Africa Programme
Conference Summary

CHATHAM HOUSE
The Royal Institute of International Affairs

Governing for Infrastructure Delivery in Sub-Saharan Africa: Overcoming Challenges to Create Enabling Environments

14–15 March 2016

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Introduction

The following document provides a summary of a conference held at Chatham House on 14 and 15 March 2016, which focused on how to promote infrastructure delivery in sub-Saharan Africa.

This conference provided a forum for policy-makers, investors, industry representatives, civil society actors and other experts to discuss measures to address the critical challenges to targeting Africa's infrastructure deficit. The conference placed particular emphasis on local business perspectives on infrastructure delivery and the importance of local capacity for sustainable development, in the context of international finance and standards, and engagements and perspectives of foreign firms and donors.

The meeting was held on the record. The following summary is intended to serve as an aide-mémoire for those who took part, and to provide a general summary of discussions for those who did not.

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Welcome and Opening Addresses

Hon. Armando Manuel, Minister of Finance, Republic of Angola

Infrastructure delivery in sub-Saharan Africa is a vital topic for sustainable development in Africa. Investment in infrastructure is critical for economic growth and sustainable development as it can enable trade, connect people and ideas, reduce poverty and promote regional integration. The struggles seen in reaching some targets of the Millennium Development Goals (MDGs), including access to clean water, electricity and roads, all depend on infrastructure. Infrastructure development in Africa therefore requires urgent attention and the current pattern of accelerating economic growth must be preserved.

Southern Africa has seen a surge in infrastructure services over recent years. A 2010World Bank report on African infrastructure estimated that $93 billion a year is needed to close the infrastructure gap.[1] Only four per cent of Africa's GDP in 2012 was spent on infrastructure, which suggests that it is possible to finance infrastructure within budgets.

The development of infrastructure is creating jobs for local communities. A 2014 Deloitte study on construction trends in Africa found that the value of megaprojects under construction in Africa had increased by 46 per cent between 2013 and 2014, half of which was in southern Africa's energy and transport sectors.[2] For example, in Angola, more than eight per cent of GDP was spent on infrastructure, which reduced unemployment by 10 per cent between 2006 and 2014.

The recent decline in oil prices is a major pressure on the investment agenda and has ended the trend of job creation. However, the current crisis provides opportunities to address a number of structural issues and the Angolan government is implementing a wide range of economic reforms. These reforms include improving the legal and regulatory environment in order to promote private business, bring investment to Angola and diversify the economy.

In partnership with China, the Angolan government has invested in a large housing project to provide first-time buyers with houses at reasonable prices. This is intended to reduce the housing deficit in Angola and to reduce house prices. This project is considered to be the biggest housing investment in Africa since the era of independence and the World Bank is considering replicating this model across Africa. In spite of projects such as this, as with the rest of the continent, there remains an infrastructure deficit in Angola. The government is addressing these issues with the technical assistance of the International Monetary Fund (IMF), the World Bank and other development partners.

Infrastructure coverage in sub-Saharan Africa is holding back the region's growth. Only one-quarter of Africa has reliable access to electricity[3] and sub-Saharan Africa generates the same amount of power as Spain[4]. Considering the rapid urbanization and youthful population of Africa, there is an urgent need to improve infrastructure. It is essential to harness the economic benefits of urbanization and a growing

[1] The Africa Infrastructure Country Diagnostic (2010) , *Africa's Infrastructure: A Time for Transformation,* http://siteresources.worldbank.org/INTAFRICA/Resources/aicd_overview_english_no-embargo.pdf.
[2] Deloitte (2015), *African Construction Trends Report 2014,* https://www2.deloitte.com/content/dam/Deloitte/za/Documents/manufacturing/za_africa_construction_trends_2015_10032015.pdf.
[3] The World Bank (undated), *Fact Sheet: The World Bank and Energy in Africa,* http://web.worldbank.org/WBSITE/EXTERNAL/COUNTRIES/AFRICAEXT/0,,contentMDK:21935594~pagePK:146736~piPK:146830~theSitePK:258644,00.html.
[4] The World Bank (undated), *Fact Sheet: Infrastructure in Sub-Saharan Africa,* http://web.worldbank.org/WBSITE/EXTERNAL/COUNTRIES/AFRICAEXT/0,,contentMDK:21951811~pagePK:146736~piPK:146.830~theSitePK:258644,00.html

population through effective planning and sound fiscal policies. It will also be necessary to have better tax administration and a wider taxpayer base.

In Angola, the government has set up a public-private partnership (PPP) unit within the Ministry of Economy, which is currently working on improving the legal and regulatory framework as well as creating a more enabling environment for businesses. It is important to look at more creative solutions, such as sovereign wealth funds or diaspora funds as good sources of funding. There are a myriad of options, including the promotion of Africa for private equity funds and the rationalization of carbon price schemes. Addressing the infrastructure gap requires detailed preparation and a strong business case. Africa must look beyond traditional sources of funding and PPPs can be a good model for this. More financing opportunities have emerged with the rise of the BRICS (Brazil, Russia, India, China and South Africa) countries.

Policy-makers also face the challenges of climate change, poverty and marginalized people. The emphasis must be on job creation, institution building and property rights. This will make cities more competitive and sustainable. National growth plans should set targets at national and regional levels, be more inclusive and decentralize fiscal authorities. The cost of infrastructure services in Africa remains high, due to inefficiency, bureaucracy, capacity constraints and governance issues. The fragmented infrastructure network must be overcome and further regional cooperation encouraged.

Jay Ireland, Chief Executive Officer, GE Africa

Sub-Saharan Africa is of great importance to General Electric (GE); the region now generates $3.5 billion in revenue and GE employs 3,000 people there. Development and profitable business must, and do, go hand in hand. The vast majority of African governments recognize that creating a better environment for investors is central to development, and therefore focusing policy on creating enabling environments is now the norm in Africa. Governments view companies as essential for job creation, and Africa is now seen as an essential market for global companies.

Africa’s economic renaissance remains positive, even with the fall in oil prices and the commodity market. It will be difficult to continue Africa’s growth but it is achievable. Companies must do more to invest for the long term and become valuable economic contributors to the continent.

Work also continues to improve governance and there must be further investment in key areas of social development like primary education, and more opportunities for women in schools and in the economy. The private sector must be helped to grow in a sustainable way. Great progress has been made in these areas but more needs to be done by governments and businesses. Multinational companies must build confidence in business; they must also keep their promises and be accountable. Companies must invest in skills transfer, infrastructure capacity development and local hiring. It is important to honour local processes.

Businesses can help to increase the quantity and quality of the skills base. Africa has a burgeoning population; by 2100, it is estimated that almost half of the world’s youth will be African.[5] Realizing the potential of a demographic dividend requires investment in skills. For instance, GE is currently working with the government of Cross River State in Nigeria to improve skills training at a technical college.

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[5] Mo Ibrahim Foundation (2013), *Africa Ahead: The Next 50 Years* http://static.moibrahimfoundation.org/downloads/publications/2013/2013-facts-&-figures-an-african-conversation-africa-ahead-the-next-50-years.pdf.

It is critical that multinational companies commit to developing local workforces and the understanding of local businesses. Many companies continue to locate their African headquarters in Dubai or Paris; this is not the right way to do business on the continent. Companies will struggle to build sustainable business models in Africa unless they consider alignment to development objectives, and countries that do not build investment-friendly climates will find that businesses will go elsewhere.

Summary of questions and answers session

How can increased knowledge as well as increased finance be found, and what can be done to address the divides between rural and urban sub-Saharan Africa?

President dos Santos lamented that the National Development Plan is falling behind schedule. Is this because the plan is too optimistic or is there too much inefficiency, and what can be done to address this?

Why is investing in the engineering profession not explicitly mentioned in the agenda?

Which countries do a better job of delivering close to original plans?

Jay Ireland

When governments have a clear and open development plan, it is easier for businesses to understand where they can add value. It is important that businesses do not just come in and sell; they should also invest in the country. GE has invested up to $750 million in several countries.

STEM (science, technology, engineering and mathematics) education is certainly critical. Not enough is currently being done in African universities to support those subjects. GE supports programmes that seek to increase the number of engineering students. Companies must also hire more local employees.

In terms of inequality between urban and rural areas, access to electricity remains a costly challenge outside of urban areas; this limits business development as people will go where the potential is.

Hon. Armando Manuel

Money and knowledge matter in promoting infrastructure growth. It is possible to reshuffle budgets and increase infrastructure finance, as well as the diversification of funding. Infrastructure development costs more in Africa than it does in other regions. In order to spend less time on the preparation of infrastructure projects, more technical knowledge is needed.

Angola's National Development Plan was prepared in 2012 when commodity prices were expected to continue rising. Although the fall in commodity prices have affected the outcomes of the plan, Angola remains on track to reach its objectives. It is essential to have a long-term vision in order to see beyond the current situation. Several projects have been put on hold to increase the focus on core projects that can have a strong impact on diversification. There will be a new national development plan from 2018.

The training of engineers remains a key challenge as human capital is essential to infrastructure growth. Angola lags behind in this area and it takes generations to build human capital. Angola's economic policy over recent years has strengthened relations with development partners such as the IMF, the World Bank and the African Development Bank (AFDB). These relationships allow the sharing of expertise to help build knowledge in Angola.

Session One | Urgency vs Planning? Setting Priorities for an Achievable Infrastructure Agenda

Engr. Mustafa Balarabe Shehu, President, Federation of African Engineering Organizations

Demographic changes will have serious implications for infrastructure in Africa. Access to roads is estimated to be at 34 per cent across the continent.[6] This, along with other infrastructure deficits in communications technology, sanitation and other areas, represents an infrastructure deficit in Africa. This deficit can be seen as holding great potential for future infrastructure development.

Policies surrounding infrastructure delivery are largely focused on PPPs as a result of the lack of access to finance in the public sector. The sharing of resources and risk through PPPs has proven to be a positive model in Africa.

At the continental level, the Programme for Infrastructure Development for Africa (PIDA) will cost up to $360 billion between 2011 and 2040.[7] At the national level, some countries have infrastructure plans in place. For example, Nigeria has a national integrated infrastructure programme;[8] an ambitious plan targeting the country's infrastructure deficit that will run from 2014 to 2043.

Challenges facing infrastructure development in sub-Saharan Africa include the continuing decline in foreign direct investment (FDI), institutions that are still in need of reform and inadequate regulatory frameworks, as well as a lack of resources, technical knowledge and local involvement. The lack of unified engineering standards across sub-Saharan Africa is a further ongoing challenge.

ProfessorMthuli Ncube, Professor of Public Policy, Blavatnik School of Government, University of Oxford

Although there is no shortage of infrastructure projects in Africa, their sustainability remains an issue. The speed of delivery is also affected by the tensions between commercial aspects of projects and developmental-impact issues.

Commercial partners must balance risk and return. During the commodity boom, a 12 per cent rate of return from a project was considered to be good business. However, following the recent collapse of the commodity market, such a return is no longer sufficient. On the other hand, the development imperative demands that roads must be inclusive 'feeder roads', which improve access, create local jobs, use local small and medium-sized enterprises (SMEs), and have an overall positive impact on the macro-economy of a country.

It is important to develop mechanisms for monitoring projects so as to ascertain whether they are sustainable and environmentally sound. Such monitoring procedures can get in the way if they slow

[6] AFDB (2013), 'Improved Infrastructure to Support Africa's Competitiveness', 9 May 2013, http://www.afdb.org/en/blogs/afdb-championing-inclusive-growth-across-africa/post/improved-infrastructure-to-support-africas-competitiveness-11755/.
[7] PIDA (undated), *Closing the Infrastructure Gap Vital for Africa's Transformation*, http://www.afdb.org/fileadmin/uploads/afdb/Documents/Generic-Documents/PIDA%20brief%20closing%20gap.pdf
8 Ministry of Budget and National Planning, Nigeria (undated), 'Infrastructure Master Plan', http://www.nationalplanning.gov.ng/index.php/78-featured/107-article-f.

projects down but it remains important to follow such processes. Harnessing wind energy, as in Cape Verde, is a potentially environmentally friendly development.

It is possible to develop tools that bring together commercial, sustainability and developmental issues, and to calculate an inclusive economic rate of return. It is useful to think about projects with these three issues in mind as it will also help to attract funding from the AFDB and the World Bank, as well as corporate partners.

Dr Peter Zhang, Managing Director, Sinofortone

Poor infrastructure is a major barrier to faster economic development. Aid money alone cannot solve Africa's infrastructure deficit; traditional donors tend to favour investing in health and education. Private investors have also not filled the gap as they are have been deterred by the political risk and long-term time frame and complexity of projects.

However, China's expanding footprint in Africa is changing this. As of 2014, there was more than $32 billion of direct investment from China in Africa, following increases of more than 40 per cent annually since 2003. Chinese companies had built more than 4,000 kilometres of roads by the end of 2014 and more than 3000 kilometres of railways. No less than $450 billion worth of contracts have been signed and delivered. International cooperation will help Africa to grow even faster, and collaboration between China and the United Kingdom should be encouraged.

Although it should be appreciated that there is a need to do things properly and to follow quality controls, feasibility studies and other pre-building processes can take several years to complete. It can be argued that building infrastructure that will serve communities is more important than completing years of studies. Although some may be concerned about the quality of Chinese construction, the achievements of Chinese companies in Africa should assuage those fears.

Bob Kottler, Managing Director, Dawnus International Ltd

There is an urgent need for infrastructure delivery in sub-Saharan Africa. However, delays at every stage of projects remain an issue, particularly in the procurement stage. Failings also persist in feasibility studies; for instance, leading to the building of bridges with no roads leading to them. Projects often end up being completed significantly behind schedule due to issues around regulation and the complexity of funding. Although communications across Africa have vastly improved, the time it takes to complete projects has increased, and six-month projects can take four to five years. It should also be noted that PPPs will not work in every context and in every country.

To improve the current situation, it must be ensured that feasibility studies are adequate but do not take an excessive length of time. It is essential that procurement processes are transparent, and poorly defined and supervised contracts should be avoided; otherwise contractors will see an opportunity to make more money. There is also a need for greater compatibility of funding mechanisms. Projects could be enhanced if the old 'aid for trade' provision was reintroduced as a means of getting hitherto unfeasible projects off the ground. The United Kingdom's Department for International Development (DFID) is discussing whether an element of that programme could be revived. Those sorts of projects can be delivered if emphasis is placed on using aid money to deliver capital projects.

Summary of questions and answers session

Are PPPs not an expensive way to finance projects and do they represent a long-term fiscal drain?

Following the trend of investments in extractive-industries-related infrastructure over the last few years, what will be the trend over the next 10 years?

The Tanzania-Zambia railway is a political project that has not realized its full potential. What should the next step be? Should the project start again or be rehabilitated?

Is there any potential for smaller and faster projects to deliver the urgency needed in infrastructure delivery in Africa?

Engr. Mustafa Balarabe Shehu

The most important aspects of any PPP project is the packaging of the contract and the feasibility study to make sure that all of the facts are clear. If the packaging is done in a hurry, then there will inevitably be gaps. There must be proper documentation and assessment of the project.

Bob Kottler

There are currently small-scale projects underway in West Africa that are easier to find funding for due to their smaller size. The difficulty of water and sanitation projects is that there is no revenue in those sectors, unlike electricity where revenue is more reliable. It is positive that a greater number of smaller-scale projects are underway.

Professor Mthuli Ncube

Infrastructure linked to the extractive industries will continue to decline going forward, even in the event of a modest recovery in commodity prices. Investment in the mining sector is therefore no longer viable. The impact of the commodity-price outlook is broader than this, as the credit ratings of countries have also been impacted. This increases the price at which Angola, Nigeria and Zambia, for example, have to pay to place bonds on the market to finance infrastructure projects. Therefore, commodity prices in general have had an impact on infrastructure finance.

Dr Peter Zhang

There is no doubt that the Tanzania-Zambia railway line is one of most important and successful infrastructure projects in Africa. Coordinating all the countries to build a new line would be difficult. There are several ways that financing can be structured to secure funding for infrastructure.

Questions

Is there a danger with the focus on commercial drive and urgency that the needs of those who will use the infrastructure the most will be ignored?

If feasibility studies take so long, why are issues such as bridges without supporting roads not picked up on? Is there any point in building railway lines if there is no infrastructure to support it?

How can it be ensured that there is more regional connectivity and trade between Africans countries?

How does infrastructure planning at the regional level work? Is it done on an ad hoc basis, or is there a general framework?

Engr. Mustafa Balarabe Shehu

The building of trans-African highways is part of the PIDA Priority Action Plan. African heads of states are tackling this issue head on and, if plans are executed to the letter, the lack of connectivity will be addressed. There must be harmonization between African countries in order to ensure that there is no repetition in planning and organization.

Bob Kottler

The example of the bridge with no feeder roads was intended to demonstrate that feasibility studies are often inadequate. However, the time it takes to award projects is extremely lengthy and often inadequate to safeguard all parties from risks.

Professor Mthuli Ncube

Political issues and shocks will continue to happen and will continue to have an impact on projects. For instance, a World Bank PPP project in Mali that sought to produce ethanol and electricity from sugar collapsed following political unrest.

Session Two | Context Matters: Perspectives on Challenges to Infrastructure Delivery

Hon. Carlos Alberto Fortes Mesquita, Minister for Transport and Communications, Republic of Mozambique

Mozambique has almost 3,000 kilometres of coastline and is a natural gateway for landlocked countries like Malawi, Zimbabwe and Zambia. It has recently been in the media due to the discovery of natural gas, which is expected to boost exports substantially, alongside existing exports like coal and agricultural goods that currently make up over 30 per cent of GDP. The government must invest in infrastructure to transport goods internally and externally. The sum of $11.6 billion will be invested in new roads in 2016, bridges, dams and airports, while $2.2 billion will be spent on maintaining and expanding the country's existing infrastructure. Many of these projects are PPPs. In partnership with the Japan International Cooperation Agency, the Nacala port will be extended in a project worth $300 million. The port's expanded capacity will allow for the management of five million tonnes of cargo annually by 2020. A coal terminal is also being constructed in the same city in a $4.4 billion partnership with the Brazilian company Vale. In the south of the country, the government has partnered with the Maputo Port Development Company to raise $100 million to dredge the Maputo channel, thus increasing the capacity of the terminals and providing an alternative route for cargo from Southern Africa.

In the last two decades, a lot has been achieved in infrastructure delivery through partnerships; perhaps more than what the government could have done alone. The focus areas of the government include energy, agriculture, infrastructure and tourism. Investment in these will not compromise the government's commitment to delivering basic needs like health and education. Mozambique intends to capitalize on its strategic position by improving infrastructure, producing more hydroelectric, wind and solar energy, becoming self-sustainable, and promoting international and national tourism.

In order to promote private-sector growth, Mozambique's legislative framework must be revised. Companies will be incentivized to move their cargo using ports as it is more cost-effective than land transportation.

The challenge remains that with investment in capital-intensive infrastructure there is no guarantee of a return on investment. Investment in infrastructure must be competitive in order to attract goods from neighbouring markets. To be competitive, the appropriate human resources and the use of information technology are necessary to make projects efficient and to serve international and regional interests alike. Overcoming this challenge will be achieved by working with the private sector and the continued use of PPPs to ensure a 'win-win' result for all. A strong export performance is necessary to ensure that there is a surplus in the balance of payments. Any initiative must be context-relevant and easy to implement.

Summary of questions and answers session

How many PPPs have been implemented in Mozambique and what were the terms they were implemented under?

Many infrastructure projects in Mozambique also involve other countries in the region. What kind of cooperation, if any, is there between Mozambique and those countries concerned by the projects?

What has been the impact of the construction of the Unity Bridge between Mozambique and Tanzania?

Hon. Carlos Alberto Fortes Mesquita

There have been seven or eight PPP projects in the transport and communications sectors. Maputo port was the first concession, and has continued to work well throughout the different phases. A PPP with a Vietnamese company in the area of mobile-phone technology is also working well. It is important to discuss and study these partnerships in order to learn lessons for future projects.

The terms of PPPs are in our legislation and are publicly available. There will be slightly different terms for each project, depending on who the investor is. In the speaker's transport and communications sector there is great appetite among the private sector to invest.

It is essential to promote collaboration and harmony with other countries in the region. Companies from many countries are making use of the improved infrastructure in Mozambique. For instance, companies from Swaziland and South Africa are now based at Maputo port.

The Unity Bridge is both a political and an economic asset. The bridge is intended to minimize the gap between the two countries and increase trade.

Questions

What is the government doing to improve the security situation in central Mozambique to protect infrastructure?

How does the speaker view financing for infrastructure in Mozambique in light of the current commodity price downturn?

How does the speaker tie infrastructure contracts to local involvement to ensure that roads can be maintained by local developers rather than international companies?

Hon. Carlos Alberto Fortes Mesquita

There is currently not enough local capacity to look after all the infrastructure investments in Mozambique. Therefore, some projects struggle after four or five years as a result of poor maintenance. As a result, the government is now focusing on specialized training for people from Mozambique as a means of building internal capacity. Mozambique will continue to use international expertise but will also grow local capacity in order to become more sustainable.

It is true that the commodity downturn will have a negative impact. Emphasis will therefore be placed on financing schemes that will play a strong and important role. Several donors and institutions have been approached for this sort of package and there has been good progress so far. It is important not to rely on gas or coal alone, as agriculture and energy holds important potential for the country and the region.

Security is an issue in Mozambique but the government is doing its utmost to encourage dialogue with opposition leaders. The president and the leader of the opposition will soon meet in order to resolve the current situation. Insecurity is not beneficial for investments but there is no need for concern; the issue will be addressed.

Greg Binkert, Senior Advisor, Africa Region, World Bank Group

In terms of policy coordination, the transport corridor linking central African countries is very challenging. It takes several years to coordinate such a project or, for example, to get Cameroon to share data with the Central African Republic and Chad. Regional organizations such as the Economic Community of Central African States (CEMAC) tend to be understaffed; it is necessary to build the capacity of such organizations.

It is necessary to understand the local context of projects. For instance, how does the government work, or is there a specific minister in charge of a specific sector? Coordination between different ministries and ministers can be difficult. In a country such as Rwanda, it is easier as the ministers tend to follow the wishes of the president. However, in other African countries ministers have a great deal of autonomy and at times are reluctant to coordinate. Actors, particularly from the private sector, often do not take the time to understand this, thus slowing down a project. Corruption is a further cause of delays.

In many sectors, regulatory agencies are still relatively new, often quite weak and have an unclear mandate. Surveys on the impact of regulatory agencies across Africa show mixed results.

Geoffrey de Mowbray, Chief Executive Officer, Dints International

There is a perceived disconnect between business and development on the continent, when in fact the two are mutually inclusive. It is essential to understand the market intimately. However, obtaining this local knowledge is often underestimated and cannot be acquired on a two-week business trip. Sub-Saharan Africa is a vast expanse and each country has its own unique challenges.

It is erroneous for project bidders to win a contract before working out funding mechanisms; finance must be the cornerstone in the selection of projects. One of the most effective sources of finance has proven to be export-credit agencies, which provide a framework for contracts, thereby mitigating many of the risks. It is also essential to perform effective due diligence on partners in order to ensure that the appropriate local ones are involved from the outset.

Foreign exchange is a challenge, although this is mitigated somewhat when working in the natural-resources sector, where transactions are mainly in US dollars.

Logistics also remains a challenge, particularly as customs procedures in many countries remain slow and poorly integrated. In addition, following procedures, although necessary, can often causes delays. This can be managed by planning accordingly and factoring in delays into project timelines.

The biggest risk today for businesses when they consider Africa is living in the past. A great deal has changed in Africa in the past 15 years, particularly with the spread of communications technology. Africa is a continent of SMEs and should be the focus of infrastructure development.

Adam B. Elhiraika, Director, Macroeconomic Policy Division, United Nations Economic Commission for Africa

Infrastructure is one of the largest sources of grand corruption, second only to the natural resources sector. Corruption can account for up to 25 per cent of the cost of infrastructure projects.[9] Procurement

[9] , Gill, G. (undated), 'Corruption — the world's third largest 'industry'', KPMG, http://www.blog.kpmgafrica.com/corruption-worlds-third-largest-industry/.

systems are the most important aspect through which governments can control corruption in infrastructure development.

Public procurement cannot be separated from infrastructure as this determines quality. Within Africa, procurement makes up 10 per cent of GDP[10] and as much as 70 per cent of public expenditure.[11] These large figures demonstrate the need for a transparent procurement system that saves money and ensures quality. African governments need to review procurement regulations regularly in order to maintain inclusive systems that can reduce corruption.

Corruption in infrastructure is mainly related to large projects such as dams, railways or roads, and is caused by poor governance, a lack of transparency and a lack of accountability. It results in unnecessary projects, the diversion of funds away from the maintenance of existing infrastructure and poor-quality construction. Corruption therefore increases public spending and decreases competiveness. Africa continues to be vulnerable to corruption due to the existence of several large projects, gaps in technical capacity, complex processes that are, in most cases, directly controlled by the government, and a fragmented sector. Procurement decisions are frequently neither transparent nor public.

There is no universal solution to addressing corruption in infrastructure development. Potential solutions include the use of electronic procurement systems that improves the dissemination of information and competitive bidding. Ethiopia has an agreement with the German Technical Cooperation Agency that has helped to reduce corruption in the country. African countries should regularly review procurement systems and undertake the necessary reforms. Many countries have good policies in theory but enforcement remains weak. The involvement of stakeholders, particularly civil society groups, and greater data collection also help to increase transparency.

Summary of questions and answers session

What policy advice does the speaker have for governments that have to enter an unequal relationship with the private sector through a PPP?

What future is there for local currencies if all transactions are made in US dollars?

Are there any examples of bringing quality criteria in to bidding process that provide more opportunities for corruption?

Greg Binkert

PPPs are complex and it depends on which sector the project is in. No government has the capacity to finance all aspects of a project from the public budget, therefore making the private sector essential for the mobilization of additional finance. The track record of PPPs is more mixed than the emphasis placed on them would suggest, and PPPs alone cannot solve a country's infrastructure development problems. Contracts often need to be renegotiated due to unforeseen issues, and some partnerships have even resulted in litigation. To be successful, there must be careful consideration of the regulatory framework with incentives on both sides. A paper prepared by the World Bank last year as part of the global debate on the Sustainable Development Goals (SDGs) argued that there are billions of dollars available in public money but that trillions are actually needed.

[10] WTo (undated), 'WTO and government procurement', https://www.wto.org/english/tratop_e/gproc_e/gproc_e.htm.
[11] Agaba, E. and Shipman, N. (undated), *Public Procurement Reform in Developing Countries: The Uganda Experience* http://www.ippa.org/IPPC2/BOOK/Chapter_16.pdf.

Geoffrey de Mowbray

It will be interesting to analyse developments in the currency markets over the next few years, particularly in terms of how bitcoin will affect local currencies. Local currencies must be promoted rather than relying too much on international currencies. However, when working with companies that work in dollars, clients will be paid predominantly in dollars and, where possible paid in local currency.

Adam B. Elhiraika

There are few examples of a value-for-money approach to large infrastructure projects in Africa. The information and communications technology (ICT) sector in Ethiopia is dominated by the Ethiopian government, which awards contracts to private companies. This brings more money into the government than in countries where the ICT sector is privatized. This is an example that other African countries could learn from.

Questions

Does decentralization increase or reduce levels of corruption?

What is the impact of corruption in public procurement in Angola and how is the government addressing this challenge?

The World Bank is introducing measures that will allow countries to use their own procurement systems. Is this not counterproductive to tackling corruption?

Is there space to create a system for knowledge management and sharing?

Adam B. Elhiraika

Contract negotiation is central to all kinds of corruption and must be a focus of reform. The United Nations Economic Commission for Africa established a joint institute with the African Union to support contract negotiations in the extractive industry. It is difficult to generalize as to whether decentralization increases or reduces levels of corruption. The Ugandan government often awarded large contracts to large organizations that work at the national level, following which at the local level the quality of service and maintenance was low. With the help of the World Bank, public services review meetings with local communities were set up in order to help improve the quality of services.

Greg Binkert

Procurement reform is ongoing at the World Bank. It is one of most controversial topics, as shareholders of the World Bank want to ensure that any contractor from any member country has access to a contract. Therefore, political tensions exist when governments seek to reserve contracts for local companies. In order to combat corruption, the objective should be for local legislation to dominate. The World Bank, the AFDB and the EU all have different procurement rules, which can lead to opaqueness even if each contract has clear rules.

It would be a positive step to ensure that knowledge management is habitual, rather than ad hoc. This is particularly important in terms of improving regional integration.

Questions

How can new ways of thinking and communicating be developed, and what are the challenges faced in doing this?

Has there been any mapping of which investors or countries from outside Africa corruption tends to arise from?

Geoffrey de Mowbray

It is important when looking at how something is done to question whether it could be done a different way. In the African context, it should be remembered that projects or systems cannot be externally developed and imported to the continent. The diaspora can be a useful information resource in this regard.

Greg Binkert

There is not currently enough information for a full mapping exercise of corrupt individuals or organizations. However, there is a blacklisting system whereby any company that is proven to have engaged in corrupt practices will be blacklisted and banned from further bidding for contracts. However, problems with this system include companies changing their name or address, which can make the process extremely complicated. However, it remains important to have this blacklist and with experience it will become easier to manage its practicalities.

Session Three | Making Infrastructure Ambitions Achievable: the Role and Risks for Local Actors

John Cox, Project Consultant, Africa Programme, Chatham House

If an infrastructure project is to last then it must be appropriately planned and designed, as well as properly maintained, in order to serve users for the intended duration of the infrastructure. Infrastructure planning is generally guided by government policy, which is itself based on wider planning that informs policy. This cyclical process creates confusion in many countries, with separate planning and policy units being unsure where the policy cycle starts and where planning fits in. There tends to be no overall agreement as to whether policy or planning should come first. However, it is generally agreed that these problems arise as projects do not typically begin with a clean slate but rather with ageing or poorly maintained infrastructure. Policy must be appropriate and evidence-based, reflecting lessons learned from previous projects. It is also important to consult lawyers with expertise of large PPP projects from around the world for such partnerships. Such projects are very complex and policies cannot simply be transferred from one country to another.

There are two types of budget for infrastructure projects: capital budgets, which are used for new infrastructure and rehabilitation works, and recurrent budgets, which are used for maintenance and operation. These budgets are often kept separate and maintenance budgets are frequently an afterthought. There is a strong case for legislation that requires ministries to take a whole-life costing approach to managing budgets for infrastructure in order to ensure than maintenance is funded.

There is also a strong case for maximizing local content. However, before local content in infrastructure can be increased, local knowledge must be increased. Many university engineering courses do not train students to design, nor do they provide on the job experience or encourage students to think outside the box. It is important to understand that decisions made at the planning stage will have huge implications later on. Without prior experience, ministry staff cannot foresee the potential consequences of a decision. International financial institutions tend to have vast reserves of knowledge but these are not always publicly accessible. Allowing government ministries access to such information, so that they can learn from previous mistakes, is an important role that donor agencies can play.

Wilfried Aby, General Manager, BRIQ-CI

Business owners in Africa face many potential difficulties, particularly with unpredictable factors like coups. Other such problems include corruption, unclear tax regulation and a lack of qualified local employees. Providing reliable electricity for businesses can also be extremely expensive and successfully obtaining loans from local banks can be very difficult.

Mechanization has the potential to instil great improvements in Africa. Successful business owners should also be encouraged to mentor entrepreneurs. There is a great need and market in Africa for the products and services that small businesses can provide. The speaker noted that he intends to set up a business incubator in Côte d'Ivoire in order to help young entrepreneurs. It can be difficult for new businesses to establish themselves, but helping them to align with international standards, such as corporate social responsibility approaches, can help to attract investment.

Dr Jill Wells, Senior Policy Adviser, Engineers Against Poverty

In the past 50 years, most African countries have developed construction industries to a significant extent. In Tanzania, there are 8,000 registered contractors and 100 international contractors. However, the international contractors in Tanzania are responsible for 60 per cent of construction by value. Tanzanian contractors are primarily small-scale and unable to handle large-scale infrastructure projects. The international contractors are mainly from the United States, EU and Japan, but the introduction of international competitive bidding by the World Bank has opened up the market to many more contractors in the Global South.

A recent study noted that in most regions of the world, local contractors have managed to secure a large share of the market, with 75 per cent of World Bank contracts under international competitive bidding being awarded to firms from within the region.[12] However, this is not the case in Africa, where the study concludes that there is a 'civil works lag'. This is largely down to financing difficulties, as it remains difficult to obtain loans from banks in Africa. Large infrastructure projects are on a financial scale beyond most African companies. China is an increasingly significant investor in Africa and Chinese companies win a large share of construction contracts put out to tender by the World Bank and others, with China accounting for approximately 40 per cent of contracts awarded in sub-Saharan Africa. Chinese contractors can be a challenge to local-content policies as they tend not to subcontract and prefer to bring in their own materials for projects. The introduction of competitive bidding was intended to open up the market, but African companies have not been able to take advantage of this.

Many African engineers are unable to access consultancy jobs and when they do it is often in a low position. There must be opportunities for local businesses and local people to participate in infrastructure development, whether as consultants, contractors or suppliers. In order to improve local content, there should be interventions from the very beginning of a project. Maximizing local benefit should be specified as an objective from the beginning of a project, rather than an afterthought. Targets should be realistic, monitored, measured and enforced. Social and environmental impact assessments are essential and worth the time that they take.

The projects that most affect local people, such as water supply and roads, are increasingly under the control of local institutions. Tanzania's government has excellent procurement regulations that maximize the input of local contractors. When implementing government regulations, there must be more effort to abide by them, and donors must take every opportunity to reinforce measures that African governments are themselves attempting to implement.

Rev. Nana Kofi Ntiamoah Ahenkorah, Managing Director, Beta Construction Engineers Ltd, Ghana

When conducting business in Ghana, challenges can be temporary, perennial or seasonal. A particular challenge in Ghana is financing and obtaining loans. Interest rates at traditional banks and microfinance institutions mean that too often financial assistance is beyond the reach of many businesses.

Under public procurement law, tenders are awarded to the lowest evaluated bidder. However, the effectiveness of the evaluation process often varies. Bidders may also offer low quotes in order to obtain

[12] Zhang, C. and Gutman, J. (2015), *Aid Procurement and The Development of Local Industry a Question for Africa*, Brookings Institutions, http://www.brookings.edu/~/media/Research/Files/Papers/2015/06/aid-procurement-development-local-industry-zhang-gutman/aid-procurement-africa-zhang-gutman.pdf?la=en.

contracts and, as a consequence, performance can become an issue. It also remains the case that people get jobs based on their own networks rather than on merit.

The infrastructure deficit in Africa can be seen as an opportunity. Companies can be built to take advantage of infrastructure opportunities provided they receive the appropriate support. Local businesses should engage in active lobbying to promote the interests of local contractors, and governments must encourage and support entrepreneurs. Alternative solutions to high costs must be considered, such as renewable energy to reduce dependency on expensive electricity supplies.

Lambaji Madai, Executive Councillor, Tanzania Freight Forwarders Association

In 2010, the government of Tanzania passed a PPP act, which provided an important platform for the private sector to connect with the government.[13]

Poor transportation is one area that contributes to the high cost of logistics in Tanzania. Cargo cannot be transported by railway or plane, thus ensuring dependency on road travel, which is both very costly and time-consuming. Tanzania's ports serve around eight landlocked countries including Zambia, Burundi and Uganda.

Initiatives that have improved logistics in Tanzania include the modernization of customs, which has reduced the cost of logistics by removing errors and speeding up processing times. Dar es Salaam port recently initiated an automation programme that has improved the process. Waiting times at ports have also been reduced as a result of the introduction of pre-arrival declarations.

Summary of questions and answers session

What are the top three things that could be done to develop young entrepreneurs, as well as the top three ways to end corruption?

How can governments, donors and investors ensure that the diaspora is engaged in bridging the skills gap in the infrastructure industry?

Is it incumbent on companies to realize that investing in local goods and people is good business sense, or is it up to governments to enact legislation in this regard?

Do social impact assessments have too high a price in terms of cost and time? How can social impact assessments be better incorporated into projects?

Wilfried Aby

It is important to conduct thorough research before embarking on a business venture, as is making use of the skills and resources at the business's disposal. Conducting business in Africa is more difficult for young Africans than it is for Europeans.

John Cox

There is a strong case for increasing local content at the beginning of infrastructure cycles. This is successfully happening in Nepal, where there is a wholly locally staffed secretariat for an infrastructure

[13] Tanzania Investment Centre, 'Public-Private Partnerships', http://www.tic.co.tz/menu/314.

project. There is a strong case for this happening in Africa also, and using the knowledge of the diaspora could prove beneficial to this.

Dr Jill Wells

There are some professional companies that understand that investing in local skills is good business sense, but there are also many that do not. It must be accepted that some companies will be more concerned with maintaining their market share rather than they are with developing local content. Donors can do more but they can only do as much as governments allow. University schemes that help graduates to get practical experience should also be promoted.

It is unclear how often social-impact assessments are undertaken; it is likely that either they are often shelved or that their results have little impact. There have been points made about the speed of projects, as well as about the necessity of working faster and delivering quickly. However, delivering projects faster cannot be at the expense of social assessments, which are both important and a good investment.

Rev. Nana Kofi Ntiamoah Ahenkorah

There is a pervasive misperception that entity business cannot do well without engaging in corrupt practices. This is perhaps a moral problem, and to tackle it effectively would require a change in the mind-sets of people. Procurement processes and effective regulation are important but people's mind-sets must also be considered, as people will inevitably find a way to get around systems. Good work should be rewarded, and corrupt practices should be identified and acted against.

The government must be involved in promoting local content, as it is the government that stands to gain the most from any training or skills enhancement initiatives.

Session Four | Unlocking Local Capacity: Whose Responsibility, Whose Benefit?

Shem Simuyemba, Division Manager, NEPAD Infrastructure Project Preparations Facility (NEPAD-IPPF), Regional Integration and Trade Department, African Development Bank

In 2015, the AFDB invested $7.3 billion across all sectors in Africa,54 per cent of which went towards infrastructure projects in energy, water and sanitation, transportation and ICT.[14] Africa is building world-class quality infrastructure through institutions like the AFDB. Developing local African talent is also a key focus.

The AFDB has to balance the desire to support the building of world-class infrastructure with still remaining a bank that must have a realistic assessment of the risks associated with projects. It is the bank's desire to support local content, but projects must be sustainable and provide good returns. The development impact of every dollar invested must be made clear. There is increasing pressure to consider the inclusive environmental impact of a project. For instance, it is not just a case of building a road; consideration must also be given to the need to support growth around that road. Infrastructure policies cannot be viewed in isolation, and the value of an investment will be optimized if infrastructure policies are planned with an awareness of wider issues. The effective maintenance of projects will ensure value for money. Projects are often planned on the assumption that assets will work at 100 per cent indefinitely. However, this can only be ensured with effective maintenance. The effective maintenance of projects requires local capacity.

The new generation of cross-border infrastructure projects must be designed regionally by institutions that are dedicated to managing cross-border projects. It is possible to design projects regionally but to procure and manage them nationally. The key message to get across is the need for capacities and competencies; for a large pool of local human capital alongside effective project preparation and development. If a project is properly managed it will provide the desired value. It was previously questioned how value for money across different sectors and geographies can be assessed. When measuring value for money, it is also necessary to apply a dynamic measurement that recognises the need for sustainability and adaptability.

Dr Michael Warner, Director, Local Content Solutions Ltd

The importance of local capacity has been previously emphasized, including questions around building local capacity, forecasting future demands and how to think about value for money in projects that incorporate local content. Building local capacity involves supporting local content, the training of nationals in different skills, supporting local industries, adding to the value chain and supporting maintenance. Governments can support this through education and training, as well as ensuring that policy choices take less funding from a project and instead add value to the supply chain through contractors who can perform on-the-job training.

The most conventional procurement approach is the value-for-money one. However, it has been questioned whether the desire for increased local content should be valued higher than the wish for the lowest bid. It is at the contract stage of a project that there is the most leverage to demand increased local content. However, a key question to consider is whether stakeholders in infrastructure project should accept higher prices in order to acquire more local content, as quotes can often increase following

[14] African Union (2015), *Invest in Africa 2015*, http://www.un.org/en/africa/osaa/pdf/pubs/2015investinafrica.pdf.

demands for more local content. It is important to prevent costs from escalating out of the reach of shrinking public-sector budgets.

Effective forecasting is essential. Prior to embarking on a project, it is important to understand the capability of the specific society, to consider who knows the local market best and to understand the demands of the market. Reporting is also seen as increasingly important. It is simple and inexpensive to implement, and when effective, reporting can ensure that targets are observed. Governments are allowed to mandate reporting and can ensure that metrics align with public policy objectives. These metrics can be standardized across all sectors to ensure comprehensive national reporting. Reporting can ensure effective flow of data and allow all stakeholders to monitor the development of a project.

Jean Van Wetter, Tanzania Country Director, Africa Private Sector Development Advisor, VSO International

Addressing the skills gap in Africa requires collaboration between the private sector and governments to understand exactly where it lies. It is worth investing time and resources in effective analysis, as skills gaps can often be unexpected. For instance, the Tanzanian government sought to focus on higher education, but research showed that most available jobs would be at the lower end of the market, highlighting the fact that vocational skills training would be more appropriate.

There is a risk of a ‘missing middle’ consisting of people who do not benefit from programmes. NGOs work with the most vulnerable of the population, and the private sector will train the most highly qualified in apprenticeship schemes. The successful development of a country and its infrastructure requires semi-skilled workers, but these are the individuals who most often do not receive training.

Skills development cannot work in isolation; even when individuals have technical knowledge and skills, there can often be a lack of local enterprises and SMEs to provide employment opportunities. It is therefore important to consider local enterprise development to ensure that these skills are not wasted. Research in Tanzania has uncovered a need to develop management skills and a good quality of English, both of which tend to be requirements for gaining employment with international companies. In order to develop management expertise, more national companies with the right level of expertise are needed.

A lack of coordination can lead to confusion over who is responsible for ensuring skills development. There is also competition over whose agenda is to be followed. Certification is also an issue when it is unclear whether it is the government’s standards or a company’s standards that should be worked to. A choice must also be made between promoting specific or generic skills. Specific skills may be highly valued for a few years in a particular sector, but more generic skills may prove to be longer lasting and transferable. Tanzania’s president has limited the number of foreign workers in order to ensure local hires, while still ensuring knowledge transfer. This requires strong coordination and government leadership to provide realistic targets and multi-sector collaboration.

Mark Harvey, Head of Profession (Infrastructure), Department for International Development

It takes a generation to build human capital, but it is positive that there are currently many initiatives that are promoting local capacity. Europe has 500 times more engineers and town planners per capita than sub-Saharan Africa. There are only a couple of schools of architecture in Africa, which are accredited in the United Kingdom; as a result, there are not enough professionals entering the system.

A recent OECD paper titled 'Towards a Framework for the Governance of Infrastructure' discussed moving on from the debate on financing to a coherent national framework.[15] This would help to ensure that the right projects happen cost-effectively and gain the trust of local populations. There must be well-managed consultation for every project.

There tends to be a deep-seated culture of secrecy around procurement; there is a need to build more trust. This is linked to accountability, the localization of content and rethinking the 'aid for trade' provision. It is essential to have a country-led approach.

DFID continues to support partner governments with their priorities and continues to support enabling environments and financing. A new DFID programme, 'Infrastructure and Cities for Economic Development', was recently launched. This currently provides technical assistance, with a focus on country offices, to support the development of priority plans. More could be done to develop a systemic approach for building the capacity of professionals.

Summary of questions and answers session

How long will it be before financing gaps are filled, and can something be done to solve them?

How can banks accept the nature of infrastructure projects as dynamic investments from the point of view of immediate returns on investments?

An open-book procurement process, rather than competitive tenders, was proposed as it was suggested that open-book contracts can have a greater impact in bringing in local content and that competitive tender processes are often not transparent.

Shem Simuyemba

As a finance institution, the AFDB and must consider issues such as expected returns on a project when making funding decisions. However, there is also increasing pressure to demonstrate how finance can impact social and environmental issues. Although environmental and social assessments will take place, they are not what ultimately inform financing decisions. Therefore a balance must be found between retaining the fundamental role played by a bank, while appreciating the long-term necessity of infrastructure projects.

Dr Michael Warner

A strong example of best practice of open-book procurement is a BG Group project in Trinidad, which is in the public domain. Under this method, all parts of a contract will be individually priced, thus making the procurement a lump sum contract. There are examples and expertise that can use smart procurement to leverage local content, as well as controlling cost escalation, and this is to be encouraged.

Questions

How can local manufacturing capacity be developed in order to be eligible for local content?

[15] OECD (2015), *Towards a Framework for the Governance of Infrastructure*, https://www.oecd.org/gov/budgeting/Towards-a-Framework-for-the-Governance-of-Infrastructure.pdf.

Are there any examples of innovation within the private sector that help build to local capacity, such as the PetroSA Centre of Excellence?

Does a skills gap exist among those who are advising governments in terms of the local knowledge they can provide?

Dr Michael Warner

Consortium bids are a contracting strategy that would encourage the development of local content. Through this method, local partners can join with more experienced international partners, with the international partner carrying the risk. This does not have to be a formal joint venture but could take the form of a consortium bid. Many contractors who work in procurement attempt to transfer procurement practices from one context to another without accounting for local variations. Many practices can be unrealistic in African countries, and contractors must be realistic about what is applicable without lessening quality or due diligence procedures.

Jean Van Wetter

BG Group requested a skills gap report on Zanzibar, which was not focused on skills needed for the oil and gas sector. It was recognized that diversification is necessary for other sectors to grow to support the oil and gas sector as well as avoiding dependency on oil and gases. BG could have approached private providers, but instead decided to work with existing providers to see if they can be developed.

For countries such as Tanzania, which have experts visiting from all over the world every year, some advice is likely to be unhelpful. This suggests that there is a need for local content at the advisory level. For instance, although most stakeholders in Tanzania wanted to focus on higher education and geology skills, this would have little impact on the skills gap, which is perhaps an example of a government having insufficient information.

Questions

The time that it takes for projects to be appraised by the AFDB is substantial. Is this a result of capacity deficiencies?

Is it necessary to move away from considering infrastructure in terms of projects, instead viewing infrastructure more as part of a supply chain? Does the growing emphasis on PPPs make it harder to move away from a projects-focused approach?

Shem Simuyemba

It is necessary to know the specific circumstances of a project to understand why delays have happened. There is a standard way in which the AFDB appraises projects, and it is ensured that beneficiaries and clients understand this process. Delays are likely to be exceptions to the normal working of the bank. The new president of the AFDB has instructed that it should not undertake projects if they have not dispersed within 12 months. As such, projects will move as quickly as they can.

It would not be right to move away from viewing infrastructure as a project. While it is necessary for these projects to go ahead, it is not sufficient unless all stakeholders realize that infrastructure is an industry that needs to be sustained. Investments in areas such as training must be made to accompany infrastructure projects. It should also be questioned whether there is a minimum level of investment in skills needed to sustain a certain level of infrastructure value. This is currently not the case and requires a collective effort to make it a reality.

Dr Michael Warner

Investment returns go down as the operational phase of an infrastructure project begins. There is a great deal of focus on local content in the development phases of projects, but less focus on the operational phase. A lesson to be learned from the oil and gas sector is the need to do a better job of considering the longer term. However, the focus often remains on construction, where the lump sum of investment is made.

Questions

Is there too much focus on mega infrastructure projects in Africa when housing and schools still require development? What trends are there in social infrastructure across the continent?

The speakers were asked to provide further information on the workings of the AFDB.

The speakers were asked to comment on capacity development for senior executives.

Jean Van Wetter

Small social projects can often prove to be less complicated than mega infrastructure projects, and are also good for local content. The experience that local content providers can gain through smaller projects can be excellent preparation for the arrival of larger projects. Smaller infrastructure projects also requires wider planning as, for instance, schools have been built without consideration for teacher accommodation.

Shem Simuyemba

The difference between the AFDB and other banks is that it is a demand-driven institution and is one of the few institutions present in every African country. The AFDB spends a great deal of time working with governments to define and prioritize their needs. It does not dictate to governments, and it tailors financing to suit their needs. Furthermore, not all the money awarded by the bank is in the form of loans; grants are also allocated for areas such as skills development.

Jean Van Wetter

Capacity development for senior executives is very important and needs investments in SMEs. Local SMEs will not be contracted directly by international investors, so there must be engagement with the Tanzanian private sector as a means of increasing awareness of local content and encouraging mentoring and coaching.

Opening Addresses

James Duddridge MP, UK Minister for Africa, House of Commons

There are commercial opportunities and economic potential across the African continent. It is incorrect to generalize about Africa, but despite the global economic slowdown, the picture across Africa remains positive. The IMF's latest prediction is a positive 3.8 per cent growth rate. Although there are variations between each nation, there is consistent economic growth in sub-Saharan Africa and it remains a good location for investment. The UK government's High Level Prosperity Partnerships at a government-to-government level act to ensure that ministers can push forward projects that will realize the economic potential of nations.

It is essential to create enabling environments that encourage entrepreneurship. African governments have a crucial role to play in this by encouraging good governance, and strong and independent institutions that respect the rule of law. Better infrastructure encourages trade. Investing in infrastructure is not a single one-off investment, as it allows future investment to be made more efficiently. It is useful to find areas of high potential where small amounts of investment can unlock growth. For this to succeed, local knowledge and skills, as well as global skills, are required. It is also vital to build partnerships between the private and public sectors so that they can work together for the benefit of Africa and develop the transformational change that the continent needs. Such partnerships will be essential to helping move Africa out of poverty.

The UK government will use its experience of its existing High Level Prosperity Partnerships to expand the number of such partnerships. The United Kingdom also has an extensive aid programme, and spends 0.7 per cent of its gross national income on aid. Increasingly, more traditional aid money is being spent on longer-term economic development. The UK government is working with African governments to secure financing for infrastructure projects. It is in the British national interest for African governments to move their countries out of poverty.

Hon. Rashid Pelpuo, Minister of State at the Office of the President in Charge of Private Sector Development and Public Private Partnership, Republic of Ghana

In the last 10 years, Ghana and most of Africa have witnessed increased income levels, mainly due to natural resources and better management. However, limitations remain that do not allow development to progress as hoped. This infrastructure deficit inhibits foreign direct investment and regional trade. Investment is required to build new infrastructure in order to close the gap. In Ghana, the government estimates that $1.5 billion per year is required to make up the infrastructure deficit.

Under the difficult economic conditions presented by the downturn in commodity prices, an increased emphasis is being placed on the need to identify alternative sources of financing. In Ghana, PPPs are becoming a focus, and the government is in the process of finalizing the legal framework to support this. It is important to remember that mutual gain can only be achieved from foreign investment and if such partnerships leave behind infrastructure and projects that can be locally managed. Local capacity building is therefore essential. In 2008, Ghana built several modern stadiums for the African Cup of Nations. However, following a power outage, there was no individual available that had the knowledge or skills needed to solve the issue. Similarly, at the biggest hospital in Ghana, when an MRI machine broke down, nobody in the country could repair it. Local experience is particularly limited at the technical level, particularly in the oil-and-gas sector. The government has written to oil companies to ask them to increase their engagement with local people.

Strategies introduced to counter these challenges include ensuring that there is legislation to support local investors and businesses in order to grow their capacity. Oil and gas companies operating in Ghana are asked for 10 per cent ownership at the downstream level, so that small Ghanaian companies can be involved in the sector, and added value is maximized through the development of local expertise. This is intended to help build the skills and expertise of Ghanaians and create petroleum-related supportive industries. Policy has also been implemented to provide training to Ghanaians in certain specialized fields in order to ensure that they can fill positions in the industry. To ensure the strong involvement of local businesses there must be access to finance, capacity building and knowledge and technology transfer. Legislation must be put in place to ensure that local people and raw materials are used, which will provide strength and resilience for the economy.

Summary of question and answers session

What is the minister's opinion on the initiative to extend open contracting principles to UK Aid?

How can the UK government prevent countries from using aid for purposes other than those for which it was intended?

Is local content policy in oil and gas restricted to that sector, or will it be expanded to other sectors?

In cases as example given regarding the MRI machine, why were skills transfers not included in the original contract?

Hon. Rashid Pelpuo

Local content policies are currently restricted to the oil-and-gas sector, but there is great demand from Ghanaians to pass similar legislation in other sectors.

It is likely that, at the time of signing contracts, skills transfer was not at the forefront of considerations. Often the realization of the importance of skills transfer only comes after several years when the equipment becomes faulty. Skills transfer will now be seen as a fundamental issue of infrastructure projects. The largest current PPP agreement in Ghana is with a British company constructing a new port, and part of this deal includes Ghanaians working with the British partners at all levels.

James Duddridge MP

The point of complete transparency will never be reached. A key focus at the anti-corruption summit the UK prime minister will convene in May will be the sharing of best practice. Rather than aiming to be the best at tackling corruption, the baseline of corruption needs to be moved to avoid corrupt practices simply being moved elsewhere.

It must be ensured that governments fulfil their duties on aid. South Sudan, for instance, does not have a functioning economy and therefore aid money can be ring-fenced so that it is not dispersed elsewhere. Nevertheless, there remains little capacity to promote real change in South Sudan.

The emphasis on local knowledge can be a concern as the market cannot be manipulated to achieve it.

Questions

What can be done to encourage international businesses to keep their profits in Africa and to grow their businesses locally?

How are companies in Ghana coping with the local content requirements?

What efforts are being made to grow the capacity of local businesses in order to create sustainable opportunities for the people?

What is the UK's position about increasing its relationship with the Democratic Republic of the Congo (DRC)?

What is the threat to infrastructure development of terrorist attacks, such as that seen recently in Côte d'Ivoire?

James Duddridge MP

It is not a negative if companies make profits in Africa as these profits will be reinvested elsewhere, which is good for the global economy. It would be detrimental to lock-in profits, and the question of regulating where profits are spent is erroneous.

The DRC has immense resources and should be much higher up on the list of where the United Kingdom wishes to invest. However, politics in the DRC often prevents this. The UK government is currently spending over £1 million every day in the DRC. There has not been a firm commitment to elections in the DRC this year and there appears to be little urgency to utilize resources for the good of the whole country.

Terrorism is an international problem but its scale must be contextualized. More people will die from road traffic accidents in Africa than from terrorism. Terrorist attacks such as the recent one in Côte d'Ivoire will create a backdrop of fear, especially for those who see Africa as one country. It must be a priority for the international community to work more closely with French forces in the Sahel to tackle extremism.

Hon. Rashid Pelpuo

The profits of international companies can be kept in Ghana mainly through moral persuasion, not through legislation. The last attempt at doing this, which restricted the amount of money that could be taken out of the country, created chaos and led to several ambassadors complaining. The policy was therefore abandoned. It must be ensured that Ghana is a good destination for doing business, and that international companies find it to be the best place to expand.

The local-content law on petroleum is proving challenging, and many companies have requested that it not be passed. This was therefore a difficult decision but the survival of the economy was more important.

The role of the government can be to build the capacity of Ghanaians so that they are able to gain employment with international companies, rather than forcing companies to invest in local content. The focus should be on improving education and training.

The recent events in Côte d'Ivoire are disturbing and there are fears that the violence could spread to Ghana. It is hoped that cooperation with countries such as the United Kingdom will help Ghana to better understand terrorism. Ghana hopes to prevent terrorism rather than fight it. The government joins the rest of the world in condemning these acts and assures the investors who may wish to invest in Ghana that if they do so, they are welcome and their investment will be protected.

Session Five | Levelling the Playing Field: Incentivising Engagement in the Infrastructure Agenda

Magdalene Apenteng, Director, Financial Services Division, Ministry of Finance, Ghana

The direct link between infrastructure development and economic growth has been established and has been the key to the transformation of many African countries. The government alone cannot deliver the entirety of Ghana's required infrastructure and therefore it is necessary to engage with the private sector.

Trust is essential in promoting infrastructure development. Well-designed partnership frameworks, such as Ghana's PPP arrangements, are built on trust and openness, with clear rules and transparent processes. Reforms must be predictable and flexible as well as prevent abuses of power. There must be trust in public services and it should be considered exactly who will respond to complaints, who has oversight responsibilities, and who is responsible for creating and monitoring regulations. The participation of the public in this process is a further important consideration, particularly when evaluating the need for a project. Effective partnerships breed trust and promote greater infrastructure delivery.

It is not always possible to apply policies that have been developed externally to a local context. Some PPP initiatives in Ghana have encountered problems with regard to local people's understanding of policies and the purpose of projects. It is important that local people understand why a particular project is happening and how they will benefit from it. Effective communication, which ensures that participants and consumers are a part of the process, is essential.

Ghana's priorities for the next 10 years include improving regulatory tools, the sharing of good practice and building capacity across institutions.

Thilasoni Chikwanda, Director, Kurema Africa

The challenges surrounding access to finance for complex projects largely stem from investors mitigating and controlling risk. Infrastructure projects in Africa are financed in different ways, including project finance, bonds in capital markets and local taxes.

When considering Africa in terms of resources, there are clear clusters of natural resources that can generate common economic activity across regions. These activities will require support services and generate economies of scale.

In terms of matching infrastructure development to the commodity cycle, when the commodity cycle is on an upswing, infrastructure projects would ideally be at the planning stage. As the cycle reaches its peak, funding can be mobilized before the cycle decreases and building can start. This process can take around seven years, which is about the time it takes for a turn in the commodity cycle. It is important to commence infrastructure projects on an upward curve.

Risks in extractive infrastructure projects are high and when it is perceived to be too high money will go elsewhere. The factors that create risk are economic, technological, environment and political. Of all of the risks, political and social risks are perceived to be very high in Africa, whereas other risks are more globally shared. Rather than ring-fencing risks, the best way forward is to integrate risks through risk management.

A number of large projects have been conducted in challenging countries like Guinea, where a $20 billion project was undertaken in Simandou in the face of high levels of poverty and unrest.[16] Key actions that can be taken to reduce risk include local-supplier development and local content, and spending money internally to ensure that more people benefit from the local economy. It should also be considered how projects can move beyond infrastructure to become national development projects.

David Entwistle, Principal Consultant, IMC Worldwide

Major international development partners like the World Bank and DFID have provided support for infrastructure development in Africa for many years. They brought their own infrastructure standards with them, making it difficult for local engineers to build their capacity and develop their own standards. A harmonized set of standards is needed.

Transport infrastructure plays a vital role in a country's development as it decreases costs and makes a country more attractive to investors. This infrastructure is especially important for landlocked countries such as Uganda. National contractors are often weak for a number of reasons, including inflexible finance markets and a shortage of materials. These weaknesses were cited in a 2014 AFDB study and the problem continues to this day.[17]

The CrossRoads programme in Uganda is a DFID-assisted initiative that is committed to improving roads and developing a more competitive road industry in Uganda by developing the private sector's ability and improving the way that work is procured and managed. The principle target is the periodic and routine maintenance of roads. It remains difficult for smaller contractors to bid for large construction contracts. CrossRoads also aims to improve access to finance and to improve education and training by working with Uganda's education ministry to introduce industry-led vocational qualifications for the road sector. The CrossRoads programme is very relevant to Africa as many of these problems are replicated throughout the continent.

Roads are valuable assets and proper attention must be granted to their maintenance. Good roads can contribute to the fulfilment of seven of the UN Sustainable Development Goals.

Soren Kirk Jensen, Associate Fellow, Africa Programme, Chatham House

The IMF published a study in 2015 highlighting 15 institutions that are of vital importance to ensure quality in public investments.[18] It argued that countries with stronger public investment management institutions have more predictable, credible, efficient and productive investments. Strengthening these institutions could close up to two-thirds of the public investment efficiency gap. Angola spent $67.4 billion on infrastructure between 2002 and 2013. These are official figures and so actual expenditure could be lower. Investment increased over time as oil prices also increased. It can be questioned what Angola got out of these unprecedented figures. Angola has 12,240 kilometres of roads A 2011 study noted that 58 per cent of primary and secondary roads are in good condition, and 40 per cent of tertiary roads are in good condition.[19] There is a lack of hard evidence, but anecdotally there is a feeling that Angola's road infrastructure is not as good as it could have been.

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[16] BBC News (2014), 'Rio Tinto and Chinalco sign $20bn Guinea iron ore deal', 27 May 2014, http://www.bbc.co.uk/news/business-27586508.
[17] AFDB (2014), *African Development Report 2014: Regional Integration for Inclusive Growth,* http://www.afdb.org/fileadmin/uploads/afdb/Documents/Publications/ADR14_ENGLISH_web.pdf.
[18] IMF (2015), *Making Public Investment More Efficient,* http://www.imf.org/external/np/pp/eng/2015/061115.pdf.
[19] Pushak, N. and Foster (2011), *Angola's Infrastructure: A Continental Perspective*, The International Bank for Reconstruction and Development / The World Bank, http://infrastructureafrica.org/system/files/library/2012/02/CR%20Angola.pdf.

In order to achieve higher quality, corruption must be tackled. The level of transparency in Angola is quite low across budgets and the public sector. Angola has a decentralized procurement system and corruption is too deeply entrenched in Angola, suggesting that institutions are not effective. Strengthening these institutions is the only way forward.

However, there are indications of change and the current commodity price crisis provides the motivation to find alternatives. With President José Eduardo Dos Santos stepping down in 2018, there may be more space for institutions to fulfil their functions.

Summary of questions and answers session

Regarding the Simandou project, did the government of Guinea not consider transporting iron ore on the river and building synergies with other countries in region, rather than building expensive railway and port facilities?

Does the speaker believe that political changes in Angola will contribute to enhancing transparency in the country?

How should partners in Europe work within their own companies to prevent corruption, rather than blaming African governments?

How will the new climate change agreements that arose from the 2015 UN Climate Change Conference (COP 21), which will require fossil-fuel companies to leave resources in the ground, affect Africa?

Thilasoni Chikwanda

Although a cluster-type approach, where infrastructure is built in line with regional resources, would be ideal, this is not the reality. During the commodity supercycle, large projects could typically only be accommodated by existing infrastructure. In such a highly competitive environment, people do not think collaboratively. This stems from a desire to keep things simple, but in the future it may be more beneficial to look at infrastructure on a cluster basis as it mitigates risk and does not rely on one commodity.

There have been similar agreements to COP 21 in the past, and they have made provisions to allow emerging markets to exploit their natural resources. It is to be hoped that the most recent agreements would have taken account of these key source of growth and development.

Soren Kirk Jensen

It may be too optimistic to believe that political change might happen. However, the mid-level management of the Angolan administration has changed in recent years, particularly in key ministries. Technical assistance from the international financial institutions has had a positive impact, but only in ministries that have good leadership and where the minister allows people to do that work. Angola must incorporate the pattern of a more democratic handing over of power.

UK companies are very concerned about corruption, and there are bribery acts that make companies extremely nervous about involvement with corrupt activities. However, when there are weak national anticorruption frameworks, as there are in some African countries, corruption can be outsourced, to different companies in various locations. In order to tackle corruption, change therefore has to come from the national level.

Session Six | Policy, Pragmatic Partnerships and the Future of Infrastructure in Africa

Dr Nii Moi Thompson, Director-General, National Development Planning Commission, Republic of Ghana

It is argued that there is a positive relationship between infrastructure and economic growth. In some instances this is true, but at other times, especially with respect to Africa, this is not the case. Therefore, it must be questioned why this is the case. Questions that should be considered include the direction of the relationship between growth and infrastructure, as well as how much infrastructure is needed for growth? The efficiency of regulation and rules surrounding infrastructure projects must also be studied; otherwise infrastructure cannot support growth.

The potential impact that infrastructure can have in Africa has been demonstrated through the spread of ICT. Developments in communications have managed to erase borders and have encouraged integration in Africa. This is evidence of what properly developed infrastructure can achieve.

The *Economist* recently published a story on the high costs of travelling across Africa. The 'Open Skies for Africa' policy has not been followed up on.[20] Simple policy reforms will allow for major infrastructure development in Africa. For instance, there are still instances of having to travel via Europe in order to get from one African country to another.

In terms of the political economy of infrastructure provision, technocrats and politicians have different ideas of what is most needed. Ghana's National Development Planning Commission (NDPC) has developed a national infrastructure plan that will act as a framework to guide infrastructure development in Ghana over the next 40 years. There have been deliberate efforts to develop the infrastructure industry as well as industry standards. PPPs have become very popular across Africa, but the exact nature of a PPP itself must be clarified. The long-term challenges to financing infrastructure include the transfer of profits by multinationals, the micro-economic environment and Ghana's highly unstable environment.

Elsie Kanza, Head of Africa, World Economic Forum

From 2011 and 2012, there was a growing consensus that infrastructure was a bottleneck in Africa, which cost the continent about two per cent of GDP growth per annum. At the same time, public resources and funding for infrastructure was also declining, as was traditional development assistance. The question is therefore how to fund infrastructure by moving away from relying solely on public funding. Two out of three PPP projects fail as a result of continuing issues surrounding the balancing of trust and risk.

Experience from previous World Economic Forum programmes demonstrates that it is essential to have regional cooperation, particularly for cross-border infrastructure projects. The 'GrowAfrica' programme has mobilized more than $10 billion of commitments from over 200 companies in 12 countries, with small-holder farmers at the centre. The key success factor of the programme has been the establishment of a trust framework, bringing public and private sector individuals together on a neutral platform at the highest levels in order to discuss how to collaborate at the tendering phase. This led to the creation of the Africa Strategic Structure Initiative, whose primary goal is to accelerate the implementation of PIDA, in partnership with the AFDB, the African Union Commission and the New Partnership for Africa's

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[20] Schlumberger, C. E. (2010), *Open Skies for Africa – Implementing the Yamoussoukro Decision*, World Bank, http://www.worldbank.org/en/topic/transport/publication/open-skies-for-africa.

Development (NEPAD) agency, with the Development Bank of Southern Africa and GE as co-chairs. Through the programme, a methodology was developed to help determine how to assess the 51 PIDA programmes. Several issues were encountered, including the lack of quality data, limited stakeholder cooperation insufficient programme planning and structure, as well as programmes were not ready to be evaluated for investment.

The World Economic Forum is now working on a blended finance initiative to make it easier to identify potential financing partners. The key challenges are how to establish a project pipeline framework and the currency exchange rate mix. The 'Future of the Internet' initiative was also recently launched, which aims to increase internet connectivity.

Kwadwo Osei-Lah, Counsellor, Intellectual Property, Government Procurement and Competition Division, World Trade Organisation

PIDA aims to support sustained economic growth in Africa. Its successful delivery is expected to boost the continent's growth by an extra two per cent over the programme's 30-year implementation period. The end result would therefore be a six-fold rise in Africa's GDP, from $3.3 trillion to $20.3 trillion, creating 53 million jobs. PIDA also aims to double Africa's regional and global trade. However, the project faces challenges such as financing gaps and inconsistent governance frameworks.

A 2014 World Trade Organization (WTO) working paper examines the potential challenges and synergies of the application of the Agreement on Government Procurement (GPA) to PIDA. GPA is the main WTO legal instrument for the regulation of trade. It is a lateral agreement that aims to achieve the greater liberalization of trade. GPA offers legally secure access to the $1.7 trillion procurement market and establishes minimum standards of good procurement practices, as well as helping to build confidence and stimulate competition. GPA fits well with African markets as there is an increasing synergy across global procurement. The adoption of GPA also provides legitimacy. The AFDB's recently adopted procurement framework also permits the use of third party agreements, such as GPA. The African regional procurement market was valued at $500 billion in 2010, and could rise to $3 trillion by 2040.

Dr Amy Schweikert, Doctoral Graduate, Department of Civil, Environmental and Architectural Engineering, University of Colorado Boulder

Climate change should be given explicit consideration in infrastructure development frameworks. Climate change is already having an impact, including through dramatic events such as droughts and flooding, as well as incremental impacts. Small changes can directly affect the quality of infrastructure and will change the underlying assumptions of how infrastructure should be designed, built and maintained. It is believed that Africa's climate could see temperatures rise by one to six degrees celsius on average. For businesses and the private sector there are risks concerning supply chains, as well as opportunities to turn the green sector from a niche market to a growing sector.

Climate change is part of the narrative of sustainability, resilience and development, and will affect all stakeholders. It is a complex issue that poses many challenges and uncertainties. The work of the Intergovernmental Panel on Climate Change (IPCC) can be slow, scientific research takes time. However, the IPCC acts as a clearinghouse of information, and is a valuable reference point and common source of data. The private sector will continually deal with uncertainty, and therefore has mechanisms for incorporating uncertainty in to decision-making. Many of these existing mechanisms can be used to deal with climate change. Climate change alters the framework in which infrastructure is built and therefore must be incorporated. Infrastructure designs that are based on a narrow set of climate considerations and look at historical climates will no longer be a viable approach. It makes financial sense to invest proactively, which will provide a backbone for economic growth.

The issue of climate change can no longer be fully solved as historical temperature thresholds have already been passed. The level of climate change will be based on actions taken now. Climate change must be explicitly considered in infrastructure development, particularly in the design phase.

Summary of questions and answers session

Questions

Have enough resources been channelled to the early stages of infrastructure projects?

Is the only form of infrastructure within the scope of the NDPC related to transportation?

What are the standards to follow when this governing process begins, and when will the framework be in place?

Which regional agency can lead collaboration across borders and how would this agency function?

How does one succeed in overcoming vested interests in the status quo to achieve infrastructure development, and will the political will to develop the central corridor last?

What are the chances of the national infrastructure strategy lasting beyond the life of the present government?

Elsie Kanza

In 2012, the Infrastructure Consortium for Africa analysed 67 facilities and found only 12 operational facilities. These projects had an early-stage financing capacity of barely $0.2 billion, while the PIDA portfolio faced costs of $3.1 billion. Facilities are certainly underfunded, but with fragmented facilities it is difficult to seek funding. There has been a great deal of effort put into harmonizing and rationalizing these facilities, and to allow them to mobilize funding as a collective effort. A greater concern is the ongoing discussion about how to approach transnational projects, as cross-border projects remain a challenge.

Given the current organizational framework, regional economic blocs are the primary government bodies for the monitoring of cross-border alignment. These blocs function on various levels: the East African Community (EAC) is considered to be the most economically progressive, whereas the Southern African Development Community (SADC) and the Economic Community of West African States (ECOWAS) are seen as politically stronger blocs.

An important method for overcoming hurdles and vested interests is to work in clusters, to foster the exchange of best practice and demonstrate that, through collaboration, common goals can be achieved. A good opportunity exists to do this around mobilizing investment as, due to the size of economies, there is a need to collaborate in order to have meaningful transactions.

Burundi is problematic in terms of ensuring that the political will to develop the central corridor continues. However, it is important to take a long-term view, and view such instances as short-term hiccups. Eighty per cent of the central corridor project is in Tanzania, which has new leadership and is very much focused on increasing efficiency. This will ensure that 80 per cent of the project will work even without stability in Burundi.

Dr Nii Moi Thompson

Ghana's National Development Plan does not focus solely on infrastructure. There are at least 27 other areas, such as information and communications technology (ICT) and energy, that the NDPC is seeking to develop comprehensively. The plan is very comprehensive. A section will be included on the environment, and once it is formalized, it will be integrated as part of the plan and adopted into law. The plan will survive the current government as it has been made law and designed to carry across governments.

There are people with vested interests that have been able to derail policies as there are no fixed plans. Once the national infrastructure plan is in place, it will minimize the likelihood of commercial interests from driving infrastructure policy.

Questions

Can the speaker provide any positive examples of where the proactive integration of climate change has been cost-effective, particularly in rural areas where financing is more of a challenge?

Do fossil fuels have any part to play in the future of energy in Africa?

Can the National Development Plan prevent infrastructure projects that are not sustainable or detrimental to long-term goals?

What is the impact of trade deals such as the Transatlantic Trade and Investment Partnership (TTIP) on infrastructure in Africa?

Dr Amy Schweikert

Proactive adaptation is often better, particularly with infrastructure projects in rural settings where funding is often more short-term. People are giving these issues more attention and, although there are currently few examples of the cost-effectiveness of the proactive integration of climate change, there should be increasingly more in the future.

Changes have already been made to the atmosphere, and so adaptation policies have to be part of all projects going forward. There is no ideal energy mix and there must be a trade-off as coal and other fossil fuels are immediately available to fill energy gaps for vital services. There is room for fossil-fuel development but different energy options must also be broadened.

Kwadwo Osei-Lah

As most countries already allow for open procurement bidding, competition between African and EU companies already exist. However, capacity is often more of an issue for African companies than competition from the EU. African firms need to be able to compete in foreign markets, and this remains a challenge. As for TTIP, its impact on Africa is unknown but large construction firms might be more comfortable working in the United Kingdom and United States than in Africa. It is essential that African countries begin to ensure the opening up of procurement opportunities for African suppliers.

Dr Nii Moi Thompson

There will be priority projects over the coming years, including plans to host the football World Cup as part of a legacy to accelerate infrastructure development. At the local level, infrastructure projects will be decided and planned by local governments. The biggest concern at the local level is incomplete vanity projects, which start and stop when political leadership changes. There will be provisions in the National Development Plan to prevent this. Legal backing has just been received to sanction local governments that operate outside of their remit. The system will not be perfect, but it will minimize fraud and waste in the procurement sector.

Closing Remarks

Philippe Valahu, Chief Executive Officer, Private Infrastructure Development Group

The impediments to investing in infrastructure in sub-Saharan Africa remain constant, including capacity building, local content, local currency funding and procurement issues. However, there has been progress, and it is a risk to live in the past when thinking about working in Africa.

Several speakers considered the impact of the fall in commodity prices. Finance Minister Armando Manuel of Angola noted that the collapse in prices can be an opportunity to implement much-needed reform and to diversify the economy away from oil. Repeated calls were also made for multinational companies to be more accountable in terms of skill transfers and local hiring. The job market in Africa will grow exponentially over the next few years.

It is clear that more and better project preparation is needed, as well as greater coordination. There are several initiatives that support this, including the International Infrastructure Support System, an online cloud-based project management tool, which is currently being used by large multinationals. The Global Infrastructure Hub, founded in Sydney, Australia, in December 2014, is financed by several donors and works towards contract harmonization.[21]

New funding opportunities have emerged for infrastructure development in sub-Saharan Africa. Traditional aid is not necessarily doing the job, and the role of China in Africa is widening funding options. China has had previous success with the Silk Road initiative. There is a need for greater compatibility between funding mechanisms and the development of innovative funding solutions. Project finance frameworks will not work for very large projects.

Capacity building and training is a further area of concern. Capacity building should not only be observed during the development and construction phase of projects, but also in the operation and maintenance stages. The infrastructure gap in Africa also requires $45–50 billion for maintenance. Without solid funding and skills for maintenance, infrastructure projects will not last. The benefits of maintenance are 2.7 times the actual benefit of projects themselves. The importance of the use of local content is also linked to capacity building.

Regulatory agencies are often new, weak and with unclear mandates. In order to attract investment, there must be focused and transparent systems. A value-for-money, merit-based approach was encouraged by participants, as was e-procurement, which is working well for some agencies. There remain several areas in need of reform and strengthening, including enforcement, transparency and anti-corruption mechanisms. The data gap must also be addressed.

[21] The Global Infrastructure Hub, http://globalinfrastructurehub.org/about/

Conference Agenda

Governing for Infrastructure Delivery in Sub-Saharan Africa:

Overcoming Challenges to Create Enabling Environments

14 – 15 March 2016

Chatham House, London

This conference will provide a forum for policy-makers, investors, industry representatives, civil society actors and other experts to discuss measures to address the critical challenges to reducing Africa's infrastructure deficit. The conference will place particular emphasis on local business perspectives on infrastructure delivery and the importance of local capacity for sustainable development, in the context of international finance and standards, and engagements and perspectives of foreign firms and donors.

Monday 14 March

0800-0900 *Registration and coffee*

0900-0930 *Welcome and Opening Addresses*

Urgency vs Planning? Setting Priorities for an Achievable Infrastructure Agenda
Hon. Armando Manuel, Minister of Finance, Republic of Angola

Opportunity, Engagement and Operation: Commercial Reality and the Development Agenda
Jay Ireland, Chief Executive Officer, GE Africa

Chair: **Dr Alex Vines OBE**, Head of Africa Programme; Director of Area Studies and International Law, Chatham House

Session One | Urgency vs Planning? Setting Priorities for an Achievable Infrastructure Agenda

0930–1100

Policy and Planning for Infrastructure Development: Why the Long View Matters
Engr. Mustafa Balarabe Shehu, President, Federation of African Engineering Organizations

Commerce, Development, Sustainability: Navigating Competing Priorities in Infrastructure Development
Professor Mthuli Ncube, Professor of Public Policy, Blavatnik School of Government, University of Oxford

China, Infrastructure Development and Joint Ventures in Africa: Harmonizing Interest, Priorities and Approaches
Dr Peter Zhang, Managing Director, Sinofortone

Firm Foundations? Enabling Environments and Feasibility Studies
Bob Kottler, Managing Director, Dawnus International Ltd

Chair: **Dr Alex Vines OBE,** Head of Africa Programme; Director of Area Studies and International Law, Chatham House

1100–1130 *Coffee*

Session Two | Context Matters: Perspectives on Challenges to Infrastructure Delivery

1130–1300

Keynote address (via video link)
Hon. Minister Carlos Alberto Fortes Mesquita*,* Minister for Transport and Communications, Republic of Mozambique

Policy, Legislation and Regulation: Consistency and Communication
Greg Binkert, Senior Advisor, Africa Region, World Bank Group

Costs, Competition and Claims: International Competitive Bidding and Value for Money
Shem Simuyemba, Division Manager, NEPAD Infrastructure Project Preparations Facility (NEPAD-IPPF), Regional Integration and Trade Department, African Development Bank

Understanding the Operational Environment: Navigating Perceived and Real Risk
Geoffrey de Mowbray, Chief Executive Officer, Dints International

The Impacts of Corruption in Public Procurement on Infrastructure
Adam B. Elhiraika, Director, Macroeconomic Policy Division, United Nations Economic Commission for Africa

Chair*:* **Ailie MacAdam,** General Manager, Europe and Africa; Infrastructure Senior Vice-President, Bechtel

1300–1400 *Lunch*

Session Three | Making Infrastructure Ambitions Achievable: the Role and Risks for Local Actors

1400–1530

Lasting Infrastructure and Local Content: Counting in Local Capacity
John Cox, Project Consultant, Africa Programme, Chatham House

Engaging Government: Local Firms, Corporate Governance and the Policy Debate
Wilfried Aby, General Manager, BRIQ-CI

Local Content in Infrastructure Procurement
Dr Jill Wells, Senior Policy Adviser, Engineers Against Poverty

Building a Business in Ghana: Options for Indigenous Firms
Rev. Nana Kofi Ntiamoah Ahenkorah, Managing Director, Beta Construction Engineers Ltd, Ghana

Logistics and the Cost of Doing Business: The Case of Tanzania
Lambaji Madai, Executive Councillor, Tanzania Freight Forwarders Association

Chair: **Jaime Comiche,** Head of Operations, Mozambique, United Nations Industrial Development Organization

1530–1600 *Coffee*

Session Four | Unlocking Local Capacity: Whose Responsibility, Whose Benefit?

1600–1730

Challenges to Sustainable Capacity Building in the Infrastructure Sector
Dr Michael Warner, Director, Local Content Solutions Ltd

Closing the Skills Gap: Coordinating Key Actors
Jean Van Wetter, Tanzania Country Director, Africa Private Sector Development Advisor, VSO International

Expectations of Engagements: Working with Local Partners
Alaa Alessa, Chief Investment Officer, Endeavor Energy

Donor Funds and Capacity Building: The UK Experience
Mark Harvey, Head of Profession (Infrastructure), Department for International Development, United Kingdom

Chair: **Dr Sandra Sequeira,** Lecturer in Development Economics, Department of International Development, London School of Economics and Political Science

1730-1900 *Drinks reception*

Tuesday 15 March

0800-0900 *Registration and coffee*

0900-0930 *Opening Addresses*

Infrastructure and Prosperity: Growth, Youth, Jobs and the Importance of Partnerships
James Duddridge MP, UK Minister for Africa, House of Commons

The Importance of Local Capacity in Civil Infrastructure: Strategies to Support Skills Development and Local Businesses
Hon. Rashid Pelpuo*,* Minister of State at the Office of the President in Charge of Private Sector Development and Public Private Partnership, Republic of Ghana

Chair: **Dr Alex Vines OBE**, Head of Africa Programme; Director of Area Studies and International Law, Chatham House

Session Five | Levelling the Playing Field: Incentivizing Engagement in the Infrastructure Agenda

0930–1100

Trust and Regulation: Change and Priorities for Regulatory Reform
Magdalene Apenteng, Director, Financial Services Division, Ministry of Finance, Ghana

Access to Finance for Complex Projects: Innovations, Adequacy and the Impacts of Low Commodity Prices
Thilasoni Chikwanda, Director, Kurema Africa

Sustainable Standards? Prospects for Adapting Engineering Solutions
David Entwistle, Principal Consultant, IMC Worldwide

Transparency in Infrastructure Procurement in Angola: Why it Matters and How to Achieve it?
Soren Kirk Jensen, Associate Fellow, Africa Programme, Chatham House

Chair: **Zlatina Loudjeva,** Delivery Director, Infrastructure and Cities for Economic Development (ICED)

1100-1130 *Coffee*

Session Six | Policy, Pragmatic Partnerships and the Future of Infrastructure in Africa

1130–1300

Politics, Capacity and Confidence: How Governments can Better Support Infrastructure Development
Dr Nii Moi Thompson, Director-General, National Development Planning Commission, Republic of Ghana

The Policy Environment: Common Interests and Essential Improvements
Elsie Kanza, Head of Africa, World Economic Forum

Prospects for Policy Dialogue: From Discussion to Delivery
Charles Abugre, Chief Executive Officer, Savannah Accelerated Development Authority

The Revised WTO Agreement on Government Procurement and the Programme for Infrastructure Development in Africa
Kwadwo Osei-Lah, Counsellor, Intellectual Property, Government Procurement and Competition Division, World Trade Organization

Counting in Climate Change: Impacts, Adaptation and Policy for Future Infrastructure Development
Dr Amy Schweikert, Doctoral Graduate, Department of Civil, Environmental and Architectural Engineering, University of Colorado Boulder

Chair: **Elizabeth Donnelly**, Assistant Head and Research Fellow, Africa Programme, Chatham House

1300-1315 Closing Remarks

Philippe Valahu, Chief Executive Officer, Private Infrastructure Development Group

Speakers Biographies

Hon. Armando Manuel is the Minister of Finance of the Republic of Angola. Having worked in the Ministry since 1993, Hon. Manuel has held several positions, including Chairman of the Board of Directors for the Sovereign Fund of Angola; Secretary for Economic Affairs of the President of the Republic; Director of Treasury and Head of Operations Department at the Treasury. Hon. Manuel holds a Masters of Arts in Quantitative Economics from London Guildhall University.

Jay Ireland has been the President and CEO of GE Africa since 2011. He leads GE's Africa operations across power generation, healthcare, transportation, oil & gas and aviation. He started his career with General Electric in 1980 after 3 years as a US Army Officer. He serves as Vice Chair of the Board of Directors of the Corporate Council on Africa (CCA) and is a member of Private Investors for Africa (PIA) and the World Economic Forum Business Working Group for regional projects in Africa. In 2013 he won the Africa Investor Magazine International Business Leader of the Year award for the second consecutive year.

Dr Alex Vines OBE has been Head of the Africa Programme at Chatham House since 2002 and in 2008 became Director for Regional Studies and International Security. In 2012 Alex was appointed Director for Area Studies and International Law. He chaired the UN Panel of Experts on Côte d'Ivoire from 2005 to 2007, and was a member of the UN Panel of Experts on Liberia from 2001 to 2003. He has also been a UN election officer in Mozambique and Angola, and served as a consultant for the UN Office on Drugs and Crime and for the Economic Community of West African States (ECOWAS). He worked at Human Rights Watch as a senior researcher on business and human rights. He is also a senior lecturer at Coventry University. He was awarded an OBE in 2008 in recognition of his work including founding and developing Chatham House's Africa Programme.

Engr. Mustafa Balarabe Shehu is the President of the Federation of African Engineering Organizations. He is also the Chairman of MBS Engineering Limited, an engineering firm involved in power systems designs, building services, renewable energy technologies and environmental engineering, with a clientele base ranging from Nigerian federal and state government organizations to private sector and international organisations. Engr. Shehu started his working career at the Lagos Thermal Station Egbin in Lagos under the National Electric Power Authority in 1986 and subsequently served as Deputy Director of the Kano State Rural Electricity Board.

Professor Mthuli Ncube is Professor of Public Policy and Senior Researcher at the Blavatnik School of Government at the University of Oxford. Professor Ncube served as Chief Economist and Vice President of the African Development Bank, and was previously Head of Asset Allocation Strategy and Manager of the Investec Global Managed Fund. Professor Ncube sits on two advisory Councils at the World Economic Forum on poverty and economic development; and sustainable infrastructure.

Peter Zhang is Managing Director at SinoFortone. He is also founder and Deputy Chairman at the China Innovation and Development Association, UK (CIDA), which has extensive connections with over 12 major provinces in China. He led CIDA through successful transformations which helped more than 50 start-up companies raise over £100m in Venture Capital Funding. Prior to that, Peter was International Deputy General Manager of China Railway Construction Engineering No.3 Group (CRECG), which is the largest construction group in the world. Peter was educated at York University, UK and specialized in economics, finance, construction and technology transfers. He is also UK Representative for the East Lake High-tech Development Zone; Tianjin Administration of Foreign Experts Affairs; and Zaozhuang Municipal Government.

Bob Kottler is Managing Director of Dawnus International Ltd. He is a professional civil engineer with over forty years' experience, mainly in international markets working with leading contractors and an extensive involvement in Africa. In addition to operational management experience, Bob has also worked extensively in strategic development and business procurement. Bob has broad international experience, including in Peru, UAE, Spain, Sweden, Ghana, and Germany. He is a fellow of the Institution of Civil Engineers.

Greg Binkert is Africa Region Senior Advisor for the World Bank Group. Prior to this role, Greg was World Bank Country Director for Angola, Cameroon, Central African Republic, Gabon, Equatorial Guinea and São Tomé from 2011 to 2015. Greg was also the World Bank's Lead Economist in Mozambique from 2004 to 2008, as well as Country Manager for Chad and has held senior posts at the Swiss Agency for Development and Cooperation.

Shem Simuyemba is Fund Manager for the NEPAD Infrastructure Project Preparation Facility (NEPAD-IPPF), a multi-donor funded Trust Fund hosted by the African Development Bank (AfDB). NEPAD-IPPF assists African countries to prepare regional infrastructure projects in energy, transport, ICT and trans-boundary water to make them bankable. Shem is an economist with over 25 years' practical experience in addressing development challenges, working with African policy makers, private sector and industry leaders, financiers and non-state actors. His work has included focus on economic reforms; regional integration; trade and trade facilitation; value chains and competitiveness; infrastructure development; public-private partnerships (PPPs); and project preparation and development with a focus on regional infrastructure projects.

Geoffrey de Mowbray is the founder and CEO of Dints International, an innovative supply chain provider specialising in integrated solutions for the supply and maintenance of heavy machinery for the mining and construction industries in 13 countries across Africa. Geoff is also a council member of the British Exporters Association and the founder of the de Mowbray Foundation, which supports the development of entrepreneurial talent throughout Africa.

Adam B. Elhiraika is the Director of the Macroeconomic Policy Division of the United Nations Economic Commission for Africa. He directly supervises the ECA's work on development planning; forecasting and macroeconomic policy analysis; economic governance and public sector management; and finance and private sector development, including research and advocacy work on combating illicit financial flows. The Division leads the preparation of the Commission's flagship publication: the Economic Report on Africa. Before joining the UN, Mr. Elhiraika served as Assistant and Associate Professor of Economics at several universities and has published extensively in international journals, books and monographs.

Ailie MacAdam is the General Manager for Europe and Africa and Senior Vice President for Infrastructure for Bechtel. Ailie is responsible for business development, project execution, and profit and loss for all market sector work in the regions. During the 30 years she has worked for Bechtel, Ailie has led on major UK and US infrastructure projects, in addition to oil, gas and chemicals projects in Europe and Africa.

John Cox is a Project Consultant for the Africa Programme at Chatham House. John started his international career in 1987 as project manager for the construction of a major bridge in Bangladesh and has since worked on projects in Africa, Asia, Europe and the Caribbean with assignments including the development of long-term infrastructure plans, establishing policy and planning units in various infrastructure ministries, and auditing the performance of infrastructure projects on behalf of donors.

John has authored a number of technical papers, most recently a topic guide for the British Government's Department for International Development on the Planning and Financing for Effective Maintenance of Infrastructure. John studied civil engineering at City University in London and then specialised in structures in his MSc at Imperial College London.

Wilfried Aby is the General Manager of BRIQ-CI SARL, a fully automatic block and pavement factory located in Abidjan. He began his career in Cannes in 2005 as the founder of Nordic Estate Advisors, a French consultancy company advising Scandinavian clients with their private and commercial real estate acquisitions, lease obligations, asset reposition and dispositions. In 2012 he established BRIQ-CI in Abidjan with the objective to advise European companies in establishing small and Medium Sized Enterprises in developing countries, in particular Africa.

Dr Jill Wells is Senior Policy Adviser at Engineers Against Poverty. She is a social scientist with many years' experience in research and development work focused around the construction sector. She has worked in a multi-disciplinary context in a number of settings including international organisations, national governments, private sector, academia and in the voluntary sector. Jill has extensive experience of construction industry development in low income countries. She is known for her work on corruption, linking procurement, corruption and development, as well as her involvement in transparency and anti-corruption initiatives in the construction sector. Jill has also researched informality in the construction industry and the environmental and labour issues related to construction in a range of countries.

Rev. Nana Kofi Ntiamoah Ahenkorah is Managing Director of Beta Construction Engineers Limited. He is an ordained pastor, entrepreneur and civil engineer. He began his civil engineering career as a project engineer for Beta Construction Engineers Limited, an indigenous Ghanaian Civil Engineering Design and Construction company, which specializes in Sanitary Engineering. He graduated from the Kwame Nkrumah University of Science and Technology with a B.Sc. in Civil Engineering (Hons) in 1988 and obtained an Executive MBA degree in Entrepreneurial Management from the University of Ghana Business School in 2003.

Lambaji Madai is Executive Councillor of the Tanzania Freight Forwarders Association. Mr Madai has worked in the Tanzania logistics industry since 1998 including for companies such as Kuehne & Nagel Tanzania and Worldwide Movers Africa. In 2009 he formed the logistics company Ruru Company Ltd. He is a practicing advocate of the High Court of Tanzania and a founder of four attorney companies. Mr Madai holds a postgraduate diploma in legal practice from The Law School of Tanzania as well as a Diploma in Customs Clearing and Forwarding.

Jaime Comiche is the Head of UNIDO Operations in Mozambique. Jaime has previously worked for other UN agencies, including UN-HABITAT, UNDP and UNOPS. Between 1991 and 2003, he was a manager in the private sector, a social entrepreneur, and a consultant for government, private sector and civil society organizations. Jaime is an alumnus of UC Berkeley's Environmental Leadership Programme and holds a degree in Architecture and Physical Planning by the Eduardo Mondlane University, and an MBA by the University of Wales.

Dr Michael Warner is Director of Local Content Solutions, specialising in Local Content within Contracts and Procurement, Economic Modelling and Performance Reporting. Michael has previously worked as Local Content Manager for BG Group. He was Co-ordinator of the World Bank Business Partners for Development Programme and Research Fellow with the Economics Group of the Overseas Development Institute.

Jean Van Wetter is the Tanzania Country Director and the Africa private sector development advisor of VSO. Jean previously worked as strategy consultant for Deloitte Consulting before moving to the international development sector. He has 15 years of experience managing development programmes in Africa and Asia in the fields of education, health, livelihoods and private sector development. Over recent years, he has been actively involved in designing and implementing successful projects to support skills development and local content in the mining, gas and agribusiness industries across sub-Saharan Africa. He also pioneered innovative partnerships with international firms investing in those sectors in Africa. He has a Master of Sciences in Management from the Solvay Brussels School of Economics and Management.

Alaa Alessa is the Chief Investment Officer for Endeavor Energy and has more than 18 years of experience in finance, trading, structuring and investment management. She has managed over $2 billion worth of asset valuation, structuring, divestment, acquisition, development and financing portfolios worldwide.

Mark Harvey is Head of Profession (Infrastructure) at the UK Department for International Development (DFID). He has worked for DFID since 1991. He graduated as a Civil Engineer in 1980 and worked for consulting engineer firms in Zambia, the UAE and the UK primarily in the water sector. Following completion of a Masters Degree in 1991 he has worked mostly on the UK's country development programmes in India, Southern Africa, Nepal, Ethiopia, Afghanistan and Vietnam with occasional periods in HQ. His postings have increasingly taken him to fragile and conflict affected states, in line with DFID's focus over the past decade.

Dr Sandra Sequeira is an Assistant Professor in Development Economics at the London School of Economics. Her research focuses on the microeconomics of development and consumer behaviour, covering topics such as transport infrastructure; state capacity; corruption and trade; migration; private sector development and consumer prosocial behaviour in retail. She is currently managing research projects in the UK, India, South Africa and Mozambique. Sandra is the lead academic for Mozambique at the International Growth Centre, a scientific advisor for the Kusuma Trust, a member of Transparency International's expert network and she has consulted for the IFC, the World Bank, the UN and the governments of South Africa and Mozambique.

James Duddridge MP was appointed Parliamentary Under Secretary of State at the Foreign & Commonwealth Office on 11 August 2014. He was elected to UK Parliament in 2005 as the Conservative MP for Rochford & Southend East. Prior to entering politics, he had a business career in the private sector, including ten years in the banking industry in Africa and London. He has vast experience of African affairs, a keen interest in financial matters and industry, and was a founding member of the polling forum YouGov.

Hon. Rashid Pelpuo is Minister of State at the Office of the President of the Republic of Ghana, in Charge of Private Sector Development and Public Private Partnership. Hon. Pelpuo was previously Deputy Majority Leader in the Parliament of Ghana from 2010-2013 and also served as Minister for Youth and Sports from 2009 to 2010. He has been a Member of Parliament for Wa Central Consituency since 2004 and was member of the Pan African Parliament from 2010-2013. Hon. Pelpuo received an MA in International Affairs and a first degree in Education from the University of Cape Coast, Ghana.

Magdalene Apenteng is Director of the Financial Services Division of the Ghanaian Ministry of Finance. She has consulted for several organisations and countries in effective aid and debt management training including the Commonwealth Secretariat-UK, West African Institute for Economic and Financial Management (WAIFEM), Debt Relief International-UK, World Bank, and Macroeconomic and the

Financial Management Institute in East and Southern Africa (MEFMI). She has also provided support and advisory services to countries including Cameroon, Nigeria, Ethiopia, Suriname, Guyana, Zambia, Uganda, the Gambia and Sierra Leone. Magdalene served on the board of the National Investment bank from July 1998 to August 2001 and was involved in the financial restructuring of City Express Company Ltd. and Omnibus Services Limited from 1995 to 1999.

Thilasoni Chikwanda is the Director of Kurema Africa, a sub-Saharan African investment and advisory boutique. He has over 20 years' experience in both the private and public sector, supporting economic development and reform of mainly resource based economies in Africa, particularly Zambia. He started his career at the Zambia Investment Promotion Agency before joining a boutique Business and Financial Advisory firm in Zambia where he worked on privatization and project finance. More recently he has worked for the International Finance Corporation as Sector Leader, Sub Sahara Africa, and promotes project risk mitigation, economic development, sustainability and good governance in Oil, Gas & Mining IFC projects.

David Entwistle is Principal Consultant at IMC Worldwide. He is a Chartered Civil Engineer with over 30 years' experience on roads and infrastructure development, on transport planning, and on technical assistance and institutional development programmes. David was manager of a consulting engineering practice in Swaziland for five years and was Chief Resident Engineer on a $100 million construction contract in Botswana. Two British Government funded projects were undertaken in Ethiopia involving the reform and reorganisation of the Ethiopian Roads Authority (ERA) and the building of the Authority's capacity to maintain its road network more effectively. Mr Entwistle's most recent experience has been as Team Leader on a 5-year DFID funded Programme to support the development of the national road construction industry in Uganda. During his career he has worked for public and private sector organisations and for both contractors and consultants.

Soren Kirk Jensen is an Associate Fellow of the Africa Programme. His research focuses on promoting transparency and accountability in extractive industries, the revenue side of public financial management and fiscal revenue diversification in resource rich African countries. Soren has worked extensively on Angola, in addition to other countries in southern Africa and the Gulf of Guinea. He has a Masters in International Development Studies and Public Administration from Roskilde University, Denmark, and completed Postgraduate Diploma courses in Public Financial Management at the Centre for Financial & Management Studies at SOAS.

Zlatina Loudjeva is Director for Infrastructure and Cities for Economic Development (ICED). Zlatina specialises in social and economic impact analysis of large infrastructure investments and reforms. Her previous experience includes work with the World Bank on reforms in sub-Saharan Africa; Managing Director of the Construction Sector Transparency Initiative (CoST) during its pilot stage; and a Member of the Board of British Expertise. Zlatina is the author of a number of publications on poverty, governance and the social impact of reforms. She has worked in Zambia, Malawi, Kenya, Ghana and India. Zlatina is currently part of the PricewaterhouseCoopers (PwC) International Development team, where she leads the infrastructure for economic development theme.

Dr Nii Moi Thompson was appointed Director-General of the Ghanaian National Development Planning Commission in 2014. Prior to this he was the senior economic advisor and acting deputy resident representative of the United Nations Development Programme in Pretoria, South Africa. In 1998 he established a development consultancy in Ghana with clients including the Ministry of Finance, the Ministry of Economic Planning and Regional Integration, and the National Development Planning Commission, as well as foreign governments and international organisations, such as the World Bank, USAID and the Africa Capacity Building Foundation in Zimbabwe. Along with colleagues from the African Union, the African Development Bank, UNDP and the Organisation of Economic Cooperation and Development (OECD), he co-wrote the African Economic Outlook for 2012 and 2013 with a focus on economic transformation and youth employment, respectively.

Elsie Kanza is Head of Africa and Member of the Executive Committee at the World Economic Forum. Previously she served as Personal Assistant to H.E. Jakaya Mrisho Kikwete, President of the United Republic of Tanzania, with responsibility for Economic Affairs from 2006 to 2011, as well as with the Ministry of Finance and Central Bank of Tanzania from 1997 to 2006. Elsie holds a BSc (cum laude) in International Business Administration from the United States International University – Africa, an MSc in Finance from the University of Strathclyde, an MA in Development Economics from Williams College, and a Doctor of Business Administration honoris causa from the University of Strathclyde. She was honoured as a World Economic Forum Young Global Leader in 2011 and was a Desmond Tutu Leadership Fellow in 2008. She serves on a number of non-profit and advisory boards, including the UONGOZI Institute of African Leadership for Sustainable Development and The Nature Conservancy.

Charles Abugre was appointed Chief Executive Officer of the Savannah Accelerated Development Authority in 2014. He has more than 20 years of experience in Economic and International Development, and prior to his current role he was the African Regional Director of the UN Millennium Campaign. Previously he held roles as Head of the Global Policy and Advocacy Division at Christian Aid, Executive Director of the Integrated Social Development Centre (ISODEC) and Coordinator of the Africa Secretariat of the Third World Network. A graduate of the University of Ghana, Mr. Abugre also holds a Master's Degree in Development Studies from the Institute of Social Studies, in the Netherlands.

Kwadwo Osei-Lah is a procurement specialist and, since 2002, Counsellor at the Secretariat of the World Trade Organization working on government procurement matters. Prior to this role, he was Project Director for eight years at a UK-based international development consultancy firm, and preceding that a London-based representative and procurement manager for a Ghanaian mining group.

Dr Amy Schweikert is an interdisciplinary researcher focused on the nexus between climate change, development, and sustainability. She recently completed her doctoral work in Civil Systems Engineering at the University of Colorado Boulder, and her project experience includes work related to climate change and infrastructure adaptation for the World Bank, USAID, the United States Environmental Protection Agency, and the Asian Development Bank. Prior to her doctoral work, she received a Masters of Science in Civil Engineering with an emphasis in Engineering for Developing Communities from University of Colorado Boulder, and a BA in International Relations from Boston University. She has participated in in-country work in South Africa, the Netherlands, Jamaica, Morocco, Mexico, and others. Prior work involved working with the South Centre in Geneva, Switzerland, focusing particularly on some of the unique challenges facing developing economies: increasing awareness of climate change, financing clean development, and other issues related to the United Nations Framework Convention on Climate Change.

Elizabeth Donnelly is the Assistant Head and a Research Fellow of the Chatham House Africa Programme and the lead researcher for the Programme's project on Local Content in African Infrastructure Development. Elizabeth has published widely, particularly on Nigeria, and is a regular commentator in the media. She has given briefings in Europe, Africa and the US, including to the House of Commons Foreign Affairs Committee and the European Parliament. In addition to her research, Lizzy has oversight responsibilities for the Africa Programme including fundraising, project management, editing and outreach. She is a regular visitor to Africa. She holds a master's degree in international politics from the School of Oriental and African Studies and a first class bachelor's degree in politics from the University of Bristol. She has lived in Zambia, Ethiopia, Thailand and Japan.

Philippe Valahu is the Chief Executive Officer at the Private Infrastructure Development Group. He joined InfraLinx Capital, a specialist infrastructure advisory company, in November 2011 as one of its European partners. Philippe has over 25 years of international experience in emerging markets infrastructure projects, export finance and risk management. His experience covers project finance, structured export finance, guarantee products, and fixed income. He has worked on infrastructure transactions in Latin America, Africa and the Middle East, CEE, and Asia at different times in his career. He has worked in both the public (MDBs) and private sectors (banking).

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