



European Investment Bank



Upcoming financial instruments: Will they accommodate our ambition?

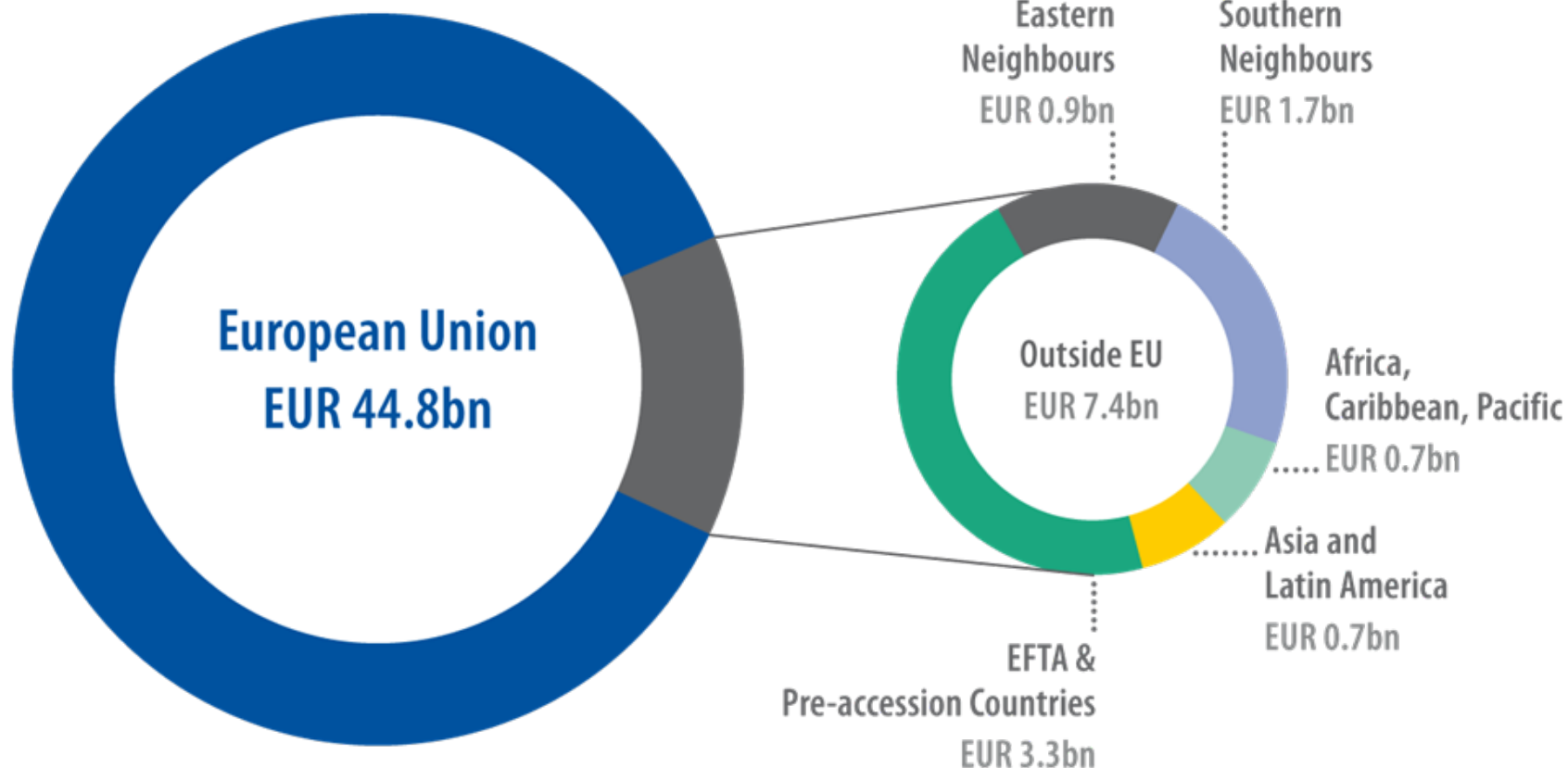
The tools of the European Investment Bank – what can
they fix?

Alexander Schenk, Senior Advisor
Malmö, 6 November 2013



Lending

Loans signed in 2012: EUR 52.2bn



Pre-accession Countries include:

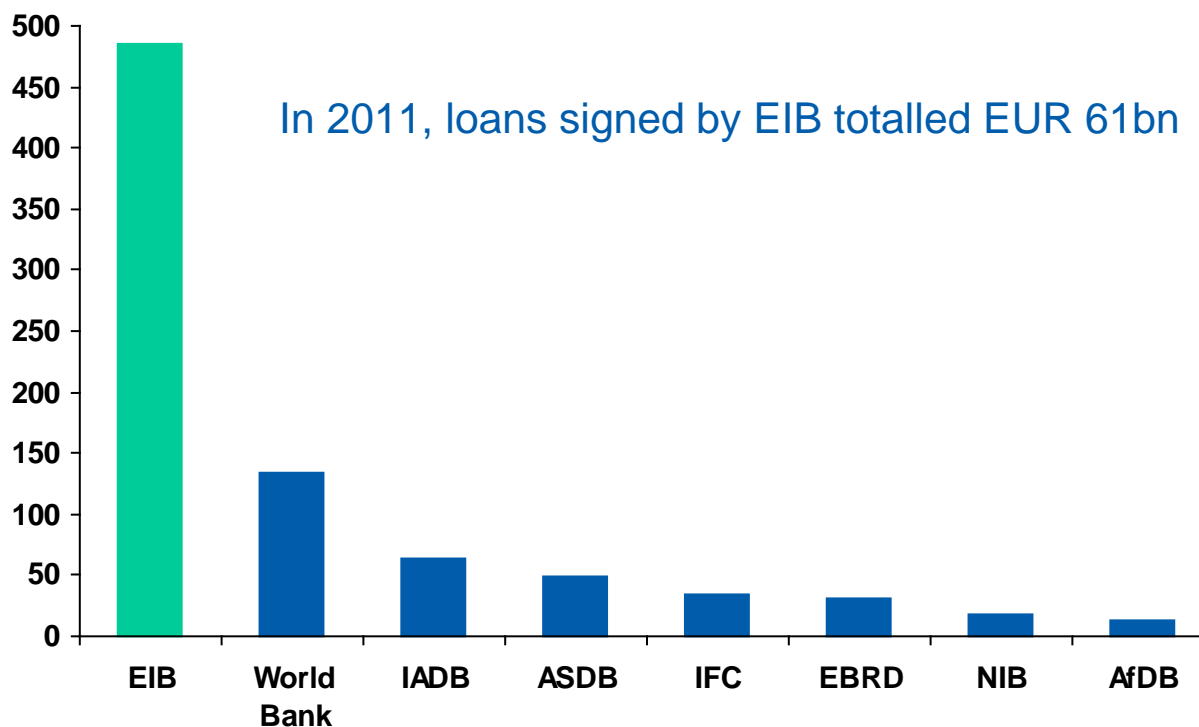
Candidate Countries: Croatia, Iceland, the Former Yugoslav Republic of Macedonia, Montenegro, Serbia and Turkey.

Potential Candidate Countries: Albania, Bosnia and Herzegovina, Kosovo.



Gross outstanding loans, equity investments and guarantees

EUR bn



Source: Standard & Poor's; Supranationals -Special Edition 2011
Data as of 31.12.2010 (World Bank, IFC as of 30.06.2011)



EIB

Lending, Blending and Advisory Activities



LENDING

- **Loans**
- **Guarantees**
- **Equity participation**

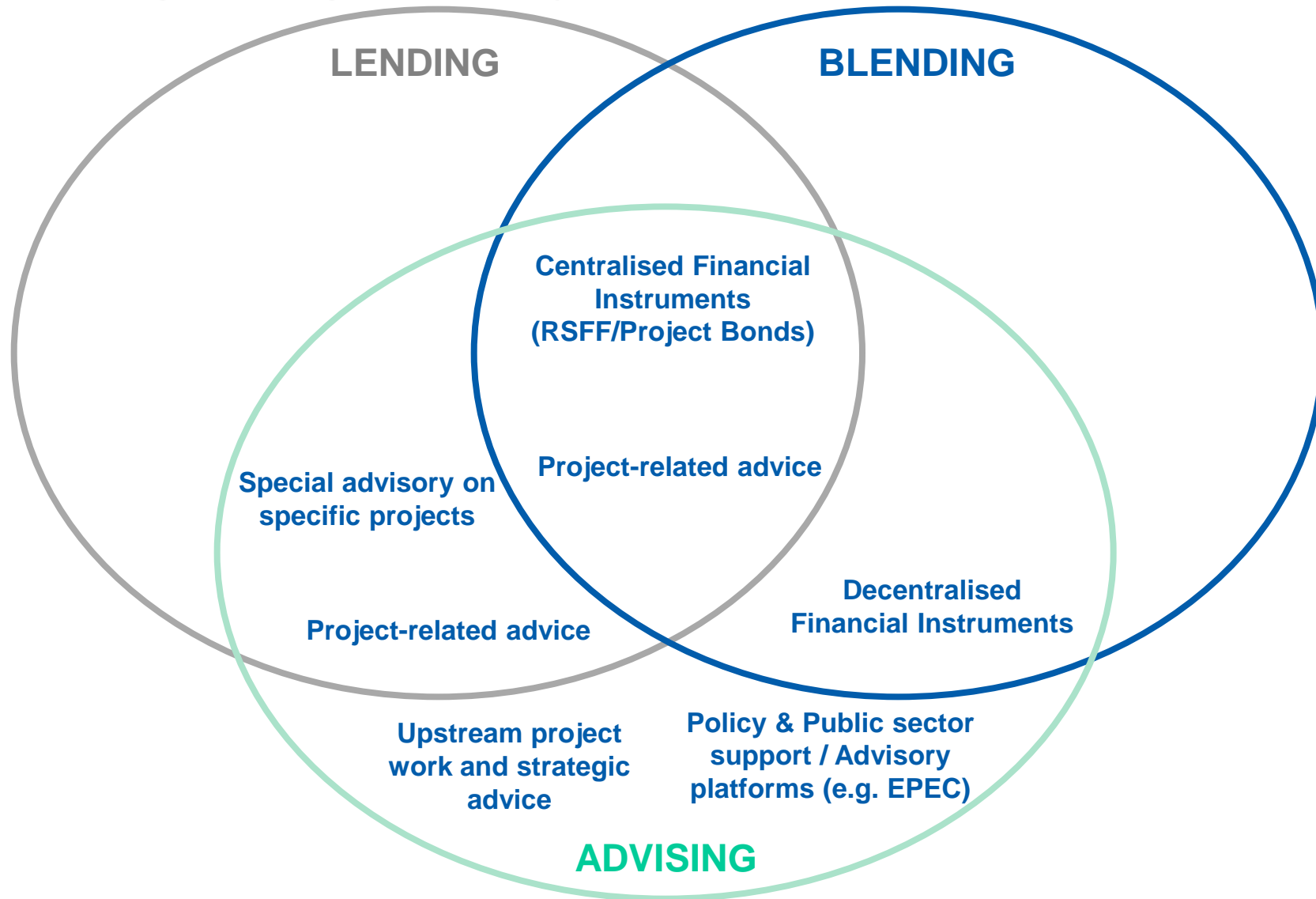
BLENDING

- **Combining EIB loans and EU grants**
- **Leveraging EU and Member States budget resources**

ADVISING

- **Strong in-house expertise**
- **Technical and financial advice**
- **Technical assistance initiatives**

The EIB is NOT lending taxpayers' money





As a complement to its lending activity, the Bank may provide advisory services
(art. 18.7 of the Statutes)

...in doing so the Bank must ensure that it:

→ Brings value to customers

...improving project delivery, efficient utilisation of funds and attractiveness of the investments

→ Acts in the interests of the EU and its Member States

...acceleration and facilitation of investment by providing services which contribute to EU strategy and act counter-cyclically

→ Contributes to the COP objectives

...supporting lending and project quality, improving the pipeline and speeding up disbursements



Advising: EIB Group Advisory Services

Clients, service providers and funders



Clients

- Public Sector (EC, MS, Partner Countries, EU Regions and cities, public companies, etc...)
- Private Sector (financial institutions, fund managers, etc...)

Service providers

- EIB Group staff
- External Consultants (supervised by EIB experts)

Funders

- Fees
- Grants
- EIB Lending Margin
- EIB contribution

→ **39** on-going **facilities** and programmes

→ **200** **staff** involved

→ More than **400** **external consultants** contracted

→ Central dedicated unit in charge of strategy and policy

→ Central dedicated unit in charge of contracting and supervising external consultants

→ Significant development of the activity expected under the next MFF



Advising: New EIB Group Advisory Services Strategy

Priority sectors and geographies



Strategic Sectors

Innovation & Skills

Access to finance

Strategic infrastructure

Resource efficiency



Support to Growth & Employment / EU 2020 Strategy

Within the EU

1. Improve project quality

...speed up implementation and disbursement

2. Maximise absorption of EU funds

...by project preparation and development of blending instruments

3. Enhance the effectiveness of Financial Instruments

...through the Advisory Platform

4. Disseminate best practices

Provide tailor made advisory services across the EU

Outside the EU

1. Support convergence of pre-accession countries

...TEN and regional infrastructure, support to SMEs, PPPs

2. Neighbourhood Region

...TEN, environment and climate change projects

3. ACP

*...infrastructure, climate change and financial sector.
Collaborate with other IFIs*

4. Other Partner Countries

Advisory Services to remain mainly project-focused



Advising: EIB Group Advisory Services

New initiatives: TA Platform for Financial Instruments



TA activities linked to the cycle of FI

Design

Set-up

Implementation

Exit / Winding-up

Technical Assistance Platform (TAP)

Horizontal assistance

- *applicable to all MS and types of FIs*
- *best practice and networking, trainings and guidance on common themes (ex-ante assessments, public procurement, regulatory aspects concerning cohesion policy, State aid, etc)*

Multiregional assistance

- *for the benefit of more MA*
- *support for FIs targeting development objectives or market failures, shared by a number of regions*



Advising: EIB Group Advisory Services

New initiatives: Research, Development and Innovation (RDI) Advisory



RDI Advisory was set up in 2013

- To provide upstream project related advice on important RDI projects in EU and Associated Countries
- To disseminate and exchange best practice on access to finance issues between public and private sector RDI actors
- Scope to be broadened under Horizon 2020

RDI Advisory working on three Pilot Projects

- Global TB Vaccine Partnership
- Fuel Cells and Hydrogen Joint Undertaking
- European Spallation Source

RDI Network Activities

- Focus on the development of a Pilot Internet Platform for innovative SMEs and Midcaps
- Improving the overall framework conditions for financing through innovative network activities



Advising: EIB Group Advisory Services



New initiative: EIB Danube Strategy Technical Assistance Facility (EDTAF)

Focus:

- support the preparation of projects falling under the EU Strategy for the Danube Region (EUSDR)
- development of cross border projects which have to be developed as joint projects from the earliest stages and/or where the disparity of resources across borders makes it difficult to achieve the same progress in preparation on both sides of the border
- (currently in discussion) Memorandum of Understanding EC and EIB to formalise cooperation on macro-regional strategies

Next Steps:

- Setting aside a reasonable contribution of “seed money” from EIB resources (EUR 1,5 m) for estimated 10 assignments with an average size of 150,000 EUR giving 1.5 MEUR EIB contribution
- Drafting up a guideline on how to access this money along with WBIF and NIF and other resources
- Leading a negotiation with the Danube countries for contributions from the 2014-2020 Transnational Programme for the Danube Region
- Pursuing the EC / Member States for a contribution
- Setting up review and approval procedures for applications for funds



*Thank you
for your interest and attention!*