



COMMISSION EUROPEENNE - COMMUNIQUE DE PRESSE

EU launches €40 million Caribbean Investment Facility (CIF)

*The European Union launched the Caribbean Investment Facility (CIF) on 22 March 2013 in Barbados. The **initial budget of the CIF is €40 million (US\$52 million)**.*

The CIF is an **innovative financing mechanism** established by the EU in 2012 to mobilise additional financing from European and Caribbean development and finance institutions. The facility seeks to respond to the need to support investment projects in the Caribbean region boosting potential for economic growth and reducing poverty.

The **aim of the CIF** is to close funding gaps by blending and leveraging European Union grant resources with the lending capacity of finance institutions and private sector capital. The **main priorities** for the CIF are interconnectivity, energy, transport, disaster mitigation and adaptation, communications, water and sanitation, social services infrastructure.

Eight projects have already been identified to receive funding from the CIF. The total value of these projects is €26.5 million (US\$34.7 million), and in accordance with the leveraging aims of the CIF, these projects have attracted further investments of more than €290 million (US\$380 million). On 1 March 2013, the CIF board approved a CIF contribution of €2 million (US\$2.6 million) for the further development of geothermal power in Dominica. The agreement was formally signed by the Government of Dominica, the European Union and Agence Française de Développement (AFD) on the occasion of the CIF launch.

Jolita Butkeviciene, EuropeAid Director for Latin America and the Caribbean remarked: ***"This CIF launch marks the beginning of a new level of cooperation between Europe and the Caribbean, which in light of the evolution of similar EU funded regional facilities, should provide considerably increased investments for the region"***.

The CIF is managed by EuropeAid and is implemented in partnership with European and Regional Development Banks. Similar EU funded Investment Facilities exist for Latin America, Africa, Asia, the Pacific and the European Neighbourhood. These have proved to be extremely successful at leveraging additional investments for key components of the path toward sustainable development. As an example **the EU Latin American Investment Facility, launched in 2010 has already leverage resources for investment projects amounting to €4.26 billion.**

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