



EU-Africa Infrastructure Trust Fund

Access to transport and communication services, water and energy is at the heart of reducing poverty and achieving sustainable economic growth. Europe and Africa are working together to bridge Africa's infrastructure deficit.

Initiatives to enhance African infrastructure networks

Since 2005, there has been an intensification of international and African efforts in favour of African development and the Millennium Development Goals. In this context, the European Union institutions have developed a number of policy initiatives for Africa.

In December 2007, the second EU-Africa Summit in Lisbon adopted the **Joint Africa-EU Strategy ("JAES")**. The JAES was reconfirmed as the political and policy framework for EU-Africa relations at the third summit in November 2010. Both summits identified infrastructure in general – and particularly increased interconnectivity within Africa and between Africa and the EU in the fields of transport, energy, ICT and water – as key areas for Africa-EU cooperation. The importance attached to these areas was reflected in the subsequent JAES Action Plans for 2007-2010 and 2011-2013 under the partnerships on trade, regional integration and infrastructure, as well as energy, science, the information society and space.

The **EU-Africa Infrastructure Trust Fund (ITF)** is an instrument of the wider EU-Africa Infrastructure Partnership. The Trust Fund aims to increase investment in regional infrastructure in Africa by blending long-term loan financing with grant resources from the European Commission and EU Member States. Technical and lending capacities are provided by the European Investment Bank and EU development financiers, as well as the African Development Bank, on the basis of African ownership.

Eligible sectors

- Energy;
- Transport: road and railway networks, ports, maritime and river routes, air transport;
- Water and sanitation networks;
- Information and communication technologies (ICT).

Projects which benefit from this innovative fund combine the following characteristics

- identified as priority projects by the African Union or regional bodies;
- cross-border or national projects with a demonstrable regional impact;



- sustainable and development-oriented projects, assessed in the light of their financial and economic viability, impact on the environment and contribution to sustainable economic growth and poverty reduction;
- projects carried out by public, private or mixed-capital entities.

The Fund provides four types of grant support:

- interest rate subsidies on medium/long-term project loans;
- technical assistance, including feasibility studies and project-related capacity building;
- one-off grants for social or environmental components of projects;
- insurance premia to cover country risks during the inception phase of the project.

The Fund fosters co-financing and technical collaboration between numerous stakeholders, in line with the principles of the Paris Declaration on Aid Effectiveness and the European Consensus for Development.

The main stakeholders are:

- the European Commission and EU Member States;
- the African Union and African Member States;
- the European Investment Bank and participating European development finance institutions;
- the African Development Bank;
- promoters/sponsors of projects.

List of eligible African countries¹

- | | | |
|--------------------------------|-------------------------|----------------|
| • Angola | • São Tomé and Príncipe | • Comores |
| • Benin | • Ghana | • Seychelles |
| • Botswana | • Togo | • Mozambique |
| • Burkina Faso | • Guinea-Bissau | • Namibia |
| • Burundi | • Guinea Republic | • Niger |
| • Cameroon | • Liberia | • Nigeria |
| • Central African Republic | • Kenya | • Rwanda |
| • Chad | • Somalia | • Senegal |
| • Congo Brazzaville | • Lesotho | • Cape Verde |
| • Côte d'Ivoire | • Swaziland | • Gambia |
| • Democratic Republic of Congo | • Madagascar | • Sierra Leone |
| • Eritrea | • Malawi | • Sudan |
| • Ethiopia | • Mali | • Tanzania |
| • Djibouti | • Mauritania | • Uganda |
| • Gabon | • Mauritius | • Zambia |
| • Equatorial Guinea | | • Zimbabwe |

Governance structure

EU-Africa Infrastructure Partnership Steering Committee:

- ensures strategic guidance and consistency with other African and multi-stakeholder initiatives.

The Trust Fund Executive Committee:

- Governing body, composed of the Donors to the Fund
- Approves all grant operations
- Overall responsibility/monitoring of performance

Project Financiers Group²:

- composed of development finance institutions nominated by one of the Donors
- body with international development project expertise
- submits projects to the Executive Committee for approval of grants
- transfers the advantageous conditions to the project promoter(s)

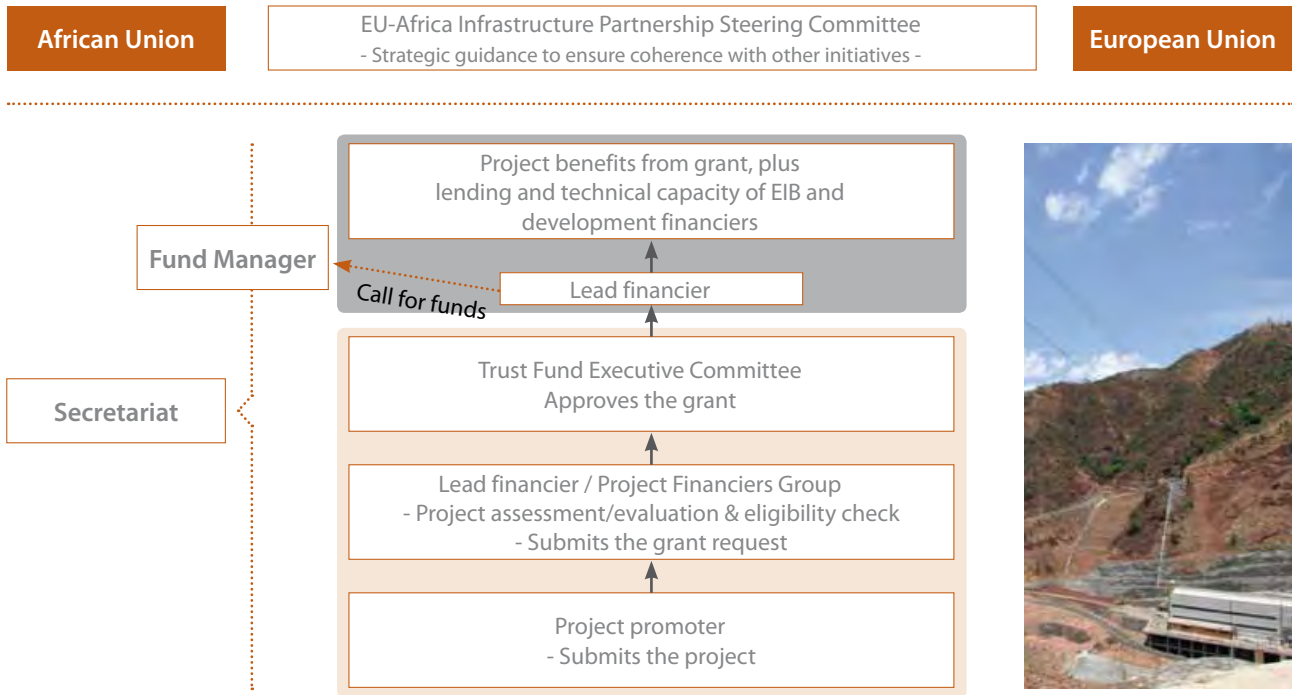
The **Secretariat**, housed at the EIB, assists the Executive Committee.

The **Manager** (the EIB) is in charge of the financial management of the Fund (disbursements and internal control, treasury, accounting, etc.).

¹ The Republic of South Africa is currently not an eligible country. It can however indirectly benefit from the Fund if a cross-border project includes a South African component.

² African Development Bank – AfDB, European Investment Bank – EIB, Development Bank of Austria – OeEB, Belgian Investment Company for Developing Countries SA/NV – BIO, Finnish Fund for Industrial Cooperation Ltd – Finnfund, Agence française de développement – AFD, Kreditanstalt für Wiederaufbau – KfW, Hellenic Ministry of Economy and Finance, Società Italiana per le Imprese all'Estero – SIMEST SpA, Lux-Development S.A., Private Infrastructure Development Group – PIDG, Sociedade para o Financiamento do Desenvolvimento Instituição Financeira de Crédito – SOFID, the European Commission

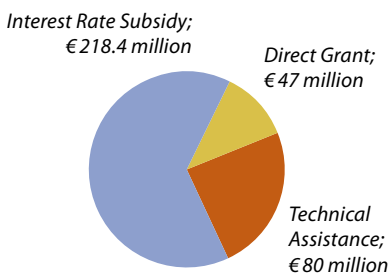
Project approval process



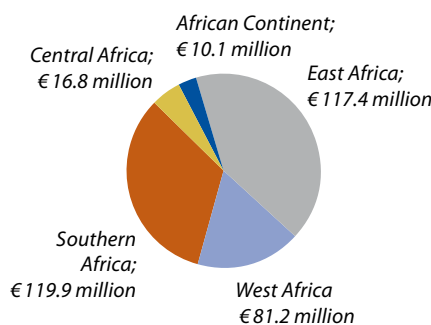
Facts, figures and results

- The cumulative total of **approved Grant Operations** increased from EUR 15.5 million in 2007 to EUR 345.4 million as at 30.09.2012.
- The total project cost of all Grant Operations supporting **projects in their investment phase** is currently estimated at EUR 3.5 billion.
- Each euro in ITF Grant Operations supporting projects in their investment phase is expected to generate about thirteen euros in total investments.

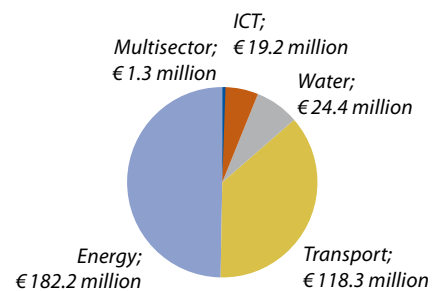
Approved Grant Operations
By type of Grants



Approved Grant Operations
By Region



Approved Grant Operations
By Sector



The Trust Fund's objective	Attract and leverage resources and technical expertise to support regional infrastructure investments in sub-Saharan Africa
Operational since	June 2007
Pledged contribution amount (as of 30.09.2012)	EUR 392.7 million
Donors (as of 30.09.2012)	- European Commission: EUR 308.7 million - 12 EU Member States: EUR 84 million
Manager	European Investment Bank
Financiers	Financing institutions with development expertise, nominated by the Donors
Final beneficiaries	Project promoters (public, private or mixed-capital entities)



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