

WORLD BANK

Support to AU/NEPAD (Period of July 2009 to June 2010)

The World Bank is deeply committed to the regional integration agenda in Africa and is a strong supporter of NEPAD priority programs. The Bank has been a particularly staunch advocate in mobilizing resources for scaling up donor support for the development of NEPAD priority regional infrastructure, especially in the context of the Infrastructure Consortium for Africa.

IDA Financing for NEPAD Priorities in FY10

The largest monetary commitments from the World Bank comprise of IDA financing for regional investment projects and multi-donor trust funds, particularly under the NEPAD Infrastructure Short Term Action Plan (STAP). Such support is expected to continue to grow under the AU/NEPAD African Action Plan currently under development. The World Bank also provides significant support for NEPAD's agriculture initiatives through IDA investments and management of a multi-donor trust fund supporting the Comprehensive Africa Agricultural Development Program (CAADP). Analytical/technical support for NEPAD priority areas includes: (a) assistance to regional bodies to create and drive regional policy discussion and promote policy harmonization; and (b) analysis and technical assistance to underpin priority regional investments.

From July 2009 to present, the World Bank has committed 695 million USD in IDA financing support for NEPAD programs and priorities. This support includes seven NEPAD priority projects in a range of sectors including energy, ICT, transport, fisheries, and public health which have been or are expected to be approved by the Bank's Board by the close of the fiscal year. (See Annex 1 for project details).

Trust Fund Support to NEPAD Programs

The World Bank has been administering a 31 million USD multi-donor trust fund for implementation of the Comprehensive Africa Agricultural Development Programme (CAADP) since 2008. CAADP is a NEPAD initiative aimed at promoting economic growth through agriculture-led development under four key pillars:

- (I) Land and Water Management
- (II) Market Access
- (III) Food Supply and Hunger
- (IV) Agricultural Research

This collaborative effort has resulted in a significant harmonization in donor support for CAADP processes, approaches, and investment programs under the four pillars.

In addition to the CAADP programmatic trust fund, separate World Bank administered trust funds have also been established specifically to support the regional institutions responsible for implementation of Pillar IV – Agricultural Research. Two such trust funds are currently under implementation: 25 million USD for the Forum for Agricultural Research in Africa (FARA), the lead institution responsible for coordination and implementation of Pillar IV in Africa; and 52 million

USD for the Association for Strengthening Agricultural Research in Eastern and Central Africa (ASARECA) to implement Pillar IV in East and Central Africa under the direction of FARA.

Two additional trust funds are under preparation for institutions to manage the implementation of CAADP Pillar IV in the remaining sub-regions, similar to the functions of ASARECA. A 34.6 million USD trust fund for the West and Central African Council for Agricultural Research and Development (WECARD) and a 50 million USD trust fund for the Center for Agricultural Research and Development for Southern Africa (CARDESA) will both be presented to the Board for approval early in the coming fiscal year.

The World Bank also administers the Nile Basin Initiative (NBI) Multi-Donor Trust Fund, a priority program of the NEPAD STAP. The NBI and its member countries seek to utilize the river's resources in a sustainable manner, share substantial socioeconomic benefits and promote regional peace and security. From July 2009 to present, 8 sub-projects totalling 35 million USD have been approved under the NBI program. The projects range from pollution control and sustainable land management along the Nile and tributary basins, to small scale infrastructure operations and planning exercises for future hydropower investments.

Impact of Bank supported programs from 2007-2009

World Bank projects supporting NEPAD are primarily investment operations with an implementation period of 5-7 years. Therefore, it is difficult to fully assess outcomes/results at this early stage of implementation. For example, hydropower facilities and transmission lines cannot generate or conduct electricity until fully built. However, the expected impacts are substantial and some interim results are now becoming available.

During the 2007-2009 period, IDA financing supported the construction or rehabilitation of over 1360 MW of hydroelectric generating capacity and 1856kV of cross-border transmission line capacity linked to NEPAD priority regional power pool investments, helping address the continent's chronic power shortages. Over 800 km of roads in NEPAD priority transport corridors were undergoing construction or rehabilitation, with corresponding investments underway in ports, bridges, joint border post facilities and other trade facilitation measures, helping to improve export competitiveness, boost regional trade and lower goods prices in domestic markets. To take just one example of the benefits, transit times on the Northern Corridor from Mombassa to Kigali have been reduced from an average of 19 days to 8 days under the East Africa Trade and Transport Facilitation Program, with further reductions expected. Regional ICT backbone investments, leveraged with parallel private investments, are having a significant impact on the price of broadband connectivity, access and usage. In East Africa, under the Regional Communications Infrastructure Program, prices for Internet service have fallen over 6-fold in Kenya following the landing of undersea broadband cables and the number of internet subscribers in Burundi has doubled.

As the World Bank's regional portfolio matures and more projects reach completion status we expect to be able to more fully measure the results achieved.

**Annex 1: IDA Lending Commitments to NEPAD Priority Projects/Sectors in
Fiscal Year 2010 (June 2009 – July 2010)**

Project Name	Description	Commitment (USD Million)
Power		
West Africa Power Pool (WAPP) Phase II - Felou Hydroelectric Power Generation Additional Financing	Additional financing in support of Phase II of the West Africa Power Pool (WAPP), allowing for the construction of a 60 MW hydroelectric generation facility which will be connected to the WAPP grid. Project will reduce the cost and improve the quality and security of power supply in West Africa. Priority project of the NEPAD Short Term Action Plan (STAP) for Infrastructure.	85
ICT		
Central Africa Backbone - Phase 1A (APLIA)	Modernize and harmonize the legal, regulatory and institutional framework for the ICT sector and capacity building of responsible implementing and regulatory bodies in preparation of physical infrastructure investments (Cameroon, CAR, Chad). Priority project of the NEPAD Short Term Action Plan (STAP) for Infrastructure	26
Transport and Trade Facilitation		
CEMAC Transport and Transit Facilitation Project Additional Financing	Additional financing to improve implementation of the CEMAC Customs Union and allow for rehabilitation/construction of additional road, rail and bridge segments and reduction of non-physical barriers along the Douala-N'Djamena and Douala-Bangui transport corridors (Cameroon, CAR). Priority project of the NEPAD Short Term Action Plan (STAP) for Infrastructure	217
Abidjan-Lagos Trade and Transport Facilitation Project - Phase I (APL1) <i>(To be Presented to the Board for Approval)</i>	Trade Facilitation (Customs modernization and harmonization, establishment of joint border posts), improvements to critical ports and road segments, and HIV/AIDs treatment and prevention along the Abidjan-Lagos corridor (Benin, Ghana, Togo). Phase II will incorporate Cote d'Ivoire and Ghana. Priority project of the NEPAD Short Term Action Plan (STAP) for Infrastructure	228
Environment/Fisheries		
West Africa Fisheries Project - Phase I (APL1)	Program aimed at sustainable management of regional fisheries and increasing local revenues from the fisheries trade (Cape Verde, Liberia, Senegal, Sierra Leone). Aligned with the AU/NEPAD Action Plan for African Fisheries and Aquaculture.	45
Agriculture		
East Africa Agricultural Productivity Program (EAAPP) Phase II (APL2)	Addition of Uganda to the East Africa Agricultural Productivity Program and establishing a new regional center of excellence for agricultural research focused on cassava and region-wide dissemination of improved seed varieties and technologies. Part of NEPAD's Comprehensive Africa Agriculture Development Program (CAADP) Pillar IV - Agricultural Research	30

Project Name	Description	Commitment (USD Million)
Health		
East Africa Public Health Laboratory Network <i>(To be Presented to the Board for Approval)</i>	Creation of regional reference labs linked with national labs to reinforce drug-resistance surveillance networks in tracking and identification of multi-drug resistant and extensively drug resistant (MDR and XDR) TB with plans for scale-up to cover additional diseases as capacity is built (Kenya, Rwanda, Tanzania, Uganda). Aligned with NEPAD Health Sector Strategy	56