



AFRICA'S POOR INFRASTRUCTURE DEVELOPMENT SAID RESULT OF LOW COMPETITIVENESS

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Addis Ababa, March 07, 2002 (ENA)- Lagging in infrastructure development in Africa has resulted in low competitiveness of the continent in global market, an official of the African Development Bank (ADB) said.

Speaking at the on-going 3rd African Development Forum (ADF III) here yesterday, Getnet Gebre-Giorgis said the slow infrastructure development has resulted in weak market development and integration, slow economic growth as well as exacerbated poverty and inequality.

African high transport costs have remained major burdens on the continents competitiveness in global market, he said.

Getnet has expatiated on the existing challenges and opportunities, as Africans envisage at moving towards a coordinated action plan for infrastructure development, focusing on the transport, energy, water sectors and ICT development.

Reflecting on the energy sector, Get net said for more than 90, per cent of the African population energy means wood, waste, dung, candles and kerosene, and stressed the urgent need for Africans for better access to the services which commercial energy provides.

Ironically, Africa remains a continent well endowed with a variety and abundance of energy resources.

According to Getnet, the continent possesses 8 per cent of the world's crude reserves, 7.2 per cent of world's natural gas resources, 28 per cent of uranium deposits, 6 per cent of coal reserves, as well as one- third of world's total hydro potentials capable of generating 1,600 GW of electric power .

Getnet has also observed the uneven distribution of energy resources by region and by country and the subsequent imbalance in demand and supply.

Libya, Algeria and Nigeria account *for* 84 per cent of the continent's proven oil reserves, he said. The latter two countries also account for 70 per cent of proven gas reserve while the Republic of South Africa alone accounts for 91 per cent of proven coal reserves, according to Getnet.

The wide disparity in energy resources required strategies for the development of energy projects with regional and sub-regional focus to support economic development in less endowed regions, Getnet noted.

Getnet has also outlined the factors that precluded the development of the energy sector.

The prevalence of wars and conflicts, lack of credible legal and regulatory framework, absence of political support for sub-regional and regional institutions for the integration of energy systems and state monopoly in some countries were among the constraints that faced the energy sector, he said.