
 - Egypt largest recipient with US\$ 292 ml.
 - a new Infrastructure Department has been created in the Islamic Development Bank

Non OECD – China

- **China remains a major player in the African infrastructure and announced:**
 - **US\$ 10 bl.** in low-interest development loans over the next three years
 - **US\$ 1 bl.** loan program for small and medium-size businesses
 - **forgive the debt on certain interest-free loans for less-developed African nations**
- **China seems to be mostly interested in large scale infrastructure projects.**

Outlook – Threats and Opportunities

□ Threats

- Market appetite for infrastructure bonds has weakened considerably
- Tax base of economies the domestic resource narrowed
- Donors are challenged by their domestic concerns
- Infrastructure challenges are not only financial, they are also political, regulatory and willingness to better implement the regional programs, but finance will remain a bottleneck

Outlook – Threats and Opportunities

□ Opportunities

- The Continent has demonstrated in this financial crisis that actually it is a much **lower risk** than the perceptions.
- A number of countries (i.e. Ghana and Gabon) was raising **funding through the capital markets** before the financial crisis, due to their good credit rating. This opportunity might reappear.
- IFI are becoming more important due to **contra cyclical activities**
- Improved infrastructure could add **2% points on African GDP** and **raise business productivity by 40%**. ^(AICD)



The Infrastructure Consortium for Africa
Le Consortium pour les Infrastructures en Afrique

Catalysing Africa's
Infrastructure Development

Thank you !

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