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**UNITED NATIONS TRANSPORT AND COMMUNICATIONS DECADE
IN AFRICA
(1978-1988)**

**REPORT ON ACTIVITIES IN THE CONTEXT OF THE IMPLEMENTATION
OF THE DECADE AND ON THE STATUS OF THE FIRST PHASE OF THE
PROGRAMME OF ACTION (1980-1983)**

PART B

**CONSULTATIVE TECHNICAL MEETINGS FOR MOBILIZING THE
FINANCING NEEDED IN IMPLEMENTING THE DECADE PROJECTS**

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NEEDED IN IMPLEMENTING THE DECADE PROJECTS

I. INTRODUCTION

1. It might be expected, as was originally the case, that the implementation of the Decade's programme of action would be based on pledging conferences of the United Nations type, since it was estimated in 1979 that the programme for the first phase (1980-1983), consisting of 771 projects, would cost about \$US 9 billion. This approach was tried out on 20 November 1979 in New York, and it became clear that:

(a) even if potential donors (donor countries and international finance institutions) were willing, as in the past, to continue to aid the development of transport and communications in Africa, they would do so within their traditionally available global budgets, possibly increased, but would not go beyond them for the benefit of the Decade programme;

(b) donors would evade any firm commitment to specific projects, since their attitude was that such a commitment could be the consequence solely of bilateral agreements between the beneficiary countries and themselves.

2. The donors' position has imposed constraints on the implementation of the Decade projects, and particularly those of regional and subregional interest, as has already been fully reported.

3. Some donors, however, contacted after the New York conference, indicated that their positions might be more flexible at smaller meetings on promoting the Decade, and on more restricted topics, where there was an opportunity for round-table discussions with geographical groups of African countries.

4. This is the background to the call, under resolution 391 (XV), by the Conference of Ministers of the United Nations Economic Commission for Africa at its sixth meeting in April 1980, for the organization by ECA of consultative technical meetings: ^{1/}

"....based on the various types of project included in the Decade programme; or
....based on groups of African countries or African subregions...."

5. This resolution, subsequently endorsed by the Conference of Heads of State and Government of OAU, the Economic and Social Council (July 1980) and the United Nations General Assembly, was followed by resolution 422 (XVI) of the Conference of Ministers (April 1981). This fixed the number of consultative technical meetings to be held at four, three of which have already been held, as indicated in Chapters II, III and IV of part A of this report; the fourth is scheduled to be held in Abidjan on 3-5 May 1982, and will be organized jointly with the CEEAOC general secretariat and ECA. It will consider a programme consisting of:

^{1/} Such meetings must clearly not be confused with United Nations-type pledging conferences or seen as offshoots of that held in New York on 20 November 1979.

- 40 maritime transport projects costing a total of \$US 157.5 million;
- 32 port projects (aid, training, infrastructure, installations) costing a total of \$US 1,105 million.

6. To give this Abidjan meeting a good chance of success and to ensure maximum participation, both by the CMEAOC countries and by potential donors, sensitization missions headed by African ministers have, as a first step, visited the African countries concerned in order to present the programme and, during April 1982, will visit the headquarters of the main donors in order to stimulate their active and positive participation.

7. It will be remembered that missions of the same type were undertaken in connection with the Lomé and Yaoundé meetings in May 1981, and the Ouagadougou meeting from November 1981 onwards, together with an approach to the embassies of the industrialized countries in Ethiopia and the sending, by letter or telegram, of reminders to possible donors.

8. It should also be noted that the meetings were deliberately restricted to groups of countries or subregions (ECOWAS, UAR, UDEAC/CEPGL, CMEAOC) with solid intergovernmental structures for reasons both of practicality and effectiveness, so as to ensure that ECA received the logistic support of these organizations.

9. The essential results of the meetings that have already been held are given below as briefly as possible.

II. Lomé (Togo) 2-11 June 1981

10. This meeting was attended by:

- 14 ECOWAS countries (Cape Verde and Mauritania did not attend);
- nine potential donors (Canada, Czechoslovakia, France, the Federal Republic of Germany, Italy, the United Kingdom, the United States of America, Yugoslavia, and Brazil, which attended as an observer);
- BADEA, the Saudi Fund for Development, the World Bank and UNDP;
- three United Nations specialized agencies;
- 11 African intergovernmental organizations including, of course, the ECOWAS secretariat.

11. Throughout the meeting, which was chaired by the Executive Secretary of ECA and took the form of a round table, which made a dialogue between the donors and the ECOWAS countries possible, ECA played one of its acknowledged roles in the implementation of the Decade, namely that of animator, stimulator and catalyst, leaving, as far as possible, participants to take the initiative in presenting projects

- reporting on the financing obtained and on what could be expected, ECA intervened only to direct the discussion, introduce the programmes of the various sectors concerned and present the projects of ECOWAS countries absent from the meeting. 2/
- 12. In addition, ECA arranged and encouraged individual meetings between participants. 2/
- 13. The following were considered:
 - 47 road projects;
 - 60 air transport projects;
 - 30 communications projects grouped into 22 operations.
- 14. In the area of communications, consideration was given to PANAFTEL projects that, while included in the programme only pro memoria, were said by ECOWAS to have obtained financing (from its clearing fund and from suppliers' credits) and to the Praia earth station (\$US 3.09 million by France). At the same time, the new projects not covered by financing that were introduced by some countries during the meeting were referred for inclusion in the programme of the first phase (1980-1983) of the Decade at the time of its updating by ECA in pursuance of paragraph 13 of resolution 422 (XVI) of April 1981 of the Conference of Ministers.
- 15. As regards the road sector, the total amount after updating was found to be \$US 1,671,400,000, while the financing obtained was \$US 571,860, or 34 per cent of the programme; this was essentially the result of the placing by some countries of projects (for instance, ROP-35 in Guinea-Bissau and ROP-34 in Guinea) under EDF Lomé II, on the financing of which ECA had no information. That 34 per cent should be compared to the percentage for the same 47 projects in the programme submitted to the meeting (approximately 25 per cent). The Lomé meeting has revealed the actual situation, namely:
 - four projects totally financed;
 - 13 projects partially financed;
 - 30 projects awaiting financing.
- 16. In this programme, financing has been obtained for 31 per cent and 33 per cent of the Lagos-Nouakchott and Dakar-Ndjamena highways respectively, while the Trans-Saharan Road, in the area under consideration (Mali and the Niger), has obtained over 50 per cent, thanks to the considerable amount (\$US 119.71 million of \$US 143.5 million) already provided for the western branch (Sevaré-Gao) in Mali.

2/ The same procedure was followed both a Ouagadougou and Yaoundé, with the addition of a preliminary co-ordination meeting between ECA, the intergovernmental organization concerned, and the African countries.

17. As far as the air transport sector is concerned, only 11 per cent of the programme seems to be covered and 80 per cent of that by the African countries themselves. In fact, with the details that were provided, it comes down to \$US 260,527,000 for the 50 projects reviewed.

18. During the meeting, the World Bank announced prospects of financing three training projects while UNDP believes it can contribute to training fellowships for 13 ECOWAS countries.

19. BADEA said it was open to any requests for financing which might be submitted to it especially for airport equipment.

20. The following breakdown of investments required in communications emerged from the meeting:

- Programmes submitted at the meeting: \$US 152.48 million
- Additional PANAFTEL projects submitted by ECOWAS: \$US 10.32 million
- Or a total of \$US 162.80 million

Financing acquired for this programme (in millions of \$US):

EDF	7.0
ADB	7.7
France	3.09
ECOWAS fund and suppliers' credits (10.32 plus 10.89)	21.21
UNDP (for the technical studies on the projects for mail sorting centres, POP-03, 06 and 11)	<u>2.10</u>
Total	41.10
or 25 per cent of the programme	

21. Moreover, here, just as for the air transport sector, BADEA said it was willing to consider any communications projects (especially for equipment) that might be submitted to it.

22. It should be noted that, although the meeting made it possible to obtain this result, no financing was secured for the \$US 152.48 million programme initially submitted.

23. The financing acquired expressed in percentage of project costs is an indicator which reflects fairly well the progress made by the Decade's programme of action.

24. To sum up, it emerged from the Lomé consultative technical meeting that, for the subregion concerned:

- Financing has been secured for a third of the highway programme planned for the first phase (1980-1983) of the Decade;
- Financing has also been obtained for a quarter of the communications programme

but on the whole, the air transport projects are behind schedule and potential donor agencies should be more concerned about those projects.

25. The meeting also revealed the poles of interest of the donor agencies present and consequently enabled ECOWAS countries to orient their search for new sources of financing for the Transport and Communications Decade in Africa, 1978-1988.

26. One of the general topics brought up at the beginning of the meeting was the possibility of intergovernmental organizations like ECOWAS directly contracting loans from potential donor agencies or obtaining grants. Although this idea did not get a positive feedback at the Lomé meeting, it will still be of interest in the future. 3/

III. Ouagadougou (Upper Volta) 20-22 January 1982

27. This meeting was attended by representatives of:

- 12 donor countries and international financial institutions, i.e., a larger number of donors than at Lomé;
- 19 African countries;
- six intergovernmental organizations, not including OAU, UAR and ECA.

28. In the railway sector, the programme presented covered 68 projects costing a total of nearly \$US 5 billion; this was financed to the extent of 49.8 per cent.

29. Although the meeting gave rise to lively discussions, from which an up-to-date picture of the state of all the projects emerged and which revealed the obvious interest of certain donors in many projects, an analysis of those discussions shows that the railway sector of the programme of the first phase of the Decade, after the number of projects has been reduced to 65 by deferring some of them to the second phase and by grouping some of them together, includes:

- eight projects totally financed;
- seven projects totally financed, but subject to confirmation;
- 25 projects partially financed;
- 25 projects for which finance has to be sought.

3/ It would appear that intergovernmental organizations can accept only donations or subsidies.

30. The 15 projects either totally financed or for which the prospects of financing are good are as follows:

RAP-05:	Engineering survey of the Parakou-Niamey railway line	\$US 4.60 million
06:	Burundi/Rwanda: feasibility study of railway links	\$US 8.85 million
07:	Eseka-Maloumé realignment	\$US 110.00 million
09:	Mali: engineering structures on the Dakar-Niger railway	\$US 40.00 million
14:	Kenya: rehabilitation of Mombasa-Malaba	\$US 82.20 million
20:	Railway link between Zambia, Malawi and Mozambique (feasibility study)	\$US 0.70 million
22:	Conversion to standard gauge of certain sections of railway in Nigeria	\$US 1,064.00 million
23:	Transgabon Railway: Owendo-Booué section	\$US 392.00 million
29:	RAN: Petionara-Tafiré realignment	\$US 27.00 million
32:)	Studies on railways in the Libyan Arab Jamahiriya	\$US 10.40 million
33: }		
34: }		
41:	Chingola-Chililabombwe-Luacano railway: prefeasibility study	\$US 0.80 million
52:	Exchange yard at the Swaziland-Mozambique frontier	\$US 3.30 million
54:	Feasibility study for electrification of the Salisbury-Maputo-Swaziland railways	\$US 0.70 million

31. Among the other projects, of which 25 have been partially financed, certain important ones must surely also have secured financing, e.g.:

- RAP-35: Madagascar: construction of the Antsirabé-Fianarantsoa railway; estimated cost \$US 375 million
- RAP-46: Track renewal (715 km) in Botswana; estimated cost \$US 100 million

The failure of delegations from Madagascar and Botswana to attend the meeting made it impossible to collect any useful information, while not all potential donors were represented.

32. In financial terms, the total cost of the programme comes down to \$US 3,876 million, of which \$US 2,199 million have been obtained, or nearly 57 per cent. If this is compared with the programme presented, which indicated that only 49.8 per cent of the finance had been obtained, the Ouagadougou meeting showed that the credits available - either committed or in course of mobilization - were 7 per cent greater than the figure given by ECA, and that 60 per cent of the railway projects of the programme of the first phase of the Decade were, at the least, well on the way to implementation. Thus the meeting definitely uncovered new financing and opened up prospects of financing up to a level of \$US 270 million from all sources (local and external) combined.

33. These prospects, in conjunction with the marked interest shown by a number of donors (France, Belgium, World Bank, Caisse Centrale de Coopération Economique, India) in certain projects (RMP-02, 11, 12, 15, etc.) will help to guide the countries concerned in the search for the financing necessary).

IV. Yaoundé, United Republic of Cameroon, 15-17 March 1982

34. The following countries and organizations were represented at the meeting:

(a) Interested Central African countries: Burundi, Central African Republic, the Congo, Gabon, Rwanda, the United Republic of Cameroon and Zaire;

(b) Donor countries: Belgium, Canada, France, Federal Republic of Germany, the Netherlands, United Kingdom, United States of America and Yugoslavia;

(c) Financial institutions: ADB, Banque de développement des Etats de l'Afrique centrale, Caisse centrale de Coopération économique, Kuwait Fund, UNDP and World Bank;

(d) Intergovernmental organizations: CEPGL, Commission of the European Economic Community, International Road Federation, Lagos-Mombasa Transafrican Highway Authority, OAU, CCAM and UDEAC.

The meeting was also attended by observers from Brazil, the Bureau central des études d'Outre-mer, Italy, Spain and T.P. O'Sullivan.

35. The programme presented and considered at the meeting covered the following:

Roads: 33 projects included in the initial programme of the first phase of the Decade and 11 additional projects, costing an estimated total of \$US 1,630 million, of which financing has been obtained for \$US 331 million, or 20 per cent;

Inland water transport: 21 projects of the initial programme of the first phase of the Decade and five additional projects, costing an estimated total of \$US 133 million, of which financing has been obtained for \$US 20.5 million, or 15 per cent.

36. The programme prepared for the meeting (document DEC/TRANS/COM/TOM/81/CA.1) indicated the estimated cost of carrying out the work on, and providing the equipment for many projects included in the first phase of the Decade only as feasibility studies and engineering surveys. The total cost of the programme for the two sectors concerned thus amounted to more than \$US 4 billion; the necessary explanations were given by ECA at the beginning of the meeting.

37. While the meeting was attended by representatives of 14 donors and by observers from four donor countries, the positive attitude adopted by ADB and the Kuwait Fund to the financing of numerous projects was particularly striking.

38. Special attention was given to the remaining sections of the Lagos-Mombasa Transafrican Highway, covered by the following projects:

ROP-14: Bamenda-Ekok)	
ROP-15: Foumban-Tibati)	In the United Republic of Cameroon
ROP-16: Meidougou-Garoua Boulai)	
ROP-23: Bossembele-Garoua Boulai)	
ROP-24: Sibut-Bangassou)	In the Central African Republic
ROP-72: Kisangani-Kasindi)	In Zaire <u>4/</u>

and to the link roads for this Highway located in the Congo, Gabon, the Central African Republic and the United Republic of Cameroon.

39. To bring out the subregional character of certain projects, emphasis was placed on the fact that some roads link one country with another, e.g.:

- ROP-11 and 28: Ebolowa-Gabonese frontier-Libreville
- ROP-09 and 18: Sangmelima-Congolese frontier-Ketta
- ROP-19 and 29: Kinlala-Gabonese frontier-Doussela
- ROP-13 and 23: Obala-Garoua Boulai-Bossembélé
- ROP-20 and 30: Gamboma-Gabonese frontier-Alembe-Leconi

40. Of the total of 44 road projects considered during the meeting:

- 22 are totally financed;
- 12 are partially financed;
- 10 have not yet been financed.

4/ The Zairian delegation reported that a feasibility study of Kisangani-Bangassou section of the Highway had been made, financed by Japan, and that Zaire was currently negotiating with Japan for the financing of an engineering survey.

41. The projects which have been totally financed or for which the prospects of financing are good are as follows:

ROP-07: (Study) Fotokol-Kousseri	\$US	2.15 million
ROP-08: (Study) Kribi-Yokadouma	\$US	6.80 million
ROP-10: (Construction) Guidjiba-Chad	\$US	100.00 million
ROP-11: (Study) Ebolowa-Gabonese frontier	\$US	1.00 million
ROP-12: (Study) Mbalmayo-frontier of Equatorial Guinea	\$US	1.90 million
ROP-14: (Study) Bamenda-Etok	\$US	1.00 million
ROP-16: (Study) Meidougou-Garoua Boulai	\$US	0.70 million
ROP-17, 18, 19 and 20: (Studies) the Congo	\$US	20.00 million
ROP-23: (Construction) Bossembélé-Garoua Boulai	\$US	56.20 million
ROP-24: (Study) Sibut-Bangassou	\$US	3.00 million
ROP-30: (Study) Alembe-Leconi	\$US	1.50 million
ROP-31: (Study) Lalara-Mekambo	\$US	6.00 million
ROP-54: (Construction) Butare-Cyangugu	\$US	68.00 million
ROP-55: (Construction) Kigali-Ugandan frontier	\$US	50.50 million
ROP-72: (Study) Kisangani-Kasindi	\$US	11.00 million
ROP-130: (Construction) Gitega-Kibondo	\$US	47.40 million

Additional projects

- Study: Kribi-Bata in the United Republic of Cameroon	\$US	1.20 million
- Study: Kisangani-Bangassou	\$US	10.00 million
- Construction: Muyinga-Rusomo	\$US	13.00 million

42. In the field of inland water transport:

- only four projects are totally financed; 5/
- five projects are partially financed; 5/
- 13 projects are awaiting financing. 5/

5/ The reduction in the number of projects from 26 to 22 is the result of the grouping together of certain projects (combined projects).

43. An over-all evaluation of the position in financial terms shows the following (in millions of US dollars):

<u>Roads</u> (44 projects)	<u>Cost</u>	<u>Financing obtained</u>
(a) According to the programme presented (20 per cent of financing obtained)	1,630.2	331.2
(b) Data provided at the meeting (40 per cent of financing obtained)	1,626.5	644.0
 <u>Inland water transport</u> (22 projects)		
(a) According to the programme presented (15 per cent of financing obtained)	133.11	20.48
(b) Data provided at the meeting (35 per cent of financing obtained)	142.46	49.59
 Totals (rounded off)	 1,763	 351.7
	1,769	693.7

44. The meeting thus showed that new financing had been obtained and opened up prospects of financing to a total of more than \$US 342 million (693.7 - 351.7). This, in effect, was its outcome.

V. Summary and conclusions - Recommendations

45. The three consultative technical meetings held so far in pursuance of resolutions 391 (XV) and 422 (XVI) of the ECA Conference of Ministers and briefly described in the foregoing have, in essence, shown what financing has been obtained and opened up prospects of financing for the Decade's projects (together with additional projects included during the up-dating of the programme for the first phase, 1980-1983), the total amounting to more than \$US 800 million, divided up as follows:

Lomé

Roads: 1,671 x 0.09	+ 150.00
Communications	+ 41.00
Air transport + (approximately)	5.00

Ouagadougou

Railways	+ 270.00
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Yaoundé

Roads and inland water transport	+ 342.00
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Tot: 1 (rounded off) \$US 800 million

46. Even this total does not include the additional data that will be obtained at the meeting in Abidjan (3-5 May 1982) so that, if a comparison is made with the figure of around \$US 0.4 million granted by the United Nations General Assembly for the organization of these four meetings, it will be seen that they have been highly successful.

47. The first conclusion to be drawn from the foregoing would seem to be to hold further meetings.

48. The year 1983 has been designated World Communications Year and the events organized in connection with it will surely cover this sector in Africa; the need for a consultative technical meeting on the topic is therefore less urgent.

49. While the nine SADCC countries held their pledging conference on the problems of transport and communications in November 1980 in Maputo and, more recently, were also able, at Ouagadougou, to make their voices heard on the subject of the development of their railway systems, the countries of Eastern Africa, the Indian Ocean island members of ECA and the six North African countries ^{6/} have not yet had the benefit of a consultative technical meeting on their projects, although their railway projects were considered in Ouagadougou.

50. It has been proposed, by a draft resolution, that such a meeting should be held in the second half of 1983 and should cover maritime transport and ports, and road systems, since these have priority in the countries concerned.

51. Two lessons can be learned from the consultative technical meetings held so far:

- While the results of the Lomé meeting, with its limited number, to say the least, of donor participants, were poor, the comparative success of the Ouagadougou meeting seems to be due to the fact that it was limited in scope to a single sector (railways). This made it possible to limit delegations to a reasonable number of experts, avoid problems of staff availability, and reduce travel costs both for donors and for the African countries. The same applies to Yaoundé, where only two sectors (roads and navigable waterways) were on the agenda;
- Although donors showed their interest in specific projects and details of financing were worked out, very few firm commitments were made; donors were not at all forthcoming on that point. It is essential, therefore, if full advantage is to be taken of the prospects of financing opened up at the meetings and because financing is mobilized as a result of bilateral agreements, that countries should without delay approach those donors who have shown their interest in certain specific

^{6/} Algeria, the Comoros, Djibouti, Egypt, Ethiopia, Kenya, the Libyan Arab Jamahiriya, Madagascar, Mauritius, Morocco, the Seychelles, Somalia, the Sudan, Tunisia and Uganda.

projects. Through consultant missions, which will visit countries in order to prepare the programme for the second phase (1984-1988) of the Decade, ECA will ascertain whether the figures given at the consultative technical meetings have been followed up.

52. Undoubtedly, however, ECA must also directly assist States in formulating and presenting their requests for financing for regional and subregional projects, where the existence of a consensus among the countries concerned is a prerequisite. Such an activity constitutes, as explained at the end of part A of this report, an approach which is a necessary adjunct, not only of the consultative technical meetings, but also to any search for funds for inter-State operations.