

Ms Flavia Palanza, Director Operations in Neighbouring Countries, European Investment Bank
EIB MED 2018 – Closing Speech (checked against delivery)

Excellencies, ladies and gentlemen,

I would like first of all to thank Secretary General Hamzeh and EU Ambassador Fontana for their kind words.

I also wish to extend to the Jordanian authorities the thanks of the European Investment Bank for their input and their involvement in the organisation of this event, which has constituted an excellent platform for exchange and to explore opportunities for the future. Without their support, this would not have been possible.

In his introductory words, VP Scannapieco highlighted the common history and the common interests that bring together the Mediterranean region and the EU. But these ties do not only build a privileged partnership. They also entail a joint responsibility for our common destiny, a joint responsibility to address the current challenges we all know too well: the migration and refugee crisis, political and economic uncertainties, and the necessity to offer perspectives to our people, especially the new generations, on both sides of our Mediterranean basin.

Director Köhler stressed that the Mediterranean is a priority for the EU and he stressed the need to step up efforts and accelerate action to achieve impact within the next two years. The EIB, the investment bank of the EU, is playing a key role in this joint action to deploy financial means in support to this response. With the Economic Resilience Initiative, the EIB has scaled up its financial support, committing to investing in the region a further € 4.5 bn, in addition to an initial commitment of 6 billion for the 2014-20 period. Last year, 25% of these funds had already translated into loans for critical infrastructure and private sector support. But the EIB wants to scale up its support as well in terms of impact. To this effect, it has diversified and adapted its instruments, in order to tailor them to the changing market needs and maximise and optimise their effect. I am referring here to the enhanced concessionality of our lending terms through an increased practice of combining with our loans, grant funds made available by the EU and the individual MS. This enables us to bring financial support to priority sectors (notably infrastructure) at sustainable cost and reducing thereby the burden of debt service on the State budget. And I am also referring to instruments enabling us to support local banks, by sharing with them part of the risk, to expand their finance in favour of SMEs and instruments to crowd in private sector, not least by financing PPPs. All this, with the view to foster economic growth and job creation. In this respect, we greet the complementarity between the ERI and the EU's External Investment Plan which we believe is particularly significant.

I have spoken of financial tools. However, TA, the third leg of our enhanced initiative, is equally relevant. The Bank has exceptionally set aside 90m of its own resources for Advisory services in recognition of the ever-growing need for TA, in order to one side prepare/implement infrastructure projects properly, on the other provide TA mentorship to small and micro businesses to facilitate their access to finance.

The three thematic sessions of today's conference have indeed illustrated how the ERI – optimised in combination with the resources made available by the European Commission under the External Investment Plan, represents a comprehensive toolbox with the objective to scale-up resources, bring infrastructure and social services in underserved regions, support micro/small/medium enterprises, for people to benefit from enhanced livelihood. Impact must be felt at the level of the individual families through improvements in the everyday life. Examples are access to basic services, in particular water, for instance in Jordan through projects addressing the over-exploitation of ground water in Jordan, or the development of sanitation plants in Egypt; or through large/multi-partner projects such as the Red-Sea Dead Sea project and the Gaza desalination plant. Beyond water, support extends to energy, in particular renewable, transport, digitalisation and connectivity.

In the private sector, our integrated market approach offers a broad range of financial and advisory products, such as those provided by Réseau Entreprendre in Tunisia, to reach out to small-scale companies, notably those led by women or by young entrepreneurs in the technology sphere, to develop SMEs and midcaps generating employment to scale, as well as corporates that have a leverage effect on their ecosystems.

At the EIB we are proud to be part of the EU response to the challenge of the region and we are fully committed, as an institution and as individuals to do our utmost to maximise our contribution. But proud does not mean complacent and we remain humble in front of the magnitude of the challenges the region has been facing. Humble and ready to listen. You are- and this is something I always emphasise –those who know best your countries and within your countries the sectors in ,which you operate and what the needs are. As the VP underlined on several occasions, we are partners. We are here to listen to you, share with you the experience and expertise we have acquired over the decades all over the world and, but also to think “out of the box”, in full partnership with you, how to explore new avenues of cooperation

I am going to conclude by thanking Ambassador Fontana for the excellent cooperation with the EU Delegation and for hosting in the Delegation premises the future EIB representative in Jordan. I also want to say a big Shukran to all those that have contributed to the success of this very interesting and productive conference and a warm na rakom al sanaa al kadema to our next MED conference in 2019. Cocktails are being served outside and I invite you to join for further informal talks.