

DEVELOPMENT CORRIDORS AND INFRASTRUCTURE DEVELOPMENT:



PRESENTATION

Arusha, Tanzania

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OBJECTIVE

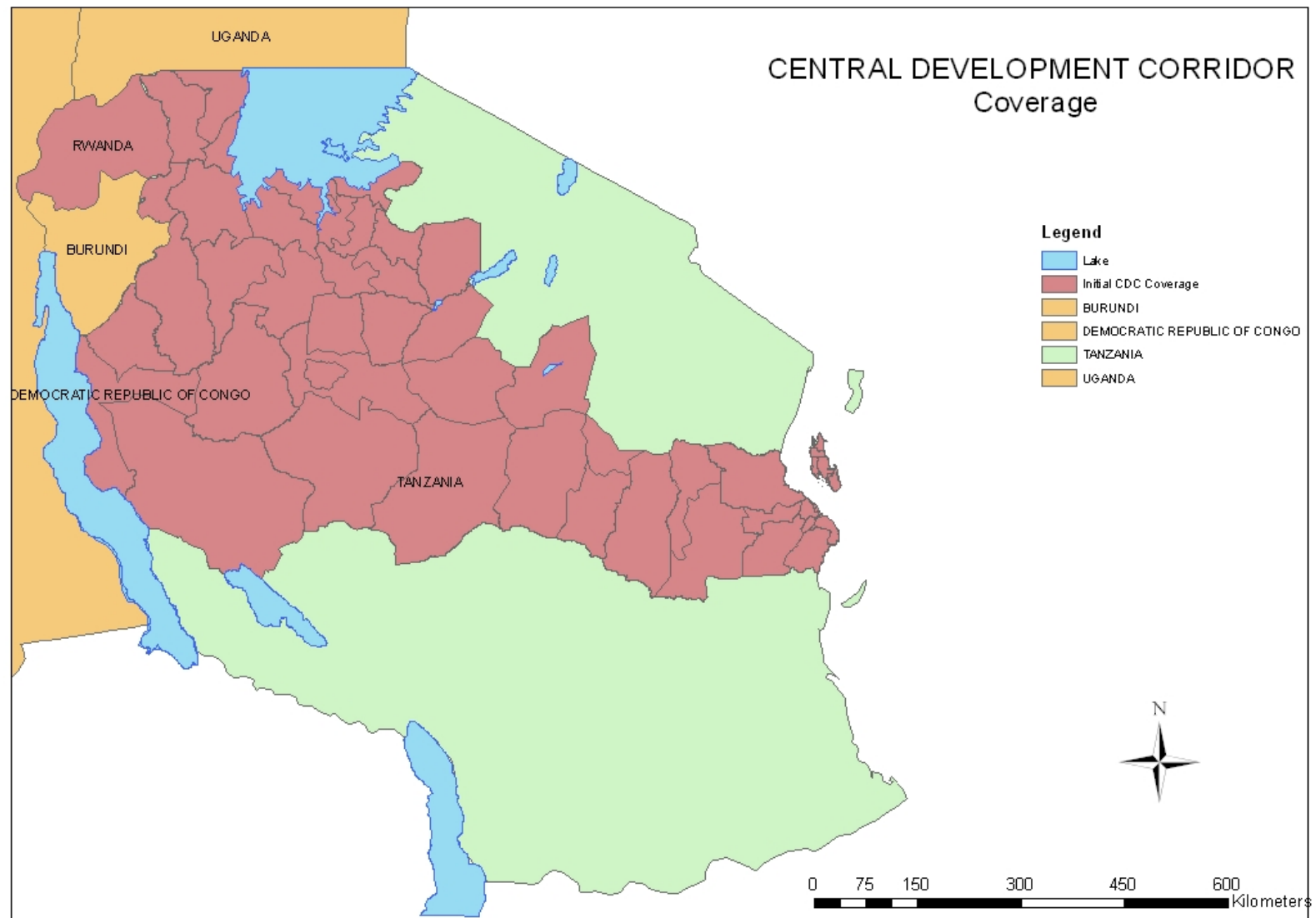
- Presentation of Development Corridors (Spatial Development Initiatives) methodology as a tool to expedite infrastructure Development by emphasizing its economic function

CDC SDI

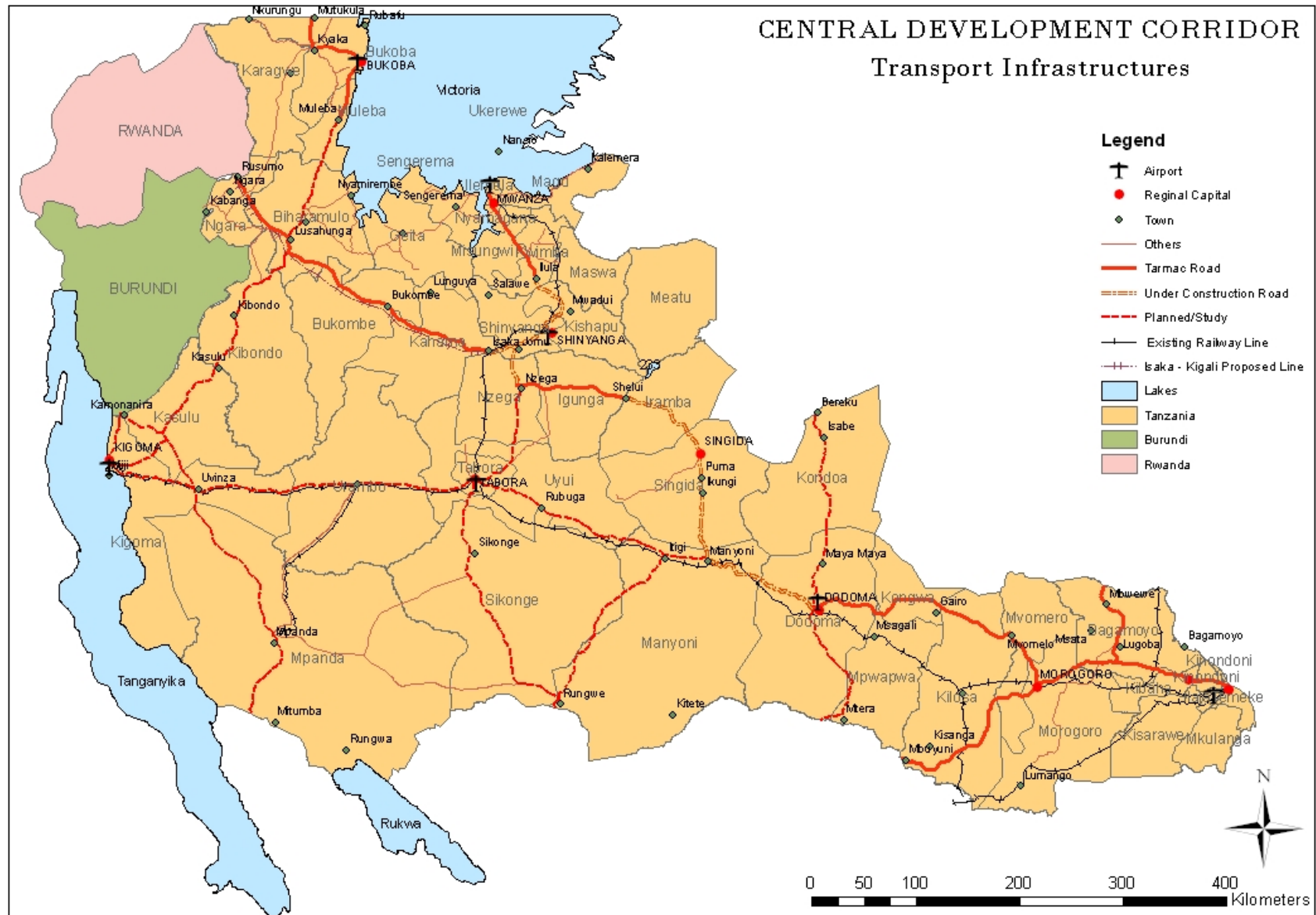
BACKGROUND

- Central Development Corridor (Spatial Dev Initiative): implemented under Rwanda and Tanzania Agreement signed on 14 January 2005.
- Burundi and DRC (Eastern part) also involved

CDC SDI COVERAGE



CENTRAL DEVELOPMENT CORRIDOR Transport Infrastructures



Dev Corr SDI Methodology

A. Traditional approach: Promoting projects individually or by sectors:

- Difficult to appreciate plans and timing of key inputs from other projects or sectors for success of project, (to show ways to mitigate externally driven risks for potential investors)
- Difficult to consistently and clearly prioritize across sectors and countries (for cross-border projects)
- Because of above factors, projects take too long to implement

WHAT IS SDI VALUE ADDITION?

B. SDI Methodology: Projects profiled and promoted as an integrated Business Case:

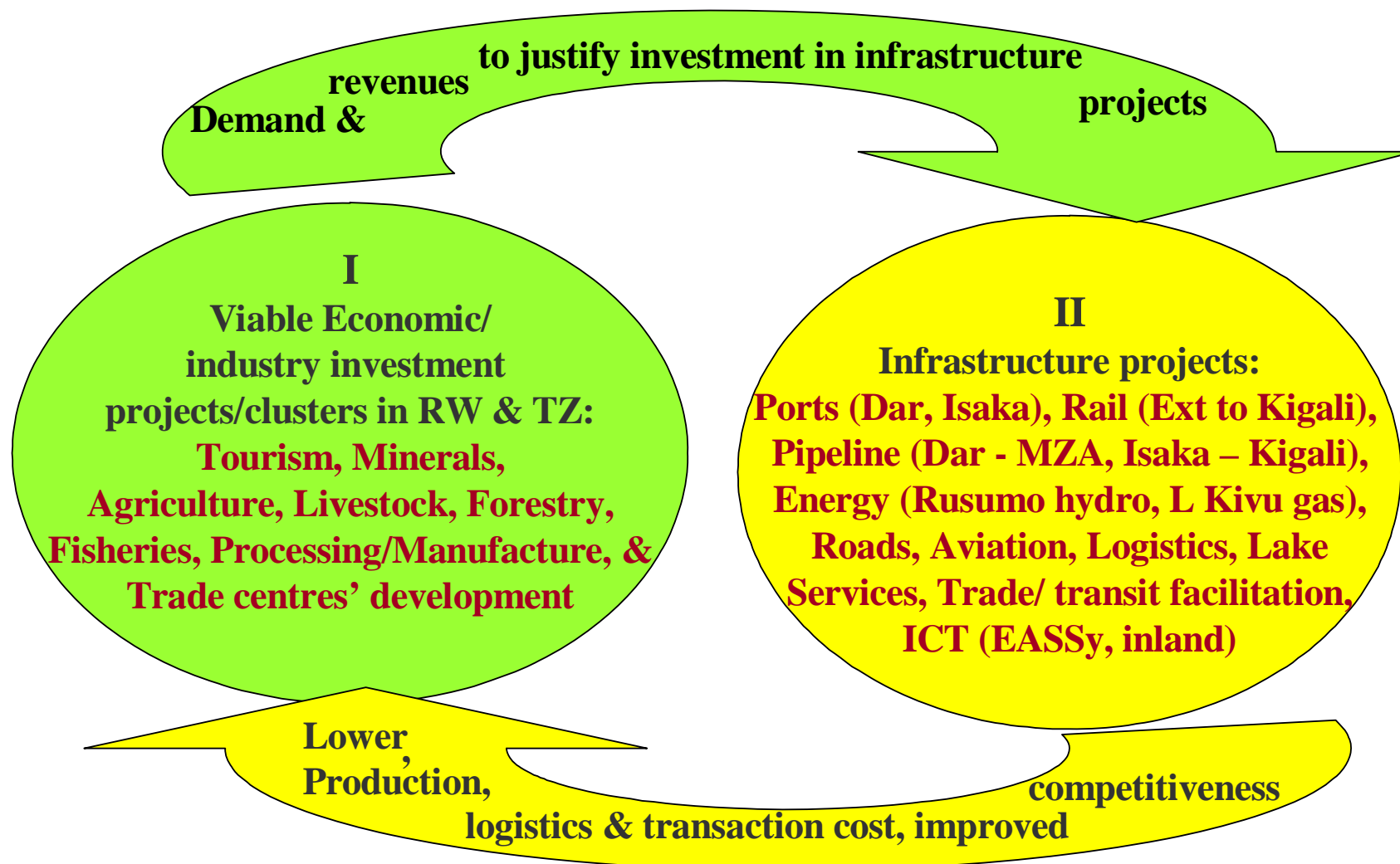
- Clear definition and prioritisation of key or anchor projects
- Clear elaboration of projects' interdependence and need for integration for success and to achieve intended benefits
- Facilitate “crowding in” of investors and project financiers around integrated business case: (enables consulting and solving mutual concerns – for quicker investment decision making)

WHAT IS SDI VALUE ADDITION?

C. SDI Methodology: Projects as drivers of development process:

- Large scale private sector economic generator “anchor” projects that support/accelerate the case for...
- Strategic investment in infrastructure projects, funded by government, public private sector partnerships or private equity/debt financing, which...
- Accelerates the ongoing process of investments in small to medium sized economic generator investment projects.

Figure 1: First 2 pillars of CDC business case



CDC SDI BUSINESS CASE DEVELOPMENT

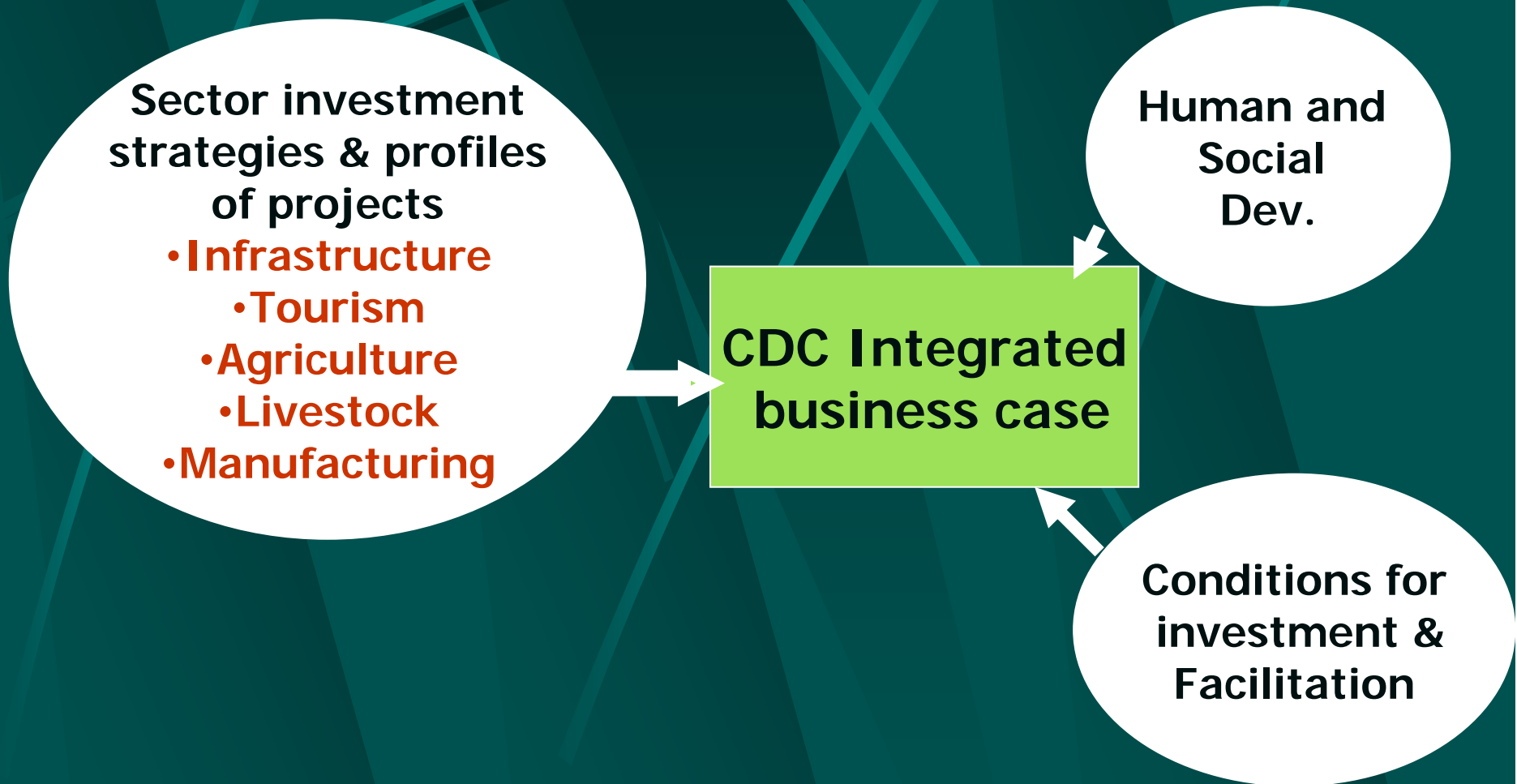
Sector investment strategies & profiles of projects

- **Infrastructure**
- **Tourism**
- **Agriculture**
- **Livestock**
- **Manufacturing**

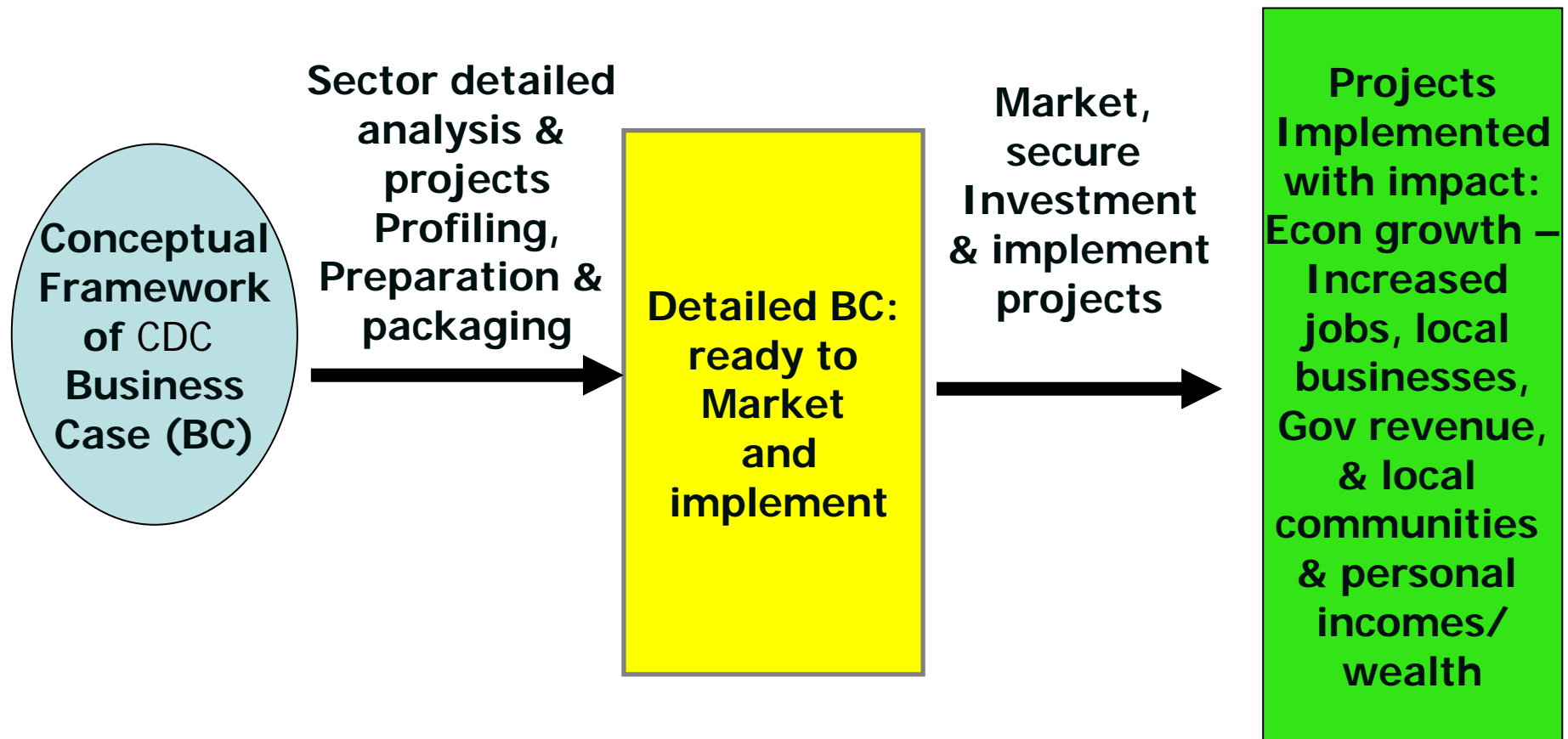
CDC Integrated business case

Human and Social Dev.

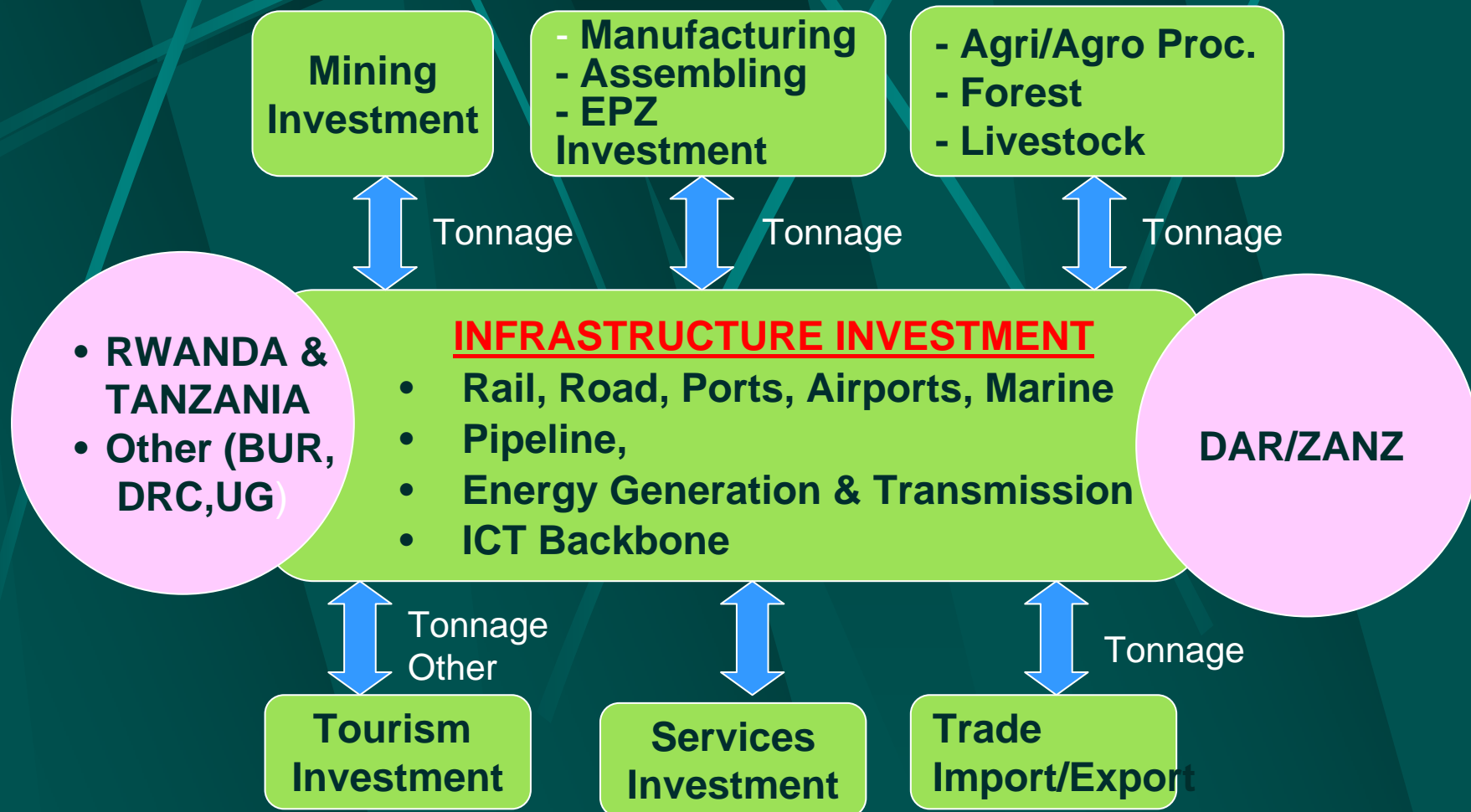
Conditions for investment & Facilitation



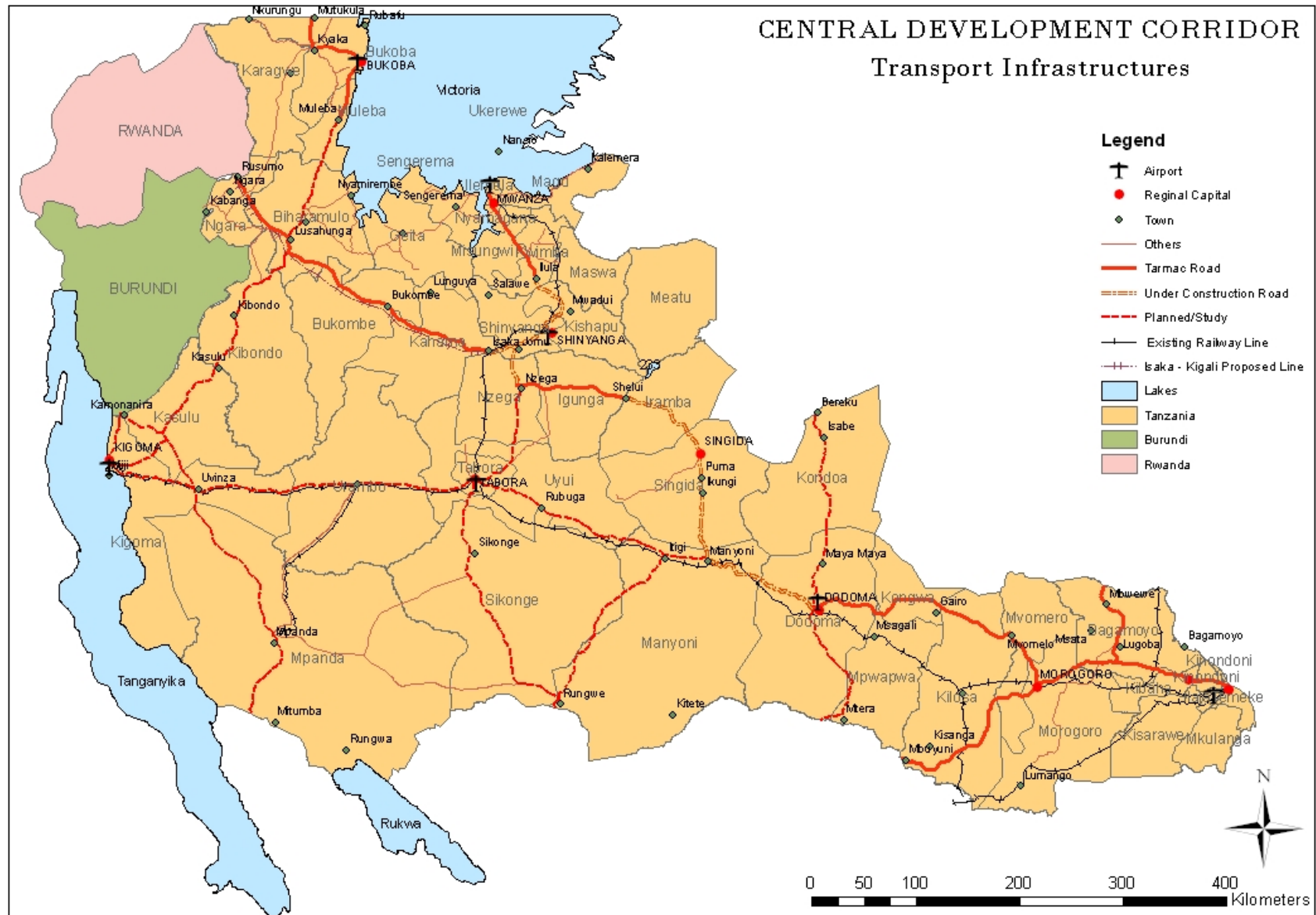
BP process and expected outcome



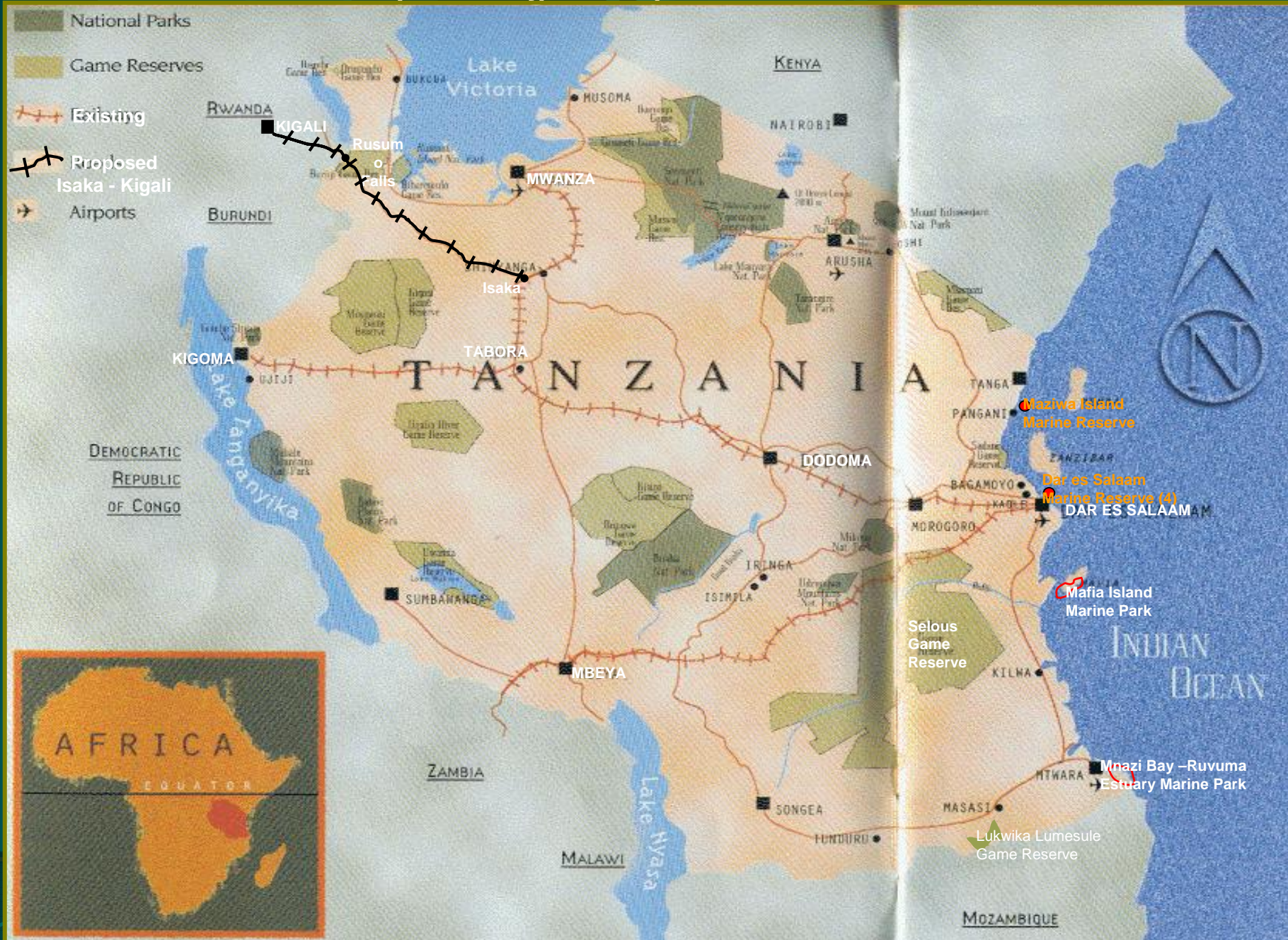
CDC INFRASTRUCTURE DEVELOPMENT FRAMEWORK



CENTRAL DEVELOPMENT CORRIDOR Transport Infrastructures



Map showing Railway and Road Network










CDC SDI BUSINESS CASE DEVELOPMENT

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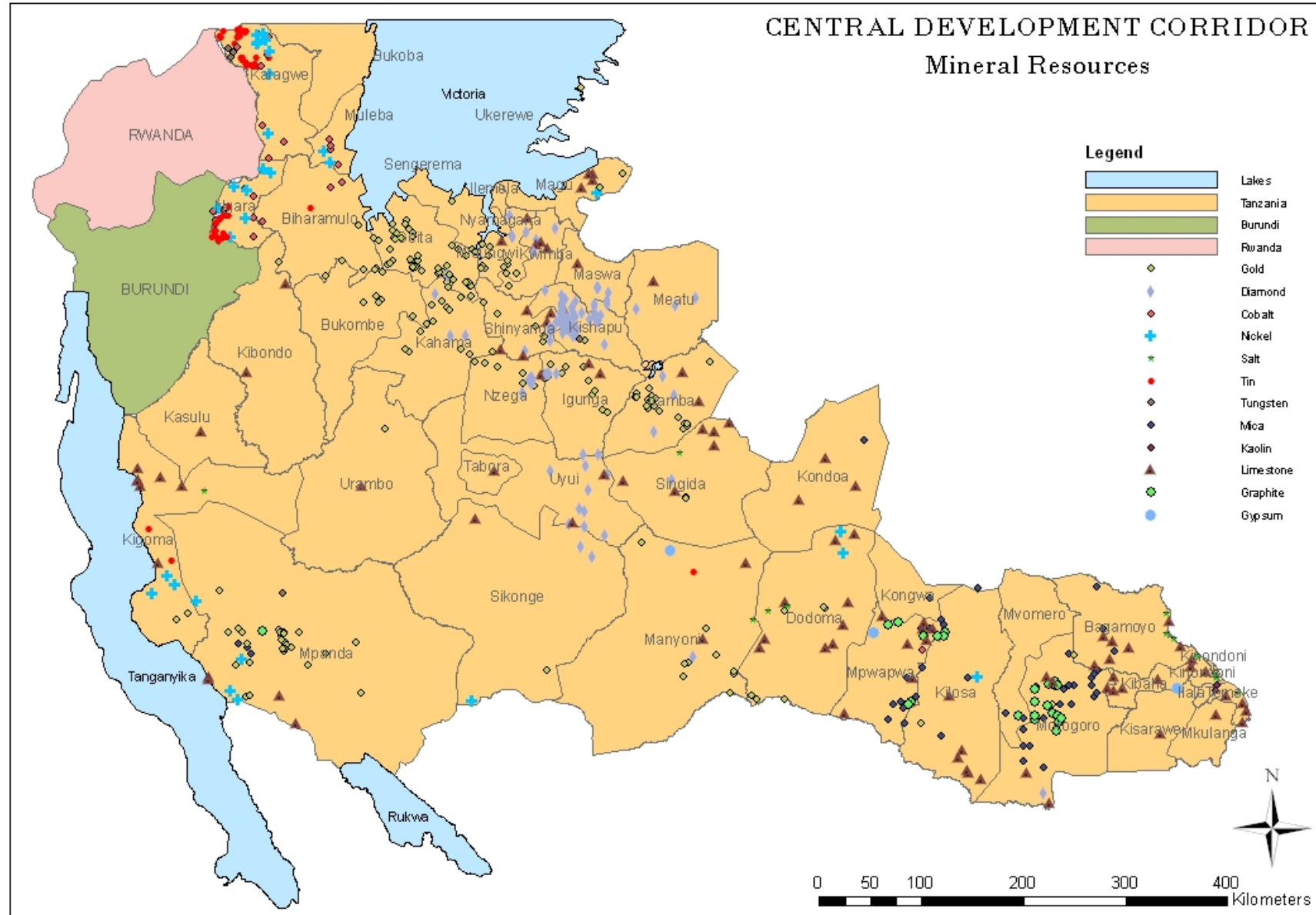
CDC SDI ECONOMIC SECTORS: DRIVERS OF ECONOMIC GROWTH

The background is a solid teal color. It features several thin, light-blue lines that intersect at various angles, creating a dynamic, abstract pattern. At the bottom of the image, there is a horizontal band containing a fine grid pattern, similar to graph paper.

Mining and mineral beneficiation

- Large scale mining (Nickel, more gold, tin, etc)
- Beneficiation & downstream industries
- Mines supply centre (s)
- Development of small scale miners
- Development of mining industry related SMEs (mineral based lapidary industries, eg jewelry)

CENTRAL DEVELOPMENT CORRIDOR
Mineral Resources



Agriculture & agri-processing, and forestry products

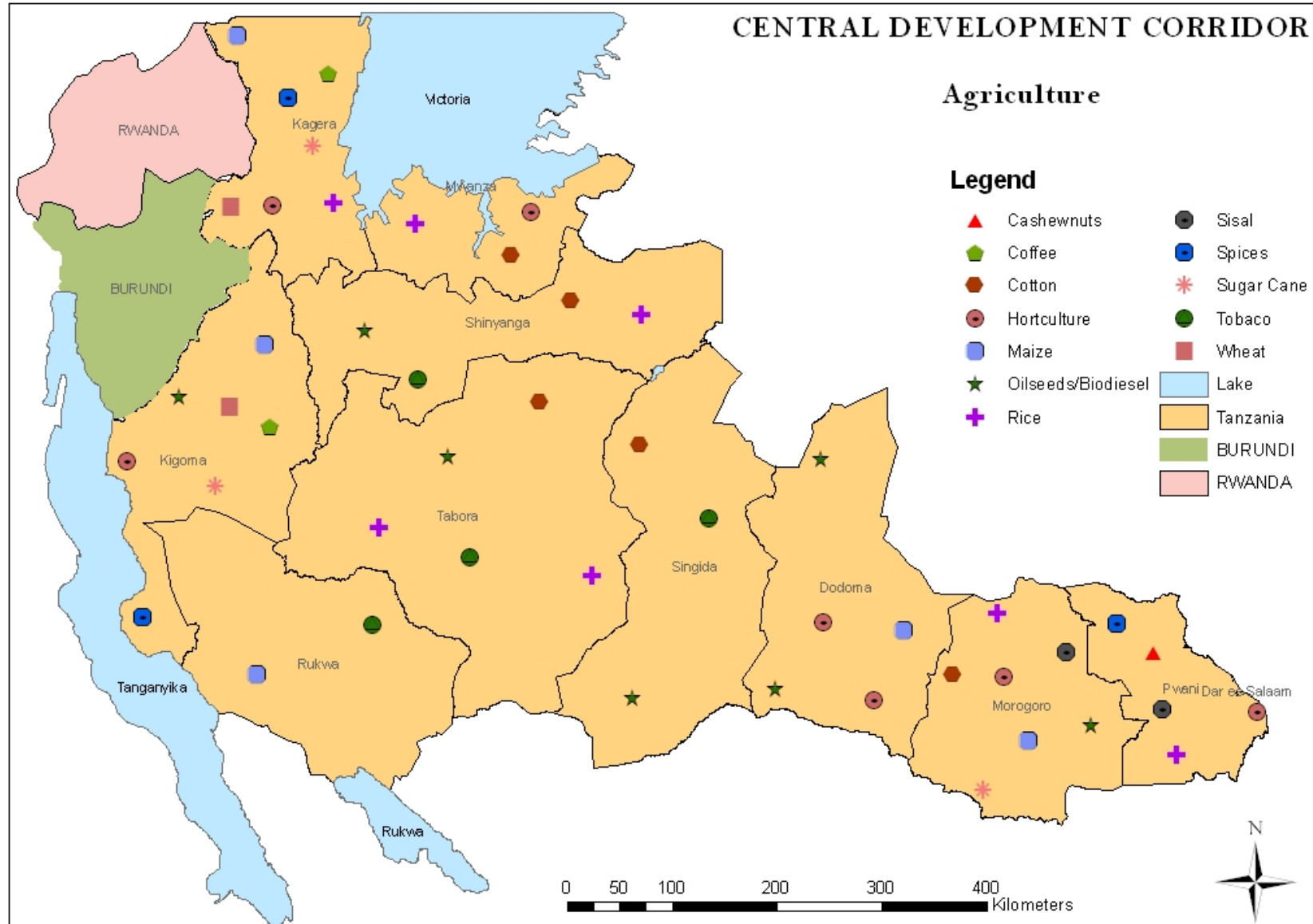
- Improving all points of value chain of traditional products (production – processing – markets)
- Developing new competitive strengths (food crops, bio-fuels/ oilseeds, horticulture – fruits & vegetables, floriculture, etc)
- Production/ manufacturing of inputs & equipment and spare parts

CENTRAL DEVELOPMENT CORRIDOR

Agriculture

Legend

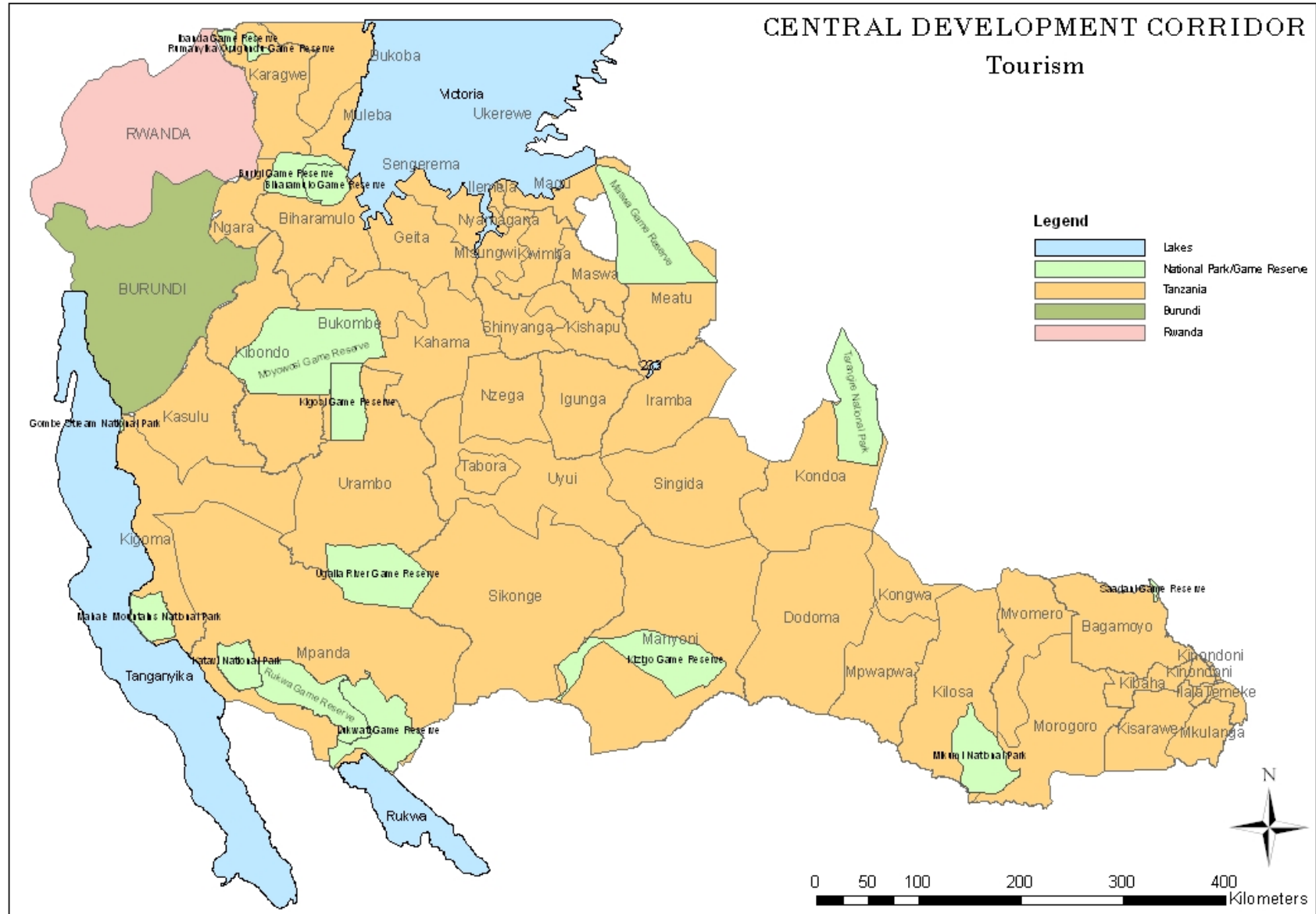
- | | |
|----------------------|--------------|
| ▲ Cashewnuts | ● Sisal |
| ◆ Coffee | ■ Spices |
| ● Cotton | * Sugar Cane |
| ● Horticulture | ● Tobacco |
| ■ Maize | ■ Wheat |
| ★ Oilseeds/Biodiesel | ■ Lake |
| ✚ Rice | ■ Tanzania |
| | ■ BURUNDI |
| | ■ RWANDA |



Tourism

- Develop western tourism circuit (national parks, game reserves, historical – explorers/slave trade route, cultural, etc)
- Trans-frontier tourism (Kagera & Rubanda, Rumanyika)
- Joint marketing, etc

CENTRAL DEVELOPMENT CORRIDOR
Tourism



Others

- Livestock, fisheries and processing
- Manufacturing
- Trade (Development of regional trade hubs at Dar es salaam port and inland major centres such as Kigali, Kigoma and Mwanza)

INFRASTRUCTURE DEVELOPMENT TO FACILITATE ECONOMIC PROJECTS

- Improve port terminals, road and rail access to existing and new port terminals to cater for increased containers and break bulk traffic
- Improve railway performance and extend to Kigali (the extension is make or break for large nickel project)
- Improve roads for access to key economic development, processing and markets centres
- Improve airports and air freight and air travel to cater for fresh (horticulture) & time sensitive products, tourist and business travel

INFRASTRUCTURE DEVELOPMENT TO FACILITATE ECONOMIC PROJECTS

- Improve power (adequate, reliable and competitively priced) to cater especially for dramatic increase in process industries and other manufacturing activities
- Improve ICT system to reduce transactional costs
- Improve facilitation (Customs and other admin processes or procedures along trade routes)
- Establish inland terminals (eg Isaka) and other logistics services centres

INFRASTRUCTURE DEVELOPMENT TO FACILITATE ECONOMIC PROJECTS

- Establish cold chain transport capacity to cater for chilled and frozen goods (eg meat, milk, horticulture products, etc)
- Establish pipeline for more efficient transportation of fuel (including refinery at Dar)
- Improve Lakes (Tanganyika and Victoria) ports and services to provide links to economic centres and also especially with neighbouring states

Conclusion

- From initial reaction to CDC integrated projects profiling, potential investors in economic projects and investors/financiers in related infrastructure projects have expressed appreciation of presentation of comprehensive SDI type info to facilitate their decisions.
- The completion of CDC SDI business case is expected to provide better framework for expedited action