

OPENING STATEMENT BY AMB. DR. MOHAMED KADAH, ASSISTANT SECRETARY GENERAL IN CHARGE OF PROGRAMMES -COMESA

AT THE THIRTEENTH MEETING OF THE Joint Technical Committees On Transport And Communications, Information Technology And Energy

12 SEPTEMBER 2023

KIGALI, RWANDA

Honourable Guest of Honour, Your Excellencies Ambassadors, Permanent Secretaries and High Commissioners, Distinguished Representatives of International and Regional Organisations, Distinguished delegates,

Invited Guests,

Ladies and Gentlemen,

I take this opportunity with great pleasure, on behalf of Her Excellency Chileshe Kapwepwe, the COMESA Secretary General and the entire COMESA family, to welcome you all to the thirteenth Meeting of the Joint Committee on Transport and Communications, Information Technology and Energy, which is being held in this Beautiful city of Kigali.

Let me start by expressing our great appreciation to our Guest of Honour, and the Government and People of the Republic of Rwanda for the warm welcome accorded to all the delegations since their arrival and for the excellent facilities provided for the meetings.

Allow me also to express my thanks to the Permanent Secretaries and their delegations, regional and international organizations and cooperating partners for their steady commitment to COMESA integration programmes.

Distinguished Delegates,

As we all know, infrastructure development is a prerequisite to enable trade, investment, economic growth and regional integration. In turn, investment in energy, telecommunications and transport networks directly impact growth in all sectors of the economy.

Africa needs adequate infrastructure to ensure reliable energy, efficient transport, reliable communication systems, resilient sanitation and affordable housing. And indeed, Africa's vast infrastructure deficit is a huge impediment to economic growth and regional integration.

Excellencies,

While we all agree on the need to step up infrastructure development, we face huge financing gaps to achieve this objective. Therefore, there is need to explore innovative ways of financing infrastructure development if we are to achieve our socio-economic development objectives.

In this regard, development financing institutions have an important role to play in leveraging financing for infrastructure. In addition, the private sector can play a critical role, since our countries are facing a financial crunch and public funds fall short of providing for our basic needs. Hence, exploring viable ventures through public private partnership (PPP) is key for the realisation of our objectives of efficient and reliable infrastructure.

Distinguished Delegates

COMESA as a regional economic community places high priority on infrastructure development. We are gathered here today with a shared vision for a region with well-developed infrastructure, where people, goods and services flow efficiently and smoothly. To realize this vision, we should lend steadfast support to the implementation of our infrastructure programmes which are aimed at filling up missing links in transport, information and communication technology and energy.

Over the years, COMESA has been making progress in creating an environment that is conducive for infrastructure development as well as investing in the development of actual infrastructure. Efforts at the regional and national levels in the COMESA space go hand in hand with broader continental efforts, of which the overarching framework is the Programme for Infrastructure Development in Africa (PIDA). The relationship between the two frameworks is premised on the two golden principles of complementarity and subsidiarity.

It is imperative that, as technical experts, you deliberate on the different activities in this critical field, provide technical input and reach sound recommendations to relay to our ministers in charge of the different sectors of infrastructure, including on the way forward to enhance our collective contribution to infrastructure development in COMESA and the continent at large.

Distinguished audience,

Allow me to shed light on some key performance areas:

In the energy the sector, COMESA member states have continued to invest in power generation as demonstrated by the continued increase in the installed capacity. The share of renewables in the energy mix has also continued to rise. The total installed power generation capacity in the region is now estimated at around 10000 MW, up from around 9500 MW in 2021. Thermal power still dominates the region, accounting for about 76% of total installed capacity, while Hydropower accounts for about 17% and renewables around 6%. The share of renewables has also risen from about 1% in 2012 to 6% in 2022.

In addition, many COMESA Member States are engaged in initiatives to create conducive environments for energy investments through the enactment of suitable policy and regulatory frameworks, while aiming at increasing the share of renewables in the energy mix.

However, many people in Africa remain unconnected to electricity. According to the UN Energy Progress Report of 2022, about 568 million people in Africa live without access to electricity and this is the biggest compared to other regions.

COMESA seeks to enhance regional competitiveness through regional integration and interconnection of national and regional power systems. Interconnecting power grids has the potential of not only boosting regional and national power security, but also to reduce the cost of power supply within Member States.

I am glad to note here that several interconnection projects are being implemented in our region, which should facilitate power trade in the near future.

I would also like to refer to the Regional Infrastructure Finance Facility (RIFF), which is under implementation by COMESA with support from the World Bank and in partnership with Trade and Development Bank (TDB), with a total value of \$425 m subject to increase. RIFF is aimed at creating a conducive environment for investments in sustainable energy infrastructure. The project has developed guidelines on solar standards and tariffs which will be presented to this committee for consideration.

Distinguished Delegates,

The development of good transport infrastructure networks together with the deployment of transit facilitation instruments are key to the smooth movement of people, goods and services in the region.

In Africa, roads are the main mode of transport. According to the African Development Bank, roads in Africa carry at least 80 percent of goods and 90 percent of passengers. However, 53 percent of the roads are unpaved, isolating people from basic education, health services, transport corridors, trade hubs and economic opportunities. And less than half of Africa's rural population has access to an all-season road. Over and above, the quality of roads in Africa is often compromised by lack of maintenance.

In turn, the use of railways has remained limited in the region, in spite of having several mega projects in this field. In fact, more freight is moved on roads for distances that exceed 500 kilometres with freight rates that are twice those of railways. So, the railway sector continues to face multiple challenges, including lack of coverage, fragmented operations, non-standardized and poor service quality.

Honourable Chairperson,

The management of the operations in the transport sector depends on the regulatory regimes and facilitation instruments we put in place to ensure smooth flows of people and goods. In this respect, the transport corridor management strategy incorporating the reduction of border posts and converting them into one stop border posts while implementing trade facilitation measures to reduce enroute delays provide practical and fruitful solutions.

In this regard, COMESA has supported the development of transport corridors such as the North-South corridor and the establishment of two corridor management institutions (CMIs) for Djibouti and Port Sudan. Corridor Agreements need to be signed to actualize the establishment of these corridor management institutions.

With regards to transport facilitation, several instruments have been developed by COMESA over the years to address bottlenecks affecting cross border and transit transport operations. These instruments address issues such as licensing of transit and cross-border transporters, third party insurance, harmonization of axle load limits, vehicle overload control, gross vehicle masses, vehicle dimensions and road user charges. Notably, the transport facilitation instruments that COMESA have developed are now being used by non-Member States and replicated in other regions and across the continent.

In this regard, I urge COMESA Member States to continue making good use of the available instruments that COMESA has developed in order to avoid unnecessary delays in transportation of goods, which result in higher costs of doing business and ultimately harm regional competitiveness.

Excellencies,

Air transport is one of the most important forms of transport not only in the region but the world over. Air transport liberalization can lead to improved air transport service levels and lower fares. This can subsequently stimulate additional air traffic volumes, facilitating tourism, trade, investment and growth in other sectors of the economy.

Liberalization of the air transport market at the continental level is based on the Yamoussoukro Decision (YD) which is aimed at creating a single African Air Transport Market. The economic benefits of implementing the Yamoussoukro Decision include fare savings, greater connectivity, time savings, greater convenience and positive impact on the other sectors of the economy.

I am pleased to note that our air transport liberalisation programme based on COMESA legal Notice number 2 of 1999, which was largely incorporated in the Yamoussoukro Decision of 2000, has greatly improved the air services industry in the region. Many of our airlines have taken advantage of this programme and today it is possible to fly to any destination within Eastern and Southern Africa within a day at affordable air fares.

In addition, COMESA continues its support to the development of the air transport sector in the region. The underway EU funded programme of Support to the Air Transport Sector Development (SATSD) in the Eastern Africa, Southern Africa and the Indian Ocean region is one of such initiatives.

Distinguished Delegates

Information and Communications Technology (ICT) are now an integral part of our daily lives and an indispensable part of our economic processes.

It is worth noting however that despite the rapid diffusion of basic mobile telephone in Africa almost reaching Universal access, access to internet which is critical to harness the benefits of the information superhighways remains low in the continent. Furthermore, where internet service is available, the prices are comparatively high.

I am happy to note that COMESA is currently implementing the EU funded programme of Enhancement of Governance and Enabling Environment in the ICT sector (EGEE-ICT) in the Eastern Africa, Southern Africa and the Indian Ocean region (EA-SA-IO). This programme aims at supporting the effective review and/or development of various regional policy and regulatory frameworks in a harmonized manner that contributes to enhanced competition and improved access to cost effective and secure ICT services.

Guest of Honour Distinguished Delegates,

Allow me to express my sincere gratitude to our cooperating partners for standing with us in our efforts to develop the region. We have continued to receive substantial support from the European Union, the World Bank, the African Development Bank, USAID and other cooperating partners.

In closing, I wish to reiterate the importance of our meeting and look forward to constructive and fruitful deliberations that culminate into tangible recommendations for consideration by our ministers.

I thank you for your attention.