Global Poverty

Poverty map
GNI per capita
Atlas method
(Current US$)

Source: World Bank 2008
Africa “ellipse of despair”?
Infant Mortality
Child Manutrition
Hunger Density
But does the ellipse have no growth & development potential?

Apparently not.....??
Agricultural potential
Geology & Mineral Resources
Africa’s Undiscovered Resources

Source: USGS; USGS Mineral Resources Program. The Global Mineral Resource Assessment Project
Non-Fuel Mineral Deposits
“There are in Africa none of those great inlets, such as the Baltic and Adriatic seas in Europe, the Mediterranean and Euxine seas in both Europe and Asia, and the gulphs of Arabia, Persia, India, Bengal, and Siam in Asia, to carry maritime commerce into the interior parts of that great continent: and the great rivers of Africa are at too great a distance from one another to give occasion to any considerable inland navigation.”

Overcoming the logistics constraint?

NEPAD indicative Spatial Development Program *First Pass!*

Current SDIs RSDIP

NEPAD SDP: 1st Pass
SDI/DC methodology: Synchronous
INVESTMENT CONFIGURATION

infrastructure needs

Addresses 4 market failures:
1) Infra econ-of-scale
2) Sync users (time)
3) Political borders
4) Information/data

ID Viable resource investment projects

Dimension requisite infrastructure

revenue streams
Mature SDP Example: The Maputo Development Corridor

- Coal-based Power Station 2 transmission lines to Matola completed
- Joburg-Maputo Highway PPP- BOT completed
- Port of Matola/Maputo Upgrades, PPP
- Anchor resources: Coal (elec) & gas (fuels/petrochems)
- Joburg to Maputo Railway line: Upgrade
- AI smelter 500ktpa BHPB completed
- Liquid Fuels & Petrochemicals: Sasol
- Pande-Secunda Gas line. PPP Sasol completed
- Joburg to Maputo Highway PPP- BOT completed
- Port of Matola/Maputo Upgrades, PPP
- Anchor resources: Coal (elec) & gas (fuels/petrochems)
- Joburg to Maputo Railway line: Upgrade
- AI smelter 500ktpa BHPB completed
- Liquid Fuels & Petrochemicals: Sasol
- Pande-Secunda Gas line. PPP Sasol completed
Idealised DC Configuration

- **Resource Anchor & “cluster”**
- **Agri-node & “cluster”**
- **Stranded investment**
- **Problem feeder**
- **“DENSIFICATION” Feeders often need to be funded thru’ fiscus/grant**
- **DC logistics “catchment”**
- **Stranded investment**

“TRUNK” Infrastructure: PPP
Current DC Initiatives

• NEPAD SDP
• Nepad Business Initiative (NBI)
  • BAGC: Beira Agricultural Growth Corridor
• RSDIP: Regional SDI Programme
  • Central DC
  • Mtwara DC
  • Bas Congo DC
• ANSA potential DCs
  • Luanda DC
  • Lobito DC
  • N-S (west coast) DC
  • Namibe DC
  • Walvis DC
• Mocambique SDI Unit
  • Nacala DC
  • Zambeze DC
  • Beira DC
  • N-S (east coast) DC
  • Limpopo DC
  • Lubombo DC
  • Maputo DC
• NCTTCA: Northern Corridor conversion to DC?
  • Also, Logistics Corridor: N-S (central) Corridor
ANSA: Potential SDIs

- Underway: Bas Congo SDI
- Potential North – South SDI
- Potential Luanda – Kananga SDI
- Potential Lobito–Copperbelt SDI
- Potential Namibe–Cuito Cunavale SDI
Great East African Barrier Reef
Lichinga-Pemba DC?
Nacala DC
Eastern N-S DC (agri-tourism)
Zambeze DC
Beira DC
Limpopo DC
Maputo DC
Lubombo DC (agri-tourism)

Critical Links (densification)
BAGC (Beira (Zambeze) Agricultural Growth Corridor) “Anchor” Projects

 Requires greater integration into Moz SDI programme
Central SDI: Dar to Kigali (Kisangani?) RSDIP

Countries: Tanzania, DRC, Rwanda, Burundi

Anchors: Nickel (Kabanga), Gold (Mwanza Au Belt), Ta/Nb (DRC), agriculture & agri-industries, fishing/aquaculture, tourism

Infra: rail upgrade & ext., port upgrade, road net., elec gen & grid

Current RSDIP Development Corridor (SDI)

CDC: Central DC

NCTTCA: Northern DC

Extend to Kisangani?

New Rail: Isaka-Kigali

Seminal Multilateral Ministerial Decision to concession the Kigali – Dar rail as a single seamless project!
Multi-donor support

Countries: DRC, Sudan, Uganda, Kenya,

Anchors: Fe & iron/steel (Kodo), agric (coffee et al), soda ash, phos & fertiliser (NPK), gen. industry (agri-proc), tourism, aquaculture (L.Vic)

Infra: rail upgrade & ext., gas pipeline, elec grid, port upgrade, road net.

Critical constraint – configuration of anchor project/s to underpin the upgrade and/or establishment of infrastructure
Critical Interventions

- DC Concept Studies (DC viability)
- DC Project Preparation
  - Infra PPPs (transport, power, water) and
  - Resource Projects (agri-biz, tourism, forestry minerals)
- Project Development (PFS, FFS, BFS)
- Project Concessioning (transaction advisors) and Contract/lease
- Legal & regulatory framework (cross-border)
- DENSIFICATION (small-holder)
  - Logistics (feeder infra)
  - Tenure
  - Capital (micro loans)
  - Extension Services
  - Marketing
- DEEPENING: Up-, side- & down-stream investment opportunities (project prep, dev & investment facilitation)

*Suggestion: Make dependent on (1) cross-border DCs (regional integration) and (2) PPPs for viable infrastructure*
Thank You

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