



## **“The role of the EIB in the transport sector – opportunities for the private sector”**

*Sector Seminar on “Transport and infrastructure in EU External Aid programmes*

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*Jackie Church, Institutional Strategy Department*

# Outline

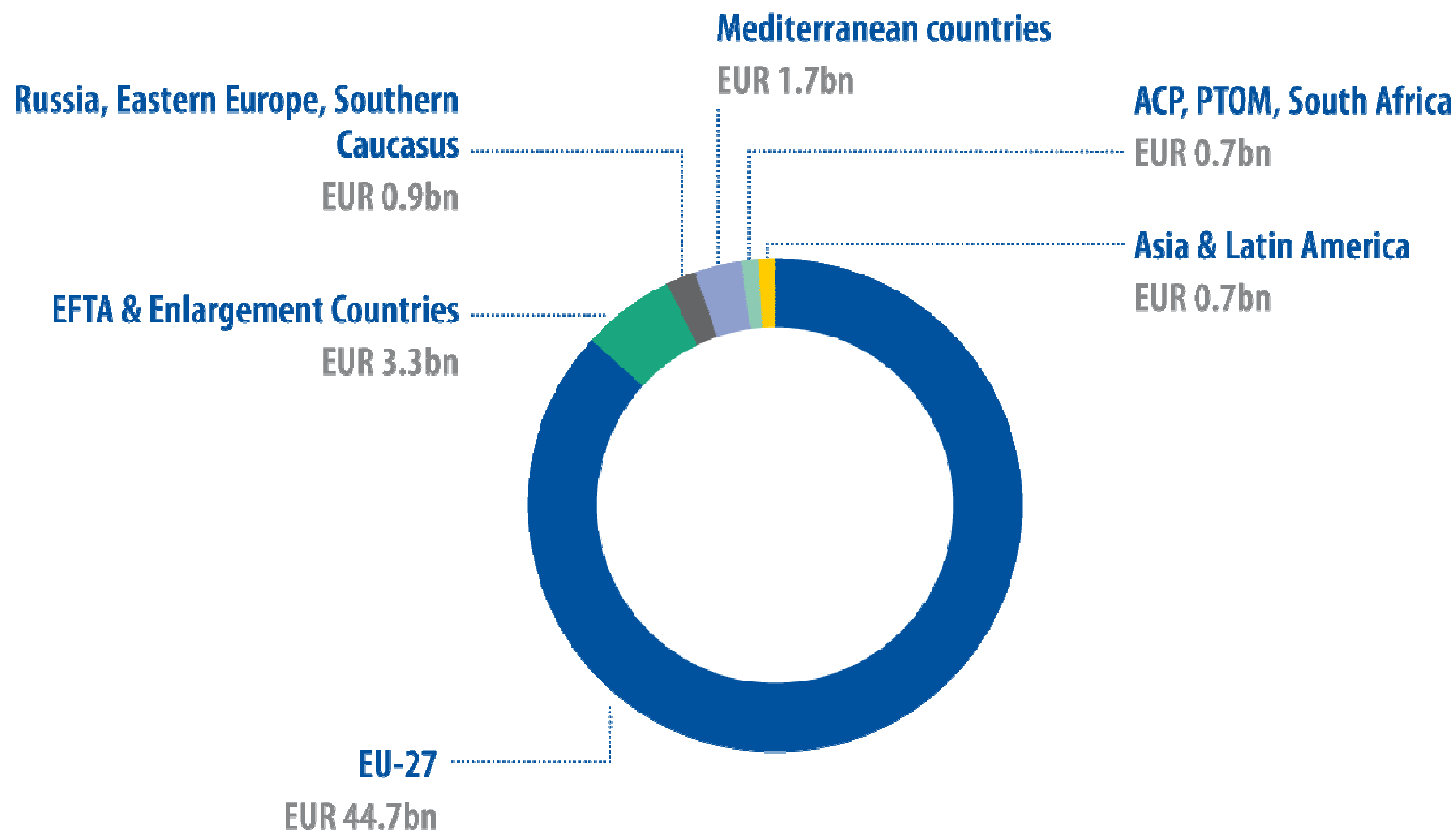
- EIB outside the EU
- EIB in the transport sector
- EIB and EU blending facilities
  - Overview
  - Technical assistance in the transport sector
    - Project examples

# EIB outside the EU: the framework

- ❖ The 'EU Bank'
- ❖ Support to EU external policies: enlargement, cooperation, development and climate policies
- ❖ **Multi-annual mandates:**
  - with EU budget guarantee, decided by the European Parliament and the Council
  - under Cotonou Partnership Agreement

Investment projects in some 150 non-member countries throughout the world

## EIB Signatures 2012 (in EUR)



## EIB outside the EU: priority objectives

- ✓ Local private sector development
- ✓ Social and economic infrastructure
- ✓ Climate action
- ⇒ Regional integration

# EIB's 2011 Transport Lending Policy

## Background:

- EU 2020 Strategy: smart, sustainable, inclusive growth
- 2011 Transport White Paper (Roadmap to a Single European Transport Area): innovation, modern sustainable transport system
- Connecting Europe Facility: EUR 50bn EC plan of investments to boost EU's networks (transport, energy, digital networks)

>>>> Review of EIB's 2007 transport lending policy

*EU focus – but also relevant outside the EU*

# EIB's 2011 Transport Lending Policy

EIB's transport lending contributes to multiple EU policy objectives:

- Environmental improvement
- Regional development
- Knowledge economy
- Trans-European networks (TEN-T)
- Climate action (mitigation/adaptation)

# EIB's 2011 Transport Lending Policy

## Guiding principles:

- Mobility is essential for economic growth: EIB strives for efficient, economic, sustainable ways of satisfying transport demand.
- Commitment to funding TEN-Ts: Backbone of transport investments in EU, essential for the internal market.
- Climate change: Continue to mainstreaming climate change considerations into all projects.



## EIB outside the EU and the Transport Sector

- ❖ 2007-12: Transport represents 21% of total signatures
  - ❖ Wide difference between regions: from 14% in ACP & RSA to 33% in EPCs
- Breakdown by sector:
    - Road = 49%
    - Urban = 22%
    - Rail = 15%
    - Port = 10%



**“Aid alone will never be enough to help a country pull itself out of poverty. It can only be a catalyst.”**

***Andris Piebalgs, European Commissioner for Development***

# Blending: an EIB perspective



**Leverage** additional public and private resources for EU external policy objectives



Increase **aid effectiveness**:

- Grant improves quality and sustainability of projects and speeds up processes
- Careful use of loans increases **financial discipline** and **ownership** compared to exclusively grants



**Promote cooperation and coordination** (donors and finance institutions).

# Objectives of Technical Assistance

- To **help** the partner countries and private promoters to better prepare, manage and supervise their investment projects;
- To **improve** the quality and development impact of investment;
- To **strengthen** the management capacities of local partners in the medium and long term.

# Upstream Studies and Project Preparation

## **EUROMED** Logistic Platforms (FEMIP Trust Fund)

Aim: to create a network of  
Mediterranean logistic platforms

TA(1):

- Diagnosis of Logistic Needs
- Definition of typology of platforms
- Identification of +/- 10 sites

TA(2): Network Feasibility Studies



TA (1): EUR 0.6m

TA (2): EUR 1m

# Project Preparation

## Railway infrastructure in Ukraine: Project Identification and Preparation (Eastern Partnership TATF)

- Review development plans in railway network
- Prioritise future investments
- Support preparation of investment projects



TA: EUR 0.2m

# Project Preparation and Implementation

**Albania:** National programme upgrading regional and local roads

Technical Assistance:

- ✓ Detailed design
- ✓ Assessment of existing local road maintenance institutional + financial conditions
- ✓ Tool kits on rural road maintenance
- ✓ Capacity building programme
- ✓ Assist implementation of pilot maintenance programmes



WBIF TA: EUR 4m

EIB+EBRD loans: EUR 100m

EU IPA: EUR 34m

# Project Implementation

## **Zambia:** Great East Road (EU-AFRICA ITF)

### Technical Assistance:

- ✓ Assist procurement, contract administration and progress reporting
- ✓ Strengthen and improve planning and procedures for major road projects
- ✓ Tool kits on rural road maintenance
- ✓ Capacity building programme
- ✓ Assist implementation of pilot maintenance programmes



ITF TA: EUR 1m

ITF IRS: EUR 38.7m

EU-EDF: investment grant

EIB (EUR 80m), AfD, AfDB loans



# TA tender opportunities

<http://www.eib.org/projects/regions/med/instruments/technical-assistance/procurement/index.htm>