

EIB Group's support of SMEs

The EIB Group (EIB and EIF) can provide both traditional debt financing through standard global loans and equity through risk capital financing, thus covering the full range of short to medium-long term and equity needs of SMEs.

The EIB Group's action for SMEs in the last 5 years can be summarized in 3 figures, each of them associated to a specific mode of intervention:

- **EUR 24,5 billion of global loans advanced to 150 financial institutions of the EU for on lending to SMEs across Europe;**
- **EUR 2,4 billion of equity participations in 176 risk capital funds;**
- **EUR 4,2 billion of portfolio guarantees for SMEs in 95 transactions**

In total, it can be estimated that EIB Group activities benefited some 275,000 SMEs (of which EIF operations backed around 150.000 SME investment projects and 1.814 investee companies).

EIB'S GLOBAL LOANS: ACTIVITY IN 2002

Global loan activity for SME and small-sized infrastructure financing totalled EUR 12,2 billion. SME financing through traditional global loans totalled about EUR 6.2 billion for investment by some 30 000 SMEs. Over 50% of lending went to assisted areas.

In the course of 2002, the EIB has concluded region specific global loans (Italy, UK, eastern Lander of Germany) or dedicated to specific policy areas (e.g. environment, energy saving, audiovisual sector). During the year the EIB also carried out a number of securitisation operations to complement its traditional global loans in Italy, Spain and France

EIF'S SME PORTFOLIO GUARANTEES

The EIF guarantee activity in support of SMEs has developed around three main product lines, namely credit insurance, credit enhancement and structured finance operations. Guarantees are issued both on the EIF's own balance sheet and on a trust basis on behalf of third parties (for instance SME Guarantee Facility). Total commitments for SME guarantees at the end of the year 2002 stood at around EUR 4.504 million (184 operations signed.) In the year 2002, 32 operations were signed for a total of EUR 1.235 million.

RISK CAPITAL ACTIVITIES

The EIB Group, via its affiliate the EIF, is the largest source of venture capital finance in Europe. EIF venture capital activities consist of equity investments in VC funds supporting SMEs particularly those that are early stage and technology-oriented. For its VC investments the EIF uses either its own funds or those available within the framework of mandates entrusted to it by the EIB or the European Union. At the end of Dec. 2002, total equity or quasi-equity commitments exceed EUR 2.4 billion, for a total of 109 operations. In 2002, an amount of EUR 471.5 million was invested in 36 funds.