

Trans-European Networks (TENs)

The EIB's operational framework and resources deployed

Efficient communications, energy transfer and information networks are a vital factor in the economic integration of the Union and its preparations for enlargement.

Since 1993, following various Community initiatives which identified priority Trans-European Networks within the Union, and more recently in the Accession Countries, the Bank has vastly scaled up its TENs lending.

- In the EU and the Accession Countries, since 1993 it has approved loans totalling nearly EUR 100 billion, for which contracts worth EUR 75 billion have so far been signed. To date, the EIB has committed EUR 22.5 billion to twelve of the fourteen **priority transport projects** and seven of the ten **priority energy projects**. In addition, over EUR 20 billion has been advanced since 1993 in the telecommunications sector.
- The EIB is the **leading source of bank finance** for these large-scale networks. It not only commands the financial clout to mobilise on the keenest terms the huge sums necessary to construct them, but can also offer maturities (30 years and longer) tailored to the scale of the projects concerned and act as a catalyst for other sources of finance. Where appropriate, the Bank's value added can also take the form of the provision of structured finance as an adjunct to commercial bank and capital market funding.
- This is illustrated by the growing number of **public-private partnerships** supported by the EIB, which combine the advantages of both sectors in the creation of such infrastructure. In 2002, more than EUR 1.6 billion was made available in operations of this type for financing key projects such as the London Underground, Metrosur in Madrid, motorway construction in Portugal, the United Kingdom and Spain and the Rostock tunnel in Germany.
- Moreover, the EIB continues to work closely with the European Commission, the Member States and the Accession Countries with a view to pinpointing priority trans-European network projects as far ahead as 2020. This cooperation is reflected in particular by the Bank's participation in the High-Level Group on the Trans-European Transport Network.

Activity in 2002

In 2002, TENs lending within the EU amounted to **EUR 7.5 billion** for transport and telecommunications networks.

In the **transport** sector, the principal financing operations concerned:

- Construction of *high-speed rail lines* such as that connecting Cologne to Frankfurt city and airport (Germany), the Milan-Bologna link (Italy), TGV Est (France) and lines linking Brussels to Antwerp and Liège and on to the German border (Belgium);
- Improvements to the *road and motorway networks* involving, in particular, upgrading of the Bologna-Florence section of the A1 motorway connecting northern Italy to the Mezzogiorno, rebuilding of the Turin-Milan section of the A4 motorway, and construction of a toll bridge in Millau (Aveyron) on the Paris-Beziers/Spain route, motorway sections on the Egnatia trunk road and a ring road north of Athens (Greece) as well as a motorway between Pamplona and Logroño (Spain);
- Upgrading of *airport infrastructure* in Madrid (Spain), Munich, Düsseldorf, Dresden and Leipzig (Germany), London Heathrow (United Kingdom), Amsterdam (Netherlands), Oporto (Portugal) and Billund (Denmark);
- Expansion and modernisation of *port infrastructure*: some 20 ports in Italy; Barcelona and Valencia (Spain); Hamburg and Bremerhaven (Germany) and Aarhus (Denmark).

A further EUR 300 million served to finance projects in the **telecommunications** sector in Spain, Greece and Belgium.

In the **Accession Countries**, where infrastructure development and rehabilitation requirements are huge, lending for transport and telecommunications TENs reached **EUR 1.6 billion in 2002**.

This region benefited from projects to upgrade motorways and roads (EUR 1.1 billion in Poland, Romania, Czech Republic, Slovenia, Hungary and Latvia), port and airport infrastructure (EUR 270 million in Poland, Cyprus and Bulgaria) and rail and water transport (EUR 100 million in Hungary and Romania). Lastly, EUR 52 million was advanced for a scheme to expand and modernise the mobile telephone network in Slovenia.