



**European
Investment
Bank**

The EU bank

A circular arrangement of twelve blue stars, similar to the European Union flag, positioned around the text 'The EU bank'.

Workshop Advisors to MEP Transport Committee Members

18th September, 2015

The Investment Plan for Europe

EFSI Workshop: Content

1. Brief introduction to EIB
2. Transport lending and policy
3. Overview of EFSI's structure and opportunities
4. Questions and answers

Introduction to the EIB

- ❑ Largest multilateral lender and borrower in the world
- ❑ Raising funds on the international capital markets
- ❑ Pass on favourable borrowing conditions to clients
- ❑ Some 440 projects each year in over 160 countries

- ❑ Headquartered in Luxembourg and 30 local offices
- ❑ Around 2 400 staff:
 - Finance professionals, engineers, sector economists and socio-environmental experts
 - More than 50 years of experience in financing projects

Making a difference

100,000

tonnes

of CO₂-
equivalent
savings

83

road
fatalities
saved

2,000 km

of railways tracks
upgraded or built

557 vehicles
and rolling stock
purchased or
rehabilitated

3,800 lane

km of roads
upgraded or built

100

million hours of
time saved

40,000

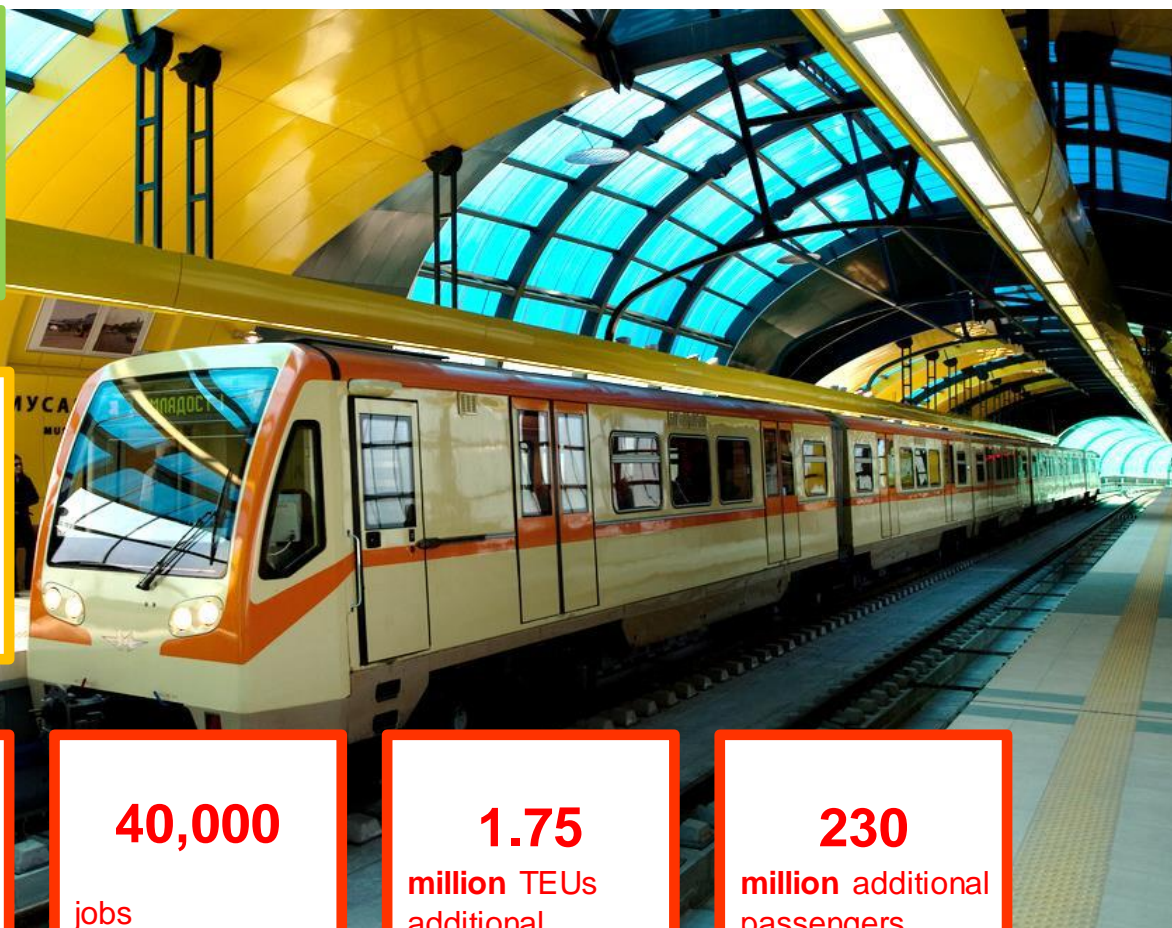
jobs
created

1.75

million TEUs
additional
container
capacity

230

million additional
passengers
connected by
public transport



Financing of transport projects

- ❑ Lending to the transport sector has been stable over past decade around EUR 12 - 15 bn annually, of which 60% TEN-T.
- ❑ Core areas include: Rail (28%), Urban transport (24%), Roads (35%) Air (7%) and Waterborne transport (6%)
- ❑ EIB Transport Policy
 - Articulated primarily through the 2011 Commission White Paper for Transport
 - Multimodal approach to optimise the mix of transport modes and types of interventions
 - Economic return requirements differentiated across transport modes
 - Compliance with the Bank's Statement of Environmental and Social Principles and Standards + EU Directives
 - High EU Value-Added



Wide spectrum of structures, counterparts and risk absorption.

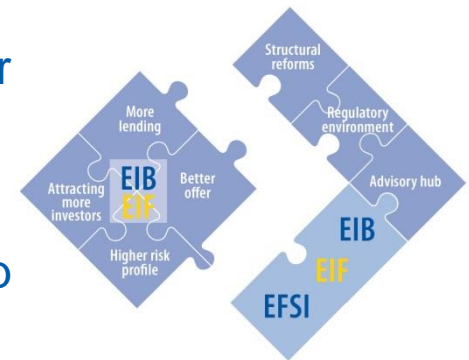
Connecting Europe Facility

- Strong cooperation with the European Commission
 - Participation to all Corridor Forum meetings
 - Joint identification of candidate projects for potential financial instrument financing in the context of the CEF and the Christophersen, Bodewig and Secchi (CBS) report
 - Full support of the EIB for the implementation of the Action plan and the recommendations of the CBS report
 - Development of new Financial Instruments

Investment Plan for Europe: Context

The Investment Plan for Europe consists of three strands:

- 1. Improved investment environment:** regulatory and structural reforms at EU and national levels for predictability, removing obstacles, aiming at a friendlier investment environment
- 2. Making finance reach the real economy:** stepped-up technical assistance / advisory by establishing European Investment Advisory Hub (EIAH) in EIB and by EC facilitating a project directory
- 3. Mobilising finance for investment:** The EFSI, via EIB, to better address the current shortage of (higher) risk-financing in EU



Aim: to mobilise at least €315 billion in investment across the EU

European Investment Advisory Hub (EIAH)

Project promoters

Public authorities

Member States

Private sector

Web content + Web portal + Help Desk team

European Investment Advisory Hub (EIAH)

Managed by EIB in partnership with EC

EIB's existing advisory programmes and activities

- Project support (JASPERS, project preparation and implementation support)
- Financial instruments (fi-compass, bilateral services for MAs)
- Access to finance (InnovFin Advisory, EPEC, NPST)

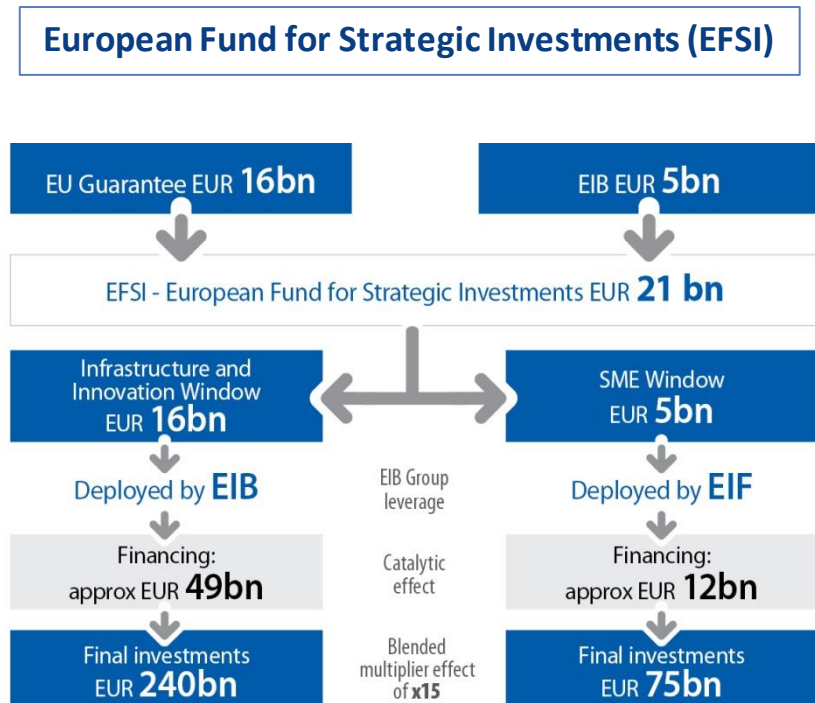
Additional advisory and technical assistance

- New investment support also in areas relevant to the scope of EFSI (could be delivered by EIB advisory or operational teams)
- Identification of needs as they arise

EIAH's partner institutions' expertise

- Network of institutions incl. EIB Group, EC, National Promotional Banks, etc.
- Integrated collaboration model

Overview: Contractual setup

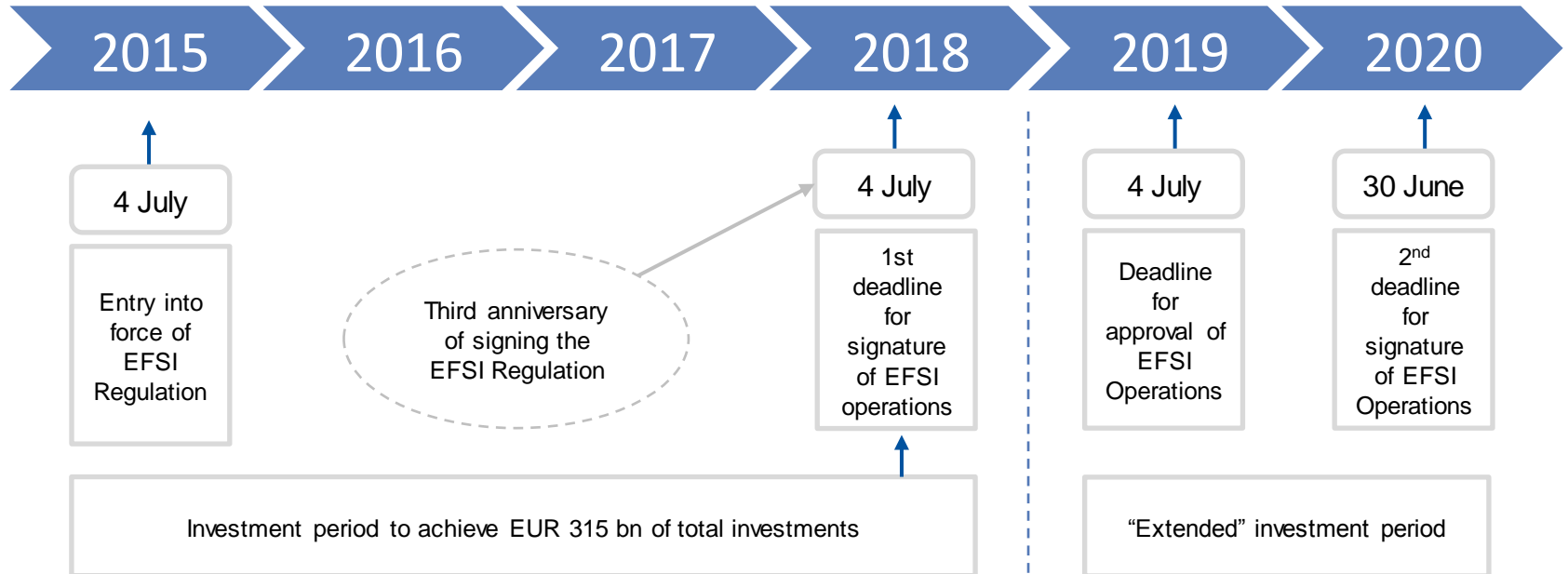


- ❑ EFSI is NOT a fund or a separate legal entity!
- ❑ It is a contractual arrangement between EC & EIB Group.
- ❑ EFSI consists of:
 - EUR 16bn EC guarantee in favour of EIB
 - EUR 5bn capital contribution by EIB
 - Target of generating EUR 315bn investment in 3 yrs.

➔ All operations are EIB Group operations

Overview: Timeline and investment period

□ Key milestones:

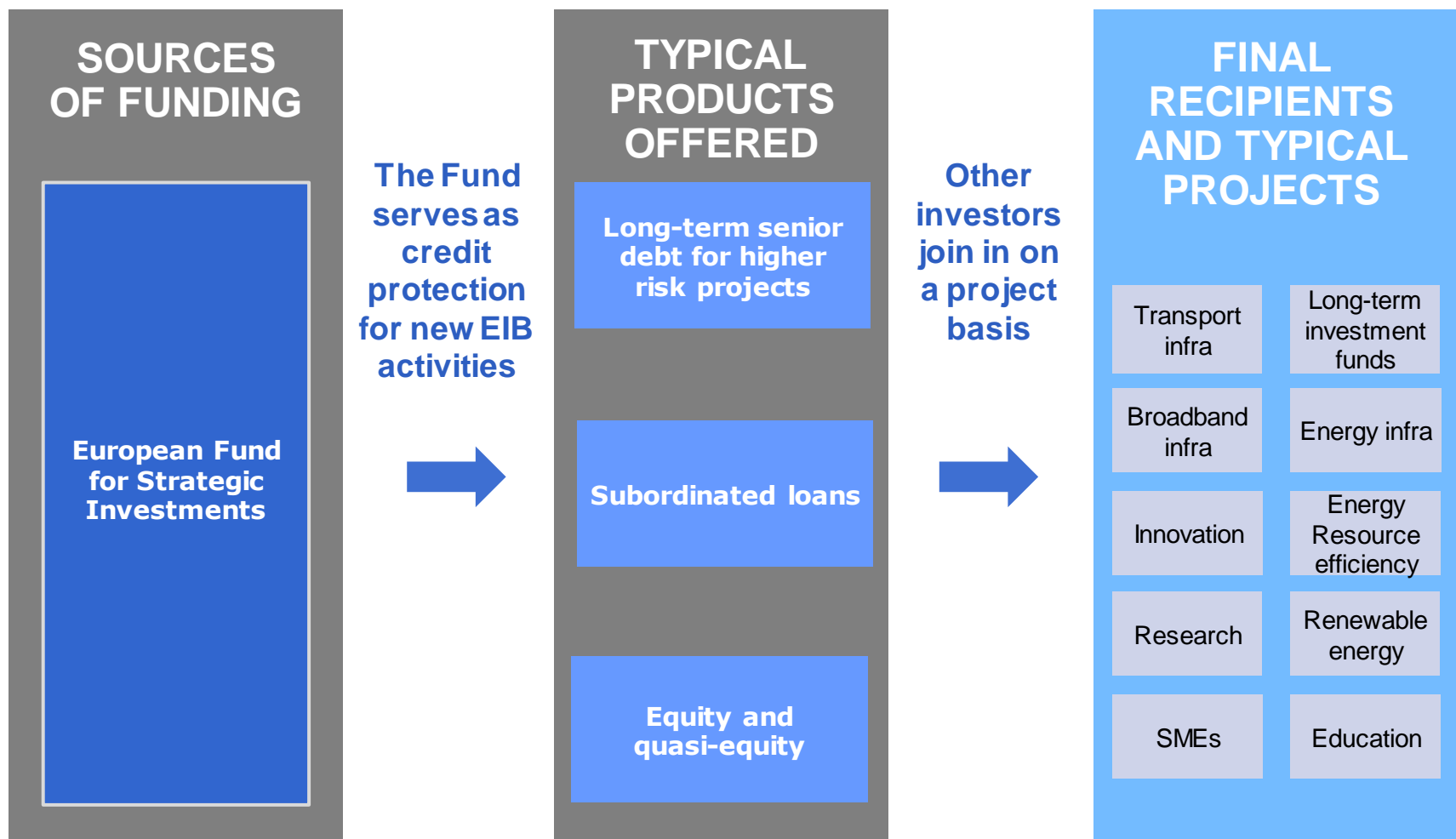


➔ EFSI Operations to target EUR 315 bn of total investment by 2018.
Investment Period extends until 30 June 2020.

Key messages

- ❑ Impact-oriented operations: Objective to maximise economic impact in EU through increased investments
- ❑ Flexible, diverse products: Adapted to client's needs
- ❑ Risk-absorbing to trigger investments with higher risk profile (additionality), but economically and technically viable (bankability)
- ❑ Eligibility criteria mostly defined in terms of sectors
- ❑ Maximising private finance / capital
- ❑ All 28 MS coverage (and cross border)
- ❑ Focus on employment creation and retention
- ❑ Application for EIB loan directly to EIB / EIB partner institution, no separate project list / route via authority or government

EIB EFSI 'Products'



Continuously under development and adopted to market needs.
Also, increased capacity through EIF.

Eligible sectors

- Wide eligibility criteria - Operations consistent with European Union policies that support any of the following general objectives:
 - development of **infrastructure** including in **transport**, telecommunications, digital and energy infrastructure; infrastructure projects in the environment, natural resources, urban development and social fields
 - research and development and innovation
 - investment in education and training, health, information and communications technology
 - develop and modernise the energy sector, renewable energy, security of energy supply and energy and resource efficiency;
 - financial support for mid-cap companies and SMEs.



EIB present appropriate projects to the EFSI Investment Committee that approves all projects' EFSI eligibility.

Eligible operations

- ❑ Commercially sound
- ❑ Economically and technically viable
- ❑ Added value (additionality)
- ❑ Investments boosting employment and growth
- ❑ Bank intermediation is possible
- ❑ Pricing commensurate with the risk – no subsidy element



Typically higher risk profile than normal EIB's normal operations
Risk-absorbing products to foster the implementation of additional projects and to support the development of SMEs and MidCaps

Thank you!

More information at: www.eib.org
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EIAH : <http://www.eib.org/eiah/>