Research on the private sector in development

Arusha 30-31 January 2018
What?

• Two or three research initiatives
• 6-10 pages long each
• Cases of blending beyond PPPs – equity funds or guarantees.
• Main focus on labour intensive sectors: infrastructure, energy, communication/digitalisation
• Focus on the impact on job creation, labour rights and social dialogue.
→ Uganda: **Eastern Africa Transport Corridor.**
**Donor Name:** EU-Africa Infrastructure Fund
**Agency Name:** European Investment Bank
**Grant Amount:** 16.6 M €
**Total Project costs:** 129 M€

The grant amount is given as an Interest Rate Subsidy to lower the final interest rate of EIB's loan of €55 million to the Government of Uganda, providing the 35% IMF concessional element required in the case of Uganda for additional official development finance. The loan to the Government will be passed on to the promoter, the Ugandan National Roads Authority (UNRA), in the form of a grant.

The Project consists of road improvements on three selected sections (58 km) of the Northern Road Corridor including two bypasses for the cities of Kampala and Mbarara (Uganda).

The direct purpose of the project is to alleviate transport bottlenecks, generate savings in vehicle operating costs and travel time as well as to reduce the level of road accidents. The modernisation of this transport infrastructure is crucial for both national and regional road traffic and sustains economic growth in the area, trade expansion and investment, which are also vital to develop and support a dynamic and robust private sector.
Eastern Africa Transport Corridor

EU-Africa ITF

GRANT 16.6 M €

European Investment Bank

LOAN 55 M €

International Monetary Fund

LOAN 65%

Government of Uganda

35%

GRANT

UNRA