



The Europe - Africa Partnership on Infrastructure

"Moving ahead"

Tunis
11 April 2006

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Outline

1. What is the Partnership
2. What are its objectives and strategy
3. Who are its partners and supporters
4. How will it work
5. What are its financial instruments
6. Examples of what it will finance
7. Next steps - 2006



1 What is the Partnership

- European response to the AU-NEPAD Infrastructure Plan, takes account of Commission for Africa Report led by UK
- A concept for interconnecting Africa – country with country, region with region & Africa with the world
- A Partnership that works at three levels – continental, regional and country – using the principle of subsidiarity
- Infrastructure : transport, energy, water & ICT - regulatory frameworks & facilitation for service delivery



2 What are its objectives and strategy

Objectives

- Stimulate sustainable economic growth
- Promoting competitive trade
- Fostering regional integration
- Contributing effectively to poverty reduction and Africa's MDGs

Strategy: two complementary themes

- Support programmes that facilitate interconnectivity continental & regional level
- Support programmes coherent with national poverty reduction and infrastructure sector strategies



3 Who are its partners and supporters

Partners

- Africa Union – a new and privileged partner for EC
- Regional Economic Communities (RECs)
- African Development Bank (AfDB)
- African countries – 48 in SSA and 5? in North Africa
- EU Member States – all 25
- European Investment Bank (EIB)
- European Development Banks & European Development Financial Institutions (EDFIs)

Supporters

- Sub Saharan Africa Transport Policy Programme (SSATP)
- Africa Ministerial Council on Water (AMCOW)
- African Ministerial Forum on Energy (FEMA)



4 How will it work....

- AU-NEPAD ensures African ownership at all levels – through the RECs provides policy guidance & ensures overall integrity
- AU-NEPAD with its continental-wide political mandate will facilitate dialogue at REC level and between RECs
- AU-NEPAD with RECs will monitor & update i-Action Plan
- RECs reach consensus on regional priorities with their Member countries, facilitate implementation of REC regional projects, regional & international protocols etc. linking to Economic Partnership Agreements (EPAs)
- African countries - project owners - align national & regional priorities, enforce regional & international agreements – ***key to sustainability***



4how will it work

- European Commission (HQ and Delegations)
 - Leadership of EU-side of Partnership, coordinate with MS, etc.
- European Investment Bank
 - Co-financier of projects
 - Administration of Trust Fund
- European Member States
 - Endorsement of overall programme
 - Co-financiers of TF and NIPs/RIPs
- EU MS Development Bank, EDFIs
 - Promoters and co-financiers of projects



5 What are its financial instruments

- National Indicative Programmes
 - principal source (current infra. expenditure 9th EDF -€3.75bn t'port €2.5bn, water €1.0 bn, energy €0.22bn and ICT p.m.)
- Regional Indicative Programmes
 - focus on facilitation linked to trade and EPAs
- EC-EIB Trust Fund – open to all EU Member States
 - true co-financing EIB, EDFIs, AfDB
 - interest rate subsidies
 - risk guarantee mechanisms
 - grants for project preparation, capacity building



6 Examples of what it will finance

Transport

- Priority to Trans-African Road corridors and regional networks
- Maritime ports although airports not excluded

Electricity Interconnection

- e.g. Malawi-Mozambique interconnection
- Connecting energy surplus areas to deficit areas

Power Generation

- Oil, gas and coal are out
- Hydropower e.g. Felou scheme on the Senegal river (Mali – Mauritania and Senegal)

Water

- Transboundary river basin interventions

ICT



7 What are the next steps in 2006

- Infrastructure Consortium for Africa: ad hoc, Tunis, April 2006
- Continued dialogue: AU-NEPAD & RECs - May 2006
- Partnership Communication adopted: July 2006
- EC-EIB Trust Fund operational: mid 2006
- 2nd Infrastructure Consortium for Africa: Addis, June 2006
- Council Resolution on Partnership: second semester 2006
- Identification of a Priority Investment Action Plan – Links to World Bank “flagship CDS” and AfDB - MLTSF studies
- Commit financing for priority projects: end 2006
- Mobilise increased resources