European Commission

European Investment Bank The EU bank

Annual Report
EU-Africa Infrastructure Trust Fund
2013

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The EU-Africa Infrastructure Trust Fund

The EU-Africa Infrastructure Trust Fund (EU-AITF) is an instrument of the wider EU-Africa Infrastructure Partnership. Since its inception in 2007, the EU-AITF has been allocated an envelope of EUR 469 million to help increase investment in regional and cross-border infrastructure in Africa by blending long-term loan financing with grant resources from the European Commission and EU Member States. In addition, since July 2013, the EU-AITF has been designated by the European Commission to support energy projects that comply with the EU Sustainable Energy for All (SE4ALL) guidelines. A second envelope currently amounting to EUR 329 million was set up for this: the EU-AITF SE4ALL envelope. In the course of the United Nations' SE4ALL initiative, the provision of access to sustainable energy services to 500 million people by 2030 was set as a key objective for the European Union. This is fully consistent with the EU's development policy "Agenda for Change", which identifies energy as a key driver for inclusive growth. It is certain that the low rate of access to sustainable energy services in sub-Saharan Africa, particularly in rural areas, is a major barrier to the achievement of the Millennium Development Goals. The SE4ALL objectives are also in line with recent studies undertaken by PIDA (Programme for Infrastructure Development in Africa).

The sectors covered by the Trust Fund under the regional envelope are energy, water, transport and communications and telecoms. Grant support can be provided in four different forms: interest rate subsidies (IRS); technical assistance (TA); direct investment

grants (DG/IG) for the financing of project components to decrease the overall investment costs of the beneficiary; and financial instruments (FI) including loan guarantee cost financing and insurance premiums, equity or quasi-equity investments or participations, and risk-sharing instruments.

The Governance structure consists of the following organs:

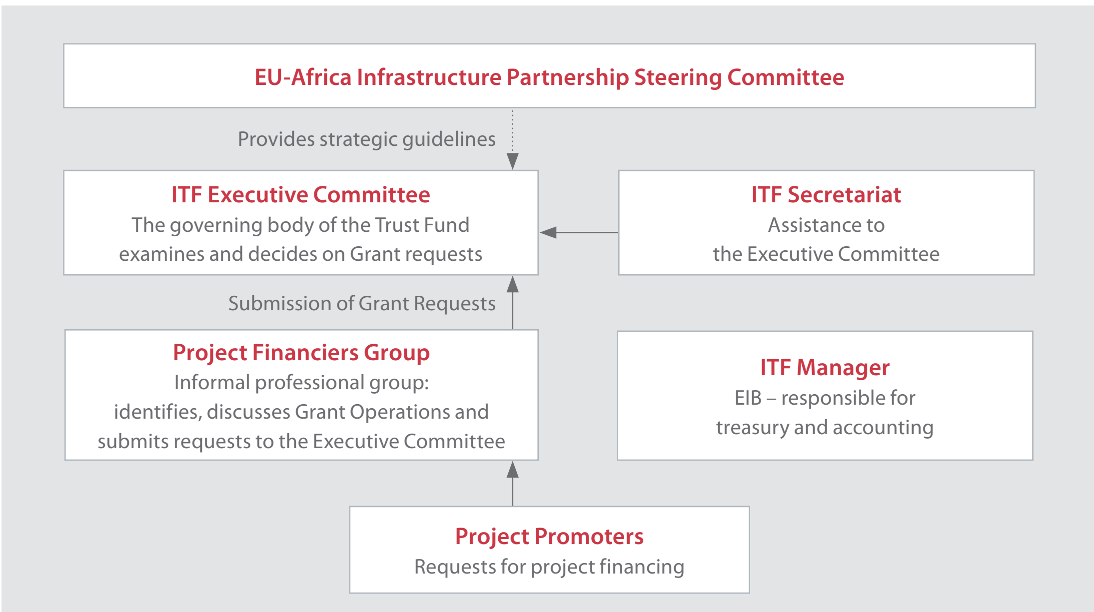
- **The Partnership Steering Committee,** which was established in October 2007 in Addis Ababa. It provides strategic advice to the Executive Committee of the Trust Fund, and is composed of an equal number of representatives from the European Union and the African Union (29 each).

- **The Executive Committee of Donors**, which is the decision-making body of the Trust Fund. It includes three categories of members: (i) the voting participants, i.e. the donors (European Commission and 12 EU Member States); (ii) the non-voting participants, i.e. EU Member States, which are not yet donors; (iii) the European Investment Bank (EIB), as Manager of the Trust Fund, and the Secretariat of the Trust Fund, both of which have a non-voting status. As the governing body of the Trust Fund, the Executive Committee is responsible for all key decisions.

- **The Project Financiers Group (the PFG)**, which brings together the financial institutions that have each been nominated by a donor, as well as experts from the Commission. All grant requests are first discussed by the PFG and only then submitted to the Executive Committee for approval.

- **The Trust Fund Manager (the EIB)**, which is responsible for the financial management, accounting and treasury operations of the EU-AITF.

- **The Secretariat, which assists the Executive Committee.** The Secretariat attends all Executive Committee and PFG meetings, as well as meetings of other African infrastructure forums. It coordinates, therefore, the overall EU-AITF governance process and acts as a permanent contact centre for stakeholders interested in EU-AITF activities.



Joint Foreword by
the EIB President and the EC Commissioner for Development

The economic outlook for sub-Saharan Africa remains strong with economic growth expected to continue well above 5% in the short term as well as in the long term. This powerful performance compared to most of the rest of the world is based on increasing domestic consumer demand and investment in the productive capacity of the sub-Saharan economies.

2013 growth figures are likely to be slightly lower than expected, 5%[1] versus an expected 5.6%[2], largely driven by external factors. While the region remains vulnerable to reactions to the probable normalisation of global monetary policy, the central scenario for 2014 sees economic growth at 6% provided general political stability prevails in the region.

Of course, this picture masks differences between countries in the region. While the majority of sub-Saharan countries face infrastructure gaps, it is striking that countries such as Tanzania and Uganda[3], which have started to address these gaps, have seen solid growth. The EU-AITF approved four grant operations in relation to these countries this year. Nonetheless, even there challenges remain, be it in the transportation, energy, communications or water sectors.

The EU-AITF was launched in 2007 as an innovative blending instrument targeting infrastructure investments aiming to foster regional integration and interconnections while supporting African ownership, in particular the Priority Action Projects of the Programme for Infrastructure Development in Africa (PIDA). The EU-AITF blends the financial contributions from the Commission and participating EU Member States, of which there are currently 12, to mobilise and leverage long-term lending from one or more of the participating banks or development agencies to energy, transport, water and ICT projects.

While the EU-AITF has long facilitated the financing of energy projects, a separate envelope was created in 2013 to contribute to the implementation of the UN Secretary-General's Sustainable Energy for All (SE4ALL) initiative in sub-Saharan Africa. SE4ALL seeks to help countries reduce poverty and achieve wider economic development goals in a sustainable way by leapfrogging straight to modern technologies in the field of energy. The three interlinked objectives to be achieved by 2030 are: (i) to ensure universal access to modern energy services; (ii) to double the rate of improvement in energy efficiency; and (iii) to double the share of renewables in the global energy mix. As a concrete commitment

[1] Source: FT 07.10.2013
[2] Source: IMF Regional Economic Outlook, October 2013
[3] Source: ibid.

to these objectives, the Commission made an additional contribution of EUR 329 million to the EU-AITF at the end of 2012, of which EUR 150 million paid in immediately, dedicated to projects eligible under SE4ALL. Approvals under this envelope started in October 2013 and reached more than EUR 95 million at the end of the year, with a pipeline that potentially exceeds the contributed amount.

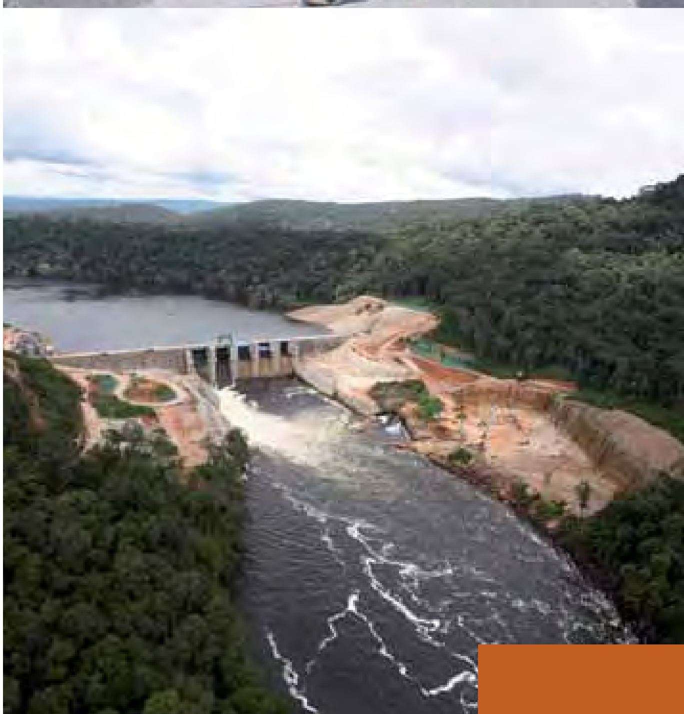
The United Kingdom and Germany also replenished the EU-AITF in 2013 with EUR 48 million and EUR 4 million respectively. This shows the continued active engagement of Member States in the EU-AITF, while it further establishes the UK's role as the second largest donor with EUR 113 million in contributions.

The following pages of the 2013 Annual Report provide details of all 92 grant operations totalling just over EUR 497 million that have been approved since 2007 and which are expected, based on current trends, to mobilise investments of 14 times the value of the grant funding. In 2013 alone, 17 operations totalling EUR 129 million were approved, the most successful year yet for the EU-AITF.

We are convinced that the EU-Africa ITF, with its additional financial resources and the strong capacity of the financial institutions in our network of financiers, will continue to facilitate access to finance for sustainable infrastructure projects in our partner countries in sub-Saharan Africa.

Andris Piebalgs
Commissioner for Development,
European Commission,
Founding Donor

Werner Hoyer
President,
European Investment Bank,
Manager of the EU-AITF

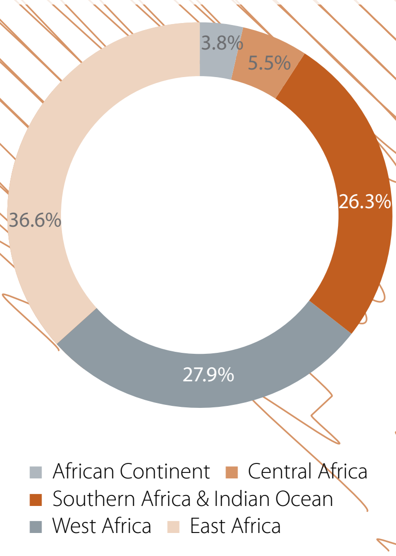


EU-AITF
at a glance

At the end of 2013, 92 grant operations totalling just over EUR 497 million were approved in support of 69 African infrastructure projects.

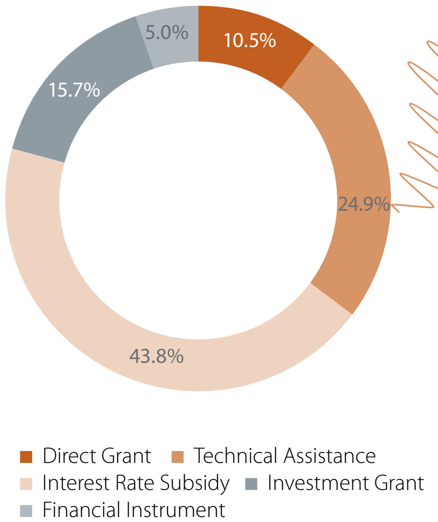
- 55 grants, totalling EUR 405.7 million, support projects in their investment phase:
- The total project cost of these is estimated at EUR 5.7 billion, of which EUR 2.9 billion is being financed by the PFG.
- The overall EU-AITF leverage effect is 14, with 7.2 to 1 the leverage ratio of EU-AITF Financiers' financing.

Breakdown of EU-AITF approvals by REGION in EUR since inception



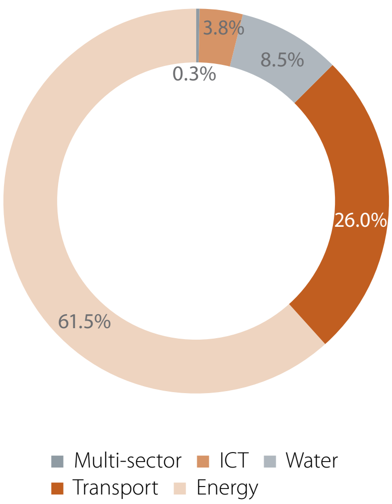
Regions	Grant Amount
African Continent	18 800 000
Central Africa	27 402 100
Southern Africa and Indian Ocean	130 579 000
West Africa	138 501 791
East Africa	182 007 000
Grand Total	497 289 891

Breakdown of EU-AITF approvals by SCOPE of grant in EUR since inception



Scope	Grant Amount
Direct Grant	52 000 000
Technical Assistance	124 028 100
Interest Rate Subsidy	218 011 791
Investment Grant	78 250 000
Financial Instrument	25 000 000
Grand Total	497 289 891

Breakdown of EU-AITF approvals by SECTOR in EUR since inception



Sector	Grant Amount
Multi-sector	1 300 000
ICT	18 676 791
Water	42 100 000
Transport	129 309 100
Energy	305 904 000
Grand Total	497 289 891

Statement from a Donor:
The United Kingdom

A view from the UK/DFID's Africa Regional Department

Transport, energy, clean water supplies and telecommunications are some of the cornerstones of modern society, contributing to a better connected continent and enabling the communities we live in to function. They allow industrial production and international trade, which have provided dramatic improvements in living standards around the world. Promoting investment in cross-border infrastructure in Africa is a way to facilitate regional integration, promote trade and reduce poverty throughout the continent.

Infrastructure and regional integration

The UK considers the EU-AITF's main added value to be the specific focus on regional, cross-border infrastructure, as very few other facilities focus on this issue. For the majority of African countries regional and international trade is critical to allow them to develop their comparative advantage, benefit from specialisation and participate in global value chains. Hard physical infrastructure networks can only be effective if the soft regulatory and policy institutions running them operate efficiently. At the same time, regional integration will only work if cross-border regulations are not

only harmonised but also implemented consistently. To reduce the costs of cross-border trade, there is a need to address the two major challenges of improving transport and trade infrastructure, and implementing trade facilitation measures in an efficient manner. The UK welcomes the EU-AITF's engagement in tackling the two abovementioned issues, and has increased its support to the EU-AITF as performance has improved over the years.

A challenging road ahead

Infrastructure in sub-Saharan Africa will continue to face a number of significant challenges both in terms of the huge financing gap that exists and the complementary improvements in regulatory and institutional arrangements needed to attract increased investment. Such improvements are vital, recognising the importance of the private sector to sustainable and inclusive growth in African countries. Africa is growing strongly and this improved economic performance provides hope that solutions can be found to greatly improve infrastructure provision across the continent.

A good example of the complexities of regional infrastructure investment and how EU-AITF helps address them, while optimising funding from a number of different sources, is the 1 350 km Côte d'Ivoire-Liberia-Sierra Leone-Guinea Interconnector. This project is a core part of the West Africa Power Pool master plan and will increase access to, and reduce costs of, electricity by enabling power trading between these four countries. The investment phase of the project is being funded from a number of sources, including IDA, EIB, KfW and AfDB. An interest rate subsidy and a direct grant from the EU-AITF brought the project to financial close and also allowed AfDB to provide rural electrification in Sierra Leone.

Working in partnership

The UK is committed to a long-term partnership with the African Development Bank and supports AfDB's lead role in preparing and implementing infrastructure projects. We chose to nominate a non-European development financing institution in the EU-AITF's Project Financiers Group, adding an African voice to deliberations, to share experiences and strengthen links to wider African infrastructure initiatives.

SE4ALL

The UK is a strong supporter of the Sustainable Energy for ALL (SE4ALL) Initiative, launched by the UN Secretary-General in 2011, to transform the world's energy systems by 2030. DFID's Secretary of State is a member of the Advisory Board with Commissioner Piebalgs and welcomes the Commission's active role in promoting this key initiative. The UK has been consistent in its support for maintaining a regional, cross-border focus in the EU-AITF while constructively engaging in discussions around the future scope of the Fund. Against this background we see the EU-AITF as a useful vehicle, alongside others, for delivering against the SE4ALL objectives.

EU-AITF Highlights:
the SE4ALL Envelope

SUSTAINABLE ENERGY FOR ALL

The world faces two interrelated energy challenges: global CO_2 levels must be stabilised to contain the consequences of climate change, and access to affordable, reliable and clean energy must be extended to 1.5 billion people in the developing world, of whom approximately 600 million people live in rural areas in sub-Saharan Africa.

As global warming and its effects will become one of the biggest challenges for the world in this century, it is necessary to address the world's carbon gluttony by promoting more sustainable sources of energy. To underscore the importance of energy issues for sustainable development, The United Nations General Assembly unanimously declared the decade 2014 2024 the "Decade of Sustainable Energy for All". It affirms the determination to make sustainable energy for all a reality and pursues three interlinked objectives to be achieved by 2030:

i. to ensure universal access to modern energy services;
ii. to double the rate of improvement in energy efficiency;
iii. to double the share of renewables in the global energy mix.

In Africa, climate change may have a graver effect than on any other continent according to the UN's Intergovernmental Panel on Climate Change (IPCC), while the continent itself contributes very little to global warming. Its population will have

to struggle with more extreme and more unpredictable weather conditions, such as droughts and floods, which will have an effect on crop yields, biodiversity and economic life.

In addition, compared to the other continents Africa is lagging behind in terms of generation of electricity. 57% of Africa's population still lacks access to electricity, presenting a key constraint to economic development. However, there are significant possibilities for efficiency gains across the continent, both from a technical perspective and by moving away from below-cost pricing, which often limits investments, as well as enormous potential for renewable energy. With its largely untapped natural resources and its potential for renewable energy, the continent is ideally placed to develop new renewable energy and energy efficiency projects, tackling greenhouse gas emissions and rising energy demand.

The EU-AITF's role

Blending facilities such as the EU-AITF are ideally suited for unlocking the finance and support needed to achieve the ambitious targets of the SE4ALL initiative. The Trust Fund contributes to the SE4ALL initiative with grants through a EUR 329 million envelope earmarked for energy projects that qualify under the European Union SE4ALL eligibility criteria (see below), published by the European Commission in July 2013. The Trust Fund offers both financial and technical assistance for projects which help to meet Africa's need for accessible and efficiently used energy, whilst developing the continent's considerable renewable energy potential.

Summary of the EU SE4ALL eligibility criteria:

Energy access:

- increased availability of modern energy services;
- improved quality of modern energy services;
- increased generation capacity, rehabilitation, extension of the distribution and transmission grid;
- loss reductions in generation, transmission or distribution (via connection of new consumers or improvement of previously inadequate power supply);
- increased access to electricity for populations in rural, peri-urban and/or urban areas: grid extension and/or decentralised solutions (mini grids, off grid).

Sustainable cooking:

- Increased access to modern cooking / sustainable supply of fuels.

Energy efficiency:

- Increased energy efficiency of industries, buildings, public lighting, municipalities, etc.

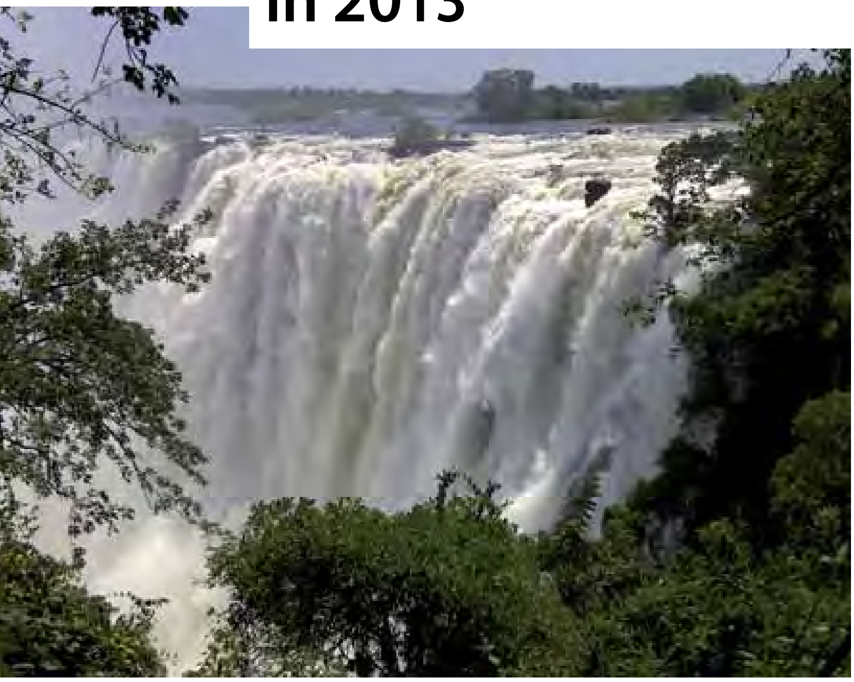
Renewable energy:

- Geothermal, biomass, biogas, hydro, solar, wind, and ocean energy.

Operational Results

Since its inception in 2007, total approved grant operations have increased from EUR 15.5 million in 2007 to EUR 497.3 million at the end of December 2013. EUR 401.9 million has been approved for regional infrastructure, accounting for 85% of the resources pledged under the Regional EU-AITF envelope, and nine grant operations worth EUR 95.4 million have been approved under the newly-established Sustainable Energy for ALL (SE4ALL) Envelope, which accounts for 29% of the resources pledged under the EU-AITF SE4ALL envelope.

Approved Grant Operations **in 2013**



During 2013, 17 grant operations totalling EUR 129.8 million were approved to support 15 projects in the energy (12) and transport sectors (3). This includes a first set of approvals of EUR 95.4 million under the EU-AITF SE4ALL Envelope. SE4ALL projects must aim at increasing access to modern, affordable and sustainable energy services.

Twelve of the 17 grant operations approved in 2013 provide support to projects in their investment phase and leverage approximately EUR 1.7 billion of investment.

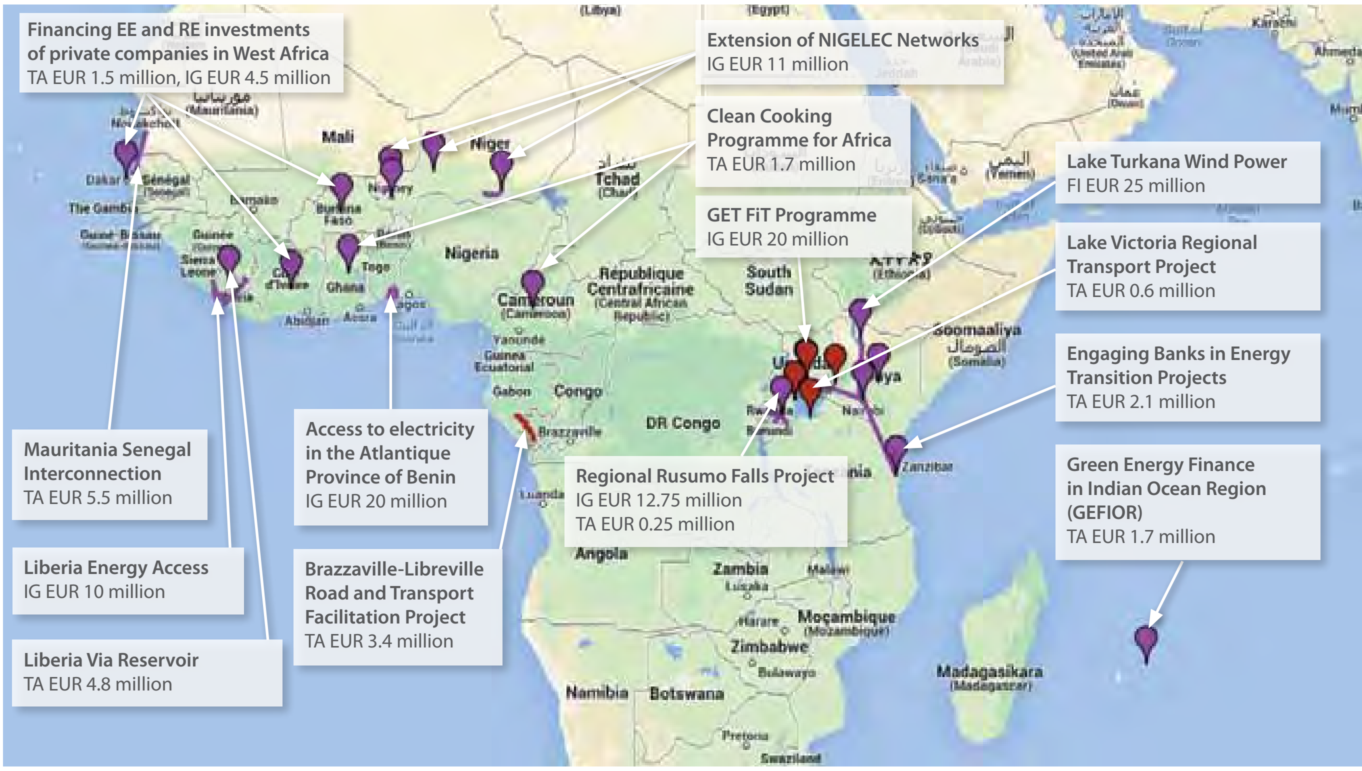
Grant Operations approved from the EU-AITF Regional Envelope:

Grant Operation	Region	Sector	Scope	Lead Financier	Grant amount	Approval date
for projects in their investment phase:						
Engaging Banks in Energy Transition Projects in East Africa	East Africa	Energy	TA	AFD	2 100 000	27/06/13
Rusumo Falls Hydropower project	East Africa	Energy	IG	AfDB	12 750 000	11/11/13
Rusumo Falls Hydropower project	East Africa	Energy	TA	AfDB	250 000	11/11/13
Mauritania - Senegal interconnection	West Africa	Energy	TA	AFD	5 500 000	12/12/13
for projects in their preparation phase:						
ASECNA - EGNOS	African Continent	Transport	TA	EIB	5 000 000	07/02/13
Brazzaville-Libreville road and transport facilitation project	Central Africa	Transport	TA	AfDB	3 402 100	06/12/13
Lake Victoria Regional Transport	East Africa	Transport	TA	PIDG	600 000	12/12/13
Via Reservoir	West Africa	Energy	TA	EIB	4 800 000	12/12/13

Grant Operations approved from the EU-AITF SE4ALL Envelope:

for projects in their investment phase:

Grant Operation	Region	Sector	Scope	Lead Financier	Grant amount	Approval date
Financing EE and RE Investments in West Africa	West Africa	Energy	TA	AFD	1 500 000	24/10/13
Financing EE and RE Investments in West Africa	West Africa	Energy	IG	AFD	4 500 000	24/10/13
GET FiT Programme	East Africa	Energy	IG	KfW	20 000 000	24/10/13
Extension of NIGELEC distribution networks	West Africa	Energy	IG	AFD	11 000 000	24/10/13
Lake Turkana Wind Power	East Africa	Energy	FI	EIB	25 000 000	24/10/13
Benin Access to Electricity in the Atlan-tique Province	West Africa	Energy	IG	AFD	20 000 000	12/12/13
GEFIOR - Green Energy Finance in In-dian Ocean Region	Southern Africa & Indian Ocean	Energy	TA	AFD	1 700 000	12/12/13
Liberia Energy Access Project	West Africa	Energy	IG	AfDB	10 000 000	12/12/13
for projects in their preparation phase:						
Clean Cooking Programme for Africa	African Continent	Energy	TA	KfW	1 700 000	12/12/13



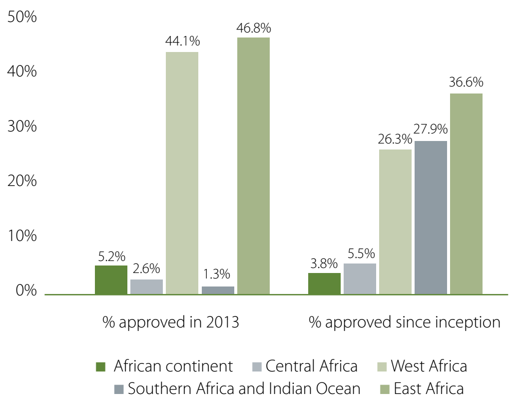
Project not shown on the map:
ASECNA-EGNOS: located in seventeen countries across the African continent – TA EUR 5 million.

2013 EU-AITF support by region

Regarding the geographic breakdown of allocations in 2013, the lion's share of EU-AITF allocations went to six operations in East Africa (EUR 60.7 million or 47%) and seven operations in West Africa (EUR 57.3 million or 44%). The Central Africa, Southern Africa and Indian Ocean regions benefited from one grant operation each and two grant operations will support projects that cover more than one particular region, namely the Clean Cooking programme and the ASECNA EGNOS programme. The grants for these two projects have been classified under "African Continent".

	EUR m			
Region	Approved in 2013	Approved since inception (2007)	% approved in 2013	% approved since inception
African Continent	6.7	18.8	5.2	3.8
Central Africa	3.4	27.4	2.6	5.5
West Africa	57.3	130.6	44.1	26.3
Southern Africa & Indian Ocean	1.7	138.5	1.3	27.9
East Africa	60.7	182.0	46.8	36.6
Total	129.8	497.3		

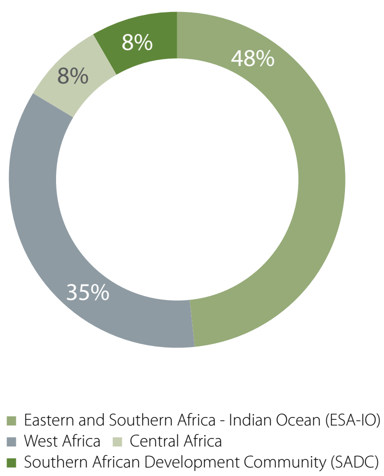
Breakdown by region



New reporting requirements for the regional distribution of approved SE4ALL grant operations:

The Commission's contribution of EUR 329 million to the EU-AITF SE4ALL envelope stems from four African Regional Indicative Programmes (RIPs): (i) Central Africa (8% of the total contribution); (ii) Southern African Development Community (SADC) (8% of the total contribution); (iii) West Africa (35% of the total contribution); and (iv) Eastern and Southern Africa and Indian Ocean region (ESA-IO) (48% of the total contribution). The ultimate total volume of EU-AITF SE4ALL grant approvals for projects in each of the four RIPs must be consistent with the pro rata allocation per region. In cases where a project covers more than one RIP the allocation is split between the relevant regions. This is illustrated on the right with the example of the Clean Cooking Programme for Africa (TA Grant of EUR 1.7 million, plus a Financier's remuneration of EUR 117 000).

SE4ALL allocation to the RIPs



Pro rata allocation of the grant amount to the three RIPs concerned:	
RIP Region 1, Western Africa	Ghana
%	33
allocated (EUR m)	0.6
RIP Region 2, Central Africa	Cameroon
%	33
allocated (EUR m)	0.6
RIP Region 3, ESA-IO	Kenya
%	33
allocated (EUR m)	0.6

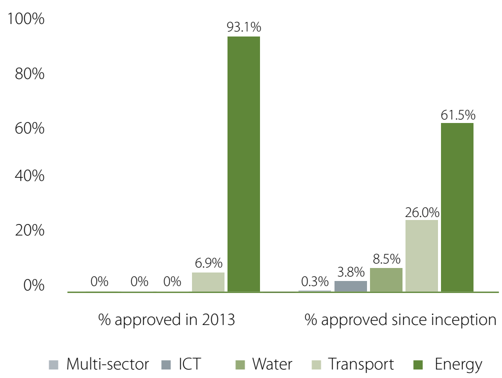
Grant operation	Countries	Description	Grant Amount (EUR m)
Clean Cooking Programme for Africa	Ghana, Cameroon, Kenya	Feasibility study of a multi-phase investment initiative to accelerate large-scale national transitions to LPG for clean cooking.	1.82

2013 EU-AITF support by sector

The bulk of EU-AITF support in 2013 was granted to energy (EUR 120.8 million or 93.1%). This is partly attributable to the newly available funding from the SE4ALL envelope supporting renewable energy and energy efficiency projects in sub-Saharan Africa, and on a national scale. The remaining funding, EUR 9 million (7%), was granted to three operations in the transport sector.

	EUR m			
Sector	Approved in 2013	Approved since inception (2007)	% approved in 2013	% approved since inception
Multi-sector	0	1.3	0	0.3
ICT	0	18.7	0	3.8
Water	0	42.1	0	8.5
Transport	9.0	129.3	6.9	26.0
Energy	120.8	305.9	93.1	61.5
Total	129.8	497.3		

Breakdown by sector

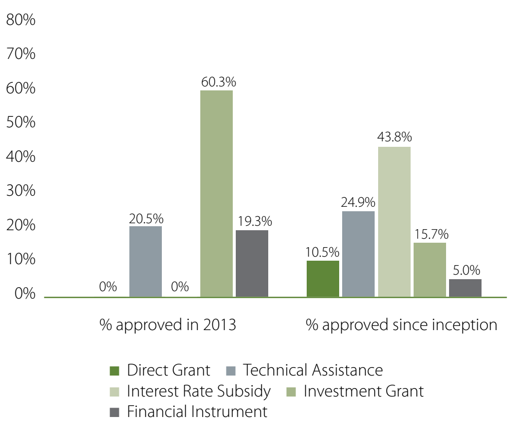


2013 EU-AITF support by scope of grant

The type of support in 2013 was mostly focused on Investment Grants (IG) (EUR 78.3 million or 60%). This is the most direct/effective way to decrease overall investment costs and to finance the social or environmental components of a project. In addition, there were 10 approved technical assistance (TA) operations (EUR 26.6 million or 20%) ensuring the quality of project preparation and implementation, and there was a maiden EU-AITF financial instrument (FI) operation of EUR 25 million (19%) for the Lake Turkana Project in Kenya.

	EUR m			
Scope of Grant	Approved in 2013	Approved since inception (2007)	% approved in 2013	% approved since inception
Direct Grant	0.0	52.0	0.0	10.5
Technical Assistance	26.6	124.0	20.5	24.9
Interest Rate Subsidy	0.0	218.0	0.0	43.8
Investment Grant	78.3	78.3	60.3	15.7
Financial Instrument	25.0	25.0	19.3	5.0
Total	129.8	497.3		

Breakdown by scope of grant



Description of EU-AITF Grants

Approved in 2013

Grants from the Trust Fund can support projects in either their "preparation phase", for example the funding of a feasibility study or detailed project design, or they can support projects in their "investment phase" during construction and implementation. A third classification of the use of EU-AITF grants is support to "project identification", meaning that they help to generate new projects. This refers to the phase when the EU-AITF grant is actually utilised.

EU-AITF Regional Envelope Projects in Investment Phase

AFD Environmental Credit Lines for Kenya, Uganda and Tanzania: technical assistance for engaging banks in energy transition projects in East Africa towards renewable energy solutions

East Africa is faced with growing energy demand characterised by an intensive use of biomass fuel. In Kenya, it represents 68% of the total primary energy requirements, i.e. 12 million tons of oil equivalent (TOE) per year, and in Uganda this figure reaches as much as 90%, contributing heavily to the depletion of the countries' natural resources. Moreover, the combination of urban population growth at the pace of 4% per annum, and rapid deforestation aggravates the emission of greenhouse gases. To address the power shortage, the Government of Uganda has procured 50 MW thermal plants to supplement hydroelectricity, which has however led to tariff increases. The region's transition process towards renewable energy sources is greatly needed.

AFD is providing three successive lines of credit at concessional terms (tenor of over 10 years, below market interest rate) to local banks, which in turn will lend on favourable terms to local investors. To be eligible for the credit line, these investors, mainly medium-sized enterprises, will have to sponsor renewable energy projects – for the main part – or energy efficiency projects. The objective is, however, not only to increase the local bank's lending capacity but also, in parallel, to provide solutions to achieve the diversification of energy resources in the East Africa region and help the region's transition towards renewable energy solutions that are technically, economically and financially viable. The targeted investments are mainly small and medium-scale projects that need a maximum debt amount of EUR 6 million in hydroelectricity, biomass, biogas, solar and wind power. Other types of projects eligible under the AFD credit lines are energy efficiency projects, especially in the manufacturing and agribusiness sectors. These solutions, both energy efficiency and renewable energy projects, will also help to improve the investors' sustainability, thanks to a more secure power supply and a lower energy bill.

Region	East Africa: Kenya, Uganda, Tanzania
Sector	Energy
Type of grant	TA, to support the project investment phase
Grant amount	EUR 2 100 000
Total project cost	EUR 80 000 000
PFG lead financier	AFD

The TA

This TA grant is the second grant for this project. The first served to build up a project pipeline of more than 120 active projects accounting for an installed capacity of 450 MW, an energy flux of 2 079 GWh per annum, and annual CO_2 abatement of over 1.5 million tonnes per annum. This second TA grant will further support renewable energy and energy efficiency project developers to create bankable projects. This will be done in close coordination with local financial intermediaries to improve their skills to appraise and finance projects. This TA is provided by an international consultant recruited via an international bidding process in close collaboration with local representatives of the public and private sectors, and will be hosted at the Kenya Association of Manufacturers.

Regional Rusumo Falls Hydropower Project: Technical Assistance and Investment Grant

Region	East Africa: Burundi, Rwanda, Tanzania
Sector	Energy
Scope	TA and IG; in support of the project investment phase
Grant amount	EUR 250 000 as TA, and EUR 12 750 000 as IG
Total project cost	estimated at EUR 369 million
PFG lead financier	AfDB

The project

Burundi, Tanzania and Rwanda are facing a power generation capacity shortage, not only causing immediate concerns but also presenting a risk for the region's future growth. The lack of access to electricity (household access is at 3.5% in Burundi) and frequent power cuts are considered to be two of the main obstacles hindering economic development. The Rusumo Falls hydropower project will tackle these issues and at the same time increase cross-border power exchange between the three countries.

This project concerns the construction of the Rusumo Falls hydropower plant on the Tanzanian-Rwandan border as well as the construction of associated transmission lines connecting the power plant to the national grids of Burundi, Rwanda and Tanzania. More specifically, the project consists of the construction of: (i) an 80 MW capacity hydropower plant (civil, hydro-mechanical and electro-mechanical works, a switchyard) to be shared between the three countries; and (ii) 378 km of 220 kV transmission lines and associated substations (98.2 km in Tanzania, 161 km in Burundi and 119 km in Rwanda). The Regional Rusumo Falls Hydropower Project will play a key role in enhancing economic and social development in the region and in increasing regional power generation, while establishing and accelerating the volume of cross-border energy exchanges. The project is part of the Priority Action Plan (the project and programme list for short and medium-term implementation) under the Programme for Infrastructure Development in Africa (PIDA).

The TA

The EU-AITF technical assistance grant will finance the recruitment of an international consultant, which will handle the procurement process in collaboration with the project implementation agencies, REGIDESO, EWSA and TANESCO, and the provision of procurement training for the staff of the three executing agencies. This is critical for a timely start-up of the project procurement activities and hence for the achievement of the benefits associated with the project in terms of regional and economic development.

The IG

The IG will fill a financing gap of EUR 12.75 million for Burundi. Its aim is to finance, jointly with the African Development Fund, the construction of 161 km of a 220 kV transmission line in Burundi from the Rusumo plant to Gitega (via Muyinga), a new 220 kV substation at Muyinga and the upgrading of Gitega substation to 220 kV level.

Mauritania - Senegal Power Interconnection: technical assistance for supervision of works and studies

The project

The discovery of natural gas resources in Mauritania's Banda natural gas field has initiated a large gas-to-power investment project spurred by the Mauritanian government. These gas resources could more than double power generation in Mauritania, and give it the opportunity to export, at a reasonable cost, to its neighbouring countries, with Senegal having already expressed an interest in purchasing a significant amount of power from Mauritania. A new transmission line needs to be constructed for this new export of power from Mauritania to Senegal and/or Mali.

Both Mauritania and Senegal rely heavily on liquid fuel for power generation. Senegal is developing its first coal plant, scheduled for commissioning in late 2015.

The transmission line project will enable the gas project to materialise, which will enable a total switch from oil to gas for power generation in Mauritania, and a partial but significant switch in Senegal (imports are expected to represent one third of electricity supply in Senegal).

The TA

The EU-AITF grant of up to EUR 5.5 million will be used to finance assistance to the two promoters, Société Mauritanienne d'Electricité and Société Nationale d'Éléctricité du Sénégal for the supervision of the works of the interconnection line during its construction and to finance a tariff/contractual study and a detailed institutional study, which will be carried out by international consultant firms. Additional studies may be needed considering the complex environment of this project.

Region	West Africa: Senegal and Mauritania
Sector	Energy
Scope	TA, in support of the project investment phase
Grant amount	EUR 5 500 000
Total project cost	estimated between EUR 150 million and EUR 175 million
PFG lead financier	AFD

Projects in Preparation Phase

Brazzaville-Libreville Road and Transport Facilitation Project: technical assistance for capacity building

Region	Central Africa: Congo, Gabon
Sector	Transport
Scope	TA, in support of the project investment phase
Grant amount	EUR 3 402 100
Total project cost	estimated at EUR 241.3 million
PFG lead financier	AfDB

The project

The Economic Community of Central African States (ECCAS) region has significant transport infrastructure needs. The 276-km long Ndende-Doussala-Dolisie road is an unpaved section of the international road linking Libreville and Brazzaville, the two capital cities of the Republic of Congo and the Republic of Gabon to the south. Being a key missing link of the Libreville-Brazzaville corridor which is part of the Tripoli-Windhoek Trans-African Highway, it has been identified as a priority project by the Central African Consensual Transport Master Plan.

The construction and rehabilitation of this road section between the two capital cities will reduce transport costs and travel time, increase trade and regional integration, and allow easier access to the port of Pointe-Noire[4] in Congo, another EU-AITF supported project. Among the project beneficiaries are regional farmers, who face difficulties accessing markets during the eight months of rainy season, when the road is barely passable; and women and children, who will benefit from easier access to healthcare. The project has been adopted by the Economic Community of Central African States (ECCAS), and is part of the PIDA Priority Action Plan.

The TA

The EU-AITF Technical Assistance grant will be used to finance the recruitment of an international consulting firm to strengthen existing project management capacity at ECCAS for the implementation of this multinational project. It will enable a rapid start-up and ensure effective implementation of the project as there have been several significant procurement and contract management delays in previous multinational transport projects. In addition, the grant will enable the establishment of a smooth running joint border post between the two countries, and a human-wildlife conflict management system for the Mont Reserve Fouari at the Congo-Gabon border.

[4] http://www.eu-africa-infrastructure-tf.net/activities/grants/port-de-pointe-noire1.htm

ASECNA – EGNOS Programme: technical assistance for the implementation of Phase B

The project

EGNOS, a multinational air traffic control equipment modernisation programme, is the first European space-based augmentation system, which improves GPS performance. It has been certified for safety-of-life applications across Europe since March 2011 and is technically able to extend its service to cover the whole African continent and could hence become a standard for safety-of-life navigation. The Safety-of-Life Service is, amongst others, used for safety-critical transport in civil aviation. This service provides enhanced and guaranteed performance and features an integrity warning system.

The ASECNA EGNOS Programme consists of the implementation of the EGNOS system in the ASECNA area, covering 17 countries around Africa. The introduction of EGNOS in Africa will contribute to safer skies over the continent and foster economic development. The benefits are numerous: CO_2 emissions reductions, fewer accidents, fuel savings, cost reduction for airports, and less delays and cancellations. In addition, EGNOS will have many other potential uses benefiting land transportation, rail and maritime traffic, and even areas such as cartography and land management.

Region	African Continent: Benin, Burkina Faso, Cameroon, Central African Republic, Chad, Congo, Comoros, Côte d'Ivoire, Equatorial Guinea, Gabon, Guinea-Bissau, Madagascar, Mali, Mauritania, Niger, Senegal and Togo.
Sector	Transport
Scope	TA, in support of the project preparation phase
Grant amount	EUR 5 000 000
Total project cost	estimated at EUR 20 000 000
PFG lead financier	EIB

The TA

The technical assistance grant from the EU-Africa ITF will support the financing of phase B of this project and will namely help to define solutions that fulfil the ASECNA mission requirements for the provision of space-based augmentation system services for aviation as well as providing a detailed review on the transition options towards EGNOS V3. The TA will also assess industry commitments on performance, development and implementation plans, while taking into consideration the performance/cost ratio.

Lake Victoria Regional Transport: technical assistance for key studies

Region	East Africa: Uganda, Kenya and Tanzania
Sector	Transport
Type of grant	TA, in support of the project preparation phase
Grant amount	EUR 600 000
Total project cost	estimated at EUR 119.5 million
PFG lead financier	PIDG

The project

Lake Victoria, the second largest lake on the planet and the most important trans-boundary natural resource on the African continent, is shared by three countries: Uganda, Kenya and Tanzania. The lake further drains parts of Rwanda and Burundi. Lake Victoria is the main source of water supply for the people living on its shores and plays a vital economic role in the region, making it one of the most densely populated rural areas in the world with 35 million people living in and around the Lake Victoria Basin. The lake's role in the transport sector is, however, limited even though marine transportation is often the cheapest and most efficient mode of transport. The port handling facilities are limited, as are the number of vessels. Investments in the sector are often held back because initial costs are higher compared to road transport (the dominant mode of transport in the region), although operating costs are generally lower than for road transportation.

The Lake Victoria project will foster marine transport by rehabilitating three of the six ports on Lake Victoria and introducing a fleet of modern and purpose-built freight vessels, to be owned and operated by private sector investors and operators. The three ports concerned are Kisumu in Kenya, Port Bell in Uganda, and Mwanza in Tanzania. Other secondary ports in Tanzania and Uganda could also be included as the project develops. The ports will be rehabilitated to increase capacity and capability. Specialised handling equipment will be procured and installed and harbour and navigation services will be upgraded, including dredging where needed.

The TA

The EU-AITF technical assistance grant will help fund the first phase of project preparation. One of the key studies is a Bankable Market Forecast Study, which will establish the freight volume for the various types of goods and their respective transport routes to ultimate markets within the Lake Victoria Basin, examining all potential port locations, and calculate the current cost of transportation for each category of goods to illustrate the cost advantage that marine transport would enjoy. An economic impact assessment and a preliminary scoping study on the environmental impacts of the project is also being initiated during this first phase. A TA budget of an additional EUR 1.4m for the co-funding of the remaining preparation work (ESIA, Legal and Institutional Framework Assessment and others) was provisionally approved by the EU-AITF Executive Committee in December 2013.

Liberia Via Reservoir: technical assistance for the financing of preparatory studies

Region	West Africa
Sector	Transport
Type of grant	TA, in support of the project preparation phase
Grant amount	EUR 4 800 000
Total project cost	estimated at EUR 258 million
PFG lead financier	EIB

The project

Liberia is still recovering from its civil wars, during which most of the country's infrastructure was destroyed. Poverty is pervasive and the country is heavily dependent on aid. At the end of 2012, less than 5% of the capital Monrovia's population had access to grid supply and grid supply outside of Monrovia was virtually absent. The electricity sector is hampered by a lack of generation and distribution capacity, while tariffs are among the highest in the continent.

Liberia has huge potential for hydroelectric power, but all sites in the country face the constraint that very little electricity can be produced during the dry season from December to May. A storage reservoir could remedy this problem. The Via Reservoir project is such a storage facility, to be constructed on the confluence of the Via River and the St Paul River, which, as a matter of fact, is the only suitable site in the country for the construction of a storage reservoir. Several hydro plants could benefit from such a reservoir, including the Mount Coffee plant, which is currently being rehabilitated with support from another EU-AITF grant[5]. The Reconnaissance Study indicates that with the Via Reservoir, the economic costs of hydropower generation will be much lower than the costs of the currently used diesel power generation or imports.

The TA

The EU-AITF Technical Assistance grant will be used for two studies: an Environmental and Social Impact Assessment and Environmental and Social Management Plan; as well as a Detailed Feasibility Study. The first study will ensure that the project is implemented in an environmentally sound and sustainable manner. The second study will analyse the technical, economic and financial feasibility of the Via Reservoir, and prepare the design of the reservoir. The study will furthermore recommend the organisational and institutional set-up for its construction and operation.

[5] http://www.eu-africa-infrastructure-tf.net/activities/grants/mount-coffee-hydropower-plant-rehabilitation.htm

EU-AITF SE4ALL Envelope Projects in Investment Phase

Financing energy efficiency and renewable energy investments of private companies in West Africa: technical assistance and investment grant to support project developers

Region	West Africa: WAEMU States
Sector	Energy (SE4ALL)
Scope	TA and IG, in support of the project investment phase
Grant amount	EUR 1 500 000 as TA EUR 4 500 000 as IG
Total project cost	EUR 45 000 000
PFG lead financier	AFD

The project

Communities and industrial sectors in the West African Economic and Monetary Union (WAEMU) zone suffer from the unreliable electricity service and extremely high electricity prices. Given this situation and the share of oil and biomass in the energy balance of WAEMU countries, energy efficiency and renewable energy development is essential for the economies in the area.

AFD will make available a concessional facility of EUR 30 million aimed at engaging West African local banks to promote the financing of energy efficiency and renewable energy investments, with a particular focus on Senegal, Côte d'Ivoire and Togo. This banking intermediation programme will target investments made by private companies. A technical assistance programme will complete the credit facility mechanism by supporting and stimulating the development of energy efficiency and renewable energy projects up to the financing offer. The project will help generate and prioritise financially viable investments through softening market-based financing conditions applied by commercial banks to loans provided to their clients. This project is supported through the SE4ALL envelope of the EU-Africa Infrastructure Trust Fund.

The TA

The technical assistance will support project developers in creating bankable projects, in close coordination with local financial intermediaries, to improve their appetite for and skills to appraise and finance projects. Project implementation will be ensured by an international consultant recruited through an international bidding process, in coordination with local institutions. The programme will not only help to identify sustainable energy investment opportunities and hence support the preparation of a project portfolio, but will also assist the partner banks in achieving sustainable financing of identified investments and contribute to training, marketing campaigns, monitoring and evaluation.

The IG

Up to EUR 3 million from the investment grant will be used to fund incentive payments. These incentive payments are on average equivalent to 10% of the loan amount and will be transferred to the final beneficiaries as a grant to prioritise their investments in the fields of energy efficiency and renewable energy. The rest of the investment grant will be deployed in the project financing plans, for example through a contribution to feasibility studies.

GET FiT East Africa Programme - Uganda Roll-Out Phase 1:

The project

The main objective of the overall GET FiT Program is to assist East African nations in pursuing a climate resilient low carbon development path resulting in growth, poverty reduction and climate change mitigation.

The roll-out of the programme has started in Uganda. In Uganda, GET FiT intends to leverage private investments into renewable energy generation projects and to fast-track a portfolio of small-scale renewable energy generation projects, promoted by private developers and with a total installed capacity of roughly 150 MW and approximately 800GWh production per year, transforming Uganda's energy mix within a period of 3-5 years. In addition, the first grid-connected solar PV projects are to be facilitated, allowing for additional generation capacity of approximately 20 MWp/30 GWh. The programme provides technical assistance to the regulator to ensure sustainable improvements in the area of tariff modelling, project due diligence and tendering of concessions for small renewables. The revision of the standardised Power Purchase Agreements for small renewables has further added to a sustainable improvement of the investment climate in Uganda.

The IG

The Investment Grant of EUR 20 million will be used to make small-scale renewable energy generation projects – between 1 MW and 20 MW installed capacity – financially viable. It will co-finance a Premium Payment Mechanism which will enable such projects to reach financial close and implementation. The payment of this premium will increase the regulated feed-in tariff to a sustainable level and support, in particular, the Solar Facility with the aim of introducing the first grid-connected solar PV plants to Uganda.

GET FiT UGANDA

SUSTAINABLE ENERGY FOR ALL

Region	East Africa: Uganda
Sector	Energy (SE4ALL)
Scope	IG, in support of the project investment phase
Grant amount	EUR 20 000 000
Total project cost	estimated at EUR 427.6 million
PFG lead financier	KfW

Extension of NIGELEC Networks: investment grant for rural electrification purposes

SUSTAINABLE
ENERGY FOR ALL

The project

NIGELEC, Société nigérienne d'électricité, Niger's 95% state-owned power utility in charge of the generation, transmission, distribution and sale of electricity in Niger, strongly relies on power imports from Nigeria, roughly accounting for 80% of the country's supply. The Niger authorities have come up with an ambitious generation plan to reduce the country's reliance on such imports and to meet the growing demand for electricity. The expansion of the distribution network will promote economic growth and reduce inequality. The project will furthermore involve the closing down of nine small polluting thermal plants and improve the financial sustainability of NIGELEC. In the long term, Niger even intends to become a net exporter of electricity, essentially with the development of its coal resources.

This expansion project provides for the construction of 795 km of new transmission lines to supply power to additional areas in the outskirts of Niamey and to connect three isolated grids to the main networks. This will provide electricity access to 61 300 previously unconnected households in 14 areas in the capital city Niamey, 30 rural municipalities and 70 villages.

Region	West Africa: Niger
Sector	Energy (SE4ALL)
Scope	IG, in support of the project investment phase
Grant amount	EUR 11 000 000
Total project cost	EUR 41 000 000
PFG lead financier	AFD

The IG

The Investment Grant from the EU-AITF will be used to co-finance the connection of 30 rural municipalities and 70 villages to the main networks, enabling 14 500 new connections. The value added of this Investment Grant is justified through the expected social impacts and the overall high economic and financial profitability of the project.

Lake Turkana Wind Power: financial instrument grant for an equity participation in the project

SUSTAINABLE ENERGY FOR ALL

Region	East Africa: Kenya
Sector	Energy (SE4ALL)
Scope	FI, in support of the project investment phase
Grant amount	EUR 25 000 000
Total project cost	estimated at EUR 620 million
PFG lead financier	EIB

The project

The Lake Turkana Wind Power project is the largest wind farm currently being developed on the sub-Saharan continent and will be one of the largest renewable energy projects in Africa. The plant is of great importance to Kenya's electricity sector and is indispensable to enable economic, social and political prosperity in the country. The majority (68%) of Kenya's primary energy consumption comes from wood fuel and other biomass sources, which has resulted in one of the highest deforestation rates on the continent. The situation is aggravated by the over-reliance on hydropower, which has often been unpredictable in the dry seasons.

The wind farm, which will be located about 10 km east of Lake Turkana in northern Kenya in a sparsely populated, rocky, desert area, will include 365 turbines, a 33 kV electricity grid system, and a 33/200 kV substation, providing 310 MW of reliable, low cost wind energy to Kenya's national grid.

The wind farm will sell electricity to the national utility Kenya Power & Lighting Co. (KPLC) under a 20-year power purchase agreement and is being developed under Kenya's Independent Power Producer programme, which is attracting private investors to the sector. Once completed, the project will initially account for up to 17% of the country's installed capacity in a fast-growing, supply-constrained market. The project is the first large development of wind energy in Kenya and in the region and could provide a basis for the further development of wind energy in East Africa. It will contribute to addressing currently unmet and growing electricity demand using a renewable energy resource and will thus reduce the country's dependence on imported fossil fuels and climate-sensitive hydropower, support economic development and avoid the environmental impacts of fossil-fuelled electricity generation.

The FI

The EU-AITF will provide a capital participation to the project to close a financing gap and will hence remove a substantial hurdle to financial close. As a result, the grant brings direct benefits to the Kenyan end consumer by supporting a project that will deliver over 20 years of sustainable electricity supply at a favourable rate.

Benin Access to Electricity in the Atlantique Province: Investment Grant to facilitate power connections

Region	West Africa: Benin
Sector	Energy (SE4ALL)
Scope	IG, in support of the project investment phase
Grant amount	EUR 20 000 000
Total project cost	estimated at EUR 53 million
PFG lead financier	AFD

The project

The electricity sector in Benin is in need of improvement as it struggles with high costs, major power shortages, frequent blackouts, inadequate investment and high dependency on neighbouring countries (primarily Nigeria and Ghana) for supply. The networks are overloaded and generally 15 years behind in terms of investment. Benin has difficulties meeting the ever-growing demand, which has increased by an average of 8% annually over the last ten years.

The project will address the above-mentioned electricity issues in Benin, and consists of two components: (i) the improvement of access in the urban and peri-urban areas in the western suburbs of the capital city Cotonou and the Atlantique Province; and (ii) a rural electrification component in the rural areas of the Atlantique Province. A total of 670 km of transmission lines will be built to improve electricity access to approximately 270 000 beneficiaries. The project will not only improve the quantity but also the quality and reliability of supply, and thus automatically also support the economic development of the districts in the west of Cotonou. It will contribute to poverty reduction in a country that ranks 166th in the list of 187 countries classified by the latest Human Development Index (HDI). Long-term sustainability is secured as the project has been designed to meet demand for the next 20 years.

The IG

The EU-AITF Investment Grant will facilitate a significant number of connections (estimated at 34 000) to the grid, connecting about 80 villages. It will finance the costs of the access component for the rural area (estimated at EUR 9 million), the connection programme for the urban/peri-urban area (estimated at EUR 6 million) and the owner's engineer (budget of EUR 5 million). The grant will hereby ensure the financial viability of the project, as a 20-year loan would be a burden too heavy to bear – the internal rate of return would be negative like the net cash flows – for the Benin Electricity Company, which is responsible for the distribution of electricity.

GEFIOR - Green Energy Finance in Indian Ocean Region: technical assistance for renewable energy and energy efficiency project development

SUSTAINABLE
ENERGY FOR ALL

Region	Southern Africa & Indian Ocean: Mauritius
Sector	Energy (SE4ALL)
Scope	TA, in support of the project investment phase
Grant amount	EUR 1 700 000
Total project cost	estimated at EUR 71.9 million
PFG lead financier	AFD

The project

Mauritius and the Seychelles are experiencing a mounting energy crisis because of a growing energy demand coupled with a high dependence on the import of fossil fuels. Investing in Renewable Energy (RE) and Energy Efficiency (EE) offers a way for these small island countries to contain and control energy costs, and to strengthen their economic resilience to external shocks. Usually investors tend to play safe and choose to finance standard solutions over efficient or innovative ones, even if those solutions have already been used in developed countries for years and have proven to be highly reliable. Therefore, the goal of the GEFIOR project is to break this vicious circle and steer investors towards RE and EE projects by ensuring high-quality project preparation.

The proposed project has two components:
1. A soft credit line of EUR 60 million to the major Mauritian banks, and their affiliates in neighbouring countries, to engage local banks in financing optimisation in the use of energy and the promotion of renewable energy in the private sector.

2. Technical and financial assistance to help project developers to identify and unfold sustainable energy projects.

The project will improve the competitiveness of the local enterprises and reduce the Government's budgetary burden. In addition, it will reduce negative health impacts on the population thanks to the reduction of pollution. Expected impacts include 25 MW of RE installed and 50 GWh saved each year.

The TA

The EU-AITF will be providing a technical assistance grant (EUR 1.7 million) organised around five main components to improve the local financial intermediaries' skills and appetite for such RE and EE projects:
1. Support to sub-projects' origination, preparation and implementation.

2. Capacity building and transfer of knowledge.

3. Awareness raising and dissemination of best practices at regional level.

4. Monitoring and evaluation of the programme.

5. Financial assistance to energy audit studies.

Liberia Energy Access Project: Investment Grant for rural, peri-urban and urban electrification

SUSTAINABLE ENERGY FOR ALL

The project

Liberia has one of the lowest electricity access rates in the world, presently less than 2% of households nationwide, and rural energy access is virtually non-existent in the country. To reach the goals set by the Government of Liberia of 70% electricity access in Monrovia and 35% in rural areas by 2030, development in electricity infrastructure is greatly needed, bearing in mind that most of the infrastructure is still lacking since it was destroyed during the civil wars in the country (1989-2003).

By developing electrical transmission and distribution, the Liberia Energy Access Project – Leap 1 will address three major constraints in the country's electricity sector: (i) low access to electricity in Monrovia and River Gee County; (ii) non-existence of electricity supply in rural areas; and (iii) the limited human and technical capacity of the energy sector. It will ensure the provision of meters and connections to customers through the national electricity company. The project will benefit approximately 90 000 people (15 000 households).

Region	West Africa: Liberia
Sector	Energy (SE4ALL)
Scope	IG, in support of the project investment phase
Grant amount	EUR 10 000 000
Total project cost	estimated at EUR 44.8 million
PFG lead financier	AfDB

The IG

The grant will finance the construction of the distribution networks in River Gee County, and transmission/distribution lines and/or substations in and around Monrovia.

Projects in Preparation Phase

Clean Cooking Programme for Africa: technical assistance for project preparation

The project

Billions of people worldwide continue to be without basic modern energy services, reliable access to electricity or clean cooking facilities. Insufficient energy obliges many of them, especially women and children, to devote a large part of their time to gathering firewood and so prevents them from going to work or school. Traditional biomass fuels like firewood, charcoal and agricultural waste remain the most important energy source for most African households for cooking and heating. Cutting trees allows deforestation to occur on a large scale and indoor pollution causes serious health problems. This is where the clean cooking programme for Africa comes in. The objective of the project is to set the market framework for a large-scale transition to clean cooking by replacing outdated stoves and open fires with modern energy services based on Liquefied Petroleum Gas, LPG. The provision of clean cooking solutions is one of eleven "Action Areas" under the Sustainable Energy for All initiative.

Region	African Continent: Cameroon, Ghana and Kenya
Sector	Energy (SE4ALL)
Scope	TA, in support of the project preparation phase
Grant amount	EUR 1 700 000
Total project cost	to be determined
PFG lead financier	KfW

The TA

The EU-AITF grant of up to EUR 1.7 million will finance a feasibility study for the preparation of this regional programme in three pilot countries, Kenya, Ghana and Cameroon. The feasibility study will identify and develop investments and policy recommendations to unlock and grow the market for LPG as a major solution for clean cooking on a rapid and large scale.

An Example of the Successful Deployment of an

EU-AITF Grant

"The GET FiT programme will help us to promote a reliable, climate-friendly energy supply in Uganda."

Peter Lokeris,
Ugandan Minister of State for Mineral Development.

GET FiT

In an effort to cope with the increasing demand for energy in Eastern Africa, the Ugandan Government, together with the German development bank KfW and Deutsche Bank, has launched an innovative new renewable energy development financing programme, the Global Energy Transfer Feed-in Tariff (GET FiT).

The main objective of the GET FiT Programme is to combat climate change and the lack of available energy by supporting private sector investment in capital intensive renewable energy initiatives in emerging and developing countries. KfW – supported by donors – has spent significant time with public sector stakeholders in Uganda to increase awareness of private sector requirements. By ensuring the transparency, longevity and certainty of projects and by guaranteeing purchase agreements for green electricity at a pre-determined price (Feed-in Tariffs), the programme will attract private investors. In addition, the Government of Uganda has requested World Bank support to mitigate political and commercial risks by providing Partial Risk Guarantees to improve the risk profile for investors.

The programme will add around 150 MW to the Ugandan electricity grid, through a portfolio of approximately 15 small-scale renewable projects over the next three to five years. In addition, the first grid-connected solar PV plants will be supported with an estimated capacity of 20 MW. Aside from the financial and growth benefits, the projects will also have an important positive climate impact by reducing carbon dioxide emissions by 11 million tonnes over twenty years. After its roll-out in Uganda, the project is scheduled to be expanded to other East African countries during 2014 and 2015.

Instruments

The GET FiT Programme Uganda consists of three key instruments: a GET FiT Premium Payment Mechanism, a World Bank Partial Risk Guarantee, and Private Sector Financing. Implementation of these instruments will be led by three entities: the Government of Uganda (represented by KfW), the World Bank and Deutsche Bank. Implementation will be closely coordinated to minimise transaction costs and maximise impact.

1. GET FiT Premium Payment Mechanism

The GET FiT Premium Payment Mechanism is designed to make small-scale renewable energy generation projects (between 1 MW and 20 MW in installed capacity) financially viable, thus enabling a large portfolio of projects to move to financial close and into implementation. GET FiT Premium Payments are additional payments per kWh, above and beyond the regulated tariff levels as published by ERA (Electricity Regulatory Authority). Payments will be availed of on a grant basis, following an open and transparent Request-for-Proposal process. In the case of solar PV the level of Premium payments will be determined by a reverse bidding process, with the lowest eligible bidders receiving support. The Government of Uganda, represented by KfW, will be implementing the GET FiT Premium Payment Mechanism.

2. World Bank Partial Risk Guarantee

The Government of Uganda has officially requested the World Bank to explore the use of a Partial Risk Guarantee (PRG) mechanism for projects benefiting from the REFiT. The PRG, to be approved in early 2014, would be used to facilitate the provision of short-term liquidity support (Letter of Credit from a commercial bank). This will provide greater certainty of timely receipt of payments that are due from UETCL in line with the Power Purchase Agreement.

In addition, private developers will also be able to avail themselves of further cover from the World Bank for other government obligations (including, for instance, guarantees against termination). Such further guarantees would be provided directly to lenders to projects.

3. Private Sector Financing

Deutsche Bank – as the initiator of the GET FiT concept – is working with international and local commercial banks to facilitate project financing transactions. The terms and conditions will reflect the improved risk profile of projects supported by the GET FiT premium top-up and guarantee mechanisms as well as the improved quality of business plan material following the review by the GET FiT public facility experts. It is not planned to set up a dedicated fund vehicle to finance GET FiT projects alone. There is no exclusivity for the Private Facility and private developers are free to approach other financiers for debt and equity financing.

The Process

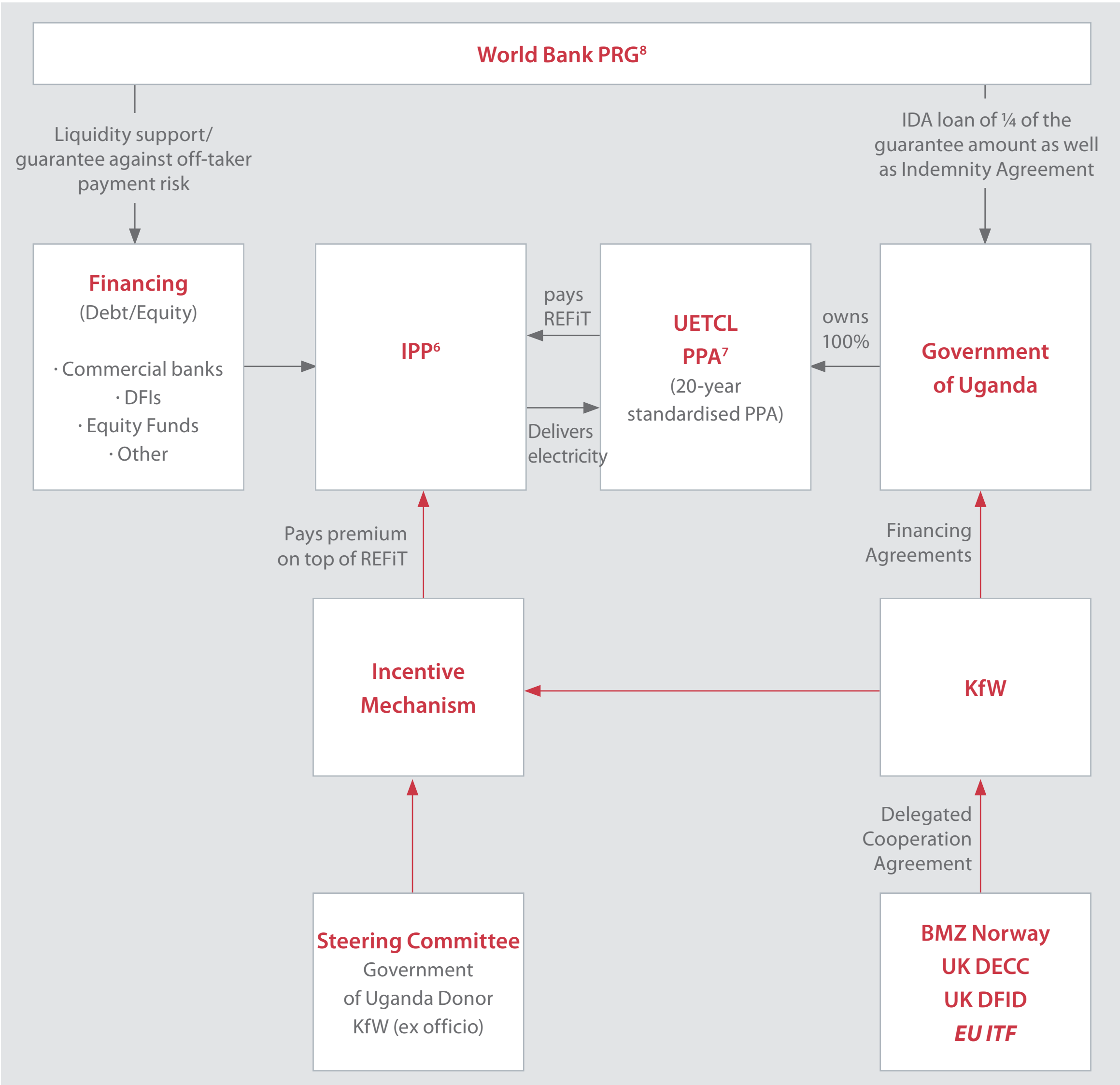
Project sponsors/developers can apply for GET FiT financial support as well as the guarantees once their projects have reached an advanced development phase and as long as they have not signed a power purchase agreement with the Uganda Electricity Transmission Company Limited (UETCL). KfW, on behalf of ERA, will continue to organise requests for proposals. Following an expert review of economic, technical and socio-ecological aspects, an independent investment committee will decide upon the financial support. The World Bank decision-making process for the PRG guarantee will take place in parallel.

Benefits

GET FiT will:

- help enhance the overall enabling environment for private investment in renewable energy through improvements to the Renewable Energy Feed-In Tariff system and its application;
- help stabilise Ugandan power sector finances by adding least-cost generation capacity;
- enable the Government of Uganda to pursue its ambitious electrification targets;
- improve the availability of long-term commercial finance for small-scale renewable energy generation projects in Uganda; and
- help decentralise and diversify Uganda's energy mix, thus enhancing security of supply.

GET FiT – Global Energy Transfer Feed-in Tariffs – has been jointly developed by the Ugandan Government, ERA, German development bank KfW and Deutsche Bank, and is supported by the Governments of Norway, Germany and the UK as well as the World Bank through its Partial Risk Guarantee (PRG) instrument. This was in response to a request from the Advisory Group on Energy and Climate Change of the Secretary-General of the United Nations to develop ideas for promoting renewable energy (RE) projects in developing countries. All GET FiT projects are expected to be on-grid by the end of 2016. The EU-Africa Infrastructure Trust Fund is supporting the GET FiT Programme Uganda with an Investment Grant of EUR 20 million to co-finance the Premium Payment Mechanism and to make small-scale projects financially viable. Up to 900 000 people will benefit from improved energy access through the grant.



[6]Independent Power Project (private developer)
[7]Power Purchase Agreement
[8]Partial Risk Guarantee

Grant Operations Cleared in Principle **in 2013**

Grant Operation	Region	Sector	Scope	PFG Lead Financier	Grant amount cleared in principle	Short description
Lake Victoria Regional Transport	East Africa	Transport	TA	PIDG	1 400 000	2nd phase of this TA: Technical Definition and Design, an ESIA, additional marine surveys, an assessment of the legal and institutional framework, and other development activities. The technical assistance is being sought to support the development of several key studies, consultancy engagements and analyses. Development of commercial marine transportation infrastructure consisting of (a) the upgrade and rehabilitation of existing port infrastructure in and around Port Bell (Uganda), Mwanza/Bukoba (Tanzania) and Kisumu (Kenya), also including new landing facilities; and (b) the procurement of a fleet of modern container vessels/ barges.

Grant Operation	Region	Sector	Scope	PFG Lead Financier	Grant amount cleared in principle	Short description
Uganda Rural Electrification Project	East Africa	Energy	IG	AFD	10 000 000	Grid extension in two service territories in the western and southern regions of Uganda with construction of approximately 407 km of 33 kV power lines, transformers and customer connection in one territory and 524 km of 33 kV power lines in another.
Clean Cooking Programme for Africa	African Conti-nent	Energy	IG	KfW	15 000 000	Provision of seed capital for a demand-enhancing fund, which will provide financing programmes for clean cooking appliances in collaboration with local financial institutions. The Global LPG Partnership is a public-private partnership, which was launched by industry players and the World LPG Association, representatives of national governments, local LPG businesses, and the global health community, among others.

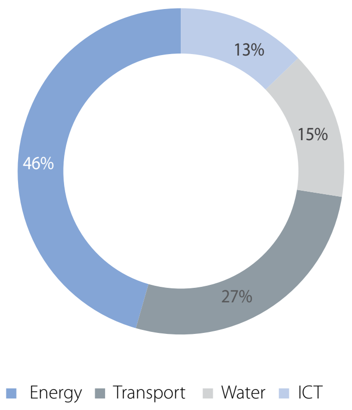
Total Disbursements
2007-2013

Total disbursements from the EU-Africa ITF amounted to almost EUR 102 million as at 31.12.2013, which is 20% of the total approved grant operation.

During 2013, EU-AITF disbursed a total of EUR 17.8 million to 22 projects. These disbursements were exclusively made under the EU-AITF regional envelope.

Compared to 2012, the number of disbursements increased from 35 to 38, although the total amount disbursed is only half the amount disbursed in 2012.

EU-AITF disbursements by sector in EUR million



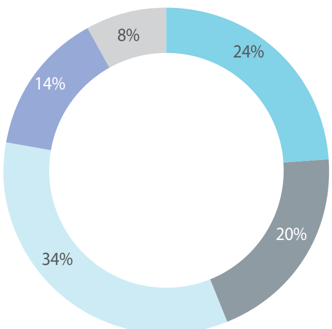
Year	disbursements EUR million	No. of disbursements
2007	-	0
2008	1.08	5
2009	22.40	12
2010	8.39	14
2011	17.54	30
2012	34.54	35
2013	17.82	38
Total	101.77	

Looking Forward
The Pipeline

At end-2013 the total EU-AITF pipeline stood at EUR 885 million, out of which an amount of approximately EUR 660 million could qualify to support SE4ALL projects.

A quarter of all projects in the EU-AITF pipeline are also associated with the Programme for Infrastructure Development in Africa Priority Action Programme (PIDA PAP). Excluding the SE4ALL projects from the pipeline (mostly national projects and hence not considered by the PIDA PAP), the share of EU-AITF projects that are in the PIDA PAP is more than 55%, reflecting the strong alignment of the classical regional infrastructure EU-AITF window with African ownership and priorities.

EU-AITF Grants in the Pipeline by region



EU-AITF pipeline per Region

	TOTAL	SE4ALL only
West Africa	212 975 000	109 775 000
Southern Africa & Indian Ocean	179 050 000	145 250 000
East Africa	299 900 000	228 600 000
African Continent	121 700 000	121 700 000
Central Africa	72 000 000	57 000 000
	885 625 000	662 325 000

Closing Remarks by
the Chair of the Executive Committee

The EU-Africa ITF has had its most successful year yet, having approved 17 grant operations for a total of EUR 129 million in 2013, a firm increase that brings the aggregate number of grant operations to 92, totalling almost EUR 500 million.

Almost three quarters of the 2013 approvals were under the new SE4All envelope, to which the European Commission had pledged EUR 329 million in 2012. SE4ALL projects contributed to all three goals of increasing renewable generation, improving access to electricity and energy efficiency. The approval of regional infrastructure projects, the EU-Africa ITF's traditional forte, also continued and the regional envelope was replenished by the UK and Germany.

In addition, I wish to highlight that in 2013 the Trust Fund further diversified its types of financial support by introducing the first financial instrument, a remunerated equity participation in the Lake Turkana project. In 2012, the Executive Committee approved a framework for the assessment of eligible projects using other financial intermediaries, typically local banks, for on-lending to small and medium-sized projects and in 2013 the first project offering environmental credit lines in several countries duly followed.

As African ownership is assured for all of the projects, more than half of the grant operations supported by the EU-Africa ITF are for projects included in the Priority Action Plan (PAP) of the Programme for Infrastructure Development in Africa (PIDA), the multi-billion dollar initiative for the period up to 2040, adopted by the African Heads of State and Government in 2012. This percentage underlines the positive identification that exists between the Trust Fund and African priorities and underlines the EU-Africa ITF's support for African ownership.

A 2013 study of the EU-Africa ITF's results has concluded that the key success factors are the EU-Africa ITF's unique regional focus, its flexibility, its track record of investments following pre-investment support and the cooperation between the financing institutions. As the European Commission and EU Member States continue to discuss the most appropriate architecture of the future regional blending facilities under the EU Platform for Blending in External Cooperation (EUBEC), parts of the framework

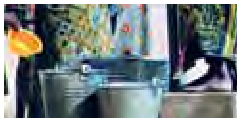
are subject to harmonisation. Negotiations will likely conclude within the next year, allowing the implementation of the 2014-2020 Multi-annual Financial Framework (MFF) in the external field.

Meanwhile, the EU-Africa ITF remains well-funded with a robust pipeline, especially in the area of SE4ALL, and up-to-date with an updated Trust Fund agreement, which was agreed in July 2013. We are therefore confident that 2014 will be another successful year.

I would like to conclude with a word of thanks to the team and to my predecessor as Chair of the Executive Committee, Francesca Mosca, for the great achievements made in 2013.

Roberto Ridolfi,
Chair of the Executive Committee

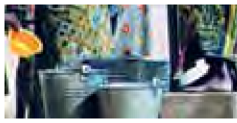
Annexes



1. List of Approved Grant Operations 2007-2013

Project	Region	Sector	Scope	PFG Lead Financier	Grant amount	Approval date	status
Access to Douala	Central Africa	Transport	IRS	AFD	5 700 000	16/09/2010	ongoing
Africa Energy Guarantee Fund	African Continent	Energy	TA	EIB	1 000 000	29/06/2012	ongoing
Africa Sustainable Energy Facility	East Africa	Energy	DG	EIB	5 000 000	13/12/2012	ongoing
Africa Sustainable Energy Facility	East Africa	Energy	TA	EIB	3 000 000	13/12/2012	ongoing
ASECNA - Capacity Enhancement TA Programme	African Continent	Transport	TA	EIB	2 000 000	29/06/2012	ongoing
ASECNA - EGNOS	African Continent	Transport	TA	EIB	5 000 000	07/02/2013	ongoing
AXIS - The African Internet Exchange System	African Continent	ICT	TA	Lux-Development	5 100 000	19/08/2010	ongoing
Beira Corridor	Southern Africa & Indian Ocean	Transport	IRS	EIB	29 000 000	18/12/2008	ongoing
Benin - Togo Power Rehabilitation	West Africa	Energy	IRS	EIB	12 250 000	10/11/2009	ongoing
Benin Access to Electricity in the Atlantique Province	West Africa	Energy	IG	AFD	20 000 000	12/12/2013	ongoing
BOAD - Development of a SEMS	West Africa	Multi-sector	TA	AfDB	400 000	19/08/2011	ongoing
Bumbuna Phase II Hydro-electric Project	West Africa	Energy	TA	PIDG	2 500 000	07/11/2012	ongoing
Capacity building for BOAD	West Africa	Multi-sector	TA	EIB	900 000	23/08/2010	ongoing
Caprivi Interconnector	Southern Africa & Indian Ocean	Energy	IRS	EIB	15 000 000	22/01/2008	completed
Central and West Africa Road Corridors	Central Africa	Transport	TA	EIB	2 500 000	15/12/2011	completed
Clean Cooking Programme for Africa	African Continent	Energy	TA	KfW	1 700 000	12/12/2013	ongoing
CLSG Power Interconnector	West Africa	Energy	TA	EIB	3 000 000	16/10/2007	ongoing
CLSG Power Interconnector	West Africa	Energy	TA	EIB	1 750 000	23/03/2011	ongoing
CLSG Power Interconnector	West Africa	Energy	IRS	EIB	12 500 000	19/09/2012	ongoing
CLSG Power Interconnector	West Africa	Energy	DG	AfDB	10 000 000	19/09/2012	ongoing
Congo-Gabon road and transport facilitation project	Central Africa	Transport	TA	AfDB	3 402 100	06/12/2013	ongoing
EASSy Submarine Cable	East Africa	ICT	TA	EIB	2 600 000	05/07/2007	completed
Eastern Africa Transport Corridor	East Africa	Transport	IRS	EIB	16 600 000	15/12/2011	ongoing
ECOWAS Electricity Regulation	West Africa	Energy	TA	AFD	1 700 000	10/11/2009	ongoing
Engaging Banks in Energy Transition Projects	East Africa	Energy	TA	AFD	2 000 000	29/06/2010	ongoing
Engaging Banks in Energy Transition Projects	East Africa	Energy	TA	AFD	2 100 000	27/06/2013	ongoing
Ethiopia-Kenya Interconnector	East Africa	Energy	TA	KfW	550 000	10/07/2007	completed
Expansion of Port of Walvis Bay	Southern Africa & Indian Ocean	Transport	TA	KfW	450 000	14/12/2009	completed
Extension of NIGELEC distribution networks	West Africa	Energy	IG	AFD	11 000 000	24/10/2013	ongoing

Project	Region	Sector	Scope	PFG Lead Financier	Grant amount	Approval date	status
Félou Hydropower Plant	West Africa	Energy	IRS	EIB	9 335 000	10/07/2007	ongoing
Financing EE and RE Investments of private companies in West Africa	West Africa	Energy	TA	AFD	1 500 000	24/10/2013	ongoing
Financing EE and RE Investments of private companies in West Africa	West Africa	Energy	IG	AFD	4 500 000	24/10/2013	ongoing
GEFIOR - Green Energy Finance in Indian Ocean Region	Southern Africa & Indian Ocean	Energy	TA	AFD	1 700 000	12/12/2013	ongoing
Geothermal Risk Mitigation Facility	East Africa	Energy	DG	KfW	30 000 000	20/10/2011	ongoing
GET FiT Programme	East Africa	Energy	IG	KfW	20 000 000	24/10/2013	ongoing
Gibe III Hydropower Plant ESIA	East Africa	Energy	TA	EIB	1 300 000	14/12/2009	completed
Interconnexion Bolgatanga Ouagadougou	West Africa	Energy	IRS	EIB	6 700 000	20/10/2011	ongoing
Interconnexion Bolgatanga Ouagadougou	West Africa	Energy	IRS	AFD	2 800 000	20/10/2011	ongoing
Interconnexion Bolgatanga Ouagadougou	West Africa	Energy	TA	AFD	4 800 000	20/10/2011	ongoing
Itezhi Tezhi	Southern Africa & Indian Ocean	Energy	IRS	EIB	17 600 000	12/03/2012	ongoing
Itezhi Tezhi	Southern Africa & Indian Ocean	Energy	TA	EIB	600 000	12/03/2012	ongoing
Jomo Kenyatta International Airport Extension	East Africa	Transport	TA	EIB	5 000 000	14/12/2009	ongoing
Kampala Water – Lake Victoria WATSAN	East Africa	Water	IRS	KfW	14 000 000	29/06/2010	ongoing
Kampala Water – Lake Victoria WATSAN	East Africa	Water	TA	KfW	8 000 000	29/06/2010	ongoing
Kazungula Bridge and Border Project	Southern Africa & Indian Ocean	Transport	TA	AfDB	1 000 000	05/07/2011	ongoing
Kazungula Bridge and Border Project	Southern Africa & Indian Ocean	Transport	TA	AfDB	2 000 000	13/12/2012	ongoing
Kibuye-Goma-Birembo Interconnector	East Africa	Energy	TA	KfW	800 000	15/04/2010	completed
Lake Turkana Wind Power	East Africa	Energy	FI	EIB	25 000 000	24/10/2013	ongoing
Lake Victoria Regional Transport	East Africa	Transport	TA	PIDG	600 000	12/12/2013	ongoing
Liberia Energy Access Project	West Africa	Energy	IG	AfDB	10 000 000	12/12/2013	ongoing
Lower Orange River Hydropower	Southern Africa & Indian Ocean	Energy	TA	EIB	1 600 000	29/06/2010	completed
LV WATSAN Mwanza	East Africa	Water	IRS	EIB	10 700 000	07/11/2012	ongoing
LV WATSAN Mwanza	East Africa	Water	TA	EIB	5 500 000	07/11/2012	ongoing
LV WATSAN Mwanza	East Africa	Water	TA	AFD	1 500 000	07/11/2012	ongoing
Maputo Airport	Southern Africa & Indian Ocean	Transport	TA	AFD	1 600 000	05/07/2011	ongoing
Masaka Mbarara Transmission Line	East Africa	Energy	TA	AFD	800 000	19/04/2012	ongoing
Mauritania - Senegal interconnection	West Africa	Energy	TA	AFD	5 500 000	12/12/2013	ongoing
Mauritania Submarine Cable Connection	West Africa	ICT	IRS	EIB	1 626 791	04/02/2011	completed
Mauritius Container Terminal Extension	Southern Africa & Indian Ocean	Transport	DG	AFD	3 000 000	19/04/2012	ongoing
Mount Coffee Hydropower Plant	West Africa	Energy	TA	EIB	1 500 000	15/04/2010	ongoing



Project	Region	Sector	Scope	PFG Lead Financier	Grant amount	Approval date	status
Mozambique Backbone (CESUL)	Southern Africa & Indian Ocean	Energy	TA	EIB	700 000	14/12/2009	ongoing
Mozambique Backbone (CESUL)	Southern Africa & Indian Ocean	Energy	TA	AFD	1 500 000	24/02/2011	ongoing
Muchinga Hydro Power	Southern Africa & Indian Ocean	Energy	TA	PIDG	2 619 000	05/07/2011	completed
Multi-modal Rail Expansion of Port of Dar Es Salaam	East Africa	Transport	TA	KfW	257 000	23/03/2011	ongoing
Namibia Transport Master Plan	Southern Africa & Indian Ocean	Transport	TA	EIB	560 000	09/11/2010	ongoing
OMVS Gouina Hydropower	West Africa	Energy	TA	AFD	1 000 000	18/12/2008	ongoing
Port de Pointe Noire	Central Africa	Transport	IRS	AFD	6 600 000	10/11/2009	ongoing
Port de Pointe Noire	Central Africa	Transport	TA	AFD	2 000 000	14/12/2009	ongoing
Rehabilitation of Ruzizi I and II	Central Africa	Energy	TA	KfW	3 000 000	02/10/2012	ongoing
Rehabilitation of the Great East Road	Southern Africa & Indian Ocean	Transport	IRS	EIB	25 000 000	29/06/2010	ongoing
Rehabilitation of the Great East Road	Southern Africa & Indian Ocean	Transport	TA	EIB	1 000 000	29/06/2010	ongoing
Rehabilitation of the Great East Road	Southern Africa & Indian Ocean	Transport	IRS	AFD	10 800 000	09/11/2010	ongoing
Rehabilitation of the Great East Road	Southern Africa & Indian Ocean	Transport	IRS	AFD	2 900 000	05/07/2011	ongoing
Rusumo Falls Hydropower project	East Africa	Energy	IG	AfDB	12 750 000	11/11/2013	ongoing
Rusumo Falls Hydropower project	East Africa	Energy	TA	AfDB	250 000	11/11/2013	ongoing
Ruzizi III Hydropower Plant	Central Africa	Energy	TA	EIB	2 800 000	29/05/2008	completed
Ruzizi III Hydropower Plant	Central Africa	Energy	TA	EIB	1 400 000	15/04/2010	completed
Sambangalou Hydropower Plant	West Africa	Energy	TA	AFD	350 000	14/12/2009	completed
Satellite eMedicine for Africa	African Continent	ICT	TA	Lux-Development	4 000 000	23/08/2010	ongoing
Seychelles Submarine Cable	Southern Africa & Indian Ocean	ICT	DG	EIB	4 000 000	14/12/2010	completed
Tanzania Backbone Interconnector	East Africa	Energy	IRS	EIB	13 700 000	14/12/2010	ongoing
Togo-Burkina Faso Road Corridor	West Africa	Transport	TA	AfDB	2 340 000	19/04/2012	ongoing
Transboundary Water Supply Calueque (Angola) - Oshakati (Namibia)	Southern Africa & Indian Ocean	Water	TA	KfW	2 400 000	25/05/2011	ongoing
Transmission Line Kafue-Livingstone	Southern Africa & Indian Ocean	Energy	IRS	EIB	5 200 000	15/12/2011	ongoing
Transmission Line Kafue-Livingstone	Southern Africa & Indian Ocean	Energy	TA	EIB	350 000	15/12/2011	ongoing
UMOJANET (Study for the West African part)	West Africa	ICT	TA	AFD	1 350 000	14/12/2010	ongoing
Update of the WAPP Masterplan	West Africa	Energy	TA	EIB	935 000	22/10/2009	completed
Update of the WAPP Masterplan	West Africa	Energy	TA	EIB	515 000	23/08/2010	completed
Via Reservoir	West Africa	Energy	TA	EIB	4 800 000	12/12/2013	ongoing
WAPP - Coastal Backbone Interconnector	West Africa	Energy	TA	EIB	1 750 000	27/03/2009	ongoing
WAPP IC Ghana-Burkina-Mali	West Africa	Energy	TA	AFD	1 200 000	05/07/2011	ongoing
Total					497 289 891		

2. Abridged Financial Statements

Statement of financial position

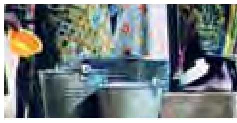
As at 31 December 2013 (in EUR '000)

	Notes	31.12.2013	31.12.2012 (restated)	01.01.2012 (restated)
Assets				
Cash and cash equivalents	4	506 644	490 276	286 329
Other assets	6	12 800	12 966	8 301
Total Assets		**519 444**	**503 242**	**294 630**
LIABILITIES AND CONTRIBUTORS' RESOURCES				
LIABILITIES				
Amounts owed to third parties	7	1 314	724	1 786
Other liabilities	8	8	7	7
Total Liabilities		**1 322**	**731**	**1 793**
CONTRIBUTORS' RESOURCES				
Contributions	9	595 231	567 373	342 700
Retained earnings		-77 109	-64 862	-49 863
Total Contributors' resources		**518 122**	**502 511**	**292 837**
Total liabilities and contributors' resources		**519 444**	**503 242**	**294 630**

Statement of profit or loss and other comprehensive income

For the year ended 31 December 2013 (in EUR '000)

	Notes	From 01.01.2013 to 31.12.2013	From 01.01.2012 to 31.12.2012 (restated)
Interest and similar income	10	18	369
Total operating income		**18**	**369**
Projects financed	11	-10 975	-10 865
General administrative expenses	12	-1 280	-4 322
Mid-term evaluation expenses	13	-	-174
Representation expenses	14	-2	-
Audit fees		-8	-7
Total operating expenses		**-12 265**	**-15 368**
Net loss for the financial year		**-12 247**	**-14 999**
Total comprehensive loss for the financial year		**-12 247**	**-14 999**



Statement of changes in contributors' resources

For the year ended 31 December 2013 (in EUR '000)

	Contributions	Retained earnings	Total
Restated balance at 31 December 2012	**567 373**	**-64 862**	**502 511**
Total comprehensive loss for the year			
Net loss for the financial year	-	-12 247	-12 247
Transactions recorded directly in contributors' resources			
Contributions (Note 9)	27 858	-	27 858
Balance at 31 December 2013	**595 231**	**-77 109**	**518 122**

	Contributions	Retained earnings	Total
Balance at 1 January 2012, as previously reported	**342 700**	**-48 077**	**294 623**
Impact of changes in the accounting policy	-	-1 786	-1 786
Restated balance at 1 January 2012	**342 700**	**-49 863**	**292 837**
Total comprehensive loss for the year			
Net loss for the financial year (restated)	**-**	**-14 999**	**-14 999**
Transactions recorded directly in contributors' resources			
Contributions (Note 9)	224 673	-	224 673
Restated balance at 31 December 2012	**567 373**	**-64 862**	**502 511**

Statement of cash flows

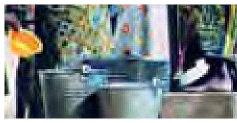
For the year ended 31 December 2013 (in EUR '000)

	Notes	From 01.01.2013 to 31.12.2013	From 01.01.2012 to 31.12.2012
OPERATING ACTIVITIES			
Interest received		18	369
General administrative expenses	12	-1 114	-8 987
Projects financed		-10 385	-11 927
Mid-term evaluation expenses	13	-	-174
Representation expenses	14	-2	-
Audit Fees		-7	-7
Net cash from operating activities		**-11 490**	**-20 726**
FINANCING ACTIVITIES			
Contributions received		27 858	224 673
Net cash from financing activities		**27 858**	**224 673**
Net increase in cash and cash equivalents		**16 368**	**203 947**
Cash and cash equivalents at beginning of financial year		**490 276**	**286 329**
Cash and cash equivalents at end of the financial year		**506 644**	**490 276**
Cash and cash equivalents are composed of:			
Current accounts (excluding accrued interest)		**506 644**	**490 276**

3. List of Donors, Representatives, PFG Members and Aggregate Contributions

Donor	Representative	Financier	Contact at Financier	Contribution
European Commission	Mr Roberto Ridolfi, European Commission – DG DEVCO	European Investment Bank	Morag Baird	308 700 000 +329 000 000[9]
The United Kingdom	Mr Harry Hagan, Department for International Development – DFID	African Development Bank	Alex Rugamba	113 000 000
Spain	Ms Carmen Balsa, Ministry of the Economy and Competitiveness	COFIDES	Fernando Aceña	10 000 000
France	Mr Martin Amar, Ministry of Foreign Affairs	Agence Française de Développement	Matthieu Bommier	10 000 000
Germany	Mr Franz Marré, Federal Ministry for Economic Cooperation and Development	KfW Bankengruppe	Amelie D'Souza	9 000 000
Italy	Mr Andrea Gianvenuti, Ministry of Foreign Affairs	Simest	Alessandra Mariani	5 000 000
Finland	Mr Jorma Suvanto, Ministry of Foreign Affairs	Finnfund	Jaakko Kangasniemi	5 000 000
Luxembourg	Ms Peggy Frantzen, Ministry of Foreign Affairs	LuxDev	Richard Schmid	2 000 000
Austria	Mr Alexander Karner, Austrian Development Agency	Development Bank of Austria	Wolfgang Pöcheim	2 000 000
The Netherlands	Mr Wim Bekker, Ministry of Foreign Affairs	PIDG	John Hodges	2 000 000
Greece	Ms Stamatia Kontopanayotou, Permanent Representation of Greece to the EU	Ministry of the Economy and Finance	Katerina Alesta	1 000 000
Portugal	Ms Ana Barreto, Ministry of Finance and Public Administration	SOFID	Paulo Lopes	1 000 000
Belgium	Mr Moussa Badji, Ministry of Foreign Affairs, External Trade and Development Cooperation	BIO	Alain De Muyter	1 000 000
			Total Regional Envelope	469 700 000
			SE4ALL Envelope	329 000 000

[9] earmarked for SE4ALL



4. List of Abbreviations and Acronyms

A	
AFD	Agence Française de Développement
AfDB	African Development Bank
ASECNA	Agency for Aerial Navigation Safety in Africa and Madagascar
AU	African Union
B	
BIO	Belgian Investment Company for Developing Countries
C	
CIP	Clearance in principle (an initial decision on eligibility of the relevant project and the envisaged grant operation)
CO_2	Carbon dioxide
D	
DFID	Department for International Development
DG	Direct Grant
DDO	Distillate Diesel Oil
E	
EC	European Commission
ECCAS	Economic Community of Central African States
EE	Energy Efficiency
EGNOS	European Global Navigation Overlay System
EIB	European Investment Bank
ERA	Electricity Regulatory Authority
EU	European Union
EU-AITF	EU-Africa Infrastructure Trust Fund
EUBEC	EU Platform for Blending in External Cooperation
ExCom	Executive Committee
F	
FI	Financial Instrument
Finnfund	Finnish Fund for Industrial Cooperation Ltd.
FIT's	Feed-in Tariffs
G	
GEFIOR	Green Energy Finance in Indian Ocean Region
GET FiT	Global Energy Transfer Feed-in Tariff
GLPGP	Global LPG Partnership
GWh	Gigawatt hour
H	
HFO	Heavy Fuel Oil
I	
ICT	Information and Communications Technology
IG	Investment Grant
IPCC	Intergovernmental Panel on Climate Change
IMF	International Monetary Fund
IRS	Interest Rate Subsidy
K	
kV	kilovolt
L	
LNG	Liquefied Natural Gas
LPG	Liquefied Petroleum Gas
LuxDev	Luxembourg Development Agency
M	
MW	Megawatt
MFF	Multi-annual Financial Framework
N	
NIGELEC	Société nigérienne d'électricité
P	
PFG	Project Financiers Group [of the ITF]
PIDA	Programme for Infrastructure Development in Africa
PIDG	Private Infrastructure Development Group
R	
RE	Renewable Energy
REFiT	Renewable Feed-In Tariff
RTAP	Regional Technical Assistance Programme
S	
SE4ALL	Sustainable Energy for All
Senelec	Société National d'Éléctricité du Sénégal
SIMEST	Società Italiana per le Imprese all'Estero (Italian Company for Enterprises Abroad)
SOFID	Sociedade para o Financiamento do Desenvolvimento (Portuguese Development Finance Company)
Somelec	Société Mauritanienne d'Electricité
T	
TA	Technical Assistance
TPC	Total Project Cost
U	
UK	United Kingdom
UN	United Nations
W	
WAEMU	West African Economic and Monetary Union
WAPP	West African Power Pool

European Union Africa
Infrastructure Trust Fund

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c/o European Investment Bank
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bio Development through Investment

COFIDES

FINNFUND

KFW

LUX DEV Luxembourg Agency for Development Cooperation

OeEB

PIDG Private Infrastructure Development Group

SIMEST

SOFID

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