

Key investment projects in the European Neighbourhood get a €85 million boost

Today, the European Commission has decided to grant an additional €85 million to the Neighbourhood Investment Facility (NIF) for 2010. This will allow neighbouring partner countries to leverage increased funding for major investment projects in key areas such as energy, transport and environment, as well as in the social sector (for projects such as construction of schools and hospitals). Private sector development will also be encouraged, targeting especially Small and Medium Enterprises (SMEs).

Commissioner for Enlargement and European Neighbourhood Policy Štefan Füle commented: *'We are encouraged by the positive results already achieved through this instrument during the past two years. Projects supported represent total investments of close to € 8.5 billion so far. Today's decision underlines our commitment to support our neighbours in key sectors such as environment, transport or provision of health and social services. I'm happy to see that with the approval of 13 projects through NIF in 2009, the EU has paved the way for significantly improving basic infrastructures in the fields of water, sustainable energy and urban transport in our partner countries. The Facility and its multiplying effect are also powerful instruments to support the economic recovery of our neighbours and trigger additional job and growth creation through large investment projects.'*

Through the NIF, the Commission provides grant support for lending operations of European Development Finance Institutions in EU Neighbourhood countries. The EU Budget contribution is complemented by direct contributions from 15 Member States.

Background

The NIF was officially launched in May 2008 in order to strengthen overall EU grant support for lending operations carried out by European multilateral and bilateral development finance institutions in ENP partner countries. Projects already funded cover a wide range of sectors, from the construction of a 200 MW wind-farm in the Gulf of Al-Zeit in Egypt to the modernisation of Chisinau clinical hospital in the Republic of Moldova or the extension and rehabilitation of a number of waste water treatment plants and pumping stations in Tunisia. Moreover the NIF enabled the establishment of a European Neighbourhood Fund supporting SMEs particularly affected by the financial crisis in the Eastern Neighbourhood.

NIF is being implemented by the EuropeAid Co-operation office. Operations focus on Eastern and Southern neighbouring countries which have already signed an ENP action plan with the EU. Nevertheless, on a case by case basis, other neighbouring countries may also benefit from NIF grant, for example in the case of projects of cross-border or regional nature.

Out of the 700 million that the Commission intends to allocate to the NIF for the period of 2007 – 2013, 270 million have now been made available (€50 million approved in 2007, €50 million in 2008, €85 million in 2009 and an additional €85 million for this year). The EU Budget contribution is complemented by direct contributions from 15 Member States for a total amount of €54 million to date.

Download the 2009 Annual Operational Report of the NIF:

http://ec.europa.eu/europeaid/where/neighbourhood/regional-cooperation/irc/documents/vi_operational_annual_report_2009_nif_en.pdf

Download the NIF Annual Action Programme 2010 (Interregional Action Programme 2010 Part II):

http://ec.europa.eu/europeaid/work/ap/aap/2010_en.htm

Additional Information:

- On the Neighbourhood Investment Facility (NIF):

http://ec.europa.eu/europeaid/where/neighbourhood/regional-cooperation/irc/investment_en.htm

- On the European Neighbourhood Policy (ENP):

http://ec.europa.eu/world/enp/index_en.htm