

# Africa: Infrastructure & Energy

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## About infrastructure and energy in Africa

### Key facts

- Only 24% of households in sub-Saharan Africa have access to electricity, 56% have access to safe water and 34% have access to rural roads<sup>1</sup>.
- Investment for the expansion and maintenance of infrastructure in Africa is only half that required to meet the Millennium Development Goals<sup>2</sup>.
- Energy, transport and telecommunications services fail to meet the needs of most firms<sup>3</sup>. For example, in Nigeria 95% of firms have their own generators due to an unreliable power network.

### Progress made

- There has been a 20% increase in development assistance for infrastructure since 2005.
- Many more regional infrastructure projects, such as transport corridors, electricity interconnections and water resource projects are under preparation and attracting finance, including from the private sector.
- Regional Economic Communities and African ministers are working more effectively with the development community to reform the infrastructure sectors and coordinate investment.

## Working to improve the infrastructure and energy sectors in Africa

Infrastructure (energy, transport, communications and water resources) plays a key role in supporting growth and poverty reduction. DFID has committed the UK to:

- increasing investment in infrastructure;
- working to strengthen partner governments' capacity to prepare, finance, implement and maintain infrastructure;
- provide an additional £40 million over three years to increase private sector investment; and
- work with international partners through the Infrastructure Consortium for Africa to ensure that at least £5 billion annually is provided for infrastructure in Africa.

## Pan Africa and regional action on infrastructure and energy

Regional infrastructure is essential for trade (especially for landlocked African countries) and gaining the full potential from natural resources (for example, water and hydro-electric power).

The Infrastructure Consortium for Africa plays a crucial role in providing more effective infrastructure investment. DFID provides both funding and staffing support to the Consortium.

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<sup>1</sup> Africa Infrastructure Country Diagnostics Study (2008)

<sup>2</sup> Commission for Africa (2005), Our Common Interest

<sup>3</sup> World Bank Investment Climate Surveys

DFID has committed over £6 million to the multi-donor Infrastructure Project Preparation Facility hosted by the African Development Bank, to expand the preparation of regional infrastructure projects that have been agreed with the Regional Economic Communities. A total of 23 regional projects have been identified of which 7 are under preparation; representing a total potential investment value of around £1.8 billion.

DFID has also contributed about £7.5 million to the EU Africa Infrastructure Trust Fund which is a new European initiative to assist in the financing of infrastructure projects that promote regional integration, and combines loans with donor grant assistance to best effect.

In Southern Africa DFID has a growing programme linking trade facilitation with work on transport corridors and one stop border posts which will reduce delays and hence transportation costs, and promote production and investment.

DFID is a long standing contributor to the Nile Basin Initiative (NBI) which promotes political dialogue, legislation and the development of the Nile's resources. Given that most large rivers in Africa are international and water resources are both scarce and highly variable, including as a result of climate change, we are seeking to apply the lessons from NBI more widely.

## Who are we working with?

The World Bank, African Development Bank and the EU provide more than three quarters of all infrastructure investment in Africa. They are our main partners for sharing analysis and co-funding programmes.

DFID is also building partnerships with other donors who support infrastructure such China, India and the Islamic Development Banks.

DFID general and sector budget support also helps countries to develop their own infrastructure and associated DFID technical assistance can help reform the infrastructure sectors and build capacity and accountability.

In some post-conflict and disaster relief situations DFID also works with other donors in the direct delivery of infrastructure services.

## Country examples

**Ethiopia:** DFID is supporting the Ethiopia Rural Travel and Transport Programme to develop integrated plans at the district level with the possibility to scale up to future transport sector budget support of around £10 million per year.

**Sierra Leone:** Responding to the critical energy situation a £20 million programme has been approved, co-financing projects with the African Development Bank and World Bank.

**Democratic Republic of Congo:** DFID is supporting rural road rehabilitation to open up critical access routes: our funding has already allowed the opening of 800km of roads.

For more information about DFID's work on infrastructure and energy please visit [www.dfid.gov.uk](http://www.dfid.gov.uk)  
If you are a journalist and wish to know more about DFID and its work to reduce poverty in Africa please call DFID press office: 0207023 0600.