



Press release

Dakar, November 30, 2023

## Dakar Mobilité secures financing for the first-ever 100% electric BRT bus system in sub-Saharan Africa

**Dakar Mobilité, a Senegalese company owned by Meridiam and the Fonds souverain d'Investissements stratégiques du Sénégal (FONSIS), has raised €135 million needed to deploy Dakar's future electric BRT bus network. Proparco, EAIF, PIDG TA (Technical Assistance) and the European Union (EU) joined forces to secure the financing.**

Faced with chronic traffic jams in Dakar, leading to road insecurity, heavy air pollution and consequent greenhouse gas emissions, the **Conseil exécutif des transports urbains durables (CETUD)** undertook a wide-ranging program to reorganize the Senegalese capital's urban transport network, notably by implementing a "Bus Rapid Transit" - BRT - system. When it goes into service, the system will link the Petersen bus station at Dakar Plateau (in the city center) to the prefecture of Guédiawaye in the northern suburbs, thanks to a 121-bus fleet, powered 100% by electricity. A first in sub-Saharan Africa!

To finance the Dakar BRT equipment, a €85.4 million loan is being provided in equal parts by **Proparco**, the private sector subsidiary of Agence Française de Développement, and **Emerging Africa Infrastructure Fund (EAIF)**, acting through its management company Ninety-One. Both are also providing **Dakar Mobilité** with a loan for a total of €6.4 million to finance the replacement of the buses' batteries at the end of their useful life (eight years). Two grants, one provided by the **European Union (EU)** for 7 M€, the other secured from **PIDG TA** for around 9 M€, complete the financing of the project. The equity is being provided by **Meridiam** and **FONSIS**.

The funding from the **European Union** is part of the investment package mobilized as part of the European **Global Gateway** strategy, aimed in particular at strengthening smart, clean and secure connections in the digital, energy and transport sectors, including urban mobility. By promoting clean urban mobility solutions, the EU is striving to improve the quality of life of people living in cities.

The BRT-system will become a major transportation option in the Dakar urban area, **with an expected 300,000 passengers/day travelling between the suburbs and the city center**. It will cover 18.3 km of Dakar, connecting 23 stations and 14 of the city's most densely populated districts from north to south, via four lines (one "omnibus" line and three express or semi-express lines). Dakar residents should be able to use the first BRT buses by January 2024, with full availability of the system planned before summer 2024.

While the BRT infrastructure has been developed under the direct responsibility of CETUD, it has delegated - for a period of 15 years - the acquisition and maintenance of the vehicles and associated systems, as well as the operation of the BRT to **Dakar Mobilité**, a private company incorporated under Senegalese law. Dakar Mobilité is owned by **Meridiam** (70%) and **FONSIS** (30%), Senegal's sovereign fund.

The Dakar BRT project is one of the most innovative energy transition projects to date in Africa. It contributes to the building of a complete, efficient, inclusive, reliable and low-carbon mobility system for Greater Dakar, with numerous positive impacts for the people of Dakar and Senegal:

- Thanks to the BRT, Dakar Mobilité will create around 1,000 direct and local jobs, giving priority to women's access to employment and ensuring that young people benefit from the international expertise mobilized on the project to develop solid skills in mass public transport.
- BRT users will see their travel time to jobs, vital services and downtown activities reduced, with a clear improvement in service quality. Buses will connect the two ends of the line (Petersen and Guédiawaye) in 45 minutes, instead of 90 minutes today.
- Improved access for residents of peripheral areas to jobs, services and activities in downtown Dakar will promote employment within the Dakar region. Dakar Mobilité plans to introduce a social fare of up to -50% off the standard fare to enable underprivileged populations to take advantage of these new opportunities.
- The project includes high-quality, inclusive facilities in and around the stations, to ensure safe pedestrian traffic and good flow management, with public lighting on side roads along the BRT to reduce the risk of assaults on women, a space in each bus for passengers in wheelchairs and six places reserved for people with reduced mobility. The EU-funded gender action plan will focus on the role of women in transport.
- BRT is one of the key components of an ambitious strategy for sustainable urban mobility. It will help improve **air quality** in Dakar and reduce the country's **greenhouse gas emissions, with around 59,000 tonnes of CO<sub>2</sub>** avoided per year, according to Dakar Mobilité.
- In addition to the BRT, CETUD is gradually reorganizing a number of bus lines operated by AFTU and Dakar Dem Dikk, to ensure that passengers are efficiently directed to the BRT and the regional express train (TER), inaugurated in 2021. In addition to the BRT, TER and its back-up lines, the overall public transport network in the Dakar metropolitan area will be completed downstream by the conventional bus network.

The BRT project will contribute to the **Sustainable Development Goals**: SDG #9 (industry, innovation and infrastructure), SDG #11 (sustainable cities) and SDG #13 (climate change).

## About Meridiam

Meridiam was founded in 2005 by Thierry Déau, with the belief that the alignment of interests between the public and private sector can provide critical solutions to the collective needs of communities. Meridiam is an independent investment Benefit Corporation and an asset manager. The firm specializes in the development, financing, and long-term management of sustainable public infrastructure in three core sectors: sustainable mobility, critical public services and innovative low carbon solutions. With offices in Addis Ababa, Amman, Dakar, Istanbul, Johannesburg, Libreville, Luxembourg, New York, Paris, Vienna and Washington, Meridiam manages US\$20 billion and more than 120 projects to date. Meridiam is certified ISO 9001: 2015, Advanced Sustainability Rating by Vigeo Eiris (Moody's), ISO 37001 Anti-Corruption certification by AFNOR and applies a proprietary methodology in relation to ESG and impact based on United Nations' Sustainable Development Goals (SDGs).



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## About the FONSI

FONSI (Fonds Souverain d'Investissements Stratégiques S.A.), was created by law 2012-34 signed on December 31, 2012. It is a public limited company 100% owned by the government of Senegal. Through this Fund, Senegal has chosen to adopt a new vision of development and to concretize its choice to use the powerful lever of private equity for sustained growth that creates jobs and wealth. FONSI federates national and foreign investors around strategic private projects or Public-Private Partnerships (PPP), in particular those of the Plan Sénégal Emergent (PSE). FONSI invests directly or indirectly, through thematic or sector-specific funds it has set up, to accelerate business growth. FONSI has developed a leverage effect of 1 to 10 for these projects. For every single franc contributed by the FONSI, the partners have invested 10 FCFA.

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## About Proparco

Proparco, a subsidiary of Agence Française de Développement Group, has been working with the private sector for over 45 years for a more just and sustainable world. With an international network of 23 local offices, Proparco works closely with its partners to build sustainable solutions in response to environmental and social challenges in Africa, the Middle East, Asia and Latin America. Proparco benefits from sector-based expertise as well as a wide range of financial solutions tailored to the different stages of business development, notably thanks to its Digital Africa subsidiary, and its Propulse technical assistance offering designed to scale up the impacts and performance of its partners. Proparco's new "Acting together for greater impact" Strategy 2023-2027 enables, strengthens and amplifies the different ways in which it works with its partners. To learn more: <http://www.proparco.fr/en/strategy>.

For more information, go to: <http://www.proparco.fr/en> and [@Proparco LinkedIn](https://www.linkedin.com/company/proparco)

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## About the European Union

The European Union (EU) is made up of Member States that have come together in the economic and political spheres to maintain peace in Europe and promote economic and social progress. The Commission contributes to the EU's overall strategy, proposes new legislation and policies, monitors their implementation and manages the Union's budget. It also plays a key role in supporting international development and providing humanitarian aid.

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## About EAIF

The Emerging Africa Infrastructure Fund provides a variety of debt products to infrastructure projects promoted mainly by private sector businesses in Africa and parts of the Levant. The Fund helps create the infrastructure framework that is essential to sustained economic stability, business confidence, job creation and poverty reduction. It has to date supported 96 closed infrastructure projects across nine sectors in over 20 African countries. At 31 December 2022 EAIF had a committed loan book portfolio of over US\$1.15 billion. EAIF is part of PIDG. EAIF was established and substantially funded by the governments of the United Kingdom, The Netherlands, Switzerland, and Sweden. It raises its debt capital from public and private sources, including Allianz, the global insurance and financial services company; Standard Chartered Bank; the African Development Bank; the German development finance institution, KfW and FMO, the Dutch development bank. EAIF is managed by Ninety One.

[www.eaif.com](http://www.eaif.com)

**About PIDG**

The Private Infrastructure Development Group (PIDG) is an innovative infrastructure development and finance organisation which encourages and mobilises private investment in pioneering infrastructure in the frontier markets of sub-Saharan Africa and south and south-east Asia to promote economic development and combat poverty. PIDG delivers its ambition in line with its values of opportunity, accountability, safety, integrity, and impact. Since 2002, PIDG has supported 211 infrastructure projects to financial close which provided an estimated 222 million people with access to new or improved infrastructure. PIDG is funded by six governments (the United Kingdom, the Netherlands, Switzerland, Australia, Sweden, Germany) and the IFC. PIDG Technical Assistance (TA) can provide technical assistance and capital grants to the PIDG companies to meet a range of needs associated with an infrastructure project's life-cycle. PIDG TA can also provide up-front viability gap funding grants to support PIDG projects that require concessional funding to make a project with strong development impact financeable.

[www.pidg.org](http://www.pidg.org)

**About Ninety One**

Ninety One is an independent, active global asset manager listed on the London and Johannesburg stock exchanges. Established in South Africa in 1991, as Investec Asset Management, the firm was a pioneer in emerging markets in Africa. In 2020, almost three decades of organic growth later, the firm de-merged from Investec Group and became Ninety One. Today, Ninety One offers distinctive, active strategies across equities, fixed income, multi-asset and alternative investments to institutions, advisors and individual investors around the world.

[www.ninetyone.com](http://www.ninetyone.com)