

Navigating Africa's Infrastructure Landscape

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Presentation outline

Introduction to Africa's Transportation Sector Context, issues and challenges

Investment Trends in Africa's Transportation Sector

Understanding Transport Sustainability in the African Context

Chinese and Europeans funding / projects management in Africa

Conclusion

**Navigating Africa's
Transportation Landscape:
Trends, Challenges, and
Sustainable Investments**



Introduction to Africa's Transportation Sector : Context

Geographical Diversity:

Varied terrains require tailored solutions to ensure connectivity and accessibility.

Population Growth and Urbanization:

With rapid population growth and urbanization
Urban centers are hubs of economic activity

Economic Opportunities and Trade:

Africa's economic potential is vast, with limited transportation infrastructure

Technological Advancements:

Limited access to advanced technologies and inadequate digital infrastructure



Introduction to Africa's Transportation Sector : issues and challenges

Infrastructure Deficits:

Many African countries face significant gaps in transportation infrastructure, including roads, railways, ports, and airports.

Funding Constraints:

Insufficient investment in transportation infrastructure remains a major challenge. Limited public funding, coupled with a lack of private sector participation

Regulatory and Institutional Barriers:

Complex regulatory frameworks, bureaucratic inefficiencies, and institutional capacity

Safety and Security Concerns:

Safety hazards, including road accidents, piracy, and terrorism, pose significant risks to transportation systems and users

Environmental Sustainability:

The transportation sector contributes to environmental degradation through emissions, pollution, and habitat destruction

Capacity for Project Management:

A lack of skilled personnel and institutional capacity for project management undermines the successful implementation of transportation projects



Investment Trends in Africa's Transportation Sector



Infrastructure Gap

USD 130-170 B per year (USD 100 B invested in 2019)



Financing Gap

USD 68-108 B per year



Climate resilience adds 2-3% to the cost

Under-investment in transport sector in Africa



Transport sector in Africa

27% of all infrastructure investment (global average totals 45%)



Rail in Africa

3% of all infrastructure investment (versus 12% globally)

Rising investment in adaptation and resilience for transport infrastructure

USD 11 million
In 2010



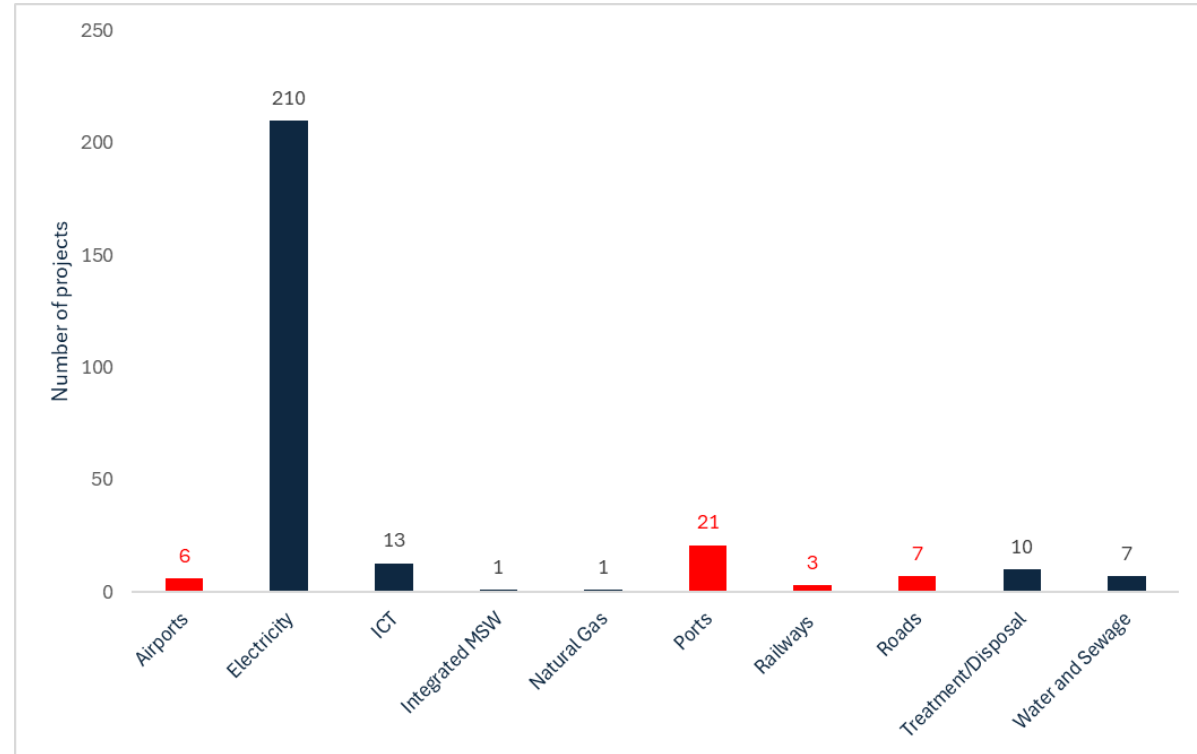
USD 128 million
in 2019

53 cities across 22 African countries disclosed a total of 181 climate projects in 2021-2022



Investment Trends in Africa's Transportation Sector

Public Private Partnerships in Sub-Saharan Africa



Total value of PPPs in Africa, 2010-2021

USD 61 billion

Total number of PPPs reaching financial closure in Africa, 2010-2021

279 projects

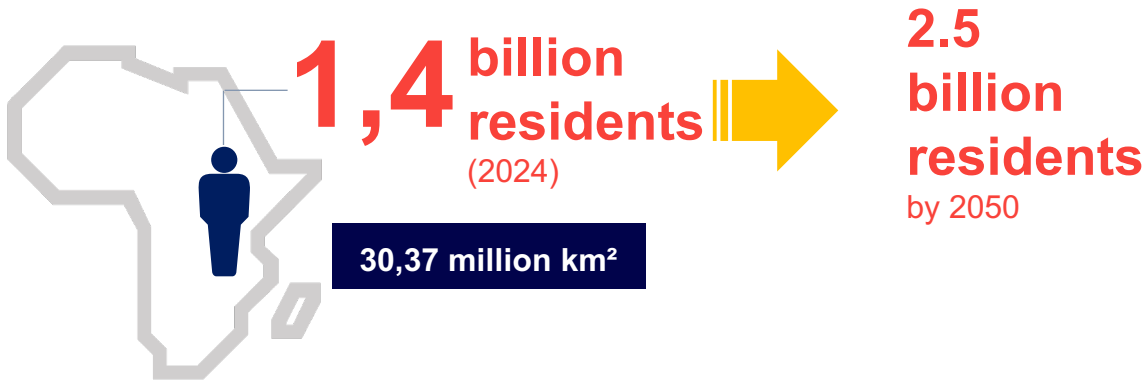
USD 10.6 billion

Sources: World Bank's Private Participation in Infrastructure (PPI) database, AfDB, GIZ, Agora, Global Center on Adaptation

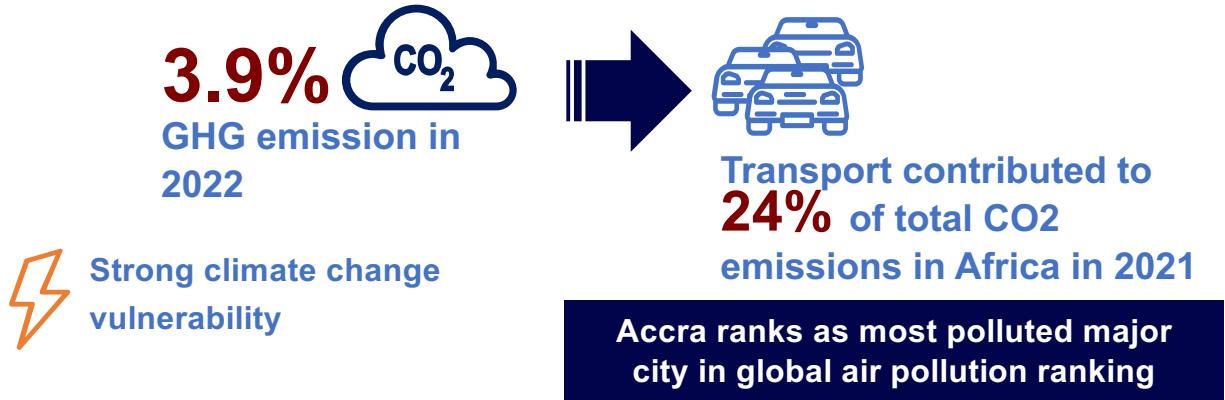


Understanding Transport Sustainability in the African Context

Africa demographics



Emission trends



Understanding Transport Sustainability in the African Context

Key transport data



Motorization rates



- **32%** increase between 2015 and 2020
- **+85%** of the total fleet are used light-duty vehicles
- **78%** of people walk for transport purposes every day

Policy development

- Development of electric mobility policies and projects
- Development of sustainable mobility plans
- As of the end of 2022, **43% of African countries** had set time-bound targets to reduce transport related GHG emissions in their NDCs



Sources: AfDB, Slocat World Bank, Le Monde



Chinese and Europeans funding / projects management in Africa

Aspects	Chinese Approach	European Approach
Funding Source	Often government-backed initiatives or state-owned enterprises.	Combination of public funding, private investment, and international partnerships.
Decision Making	Centralized decision-making process, with strong government influence.	Decentralized decision-making, involving multiple stakeholders and regulatory bodies.
Project Scale	Emphasis on large-scale infrastructure projects, often part of strategic national initiatives (e.g., Belt and Road Initiative).	Varied project scales, including both large-scale infrastructure and smaller-scale innovation projects.
Risk Management	Focus on rapid implementation, sometimes leading to less rigorous risk assessment.	Rigorous risk assessment and mitigation strategies, with emphasis on sustainability and long-term impact.
Transparency	Transparency levels can vary, with some projects being less transparent due to political or commercial considerations.	High level of transparency, with public scrutiny and accountability mechanisms in place.
International Collaboration	Increasing involvement in international projects and partnerships, particularly through initiatives like the Asian Infrastructure Investment Bank (AIIB).	Strong history of international collaboration and partnerships, often through organizations like the European Union and World Bank.



Conclusion : Main takeaways for challenges and weaknesses

High Failure Rate & Weak Project Management:

Over 80% of projects fail to meet objectives due to inadequate project management, leading to wasted resources and delayed outcomes

Limited Capacity and Local Participation:

Insufficient technical, organizational, and managerial capacity among local actors hinder effective project implementation. Low market share of local companies and engineers further exacerbates the challenge of fostering local expertise and ownership

Inadequate Environmental Considerations:

Weaknesses in environmental studies result in insufficient mitigation of environmental impacts, posing risks to ecosystems and communities

Infrastructure Deficits and Climate Vulnerability:

Aging infrastructure and limited road and rail networks impede connectivity and hinder economic growth.

Climate change vulnerability exacerbates infrastructure challenges, increasing the risk of damage and disruption

Inefficient Resource Utilization and Supply Chains:

Limited use of local materials and inefficient supply chains contribute to project delays and inflated costs.

Weak interconnection with international suppliers restricts access to essential materials and equipment, impeding project progress

Data Collection and Management Challenges:

Time wastage in data collection processes hampers project planning and decision-making, leading to delays and inefficiencies



Conclusion : New perspectives and partnership

Local Integration & Ownership:

Prioritize local partnerships to ensure project sustainability and foster community ownership

Enhanced Financing Mechanisms:

Collaborate with local partners to innovate project finance strategies, enhancing economic viability and local investment

Capacity Building & Skill Development:

Forge alliances with educational institutions for tailored capacity-building programs, empowering local talent and boosting technical expertise

Utilization of Local Workforce:

Emphasize employing local labor to generate jobs, stimulate economies, and ensure social inclusion

Technological Innovation:

Embrace digitalization, AI, and BIM to optimize project efficiency, reduce costs, and drive innovation

Infrastructure Expansion & Sustainability:

Invest in expanding transportation networks, scaling renewable energy, and promoting climate-friendly urban planning to foster sustainable development and resilience



THANK YOU FOR YOUR ATTENTION!

MERCI !



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