

## EIB confirms €3 billion of new investment across Africa in 2019



- 60% of EIB financing supported private sector – creating jobs and helping African business grow.
- Direct engagement in 22 African countries – new sustainable transport, renewable energy, access to clean water and agriculture projects.
- Targeted financing – unlocking gender, digital, local currency lending and clean ocean investment.
- High impact financing – addressing challenges of fragile states and regions vulnerable to climate change.
- New cooperation with philanthropic, UN and development finance partners across Africa
- €4 billion of new financing for African investment expected in 2020.

Last year, the European Investment Bank (EIB) provided €3 billion of new financing that will support €10.7 billion of transformational investment across Africa.

“Africa is a key priority for the European Union and the European Investment Bank. The European Investment Bank is committed to working with African partners to accelerate and expand new investment that delivers sustainable development, tackles the climate emergency, creates jobs and improves lives across Africa. The €3 billion of new investment in Africa supported by the EU bank in 2019 builds on 57 years of engagement across 52 African countries. In

recent months, the EIB has launched pioneering new initiatives to accelerate new investment essential to enabling women to fully participate in economic activity under the pioneering SheInvest programme, to ensure African innovation companies can expand and to combine our financial understanding with philanthropy to tackle malaria. said Werner Hoyer, European Investment Bank President.

The EU bank's engagement in Africa will enhance economic opportunities, accelerate sustainable development, ensure access to finance, communications, clean water and clean energy for millions of people across the continent, and be reinforced with European Union engagement and policy priorities.

"The impact of EIB engagement in Africa is enhanced by our unique global technical, sector and financial experience, the expertise of EIB teams in our nine African offices and close cooperation with local project partners," added President Hoyer.

### **Supporting investment across Africa**

The European Investment Bank, the European Union's long-term lending institution, directly supported 58 new investment projects located in 22 African countries and, in cooperation with both African and international financial partners, backed projects in many other countries across the continent through regional financing programmes.

"The EU bank is continually increasing the impact of investment that supports sustainable development and addressing climate change in Africa. New support confirmed last year is providing thousands of schools and health centres with reliable electricity for the first time, ensuring that African farmers in the Sahel, eastern and southern Africa can access finance, providing clean water for millions of people in the Sahel and Southern Africa, and upgrading sustainable transport in Africa's largest city and the island state of São Tomé and Príncipe. The EIB also agreed new cooperation with experienced African financial institutions that is delivering hundreds of small-scale clean energy, digital, education, health and micro-finance schemes across the continent. By sharing technical, business and banking expertise through training programmes, the EIB is making it possible to strengthen the skills of thousands of African entrepreneurs and financial professionals." said Ambrose Fayolle, European Investment Bank Vice-President responsible for development.

### **EIB expected to increase Africa financing to €4 billion in 2020**

Looking ahead, the EIB expects to significantly increase engagement in both sub-Saharan and North Africa and to provide €4 billion to support public and private investment across the continent in 2020.

This will include increased support for infrastructure that drives private sector growth, enabling job creation by entrepreneurs, start-up companies and corporates, and new financing for climate related investment and sustainable development.

## **Combining technical, financial and political engagement to support high-impact sustainable investment in Africa**

In recent years, alongside close technical and financial cooperation with the European Commission, the EIB has provided more than €12 billion for new financing in Africa in cooperation with international and European development finance partners, including the African Development Bank, World Bank and EBRD, as well as Dutch, French and German development finance agencies.

The EIB is also working closely with UN Habitat to improve water infrastructure in communities around Lake Victoria, UNHCR to ensure refugees can access finance in Uganda, and UNIDO to support private sector development.

## **Enabling private enterprise to flourish, innovate and create jobs**

Last year, the EIB provided more than €1.8 billion to support private sector investment across Africa, representing 60% of overall engagement on the continent.

This included €500 million of new dedicated support for African start-up companies' engagement in digital, agribusiness, financial inclusion and health services.

New EIB cooperation with African corporate, banking and micro-finance partners is providing specialist financing for smallholder farmers, removing local currency costs holding back investment and helping private companies invest in climate adaptation.

New private sector financing programmes were agreed with leading local bank and micro-finance partners that include dedicated financing intended to reduce gender inequality, provide long-term financing in local currency and target tailor-made financial products for agribusiness.

## **Strengthening economic and climate resilience to benefit vulnerable communities in fragile regions and least developed countries**

In recent years, the EIB has provided more than €2 billion of new financing to support high-impact investment in fragile states and least developed countries across Africa.

Last year the EIB agreed new support to provide first-time telecommunications coverage to remote rural regions in West Africa and ensure that rural regions in the Sahel can access micro-finance. The EIB also agreed to support new projects to develop off-grid solar in Mozambique and Malawi, better protect coastal roads in the island state of Sao Tome and secure the supply of clean water for 2.2 million people in the Madagascan capital following recent typhoons.

The EIB also agreed to help to pave the Mano River Union Road that will reduce seasonal closures after heavy rain, enable hundreds of thousands of people living in local communities to access markets and healthcare, and

strengthen trade links between northern Liberia, Guinea and Côte d'Ivoire.

### **Ensuring global financial and technical expertise benefits Africa**

The EIB ensures that technical, environmental, social and financial expertise and sector understanding is shared with project promoters, financial partners and the private sector.

In 2019, the EIB successfully completed training programmes for more than 4 000 African financial professionals in best-banking, climate risk and sustainable finance skills that will contribute to improving the local financial market and the contribution of African banks to long-term development.

The EIB also provided dedicated business skills training for thousands of entrepreneurs, members of business associations and micro-finance cooperatives.

In Uganda, the largest refugee host country in Africa, the EIB and UNHCR provided a two-week training programme across the country to improve financial inclusion and financial literacy for both refugees and host communities. The Ugandan programme will help entrepreneurs to expand business activity, reduce unemployment in rural communities and improve access to loans by both refugees and host communities.

### **Largest ever EIB Africa conference in Dakar this week**

On 26 and 27 February, the European Investment Bank and UN Habitat will host Africa Day 2020 in the Senegalese capital Dakar. This year's event represents the largest ever hosted by the EIB focusing on investment in Africa.

More than 400 government ministers, business leaders, academics and civil society representatives, as well as mayors from across Africa, will share sustainable urban development best practice, confirm new investment across the continent and visit high impact projects financed by the EIB.

The European Investment Bank is the world's largest international public bank and supports investment in more than 160 countries worldwide.

The European Investment Bank has technical and financial teams in nine African cities and has provided more than €45 billion for investment across Africa over more than 57 years.