

The Mattei Plan for Africa: A Turning Point for Italy's Development Cooperation Policy?

by Daniele Fattibene and Stefano Manservisi

At the end of January 2024, Italy hosted an Africa summit during which Prime Minister Giorgia Meloni outlined the vision and first projects of the so-called "Mattei Plan", an ambitious project announced officially at the end of 2023¹ that aims to shape Italy's strategy for Africa in the years to come.

The governance and funding of the Plan

The Plan will have an initial funding of 5.5 billion euros in grants, credits or guarantees. Three billion euros will be taken from the National Climate Fund (under the responsibility of the Ministry of Environment and managed by the Public Development Bank Cassa Depositi e Prestiti, CDP), whereas 2.5 billion euros will come from the development cooperation budget.² The

Plan will be coordinated by a dedicated Steering Committee at the Prime Minister Office that will liaise with all key actors of the national cooperation system, such as ministries, CDP, the Italian Development Cooperation Agency (AICS), the Italian Trade Agency, the Italian Export Credit Agency, local authorities but also civil society organisations and the private sector.³

The Mattei Plan will initially consist of nine pilot projects in Algeria, Democratic Republic of Congo, Egypt, Ethiopia, Ivory Coast, Kenya, Morocco, Mozambique and Tunisia,⁴ focusing on

¹ 29 January 2024, <https://www.governo.it/en/node/24861>.

² Italian Government, *Decree of the President of the Council of Ministers* (in Italian), 6 March 2024, <https://ageei.eu/wp-content/uploads/2024/03/dpcmMattei.pdf>.

³ "Piano Mattei, dal Marocco al Kenya: cos'è e quali sono i progetti", in *Repubblica*, 29 January 2024, https://www.repubblica.it/politica/2024/01/29/news/piano_mattei_cosa_e_quali_sono_i_progetti-422007100.

¹ Italian Government, *Comunicato stampa del Consiglio dei Ministri n. 57*, 3 November 2023, <https://www.governo.it/it/node/24163>.

² Italian Government, *President Meloni's Opening Address at the Italia-Africa Summit*,

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five key pillars – education and training, agriculture, health, energy and water⁵ –, with a first follow up mission in East Africa already planned for March. The Plan aims to build a new form of partnership with African countries, via an “incremental approach” where key goals and targets are co-designed with the partners, and that will be rolled out in synergy with ongoing European initiatives such as “Team Europe Initiatives” and the “Global Gateway”, as well as with other international partners such as the United States of America or the Gulf States. The Mattei Plan has raised many expectations in Italy, Africa, and the European Union. Its integrated approach is promising and innovative and has the potential to reshape Italy's development and international partnership architecture.

Bringing Africa back to the political agenda

The launch of the Mattei Plan is very good news for at least three reasons. First, the Plan has received a very warm welcome by several key African and European actors, with 21 African Heads of State and Government attending in addition to Foreign Ministers and top representatives of the European Union (Ursula von der Leyen, Roberta Metsola and Charles Michel), World Bank, IMF, OECD and several others attending the summit in Rome.⁶ Within

⁵ Italian Government, *The Five Pillars of the 'Mattei Plan'*, 29 January 2024, https://www.governo.it/sites/governo.it/files/Italia-Africa_MatteiPlan_5pillars.pdf.

⁶ Italian Government, *Italia-Africa. A Bridge for Common Growth. List of Participants*, Rome, 28-29 January 2024, <https://www.governo.it/en/node/24853>.

this very positive turnout, the call made by Moussa Faki, Chair of the African Union Commission, to develop plans in consultation with African states must be heard. Dialogue and partnership will be key to the success of the Plan, avoiding a top-down approach driven by the old donor-beneficiary paradigm. It will be equally important to use the Mattei Plan with the EU and with other actors like the US to attract public and private investments in big African programmes like the Comprehensive Africa Agricultural Development Programme, the Programme for Infrastructure Development in Africa, and the African Continental Free Trade Area.

Second, the Mattei Plan could foster the creation of new funding mechanisms. On the one hand, it could boost the role of CDP as the Italian development bank to crowd in private sector investments more structurally, following the successful model experienced in other countries (the AFD in France, the KfW in Germany, the Femo in the Netherlands). On the other, it could facilitate the setting up of multilateral funds within multilateral development banks (MDBs), notably the African Development Bank (AfDB) in partnership with the United Arab Emirates, or other ongoing negotiations at the level of the G7. It is no coincidence that AfDB President Akinwumi Adesina has proposed to use the Plan to help unlock part of the IMF Special Drawing Rights via MDBs like AfDB or the Inter-American Development Bank, as these could leverage them by three to four times their value and deliver significant investments in the Continent.⁷ In this

⁷ African Development Bank, *Italy to Collaborate*

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sense, the new 200-million-dollar agreement signed by CDP and the European Bank for Reconstruction and Development – which is increasing its presence and financial portfolio in Africa – in Ukraine⁸ could become an important model to support new projects in Africa.

Third, the Mattei Plan will lead to a detailed mapping of the most strategic projects and initiatives that Italy has already in place in Africa. This is essential to avoid duplications and identify those areas and countries where it is possible to scale up successful partnerships or build new ones, for instance in strong synergies with other European projects such as the EFSD+, the Global Gateway or the Green Climate Fund. In this sense, the incremental approach envisaged by the Plan should help deliver short-term results, as well as identify new projects and partnerships beyond the initial nine pilot projects.

Key issues at stake

There are several critical elements linked to the implementation of the Mattei Plan. First, it is necessary to set up serious and dedicated upstream dialogues with African countries and with African organisations like the

with the African Development Bank Group as It Unveils Its \$5.95 Billion Strategic Plan for Africa, 2 February 2024, <https://www.afdb.org/en/node/68468>.

⁸ Julia Kotvitskaya, "Financial Support for Recovery: Ukrhydroenergo Receives €200 Million from EBRD and Italy", in *Ukrainian National News*, 18 February 2024, <https://unn.ua/en/news/financial-support-for-recovery-ukrhydroenergo-receives-euro200-million-from-ebrd-and-italy>.

African Union to identify and co-design joint programmes and projects.

Second, the Plan should strategically develop and boost Italian participation to EU tools, notably EFSD+, created to de-risk private investments.

Third, the steering committee must be representative of all Italian realities working in this field and should involve independent expertise as well. This will be very important to counter the risks linked to the current overly centralised governance. In this framework all key actors of the national development cooperation system (relevant ministries, CDP, AICS, etc) must be properly involved. Effective coordination will be essential to avoid duplication of efforts as well as weakening the current legal framework that regulates the national development cooperation policy (Law 125/2014).

Fourth, as the Plan has raised huge expectations, it needs to deliver concrete results with a long-term perspective as well as with adequate levels of financial resources. The upcoming World Bank's International Development Association 21st replenishment summit in Nairobi on 28-29 April will be a first reality check to see how Italy is willing to support its political ambitions with financial resources. The Plan offers a key chance to build a better connection with MDBs that have allocated more than 50 billion dollars in Africa in 2022 and can support private investments in the Continent. The plan offers the opportunity to Italy to lead and leverage on the EU presence in these MDBs, where the size of EU and member states' contribution is not matched by appropriate coordination

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to promote European and Italian projects, notably involving private sector. The latter still plays a limited role in Italy's (and European) development cooperation policy. This is not only due to bureaucratic obstacles to access resources from MDBs, but also to a lack of knowledge of the opportunities available and of the mechanisms in place to facilitate it.

Fifth, Italy should build on the experience recently made within the Finance in Common Summit, gathering all existing bilateral development banks at world level. Against this backdrop, while CDP is a key vehicle to accelerate investments, the Italian embassies as well as the AICS' local offices should play a big role in promoting the Plan to local partners, strengthening collaboration with EU delegations and connecting Italian and African companies. Maybe the time is ripe to create in Italy the equivalent of the Spanish FIIAPP or the French Expertise France, which turned into very successful tools to mobilise public technical expertise to accompany the design and the implementation of projects in Africa and elsewhere.

Finally, the Plan has not yet clarified which role civil society organisations (both Italian and African ones), local authorities and not-for-profit actors will play in the mapping and co-design of its projects. At the inception of the plan, the government has followed a very top-down approach, which could be understandable to a certain extent. However, excluding non-state actors, CSOs and NGOs from the decision-making process would be a huge mistake in the long run, as these actors

can offer a long-lasting experience in working in Africa and with Africans. Therefore, the Steering Committee should involve them or at least to find ways to consult with them, drawing on the experience of the National Council for Development Cooperation.

An opportunity to rekindle Law 125/2014 ten years later?

The Mattei Plan has brought Africa back as a top priority of Italy's foreign policy. Despite political claims, the continent has been absent for too many years in Italy's external action, and this has also affected the portion of resources allocated to the continent.⁹ Although energy security and addressing the root causes of migration have been seen as the main political driver of this initiative, the Mattei Plan has the potential to strengthen Italy's development and international partnership cooperation policy ten years after the approval of Law 125/2014. While the Law has managed to create an ever-more robust governance of Italian development cooperation policy, some CSOs propose to revise it to commit the Government to gradually increasing the level of gross national income allocated to Official Development Assistance – which stood at 0.32 per cent in 2022 – to 0.7 per cent by 2030 in line with international agreements.¹⁰

⁹ Openpolis, *Chiari e scuri della cooperazione italiana. 4: La cooperazione con l'Africa e il piano Mattei*, 15 February 2024, <https://www.openpolis.it/?p=283845>.

¹⁰ Openpolis, *Il bilancio della cooperazione e gli obiettivi della campagna 0,70*, 19 January 2024, <https://www.openpolis.it/?p=281744>.

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Therefore, if the Plan manages to build an inclusive and long-term approach, that brings together as many actors as possible, is adequately funded, well-coordinated with key European and international partners, and takes the Italian and African private sector fully on board, it can lead to a real paradigm shift. This is essential in a polarised world where African partners have proved that they can work with old and new actors on an equal basis, beyond the traditional donor-recipient logic.

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