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**Economic and Social Cohesion**

The EIB's prime task is to reinforce social and economic cohesion in the EU by reducing regional imbalances. Its other lending priorities, such as the financing of SMEs, innovation, development of trans-European networks (TENs) and protection of the environment, also help the EU's less advanced regions.

In 2005, the EIB granted individual loans of almost EUR 28 billion in the 25-member Union for projects to assist regions lagging behind in their economic development or grappling with structural difficulties. This amount made up some 84% of individual EIB loans within the EU in 2005 (EUR 33.3 billion). Among the main beneficiaries were Spain, Germany and Italy. The principal sectors for lending in the EU-25 were communications (EUR 12.9 billion, 46% of total lending for economic and social cohesion), industry (EUR 6.2 billion, 22% of total lending) and health and education (EUR 2.4 billion, 9% of total lending).

Global loans for regional development ran to about EUR 5.9 billion, bringing total lending in the EU-25 under the economic and social cohesion heading to some EUR 34 billion.

**JASPERS and JEREMIE**

In 2005, the European Commission and the EIB Group developed two new social and economic cohesion initiatives, JASPERS and JEREMIE, with the following objectives:

- (JASPERS) to help the recipient countries and regions to more efficiently access and absorb EU structural and cohesion grant funds to finance badly-needed investments in key sectors such as transport (TENs, PPPs), environment (water and wastewater treatment), urban transport and energy efficiency, thus ensuring the best economic return in terms of growth and jobs;
- (JASPERS) to assemble all available expertise from willing partners in order to ensure effective coordination;
- (JEREMIE also) to better combine EU budget resources with funding and financial products available from IFIs and other financing agencies in support of SMEs and microenterprises.

**JASPERS (Joint Assistance to Support Projects in the European Regions)**, a partnership involving the Commission, the EIB and the EBRD, consists of a team of dedicated in-house and external experts that is being established under the management of the EIB. Many of these experts will be posted in the field and will provide guidance and technical assistance to the Member States and regions, in particular in the cohesion countries, with a view to preparing good investment projects for funding under the EU cohesion instruments.

The experts will work in close cooperation with the national and regional authorities responsible for the structural funds' operational programmes and with other partner institutions (the World Bank, the Council of Europe Bank and other interested local and international institutions).

**JEREMIE (Joint European Resources for Micro to Medium Enterprises)** is a process whereby the Member States and regions will use part of their structural funds via the European Investment Fund (EIF) to obtain a set of financial products specifically engineered for **micro, small and medium-sized enterprises**. Instead of using grants as such, it will be possible to transform part of the grants into financial products. These products will include equity, venture capital, guarantees, loans and technical assistance and will allow a multiplier effect on the budget. For every euro coming from the budget, the financing products available could range from EUR 2 to 10.

For further information on the EIB, visit its website [www.eib.org](http://www.eib.org).

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