PIDA PAP 2 Implementation Strategy:
From Infrastructure Project Planning to Infrastructure Services
PIDA PAP 2 Implementation Strategy: From Project Ideas to Infrastructure Services

Quality Assurance

PIDA PAP 2 Implementation Strategy: From Project Ideas to Infrastructure Services

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Table of Contents

Executive Summary ............................................................................................................. Error! Bookmark not defined.

1 Building blocks of the PIDA PAP 2 .................................................................................. 6
   1.1 A Strategic framework to drive regional integration on the continent ...................... 6
   1.2 Associated Continental Initiatives and Policies .......................................................... 7
   1.3 The PIDA-PAP 2: An infrastructure master plan for 2021-2030 ................................. 8
   1.4 Implementation strategy of PIDA PAP 2 ................................................................. 9
   1.5 Lessons learned from PIDA PAP 1 ......................................................................... 10
   1.6 Essential documents for the execution of PIDA PAP 2 ............................................. 10

2 PIDA-PAP 2 institutional framework .............................................................................. 12
   2.1 Mapping of Key Institutional Actors ....................................................................... 12
   2.2 Adjustments to the institutional framework for the implementation of PIDA PAP 2 ............................................................................................................. 13
   2.3 The PIDA-PAP 2 institutional framework .................................................................. 16

3 Implementation of PIDA PAP 2 Projects ......................................................................... 18
   3.1 Guiding principles for project implementation in the PIDA PAP 2 context ............... 18
   3.2 PIDA implementation steps and instruments in the project lifecycle ...................... 19
   3.3 Capacity Needs to Implement the Strategy ............................................................. 27

4 Management of PIDA PAP 2 portfolio ............................................................................ 33
   4.1 Principles of the roll-over portfolio .......................................................................... 33
   4.2 Monitoring and evaluation (M&E) ......................................................................... 34
   4.3 DATA tracking and reporting .............................................................................. 38
   4.4 Communication ..................................................................................................... 39
ACRONYMS AND ABBREVIATIONS

$ All dollar amounts are in US dollars unless otherwise indicated.
AfDB African Development Bank
AUD-A-NEPAD Africa Union Development Agency - New Partnership for Africa’s Development
AU African Union
AUC African Union Commission
CAPP Central African Power Pool
COMELEC Comité Maghrébin de l’Electricité (Maghreb Committee for Electricity)
COMESA Common Market for Eastern and Southern Africa
EAC East African Community
EAPP East African Power Pool
ECCAS Economic Community of Central African States
ECOWAS Economic Community for West African States
EU European Union
ICA Infrastructure Consortium for Africa
ICT Information and Communication Technology
IGAD Intergovernmental Authority for Development
ISM EU Infrastructure Support Mechanism
IXP Internet exchange Point
LLC Landlocked Country
L/RBOs Lake/River Basin Organisations
NBI Nile Basin Initiative
OECD Organisation for Economic Co-operation and Development
OMVSA Organisation pour la Mise en Valeur du Fleuve Sénégal (Senegal River Basin Authority)
PAP Priority Action Plan
PIDA Programme for Infrastructure Development in Africa
PPP Public-Private Partnership
RBO River Basin Organisation
REC Regional Economic Community
SADC Southern African Development Community
SAPP Southern African Power Pool
STEs Specialized Technical Entities
TAH Trans-African Highway
TEU 20-foot equivalent unit
TWR Transboundary Water Resources
TWRM Transboundary Water Resources Management
UEMOA Union Economique et Monétaire Ouest Africaine (West African Economic and Monetary Union)
UMA Arab Maghreb Union
UN United Nations
UNECA United Nations Economic Commission for Africa
WAPP West African Power Pool
Building blocks of the PIDA PAP 2

1.1 A Strategic framework to drive regional integration on the continent

At the 18th Ordinary Session of the African Union (AU) held in Addis Ababa, Ethiopia, on January 29-30, 2012, the AU Heads of State and Government formally endorsed PIDA through the adoption of the “Declaration on the Programme for Infrastructure Development in Africa (PIDA)”\(^1\). The programme is implemented through the African Union Commission (AUC) in collaboration with the African Union Development Agency (AU-NEPAD), the African Development Bank (AfDB) and the United Nations Economic Commission for Africa (ECA), and its respective partners. PIDA was developed in consultation with the Regional Economic Communities (RECs), the regional and continental technical agencies [including the Lake and River Basin Organizations (L/RBO) and Power Pools (PP)], and the AU Member States (MS).

PIDA is planned to run until 2040 and is a multi-sector programme covering four sectors: Transport, Energy, Transboundary Water, and ICT. It is dedicated to facilitating continental integration in Africa through improved regional infrastructure. PIDA’s overall strategic mission is to accelerate the regional integration of the continent and facilitate the creation of the African Economic Community as planned by the Abuja Treaty\(^2\). The programme is guided by its vision across the four key infrastructure sectors as shown below.

<table>
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<tr>
<th>PIDA Vision</th>
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<tr>
<td><strong>PIDA’s Energy vision</strong> is to develop efficient, reliable, affordable and environmentally friendly energy networks and to increase access to modern energy services for all Africans through:</td>
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<tr>
<td>o The development of continental clean power generation and transmission projects.</td>
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<td>o Implementation of high-capacity oil and gas pipeline projects.</td>
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<td>o Developing renewable energy resources.</td>
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<td><strong>PIDA’s Water vision</strong> is to promote and enhance integrated water resource management through:</td>
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<td>o The development of transboundary water infrastructure to service the growing water demand.</td>
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<td>o Strengthening institutions for efficient cooperation on shared water resources.</td>
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<tr>
<td><strong>PIDA’s Transport vision</strong> is an Africa where transportation services enable the free movement of goods and people through efficient, safe, affordable and reliable transportation services through:</td>
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<tr>
<td>o Connecting cities through modern roads and railways.</td>
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<tr>
<td>o Developing modern African Regional Transport Infrastructure Network (ARTIN) corridors, through the development of world-class ports and air transport services.</td>
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<tr>
<td><strong>PIDA’s ICT vision</strong> is to enable all Africans have access to reliable and affordable ICT networks through:</td>
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<tr>
<td>o Meeting Africa’s demand for broadband at an affordable cost.</td>
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<tr>
<td>o Increasing access and security of access to internet services</td>
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<td>o The promotion of intra-African ecommerce.</td>
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## 1.2 Associated Continental Initiatives and Policies

PIDA is linked to and aligned with many other continental initiatives that are key to regional integration across Africa, and these include:

- **Agenda 2063** is Africa’s strategic framework that aims to deliver inclusive and sustainable development. It prioritises inclusive social and economic development, continental and regional integration, democratic governance and peace and security amongst other issues. Agenda 2063 is the concrete manifestation of how the continent intends to achieve the AU’s vision of “An integrated, prosperous and peaceful Africa, driven by its citizens, representing a dynamic force in the international arena.” PIDA is the Continental Framework contributing to the realisation of Agenda 2063 alongside other infrastructure flagships initiatives such as the Grand Inga Hydro and the High-Speed Rail (HSR).

- The African Continental Free Trade Area (AfCFTA) provides an overall framework defining the need for regional infrastructure. The specific objective of the AfCFTA is to increase participation in cross-border supply chains by reducing trade costs through regional integration.

- The harmonisation of other sector policies is a core objective of the Abuja Treaty and Agenda 2063 and is a foundational element of the mandate for RECs.

- AU Treaties and Conventions, such as the African Union Convention on Cross-Border Cooperation (Niamey Convention), Constitution of the Association of African Trade and Promotion Organizations.

In the **transport sector**, the main continental initiative linked with PIDA are:

- The Africa Integrated High-Speed Railway Network (AIHSRN) is one of the flagship projects of the Agenda 2063. AIHSRN aims at facilitating the achievement of the AU Vision of integrating Africa physically and economically. The AIHSRN will complement and coherent with the Programme for Infrastructure Development in Africa (PIDA) – as a rolling continental infrastructure initiative.

- The Single African Air Transport Market (SAATM) aims to create a single air transport market in Africa by fully implementing the 1999 Yamoussoukro Decision.

In the **energy sector**, one of the main continental initiative linked with PIDA is:

- The Continental Transmission Masterplan aims to link African utilities and creates a continental energy market that would enable utilities to source energy from the most competitive sources within Africa and beyond.

In the **ICT sector**, one of the main continental initiative linked with PIDA is:

- The Digital Transformation Strategy for Africa aims to create an integrated and inclusive digital society and economy in Africa. Digital Transformation Strategy for Africa align with PIDA as it aims to harness digital technologies and innovation to transform Africa’s societies and economies to promote Africa’s integration, generate inclusive economic growth, stimulate job creation, erase the digital divide and eradicate poverty to secure the benefits of digital revolution for socio-economic development.
• The AU Cybersecurity Convention (AUCC) sets out the agreement among the AU Member States on cybersecurity and personal data protection, which facilitates the building of an information society across Africa.

In the **Water sector**, the main continental initiative linked with PIDA is:

• The Water Vision 2025 developed in 2003 by UNECA, AU and AfDB were designed to lead to a future where the full potential of Africa’s water resources can be readily unleashed to stimulate and sustain growth in the region’s economic development and social well-being. PIDA, through Lakes and River Basins Regional organisation, is supporting the realisation of this vision.

### 1.3 The PIDA-PAP 2: An infrastructure master plan for 2021-2030

The first phase of PIDA was translated into the PIDA Priority Action Plan 1 (PIDA PAP 1), which represented a list of regional priority projects for implementation from 2012 to 2020. As the first phase of the implementation of PIDA (PIDA PAP 1) ended in 2020, PIDA Stakeholders have developed the second phase, the PIDA PAP 2 – with an implementation horizon from 2021 to 2030. The PIDA PAP 2 has been developed to reflect RECs’ and MS priorities while translating the AU Vision and Agenda 2063 calling for sustainable, inclusive, and world-class infrastructure.

#### The Integrated Corridor Approach

Aspiration 1 and Goal 10 of the AU Vision under Agenda 2063 call for “inclusive, sustainable and world-class infrastructure.” Indeed, Agenda 2063 emphasises the need for inclusive and sustainable growth and development.

The first step towards realising that vision was taken during the Lomé Declaration of the First Specialised Technical Committee on Transport, Transcontinental and Inter-Regional Infrastructure, Energy and Tourism (STC-TTIIEET I) in March 2017, wherein the strong political will underscored and recommended the concept of an Integrated Corridor Approach for infrastructure development in Africa. The Integrated Corridor Approach is based on two pillars:

• The corridor planning, which is a deliberate approach that ensures that infrastructure facilities, included under PIDA-PAP 2, complement one another; and

• The integration of social inclusiveness and sustainability features into the planning process to select projects that mirror the AU Vision and maximise the socio-economic impact for the population.

#### Adoption of PIDA PAP 2

Following the approval of the Integrated Corridor Approach by the STC-TTIIEET I and Ministers in charge of energy in Egypt (2018), the process to implement it was articulated. It is built around the key steps that make PIDA PAP 2 a robust infrastructure portfolio consisting of projects reflecting the vision of the AU, built through a consultative process that highlights projects whose selection, financing and implementation would broaden socio-economic development
for the AU Member States. PIDA-PAP 2 includes projects for each of the five designated regions, as well as projects that have cross-regional impacts and are classified as “continental”, and projects for island nations.

**1.4 Implementation Strategy of PIDA PAP 2**

The PIDA PAP 2 Implementation Strategy is designed to provide a comprehensive overview of how PAP 2 projects should be developed and progressed through the project lifecycle (from planning to financial close) using the Integrated Corridor Approach to meet Agenda 2063 while enhancing project bankability. It sets out the institutional structure (Section 2), the Integrated Corridor Principles, as well as the available PIDA Instruments (Section 3) that project owners can leverage to accelerate project development.

Moreover, the Implementation Strategy presents the data tracking/monitoring and evaluation tools that should be used to track the development of projects and the overall PAP 2 portfolio (Section 4).

The Implementation Strategy is, therefore, a critical document that provides the architecture applicable to the overall implementation of projects under PAP 2. It has been designed to align with the PIDA Vision and principles of the Integrated Corridor Approach and builds on the lessons learned from PIDA PAP 1.

It has to be noted that implementation of individual PIDA projects requires an approach that differs from that of the management of the PIDA project portfolio, as is further explained below.

**PIDA project implementation**

Fundamentally, this Implementation Strategy is a high-level guideline at to how projects in the PIDA-PAP 2 portfolio get converted into bankable projects that can be implemented by project owners.

There are many actors involved in developing and implementing infrastructure projects, as well as several tools to be leveraged. The Implementation Strategy sets out how these institutions and tools are used to move projects from the PIDA shortlist into the pipeline of DFIs, Banks, and project developers towards financial due diligence and closure.

This strategy also outlines how the activities associated with moving projects along this cycle are coordinated. As part of its mandate, AUDA-NEPAD plays a central role in coordinating these activities.

**PIDA portfolio management**

The portfolio management component of this strategy relates to the overall package of projects which PIDA chooses to prioritise in its Priority Action Plans (PAPs). The construction of the PIDA PAP 2 portfolio involves setting priorities based on agreed objectives (reflected in the PIDA Vision) and then choosing projects to execute based on what should provide optimal value towards achieving those objectives. For PAP 2, this has been done based on the Integrated Corridor Approach (described above).
On an ongoing basis, portfolio management involves measuring and evaluating the performance of the projects within the portfolio and ensuring the PAP 2 portfolio is advancing and appropriately updated. Ensuring there is a robust framework for monitoring and evaluating performance is, therefore, key to delivering PAP 2 (described further in Section 4).

### 1.5 Lessons learned from PIDA PAP 1

Development of PIDA PAP 2 has been guided by the lessons learnt from PIDA PAP 1, which are elaborated in the PIDA PAP 1 Mid Term Review (MTR). Table 1-1 summarises the lessons and recommendations from the PIDA PAP 1 MTR, which should be considered in this current Implementation Strategy.

#### Table 1-1: Summary of PIDA-PAP 1 MTR observations and recommendations

<table>
<thead>
<tr>
<th>MTR Observations / Recommendations</th>
<th>Cross-reference to Implementation Strategy</th>
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<tr>
<td>The Institutional Architecture for Infrastructure Development in Africa (IAIDA) is primarily a</td>
<td>Covered in Section 2.</td>
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<td>decision-making mechanism, does not take account of all phases of PIDA implementation.</td>
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<td>AFDB to take a larger role in project preparation, e.g., to assess bankability</td>
<td>Elaborated in the PIDA Financing Strategy and Partnerships Strategy</td>
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<td>Have a strategy for ensuring sufficient resources, along with the AfDB, for PIDA PAP 2</td>
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<td>Engage with African pensions funds and regulatory authorities to better understand barriers to</td>
<td>Covered in Section 3</td>
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<td>investments in African infrastructure and how to solve them</td>
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<td>Involve REC Departments in charge of resources mobilisation and private sector into PIDA</td>
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<td>Implementation and make them members of a reformed CBN</td>
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<td>Operationalise the Africa Infrastructure Guarantee Mechanism</td>
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<td>Engage RECs for they may have varied needs and are not all at the same level of capacity</td>
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<td>The responsibility for updating VPIC should be more formal and mandatory, to realise the</td>
<td>Covered in Section 4</td>
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<td>full value of the VPIC</td>
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<td>With the PIDA Communications Strategy 2013-2015 being obsolete, it is advisable to revise the</td>
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<tr>
<td>Communication Guidelines.</td>
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<td>It is advisable to formulate a Manual for Journalists to mitigate the impact of high turnover in journalists</td>
<td>Covered in Section 4</td>
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<tr>
<td>There is a need to follow and operationalise the monitoring and measurement of PIDA communications activities</td>
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<tr>
<td>The evolution of the NEPAD Planning and Coordinating Agency to AUDA-NEPAD provides an</td>
<td>Covered in Section 5</td>
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<td>opportunity for PIDA presence at country level, through a PIDA Focal Person or AUDA Country</td>
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<tr>
<td>Offices.</td>
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<tr>
<td>Support the development of PIDA Operation Guidelines, including studies of Best Practices for Maintenance of Regional and Continental Infrastructure Support by PIDA.</td>
<td>Covered in Section 5</td>
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### 1.6 Essential documents for the execution of PIDA PAP 2

In addition to this Implementation Strategy, AUDA-NEPAD will develop the PIDA Implementation Plan and the PIDA Operational Guidelines that guide the implementation of the
PIDA PAP 2 portfolio of projects. In parallel, the AfDB’s financing strategy sets out the approach to financing PIDA PAP 2 projects and the UNECA’s PIDA Partnership Strategy provides an approach to developing key relationships with PIDA partners to enhance collaboration.

These documents provide detail on the specific tasks to be conducted within the PIDA PAP 2 ecosystem, the approach to financing the activities under PAP 2, and how partnerships with other key institutional actors can be developed or enhanced to accelerate project development as summarised in the figure below.

**Figure 1-2: Articulation of document for the execution of PIDA PAP 2**

- **PIDA PAP 2 Implementation Strategy**:
  - Key Pillars of Project Implementation
  - Articulation of the institutional framework and PIDA instruments
  - Mechanisms of PIDA PAP 2 portfolio management

- **PIDA PAP 2 Financing Strategy**:
  - Identification, mapping and development of guidance/mechanisms for MS, stakeholders, project owners for likely sources and modalities of financing the different project types

- **PIDA PAP 2 Partnership Strategy**:
  - Principles, actions and approaches to developing/enhancing strategic partnerships
  - Accountability framework to monitor and evaluate the performance of partnerships

- **PIDA PAP 2 Implementation Plan**:
  - Coordination and other mechanisms for operationalizing the implementation strategy
  - Targets, timelines and allocation of tasks

- **PIDA PAP 2 Operational Guidelines**:
  - Detailed guidelines for implementing PIDA PAP 2
  - Standardized mechanisms on processing projects throughout the project lifecycle toward financial close