



**European
Investment
Bank**

EIB cooperation with the banking sector in support of SMEs

Securitisation in Poland – Warsaw 10 May 2007

- **Presentation of the EIB**
- Co-operation with banks with focus on SMEs
- Securitisation at the EIB

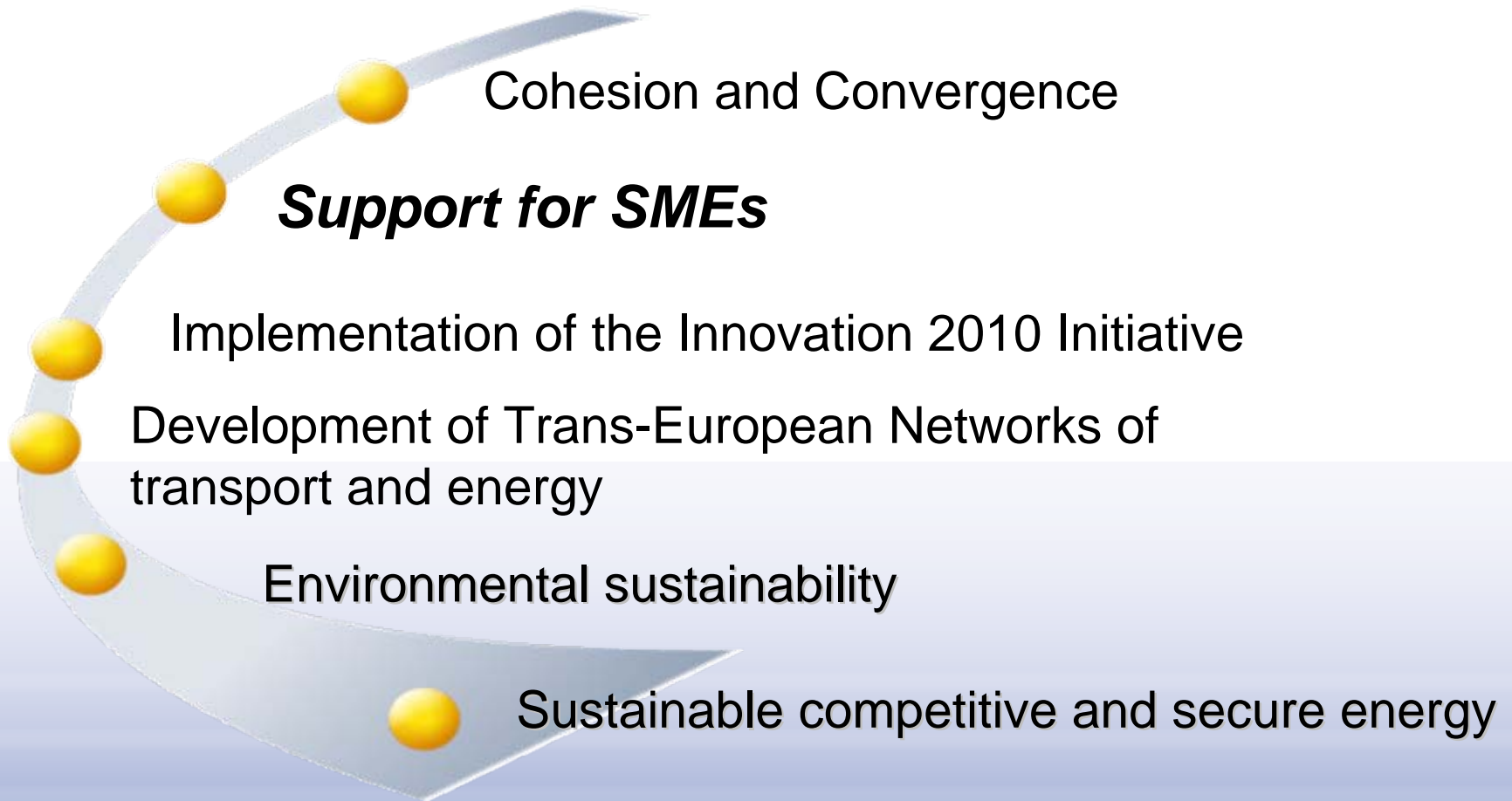
The European Investment Bank



The European Union's financing institution:

- Created by the Treaty of Rome in 1958, to provide long-term finance for projects promoting European integration
- Subscribed capital EUR 164.8 bn (at 01.01.2007)
- EIB shareholders: 27 Member States of the European Union
- Lending in 2006: EUR 45.8 bn (*EUR 47 bn in 2005*)
EUR 39.8 bn within the EU (*EUR 42 bn in 2005*)
- Borrowing in 2006: EUR 48 bn, through 303 bond issues in 24 currencies (*EUR 50 bn in 2005*)

EIB Priorities 2007 - 2009

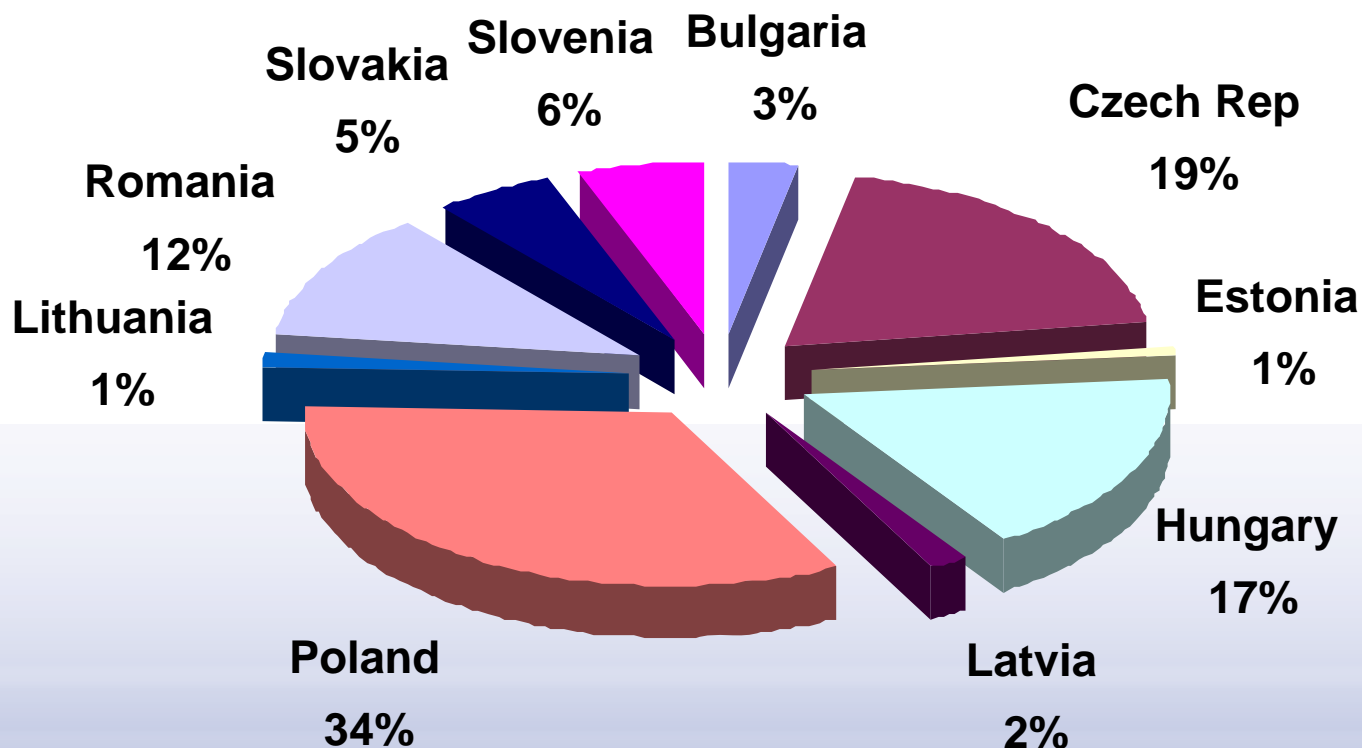


**EIB implements EU policies;
a policy driven Bank**

EIB lending in CEECs in 1990-2006 per country



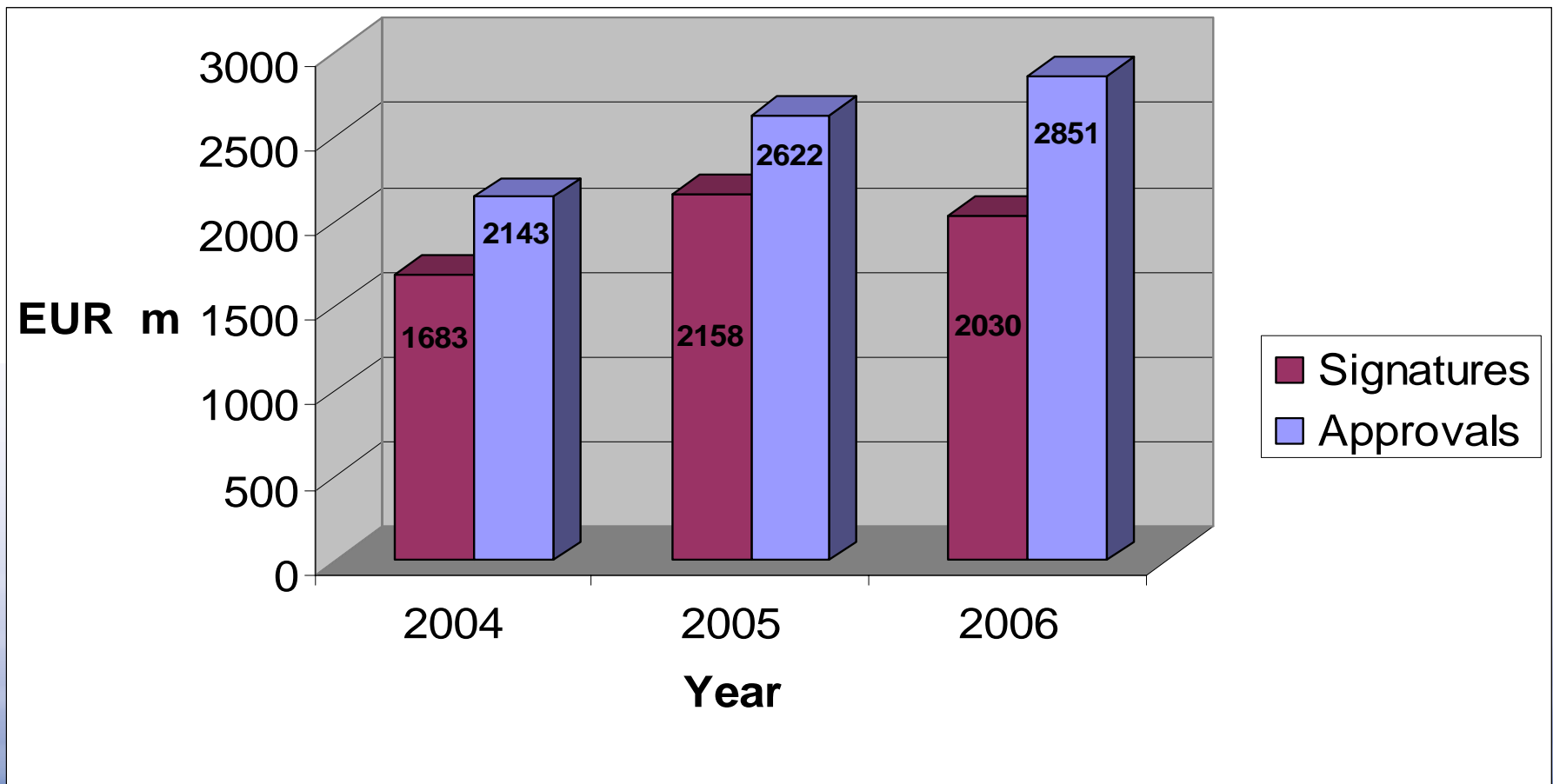
EUR 40 bn



EIB in Poland



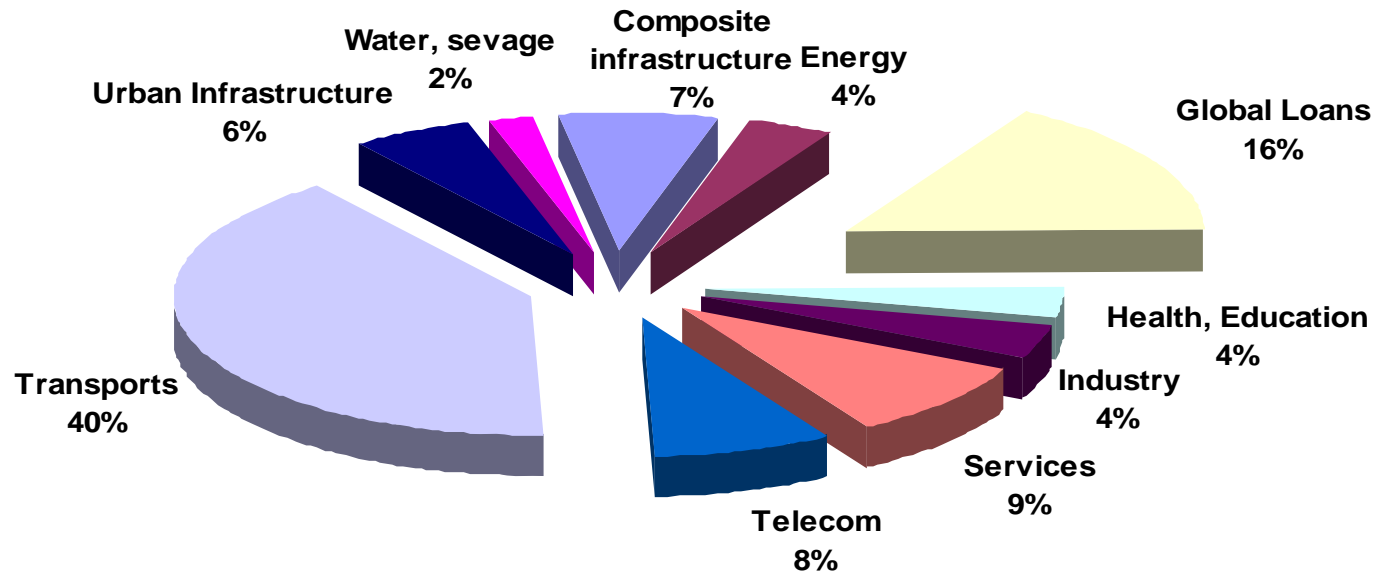
Development of approvals & signatures in Poland since accession to the EU



EIB in Poland



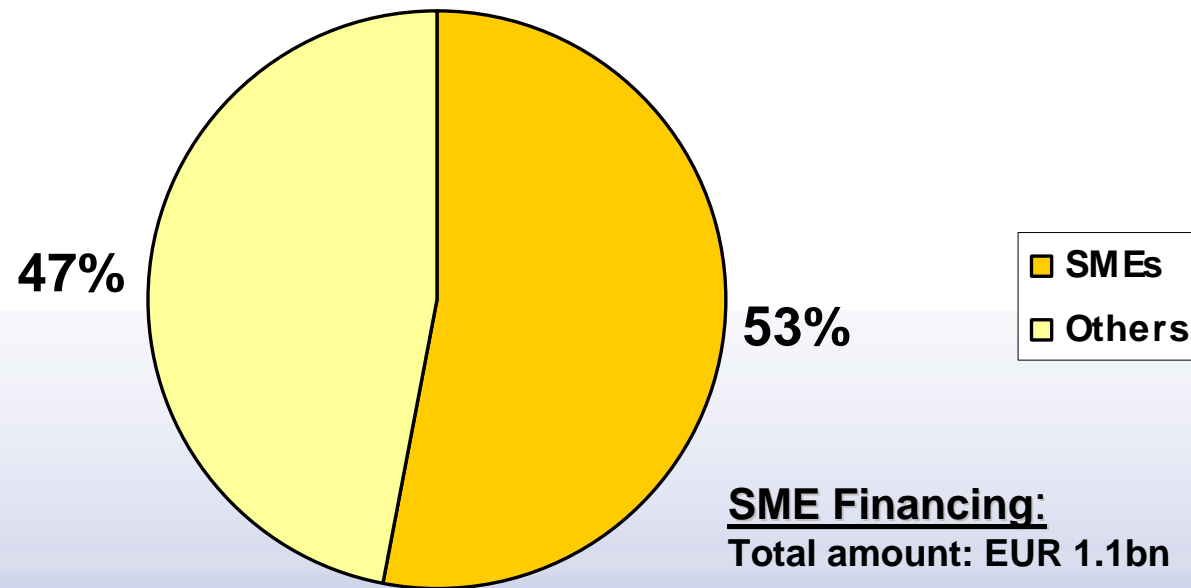
EIB Lending in Poland in 1990 - 2006 per sector (EUR 13.1 bn)



EIB in Poland



**Global Loans 1990 - 2006
(EUR 2.1 bn)**



SME Financing:
Total amount: EUR 1.1bn

Since 2004: 686m

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Importance of SMEs

- Accounting for
 - more than 95% of private enterprises in the EU,
 - about 99% of private enterprises in Poland,
 - more than 67% of total labour in the national economy

- A major source of
 - Employment
 - Entrepreneurial skills
 - Innovation
 - Economic and social cohesion

- Critical to long-term industrial health

EIB financing for SMEs



SMEs is a local business → EIB operates in partnership with Financial Intermediaries

✓ **Global Loans for SMEs**

- Project cost EUR 25 m
- Employees < 250

✓ **Grouped Loans for Mid Caps**

- Project cost EUR 50 m
- Employees < 3000

✓ **New Instruments**

- Covered Bonds
- ***Securitisation***

Other EIB group support to SMEs



✓ **EIF** - EIB's specialised venture capital arm and SME portfolio guarantee provider.

✓ **JEREMIE** - Joint European Resources for Micro-to-Medium Enterprises, an initiative of the EU Commission, EIB and EIF.

Member States and Regions will be able to transform structural funds into financial products through the EIF (equity, venture capital, guarantees, loans and technical assistance).

✓ **SME Finance Facility** : developed by the EU Commission and the EIB to support the reform and strengthening of the financial sectors in the New Member States and the Candidate Countries in order to expand their capacity to service the financial needs of SMEs.

Current EIB Partners in Poland



- **Bank BPH S. A.**
- **Bank Gospodarstwa Krajowego (BGK)**
- **Bank Ochrony Srodowiska S.A.**
- **Bankowy Fundusz Leasingowy S. A.**
- **BNP Paribas SA Branch in Poland**
- **BPH LEASING S. A.**
- **BRE Bank SA**
- **BRE Leasing Sp. z o.o.**
- **Dexia Kommunkreditbank Polska S. A.**
- **Investkredit Bank AG**
- **Nordea Bank Polska S.A.**
- **NordLB Bank Polska**
- **PEKAO Leasing Sp. Zo.o**
- **PKO Bank Polski**
- **Raiffeisen Leasing Polska S.A.**
- **VB Leasing Polska S. A.**

- Presentation of the EIB
- Co-operation with banks with focus on SME
- **Securitisation at the EIB**

Use of securitisation at the EIB

- EIB has been building up modest but growing ABS activity over the last years
- Recourse to ABS amounted to EUR 9 bn over the last 4 years
- ABS share in lending reached some 6% in 2006
- EIB does not apply securitisation for its own Balance Sheet management

Why securitisation at the EIB

- Offer an alternative to lending
- Increase capacity for financial innovation
- Improve funding conditions for SMEs
- Widen the scope of EIB counterparts
- Diversify the co-operation with the banking sector



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