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European Investment Bank delivers unprecedented lending volume

The European Investment Bank (EIB) increased its total lending volume in 2009 to EUR 79bn, a 37% rise from EUR 58bn in 2008. This represents a new milestone in providing financial support for the European economy.

Last year, the EIB reinforced its focus on (i) small and medium-sized enterprises (SMEs), (ii) economically weaker regions across Europe ("convergence regions") and (iii) the energy sector in the context of the fight against climate change.

"The EIB has proven to be a solid pillar of financial strength and stability in last year's exceptionally difficult economic environment. The Bank was committed to achieving ambitious targets in 2009. It delivered and exceeded these. We have done more, better and faster and clearly demonstrated that we can make a significant contribution to the European economy", EIB President Philippe Maystadt said.

In 2009, the EIB provided EUR 13bn in credit lines to intermediary banks for targeted lending to SMEs, an increase of 55% compared to the year before. More than 75% of the EUR 21bn signed in 2008-2009 was disbursed to intermediary banks by the end of 2009 (EUR 16bn) and 90% reached the ultimate SME beneficiaries (more than 50 000 SMEs across Europe in 2009).

Lending activities in convergence areas amounted to EUR 29bn (a 36% increase from EUR 21bn in 2008) accounting for 37% of the Bank's total lending volume. The lending was geographically well-balanced across the EU, with the new Member States receiving EUR 13bn.

The third priority – the fight against climate change – resulted in almost EUR 17bn of loans for projects contributing to the reduction of the volume of CO_2 emissions, including renewable energy (EUR 4.2bn), energy efficiency (EUR 1.5bn), R&D for cleaner transport (EUR 4.7bn) and investments in urban transport (EUR 5.5bn).

Although the EU countries accounted for the lion's share of EIB lending in 2009 (over EUR 70bn or 89% of the total volume) the Bank also provided significant financial support to countries outside the EU.

The Bank remains financially very strong and raised more than EUR 79bn on the capital markets, benefiting from an excellent credit standing and sound funding strategy in exceptionally turbulent times.

Note for the editor

The European Investment Bank was created in 1958 by the Treaty of Rome as the long-term lending bank of the European Union. The main task of the Bank is to contribute towards the integration, balanced development and economic and social cohesion of the EU Member States. Besides supporting projects in the Member States, its lending activities also include financing investments in future Member States of the EU and EU partner countries. The EIB raises substantial volumes of funds on the capital markets, which it lends on favourable terms to projects furthering EU policy objectives. The Bank's consistent AAA rating is underpinned by firm shareholder support, a strong capital base, exceptional asset quality, conservative risk management and a sound funding strategy.

For further information, kindly refer to the briefing notes available at www.eib.org/about/events/annual-press-conference-2010.htm

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EIB steps up SME lending in response to financial crisis

In 2009, the EIB made EUR 12.7bn available in credit lines to intermediary banks for on-lending to small businesses, an increase of 55% compared with the year before. The Bank reached more than 50 000 SMEs across the EU. Already in 2008 the EIB made its “Loans for SMEs” product simpler and more transparent in order to facilitate lending to SMEs through its partner banks. In 2009 the new SME policy of the EIB was implemented on a large scale and the EIB continued the rapid growth, registering a 55% increase in signatures of intermediated loans for SMEs, which followed a 43% rise the year before. With a total of EUR 20.8bn signed with intermediary banks during 2008 and 2009, the EIB is well on its way to delivering on its target of lending EUR 30bn to SMEs between 2008-2011, a target set in the European Economic Recovery Plan that was adopted by the Heads of State and Government in December 2008.

The EIB, together with the intermediary banks, used the flexible “Loans for SMEs” product in 16 (of the 27) Member States in 2008 and in a further 9 in 2009, bringing in many new counterparts to ensure widespread support for SMEs. In addition to channelling EIB funds to SMEs, partner financial intermediaries commit to matching each euro of EIB lending by at least another EUR from their own resources.

The European Investment Fund (EIF), the EIB Group’s specialist arm for SME risk financing operations, granted SME loan portfolio guarantees for EUR 2.3bn, consolidating a trend with 15% growth (from EUR 2.0bn), following an increase of 43% in 2008 (from EUR 1.4bn). The EIF works together with SME financing professionals, guarantee institutions and investment funds. Guarantees and venture & growth capital involve controlled risk-taking, which is the role of the EIF within the EIB Group. With its unique shareholder structure the EIF supports the Group’s policies on guarantees for SMEs and risk-bearing operations in support of EU policies and assures an appropriate return to its shareholders – the EIB (62%), the European Commission (29%) and a group of 30 banks from 17 Member States (together 9%).

EIB approvals promise further growth in SME lending

Beyond the EUR 20.8bn signed with intermediary banks in 2008/2009, loan approvals have increased even faster, which ensures future growth in SME lending across the EU. The EIB approved a total of EUR 15.1bn for SME lending in 2009, which was 80% higher than approvals in 2008 (EUR 8.4bn), which in turn was 44% higher than in 2007 (EUR 5.8bn) – all in all a 160% increase over two years.

Underlining the efforts of the EIB in support of SMEs is the high level of disbursements following loan signatures, which reached EUR 10bn in 2009, a 79% increase over 2008 (EUR 5.6bn) or 57% over two years (2007: EUR 6.4bn)[1]. These increased disbursements represent an enormous funding commitment during a period of unprecedented liquidity shortages and market disruption due to the 2008/2009 financial crisis.

The increase in approvals, signatures and disbursements in 2009, which had begun in late 2008, was even more marked in the New Member States, with EUR 2.4bn in approvals (+135%), EUR 2.1bn in signatures (+ 193%), and EUR 1.7bn in disbursements (+ 176%). Under a joint IFI Action Plan, the EIB has been working closely with the EBRD and World Bank Group to increase the lending of international financial institutions to SMEs in Central, Eastern and South Eastern Europe. The IFI initiative required close cooperation with local partner banks to promote SME financing in the region and was launched in February 2009. By the end of 2009 the EIB had made EUR 10bn available to intermediaries in the region.

[1] 2008 showed a dip in disbursements for SME lending.

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The EIF extends its support for SMEs in a market weakened by the economic downturn

The EIF is Europe's leading developer of risk financing for entrepreneurship and innovation. It promotes the implementation of Community policies, particularly in the field of entrepreneurship, technology, innovation and regional development. The EIF uses its own funds or funds made available through mandates from the EIB (the Risk Capital Mandate or RCM), the EU (the Competitiveness and Innovation Framework Programme or CIP), Member States or other third parties to provide support to SMEs. Complementing the EIB product offering, it delivers a wide spectrum of SME financing solutions for selected intermediaries, financial institutions, private equity funds and banks, and takes on SME risk. While the EIF equity instruments aim to improve the availability of capital for SMEs for high-growth and innovative companies, it is equally important to target the debt requirements of SMEs by providing guarantees and securitisation.

In 2009 the EIF invested EUR 733m in 39 venture capital growth funds in Europe. In total it currently has net commitments of EUR 3.9m in over 300 funds, which makes it one of the major financiers of the private equity industry in Europe. The EIF also committed to 22 guarantee transactions for an amount of close to EUR 2.3bn, improving availability in terms of debt for beneficiary SMEs and the lending capacity of financial intermediaries. The EIF now has a total outstanding guarantee portfolio of EUR 13.6bn.

Recent developments

The EIB Group has developed innovative hybrid funding structures such as mezzanine finance (a mix of debt and equity, often in the form of lending with a lower seniority or for transformation into equity, which is particularly suitable for developing and high-growth companies). In 2009 the EIB's Board of Directors entrusted the EIF with a mandate to invest EUR 1bn as the Mezzanine Facility for Growth (MFG). The MFG will be invested over the next three years in investment funds targeting growing and innovative companies across Europe to fill funding gaps which could otherwise constrain their growth. The emphasis will be on SMEs.

Funding for the smallest SMEs, including micro enterprises, is available through the "Loans for SMEs" product. In 2009 the Group stepped up support for a wider range of microfinance institutions, particularly those targeting the socially excluded and those at risk of social exclusion. March 2009 saw the approval of a EUR 20m microfinance risk capital facility, a pathfinder initiative that will invest in a wide range of microfinance institutions targeting micro enterprises outside the conventional banking sector. The facility is managed by the EIF on behalf of the Bank.

In November 2009 the EIB Group and the European Commission combined the experience gathered from this facility and other microfinance initiatives, such as JASMINE, for the joint participation in the PROGRESS Microfinance Initiative (PMF). The EIF will manage PMF, which will bring together up to EUR 200m in funding from the Commission and the EIB in a new facility dedicated to financing microfinance institutions. PMF will provide additional capacity to this fast-growing credit market with the objective of increasing access to and availability of micro-finance.

The Mezzanine Facility for Growth and the two microfinance initiatives, the microfinance risk capital mandate and PMF, are concrete EIB Group responses to the increasing need for credit of mid- and micro-sized enterprises. They particularly target microfinance initiatives that underpin smaller enterprises, the social economy or people losing their jobs or having difficulties entering or re-entering the labour market. Increased availability of microfinance is expected to have a significant impact on the creation of new micro enterprises and self-employment, as well as actively promoting equal opportunities.

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Outlook

In summary, EIB support reached more than 50 000 SMEs across the EU during the year and 2010 is bound to see more growth as intermediaries make further progress in channelling SME loans to final beneficiaries. By the end of 2009, the EIB had disbursed close to EUR 16bn to its partners banks, i.e. more than 75% of the EUR 21bn signed in 2008-2009. Actual allocation of loans by the partner banks to the final beneficiaries of EIB SME lending amounted to 90% of the EUR 16bn disbursed, providing tangible financial support across Europe for this vital sector in difficult times. In 2010 the EIB will seek to reach SMEs in even more countries and also select additional intermediaries. In Central, Eastern and South-Eastern Europe, the EIB will continue to develop its role in close cooperation with EBRD and World Bank Group under the 2009 IFI Action Plan.

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Convergence lending increases by 36% in 2009

The European Investment Bank increased its total lending to as much as EUR 79bn in 2009 as its contribution to the European Recovery Package and in response to strong demand for funding in a current tough economic and financial climate. Investment in the ‘convergence’ regions of the EU was one of the key areas targeted by the Recovery Package. Convergence lending totalled EUR 29bn, i.e. 37% of total EIB annual lending. This amount represents a 36% increase compared to convergence lending in 2008, which stood at EUR 21bn. The lending was well balanced between the EU-15 and EU-12 new Member States, with the latter receiving an aggregate amount of EUR 12.8bn (compared to EUR 8.1bn in 2008), i.e. 44% of total convergence lending. In absolute terms, the convergence regions of the EU-15 received the lion’s share of the lending, whereas, in per capita terms, the New Member States were in the lead. With EUR 4.8bn, Spain is the top beneficiary of convergence lending in absolute terms, followed by Poland with EUR 4.6bn. Estonia leads in per capita terms, followed by Portugal, Lithuania and Slovenia.

The EIB has been more closely involved in co-financing with structural funds; it has supported Member States in their obligation to complement EU grants with their own budgetary resources. *Structural Programme Loans* (SPL) form a flexible framework approach promoting absorption, better use and leverage of EU Structural Funds. Structural Programme lending in convergence regions amounted to more than EUR 3.1bn in 2009.

In terms of *European territorial cooperation*, the EIB has been a key partner in the design, launch and implementation of the EU Baltic Sea Strategy (BSS) and acted as a pathfinder for the new macro-regional strategy developed by the Commission at the request of the European Council. The EIB contributes to this Strategy via its lending activity, development of technical assistance, reinforced cooperation and participation with the Nordic Investment Bank (NIB) in the Financial Expert Group for BSS, and further participation in relevant Northern Dimension Fora. A similar territorial strategy may be launched by the Commission for the Danube region – an initiative that will be monitored closely by the EIB.

In addition, the EIB and the Commission bolster convergence through *advisory services, financial engineering and customised financial products*, especially in the new Member States. There are four specially conceived Cohesion Policy Joint Initiatives, the so-called **“4 Js”**, originating from partnerships established between the European Commission, the EIB/EIF and other international financial institutions. These are:

- **JASPERS** - Joint Assistance to Support Projects in European Regions (EIB, European Commission, European Bank for Reconstruction and Development and KfW Bankengruppe);
- **JESSICA** - Joint European Support for Sustainable Investment in City Areas (EIB, European Commission and Council of Europe Development Bank);
- **JEREMIE** - Joint European Resources for Micro-to-Medium Enterprises initiative (EIF, European Commission);
- **JASMINE** - Joint Action to Support Micro-Finance Institutions in Europe (EIF and European Commission).

The EIB is directly involved in JASPERS and JESSICA. The last two, JEREMIE and JASMINE, fall under the remit of its subsidiary, the European Investment Fund (EIF), as they concern venture capital funds/guarantees for SMEs and micro-finance respectively.

JASPERS is focused on helping the beneficiary countries to prepare sound infrastructure projects, particularly those involving the upgrading of transport networks, environmental improvement, and the enhancement of energy efficiency and use of renewable energy. It also covers the improvement of urban transport networks, as well as certain projects in other sectors eligible for EU assistance, such as health, R&D and urban redevelopment. Project preparation accelerated substantially in 2009. Some 130 assignments were completed, most of them in Poland, the Czech Republic and Romania. In total, JASPERS has completed 240 assignments since it started operations in late 2006. At the end of 2009, the joint initiative was providing assistance for 430 active assignments. The principal sectors in its portfolio are water and wastewater (23%), ports, airports, rail (20%), solid waste and energy (19%), roads (17%) and urban development (10%).

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JESSICA is designed to help the authorities in EU regions covered by the 2007-2013 Structural Funds by exploiting financial engineering mechanisms to support investment in sustainable urban development more effectively. The JESSICA mechanism allows the use of resources from the Structural Funds as recyclable financing of revenue-generating urban projects through Urban Development Funds (UDF). UDF investments, which may take the form of equity, loans and/or guarantees, are delivered to projects included in integrated urban plans where municipalities, banks and private investors are encouraged to develop partnerships. By the end of 2009, the EIB had carried out close to 50 country- or region-specific JESSICA evaluation studies assessing the market for financial engineering instruments in support of sustainable urban development. In addition, 15 Memoranda of Understanding to implement JESSICA structures in cooperation with the EIB have been signed with the individual Member States of Bulgaria, Cyprus, Greece and Portugal and a number of regions. Eight Holding Fund agreements for an overall amount in excess of EUR 900m were concluded between the EIB and managing authorities. To facilitate further action in this area a JESSICA Networking Platform was launched by the Commission in March 2009, in cooperation with the EIB and the Council of Europe Development Bank, to exchange know-how and good practices about JESSICA and financial engineering instruments in the field of urban development.

Highlights in 2009 activity

Key projects in the convergence regions include:

Spain (which received 17% of the Bank's convergence financing): the upgrading (broadband) of the mobile and fixed telephony network in convergence regions attracted EUR 500m. EUR 300m went to hydro-energy production in convergence regions.

Poland (16%): EUR 1bn was provided for the new motorway which will link Swiecko and Nowy Tomysl in Western Poland, EUR 675m went to co-finance public scientific and university based research and EUR 565m went to the 84 km ring-road expressway around Warsaw.

Portugal (12%): EUR 525m was provided for drinking water and sewerage plants in various locations throughout the country. EUR 300m financed new road construction (particularly by-passes and missing links), widening, upgrading and rehabilitation of existing roads, representing a key component of the country's programme to improve the national road transport network.

Germany: EUR 400m went to Volkswagen AG to support the development in the eastern Länder of greener and more fuel efficient drive train components for passenger cars and utility vehicles.

Italy: EUR 500m went to Alenia Aeronautica SpA for the production and development of technologically innovative aeronautical components.

Greece: The EIB promoted the quality of life in Thessaloniki – the second largest city in Greece and a major business centre for the southern Balkans – with a EUR 250m loan for the city's metro system. This concludes the signature of an overall facility of EUR 650m, approved by the Bank in 2005. The overall Thessaloniki Metro project has been the centrepiece of the Greek State's strategy for providing an efficient and effective public transport system in metropolitan Thessaloniki, after the successful completion of the Athens network, also financed by the EIB. As a key European project, it has been supported by the Greek State, the European Union through EU grants and the EIB. This essential public service project represents one of the most important areas of EIB value added as its ability to provide long-term financing perfectly matches the long-term nature and requirements of the infrastructure provided.

Finland: With EUR 250m to Fortum Corporation, the EIB bolstered energy efficiency in Finland, Poland and Sweden. The loan is for the ongoing construction of two cogeneration plants located in Finland and Poland, as well as the implementation of digital remote metering infrastructure in Sweden. In addition to its cross-border cooperation aspect, the project is in line with the EU Action Plan for Energy Efficiency, which promotes the expansion of combined heat and power in Europe, and it supports climate change initiatives by promoting efficient generating technologies and the use of biomass for energy production. The introduction of digital metering is

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expected to contribute to the development of a harmonised pan-Nordic electricity retail market and foster energy efficiency through automatic meter management standardisation.

Bulgaria: EUR 43.5m was provided for urban road transport in Sofia. This concerned a follow-up operation to improve the quality of life in the Bulgarian capital following a EUR 105m loan for the Sofia metro in 2008. It shows that the EIB, together with the country's authorities, place urban transport high on the agenda. Apart from improving transport possibilities and comfort, while reducing transport time, the project also has related environmental benefits.

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The EIB's action against climate change

The European Investment Bank recognises the major threat posed to the welfare of nations and sustainable economic growth by climate change. The EIB is fully engaged in supporting the European Union's leading role in the global fight against climate change through the full weight of its lending and human resources, and a diverse range of financial instruments and products. In doing so the Bank is committed to global efforts to keep long-term atmospheric concentrations of greenhouse gases within safe levels.

In 2009 the European Investment Bank lent EUR 16.9bn for climate change initiatives[1], a 73% increase on 2008 when EUR 9.8bn went to climate change lending. The increased support focused on sustainable transport projects (EUR 5.5bn), renewable energy (EUR 4.2bn), energy efficiency (EUR 1.5bn) and research and development (EUR 4.7bn).

Confronting the challenge of climate change, the EIB has coordinated action across seven key areas.

1) Reinforcing alignment of the Bank's corporate objectives and standards in line with European Union climate change policy and relevant best practice

The EIB's Corporate Operational Plan enables the ongoing integration of climate change considerations into the Bank's policies, practices and activities. In 2009 the Bank established appropriate measures and designed systems to enable the attainment of climate change goals to be reported to its governing bodies as well as to civil society.

The EIB made a formal commitment to make its lending portfolio more climate friendly by promoting renewable energy and optimising energy efficiency in all projects, as covered in the Bank's Statement of Environmental and Social Principles and Standards.

Climate change mitigation and adaptation projects, including renewable energy and energy efficiency can benefit from up to 75% financing, compared with the usual 50% limit.

2) Emphasising reduction of greenhouse gas emissions through improved energy efficiency

Recognising that energy efficiency is the most cost-effective way to reduce emissions and improve the security of energy supplies, the Bank now screens projects to identify energy efficiency opportunities using best available technologies. In 2009 lending for projects involving energy efficiency reached EUR 1.5bn.

3) Providing technical assistance for renewable energy and energy efficiency

To stimulate energy efficiency and renewable energy schemes at the municipality level the EIB works with the European Commission to provide EUR 15m in grant aid for urban environment projects.

4) Financing development and early commercialisation of cost-effective low-carbon technologies

Research and development that assists the fight against climate change is essential, and the Bank supports innovative low-carbon technologies in the early stages of commercialisation. Eligible sectors include photovoltaic, offshore wind, concentrated solar power, second generation biofuel, and low-emission engines.

[1] Projects under the new climate change heading, may also deliver benefits under other main indicators and could therefore be reflected in the figures of such main indicators: Energy objective (renewable energy, energy efficiency), Environment objective (sustainable transport, tackling climate change) as well as Innovation.

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5) Increased climate change adaptation lending

The Bank is engaged in efforts to pass on experience gained in stand-alone adaptation projects. Key projects include climate proofing the entire Dutch coastline under the Netherlands Delta Programme, the largest climate change adaptation project in the EU, protecting Venice from sea level rise under the Moses scheme and support for the Czech National Flood Prevention Strategy.

6) Mobilising and leveraging private sector finance for low-carbon growth in developing countries and support for post-2012 carbon markets

It is essential that measures in the EU to combat climate change are coupled with initiatives to promote low-carbon growth in the developing world. The Bank's Facility for Energy Sustainability and Security of Supply (ESF) will use EUR 3bn to finance projects in the developing world.

The EIB continues to expand its support for the carbon market, in close collaboration with CdC, EBRD, KfW and the World Bank. These include the EIB-World Bank Carbon Fund for Europe, Fonds Capital Carbone Maroc, EIB-EBRD Multilateral Carbon Credit Fund and the Post-2020 Carbon Fund.

The Bank will continue its strong engagement in global carbon markets post Copenhagen and seek to promote strong, liquid international and regional carbon markets post-2012.

7) EIB's leading role in stimulating and demonstrating climate change best practice in Copenhagen

As an official observer of the UN-FCCC discussions in Copenhagen the Bank was able to present the broad range of initiatives and interests in the field of climate change. This included stimulating discussion amongst business leaders, policymakers, scientific experts and NGOs and working closely with other European bodies, Member States and IFIs to contribute to improved understanding of what can make a difference.

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Mid-term review of EIB external lending activity

Introduction

Although around 90% of European Investment Bank lending is within the European Union, the EIB has been an important actor outside the EU since 1963, financing projects in more than 130 countries that have signed cooperation or association agreements with the EU or its Member States. The EIB finances projects outside the EU either at own risk to its balance sheet (under Article 16 of its Statute, annexed as a “Protocol” to the Treaty of Lisbon), or on the basis of the EIB external lending mandate decided by the European Parliament and the Council (granting a Community guarantee for EIB operations in Pre-Accession, Eastern and Southern Neighbourhood, Asian and Latin American countries, and South Africa). It also operates in African, Caribbean and Pacific (ACP) countries under the ACP-EU Cotonou partnership agreement. The mid-term review of the EIB external lending mandate, which started at the end of 2008, is currently ongoing.

Why is the review taking place now?

The external lending mandate decision[1], which lists the countries in which the EIB lends on the basis of an EU budget guarantee, fixed a ceiling of EUR 27.8bn on EIB financing operations in the period 2007-13 but set aside EUR 2bn of this amount in an optional reserve pending the outcome of the mid-term review. The Decision says: “This review will draw on an independent external evaluation, which will also be transmitted to the European Parliament and the Council. The review will provide the basis for the decision of the European Parliament and the Council as to whether and to what extent to release any optional mandate to top up the guarantee foreseen in this Decision, for the period following 2010, as to whether to make other amendments to the mandate, and as to how to ensure maximum added value and efficiency in the EIB’s operations”. The Cotonou[2] agreement, determining EIB relations with ACP countries, is also undergoing one of its quinquennial reviews, and a mid-term evaluation of EIB operations in ACP is also ongoing.

Who carried out the independent evaluation?

The independent evaluation was conducted by a Steering Committee of “wise persons” chaired by former International Monetary Fund Managing Director Michel Camdessus[3]. The Steering Committee recently provided its final report and recommendations to the European Parliament, the Council, the Commission and the EIB, and published its report on 24 February 2010.

What happens next?

The European Commission will present to the European Parliament and Council any proposals for amendment of the EIB external mandate, following the independent evaluation of the “wise persons”, by 30 April 2010. Following the European Court of Justice ruling in case C-155/07[4], the European Parliament will have co-decision powers alongside the Council on the revision of the EIB external mandate.

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[1] Council Decision 2006/1016/EC, OJ L 414 of 30.12.2006; superseded by Co-Decision 633/2009/EC, OJ L 190, 22.7.2009
[2] OJ L 317, 15.12.2000
[3] For other members of the panel, see EIB press release 2008-088 (http://www.eib.org/about/press/2008/2008-088-eib-and-european-commission-launch-review-of-external-lending.htm)
[4] OJ C 327 of 20.12.2008

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The EIB delivers: support for European economy with lending worth EUR 79bn

The European Investment Bank is helping Europe on its way out of the financial crisis by doing more, better and faster. Compared to pre-crisis levels the EIB has substantially increased its financing volumes. Already in 2008 loans worth EUR 57.8bn were signed marking a significant increase compared to the EUR 47.8bn in 2007.

The EIB had committed itself to an even higher level for 2009. In order to mitigate the crisis and help Europe rebound, an additional volume of EUR 15bn for both 2009 and 2010 was foreseen. With a total lending volume of EUR 79.1bn in loan signatures, which by the end of the year had translated into disbursements of EUR 54bn (2008: EUR 48.6bn), the EIB exceeded this target.

The EIB's additional activities continue to focus on the three areas prioritised by the Ecofin Council: small and medium-sized enterprises (SMEs), convergence regions and the energy sector.

The EIB's support for SMEs, which was initially planned to amount to EUR 7.5bn per year under the European recovery plan, actually reached EUR 12.7bn in loan signatures in 2009 (up from EUR 8.2bn in 2008, corresponding to an increase of 55%). By the end of 2009, the EIB had disbursed close to EUR 16bn, i.e. more than 75% of the EUR 21bn signed in 2008-2009.

Lending activities in the convergence areas reached EUR 29bn (up from EUR 21.3bn in 2008, corresponding to an increase of 36 percent) due to a marked 60 percent year-on-year increase of loan signatures in the 12 new Member States, which for the most part are considered convergence regions.

The financial crisis has hit some countries in Central and Eastern Europe particularly hard. For the banks of the region this has led to a need for action which surpasses their own capacity. The EIB, EBRD and International Finance Corporation (IFC), a member of the World Bank Group, therefore launched an initiative at the beginning of 2009. The aim of this initiative is to make more than EUR 24bn available for banks in Central and Eastern Europe in 2009 and 2010. By the end of 2009 the EIB alone had provided EUR 10bn of new loans to local banks for SMEs and municipal projects and thus almost fulfilled the commitment of EUR 11bn that it had made for both years together. Since the initiative is being continued, the EIB's contribution is bound to end up significantly above the initial target.

The EIB's targets under the European recovery programme also comprise an increase in lending for the areas of energy, climate change and clean transport. Improving energy efficiency and developing renewable energies are the main areas for investment. In the European Union, EUR 13.6bn has been allocated to energy projects, EUR 3.8bn of which to investment in renewable energy. Under the European Clean Transport Facility (ECTF) loans worth EUR 3.5bn were signed in 2009. The main focus of this facility is to reduce CO_2 emissions by supporting research, development and innovation programmes. Another EUR 3.2bn was dedicated to rail transport.

In addition to these increases in lending, the EIB has developed a series of new tools to help the European economy rebound:

- The EIB is strengthening a new product line allowing for risk sharing with banks: the EUR 1bn Mezzanine Facility for Growth, implemented in 2009, provides mezzanine finance for both SMEs and mid-cap companies.

- The EIB has also increased the ceiling for new loans in the sub-investment grade area from a maximum of EUR 200m to EUR 300m per individual project. This is especially beneficial to corporate clients. Additionally, the EIB is working on revitalising its guarantee business in order to ease risk-taking for partner banks.

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- A temporary special activity on behalf of Private-Public-Partnerships (PPPs) has been set up under the motto “Make projects happen“. The financial crisis has blocked the implementation of quite a number of PPPs due to the shortening of loan tenors and the subsequent dramatic development of liquidity and risk premiums. The EIB has therefore further intensified its support for that sector and temporarily increased its involvement in order to stimulate rapid project implementation.

Altogether the EIB is supporting corporate and infrastructure investments in times of unprecedented crisis with an unprecedented volume and scope of activities.

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EIB boosts its support for the knowledge economy

As the bank of the European Union, the EIB finances investment supporting the implementation of the EU's strategic priorities. One of these is the establishment of a competitive, knowledge-based economy capable of sustainable growth with more and better jobs and greater social cohesion. This objective is often referred to as the Lisbon Agenda, because this is where the European Council – the Heads of State and Government of the EU Member States – met in the year 2000 and where the Council invited the European Commission, the European Investment Bank and the Member States themselves to step up investment in research, development and innovation (RDI), education, and information and communication technology (ICT) – the three pillars of the knowledge economy.

In 2009, the EIB lent more than EUR 18.2bn for investment in the knowledge economy compared with EUR 12.5bn in 2008. This is a year-on-year increase in lending of almost 50% – the result of concerted efforts by the EIB to respond to the economic crisis by stepping up support for future-oriented investment.

EIB financing of RDI covers many sectors. Investment in RDI is by nature a matter of trial and error and financing such investment is therefore riskier. To be able to support this kind of investment, the EIB and the European Commission set up a Risk Sharing Finance Facility (RSFF) in 2007. With EUR 1bn from the Bank's funds and another EUR 1bn from the Commission's 7^{th} Research Framework Programme, the RSFF benefits from a EUR 2bn capital cushion that makes it possible to lend up to some EUR 10bn for riskier RDI investment in the EC's budgetary period 2006-2013. The three years that the RSFF has been available as a financing instrument have seen a very rapid take-up: from loans worth EUR 0.5bn in 2007 to EUR 1bn in 2008 and almost EUR 3bn in 2009. Key sectors were engineering, life sciences, energy and ICT.

When at the end of 2008, the EIB's management decided to increase annual lending by some EUR 15bn in 2009 and 2010 in response to the economic crisis, one of the areas targeted was the *automotive industry*. A "European Clean Transport Facility" (ECTF) was set up, in the context of a more comprehensive energy and climate change package, targeting investment that significantly reduces CO_2 reductions through sector-wide RDI. Under this environmental facility, the EIB lent EUR 3.4bn to the automotive industry in 2009.

Life sciences are also a growing area for EIB-financed investment with more than EUR 1.5bn in loans in 2009, notably in the field of cancer diagnosis, advanced pharmaceuticals and medical devices.

Some examples of projects financed in 2009:

The EUR 200m loan to Philips in the Netherlands is a good example of what the EIB can do to support the knowledge economy. The loan is for innovative healthcare projects, including image-guided intervention and home healthcare, in Europe. The loan is provided under the Risk Sharing Finance Facility. The R&D takes place in an open innovation environment with Philips collaborating with research institutes, universities and small and medium-sized enterprises across Europe. The EIB is an ideal financing partner because Philips's R&D projects require long-term, sustainable commitment and funding.

In Spain, the EIB lent EUR 60m to CIE Automotive SA, a leading manufacturer of automotive parts, to support the company's R&D. CIE Automotive is implementing an R&D investment programme to reduce the weight of and emissions caused by its products and to ensure that in future all parts will be fully recyclable. The Bank's loan falls under the "European Clean Transport Facility", established in response to the economic crisis.

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In Austria, a loan of EUR 60m went to the construction of a new campus to house the Institute of Science and Technology Austria (ISTA), a new research institute that will perform world-class basic research in the natural and life sciences and open up fields of research that are not strongly represented in the country. Once the institute is fully operational in 2016, it also plans to operate a graduate school for the training of Ph.D. students and host postdoctoral fellows.

The EIB also lent EUR 250m to Vestas Wind Systems A/S for RDI concerning wind turbine generators to be carried out in Denmark. Vestas is a global market leader for the manufacture of wind turbines and the ultimate objective of its RDI investment is to reduce the cost of generating renewable electricity (the cost over the lifetime of the turbines).

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Trans-European transport networks (TENs) again draw more EIB loans

In 1993, the European Council decided on a trans-European network (TENs) policy in support of the European Union's economic and social integration and development. Trans-European transport networks (TEN-Ts) facilitate the freedom of movement of goods and people, and help the development of less favoured areas. TENs provide interconnection and interoperability of existing national networks and high-quality infrastructure for the European Union. They also connect the EU to the wider European neighbourhood, specifically to its neighbours in the Accession Countries (Croatia and Turkey), the European Economic Area (Norway, Iceland and Liechtenstein), the Balkans, the new neighbours (Russia, Ukraine, Moldova, Belarus and the Southern Caucasus) and the Mediterranean Partner Countries.

Since the TENs policy was established, the EIB has been a leading source of finance for these high-quality and critical transport networks. In the period 2005-2009, the EIB lent EUR 45.5bn for investment in transport TENs. Given the continuing need for investment in large infrastructure networks across the Union, the EIB is committed to providing at least EUR 75bn for trans-European transport projects in the decade 2004-2013. In 2009, the EIB lent EUR 11.9bn for transport TENs and major transport axes, a 20% increase in comparison to 2008, which already showed the same increase in comparison to 2007.

Background

Mobility of goods and people is an essential contributor to a functioning internal market and a key component of the competitiveness of European industry and services. Transport is essential for economic growth and social development. The long-term perspective and the European dimension of major transport projects have made the Bank a natural financier of investments in the sector and a key player in financing the European transport sector.

The Bank's lending policy for this sector is multi-dimensional and integrates environmental concerns in all stages of the due diligence. Moreover, the Bank supports a range of transport projects where the explicit project aim is to achieve environmentally friendly and sustainable transport systems leading to substantial reduction of emissions of CO_2 and other pollutants. Lending to such projects has steadily increased over the last few years in both absolute and relative terms. This includes lending to urban transport systems as well as projects in the field of research and development aimed at reducing exhaust gas emissions, enhancing fuel efficiency and improving safety. Global warming risks are increasingly integrated into the Bank's project appraisal.

Recent developments

As in previous years, Spain took up most of the financing for TEN projects in 2009, EUR 2.4bn or 22%, in particular for the high-speed rail connection between Madrid and Valladolid and acquisition of rolling stock for high-speed railway lines, followed closely by Poland with EUR 2.1bn or 19%, notably for the construction of the east-west motorway between Swiecko and Toysl. The UK came third with EUR 1.7bn or 16%, in particular for the London Crossrail project, followed by Germany with EUR 1.4bn or 13% for the Autobahn A5 PPP and Berlin and Frankfurt airports.

Loans for road projects amounted to 42% (EUR 4.5bn) of overall trans-European transport network financing in 2009, the same percentage as last year. Rail, which is becoming an increasingly important sector for the EIB and the European Commission, accounted for 30% (EUR 3.2bn), whereas lending in the aviation sector stood at 16% (EUR 1.7bn). Funding for maritime projects, ports, container terminals and inland waterways (in the context of the focus on the "motorways of the sea" concept) accounted for 9% (EUR 1bn). EUR 341m (3%) went to sundry investments mostly through framework loans and fund investments.

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Outside the EU, the EIB lent EUR 1.2bn in support of rail and road projects in Montenegro, Morocco, Serbia, Tunisia and Turkey.

In addition to the Bank's large, long-maturity loans with fixed and variable interest rates, eminently suited for financing large infrastructure investments, the EIB offers a number of special products. *Public Private Partnership*s (PPP) play an important role in investment in transport TENs. In 2009, 9% of EIB transport lending went to PPP projects, such as the M80 motorway in Scotland, the M5 motorway between Baden-Baden and Offenburg in Germany, the Baixo Alentejo motorway in Portugal and the M25 London ring-road widening in the United Kingdom.

The Bank has built up wide experience and expertise in the field of PPP financing and has been entrusted by the European Commission and EU Member States with establishing the European PPP Expertise Centre (EPEC) in Paris. EPEC aims to facilitate the effective sharing of experience and best practice in PPPs and to provide support for project preparation and advisory services to the public sector promoters of priority TEN-T projects.

In addition to the establishment of EPEC, the EIB continues to work closely with the EU coordinators, the Commission (DGTREN), EU Member States, industry associations and the banking sector to accelerate, where possible, the effective launch of TEN projects and their financing. EIB-Commission cooperation includes efforts to channel Structural and Cohesion Funds to trans-European network projects, specifically in the Member States of Central and Eastern Europe, and work on implementing European Rail Traffic Management Systems (ERTMS) in designated freight corridors as well as on the Single European Sky ATM Research (SESAR).

The EIB has also contributed to the setting-up of the *Loan Guarantee Instrument for Trans-European Transport Network Projects* (LGTT). 2009 was the first full year of operations for the LGTT, which provides cover for lower than expected revenues that might occur because of lower than anticipated traffic volumes in the critical early phases of project operation. It is a tool specifically designed to allow greater private sector participation in TEN projects that are exposed to traffic risk. After a first operation signed with LGTT in 2008 (IP4 Tunnel de Marao, Portugal), 2009 saw two further LGTT signatures (the A5 in Germany and Baixo Alentejo motorway in Portugal). The A5 transaction, signed in the midst of the financial crisis, has truly been a breakthrough, combining EIB intervention on all possible levels (senior debt, LGTT mezzanine, and equity through the Meridiam fund in which the EIB holds a stake).

In 2009, the EIB also set up the *Marguerite Infrastructure Fund* together with leading European financial institutions. This new fund is specifically designed to provide direct equity for TEN projects.

Key projects

Germany: the Bank provided funding for the widening to six lanes of the A5 Autobahn between Baden-Baden and Offenburg, transforming the existing motorway into a high quality route, offering improved service and safety to users for a significant traffic volume. The project is a part of the trans-European transport network (TEN-T) and structured as a PPP for the design, construction, finance and operation of the road. The concession also includes the operation and maintenance of a further stretch of 18.3km (Malsch-Baden-Baden). The A5 project was the first transaction in which the EIB provided support on the senior debt, subordinated debt and equity levels. The Bank provided a senior loan of EUR 200m under the Structured Finance Facility, and a EUR 25m LGTT Facility in order to cover the traffic risk during the first 7 years of the operating period. Through its participation in the Meridiam infrastructure fund, it also helped to provide own funds to the project company. The participation of the EIB was considered crucial for the success of the financing in the midst of the financial crisis.

Portugal: the Bank part-financed the construction, widening, adaptation and improvement of various stretches of the 347 km-long Baixo Alentejo motorway in the South of Portugal connecting the cities of Sines, Beja, Evora, Setúbal and Castro Verde. The objective of this road project is to stimulate regional development, enhance safety and promote the connection between Sines Harbour to the future Beja International Airport and Spain, as well as to reduce travel time and vehicle operating costs by allowing for higher speeds while shortening distances. The project is part of a TEN-T network, is entirely situated in a convergence region, and is part of the Portuguese PPP road programme. The Bank contributed to the project in the form of a EUR 200m senior loan and a EUR 25m

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LGTT Facility in order to improve the terms and conditions on which the borrower could finance the investment. It was the second LGTT intervention in Portugal after support for the IP4 Tunnel of Marao project in 2008.

Spain: with the Barcelona Port Authority, the Bank financed the expansion of container facilities and the improvement of rail and road connections at the port of Barcelona, needed to accommodate future traffic growth and to cope with the rapidly increasing traffic serving the port of Barcelona's powerful hinterland in Catalonia and the larger Euro-Mediterranean region. The EIB provided EUR 150m on a very long-term basis consistent with the nature of the project's assets, helping to diversify the promoter's funding sources.

United Kingdom: under the Structured Finance Facility, the Bank invested EUR 447.5m in a PPP project for widening some 100km of the M25 from 3 to 4 lanes The investment is at the heart of the strategic road network in the UK and includes many of the most heavily trafficked and critical elements. The loan will help to operate and maintain the entire project road as well as a substantial portion of the existing network throughout the period of the concession.

United Kingdom: in Scotland the Bank provided EUR 157.46m to finance the upgrading of the M80, the only non-motorway section of the Glasgow to Stirling trunk road, which is part of the TEN-Transport network. The upgrading will enhance the environment, safety, the economy, regional integration and accessibility.

United Kingdom: the EIB financed the construction of the East-West urban rail link connecting central London with some of its main outskirts, Heathrow Airport and the high-speed railway stations of Paddington and Stratford. The total length of the project is some 119 km, with eight new subsurface stations and 23 km of new underground infrastructure, partially using existing rail corridors. Attractive EIB funding resulted in a lower project cost, benefiting both users and taxpayers.

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Promoting environmental sustainability

The European Investment Bank promotes environmental sustainability – as well as closely related social well-being – in support of the EU policy on sustainable development. The general approach of the Bank in this regard is described in the corporate strategy and plan, various documents on Corporate Responsibility and most recently in the latest revision of its Environmental and Social Statement, entitled "The EIB Statement of Environmental and Social Principles and Standards"[1]. The Statement further develops the environmental and social requirements of the Bank applied to the projects it finances. Furthermore the new Statement gives special treatment to two of the greatest environmental challenges of the 21st Century: the need to mitigate and adapt to climate change and to tackle the degradation and unsustainable use of ecosystems and their associated biodiversity.

The EIB has three main objectives for defining its environmental and social responsibility: the first is to ensure that all the projects that it finances are compliant with EU environmental principles and standards. The second main objective for the Bank is to promote specific projects that protect and improve the natural and built environments and foster social well-being, in support of EU policy, as elaborated in the Sixth Environmental Action Programme (EAP) "Environment 2010: our future, our choice". The EIB supports specific environmental investments that focus on: climate change, protecting nature and biodiversity, dealing with the links between environment and health, and promoting the sustainable use of natural resources and management of waste. Thirdly, the Bank seeks to manage its environmental footprint, not just in terms of "housekeeping" but also with regard to the projects that it finances.

Recent developments[2]

A number of environmental and social improvements were identified and implemented in 2009, among which were the following:

- After an extensive public consultation in February 2009 the Board of Directors approved "The EIB Statement of Environmental and Social Principles and Standards".
- As a consequence of the previous point, the Environmental and Social Practices Handbook has been revised and updated.
- In 2009 lending for Renewable Energy was increased substantially and activities in support of Energy Efficiency were also stepped up.
- In May 2009, the EIB-KfW Carbon Programme II was launched. This is the second "tranche" of a programme established by the European Investment Bank and KfW for the purchase of carbon emission credits. The focus of this new programme is on projects located in the least developed countries (LDCs) and on Programmes of Activities (PoAs) better known as programmatic Clean Development Mechanisms (CDM). The EIB-KfW Carbon Programme II covers both pre-2012 and post-2012 carbon credits.
- Full operation of the *European Clean Transport Facility (ECTF)* approved by the Economic and Financial Affairs Council of the European Union (ECOFIN) on 2 December 2008. This financing programme support investments targeting research, development and innovation in the areas of emissions reduction and energy efficiency in the EU transport sector.
- In 2009, the Bank made significant progress in mainstreaming climate change into the operational practices of the Bank. It completed an initial set of carbon footprint methodologies based on best practice in international greenhouse gas accounting which were successfully tested on a representative sample of projects signed in the first half of 2009. The work of the Bank in this area will continue in 2010 and is expected eventually to lead to a better understanding of the role of the Bank in EU and international global mitigation efforts.

[1] http://www.eib.org/about/news/eib-statement-of-environmental-and-social-principles-and-standards.htm

[2] See also Briefing Note No°09 (The EIB supports EU energy objectives) and Briefing Note No°03 (The EIB's action against climate change).

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- The EIB invested up to EUR 30m in the new private equity fund Dasos Timberland Fund I, targeting timberland investments in Europe and emerging markets. The Fund's core philosophy is to enhance sustainable forest management by investing in forest management programmes that apply international sustainable development principles, including the Pan European Forest Process on Criteria and Indicators for Sustainable Forest Management and the Forest Stewardship Council Principles and Criteria.
- The Social Assessment Guidelines have been refined to make them more specific and unequivocal.
- Environmental and social issues have continued to be brought into the mainstream of the Bank's internal procedures through an extensive programme of staff training and awareness-raising.
- JESSICA (Joint European Support for Sustainable Investment in City Areas), the Cohesion Policy joint initiative established by the Commission and the EIB, with the support of the Council of Europe Development Bank, made considerable progress.
- Finally, a new team, known as the Environmental and Social Office (ESO) along with three inter-directorate working groups on the environment, social matters and climate change, were established at the beginning of 2009 in order to strengthen the Bank's capacity to deliver sustainable projects and to raise the visibility of the Bank's work in this field.

Environmental lending

In 2009, the EIB signed loan agreements for 176 environmental projects, amounting to EUR 25.3bn, which represents 32% of its total lending (2008: EUR 18bn for 150 environmental projects).

The bulk of environmental lending went to EU countries: in 2009 the EIB provided direct financing for 152 environmental projects for a total of EUR 23.6bn in the European Union. These figures do not include environmental components of projects where the overall objective is not directly related to the environment. This component is currently not recorded by the Bank. Within the EU, most of the funding went to climate change, environment and health and sustainable transport.

In the Enlargement Countries the volume of environmental protection projects was EUR 695m. In the Mediterranean partner countries, EUR 446m was advanced for environmental schemes. A further EUR 89m went to environmental projects in the ACP countries (including South Africa), EUR 410m to projects in Asia and Latin America, and EUR 18m to the Neighbourhood Partner Countries to the East.

Some examples of projects financed in 2009:

Egypt: the Integrated Water and Wastewater Services Programme (IWSP), concerning water supply and wastewater investments in four governorates in the Nile Delta, received a EUR 70m loan. The IWSP loan is essentially a single-sector framework loan, comprising about 100 sub-investments. The programme will contribute to improving the environment and living conditions of approximately 4 million people. By providing a safe and reliable water service and improving sanitation, it will reduce the incidence of water borne diseases, promote better hygiene conditions and improve environmental conditions.

Spain: a EUR 80m loan to GEMASOLAR 2006 SAU in Spain to finance the implementation of a small-scale concentrated solar power (CSP) system with a nominal electrical capacity of 17 MWe in "La Monclova", municipality of Fuentes de Andalucía. The new plant will represent the first commercial application of CSP technology and the only existing commercial-scale solar power demonstration project based on a central tower receiver and heliostat field and an innovative molten salt heat storage system. This project will provide 25 000 households with clean and secure energy, help reduce CO_2 emissions, and employ 1 000 workers for the construction of the plant.

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United Kingdom: with a GBP 182m (EUR 200m) loan, the Bank supports is helping the Greater Manchester Waste Disposal Authority to build and maintain an integrated waste management service for the treatment and disposal of municipal waste. One of the first examples of a partnership between public- and private partnership partners (PPP) in the waste sector, this project is expected to have a positive environmental impact on the communities living in and around Manchester allowing for the phasing out ofby enabling the practice of landfilling untreated waste to be phased out. Moreover, by adopting an integrated waste management service, Greater Manchester aims to increase recycling and composting levels in the region, which have historically have been low compared to the national average.

Montenegro: a EUR 27 m loan in favour of the solid waste management sector aims at supporting the first phase of the creation of a national sustainable solid waste management system in line with EU standards and directives in Montenegro. The project consists of inter-municipal sanitary landfills, transfer stations, recycling facilities and the rehabilitation of some 30 dumpsites. With the creation of a nationwide solid waste management system, the investment is expected to help reduce water and soil pollution.

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The EIB supports EU energy objectives

The EIB's activities in the energy sector support the achievement of key EU objectives:

- Environmental sustainability – to reduce the negative impact of energy production and consumption on the natural environment, particularly through reduced CO_2 emissions, but also through cleaner energy in general;
- Competitiveness in energy supply – a key consideration for the economic development of the European Union given the central role played by energy in the modern economy; and
- Security of supply – by promoting diversified sources of energy and increasing the share of internal supplies in the overall energy provision.

The EU's "Action Plan for Energy and Climate Change" adopted in April 2009 sets out the Union's strategic approach to achieving the above objectives. The Plan includes a series of legislative and policy proposals to combat climate change, promote renewable energy and energy efficiency and ensure the security of Europe's energy sources beyond 2020. In this framework, the EU has committed to achieving a 20% reduction of greenhouse gas emissions by 2020[1] compared to 1990 levels and endorsed a binding target of a 20% share of renewable energies in the overall EU energy mix, supplemented by a binding minimum 10% share of biofuels in petrol and diesel for transport. Furthermore, it has stressed the need for a 20% reduction in energy consumption compared to baseline projections for 2020.

Against this background, the EIB has made energy one of its key objectives and substantially stepped up its energy financing: the Bank's lending for this objective has consistently increased over the years and reached the amounts of EUR 10.2bn in 2008 and EUR 14.8bn in 2009.

The Bank concentrates its energy lending on a number of priority areas: renewable energy (RE); energy efficiency (EE); energy research, development and innovation (RDI); and security and diversification of supply (including trans-European energy networks). The EIB's energy lending seeks at the same time to be environmentally sustainable both inside and outside the EU and to contribute to the security of the Union's energy supply. The Bank has integrated climate change considerations across all its activities. It strongly supports cleaner energy sources and energy efficient projects.

In 2009, the Bank lent EUR 4.2bn for renewable energy (RE) projects (EUR 2.2bn in 2008). Since 2005, EIB loans for RE projects have increased from 43% to 70% of the Bank's total power generation lending. Moreover, although the Bank normally finances up to a maximum of 50% of a project's investment costs, it may lend higher percentages (up to 75%) for RE projects and projects making a significant contribution to energy efficiency.

The Bank's role in supporting RE development has been widely recognised, as witnessed by the awards the EIB received in 2009 in particular as "Renewable Lender of the Year"[2], "Best Finance House Renewables Europe"[3] and "Multilateral of the Year"[4]. Specific projects financed by the Bank also received awards from major specialist magazines and publishers[5].

In addition, EIB lending for energy efficiency (EE) projects has also doubled from 2008 levels to reach EUR 1.5bn in 2009. It was complemented by a series of initiatives taken by the Bank in cooperation with other institutions, including the European Commission, to support EE through technical assistance for project preparation.

[1] Following the adoption of a new climate change agreement reached at the 15th Conference of the Parties (COP) to the Kyoto Protocol in Copenhagen in December 2009, emission targets beyond 2020 as well as further key outstanding issues concerning the post-Kyoto regime will probably be decided in the course of 2010 by the Conference Parties.
[2] Prize awarded by Euromoney and Ernst & Young.
[3] Prize awarded by Environmental Finance magazine.
[4] Prize awarded by PFI (Project Finance International)
[5] In particular: Osmaniye wind farm – "Onshore Wind Farm Deal of the Year" awarded by Euromoney; Belwind – "Best Power Deal of the Year" awarded by Environmental Finance magazine and PFI

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Electricity supply networks and natural gas transport and storage infrastructure continue to benefit from EIB lending, thus contributing to the diversification and security of the energy provisioning of the EU. In 2009, a large share of EIB lending in the energy sector went to electricity grids (34%) and natural gas transport infrastructure (11%). The Bank has reduced its financing to the sectors of hydrocarbons production, which since 2005 represent less than 1% of EIB loans in the field of energy. Moreover, in the refineries sector the Bank's financing concentrates on EE and conversion projects, excluding all capacity expansion in the European Union. The Bank has also adopted a more selective approach to financing carbon-intensive electricity generation. Only coal/lignite power stations that replace existing plants, use the best available technology and are carbon capture ready, and result in a decrease of at least 20% in the carbon intensity of power generation, may be financed through EIB lending.

Recent developments

The EIB has been working closely with the European Commission to accelerate the move of the EU towards a low-carbon economy, in particular in the framework of the *European Strategic Energy Technology Plan* (SET-Plan), designed to accelerate the deployment of cost-effective low-carbon technologies. In this context, the Bank is also increasingly focusing on new technologies such as carbon capture and storage and has been working with the Commission to support mechanisms for demonstration programmes.

The EIB has also stepped up its activities in support of EE and RE programmes developed by local and regional authorities (e.g. Poitou-Charentes region, Barcelona and Milan provinces, Paris), in particular in the framework of the *Covenant of Mayors* initiative. This was launched in February 2009 and targets public buildings, street lighting and clean public transport solutions. The Bank contributes to this initiative through increased lending to urban environment projects developing EE and RE potential and the management of a project development facility (*ELENA* – European Local Energy Assistance). With a EUR 15m budget managed by the EIB, ELENA supports the preparation of large sustainable energy investment programmes in cities and regions, which may also be eligible for EIB co-financing.

Outside the EU, the EIB has since 2007 been running a multi-annual *EUR 3bn facility* from own resources for energy sustainability and security of supply lending in Neighbourhood Countries, ACPs (African, Caribbean and Pacific countries), South Africa and ALA (Asia and Latin America). The facility will be available until end-2013.

With the aim of promoting enterprises' and households' investments in the areas of EE and RE, the EIB has set up a South East Europe Energy Efficiency Fund (SE4F) in cooperation with other financial institutions and the European Commission. This new fund will invest in Albania, Bosnia-Herzegovina, Croatia, the Former Yugoslav Republic of Macedonia, Kosovo (under UNSCR 1244), Montenegro, Serbia and Turkey. The Fund's initial focus is expected to be on investments in EE projects in residential housing and projects by small and medium-sized enterprises while a pipeline of RE projects, such as small-scale hydro-electric power, is built up. The Fund has an initial size of EUR 95m, which should increase to EUR 400m over the course of four to five years by attracting additional funds from public and private investors.

The EIB has also actively participated in the creation of the *Mediterranean Solar Plan* (MSP). it supports the MSP through a large range of instruments including loans, equity and quasi-equity and has a coordinating role on the financial aspects of the Plan. The Bank also provides technical assistance for the development of EE and RE projects, notably in FEMIP countries[6].

In addition, the Bank has contributed to setting up the *Global Energy Efficiency and Renewable Energy Fund* (GEEREF), which is being managed by the EIB Group. GEEREF invests globally through regional funds in EE and RE projects in developing countries and economies in transition. It aims to accelerate the transfer, development and use of environmentally sound technologies for the world's poorer regions. The Fund has so far invested in Southern African and Asian funds.

[6] Algeria, Egypt, Gaza/West Bank, Israel, Jordan, Lebanon, Morocco, Syria and Tunisia.

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The Bank is committed to developing the carbon markets to help companies and Member States meet their EU and international emission reduction obligations and to promote cleaner technologies. In this respect, it has established six *carbon funds* with major financial institutions such as the EBRD, the World Bank and KfW. Launched in May 2009, the EIB-KfW Carbon Programme II is the second “tranche” of a programme established by the EIB and KfW for the purchase of carbon emission credits, which covers both pre-2012 and post-2012 carbon credits.

Committed to further improving the climate-friendly performance of its activities, the EIB has conducted a pilot exercise to assess both its *own corporate carbon footprint* and that of the projects it finances. The objective of the latter exercise is to develop a methodology that allows the Bank to report on the impact of its activities on climate change and eventually to make better informed financing decisions. The findings will be used to prepare a proposal for a comprehensive system of measurement and reporting for implementation in 2010. Moreover, the EIB has approved a climate change performance indicator within its Corporate Operational Plan (COP) to assess the contribution of the projects the Bank finances to climate change mitigation and adaptation. The Bank has been applying this new indicator since 1 January 2010.

Some examples of projects financed in 2009:

Belgium: the EIB supported the construction and operation of the first phase of a 330 MW offshore wind farm situated on the Bligh Bank in the North Sea, 46 km off the coast of Belgium, with a loan of EUR 300m. Belwind will be Europe’s largest offshore wind farm and contribute to achieving the Belgian government’s target of a 6% share of electricity generated from renewable energy sources. The construction of the wind farm is expected to be completed by early 2011. The project also received an award as “Best Power Deal of the Year 2009” by Environmental Finance magazine and PFI (Project Finance International).

France: a EUR 200m framework loan supported investments in solar photovoltaic (PV) energy generation across the French region of Poitou-Charentes. The operation is contributing to a regional plan to install around 65MW of solar PV capacity on public, industrial and commercial buildings and in the agriculture field between 2009 and 2012.

Ireland: EUR 300m went to EirGrid for a high-voltage direct current (HVDC) cable link between Ireland and Great Britain. The anticipated project capacity is in the range of 450-650 MW for a cable route length of 256 km, 185 km of which undersea. The project will enhance the security of the electricity supply and support the development of electricity generation from renewable sources as well as facilitating competition by connecting the Irish electricity market with the rest of Europe.

Vanuatu: The EIB has provided EUR 4.3m to support the construction of a 2.75MW wind farm on the island of Efate, Vanuatu. The wind farm, which is hoped to become a benchmark for other islands in the region, is being built by Unelco Vanuatu Ltd, part of the GDF-Suez Group. It comprises 10 identical new 55-metre high wind turbines designed to be winched to the ground when required for maintenance or to avoid wind damage in the event of a tropical cyclone. The project marks an important step in diversifying sources of electricity supply and reducing dependence on expensive fossil-fuel imports. Moreover, particular attention has been paid to ensuring that no environmentally protected zones or areas of cultural significance are affected by the project, and to minimising any risk of bird strikes by the wind turbines.

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Preparing the Candidate and Potential Candidate Countries for accession: EIB most active lender in South-East Europe!

The EIB provides loans and guarantees in the Candidate Countries (Croatia, Turkey and the Former Yugoslav Republic of Macedonia – FYROM) and the Potential Candidate Countries (Albania, Bosnia and Herzegovina, Montenegro, Serbia and Kosovo). The basis for the Bank's activities is the EUR 8.7bn external lending mandate granted by the European Union for the period 2007-2013 and the Bank's own Pre-Accession Facility. Through its lending the Bank fosters the integration process with the EU in these countries, helping them to meet EU accession criteria and preparing them economically for EU membership. In 2009, the Bank's lending in these countries was equally motivated by helping them through the financial and economic crisis.

Recent developments

The European Commission, the European Investment Bank, the European Bank for Reconstruction and Development, and the Council of Europe Development Bank launched **the Western Balkans Investment Framework** (WBIF) in December 2009. The WBFI is a joint grant and loan facility to finance priority projects in the Western Balkans. The objective is to pool and coordinate different sources of finance and to leverage loans with grants for projects that have priority for the Western Balkan beneficiaries. The initial focus will be on infrastructure, including social infrastructure, but the range of activities is to be expanded to include i.a. support for SMEs and energy efficiency.

Energy efficiency is also the focus of the **South-East Europe Energy Efficiency Fund,** which was launched at the end of 2009 as well. The objective of the Fund, initially endowed with EUR 95m by the EIB, the European Commission and KfW is to support small-scale investments in energy efficiency and renewable energy in the Western Balkans and Turkey.

Country review

The EIB's lending in **Turkey** supports all productive economic sectors. The three pillars are: (i) the financing of infrastructure, both at the national level and in favour of local authorities, (ii) supporting SMEs through credit lines with a number of banking partners and (iii) the financing of the corporate sector, especially in favour of energy and renewables as well as foreign direct investment. The EIB is the leading international financing institution active in Turkey.

In 2009 new EIB lending in Turkey totalled EUR 2.6bn, which was of the same order as the all-time high of 2008. The high level of activity was mainly driven by the need to counter the world-wide financial crisis and its impact. In the last two years, the EIB has reacted fast to support the Turkish economy by increased lending – an additional volume of EUR 500m p.a. beyond the "normal" level of some EUR 2bn – and by strengthening especially the SME sector in the country.

The Bank's lending priorities in Turkey are the subject of regular dialogue with the Turkish Treasury. The EIB's local presence – its offices in Ankara and Istanbul – plays an important role in the Bank's lending achievements in Turkey.

In 2009, the Bank's activity in Turkey was weighted in favour of SMEs with EUR 1.5bn (57%). Energy and renewable energy benefited from a total of EUR 455m (17%). A loan for the wind farm project with Zorlu Rotor Elektrik in Osmaniye received the distinction of being nominated European Onshore Wind Project Finance

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Magazine Deal of the Year. The EIB also provided EUR 390m (15%) for industry and services, including a large facility for the financing of academic research and R&D in the main public universities in the country. Finally, for infrastructure lending amounted to EUR 293m (11%). Among the projects financed: further loans for the high-speed rail link connecting Istanbul and Ankara, which is a flagship project for the country.

Total EIB lending in the **Western Balkans**[1] reached close to EUR 1.7bn in 2009 – an unprecedented level of activity (total lending since 2005: EUR 4.3bn) which confirms that the EIB is the most active international lender in the region. This underpins the decision to open in 2010 a regional representation office in Belgrade.

In **Croatia**, the EIB signed loans amounting to EUR 419m in 2009. The EIB lending portfolio in Croatia is well diversified and covers the development of transport, energy and communication infrastructure, implementation of EU environmental standards and support for SME and municipal investments. The Bank lent EUR 60m to continue the rehabilitation of the Croatian national road network in order to implement the Croatian Programme for the Construction and Maintenance of Public Roads. It also granted three credit lines totalling EUR 350m to partner financing institutions to improve the access of SMEs to long-term financing. In the other Candidate Country in the Western Balkans, **FYROM**, the Bank provided EUR 100m for onlending to SMEs and lent EUR 3m for participation in the South-East Europe Energy Efficiency Fund (as it also did in other participating countries).

SME finance also was the main portion of the EUR 13m lent in **Albania** in 2009. The EIB opened its first credit line in the country with Tirana Bank. 70% of the EUR 10m loan targets SMEs, while the remainder will be used for infrastructure projects promoted by local authorities. Tirana Bank was established in 1996 and is majority owned by Piraeus Bank. Total EIB financing in **Bosnia and Herzegovina** amounted to EUR 153m in 2009 and was focused almost exclusively on SMEs and infrastructure projects. An innovative microfinance facility of EUR 10m was set up, benefiting projects undertaken by very small businesses in the sectors of agriculture, trade, and manufacturing and services. Further credit lines for EUR 140m were opened with three intermediary banks. EIB activity in **Montenegro** jumped to EUR 111m in 2009. A EUR 100m financing operation in the form of a Guarantee Agreement covering finance contracts with Montenegrin banks in favour of SMEs and infrastructure projects promoted by local authorities was the largest operation to date in the country. **Serbia** has been the main beneficiary of EIB funding in the Western Balkans since the Bank became active in the area again in 2001. The EUR 897m in loans in 2009 set a new record. A large chunk of the total went to the completion of trans-European networks – EUR 384m was for the construction of a new 75 km section of motorway on Pan-European Corridor X between Grabovnica and Levosoje. SME finance took up EUR 360m. A EUR 70m loan to the City of Belgrade for the construction of access roads to the new Sava Bridge was special in that it was the first direct EIB operation with a municipality in the region without a sovereign guarantee.

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[1] Albania, Bosnia-Herzegovina, Croatia, Former Yugoslav Republic of Macedonia, Kosovo (under United Nations Security Council Resolution 1244), Montenegro and Serbia.

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Financing in Eastern Partner Countries and Central Asia

The EIB finances projects in the Eastern Partner Countries: Armenia, Azerbaijan, Belarus[1], Georgia, Moldova, Russia and Ukraine on the basis of an EU Council and Parliament mandate for EUR 3.7bn in loans for the period 2007-2013. The focus is on projects that are of significant interest to the EU in the transport, energy, telecommunications and environmental infrastructure fields. Priority is given to investments in extended major trans-European network axes, projects with cross-border implications for one or more Member States and major projects fostering regional integration through increased connectivity. In Russia in the environmental sector, the EIB gives particular priority to projects within the framework of the Northern Dimension Environmental Partnership. In the energy sector, strategic energy supply and energy transport projects are of particular importance.

In May 2009 the Eastern Partnership Launching Summit invited the EIB to contribute to the development of the Eastern Partnership by financing sustainable investment projects. In this context the Bank started work on support for SMEs in this region. Such support is vital for sustainable economic development and the EIB's lending activities are intended to improve SMEs' access to long-term finance, which is particularly important in this time of financial crisis.

At end-2009 the EIB also established the Eastern Partners Facility for lending in the same countries using up to EUR 1.5bn from its own resources and at its own risk , with a ceiling of EUR 500m for lending to projects in Russia. In this framework, the EIB will extend loans and/or guarantees for EU investments, notably by European corporates, essentially under investment-grade structures in line with the EIB's usual criteria. Indirect equity investments in infrastructure funds of EU interest would also be eligible under this facility.

In 2009, the Bank signed three loans in the region amounting to EUR 232.5m, bringing total EIB lending in the Eastern Partner Countries to EUR 717.5m since 2003. In the Russian Federation the Bank provided EUR 115m for the upgrading and further development of the mobile telecom network to increase the quality and accessibility of broadband services, and EUR 17.5m to finance a further reduction of the pollution discharged by Saint Petersburg into the Gulf of Finland. In Ukraine, the Bank provided an intermediated loan of EUR 100m for SMEs as well as small and medium-sized energy and environment projects promoted by mid-caps and public sector entities.

The Bank supports individual projects in the region in close cooperation with the European Bank for Reconstruction and Development (EBRD), on the basis of a tripartite Memorandum of Understanding (MoU) signed between the EIB, EBRD and European Commission in December 2006. For some projects, co-financing by the EIB and EBRD is complemented by other international financial institutions (IFIs), such as the Nordic Investment Bank and/or the World Bank.

Among the Central Asian countries eligible for EIB financing (Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan and Uzbekistan), the Republic of Tajikistan was the first to sign a Framework Agreement providing the basis for the EIB's future lending in that country. EIB activities will be focused on the financing of major energy projects as well as on environmental protection projects of interest both to Tajikistan and the European Union – this in close cooperation with the European Commission, the EBRD and other IFIs operating in Tajikistan. Negotiations for a Framework Agreement with Kazakhstan progressed well in 2009 and will most likely be completed early in 2010.

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[1] Activity in Belarus is subject to a future Council and Parliament agreement.

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FEMIP: concrete support for the common Mediterranean project

As the Union for the Mediterranean (UfM) gradually becomes established, the EIB has vigorously stepped up its support for the partner countries in the region through FEMIP[1], its financial arm in the Mediterranean. By increasing its business volume to an unprecedented level of EUR 1.6bn in 2009, FEMIP confirmed to its Mediterranean partners its ability to help them modernise their public policies in the face of the global economic crisis and consolidated its position as the leading development investor in the Mediterranean.

2009 - A record year for FEMIP

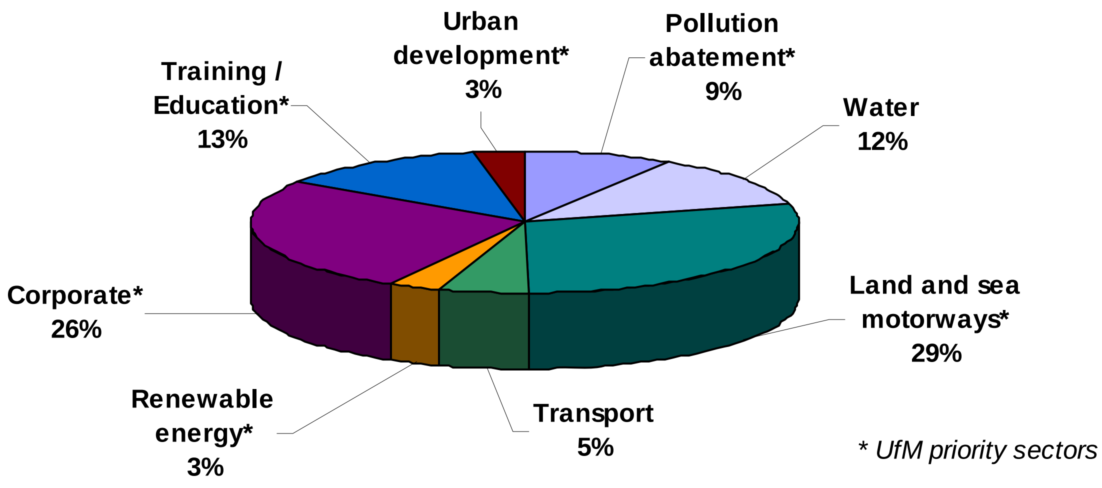
FEMIP signed loans amounting to EUR 1.6bn to finance 19 large-scale projects and promote SMEs and micro-financing: seven in the Maghreb, nine in the Near East and three regional operations. Since its creation in October 2002, FEMIP has provided more than EUR 10bn worth of financing to support the modernisation of the Mediterranean partner countries and contribute towards creating and safeguarding jobs in the region.

Private enterprises received almost 60% of FEMIP's financing in terms of the number of signed loans and more than 40% of the amount granted. In addition to the growth in lending, FEMIP's activity generated significant value added, in particular by setting up complex financing arrangements (public-private partnerships, project finance, operations with a higher risk profile than that usually accepted by the Bank). Synergies with partner financial institutions were improved, as reflected by the scale of cofinancing operations which totalled more than EUR 1.1bn (almost 70% of the operations signed in 2009).

In 2009, approvals also reached a record level of EUR 2.3bn and disbursements increased sharply to EUR 1.4bn, confirming FEMIP's commitment to supporting the anti-crisis measures undertaken by the partner countries. In this context, FEMIP pushed ahead with its support and technical assistance efforts (some EUR 12m for 17 projects).

Operational objectives in line with UfM priorities

FEMIP operations in 2009
Breakdown by sector and according to UfM priorities



[1] The Facility for Euro-Mediterranean Investment and Partnership (FEMIP) brings together the whole range of services provided by the EIB in the Mediterranean partner countries: Algeria, Egypt, Gaza/West Bank, Israel, Jordan, Lebanon, Morocco, Syria and Tunisia.

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In line with the objectives of its 2009-2011 business plan, FEMIP's operations were brought closer into line with UfM's priorities in 2009. Almost 80% of the signed operations corresponded to the priority areas identified in the Paris Declaration (13 July 2008) and the Final Declaration of the Foreign Affairs Ministers (Marseille, November 2008).

FEMIP operations can therefore be broken down into the following sectors:

Clearing up the Mediterranean

The Bank lent EUR 70m to Lebanon for the construction of wastewater treatment plants in the densely populated and touristic Kesrwan region in order to prevent untreated water from being discharged into the sea. This project is included in the priority list for Lebanon under the "Horizon 2010" initiative and is part of the National Action Plan for pollution reduction in line with the Barcelona Convention.

FEMIP also provided EUR 70m to improve access to the drinking water supply and sanitation system for four million people in the Nile Delta in Egypt.

In the water sector in general, Jordan received a loan of EUR 165m for the drinking water supply to the city of Amman and a EUR 25m loan in Israel served to increase the capacity of the Hadera desalination plant.

The "De-pollution of the Mediterranean" project entered a practical phase with the implementation of the "Mediterranean Hot Spot Investment Programme (MEHSIP)" under the "Horizon 2020" initiative, in which a number of multilateral and bilateral financial institutions are participating under the guidance of the EIB and in close cooperation with the European Commission.

Land and sea motorways

FEMIP granted EUR 234m for the construction of a toll motorway section between Sfax and Gabès in Tunisia and EUR 225m for the widening of the Rabat-Casablanca motorway in Morocco.

In the transport sector as a whole, the Bank lent EUR 70m for the construction of Enfidha international airport in Tunisia, managed under a concession awarded to a Turkish operator, and EUR 15m for the construction of a tramway link between Rabat and Salé.

Renewable energy

FEMIP advanced EUR 50m to support the construction of a new wind farm in Gabal el Zait in Egypt. Located on the Red Sea coast, this wind farm with a capacity of 200 MW is part of an ambitious programme undertaken by Egypt to further expand power generation from renewable energy sources.

In order to facilitate the development of renewables, the EIB, AfD and KfW set up a tripartite initiative to harmonise their sectoral strategies and project evaluation criteria and thus enable them to combine their financing efforts and mobilise the concessionary funds available for this type of investment.

Business development

Continuing its pioneering work in the Mediterranean private equity industry, FEMIP provided EUR 27m for equity participations in three Mediterranean regional funds (including the Middle East Venture Capital Fund, the first venture capital fund targeting the Palestinian territories) and a local currency loan for a micro-finance association in Egypt.

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In addition, four loans totalling EUR 390m were provided to the industrial sector in Tunisia, Morocco, Israel and Syria to finance the growth of larger enterprises.

Urban development

As a complement to the Municipal Administration Modernisation Programme initiated by the European Commission, FEMIP provided EUR 50m to Syria to finance urban renewal investment programmes, mainly in the following sectors: transport and traffic, public tourist infrastructure, sanitation, industrial effluent treatment and solid waste management.

Training/education

FEMIP granted EUR 200m to Morocco, i.e. 40% of the external financing needs for the national schools modernisation programme, to improve access to education for 6 to 15-year-olds.

Taking the Mediterranean project forward

Since its creation, FEMIP has closely involved the partner countries in its lending policy through institutional dialogue in the form of ministerial meetings, experts' conferences and reform assistance measures.

The annual meeting of the **Euro-Mediterranean Finance Ministers** was held on 7 July 2009 in Brussels to discuss FEMIP's strategic orientations as prepared by the FEMIP Committee (composed of senior officials of the Member States and partner countries).

Through in-depth exchanges between policymakers, experts and representatives of financial institutions and international organisations, **FEMIP experts' conferences** act as a catalyst, helping to improve the analysis of the partner countries' needs and fostering networking by the major development agencies in the Euro-Mediterranean area. In 2009, FEMIP's initiatives and discussions focused on the following topics:

- in March, the Bank held the fifth FEMIP conference in Rabat on the subject of SMEs;
- in May, the sixth FEMIP conference in Monaco examined sustainable water financing;
- in October, during the "Mediterranean Economic Week" in Marseille, FEMIP brought together almost 200 experts in the "Medinas 2030" initiative, a wide-ranging thinktank on the regeneration of the historic centres of southern Mediterranean cities, aimed at developing an investment programme.

To support the drive to **modernise the public policies** of the partner countries, the Bank has teamed up with the World Bank, Egypt, France, Jordan, Lebanon, Morocco and Tunisia to launch the Marseille Centre for Mediterranean Integration. The Centre will strengthen reform assistance measures in five sectors that are crucial for the socio-economic development of the partner countries: urban development, adaptation to climate change, the knowledge economy, human capital and regional transport.

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The EIB is contributing to development across Africa, the Caribbean and the Pacific

The EIB's involvement in the African, Caribbean and Pacific States and overseas dependencies concentrates on activity that fosters private sector initiatives and promotes economic growth, whilst benefiting the wider community and region. Public sector projects are supported where they are crucial for private sector development and for creating a competitive business environment. Projects are selected to deliver sustainable economic, social and environmental benefits.

The EIB operates in these regions under the Cotonou ACP-EU Partnership Agreement, the Trade, Development and Cooperation Agreement with the Republic of South Africa, the Overseas Association Decision and the European Consensus for Development.

Recent developments

In 2009, the European Investment Bank increased its support by providing EUR 863.3m for infrastructure, the development of the financial sector and regional integration activities in 29 development projects in Africa, the Caribbean and the Pacific. It also supported four new projects totalling EUR 280m in the Republic of South Africa, bringing total signatures to EUR 1.1bn in 2009.

The Bank provides a broad range of financing instruments, including loans, guarantees and risk capital, for African, Caribbean and Pacific projects, using repayable aid from the European Development Fund via the Investment Facility. EU aid for financing development cooperation in these areas is mainly channelled through the European Development Fund. Financing for EIB operations under the ACP-EU Partnership Agreement and Overseas Association Decision is provided from EU Member States' budgets alongside EIB own resources, which the Bank manages on a self-financing basis by borrowing on the international capital markets. Loan signatures under the Investment Facility increased from EUR 336.3m in 2008 to EUR 450.1m in 2009. A further EUR 413.2m was provided for ACP projects from the Bank's own resources in 2009, compared with EUR 224.8m in 2008.

To optimise the investment impact and efficiency, 72% of African, Caribbean and Pacific projects, excluding those under the South African mandate, were financed with other European and international development finance institutions. Activities also focused on cross-border schemes, promoting greater economic integration and access to funding for smaller states that did not have suitable investment activities by themselves. Such projects represented 41% of signed commitments. Recognising the economic impact of the private sector, 76% of investments were in this field. Some 59% of projects were focused on the financial sector, including microfinance and investment funds, and helped to strengthen and diversify local financial markets.

Responding to the challenges of the economic crisis around the world: the global financial turmoil has interrupted sustained economic growth in sub-Saharan Africa, the Pacific islands and parts of the Caribbean. For this reason support for the private sector remains paramount. The EIB expects to increase lending to help restore confidence and provide the basis for future growth.

Investing with and for partner countries – EIB support for regional equity funds: the Bank supports local entrepreneurs and businesses through venture capital, early-stage investment or expansion funding. By providing long-term capital through investment funds and similar vehicles, the Bank not only supports economic growth and the development of the financial market but also encourages the transfer of skills and good governance in local businesses. The EIB participates in the GroFin Africa fund, the largest growth finance fund in Africa, which is helping more than 500 companies over a five-year period.

***Greater sectoral focus and institutional best practice*:** the Bank prioritised infrastructure initiatives, notably regional trade corridors. Projects that strengthened cooperation with financing partners, donor agencies and the European Commission were given priority. Where possible, efforts were made to harmonise the appraisal and

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monitoring of projects with other donors to encourage greater efficiency and reduce the administrative burden on recipients.

Responsible financing of mining operations: projects in the mining sector bring value to indigenous natural resources, increasing export revenues and generating fiscal income for the country through royalties and corporate taxes. These projects create permanent direct and indirect jobs, offer training that contributes to local skills, and provide health, education and sanitation infrastructure to local communities. The EIB has funded a number of mining operations in Africa and the Pacific that have contributed to economic growth, reduced toxic emissions or improved environmental standards. Through transparent disclosure of these operations the Bank monitors taxes paid in relevant jurisdictions. The European Investment Bank is closely involved in the Extractive Industries Transparency Initiative –, the global mining transparency standard aimed at distributing the benefits of natural resources and encouraging companies to publish what they pay and governments to disclose what they receive.

As for 2010, the EIB is committed to performance and stands ready to embrace the challenges and changes that will flow from the review of the Bank's external mandates, the mid-term review of the Investment Facility and the second revision of the ACP-EU Cotonou Partnership Agreement. The Bank will continue to highlight climate change mitigation activities in areas where other daily challenges may prove a distraction and to promote energy efficiency, renewable energy generation and help adaptation to climate change. Given the wealth and diversity of intriguing investment opportunities, the region's natural and human assets and ambitious policy and institutional reforms embarked upon in recent years, the EIB is convinced that African, Caribbean and Pacific economies will recover rapidly. Support for countries to cope with the crisis will continue. The European Investment Bank will continue to back good projects and emphasise best practice, even in difficult environments where institutions may be weak and risks are high. The Bank will, now more than ever, strive to make a difference in areas where it has the remit, expertise and suitable financial instruments.

Key projects in 2009

Throughout 2009 the EIB's activities in the African, Caribbean and Pacific States focused on two specific areas: infrastructure (including energy, and climate change mitigation and adaptation activities) and the financial sector. Indeed, many projects were intended to help develop the financial sector. This included supporting microfinance and reform of the banking sector. The Bank also participated in a number of multilateral initiatives to help developing countries cope with the economic crisis, such as the "Joint Action Plan for Africa." Key projects included:

- Climate change mitigation in Vanuatu: a EUR 4.3m loan and interest rate subsidy for the country's first wind farm. The EIB's contribution represented 75% of the project cost, a higher than usual share, as envisaged under the Bank's climate change strategy. Once installed, 10 new wind turbines will provide renewable energy for the capital and reduce the use of imported diesel, diversify sources of electricity supply, cut the cost of maintaining generators and lower CO_2 emissions. Lower costs will be passed on to consumers through lower tariffs. The turbines are also designed to fold and withstand tropical typhoons, a major hazard in this part of the Pacific.

- Boosting regional integration in Mozambique: EUR 65m rehabilitation of the port of Beira and the strategic rail link with the southern African network after 20 years of civil war. Cooperation with the World Bank, the Danish Development Agency and other development institutions.

- Increasing safe water supply in Cameroon: EUR 40m of funding and technical assistance, with AFD co-financing, to provide access to drinking water for 380 000 people in Yaoundé and across Cameroon through a large-scale post-privatisation investment programme and develop a pioneering national wastewater master plan.

- Promoting clean energy and economic growth in Benin and Togo: EUR 35m to increase the electricity generating capacity of the binational public utility, improve supplies, and reduce the use of generators and network losses. Increasingly close donor cooperation, with shared EIB, KfW and International Development Agency monitoring.

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- Promoting reform of the sugar market and coping with the challenges of global markets in Mauritius: EUR 28m to restructure the local sugar industry, enable the refining of high-value white sugar for export and consolidation of production in two modern regional sugar refineries with associated social schemes, following the Port Moresby Reforms concerning global sugar price protection.

- Regional cement production in a state-of-the-art plant in Namibia: a EUR 82.3m loan to fund the country's only cement plant. Creating livelihoods for 1 200 people and promoting regional exports and the use of alternative fuel sources, the plant will reduce the local cost of cement, use state-of-the-art European production techniques and comply with environmental, emissions and safety best-practice standards.

- First public-private partnership in the Dominican Republic: a EUR 32m loan for a 130 km toll road funded by the EIB, the Inter-American Development Bank, and French and regional development agencies. A key transport link to a remote part of the Caribbean island, agreed during severe economic turmoil.

- Renewable energy, cogeneration and energy efficiency in South Africa: EUR 40m for a dedicated energy efficiency loan to enhance economic development and South Africa's contribution to combating climate change through small and medium-scale projects.

The EIB's response to the Haitian earthquake

The Bank will contribute its resources and expertise to helping the Haitian people rebuild their country and provide long-term support for reconstruction and development through a specific project (currently being identified).

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EIB substantially increases partnership in Asia and Latin America

In 2009, the EIB lent EUR 1 288m in Asia and Latin America (ALA), almost three times the lending figure of 2008, which amounted to EUR 469m.

EIB lending in Asia and Latin America is governed by a *mandate* of the European Union (EU). Under the current ALA mandate, covering the period 2007-2013, the EIB can lend up to EUR 3.8bn for operations in ALA partner countries, with a guarantee from the European Union. This represents a substantial increase of 53% compared to the previous mandate for the period 2000-2006. The mandate has been subdivided into two indicative regional ceilings of EUR 2.8bn for Latin America and EUR 1bn for Asia.

The Bank's activities in ALA complement the EU cooperation strategy with these regions. In sector terms, the lending objectives for Asia and Latin America under the current mandate are broader than previously. In addition to the traditional support for the EU's presence through foreign direct investment and the transfer of technology and know-how, the EIB is also lending for targeted environmental protection projects, which include climate change mitigation, and for projects that contribute to the energy security of the EU.

Activity in 2009

In 2009, EIB lending for projects located in Asia and Latin America totalled EUR 1 288m, of which EUR 465.6m for five projects in Asia (China, India, Pakistan and two in Vietnam) and EUR 822.6m for five more projects in Latin America (Argentina, Colombia, Nicaragua and two in Panama).

In Asia, the Bank signed the following loans:

China: a EUR 118.6m loan contributed to the financing of the reconstruction plan set up by the Chinese Government for the areas hit by the May 2008 Sichuan earthquake. Investments included the restoration of some 100 000 ha of forest destroyed by landslides and consolidation works in irrigation and drinking water reservoirs, concerning 528 dams.

India: a EUR 100m loan to VW India financed a new car manufacturing facility in the state of Maharashtra, where this subsidiary of the VW Group will produce small cars specifically adapted to the Indian market.

Pakistan: EUR 100m went to a framework scheme supporting the government's multi-year programme to develop the renewable energy sector in the country. This operation was co-financed by the Asian Development Bank.

Vietnam: EUR 100m supported a framework scheme designed to finance investments that will contribute to the mitigation of climate change in Vietnam through renewable energy or energy efficiency projects. One third of the loan will go to support the European presence in Vietnam, as laid down in the EU mandate for lending in Asia.

Vietnam: a EUR 47m loan to Metro Cash and Carry Vietnam Ltd., a subsidiary of Germany's Metro AG, helped finance the construction of five wholesale stores. This project is helping to modernise the distribution sector in Vietnam, increasing competition and promoting a more efficient use of resources, so enhancing efficiency in the Vietnamese economy as a whole.

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In Latin America, the Bank signed the loans below:

Argentina: EUR 170m loan went to VW Argentina to finance investment in the production of a light commercial vehicle specially adapted for use on country roads in Latin America in the company's existing car manufacturing facility near Buenos Aires. The new vehicle will be equipped with VW's most advanced technology concerning safety, fuel consumption and lower carbon dioxide emissions.

Colombia: a EUR 100m loan supported the investment programme of Telefónica Móviles Colombia SA, a subsidiary of Spain's Telefónica Group. This project is contributing to the economic development of Colombia, as efficient communication plays a key role in enabling the growth of economic and commercial activities.

Nicaragua: a USD 20.4m loan contributed to the financing of the Nicaraguan Government's programme of rehabilitation and upgrading of key parts of the country's power sector. This includes the rehabilitation of two hydropower plants in north-east Nicaragua, the extension and upgrading of the power distribution grid and the preparation of studies on new investments in renewable energies.

Panama: a USD 500m loan helped to finance the widening of the Panama Canal, a top priority project for the country. The expansion of the canal's capacity is needed to manage the forecast growth in cargo volumes and enable the passage of larger container vessels, generating economies of scale and increasing productivity.

Panama: USD 211m went to two subsidiaries of the Gas de France-Suez Group holding the concession for the construction and operation of three hydropower plants on the Chiriquí river in western Panama. The project will help to meet the rapidly growing electricity demand in Panama in an environmentally sustainable way using available water resources. This loan was granted under the *Sustainable Energy and Security of Supply Facility*, a multiannual EUR 3bn credit line set up to finance projects in developing countries underpinning sustainable energy and security of energy supply objectives.

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EIB Borrowing Activities in 2009

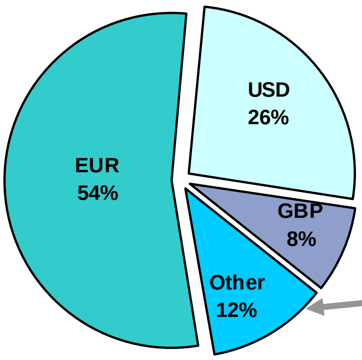
Substantial growth amidst historic market volatility and uncertainty

- The Bank achieved a substantial (33%) increase in funding volume over 2008, in line with the needs generated by growth in its lending programme.
- In exceptionally turbulent times, the Bank benefited from its high credit quality and sound funding strategy that addressed market demand focused on top quality and liquid products.

Key figures

- EUR 79.4bn raised (EUR 59.5bn in 2008) via 262 transactions (247 in 2008).
- Increased importance of EUR market, which offered good size and longer maturities, required by the Bank for its enlarged long-term lending activities. EUR funding accounted for 54.4% or EUR 43.2bn, the largest amount ever raised by the Bank in a single currency.
- The Bank continued to be one of the leading non-US issuers in the USD market, raising USD 27.9bn/EUR 20.5bn (25.9% of total), including EIB's largest USD issue to date – a USD 5bn 3-year issue.
- Remained the leading non-Gilt issuer, raising GBP 5.8bn/EUR 6.5bn (8.2% of total).
- Expanded non-core currency funding by 11% to EUR 9.18bn (2008: EUR 8.27bn) during limited periods of opportunity, as risk aversion early in the year meant non-core markets, especially for emerging currencies, were largely closed for much of H1 2009.
- The Bank was able to extend the maturity of funding to 7.4 years vs. 5.0 years in 2008, when market opportunities had a shorter-term focus. This was in keeping with the long-term profile of the Bank's lending.

Currency breakdown of borrowings in 2009



AUD	4.7%	SEK	0.4%	HUF	0.2%	RON	0.04%
CHF	2.0%	TRY	0.3%	PLN	0.1%	BGN	0.02%
JPY	1.9%	ZAR	0.2%	DKK	0.1%	CZK	0.02%
NOK	1.4%	HKD	0.2%	NZD	0.1%	RUB	0.01%

Issues in synthetic format:
Brazilian real (BRL), Ghanaian cedi (GHS) and Zambia kwacha (ZMK) with payment and settlement in either EUR or USD.

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Market conditions: Adapting to historic levels of volatility and uncertainty

- At the start of 2009, markets were overshadowed by the state of near closure from mid-October to year-end 2008. Moreover, there was unprecedented uncertainty about bond supply and demand in EIB's asset class, amidst government rescue plans that were expected to lead to massive supply of both sovereign and government-guaranteed bonds. This proved to be the case, especially in the first half of the year: in H1, issuance in EIB's asset class – sovereign, supranational and agency issuers – grew 85% vs. H1 2008. And this figure excludes the surge in issuance by major new entrants to the market – government-guaranteed issuers.
- These market conditions produced a pronounced re-pricing of all assets vis-à-vis Euribor/Libor, which maintained prices for the Bank's asset class at levels largely above Euribor/Libor for most of 2009, especially in the longer maturities required by the Bank.
- Volatilities and uncertainty concerning spreads made funding patterns highly unpredictable and created high execution risk.
- In the highly volatile market environment, the achievement of funding objectives benefited from the Bank's flexible and balanced funding strategy. This approach is characterised by proactively addressing changing patterns of market demand, while also developing and maintaining a strategic presence. It also involves the pursuit of liquidity, transparency, and diversification of funding sources.
- The Bank duly adapted its approach to the market, with its initiatives including:
    - Swiftness of response to windows of opportunity, while maintaining a strategic approach involving liquidity and transparency.
    - Closer collaboration with a wider range of banks to reach more disparate demand worldwide: greater use of banks with local reach, in particular in Europe.
    - Increased product innovation to access market demand, such as substantially increased issuance of floating rate notes across currencies, and use of promissory notes and similar products that were in demand in the German market.
    - Continued development of benchmark liquidity required by the market: benchmark issuance in the core currencies (EUR, GBP and USD) accounted for the bulk of issuance: EUR 53.7bn or 68% of the total.
    - Proactive use of targeted plain vanilla issuance which, including non-core currencies, accounted for EUR 23bn or 29% of the total. The balance (3%) was provided by the subdued structured product market, where risk aversion towards such products continued.

Progress in developing capital markets

- While investor demand became more fragmented, in a time of crisis investors increasingly demanded top quality liquid bonds, such as those from EIB. The Bank thus seized the opportunity to access new investors worldwide, notably in Europe, and was able to roughly double the number of investors in EIB bonds. The strongest demand came from Europe, which accounted for 70% of demand for EIB benchmark bonds.
- Among the highlights was EIB's innovation in the EUR market in terms of syndicate composition, by building for the first time the involvement of cooperative, popular and savings banks, particularly in Germany, Italy and France. Through these new channels the Bank syndicated 'Cooperative Floating Rate Notes' for a total of EUR 4.5bn. It also for the first time used products in a format specific to the German market, Promissory Notes (Schuldscheine) and Registered Bonds (Namens-schuldverschreibungen), which generated funding of EUR 2.7bn.
- In a climate where investors required liquidity more than ever, but where large initial issue sizes were hard to achieve, the Bank addressed this need through a highly responsive use of taps (increases) across most currencies.
- The Bank further developed its presence among Socially Responsible Investors, notably by addressing the growing interest in its Climate Awareness Bonds, with new bonds issued in the Swedish market for a volume of SEK 2.25bn (EUR 214m).

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Results by currency: Core currencies remain dominant source of funding

Funds raised in the Bank's three core currencies (EUR, GBP, USD) amounted to EUR 70.21bn through 171 transactions, accounting for 88.4% of the total (86% in 2008).

EUR: Largest programme ever

- EUR 43.15bn, or 54.4% of the total funding programme, was raised in euro. This is the largest amount ever collected by the Bank in a single currency and a substantial increase from 2008 (EUR 16.8bn, or 28.2% of the total).
- Of this amount, EUR 34bn was issued in maturities of 5 years or longer. The difficulty of accessing the longer-dated markets in size in other currencies meant such long-dated funding was required to maintain the overall congruence of maturities in funding and lending.
- Among peers in the EUR benchmark segment, soaring sovereign, supranational and agency and Government-guaranteed issuance (up by 133% in euro in 2009) created severe competition and, together with market uncertainty, created obstacles to issuance in very large size. Indeed, in January and February, issue sizes had to be kept below the EUR 5bn benchmark threshold. The Bank overcame this via timely and frequent recourse to taps. At the same time, stronger penetration in key countries (e.g. Germany and Japan) could be achieved via extensive involvement of local distributors.
- As market confidence improved and competition eased somewhat, the Bank was able to issue a EUR 5bn EARN in the 3-year maturity in March, followed by a rare 7-year EUR 5bn EARN in April. The Bank then availed itself of further improving sentiment in April to launch the first syndication in its asset class in the 15-year maturity segment since 2007 (for EUR 3.5bn), brought to EUR 5bn via 2 re-openings.
- By end June, EUR 31.5bn of EARNs had been issued via 5 new lines and 11 taps, EUR 25bn of which in tenors of 5 years or longer (of which EUR 8bn in 15 years or longer).
- Subsequently, the Bank was able to be more selective and focused on targeted bonds from July onwards. In the targeted and structured segment, there was a strong increase in volume to EUR 11.03bn (26% of the euro-total, from EUR 3.8bn/22% in 2008), raised via much more frequent transactions (69 vs. 22 in 2008).

GBP: Largest non-Gilt issuer

- The Bank raised GBP 5.84bn/EUR 6.53bn, or 8.2% of the total programme for the year (vs. GBP 6.88bn/EUR 8.92bn or 15% of the total in 2008).
- Despite the reduced total issuance volume, the Bank continued to be the top non-government sterling issuer in 2009. EIB sterling benchmarks kept their status as the primary liquid alternative to Gilts (UK government bonds). The Bank updated its sterling yield curve with new, current low-coupon benchmark issues, which was essential to make sterling products attractive to investors in the market environment characterised by low yields.
- Also, difficult market conditions reduced the activity of smaller SSA issuers in the sterling market. Consequently, a lower number of transactions was concentrated on a more limited number of SSA issuers, notably EIB, as investors were looking mainly for such liquid alternatives to Gilts.
- In tune with the market's appetite for liquidity, the Bank was able to launch several relatively large benchmark transactions. The first landmark sterling transaction in 2009 was the new GBP 1bn March 2013 bond, the Bank's largest ever fixed-rate GBP issue launched in a single tranche, in February. It was followed by the GBP 600m June 2029 issue, also an exceptionally large fixed-rate SSA sterling issue with a 20-year maturity.

USD: Strong benchmark presence

- The Bank raised an amount of USD 27.98bn/EUR 20.53bn, or 25.9% of the total programme for the year.
- In stark contrast to 2008, the year 2009 can be characterised as a buyers market. This, along with volatile conditions in underlying markets buffeted by event risk, led to a very challenging issuance environment in USD.
- Notwithstanding the context, the Bank was able to navigate its global benchmark bond programme in a manner that enabled the maintenance of benchmark sizes of its issues.
- As markets recovered from the second quarter onwards from their extremely fragile state, funding spreads tightened with every new issue, culminating in the Bank's largest ever USD global bond issue – a USD 5bn 3-year issue, which also illustrated the move to sub-Libor cost levels in short maturities. Although USD spreads

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made an enormous recovery from their distressed levels earlier in the year, they were still far from reverting to mean historical levels.

- Structured issuance and other tailor-made transactions also reached good volumes in 2009, at USD 5bn/EUR 4bn. Demand was good for short-dated plain vanilla private placements and various callable structures.

Strong diversification: Issuance in 16 other currencies

- Against a backdrop of severe risk aversion, which largely closed non-core emerging currency markets for much of H1, it was significant to achieve an 11% volume increase in non-core currencies to EUR 9.18bn (2008: EUR 8.27bn). There were 91 transactions (113 in 2008) in 16 other currencies in 2009, plus three in synthetic format, accounting for 11.6% of the total programme for the year (14% in 2008).
- The three largest contributors in these other currencies were AUD (EUR 3.71bn), CHF (EUR 1.57bn) and JPY (EUR 1.47bn).
- **In Swiss francs (CHF), EIB was the largest issuer in its asset class**, and CHF was the Bank's fifth largest funding currency (EUR 1.6bn/CHF 2.4bn raised). The Bank benefited from its established position in the Swiss domestic market and its recognition as a safe alternative. Due to a clear preference of domestic investors for the longer part of the CHF curve, the average maturity of the Bank's CHF issuance reached 9.1 years, contributing to the extension of the duration of the funding programme in 2009.
- The volume of issuance in the **Nordic region** totalled EUR 1.5bn. This was dominated by Norwegian krona (NOK), where the Bank raised a total of NOK 9.65bn (EUR 1.1bn) through 17 transactions, twice the volume of 2008. This made the Bank the **largest issuer in NOK in its asset class**. In **Swedish krona** (SEK), the Bank raised a total of SEK 3.5bn (EUR 335m), the majority via **Climate Awareness Bonds**, of which the proceeds will be used for future lending projects of the Bank in the fields of renewable energy and energy efficiency.
- Investor interest in **new and future Member States and EU neighbouring country currencies** dropped significantly, as these currencies were generally perceived to carry high risk. There were 26 issues for EUR 498m equivalent, down from EUR 1.15bn equivalent the previous year. Turkish lira (TRY) and Hungarian forint (HUF) were the largest contributors (71% in total) with EUR 225m and EUR 131m, respectively. In the international markets, **EIB was the leading IFI issuer in HUF**. The Bank also returned to the market in Bulgarian leva (BGN), Czech koruna (CZK), Polish zloty (PLN), Romanian leu (RON) and Russian rouble (RUB). Although demand was mainly from retail investors focused on shorter maturities, the Bank achieved a significant volume (EUR 162m) in the 2015 maturity segment, and was able to conduct two long-dated issues – a RUB 10y and a CZK 12y.
- **Japan and Asia/Pacific currencies:** Among the non-core currencies in 2009, the largest source of funding – and hence the Bank's fourth largest currency – was once more the **Australian dollar** (AUD), raising AUD 6.3bn (EUR 3.7bn). This was **just short of double the 2008 volume**, and meant that the Bank was, for the third year in a row, the **largest Kangaroo (foreign) issuer**. The 2015 transaction attracted demand of AUD 1.5bn, the largest new Kangaroo issue ever, while the long-dated 2019 issue achieved a cumulative volume of AUD 1.65bn. **Japanese yen** (JPY) was noteworthy as **the currency achieving the longest average maturity (13.8 years) for sizeable volume**, being one of only four non-core currencies to exceed EUR 1bn equivalent (JPY 189bn/EUR 1.5bn). The public JPY issuance in 2009 occurred in a narrow time-window when alternative funding currencies were at the peak of their cost levels and yen issuance became relatively attractive. In the period of March – May 2009, the busiest period of issuance, the Bank dominated the market with 3 benchmark transactions (equating to EUR 1.09bn).
- Issuance in **African currencies** continued to be muted in 2009, due to investors' risk aversion to these emerging market currencies, in the context of the financial crisis. In 2009 the Bank launched 10 transactions in three currencies: Ghanaian cedi (GHS), South African rand (ZAR) and Zambian kwacha (ZMK), for a total of EUR 216m equivalent. A highlight was a rare ZAR 555m (EUR 43m) two-year 'Uridashi' transaction, a format designed for Japanese investors in foreign currency products.

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Enhancing Transparency, Public Information and Relations with Civil Society

Transparency; policy background

Improvement in the transparency of its institutions and bodies is a key European Union (EU) policy aimed at bringing them closer to the public they serve as well as highlighting their relevance in contributing to Europe's social and economic cohesion and sustainable development.

The EIB considers that as a bank and a public institution, the openness of how it makes decisions, works and implements EU policies, strengthens its credibility and its accountability to citizens. Transparency also serves to increase the efficiency and sustainability of the Bank's operations, reduce the risks of corruption and enhance relations with external stakeholders.

Public information

Public disclosure of information is an important benchmark for implementing the EIB's commitment to transparency. Accordingly, the EIB is continuously increasing the volume and improving the quality of information that it provides about its activities. It is the only international financial institution (IFI) that publishes its annually-revised three-year rolling business plan – the Corporate Operational Plan (COP). The EIB website is the main platform for actively disseminating information to the public, with some 6.8 million visitors in 2009 (compared to 4 million in 2008). Following an internal evaluation, the EIB homepage www.eib.org was redesigned in 2009 to better meet the needs of external visitors and reflect today's best practices in terms of website design and functionality. The Bank is committed to improving its website continuously and making it more attractive and customer-friendly.

In 2009, information on more than 500 projects that were under appraisal was published on the Bank's website, together with other important transparency-related documents such as the Bank's Corporate Operational Plan 2009-2011, its Statement of Environmental and Social Principles and Standards, its Whistleblowing Policy and its new interim revised policy towards offshore financial centres[1].

A key element of the Bank's communication with the public is the "EIB public disclosure policy". This is based on a presumption of disclosure unless there is a compelling reason for non-disclosure. It was reviewed in 2009 under a large public consultation process also covering the EIB's transparency policy (2004) and the complaints mechanism policy (2008). Approved by the Board of Directors on 2 February 2010, the new policy is now in force (see further details below). Every year, the Bank publishes an evaluation of the implementation of its public disclosure policy. The 2008 edition was published in April 2009 and the next edition will be available in March 2010.

Public consultations

The Bank conducts public consultations on selected corporate and important multi-sector policies which are typically of interest to all EIB stakeholders. The main objectives of a consultation are to generate valuable stakeholder contributions and to reinforce transparency and accountability. Often considered as best practice, these web-based consultations normally include two rounds of respectively 45 and 20 working days and in principle go together with public meetings with a view to facilitating a direct (face-to-face) dialogue with interested stakeholders. Stakeholder contributions are examined and evaluated by an internal review panel. After approval by the Management Committee, the final draft policy is published for information purposes on the EIB website 15

[1] See also Briefing Note No°17 (Strict EIB rules regarding the use of offshore centres).

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working days prior to consideration by the Board of Directors, together with a public consultation report. The report outlines how the consultation was conducted and brings together all stakeholder submissions and the Bank's reasoned positions on the extent to which these were taken into account. After Board approval, the policy is published on the EIB website and, if appropriate, in the Official Journal of the European Union.

In addition to formal public consultations, simplified web-based consultations or informal stakeholder meetings on other selected policy documents may be held, depending on the type and content of the document or issue in question.

In 2009, a public consultation was held on the EIB's transparency, public disclosure and complaints mechanism policies. The outcome of this process led to an improved new EIB transparency policy (merging the previous transparency and public disclosure policies) and "Complaints Mechanism – Principles, Terms of Reference and Rules of Procedure", which were approved by the Board of Directors in February 2010 and published on the Bank's website with the corresponding consultation report. The constructive contribution towards this consultation of civil society organisations (CSOs), in particular the Non-Governmental Organisations (NGOs) traditionally scrutinising the Bank, was very much appreciated by the Bank.

A new consultation process will be launched in 2010 in connection with the revision of the Bank's transport lending policy.

Stakeholder engagement and relations with civil society

The Bank's relationship with civil society, including NGOs and other interest groups, is based on the acknowledgment that these organisations can have a valuable input into its policy development. They can also contribute to the Bank's awareness of local issues and provide other useful information contributing to the quality of EIB-financed projects.

Interaction with CSOs is coordinated by the Civil Society Unit. Acting as an interface, its task is to ensure the consistency and quality of communication and to engage with civil society in an active way. The Unit seeks contacts with organisations which can help the public and, more specifically, citizens affected by EIB operations, to find their way to information about the Bank.

As part of its ongoing dialogue with civil society, the EIB organises regular workshops with CSOs. The Spring CSO Workshop (Brussels, May 2009), chaired by Vice-President Philippe de Fontaine Vive, focused on road transport and biodiversity issues. Another key event was the annual CSO briefing in Brussels on 9 March 2009, at which Vice-President de Fontaine Vive presented the 2008 results to Brussels-based CSOs and announced the launch of a civil society homepage on the Bank's website. The 2010 annual CSO briefing is being held back-to-back with the Bank's annual news conference on 25 February 2010.

The Bank engages in dialogue and cooperative partnerships with specialist organisations which share particular objectives or interests with the EIB, such as the Lisbon Agenda, sustainable development, environmental protection, or poverty alleviation. In 2009, the Bank pursued its cooperative relationship with Transparency International, the International Union for Conservation of Nature (IUCN) and the Extractive Industry Transparency Initiative (EITI), which has been supported and endorsed by the EIB since 2008.

While the Bank will further pursue targeted working relations with expert CSOs, it is also keen to sustain and improve its contacts with policy advocacy NGOs campaigning on the Bank's activities. Contacts with these organisations have increased over the last few years and have increasingly developed a dialogue component. The importance attached to these contacts was underscored by the Bank's participation in events organised by these NGOs in 2009, such as the conference on Accountability of IFIs in March 2009. The Bank itself organised several roundtable discussions with these NGOs on specific issues such as carbon capture and storage and the European Clean Transport Facility, climate change, clean energy, nuclear and carbon footprinting, offshore financial centres or the Bank's environmental and social procedures for investments in developing countries.

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At the project level, the Bank continued to engage and work together with CSOs and citizens' groups, for instance on a number of energy and mining projects in ACP and Latin American countries, and it is also exploring the possibility of involving NGOs in projects where Technical Assistance funds are available.

Further meetings and conferences with interested stakeholders are already foreseen in 2010 to discuss topics of common interest such as "business, banking and human rights" and the mid-term review of the Bank's external lending mandates.

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Strict EIB rules regarding the use of offshore centres

As the European Union's financial institution, the European Investment Bank ensures that beneficiaries of its funding conform to international standards on the use of offshore financial centres (OFCs).

Strict internal rules regarding the use of OFCs have been in place since 2005, when the EIB was one of the first international finance institutions to adopt a policy on such jurisdictions.

As there is currently no European, general or universally accepted definition of an OFC, the EIB has opted to conform to the practice followed in the listings, qualifications and reports regularly issued by international standard-setting organisations and institutions such as the European Union (EU), the United Nations, the International Monetary Fund (IMF), the Organisation for Economic Co-operation and Development (OECD), the Financial Stability Board (FSB), the Financial Action Task Force (FATF) and the Global Forum on Transparency and Exchange of Information for tax purposes[1].

In addition to its OFC Policy, further appropriate policies and anti-fraud measures in the EIB's business dealings and contracts help to achieve the EIB's commitment to "zero tolerance" of prohibited practices, corruption, fraud, collusion, coercion, money laundering, tax fraud, harmful tax practices and the financing of terrorism. These include, among other things, the Bank's Anti-Fraud (2008) and Whistleblowing (2009) policies, as well as a set of long-standing specific rules for cooperation with the European Anti-Fraud Office (OLAF) in connection with possible cases of fraud, corruption or any other illegal activity detrimental to the financial interests of the European Union.

Scope of application of the Bank's OFC Policy

The Bank applies its OFC Policy to all of its lending, borrowing and treasury activities and operations, including guarantees and EIB-financed structures implemented on behalf of or for the account of other bodies within or outside the EU linked to one or more OFCs.

In particular, without limitation, the application of the OFC Policy can be triggered by i) the involvement of a relevant counterparty located in an OFC; ii) the involvement of a relevant counterparty not located in an OFC but owned or controlled by an entity located in an OFC and/or iii) the existence of a fund manager located in an OFC irrespective of the location of the fund financed by the EIB.

Each EIB product (e.g. loans, investment funds, securitisations, treasury transactions, funding operations) is screened in order to identify as "relevant counterparties" all product-specific key counterparties that:

- are potentially exposed to money laundering, financing of terrorism, tax avoidance and harmful tax practices; and/or
- may expose the Bank to reputation risks.

The Bank ensures that the relevant counterparties are monitored on an ongoing basis that is adapted to the evolving operational and market environments in which the Bank operates.

The Bank does not therefore tolerate any activity carried out for illegal purposes, including tax fraud and tax evasion, and will only support projects if there are no indications that such projects are used for illegal activities or harmful tax practices. In particular, the Bank refuses to operate wherever there is a link to a prohibited OFC jurisdiction. A project physically located in a prohibited jurisdiction outside the EU can only be supported if the EIB has received an explicit mandate from the EU to support development projects for the benefit of the local population.

[1] It should be noted that the EIB cannot draw up its own list of non-cooperative jurisdictions but has to rely on the list established by these internationally recognised institutions.

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Developments in 2009

In the light of the conclusions of the April 2009 G20 summit of World Leaders in London regarding OFCs and in particular non-cooperative and non-transparent jurisdictions, the Bank took the initiative to review the established policy in this area. As a result, a new interim revised EIB OFC Policy was approved by the Board of Directors on 14 July 2009 following extensive discussions with the EU Member States, key expert lead organisations, international financial institutions and other concerned stakeholders, including civil society organisations. This new interim revised OFC policy is published on the EIB's website.

Key aspects of the 2009 OFC Policy

In addition to confirming the existing "zero tolerance" of any activity carried out for illegal purposes, including money laundering, terrorism financing, tax fraud and tax evasion, and discouraging prohibited activities and harmful tax practices, the 2009 OFC Policy:

- confirms the EIB's existing commitment to refuse to operate wherever there is a link to a prohibited ("blacklisted") OFC jurisdiction, unless a project is physically located in such a jurisdiction and does not show signs of the operation being used for illegal activities or harmful tax practices;
- imposes stricter tax disclosure on all relevant counterparties located in OFCs;
- establishes firm relocation requirements for relevant counterparties and their controlling entities located in OFCs, unless the relevant project is also physically implemented in such jurisdiction;
- in addition to the current ban on counterparties incorporated in blacklisted jurisdictions, for all operations approved on or after 31 March 2010, the Bank will require that also counterparties incorporated in not blacklisted, yet weakly regulated, OFCs transfer their place of incorporation to a jurisdiction that is not an OFC prior to the signing of the relevant contract(s);
- from 31 March 2010, the relevant contracts will also include a relocation clause providing for the counterparty's relocation to a jurisdiction that is not an OFC in the event that its place of incorporation becomes classified as an OFC or equivalent by a Lead Organisation. Such relocation will have to be completed within 12 months from the date of classification of the counterparty's place of incorporation as an OFC;
- in the event of breach of the above relocation requirements, the Bank may have recourse to appropriate measures, including cancellation or suspension of the credit and, where applicable, exclusion from future EIB operations.

The way forward

The EIB wishes to remain at the forefront of the action against non-cooperative and non-transparent jurisdictions.

Given the ongoing international developments at the political level, the revised OFC Policy issued in 2009 is an "interim" policy: the EIB will continue to monitor international policies and practices and will propose updates to the Board of Directors as appropriate, following any changes in the EU's OFC policies and legal framework or the lead organisations' positions.

Moreover, the EIB recently acquired the status of observer at the OECD Global Forum, in order to further strengthen its continued monitoring of discussions on tax standards and disclosure.

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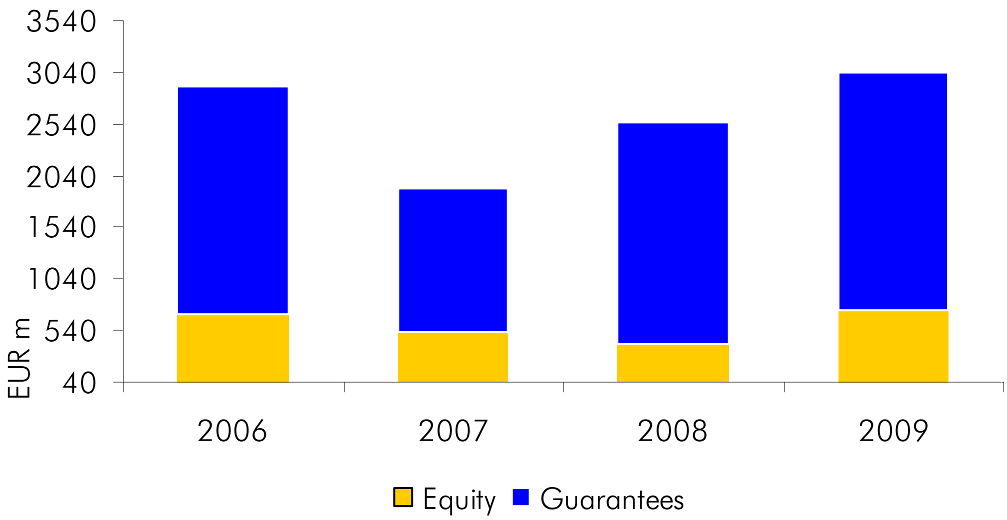
European Investment Fund Activity

Annual commitments 2006-2009



The EIF is Europe's leading developer of risk financing for entrepreneurship and innovation.

The EIF delivers a wide spectrum of SME financing solutions for selected intermediaries. By taking SME risk, it promotes the implementation of Community policies, particularly in the field of entrepreneurship, technology, innovation and regional development.

The EIF has a unique shareholding structure. It is part of the EIB Group and owned by the EIB (61%) and the European Community, through the European Commission (29%). Additionally, a significant stake in the EIF is held by public or private banks and financial institutions (30 from 17 countries, making up 9%)[1]. The EIF has two main statutory goals:

- to support EU policy objectives
- to generate an appropriate return on capital for its shareholders.

The EIF indirectly supports SMEs by means of equity (venture capital and private equity) and guarantee instruments, using either its own funds or those available through mandates given by the EIB (the Risk Capital Mandate or RCM), the EU (the Competitiveness and Innovation Framework Programme or CIP), Member States or other third parties.

Complementing the EIB product offering, the EIF has a crucial role to play throughout the value chain of enterprise creation, from the earliest stages of intellectual property development to mid and later-stage SMEs. The EIF provides an "integrated offer" of SME finance and covers a wide range of market segments.

While the EIF equity instruments aim to improve the availability of capital for high-growth and innovative SMEs, it is equally important to target the debt requirements of SMEs seeking finance through this more traditional route. By providing guarantees and securitisation, the EIF can improve the availability and terms of debt for beneficiary SMEs and the lending capacity of financial intermediaries.

In 2009, the EIF entered into the operational implementation phase of JEREMIE (Joint European Resources for Micro-to-Medium Enterprises). To date the EIF has signed 10 agreements with Member States and regions, six of

[1] 1% of the shares have yet to be issued

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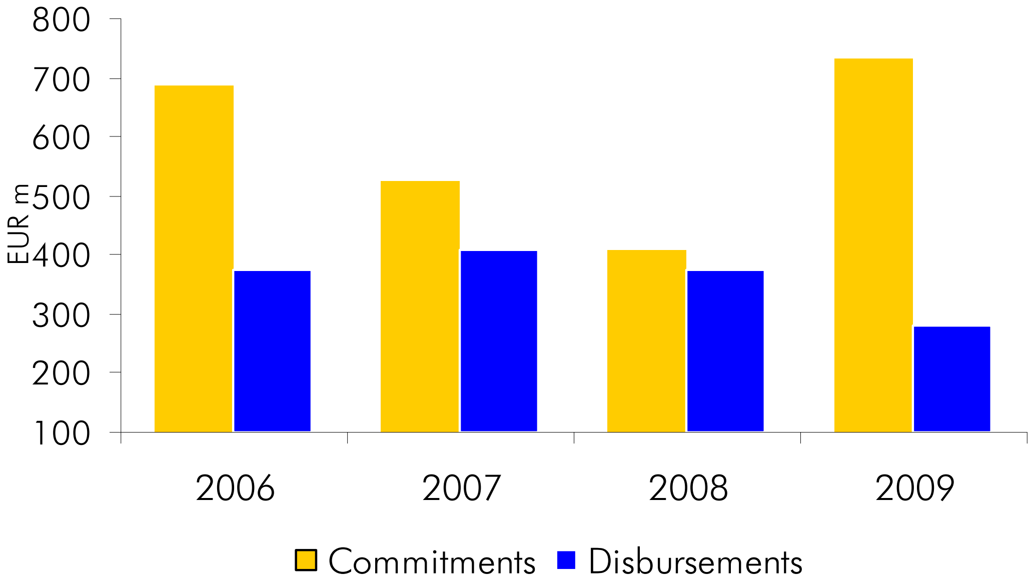
which in new Member States, demonstrating its continued commitment to supporting economic development in these regions. The total funds committed to these agreements by the end of 2009 amounted to EUR 1bn.

During the year, the EIF started to implement other instruments designed in 2008 in conjunction with the EIB, in particular for mezzanine finance and microcredit in order to better meet market needs in this strategic area.

In late 2009, the EIF responded to an open call for tenders for the UK Innovation Investment Fund to manage a proportion of the Government's Fund for technology investments. The EIF was selected in December to manage a GBP 200m Technology Fund-of-Funds which will invest in digital/ICT, life sciences and advanced manufacturing, primarily in the UK.

Equity operations



In 2009, the EIF made, across all funding sources, total unconditional equity commitments of close to EUR 518m. However, given the difficult market conditions seen in 2009, the EIF reinforced its catalytic role by making over EUR 215m in conditional commitments to help teams in their fundraising. This amount can also be added, resulting in a combined total of close to EUR 733m.

Although the level of EIF equity disbursements decreased when compared with 2008, the amount of signatures nearly doubled that of 2008 despite the difficult market conditions. Throughout the year, the EIF maintained a high level of support by backing teams in the early stages of their fundraising. In the current harsh economic environment, the EIF has played an instrumental role in helping fund managers to attract co-investors and reach a sufficiently viable fund size to implement their investment strategies.

Total net equity commitments amounted to EUR 3.9bn at the end of the year. With investments in over 300 funds, the EIF remains the leading player in European venture capital and small to mid-cap funds and the Fund continued to broaden its investment strategy across venture capital and mid-stage funds.

In April 2009, the EIF's Board approved the Mezzanine Facility for Growth, a new EUR 1bn fund-of-funds mandate granted by the EIB to be invested in hybrid debt/equity funds all over Europe, with a view to playing a catalytic role in this market segment. The EIF has approved EUR 282m in seven funds to date and has already signed commitments of EUR 160m in funds managed by leading independent mezzanine players (MML Capital Partners Fund V, Syntaxis, Accession Mezzanine Capital 3, Avenir Entreprise Mezzanine).

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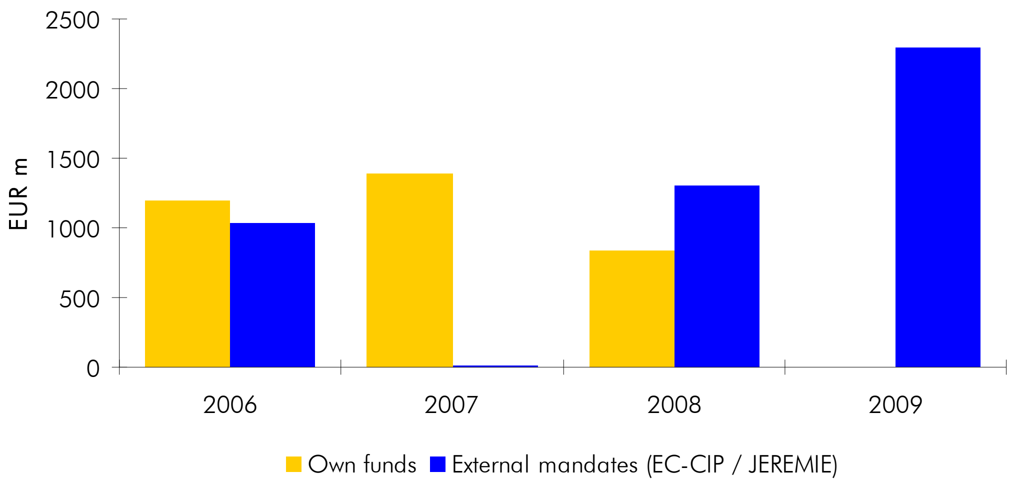
In 2009 the EIF also conducted a strategic review of its technology transfer activity to determine the potential for increasing its support to this asset class. EIF investments in technology transfer are expected to increase in 2010.

Guarantee transactions



The EIF offers two main product lines for its SME guarantee activity: credit enhancement-securitisation (guarantees for securitised SME financing instruments) and guarantees/counter-guarantees for portfolios of micro-credits, SME loans or leases.

EIF credit enhancement activity supports the securitisation of SME loans and leases pooled by financial institutions either in 'synthetic' transactions or distributed on the capital markets.

In its guarantee and counter-guarantee schemes for portfolios of SME or microcredit loans or leases, the EIF takes up to 50% of the expected loss or credit risk on every individual loan or lease in the portfolio. The effect is to provide loss relief to the financial intermediaries and create scope for extending further SME loans.

The absence of securitisation (own funds) transactions, as illustrated in the graph above, is due to the prevailing market conditions. However, the EIF successfully provided guarantee instruments using CIP resources throughout 2009. Twenty-one new guarantee agreements and extensions of existing agreements amounting to over EUR 2.2bn were signed in 2009. At end-2009, cumulative signatures[2] of EUR 10.7bn had been made using European Commission mandates, with a budgetary allocation of EUR 620m.

Total EIF guarantee transactions in 2009 amounted to nearly EUR 2.3bn while the total outstanding guarantee portfolio stood at EUR 13.6bn at year-end, comprising some 170 transactions.

JEREMIE (Joint European Resources for Micro-to-Medium Enterprises)

The first JEREMIE agreement was signed between the EIF and the Government of the Hellenic Republic (EUR 100m) in June 2007. Further signatures followed with Romania (EUR 100m), Latvia (EUR 91.5m), Lithuania (EUR 290m) and the Slovak Republic (EUR 100m) in 2008. Furthermore, two regional funding agreements were signed with the French region of Languedoc-Roussillon (EUR 30m) and the Italian region of Campania (EUR 90m). In 2009, Bulgaria (EUR 200m), Cyprus (EUR 20m) and the Sicily region of Italy (EUR 60m) also signed agreements with the EIF resulting in JEREMIE operations being launched in 10 EU Member States and regions with the EIF acting as holding fund, for a total signed amount of over EUR 1bn.

[2] Maximum portfolio volume

Further JEREMIE contracts between the EIF and national or regional governments are currently under advanced negotiation.

In addition to this, in 2009 the EIF offered advisory services to other national/regional JEREMIE Holding Funds.

The EIF has developed for JEREMIE a tool-box of financial engineering debt, guarantee and equity instruments which covers the full life cycle of SMEs. In countries where the EIF has signed funding agreements, the first calls for expression of interest to financial intermediaries were launched and in 2009 the first contracts were signed.

Throughout 2009, the EIF's role extended beyond the successful implementation of the JEREMIE Holding Funds to establishing and developing strong relationships in all markets in which it is active, often through a local presence. This has helped to build up knowledge of the specific dynamics and needs of the local markets and has extended the EIF's representation, promoting the full range of services and instruments that it has to offer.

The EIF will therefore be able to reach the next tier of financial intermediaries and extend its reach and excellence beyond its traditional geographic coverage.

Microfinance

The European Commission has launched a new initiative in the field of social policy and entrepreneurship to address, in particular, the adverse effects of the global financial crisis on at-risk groups.

In this context, the EIF is negotiating with the Commission a new mandate ("Progress Microfinance Facility") which will provide up to EUR 100m in support of employment, development of micro-enterprises and the social economy.

The mandate, which is expected to be match-funded by the EIB, will be deployed over the period 2010-2013 in the form of guarantees and debt products, and is expected to be operational in early 2010. It is aimed at increasing lending activity to micro-borrowers through a wide range of financial intermediaries such as microfinance institutions, dedicated microfinance companies or investment funds, local savings banks, smaller co-operative banks, smaller development banks/institutions and selected local commercial banks (the latter particularly in the new Member States of the EU).

This complements other Commission, European Parliament and national initiatives in support of the sector and managed by the EIF, as well as own resource securitisations in the field:

- The CIP Guarantees microfinance window;
- The JASMINE initiative (Joint Action to Support Microfinance in Europe), which comprises technical assistance services in support of non-bank microfinance institutions, and a EUR 20m pilot window for investment activity made available by the EIB under the Risk Capital Mandate. To date, the EIF has signed one investment and further transactions are in the pipeline;
- Microfinance in the context of JEREMIE holding fund agreements;
- An additional EUR 4m will be made available by the European Parliament through a Preparatory Action and is expected to be ready for investment in 2010.

Global Energy Efficiency and Renewable Energy Fund (GEEREF)

GEEREF is an innovative Fund-of-Funds, providing global risk capital through private investment for energy efficiency and renewable energy projects in developing countries and economies in transition. It aims to accelerate the transfer, development, use and enforcement of environmentally sound technologies for the world's poorer regions, helping to bring secure, clean and affordable energy to local people. GEEREF was initiated by the Directorate-General for Environment and the Directorate-General for EuropeAid Co-operation Office (AIDCO) of the European Commission, and was signed by the EIF on behalf of the EIB Group. It is advised by both the EIF and the EIB and sponsored by the EU, Germany and Norway.

The target funding size for GEEREF is EUR 200-250m and as of September 2009, GEEREF had secured a total of EUR 108m. To date GEEREF has made two investments and has numerous other deals in the pipeline as the EIB Group, with its experience and large portfolio in renewable energy, is uniquely positioned to act as a catalyst for investors interested in the sector.

For further information on the EIB, visit its website www.eib.org

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List of financing operations in 2009

The lists below show the main detailed figures for the EIB's activities in 2009. This information will be published in "Volume III – Statistical Report" of the EIB Group's 2009 Annual Report.

Loans concluded for capital investment in 2009 totalled EUR 79 102 million (see detailed breakdown in table below). These operations give rise to financial commitments for the Bank and are accounted for in its balance sheet.

The EIB cooperates closely with a large number of financial institutions and commercial banks, with which it concludes credit lines for financing small and medium-scale projects in the industrial, services, health, education and infrastructure sectors. It also grants loans earmarked for specific projects through the intermediary of financial institutions and commercial banks.

The EIB also provides direct loans for firms or public authorities where the projects are clearly in line with its priorities.

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Geographical breakdown of loans concluded (EUR million)

	2009		2005-2009	
	Amount	%	Amount	%
Belgium (BE)	1 755	*2.2*	5 407	*1.9*
Bulgaria (BG)	174	*0.2*	1 827	*0.7*
Czech Republic (CZ)	1 860	*2.4*	6 767	*2.4*
Denmark (DK)	422	*0.5*	1 378	*0.5*
Germany (DE)	9 802	*12.4*	36 859	*13.3*
Estonia (EE)	842	*1.1*	969	*0.3*
Ireland (IE)	1 020	*1.3*	2 820	*1.0*
Greece (GR)	1 618	*2.0*	5 571	*2.0*
Spain (ES)	10 494	*13.3*	41 458	*14.9*
France (FR)	6 290	*8.0*	23 660	*8.5*
Italy (IT)	9 687	*12.2*	35 130	*12.7*
Cyprus (CY)	202	*0.3*	612	*0.2*
Latvia (LV)	285	*0.4*	1 429	*0.5*
Lithuania (LT)	1 169	*1.5*	1 297	*0.5*
Luxembourg (LU)	488	*0.6*	880	*0.3*
Hungary (HU)	1 889	*2.4*	7 279	*2.6*
Malta (MT)			203	*0.1*
Netherlands (NL)	1 812	*2.3*	5 205	*1.9*
Austria (AT)	1 926	*2.4*	6 638	*2.4*
Poland (PL)	4 784	*6.0*	14 102	*5.1*
Portugal (PT)	3 748	*4.7*	10 989	*4.0*
Romania (RO)	1 473	*1.9*	4 389	*1.6*
Slovenia (SI)	538	*0.7*	1 985	*0.7*
Slovakia (SK)	366	*0.5*	970	*0.3*
Finland (FI)	1 145	*1.4*	3 849	*1.4*
Sweden (SE)	1 135	*1.4*	4 263	*1.5*
United Kingdom (GB)	5 411	*6.8*	20 844	*7.5*
EFTA (1)	170	*0.2*	626	*0.2*
European Union	*70 505*	*89.1*	*247 406*	*89.1*
South-East Europe	4 340	*5.5*	14 585	*5.3*
Eastern Europe, Southern Caucasus, Russia	233	*0.3*	693	*0.2*
Mediterranean countries	1 593	*2.0*	6 810	*2.5*
ACP/OCT	863	*1.1*	3 465	*1.2*
South Africa	280	*0.4*	821	*0.3*
Asia, Latin America	1 288	*1.6*	3 921	*1.4*
Partner countries	*8 597*	*10.9*	*30 294*	*10.9*
Total	**79 102**	*100.0*	**277 699**	*100.0*

(1) Financing operations in the members of the European Free Trade Association (EFTA) equivalent to operations in the European Union.

The amounts relating to projects featured in this list are expressed in EUR million.

EUR million

Member States		
Belgium		**1 755,0**
Gas storage, transport and transmission throughout Belgium	Fluxys	120,0
Construction of two combined cycle gas-fired units in Lelystadt-Flevoland (Netherlands), combined cycle gas-fired unit in Amercoeur-Hainaut and blast furnace residue gas-fired unit at Arcelor plant in Ghent (Belgium)	Electrabel SA	25,0
Construction and operation of first phase of Belgium's second large offshore wind farm	Special purpose entity/fund	300,0
Financing of small and medium-scale renewable energy projects	Dexia Banque Belgique	150,0
Construction and rehabilitation of regional wastewater treatment facilities in Flemish region	Aquafin NV	100,0
Construction and modernisation of sewerage networks in Flemish region, comprising East and West Flanders, Antwerp, Flemish Brabant and Limburg	Aquafin NV	200,0
Upgrading of drinking water supply networks in Greater Liège	Compagnie Intercommunale Liégeoise des Eaux	120,0
Urban regeneration comprising demolition, upgrading and repair of social housing and associated social and urban infrastructure in Walloon region	Société Wallonne du Logement	250,0
Modernisation, refurbishment and reconstruction of 7 500 rented social housing units	Vlaamse Maatschappij voor Sociaal Wonen NV	200,0
RDI in fields of cancer diagnosis and therapy on various sites	Ion Beam Applications S.A.	50,0
R&D in field of hardware and software for virtual simulation, prototyping and testing technologies in Leuven (Belgium), Brasov (Romania) and Lyon (France)	LMS International NV	15,0
Financing of small and medium-scale projects carried out by SMEs	ING Bank N.V.	75,0
	Fortis Banque SA	150,0
Bulgaria		**173,5**
Rehabilitation of three major junctions in Sofia's road network	Sofia Municipality	43,5
Financing of small and medium-scale projects carried out by SMEs	Erste Group Bank AG	5,0
	Eurobank EFG Bulgaria AD	50,0
	Piraeus Bank Bulgaria AD	40,0
	Bulgarian Development Bank AD	25,0
	Alpha Bank AE	10,0
Czech Republic		**1 860,5**
Upgrading and extension of electricity distribution network across large part of Czech Republic	ČEZ Distribuce, a.s.	300,0
Rehabilitation of regional road network	Jihočeský kraj	7,6
Upgrading and extension of water and sanitation systems	Czech Republic	117,3
Infrastructure reconstruction measures following damage caused by June 2009 floods in Moravia and South Bohemia	Czech Republic	267,8
Cofinancing of multi-sector investment programme in South Moravia region	Jihomoravský kraj	75,6
Plzen's multi-sector investment programme to improve urban infrastructure	Město Plzeň	76,5
Framework loan for financing priority small and medium-scale urban regeneration projects	Statutární město Olomouc	38,6
Construction and upgrading of brick and roof tile production plants in several eastern European countries	Wienerberger AG	25,0
RDI activities and modernisation of manufacturing facilities for production of new models in Mlada Boleslav	Škoda Auto a.s.	150,0
Financing of national investment programme of Czech Republic in areas of health, social protection, culture and public administration	Public Entities	543,2
Financing of small and medium-scale projects carried out by SMEs, mid-cap companies or public authorities in Czech Republic and Slovakia	Všeobecná úverová banka a.s.	18,8
Financing of small and medium-scale projects carried out by SMEs	Česká spořitelna, a.s.	200,0
	Erste Group Bank AG	40,0
Denmark		**421,7**
Research and development activities concerning pump products and technology, mainly in product development centre in Bjerringbro	Grundfos Management A/S	80,5
RDI focusing on wind turbine design, manufacturing and operation	Vestas Wind System A/S	250,0
RDI in field of precision instrumentation and controls	Spectris plc	11,1
RDI concerning separation, heat transfer and fluid handling technologies at technical centres in Lund and Tumba	Alfa Laval AB	30,0
Financing of small and medium-scale projects carried out by SMEs	Ringkjøbing Landbobank A/S	50,0
Germany		**9 802,1**
Upgrading and expansion of municipal and regional power, gas and district heating grids in and around Mainz	Stadtwerke Mainz AG	110,0

Construction of photovoltaic solar plant in Brandenburg region	Infrastruktur Turnow GmbH & Co. KG	110,0
Fund for purchasing carbon credits generated by Programmes of Activities and Kyoto Protocol mechanism projects located in least developed countries	Special purpose entity/fund	50,0
Upgrading and expansion of existing Berlin Schönefeld airport to become new single "Willy Brandt" Berlin-Brandenburg International Airport	Flughafen Berlin-Schönefeld GmbH	582,5
Widening of A5 motorway between Baden-Baden and Offenburg	Land Baden-Württemberg	225,0
Upgrading of Frankfurt Airport to accommodate Airbus A380	Fraport AG Frankfurt Airport Services Worldwide	230,0
Construction of container terminal at deepwater port of Wilhelmshaven on German Bight	Freie Hansestadt Bremen	62,4
Construction of container terminal at deepwater port of Wilhelmshaven on German Bight	Land Niedersachsen	262,6
Small and medium-scale road works in Brandenburg	Land Brandenburg	200,0
Upgrading and expansion of Europe's largest inland port	Duisburger Hafen AG	60,0
Rollout of very high-speed glass fibre broadband networks (VDSL technology)	Arcor AG & Co. KG	410,0
Rollout of alternative broadband access network infrastructure in Munich and Augsburg	Stadtwerke München GmbH	100,0
Rehabilitation and extension of water and sewerage networks and refurbishment and upgrading of water and wastewater treatment plants in Berlin and neighbouring areas in Brandenburg	Berliner Wasserbetriebe - Anstalt des öffentlichen Rechts	130,0
Rehabilitation and extension of water and sewerage network in Dresden	Stadtentwässerung Dresden GmbH	74,0
Upgrading of flood prevention infrastructure and investments in water sector in North Rhine-Westphalia	Land Nordrhein-Westfalen	200,0
Urban renewal programmes in Brandenburg	Investitionsbank des Landes Brandenburg	174,0
R&D concerning drive train components for automotive industry (engines, power transmissions)	Volkswagen AG	400,0
RDI activities focusing on formulation and carrier technologies for hospital care in Melsungen (Hessen)	B. Braun Melsungen AG	95,0
R&D expenditure on medical care, clinical nutrition, infusion therapy and biopharmaceuticals during period 2007-2009	Fresenius Medical Care AG & Co. KGaA	50,0
	Fresenius Kabi AG	50,0
	Fresenius Biotech GmbH	50,0
RDI in field of precision instrumentation and controls	Spectris plc	15,0
Construction of containerboard production plant in Eisenhüttenstadt	Progroup AG	98,3
Product RDI activities focusing on heat exchange technologies at several technical centres	GEA Group AG	150,0
Construction of plant manufacturing high-purity solar-grade silicon for use in photovoltaic industry in Nünchritz (Saxony)	Wacker-Chemie GmbH	400,0
Construction of manufacturing facilities for photovoltaic wafers, cells and modules in Erfurt and Arnstadt (Thuringia)	Robert Bosch GmbH	450,0
RDI activities aimed at optimising fuel efficiency and lowering carbon dioxide emissions in automobile sector in Stuttgart	Daimler AG	400,0
RDI relating to domestic heating and cooling systems, mainly on Remscheid site	Vaillant GmbH	120,0
R&D concerning safety equipment for passenger cars	Autoliv AB	40,0
R&D activities for development of electric city car and associated design and engineering work for new environmentally sustainable production and assembly line in Munich	BMW Finance N.V.	400,0
R&D focusing on new pharmaceutical compounds in three therapeutic areas: central nervous system, metabolic disorders and respiratory diseases	C.H. Boehringer Sohn AG & Co. KG	400,0
Support for 2009-2011 RDI activities concerning energy efficiency of car interiors and electrical equipment	Fritz Dräxlmaier GmbH & Co. KG	50,0
RDI relating to payment and data transfer security	Giesecke & Devrient GmbH	80,0
RDI concerning highly innovative portfolio of medical device technologies on Eindhoven High Tech Campus	Koninklijke Philips Electronics NV	74,0
RDI relating to materials and technologies in group's core business areas	ThyssenKrupp AG	210,0
RDI aimed at improving energy efficiency of commercial vehicles (trucks and buses)	MAN Nutzfahrzeuge AG	300,0
RDI activities focusing on vehicle thermal control mainly on Stockdorf site (Munich)	Webasto AG	50,0
RDI in field of specialty chemicals in several countries	Israel Chemicals Ltd	19,3
Implementation of bespoke e-commerce platforms within EU-27, supporting commercial supply, ordering and delivery processes	Otto GmbH & Co KG	50,0
Saxony-Anhalt's investment in public sector research	Land Sachsen-Anhalt	365,0
Financing of small-scale infrastructure projects	Landesbank Hessen-Thüringen Girozentrale	200,0
Financing of small and medium-scale infrastructure projects	Bremer Landesbank Kreditanstalt Oldenburg-Girozentrale	200,0

Financing of small-scale projects in energy sector	Commerzbank AG	250,0
Financing of small-scale projects in environment sector	Commerzbank AG	130,0
Financing of small and medium-scale projects carried out by SMEs	Landeskreditbank Baden-Württemberg - Förderbank	200,0
	Investitionsbank Schleswig-Holstein	200,0
	Commerzbank AG	200,0
	Unicredit Leasing GmbH	150,0
	NRW Bank	200,0
	Landwirtschaftliche Rentenbank	200,0
Financing of promotional programmes for SMEs, mainly in Bavaria	LfA Förderbank Bayern	150,0
Financing of public, semi-public and private sector projects	Thüringer Aufbaubank	75,0
Financing of investments in knowledge economy in Federal State of Hessen	Wirtschafts- und Infrastrukturbank Hessen	350,0
Estonia		**841,5**
Upgrading of power transmission and distribution networks	Eesti Energia AS	150,0
Expansion of container terminal at Muuga port and construction of new dry bulk quays at Paldiski South port	AS Tallina Sadam	40,0
Construction and purchase of ro-pax ferry for operation on Tallinn-Stockholm route	Tallink Grupp AS	90,0
Expansion of Muuga port	AS Tallina Sadam	11,5
Cofinancing of priority investments in Estonia under National Strategic Reference Framework	Republic of Estonia	550,0
Ireland		**1 020,0**
Construction of new 500 MW east-west power interconnector between Ireland and Wales (United Kingdom)	Eirgrid Plc	300,0
Construction of wind farms	Electricity Supply Board	200,0
Construction of new terminal at Dublin Airport	Dublin Airport Authority plc	260,0
Financing of small and medium-scale projects carried out by SMEs	Bank of Ireland	100,0
	Ulster Bank Ltd	60,0
	Allied Irish Banks p.l.c.	100,0
Greece		**1 618,4**
Upgrading and extension of electricity transmission and distribution grids throughout Greece	Public Power Corporation S.A.	250,0
Construction of first line of Thessaloniki's metro system	Attiko Metro SA	250,0
Upgrading and expansion of Pier 1 of Piraeus port	Piraeus Port Authority	55,0
Modernisation of aluminium processing plant located on existing secondary aluminium smelting site in Oinofyta (Viotia)	Elval Hellenic Aluminium Industry SA	7,0
Modernisation of aluminium processing plant located on existing secondary aluminium smelting site in Oinofyta (Viotia)	Symetal Aluminium Foil Industry SA	12,0
Construction of seven buildings for Hellenic Fire Service in various Greek regions	Hellenic Republic	9,4
Financing of small and medium-scale projects	Pancretan Cooperative Bank	15,0
Financing of small and medium-scale projects carried out by SMEs	Marfin Egnatia Bank S.A.	80,0
	Alpha Bank AE	250,0
	Agricultural Bank of Greece SA	100,0
	EFG Eurobank Ergasias S.A.	200,0
	National Bank of Greece SA	250,0
	Hellenic Bank Public Company Ltd	30,0
	Bank of Cyprus Public Company Ltd	60,0
Lease financing of small and medium-scale projects carried out by SMEs	EFG Eurobank Ergasias Leasing S.A.	50,0
Spain		**10 493,9**
Financing of campaigns for prevention and extinction of forest fires and rehabilitation and reforestation of over 5 110 ha of El Rodenal burned forest area (Castilla-La Mancha)	Comunidad Autónoma de Castilla-La Mancha	25,0
Upgrading and extension of national electricity transmission network and international interconnections	Red Eléctrica Corporación S.A.	100,0
Upgrading and expansion of electricity transmission and distribution networks throughout Spain	Endesa Red, S.A.U.	150,0
Upgrading and extension of gas transmission network in Spain	Enagás SA	275,0
Construction of small-scale concentrated solar power plant with nominal production capacity of 17 MWe in La Monclova, municipality of Fuentes de Andalucía, between Córdoba and Seville	Gemasolar 2006 SA	80,0

Construction of eight large grid-connected wind farms on inland sites in Spanish regions of Andalusia (seven units) and Castilla-La Mancha (one unit)	Special purpose entity/fund	148,3
Development of energy efficiency and renewable energy potential in Catalonia	Caja de Ahorros y Pensiones de Barcelona La Caixa	125,0
Increase of pumping and generating capacity of three hydropower plants	Iberdrola S.A.	300,0
Construction and operation of light metro line in Greater Seville	Metro de Sevilla Sociedad Concesionaria de la Junta de Andalucía SA	10,0
Series of small and medium-scale public transport projects in Barcelona metropolitan area	Generalitat de Catalunya	35,0
Expansion and upgrading of port of La Coruña	Autoridad Portuaria de A Coruña	20,0
Medium-scale rail infrastructure projects to modernise and upgrade regional metric rail network in Basque region	Comunidad Autónoma del País Vasco	225,0
Four road schemes in Catalonia region	Gestió d'Infraestructures, S.A.	110,0
Acquisition of air and maritime equipment for natural disaster prevention and alleviation	Sociedad de Salvamento y Seguridad Marítima	89,5
Construction of second San Sebastián bypass (Basque Country)	Territorio Histórico de Guipúzcoa	200,0
Acquisition of rolling stock for high-speed railway lines (priority TENs)	Renfe-Operadora	480,0
Expansion of Tenerife and Fuerteventura airports on Canary Islands	Ente Público de Aeropuertos Españoles y Navegación Aérea - AENA	80,0
Extension of two lines of Madrid's underground rail network	Madrid Infraestructuras del Transporte	77,2
Construction of high-speed rail link between Seville and Antequera	Comunidad Autónoma de Andalucía	200,0
Construction of new high-speed railway line between Madrid and Valencia and refurbishment of Valencia station	Administrador de infraestructuras ferroviarias	650,0
Construction of metro line 9 in Barcelona	Generalitat de Catalunya	200,0
Extension of Bilbao's metro network	Bizkaiko Garraio Partzuergoa Consorcio de Transportes de Vizcaya	125,0
Construction of expressway between Lorbé and A6 motorway in La Coruña province (Galicia)	Comunidad Autónoma de Galicia	50,0
Seaward expansion of Las Palmas port in Canary Islands, including construction of new breakwater and additional terminal infrastructure	Autoridad Portuaria de Las Palmas	50,0
Expansion of container/multipurpose/short-sea shipping facilities and improvement of road and rail connections of port of Barcelona	Autoridad Portuaria de Barcelona - APB	150,0
Upgrading and extension of air traffic control facilities	Ente Público de Aeropuertos Españoles y Navegación Aérea - AENA	450,0
Improvements to road network in Castilla-La Mancha region	Comunidad Autónoma de Castilla-La Mancha	90,0
Rollout of converged fixed-mobile broadband telecommunications network by France Telecom España throughout Spain	France Telecom España SA	500,0
Expansion and upgrading of water supply, treatment and transmission network in Barcelona province	Aguas Ter-Llobregat	164,0
Improvement of wastewater treatment in Galicia	Comunidad Autónoma de Galicia	150,0
Construction of wastewater treatment plants, interceptors and collectors in Castilla-La Mancha	Aguas de Castilla-La Mancha	180,0
Acquisition of fleet of energy efficient vehicles for urban sanitation services	FCC Medio Ambiente SA	175,0
Framework loan for financing small and medium-scale projects, mainly in health and education, RDI, culture, public services and environment sectors in Navarre	Comunidad Foral de Navarra	200,0
Framework loan for financing priority small and medium-scale urban regeneration projects in Barcelona	Ajuntament de Barcelona	50,0
Financing of small and medium-scale human capital, urban renewal, transport and environmental projects	Generalitat de Catalunya	300,0
Framework loan for financing small and medium-scale infrastructure projects in Asturias region	Principado de Asturias	90,0
Financing of small and medium-scale projects carried out by SMEs in various sectors in Aragón region	Comunidad Autónoma de Aragón	200,0
Expansion of oil refinery in Barcelona	Petróleos del Norte SA	300,0
RDI activities focusing on mechanical and electrical components of wind turbines at Gamesa plant (Pamplona)	Gamesa Corporación Tecnológica	60,0

Modernisation of existing cement plant in Sant Vicenç dels Horts, Catalonia, 15 km from Barcelona	Cementos Molins S.A.	60,0
R&D activities aimed at reducing carbon emissions and developing electric vehicles	Nissan Motor Ibérica S.A.	200,0
R&D relating to automobile parts designed to reduce weight and emissions and improve safety	Cie Automotive SA	54,0
RDI in field of specialty chemicals in several countries	Israel Chemicals Ltd	10,8
RDI in fields of renewable energy, water treatment and infrastructure	Acciona S.A.	185,0
Construction of local and university hospital for Asturias region	Principado de Asturias	115,0
Construction of hospital on greenfield site to replace existing establishment in Palma, Majorca	Concesionaria Hospital Son Dureta S.A.	70,0
Construction, refurbishment and extension of pre-school, primary and secondary education and vocational training buildings and related infrastructure in Madrid region	Comunidad de Madrid	320,0
Construction and upgrading of primary, secondary and special schools throughout Catalonia region	Generalitat de Catalunya	115,0
Financing of small and medium-scale infrastructure projects	Banco Santander SA	100,0
	Banco Bilbao Vizcaya Argentaria SA	200,0
Financing of public projects carried out by local authorities, mainly in convergence regions	Dexia Sabadell S.A.	200,0
Financing of small and medium-scale projects	Institut Catalá de Finances	50,0
Financing of small and medium-scale projects carried out by SMEs in Galicia	Instituto Galego de Promoción Económica	200,0
Financing of small and medium-scale projects carried out by SMEs, mainly in Basque Country	Luzaro Establecimiento Financiero de Crédito SA	50,0
Financing of small and medium-scale projects in Valencia region	Instituto Valenciano de Finanzas	100,0
Financing of small and medium-scale projects carried out by SMEs	Banco de Sabadell	200,0
	Caja de Ahorros de Galicia	100,0
	Banco Popular Español SA	200,0
	Institut Catalá de Finances	100,0
	Instituto de Crédito Oficial	500,0
	Instituto de Crédito y Finanzas de la Región de Murcia	50,0
	Caja de Ahorros y Monte de Piedad de Navarra	150,0
	Caja de Ahorros y Monte de Piedad de Madrid	200,0
	Montes de Piedad y Caja de Ahorros de Ronda, Cádiz, Almería, Málaga y Antequera	100,0
France		**6 290,0**
Modernisation and expansion of power plants in three French overseas departments (Réunion, Guadeloupe and Martinique)	EDF Production Electrique Insulaire SAS	500,0
Replacement of obsolete uranium enrichment facility in Tricastin, Rhône Valley (south-east France)	Société d'enrichissement du Tricastin	200,0
Upgrading and expansion of power transmission network in France	RTE EDF Transport	400,0
Framework loan for financing part of photovoltaics plan of Poitou-Charentes region	Crédit Agricole SA	200,0
Construction of new expressway (Route des Tamarins) on western fringe of island of Réunion	Région de la Réunion	75,0
Extension of Bordeaux's tram system	Communauté urbaine de Bordeaux	40,0
Extension and modernisation of public transport infrastructure in Greater Lyon	SYTRAL Syndicat Mixte des Transports pour le Rhône et l'Agglomération Lyonnaise	350,0
Extension of Paris's orbital tramway line (T3) between Porte d'Ivry and Porte de la Chapelle	Ville de Paris	500,0
Acquisition of 35 motor-coach trains for regional express train (TER) network	Région Picarde	120,0
Framework loan for financing public investment in water and sanitation sectors	Crédit Agricole SA	150,0
Construction and rehabilitation of public buildings in accordance with more stringent environmental and energy efficiency standards than those currently in force	BPCE	175,0
Construction and refurbishment of social housing stock throughout France	BPCE	125,0
Construction of infrastructure and public amenities under sustainable urban renewal schemes	Public Entity(ies)	600,0
R&D activities to develop improved contrast agents for medical imaging	Guerbet SA	40,0

R&D activities for developing automobile engines meeting EURO 5 and 6 standards	Peugeot Citroën Automobiles SA	400,0
Two R&D programmes to develop new generation of civil aircraft engines.	Snecma	300,0
Development of electric cars and specific R&D programmes aimed at reducing CO2 emissions	Renault	400,0
R&D concerning safety equipment for passenger cars	Autoliv AB	30,0
RDI aimed at improving engine efficiency and vehicle safety	Valeo	225,0
Reconstruction and modernisation of Marseille hospitals (Provence-Alpes-Côte d'Azur region)	Assistance Publique - Hôpitaux de Marseille	50,0
Construction of 33 upper secondary schools and international school to cater mainly for children of researchers of various nationalities working on ITER nuclear project in south of France	Région Provence-Alpes-Côte d’Azur	400,0
Construction of hospital (R. Schuman) in Metz in order to provide high-quality care in modern facilities and to bring together activities of three existing hospitals on single site.	Hôpitaux privés de Metz	60,0
Financing of small and medium-scale projects carried out by SMEs	Crédit Coopératif S.C.A.	150,0
	Banque Fédérale des Banques Populaires	100,0
	BNP Paribas	400,0
	Crédit Agricole SA	300,0
Italy		**9 687,1**
Improving efficiency and service of electricity distribution network	Enel Distribuzione S.p.A.	715,0
Upgrading and expansion of national power transmission network	Terna - Rete Elettrica Nazionale S.p.A.	500,0
Upgrading and extension of Rome's electricity distribution network	ACEA Distribuzione S.p.A.	200,0
Framework loan for financing small and medium-scale renewable energy and energy efficiency projects	Centrobanca - Banca di Credito Finanziario e Mobiliare S.p.A.	200,0
Construction of two large gas transport pipelines and rehabilitation of compressor station in southern and northern Italy	SNAM Rete Gas S.p.A.	300,0
Expansion of terminal and construction of new logistics centre at Malpensa airport	Società Esercizi Aeroportuali S.p.A.	30,0
Fleet modernisation and acquisition of four new Fincantieri-built ro-pax ferries	Grimaldi Compagnia di Navigazione S.p.A.	80,0
Acquisition of new multi-purpose roll-on/roll-off vessels for use on Europe-West Africa and Europe-South America routes	Industria Armamento Meridionale S.p.A. (INARME)	30,0
Construction of four cruise ships to be operated mainly in Mediterranean and Baltic Seas	Costa Crociere S.p.A.	550,0
Increase in capacity of Florence-Bologna section of A1 toll motorway	Autostrade per l'Italia S.p.A.	500,0
Upgrading of 57 km section of T-TEN motorway between Turin and Milan in north-west Italy	Società Iniziative Autostradali e Servizi S.p.A.	350,0
Safety and environmental upgrading measures on several motorways in north-west Italy	Società Iniziative Autostradali e Servizi S.p.A.	150,0
High-speed broadband internet access in non-covered or poorly covered Italian regions	Telecom Italia S.p.A.	600,0
Rollout of high-speed broadband network	Fastweb S.p.A.	350,0
Municipal waste treatment plant in Padua	Acegas-APS S.p.A.	30,0
Construction of waste to energy plant in Parma and connection to district heating network	Enia S.p.A.	100,0
Investments in bulk drinking water supply infrastructure for central Veneto region	Veneto Acque S.p.A.	88,0
Infrastructure schemes supporting sustainable development of small and medium-sized local authorities in Emilia-Romagna region	Dexia Crediop S.p.A.	55,0
Cofinancing of operational programme under convergence objective in Basilicata region	Regione Basilicata	75,0
Improvement of urban infrastructure in Venice	Comune di Venezia	7,2
Investment programme of municipality and province of Ferrara	Provincia di Ferrara	40,0
Investment programme of municipality and province of Ferrara	Comune di Ferrara	60,0
Cofinancing of 2007-2013 investment programmes in Lombardy, including SME component	Regione Lombardia	330,0
Small and medium-scale infrastructure projects aimed at integrated and sustainable development in Reggio Emilia province	Provincia di Reggio Emilia	60,0
Construction and fitting-out of promoter's new pharmacological R&D centre in Parma	Chiesi Farmaceutici S.p.A.	30,0
Development and construction of innovative aircraft components on sites in Puglia and Campania	Alenia Aeronautica S.p.A.	500,0
Construction and operation of new oil processing units at existing refineries in Sannazzaro (Lombardy) and Taranto (Puglia)	ENI S.p.A.	300,0
R&D activities of Fiat Group for improving fuel efficiency	FIAT S.p.A.	400,0
RDI aimed at improving tyre product and process performance	Pirelli Tyre S.p.A.	100,0
Development of IT infrastructure and processes for mail services throughout Italy	Poste Italiane S.p.A.	200,0

Upgrading and rationalisation of teaching and research facilities at University of Verona	Università degli Studi di Verona	20,0
Construction of new student accommodation in Milan	Istituto Javotte Bocconi Manca di Villahermosa - Associazione Amici della Bocconi	15,0
Financing of investments implemented by mid-cap companies	Mediocredito Italiano S.p.A	100,0
Financing of small and medium-sized companies investing in research, development and innovation	Mediocredito Italiano S.p.A	50,0
Financing of small and medium-scale projects carried out by SMEs	Credito Bergamasco Cassa di Risparmio di Lucca Pisa Livorno S.p.A. Banca Popolare di Novara S.p.A. Banco Popolare S.C. Banca Popolare di Lodi S.p.A. Banca Popolare di Verona - S. Geminiano e S. Prospero S.p.A.	200,0
	Banca Popolare dell'Etruria e del Lazio	50,0
	Banca Di Cividale S.p.A.	30,0
	Intesa Sanpaolo S.p.A. Mediocredito Italiano S.p.A Leasint S.p.A	400,0
	Biella Leasing S.p.A. Banca Sella S.p.A. Banca Sella Sud Arditi Galati S.p.A. Banca Sella Nord Est Bovio Calderari S.p.A.	50,0
	Agricart 4 Finance S.r.l.	327,0
	Banca Piccolo Credito Valtellinese S.c. Credito Artigiano S.p.A. Credito Siciliano S.p.A. Banca dell'Artigianato e dell'Industria S.p.A. Mediocreval S.p.A. Credito Piemontese S.p.A. Carifano - Cassa di Risparmio di Fano S.p.A.	200,0
	Banca Popolare dell'Emilia Romagna Sardaleasing - Società di Locazione Finanziaria S.p.A.	150,0
	Banca Popolare Friuladria S.p.A.	33,3
	Cassa Di Risparmio Di Parma E Piacenza S.p.A.	33,3
	Crédit Agricole Leasing Italia S.r.l.	33,3
Lease financing of small and medium-scale projects carried out by SMEs	Dolomiti Finance S.r.l.	295,0
	Quarzo Lease S.r.l.	350,0
	Unicredit Leasing S.p.A.	300,0
Financing of small and medium-scale investments in social field	Banca Prossima S.p.A.	20,0
Financing of small and medium-scale projects in fields of environmental protection and sustainable communities	Dexia Crediop S.p.A.	100,0
Cyprus		**202,1**
Construction of wind farm near Paphos, south-west Cyprus	Electricity Authority of Cyprus	64,1
Financing of small and medium-scale projects carried out by SMEs	Hellenic Bank Public Company Ltd	28,0

	Bank of Cyprus Public Company Ltd	60,0
	Marfin Popular Bank Public Co Ltd	50,0
Latvia		**285,0**
Construction of second combined heat and power plant on TEC power generation site located in Acone on outskirts of Riga	Latvenergo	100,0
Cofinancing of priority investment under Single Programming Document for structural funds and Cohesion Fund Reference Framework	Republic of Latvia	70,0
Financing of small and medium-scale projects	AS DnB NORD Banka	15,0
Financing of small and medium-scale projects carried out by SMEs	Latvijas Hipoteku un Zemes Banka	100,0
Lithuania		**1 169,0**
Framework loan for assisting implementation of Lithuania's 2007-2013 National Strategic Reference Framework	Republic of Lithuania	1 132,0
Construction and upgrading of brick and roof tile production plants in several eastern European countries	Wienerberger AG	19,0
R&D relating to automobile parts designed to reduce weight and emissions and improve safety	Cie Automotive SA	3,0
Financing of small and medium-scale projects	AB DnB Nord Bankas	15,0
Luxembourg		**488,0**
Financing of new private equity fund specialising in acquisition of forestry assets in Europe	Special purpose entity/fund	30,0
Participation in pan-European infrastructure fund targeting key energy, environmental and transport objectives	Special purpose entity/fund	100,0
Purchase of 2 700 intermodal and standard freight wagons	AAE Ahaus-Alstätter Eisenbahn Cargo AG	33,0
Equity participation in pan-European infrastructure fund investing in transport, social infrastructure and environmental projects	Special purpose entity/fund	50,0
Construction and launch of two satellites covering Europe	SES SA	200,0
Financing of small and medium-scale projects carried out by SMEs	ING Bank N.V.	25,0
	BGL BNP Paribas	50,0
Hungary		**1 889,3**
Framework loan for development, management and protection of forests under new Rural Development Programme (RDP)	Republic of Hungary	200,0
Acquisition of 25 dual-voltage locomotives for use on domestic and international services of Hungarian railway	MÁV Magyar Államvasutak Zrt.	38,3
Regeneration of priority urban public transport and road infrastructure and facilities	Municipality of Budapest	150,0
Construction and upgrading of brick and roof tile production plants in several eastern European countries	Wienerberger AG	6,0
R&D in Debrecen, Gödöllö and Sajóbábony aimed at manufacturing drugs and new active pharmaceutical ingredients (APIs)	TEVA Gyógyszergyár Zrt.	100,0
Construction of automotive plant in Kecskemét	Mercedes-Benz Manufacturing Hungary KFT	400,0
Support for research and innovation investment in Hungarian convergence regions	Republic of Hungary	440,0
Cofinancing of projects in fields of education, training and employment	Republic of Hungary	150,0
Financing of small and medium-scale infrastructure projects	CIB Bank Zrt.	100,0
Financing of small and medium-scale projects	MKB Bank Zrt.	100,0
	Erste Bank Hungary Nyrt	40,0
Financing of small and medium-scale projects carried out by SMEs	Erste Group Bank AG	15,0
	SG Eszközlízing Magyarország Kft.	16,7
	SG Eszközfinanszírozás Magyarország Zrt.	16,7
	SG Járműfinanszírozás Magyarország Zrt.	16,7
Financing of small and medium-scale projects carried out by mid-caps	Magyar Fejlesztési Bank Zrt.	100,0
Netherlands		**1 812,0**
Construction of LNG terminal at port of Rotterdam	Gate Terminal BV	51,7
Design and laying of submarine power cable between Netherlands and United Kingdom	Britned Development Ltd	150,0
Expansion and de-bottlenecking of Dutch gas transmission system, comprising laying of 300 km of gas pipelines and construction of two compressor stations	Nederlandse Gasunie NV	125,0
Construction of two combined cycle gas-fired units in Lelystadt-Flevoland (Netherlands), combined cycle gas-fired unit in Amercoeur-Hainaut and blast furnace residue gas-fired unit at Arcelor plant in Ghent (Belgium)	Electrabel SA	75,0
Equity and quasi-equity investments for energy projects	Special purpose entity/fund	10,0
Expansion of uranium enrichment facilities in Almelo	URENCO UK Ltd	50,0

	Urenco Nederland B.V.	50,0
Construction and expansion of container terminals and creation of chemicals and distribution sites at port of Rotterdam	Havenbedrijf Rotterdam NV	300,0
Investment programme for water production and distribution facilities	Vitens N.V.	150,0
Development of next generation of lithography equipment for semiconductor industry, mainly on Eindhoven site	ASML Holding NV	200,0
RDI in field of precision instrumentation and controls	Spectris plc	13,9
RDI concerning highly innovative portfolio of medical device technologies on Eindhoven High Tech Campus	Koninklijke Philips Electronics NV	126,0
RDI in field of specialty chemicals in several countries	Israel Chemicals Ltd	10,4
Financing of small and medium-scale projects carried out by SMEs	ING Bank N.V.	200,0
Financing of small and medium-scale projects carried out by SMEs	Coöperatieve Centrale Raiffeisen-Boerenleenbank BA-Rabobank Nederland	300,0
Austria		**1 926,0**
Construction of two sections of high-pressure natural gas pipeline with total length of 105 km in Federal State of Styria	Gasnetz Steiermark GmbH	75,0
Construction of new main railway station in Vienna at junction of TEN-T railway corridors, replacing existing terminal stations	ÖBB-Infrastruktur AG	200,0
Construction of section of high-speed line on Brenner railway axis (Berlin-Palermo TEN-T) between Kundl/Radfeld and Baumkirchen in Lower Inn Valley in Tyrol (Austria)	ÖBB-Infrastruktur AG	400,0
Extension of municipal solid waste incineration plant to improve environmental quality in Zwentendorf/Dürnrohr, Federal State of Lower Austria, south west of Vienna	EVN Abfallverwertung Niederösterreich GmbH	30,0
Construction of cogeneration plant to reinforce urban district heating network and construction of residual municipal solid waste treatment and incineration plant with combined heat and power production in Linz	Linz Strom GmbH für Energieerzeugung, -handel, -dienstleistungen und Telekommunikation	110,0
Fifth phase of rehabilitation and upgrading programme for rental social housing stock of Wiener Wohnen to bring it up to contemporary housing quality standards	Stadt Wien	105,0
Rebuilding and capacity expansion of pulp mill in Pöls, Styria	Zellstoff Pöls AG	25,0
R&D focusing on plastic materials on Linz and Schwechat sites	Borealis AG	75,0
Construction and refurbishment of university facilities in Vienna, Graz, Innsbruck, Salzburg, Linz, Leoben and Klagenfurt	Public Entities	200,0
Construction of new campus to house Austrian Institute of Science and Technology (new national research institute specialising in fundamental research in fields of science and technology), in Klosterneuburg north-east of Vienna	Institute of Science and Technology Austria	56,0
Construction of campus for Vienna University of Applied Sciences to replace existing facilities scattered across city on eight different sites	Fachhochschule Campus Wien	35,0
Financing of regional infrastructure, in particular projects located in regional development areas in Federal State of Lower Austria	Hypo Investmentbank AG	25,0
Financing of small and medium-scale projects	Raiffeisenlandesbank Niederösterreich-Wien AG	30,0
	Oberbank AG	25,0
Financing of small and medium-scale projects carried out by SMEs and micro-projects in tourism sector	Österreichische Hotel- und Tourismusbank GmbH	100,0
Financing of small and medium-scale projects carried out by SMEs	UniCredit Bank Austria AG	150,0
	Raiffeisen Zentralbank Österreich AG	50,0
	UniCredit Leasing (Austria) GmbH	50,0
	Erste Bank der österreichischen Sparkassen AG	100,0
	Erste Group Bank AG	10,0
Funded risk-sharing facility for SMEs and mid-cap companies	UniCredit Bank Austria AG	75,0
Poland		**4 783,9**
Construction of CHP plant in Poland and natural gas-fired CCGT plant co-generating heat and power in Finland; installation of digital remote metering infrastructure operating via low-voltage networks in Sweden	Fortum Oyj	100,0
Construction of small-scale wind farms in north-west Poland	Special purpose entity/fund	65,0
Modernisation and upgrading of electricity distribution infrastructure in north and centre of country	Energia SA	250,0
Framework loan for financing small road investment schemes in City of Wroclaw	City of Wrocław	20,0

Construction of two sections of Warsaw ring road	Województwo Mazowieckie	565,0
Framework loan for financing small and medium-scale infrastructure projects in Voivodship of Mazovia	Województwo Mazowieckie	88,2
Construction of 91 km section of A2 motorway between Stryków (Lodz) and Konotopa (Warsaw)	Bank Gospodarstwa Krajowego	500,0
Construction of motorway on east-west route between Swiecko and Nowy Tomysl in western Poland	Autostrada Wielkopolska II SA	1 000,0
Small and medium-scale urban road schemes in Poznań	City of Poznań	40,1
Small and medium-scale investment projects in fields of transport and culture in Malopolska region	Województwo Małopolskie	38,5
Repair and reconstruction of sections of Polish road network	Bank Gospodarstwa Krajowego	325,0
Construction and rehabilitation of regional infrastructure in Zachodniopomorskie region	Województwo Zachodniopomorskie	84,5
Expansion and modernisation of water and sanitation facilities in city of Wroclaw	Miejskie Przedsiębiorstwo Wodociagów i i Kanalizacji Sp. z o.o. we Wrocławiu	125,5
Investments in water and sanitation infrastructure	Narodowy Fundusz Ochrony Środowiska i Gospodarki Wodnej	120,7
Framework loan for financing various investment projects in Opole	Miasto Opole	34,9
Financing of small and medium-scale infrastructure projects in Warsaw	Miasto Stołeczne Warszawa	82,8
Financing of municipal infrastructure in Czestochowa	City of Częstochowa	60,3
Construction and upgrading of brick and roof tile production plants in several eastern European countries	Wienerberger AG	50,0
Construction of containerboard production plant in Eisenhüttenstadt	Progroup AG	14,7
R&D concerning radio access network (RAN) technology	Nokia Siemens Networks BV	70,0
Construction of leisure and sports complex in city of Poznan	Termy Maltańskie Sp. z o.o.	43,9
Public scientific and academic research	Republic of Poland	675,0
Financing of small and medium-scale projects carried out by SMEs	Fortis Bank Polska S.A.	50,0
Financing of small and medium-scale projects carried out by SMEs	Fortis Lease Polska Sp. z o.o.	50,0
	BRE Bank SA	100,0
	Erste Group Bank AG	5,0
	Powszechna Kasa Oszczędności Bank Polski S.A.	150,0
	Bank Ochrony Środowiska S.A.	75,0
Portugal		**3 748,0**
Construction of natural gas-fired combined-cycle power plant in Pego, central Portugal	ElecGas S.A.	200,0
Improvement of power generation, transmission and distribution infrastructure on all nine islands of Azores archipelago	Electricidade dos Açores, SA	27,0
Repowering of two run-of-river hydropower plants, Picote and Bemposta, on international section of River Douro, in Portugal on Spanish border	EDP - Energias de Portugal SA	145,0
Expansion of Sines liquefied natural gas (LNG) terminal, construction of compression station in Carregado and expansion of Carriço underground gas storage facility	REN-Atlântico Terminal de GNL S.A.	51,0
	REN - Gasodutos SA	49,5
	REN - Armazenagem SA	49,5
Construction and upgrading of road network in Azores	Região Autónoma dos Açores	120,0
Railway infrastructure upgrading schemes throughout Portugal	Rede Ferroviária Nacional - REFER EPE	110,0
Construction and upgrading or road infrastructure throughout Portugal	EP-Estradas de Portugal S.A.	300,0
Construction, widening and upgrading to 2x2 lane motorway standard of 117 km of IP8 and IP2 and improvement of 217 km of adjacent sections	SPER - Sociedade Portuguesa para a Construção e Exploracão Rodoviária S.A.	225,0
Improvement of airport infrastructure in Faro and Azores	ANA - Aeroportos de Portugal SA	72,0
Rollout of next generation network (NGN), including next generation access (NGA) with "fibre to the home" (FTTH) technology	Portugal Telecom SGPS S.A.	100,0

Rollout of next generation access (NGA) network to provide advanced high-speed broadband services	Zon Multimédia - Serviços de Telecomunicações e Multimédia SGPS SA	100,0
Extension and upgrading of water supply and wastewater collection networks throughout country	SANEST - Saneamento da Costa do Estoril S.A.	525,0
	SIMRIA - Saneamento Integrado dos Municípios da Ria, S.A.	
	Águas do Algarve, S.A.	
	Águas do Oeste, S.A.	
	SIMTEJO - Saneamento Integrado dos Municípios do Tejo e Trancão, S.A.	
	Águas de Trás-os-Montes e Alto Douro, S.A.	
	Águas do Zêzere e Côa, S.A.	
	Águas do Minho e Lima, S.A.	
	Águas do Centro Alentejo, S.A.	
	Águas do Ave, S.A.	
	SIMARSUL Sistema Integrado Multimunicipal de Águas Residuais da Península de Setúbal, S.A.	
Extension and upgrading of water supply and sanitation networks	Águas do Douro e Paiva, S.A.	19,1
	Águas do Algarve, S.A.	31,8
	Águas do Centro SA	12,7
	Águas do Mondego - Sistema Multimunicipal de Abastecimento de Água e de Saneamento do Baixo Mondego-Bairrada S.A.	63,5
Urban regeneration and social housing projects throughout Portugal	Instituto da Habitação e da Reabilitação Urbana I.P.	150,0
Improvement and environmental upgrading of three pulp and paper plants in Setúbal, Figueira da Foz and Cacia	Portucel - Empresa Produtora de Pasta e Papel, S.A.	30,0
Construction and operation of new oil processing units at existing refineries in Sines and Porto	Galp Energia SGPS SA	500,0
Construction of university hospital in Braga region	Escala Braga - Sociedade Gestora do Edifício, S.A.	65,0
Refurbishment and modernisation of 166 secondary schools	Parque Escolar EPE	300,0
Financing of small and medium-scale projects	Caixa Económica Montepio Geral	12,0
Financing of small and medium-scale projects carried out by SMEs	Banco Popular Portugal SA	50,0
	Banco BPI SA	175,0
	Caixa Geral de Depósitos, S.A.	175,0
	Banco Espírito Santo S.A.	90,0
Romania		**1 473,3**
Construction of natural gas-fired combined cycle power plant near Ploiesti	Petrom SA	200,0
Construction of phase I of new metro line in Bucharest and purchase of rolling stock	Societatea Comercială de Transport cu Metroul Bucureşti "Metrorex" S.A.	395,0
Upgrading of water supply and sewerage infrastructure in counties of Cluj and Salaj, north-west Romania	Compania de Apă Someş S.A.	25,3
Construction of vegetable oil plant in Lehliu-Gara, east of Bucharest	Prio Extracție Srl	40,0
Construction and operation of vehicle and engine production plant in Craiova and technical rehabilitation of former Daewoo plant	Ford România SA	400,0

R&D relating to automobile parts designed to reduce weight and emissions and improve safety	CIE Automotive SA	3,0
Increase in production capacity at existing plant in Slatina	Pirelli Tyres România SRL	50,0
R&D in field of hardware and software for virtual simulation, prototyping and testing technologies in Leuven (Belgium), Brasov (Romania) and Lyon (France)	LMS International NV	15,0
Financing of small and medium-scale projects	Banca Comercială Carpatica S.A.	10,0
	BRD Sogelease IFN S.A.	15,0
	EFG Leasing S.A.	60,0
Financing of small and medium-scale projects carried out by SMEs	Bancpost SA	80,0
	Erste Group Bank AG	5,0
	Banca Comercială Română SA	75,0
	Piraeus Bank Romania SA	50,0
	Alpha Bank Romania S.A.	50,0
Slovenia		**538,0**
Framework loan for financing small and medium-scale infrastructure projects	Public Fund of the Republic of Slovenia for Regional Development and Development of Rural Areas	15,0
Construction and equipping of new production and R&D facilities in Ajdovščina	BIA Separations podjetje za separacijske tehnologije d.o.o.	4,0
	BIA Separations Gesellschaft für Separationstechnologie mbH	4,0
Framework loan for financing small and medium-scale infrastructure projects	Public Fund of the Republic of Slovenia for Regional Development and Development of Rural Areas	15,0
Lease financing of small and medium-scale projects	Nova Ljubljanska banka d.d.	20,0
Financing of SME projects through leasing schemes	Unicredit Leasing d.o.o.	20,0
Financing of small and medium-scale projects carried out by SMEs	Erste Group Bank AG	5,0
	SKB Banka d.d. Ljubljana	75,0
Financing of SME projects and eligible automotive-sector investments aimed at development of new generation vehicles and emissions reduction	SID - Slovenska izvozna in razvojna banka dd Ljubljana	230,0
Financing of infrastructure projects carried out by local authorities and environmental protection and improvement projects	SID - Slovenska izvozna in razvojna banka dd Ljubljana	150,0
Slovakia		**366,3**
Financing of small and medium-scale infrastructure projects	Dexia Kommunalkredit Bank AG	75,0
	Dexia Banka Slovensko AS	50,0
Financing of small and medium-scale projects	Tatra-leasing s.r.o	20,0
Financing of small and medium-scale projects carried out by SMEs, mid-cap companies or public authorities in Czech Republic and Slovakia	Vseobecna Uverova Banka A.S.	56,3
Financing of small and medium-scale projects carried out by SMEs	VOLKSBANK Slovensko a.s.	50,0
	Slovenská záručná a rozvojová banka a.s.	50,0
	Erste Group Bank AG	15,0
	Československá obchodná banka, a. s.	50,0
Finland		**1 145,0**
Construction of CHP plant in Poland and natural gas-fired CCGT plant co-generating heat and power in Finland; installation of digital remote metering infrastructure operating via low-voltage networks in Sweden	Fortum Oyj	70,0
Construction of modern peat and biomass-fired combined heat and power plant	Kuopion Energiya Oy	70,0
R&D focusing on selected core therapeutic areas, especially target validation of compounds, in Orion Oyj's laboratories in Finland and United Kingdom	Orion Oyj	75,0
R&D activities for development of Smartphone software at Nokia's R&D centres in European Union (Finland and United Kingdom).	Nokia Oyj	400,0

R&D concerning radio access network (RAN) technology	Nokia Siemens Networks BV	180,0
RDI relating to pulp and paper and fibre-based engineered materials	UPM - Kymmene Corp.	125,0
Financing of small and medium-scale projects	Finnvera plc	150,0
Financing of small and medium-scale projects carried out by SMEs	Pohjola Pankki Oyj	75,0
Sweden		**1 135,0**
Construction of CHP plant in Poland and natural gas-fired CCGT plant co-generating heat and power in Finland; installation of digital remote metering infrastructure operating via low-voltage networks in Sweden	Fortum Oyj	80,0
RDI concerning separation, heat transfer and fluid handling technologies at technical centres in Lund and Tumba	Alfa Laval AB	100,0
R&D activities concerning production technologies for clean engines, mainly on site in Göteborg (Sweden) and to a lesser extent in Lyon (France)	Volvo AB	400,0
R&D activities for developing clean engine and hybrid technologies and design of cabins and chassis in Södertälje	Scania CV AB	400,0
R&D concerning safety equipment for passenger cars	Autoliv AB	155,0
United Kingdom		**5 410,9**
Extension and renovation of electricity distribution network in Manchester and north-west England	Electricity North West Limited	148,1
Design and laying of submarine power cable between Netherlands and United Kingdom	Britned Development Ltd	150,0
Upgrading and expansion of four gas distribution networks in central and south-east England	National Grid Gas plc	412,4
Framework loan for part-financing onshore wind projects	The Royal Bank of Scotland plc	167,8
	Lloyds TSB Bank PLC	167,8
	BNP Paribas Fortis	167,8
Widening of M25 motorway in south-east England	Public Entity(ies)	447,8
Completion of M80 motorway in central Scotland	Transport Scotland	157,5
Construction of 120 km east-west urban rail link crossing London	Transport for London	1 134,6
Financing of new high-power satellite to provide broadband mobile services covering Europe, Africa and parts of Asia	Inmarsat Ventures Ltd	225,0
Construction and operation of integrated waste management system for treatment and disposal of domestic waste in Greater Manchester (north-west England)	Greater Manchester Waste Disposal Authority	195,4
Upgrading of water and wastewater infrastructure in Midlands and Wales	Severn Trent Water Ltd	161,2
Water supply and wastewater treatment infrastructure in London and Thames Valley	Thames Water Utilities Ltd	134,3
Upgrading of water supply and wastewater treatment infrastructure in East Anglia and East Midlands	Anglian Water Services Ltd	117,4
Construction of 1 316 athletes' flats to be turned into affordable social housing units after 2012 Olympic Games in London	Triathlon Homes LLP	109,0
Framework loan for small and medium-scale urban regeneration projects undertaken by registered social landlords	The Housing Finance Corporation Ltd	189,2
RDI in field of precision instrumentation and controls	Spectris plc	15,6
R&D activities for development of Smartphone software at Nokia's R&D centres in European Union (Finland and United Kingdom).	Nokia Oyj	100,0
RDI activities for development of new composite wing structural parts for new generation of civil aircraft	GKN Holdings plc	87,8
R&D activities aimed at reducing carbon emissions and developing electric vehicles	Nissan Motor Manufacturing (UK) Ltd	200,0
RDI in field of specialty chemicals in several countries	Israel Chemicals Ltd	3,3
Construction and upgrading of healthcare facilities throughout Northern Ireland	United Kingdom of Great Britain and Northern Ireland	137,1
Financing of PPP projects in secondary education sector under "Building Schools for the Future" programme	Public Entity(ies)	184,7
Venture capital and loan fund created to finance SMEs in Wales	Finance Wales Plc	80,6
Venture capital and loan fund created to finance SMEs in north-east England	North East Finance Ltd	69,9
Financing of small and medium-scale projects carried out by SMEs	Ulster Bank Ltd	40,0
	Lloyds TSB Bank PLC	292,2
	Abbey National Treasury Services Plc	114,6
EFTA		**170,0**
Iceland		**170,0**
Increase in capacity of Hellisheiði geothermal power plant and construction of 90 MWe geothermal power plant in Hverahlíð	Orkuveita Reykjavikur	170,0

South-East Europe		4 339,7
Turkey		2 648,2
Upgrading and extension of national electricity distribution networks	Turkiye Elektrik Dagitim A.S.	125,0
Construction of 135 MW wind farm in Osmaniye region (eastern Turkey)	Rotor Elektrik Üretim A.Ş.	30,0
Financing of environmental and energy projects	Turkiye Sinai Kalkinma Bankasi A.S.	150,0
	Turkiye Kalkinma Bankasi A.S.	150,0
Construction of high-speed railway line between Istanbul and Ankara	Republic of Turkey	293,2
	Cimpor Inversiones SA	50,0
Investment in academic research system of Republic of Turkey	Republic of Turkey	335,0
Equity participation in fund focusing on small-scale energy efficiency projects in south-east Europe	Southeast Europe Energy Efficiency Fund S.A., SICAV-SIF	5,0
Financing of small and medium-scale projects	Turkiye Is Bankasi A.S.	250,0
	Eurobank Tekfen AS	78,6
	EFG Finansal Kiralama A.S.	31,4
Financing of small and medium-scale projects, with particular focus on small businesses	Turkiye Halk Bankasi A.S.	150,0
Lease financing of small and medium-scale projects	Akbank T.A.S.	100,0
Financing of small and medium-scale projects carried out by SMEs	Turkiye Vakiflar Bankasi TAO	135,0
	Turkiye Sinai Kalkinma Bankasi A.S.	165,0
	Turkiye Kalkinma Bankasi A.S.	100,0
	Akbank T.A.S.	150,0
Financing of small and medium-scale projects, mainly in manufacturing and services sectors	Yapi ve Kredi Bankasi A.S.	200,0
Financing of small and medium-scale projects carried out by SMEs, primarily in manufacturing and services sectors	Turkiye Garanti Bankasi A.S.	150,0
Serbia		896,5
Construction of six 220 or 400 kV electricity substations	JP Elektromreža Srbije	24,5
Construction of motorway section in Pan-European Corridor X between Grabovnica and Levosoje in southern Serbia	Republic of Serbia, public sector	384,0
Construction of new Sava bridge and access roads in Belgrade	City of Belgrade	70,0
Financing of small and medium-scale infrastructure projects	Republic of Serbia	25,0
Equity participation in fund focusing on small-scale energy efficiency projects in south-east Europe	Southeast Europe Energy Efficiency Fund S.A., SICAV-SIF	3,0
Financing of small and medium-scale infrastructure projects	UniCredit Bank Srbija a.d.	10,0
Lease financing of small and medium-scale infrastructure projects	Raiffeisen Leasing Doo	20,0
Financing of small and medium-scale projects carried out by SMEs	Republic of Serbia, public sector	250,0
	Eurobank EFG a.d. Beograd	40,0
	EFG Leasing a.d. Beograd	10,0
	Unicredit Leasing Srbija d.o.o. Beograd	20,0
	UniCredit Rent d.o.o.	20,0
	Piraeus Bank a.d. Beograd	20,0
Croatia		415,0
Rehabilitation of 52 sections of trunk road with total length of 687 km	Hrvatske Ceste Doo	60,0
Equity participation in fund focusing on small-scale energy efficiency projects in south-east Europe	Southeast Europe Energy Efficiency Fund S.A., SICAV-SIF	5,0
Financing of small and medium-scale projects carried out by SMEs or mid-cap companies	Hrvatska banka za obnovu I razvitak	250,0
Financing of small and medium-scale projects carried out by SMEs	Zagrebačka Banka dd	100,0
Bosnia and Herzegovina		153,0
Equity participation in fund focusing on small-scale energy efficiency projects in south-east Europe	Southeast Europe Energy Efficiency Fund S.A., SICAV-SIF	3,0
Financing of small and medium-scale projects carried out by small and micro enterprises	LOK Microcredit Foundation Sarajevo	10,0

Financing of small and medium-scale projects carried out by SMEs	Bosnia-Herzegovina	50,0
	Intesa Sanpaolo Banka d.d. Bosna i Hercegovina	50,0
	Raiffeisen Leasing Doo	40,0
Montenegro		**111,0**
Rehabilitation of roads and bridges throughout country	Republic of Montenegro	30,0
Creation of national sustainable waste management system	Republic of Montenegro	27,0
Equity participation in fund focusing on small-scale energy efficiency projects in south-east Europe	Southeast Europe Energy Efficiency Fund S.A., SICAV-SIF	3,0
Financing of small and medium-scale projects carried out by SMEs	Hypo Alpe-Adria-Bank AD Podgorica	5,0
	Atlasmont Banka AD Podgorica	9,0
	Hipotekarna Banka AD Podgorica	4,0
	Invest Banka Montenegro	2,0
	NLB Montenegrobanka AD Podgorica	20,0
	Erste Bank AD Podgorica	6,0
	Komercijalna banka ad Budva	3,0
	First Financial Bank AD Podgorica	2,0
FYROM		**103,0**
Equity participation in fund focusing on small-scale energy efficiency projects in south-east Europe	Southeast Europe Energy Efficiency Fund S.A., SICAV-SIF	3,0
Financing of small and medium-scale projects carried out by SMEs	Makedonska Banka za Poddrshka na Razvojot ad Skopje	100,0
Albania		**13,0**
Equity participation in fund focusing on small-scale energy efficiency projects in south-east Europe	Southeast Europe Energy Efficiency Fund S.A., SICAV-SIF	3,0
Financing of small and medium-scale projects through MLT loans	Banka e Tiranes Sha - Bank of Tirana SA	10,0
Eastern Europe, Southern Caucasus, Russia		**232,5**
Russian Federation		**132,5**
Rollout of third-generation UMTS-based mobile broadband services	Mobile TeleSystems OJSC	115,0
Reduction of pollutant load discharged into Baltic Sea	State Unitary Enterprise Vodokanal of St Petersburg	17,5
Ukraine		**100,0**
Financing of small and medium-scale projects carried out by SMEs	Joint Stock Commercial Bank Forum	100,0
Mediterranean Countries		**1 593,1**
Regional - Mediterranean		**25,0**
Equity participation in venture capital fund	MEVCF Partners LLC	5,0
Equity participation in closed-end fund	Mena Joint Investment Fund SCA, SICAV-SIF	10,0
Equity participation in closed-end multi-sector investment fund targeting mid-cap private companies established in FEMIP region	Swicorp Intaj Capital II	10,0
Mashreq		**512,6**
Jordan		**165,8**
Construction of water extraction and transport system, including 325 km pipeline, to supply drinking water mainly to Greater Amman area	Hashemite Kingdom of Jordan	73,7
	Disi Water PSC	92,1
Syria		**154,9**
Framework loan for investment schemes in Syrian cities	Syrian Arab Republic	50,0
Construction of cement plant on greenfield site near Aleppo	Lafarge Cement Syria SA	104,9
Egypt		**122,0**
Large-scale onshore wind farm on Red Sea coast, south-east of Cairo, to supply national power grid	Arab Republic of Egypt	50,0
Framework loan for water supply and wastewater schemes in four governorates in Nile Delta	Arab Republic of Egypt	70,0

Financing of microfinance company based in Dakahlya region	Dakahlya Businessmen Association for Community Development	2,0
Lebanon		**70,0**
Construction of wastewater treatment plant, sewerage network and sea outfall in Tabarja, near Jounieh	Republic of Lebanon	70,0
Maghreb		**974,0**
Morocco		**540,0**
Construction of two tramway lines between Rabat and Salé	Société du tramway de Rabat-Salé SA	15,0
Construction of Rabat motorway bypass and widening of Rabat-Casablanca motorway	Société nationale des autoroutes du Maroc	225,0
Construction of low-cost vehicle manufacturing plant in Melloussa free economic zone, 30 km from port of Tangiers	Holding financière de participation et d'investissement	100,0
Participation in 2009-2012 development plan for education system	Kingdom of Morocco	200,0
Tunisia		**434,0**
Construction of toll motorway section from Sfax to Gabès in southern Tunisia	Société Tunisie Autoroutes	234,0
Construction of airport near town of Enfidha	TAV Tunisie SA	70,0
Construction of phosphoric acid plant close to existing plant (Skhira) near Gabès in south of Tunisia	Tunisian Indian Fertilizers S.A.	130,0
Other		**81,5**
Israel		**81,5**
Increase in production capacity of Hadera desalination plant	H2ID Ltd.	25,2
RDI in field of specialty chemicals in several countries	ICL Finance BV	56,3
Africa, Carribbean, Pacific (ACP) and OCT		**863,3**
Regional - ACP		**178,0**
Participation in private equity fund specialising in microinsurance sector	Leapfrog Financial Inclusion Fund	20,0
Participation in capital increase	MicroCred S.A.	2,0
Participation in equity fund specialising in microfinance	Microfinance Enhancement Facility SA, SICAV-SIF	50,0
Equity participation by Investment Facility in microfinance investment company	Advans S.A. SICAR	6,0
Development financing for lending operations in ACP countries	European Financing Partners SA	100,0
AFRICA		**625,5**
Regional operations - Africa		**76,0**
Participation in closed-end private equity fund for making equity and quasi-equity investments in private sector companies operating in Africa	Pan-African Investment Partners II Ltd	32,0
Participation in private equity fund providing term finance and business support to SMEs	GroFin Africa Fund	20,0
Equity participation in fund dedicated to microfinance institutions in sub-saharan Africa and Asia	Shorecap II Ltd	15,0
Participation in private equity fund investing in agribusinesses in Southern and East Africa	Agri-Vie Fund PCC	9,0
Southern Africa and Indian Ocean		**180,3**
Namibia		**82,3**
Construction and operation of small-scale, integrated cement plant on greenfield site near Tsumeb, in Ottavi mountains	Ohorongo Cement (Pty) Ltd	82,3
Mozambique		**65,0**
Rehabilitation of Sena railway line and restoration of Beira port access channel	Republic of Mozambique	65,0
Mauritius		**28,0**
Construction of two sugar refineries on sites of two existing sugar mills in eastern and southern Mauritius	Fuel Refinery Ltd	13,0
Construction of two sugar refineries on sites of two existing sugar mills in eastern and southern Mauritius	Omnicane Milling Operations Ltd	15,0
Angola		**5,0**
First private venture capital fund in Angola focusing on investments in established and/or start-up local small and medium-sized companies	Fundo de Investimento Privado - Angola SCA SICAV-SIF	5,0
West Africa		**137,0**
Mauritania		**75,0**
Construction of iron ore processing plant, extension of existing Guelb El Rhein iron ore mine and associated infrastructure	Société nationale industrielle et minière	75,0
Benin		**32,0**
Refurbishment and extension of power transmission and distribution grids in Benin and Togo	Republic of Benin	32,0
Regional - West Africa		**30,0**

Participation in private equity fund	Capital Alliance Private Equity III Ltd	30,0
East Africa		**133,2**
Kenya		**128,2**
Expansion of Olkaria II geothermal power plant (Rift Valley)	Kenya Electricity Generating Company Ltd	4,3
Construction of high-voltage power transmission lines and supporting infrastructure between Mombasa and Nairobi	Republic of Kenya	60,0
Expansion and modernisation of passenger terminal and aircraft handling facilities at Jomo Kenyatta International Airport (JKIA)	Kenya Airports Authority	63,9
Togo		**3,0**
Refurbishment and extension of power transmission and distribution grids in Benin and Togo	Republic of Togo	3,0
Djibouti		**2,0**
Financing of small and medium-scale projects carried out by SMEs	Banque de Dépôt et de Crédit Djibouti	2,0
Central and Equatorial Africa		**99,0**
Cameroon		**40,0**
Extension and modernisation of drinking water infrastructure in Yaoundé and three other cities in Cameroon	Republic of Cameroon	40,0
Congo		**29,0**
Renovation and upgrading of key port infrastructure and adaptation to growth in container traffic	Port autonome de Pointe-Noire	29,0
Regional - Central Africa		**25,0**
Financing of small and medium-scale projects carried out by SMEs	Banque de développement des États de l'Afrique centrale	25,0
Rwanda		**5,0**
Financing of small and medium-scale projects	Banque de Kigali	5,0
CARRIBEAN		**42,5**
Dominican Republic		**32,0**
Construction of 123 km toll road on Samaná peninsula in north of Dominican Republic	Boulevard Turístico del Atlántico C. Por A.	32,0
Saint Lucia		**10,5**
Financing of small and medium-scale projects carried out by SMEs	Bank of St Lucial Ltd	10,5
PACIFIC		**7,3**
Regional - Pacific		**3,0**
Financing of small and medium-scale projects	Bank of the Cook Islands	3,0
Vanuatu		**4,3**
Construction of wind farm in Vanuatu	Union Electrique du Vanuatu Ltd	4,3
OCT		**10,0**
French Polynesia		**10,0**
Financing of investment in environmental projects	Banque de Polynésie	10,0
South Africa		**280,0**
South Africa		**280,0**
Framework loan for part-financing energy efficiency and renewable energy projects	Firstrand Bank Ltd	40,0
Extension and upgrading of national road network in northern South Africa	The South African National Roads Agency Ltd	120,0
Financing of small and medium-scale projects	Industrial Development Corporation of South Africa Ltd	60,0
Financing of small and medium-scale infrastructure projects in South Africa	Development Bank of Southern Africa	60,0
Asia and Latin America		**1 288,1**
LATIN AMERICA		**822,6**
Panama		**537,5**
Construction of cascade of three run-of-river hydropower plants in Chiriquí province, western Panama	Alternegy SA Bontex SA	140,9
Construction of third lane of large locks and improvement of existing navigation channels to expand capacity of Panama Canal	Autoridad del Canal de Panamá	396,6
Argentina		**170,0**
Production of light commercial vehicle on Pacheco site (Greater Buenos Aires)	Volkswagen Argentina SA	170,0
Colombia		**100,0**

Rollout of EDGE-enabled (enhanced data rate for GSM evolution) mobile telecommunications network	Telefónica Moviles Colombia SA	100,0
Nicaragua		**15,0**
Rehabilitation of hydropower plants and upgrading of Nicaragua's electricity transmission network	Republic of Nicaragua	15,0
ASIA		**465,6**
Vietnam		**147,0**
Construction of five wholesale stores as part of company's expansion programme in Vietnam	Metro Cash & Carry Vietnam Ltd	47,0
Framework loan for supporting series of investments mainly contributing to climate change mitigation (through renewable energy and energy efficiency projects)	Socialist Republic of Vietnam	100,0
China		**118,6**
Reforestation schemes and repair of irrigation reservoirs in earthquake-damaged areas of Sichuan province	People's Republic of China	118,6
Pakistan		**100,0**
Framework loan for investments in renewable energy sector in Pakistan contributing to climate change mitigation	Islamic Republic of Pakistan	100,0
India		**100,0**
Construction of new car plant for production of three small efficient models in state of Maharashtra	Volkswagen India Private Ltd	100,0

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