



European Union Africa  
Infrastructure Trust Fund

## PRESS RELEASE

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### **EIB and EU-Africa Infrastructure Trust Fund collaborate to reinforce regional infrastructure: *EUR 1.75m grant to WAPP to reinforce the Côte d'Ivoire – Ghana interconnection***

The EIB, through the EU-Africa Infrastructure Trust Fund, has approved a EUR 1.75 million grant to the West African Power Pool (WAPP) to finance pre-investment studies for a 330 kV transmission link from Riviera in Côte d'Ivoire to Prestea in Ghana. The studies will address the final missing link of the Coastal Transmission Backbone, a priority project which will establish a stable connection from Riviera in Côte d'Ivoire to Ikeja West in Nigeria, passing through Prestea, Aboadze, Volta in Ghana, Mome Hagou in Togo, and Sakete in Benin.

The project is of strategic importance to WAPP which aims to establish a regional electricity market in West Africa by developing key infrastructure projects that foster power exchange across the sub-region. WAPP's ultimate objective is to interconnect the region's economic energy resources, facilitating power exchanges for the benefit of all involved countries.

The agreement was finalised at the EIB headquarters in Luxembourg in the presence of the WAPP. Participants welcomed the grant and underlined the importance of maintaining the momentum of the development of energy projects during the current financial crisis.

The studies will be funded by the EU-Africa Infrastructure Trust Fund which was established jointly by the EIB, the EU Member States and the European Commission in 2007 to foster investment in regional African infrastructure projects. In October 2007, the Trust Fund approved a previous grant of EUR 3 million for technical assistance to the West African Power Pool aimed at undertaking pre-investment studies for another regional transmission line: the Man (Côte d'Ivoire) – Sannequille (Liberia) – Nzérékore (Guinea) – Buchanan (Liberia) – Monrovia (Liberia) – Bumbuna (Sierra Leone) – Linsan (Guinea) power interconnection project.

This is the first EIB operation in Côte d'Ivoire since signing an agreement with the Côte d'Ivoire Minister of Economy and Finance, Koffi Charles Diby, on 19 May to reduce the country's level of debt to the Bank within the framework of the Heavily Indebted Poor Countries initiative. As such, this underlines the Bank's commitment to working alongside Côte d'Ivoire to ensure poverty alleviation and economic growth.

## **Background Notes:**

### ***EIB Activity in Africa, Caribbean and Pacific***

The European Investment Bank (EIB) is instrumental in implementing the EU's development and economic cooperation policy in countries outside the Union. The EIB has been a development partner in many African, Caribbean and Pacific (ACP) countries since 1963 through a series of lending mandates from the European Council. The current mandate is based on the Cotonou Agreement of June 2000.

EIB loans in the ACP regions support the alleviation of poverty and the development of sustainable economic growth. The Bank lends from two sources - EIB own resources and the Investment Facility, a revolving fund financed by the EU Member States through the European Development Fund.

### ***EU-Africa Infrastructure Trust Fund***

The EU-Africa Infrastructure Trust Fund was established within the framework of the EU's response to the 2005 Gleneagles Declaration on Africa to support infrastructure projects with a cross-border or regional impact in sub-Saharan Africa.

The Trust Fund blends grants from the European Commission and EU Member States with the lending and technical capacities of the EIB and other EU development financiers. The Trust Fund supports energy, transport, water and telecommunications projects through interest rate subsidies, technical assistance, grants for social or environmental components of projects and grants covering early-stage premiums on risk mitigation insurance.

The Fund became operational in June 2007 and is managed by the European Investment Bank. It now boasts 12 members and total contributions paid into the fund stand at EUR 93 million with 8 grants already approved.

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