



Office for South East Europe **European Commission / The World Bank**



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IFI Advisory Group – Working Group Meeting on Transport **Chairman's Conclusions**

The Transport Working Group of the IFI Advisory Group (IFI-AG) met for the first time on September 10, 2007. There was a very productive atmosphere and the meeting clearly demonstrated the importance of bringing together sector experts from each of the IFIs represented in the IFI-AG to closely coordinate their many activities. This coordination will help to ensure –in an environment of high demand and limited fiscal space- that all projects of highest priority are able to obtain the required financing.

The following conclusions were reached:

- The MAP for 2008-2012 represents an improvement over the previous two efforts; it is now closer to meeting the objectives set out in Memorandum of Understanding. It provides a good basis for IFIs to identify regional priorities, while recognizing that the MAP has been designed as a rolling work-program that will evolve, improve and mature over time.
- Further development of project lists should support strategic objectives and take into account progress in sector reform, financing capacity and inter-modal potential. Future versions on the MAP would benefit from a matrix on 'institutional' reform.
- Selection criteria of projects to be included as priorities in the MAP need to be strengthened. In particular, all projects that are listed in the MAP as priorities must be backed up with credible feasibility studies, and preferably with affordability analyses.
- Participants underlined that when making financing decisions, they will carefully scrutinize projects to ensure that they are priorities budgeted within National Public Investment Programs (PIPs) or outlined as a regional priority in the MAP.
- Concerning the railway sector, members of the IFI-AG are prepared to work on the basis of the proposed addendum to the MoU, creating a South East European Railway Transport Area, with a view to rationalise the sector and to ensure that conditions are put in place to foster rapid investment.

It was further agreed that the Regional Infrastructure Project database, maintained by the Joint Office, had provided a useful mechanism for keeping track of regional infrastructure investments in South East Europe, but needs to be updated to:

- Take account of and complement the project list/s which have been drawn up by SEETO and other regional secretariats
- Include latest pipeline and ongoing regional projects (both IFIs and nationally funded)
- Include Turkey in the scope of the database

The Joint Office will make a proposal on this in time for the next IFI-AG plenary meeting in Mid-November 2007.

The Transport working group will meet two to three times a year. The next meeting is scheduled for April 2008.