

Italy, France and European Investment Bank sign €81m In MOU for WASH

By Our Staff Writer

ADDIS ABABA - Development agents of Italy and France, along with European Investment Bank (EIB) signed an agreement worth €81.4 million to support the Water and Sanitation Programmes in Small and Medium towns in Ethiopia.

The memorandum of understanding (MoU) was signed among Italian Agency for Development (AICS), the French Agency for Development (AFD)

and EIB on Tuesday at the Italian Embassy here in Addis Abeba.

The project will benefit close to 40 towns across the country.

AICS's Director Laura Frigenti called the agreement "significant investment in water, wastewater and sanitation infrastructures".

"Three leading European development finance institutions are funding the project to improve water and sanitation services in the coun-

try," the Director added.

The project is intended to be implemented through the Water Resources Development Fund (WARDF) under the Ministry of Water, Irrigation and Electricity, it was learnt.

According to the agreement, EIB will provide €40 million in soft loan along with € 1.9 million in grant, €20 million soft loan with €1 million grant from AFD and AICS offers €15 million soft loan coupled with €3.5 million grant.

The soft loans are given to finance the infrastructure whereas the grant is dedicated to build the capacity of WRDF, Regional Water Bureaus and Towns Water Utilities.

Under this agreement the three development partners -EIB, AFD and AICS - follow common rules and procedures to carry out the project in a

much harmonized way.

This is a better procedure to make the implementation of the project effective and efficient, the Memorandum states. The partners further suggested about the future collaboration to support the WASH sector in the country's urban areas.

The agreement was signed in the presence of the French ambassador Frederic Bontems and the State Minister of Water, Irrigation and Electricity James Dengchotel Tot.