

# A presentation of EIB Group product offers: the EIB

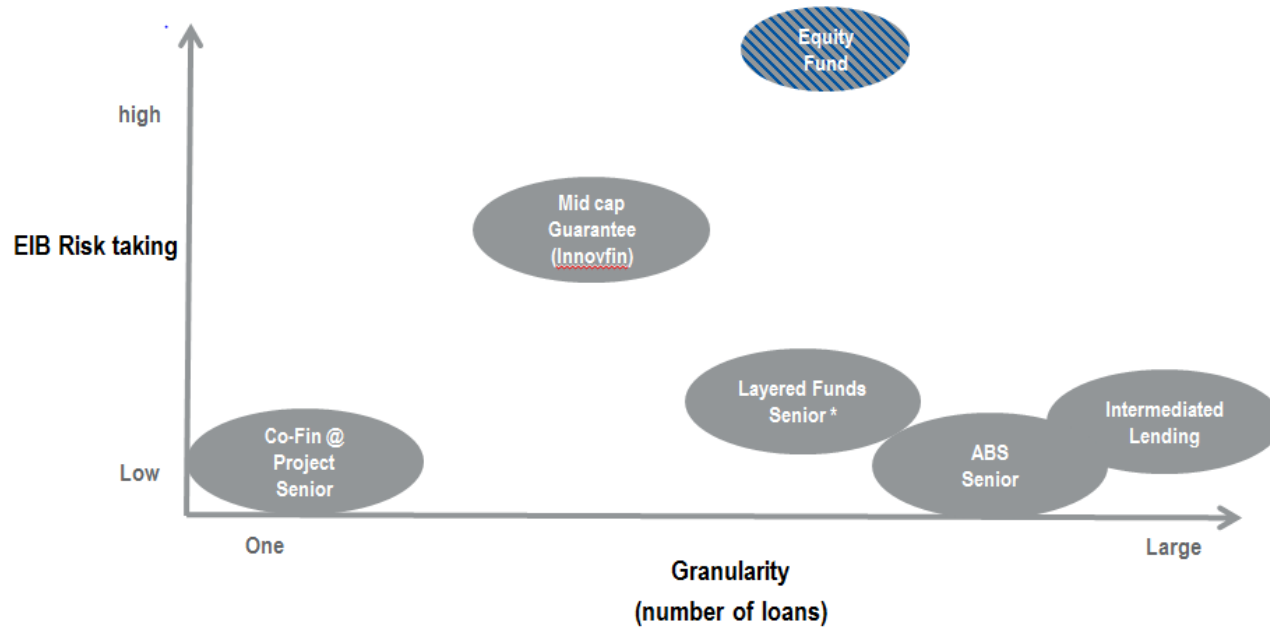
Seminar on Synthetic Securitisation and Financial Guarantees.  
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# Traditional (intermediated lending) EIB product palette

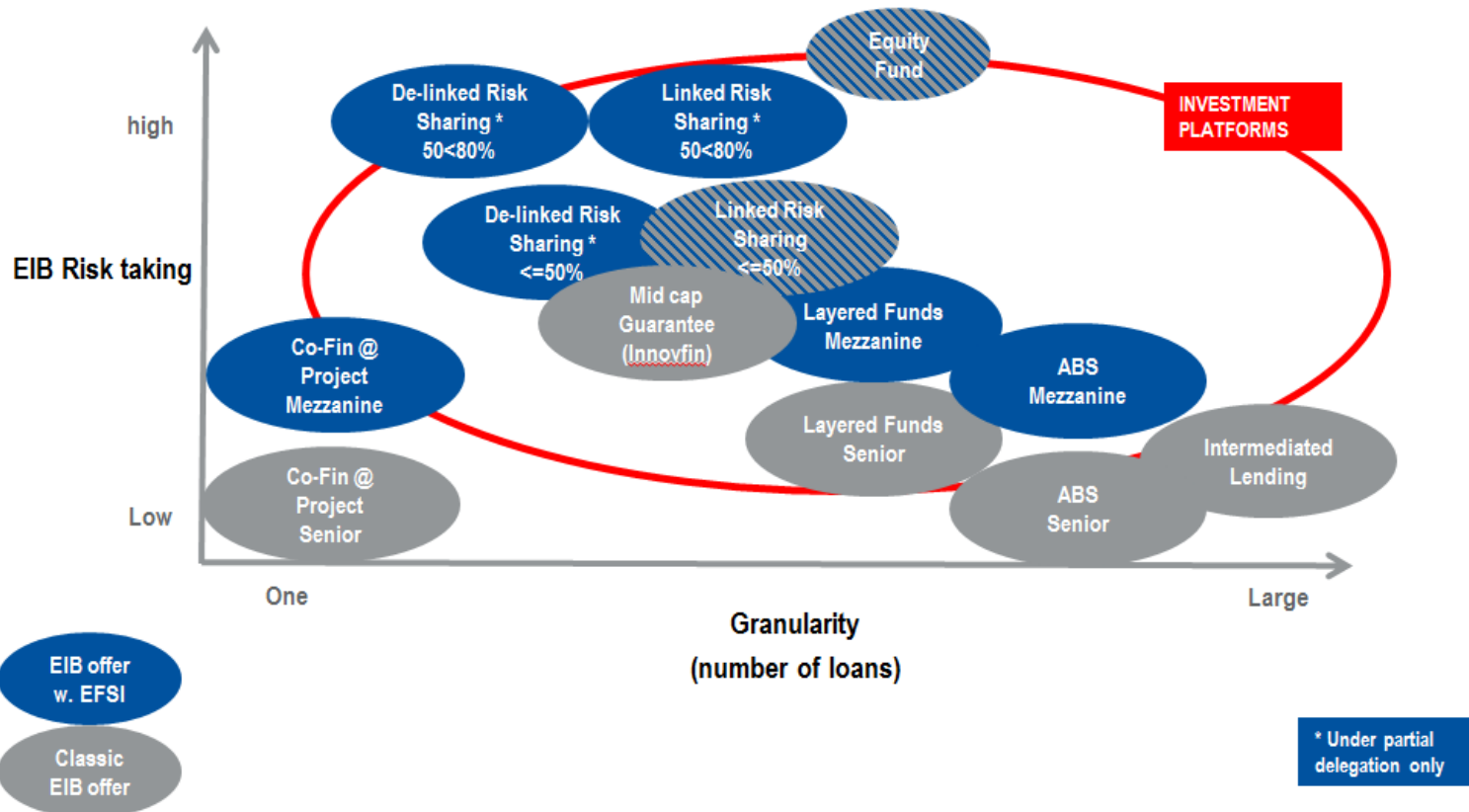


Classic EIB offer

\* e.g. EEEF (EIB/EC), GGF (EIB/KfW)

- Intermediated lending as a “low-risk” mean to support *granular* projects
- The concept of De-Linking
- The role of the EIF (support to SMEs)

# Towards a new products palette



- Increased risk taking, thanks to EFSI and other programmes
- Deepening the concept of intermediate lending, through risk sharing

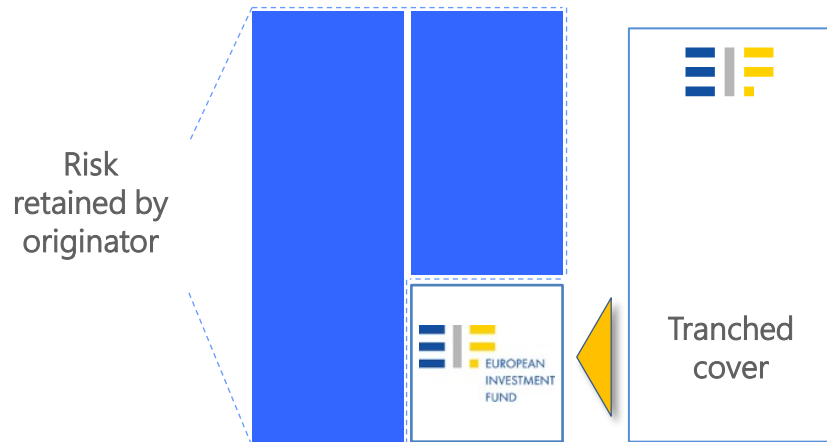
## Some issues

- The curse of *granularity*:
  - ie up to what extent a full delegation model does not necessarily imply full capital charge. Can external ratings help ?
- Diminishing appeal for some products (eg synthetic non-SMEs mezzanines) due to incoming regulatory changes.
- Uncertainty in product assessment by supervisors/regulators. High variance of treatments of the same instrument in different jurisdictions.

# EIF Portfolio Guarantees : COSME, InnovFin, etc.

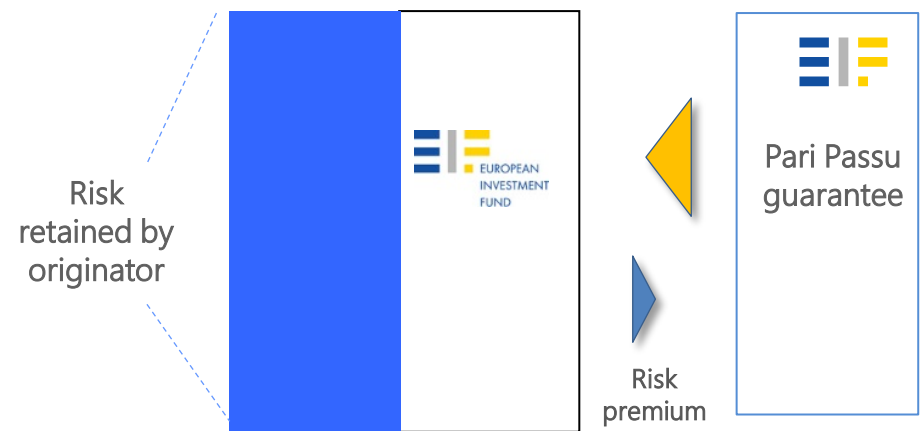
## COSME Loan Guarantee Facility:

- > First Loss Portfolio Guarantee
- > Portfolio to be ramped-up

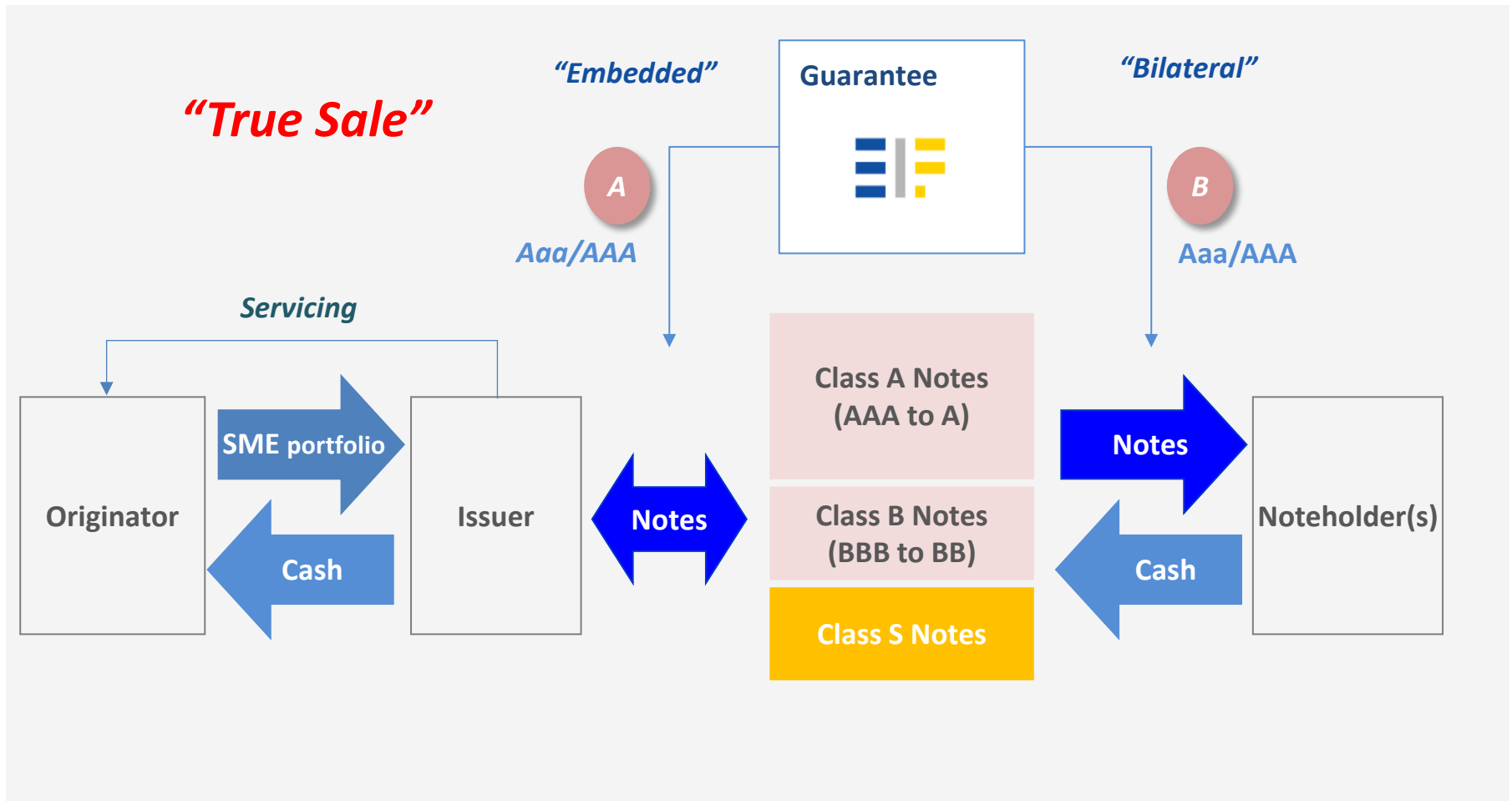


## InnovFin:

- > Pari passu portfolio guarantee
- > Portfolio to be ramped-up



# EIF guarantees for ABS (credit enhancement)



# EIF Synthetic Securitisation (portfolio tranching cover)

- EIF Tranching Guarantees comply with the CRR requirements for synthetic securitisation
- EIF is a Multilateral Development Bank (MDB) for the purpose of art. 201; EIF guarantees are in an eligible form of unfunded credit protection under art. 203

## Key features

- Portfolio composition
- Replenishment criteria
- Credit events / loss definition
- Alignment: Risk retention, Verification agent
- Credit policy / Servicing standards
- Tranche Amortisation
- Loss allocation (XS,...)
- Time calls

