

EUROPEAN INVESTMENT BANK

CA/538/20
11 November 2020

PV/20/14

BOARD OF DIRECTORS

Minutes of the meeting held via video/phone conferencing
on Tuesday, 13 October 2020

Parts of this document that, at the time of the meeting, fall under the exceptions for disclosure defined by the EIB Group Transparency Policy, notably under articles 5.5 (protection of commercial interests) and 5.6 (protection of the Bank's internal decision-making process), have been replaced by the symbol [...]*

Those attending

Chairman:

Mr W. HOYER

EIB Vice Presidents:

Messrs D. SCANNAPIECO
A. FAYOLLE
Ms E. NAVARRO
Ms L. PAVLOVA
Mr T. ÖSTROS
Ms T. CZERWIŃSKA
Mr C.K. THOMSEN

Directors:

Messrs K.J. ANDREOPOULOS
L. BARANYAY
Ms S. BELAJEC
Ms A. BLONDY-TOURET
Messrs F. CARTAXO
D. CARVILLE
P. DEBATTISTA
M. DESCHEEMAECCKER
Ms C. DÍAZ
Messrs A. EBERHARDS
A. GYÖRGY
Ms E. HAGHANIPOUR
Messrs A. JACOBY
K. KAKOURIS
A. KAVČIČ
A. KUNINGAS
I. LESAY
P. NOWAK
P. PAVELEK
Ms M. PETROVA
Ms K. RYSAVY
Ms K. SARJO
Ms M. SCHOCH
Mr M. SCHULTE
Ms J. SONNE
Ms M. TUSKIENÉ
Ms G. VIGLIOTTI
Mr T. WESTPHAL

Expert Members:

Mr G. GOBBI
Mr J. LEOPOLD

Alternate Directors:

Ms A. af URSIN
Ms G. BEREMSKA
Ms R. CAETANO
Ms B.F. CUCU
Ms C. GOSTNER
Ms L. HALBRECQ
Messrs R. HŘEBÍK
H. KAEUBLE
Ms T. LINDBERG
Ms P. MAMO

Messrs	M.	MARQUES
	F.J.	MARTÍN
Ms	F.	MERCUSA
Mr	D.	O'LEARY
Ms	E.	PITTA
Messrs	M.	POLÓNYI
	S.	SCALERA
	R.	SCHELLE
Ms	L.	STEINS
Messrs	M.	TABACZAR
	S.	TABARIÉ
	D.	TRAKELIS
Ms	S.	VALTONEN
Ms	A.	ZITCERE
Ms	A.	ZORIĆ

Alternate Expert
Members:

Ms	I.	HENGSTER
Ms	B.N.	MARKUSSEN
Mr	A.	OPORTO

Secretary:

Ms	M.	FALKSTEDT
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Absent:

Ms	L.	BRETON-MOYET
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The CHAIRMAN declared the meeting open at 10.30 a.m.

1. Quorum

The CHAIRMAN recorded that there was a quorum.

2. Agenda and declaration of conflicts of interest

The agenda (Doc. 20/780) was adopted.

No conflicts of interest were declared.

3. Approval of minutes of previous meetings
(CA/536/20)

The Board of Directors approved the minutes of the meetings held on 17 September 2020 (PV/20/12) via video/phone conferencing, subject to the modifications requested by Board members.

4. Statements by the Chairman including updates on strategic issues

The Chairman briefed the Board of Directors on a number of relevant issues.

General Questions

5. EIB Additionality & Impact Management Framework - Architecture and Deployment (Doc 20/789)

Introducing the item, the Bank explained the background of the new AIM framework. The updated methodology would replace the current 3PA and ReM frameworks and become the EIB's official value added framework from 2021. The proposal presented to the Board set out the comprehensive structure of the AIM framework, summarised the results of the pilot phase conducted in 2020 and anticipated the upcoming steps for the implementation of the AIM.

The Bank underscored that a key feature of the new AIM framework was the publication of an additionality statement for each project. Furthermore, given the new set of comprehensive indicators used, the Bank would be able to more accurately report on the impact of its financing and advice.

In the ensuing discussion, Board members exchanged views on the indicators used in the framework and acknowledged that the development of the framework had been a complex undertaking. Some Board members welcomed the new AIM framework and were ready to proceed while others considered that further discussions were required prior to full implementation given the exceptional times under which the pilot phase had been conducted. In this respect, Board members discussed how representative the sample studied during the pilot had been and the impact the framework would have on the Bank's lending activities.

Board members also exchanged on the results given by pillar 3 in the new framework, the approach EIF was taking on additionality as well as the possibility to move towards a Group-wide methodology. Board members welcomed the increased attention to the operations' additionality aspects with a view to better communicating the Bank's impact as well as to avoid crowding out. The Commission commented on the application of the framework within InvestEU.

In its response to Board members, the Bank outlined the reasons for the scores achieved for various operations and reflected on the results of the ReM in comparison to the new methodology for projects outside the EU. The Bank underscored that that amongst its peer IFIs, with the new AIM framework the EIB had taken a particularly ambitious approach in measuring additionality. The Bank confirmed that as more would be learned of the methodology following its full implementation in 2021, additional modifications could be discussed and adopted if necessary. In this regard, the Bank would specifically review MBILs in the context of pillar 2. [...] and that the Board would continue to be informed on the implementation of the framework at the Working Group on Lending Policies, Evaluation and Impact.

Concluding the discussion, the CHAIRMAN recorded that the Board approved the EIB Additionality & Impact Management Framework - Architecture and Deployment.

6. 2020 Mid-Year Report on the Implementation of Evaluation Recommendations (Doc 20/790)

Introducing the 2020 Mid-Year Report on the Implementation of Evaluation Recommendations, the Bank underlined the good cooperation between the Services and IG/EV in reporting on the status of the implementation of the recommendations. The Inspector General underscored that the implementation of the remaining ten open recommendations in 2020 were on track and in line with expectations.

Concluding the item, the CHAIRMAN recorded that the Board of Directors took note of the 2020 Mid-Year Report on the Implementation of Evaluation Recommendations.

7. Evaluation of EIB Cohesion financing (2007-2018)
(Doc 20/791)

Introducing the item, the Inspector General indicated that the evaluation of cohesion lending spanned two MFF periods. It constituted a particularly important report given the objectives of the Bank to support the internal market and economic, social and territorial cohesion of the EU as well as to reduce disparities through financing projects in less developed regions.

The independent evaluation carried out by IG/EV consisted of three complementary reports including a thematic evaluation report, a synthesis of project evaluations and a report assessing the macroeconomic impact of the EIB financing on the EU-28 regions. IG/EV elaborated on the findings of these reports with respect to the results and impact of cohesion funding as well as the five recommendations for the Bank. These recommendations concerned the development of an orientation paper, the application of the “cumul rule”, the eligibility of non-EU countries for cohesion funding, the strengthening of the Bank’s reporting systems, and the inclusion of narratives on how Cohesion operations address market failures and contribute to regional development.

In the ensuing discussion, Board members commended the high quality of the evaluation, exchanged on the comparative impact of cohesion lending in the least developed regions of the Union and welcomed the recommendations including more granular analysis and the inclusion of narratives. Board members were also looking forward to a proposal from the Bank on the application of the “cumul rule” as well as swift action on other recommendations. The assessment of the role of cohesion financing in regional development was discussed. Board members furthermore underscored the importance of alignment between EIB mandates and the MFF mandates.

In its response, the Management Committee confirmed that it had agreed with all of the presented recommendations. A dedicated cohesion task force had been established to oversee the implementation of all five recommendations with completion of its work foreseen by mid-2021. The Bank reflected on the Board discussion and IG/EV provided additional details on the macro modelling used in the evaluation.

The CHAIRMAN recorded that the Board of Directors took note of the Evaluation of EIB Cohesion financing (2007-2018).

8. Semi-Annual report of the complaints mechanism
(Doc 20/792)

[...]

Operations

The Board of Directors considered and discussed in session the following proposals on the agenda:

Operations within the European Union

IBERIA DEPARTMENT

INVESTMENT LOAN

9. WATER AND WASTE PROGRAMME LOAN (ES)
(Doc 20/793)

Borrowers	:	Sub-sovereign public authorities, public or private, mixed-capital companies or banks	
Max. amount	:	EUR 600m	
Opinion of the Government of the Kingdom of Spain			No objection
Opinion of the Commission			Favourable

The CHAIRMAN recorded that the Board of Directors approved the financing proposal.

EQUITY, NEW PRODUCTS & SPECIAL TRANSACTIONS DEPARTMENT

EQUITY TYPE

10. AMR FUND PARTICIPATION (Regional – EU countries)
(Doc 20/794)

Fund Manager	:	AM Initiative GP	
Max. amount	:	[...]	
Opinion of the Commission			Favourable

The CHAIRMAN recorded that the Board of Directors approved the financing proposal for a maximum amount of EUR 20m.

WESTERN EUROPE DEPARTMENT

INVESTMENT LOAN

11. TERGOOI HILVERSUM HOSPITAL DEVELOPMENT Project (NL)
(Doc 20/795)

Borrower	:	Stichting Tergooi	
Max. amount	:	EUR 70m	
Opinion of the Government of the Kingdom of the Netherlands			No objection
Opinion of the Commission			Favourable

The CHAIRMAN recorded that the Board of Directors approved the financing proposal.

MANDATE MANAGEMENT DEPARTMENT

INVESTMENT LOAN

12. EGF – EU PROGRAMME LOAN RISK SHARING INSTRUMENT (Regional – EU countries)
(Doc 20/788)

Borrowers : Corporates, public companies and other entities related to health
Max. amount : EUR 2000m
Opinion of the Commission Favourable

The CHAIRMAN recorded that the Board of Directors approved the financing proposal for a maximum amount of EUR 1000m, and that Ms Mercusa voted in favour of the full amount of the proposal of EUR 2000m.

Operations outside the European Union

GLOBAL PARTNERS DEPARTMENT

INVESTMENT LOAN

13. SRWB WATER SUPPLY AND SANITATION PROGRAMME (Malawi)
(Doc 20/784)

Borrower : Republic of Malawi
Max. amount : EUR 27m
Opinion of the Commission Favourable

The CHAIRMAN recorded that the Board of Directors approved the financing proposal.

14. MAURITANIA COVID-19 RESILIENCE SUBMARINE CABLE Project (Mauritania)
(Doc 20/782)

Borrower : Islamic Republic of Mauritania, through its Ministry of Economy and Industry
Max. amount : EUR 25m
Opinion of the Commission Favourable

The CHAIRMAN recorded that the Board of Directors approved the financing proposal.

MULTI-BENEFICIARY INTERMEDIATED LOAN

15. DEVELOPMENT BANK GHANA LOAN (Ghana)
(Doc 20/785)

Borrower : Government of Ghana, through its Ministry of Finance
Max. amount : EUR 170m
Opinion of the Commission Favourable

The CHAIRMAN recorded that the Board of Directors approved the financing proposal.

16. ZIMBABWE PRIVATE SECTOR FACILITY (Zimbabwe)
(Doc 20/783)

Borrowers : Eligible financial intermediaries in Zimbabwe
Max. amount : EUR 40m
Opinion of the Commission Favourable

The CHAIRMAN recorded that the Board of Directors approved the financing proposal.

EQUITY, NEW PRODUCTS & SPECIAL TRANSACTIONS DEPARTMENT

EQUITY TYPE

17. NEEV FUND II (India)
(Doc 20/800)

Fund Manager : SBICAP Ventures Limited
Max. amount : EUR 25m
Opinion of the Commission Favourable

The CHAIRMAN recorded that the Board of Directors approved the financing proposal.

18. LUXEMBOURG MICROFINANCE AND DEVELOPMENT II FUND (Regional – ACP)

[...]

NEIGHBOURING COUNTRIES DEPARTMENT

FRAMEWORK LOAN

19. UKRAINE URBAN PUBLIC TRANSPORT II Framework Loan (Ukraine)
(Doc 20/798)

Borrower : Ukraine
Max. amount : EUR 200m
Opinion of the Commission Favourable

The CHAIRMAN recorded that the Board of Directors approved the financing proposal.

Miscellaneous

20. Date of the next meeting:

The Chairman announced that the next meeting would be held on Wednesday, 11 November 2020, starting at 10.00 a.m.

The CHAIRMAN declared the meeting closed at 4.00 p.m.

Annex 1: Proposals submitted by written procedure
[...]

PROPOSALS SUBMITTED BY WRITTEN PROCEDURE

The CHAIRMAN recorded the approval by the BOARD OF DIRECTORS, during the period since the previous meeting on 17 September 2020, of the following operations submitted by written procedure:

Operations within the European Union

Approval on 23/09/2020

ADRIATIC SEA DEPARTMENT

INVESTMENT LOAN

- i. TELEKOM SLOVENIJE FIBRE ROLLOUT EXTENSION Project (SI)
(Doc 20/746)

Borrower : Telekom Slovenije d.d.

Max. amount : EUR 100m

Opinion of the Government of the Republic of Slovenia

Opinion of the Commission

No objection

Favourable

FRAMEWORK LOAN

- ii. [...] [...]
(Doc 20/740)

MULTI-BENEFICIARY INTERMEDIATED LOAN

- iii. UC COVID-19 LOAN FOR MID-CAPS (IT)
(Doc 20/741)

Borrowers : Unicredit SpA and Unicredit Leasing SpA

Max. amount : EUR 250m

Opinion of the Government of the Italian Republic

Opinion of the Commission

No objection

Favourable

BALTIC SEA AND NORTHERN EUROPE DEPARTMENT

INVESTMENT LOAN

iv. WOLFSBURG SOCIAL AND AFFORDABLE HOUSING Project (DE)
(Doc 20/734)

Borrower : Neuland Wohnungsgesellschaft mbH
Max. amount : EUR 70m
Opinion of the Government of the Federal Republic of Germany : No objection
Opinion of the Commission : Favourable

v. TRI-CITY FAST URBAN RAILWAY Project (PL)
(Doc 20/744)

Borrower : PKP Szybka Kolej Miejska w Trójmieście Sp. z o.o.
Max. amount : PLN 200m (approximately EUR 46m)
Opinion of the Government of the Republic of Poland : No objection
Opinion of the Commission : Favourable

vi. MALMO EDUCATION INFRASTRUCTURE Project (SE)
(Doc 20/745)

Borrower : City of Malmö
Max. amount : SEK 1600m (approximately EUR 153m)
Opinion of the Government of the Kingdom of Sweden : No objection
Opinion of the Commission : Favourable

FRAMEWORK LOAN

vii. BIELSKO BIALA URBAN INFRASTRUCTURE Framework Loan (PL)
(Doc 20/742)

Borrower : City of Bielsko-Biala
Max. amount : PLN 600m (approximately EUR 135m)
Opinion of the Government of the Republic of Poland : No objection
Opinion of the Commission : Favourable

MULTI-BENEFICIARY INTERMEDIATED LOAN

viii. DE LAGE LANDEN II L4SMES AND MID-CAPS CLIMATE (DE, PL)
(Doc 20/733)

Borrower : De Lage Landen International B.V.
Max. amount : EUR 200m
Opinion of the Government of the Federal Republic of Germany and the Republic of Poland : No objection
Opinion of the Commission : Favourable

ix. POLISH REGIONAL DEVELOPMENT FUNDS (COVID-19) PROGRAMME LOAN (PL)
(Doc 20/743)

Borrowers : Polish Regional Development Funds or other regional promotional institutions
Max. amount : PLN 670m (approximately EUR 151m)
Opinion of the Government of the Republic of Poland No objection
Opinion of the Commission Favourable

CENTRAL AND SOUTH EASTERN EUROPE DEPARTMENT

INVESTMENT LOAN

x. PPC DISTRIBUTION VIII Project (EL)
(Doc 20/735)

Borrower : Public Power Corporation S.A.
Max. amount : EUR 330m
Opinion of the Government of the Hellenic Republic No objection
Opinion of the Commission Favourable

IBERIA DEPARTMENT

INVESTMENT LOAN

xi. [...]

MULTI-BENEFICIARY INTERMEDIATED LOAN

xii. [...]

)

xiii. PSA ESP COVID-19 LOAN FOR SMES AND MID-CAPS (ES)
(Doc 20/737)

Borrower : Special Purpose Vehicle
Max. amount : EUR 250m
Opinion of the Government of the Kingdom of Spain No objection
Opinion of the Commission Favourable

WESTERN EUROPE DEPARTMENT

INVESTMENT LOAN

- xiv. ILIAD 5G NETWORK DEPLOYMENT FRANCE Project (FR)
(Doc 20/739)

Borrower : Iliad SA

Max. amount : EUR 300m

Opinion of the Government of the French Republic

Opinion of the Commission

No objection

Favourable

Approval on 05/10/2020

BALTIC SEA AND NORTHERN EUROPE DEPARTMENT

MULTI-BENEFICIARY INTERMEDIATED LOAN

- xv. ERSTE GREEN HOUSING MBIL (AT)
(Doc 20/761)

Borrower : Erste Bank der Oesterreichischen Sparkassen AG

Max. amount : EUR 100m

Opinion of the Government of the Republic of Austria

Opinion of the Commission

No objection

Favourable

WESTERN EUROPE DEPARTMENT

INVESTMENT LOAN

- xvi. [...]

Operations outside the European Union

Approval on 05/10/2020

NEIGHBOURING COUNTRIES DEPARTMENT

MULTI-BENEFICIARY INTERMEDIATED LOAN

- xvii. [...]

Change of loan conditions

Approval on 23/09/2020

ADRIATIC SEA DEPARTMENT

xviii. ITALIAN RISK SHARING INITIATIVE FOR RDI PROGRAMME (IT)
(Doc 20/750)

Change to operation after Board approval

xix. ROUTE 10 RAIL REHABILITATION Project (Kosovo¹)
(Doc 20/752)

Change to operation after Board approval

BALTIC SEA AND NORTHERN EUROPE DEPARTMENT

xx. SOCIAL AND AFFORDABLE HOUSING STUTTGART Project (DE)
(Doc 20/749)

Change to operation after Board approval

xxi. POLAND REGIONAL INFRASTRUCTURE PROGRAMME (PL)
(Doc 20/751)

Change to operation after Board approval

WESTERN EUROPE DEPARTMENT

xxii. ENEDIS ADVANCED METERING Project (FR)
(Doc 20/747)

Changes to operation after Board approval

Approval on 05/10/2020

BALTIC SEA AND NORTHERN EUROPE DEPARTMENT

xxiii. MID-CAP PROGRAMME LOAN GERMANY AND NORDIC COUNTRIES (DE, DK, FI, SE)
(Doc 20/765)

Change to operation after Board approval

¹ This designation is without prejudice to the positions expressed by the EU Member States on Kosovo's status and is in line with United Nations Security Council Resolution No. 1244/1999 and the International Court of Justice Opinion of 22 July 2010 on Kosovo's declaration of independence.

Allocations to sub-projects

Approval on 23/09/2020

ADRIATIC SEA DEPARTMENT

xxiv. CROATIA EU FUNDS CO-FINANCING 2014-2020 STRUCTURAL PROGRAMME
LOAN (HR)
(Doc 20/748)

Allocation to sub-project: HR LESKOVAC - KARLOVAC RAILWAY

Miscellaneous

Approval on 05/10/2020

xxv. External Investment Plan - European Fund for Sustainable Development (EFSD)
Guarantee - Equity platforms
(Doc 20/764)

Approval on 13/10/2020

xxvi. The Lending Base Rates ("The Blue Curve") applicable in October 2020
(Doc 20/806)