



OPENING REMARKS

**BY HER EXCELLENCY CHILESHE M. KAPWEPWE,
SECRETARY GENERAL OF THE COMMON MARKET FOR EASTERN
AND SOUTHERN AFRICA - COMESA**

**AT THE THIRTEENTH MEETING OF THE COMESA INFRASTRUCTURE
MINISTERS RESPONSIBLE FOR TRANSPORT, ICT AND ENERGY**

**14TH SEPTEMBER 2023
KIGALI, RWANDA**

**Guest of Honour, Eng. Patricie UWASE, Minister of State in the
Ministry of Infrastructure, Republic of Rwanda,
Honourable Ministers,
Distinguished Representatives of International and Regional
Organisations,
Invited Guests,
Distinguished Delegates,
Ladies and Gentlemen,**

It is an honour and privilege to join you this morning and to address this important meeting which is being held in this beautiful city of Kigali. First and foremost, allow me to pay tribute to our Guest of Honour, Honourable, Eng. Patricie UWASE, Minister of Infrastructure of the Republic of Rwanda for graciously hosting this 13th Meeting of Ministers Responsible for Transport and Communications, Information Technology and Energy which was preceded by the meeting of the Joint Technical Committee of Senior Officials. I wish to also thank all Member States in attendance today, other invited regional organizations here present and collaborating partners for supporting the implementation of our programmes. I have no doubt that our collaborative efforts will accelerate our regional integration agenda.

Guest of Honour, Honorable Ministers, Ladies and Gentlemen,

Lack of adequate infrastructure in many countries in the region remains one of the major constraints to economic growth and development and has resulted in inefficient ports, costly road transport, limited access to electricity and clean and safe water. Efficient and reliable regional infrastructure plays a vital role in enhancing sustainable, broadly shared

economic growth and international competitiveness of the region. Infrastructure development is also closely linked to human development, poverty reduction and the attainment of the Sustainable Development Goals (SDGs) and Agenda 2063 of the African Union (AU).

Guest of Honour, Honorable Ministers, Ladies and Gentlemen,

Except during COVID-19 period, infrastructure investment in Africa has been increasing steadily over the past 15 years, and international investors have both the appetite and the funds to increase investments. The challenge, however, is that Africa has a poor track record in moving projects to financial closure. According to a recent report in 2020, about 80 percent of infrastructure projects in Africa fail at the feasibility and business-plan stage. Other factors sighted include lack of long-term master plans that can bridge political cycles, delays in obtaining licenses, and permits, poor program delivery due to insufficient capabilities in planning and technical design, managing and execution of large projects.

Guest of Honour, Honorable Ministers, Ladies and Gentlemen,

It has been reported that COVID-19 pandemic negatively impacted infrastructure investments in Africa. As such, the African infrastructure gap increased in the year 2020 to between \$59bn and \$96bn, mainly due to the shift in resources to the needs of the pandemic. Average 2019-2020 funding of \$83bn was below the 2017-2018 average of \$91.2bn. Overall financing gaps are significant and growing for all sectors except Information and Communications Technology (ICT), where targets for provision of basic connectivity have been reached in many countries.

As you may be aware, public funding itself is not enough to bridge the infrastructure gap, and we therefore need private sector participation. The private sector favours projects with adequate risk returns and with predictable and stable revenues. Thus, there is a need for clear Public Private Partnership (PPP) frameworks which guarantee legal protections for investors, easy acquisition of required investment permits and reduced legal and operational risks.

Guest of Honour, Honorable Ministers, Ladies and Gentlemen,

As you may be aware our desire to have adequate and quality infrastructure has been expressed at the continental level over the years through various initiatives aimed at promoting investments in infrastructure. Such initiatives include among others; The Lagos Plan of Action (1980), the Abuja Treaty (1991), NEPAD (2001) and The Program for Infrastructure Development in Africa (PIDA) established in 2009.

At COMESA we have equally prioritized infrastructure development as a strategic focus area that requires special attention, with a host of initiatives taking place to develop the necessary physical and soft projects in rail, roads, air and water transport, energy and Telecommunications/ICT which shall enhance connectivity in our region in the coming years.

In the surface transport sector, the region has seen expansion of the road network through construction of new railways and roads and rehabilitation of existing ones with the support of collaborating partners like the African Development Bank, World Bank and the European Union.

Despite the critical role of the road sector, according to a World Bank report in 2022, it is estimated that 53 percent of roads in Africa are still unpaved.

Road freight tariffs and travel times along key export corridors in Africa remain relatively high as compared to other regions. This has a negative impact on trade in the region as it greatly contributes to the high cost of doing business due to the longer transportation periods, higher freight costs and high cost of repairs associated with vehicles.

At the regional level, one of the main focus areas has been the facilitation of the development of transport corridors and efficient border management to enhance the movements of goods and services and reduce delays at border stations. One Stop Border posts in operation include Chirundu (Zambia/Zimbabwe), Mwami-Mchinji (Malawi/Zambia) and Nemba (Rwanda/Burundi). There are already a good number of other border posts where work has already begun for similar developments.

There has been concerted efforts by COMESA towards the establishment of corridor management institutions (CMIs) namely Djibouti and Port Sudan corridor Authorities. The Djibouti Corridor shall serve Djibouti, Ethiopia, South Sudan, Sudan and Uganda while Port Sudan corridor shall serve Central Africa Republic, Chad, Ethiopia, South Sudan and Sudan.

As part of the establishment process, several capacity building workshops were held for Port Sudan Corridor States.

Guest of Honour, Honorable Ministers, Ladies and Gentlemen,

Railways in the COMESA region have suffered from under investment over the years resulting in the decline in railway capacity and deterioration of railway transport services, negating the benefits derived

from the advantages of railway transport. Railways had commanded a market share of over 80% in the 1980s which has since declined to less than 15%. Capacity challenges on the part of rail transport caused this modal shift. The fragmented nature of railway operations has contributed to non-standardized and poor service quality due to poor coordination.

There is a need to adopt a regional solution where the railways operate as one unit to enhance competitiveness. Several rail infrastructure development projects have been initiated in the COMESA region. In East Africa, namely in Ethiopia, Kenya and Tanzania, recently, rail tracks have been constructed based on standard gauge, with other countries in the region planning to follow suit.

Inland waterways though not extensively used in the region, have major economic and social benefits to offer. COMESA will continue promoting the establishment of a Navigational Route between Lake Victoria and Mediterranean Sea and the Lake Tanganyika Transport corridor.

Maritime transport remains a major option to promote economic integration of Island and mainland States, hence the need for maritime based solutions to promote economic ties, particularly trade. In this regard, COMESA carried out an assignment to determine the feasibility of the establishment of a shipping line for the COMESA Indian Ocean Island States.

This assignment has identified the legal, market, cost, equipment and operational requirements for service delivery. The consultant completed the study and submitted the Draft Final Report which will be validated by the Island States and other key stakeholders.

Guest of Honour, Honorable Ministers, Ladies and gentlemen,

Transport facilitation reduces the cost of doing business in the region and as such Trade Facilitation Instruments have been developed to address transit bottlenecks. Such instruments include COMESA Carrier's License, third-party insurance, vehicle overload control, vehicle dimensions and road user charges. Member States have made progress in the implementation of some of these instruments to varying degrees, and those who have made substantial progress have realized tangible benefits through reduction in delays, effort and costs. For example, countries on the Northern Corridor have successfully applied the COMESA Yellow Card and Regional Customs Transit Guarantee Bond which resulted in improved transit times and reduced costs.

Significant progress has been made in road transport facilitation under the EU funded Tripartite Transport Transit Facilitation Programme (TTTFP) which sought to address challenges posed by multiple membership of our countries to different RECs through harmonization. The TTTFP marked achievements through the development of the Multilateral Cross-Border Road Transport Agreement (MCBRTA) and the Vehicle Load Management Agreement (VLMA) with the associated five supported model laws which were adopted by the Tripartite Council of Ministers in March 2023;

Under the same TTTFP programme, a Corridor Trip Monitoring System (CTMS) was developed and successfully piloted on the Trans Kalahari Corridor (Botswana, Namibia and South Africa); Sections of the Walvis Bay – Ndola - Lubumbashi (Namibia, Zambia and DRC).

The CTMS which will incorporate third-party insurance, customs and immigration functions will enable operator, vehicle and driver information to be readily available along regional transport corridors at the roadside and at border posts to all regulatory and law enforcement agencies.

Guest of Honour, Honorable Ministers, Ladies and Gentlemen,

Enhancing air connectivity can help raise productivity by encouraging investment and innovation, improving business operations and efficiency. Air transport is indispensable for tourism, where convenient air service facilitates the arrival of larger numbers of tourists to a region or country.

On air transport liberalization, the launch of Agenda 2063 flagship project of the Single African Air Transport Market (SAATM) in January 2018 provided impetus for accelerating the implementation of the Yamoussoukro Decision on SAATM.

I am pleased to report that under the EU funded Support to the Air Transport Sector Development (SATSD) Programme in the Eastern Africa, Southern Africa and the Indian Ocean Region (EA-SA-IO), many activities have been achieved which are furthering air transport market integration within the framework of the Single African Air Transport Market (SAATM). These activities include: Review of National Laws, Rules, Regulations and Policies in line with the provisions of the Yamoussoukro Decision (YD), Development of a Model Bilateral Air Service Agreement (BASA), to ensure compliance with the provisions of YD, and a Baseline Study to assess the status of the air transport sector in the region.

Guest of Honour, Honourable Ministers, Ladies and Gentlemen,

In the energy sector, in order to optimize the usage of energy resources available in the region and promote regional trade, COMESA has been promoting power interconnection among Member States. There is progress being made on many ongoing projects, including on the following power interconnectors:

Ethiopia-Sudan Power Interconnector Project, Ethiopia - Kenya Power Interconnector Project and Zambia-Tanzania-Kenya Interconnector Project (ZTK).

Guest of Honour, Honourable Ministers, Ladies and Gentlemen,

On Policy and regulatory harmonization, the Regional Association of Energy Regulators for Eastern and Southern Africa (RAERESA) has implemented a project on the Enhancement of a Sustainable Regional Energy Market in Eastern Africa and Southern Africa. It is encouraging to note that this project has so far contributed towards capacity building in various energy institutions in the region and formulation of various energy policy and regulatory frameworks which will promote viability and vibrant performance of the regional energy sector.

RAERESA has been identified as an Implementing Agency for the African Development Bank (AfDB) US\$1.5m funded Project on Harmonization of Regulatory Frameworks and Tools for Improved Electricity Regulation in COMESA, whose objective is to harmonize and align regulatory frameworks among COMESA member countries.

Under the world bank funded Regional Infrastructure Finance Facility (RIFF), whose aim is to provide an enabling environment for private infrastructure finance with focus on building a regional off-grid energy market, many activities have been carried out, including the following: -

Needs and Market Assessment of Off Grid Renewable Energy in the COMESA and TDB Region; Review of COMESA Model Energy Policy Framework; Development of COMESA Model Common Customs Tariffs Framework (MCCTF) for Solar Products; and Development of COMESA Model Solar Standards. These Model Frameworks shall be presented to this meeting for adoption.

Guest of Honour, Honourable Ministers, Ladies and Gentlemen,

In the COMESA region, ICT is a priority sector and is a crucial element in socio-economic development in general and in the process of regional economic integration. In order to help bridge the digital divide, COMESA has developed a robust ICT programme which seeks to promote market competition, public-private partnerships, effective regulation of internet and mobile operators and encouragement of private investment that can make access universal, secure and affordable.

While sector reforms have worked in terms of improving access to telephone, most of the population in Africa are not yet connected to the internet and where access is available the prices are still quite high. It has been reported only approximately 40 percent of Africans are connected to the internet, while other regions are above the world average of 66 percent. Furthermore, there is a need to develop policies on important issues such

as digital literacy, privacy, cybersecurity, Internet Governance, Artificial intelligence (AI) and others.

Under the EU funded programme on 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), COMESA is carrying out many activities which aim at reviewing and developing various regional policy and regulatory frameworks to support innovative markets in a harmonized manner. Activities undertaken include the following: -

Stakeholder Mapping and Baseline Study Report for the ICT sector in the region, E-Commerce Study report on e-readiness in the region and a work programme that will guide development and adoption of a regional e-commerce framework.

Guest of Honour, Honorable Ministers, Ladies and Gentlemen,

As I conclude, let me now indicate that your meeting will consider the state of affairs in the infrastructure sector and make decisions and provide guidelines that will be applied in our region in order to enhance the capacity of our infrastructure in both its physical state and the facilitation of the provision of services.

I therefore wish you fruitful deliberations with positive outcomes and I thank you for your attention.