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PRESS RELEASE

Economy: The European Union unveils its External Investment Plan in Cameroon

The European Union External Investment Plan (EIP) was officially presented in Cameroon and for the sub region on 21 February 2019 in Yaounde, at PROMOTE trade fair. The initiative contributes in the implementation of the Africa-Europe Alliance for Sustainable Investments and Jobs which aims to strengthen economic and commercial ties between the two continents in order to create jobs and ensure sustainable growth in the framework of an integrated and participative approach.

"The traditional official assistance mechanisms proved to be insufficient to meet global investment needs. If we are to attain the United Nations Sustainable Development Goals (SDGs) by 2030, investments' mobilisation from the private sector, whose contribution to growth and employment in Africa and beyond is essential, needs to be strengthened. This is the raison d'être of the EIP", Ms. Carla MONTESI, Director of "Planet and prosperity" at the Directorate-General for Development of the European Union Commission highlighted.

The EU wishes, through the EIP, to stimulate the adoption of innovative financial instruments, namely risk-mitigating guarantees in private investments and donations-loans combinations ("*blending*"). Furthermore, the EIP hopes to contribute in improving business climate by encouraging a regular, relevant and structured dialogue with the private sector and the government. *"In view of the guarantees it provides, the EIP is poised to facilitate access to funding for investment projects from financial institutions, therefore creating more decent jobs and fostering better competitiveness for an inclusive and sustainable growth."* Cameroon's Minister of Economy, Planning and Regional Development, Mr. Alamine OUSMANE MEY underscored.

International financial institutions partnering with the EU will be entrusted to implement EIP's guarantees. Some of them, namely the European Investment Bank (EIB), the French Development Agency (AFD), the African Development Bank (AfDB), the International Financial Corporation (IFC) and the Kreditanstalt Fuer Wiederaufbau (KfW) will present some of the 28 guarantees supported by the EU, those related to sustainable energy, small enterprises, digital economy and health in particular.

An audience granted by the Prime Minister, Head of Government, this February 20 allowed Ms. Carla MONTESI to discuss EIP's opportunities for Cameroon and the necessity to improve Cameroon's business climate, so as to fully harness the EIP initiative.

MEMO: The EU External Investment Plan was launched in September 2017. It is a mechanism adapted to a better organisation or better management of public funds that aims at leveraging and encouraging private investment. Since its launch, 94 blended funding operations and 28 guarantee facilities have been approved. To date, EU's contribution to the initiative amounts to about 2500 billion CFAF (3.7 billion euros). The snowball effect of the initiative enabled the support of 24000 billion CFAF worth (37 billion euros) investment projects in Africa and EU neighbouring countries.

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