

TRANSPORT IN EU EXTERNAL AID PROGRAMMES

10 June 2010

Opportunities for the Private Sector in ACP States

G. QUINCE

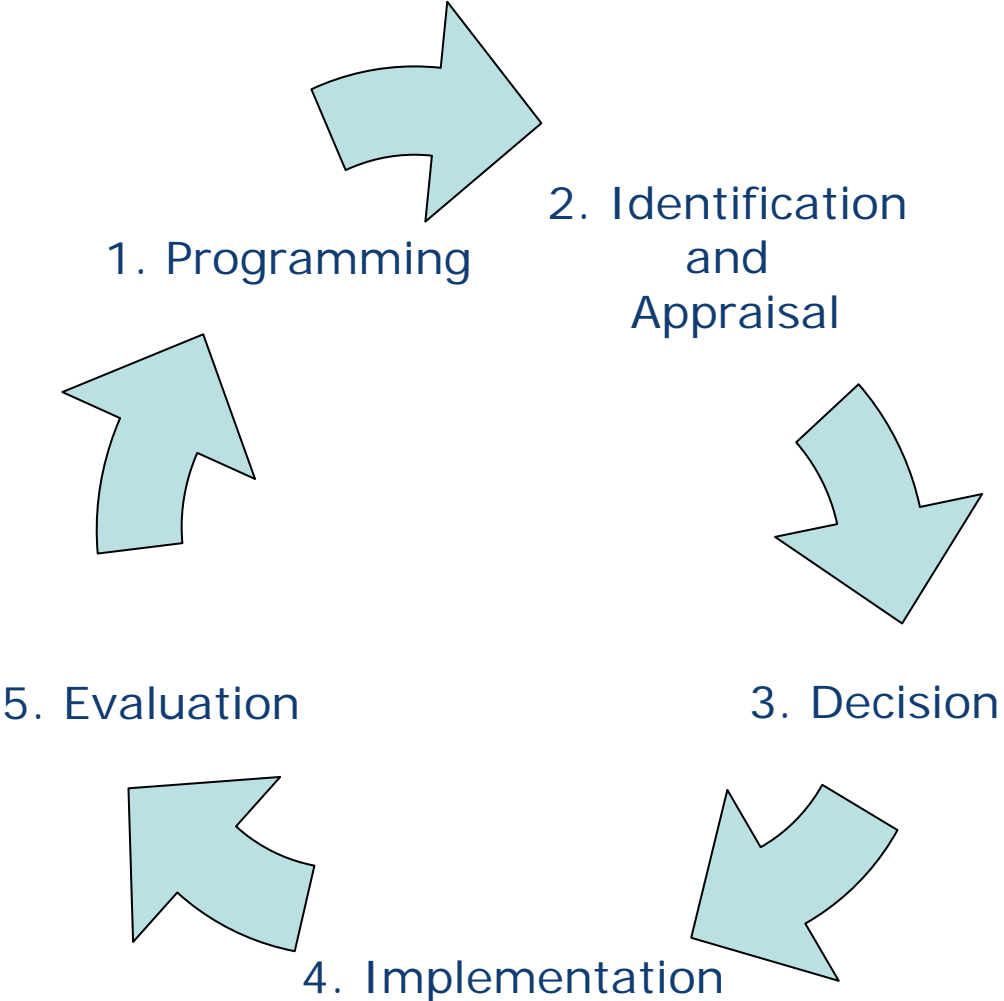
Director, EuropeAid/C



EC Support to ACP States

- ACP financing
 - 90% European Development Fund
 - 10% EU Budget
- 10th EDF runs from 2008 to end 2013
€20.5 billion in grants managed by the Commission plus
€3.5 billion in loans managed by EIB
- Sudan and Equatorial Guinea have not ratified the revised Cotonou Agreement and are not eligible to the 10th EDF
- South Africa programmes financed from EU Budget

PROGRAMME CYCLE MANAGEMENT



Where are we?

- Programming completed, mid term review underway
- Identification and appraisal well advanced
- 10th EDF 40% committed and should reach 55% by end 2010
- Implementation underway

10th EDF programming: Main Sector Priorities

- 35% General or Sectoral Budget Support
- 25% Infrastructure, mainly transport
- 10% Governance, Democracy Human Rights
- 8% Agriculture / Rural Development
- 5% Water and Energy
- 5% Human Resource Development
- 12% Other

General Budget Support Sector Budget Support

General Budget Support

Supports overall macro-economic & Budgetary framework

Supporting a poverty reduction strategy or equivalent process

Sector Budget Support

Additional funding to a specific sector, supporting an agreed policy & spending framework

Supporting a Sector Policy and Programme

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Implementation in the ACP region

- During 2009 we signed contracts under the EDF totalling €4.3 billion
- We made payments totalling €3.1 billion
- We launched 75 tenders for works contracts (mainly roads) and 125 tenders for service contracts

Tenders and contracts

- Contract Authority and Supervisor in most cases is the ACP partner, with responsibility to manage implementation from launching of tender, contract award, execution of the contract and final acceptance
- EU Head of Delegation approves all studies designs and tender dossiers, participates in tender evaluations as observer, and must endorse contract award

EC Support to Transport Projects

- Financial Support provided as part of wider sectoral approach which looks at issues such as
 - Overall sector policy
 - Institutional reforms
 - Recurrent financing (maintenance)
 - Problems such as excessive axle loads
 - Regional impact e.g. trade corridors
- Financial support provided as project aid to cover cost of works and supervision contracts. Can also be provided as sector budget support

Some New Infrastructure Initiatives

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- Technical audits introduced to accompany implementation of infrastructure contracts
- Performance based construction – pilot test on road project in Liberia cofinanced with World Bank
- Blending grants and loans

EU-Africa Infrastructure Trust Fund

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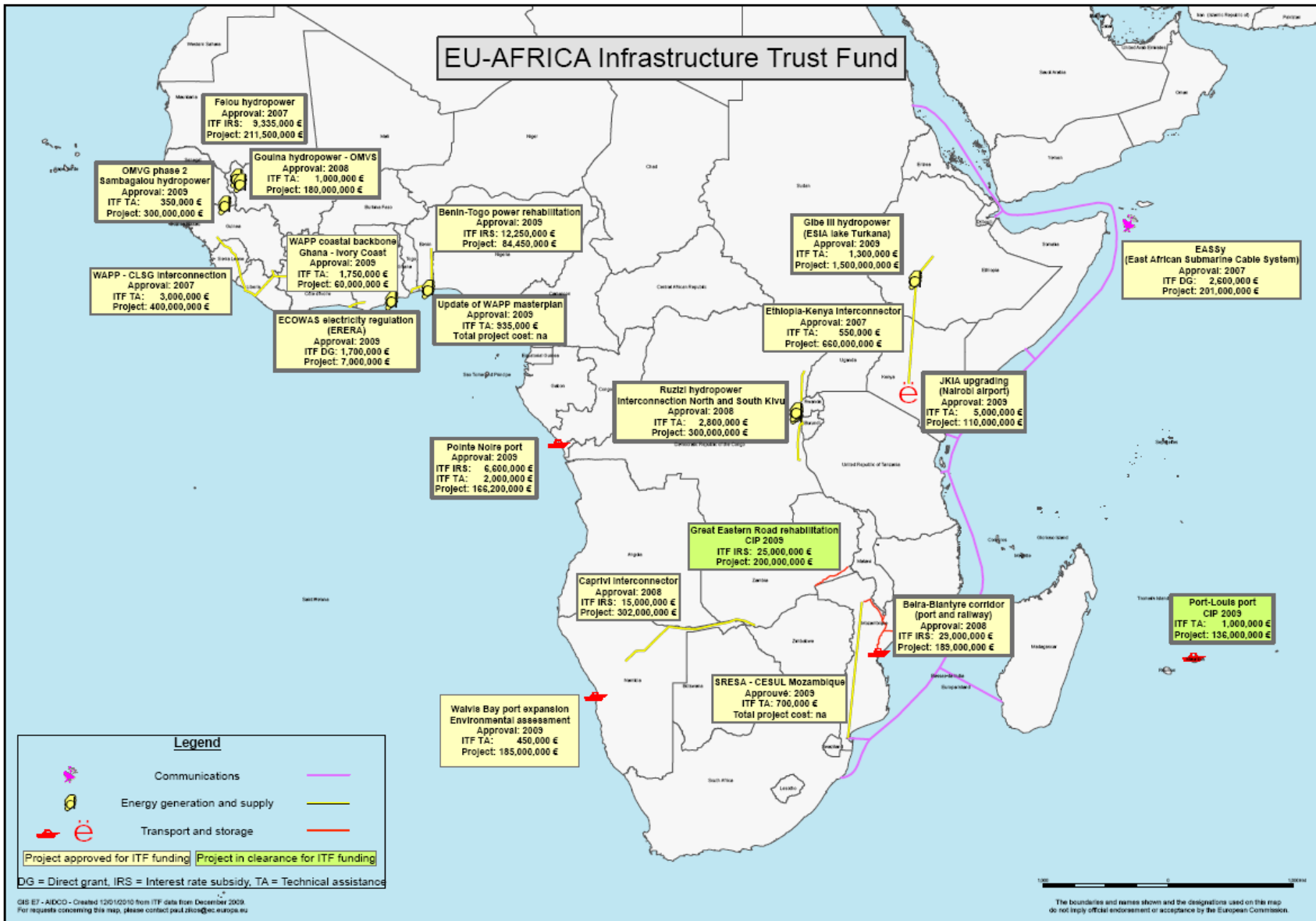
- Forms part of EU-Africa Infrastructure Partnership
- Focus on interconnection of trans-African networks
 - Transport
 - Water
 - Energy
 - ICT
- Trust Fund can provide interest rate subsidies, direct grants, studies
- Leverages grants with loans from European development finance institutions

EU-Africa Infrastructure Trust Fund

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- Trust Fund established in 2007
- Commission and 12 Member States have contributed €373 million in grants
- 20 operations approved or cleared in principle
- €126 million in grants have leveraged €1.6 billion in total financing

EU-AFRICA Infrastructure Trust Fund



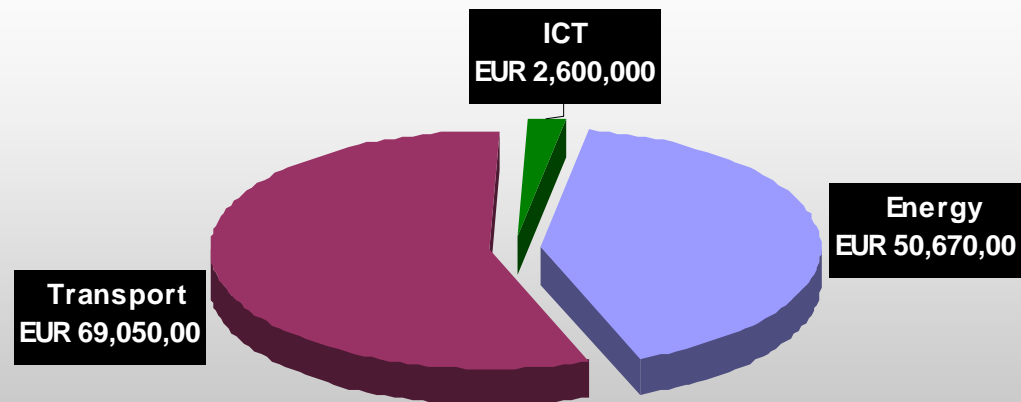
GIS E7 - AIDCO - Created 12/01/2010 from ITF data from December 2009. For requests concerning this map, please contact paul.zhou@ec.europa.eu

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EU-Africa Infrastructure Trust Fund Operations (approved and cleared in principle) – sectoral split

Grant Operations (approved and cleared in principle) by Sector



Upcoming Initiatives

- Cofinancing windows under Energy and Water Facilities
- Infrastructure Trust Funds under examination for Caribbean and Pacific
- Support to Transport Corridors and cross-border trade facilitation to enhance regional integration e.g. North-South Corridor in East Africa

Thank you

