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# FEMIP Annual Report 2010





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## FEMIP

Facility for Euro-Mediterranean Investment and Partnership

FEMIP, the Facility for Euro-Mediterranean Investment and Partnership, is the financial arm of the European Investment Bank (EIB) in the Mediterranean region. FEMIP is committed to helping Mediterranean partner countries achieve sustainable economic development and social growth.

FEMIP has two investment priorities in the region, namely to provide support to the private sector and create an investment-friendly environment. It also promotes dialogue between Euro-Mediterranean partners.

In order to attain its objectives, FEMIP offers services and products that are tailored to the investment environment in the Mediterranean, in addition to undertaking field studies to tackle forthcoming challenges within the region.

## Message from the Vice-President



FEMIP is placing its experience and assistance at the service of democratic reform and economic development in the region, aiming to help achieve the goals of today's youth and to answer their calls for jobs and economic and social development.

## FEMIP tuned in to the voice of Mediterranean youth

We are witnessing a new chapter in the history of Europe's Southern Neighbourhood, where new priorities are being set against the backdrop of unprecedented hopes and challenges. While women and men across the Mediterranean are the architects of their own future and drivers of the transition process, the EU partners' role is to assist them and help them to consolidate their achievements. This is why EU leaders have on several occasions expressed their full support for the transition – and FEMIP, the EIB's financial arm in the Mediterranean, can be one of the tools to strengthen this process. This is why FEMIP is placing its experience and assistance at the service of democratic reform and economic development in the region. And this is also why FEMIP aims to help achieve the goals of today's youth and answer their calls for jobs and economic and social development that have echoed so vibrantly around the Mediterranean.

Over the past few years, FEMIP has built up the vast experience that the region so urgently needs, catalysing efforts to improve priority infrastructure and develop regional integration. It has supported the private and public sectors alike in areas such as renewable energy, modern infrastructure and innovative sectors and businesses, helping to enhance regional competitiveness. It has provided much-needed technical assistance to projects and presented studies on topics of national and regional interest through its Trust Fund.

As the EU's bank, the EIB has articulated its support to the region through the EU Neighbourhood Policy and engaged with the European Commission and the European External Action Service, as well as with the Union for the Mediterranean (UfM) and the Marseille Centre for Mediterranean Integration (CMI). It has worked



together with international financing institutions, bilateral agencies and the private and public sectors, while engaging with civil society and academia. It has deepened its activity year by year, reaching EUR 12bn of investments since 2002, mobilising roughly EUR 30bn of additional capital, and achieving a record in 2010 by investing EUR 2.6bn in the region.

In the context of the review of the Bank's external lending mandate, and the discussions between EU leaders aimed at increasing the Bank's resources for the region, we stand ready today to respond to the new expectations stemming from the region and to do more and better to accompany the democratic and economic transition in the Mediterranean. We stand ready to build on the Bank's vast expertise in the southern and eastern parts of the Mediterranean. And we stand ready to better meet the aspirations

voiced by the people of the region and ultimately contribute to the joint partnership for democracy and shared prosperity.

Philippe de Fontaine Vive Curtaz  
EIB Vice-President  
responsible for FEMIP





The European Investment Bank (EIB)  
is the long-term financing institution  
of the European Union (EU).  
Its shareholders are the 27 Member  
States of the EU. The bulk of its  
lending is for projects in the EU.

Outside the EU, the Bank supports  
projects that contribute to economic  
development in countries that have  
signed association or cooperation  
agreements with the EU.



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*Note: FEMIP's private equity activities also include signatures under global authorisations, which are not usually booked as "new" signatures. Such operations have been included in the total amount for FEMIP's activities.*



# Overview



Amman ring road, Jordan.





## 2010, a record year



FEMIP focuses on strategic projects that are able to bring visible changes to local economies:

- ➔ **EUR 2.6bn** was invested by FEMIP in the Mediterranean partner countries, 60% more than in 2009;
- ➔ **18 projects** benefited from FEMIP financing and private equity operations in the energy, transport, water, industrial, human capital and health sectors;
- ➔ **43%** of the total financing was dedicated to the private sector and 57% to the public sector;
- ➔ **EUR 1.3bn** was disbursed, a tangible indicator of the implementation of investment projects on the ground;
- ➔ **EUR 14.2m** was allocated to technical assistance operations, helping promoters in the day-to-day management of their projects.

*Desalination project, Hadera, Israel.*

The nine Mediterranean partner countries are:

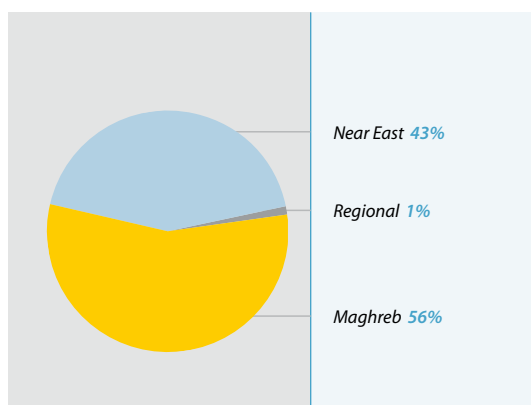
- ➔ Algeria
- ➔ Egypt
- ➔ Gaza/West Bank
- ➔ Israel
- ➔ Jordan
- ➔ Lebanon
- ➔ Morocco
- ➔ Syria
- ➔ Tunisia

## Investments by FEMIP in 2010

### By region

EUR 1.42bn for projects in the Maghreb  
 EUR 1.10bn for projects in the Near East  
 EUR 30m for regional projects

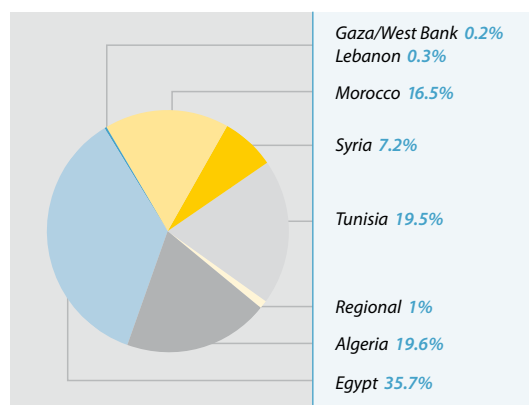
**Figure 1: FEMIP Signatures 2010**  
 Regional breakdown



*FEMIP supports innovative SMEs that work towards developing alternative energies, helping to create job opportunities.*



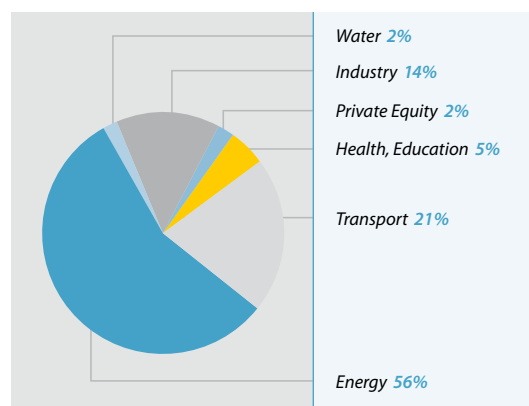
**Figure 2: Breakdown by country in EUR m**



### By sector

EUR 1.4bn for energy  
 EUR 539m for transport  
 EUR 55m for water  
 EUR 346m for industry  
 EUR 42m for private equity operations  
 EUR 130m for health and education

**Figure 3: FEMIP Signatures 2010**  
 Sector breakdown





- ↳ Invested **EUR 12bn** in operations;
- ↳ Supported **2 150 SMEs**, which created 30 000 jobs in the region;
- ↳ Mobilised roughly **EUR 30bn** of additional capital to develop the integration of the region together with international financing institutions, bilateral agencies and the private sector;
- ↳ Assigned more than **EUR 28.5m** to help existing institutions integrate into the local financial markets;
- ↳ Granted a total of **EUR 98m** in technical assistance operations building knowledge and capacity in the Mediterranean partner countries.

## Over the period 2002-2010, FEMIP:

Figure 4: Annual trend in volume of signatures

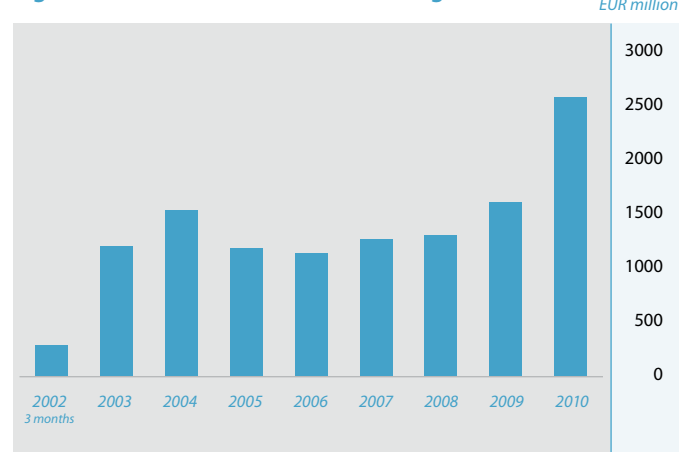


Table 1: Breakdown by sector and country in EUR m (October 2002 – December 2010)

	Energy	Environment	Credit lines	Human capital	Industry	Transport	Private equity	Total
Algeria	500	-	-	-	72	46	18	636
Egypt	2 248	70	100	-	510	290	41	3 259
Gaza/West Bank	45	-	-	-	-	-	15	60
Israel	-	330	-	-	89	-	-	419
Jordan	90	166	-	40	-	63	-	359
Lebanon	-	175	332	-	-	60	11	578
Morocco	730	106	-	371	100	1 144	55	2 506
Regional projects	-	-	-	-	-	-	150	150
Syria	675	125	107	130	105	160	2	1 304
Tunisia	875	74	542	124	280	780	4	2 679
<b>Total</b>	<b>5 163</b>	<b>1 046</b>	<b>1 081</b>	<b>665</b>	<b>1 156</b>	<b>2 543</b>	<b>296</b>	<b>11 950</b>

# Macroeconomic challenges and prospects



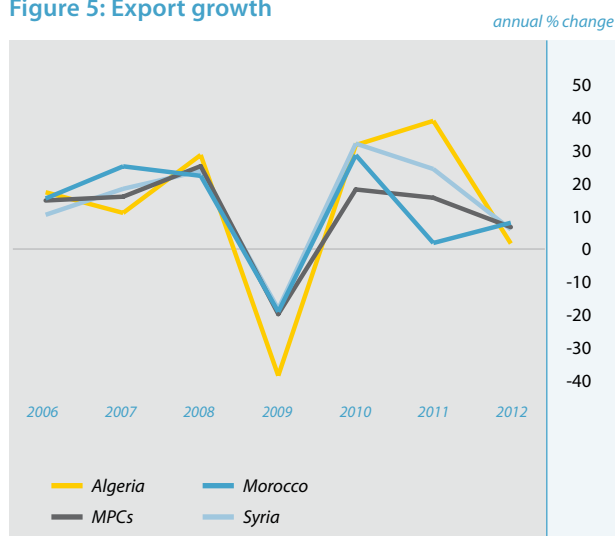
Economic activity strengthened progressively in the course of 2010, with all countries in the region recording robust growth. The recovery was driven by the pick-up in both external and domestic demand, underpinned by supportive monetary and fiscal policies. However, growth was less vibrant than in other emerging and developing countries. Moreover, it has so far been unable to make a dent in unemployment, which remains the most daunting development challenge for the region, as witnessed by the increasing calls for political and economic change in Tunisia, Egypt and across the Middle East. The situation remains highly volatile and risks to the economic outlook are on the downside, including heightened political risks, oil and food price hikes and higher fiscal imbalances. Yet the winds of change that are blowing through the region provide a vital opportunity to re-think the policy and reform agenda with a view to pursuing higher, and more inclusive, growth.

*Note: This report uses the latest available official data at the time of publication for the section on macroeconomic challenges and prospects.*





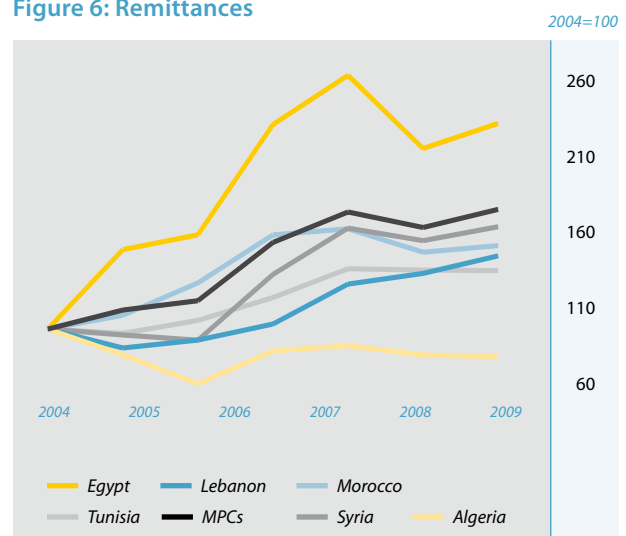
Figure 5: Export growth



Sources: IMF and Worldbank, April 2011.

Notes: (1) In Figure 5 data do not include Gaza/West Bank.  
(2) MPCs is a GDP-weighted average.

Figure 6: Remittances

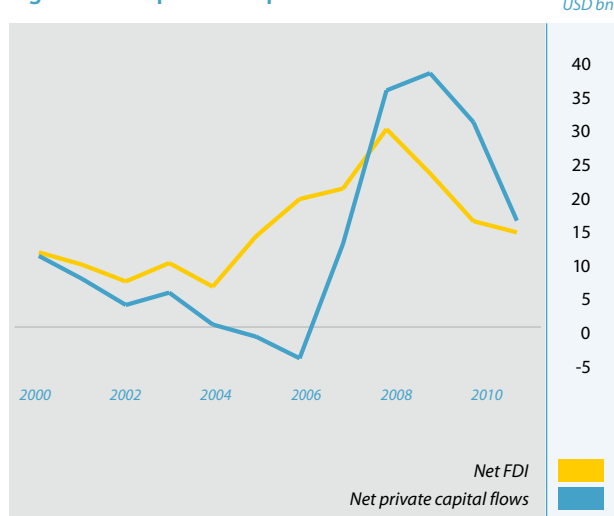


Sources: IMF and Worldbank, April 2011.

Boosting professional skills in new information and communications technologies is a priority for FEMIP in the Mediterranean countries. Specialised Institute for Applied Technologies (ISTA), Casablanca, Morocco.



Figure 7: Net private capital flows and FDI

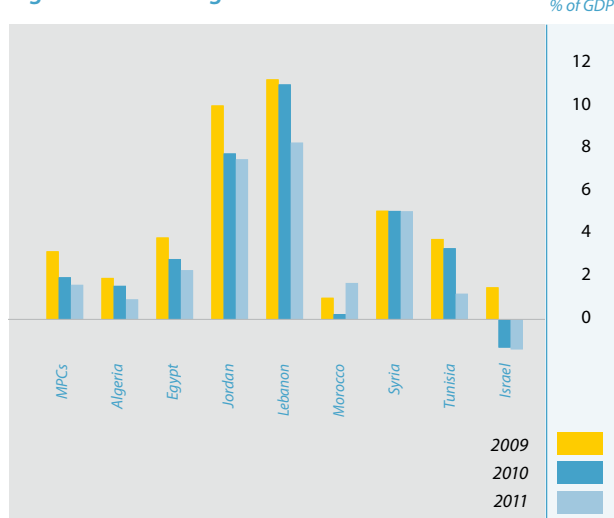


Source: IMF, April 2011



Damascus, Syria

Figure 8: Net foreign direct investment



Source: IMF, April 2011

Notes: (1) In Figures 7 and 8 data do not include Gaza/West Bank.  
 (2) MPCs is a GDP-weighted average.

Economic activity strengthened progressively in the course of 2010, with most countries in the region recording steady growth. The recovery has been supported by the pick-up in both external and domestic demand, underpinned by expansionary monetary and fiscal policies. Exports rose on average by around 18% compared to 2009 – with the increase being particularly pronounced in Algeria, Morocco and Syria. Foreign direct investment (FDI), representing the bulk of capital inflows to the Mediterranean partner countries, continued to decrease at an even faster pace than in 2009, falling by about 30% in nominal terms from USD 23bn in 2009 to USD 16bn in 2010 (Figures 7 and 8). Heightened risk aversion towards the region has negatively affected FDI and private capital flows more generally in 2011. Workers' remittances recovered in 2010, but the return of expatriate workers from Libya may depress remittance flows in 2011, particularly to Egypt and Tunisia.



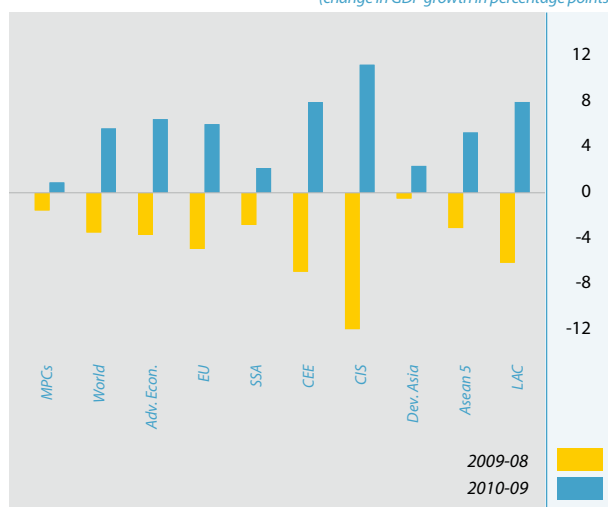
Figure 9: Real GDP growth in %

	2008	2009	2010	2011	2012
Algeria	2.4	2.4	3.3	3.6	3.2
Egypt	7.2	4.7	5.1	1.0	4.0
Israel	4.2	0.8	4.6	3.8	3.8
Jordan	7.6	2.3	3.1	3.3	3.9
Lebanon	9.3	8.5	7.5	2.5	5.0
Morocco	5.6	4.9	3.2	3.9	4.6
Syrian Arab Republic	4.5	6.0	3.2	3.0	5.1
Tunisia	4.5	3.1	3.7	1.3	5.6
West Bank/Gaza	7.1	7.4	9.3	9.0	10.0
<i>MPC average</i>	4.9	3.4	4.3	2.9	4.1
<i>World</i>	2.9	-0.5	5.0	4.4	4.5
<i>Advanced economies</i>	0.2	-3.4	3.0	2.4	2.6
<i>European Union</i>	0.7	-4.1	1.8	1.8	2.1
<i>Sub-Saharan Africa</i>	5.6	2.8	5.0	5.5	5.9
<i>Central-Eastern Europe</i>	3.2	-3.6	4.2	3.7	4.0
<i>CIS</i>	5.3	-6.4	4.6	5.0	4.7
<i>Developing Asia</i>	7.7	7.2	9.5	8.4	8.4
<i>ASEAN-5</i>	4.7	1.7	6.9	5.4	5.7
<i>Latin America and Caribbean</i>	4.3	-1.7	6.1	4.7	4.2

Source: IMF, April 2011

FEMIP supports SMEs to innovate but also to keep traditions alive.



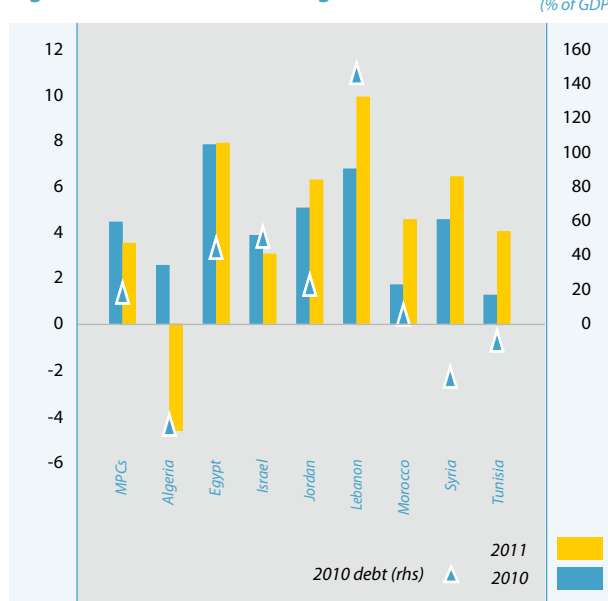
**Figure 10: Growth swings** (change in GDP growth in percentage points)

Source: IMF, April 2011

Note: In figure 10 a negative value implies a fiscal surplus.

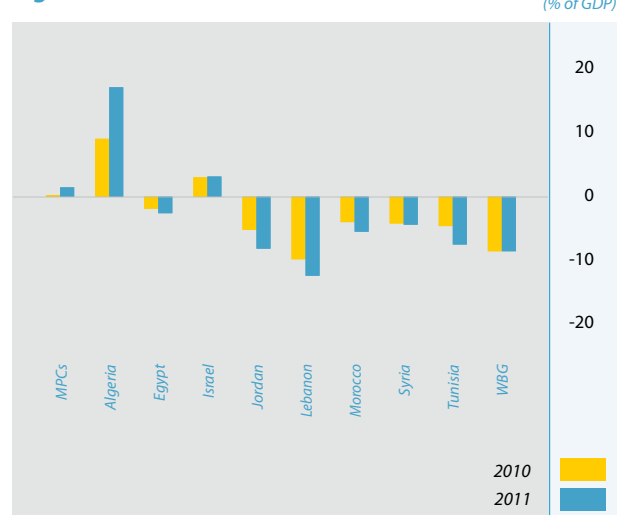
Against this backdrop, GDP growth picked up from 3.4% in 2009 to 4.3% in 2010, somewhat above the level forecast in last year's report. It should, however, be noted that the recovery has been less vibrant than in other emerging and developing countries. In a way, the factors that spared Mediterranean partner countries from the direct consequences of the crisis – most notably, their limited integration into global financial markets and trade networks – also contributed to a subdued recovery compared with other regional blocs (Figure 10).

Recent political and social developments are taking a toll on the economy, particularly in Egypt and Tunisia, where growth projections have been revised downward quite significantly on account of disruptions to economic activity and setbacks to tourism and capital flows, which are also affecting neighbouring countries with varying degrees of intensity. The sharp fall in growth projected for Lebanon is largely explained by political uncertainty, which however predates and is unrelated to events in Egypt, Tunisia and Syria. On average, growth is expected to decline to below 3% in 2011, and given the considerable uncertainty, risks are largely on the downside.

**Figure 11: Fiscal deficit and government debt** (% of GDP)

Source: IMF, April 2011

Note: MPC average is GDP-weighted.

**Figure 12: Current account balance** (% of GDP)

Source: IMF, April 2011



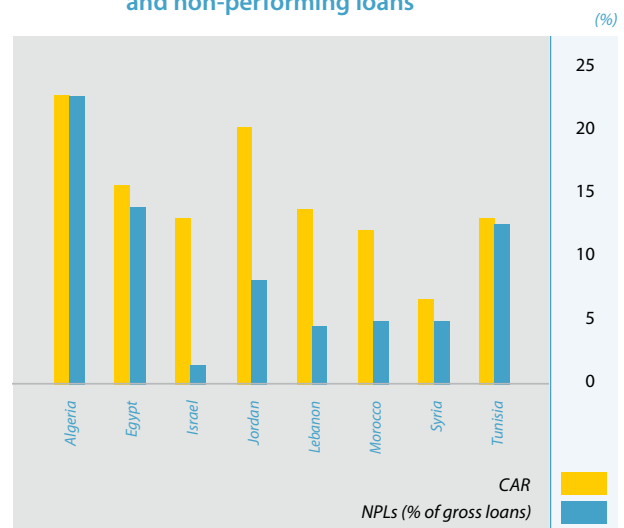


Fiscal positions improved slightly in 2010 but deficits are projected to widen again in most Mediterranean partner countries in 2011 in response to growing spending, higher borrowing costs and lower revenue due to declining economic activity (Figure 11). Surging oil prices are benefiting Algeria, which is forecast to record a significant improvement in both its fiscal and current account balances. External imbalances in oil importing Mediterranean partner countries are expected to deteriorate this year on the back of higher energy and food prices (Figure 12). These are also expected to push inflation slightly upward to an average of around 6% for the region as a whole. However, excluding Egypt, which continued to exhibit double digit inflation, price pressures in the rest of the Mediterranean partner countries are more contained and inflation is expected to average below 3% by end-2011.

The region's bank-dominated financial sectors remained fairly resilient to turmoil in global financial markets, with stable profitability, adequate cap-

italisation and non-performing loans (NPLs) on a slight downward trend, although they remained well above 10% in Tunisia and Egypt. Provisions for bad loans remain low in most Mediterranean countries (average provisioning for Jordan, Lebanon, Morocco and Tunisia is around 60%), except in Egypt, where it exceeded 100% in 2009.

Figure 13: Capital to risk-weighted assets and non-performing loans



Source: IMF, April 2011

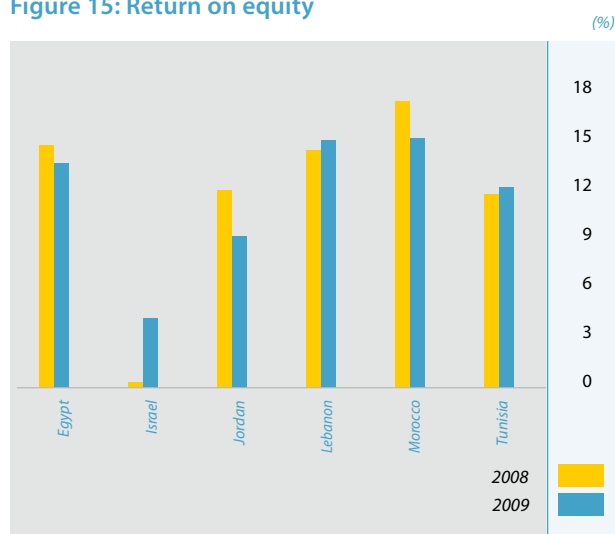
Figure 14: Return on assets



Source: IMF, April 2011



Figure 15: Return on equity



Source: IMF, April 2011 and October 2010.

### Risks ahead

Overall the recovery was well on track, albeit moderate by emerging market standards, with downside risks relating to a possible slowdown of economic activity in key trading partners and food price hikes. Recent developments in the region have changed the picture dramatically. The economic outlook has become considerably more clouded and volatile, while risks have increased: strikes and demonstrations have resulted in output losses, and the security situation is adversely affecting tourism (an important source of revenue for Mediterranean partner countries), investor confidence (and hence FDI), and more generally capital inflows. The severity and duration of the shock will depend on how quickly and sustainably political stability is restored. The longer it takes to normalise the situation, the larger the spillovers to the rest of the economy and the financial sector will be.

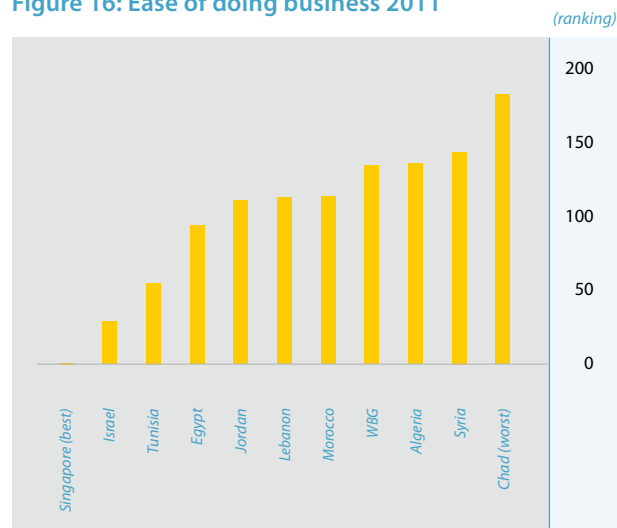
While the economic impact is likely to be greatest where instability has been more widespread, heightened risk aversion can be expected to affect, to varying degrees, all countries in the region. A more substantial fall in GDP and rise in unemployment cannot be

ruled out at this stage, along with a deterioration in budget and external balances. A key issue will be the upward pressure on the fiscal deficit, as public spending is set to increase. At the moment, in view of the inevitable rise in unemployment in 2011, restoring social consensus will be a priority. National authorities across the region have announced various fiscal measures, including higher food and fuel subsidies, social/unemployment transfers, tax reductions on primary goods, allocations for poor households, higher wages and pensions for civil servants. Heightened risk aversion and ratings downgrades are likely to push up borrowing costs on international markets. This is a cause of particular concern for countries where deficits and debt are already high. Current account balances of fuel importers are also expected to swell in response to rising oil prices.

### Structural challenges

Structural reforms aimed at enhancing the investment climate have generally remained on track. In 2010 all Mediterranean partner countries, except Algeria, made improvements in at least one area regarded as key to enhancing the business environment. Tunisia improved

Figure 16: Ease of doing business 2011



Source: 2011 Doing Business Report, IFC/World Bank.



the ease of paying taxes by introducing electronic systems for payment. The country also upgraded its electronic data interchange system for imports and exports. Trade facilitation was also high on the priority list. Three economies in the region – Egypt, Tunisia and Gaza/West Bank – modernised customs proce-

dures and port infrastructure. Credit information systems were improved in Jordan, Lebanon and Syria. Egypt continued to move up in the global rankings by reducing the cost of business start-ups and made trading easier by introducing an electronic system for submitting import/export documents.

*FEMIP provides support for improving traffic flows on both sides of the Mediterranean, enhancing trade and job creation. Port de Tanger, Morocco.*



Progress has been less encouraging on the governance front. Recent events have clearly demonstrated that there is an urgent need for better governance, greater voice, accountability and ownership of the political and economic agenda. A lot remains to be done to fully unlock the region's growth potential, which compares unfavourably with other emerging and developing countries, by enhancing productivity and competi-

tiveness, investing in education and innovation and promoting greater integration with international markets. Economic opportunities need to reach out to a fast-growing population: potential/long-term growth needs to be not only stronger, but more inclusive and capable of creating jobs. In this regard, enhancing the efficiency of the labour market is a key area where major reform efforts are needed.

## The labour market challenge

Challenges emanating from their labour markets are among the most pressing facing the Mediterranean partner countries.

With high unemployment rates and a rapidly expanding workforce, over the next decade the economies of the region will have to create roughly 20 million jobs in order to absorb new entrants on to the labour market and the existing unemployed. According to recent IMF estimates, this would require an average GDP growth rate of over 6% per year in real terms (compared with the 4.5% achieved in the past decade) on account of the labour market's weak responsiveness to growth<sup>1</sup>.

Official unemployment rates have been stubbornly high, ranging from 7% in Israel to 13% in Tunisia and Jordan and 22% in Gaza/West Bank. Young people and women are particularly affected, while unemployment rates are surprisingly high amongst the educated, exceeding 15% of the labour force with tertiary education in Egypt, Jordan and Tunisia. Youth unemployment ranges from 37% of total unemployment in Morocco to 73% in Syria. In Egypt and Jordan, young women face rates of unemployment in excess of 40%. Moreover, the real rates of unemployment are much higher than official figures would suggest. There is significant underemployment, in the sense of "involuntary part-time employment"/graduates not finding skilled work, and hidden unemployment, e.g. the working-age population that stays out of the labour force because it has no hope of or motivation for finding a job, which in turn translates into a progressive loss of skills and disconnect from the labour market. Skill mismatches, high reservation wages and labour market rigidities also contribute to widespread informality. At the same time the workforce has rapidly expanded as a result of the population growth rates (during the 1950s to 1990s), which are among the highest in the world, and rising labour force participation rates as women have increasingly entered the labour market.





Against this background, the economies of Mediterranean partner countries not only need to move to a higher growth path, but also need to push ahead with reforms making the labour market more flexible and responsive to growth (e.g. by encouraging firms to hire during economic expansions). This would require more flexible regulation, in particular with regard to hiring and firing procedures, along with well-targeted social safety nets. In a similar vein, the education system should be better placed to produce the curricula and skills that the labour market needs. In this regard, it would also be important to enhance the employability of the jobless through training programmes.

Mediterranean partner countries are also facing an important issue in terms of the quality of jobs and skill mismatches. Many of these economies have large informal sectors, accounting for approximately 47% of non-agricultural employment in North Africa and as much as 60% of women's non-agricultural employment in Lebanon. Informal jobs are precarious, unprotected and strongly correlated with poverty.

However, traditional engines of job creation in Mediterranean partner countries, such as the public sector, which already accounts for a dominant share of total employment in many of these countries, will not be sufficient to meet the employment challenge in the coming decades. The most promising option will therefore be private sector-led growth.

In this respect FEMIP, the largest financier in the Mediterranean partner countries, has an important role to play. It has already shown its added value by helping to create at least 11 000 permanent jobs and some 23 000 temporary jobs through its direct operations during the period 2007-2010 in addition to 30 000 new jobs created over the period 2002-2010 via its credit lines to SMEs.

<sup>1</sup> IMF, *Regional Economic Outlook, Middle East and Central Asia*, October 2010.

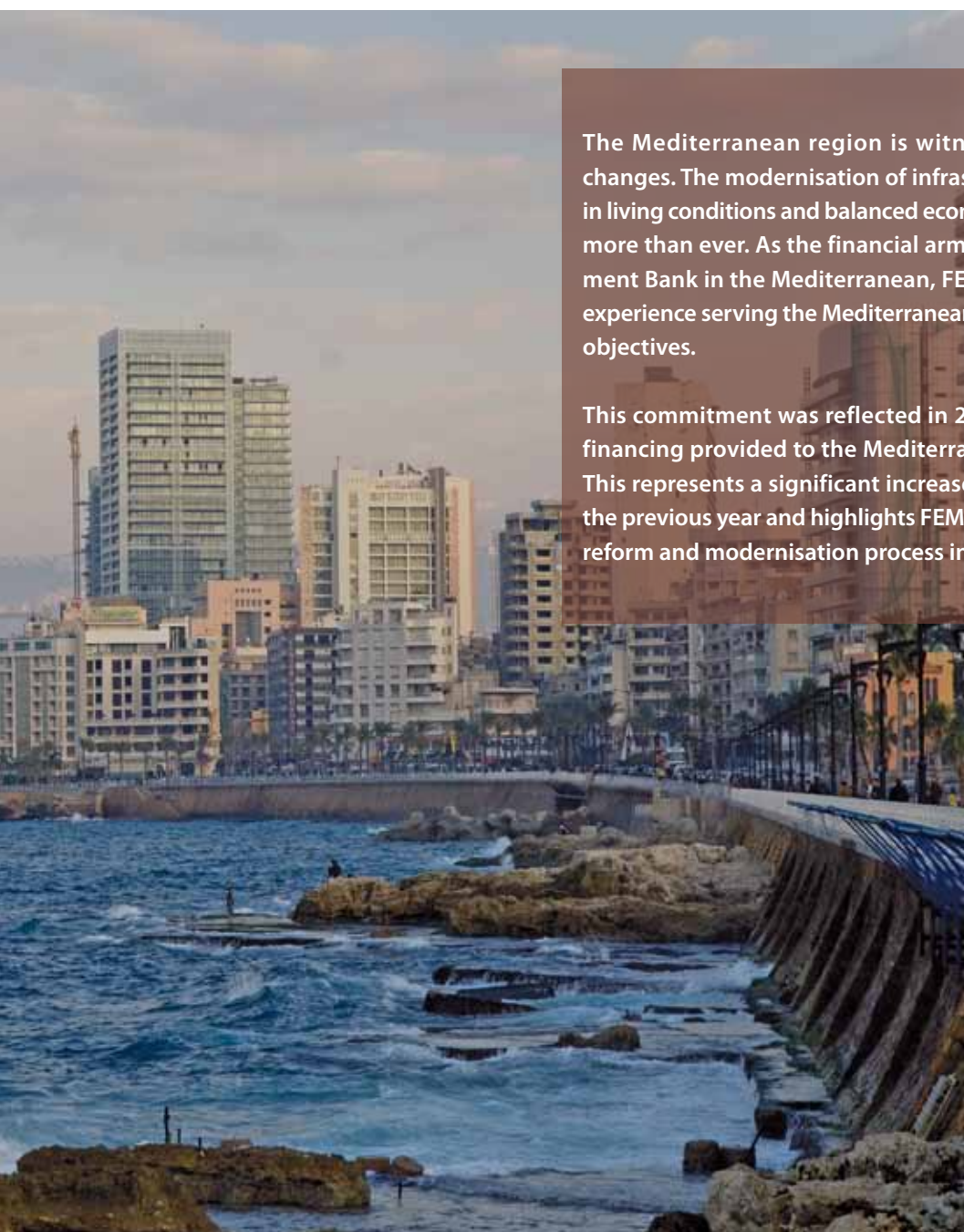
*Human capacity-building is a key priority for FEMIP. Casablanca, Morocco.*



## FEMIP: committed to social and economic development

The Mediterranean region is witnessing unprecedented changes. The modernisation of infrastructure, improvements in living conditions and balanced economic growth are needed more than ever. As the financial arm of the European Investment Bank in the Mediterranean, FEMIP brings its extensive experience serving the Mediterranean region to achieve those objectives.

This commitment was reflected in 2010 in the EUR 2.6bn of financing provided to the Mediterranean partner countries. This represents a significant increase of 60% compared with the previous year and highlights FEMIP's ability to support the reform and modernisation process in the region.



Beirut, Lebanon.



In 2010 FEMIP strived to increase not only the volume of its lending but also to further improve the quality of its projects and their impact on the economic and social development of the Mediterranean partner countries.

This was achieved through enhanced coordination with the European Commission, the Member States and their financing institutions as well the Mediterranean partner countries themselves. The FEMIP Committee provides an opportunity for partner countries to contribute to the Bank's strategy in the region, and the FEMIP Trust Fund acts as an operational think tank to explore in greater depth the region's economic issues. The EIB's involvement in the Marseille Centre for Mediterranean Integration has also contributed to reinforcing the dialogue with other financing institutions and stakeholders in the areas of public policy reform. In parallel, two FEMIP conferences were organised to better tailor FEMIP's activities to the needs of the region.

FEMIP is also putting further emphasis on cross-sectoral issues such as climate change mitigation and adaptation, as well as job creation and balanced regional development. These objectives will be further pursued over the period 2011-2013, notably under the Union for the Mediterranean, which is one of the hallmarks of EIB operations in the region.

### 2010, a new record year

FEMIP signed loans amounting to EUR 2.6bn to finance 18 projects: six in the Maghreb, nine in the Near East and three regional operations.

Energy supply and energy security, which are vital for economic development and regional integration, topped the list of FEMIP lending with a total of EUR 1.4bn, representing half of the loans provided in 2010.

Supporting the private sector was yet another priority for FEMIP. Private enterprises, which are a driver of growth in the Mediterranean, received close to 55% of FEMIP's funding in terms of the number of signed loans and 43% in terms of financing volume. Private equity operations amounted to EUR 42.5m.

2010 also saw substantial activity in the transport sector, with operations amounting to EUR 539m, and in industry, where total lending reached EUR 346m. FEMIP stepped up its technical assistance in the Mediterranean countries by providing EUR 14.2m for a total of 15 projects.

## Supporting the Union for the Mediterranean

FEMIP also continued to support the priority projects of the Union for the Mediterranean (UfM)<sup>2</sup>: depollution of the Mediterranean, the Solar Plan and the maritime and land highways, in line with the recommendations of the Euro-Mediterranean Ministers of Finance<sup>3</sup>.

In this regard, FEMIP participated in the launch of the InfraMed Fund, the first financing facility of the Union for the Mediterranean. With an initial capital of EUR 385m, it has a target size of EUR 1bn and is based on an unprecedented partnership with Caisse de Dépôt et de Gestion (Morocco) and EFG Hermès (Egypt), which are themselves involved in local infrastructure investment funds. InfraMed is the largest fund dedicated to investment in infrastructure in the southern and eastern Mediterranean regions.

The depollution of the Mediterranean Sea witnessed a step forward as the “Mediterranean Hot Spot Investment Programme – Project Preparation and Implementation Facility” launched in 2009 and managed by the EIB, reported its first results. Overall, 78 operations were identified for a total cost of around EUR 5.7bn. More than half of these projects have already received financing. Among the projects that have not yet been funded, the EIB has selected nine investment operations totalling EUR 1.2bn that it wants to examine and possibly finance during the period 2010-2013.

Regarding the Mediterranean Solar Plan, FEMIP published in October 2010 a study financed by its Trust Fund which analyses the potential as well as bottlenecks for renewable energy deployment in the Mediterranean region. Further to this first report, the EIB is discussing follow-up initiatives together with the European Commission and the Secretariat of the UfM as well as other partners, notably in the areas of renewable energy and energy efficiency project preparation and identification of innovative financial mechanisms. The Bank is also in the process of defining a financial package for a large-scale pilot project in Morocco.

With regard to the maritime and land highways initiative, the EIB and its partners held talks with the Mediterranean partner countries to draw up a list of priority projects of regional interest for which financial backing will be sought. The Bank is already providing the technical assistance required to prepare some of these projects, such as a rail link between Damascus and Amman and a logistics platform in Homs in Syria. Via its Trust Fund, FEMIP has also financed a study on an initial network of standardised platforms that will provide services across the entire logistics chain. The EIB is also helping to implement the safety component of the maritime and land highways initiative in Tunisia, for instance, where it helped to devise a road safety programme.





The FEMIP Trust Fund also helped to conduct a feasibility study on the creation of the Mediterranean Business Development Initiative (MBDI), which would be a centre for supporting SMEs. The study was approved by the Euro-Mediterranean Finance Ministers at the joint FEMIP/ECOFIN ministerial meeting of the Union for the Mediterranean held in Brussels in May 2010. This initiative is also one of the Union for the Mediterranean's priority projects. The results of the feasibility study and its concrete recommendations for the support of micro, small and medium-sized enterprises (MSMEs) are more relevant than ever for the economic transformation of the Mediterranean partner countries. FEMIP is working with its partners to follow up on these recommendations.

At the institutional level, the EIB and the Union for the Mediterranean Secretariat signed a Memorandum of Understanding on 17 January 2011 in Barcelona in order to implement an improved regional strategy to better promote regional development. The coordination aims to promote the Union for the Mediterranean through a renewed partnership centred on the execution of the priority projects. The EIB will provide its expertise to identify and screen projects and initiatives and make its network and good relations with international financial institutions, development agencies and professional associations available to the Union for the Mediterranean.

<sup>2</sup> The Union for the Mediterranean (UfM) brings together the 27 EU Member States, the nine Mediterranean partner countries, Albania, Bosnia and Herzegovina, Croatia, Mauritania, Monaco, Montenegro and Turkey.

<sup>3</sup> 8<sup>th</sup>, 9<sup>th</sup> and 10<sup>th</sup> FEMIP Ministerial Meetings (Luxembourg, October 2008; Brussels, July 2009; Brussels, May 2010).



FEMIP responded to the unprecedented changes in the southern Mediterranean: the Tunisia mission aimed to reflect the economic and social priorities of the country.

Tunisia mission, 3 March 2011, EIB office in Tunisia. Régis Meritan, First Secretary of the EU Commission in Tunisia; Philippe de Fontaine Vive, Vice-President of the EIB; Robert Feige, Head of the EIB office in Tunis; Alain Nadeau, Head of FEMIP's Maghreb Division.

## What can FEMIP provide?

Products		Objectives	Beneficiaries
Loan	Lines of credit	To encourage the development of small and medium-sized enterprises, the EIB makes lines of credit available to its partners – commercial banks or development financing institutions, which then lend the funds to their own customers. To respond to the needs of local communities	SMEs
	Individual loans	To develop the economic infrastructure of the Mediterranean partner countries, paying particular attention to the expansion of the private sector and to the creation of a business-friendly environment.	Private and public sector promoters
Private equity		To promote the creation or strengthening of the capital base of productive businesses, particularly those established in partnership with EU-based companies.	<ul style="list-style-type: none"> <li>↳ SMEs</li> <li>↳ Intermediate-sized private enterprises</li> <li>↳ Investment funds</li> <li>↳ Microfinance institutions</li> </ul>
Technical assistance		<b>To improve the quality of FEMIP operations and their impact on development by:</b> <ul style="list-style-type: none"> <li>↳ strengthening the capacity of the Mediterranean partner countries and project promoters,</li> <li>↳ financing studies and activities upstream aimed at consolidating directly and indirectly the expansion of the private sector.</li> </ul>	All FEMIP customers
Guarantees		<ul style="list-style-type: none"> <li>↳ To stimulate the local capital market.</li> <li>↳ To mobilise additional resources to supplement scarce public capital resources.</li> <li>↳ To support sub-sovereign development.</li> <li>↳ To reduce foreign exchange risk.</li> <li>↳ To reduce government risk exposure.</li> </ul>	<ul style="list-style-type: none"> <li>↳ SMEs</li> <li>↳ Large corporates</li> <li>↳ Domestic banks</li> <li>↳ Public sector promoters</li> <li>↳ Sub-sovereigns</li> </ul>



## FEMIP financing facilities

Name	Type of financing	Amount in EUR	Period	Objective
<b>ENP-MED Mandate</b>	Mandate conferred by the Member States, from the Bank's own resources	8.7bn	2007-2013	To contribute to the development of the private sector and infrastructure in the Mediterranean partner countries.
<b>Mediterranean Partnership Facility II</b>	Own resources	2bn	2007-2013	<ul style="list-style-type: none"> <li>➤ To support well-defined priority projects of particular relevance to both the EU and the partner countries (regional development, sectoral policies, the environment, support for EU businesses, etc.).</li> <li>➤ To make indirect equity investments in the Mediterranean partner countries via infrastructure funds.</li> </ul>
<b>Risk capital and technical assistance envelope<sup>4</sup></b>	EU budget	128m	2007-2010	<ul style="list-style-type: none"> <li>➤ To encourage the creation or strengthening of equity and quasi-equity resources for SMEs in the Mediterranean partner countries.</li> <li>➤ To help the partner countries and private promoters to improve the preparation, management and supervision of their investment projects through technical assistance.</li> </ul>
<b>FEMIP Trust Fund</b>	Contributions from Member States and the European Commission	34.5m	Operational since 2005	<p>To gain a deeper understanding of the region's major economic challenges via sectoral studies.</p> <p>To support the private sector by providing equity and quasi-equity finance for innovative operations or operations with an unusual risk profile.</p>

<sup>4</sup> Additional resources amounting to EUR 32m a year are expected to be provided for the period 2011-2013.

## The roadmap for 2011-2013







- 
- **Promote balanced regional development**  
by supporting infrastructure and development projects  
in remote regions.
  - **Enhance job creation and entrepreneurial culture**  
by providing support to SMEs and promoting research,  
development and innovation.
  - **Accelerate the region's economic integration**  
under the Union for the Mediterranean and provide tailor-made  
instruments and projects to support the transition process  
in the Mediterranean partner countries.
  - **Encourage climate action initiatives**  
and projects to lower greenhouse gas emission  
and strengthen the regulatory framework.
  - **Reinforce cooperation and blending mechanisms**  
with the European Commission and foster  
partnerships with international financial institutions  
and regional development agencies.

*FEMIP will continue to support private sector development as a key factor for economic growth.  
Rajha Mika, Syrian SME, Syria.*

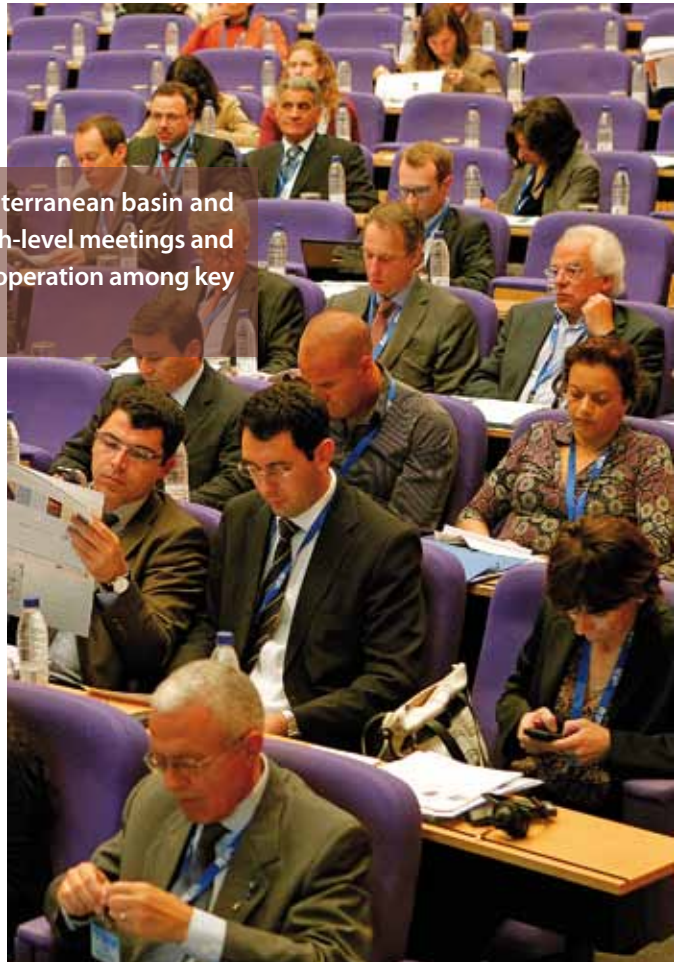
# Activities in 2010





## FEMIP: A forum for policymakers, entrepreneurs and civil society

In order to assist the development of the Mediterranean basin and encourage innovative projects, FEMIP holds high-level meetings and conferences to strengthen inter-institutional cooperation among key players of the Euro-Mediterranean region.



15-16 March 2010,  
Tunis

7<sup>th</sup> FEMIP Conference  
on Research,  
Development and  
Innovation

The conference focused on research, development and innovation (RDI) and brought together 450 participants, including academics, policymakers and representatives of international financial institutions. It investigated measures to support business strategies for the development of RDI and strengthen the role of networks and innovation. It also explored support for tools and funding that can provide a favourable research environment in the region. The conference put forward new proposals, such as the setting up of a Euro-Mediterranean Innovation Area, and the creation of a Euro-Mediterranean Technology Institute (EMITEC).

**10 May 2010, Valencia****8<sup>th</sup> FEMIP Conference  
on the Renewable  
Energy Challenges**

Conference participants considered solutions for improving the development of the energy sector in the Mediterranean region, including the setting up of sound regulatory procedures and ways of financing investments in renewable energy.

Two main conclusions emerged from the discussions: there should be assistance for implementing the Mediterranean Solar Plan by 2020 and work towards the creation of a single South-Eastern Mediterranean energy market. Both objectives will require mobilising investment and additional concessional finance, as well as enhanced cooperation among the parties involved.



*8<sup>th</sup> FEMIP Conference, Valencia, 10 May 2010.*

*The 8<sup>th</sup> FEMIP conference highlighted the Bank's strong support for renewable energies development in the Mediterranean. Zainab Badawi, broadcaster and journalist; Philippe de Fontaine Vive, EIB Vice-President.*

**18 May 2010, Brussels****10<sup>th</sup> FEMIP  
Ministerial Meeting**

At this meeting Euro-Mediterranean Finance Ministers emphasised the crucial role that FEMIP has played and will continue to play in the context of the economic and financial crisis. They approved FEMIP's strategy and operational objectives and highlighted two key sectors: SMEs and renewable energy.

The Ministers acknowledged the financial constraints facing small and medium-sized enterprises in the region and called for access to microfinance to be facilitated. They welcomed FEMIP's support for the UfM priority projects, namely the depollution of the Mediterranean, the Mediterranean Solar Plan, the maritime and land highways, and the Mediterranean Business Development Initiative (MBDI). Ministers also approved the conclusions of the 2010 FEMIP conferences and the 2011 calendar.





22-23 October 2010,  
Athens

Mediterranean Climate  
Change Initiative and  
Green Development  
Investors Forum

Under the auspices of the Greek Government, the EIB took part in the launch of the Mediterranean Climate Change Initiative (MCCI)<sup>5</sup>. The objective is to promote environmental collaboration among governments of Mediterranean countries and speed up investment in low-carbon projects in the region. A joint declaration calling for a unified Mediterranean voice that would help advance global climate change discussions was signed by the delegation of the 18 countries participating in the initiative.

This event was followed by the “Green Development Investors Forum” (GDIF), jointly organised by the EIB and the Institute for Climate and Energy Security (i4cense). The GDIF was aimed at building on the political momentum created by the MCCI to unite policymakers, industrial partners and international investors and promote a ‘green economic boost’ through the sharing of best practices in low-carbon development.

The two events attracted 600 participants, including investors, policymakers, government officials, and representatives of NGOs and international financing institutions.

<sup>5</sup> More information on the MCCI is available at [www.medclimatechangeinitiative.org](http://www.medclimatechangeinitiative.org).



*Mediterranean Climate Change Initiative and Green Development Investors Forum, Athens, 22-23 October 2010.  
FEMIP addressed the key issue of climate change at the Mediterranean Climate Change Initiative and Green Development Investors Forum.*

## The FEMIP Trust Fund: reinforcing operational value added

Since its establishment in 2004, the FEMIP Trust Fund (FTF) has proved instrumental to FEMIP, complementing the Bank's investment activities in the region. The FTF finances upstream technical assistance and studies, as well as targeted equity operations designed to support innovative private sector companies.

**Table 2: FEMIP Trust Fund Donors' contributions**

	Donor	Total (EUR '000)
	Austria	1 000
	Belgium	1 000
	Cyprus	1 000
	European Commission	1 000
	Finland	1 000
	France	4 000
	Germany	2 000
	Greece	2 000
	Ireland	1 000
	Italy	2 500
	Luxembourg	1 000
	Malta	1 000
	Netherlands	2 000
	Portugal	1 000
	Spain	10 000
	United Kingdom	3 016
	<b>Total</b>	<b>34 516</b>

The FTF relies on voluntary contributions from EU Member States and the European Commission, which together form the FTF Assembly of Donors. The donors meet on a regular basis to discuss the broader FTF strategy and assess and approve operations.

Promoters, institutional partners and the beneficiary countries have regular exchanges of views via the events organised in connection with FTF operations, such as the 8th FEMIP Conference on the Renewable Energy Challenges held in Valencia, where the results of the Mediterranean Solar Plan study were discussed. They are also invited to submit proposals for sectoral studies, technical assistance and private equity.

The FEMIP Trust Fund streamlines its activities according to seven main priorities: finance, water and the environment, energy, transport, urban development, RDI and human capital. For each of these areas, FTF considers expected outcomes, namely the kinds of changes FTF would be best equipped to support, as well as how to contribute to those outcomes. The fact that FTF operations are results-driven is thus intended to strengthen the value added provided to the region.

In 2010, the FTF Assembly of Donors endorsed five operations, totalling EUR 6.9m. Studies and technical assistance accounted for EUR 1.9m, while EUR 5m was committed to private equity operations. In addition, two extensions of ongoing projects were approved by the Donors in 2010, totalling EUR 0.6m. Overall, between 2005 and 2010 the FTF financed 39 operations with a total value of EUR 26m.

In light of the early 2011 developments in the region, a third window for the FEMIP Trust Fund was adopted by the Donors, to complement the two existing windows for technical assistance and private equity. Activities under the new Democratic Transformation Support window will be aligned with the priorities of the European Commission and the European External Action Service in the region. A first activity has already been launched and



will address “*Democratic reform and economic development in Tunisia: identification of priorities for job creation and growth*”. Cooperating very closely with the Tunisian

authorities – the promoters of the study – the EIB, via its FEMIP Trust Fund, will aim to help draw up a roadmap for actions to support Tunisia’s democratic transition.

### Mediterranean Solar Plan: the way ahead

The Mediterranean Solar Plan launched at the Paris Summit in 2008 is one of the priority projects of the Union for the Mediterranean. It aims to address the challenges posed by increased energy demand, security of supply and diminished environmental sustainability in the Euro-Mediterranean region by developing 20 GW of renewable energy by 2020, along with the necessary electricity transmission infrastructure.

At the Nice Ministerial Conference on Industry in November 2008, the Euro-Mediterranean Ministers asked the EIB to propose a road map for renewable energy in the Mediterranean region under the umbrella of the Mediterranean Solar Plan. The FEMIP Trust Fund therefore financed a study to identify renewable energy investment projects as well as the technical and regulatory challenges faced by the sector. Results show that the Mediterranean Solar Plan has stimulated the launching of ambitious renewable energy plans in many Mediterranean countries, and some 90 projects representing a total capacity of 10.3 GW have been identified. The study categorises these projects based on their level of maturity and most of them, in particular the solar projects, are at an early development stage.

Follow-up initiatives are already being discussed together with the European Commission and the Secretariat of the Union for the Mediterranean, as well as with other partners, notably in the areas of renewable energy and energy efficiency project preparation and the identification of innovative financial mechanisms.

*Multilateral Development Banks roundtable on Trust Fund Administration and Cofinancing, 10-11 November 2010, Luxembourg. Strengthening Trust Fund activities by exchanging information and best practices is a priority for FEMIP.*



## Maximising synergy through partnerships

Since the start of FEMIP activities, coordination and cooperation with international financial institutions and European bilateral institutions, with a view to possible co-financing, capacity building and participation in regional initiatives, have been prominent objectives of the EIB. These efforts have been intensified in recent years, to enhance the effectiveness and efficiency of joint work.



*Signing of the Mutual Reliance Agreement, February 2010, Paris, France.*

*The EIB signed the agreement to promote efficient project cofinancing through mutual recognition of procedures.*

*Norbert Kloppenburg, KfW; Philippe de Fontaine Vive, EIB; Jean Michel Severino, AFD.*

### Neighbourhood Investment Facility

The Neighbourhood Investment Facility (NIF) was created in 2008 by the European Commission to mobilise additional resources to fund infrastructure requirements in neighbouring countries, especially in the transport, energy, environmental and social sectors.

As one of the main development financing institutions operating in the region, the Bank is the largest financier in terms of volumes lent for NIF projects. It has co-financed 80% of the projects approved by the NIF

Board since the inception of the Facility (31 out of 39). In 2010, it co-financed 14 of the 15 new operations approved by the NIF Board in the Southern and Eastern Neighbourhood, acting as lead finance institution in a third of the cases.

As a financial manager of the NIF Trust Fund, which approved six projects in 2010, the Bank, in a close partnership with the EC and the Member States, offers its expertise and know-how to ensure efficient management of the Trust Fund.





### What is the Mutual Reliance Initiative?

The Mutual Reliance Initiative is a strategic initiative between the EIB, Agence Française de Développement (AFD) and Kreditanstalt für Wiederaufbau (KfW) to promote efficient project co-financing by various financing institutions through the mutual recognition of procedures.

The objectives are to simplify project appraisal and monitoring, reduce transaction costs and develop "best practice" for the division of labour, which could be extended to other partners and donors.

In 2010, the cooperation with AFD and KfW was reinforced through the signature of the Tripartite Agreement on Mutual Reliance. To date, nine pilot projects have been selected for the FEMIP region, all of them stemming from the commonly established NIF project pipeline. In 2010, three projects amounting to EUR 459m were co-financed with AFD and/or KfW.

### Project co-financing

In 2010, all projects signed by the EIB in Egypt, Morocco and Tunisia were co-financed with other international, regional or bilateral institutions. The EIB also co-financed a project in Syria. In total, eight out of 18 signed projects were co-financed (73% of the EUR 2.6bn signed in 2010):

- In Tunisia, three energy projects were financed in partnership with international financing institutions.
- In Morocco the EIB, in association with the Arab Fund for Economic and Social Development (AFESD) and the Abu Dhabi Fund for Development (ADFD), co-financed two operations in the maritime and road sector.
- There were three co-financed projects in Egypt, two in energy and one in the industrial sector. The projects involved the financial participation of KfW, the Arab Development Fund (ADF), the International Development Association (IDA) and the Japanese Development Bank (JBIC).

## CMI: Marseille Centre for Mediterranean Integration

The Marseille Centre for Mediterranean Integration (CMI) was established through a Memorandum of Understanding (MoU) signed by six governments (Egypt, France, Jordan, Lebanon, Morocco and Tunisia) and two international organisations (the EIB and the World Bank). Launched in Marseille in 2009, it brings together a number of other agencies, including Agence Française de Développement, Caisse des Dépôts et Consignations (CDC), the Forum Euroméditerranéen des Instituts de Sciences Économiques (FEMISE), the United Nations Development Programme (UNDP), the United Nations Environment Programme's Plan Bleu and the City of Marseille.

The CMI focuses on several sectors selected by its members and partners, building on their respective comparative advantages. Through research and the sharing of knowledge and experience, the CMI aims to encourage governments to agree on a common vision for meeting shared development challenges through targeted reforms and informed public policies. Programmes typically adopt a multisector approach and seek to complement the work of the region's existing think tanks and collaborative institutions.

Five cluster programmes are currently being developed:

- urban and spatial development;
- the environment and water;
- transport and logistics;
- skills, employment and labour mobility (including youth issues);
- the knowledge economy, innovation and technology.

As one of the CMI's co-founders, the EIB is leading the way on three of these programmes, namely the "Medinas 2030" initiative, the Euro-Mediterranean Network of Logistic Platforms (LOGISMED) programme, and the IT1 project on "Fostering innovation, supporting the promotion and financing of innovation in the Mediterranean."

### "Medinas 2030"

Growing urbanisation in the Mediterranean has led to a significant deterioration of historical city centres (also known as "medinas"). The aim of the "Medinas 2030" initiative – launched by the EIB in 2008 following consultation with relevant international stakeholders – is to join forces with international organisations, investors and town associations to promote awareness of the challenge of rehabilitating medinas.

The main objectives of the initiative are to:

- increase awareness among policymakers and urban players;
- identify integrative urban rehabilitation and governance strategies and mechanisms that address the issues of spatial, economic and social planning as well as public governance;
- propose appropriate financial instruments and amend existing mechanisms to support the completion of rehabilitation operations.



A study has identified 20 projects that could be financed and detailed project information sheets have been drawn up for 16 projects at different stages of implementation. The rehabilitation of the Meknes medina (Morocco) is a good example of such a project.

### **Euro-Mediterranean Network of Logistic Platforms (LOGISMED)**

LOGISMED aims to provide the Mediterranean with integrated logistics platforms to facilitate traffic flows and trade among Mediterranean partner countries and between those countries and the European Union. This project is part of a regional transport action plan developed by the European Commission to help promote the private sector in the Mediterranean through public-private partnership initiatives.

In addition, the programme involves developing a network for logistics training in the Mediterranean, which will provide the region with a number of specialists to meet the requirements of the sector. In this context, the CMI is attempting to set up a network of teachers and professionals to provide training in this area.

### **Fostering innovation, supporting the promotion and financing of innovation in the Mediterranean (IT1)**

The IT1 programme seeks to define and implement long-term strategies that will increase the innovative projects deal flow in the Mediterranean. Among other things, it will identify the barriers to innovation, analyse operational and innovation policy tools, strengthen initiatives for the development of skills and information for entrepreneurs and provide new financial mechanisms in support of innovation.

#### **Partnerships with business associations in the Mediterranean**

FEMIP is continuously building on the cooperation agreements signed in November 2009 with two key business associations for the Mediterranean region, the Association of the Mediterranean Chambers of Commerce and Industry (ASCAME) and the General Union of Chambers of Commerce, Industry and Agriculture for the Arab Countries (GUCCIAAC). In 2010 FEMIP joined forces with the two associations to increase the visibility of their activities in the Mediterranean region and work together towards their common final objective of ensuring long-lasting and sustainable economic growth in the region.

#### **Cooperation with the European Commission's Directorate-General for Enterprise and Industry (DG Enterprise) on the Charter for Enterprise**

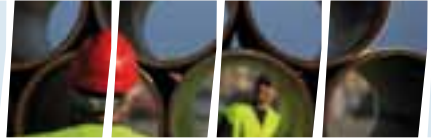
Since it was adopted by the Euro-Mediterranean Industry Ministers in 2004, the Charter for Enterprise has been a key document guiding partner governments' policy towards the private sector. At the same time, it is also a platform for Euro-Mediterranean cooperation, as the Charter arose out of the Euro-Mediterranean industrial cooperation conducted within the framework of the Barcelona Process. In this framework, the EIB is contributing to the implementation of the Charter through its "access to finance" thematic area, which covers the credit environment and financial facilities for enterprises.

# Projects and investment sectors



*Medgaz project, Algeria.*





## Energy

In the Mediterranean region the sharp increase in demand for energy, particularly electricity, is expected to rise further over the coming years due to the expected economic and demographic growth. The promotion of renewable energy, energy efficiency and security of energy supplies has therefore become a priority for FEMIP, which has also embarked on the task of coordinating the financing of the Mediterranean Solar Plan – one of the Union for the Mediterranean's priority projects.

Since 2002, FEMIP has allocated EUR 5.1bn to the energy sector.



## Algeria

**Project:** MEDGAZ Pipeline

**Amount:** EUR 500m

The EIB signed a EUR 500m loan for the construction of a deepwater pipeline to link Algeria to Spain, between Beni Saf on the Algerian coast and landfall close to Almeria in Spain. The project will be financed under the Mediterranean Partnership Facility II.

The pipeline is intended to meet the growing demand for gas among European countries. It will also diversify the sources of supply, which will have a positive impact on market competitiveness.





*FEMIP strongly supports the Mediterranean Solar Plan, a UfM priority project, contributing to sustainable development in the region. Melloussa wind farm, Morocco.*

## Tunisia

### Project: STEG – Sousse power plant

**Amount: EUR 194m**

The EIB provided EUR 194m to build a power plant with a capacity of 400 MW. The project will operate through a combined-cycle technology that increases the thermal efficiency of the system and reduces greenhouse gas emissions.

The aim of the project is the cost-effective supply of electricity, both to meet the growth in demand and to ensure security of supply, and therefore contribute to the country's economic growth. As a secondary benefit, the combined-cycle gas turbine technology is expected to raise the average thermal efficiency of the system and thereby contribute to lowering emissions of greenhouse gases and air pollutants per unit of electricity generated.



### Project: STEG Power Transmission

**Amount: EUR 185m**

The EUR 185m loan is for upgrading the power transmission grid using conventional and renewable generating facilities to ensure a reliable supply of electricity.

This project will cater for the growth in demand, maintain and improve the reliability of supplies and support the connection and efficient operation of generating resources in Tunisia, as well as employment creation and economic growth. The project is geographically dispersed throughout Tunisia.





## Egypt

### Project: Egyptian Power Transmission

**Amount: EUR 260m**

The EIB supplied a EUR 260m loan to address Egypt's infrastructure needs in the energy sector. The project will help to provide a reliable electricity supply to meet increasing demand. It will improve the management of the electricity power transmission grids and promote the development of the electricity transmission network in Egypt. It will also provide possibilities for future interconnections to the networks of neighbouring countries such as Saudi Arabia and the Gaza Strip.

This project is receiving technical assistance from the EIB.



### Project: Giza North Power Plant

**Amount: EUR 300m**

The EIB lent EUR 300m for the construction of a 1 500 MW power plant to be located in the Nile delta, some 30 km northwest of Cairo. The project represents a response to the increasing demand for electricity in Egypt, particularly in the centre of Cairo.

The operation will increase the competitiveness of energy suppliers in the country and will also have a positive impact on the environment due to the use of combined-cycle technology.

Furthermore, it will contribute to the expansion of the basic energy infrastructure needed for the economic development of Egypt.





## Transport



A necessary condition for the sustainable economic development of the Mediterranean region is the setting up of integrated and efficient maritime, urban and rail transport networks between the two shores of the Mediterranean.

EIB support for transport projects is also in line with one of the Union for the Mediterranean's priority projects, namely the maritime and land highways initiative.

Since 2002 the Bank has provided EUR 2.5bn for road, maritime, urban and rail transport in the region.

*Rabat Tramway, Morocco.*





## Tunisia

**Project:** Réseau Ferroviaire Rapide

**Amount:** EUR 119m

FEMIP granted a EUR 119m loan to Tunisia to construct two urban railway lines in the metropolitan area of Tunis. The lines will be part of a wider five-line urban railway network with a total length of 85 km.

The operation will promote the use of public transport to reduce the impact of urban transport on the environment and improve the lives of 620 000 inhabitants.



## Morocco

**Project:** Port de Tanger MED II Infrastructure

**Amount:** EUR 200m

Following the Tanger Med I project, to which the EIB contributed EUR 40m, the Tanger Med II project will aim to further facilitate traffic flows between the Mediterranean region and markets on both sides of the Atlantic and in Asia. It will also provide additional capacity for Moroccan international trade and foster local economic development.

The EIB will provide considerable financial support for the Tanger Med II project via a EUR 200m long-term loan. The project will also benefit from the EIB's expertise throughout the implementation phase, so as to minimise the environmental impact of the new industrial infrastructure.

During its implementation phase this site will help to create 33 000 direct jobs.



**Project:** ADM VII

**Amount:** EUR 220m

The EUR 220m loan was granted to help finance the construction of a motorway between the administrative and economic centres of Rabat and Casablanca.

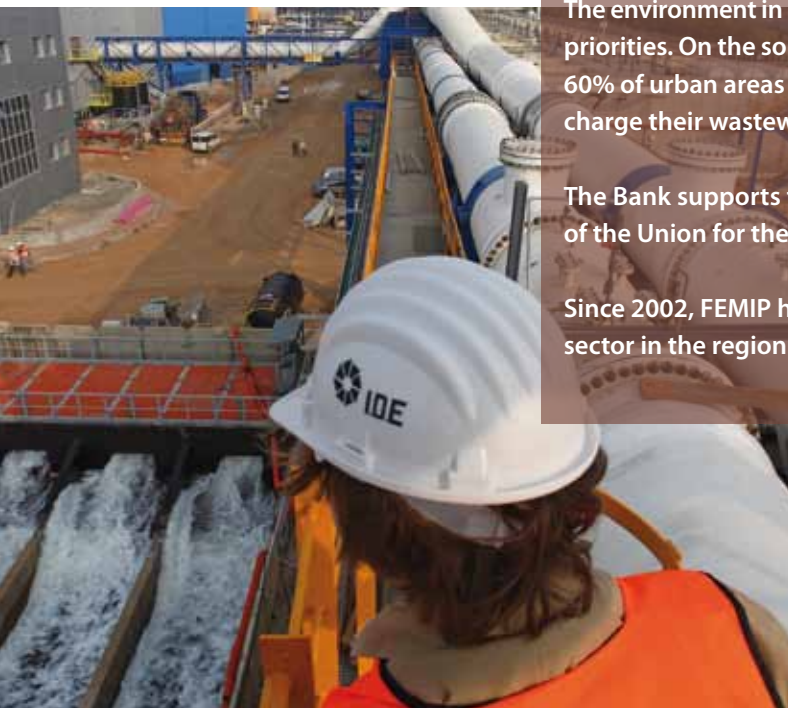
The planned construction of a 172 km section of motorway between Casablanca and the region of Tadla-Azilal in the south-east of the country meets a twofold objective:

- to connect this region, in accordance with user safety and environmental requirements, with the country's administrative and economic heart of Rabat and Casablanca in order to accelerate the development of the regions served, in particular the Tadla plain, the High Atlas mountains (Azilal) and beyond that, the Middle Atlas (Khénifra);
- to promote a number of business sectors (agriculture, agribusiness and tourism) that are key to the economic development of the Kingdom. The region that will be served has many natural resources, such as the country's largest phosphate deposit in Khouribga, the prime agricultural area of Béni Mellal and the Atlas countryside.

In the long term, the plan will facilitate the economic integration of the more remote inland regions.



## Water



The environment in general and water in particular are two of FEMIP's priorities. On the southern and eastern shores of the Mediterranean, 60% of urban areas with a population of more than 100 000 still discharge their wastewater directly into the sea.

The Bank supports the "depollution of the Mediterranean Sea", one of the Union for the Mediterranean's priority projects.

Since 2002, FEMIP has allocated more than EUR 1.05bn to the water sector in the region.

## Syria

**Project:** Syria H2020 Water

**Amount:** EUR 55m

FEMIP supplied a EUR 55m loan to develop modern water supply and wastewater collection and treatment infrastructure in North-Western Syria. The project is part of the Horizon 2020 initiative, which aims to tackle the main sources of Mediterranean pollution by the year 2020. The operation has also received a EUR 5m investment grant from EU budgetary resources.

The objective of the project is to reduce raw wastewater discharges into the rivers flowing into the Mediterranean Sea and improve the water and wastewater services in nearby cities and villages. By 2025, 374 000 inhabitants are expected to benefit from the operation. The project therefore contributes to the Union for the Mediterranean's priority project for cleaning up pollution in the Mediterranean.

This project is also receiving technical assistance managed by the EIB.





## Industry

Investment in the industrial sector is aimed at increasing employment opportunities for a young and skilled population and providing high-quality products that comply with international environmental and commercial standards.

Since 2002 FEMIP has provided EUR 1.2bn to develop the industrial sector, which comprises pharmaceuticals, construction and chemicals.



*Cement factory, Egypt.*

## Egypt

**Project:** ERC Refinery

**Amount:** EUR 346.4m

FEMIP granted a EUR 346.4m loan for the construction of oil-refining installations that will convert heavy petroleum residues to cleaner middle distillates.

The production will be used to secure energy supplies for the domestic market and therefore reduce the cost of imports. The technology used will also improve air quality by creating fewer residues.





## Private equity

In addition to making long-term loans available, FEMIP smoothes the way for investment in the local private sector by providing equity or quasi-equity funding to private enterprises. The EIB also offers alternative financing instruments to meet local investment needs.

Since 2002, the Bank's private equity operations have amounted to almost EUR 300m.



*Yodeen SME, Syria.*

## Egypt

**Project:** Nile River Logistics

**Amount:** EUR 5m

The Bank took a EUR 5m equity participation in Nile River Logistics, a green-field logistics platform active in dry bulk cargo inland water transportation and river ports management along the Nile.

The cargo company in Egypt currently operates a fleet of 31 refurbished river barges and is building a further 80 state-of-the-art, fuel-efficient, environmentally friendly barges, which will provide flexibility for both bulk and container-based cargo transport. The ports management activity involves building and operating a network of river ports at strategic locations along Egypt's navigable waterways. With these, Nile Logistics is seeking to capitalise on the region's underdeveloped and underutilised river transport sector and provide a seamless door-to-door service for industrial and agricultural producers and traders, mainly in and around Egypt.

In the development plan for this venture, it is expected that around 2 200 jobs will be created by 2016.







## Lebanon

### Project: Al Majmoua Microfinance

**Amount: EUR 1.5m**

The Bank extended a EUR 1.5m to the Lebanese Association for Development- Al Majmoua, a non-profit NGO that provides financial services to individuals and entrepreneurs who have limited access to formal lending channels in Lebanon. It is estimated that about 150 000 micro and small Lebanese enterprises do not have access to financial services.

The Bank's support for Al Majmoua will promote social and economic reform as well as reconstruction and recovery efforts, while helping to achieve the objectives set by the European Commission in its strategic cooperation with Lebanon. The operation will also help to reinforce the infrastructure to improve access to microcredit.



### Project: Lebanon Growth Capital Fund

**Amount: EUR 5m**

The EIB participated with a EUR 5m loan in the Lebanon Growth Capital Fund, a private equity fund that targets equity and quasi-equity investments in privately held SMEs in Lebanon.

Lebanon Growth Capital will actively contribute to helping companies grow and expand in the long term. Although there is only a limited number of SME-dedicated private equity funds operating in Lebanon, the EIB has been an active investor in most of them.



## Gaza-West Bank

### Project: Palestine Growth Capital Fund

**Amount: EUR 5m**

SMEs are the backbone of the Palestinian economy and have the potential to create much-needed employment opportunities.

In order to respond to the needs of Palestinian entrepreneurs, the EIB invested EUR 5m in the Palestine Growth Capital Fund, which will assist SMEs in the early stages of their business in industries such as information technology and healthcare. The Fund will also provide capital and endeavour to acquire stakes in Palestinian SMEs.



## Regional

### Project: Argan Infrastructure Fund

**Amount: EUR 15m**

The EIB signed an equity commitment of EUR 15m at the first closing of the North African subfund of Argan Infrastructure Fund, an initiative sponsored by Morocco's Finance.Com Group.

The project aims to invest much-needed equity and/or quasi-equity in infrastructure projects across a broad range of sectors (energy, transport, logistics, waste and water management, industry and telecommunications) in the region, predominantly in Morocco and the other Maghreb countries.



### Project: InfraMed

**Amount: EUR 50m**

The EIB, together with Caisse des dépôts and Cassa depositi e prestiti financed the creation of the InfraMed Fund in partnership with financial institutions in the partner countries – Caisse de dépôt et de gestion du Maroc (CDG) and the Egyptian bank EFG Hermes. The EIB participated in the launch of the InfraMed Fund with a EUR 50m contribution. The fund had an initial capital of EUR 385m and a target size of EUR 1bn. CDG and EFG also aim to launch parallel local funds in their respective countries.

The aim of InfraMed is to support the Union for the Mediterranean. It is the first facility created to finance the UfM projects in sustainable urban, energy and transport infrastructure projects on both shores of the Mediterranean.



### Project: Vantage Regional Mezz Fund

**Amount: EUR 10m**

The EIB committed EUR 10m to equity participation in the Vantage Regional Mezz Fund, the first regional mezzanine fund to invest in medium-sized companies in Mediterranean partner countries.

The fund will help companies that require capital for expansion but are unable to obtain loans from traditional commercial banks. It will also introduce a new class of asset (mezzanine instruments) to bridge the gap between the finance available from banks and investments from equity sponsors. Access to this type of financing will therefore diversify the financial instruments available for the private sector and in the long term deepen the capacity of the capital markets in the region.





## Human capital

Sustainable economic development also entails investment in human capital.

Since 2002 FEMIP's contribution to the human capital sector (education and health) has amounted to EUR 665m.



*Supporting human capital and the health sector is a FEMIP priority.*

## Syria

**Project:** Syrian Healthcare II

**Amount:** EUR 130m

The EIB provided a EUR 130m loan for the construction and equipping of eight hospitals across six of the country's Governorates, as well as the completion of the National Centre for Drugs and a public health centre in the suburbs of Damascus.

This operation follows on from Syrian Healthcare I. It is part of the Syrian Ministry of Health's national plan to modernise the healthcare sector, enhance the quality and safety of healthcare amenities and improve access to healthcare treatment by 2015.

This projects also receives technical assistance from the EIB.



# FEMIP's impact on economic and social development



When assessing a project, the Bank gives priority to operations with high value added. This requires balancing a project's financial and economic aspects with its expected social and development impact.

*FEMIP encourages job creation as key to economic and social development.  
Clothes factory, Lebanon.*

Since 2007, the Bank has benchmarked all operations outside the European Union using a three-pillar methodology, which helps to identify at an early stage the economic, financial and environmental sustainability of operations as well as other qualitative elements, such as the benefit to project promoters of the Bank's technical and economic know-how.

Of the aggregate projects signed in the Mediterranean partner countries during the year, 66% were rated "high" on at least one pillar, while 48% received two or more "high" ratings:

**Table 3: Impact and value added of operations signed in 2010**

	%
"High" on all pillars	24
Two "highs" and a "medium"	24
Two "mediums" and a "high"	18
Three "mediums"	23
One "moderate"	11
	<b>100</b>

## What are the three pillars?

Products	Objectives
<b>Pillar 1</b>	
Consistency with the objectives/ priorities of the Bank's external mandate	Impact of the project on economic growth, development, job creation, alignment with the country's or region's strategy.
<b>Pillar 2</b>	
Quality and soundness of the project/operation	Assessment of the project's compliance with an expanded set of economic, financial, environmental and social criteria.
↳ financial sector	
↳ non-financial	Project design, including enhanced management, provision of technical support and financing of fairly risky and pioneering initiatives.
<b>Pillar 3</b>	
The Bank's contribution/ add-ons	Long maturities, grace periods, risk capital instruments.





#### Project: SME Fund II

<b>Amount</b>	EUR 80m
<b>Currency</b>	EUR
<b>Focus</b>	SMEs
<b>Project impact</b>	Enhancing private sector development and job creation.

With 320 days of bright sunshine a year, Syria has vast potential for the use of solar power. Nevertheless, the production of solar power devices is still an immature industry in the country. However, with decreasing oil reserves, support for projects boosting alternative and environmentally friendly energy sources is gaining ground.

Recognising this potential, Adnan Akeel and Safaa Nouri decided to set up a solar power device factory in the Damascus countryside. The site produces high-quality solar power devices at a competitive price, hence making them affordable for a wide range of customers. In fact the solar power devices have many uses, such as heating water in households for bathing, cooking and swimming pools, as well as for operating central heating systems.

Given the rather limited capacity of existing companies, the project will help close the local demand gap, while boosting the production and use of clean energy. The project is one of the first professional modern production sites for solar power devices in Syria and also contributes to the creation of employment, with an estimated 90 new jobs.

The EIB is supporting the EUR 6.5m project with a EUR 1.8m loan, provided through a local intermediary bank, under the so-called SME Fund II operation. This Fund builds on the successful take-up of its predecessor, the SME Fund I, which was signed in 2003 and has provided intermediated loans to a number of small and medium-sized enterprises. This has helped to boost job creation in Syria, with around 1 650 jobs being generated in the projects financed under this Fund.<sup>6</sup>



<sup>6</sup> To learn more about the Syrian SME projects, visit: <http://www.syrianfund.com>.

**Project: GiroNil**

<b>Amount</b>	EUR 3m
<b>Currency</b>	EUR
<b>Focus</b>	The financial sector
<b>Project impact</b>	Promoting an entrepreneurial culture.

GiroNil is an Egyptian company specialising in the automation of payment processes that was established in 2005 as a joint venture by the main domestic banks, both public and private, and other major public companies. It aims to create a fully automated nationwide payments system infrastructure in Egypt, which will enable automated transfers to take place between all kinds of economic agents, such as banks, insurance companies, businesses and individuals. The system would have the advantage of simplifying and speeding up the number of transactions.

In December 2009 the EIB signed a direct investment of EUR 3m in the form of a convertible loan. For GiroNil manager Frans van Eersel: "GiroNil is supporting the country by moving it from a cash-based society to one that uses less cash. This is expected to have a sustainable impact on the economic growth of the country."

GiroNil is also helping to encourage the emergence of a new entrepreneurial culture. "The people at GiroNil are from the social networking generation", adds Mr van Eersel. "This is the generation that wants to make changes in Egypt. At GiroNil we expect people to act as entrepreneurs. Through our management style, our staff is encouraged to take initiatives and not wait until they get instructions from the management."

**Project: Jordan's water distribution systems**

<b>Amount</b>	USD 100m
<b>Currency</b>	USD
<b>Focus</b>	The water industry
<b>Project impact</b>	Increasing water supplies to a larger proportion of the population.

In 2009 the Bank provided a EUR 100m loan for the construction of a water pipeline designed to bring 100m<sup>3</sup> of water a year from the Disi aquifer in the south of the country to Jordan's capital Amman.

Jordan is one of the most arid countries in the world, alongside Tanzania, Sudan and Ethiopia. In order to prevent complete desertification, the Jordanian Government has already launched several emergency plans. A key element of this is a USD 1bn project to build the new water distribution link.

In addition to the financial help, the Bank is making its knowledge available by providing leading-edge water expertise to underpin the country's long-term reform on water policy. An EIB water engineer, a specialist on Jordan, has been co-operating with the local Ministry of Water and Irrigation for several months to jointly determine measures to rebalance the water demand between irrigation and domestic usage and to remodel the water tariffs. These procedures will also help to control the excessive pumping of reserves close to the surface in the north of Jordan to enable them to replenish themselves, thereby lengthening the life of the country's natural reserves.





#### Project: Tanger Med II

**Amount** EUR 200m

**Currency** EUR

**Focus** Developing port infrastructure

#### Project impact

The project will facilitate traffic flows between the Mediterranean region and markets on both sides of the Atlantic and in Asia. A total of 33 000 direct jobs is expected to be created under this facility.

The Kingdom of Morocco established the "Tangier Mediterranean" special economic zone 35 km from the city of Tangier to offer potential investors a modern, state-of-the-art facility.

The Tanger Med I project, for which the EIB contributed EUR 40m to acquire handling equipment, provided the port with container storage capacity of 3 million TEU. The Tanger Med II project will increase this storage capacity to 8 million TEU thanks, in particular, to the construction of two new container terminals (TC3 and TC4) and some 30 buildings. During its implementation phase, this site will create 33 000 direct jobs.

The EIB will provide considerable financial support for the Tanger Med II project via a long-term loan of EUR 200m. The project will also benefit from the EIB's expertise throughout the implementation phase, so as to minimise the environmental impact of the new industrial infrastructure.

The project will facilitate traffic flows between the Mediterranean region and markets on both sides of the Atlantic and in Asia. It will also provide additional capacity for Moroccan international trade and foster local economic development. By providing maritime transport infrastructure, the project will contribute to the FEMIP objective of creating an enabling environment for the development of the private sector.





# Organisation and staffing







## The FEMIP team

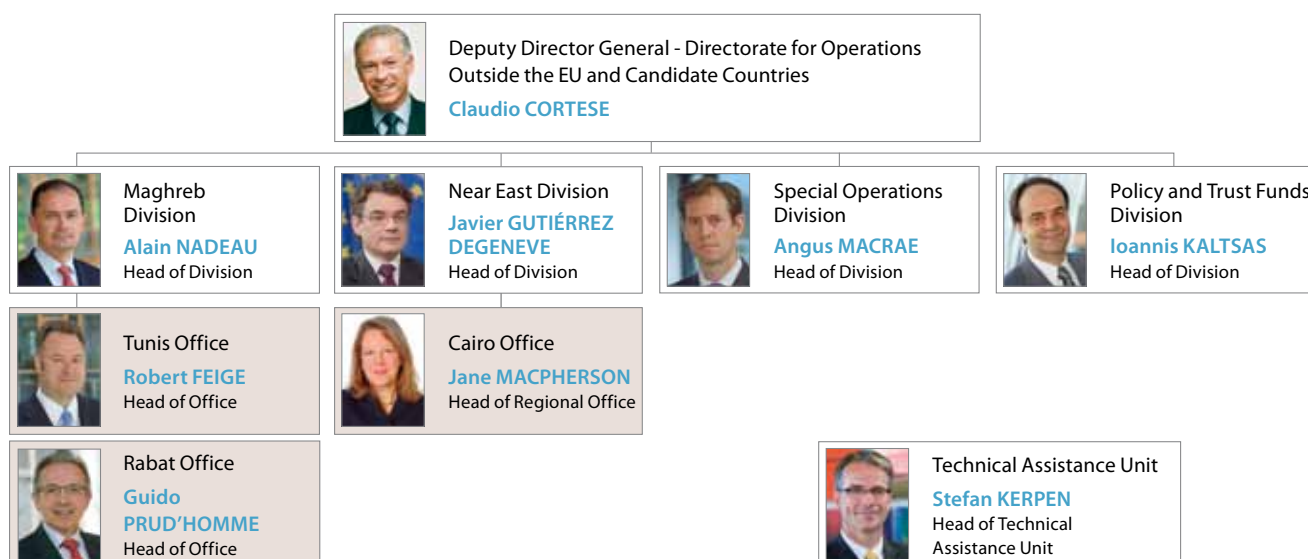
The FEMIP Department is in charge of operations in the Mediterranean partner countries and comes under the EIB's Directorate for Operations outside the European Union and Candidate Countries.

The FEMIP Department has 52 staff members, who work closely with the Projects, Legal Affairs, Risk Management and Finance Directorates.

There are two geographical divisions covering the Maghreb and Near East regions, and one horizontal division in charge of private equity and micro-finance operations throughout the Mediterranean partner countries.

The follow-up of the Union for the Mediterranean horizontal issues and general institutional affairs are handled by a division in charge of trust funds and policy affairs, which was reinforced in 2010 with the recruitment of two experts dedicated to the FEMIP Trust Fund.

## Organisation chart of the FEMIP Department





### A FEMIP network

FEMIP has established three local offices in Cairo, Rabat and Tunis, which play an essential role in identifying new project opportunities, easing the implementation of monitoring and technical assistance operations and coordinating work with local public authorities, entrepreneurs, commercial banks and professional associations.

In order to strengthen its support for the Union for the Mediterranean, two EIB experts were seconded to the UfM's Barcelona Secretariat. The EIB also has one representative based in Marseille who coordinates the EIB's activities within the Centre for Mediterranean Integration.



The Cairo office's team



The Rabat office's team



The Tunis office's team



# The Internship Programme: promoting young Mediterranean talent

The goal of the FEMIP Internship Programme is to build human capacity in the Mediterranean partner countries by offering young graduates from the region an opportunity to gain work experience in a multicultural international environment.

Established in 2007 and funded by the FEMIP Trust Fund, the Internship Programme has provided places for 60 young professionals as of end-2010. It provides the Bank with a pool of talented young workers who bring their expertise in and knowledge about the Mediterranean region. In return, the Internship Programme provides valuable experience for the trainees as it opens up new perspectives for them. The majority of FEMIP interns choose to increase their international experience through further studies, professional training or work experience, with the aim of returning to their respective countries in order to apply the expertise gained abroad.

## Latifa Belarbi

*Algeria 24*  
Master's degree in International  
Commerce  
Arabic - French - Italian - English  
Projects Directorate  
*Interested in a career at the  
African Development Bank*



## Geeda Haddad

*Jordan 26*  
MA in European Public Affairs  
Arabic - English - Italian  
Projects Directorate  
*Building a career  
in international and  
European affairs*

## Yousrea Yousef Ali Ramadan

*Palestine 28*  
Master's degree in Water and  
Environmental Engineering  
Arabic - English - German  
Projects Directorate  
*Applying for PhD*





### Mohamd Tarhini

*Lebanon* 26  
Master's in Management & Engineering  
of Energy & Environment  
Arabic - English - French  
Projects Directorate  
*Business start-up in energy efficiency sector  
in the Middle East*

### Ahmed Abdelsatar

*Egypt* 22  
Bachelor of Economics and Political Science  
Arabic - English  
Operations within the EU  
*Started an Islamic finance qualification. Industry.  
Aims to start a career within this sector*

### Larbi Meddoun

*Morocco* 26  
Msc -Market Finance  
Arabic - French - English  
Strategy and Corporate Centre  
MBA



### Bassel El Khateeb

*Egypt* 23  
Bachelor of Economics and Political Science  
Arabic - English  
Operations within the EU  
*Studying towards a certificate in Islamic finance  
and planning to work in the financial sector*

### Ali Kadiri

*Morocco* 23  
Msc Corporate Finance  
French - English - Arabic- Spanish  
Operations outside the EU  
*Planning to work in the investment  
banking sector*

### Rim Souheyr Hamacha

*Algeria* 26  
LLM in Corporate Finance Law  
Arabic - English - French  
Operations outside the EU  
*Planning to work in  
the financial sector*

# Annexes





## ↪ List of operations signed (01/10/2002 – 31/12/2010)

Country	Region	Project Name	Amount signed EUR m	Public/Private	Nature of Operation	Sector	FEMIP TA	Interest Subsidy
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### 1 October to end-2002

Algeria	Maghreb	Algerian Cement Company	66.00	Private	Loan & private equity	Industry		
Morocco	Maghreb	ONE Interconnexions II	120.00	Public	Loan	Energy		
Morocco	Maghreb	ONEP IV Protection de l'Environnement	16.00	Public	Loan	Environment		X
Tunisia	Maghreb	Autoroute du Sud	77.50	Public	Loan	Transport & other infrastructure		
Egypt	Near East	Egyptian Direct Investment Fund	5.90	Private	Private equity	Financial Sector		
<b>Total</b>			<b>285.40</b>				<b>0</b>	<b>1</b>

### 2003 Signatures

Algeria	Maghreb	Reconstruction après Tremblement de Terre	46.0	Public	Loan	Transport & other infrastructure	X	
Morocco	Maghreb	Autoroutes du Maroc IV	110.00	Public	Loan	Transport & other infrastructure		
Morocco	Maghreb	Assainissement Villes Marocaines – Oujda	30.00	Public	Loan	Environment	X	X
Morocco	Maghreb	Formation Professionnelle Maroc	30.00	Public	Loan	Human Capital		
Morocco	Maghreb	Ports du Maroc II	4.00	Public	Loan	Transport & other infrastructure		
Morocco	Maghreb	Associations de Micro-Crédit	10.00	Private	Private equity	Financial Sector		
Tunisia	Maghreb	Entreprises Tunisiennes PG III	137.00	Private	Loan	Financial Sector		
Tunisia	Maghreb	Santé Tunisie	110.00	Public	Loan	Human Capital		
Tunisia	Maghreb	STEG Gaz Tunisie	51.00	Public	Loan	Energy		
Tunisia	Maghreb	STT Métro Léger de Tunis II	45.00	Public	Loan	Transport & other infrastructure		
Tunisia	Maghreb	Tunisacier Steelworks	29.00	Private	Loan	Industry		
Egypt	Near East	Idku LNG Plant – Article 18 Facility	304.50	Private	Loan	Energy		
Egypt	Near East	Nubariya Combined Cycle Power Plant II	150.00	Public	Loan	Energy		
Egypt	Near East	Regina for Food Industries	0.60	Private	Private equity	Financial Sector		
Jordan	Near East	Jordan Education	39.70	Public	Loan	Human Capital		
Jordan	Near East	Amman Ring Road	26.20	Public	Loan	Transport & other infrastructure	X	
Syria	Near East	Port of Tartous	35.40	Public	Loan	Transport & other infrastructure	X	
Syria	Near East	SME Fund	27.40	Private	Loan	Financial Sector	X	
Regional	Regional	Averroès Finance	3.50	Private	Private equity	Financial Sector		
<b>Total</b>			<b>1 189.30</b>				<b>5</b>	<b>1</b>

### 2004 Signatures

Algeria	Maghreb	Algerian Cement Company – Phase II	12.50	Private	Loan	Industry		
Morocco	Maghreb	ONE Parc Éolien de Tanger	80.00	Public	Loan	Energy		
Morocco	Maghreb	Infrastructures Logement Social	71.00	Public	Loan	Transport & other infrastructure	X	
Morocco	Maghreb	ONE Dépollution Centrale Mohammedia	40.00	Public	Loan	Environment	X	X
Morocco	Maghreb	Assainissement Villes Moyennes (SAFI)	20.00	Public	Loan	Environment	X	X
Morocco	Maghreb	Associations de Micro-Crédit II	10.00	Private	Private equity	Financial Sector		
Morocco	Maghreb	Weldom Maroc	0.50	Private	Private equity	Financial Sector		
Tunisia	Maghreb	Voiries Prioritaires III	65.00	Public	Loan	Transport & other infrastructure		



Country	Region	Project Name	Amount signed EUR m	Public/Private	Nature of Operation	Sector	FEMIP TA	Interest Subsidy
Tunisia	Maghreb	Voiries Prioritaires IV	40.00	Public	Loan	Transport & other infrastructure		
Tunisia	Maghreb	Assainissement du Site de Taparura	34.00	Public	Loan	Environment	X	
Tunisia	Maghreb	Prêt Global CPSC	25.00	Private	Loan	Financial Sector		
Tunisia	Maghreb	SNCFT IV	20.00	Public	Loan	Transport & other infrastructure		
Egypt	Near East	Egyptair II	290.00	Public	Loan	Transport & other infrastructure		
Egypt	Near East	Damietta LNG Plant – Euromed II Facility	188.40	Private	Loan	Energy		
Egypt	Near East	Talkha & El Kuriemat Power Plants	160.00	Public	Loan	Energy		
Egypt	Near East	GL Private Sector Development	60.00	Private	Loan	Financial Sector	X	
Jordan	Near East	Regional Gas Pipeline	89.70	Public	Loan	Energy		
Lebanon	Near East	Apex GL Multi-Sector	60.00	Private	Loan	Financial Sector		
Lebanon	Near East	South Lebanon Wastewater	45.00	Public	Loan	Environment	X	X
Syria	Near East	Deir Ali Power Plant	200.00	Public	Loan	Energy		
Regional	Regional	Africinvest Fund	4.00	Private	Private equity	Financial Sector		
<b>Total</b>			<b>1515.10</b>				<b>6</b>	<b>3</b>

#### 2005 Signatures

Algeria	Maghreb	Projet Maghreb Leasing	10.00	Private	Private equity	Financial Sector		
Morocco	Maghreb	ADM IV Tranche B	30.00	Public	Loan	Transport & other infrastructure		
Morocco	Maghreb	Routes Rurales II	60.00	Public	Loan	Transport & other infrastructure	X	
Morocco	Maghreb	Capital North Africa Venture Funds	5.00	Private	Private equity	Financial Sector		
Morocco	Maghreb	AGRAM Invest	4.60	Private	Private equity	Financial Sector		
Morocco	Maghreb	Atlas Eden	0.20	Private	Private equity	Financial Sector		
Morocco	Maghreb	Société Immobilière de la Mer	5.00	Private	Private equity	Financial Sector		
Tunisia	Maghreb	Technopoles	80.00	Private	Loan	Industry	X	
Tunisia	Maghreb	PG Entreprises Tunisiennes IV	120.00	Private	Loan	Financial Sector	X	
Tunisia	Maghreb	PG Technopoles Tunisie	60.00	Private	Loan	Financial Sector	X	
Egypt	Near East	Idku LNG Plant II	234.40	Private	Loan	Energy		
Egypt	Near East	Gasco Gas Pipelines III	40.40	Public	Loan	Energy		
Gaza/West Bank	Near East	Credit Guarantee Fund	10.00	Private	Private equity	Financial Sector	X	
Gaza/West Bank	Near East	Electricity Network Upgrading	45.00	Public	Loan	Energy	X	
Lebanon	Near East	Lebanese Highways	60.00	Public	Loan	Transport & other infrastructure	X	
Lebanon	Near East	Byblos Bank GL	50.00	Private	Loan	Financial Sector		
Lebanon	Near East	Greater Beirut Wastewater	60.00	Public	Loan	Environment		X
Syria	Near East	Deir Azzour Power Plant	200.00	Public	Loan	Energy	X	
Syria	Near East	Rural Telecoms	100.00	Public	Loan	Transport & other infrastructure	X	
<b>Total</b>			<b>1174.60</b>				<b>9</b>	<b>1</b>

#### 2006 Signatures

Morocco	Maghreb	Assainissement du Bassin de Sebou	40.00	Public	Loan	Environment	X	X
Morocco	Maghreb	Moroccan Infrastructure Fund	10.00	Private	Private equity	Financial Sector		
Morocco	Maghreb	ONE Électrification Rurale II	170.00	Public	Loan	Energy		
Morocco	Maghreb	Santé	70.00	Public	Loan	Human Capital	X	





Country	Region	Project Name	Amount signed EUR m	Public/Private	Nature of Operation	Sector	FEMIP TA	Interest Subsidy
Tunisia	Maghreb	ONAS IV	40.00	Public	Loan	Environment	X	X
Tunisia	Maghreb	STEG Centrale Ghannouch	114.00	Public	Loan	Energy		
Tunisia	Maghreb	ENDA	0.80	Private	Private equity	Financial Sector	X	
Egypt	Near East	Egyptian Pollution Abatement (EPAP) II	40.00	Private	Loan	Financial Sector/Environment	X	X
Egypt	Near East	El Atf and Sidi Krir Power Plants	130.00	Public	Loan	Energy		
Egypt	Near East	EMX Methanol Plant	164.20	Private	Loan	Industry		
Egypt	Near East	Upper Egypt Gas Pipeline	50.00	Public	Loan	Energy		
Egypt	Near East	Horus Agrifund	8.50	Private	Private equity	Financial Sector		
Egypt	Near East	Belton	5.60	Private	Private equity	Financial Sector		
Israel	Near East	Environmental Programme Loan	200.00	Public	Loan	Environment	X	
Syria	Near East	Damascus Rural Water and Sanitation	45.00	Public	Loan	Environment	X	X
Regional – Mediterranean	Regional – Mediterranean	Euromed Fund	10.10	Private	Private equity	Financial Sector		
Regional – Mediterranean	Regional – Mediterranean	EuroMena Fund	10.00	Private	Private equity	Financial Sector		
Regional – North Africa	Regional – North Africa	Maghreb Private Equity Fund II	10.00	Private	Private equity	Financial Sector		
Regional – Mediterranean	Regional – Mediterranean	SGAM Kantara Fund	10.00	Private	Private equity	Financial Sector		
<b>Total</b>			<b>1 128.20</b>				<b>7</b>	<b>4</b>

#### 2007 Signatures

Algeria	Maghreb	Algerian Fruit Juice Company	2.00	Private	Private equity	Financial Sector		
Morocco	Maghreb	Autoroutes du Maroc V	180.00	Public	Loan	Transport & other infrastructure		
Morocco	Maghreb	ONE Projets Hydroélectriques II	150.00	Public	Loan	Energy	X	
Morocco	Maghreb	CapMezzanine Maroc	6.00	Private	Private equity	Financial Sector	X	
Tunisia	Maghreb	Transmed Pipeline Expansion	185.00	Private	Loan	Energy		
Tunisia	Maghreb	PG Entreprises Tunisiennes V	200.00	Private	Loan	Financial Sector		
Tunisia	Maghreb	Fonds d'Amorçage Tunisien	2.00	Private	Private equity	Financial Sector	X	
Tunisia	Maghreb	Projet Enda Inter Arabe	2.00	Private	Private equity	Financial Sector	X	
Egypt	Near East	El Atf and Sidi Krir Power Plants	130.00	Public	Loan	Energy		
Israel	Near East	Hadera Desalination Plant	108.50	Private	Loan	Environment		
Lebanon	Near East	Private Sector Facilities	170.00	Private	Loan	Financial Sector		
Lebanon	Near East	The Building Block Equity Fund	5.00	Private	Private equity	Financial Sector		
Syria	Near East	SME Fund II	80.00	Private	Loan	Financial Sector	X	
Regional – Mediterranean	Regional – Mediterranean	Altermed	8.00	Private	Private equity	Financial Sector		
Regional – Mediterranean	Regional – Mediterranean	Byblos Private Equity Fund	7.50	Private	Private equity	Financial Sector	X	
Regional – Mediterranean	Regional – Mediterranean	Fund for the Mediterranean Region	15.00	Private	Private equity	Financial Sector		
<b>Total</b>			<b>1 251.00</b>				<b>6</b>	<b>1</b>

#### 2008 Signatures

Egypt	Near East	EGAS Gas Grid Reinforcement	250.00	Public	Loan	Energy		
Egypt	Near East	Belton Midcap Fund	12.50	Private	Private equity	Financial Sector		
Egypt	Near East	Sphinx Turnaround Fund	13.00	Private	Private equity	Financial Sector		
Egypt	Near East	Belton Capital II	5.00	Private	Private equity	Financial Sector		

Country	Region	Project Name	Amount signed EUR m	Public/Private	Nature of Operation	Sector	FEMIP TA	Interest Subsidy
Israel	Near East	European Pharma R&D (RSFF)	29.73	Private	Loan	Industry		
Israel	Near East	Medinvest (RSFF)	3.33	Private	Loan	Industry		
Jordan	Near East	Amman Ring Road B	36.92	Public	Loan	Transport & other infrastructure	X	
Lebanon	Near East	Private Sector Facilities II (BOB)	52.00	Private	Loan	Financial Sector		
Morocco	Maghreb	ONE Réseaux Électriques II	170.00	Public	Loan	Energy		
Morocco	Maghreb	Fonds Capital Carbone Maroc	6.50	Private	Private equity	Financial Sector	X	
Morocco	Maghreb	Massinissa Fund	12.00	Private	Private equity	Financial Sector		
Morocco	Maghreb	Port de Tanger-Med – Deuxième Terminal	40.00	Private	Loan	Transport & other infrastructure		
Morocco	Maghreb	Routes Rurales III	60.00	Public	Loan	Transport & other infrastructure	X	
Regional – Mediterranean	Regional – Mediterranean	Altermed B	3.00	Private	Private equity	Financial Sector		
Regional – Mediterranean	Regional – Mediterranean	Fonds EuroMena II	13.00	Private	Private equity	Financial Sector		
Syria	Near East	Deir Ali II Power Plant	275.00	Public	Loan	Energy	X	
Syria	Near East	First Microfinance Institution Syria	2.00	Private	Private equity	Financial Sector		
Tunisia	Maghreb	STEG Centrale de Ghannouch B	86.00	Public	Loan	Energy		
Tunisia	Maghreb	STEG Gaz II (transport & distribution)	60.00	Public	Loan	Energy		
Tunisia	Maghreb	GCT Mise à Niveau Environnementale	55.00	Private	Loan	Industry		X
Tunisia	Maghreb	Voiries Prioritaires V	110.00	Public	Loan	Transport & other infrastructure		
<b>Total</b>			<b>1294.98</b>				<b>4</b>	<b>1</b>

#### 2009 Signatures

Egypt	Near East	DBACD Local Currency Loan	2.00	Private	Private equity	Financial Sector		
Egypt	Near East	Gironil	3.00	Private	Private equity	Financial Sector		
Egypt	Near East	IWSP	70.00	Public	Loan	Environment		
Egypt	Near East	Gulf of El Zayt Wind Farm	50.00	Public	Loan	Energy		
Israel	Near East	Hadera Desalination Plant Extension	21.90	Private	Loan	Environment		
Israel	Near East	ICL Specialty Chemicals R&D (RSFF)	56.30	Private	Loan	Industry		
Jordan	Near East	South-North Water Conveyor	165.76	Private	Loan	Environment		
Lebanon	Near East	Kesrwan Water and Wastewater Project	70.00	Public	Loan	Environment	X	
Morocco	Maghreb	Autoroutes du Maroc VI (Maroc)	225.00	Public	Loan	Transport	X	
Morocco	Maghreb	Prêt Cadre Secteur Éducation Maroc	200.00	Public	Loan	Health, Education		
Morocco	Maghreb	Renault Tanger Financement Intermédié	100.00	Private	Loan	Industry		
Morocco	Maghreb	Tramway Rabat – Salé	15.00	Public	Loan	Transport		
Regional – Mediterranean	Regional – Mediterranean	MENA Joint Investment Fund	10.00	Private	Private equity	Financial Sector		
Regional – Mediterranean	Regional – Mediterranean	Middle East Venture Capital Fund	5.00	Private	Private equity	Financial Sector		
Regional – Mediterranean	Regional – Mediterranean	Swicorp Intaj Capital II Fund	10.00	Private	Private equity	Financial Sector		
Syria	Near East	Syrian Cement Company	104.86	Private	Loan	Industry		
Syria	Near East	Syria Municipal & Environment Infrastructure	50.00	Public	Loan	Environment	X	
Tunisia	Maghreb	Aéroport Enfidha	70.00	Private	Loan	Transport		
Tunisia	Maghreb	Autoroute Sfax – Gabès	234.00	Public	Loan	Transport	X	
Tunisia	Maghreb	Tunisian Indian Fertilizers	130.00	Private	Loan	Industry		
<b>Total</b>			<b>1592.82</b>				<b>4</b>	<b>0</b>



Country	Region	Project Name	Amount signed EUR m	Public/Private	Nature of Operation	Sector	FEMIP TA	Interest Subsidy
<b>2010 signatures</b>								
Algeria	Maghreb	Medgaz Pipeline	500.00	Private	Loan	Energy		
Egypt	Near East	Egyptian Power Transmission	260.00	Public	Loan	Energy	X	
Egypt	Near East	ERC Refinery	346.40	Private	Loan	Industry		
Egypt	Near East	Giza North Power Plant	300.00	Public	Loan	Energy		
Egypt	Near East	Nile River Logistic	5.00	Private	Private equity	Financial Sector		
Gaza West Bank	Near East	Palestine Growth Capital Fund	5.00	Private	Private equity	Financial Sector		
Lebanon	Near East	Al Majmoua – Loan for Microfinance	1.50	Private	Private equity	Financial Sector		
Lebanon	Near East	Lebanon Growth Capital Fund	5.00	Private	Private equity	Financial Sector		
Morocco	Maghreb	Autoroutes du Maroc – ADM VII	220.00	Public	Loan	Transport		
Morocco	Maghreb	Port de Tanger MED II – Infrastructures	200.00	Private	Loan	Transport		
Regional – Mediterranean	Regional – Mediterranean	Argan Infrastructure Fund	15.00	Private	Private equity	Financial Sector		
Regional – Mediterranean	Regional – Mediterranean	Inframed	0.98	Private	Private equity	Financial Sector		
Regional – Mediterranean	Regional – Mediterranean	Vantage Regional Mezz Fund	10.00	Private	Private equity	Financial Sector		
Syria	Near East	Syria H2020 Water	55.00	Public	Loan	Environment	X	
Syria	Near East	Syrian Healthcare II	130.00	Public	Loan	Health, Education	X	
Tunisia	Maghreb	Réseau Ferroviaire Rapide	119.00	Public	Loan	Transport		
Tunisia	Maghreb	STEG Centrale de Sousse	194.00	Public	Loan	Energy		
Tunisia	Maghreb	STEG IV Transport Électricité	185.00	Public	Loan	Energy		
<b>Total</b>			<b>2551.88</b>				<b>3</b>	<b>0</b>



Beirut, Lebanon.

## ➔ List of operations approved under the FEMIP Support Fund as at end-December 2010<sup>7</sup>

Country	TA operation	Promoter	Contract volume EUR '000
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### 2004 Signatures

Algeria	Creation of a development capital company: EIB presence in the steering group in the company	Sonatrach	50
Algeria	Project Implementation Unit	National Algerian Motorways Agency	851
Algeria	Earthquake reconstruction – Project Implementation Unit	Ministry of Finance	1 373
Algeria	Earthquake reconstruction – Support for the technical control agencies	Ministry of Finance	570
Egypt	Pumping stations	Arab Republic of Egypt	780
Lebanon	Creation of an investment fund	Byblos Bank SAL	200
Morocco	Financial sector – legal study	Caisse de Dépôt et de Gestion	48
Regional	Privatisation and PPP in Maghreb	EIB	198
Syria	Technical assistance for the Port of Tartous Phase I	Ministry of Transport	110
Syria	Technical assistance for the Port of Tartous Phase II – TA for tender evaluation	Ministry of Transport	200
Syria	Private sector SMEs	Ministry of Economy and Foreign Trade	2 895
Syria	Pre-shipment inspections	Ministry of Health	100
Tunisia	Exchange risk coverage (redistribution of the financial charges fund)	Ministry of Finance	160
Tunisia	Projects appraisal mission of the Office National d'Assainissement (ONAS) financed by the EIB	ONAS	779
Tunisia	Creation of the first seed capital	Ministry of Finance	199
<b>Total</b>			<b>8 513</b>

### 2005 Signatures

Algeria	Algerian Motorway National Agency – PMU	Agence Nationale des Autoroutes (ANA)	2 996
Algeria	Redefinition of the municipal solid waste management plan in the city of Bouira and identification of technical support and training requirements nationally	Ministry of Environment	149
Egypt	CGT optimisation study	Egyptian Electricity Holding Company	114
Egypt	TA to the Export Development Bank	Export Development Bank of Egypt	198
Egypt	TA to the National Bank of Egypt	National Bank of Egypt	200
Egypt	Capacity building programme for the financial sector	Egyptian banks, private equity funds and other financial institutions	2 201
Lebanon	Technical assistance for Lebanese motorways	Council for Development and Reconstruction	1 249
Lebanon	Project Management Unit for the South Lebanon wastewater project	Council for Development and Reconstruction	1 211
Morocco	PMU of wastewater services	RADDEO	1 000
Morocco	Hospital refurbishment and reorganisation programme in the Kingdom of Morocco Modernisation of hospital management	Ministry of Health	199
Morocco	Agadir – Feasibility study on the wastewater recycling process	RAMSA	195
Morocco	Agadir – Master plan updating, Horizon 2025	RAMSA	195
Morocco	Oujda – Appraisal of environmental impact	RADDEO	174
Morocco	Water sewerage Agadir – combating the odour and erosion problems caused by H2S emissions	RAMSA	79
Morocco	Analysis of the emissions of the Mohammedia power plant and improvement advice expertise	ONE	195

<sup>7</sup> TA project extensions, where applicable, are considered in the year when the related project was signed and not as a new operation in the year when the extension was signed.





Morocco	Training programme focusing on management and organisation of utilities Phase I	RADDEO	100
Morocco	Regies Safi – Environmental impact study and planning adjustment advice	RADEES	196
Syria	Pre-feasibility study for Damascus rural water and wastewater project	Ministry of Housing	199
Syria	Pre-feasibility study for Zabadani rural water and wastewater project	Ministry of Housing	200
Syria	Preparation of Damascus industrial city and process water and wastewater treatment project	Ministry of Housing	200
Syria	Feasibility study to develop new options for private sector investment	Ministry of Finance	496
Tunisia	Project Management Unit – Société d'Études et d'Aménagement des Côtes Nord de la Ville de Sfax	SEACNVS	2 412
Tunisia	Supervision of works – Société d'Études et d'Aménagement des Côtes Nord de la Ville de Sfax (SEACNVS)	SEACNVS	2 556
Tunisia	Technical assistance for the establishment and development of 5 technology parks in Tunisia	Ministry of Higher Education, Research and Technology	2 088
<b>Total</b>			<b>18 802</b>

#### 2006 Signatures

Algeria	Implementation of a municipal solid waste management plan in the Wilaya of Oran	Ministry of Environment	199
Egypt	Private sector financing in Egypt – Identification of gaps and potential for risk-capital operations	Ministry of Finance	137
Egypt	Technical assistance for the implementation of the second Egyptian Pollution Abatement Project EPAP II	Egyptian Environmental Affairs Agency	200
Jordan	Feasibility study for Phase 2 and 3 of the Amman Ring Road	Ministry of Housing and Public Works	2 000
Lebanon	Operational support to a new private equity fund	Byblos Bank SAL	166
Morocco	Tariff study for Oujda wastewater project	RADEEO (Oujda)	75
Morocco	Social housing infrastructure – TA to Al Omrane holding company	Ministry of Housing and Urbanism	3 429
Morocco	Microfinance study in Morocco	Ministry of Finance	5
Morocco	ToR for health sector study project	Ministry of Health	180
Morocco	Technical assistance to the Roads and Road Traffic Directorate for second national rural roads programme	DRCR	1 484
Regional	Private sector financing in Morocco and Tunisia – Identification of gaps and potential for risk-capital operations	Ministry of Finance	183
Regional	Microfinance study in Egypt, Gaza & West Bank, Jordan, Lebanon and Syria – Identification of appropriate instruments	Ministry of Finance	200
Regional	Microfinance financing in Algeria, Morocco and Tunisia – Identification of appropriate instruments	Ministry of Finance	147
Regional	Mid-term evaluation of the FEMIP support fund	EC/EIB	165
Syria	Tariff study for the Syrian water sector	Ministry of Housing and Construction	142
Syria	Damascus rural water and sanitation project – Hydrogeological study	Ministry of Environment and Local Authorities	178
Syria	Review and assessment of future needs for cancer services	Ministry of Health	140
Syria	TA to the Port of Tartous	Ministry of Transport	1 025
Syria	Support to the PMU of the Syrian Telecommunication Establishment	Syrian Telecommunication Establishment	3 000
Syria	Feasibility study to develop new options for private sector investment – Phase II	Ministry of Finance	1 004
Tunisia	Training for managers of Tunisian SICARs receiving “Private Sector Support” conditional loan under the risk capital fund	Tunisie SICAR	98
Tunisia	TA to the Tunisian financial sector for financing small and medium-sized projects – Phase I drafting of ToR	Intermediary banks	30
Tunisia	Technical assistance programme for the EIB's financial intermediaries in Tunisia	Intermediary banks	1 110
Tunisia	Strengthening of ENDA	ENDA	200
<b>Total</b>			<b>15 497</b>

**2007 Signatures**

Egypt	Implementation of EPAP II	Egyptian Environmental Affairs Agency	2 771
Jordan	Master Plan for Amman Development Corridor	Ministry of Public Works	1 998
Jordan	Feasibility study for establishing a seed capital and venture fund	Ministry of Planning and International Cooperation	199
Morocco	Health project – Preparation of hospital rehabilitation projects	Ministry of Health	1 000
Morocco	Health project – Environmental impact study	Ministry of Health	194
Morocco	Environmental impact study on the ONE II hydraulic projects	ONE	176
Morocco	Water sewerage Beni Mellal – Study on environmental impact and industrial depollution	Régie Autonome Intercommunale de Distribution d'Eau et d'Électricité du Tadla	192
Morocco	Water sewerage Agadir – Recycling and improved usage of biogas	RAMSA	50
Morocco	Sewage and sludge treatment at Settat	Régie Autonome de Distribution d'Eau et d'Électricité de la Chaouia	169
Morocco	Mezzanine Fund	CapMezzanine Fund	195
Morocco	Wastewater sewerage project at Sebou – Study of the willingness to pay	ONEP	198
Regional	Horizon 2020 – Elaboration of a Mediterranean Hot Spot Investment Programme (MEHSIP)	EIB	198
Syria	ADRA industrial city	Ministry of Local Administration and Environment	70
Syria	Damascus rural water and sanitation project – Institutional development and organisational change	Ministry of Environment and Local Authorities	3 401
Syria	Damascus rural water and sanitation project – International project management support	Ministry of Environment and Local Authorities	3 903
Syria	Damascus Metro Green Line – Implementation option study	Governorate of Damascus	2 468
Syria	TA to electricity distribution and electricity transmission projects	Public Establishment for Electricity Generation and Transmission	200
<b>Total</b>			<b>17 382</b>

**2008 Signatures**

Gaza/West Bank	TA for electricity network upgrading	Palestinian Energy & Natural Resources Authority (PENRA)	200
Morocco	Sebou Basin Sanitation Programme – Technical assistance for Project Management Unit (PMU)	National Office for Drinking Water	1 391
Morocco	Construction of a new airstation at the airport of Marrakech-Menara – Feasibility study and environmental and social framing	National Office for Airports	162
Morocco	Sebou Basin Sanitation Programme – Support for planning and operation of urban sanitation services	National Office for Drinking Water	1 048
Morocco	Implementation of hospital investment programme	Ministry of Health	6 695
Syria	Support to Syria's national cancer strategy – Feasibility studies for the Aleppo and Homs cancer centres	Ministry of Health	1 554
Syria	Technical assistance for the small and medium-sized enterprises (SME) Credit Facility II	Ministry of Finance	200
Syria	SME Credit Facility II	Financial intermediaries	2 800
<b>Total</b>			<b>14 050</b>

**2009 Signatures**

Morocco	Capital Carbon Fund Morocco	ACASA	83
Morocco	Study: Kenitra-Tanger high speed line	Railway National Office	199
Morocco	TA for implementing the energy savings projects "Audit Optima"	Electricity National Office	179
Morocco	Road safety audit project ADM VI	Morocco Motorways Company	75
Regional	Mediterranean Hot Spot Investment Programme (MeHSIP) – Project preparation and implementation facility	EIB	6 198
Syria	TA for healthcare facilities	Ministry of Health	233



Syria	TA for preparation of Baniyas City water and wastewater project	Ministry of Housing and Construction	200
Syria	Allep0 rural water and wastewater project	Ministry of Housing and Construction and Aleppo Water & Sewerage Company	2 137
Tunisia	Assistance with implementation of ONAS IV investment project and technical assistance programme	ONAS	2 535
Tunisia	TA to the Société Tunisienne d'Autoroutes (STA) for the Sfax-Gabès motorway	STA	35
<b>Total</b>			<b>11 874</b>

#### 2010 Signatures

Egypt	Egyptian Power Transmission Project (EPTP) – Short-term technical advisor	COWI	195
Jordan	Consultancy services for the feasibility study on the Miyahuna operations support project	Hashemite Kingdom of Jordan	180
Morocco	Health project – Organisational aspect	Ministry of Health of Morocco	1 924
Syria	Technical assistance for the implementation of the Syrian municipal and environment infrastructure project	Ministry of Local Administration and Environment	3 907
Syria	Support for the Project Implementation Unit (PIU) of the Deir Ali II Power Plant project	Public Establishment for Electricity Generation and Transmission	3 606
Tunisia	Study into updating of Greater Tunis's sanitation master plan	Sewerage National Office	1 163
Tunisia	Technical assistance to Société Tunisie Autoroutes (STA)	STA	915
<b>Total</b>			<b>11 890</b>

#### Total Amount

**98 008**



## ➔ List of operations approved under the FEMIP Trust Fund

Country	Name of operation	Budget in EUR ('000)	FTF Assembly date of approval	Sector	Type
Algeria	Examining the access of small firms to sustainable forms of external finance	195	May 2005	Finance	Study
Jordan	Highway master plan study	2 093	September 2008	Transport	TA
Jordan	Jordan Capital for Growth Fund	5 000	September 2010	Finance	Private equity
Morocco	Long-term savings	180	November 2005	Finance	Study
Morocco	Private type management and operation of the public irrigation systems in FEMIP countries: a test case in Morocco	1 000	December 2006	Environment & water	TA
Morocco	Incubators network	300	June 2009	SME	TA
Morocco	Urban operation in Meknes/Medina	400	December 2009	Urban development	Study
Gaza/West Bank	Middle East Venture Capital Fund	5 000	October 2009	ICT	Private equity
Gaza/West Bank	Technical assistance to Palestine ICT Incubator	195	April 2010	ICT	TA
Regional	Improving efficiency of workers' remittances	200	January 2005	Finance	Study
Regional	Financial mechanism for the development of renewable energy and energy efficiency	200	May 2005	Energy	Study
Regional	Financial sector support programmes – METAC	500	May 2005	Finance	TA
Regional	Logistic needs in the MPCs: Potential for the development of a logistic platform network	597	May 2005	Transport	Study
Regional	CDM project identification in FEMIP countries	195	March 2006	Energy	Study
Regional	FEMIP internship programme	690	March 2006	Finance/Training	TA
Regional	Analysis of tourism strategies and policies in FEMIP countries	200	July 2006	Tourism	Study
Regional	Review of existing trade finance services for Euromed trade	80	July 2006	Finance	Study
Regional	Potential for biofuel production	199	December 2006	Energy	Study
Regional	Identification and removal of obstacles to the extended use of wastewater in agriculture	200	March 2007	Environment & water	Study
Regional	Study programme with the Blue Plan II	180	March 2007	Energy & environment	Study
Regional	A Review of the Economic and Social Impact of Microfinance	70	November 2007	Microfinance	Study
Regional	Strategies for the regeneration of medinas in the Mediterranean area	185	November 2007	Urban Development	Study
Regional	Dissemination window for FTF studies	450	March 2008	All sectors	Seminars
Regional	Financial sector support programmes – METAC II	500	March 2008	Finance	TA
Regional	PPP legal framework in the FEMIP region	750	March 2008	All sectors	Study
Regional	Study programme with the Blue Plan	850	September 2008	Energy/Tourism	TA





Country	Name of operation	Budget in EUR ('000)	FTF Assembly date of approval	Sector	Type
Regional	Mediterranean Business Development Initiative	199	April 2009	SME	Study
Regional	Reinforced partnership with FEMISE	400	April 2009	All sectors	Study
Regional	Mediterranean Solar Plan	189	April 2009	Energy	Study
Regional	Multipartner networking and learning centre	500	April 2009	All sectors	Study
Regional	Broadband access for FEMIP countries	500	April 2010	ICT	Study
Regional	LOGISMED Euromed Logistics Platforms	1 000	April 2010	Transport	Study
Regional	Maritime highways	195	October 2010	Transport	Study
Tunisia	Seed capital fund	2 000	July 2006	Finance	Private equity
Tunisia	TA related to seed capital fund	125	July 2006	Finance	TA
Tunisia	Adaptation of financial products to workers' remittances	490	June 2008	Finance	TA
Tunisia	Network of business angels	160	June 2009	SME	TA
<b>Total volume</b>		<b>26 167</b>			

Cement factory, Abo Zaable, Egypt.



## ➤ Publications<sup>8</sup>

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### Activity reports

- FEMIP Annual Report 2010, May 2011.
- FEMIP Trust Fund: Activity Report from 2005 to 2010, May 2011.
- FEMIP Annual Report 2009, May 2010.
- FEMIP Annual Report 2008, May 2009.
- FEMIP Annual Report 2007, May 2008.
- FEMIP Annual Report 2006, May 2007.
- FEMIP Annual Report 2005, June 2006.
- FEMIP Annual Report 2004, June 2005.

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### Brochures

- FEMIP for the Mediterranean: May 2011.
- FEMIP Trust Fund, May 2011.
- FEMIP Promoting Public-Private Partnership, May 2011.
- FEMIP and the development of SMEs in the Mediterranean, May 2011.
  - Union for the Mediterranean – Role and vision of the EIB, December 2010.
- EIB financing in the EU's Mediterranean neighbours, February 2010.
- Boosting business in the Mediterranean: Entrepreneurs' success stories, July 2009.
- FEMIP for the Mediterranean: FEMIP Trust Fund, December 2008.
- FEMIP for the Mediterranean: 2006 results, March 2007.
- Overview of FEMIP 2005 achievements, March 2006.
- Europe and the Mediterranean, June 2004.
- EIB set to increase cooperation with the Mediterranean partner countries, April 2002.

<sup>8</sup> These publications are also available on the EIB's website: <http://www.eib.org/publications>, under the heading MED/FEMIP.




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## Country fact sheets

- EIB financing operations in Algeria, May 2011.
- EIB financing operations in Egypt, May 2011.
- EIB financing operations in Gaza/West Bank, May 2011.
- EIB financing operations in Israel, May 2011.
- EIB financing operations in Jordan, May 2011.
- EIB financing operations in Lebanon, May 2011.
- EIB financing operations in Morocco, May 2011.
- EIB financing operations in Syria, May 2011.
- EIB financing operations in Tunisia, May 2011.
- European Investment Bank loans in Turkey, May 2009.

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## Thematic factsheets

- FEMIP and the energy challenge in the Mediterranean, May 2010.
- FEMIP for the Mediterranean: financing support for the knowledge economy, March 2010.
- FEMIP for the Mediterranean: financing water supply and sanitation, January 2009.
- FEMIP for the Mediterranean: financing education and training, November 2008.
- FEMIP for the Mediterranean: promoting tourism development, February 2008.
- Study on remittances sent by Mediterranean migrants from Europe, March 2008.
- Modernisation of procurement procedures in the Mediterranean partner countries, June 2006.
- Partnership with the Euro-Mediterranean "FEMISE" university network, June 2006.
- How to face the energy challenge in the Mediterranean, June 2006.
- Capital market activities in the Mediterranean Countries, June 2006.
- Energy in the Mediterranean partner countries, November 2005.
- Transport in the Mediterranean partner countries, November 2005.
- Investment capital in the Mediterranean partner countries, November 2005.
- Technical assistance in the Mediterranean partner countries, November 2005.

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## Studies

- FEMIP: The crisis and exit strategies in the Mediterranean partner countries, November 2010.
- Medinas 2030 Scenarios and Strategies, October 2010.
- Study on the Financing of Renewable Energy Investment in the Southern and Eastern Mediterranean Region, October 2010.
- Study in support of the implementation of the Mediterranean Business Development Initiative, June 2009.
- Potential for Biofuel Production in FEMIP countries, May 2009.
- Identification and removal of bottlenecks for extended use of wastewater for irrigation or for other purposes, September 2009.
- Climate change and energy in the Mediterranean, July 2008.
- The economic and social impact of microfinance in the Mediterranean, May 2008.
- Analysis of Tourism Strategies and Policies in the FEMIP Countries and Proposals for Sub-regional Tourism Development, March 2008.
- Financial mechanism for the development of energy efficiency and renewable energies in the southern and eastern Mediterranean countries, October 2007.
- Study on the promotion of long-term private savings in Morocco, May 2007.
- Study on Clean Development Mechanism (CMD): Project Identification in FEMIP Countries, March 2007.
- Feasibility Study to develop new options for private sector investment financing in the Syrian Arab Republic, March 2006.
- Study on improving the efficiency of workers' remittances in Mediterranean countries, March 2006.
- Sovereign Debt Markets in the EU Mediterranean Partner Countries – 2005, November 2005.

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## Evaluation reports

- FEMIP Trust Fund: Evaluation of activities at 20.09.2007, March 2009.
- FEMIP Trust Fund: Evaluation of activities at 30.09.2006 (available only in English), November 2006.
- EIB financing with own resources through individual loans under Mediterranean mandates, July 2005.
- EIB financing with own resources through global loans under Mediterranean mandates, February 2005.





## ➔ Glossary of terms and abbreviations

ADFD:	Abu Dhabi Development Fund
AFD:	Agence Française de Développement
AFESD:	Arab Fund for Economic and Social Development
AfDB:	African Development Bank
ASCAME:	Association of the Mediterranean Chambers of Commerce and Industry
ASEAN 5:	Association of Southeast Asian Nations
CDC:	Caisse des Dépôts et Consignations
CDG:	Caisse de dépôts et de gestion du Maroc
CEE:	Central and Eastern Europe
CIS:	Commonwealth of Independent States
CMI:	Centre for Mediterranean Integration
EC:	European Commission
Ecofin Council:	Economic and Financial Affairs Council
EIB:	European Investment Bank
EMITEC:	Euro-Mediterranean Technology Institute
ENP:	European Neighbourhood Policy
ENPC:	Europe's Neighbour and Partner Countries
ENP-MED mandate:	Mandate entrusted to the EIB by the EU Member States for operations conducted from the Bank's own resources in support of the Mediterranean partner countries over the period 01.02.2007-31.12.2013.
EU:	European Union
EUR:	euro
FAD:	Fondo de Ayuda al Desarrollo
FDI:	foreign direct investment
FEMIP:	Facility for Euro-Mediterranean Investment and Partnership
FEMISE:	Forum euro-méditerranéen des instituts économiques
FTF:	FEMIP Trust Fund
GCC:	Gulf Cooperation Council
GDIF:	Green Development Investors Forum
GDP:	gross domestic product
GUCCIAAC:	General Union of Chambers of Commerce, Industry and Agriculture for the Arab Countries
IDA:	International Development Association
IFC:	International Financial Corporation
IMF:	International Monetary Fund
JBIC:	Japan Bank for International Cooperation
KfW:	Kreditanstalt für Wiederaufbau
LAC:	Latin America and Caribbean
MBDI:	Mediterranean Business Development Initiative
MCCI:	Mediterranean Climate Change Initiative
MENA:	Middle East and North Africa
MPCs:	Mediterranean partner countries (Algeria, Egypt, Gaza/West Bank, Israel, Jordan, Lebanon, Morocco, Syria and Tunisia)
MSMEs:	Micro, Small and Medium Enterprises
MSP:	Mediterranean Solar Plan
NIF:	Neighbourhood Investment Facility
NPL:	non-performing loan
OFID:	OPEC Fund for International Development
PPP:	public-private partnership
RDI:	research, development and innovation
ROA:	return on assets
ROE:	return on equity
SFE:	Special FEMIP Envelope
SMEs:	small and medium-sized enterprises
SSA:	Sub-Saharan Africa
STA:	Société Tunisie Autoroutes
TA:	Technical assistance
UNDP:	United Nations Development Programme
UNEP-MAP:	United Nations Environment Programme – Mediterranean Action Plan
UNESCO:	United Nations Educational, Scientific and Cultural Organization
UfM:	Union for the Mediterranean
USD:	United States dollar



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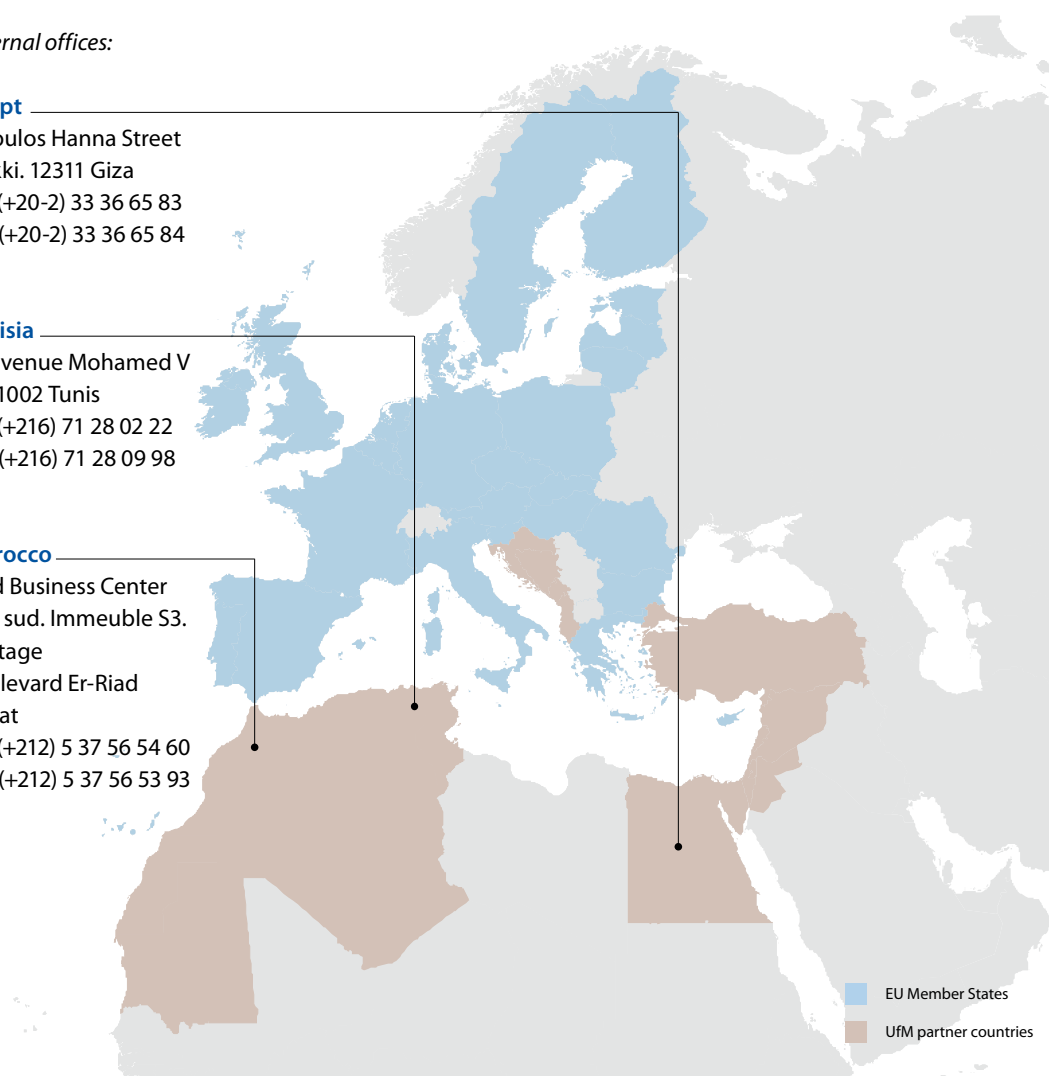
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# FEMIP Annual Report 2010



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