

Spatial Clustering [SDIs] “Strategic Alignment of Infrastructure and Economic Activity”

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Integrated Resources Planning – Fostering Resource Clusters

Maputo, Mozambique,

12th April 2006



Closing Africa's Infrastructural Gap



- ◆ \$4bn per year in Roads, Railways, Air and Maritime Transport
- ◆ Additional transport infrastructure required for meeting Africa's MDG
- ◆ Better utilisation of existing and new infrastructure will be key towards improving Africa's competitive
- ◆ Spatial Development Initiative [SDI] Program could be a critical component for sustainable new infrastructure and PPP
- ◆ Focus on: SDI methodology



Spatial Development Initiative



◆ Critical Success Factors

- Inherent economic potential
- Configuration of investments to ensure infrastructure viability through sustainable revenue streams
- Crowding-in of investment
- PPPs: public-private-partnerships
- Political commitment
- Rapid planning and delivery



Spatial Development Initiative



◆ Methodology

- Identifying & scoping the potential area
- Formulating a compelling business case for projects
- Obtaining & formalizing buy-in from participating governments & REC's
- Appointing project manager & establishing in-country team(s)
- Preparing detailed business plans for implementation
- Undertaking techno-economic investigations
- Undertaking pre-feasibilities & feasibilities on selected projects
- Packaging, introducing and promoting projects to market for public and private sector investment.



Sharing Best Practices: Southern African SDIs



Zambezi Valley

“SDI Under Implementation”



- Infrastructure**
- 9 Sena line rehabilitation:
 - Beira - Moatize: 580km;
 - Inhamitanga - Marro: 88km; and
 - D.Ana - Vila Nova Fteira: 44 km.
 Capex: 342 million US\$
 - 10 Mpanda Uncua Power Station. Output: 1,5GW.
 - 11 Cahora Bassa Hydro Power plant. Output: 2GW.
 - 12 Caia - Construction of bridge over Zambezi River.
 - 13 Mutarara Hydro Power Plant. Output: 1,2GW.
 - 14 Lupata Gorge Control Dam.
 - 15 Moatize Thermal Power Station. Output: 1GW. Capex: 1 billion US\$.
- Tourism**
- 16 Parque Nacional de Gorongosa.
 - 17 Riverine eco-tourism along the Zambezi and Chire Rivers.



Phase III

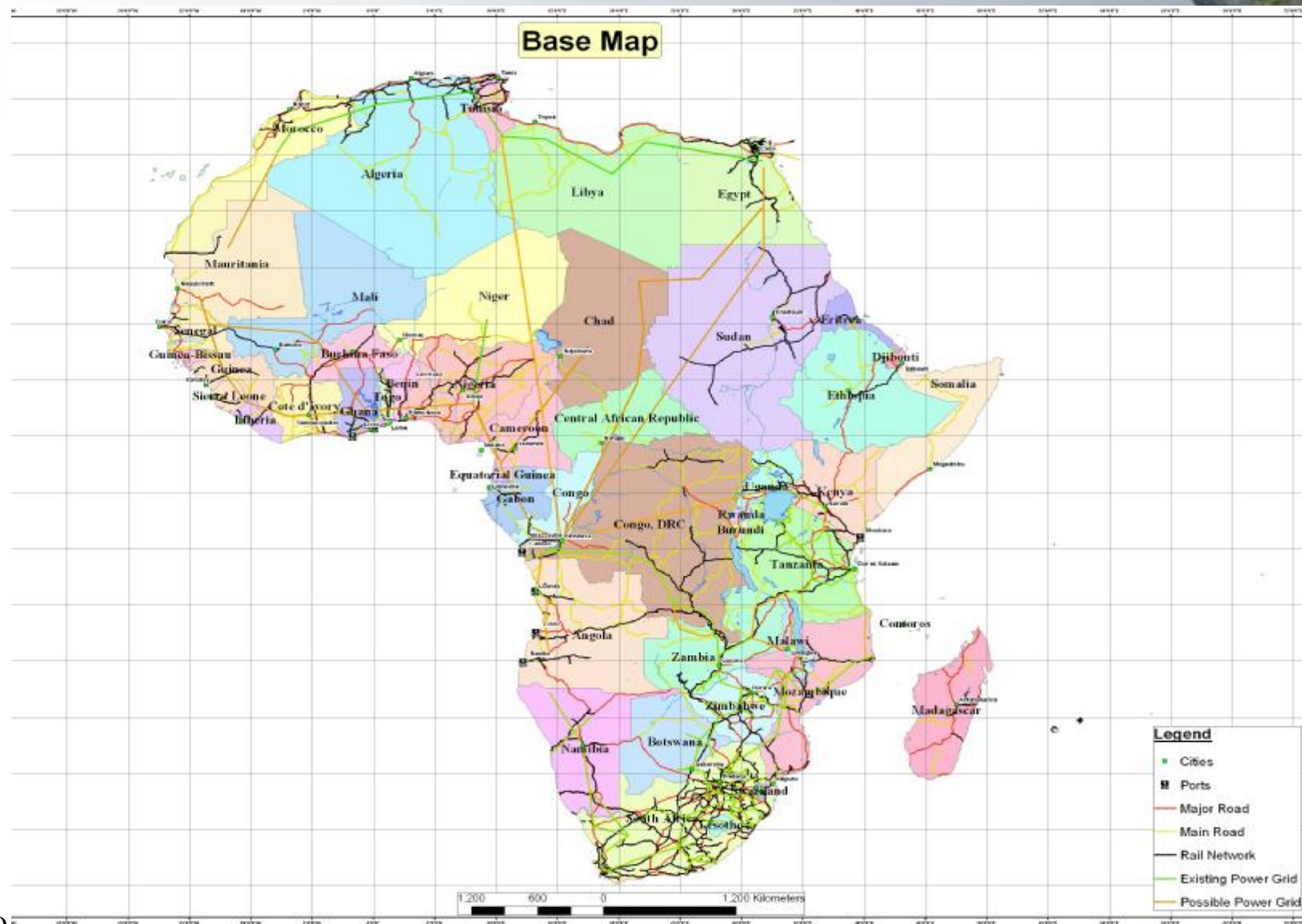
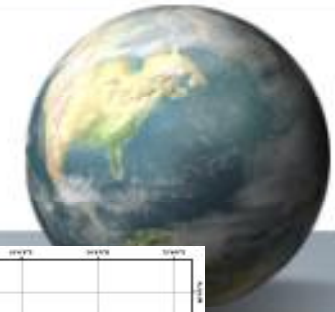
African SDIs



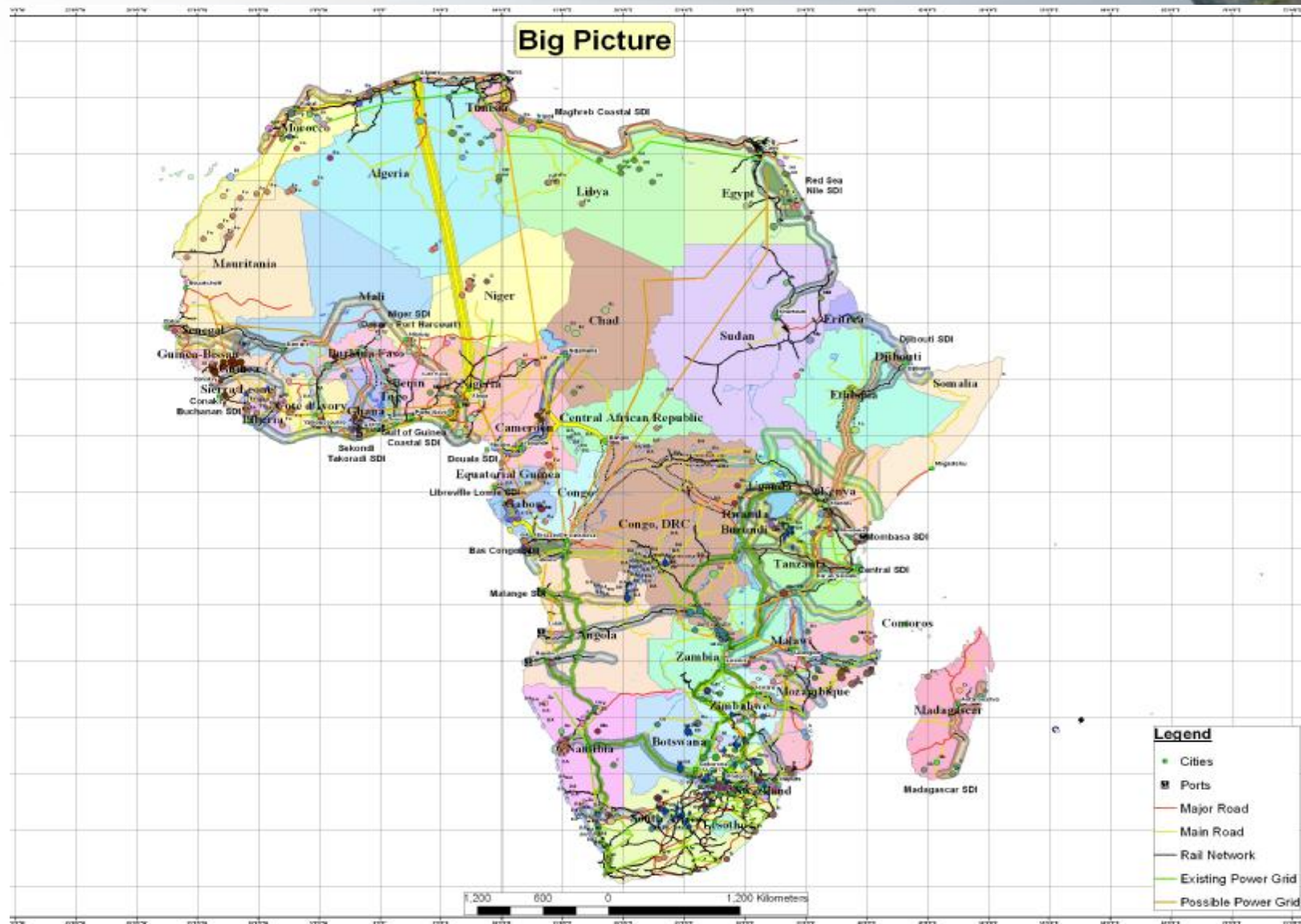
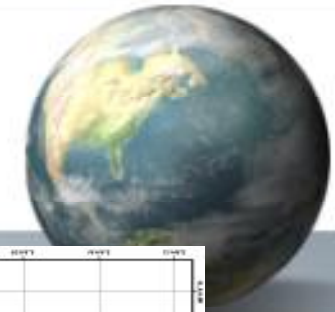
- ◆ A case for resource-based approach
 - First World subsidies (CAP) and NTBs lower potential rents from agriculture and agri-processing
 - This results in mining and mineral processing generally being the only sector with the requisite rents to cover the provision of infrastructure
 - In most cases mining is independent of local/domestic market
 - For this reason the “anchor” projects for many SDIs are mineral-based
 - The provision of infrastructure then underpins the viability of numerous projects in other sectors (densification)
 - Beyond the “colonial” paradigm (resources to coast) to integrated growth & sustainable development using resources as a catalyst

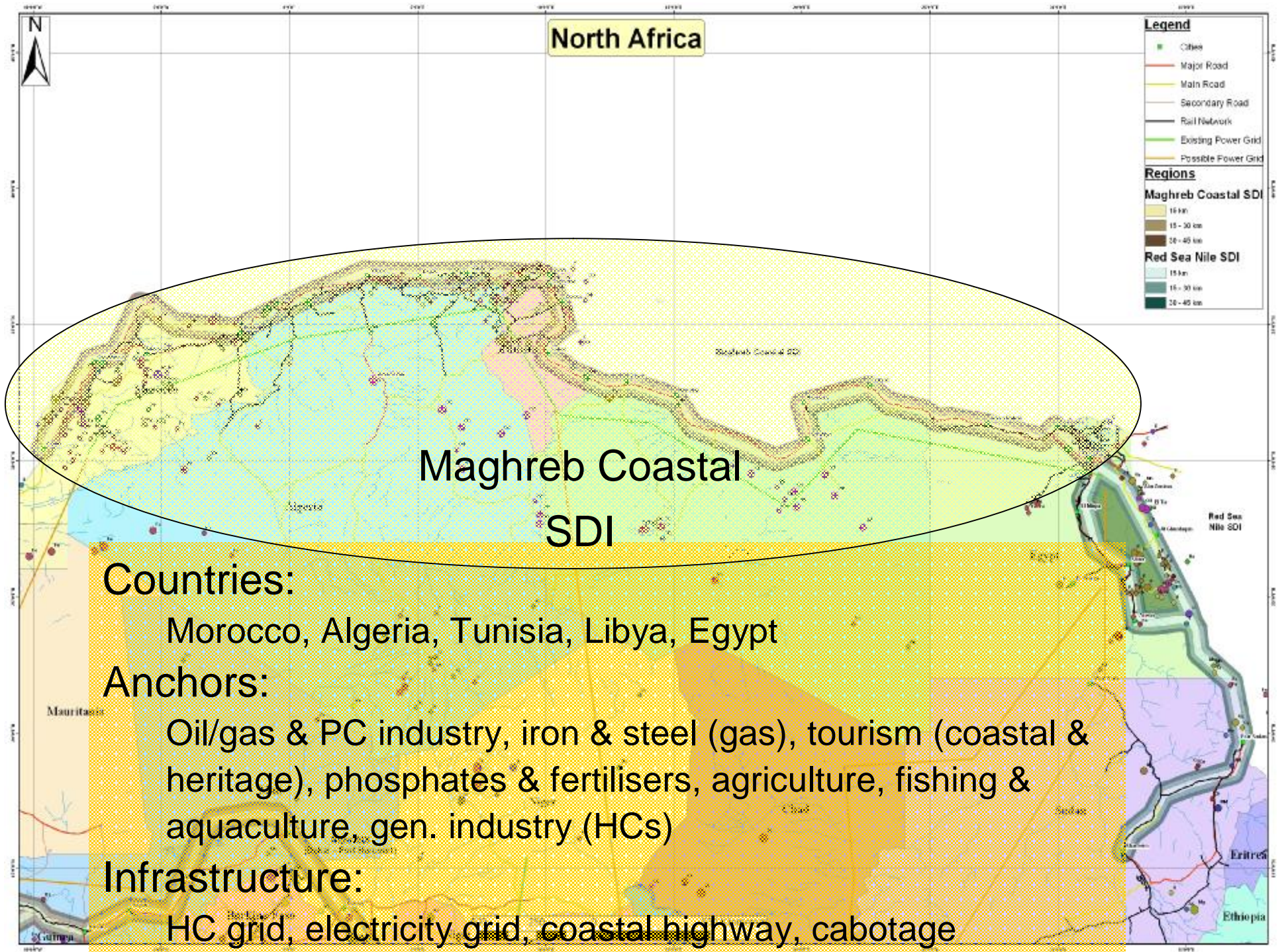


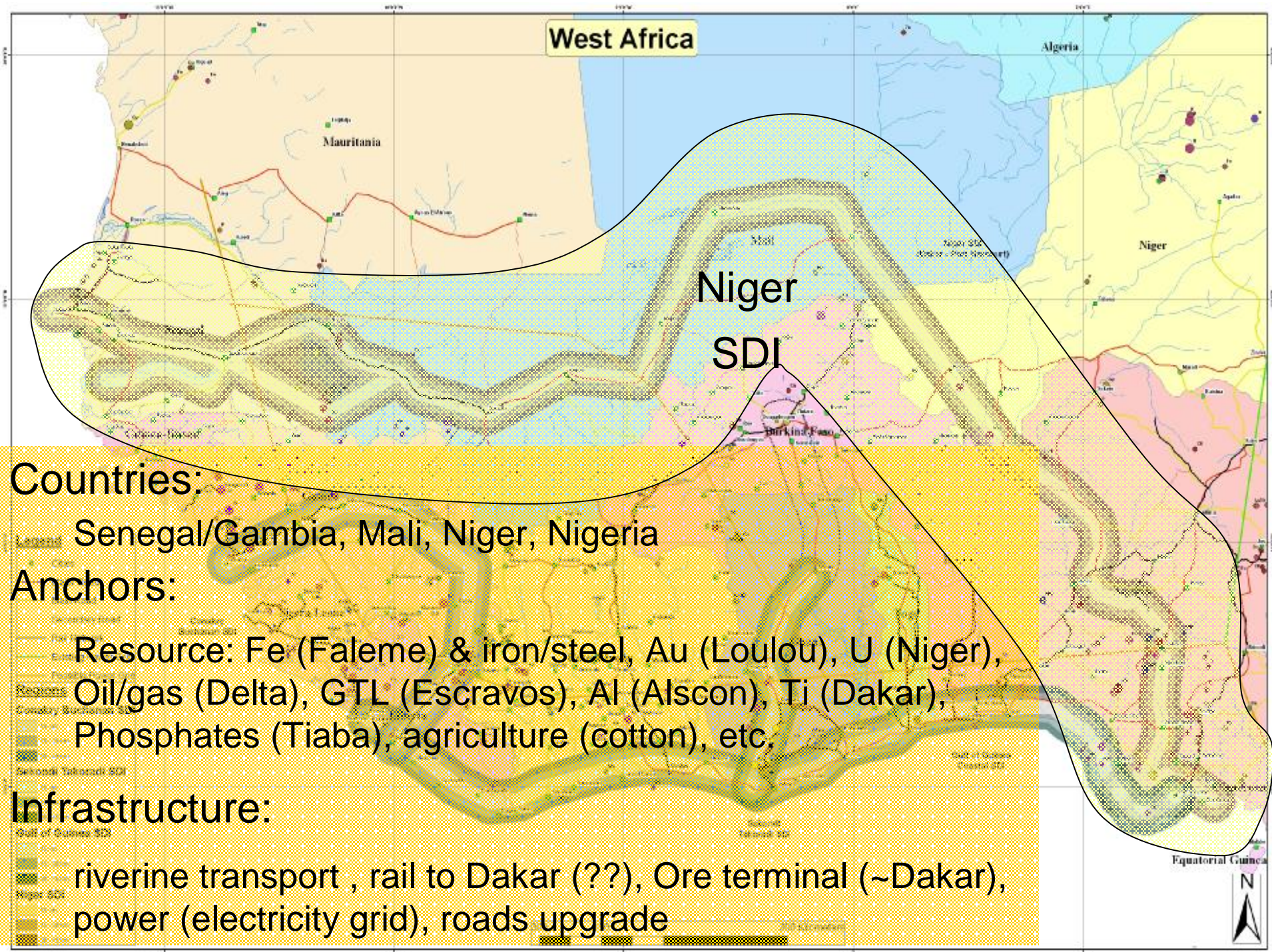
African Transport Infrastructure



Potential African\NEPAD Spatial Development Initiatives







West Africa

Niger SDI

Countries:

Senegal/Gambia, Mali, Niger, Nigeria

Anchors:

Resource: Fe (Faleme) & iron/steel, Au (Loulou), U (Niger),
 Oil/gas (Delta), GTL (Escravos), Al (Alscon), Ti (Dakar),
 Phosphates (Tiaba), agriculture (cotton), etc.

Infrastructure:

riverine transport , rail to Dakar (??), Ore terminal (~Dakar),
 power (electricity grid), roads upgrade

Legend

Regions

Senegal/Gambia SDI

Gulf of Guinea SDI

Niger SDI

Equatorial Guinea



West Africa

Countries:

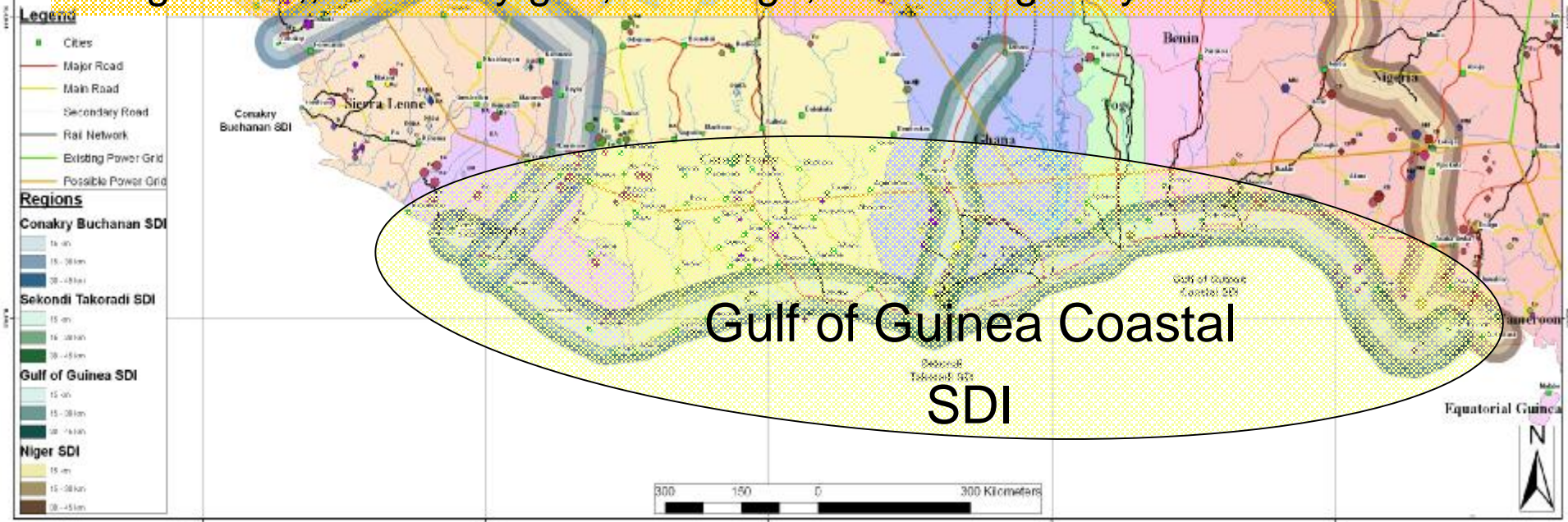
Nigeria, Benin, Togo, Ghana, Cote d'Ivoire, Liberia

Anchors:

Oil/gas (Delta & pipeline), GTL, AI (Delta), Iron/steel (Sekondi/Takoradi, Buchanan), Mn (Nsuta) & FeMn (Sekondi- gas?); tourism (coast, heritage), gen. industry (gas), agriculture (palm oil/carbon), fishing & mariculture

Infrastructure:

gas line,, electricity grid, cabotage, coastal highway



Central & East Africa

Countries:

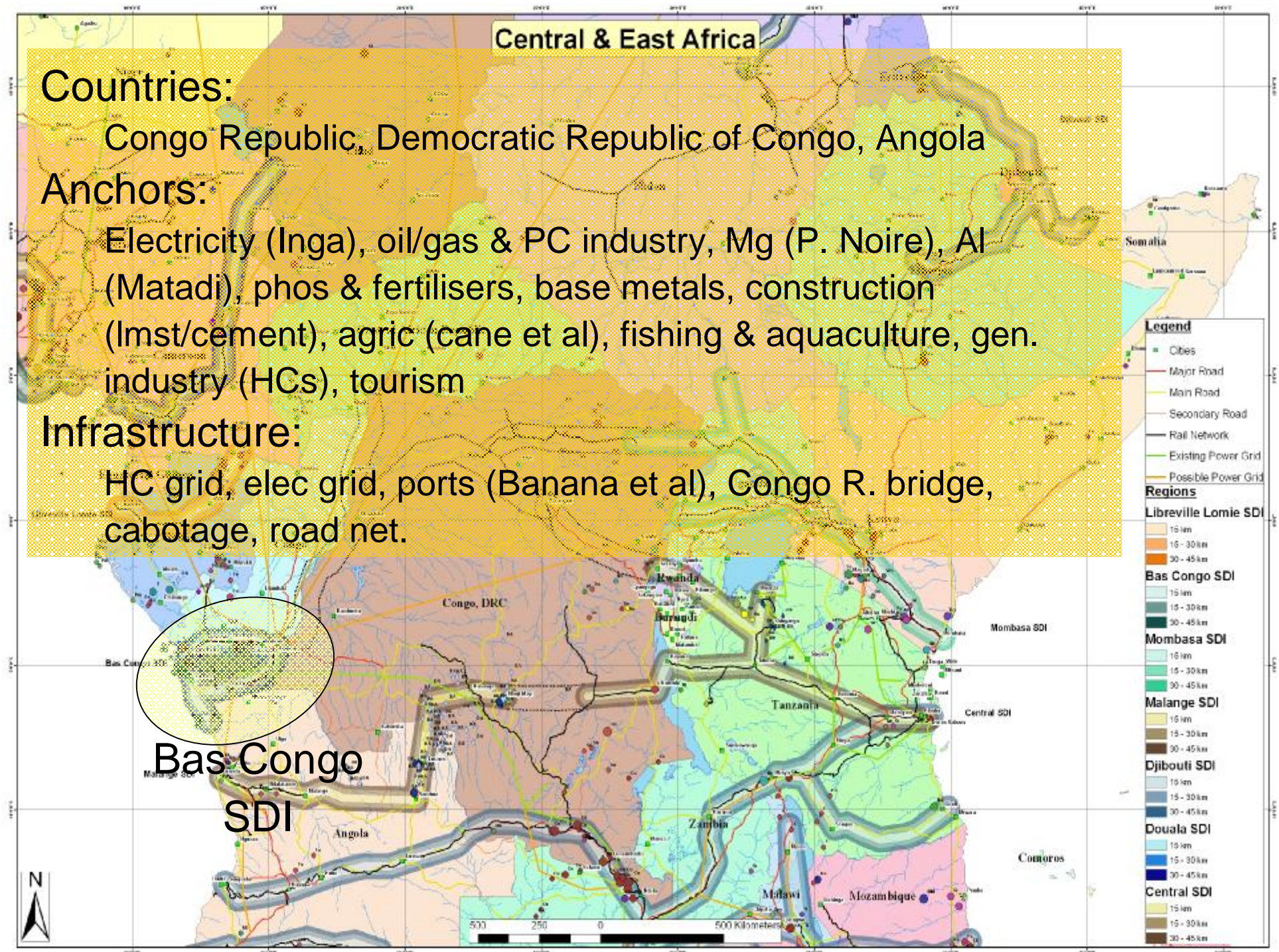
Congo Republic, Democratic Republic of Congo, Angola

Anchors:

Electricity (Inga), oil/gas & PC industry, Mg (P. Noire), Al (Matadi), phos & fertilisers, base metals, construction (Imst/cement), agric (cane et al), fishing & aquaculture, gen. industry (HCs), tourism

Infrastructure:

HC grid, elec grid, ports (Banana et al), Congo R. bridge, cabotage, road net.



Countries:

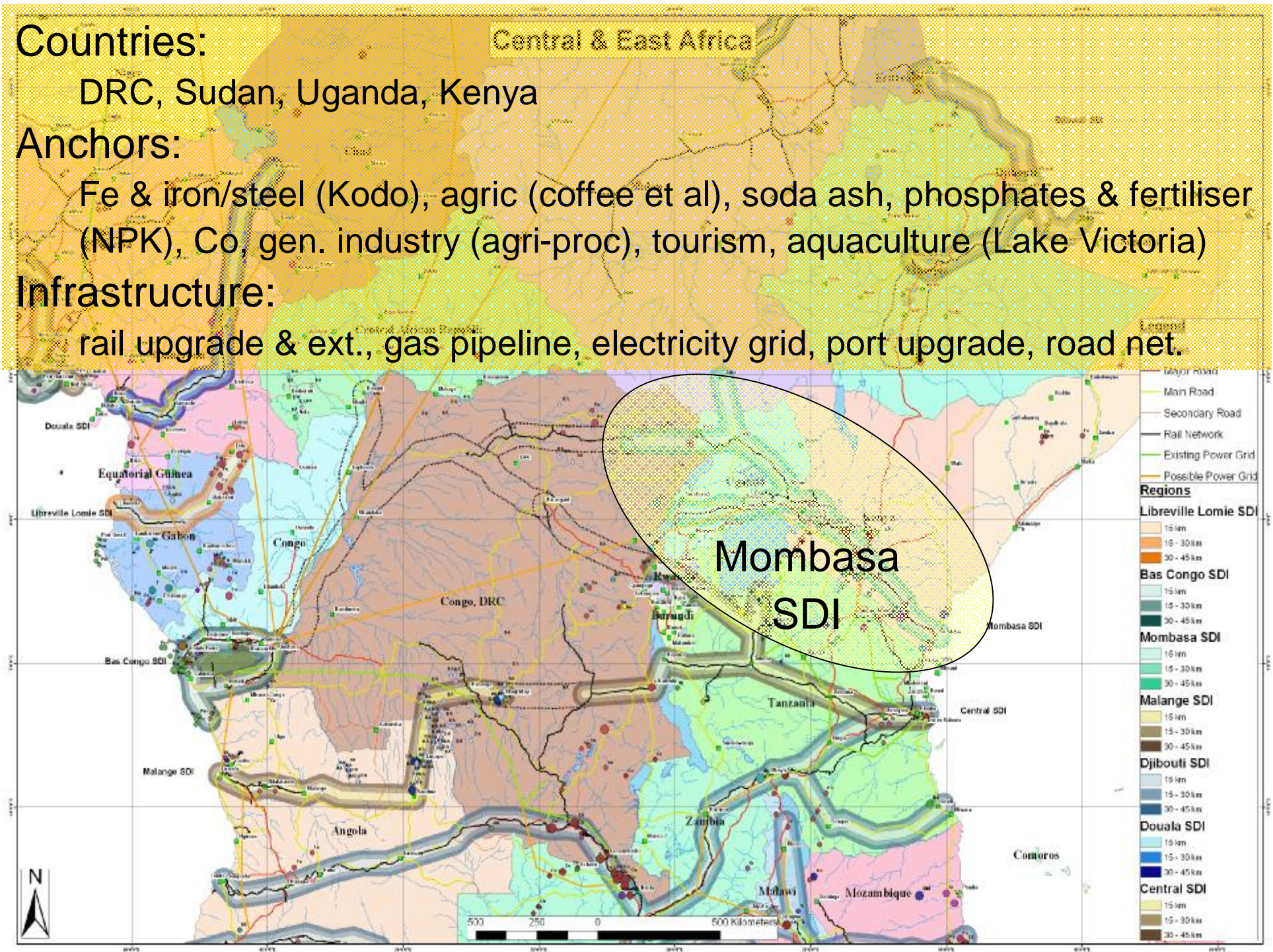
DRC, Sudan, Uganda, Kenya

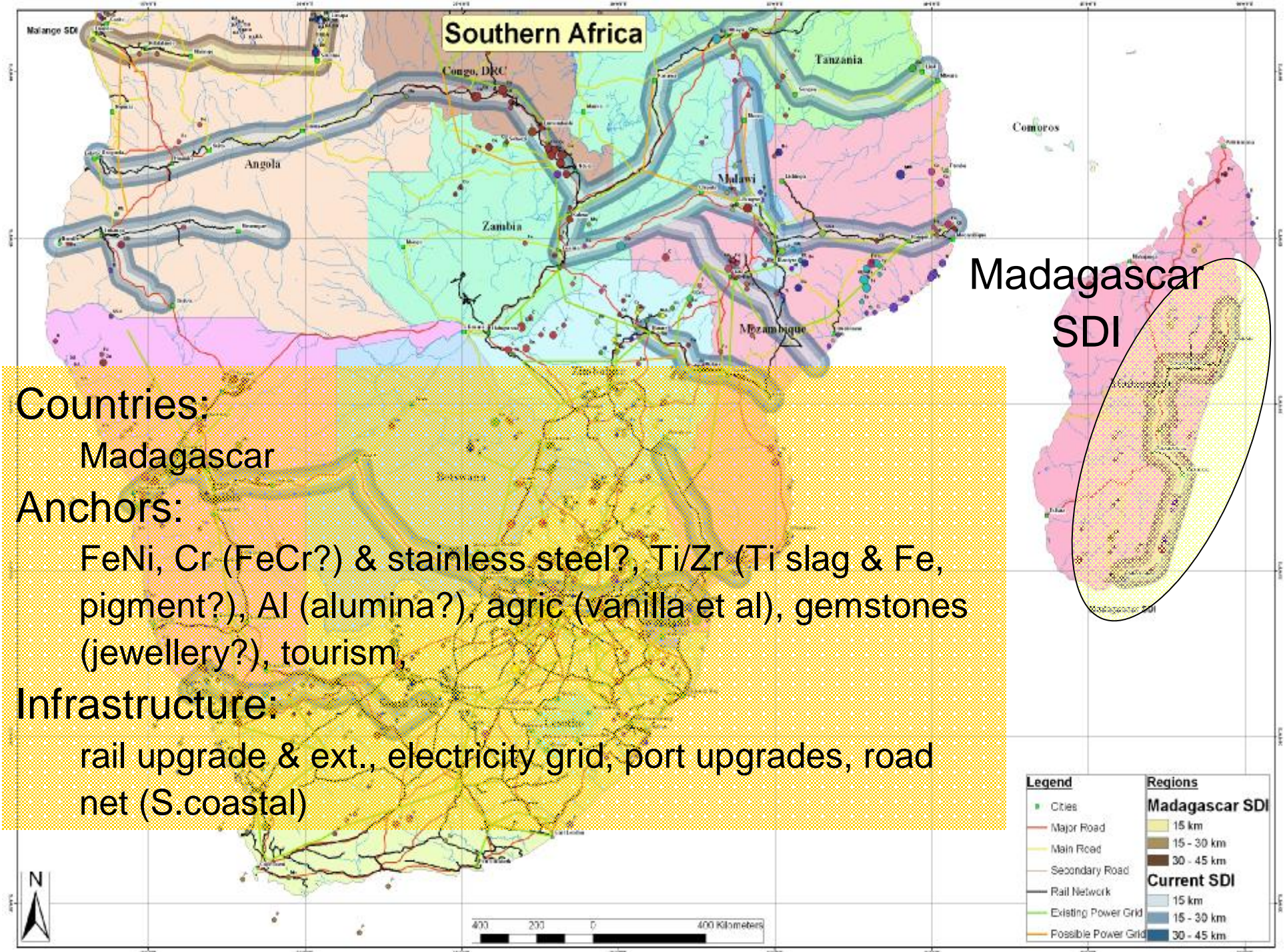
Anchors:

Fe & iron/steel (Kodo), agric (coffee et al), soda ash, phosphates & fertiliser (NPK), Co, gen. industry (agri-proc), tourism, aquaculture (Lake Victoria)

Infrastructure:

rail upgrade & ext., gas pipeline, electricity grid, port upgrade, road net.





NEPAD SDI Program Countries



Portfolio of Possible SDIs			
Region	No.	SDI	Countries
North Africa	1	Maghreb Coastal	Morocco, Algeria, Tunisia, Libya, Egypt
	2	Red Sea-Nile	Egypt, Sudan
West Africa	3	Niger (Dakar-Port Harcourt)	Senegal, Gambia, Mali, Niger, Nigeria
	4	Conakry-Buchanan	Guinea, Liberia, Cote D'ivoire
	5	Sekondi/Takoradi-Ouagadougou	Ghana, Burkina Faso
	6	Gulf of Guinea	Nigeria, Benin, Togo, Ghana, Cote D'Ivoire, Liberia
Central Africa	7	Douala-N'djamena	Cameroon, Chad
	8	Libreville-Lome	Gabon, Republic of Congo, Cameroon
	9	Bas-Congo	DRC, Republic of Congo, Angola
East Africa	10	Mombasa	Kenya, Uganda, DRC, Sudan
	11	Djibouti	Djibouti, Ethiopia, (Kenya)
Southern Africa	12	Madagascar	Madagascar



NEPAD SDI Program

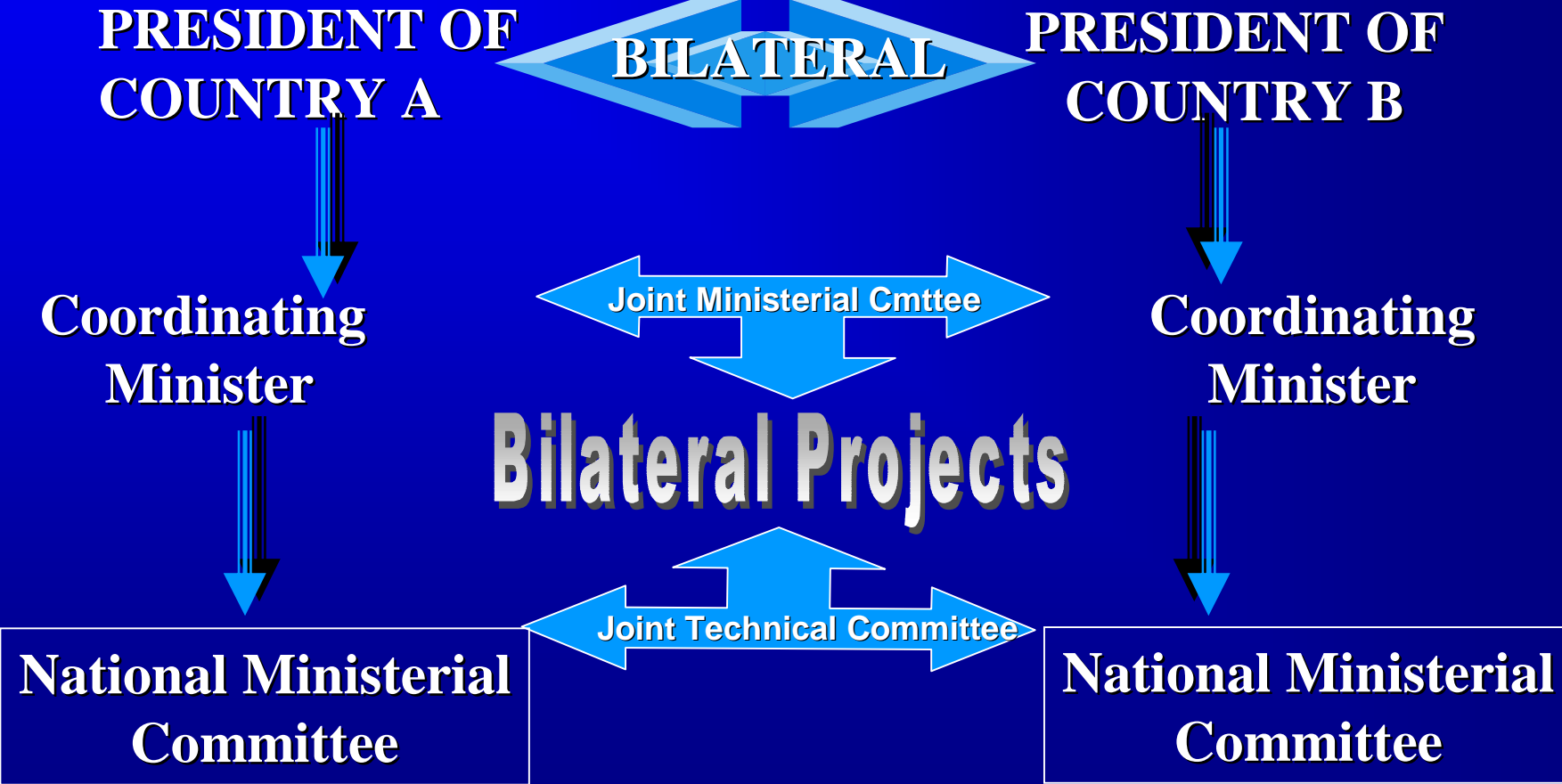
Next Step:



- ◆ Develop economic underpinning
 - Identify natural resource investments (mining, forestry, agriculture etc.)
 - Identify other major interventions: REC's; governments; donors; WB; AfDB; DBSA; IDC & private sector
 - Identify key infra links with private sector opportunities
 - Build up a comprehensive picture of potential SDIs.
 - Consolidate into development corridors
 - Create data sheets per corridor
 - Produce detailed maps; corridors; data sheets & business case



Coordination of the Economic Cooperation



NEPAD SDI Program



◆ Action Plan

- Conclude Phase 1(a)
 - Acceptance of Report
 - Endorsement of NEPAD SDI Programme
 - Approval and resourcing Phase 1(b)
- Commission Phase 1(b)
 - Service provider
 - Project Steering Committee
 - Consultation with RECs
 - Detailed scoping study – ground truthing and verification
 - NEPAD SDI Programme document





Thank
You