Technical assistance
in the Mediterranean partner countries

The technical assistance provided by FEMIP is centred on two funds:

(1) The Support Fund utilises non-repayable aid granted by the European Commission in support of the EIB’s investment activities in the southern Mediterranean countries. The Fund assists promoters during different stages of the project cycle such as project identification, preparation and implementation.

(2) The “technical assistance” window of the FEMIP Trust Fund, to which the EU Member States and the European Commission are contributors, is used for activities upstream of projects such as support for institutional and legislative reform, sector development strategies and training.

The objectives of the Technical Assistance Funds are as follows:

• to help the FEMIP partner countries and private promoters to better prepare, manage and supervise their investment projects;
• to improve the quality and development impact of investment;
• to strengthen the management capacities of local partners in the medium and long term.

There are various forms of technical assistance. These generally involve:

• studies or targeted activities upstream of lending operations in the areas of legisla-
operative, regulatory and institutional reform, privatisation aimed at strengthening the private sector, the award of concessions and training;
• pre-feasibility or feasibility studies for investment projects relating to the private sector, water and wastewater, the environment, transport and communications, education and health;
• missions to assess the projects being financed;
• Project Management Units (PMUs) at the implementation stage, to avoid common problems such as delays and cost overruns.

Who is eligible for technical assistance?
The beneficiaries of technical assistance are the governments of the southern Mediterranean countries, public services in the fields of infrastructure, water, energy, etc., operators in the financial sector and private promoters.

Tendering procedures
All technical assistance operations are subject to a tendering procedure. Participation in the tender is open to all natural and legal persons in the Member States of the European Union and the southern Mediterranean countries. Interested consultancies are invited to forward their details to the FEMIP Technical Assistance Unit. The technical assistance operations are procured according to the procedures set out in the “Practical Guide to contract procedures financed from the general budget of the European Communities in the context of external actions”. The thresholds for tendering are the following:
• for technical assistance operations costing less than EUR 200 000, the EIB either operates under the conditions of the framework contract of the EuropeAid Cooperation Office of the European Commission or uses the competitive negotiated procedure;
• all contracts worth EUR 200 000 or more are awarded by restricted tender procedure following international publication in the Official Journal of the European Union.

Current portfolio
In 2004 and 2005, some forty technical assistance operations for an overall value of EUR 40 million have been contracted. Approximately 60% of these funds were allocated to the infrastructure, water and wastewater sectors, reflecting to a large extent the Bank’s traditional areas of activity in the region. Private sector support, mainly directed at strengthening the lending capacities of intermediary banks for global loan operations and setting up new investment funds, absorbed 40% of the available resources.