

# **Signing of the first Japanese ODA Loan Agreement with Burkina Faso: Enhancing a regional transportation network through improvement to an international corridor connecting West African countries**

On March 2, the Japan International Cooperation Agency (JICA) signed its first loan agreement with the Government of Burkina Faso in Ouagadougou, the capital city, to provide a Japanese ODA loan of up to 5.659 billion yen for the Gounghin – Fada N’Gourma Road Improvement Project.

The project will pave and widen the Gounghin – Fada N’Gourma section (approximately 50 kilometers in length) of national road on the international corridor (approximately 217 kilometers in length) running from Gounghin in eastern Burkina Faso to the border with Niger. The objective of the project is to make the transportation network more efficient, thereby contributing to poverty reduction and economic development in the targeted areas, as well as to the regional integration in the West African Economic and Monetary Union (WAEMU)\*. The loan funds will be allocated to civil works for the target road section. The project will be co-financed by the African Development Bank (AfDB).

In the East and Centre-East Regions of Burkina Faso where the target road of the project runs, most inhabitants work in the agriculture, forestry and farming industries, and among the crops grown are cotton, sesame, onions and tomatoes. Raw cotton, one of the major exports of Burkina Faso, is transported to cotton plants in Fada N’Gourma and Ouagadougou for processing, after which it is exported from international ports in the West African coast countries. However, the national road reaching Ouagadougou, including the road section between Gounghin and Fada N’Gourma, has not undergone any significant rehabilitation since the 1980s, and the pavement is in an advanced state of degradation, which hinders traffic and the transportation of agricultural products. The target road is a key transportation route as it is positioned a key location on the international corridor that connects Ouagadougou to Niamey, the capital city of Niger to the east, as well as Ouagadougou to Cotonou, the capital city of Benin, to the south. The transportation demand along the target road has grown over the years and is projected to continue increasing, making it urgent to improve the road condition by paving and lane widening. Therefore, delays in improvements to the road infrastructure in the target area are a regional concern hampering economic development not only in Burkina Faso but also in Niger, a landlocked country. For this reason, the AfDB and the European Union (EU) are also supporting infrastructure development on the international corridor.

In addition to this project, JICA is implementing cooperation such as the Project on the Corridor Development for West Africa Growth Ring Master Plan (2015–2018), and the Project for Improvement of the southeastern Tansoba bypass in Ouagadougou (grant agreement signed in August 2017), with the aim of enhancing connectivity and promoting local industrial activities by improving transportation infrastructure in the landlocked and coastal countries of West Africa. Through such projects, JICA will continue to contribute to the economic development of Burkina Faso and the regional integration of West Africa.

\* WAEMU (UEMOA in French) is a regional economic community comprising eight West African member countries: Benin, Burkina Faso, Côte d’Ivoire, Guinea-Bissau, Mali, Niger, Senegal and Togo.

## 1. Terms and Amount of Loan

Project title	Amount (million yen)	Annual interest rate (%)		Repayment period (years)	Grace period (years)	Procurement
		Project	Consulting services			
Gounghin – Fada N’Gourma Road Improvement Project	5,659	0.01	N/A	40	10	General, untied

## 2. Executing Agency

Ministry of Infrastructure

Address: 35, Avenue Pr. Joseph Ki-Zerbo, Building LAMIZANA, Ouagadougou, Burkina Faso

Phone: +226-25-30-28-65, fax: N/A

## 3. Planned Implementation Schedule

(1) Completion of project: November 2020 – when all of the facilities are put into service

(2) Issuing of letters of invitation for consulting services: Not applicable for this loan. Consulting services will be provided through financing from the AfDB.

(3) Tender announcement of initial procurement package for international competitive bidding on project construction:

Procurement package title: Civil Works

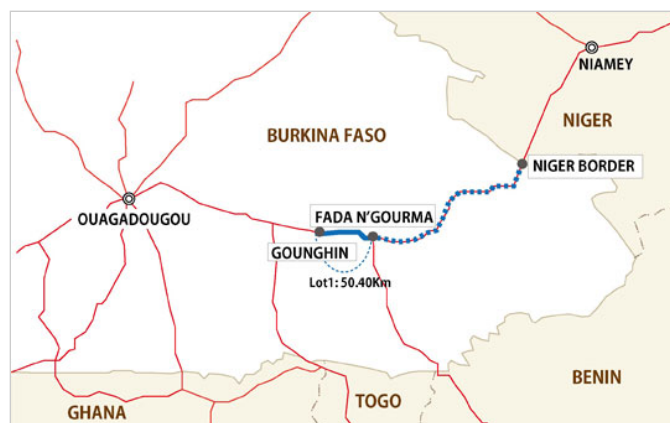
Release date: February 2018 (already released)



signing ceremony



Map of the target region and surroundings. Red lines represent the international corridors of the West Africa Growth Ring. The target section is along the blue line.



Map of the target section (the project finances civil works on the Gounghin – Fada N’Gourma section).