



NEPAD Planning and Coordinating Agency
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POST-EVENT PRESS RELEASE

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TICAD V Official Side Event JICA Seminar Overcoming Challenges to Private Sector Participation in Africa's Infrastructure

Yokohama, May 31, 2013 – In the presence of the President of the Republic of Senegal, NEPAD, OECD, SADC, IFC and JICA gathered to discuss common challenges and bottlenecks to infrastructure investment in Africa, as well as options for overcoming them.

The Seminar held on 31 May as an official side-event to the fifth Tokyo International Conference on African Development (TICAD-V) brought together crucial actors – including regional economic communities, international organisations, private investors, African governments, development finance institutions and development partners – to discuss policy bottlenecks to attracting private investment in Africa's infrastructure and to highlight priorities for reform.

His Excellency Macky Sall, President of the Republic of Senegal, and Dr. Ibrahim Mayaki, CEO of the New Partnership for Africa's Development (NEPAD), emphasised the importance of developing regional infrastructure projects to help overcome the shallowness of national utility markets and to facilitate economies of scale for both public and private investors. Mr. João Caholo, Deputy Executive Secretary of the Southern African Development Community (SADC) and Mr. Remigious Makumbe, Director Infrastructure and Services of SADC Secretariat presented key projects within the SADC Regional Infrastructure Master Plan and highlighted promising opportunities for Japanese investors.

His Excellency Paulo Zucula, Minister of Transport and Communication of Mozambique, and Mr. Rintaro Tamaki, Deputy Secretary-General of the Organisation for Economic Co-operation and Development (OECD), emphasised the vast infrastructure financing gap faced by Africa: of the estimated USD 93 billion a year needed for infrastructure development and maintenance, only 40 billion are spent annually – and almost exclusively through public financing and ODA. Mr. Masakazu Ichikawa, Vice-President of JICA, noted that attracting more private investment into Africa's infrastructure was therefore essential for the development of both national and cross-border projects. He illustrated JICA's hallmark projects in Southern Africa, notably its support to the development of regional economic corridors, and expressed the hope that an increasing number of Japanese investors and financiers would invest in Africa's infrastructure.

Mr. Karim Dahou of the NEPAD-OECD Africa Investment Initiative drew on lessons learned from OECD Investment Policy Reviews in Southern African countries to shed light on central areas of reform by which governments can better attract private investment in infrastructure, including: strengthening investor protection; tackling restrictions on private participation in infrastructure; establishing clear rules for the full spectrum of public procurement; and ensuring the competitive roll-out of infrastructure projects. Mr. Jean Philippe Prosper, regional VP of the International Finance Corporation (IFC) and Mr. Vipul Bhagat, Global Lead in PPPs of IFC highlighted progress being made in developing successful infrastructure PPPs, and the Japanese business community shared their experiences in Africa and discussed future avenues for infrastructure investment negotiations with Southern African countries.

The Seminar presented many actionable steps for leveraging infrastructure investment as a pivotal vector of regional integration, competitiveness and accelerated development in Africa. As such its conclusions will likely provide direct inputs to the infrastructure pillar of the 2013 TICAD-V Yokohama Action Plan.