

# Financial implementation of prioritised transport projects

The role of the IFIs in the  
Northern Dimension Partnership on Transport and Logistics

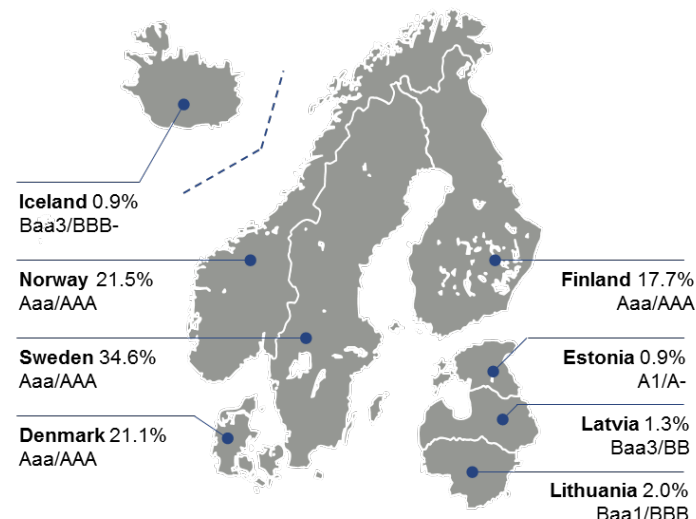
TEN-T Days  
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# Basic information

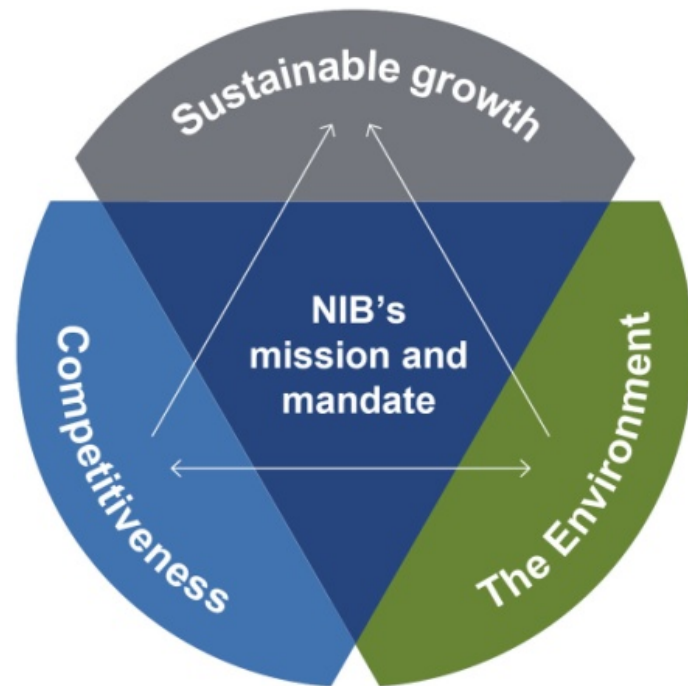
- Founded by the Nordic countries in 1975 (active since 1976)
- The Baltic countries joined in 2005
- Headquarters in Helsinki
- Lending in both member countries and non-member countries
- Funds acquired on the international capital markets
- AAA/Aaa credit rating



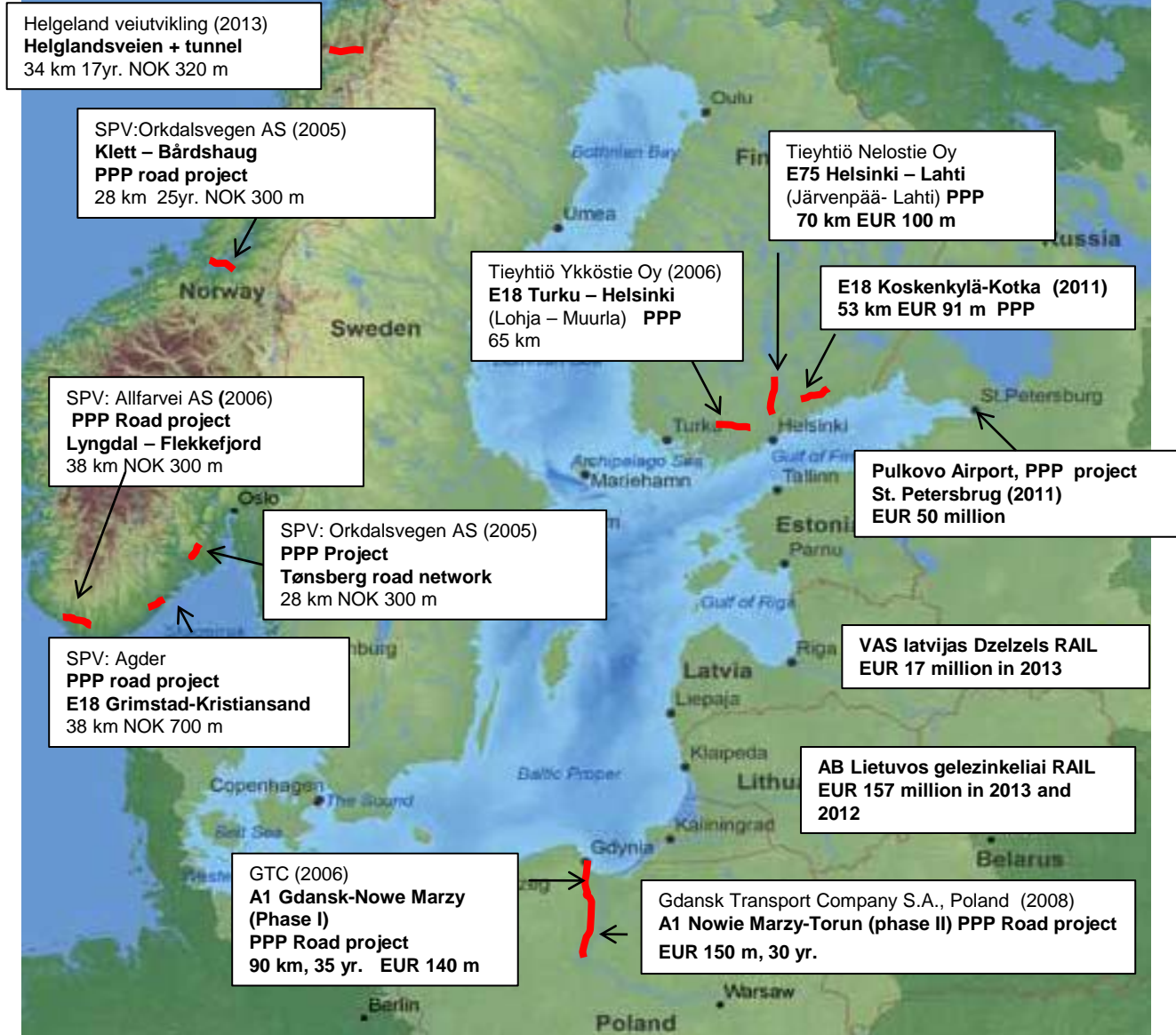
In 2009, NIB Headquarters joined the WWF Green Office network.

# Mission and mandate

- NIB promotes sustainable growth by providing long-term complementary financing to
  - projects that strengthen competitiveness
  - projects that enhance the environment

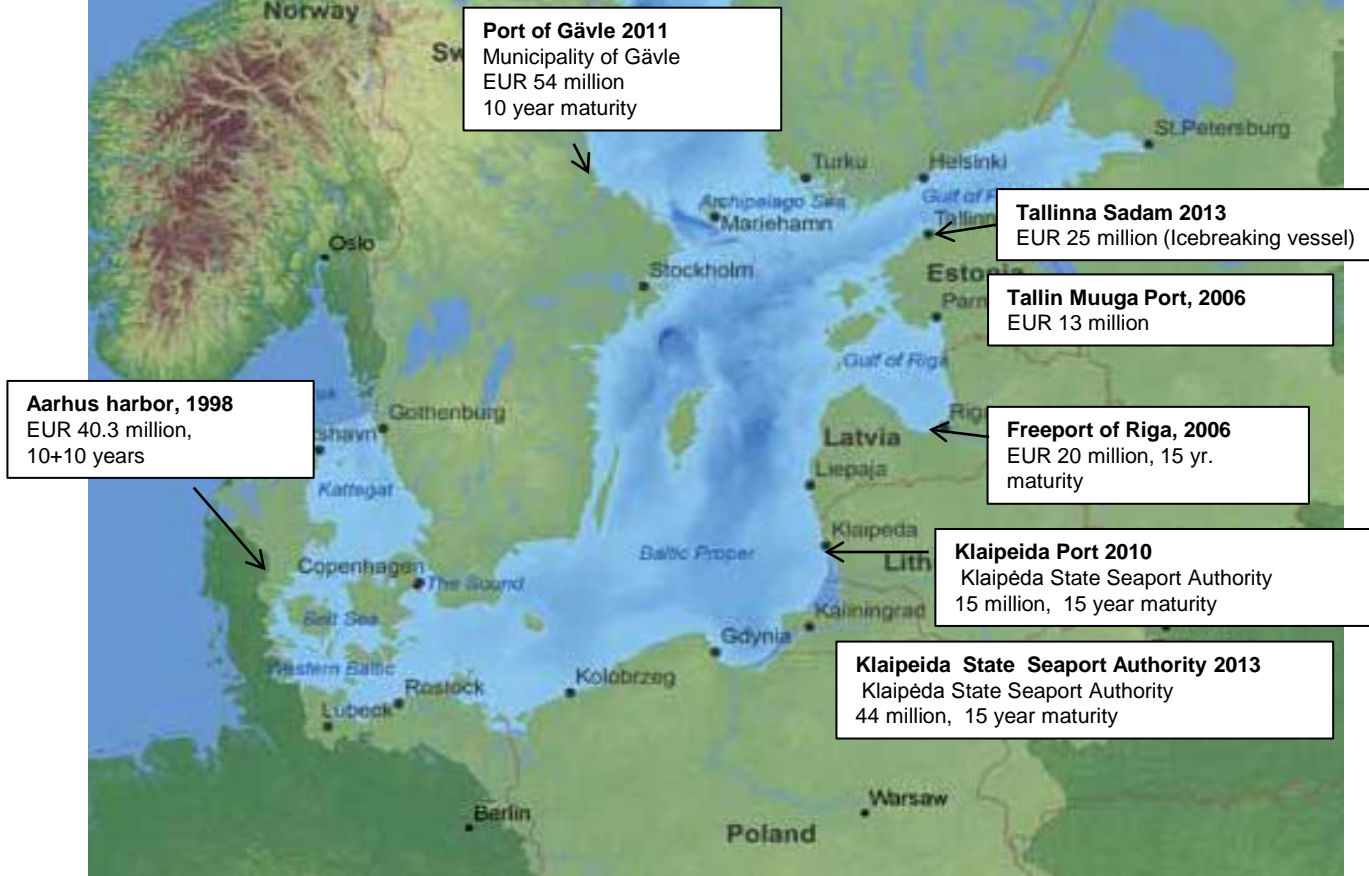


# A few selected road, rail and airport projects in the Baltic Sea Region complemented with loans from NIB



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## Harbors



# Regional focus

NIB actively participates in international and regional cooperation

- EU Strategy for the Baltic Sea Region
- Northern Dimension Environmental Partnership (NDEP)
- **Northern Dimension Partnership on Transport and Logistics (NDPTL)**
- Eastern Europe Energy Efficiency and Environment Program
- Several trust funds for supporting project development and making projects bankable



# Vodokanal project in St. Petersburg

## Northern Dimension Environmental Partnership (NDEP)

The results of the NDEP has already demonstrated valuable results:



**St. Petersburg wastewater treatment upgrade** has been a success story. The Bank's cooperation with Vodokanal dates back to 1997. NIB has had three loan agreements with the company.

# Northern Dimension Partnership on Transport and Logistics (NDPTL)

- Can the same approach be applied for transport and logistics projects?
- The needs and opportunities of transportation are identified and recognized.
- Common interests of the countries in the Northern Dimension.
- Broad approach.
- Enhance the interest of private investors into transport and logistics investments.
- Secure that interests of the partner countries on public level remains committed and focussed.
- Identifying the most beneficial cross-border projects in the region, eliminating bottle-necks and enhancing the the transportation network.



# What can the IFIs provide to the NDPTL?

- Financing identified prioritised projects:
- Types of transport projects:
  - roads infrastructure
  - rail transport
  - ports and airports
- Public Private Partnership
  - bringing in private entrepreneurship and private capital into the project
  - tools and means
  - assessing contracts and contractual structures
  - financial assessments
  - contribute with long term-financing

# NDPTL and the IFIs

Involvement of International Financial Institutions:

Nordic Investment Bank (NIB)

The European Bank on Reconstruction and Development (EBRD)

The European Investment Bank (EIB)

The World Bank Group

# Bankable projects -What is needed ?

In order to lend banks need:

Good quality (feasible) projects.

Financiers are focused on all aspects of project feasibility

- Economic
- Financial
- Technical
- Institutional
- Environmental

Project preparation is essential – adequate studies are required!

Technical assistance can help:

- NDPTL Trust Fund
- NIB/NEFCO BSAP Fund for marine environment projects
- JASPERS, JEREMIE, JESSICA, EPEC

# From Strategy to Projects

In order for investments to emerge there is a need for:

- Priority setting ► Political support (regulatory framework, legislative action, concessions, permitting, tariff setting etc)
- Resource allocation (funding by public as well as private stakeholders efficiently channeled to financing projects)
- Clear project ownership and active participation by owners (public and/or private sector)
- Will to implement projects.
- For good projects there is always finance, for bad projects there is no finance.

# Nordic Investment Bank

For further information

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