

Infrastructure

Boosting economic growth and equal access to services



25 projects
financed
since 2004

EUR 1,2 billion
invested
since 2004

360 km
of roads
rehabilitated in Zambia

Southern Africa has some of the most developed infrastructure in the continent. However, the region still faces numerous challenges, such as insufficient energy supply, highly priced and unpredictable transport, lack of low-cost access to information and communication technologies, and high numbers of people without access to adequate sanitation and safe drinking water.

AFD finances infrastructure projects aimed at boosting economic development and access to basic services, promoting the energy transition, and building cities that are sustainable and resilient to the effects of climate change.

#WorldInCommon



Our action in Southern Africa

1 SAFER ROADS AND WELL CONNECTED CITIES

The improvement of the Great East Road connecting central Zambia to the port of Nacala in Mozambique (via Malawi) is an example of large scale infrastructure projects co-financed with other development finance institutions, in this case, the European Investment Bank and the African Development Bank.

Chosen by the government of Zambia as a priority for the country's economic development, upgrades to this corridor link began in 2011 and will significantly reduce transit times and transportation costs, while increasing road safety and promoting the development of the commercial, industrial and agricultural sectors.

2 EXPANDING AND IMPROVING ACCESS TO WATER AND SANITATION

In Angola, only 32% of people living in urban areas are connected to the public water supply. AFD has joined forces with Angola's National Directorate of Water to improve and expand the water supply in the urban and peri-urban areas of Luanda. The project involves the rehabilitation

and extension of the water distribution networks and the upgrade of pumping and treatment stations. This will result in connecting around new 951,000 people to the public water and sanitation network.

3 ADDRESSING SPATIAL INEQUALITY THROUGH IMPROVED URBAN INFRASTRUCTURE

AFD provides loans directly to South Africa's largest municipalities to fund infrastructure projects or capital investment budgets. Such loans generally include technical cooperation tailored to each municipality's strategy and needs and are aimed at reducing the geographical disparities inherited from apartheid. In Cape Town, AFD financed

infrastructure projects identified in the City's Integrated Development Plan program. These included building clinics, parks, and libraries in historically marginalized communities to redress the imbalances of the past. The funds also helped expedite the completion of ongoing major transport infrastructure linking townships to the city centre.

SOUTH AFRICA

BETTER LIVING CONDITIONS FOR CAPE TOWN'S RESIDENTS



Through a direct loan to support the City of Cape Town's Integrated Development Plan, AFD is supporting the implementation of infrastructure and sustainable city planning. This will foster economic development and better living conditions for the city's residents.

BACKGROUND

Cape Town's territorial development strategy is set out in two strategic and urban planning documents: its Integrated Development Plan (IDP) and its Spatial Development Framework.

The IDP, an essential tool for planning and urban planning at the municipal level over 5 years, aims to combine the various national sectoral policies at the local level with cross-cutting actions and to integrate in one place all dimensions of local development. The goals are to make Cape Town a prosperous city, providing efficient and accessible services to all, and to serve its citizens with a well-managed and well-managed administration.

DESCRIPTION

AFD will provide the Cape Town Metropolitan Municipality with global budget support to its IDP in the form of a direct loan, accompanied by technical cooperation. The latter will consist of:

- ▶ Close monitoring of the community, its financial situation and management, its territorial development strategy and the main related public policies;
- ▶ An in-depth dialogue and technical cooperation on policies deemed a priority by the City and the AFD, such as water and sanitation, urban restructuring and social housing.

IMPACTS

The projects aims to:

- ▶ Promote sustainable and integrated urban development;
- ▶ Increase access to basic infrastructure on a local level, and especially to transportation, water and sanitation;
- ▶ Foster better integration of previously disadvantaged populations in the urban fabric, especially via urban redevelopment policies;
- ▶ foster large South-Africa cities autonomy and improve management of public services.

The project's expected economic, social and environmental impacts are far-reaching, and include:

- ▶ Increase in population life expectancy with the creation of 22,000 jobs per year;
- ▶ Improvement of access to basic services for disadvantaged populations, especially water, decent housing, with the rehabilitation of 25% of informal housing districts;
- ▶ Creation of 9,000 social housing units per year, and improvement of public transportation supply and urban redevelopment and regeneration;
- ▶ Reduction of greenhouse gases, water losses and consumption, as well as urban ecosystems preservation.

SOUTH AFRICA

Country



18/02/2013

Project start date

15/03/2028

Project end date



**WATER AND SANITATION
ENERGY, INFRASTRUCTURE,
SUSTAINABLE CITIES
SECTORS**



CAPE TOWN

Location

15 YEARS

Duration of funding



**NON-SOVEREIGN
CONCESSIONAL LOAN**

Financing tools



EUR 200,000,000

Financing amount

Municipality of Cape Town

Beneficiaries

ZAMBIA

SUPPORT TO THE ZAMBIAN ROAD PROGRAM BY RENOVATING THE NACALA REGIONAL CORRIDOR



Linking Zambia to the port of Nacala in Mozambique (via Malawi), the Nacala Regional Corridor has been poorly maintained. AFD is currently supporting its rehabilitation, a priority for Zambia, but also for Mozambique and Malawi.

BACKGROUND

The 1,650 km-long Nacala Regional Corridor connects Zambia to the port of Nacala in Mozambique via Malawi. This road, built in the 1960s, has been poorly maintained for many years. This route is considered by the Zambian government a priority for the development of the country, constituting an alternative to the Beira Corridor, which also leads to the Mozambique coastline but crosses Zimbabwe.

Its rehabilitation is not only a priority for Zambia, but also for Malawi and Mozambique who have signed a *Spatial Development Initiative Trilateral Agreement* to strengthen their cooperation within the framework of the Southern Africa Development Community (SADC). The rehabilitation of the Nacala Corridor is explicitly mentioned in the Agreement.

DESCRIPTION

The rehabilitation work on the 360km Great East Road between Luangwa and Mwami, which is broken down into eight sections, consists in bringing the route up to the regional technical standards of the Southern African Transport and Communication Commission (SATCC) in terms of widening the main carriage way and hard shoulders. The rehabilitation also includes reinforcing the road structures and repaving its surface, as well as building rest areas and car parks.

IMPACTS

The projects aims to:

- ▶ Reduce travel times and transportation costs nationally and regionally, as well as vehicle operating costs;
- ▶ Improve road safety;
- ▶ Enable the growth of agricultural production in the eastern regions of Zambia, facilitate their movement and increase corresponding revenues.

ZAMBIA

Country



01/01/2010

Project start date

30/12/2017

Project end date



Infrastructure

Sectors



ZAMBIA

Location

15 YEARS

Duration of funding



Loan

Financing tools



EUR 53 000 000

Financing amount

Republic of Zambia

Beneficiaries

African development bank
European Investment Bank (EIB)
Infrastructure Trust Fund
European Union

Co-financing organizations

ANGOLA

INSTITUTIONAL DEVELOPMENT OF THE URBAN AND PERI-URBAN WATER SECTOR OF LUANDA



AFD supports access to public water and sanitation services in urban and peri-urban areas of the country's provincial capitals.

BACKGROUND

In Angola, only 49% of the population had access to an improved water source and 52% to an improved sanitation system in 2015. In urban areas, about 75% of the population had access to an improved water source of which only 32% is through public drinking water systems.

In order to improve the living conditions of the population, the government has made access to essential services a priority and aims to give all people access to water by 2025. It has thus undertaken to improve the governance framework of the water sector through strengthening the technical capacities of the newly created provincial companies and setting up a tariff policy to guarantee the sustainability of the water service.

DESCRIPTION

The project is implemented by the Ministry of Energy and Water (MINEA) of Angola through its National Directorate of Water (DNA) and comprises the following components:

- ▶ Institutional strengthening through technical assistance to newly created provincial water companies and the sector regulator (IRSEA) for the development of regulations and tariffs; a study on opportunities for private sector participation in the water sector and, where appropriate, the development of a public-private partnership framework;
- ▶ Improved management of water resources through technical assistance

to the National Institute of Hydric Resources (INRH) and support to the development and implementation of management plans for two watersheds (Keve & Longa and Cubal da Hanha), as well as a national dam safety plan. This component also includes the construction of hydrometric stations and the establishment of monitoring and management systems for water resources;

- ▶ Development of infrastructures through rehabilitation and extension works for drinking water production and supply systems, as well as drinking water distribution systems, including 1,675 km of pipelines, 185,000 new connections, and the installation of water meters ;
- ▶ Project management support including support for project management by the National Water Directorate, development of studies of sanitation master plans for the provinces targeted by the project, and technical assistance to the Empresa Pública de Águas de Luanda (EPAL) for the realization of a water master plan of Luanda.

IMPACTS

- ▶ Approximately 951,000 people, mainly in unserved and peri-urban areas, will gain access to water services;
- ▶ The sustainability of the water service will be increased through the establishment of a regulatory framework, the professionalization of provincial water companies and the development of a pricing policy including a social tariff.

ANGOLA

Country



14/07/2017

Project start date

15/07/2022

Project end date



Water and sanitation
Sector



LUANDA
Location

20 YEARS

Duration of financing



Sovereign loan
Financing tool



EUR 141 096 000
Financing amount

Republic of Angola
Beneficiaries

World Bank
Co-financing organizations

AFD is an inclusive public financial institution and the main actor in France's development policy. It makes commitments to projects that genuinely improve the everyday lives of people, in developing and emerging countries and in the French overseas territories.

AFD works in many sectors – energy, health, biodiversity, water, digital technologies, training – and supports the transition to a safer, more equitable and more sustainable world: a world in common. Its action is fully in line with the Sustainable Development Goals (SDGs).

Through its network of 85 agencies, AFD operates in 109 countries and is currently supporting over 3,500 development projects. In 2017, it earmarked EUR 10.4bn to finance these projects.

**AGENCE FRANÇAISE
DE DÉVELOPPEMENT**

**FRENCH DEVELOPMENT
AGENCY**

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