European Investment Bank

Overview of the EIB Group - EIB

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The **European Investment Bank** is the European Union’s long-term financing institution. The Bank **acts as an autonomous body** set up to finance capital investment furthering European integration by **promoting EU policies**.

- The EIB has been created by the Rome Treaty 1958
- The EIB is owned by the 28 EU member states
- The EIB is a **policy driven institution**
- Some 440 projects each year in over 160 countries
- Headquartered in Luxembourg, 28 local offices and some 2,100 staff
- The EIB has a subscribed capital of EUR 242.4bn
- The EIB collects its funds on the capital markets (2013: EUR 72bn)
- The EIB signed loans amounting to EUR 75.1bn in 2013 (EU-28 67.1bn)
Capital Breakdown
1st July 2013

European Investment Bank

Germany (DE) 16.111%
France (FR) 16.111%
Italy (IT) 16.111%
United Kingdom (GB) 16.111%
Spain (ES) 9.666%
Belgium (BE) 4.466%
Netherlands (NL) 4.466%
Sweden (SE) 2.963%
Denmark (DK) 2.261%
Austria (AT) 2.217%
Poland (PL) 2.062%
Finland (FI) 1.274%
Greece (GR) 1.211%
Portugal (PT) 0.781%
Czech Republic (CZ) 0.761%
Hungary (HU) 0.720%
Ireland (IE) 0.565%
Romania (RO) 0.522%
Croatia (HR) 0.366%
Slovak Republic (SK) 0.259%
Slovenia (SI) 0.240%
Bulgaria (BG) 0.176%
Lithuania (LT) 0.151%
Luxembourg (LU) 0.113%
Cyprus (CY) 0.111%
Latvia (LV) 0.092%
Estonia (EE) 0.071%
Malta (MT) 0.042%
Largest Supranational Lender

Gross outstanding loans, equity investments and guarantees

EUR bn

Source: Standard & Poor’s; Supranationals - Special Edition 2011
Data as of 31.12.2010 (World Bank, IFC as of 30.06.2011)
2013 Borrowing Activity

EUR 72bn: distribution of EIB bond issues by region
EIB: Supporting EU Policy Goals

1. Sustainable growth and jobs in Europe
   - Innovation and skills
   - Financing smaller businesses
   - Trans-European Networks
   - Sustainable, competitive and secure energy

2. Economic and social cohesion
   - Special support for economically weaker regions
   - Helping regions absorb EU funds

3. Environmental sustainability
   - Climate action
   - Sustainable transport
Growth and Jobs: four key priorities

- **EUR 15.6bn EIB**
  - **EUR 1.6bn EIF**
  - **Innovation and Skills (172bn)**

- **EUR 15.9bn EIB**
  - **Strategic Infrastructure (159bn)**

- **EUR 18.5bn EIB**
  - **EUR 3.4bn EIF**
  - **Access to Finance/SME (219bn)**

- **EUR 19bn EIB**
  - **Climate Action (19bn)**
# EIB Group Product Portfolio (simplification)

## Direct credit operations
- Investment Grade Credit Risk
- Sub-investment Grade Credit Risk
- Equity-risk

## Indirect credit operations
- Loans with banks for SMEs/Mid-caps
- Loans with governments for allocation to infrastructure projects
- Risk-sharing with third parties (banks) on SMEs/Mid-caps
- Others (e.g. securitization)

## Funds
- EIF fund-of-funds business – VCs, Mezzanine funds, technology transfers etc.
- EIB investments in infrastructure funds
- 3rd party funds (e.g. JESSICA, JEREMIE)

## Advisory (examples)
- Joint Assistance to Support Projects in European Regions (JASPERS)
- European Local Energy Assistance (ELENA)
- European PPP Expertise Centre (EPEC)
EIB Lending in the Nordic, Baltic and EFTA countries in 2012-2014

Signatures 2012: EUR 2.5 bn
Signatures 2013: EUR 3.6 bn
EFTA = Norway, Iceland, Switzerland, Lichtenstein
Selected Deals in the Nordics in 2013-14 (Corporate RDI)

- **Rovio**: RDI related to the development of a cloud-based games and services platform
- **Kemira**: RDI activities related to water and other specialty chemicals
- **Lundbeck**: R&D for the development of new drugs for the treatment of CNS diseases
- **Alfa Laval**: RDI investments in separation, heat transfer and fluid technologies
- **Autoliv**: RDI activities for automotive safety systems
- **FLSmidth**: RDI in the cement industry, focusing on developing innovative products as well as more efficient production processes
- **Haldor Topsoe**: RDI investments in catalysts and the related design and engineering of process plants
- **Kone**: RDI investments related to elevators, lifting and building access technologies
- **Novozymes**: RDI related to the discovery and development of innovative industrial enzymes, novel proteins and micro-organisms
- **SCA**: RDI related to personal care, tissue and forestry products
- **Scania**: R&D programme to develop new commercial vehicle platform
- **Stora Enso**: RDI relating to sustainable packaging and other wood fibre based products
- **Wärtsilä**: RDI activities in engines for marine and power plant applications
Highlights of Activity in Norway 2011-2014

- **Fjord Line Ropax Vessels (2014)**: EUR 124m loan for two ferries sailing between Bergen, Stavanger, Kristiansand (NO) and Hirtshals (DK).
- **Sparebank Loan for SMEs (2013)**: EUR 100m loan for the financing of small and medium-sized enterprises, mainly in the energy and transport sectors, in Norway;
- **Xylem Water Technologies (RSFF) (2012)**: EUR 120m loan for RDI concerning water transport, analysis and treatment in Austria, Hungary, Italy, Norway, Germany, United Kingdom and Sweden;
- **Oslo Airport Terminal 2 (2012)**: EUR 200m loan to Avinor for expansion of terminal through addition of new departure and arrival areas and new baggage-handling facilities;
- **Skagerrak 4 Interconnector (2011)**: EUR 200m loan to Statnett SF for the installation of monopolar high voltage direct current link between Norway and Denmark across Skagerrak strait.

Cumulative financing commitments in Norway amount to EUR 2.4bn, mainly for energy (53%) and transport (38%) investments.
Summary

- EIB offers loans for financing of a broad range of tangible and intangible investments
- Bilateral and intermediated loans depending on the project, borrower and final beneficiary
- Long-term senior investment loans (corporate & project finance)
- Financing for up to 50% of project cost
- Long maturity matching economic life of project assets
- EIB financing offers financial value-added (AAA/Aaa/AAA rating)
- Signalling Effects: Due to the Bank’s reputation for its prudent lending policy and its strong market/technology know-how, the EIB provides learning/signalling effects for other Banks
For more information...

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Investing in Europe’s growth