

**Annual Press Conference 2007**

Press release

The Bank promoting European objectives

Brussels, 8 February 2007

The European Investment Bank Group in 2006

Supporting the modernisation of the European economy

In 2006 the European Investment Bank Group, the banking group promoting European objectives, continued its activities aimed at modernising the economies of the Member States and of the countries close to the Union.

This was the first full year in which the new strategy decided by the EIB's Governors in June 2005 was implemented: a qualitative strategy based on investment and financial innovation.

This strategy consists of:

- **strengthening the leverage** of the EIB's operations;
- **concentrating its financing within the Union on six European priorities;**
- **fostering economic convergence** between the Union and its partner countries.

In 2006, the European Investment Bank lent a total of EUR 45.8bn for projects promoting the European Union's policy objectives. Finance for the then EU-25 Member States represented 87% of its activities and amounted to EUR 39.8bn.

The European Investment Fund (EIF) – the EIB Group's specialised venture capital arm and SME guarantee provider – invested EUR 688m in venture capital funds, bringing its aggregate portfolio to EUR 3.8bn, and provided a total of EUR 2.2bn in guarantees for SME loan portfolios of banks and financial institutions.

To fund its activities, the EIB raised an aggregate amount of EUR 48bn on the international capital markets through 303 bond issues in 24 currencies.

The briefing notes attached to this press release give a detailed account of the Bank's activity in 2006 in line with its operational objectives based on six priorities within the Union and support for the three policies outside the Union. The key strategic and action points can be summarised as follows:

1. Strengthening the leverage of the EIB's operations

Within an enlarged Union of 27 Member States, the EIB Group is committed to being an economic development agent and partner, mobilising financial resources to:

- support the economic modernisation of the new Member States;
- maintain a high level of investment in public services;
- contribute to the technological competitiveness of the Union and the development of its SMEs;
- meet the challenges facing the European energy sector and tackle climate change;
- foster cooperation with specialised national and international institutions.

A few examples will serve to illustrate this proactive approach taken by the EIB Group.

First, the Group has strengthened its procedures for cooperation with the European Commission, by launching three new joint initiatives to enable the Member States to make better use of the European Structural Funds – the amount of which has been significantly increased to EUR 308bn for the period 2007-2013. It will thus be possible to allocate part of the Structural Funds for financial engineering purposes in areas providing support for SMEs and micro-enterprises (JEREMIE) or for urban social development (JESSICA). The third initiative (JASPERS) – financed by the Commission, the EIB Group and the EBRD – offers free technical assistance with identifying and implementing infrastructure projects in the new Member States that are eligible for financing by the Structural Funds. Several projects have already been pinpointed

under these facilities. It should be stressed that this technical assistance does not entail any obligation to seek cofinancing from the EIB or EBRD.

Similarly, the EIB and the Commission have combined forces to accelerate implementation of the ambitious transport and energy TENs (trans-European networks) programme by establishing a structured finance facility and a TENs guarantee fund to facilitate the financing of projects with a high risk profile. These two financial instruments will act as a catalyst in attracting up to EUR 20bn of additional public or private finance in support of TENs.

To underpin the innovation and R&D effort within the Union, the EIB and the Commission are establishing a new EUR 1bn "Research Facility", cofinanced by the Bank and the 7th R&D Framework Programme. Here too, this financial instrument will enable more risks to be taken and private capital to be mobilised for projects that are important for the Union's industrial competitiveness. Requested by the December 2005 European Council, it could leverage up to EUR 10bn of additional funds over the period 2007-2013.

At the same time, the EIF is set to give a fresh boost to support for SMEs with an increase in capital – now under preparation – and by making a further EUR 1.1bn available under the 2007-2013 "Competitiveness and Innovation" Framework Programme for deploying innovative financial products, particularly for SME start-ups.

Finally, there has been a substantial increase in EIB cooperation with other institutions, involving both the exchange of expertise and the sharing of financial products, as witnessed by the progress made in 2006 with promoting the Kyoto objectives (establishment of two carbon funds – one with the World Bank and the other with the EBRD), the operational links forged with the EBRD in support of eastern Europe and numerous joint operations mounted with national development institutions.

2. Six priorities within the Union

Within the European Union, the EIB Group's ambition is now not so much to increase the volume of its financing as to contribute effectively, through a more selective choice of projects, to achieving the Union's objectives and to mobilise funds from other sources for such projects.

This goal – set by the Board of Governors – of giving priority to the quality rather than the quantity of projects explains the slight fall in the volume of lending in 2006 (EUR 39.8bn against EUR 42bn in 2005). At the same time, the fluid political situation in a number of new Member States meant that it was not possible to implement certain projects at the pace envisaged (EIB activity in those countries amounted to EUR 5bn in 2006 compared to EUR 5.8bn in 2005).

Overall, the EIB Group calculates that its lending in 2006 supported total investment in excess of EUR 120bn, two thirds of which in the Union's least favoured areas. With a more stable volume of activity and modest growth in staff numbers, the EIB Group is concentrating on more complex projects and more innovative financial products. In so doing it is committed to supporting all 27 Member States, even though in relative terms priority will be given to the 12 new Member States.

The six European priorities on which EIB lending focuses are:

- **economic and social cohesion**, which in 2006 accounted for nearly two thirds of the financial assistance provided (EUR 26.7bn). With the reorientation of EU cohesion policy for the period 2007-2013, the EIB will in future also focus its cohesion financing operations on the "convergence regions". In order to ensure that more rapid and effective use is made of the Structural Funds, the EIB has pressed ahead with launching the JASPERS and JESSICA initiatives (see briefing note on economic and social cohesion);
- **a competitive and innovative European economy**, thanks to additional funding for research and innovation. In 2006 the EIB lent nearly EUR 11bn for projects relating to research, innovation, education and information technologies. For these sectors in particular, the EIB, in consultation with the Commission, agrees to take on higher financial risks through new joint products (see briefing note on innovation);
- **efficient and easily accessible trans-European transport and energy networks (TENs)** are being developed, in particular thanks to EIB finance. In 2006 the Bank pumped EUR 8.4bn into this objective (EUR 7.6bn within the Union and EUR 738m for extensions in neighbouring countries). In addition to standard very long-term finance, the EIB is developing with the Commission new financial instruments also designed to support riskier TENs projects (see briefing note on trans-European networks);

- **support for small and medium-sized enterprises was confirmed in 2006** with a record level of bank credit lines of EUR 5.8bn as well as a record volume of guarantees (EUR 2bn) and venture capital operations (EUR 688m). This policy of support for SMEs will receive a further boost in 2007 (see briefing note on support for SMEs);
- the "climate change" dimension of **environmental protection** but also that of conserving natural resources and improving the quality of life in urban areas. This priority objective of sustainable urban development directly accounts for more than a third of the EUR 10.9bn worth of EIB lending for the environment. The bulk of operations is carried out within the Union but the EIB, in tandem with the Commission, is also extending its activities throughout the Mediterranean and launching, with the EBRD and the World Bank respectively, two carbon funds to help achieve the Kyoto objectives (see briefing note on the environment);
- **the objectives of efficiency, diversification and security in the energy sector** are now supported as such by the EIB, which in 2007 made this its sixth priority. Within the Union, the EIB made more than EUR 3bn available in 2006 and is committed to providing over EUR 4bn a year in future, of which EUR 600m to EUR 800m will be for renewable energy (EUR 463m in 2006) (see briefing note on energy).

3. Three fields of cooperation with non-EU countries in a drive for convergence and with respect for the partners' identities

In a globalised economy, characterised by the emergence of new players and ever-increasing political and social tensions, the European Union stands out like a beacon, its values of solidarity and respect for other peoples' cultures and identities being perceived as a moderating influence that is essential in the quest for more peaceful international relations.

Acknowledging the importance of the EIB's contribution to implementing the financial aspects of the Union's aid and cooperation policies towards its partner countries, the December 2006 European Council increased the Bank's possibilities for action outside the Union over the period 2007-2013 by more than a third (to EUR 27.8bn). Three fields of action with specific objectives have been identified:

- **preparing for the accession of the future Member States**, which will receive EUR 8.7bn in loans guaranteed by the Union. The EUR 10.2bn in loans over the period 2000-2006 helped the 12 new Member States to prepare for joining the EU, in particular by speeding up their links with the Union and improving their public services. In 2006, including loans to Bulgaria and Romania, the EIB provided finance totalling EUR 3.2bn to the enlargement countries (see briefing note on preparing for enlargement);
- **the process of convergence with the Union's neighbours**, which, with a total of EUR 12.4bn in loans guaranteed by the Union, represents the EIB's biggest mandate ever. This figure can be broken down (indicative amounts) into EUR 8.7bn for the nine Mediterranean partner countries, i.e. nearly double the amount provided for the 'Barcelona Partnership' countries (excluding Turkey the 2000-2006 figure was EUR 4.6bn, of which EUR 1.4bn in 2006 alone), and EUR 3.7bn for Russia and the eastern neighbours (posing a very real new challenge for a region in which the EIB lent only EUR 85m over the period 2000-2006). To rise to the challenge of this increase in operations, where the emphasis is first and foremost on extending the TENs and supporting the private sector, new institutions have had to be created. For the Mediterranean, the partner countries will be fully involved in a reinforced FEMIP; and for Russia and the eastern neighbours, an operational agreement has been signed with the EBRD (see briefing note on convergence between the EU and its neighbours);
- **cooperation with other continents** is taking place in line with European policy in order to take account of the other financial players. With regard to sub-Saharan Africa and the Caribbean and Pacific States, the EIB lent EUR 825m in 2006, with priority being given to support for SMEs and energy projects. This economic input will be maintained over the period 2007-2013, with a lending capacity of nearly EUR 4bn. A major effort has been decided in favour of operations in Latin America and to a lesser extent Asia, with the ceiling for the periods in question being increased from EUR 2.5bn to EUR 3.8bn – for the first time the ceiling is subdivided (indicative figures) into EUR 2.8bn for Latin America and EUR 1bn for Asia. These increased possibilities will make enable the Bank to continue supporting private European initiatives in these countries as well as projects that help to protect the environment or promote European energy security (see briefing note on partner countries).

Borrowing: strategy adds value for customers

The Bank remained committed to making the most of its financial strength, founded on support from shareholders, to secure funding at optimal cost and thus to add value for customers. In the pursuit of these objectives, the Bank maintained a consistent funding strategy, entailing both continuity and innovation in its benchmark programmes and tailor-made issuance. The resulting achievements benefited loan customers, both in the EU and local developing markets targeted by the Bank (see briefing note on capital market operations).

While the funding volume of EUR 48bn in 2006 was close to that of last year (EUR 50bn), there were underlying changes. Funds were raised in a record 24 currencies (including six currencies in synthetic format), with **increased demand in non-core currencies** (notably Australian dollars), which generated funding for EUR 8bn, compared with EUR 6bn in 2005. **Core currencies (EUR, GBP and USD) remained the main source of funding**, accounting for EUR 40bn of funding (EUR 44bn in 2005), with EUR, USD and GBP contributing 36%, 30% and 17% respectively.

Benchmark programmes in core currencies (EUR, GBP and USD) strengthened the Bank's unique **positioning as a multi-currency sovereign-class benchmark issuer**. This remains a cornerstone of cost-effective funding. Benchmark issues in the Bank's three core currencies raised EUR 28bn equivalent (59% of total funding). Of this, the largest amount was raised in euros (EUR 10.6bn), followed by USD (EUR 9.7bn equivalent) and GBP (EUR 8.0bn equivalent).

A number of innovations and distinctive features differentiated 2006 activities in core currencies. In EUR, the Bank's proactive **alignment with key sovereign issuance features**, including an issue size of EUR 5bn, helped deliver the funding advantage associated with the strong performance of European sovereign-class bonds in 2006. Also, there was a significant contribution to EUR capital market development with the **first issue to leverage the EU Prospectus Directive for a simultaneous public bond offering in all eurozone markets**. This structured transaction, termed 'EPOS' (European Public Offering of Securities), enhanced access for investors thanks to a syndicate including banks from each eurozone country. In GBP, transactions with maturities out to 2054 represented the widest range of issuance maturities other than the gilt, cementing the Bank's reputation for offering customers alternatives across the yield curve. In USD the Bank extended its yield curve with a new USD 30-year benchmark issue, the first to follow revival of this maturity by the US Treasury.

Developmental work in currencies of the new Member States, Acceding/Accession Countries and EU partner countries remained an important feature. Borrowing in these and other currencies of countries targeted for Bank lending serves to remove currency risk, where funding and on-lending can be combined. The largest source of demand remained in Turkish lira, where the Bank raised EUR 1.1bn equivalent and continued to develop its liquidity and yield curve. The Bank launched its first floating rate note in Bulgarian leva and issued bonds in three further currencies from this region (CZK, HUF and PLN). Outside Europe it launched a first issue in Egyptian pounds as well as in Botswana pula and Namibian dollars (in synthetic format).

The **market's positive reception** for the EIB's funding strategy was reflected in a number of distinguished awards such as those made in a leading market poll (by EuroWeek), where the EIB was voted 'Most Impressive Borrower' and 'Most Innovative Borrower' for the third consecutive year.

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

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List of financing operations in 2006

The lists below show the main detailed figures for the EIB's activities in 2006. This information will be published in "Volume III – Statistical Report" of the EIB Group's 2006 Annual Report.

Financing operations within the European Union

(25 Member States up to 31 December 2006)

Loans concluded for capital investment within the European Union in 2006 totalled EUR 39 850 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.

Geographical breakdown of loans concluded (EUR million)

	2006		2002-2006	
	Amount	%	Amount	%
Belgium (BE)	581	1.5	3 062	1.6
Czech Republic (CZ)	959	2.4	4 872	2.5
Denmark (DK)	32	0.1	3 217	1.6
Germany (DE)	6 562	16.5	33 250	16.9
Estonia (EE)	40	0.1	203	0.1
Greece (GR)	1 137	2.9	5 723	2.9
Spain (ES)	7 647	19.2	33 706	17.1
France (FR)	4 450	11.2	20 895	10.6
Ireland (IE)	576	1.4	2 550	1.3
Italy (IT)	5 161	13.0	29 522	15.0
Cyprus (CY)	90	0.2	950	0.5
Latvia (LV)	35	0.1	451	0.2
Lithuania (LT)	58	0.1	173	0.1
Luxembourg (LU)	24	0.1	589	0.3
Hungary (HU)	1 160	2.9	4 716	2.4
Malta (MT)			13	0.01
Netherlands (NL)	1 035	2.6	3 192	1.6
Austria (AT)	1 355	3.4	5 165	2.6
Poland (PL)	2 031	5.1	8 308	4.2
Portugal (PT)	1 496	3.8	8 084	4.1
Slovenia (SI)	393	1.0	1 191	0.6
Slovakia (SK)	197	0.5	909	0.5
Finland (FI)	670	1.7	3 838	2.0
Sweden (SE)	282	0.7	3 487	1.8
United Kingdom (GB)	3 567	9.0	17 490	8.9
EFTA	310	0.8	1 055	0.5
European Union	39 850	100.0	196 611	100.0

Financing operations in the partner countries

	2006		2002-2006	
	Total	<i>of which budgetary resources</i>	Total	<i>of which budgetary resources</i>
Enlargement countries	3 248		9 845	(6)
Russia and eastern neighbours			85	
Mediterranean neighbours	1 354	(50)	6 682	(154)
ACP/OCT	745	(578)	2 483	(1 803)
South Africa	80		635	
Asia, Latin America	483		1 994	
Total	5 911	(628)	21 725	(1 963)

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		M.EUR
European Union		
Belgium		
Acquisition of locomotive fleet for medium-term leasing to European rail freight service operators	Mitsui Rail Capital Europe BV	10,0
Construction of wastewater treatment plant and main sewer for Brussels north	Région de Bruxelles-Capitale	96,0
Water supply and distribution networks in Walloon region	Société Wallonne des Eaux	125,0
Construction and rehabilitation of regional wastewater treatment facilities in Flemish region	Aquaflin NV	100,0
Construction of wastewater collection and treatment facilities in Walloon region	Société Publique de Gestion de l'Eau	200,0
Financing of small and medium-scale projects in Brussels region	B2e SA	50,0
Czech Republic		
Acquisition of locomotive fleet for medium-term leasing to European rail freight service operators	Mitsui Rail Capital Europe BV	10,0
Rehabilitation of regional road network	Jihocesky Kraj	28,4
Rehabilitation works on Vysocina region's Class II and III road network	Kraj Vysočina	17,5
Establishment of Deutsche Post World Net (DPWN)'s new European IT services platform in Prague	Deutsche Post AG	125,0
Upgrading of local water and wastewater networks to EU standards	Czech Republic	106,4
Prevention schemes throughout Czech Republic implementing National Strategy for Protection Against Floods	Czech Republic	321,8
Construction of steel service centre in southern Poland and upgrading of storage and distribution capacity in Czech Republic, Romania, Croatia and Hungary	voestalpine Stahl GmbH	4,0
Construction of production plant for domestic air conditioning systems in Plzen	Daikin Europe NV	50,0
Construction of paper mill in Opatovice	Labe Papir s.r.o.	170,0
Financing of small and medium-scale projects	SG Equipment Finance Czech Republic s.r.o.	18,6
	Komerční Banka a.s.	37,5
	Ceská spořitelna a.s.	50,0
	ČSOB Leasing a.s.	20,0
Denmark		
Installation of multi-purpose production facility and related capital expenditure on vaccines and diagnostics in Copenhagen	Statens Serum Institut	32,2
Germany		
Extension of container terminal in port of Bremerhaven along river Weser	Freie Hansestadt Bremen	144,0
Acquisition of new rolling stock for regional rail services on Marschbahn line	Veolia Transport	60,0
Acquisition of locomotive fleet for medium-term leasing to European rail freight service operators	Mitsui Rail Capital Europe BV	30,0
Establishment of telecommunications infrastructure to provide broadband services	Telecom Italia S.p.A.	150,0
Construction of waste incineration plant in Suhl (Thuringia)	Zweckverband für Abfallwirtschaft Südwestthüringen	31,9
Upgrading and extension of sewerage system of Entsorgungsverband Saar (EVS) in Saarland	Entsorgungsverband Saar	49,0
Reconstruction and upgrading of sewerage systems in Hamburg and surrounding areas and modernisation of Köhlbrandhöft and Dradenau wastewater treatment plants	Hamburger Stadtentwässerung	50,0
Regeneration of former customs and port area in Hamburg, north of river Elbe	Sondervermögen Stadt und Hafen	50,0
Partial extension, modernisation and restructuring of trade fair facilities in Hamburg	Hamburg Messe und Congress GmbH	199,0
Development of hydrogen-powered passenger cars and creation of new vehicle testing laboratories	Bayerische Motoren Werke AG	400,0
Research, development and innovation in field of automotive equipment	Automotive sector	600,0
Financing of paper technology RDI programmes and facilities	Voith AG	100,0
RDI activities in areas of emissions reduction and safety	Robert Bosch GmbH	400,0
Research and development activities in field of automotive components	Eberspächer GmbH & Co. KG	30,0
	J. Eberspächer GmbH & Co KG	
	Eberspächer International GmbH	
Financing of public sector research in Saxony-Anhalt	Land Sachsen-Anhalt	150,0
Public sector research activities in three leading science centres of Munich, Erlangen and Würzburg (Bavaria) as well as at other research institutes	Freistaat Bayern	20,0
Cofinancing with EU structural funds of state support schemes for SME investment in 2004 and 2005	Sächsische Aufbaubank - Förderbank	100,0
Public research activities in Brandenburg	Land Brandenburg	285,0
Cofinancing of state support schemes in Saxony under EU Structural Funds for investment in the period 2006-2008	Sächsische Aufbaubank - Förderbank	75,0
Research activities at Mainz university (Rhineland-Palatinate)	Johannes Gutenberg-Universität Mainz	260,0
Research activities and construction or rehabilitation of Kaiserslautern University's facilities	Technische Universität Kaiserslautern	80,0
Research activities at Tübingen university (Baden-Württemberg)	Eberhard-Karls-Universität Tübingen	280,0
Research activities at Freiburg University	Albert-Ludwigs-Universität Freiburg	260,0
R&D with a view to medical use of heavy ion radiation at Heidelberg hospital (Baden-Württemberg)	Universitätsklinikum Heidelberg	48,0
Renovation and expansion of hospital buildings and upgrading of equipment in Thuringia	Freistaat Thüringen	150,0
Construction of regional university hospital in Minden (North Rhine-Westphalia)	Zweckverband Kliniken im Mühlenkreis	20,0
Reconstruction and operation of major private hospital complex in Berlin-Buch	Helios Kliniken GmbH	30,0
Upgrading and rationalisation of hospital services in Saxony-Anhalt during period 2004-2007	Stage Mezzanine SCS	100,0

Construction, modernisation and renovation of dialysis centres in nine EU countries	Fresenius Medical Care AG & Co. KGaA	2,8
Financing of small and medium-scale projects	Landesbank Saar	12,5
	Bayerische Hypo- und Vereinsbank AG - Hypovereinsbank	59,0
	Deutsche Kreditbank AG	50,0
	Commerzbank AG	200,0
	Deutsche Bank AG	150,0
	Deutsche Bank AG	150,0
Financing of small and medium-scale infrastructure schemes	Bayerische Hypo- und Vereinsbank AG - Hypovereinsbank	30,0
	NRW Bank	100,0
	Commerzbank AG	100,0
	Deutsche Bank AG	50,0
	Landesbank Saar	75,0
	Landesbank Hessen-Thüringen Girozentrale	250,0
Financing of small-scale investments in research, development and innovation	Deutsche Bank AG	100,0
Financing of public and private sector rural infrastructure projects in assisted areas	Landwirtschaftliche Rentenbank	150,0
Financing of small and medium-scale projects in Brandenburg	Investitionsbank des Landes Brandenburg	79,7
Financing of credit component of vocational training and entrepreneurial skills upgrading programme for skilled workers	Kreditanstalt für Wiederaufbau (KfW)	200,0
Financing of small and medium-scale hospital projects in Saxony	Sächsische Aufbaubank - Förderbank	100,0
Financing of small and medium-scale infrastructure schemes contributing towards Innovation 2010 Initiative	Commerzbank AG	100,0
Financing of eligible small-scale i2i, environmental and healthcare projects	Landesbank Hessen-Thüringen Girozentrale	151,3
	Bayerische Landesbank	300,0
Greece		
Power transmission and distribution	Public Power Corporation	200,0
Expansion of liquefied natural gas terminal on Revithoussa island	Public Gas Corporation of Greece (DEPA) SA	23,0
Construction of high-pressure gas pipeline linking Komotini to Turkish natural gas transmission network at Greek/Turkish border	Public Gas Corporation of Greece (DEPA) SA	22,0
Extension of Athens metro network	Attiko Metro SA	100,0
Construction and operation of toll tunnel bypassing Thessaloniki's historic city centre	Hellenic Republic	152,1
Extension of pier at port of Thessaloniki	Thessaloniki Port Authority SA	50,0
Construction, equipping and upgrading of schools throughout country	School Building Organisation SA	200,0
Financing of small and medium-scale projects	Emporiki Bank of Greece SA	50,0
	General Bank of Greece SA	40,0
	Anaptyxi 2006-1 Plc	250,0
Financing of small and medium-scale infrastructure schemes	EFG Eurobank Ergasias S.A.	50,0
Spain		
Reinforcement and extension of electricity distribution networks in six Spanish regions	Endesa Red, S.A.U.	300,0
Construction of gas-fired combined-cycle power plant on greenfield site in Castelnou, near Zaragoza	Castelnou Energía SL	145,0
Construction of two 50 MWe solar thermal power generation plants in wide valley north of Sierra Nevada and south-east of Granada	Andasol-1 Central Termosolar Uno S.A.	70,0
Construction of gas-fired combined cycle generating plant in Escatrón (Zaragoza)	Viesgo Generación S.L.	150,0
Construction of flue gas abatement systems as retrofit of three coal-fired power plants in Sines (Portugal) and Aboño and Soto (Spain)	EDP - Energias de Portugal SA	68,4
Investment in series of wind farms in regions of Castilla-La Mancha, Andalusia, Galicia and Cantabria	Iberdrola Energías Renovables II, S. A. U.	350,0
Construction of new high-speed rail line linking Madrid to Barcelona and French border	Administrador de infraestructuras ferroviarias	600,0
Construction of high-speed railway line between Córdoba and Málaga	Administrador de infraestructuras ferroviarias	500,0
Upgrading of motorway infrastructure in province of Vizcaya	Territorio Histórico de Vizcaya	622,0
First phase (lines 1 and 2) of light railway network in Málaga	Comunidad Autónoma de Andalucía	50,0
Series of small and medium-scale public transport projects in Barcelona metropolitan area	Generalitat de Catalunya	70,0
Renewal, upgrading and expansion of air traffic control system	Ente Público de Aeropuertos Españoles y Navegación Aérea - AENA	100,0
Expansion and upgrading of port of La Coruña	Autoridad Portuaria de A Coruña	50,0
Expansion of port of Gijón (north-west)	Autoridad Portuaria de Gijón	24,0
Expansion of port of Barcelona	Autoridad Portuaria de Barcelona - APB	70,0
Improvements to railway infrastructure	Ferrocarriles de Via Estrecha (Feve)	25,0
Rehabilitation and upgrading of road infrastructure in Castilla-La Mancha region	Comunidad Autónoma de Castilla-La Mancha	110,0
Upgrading of public transport infrastructure in Valencia region	Comunidad Valenciana	210,0
Construction of 43 km-long metro line	Generalitat de Catalunya	350,0
Upgrading and improvement of access to inland port of Seville	Autoridad Portuaria de Sevilla	50,0
Conversion of expressway between Cuellar and Valladolid	Comunidad Autónoma de Castilla y León	46,4

Increase of capacity of terminal and runways at Barcelona airport	Ente Público de Aeropuertos Españoles y Navegación Aérea - AENA	100,0
Expansion of facilities and construction of new container terminal at port of Algeciras (Cádiz)	Autoridad Portuaria de la Bahía de Algeciras	105,0
Extension of Madrid metro network	Comunidad de Madrid	100,9
Acquisition of rolling stock for high-speed and conventional railway lines	Renfe-Operadora	300,0
Conversion of existing road between Reus and Alcover (Catalonia) into expressway	Generalitat de Catalunya	25,7
Research and development at research centres in Spain	Telefónica Investigación y Desarrollo, S.A.	400,0
Construction of water supply and wastewater treatment facilities in Madrid region	Canal de Isabel II	150,0
Construction and modernisation of wastewater treatment infrastructure throughout Valencia region	Comunidad Valenciana	100,0
Emergency relief programme following oil spill on Galician, Asturian and Cantabrian coasts (framework loan)	Comunidad Autónoma de Galicia	152,0
Urban infrastructure development schemes in Greater Madrid	City of Madrid	60,0
Construction and rehabilitation of social housing for rent throughout Catalonia	Institut Català de Finances	50,0
Modernisation and expansion of international trade fair facilities in Barcelona	Feria Oficial e Internacional de Muestras en Barcelona	50,0
Construction and rehabilitation of social housing in urban renewal areas in Andalusia	Comunidad Autónoma de Andalucía	30,0
Construction of hospital and upgrading of existing facilities in Igualada, north-west of Barcelona	Consorci Sanitari de l'Anoia	22,0
Quasi-equity investment in PPP projects in southern Europe		6,3
Construction of secondary schools in Castilla-La Mancha region	Comunidad Autónoma de Castilla-La Mancha	50,0
Upgrading of primary, secondary and vocational educational facilities in Valencia region	Construcciones e Infraestructuras Educativas de la Generalitat Valenciana - CIEGSA	250,0
Construction, modernisation and renovation of dialysis centres in nine EU countries	Fresenius Medical Care AG & Co. KGaA	18,8
Financing of small and medium-scale projects	AyT Financiacion Inversiones III FTA	255,0
	Caixa d'Estalvis de Catalunya - Caja de Ahorros de Cataluña	200,0
	Banco Santander Central Hispano SA	200,0
	Banco Bilbao Vizcaya Argentaria SA	200,0
	Banco de Sabadell	200,0
	Caja de Ahorros y Pensiones de Barcelona - La Caixa	200,0
	BBVA-5 FTPYME FTA	200,0
Financing of small or medium-scale projects mounted by SMEs in Catalonia	Institut Català de Finances	50,0
Financing of small and medium-scale projects in Castilla-La Mancha	Instituto de Finanzas de Castilla-La Mancha SA	50,0
Financing of small and medium-scale infrastructure schemes	Caja de Ahorros del Mediterráneo CAM	100,0
Financing of RDI investment by SMEs	Banco Santander Central Hispano SA	60,0
France		
Construction (first phase) of high-speed rail line (TGV Est Europe) linking eastern France and Paris (Paris-Metz-Strasbourg line)	Région Alsace	50,0
Construction (first phase) of high-speed rail line (TGV Est Europe) linking eastern France and Paris (Paris-Metz-Strasbourg line)	Région Lorraine	30,0
Acquisition of rolling stock for regional express train (TER) lines of Pays de la Loire region	Région des Pays de La Loire	125,0
Extension of tramway network in Montpellier (Languedoc-Roussillon)	Communauté d'agglomération de Montpellier	100,0
Construction of first tramway line and exclusive lane busway in Nice (Provence-Côte d'Azur)	Communauté d'Agglomération Nice Côte d'Azur	80,0
Construction of first section of eastern branch of Rhine-Rhône high-speed rail line	Région Alsace	50,0
Construction of first section of eastern branch of Rhine-Rhône high-speed rail line	Région Franche-Comté	100,0
Construction of first tramway line in city of Le Mans (Loire region)	Le Mans Métropole - Communauté urbaine	85,0
Construction of section of A85 European motorway between Tours and Saint-Romain-sur-Cher (Centre region)	Compagnie financière et industrielle des autoroutes	260,0
Construction of Coynele - Col du Fau section of A51 motorway, south of Grenoble (Rhône-Alpes region)	AREA - Société des autoroutes Rhône-Alpes SA	100,0
Rollout of broadband networks	Telecom Italia SA	160,0
Construction and operation of urban waste incineration plant in Issy-les-Moulineaux (Greater Paris area)	Syndicat intercommunal de traitement des ordures ménagères de l'agglomération parisienne	140,0
Construction and expansion of wastewater treatment plants in Perpignan region (Languedoc-Roussillon)	Communauté d'agglomération Perpignan Méditerranée	50,0
Financing of urban and social regeneration operations throughout country	Dexia Crédit Local	250,0
Development and production of new light commercial vehicle in Hordain (Nord/Pas-de-Calais)	Sevelnord SA - Société européenne de véhicules légers du Nord	125,0
R&D activities in semiconductor sector in Rhône-Alpes region (Crolles, Grenoble and Rousset)	St Microelectronics NV	245,0
Cofinancing of loans relating to creation, production and distribution of audiovisual and multimedia works in France and other EU countries	Cofiloisirs SA	20,0
Modernisation of hospitals in Lyon	Hospices civils de Lyon	25,0

Modernisation of Fort-de-France university hospital (Martinique)	Centre hospitalier universitaire de Fort-de-France	10,0
Restructuring of Arras hospital (Nord/Pas-de-Calais)	Centre hospitalier d'Arras	45,0
Construction of new d'Estaing hospital and modernisation of existing facilities of Clermont-Ferrand university hospital (Auvergne)	Centre hospitalier universitaire de Clermont-Ferrand	26,0
Construction of hospital in Nice (Provence-Alpes-Côte d'Azur)	Centre hospitalier universitaire de Nice	91,0
Reconstruction and modernisation of Marseille hospitals (Provence-Alpes-Côte d'Azur region)	Assistance Publique - Hôpitaux de Marseille	175,0
Quasi-equity investment in PPP projects in southern Europe		6,3
Improvement of hospital infrastructure	Caisse nationale des caisses d'épargne et de prévoyance	112,5
Construction, modernisation and renovation of dialysis centres in nine EU countries	Fresenius Medical Care AG & Co. KGaA	9,7
Financing of small and medium-scale projects promoted by SMEs	Crédit du Nord SA	50,0
	Caisse Interfédérale de Crédit Mutuel	120,0
	Banque fédérative du Crédit Mutuel	80,0
	OSEO	50,0
	Société Générale	300,0
	BNP Paribas Lease	100,0
	BNP Paribas	300,0
Financing of programme to support creation of micro-enterprises	OSEO	30,0
Financing of intermediate-sized companies	Société Générale	150,0
Financing of small and medium-scale infrastructure schemes in regional development areas	Caisse nationale des caisses d'épargne et de prévoyance	100,0
	Dexia Crédit Local	300,0
Financing of small-scale public amenities in assisted areas	Caisse nationale des caisses d'épargne et de prévoyance	300,0
Financing of small and medium-scale projects promoted mainly by SMEs (including microcredit) and non-profit organisations	Crédit Coopératif S.C.A.	100,0
Ireland		
Construction of 400 MWe natural gas-fired combined-cycle power plant in Huntstown, north of Dublin	Viridian Power Ltd	115,0
Construction of gas pipeline linking Ireland to Northern Ireland; extension and renovation of gas distribution networks in both countries	Bord Gais Eireann	162,5
Upgrading of national electricity dispatch and control centre for operation of transmission networks to meet electricity demand of around 1.8 million customers in Ireland	Eirgrid Plc	26,0
Construction of 18 km toll bypass around Waterford, south-east Ireland	National Roads Authority	75,0
Construction of 10 km of dual carriageway and immersed tunnel under river Shannon enabling traffic to bypass Limerick centre	National Roads Authority	97,6
Financing of small and medium-scale projects	Bank of Scotland	100,0
Italy		
Construction of gas-fired cogeneration plant in Mezzogiorno	Eurosviluppo Elettrica S.p.A	200,0
Upgrading of power generation capacity and meters in Turin	Iride S.p.A	120,0
Upgrading of power grids	Enel Distribuzione S.p.A.	600,0
Acquisition of locomotive fleet for medium-term leasing to European rail freight service operators	Mitsui Rail Capital Europe BV	10,0
Upgrading of Malpensa airport (Milan)	Società Esercizi Aeroportuali S.p.A.	114,0
Expansion of intermodal freight transport facility (road to rail) in Novara	Centro Interportuale Merci S.p.A	23,0
Safety and environmental enhancements on local road network, upgrading of secondary school buildings, improvements to urban environment and sustainable urban renewal in Lombardy	Provincia di Lecco	15,0
Safety and environmental enhancements on local road network, upgrading of secondary school buildings, improvements to urban environment and sustainable urban renewal in Lombardy	Provincia di Varese	40,0
Infrastructure schemes in support of integrated and sustainable development in Reggio Emilia province and industrial area	Dexia Crediop S.p.A.	70,0
Infrastructure schemes in support of integrated and sustainable development in Reggio Emilia province and industrial area	Comune Reggio Emilia	25,0
Infrastructure schemes in support of integrated and sustainable development in Reggio Emilia province and industrial area	Provincia di Reggio Emilia	30,0
Development of broadband telecommunications network in southern Italy	Telecom Italia S.p.A.	350,0
Expansion and digitalisation of analogue television networks throughout country	Telecom Italia Media S.p.A	100,0
Extension of four municipal solid waste incineration plants and construction of natural gas-fired combined cycle power plant in Emilia-Romagna region (central-north Italy)	Hera S.p.A.	180,0
Co-financing of Sicily's multi-sector regional investment programme under 2000-2006 Community Support Framework	Regione Siciliana	400,0
Implementation of infrastructure projects by provinces of Potenza and Matera (Basilicata)	Provincia di Matera	30,0
Participation in fund making equity and subordinated debt investments in infrastructure PPP projects and local public utility companies		17,5
Framework loan for financing urban infrastructure schemes in Bologna	Comune di Bologna	150,0
Improvements to urban infrastructure of Municipality of Florence	Comune di Firenze	100,0
R&D activities in tyre production, energy transport and telecommunications sectors	Pirelli & C. S.p.A.	100,0
Improvement of infrastructure at University of Bologna	Università di Bologna	60,0
Expansion of Turin technical university (Piedmont)	Politecnico di Torino	40,0
Quasi-equity investment in PPP projects in southern Europe		6,3
Construction, modernisation and renovation of dialysis centres in nine EU countries	Fresenius Medical Care AG & Co. KGaA	5,6
Construction of hospital infrastructure and upgrading of equipment at San Matteo Polyclinic in Pavia (Lombardy)	IRCCS Policlinico San Matteo	50,0
Expansion and reorganisation of Venice University's facilities	Università Ca' Foscari di Venezia	25,0
Financing of small and medium-scale projects	Banca Popolare di Milano S.c.r.l.	60,0

	Banca di Legnano S.p.A.	
	Cassa di Risparmio di Alessandria S.p.A.	
	Cassa di Risparmio in Bologna S.p.A.	100,0
	Cassa di Risparmio di Padova e Rovigo S.p.A.	
	Sanpaolo Imi S.p.A.	
	Cassa di Risparmio di Venezia S.p.A.	
	Sanpaolo Banca Popolare dell'Adriatico S.p.A.	
	Friulcassa S.p.A. - Cassa di Risparmio Regionale	
	Sanpaolo Banco di Napoli S.p.A.	
	Cassa di Risparmio di Firenze S.p.A.	25,0
	Banca Popolare dell'Emilia Romagna	6,3
	Banca Popolare di Ravenna S.p.A.	6,3
	Banca di Sardegna S.p.A.	6,3
	Banca Popolare di Crotone S.p.A.	6,3
	Banca CRV Cassa di Risparmio di Vignola S.p.A.	6,3
	Eurobanca del Trentino S.p.A.	6,3
	Banca Popolare del Materano S.p.A.	6,3
	Banca Carige S.p.A.	100,0
	Cassa di Risparmio di Savona S.p.A.	
	Cassa di Risparmio di Carrara S.p.A.	
	Banca del Monte di Lucca S.p.A.	
	Banca Cesare Ponti S.p.A.	
	Banca Popolare di Lanciano e Sulmona S.p.A.	6,3
Financing of small and medium-scale projects through term loans and leasing operations	Banca Agricola Mantovana S.p.A.	8,3
	Banca Monte dei Paschi di Siena S.p.A.	8,3
	MPS Banca per l'Impresa S.p.A.	8,3
	Banche Popolari Unite S.c.r.l.	100,0
	BPU Leasing S.p.A.	
	Esaleasing S.p.A.	
	Clarif Finance 2006 Srl	220,0
	Mediocredito del Friuli - Venezia Giulia S.p.A.	50,0
	Banca Nazionale del Lavoro S.p.A. (BNL)	200,0
	Banco di Sicilia S.p.A.	200,0
	Banca di Roma S.p.A.	
	MCC S.p.A.	
	Capitalia S.p.A.	
	Bipop - Carire S.p.A.	
	Banca Intesa S.p.A.	300,0
	Intesa Leasing S.p.A.	
	Banche Popolari Unite S.c.r.l.	120,0
	BPU Leasing S.p.A.	
Financing of intermediate-sized enterprises	Banca Intesa S.p.A.	50,0
	Banca Intesa Mediocredito S.p.A.	
Financing of small and medium-scale infrastructure schemes	Banca Intesa S.p.A.	200,0
	Banco Popolare di Verona e Novara S.c.r.l.	100,0
	Unicredit Banca d'Impresa S.p.A.	200,0
Financing of small and medium-scale environmental infrastructure	Dexia Crediop S.p.A.	150,0
Financing of small and medium-scale projects in Trentino-Alto Adige region	Cassa Centrale delle Casse Rurali Trentine e delle Banche di Credito Cooperativo del Nord Est S.p.A.	50,0
Cyprus		
Extension of wastewater treatment systems and facilities and stormwater drainage network in Greater Limassol	Sewerage Board of Limassol-Amathus	70,0
Financing of small and medium-scale public and quasi-public infrastructure schemes in Cyprus and Greece	Kommunalkredit International Bank Ltd	20,0
Latvia		
Financing of small and medium-scale projects	Nordea Bank Finland Plc	15,0

	AS Sampo Banka	15,0
Financing of small and medium-scale projects implemented by mid-cap companies	AS Hansapank	5,0
Luxembourg		
Acquisition of fleet of rail freight wagons	AAE Ahaus-Alstätter Eisenbahn Cargo AG	24,0
Hungary		
Investment schemes in health sector	Municipality of Budapest	20,2
Construction of first section of M6 motorway, between Budapest and Dunaújváros south of Budapest	Republic of Hungary	200,0
Acquisition of locomotive fleet for medium-term leasing to European rail freight service operators	Mitsui Rail Capital Europe BV	10,0
Framework loan for financing environmental and transport projects supported by Cohesion Fund	Republic of Hungary	100,0
Purchase and commissioning of 22 new metro trains to replace obsolete rolling stock on rehabilitated line, and upgrading of depot	Municipality of Budapest	85,0
Construction of 73 km of motorway linking M3 motorway (TENs Corridor V) to Debrecen and of bypasses around Debrecen and Nyíregyháza	Republic of Hungary	320,0
Upgrading and development of broadband telecommunications services	Magyar Telekom Tavkozlesi Rt	190,0
Investment schemes in education sector	Municipality of Budapest	16,6
Construction, modernisation and renovation of dialysis centres in nine EU countries	Fresenius Medical Care AG & Co. KGaA	8,6
Financing of small and medium-scale projects	Central European International Bank Ltd	50,0
	Kereskedelmi és Hitelbank Rt.	30,0
	Magyar Fejlesztési Bank Rt.	100,0
Financing of small and medium-scale infrastructure projects	Magyarországi Volksbank Rt.	30,0
Netherlands		
Acquisition of locomotive fleet for medium-term leasing to European rail freight service operators	Mitsui Rail Capital Europe BV	10,0
Construction of infrastructure for second and final phase of Delta 2000-8 container terminal at port of Rotterdam	Havenbedrijf Rotterdam NV	100,0
Modernisation of drinking water production and distribution facilities in North Brabant province	Brabant Water NV	75,0
Upgrading of drinking water supply and distribution networks in The Hague region	Duinwaterbedrijf Zuid-Holland NV	75,0
Construction of hospital and associated healthcare facilities in Rielerenk (Overijssel province)	Stg Deventer Ziekenhuisgroep	110,0
Modernisation, reconfiguration and refurbishment of university hospital in Rotterdam	Universitair Medisch Centrum Rotterdam	450,0
Participation in fund investing in PPP infrastructure projects		15,0
Financing of small and medium-scale projects	Coöperatieve Centrale Raiffeisen-Boerenleenbank BA-Rabobank Nederland	200,0
Austria		
Construction and operation of south section of A5 (northern motorway) and sections of S2 (Vienna northern perimeter expressway) and S1 (Vienna outer ring expressway)	Bonaventura Straßenerichtungs-GmbH	350,0
Expansion and upgrading of major rail hub on Salzburg-Linz-Vienna line in priority TEN corridor	ÖBB-Infrastruktur Bau AG	140,0
Airport infrastructure schemes at Vienna International Airport	Flughafen Wien AG	400,0
Urban regeneration by upgrading social housing in Vienna	Stadt Wien - Wiener Wohnen	100,0
Construction of regional "mother-and-child" clinic in Linz and upgrading of regional hospital in Steyr (Upper Austria)	LKV Landeskrankenhaus Errichtungs- und Vermietungs-GmbH	30,0
Rebuilding of main regional hospital in Klagenfurt (Carinthia)	Landeskrankenanstalten Betriebsgesellschaft	50,0
Financing of small and medium-scale projects	Kommunalkredit Austria AG	25,0
	Raiffeisen Zentralbank Österreich AG	50,0
	BAWAG PSK Bank für Arbeit und Wirtschaft und Österreichische Postsparkasse AG	20,0
	BAWAG PSK Bank für Arbeit und Wirtschaft und Österreichische Postsparkasse AG	100,0
	Raiffeisenlandesbank Niederösterreich-Wien AG	30,0
Financing of small and medium-scale infrastructure schemes	Hypo Alpe-Adria-Bank AG	35,0
Financing of regional infrastructure, in particular projects located in regional development areas in Lower Austria	Niederösterreichische Landesbank-Hypothekenbank AG	25,0
Poland		
Rehabilitation of national roads and improvement of road safety	Republic of Poland	350,0
Acquisition of locomotive fleet for medium-term leasing to European rail freight service operators	Mitsui Rail Capital Europe BV	20,0
Acquisition of new rolling stock for regional railway network	Koleje Mazowieckie Sp Zoo	50,0
Rehabilitation of national road network	Republic of Poland	200,0
Purchase of new rolling stock and modernisation of part of existing fleet	PKP Intercity Sp Zoo	50,0
Acquisition of four Embraer 175 regional jet aircraft together with spares and associated services	Lot SA Polskie Linie Lotnicze	50,4
Construction and repair of TENs motorways	Republic of Poland	300,0
Framework loan for financing small and medium-scale infrastructure schemes	Municipality of Szczecin	30,0
Framework loan for financing small and medium-scale infrastructure schemes in city of Czeszochowa	City of Czeszochowa	29,4
Construction of steel service centre in southern Poland	voestalpine Stahl GmbH	16,0
Construction of truck manufacturing plant in Niepolomice, near Cracow	Man Nutzfahrzeuge AG	55,0
Financing of public scientific and university research and related infrastructure	Republic of Poland	500,0
Construction, modernisation and renovation of dialysis centres in nine EU countries	Fresenius Medical Care AG & Co. KGaA	10,3
Financing of small and medium-scale infrastructure schemes in environmental protection field	BNP Paribas	50,0
Financing of small and medium-scale infrastructure schemes	Bank Gospodarstwa Krajowego	100,0

Financing of small-scale investment projects carried out by micro-enterprises (on securitisation basis)	Roof Poland Sp Zoo	49,9
Financing of small and medium-scale projects carried out by SMEs	VB Leasing Polska SA	50,0
	BRE Leasing Sp Zoo	20,0
	Bankowy Fundusz Leasingowy SA	50,0
Financing of small and medium-scale infrastructure schemes	Dexia Kommunalkredit Bank AG	50,0
Portugal		
Construction and operation of gas-fired cogeneration plant on site of oil refinery in Sines	Sinecogeração - Cogeração da Refinaria de Sines SA	39,0
Construction of flue gas abatement systems as retrofit of three coal-fired power plants in Sines (Portugal) and Aboño and Soto (Spain)	EDP - Energias de Portugal SA	121,6
Upgrading and modernisation of Lisbon-Porto railway line	REFER - Rede Ferroviária Nacional EP	100,0
Upgrading of four railway lines, one in Lisbon region and three in Porto region	REFER - Rede Ferroviária Nacional EP	55,0
Widening of several sections of motorway network	BRISA Auto-estradas de Portugal S.A.	200,0
Expansion and upgrading of solid waste collection and processing facilities in Greater Porto	Servico Intermunicipalizado de Gestão de Resíduos do Grande Porto Lipor	18,0
Extension and upgrading of water supply and wastewater collection networks throughout country	AdP - Águas de Portugal	420,0
Cofinancing of regional multi-sector investment programme of Autonomous Region of Madeira under 2000-2006 Community Support Framework	Região Autónoma da Madeira	135,0
Modernisation of two breweries in Leça do Balio (Greater Porto) and Santarém, and expansion of mineral water abstraction and bottling facilities in Trás-os-Montes region (North)	Unicer - Bebidas de Portugal SA	60,0
Quasi-equity investment in PPP projects in southern Europe		6,3
Construction, modernisation and renovation of dialysis centres in nine EU countries	Fresenius Medical Care AG & Co. KGaA	16,2
Financing of small and medium-scale projects implemented by mid-cap companies	Banco Espírito Santo S.A.	50,0
Financing of small and medium-scale projects	Banco Santander Totta SA	50,0
	Lusitano SME N0 1 Plc	150,0
Financing of small and medium-scale infrastructure schemes	Caixa Geral de Depósitos	75,0
Slovenia		
Construction and operation of two run-of-river hydropower plants on lower Sava river at Blanca and Krsko in east of country	Holding Slovenske Elektrarne Doo	43,0
Construction of five new motorway sections	Družba za avtoceste v Republiki Sloveniji d.d. (DARS)	300,0
Financing of small and medium-scale projects	Nova Ljubljanska Banka d.d.	50,0
Finland		
Research and development activities in selected core therapeutic areas mainly at laboratories in Espoo, Turku and Kuopio	Orion Oyj	100,0
Technical upgrading of Porvoo refinery in south-east of country	Neste Oil Oyj	150,0
R&D in chemicals sector at laboratories in Finland and Sweden	Kemira Oyj	90,0
Healthcare investments in Uusimaa region (south)	Helsingin Ja Uudenmaan Sairaanhoidopiiri	50,0
Refurbishment of educational facilities and construction of schools in cities of Espoo, Kuopio, Turku and Oulu and in Oulu region	Espoon kaupunki	20,0
Construction of schools and upgrading or refurbishment of nursery, primary and secondary schools and Turku's main public library	City of Turku	60,0
Financing of small and medium-scale projects	Finnvera plc	100,0
Financing of small and medium-scale infrastructure schemes	OKO Osuuspankkien Keskuspankki Oyj (OKO Bank)	100,0
Sweden		
Construction of 17 km of railway through Malmö connecting to Øresund fixed link	Skåne Region	55,2
Modernisation of Östrand pulp mill in Timrå, and implementation of group-wide RDI programme for 2004-2007	Svenska Cellulosa Ab Sca (publ)	216,6
R&D in chemicals sector at laboratories in Finland and Sweden	Kemira Oyj	10,0
United Kingdom		
Extension and renovation of electricity distribution network in Manchester and north-west England	United Utilities Electricity Plc	74,2
Construction of gas pipeline linking Ireland to Northern Ireland; extension and renovation of gas distribution networks in both countries	Bord Gais Eireann	87,5
Construction and operation of section of M1 Westlink and M2 motorways in Northern Ireland	United Kingdom of Great Britain and Northern Ireland	89,7
Improvements to infrastructure on Trent Valley section of London-Glasgow main railway line	Network Rail Infrastructure Ltd	523,6
Upgrading and expansion of water treatment plants and construction of link mains in Northern Ireland	United Kingdom of Great Britain and Northern Ireland	84,7
Water supply and wastewater treatment schemes in Thames Valley and London	Thames Water Utilities Ltd	221,3
Construction of integrated waste management system for treatment and disposal of domestic waste in Cornwall	Cornwall County Council	120,2
Improvement of water and wastewater infrastructure in Yorkshire and parts of Humberside	Yorkshire Water Services Ltd	147,2
Europe-based research and development in aerospace	Rolls-Royce plc	292,3
Design, development and manufacturing launch of two new Jaguar models at two plants in West Midlands	Jaguar Cars Ltd/Ford Group	296,6
Production of new BBC programmes	BBC Worldwide Ltd	74,8
Research and innovation investment in English universities	University of Manchester	29,2
Upgrading of hospital facilities in east London	Barts and the London NHS Trust	359,0
Modernisation of hospital services in Merseyside	St Helens & Knowsley Hospitals NHS Trust	217,5
Design, construction and maintenance of 11 schools in Scottish Highlands	Highland Council	88,3
Upgrading of acute and mental healthcare facilities at university hospital in south Birmingham	University Hospital Birmingham NHS Foundation Trust	324,4
Upgrading of acute and mental healthcare facilities at university hospital in south Birmingham	Birmingham and Solihull Mental Health NHS Trust	40,1

Financing of small and medium-scale infrastructure schemes	Barclays European Infrastructure Fund II Lp	36,1
Construction, modernisation and renovation of dialysis centres in nine EU countries	Fresenius Medical Care AG & Co. KGaA	15,9
Financing of SME investments	Lambda Finance BV	444,9
Slovakia		
Construction of 9.6 km section of D1 motorway between Bratislava and Zilina	Narodna Dialnicna Spolocnost a.s.	50,0
Improvement of road network and other regional infrastructure	Presovsky Samospravny Kraj	33,9
Improvement of regional infrastructure, with major investment in road infrastructure and cultural sectors in Košice region	Kosicky Samospravny Kraj	39,4
Construction, modernisation and renovation of dialysis centres in nine EU countries	Fresenius Medical Care AG & Co. KGaA	2,2
Financing of small and medium-scale projects	SG Equipment Finance Czech Republic s.r.o.	2,0
	ČSOB Leasing a.s.	20,0
	Tatra-leasing s.r.o	20,0
	Dexia Banka Slovensko a.s.	30,0
Lithuania		
Purchase of locomotives for freight trains	Ab Lietuvos Gelezinkeliai	43,0
Financing of small and medium-scale projects	Nordea Bank Finland Plc	10,0
Financing of small and medium-scale projects implemented by mid-cap companies	AS Hansapank	5,0
Estonia		
Financing of small and medium-scale projects	Nordea Bank Finland Plc	25,0
Financing of small and medium-scale projects implemented by mid-cap companies	AS Hansapank	15,0
EFTA		
Norway		
Construction of four-lane section of E18 motorway between Knapstad and Momarken in Oestfold county	The Norwegian Public Roads Administration	112,2
Upgrading and maintenance of section of E18 motorway between Grimstad and Kristiansand (South)	The Norwegian Public Roads Administration	197,6
Mediterranean neighbours		1354,1
Regional – Mediterranean		30,1
Equity or quasi-equity participation in regional investment fund	Fondo comune di investimento mobiliare di tipo chiuso (Euromed Fund)	10,1
Participation in investment fund focusing on Mediterranean partner countries	Euromena Lp	10,0
Participation in private equity investment fund targeting several Mediterranean partner countries (Morocco, Algeria, Tunisia, Egypt, Lebanon and Jordan)	SGAM Ai Kantara Lp	10,0
Regional – North Africa		10,0
Participation in equity fund in Maghreb	Maghreb Private Equity Fund II Lp	10,0
Maghreb		444,0
Morocco		290,0
Phase II of final part of rural electrification programme in Morocco	Office national de l'électricité	170,0
Construction of wastewater collection and treatment facilities	Office national de l'eau potable	40,0
Equity and quasi-equity investments in infrastructure sector	Moroccan Infrastructure Fund SA	10,0
Renovation and modernisation of healthcare facilities and medical equipment	Royaume du Maroc	70,0
Tunisia		154,0
Construction and operation of dual-fired combined-cycle power plant in Ghannouch	Société tunisienne de l'électricité et du gaz	114,0
Upgrading and extension of wastewater collection networks and treatment plants in various cities	Republic of Tunisia	40,0
Mashreq		595,0
Egypt		550,0
Construction of gas transmission pipeline between Abu Qurqas and Asyut in south of Egypt	Egyptian Natural Gas Holding Company	50,0
Construction of two natural gas-fired combined-cycle power generation units in El Atf and Sidi Krir	Egyptian Electricity Holding Company	260,0
Design, construction and commissioning of world-scale methanol plant on greenfield site at industrial port of Damietta on Mediterranean coast	The Egyptian Methanex Methanol Company SAE	200,0
Financing of industrial pollution abatement schemes, mainly in Greater Alexandria and Greater Cairo	National Bank of Egypt	40,0
Syria		45,0
Water and sanitation networks in 14 municipalities	Syrian Arab Republic	45,0
Other		275,0
Israel		275,0
Investment programme in sanitation sector	State of Israel	200,0
Financing of small and medium-scale projects	Bank Hapoalim BM	75,0
Africa, Caribbean, Pacific (ACP) and OCT		745,4
All ACP countries		103,5
Regional ACP		103,5
Equity participation in holding company specialising in setting up and acquiring commercial microfinance institutions	Access Microfinance Holding AG	3,5
Cofinancing with European Development Finance Institutions (EDFIs) of operations in ACP countries under co-investment agreement	European Financing Partners SA	100,0
Africa		563,8
Regional Africa		43,3
Creation of regional investment fund providing equity and quasi-equity finance for private sector infrastructure projects	Emp Africa Fund II PCC	40,0

Equity participation in regional holding company incorporated in Mauritius dedicated to investing in SMEs and microfinance institutions	Investisseur & Partenaire pour le Développement	3,3
Central and Equatorial Africa		101,0
Cameroon		65,0
Rehabilitation of thermal and hydroelectric facilities, construction and modernisation of transmission lines and high voltage stations, upgrading and expansion of distribution facilities	AES Sonel	65,0
Congo		13,0
Bankable feasibility studies relating to development of magnesium and potash deposit in Kouilou region	Magindustries International Inc	13,0
Rwanda		3,0
Medium and long-term financing of capital projects implemented by micro, small and medium-sized enterprises	Banque commerciale du Rwanda	3,0
Regional – Central Africa		20,0
Credit line and guarantee facility for financing private enterprises in Central African Economic and Monetary Community (CEMAC)	Banque de Développement des Etats de l'Afrique Centrale	20,0
West Africa		218,0
Ghana		130,0
Construction of pipeline system for transporting natural gas from Nigeria to Ghana, Togo and Benin	Republic of Ghana	75,0
Medium and long-term financing of capital projects implemented by micro, small and medium-sized enterprises	Ecobank Ghana Ltd	15,0
	Société Générale-SSB Ltd	40,0
Mauritania		5,0
Establishment of commercial bank	Ballouhey SA	5,0
Nigeria		50,0
Support for development and strengthening of position in corporate banking market and implementation of retail strategy	First Bank of Nigeria Plc	50,0
Regional – West Africa		33,0
Construction of 60 MW run-of-river (without reservoir) hydropower plant near Kayes, Mali	Islamic Republic of Mauritania	11,0
	Republic of Senegal	11,0
	Republic of Mali	11,0
East Africa		55,7
Ethiopia		16,5
Improvement of water supply and sanitation networks in 15 small or medium-sized towns	Democratic Federal Republic of Ethiopia	16,5
Kenya		4,2
Participation in fund providing equity and quasi-equity financing for intermediate-sized enterprises	Business Partners International Kenya SME Fund Lp	4,2
Uganda		10,0
Financing of small and medium-scale investments through leasing transactions	Development Finance Company of Uganda Ltd	10,0
Regional – East Africa		25,0
Financing of leasing operations aimed at supporting development of private enterprises and public infrastructure in member states of East African Community (Kenya, Uganda and Tanzania)	East African Development Bank	25,0
Southern Africa and Indian Ocean		145,8
Madagascar		2,0
Participation in fund providing equity and quasi-equity financing for intermediate-sized enterprises	Business Partners International Madagascar Investment Fund Llc	2,0
Mauritius		14,0
Construction of second Club Med village near Albion in Mauritius	Club Méditerranée Albion Resorts Ltd	14,0
Mozambique		32,3
Improvement and expansion of Maputo's water supply network	Republic of Mozambique	31,0
Conversion of construction materials plant to produce asbestos-free fibre cement, near Beira on central coast of Mozambique	Ecocimento - Indústrias de Fibrocimento Lda	1,3
Namibia		4,0
Financing of small and medium-scale infrastructure schemes	Old Mutual Life Assurance Company (Namibia) Ltd	4,0
Zambia		93,5
Development of new copper mine near Lumwana in north-western province of Zambia	Lumwana Mining Company Ltd	85,0
Financing of small and medium-scale projects in non-traditional mining sector	Stanbic Bank Zambia Ltd	2,1
	Finance Bank Zambia Ltd	2,1
	Industrial Credit Company Ltd	2,1
	African Banking Corporation Zambia Ltd	2,1
Caribbean		40,7
Barbados		
Construction of wind farm on north-east coast of Barbados	The Barbados Light and Power Company Ltd	9,8
Belize		
Establishment of helicopter transport facilities	Astrum Travel International Ltd	3,7
Dominican Republic		
Medium and long-term financing of capital projects implemented by micro, small and medium-sized enterprises	Banco de Ahorro y Crédito Adopem S	4,0
	Banco de Ahorro y Crédito Ademi SA	3,2
Regional Caribbean		
Establishment of loan guarantee facility for Caribbean Development Bank (CDB)	Caribbean Development Bank	20,0
Pacific		37,4
Fiji		
Construction of hydropower plant in north of Viti Levu island	Fiji Electricity Authority	24,5
Salomon		

Rehabilitation of approximately 3 750 hectares of poor quality tropical hardwood plantation and replacement of ageing equipment	Kolombangara Forest Products Ltd	3,5
Regional – Pacific		9,4
Equity participation in regional fund for financing equity and quasi-equity investments in Pacific region	Kula Fund II Ltd	4,4
Medium and long-term financing of capital projects implemented by micro, small and medium-sized enterprises	National Development Bank of Palau	5,0
South Africa		80,0
South Africa		
Construction of high voltage power transmission interconnection between Johannesburg and Cape Town	Eskom Holdings Limited	80,0
Asia and Latin America		483,0
Latin America		240,0
Brazil		40,0
Extension and upgrading of two plants, one producing truck and bus tyres in Campo Grande and the other steel cord for use in tyres in Itatiaia (near Resende) (State of Rio de Janeiro)	Sociedade Michelin de Participações Industria e Comercio Ltda	40,0
Honduras		20,0
Construction, extension and repair of Honduran Logistical Corridor	Banco Centroamericano de Integración Económica	20,0
Peru		40,0
Design and upgrading of digital mobile communications network in Colombia, Ecuador and Peru	Telefonica Moviles SA	40,0
Ecuador		40,0
Design and upgrading of digital mobile communications network in Colombia, Ecuador and Peru	Otecel SA	40,0
Colombia		100,0
Design and upgrading of digital mobile communications network in Colombia, Ecuador and Peru	Telefonica Moviles Colombia SA	100,0
Asia		243,0
Vietnam		38,0
Construction of five 'junior' self-service wholesale stores in Can Tho, Ho Chi Minh City, Hanoi, Haiphong and Da Nang	Metro Cash & Carry Vietnam Ltd	38,0
Sri Lanka		120,0
Financing of small and medium-scale private sector projects in industrial, tourism and other service sectors affected by Tsunami	Democratic Socialist Republic of Sri Lanka	70,0
Financing of small and medium-scale projects in industrial, productive infrastructure, tourism and mining sectors as well as health and climate change mitigation	Democratic Socialist Republic of Sri Lanka	50,0
Pakistan		35,0
Construction and operation of cement plant on greenfield site in Chakwal district	DG Khan Cement Co Ltd	35,0
Maldives		50,0
Financing of private sector resorts and hotels affected by Tsunami	Republic of Maldives	50,0
Enlargement countries		3248,3
Turkey		1826,8
Upgrading and extension of national electricity distribution networks	Turkiye Elektrik Dagitim AS	100,0
Construction of high-speed railway line between Istanbul and Ankara	Republic of Turkey	120,0
Implementation of first line of rail-based rapid transit system in conurbation of Samsun on Black Sea	Samsun Buyuksehir Belediyesi Baskanligi	65,0
Extension of Istanbul's mass transport system through expansion of ferry fleet	Kreditanstalt für Wiederaufbau (KfW)	23,8
	Istanbul Buyuksehir Belediyesi	17,8
Purchase of trains to operate commuter services on Bosphorus tunnel and commuter rail system in metropolitan area of Istanbul	Republic of Turkey	400,0
Fleet renewal and expansion	Natexis Banques Populaires	239,2
	BNP Paribas	68,0
	Calyon SA	68,0
Overhaul and capacity increase of mobile telephone network of second-largest Turkish operator	Vodafone Group plc	400,0
Development and production in Bursa of small, light commercial vehicle for European market	Tofas Turk Otomobil Fabrikasi AS	175,0
Creation of 6 800 IT classrooms in around 5 100 primary schools throughout Turkey	Republic of Turkey	50,0
Financing of small and medium-scale projects	Turkiye Garanti Bankasi AS	100,0
Romania		679,0
Upgrading of several sections of national road network	Romania	450,0
Upgrading of rolling stock and improvement of Bucharest metro's infrastructure	Romania	63,0
Construction of wastewater treatment plant in Bucharest	Romania	25,0
Infrastructure development programme for small and medium-sized towns	Romania	29,5
Rehabilitation and expansion of sewerage systems in six municipalities	Romania	41,5
Financing of small and medium-scale projects	Banca Comerciala Romana SA	50,0
Financing of small and medium-scale infrastructure schemes	Bancpost SA	20,0
Bulgaria		60,0
Financing of small and medium-scale projects	DSK Bank Plc	30,0
Financing of small and medium-scale infrastructure schemes	HVB Bank Biochim AD	30,0
Serbia and Montenegro		277,0
Rehabilitation of railway lines on Corridor X and upgrading of rolling stock	Železnice Srbije	80,0
Rehabilitation of roads and bridges throughout country	Serbia and Montenegro	22,0
Rehabilitation and construction of municipal water and sanitation infrastructure	Serbia and Montenegro	5,0
Modernisation, redevelopment and extension of four tertiary care hospitals in Serbia (Belgrade, Niš, Novi Sad and Kragujevac)	Republic of Serbia	80,0
Financing of small and medium-scale projects	Banca Intesa ad Beograd	40,0
Financing of small and medium-scale infrastructure schemes	Hypo Alpe-Adria-Bank ad Beograd	50,0
Bosnia and Herzegovina		95,0
Rehabilitation of 55 sections of road with total length of around 1 105 km in Republika Srpska	Bosnia-Herzegovina	40,0
Financing of small and medium-scale projects	Volksbank BH d.d.	10,0
	Raiffeisen Leasing d.o.o.	25,0

Financing of small and medium-scale infrastructure schemes	Unicredit Zagrebacka Banka BH d.d.	20,0
Albania		30,5
Construction of new passenger ferry terminal and ancillary facilities at port of Durrës	Albanian Republic	18,0
First phase of national plan for improving quality of educational results, expanding secondary education coverage and preparing for tertiary education reform	Albanian Republic	12,5
Croatia		270,0
Rehabilitation of 52 sections of trunk road with total length of 687 km	Hrvatske Ceste d.o.o.	60,0
Construction of final section of Rijeka-Zagreb motorway (Pan-European corridor Vb)	Autocesta Rijeka - Zagreb d.d.	210,0
FYROM		10,0
Financing of small and medium-scale projects	NLB Tutunska Banka a.d. Skopje	10,0

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**Annual Press Conference 2007****Briefing Note No 01****The Bank promoting European objectives**

Luxembourg, 8 February 2007

Promoting Economic and Social Cohesion

In 2006, two thirds of EIB lending within European Union supported regional development objectives with an aggregate amount of EUR 26.7bn.

In line with the renewed Cohesion Policy for 2007-2013, the Bank will concentrate its regional development actions on convergence lending. While remaining a key priority for the Bank, the nominal figures could substantially decrease because the targets up to 2006 encompassed a much wider area and population.

In addition to convergence lending, the Bank, in close cooperation with the Commission, will provide new advisory services as Joint Assistance to Support Projects in European Regions (JASPERS), primarily for projects located in the new Member States and financial engineering as part of the initiative for Joint European Support for Sustainable Investment in City Areas (JESSICA).

Over the seven-year period, EUR 308bn in grants from the structural funds will be allocated to EU convergence and regional competitiveness policy objectives.

Aligning to the Convergence Objective

In order to reflect the new orientations at EU level, the Bank will focus its future lending activities towards the convergence objective. Convergence regions are 113 regions with a population of 190 million in EU-27. Temporary transitional measures will be introduced up to end-2007 to cover operations already in the project pipeline and falling outside the new convergence objective. The two other objectives of the EU Structural Funds - regional competitiveness and employment, will be supported through operations under other lending priorities (research and innovation, trans-European networks, SMEs, energy and environment).

Highlights

Constant focus and prioritisation of projects benefiting assisted areas allowed the 2006 objectives to be achieved. Particularly, activity specifically in the New Member States continued to grow, while activity in Romania and Bulgaria, who joined the EU in January 2007, remained at sustained levels (lending amounted, respectively, to EUR 679m and EUR 60m).

2 new initiatives with European Commission: Technical Assistance for new Member States (JASPERS) and support to investment in European urban areas (JESSICA).

The JASPERS (Joint Assistance to Support Projects in European Regions) programme is a technical assistance partnership between the European Commission, the European Investment Bank (EIB) and the European Bank for Reconstruction and Development (EBRD). The main objective of this programme is to provide technical expertise to the Member States with a view to developing high-quality infrastructure projects, mainly in the transport and environmental sectors, with the help of EIB and EBRD experts.

In 2006, over 100 Technical Assistance or Project Preparation actions (relating to both individual investments and "horizontal" activities of interest across the New Member States) were identified, with a total investment cost of some EUR 24bn, mostly in the areas of transport (including urban transport), environment (water, wastewater and decontamination projects) and renewable energy. Also noteworthy was demand in sectors such as large energy projects, broadband telecommunications and tourism.

Work on over 80 different project preparation operations commenced in all 12 Beneficiary countries by end-2006. Regional Offices for JASPERS are being opened in Warsaw, Vienna and Bucharest.

JESSICA (Joint European Support for Sustainable Investment in City Areas) is a new initiative of the European Commission and the European Investment Bank (EIB). It has been designed to help the authorities in all the Member States of the EU to exploit financial engineering mechanisms to support investment in sustainable urban development in the context of cohesion policy. Other International Financial Institutions, as well as the European banking and private sector, could contribute to this initiative.

JESSICA responds to the request by several Member States and the European Parliament to give special attention to the need for renewal and/or regeneration of certain urban areas, and is based on a perceived market failure in the urban sector or, more specifically, on the lack of investment funds to finance integrated urban renewal and regeneration projects in pursuit of more sustainable urban communities.

Key projects

Spain: EIB lending for social and economic cohesion amounted to EUR 5.9bn in 2006. Particularly significant projects were the construction of a high-speed train line linking Madrid and Barcelona to the French border (EUR 600m), the upgrading of the motorway infrastructure in the Biscaye Province (EUR 620m) and the financing of R&D activities in the telecommunications sector (EUR 400m).

Portugal: IHRU Reabilitação Urbana – EUR 200m to support the financing of the first phase of a multi-year programme for infrastructure and public space renewal in dilapidated urban areas where urban regeneration corporations have been created to implement integrated urban plans. The project will also support the rehabilitation of degraded units of social housing stock owned by the State across Portugal.

Poland: EIB operations increasing the competitiveness of Poland have grown to a total of more than EUR 13bn, with some EUR 2bn signed in 2006. In January 2006, in close co-operation with the EIF, the EIB signed the first securitisation transaction in a New Member State with Raiffeisen Leasing Polska. Given the strong demand for SME financing in Poland, it is expected that this innovative financing instrument will be used for future transactions in support of this key sector of the Polish economy. Other significant projects in which the EIB was involved in 2006 were: a EUR 500m loan for capital investments in science and technology infrastructure and research activities of public scientific institutions and accredited universities; a EUR 300m loan for the extension of the Polish motorway network along TEN T corridors; a EUR 200m loan for road modernization and a EUR 350m for priority road rehabilitation.

Italy: three loans for a total of EUR 470m to the two provinces of the Basilicata Region (Matera – EUR 30m – and Potenza – EUR 40m) and to the Sicily Region (EUR 400m). The projects to the Provinces of Matera and of Potenza will finance the European interest components of public work programmes.

Hungary: A loan of EUR 100m will co-finance the Hungarian State's contribution to projects benefiting from EU grant support under the Cohesion Fund 2007-2013. The loan targets projects relating to transport development, energy (mainly efficiency and renewable) and environmental protection.

Slovakia: two loans to regional administrations in Slovakia for a total of EUR 73m to part-finance priority projects (mainly in the transport area) of the 2005-2009 investment programmes of the Prešov and Košice self-governing regions.

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Annual Press Conference 2007

Briefing Note No 02

The Bank promoting European objectives

Luxembourg, 8 February 2007

Promoting Innovation

EU policy objective supported

With the establishment of the Lisbon Agenda in 2000, the European Union set itself the strategic goal of establishing a competitive, innovative and knowledge-based European economy, capable of sustainable growth. The EIB Group has since recognised research and innovation as an important lending priority, to which it has dedicated a multiannual lending program of EUR 50bn. Following the Hampton Court Summit, the EIB is finalising together with the European Commission an additional Facility dedicated to Research and Innovation.

EIB finances three areas of investment to support technological modernisation and the tailoring of human capital to a European economy as foreseen in Lisbon:

- Research, development and innovation (RDI) – private and public sector investment in research, the development of centres of excellence and academic research centres, as well as downstream investment (products and processes) in the private sector;
- Education and training: support for university training by improving access to training as well as life-long learning, integration of research into education projects, upgrading related IT infrastructure, etc;
- The diffusion of technologies and the development of information and communication technology (ICT) – involving the rollout of fixed and mobile broadband networks and access technologies, the creation of networks in a number of sectors (health, transport), etc.

Loans in 2006 were divided by sub-sector as follows:

(in EUR)	2006	2005	2000-2006
RDI	6.7bn	6.2bn	23bn
Education/Training	1.9bn	2.3bn	11.1bn
ICT	1.3bn	1.9bn	9.9bn
Total in the EU^(*)	10.4bn	10.7bn	44.8bn

^(*) Total includes projects not categorised as above.

Thus, in 2006, the Bank again exceeded the level of EUR 10bn of contract signatures, as it did the year before, making it clear that the objective of EUR 50bn in signatures over the current decade will be by far exceeded. Within the three components, there was a shift to RDI investment, which is central to the Lisbon Agenda. Within RDI, support for university-based R&D saw a significant increase, with EUR 1.4bn in loans. In Germany alone, EUR 900m went to basic research and research facilities at the universities of Mainz, Kaiserslautern, Tübingen and Freiburg.

Given the broad definition of assisted areas up to 2006 (including both Objective 1 and 2 areas) and the Bank's efforts to finance innovative projects in the poorest regions, EUR 5.6bn or 59% of the lending still took place in assisted areas. In 2007, when the EU will use the narrower "convergence" criterion for assisted areas, this percentage is likely to decrease. Financing innovation in assisted areas helps to offset the tendency for such investment to be concentrated in the wealthiest regions by transferring knowledge to regions that are lagging behind. In this way, the Bank happily combines two of its priorities (economic and social cohesion, and research and innovation).

The new risk-sharing finance facility

The Bank and the Commission are currently developing a new risk-sharing finance facility. A financial contribution made from the EU's 7th Framework Programme allows the EIB to cover the additional risk. The objective is to improve access to debt financing for research and development projects. New and additional risk-sharing loans with a minimum size of EUR 10n will be made available, the exact loan format depending

on project characteristics (conditional or subordinated loans, mezzanine, alternative security arrangements). Beneficiaries can be private and public project promoters of all sizes and nature.

In 2006, the EIB met with major players on the European research scene, such as the European Technology Platforms, EUREKA, ESFRI as well as industry and banking partners to develop the new risk-sharing financial instruments.

Key projects

RDI & Education/training: in **Poland** the EIB lent EUR 500m through the Ministry of Finance to finance capital investment in science and technology infrastructure and equipment, recurrent wage costs of scientists employed by the Polish Academy of Sciences and State research institutes, accredited public universities, university colleges of technology, and equivalent institutions, as well as research grants for scientists. The government remains the main investor in research and development in Poland. Foreign firms have located manufacturing plants in Poland, but their R&D has tended to remain with parent companies abroad. The EIB loan is intended to stimulate public R&D investment in an attempt to leverage private sector funding by improving the general science infrastructure.

RDI & ICT: in **Spain** the EIB lent EUR 400m in support of Telefónica's investment in R&D. The project focuses on applications for processes, products and technologies of fixed and mobile telecom networks and services at several research centres. Telefónica is the most important private R&D company in Spain and a leading participant in European Research Project under the 6th European Framework Programme. It actively cooperates with universities as well as with basic research centres.

RDI in the automotive sector: the EIB lent more than EUR 1.9bn for RDI in the automotive sector. These investments are interesting because they fall clearly within the Lisbon mandate (innovation, competitiveness), but at the same time most of the projects also serve environmental and/or energy objectives¹. Thus in **Germany**, the Bank lent EUR 400m for RDI activities in the areas of exhaust gas reduction, reduction of fuel consumption and CO₂ emissions, and another EUR 400m for the development of hydrogen powered passenger car, while EUR 30m went to RDI on emission and noise reduction projects.

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¹ For more information on R&D in energy, please refer to the briefing note on Sustainable, competitive and secure energy.

**Annual Press Conference 2007****Briefing Note No 03****The Bank promoting European objectives**

Luxembourg, 8 February 2007

Promoting Trans-European transport Networks (TENs)¹**Policy objective**

The Trans-European Transport Networks facilitate freedom of movement of goods, persons, energy and information. These major infrastructure networks underpin the integration of the European Union and increase its potential growth.

The development of these networks will provide:

- high-quality infrastructure supporting the links between the 27 EU Member States and connecting the EU to its neighbours;
- interconnection and interoperability of existing national networks;
- access to the basic transport networks;
- benefits of integrated pan-European networks over the whole of the EU.

Policy background and future perspectives

The Trans-European Network policy was established by the European Council in 1993. Since then, the EIB has been a leading source of bank finance for these fundamental infrastructure networks. From 1993 to December 2006, the EIB has signed EUR 77.4bn in loans for pan-European transport networks.

Given the level of EIB financing of large infrastructure networks across the Union to date, in 2006 the Bank decided to raise its commitment to investment in the networks from EUR 50bn for the period 2004-2010 to EUR 75bn for 2004-2013.

EIB investment in transport networks extends beyond the boundaries of the European Union. Financing such projects in partner countries forms part of the Bank's support for the EU policy of cooperation with neighbouring countries. This will continue into 2007 and beyond.

In addition to finance, the EIB will proactively support the preparation of transport projects linked to the Trans-European Network policy. For this, the Bank will work with the European Commission, offering particular support to those promoters who seek to set up integrated intermodal freight operations.

Tailored financial instruments

The EIB has developed a wide range of tailored financial instruments to directly encourage investment in the major transport networks across the Union and beyond.

These include the Structured Finance Facility, which aims to match the types of funding to the requirements of large-scale infrastructure projects. With this facility, the EIB can now reach projects of sub-investment-grade credit quality which may not previously have had access to traditional EIB financing.

A loan guarantee instrument for the Trans-European Transport Networks will be launched in 2007. This instrument, which is a joint venture between the EIB and the European Commission, will provide guarantees for major transport network projects to cover the risk of revenue shortfall during the initial period of operation of the project.

The Bank is also intensifying efforts to mobilise private investment in the financing of the transport networks, by increasing support for public-private partnerships (PPPs). Work is ongoing with the European Commission and the Member States to develop initiatives such as a European PPP Expertise Centre to

¹ This note will deal with TEN-Transport (TEN-T) only. TEN-Energy (TEN-E) is dealt with as part of the Energy briefing note.

facilitate the effective sharing of experience and best practice in PPPs. The Bank is currently exploring the demand for such an initiative in collaboration with the Commission and regional and national public sector PPP taskforces.

Cooperation with the European Commission

In 2006, cooperation with the European Commission intensified, with the Bank participating in a number of joint working groups and steering committees.

Noteworthy 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;
- work towards the implementation of European Rail Traffic Management Systems (ERTMS) on designated freight corridors;
- preparations for the launch and financing of the projects championed by the EU Coordinators - a group of six ex-Commissioners promoting transport projects which are seen as key to the development of the Trans-European Network policy.

JASPERS, the joint initiative between the EIB, the European Commission and the European Bank for Development and Reconstruction to aid the preparation of projects which receive Structural and Cohesion Funds, became operational in 2006. One of the sectors which will benefit most from the preparatory work offered by JASPERS is transport infrastructure.

Trends and highlights from 2006

For 2006 alone, the EIB lent EUR 8bn for transport projects linked to the Trans-European Networks. EUR 7.3bn of these operations were within the EU, 37% of which went to priority projects as defined by the European Commission. This represents yet another year-on-year increase in signatures within the EU, compared to EUR 6.8bn in 2005.

The 2007 target for EIB lending to major transport networks linked to the Trans-European Network policy is set at EUR 8bn.

As in previous years, Spain remained the Member State with the highest amount of loans signatures in 2006 (EUR 2.9bn). Austria was the next, with EUR 890m.

Road projects took almost 43% of overall pan-European transport lending in 2006 (EUR 3.2bn), with rail, which is becoming an increasingly important priority sector for the EIB and the European Commission, following at 38% (EUR 2.8bn). Aviation and maritime stood at 9.8% (EUR 714m) and 8.1% (EUR 593m) respectively.

PPP projects accounted for 16% of EIB transport lending linked to the trans-European Networks in 2006 (EUR 1.1bn).

In European Neighbourhood and Partner Countries, loans amounting to EUR 738m were signed supporting projects along major transport axes. In Turkey, the EIB signed a loan in favour of a high-speed railway line along the Istanbul-Ankara corridor. This project will significantly improve the rail connection between the country's two largest cities and boost links between the Turkish capital and the EU Member States.

Other non-EU projects included the construction of the final section of Rijeka-Zagreb motorway in Croatia (along the pan-European corridor from the Hungarian border, via Zagreb, Karlovac and Rijeka to the Slovenian border) and the construction of a four-lane section of the E-18 motorway which is a continuation of the Nordic Triangle, a priority pan-European transport project linking Norway, Sweden, Finland and Denmark to each other and to the rest of the EU.

Key projects

LGV Rhine – Rhône

The project concerns the construction of the first phase (139 km) of a new high speed railway line in France between Dijon and the German border. The line is part of the pan-European priority project to improve rail traffic services along the axis Lyon/Genève – Duisburg – Rotterdam/Antwerp. The project will facilitate regional accessibility and improve the economic potential of this area.

The EU Member States are developing their high speed railway network as the demand for long distance rail transport is increasing. EIB support for this type of investment is likely to continue to grow in the future.

Austrian Motorway PPP Project

In 2006, the EIB participated in the first Austrian motorway PPP project. The Bank lent EUR 350m for the planning, construction and operation of the south section of the A5, the Northern Motorway, and of sections of the Vienna Northern Perimeter Expressway and the Outer Ring Expressway, all located in the North East of Vienna. The investment will go towards improving the priority Trans-European Network project Gdansk-Katowice-Zilina/Brno-Vienna. The project is awarded as a concession, based on availability fees and shadow toll payments for a 33 year term. EIB participation in this flagship PPP project has significantly improved the terms and conditions for the borrower, lowering the cost to the public sector.

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**Annual Press Conference 2007****Briefing Note No 04****The Bank promoting European objectives**

Luxembourg, 8 February 2007

Promoting Small and Medium-sized Enterprises**Importance of SMEs for the European economy**

Small and medium-sized enterprises (SMEs) are a major source of employment, entrepreneurial skills, innovation as well as economic and social cohesion in the EU. The EU's aim is to promote successful entrepreneurship and to improve the business environment for SMEs, to allow them to meet the challenges faced in today's global knowledge-based economy and to realise their full potential.

Support for SMEs is one of the top priorities for the EIB Group

Support for SMEs has become a key operational priority for the EIB Group, in line with the strategic orientations approved by the Board of Governors in 2005. This transversal activity involves both EIB financings through the EU banking sector, and EIF support to SMEs through both providing equity (venture capital investments) and facilitating access to finance (via securitisation and guarantee schemes). A special effort to join the know-how of both institutions forming the EIB group has been made in 2006 and will be developed in 2007. A substantial capital increase for EIF is planned and will be implemented during 2007.

Achievements in 2006

Together EIB and EIF have supported an estimated 209 000 SMEs. About 26,000 SMEs in the EU-25 benefited from EIB Lines of credit of EUR 5.8bn through commercial banks. EIF venture capital (EUR 688m) and guarantee (EUR 2bn) activities helped to finance around 183 000 SMEs, of which nearly a third were micro-enterprises (less than 10 employees).

Key projects 2006

Belgium: "Brussels SME Growth and Occupation": In order to support SMEs located in the Brussels Region, regional public authorities requested the EIB to contribute to the set-up and financing of a company (B2E) specialised in the support of regional SMEs through the granting of long-term lending under a co-financing arrangement with commercial banks.

France: "OSEO programme création d'entreprises": Part-financing (up to EUR 60m) of a scheme to support the creation of enterprises (Micro and small enterprises, start-ups) launched by the French government to complement the commercial bank's product offering. The EIB's intervention complements the funding resources of OSEO BdPME and allows it to offer attractive funding conditions to the final beneficiaries of the programme.

Czech Republic: Komerční Banka Global loan (new banking counterpart): EUR 37.5m for investment projects of SMEs and municipalities in the Czech Republic, in the field of energy and energy savings, environmental protection, transport infrastructure, health, education, urban renewal and social housing. Komerční Banka is one of the major Czech commercial banks and has an extensive knowledge of the local market particularly through its strong branch network in the country. There are now ten active financial intermediaries in the Czech Republic.

Perspectives for 2007

A continued attention has been brought in 2006 to the improvement of the transparency of the Line of Credits, both in terms of information provided to the Bank on the use of its funds, and also in terms of information to final beneficiaries about the intervention of the Bank.

Proposals involving innovative financial structures in support of SMEs have been identified and submitted for Board approval. Such innovative transactions include risk-sharing mechanisms and/or combinations of national and regional SME support tools with EIB's products. In addition, diversification of banking counterparts (in particular in New Member States) continues to be actively pursued.

In late 2006, a Group strategic committee for the support of SMEs was created, which will review the Bank's group product offering. It will also consult European representative of SMEs and the banking community in order to implement the Bank's new policy on more risk taking for increased value added in the context of SME lending.

Increased Cooperation with the European Commission

In 2007, the European Commission's Competitiveness and Innovation Framework Programme (CIP) will come into effect, replacing and continuing on from the Multiannual Programme for Enterprise and Entrepreneurship (MAP). The financial instruments of the CIP's Entrepreneurship and Innovation programme will be managed by EIF and will include the High Growth Innovative SME Facility; the SME Guarantee Facility; and the Capacity Building Scheme. New windows of particular interest within the EUR 1.1bn mandate will include securitisation; a focus on seed and start-up investments; co-investment in funds and investments promoted by business angels; and greater support to technology transfer activities and enterprise creation.

JEREMIE is a joint EU Commission, EIF and EIB initiative designed to give EU Member States the option of using a portion of their 2007-2013 structural fund allocation to establish a revolving fund, managed by fund manager, to improve access to finance for SMEs in regional development areas through a tailored package of financial products. A dedicated JEREMIE team has been established at EIF to make an EU-wide evaluation of SME access to finance and to manage future JEREMIE investments. In partnership with National Managing Authorities, these specialists are currently evaluating – through to end-2007 – the options for JEREMIE in each case. Memoranda or Letters of Understanding have been signed in 2006 with the Slovak Republic, Greece and in 2007 with Romania, while negotiations are at an advanced stage with several other member states or regions. JEREMIE represents an innovative departure for SME financing, involving both significant leverage of structural funds and the establishment of a revolving facility through a Holding Fund – a progressive move away from a grant financing approach.

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**Annual Press Conference 2007****Briefing Note No 05****The Bank promoting European objectives**

Luxembourg, 8 February 2007

Promoting EU's environmental policy**EU policy objectives**

Based on the four key areas of the 6th Environment Action Programme "Environment 2010: our future, our choice" and on the Commission's new Urban Environment strategy, the EIB uses five areas of interest for its environmental lending: tackling climate change, protecting nature and wildlife, addressing environmental and health issues, preserving natural resources and managing waste, and improving the quality of life in the urban environment.

EU Kyoto Protocol target of cutting greenhouse gas emissions by 8% over 1990 levels by 2008-12 has remained the principal policy priority in 2006.

As new thematic strategies are developed for the next generation of EU environmental policy, the EIB will support these wherever possible through its environmental lending framework.

Policy background

The EIB has three main objectives for defining its environmental responsibility. The first and most important is that it ensures that the projects that it finances are compliant with EU environmental principles and standards, enshrined in the European Principles for the Environment (EPE) (see www.eib.org/epe).

The second main objective is that the Bank promotes projects that protect or improve the natural and built environments and foster social well-being in the interests of sustainable development. The EIB applies a relatively broad definition of the term "environment" to cover the natural environment, and the human living and working environment as well as a number of social aspects. Provided that the projects are economically, technically and financially viable, the EIB supports specific environmental investments that focus on the five areas of activity explained above.

The third objective is for the Bank to assume environmental responsibility for its "corporate environmental footprint". The EIB works continuously to improve the environmental performance of its buildings and the housekeeping of its offices. The main areas of activity are improving energy efficiency, collecting and recycling waste streams and gradually introducing environmentally responsible procurement, as part of an integrated environmental management system.

Trends, highlights, new developments

A number of improvements were made in 2006 and are currently being implemented:

- Completion and approval of an updated set of internal guidelines on environmental and social assessment and rollout of an environmental and social awareness raising programme within the EIB;
- Completion and approval of new Social Assessment guidelines, "Taking Social Issues into Account in Projects outside the EU";
- Official launch of two carbon funds, the Multilateral Carbon Credit Fund jointly sponsored by EIB and EBRD, and the Carbon Fund for Europe jointly sponsored by EIB and the World Bank;
- Enlargement of the Climate Change Financing Facility (which provides long-term loan finance to EU companies participating in the Emissions Trading Scheme, and to companies operating outside the EU developing Joint Implementation and Clean Development Mechanism projects) and making the Climate Change Technical Assistance Facility fully operational (in order to facilitate carbon credit development);

- Signature of first Memorandum of Understanding between the EIB and an NGO, World Conservation Union (IUCN), the world's largest conservation network;
- Official launch of the European Principles for the Environment (EPE), by EIB, EBRD, NIB, NEFCO and CEB, with the support of the European Commission and its Directorate-General for Environment (DG ENV).

The priorities for the period 2007-2009 include the following environmental objectives:

- To develop a new Environmental Policy Statement in 2007 for release in 2008;
- To promote the JESSICA initiative (see briefing note on Economic and Social Cohesion) in the area of Urban Environment – Sustainable Cities;
- To achieve an environmental lending at 25-30% of the EIB's overall lending activity;
- To achieve an annual target of EUR 600m-800m for Renewable Energy (RE) projects with 50% of EIB lending to electricity generation associated with RE technologies. The 2007 EIB forum will be held in Slovenia on 27-28 of September on the theme "Investing in energy – mastering climate change".

Results of the year

In 2006, the European Investment Bank signed loan agreements for 96 environmental projects, amounting to EUR 10.9bn, which represents 23.7% of its total lending.

The EIB financed a wide variety of activities, including renewable energy projects in the EU, programmes for environmental infrastructure improvements also supported by EU funds, and water and sanitation programmes in the Mediterranean, African, Caribbean and Pacific countries.

The bulk of environmental lending went to EU countries: in 2006, the EIB provided direct financing for 78 environmental projects for a total of EUR 9.6bn in the European Union. In the Acceding (Bulgaria and Romania) and Accession (Croatia and Turkey) Countries, the volume of environmental protection lending was EUR 785.6m of total lending. In the Mediterranean Partner Countries, EUR 325m in individual loans was advanced for environmental schemes. A further EUR 93.8m went to environmental projects in the Sub-Saharan African countries, and EUR 5m in Montenegro, all contributing to the Bank's overarching goal of promoting environmentally sustainable development in the partner countries.

Key projects

ANDASOL Solar Thermal Power (Spain)

The project is the first large scale application of a concentrating solar thermal power generation plant in EU. The plant will have a capacity of 50 MW_e, to be developed in a wide valley north of the Sierra Nevada, some 60 km south-east of Granada in Spain. The area benefits from relatively high annual average solar radiation, availability of groundwater for cooling and ready access to the high voltage electricity grid. The project is based on a new generation of parabolic solar through technology that has been tested at a facility in the Mojave desert in California, USA. The project promotes EU energy policy by the use of indigenous renewable energy and contributes to energy security and national and EU efforts to combat climate change.

Maputo Water Supply (Mozambique)

The EIB supported improvements to the Maputo Water Supply serving the Greater Maputo area of 1.7 million inhabitants. In this area 48% of the population lives in absolute poverty and only 40% has access to adequate drinking water. The project will expand the water supply in the poorer areas on the outskirts of town (so-called "peri-urban areas") with the support of small local private operators, in order to extend services to an additional 580 000 people. By significantly augmenting the population that has access to safe drinking water, the EIB project contributes to the achievement of Mozambique's Millennium Development Goals (MDG) on water, health and poverty eradication, which are central to the country's Poverty Reduction Strategy.

Cooperation with the European Commission, EIF, other partners

The European Commission has set out a vision for co-operation to clean up the Mediterranean. This initiative, known as Horizon 2020, is building a coalition of partners to implement a number of activities, including the EIB. Under the Facility for Euro-Mediterranean Investment and Partnership, the EIB will focus on the first component (to reduce the most significant sources of pollution) and create a pipeline of bankable investment projects, in close cooperation with the World Bank and the United Nations Environment Programme (UNEP)/ Mediterranean Action Plan (MAP) and the European Commission Environment Directorate-General (DG ENV).

In addition, as mentioned above, the Bank has launched two carbon funds in cooperation with the EBRD and the WB as well as the EPE initiative agreed by the EIB, EBRD, NIB, NEFCO, and CEB, endorsed by the European Commission and its Directorate-General for Environment.

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**Annual Press Conference 2007****Briefing Note No 06****The Bank promoting European objectives**

Luxembourg, 8 February 2007

Promoting Sustainable, Competitive and Secure Energy**Policy objective**

The European Investment Bank has decided to reinforce its financing for renewable energy, energy efficiency, and the security of energy supply, recognising energy-related financing as a new strategic lending priority both inside and outside Europe.

Energy has moved to the top of the EU policy agenda, in relation to security of supply and climate change considerations as well as competitiveness, and the EU is establishing new policies for the sector. The European Commission's Green Paper "A European Strategy for Sustainable, Competitive and Secure Energy" (March 2006) and the more recent "Strategic Energy Review" (January 2007) have both emphasized the need to take effective actions to address climate change, promote jobs and growth and enhance security of supply in the internal market.

Policy background

In order to support the energy objectives of the EU, the EIB has set some new targets:

- a global annual amount in the order of EUR 4bn for projects belonging to a least one of the five priority areas described below;
- an annual sub-target of EUR 600m-800m for renewable energy projects with, as at present, 50% of EIB lending to electricity generation associated with renewable energy technologies.

Value added remains the key guiding principle for EIB operations also in energy related projects. This will include the recourse to innovative financial instruments and structures, where appropriate, as well as technical assistance contributions, in cooperation with the Commission and other International Financial Institutions.

The EIB will concentrate on five priority areas:

Renewable energy

- Diversify the portfolio of EIB financed energy projects by:
 - developing less mature markets both in the EU and outside
 - favouring the deployment of less developed renewable energy sources, such as solar and biomass

Energy efficiency

- Ensure that the most energy efficient solutions are used in the projects the Bank finances
- Expand the financing of energy efficiency projects, particularly concerning projects by the public sector and small and medium-sized enterprises, as well as housing and Combined Heat and Power projects)

Research, development and innovation

- Support the European Technology Platforms devoted to energy and research infrastructures. Through tailored financing instruments, the EIB is able to finance high-risk research, development and innovation promoters who may previously not have had access to EIB finance

Diversification and security of internal supply

- Support projects contributing to diversification at EU level, notably:
 - Trans-European Energy Network projects
 - electricity and gas grids
 - gas/oil storage facilities
 - power stations

External energy security and economic development

- Support a pan-European Energy Community with neighbouring countries
- Enhance security of energy in the EU
- Develop the pipeline of climate change projects
- Improve access to modern sources of energy by the population

Perspectives for future

The implementation of EIB energy objectives will be supported by the introduction of new tailor-made financial instruments and the innovative use of recently established ones which allow the EIB to invest in high-risk projects and combine EIB finance with EU grants. In addition, the provision of advisory services such as technical assistance in cooperation with the Commission and other International Financial Institutions will continue to be a target for the EIB.

The EIB Economics and Finance Conference, held on 25 January 2007, focused on energy issues, highlighting the Bank's renewed drive in this area in 2007. The next annual EIB Forum planned for 27-28 September 2007 will be dedicated to "Investing in energy, mastering climate change" and will gather all interested European parties to work together to develop further a common European energy policy.

Activity in 2006

In 2006, the EIB signed loans totalling nearly EUR 3bn for projects within the EU in the energy sector. Outside the EU, about EUR 1bn went to energy projects in Turkey, the Mediterranean and ACP partner countries.

In 2006, renewable energy projects signed in the EU totalled EUR 463m (EUR 460m in 2005), bringing the total amount for EIB financed renewable energy projects in the last 5 years to over EUR 2.2bn.

Signatures for Trans-European Energy Network projects in 2006 totalled EUR 321m. The signature pipeline for the first quarter of 2007 is strong and the EIB is well on-line for the annual target of investment of EUR 0.5-1bn in these pan-European energy projects.

A Commission review of the funding of Trans-European Energy Networks in 2006 praised the work of the EIB in supporting the Community financing of pan-European energy projects to date. Updated guidelines on the Trans-European Energy Networks by the Commission in September 2006 included 42 projects identified as "Trans-European Network projects of European interest". The EIB is involved in most pan-European priority gas projects and hopes to increase involvement in particular in electricity investment in the future.

Case Studies

ANDASOL Solar Thermal Power (Spain)

The project is the first large scale application of a concentrating solar thermal power generation plant in the EU. The plant will be developed in a wide valley north of the Sierra Nevada, some 60 km south-east of Granada in Spain. The area benefits from relatively high annual average solar radiation, availability of groundwater for cooling and ready access to the high voltage electricity grid. The project is based on a new generation of parabolic solar technology.

The project promotes EU energy policy by the use of indigenous renewable energy and contributing to national and EU efforts to combat climate change. It is also expected to demonstrate a new generation of concentrating solar power (CSP) technology, including several components that justify support under the EIB's Innovation 2010 Initiative.

Turkey-Greece Gas Interconnector

Signed in February 2006, the EIB's EUR 22m loan to the Public Gas Corporation of Greece (DEPA) has facilitated the construction and operation of an 85 km-long gas transmission pipeline that will link the Greek and Turkish national gas systems between Komotini in Greece and Kipi at the Greek/Turkish border.

Designated a priority Trans-European Energy Network project of common European interest, its purpose is to import natural gas from Turkey and other sources, to improve the security of Greece's supplies, and to provide capacity for the potential future transit of gas to neighbouring countries.

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Annual Press Conference 2007

Briefing Note No 07

The Bank promoting European objectives

Luxembourg, 8 February 2007

Global External mandates overview for 2007-2013

For the period 2000-2006, the bulk of EIB lending outside the Union was governed by a series of mandates from the EU. The two main mandates were the one covering the pre-accession region (including Bulgaria, Romania, the Western Balkans and Turkey) and the one covering the Mediterranean partner countries. The EIB also had lending mandates for Russia and the Ukraine, South Africa, ACP under the Cotonou Partnership Agreement, and Asia and Latin America (ALA).

New mandates for the period 2007-2013 have been adopted by the Council in December and the second financial protocol for the Cotonou Agreement has been concluded for the period 2008-2013.

EU Policy/Mandate (in EUR million)	2000-2006	2007-2013
Pre-Accession countries	10 235	8 700
Mediterranean	6 520	8 700
Eastern Europe, Southern Caucasus and Russia	600	3 700
ALA	2 480	3 800
Republic of South Africa	825	900
Optional mandate	-	2 000
Total in EUR million	20 660	

On top of these mandates, EIB Governors can establish additional lending facilities for EIB objectives at its own risk. This was the case during the period 2000-2006 for the Pre-Accession Facility of EUR 14bn, the 2001-2006 Mediterranean Partnership Facility of EUR 1bn and the EUR 500m facility for priority projects in Asia. Proposals to renew and extend this facility will soon be presented to the governing bodies of the EIB.

Pre-Accession countries

EIB will be authorised to lend up to EUR 8.7bn (with a European Union guarantee) in candidate countries (Croatia, Turkey and the Former Yugoslav Republic of Macedonia) and potential candidate countries (Albania, Bosnia and Herzegovina, Montenegro, Serbia and Kosovo). EIB lending in pre-accession countries should reflect the priorities established in the accession and European partnerships, the Stabilisation and Association agreements and negotiations with the EU. The focus of EIB operations in the Western Balkans will continue to shift where relevant from reconstruction to pre-accession support in line with EU priorities.

European neighbour countries

EIB will be authorised to lend up to EUR 12.4bn (with a European Union guarantee) in Europe's Eastern and Mediterranean neighbours over the period 2007-2013. This represents the biggest mandate in its history for operations outside the Union. The EIB will continue to promote regional integration, economic modernisation and social stability in the region and support the European model to help make true partners of its geographical neighbours.

The overall mandate of EUR 12.4bn has been indicatively split to take into account the specific characteristics and priorities of each region:

- For the Mediterranean countries, the indicative ceiling has been set at EUR 8.7bn. This doubles the loan funds available to the 9 active partner countries compared to the previous mandate (which included Turkey). Within the framework, support for the private sector, which has tripled in absolute terms in the period from 2000-2002 to 2003-2005, will remain FEMIP's number one priority. FEMIP will also support partner countries in their quest to create a business environment more conducive to

private sector development by investing in infrastructure. Support to integrated transport, energy and telecommunications networks, including extension of the trans-European networks to the Mediterranean and investment in human capital will be part of this. FEMIP will implement its financing operations in close cooperation with the other institutions operating in the region (the European Commission, European national institutions, the African Development Bank, the World Bank Group).

- For Eastern Europe, the Southern Caucasus and Russia, the indicative ceiling will be EUR 3.7bn. The EIB started to operate in the Russian Federation in 2003 with a mandate for EUR 100m to support selected environmental projects in the Baltic Sea rim area. This was followed by a second mandate for Russia and Ukraine for an amount of EUR 500m for projects in the environmental sector, transport, telecommunications and energy infrastructure on priority Trans-Border, TEN-axes (Trans European Network axes). Building on this experience, the new mandate for the period 2007-2013 represents a novel challenge for the Bank by extending its competencies to new partners allowing these close neighbours to benefit from the EIB's experience in supporting economic transition and integration. EIB operations in this region will be carried out in close cooperation with the EBRD, in particular through a tripartite MoU between the Commission, the EIB and the EBRD.

Sub-Saharan Africa

EIB will be able to lend up to EUR 900m (with a European Union guarantee) in the Republic of South Africa over the period 2007-2013, which represents a small increase compared to the previous EUR 825m mandate for the period 2000-2006. The focus of the new mandate will be on infrastructure projects of a public interest and private sector.

For lending to Africa, the Caribbean and the Pacific Regions (ACP) please refer to the relevant separate briefing note.

Asia and Latin America

In Asia and Latin America (ALA) EIB will lend up to EUR 3.8bn in the period 2007-2013; a 53% increase compared to the mandate for the period 2000-2006. For the first time the ceiling for ALA is broken down into indicative sub-ceilings of EUR 2.8bn for Latin America and EUR 1.0bn for Asia and the geographical scope was broadened to include less prosperous countries and up to 10 additional countries from Asia.

EIB lending in Asia and Latin America will complement the EU cooperation strategy and this, in turn, will enhance the EIB's capacity to support the partnerships between the EU and Latin America, South-East Asia and in the Strategic Partnerships between the EU and China and India.

Lending objectives for Asia and Latin America will continue to support EU presence (through Foreign Direct Investment, transfer of technology and know-how) but will also include the protection of the environment (including climate change mitigation) and projects that contribute to the energy security of the EU.

Optional mandate

An additional EUR 2bn is kept in reserve for possible action in the period following 2010. The activation in whole or in part of this tranche and its regional distribution will be decided by the Council in 2010 based on the outcome of a mid-term review of EIB external lending.

See also:

- Briefing note "Preparing enlargement of European Union"
- Briefing note "Converging with Neighbours of European Union"
- Briefing note "Supporting Partners Countries in ACP and ALA"

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**Annual Press Conference 2007****Briefing Note No 08****The Bank promoting European objectives**

Luxembourg, 8 February 2007

Preparing enlargement of the European Union

Closest to the European Union are the Acceding and Candidate Countries and the countries in the Western Balkans, who may be seen as potential candidate countries further down the road.

2006 was the last year before Bulgaria and Romania joined the European Union. Projects concentrated on assisting the acceding countries Romania and Bulgaria in their preparations for joining the European Union on 1 January 2007. As a consequence, the new EIB mandate for pre-accession countries for the period 2007-2013 is smaller. It has been adjusted from EUR 10.2bn in 2000-2006 to EUR 8.7bn.

Bulgaria

In 2006, a Memorandum of Understanding was signed with the Republic of Bulgaria setting up a support framework worth EUR 500-700m per year over the period 2007-2013 for the Bulgarian government's investment priorities. Cooperation will focus on:

- Improving and upgrading the country's basic infrastructure in the **transport** and **environment** sectors (in combination with EU grants and other sources);
- Providing **technical support and expertise** for selected EU Cohesion and Structural Fund projects defined in the JASPERS National Action Plan;
- Assisting the Government in the implementation of a **national PPP programme**.

With the attractiveness of a low-wage environment, a workforce with a high level of skills and the safeguards offered by Bulgaria's accession to the EU in 2007, foreign investment levels remain high and support general economic growth. In addition to the direct lending operations of the Bank, higher investment and a booming SME market are also being supported by channelling EIB funds through national credit institutions. In 2006, EIB financed small and medium-sized enterprises and infrastructure projects for a total of EUR 60m.

Romania

Romania signed a framework agreement with the Bank in 2006 on a potential range of projects and measures, emphasising infrastructure priorities in the transport and environment sectors, expected to take up EUR 1bn in loans per year. This also includes co-financing with the EU, where the Bank is committed to supporting Romania's investment needs in the 2007-2013 programming period. Ongoing structural reforms, close cooperation with the Bank and stronger presence due to a local EIB and JASPERS office which is to open early 2007, is expected to further enhance cooperation and the Bank's role is expected to help assure that projects will be financed and implemented in the most cost-effective way.

2006 projects, reaching a total volume EUR 679m, were dedicated to priority projects in the water and transport sector as well as to the private business sector financed through local banks. Thus, the Bank financed the construction of a wastewater treatment plant in Bucharest, the modernisation of the Bucharest metro, and provided credit lines for on-lending to SMEs and infrastructure projects to Bancpost and Banca Comerciala Romana.

Macroeconomic stability and continuous strong FDI inflows, expected remain at high levels in 2007 will create additional investment opportunities for the Bank in the private sector business.

Croatia

In support of Croatia's bid for EU membership, the EIB's lending operations support projects that help the country to meet accession criteria and to integrate rapidly into the European Union. Since 2001, EIB lending in Croatia has exceeded EUR 900m. In Croatia, EIB lending has been traditionally focused on the construction and rehabilitation of the country's infrastructure, especially transport infrastructure. The same was true in 2006, when the EIB lent a record EUR 270m for transport infrastructure, including the construction of the final section of the Rijeka-Zagreb motorway, which was a missing link on the pan-

European corridor from the Hungarian border via Croatia to the Slovenian border.

In the years ahead, the Bank plans to extend its operations in Croatia to the environmental and human capital sectors, in close cooperation with the Commission and the EU Instrument for Pre-Accession Assistance.

Turkey

2006 has been a record year for the EIB's operations in Turkey. Against the background of growing investments in the country, accelerated by the start of EU accession negotiations, the EIB's investments in Turkey reached some EUR 1.8bn in 2006, marking a significant increase compared to the previous year. The EIB is a partner to national and foreign industrial investors and supports, through cooperation with an extended network of local banks, a vibrant SME sector in Turkey. Strong trading links and efficient infrastructure, including transport corridors will support the prosperity of the country and its efforts towards EU membership. In that spirit, a large share of the Bank's lending went to investment in communications, such as the construction of a high-speed railway between Istanbul and Ankara, Turkish Airline fleet renewal and expansion, and investment in the mobile telephone network of Vodafone-Turkey.

As a, Accession country, Turkey will receive for the period 2007-2013 EU budgetary contributions provided by the new EU Instrument for Pre-Accession Assistance (IPA). The EIB does closely cooperate with the European Commission and the Turkish public bodies in defining future priority investments in line with the national development plans and EU priorities. The EIB plans to finance in the coming years projects worth EUR 2bn per year.

The EIB started operations in Turkey more than 40 years ago. It is the largest recipient country of EIB financing outside the EU. Total lending in the period 2002-2006 reached EUR 4.6bn. The planned opening in 2007 of two local offices, in Ankara and Istanbul, underlines the importance of Turkey for the EIB.

Western Balkans

In Western Balkans countries, the financing operations of the EIB aim at facilitating the integration process into the European Union. In addition, EIB support helps to foster political and economic reform and encourages social reconciliation in the region. The success of this process is of vital interest to the countries concerned and the European Union as a whole.

EIB financing in Albania, Bosnia and Herzegovina, FYR of Macedonia, Montenegro and Serbia helps the countries to meet EU accession criteria and participate in the EU's economic development. In 2006, the EIB signed loans for a total of EUR 412.5m in the Western Balkans, representing a record level in the region. Total lending since 1995 amounts to EUR 2.1bn.

In 2006, the EIB has continued to diversify its lending into relatively new sectors such as health and education (e.g. an Education Development Loan in Albania, or the Upgrade of Clinical Centres in Serbia). Moreover, the Bank has expanded its activity in favour of projects aimed at improving the environment and the quality of life in the region, as with the loan in support of a water and sanitation project in Montenegro. However, the upgrading of the infrastructure networks, with an emphasis on fostering regional integration and removing bottlenecks in road, rail and energy systems remained the main focus of EIB lending (e.g. road rehabilitation in Republika Srpska, railway modernisation in Serbia, upgrading of the Port of Durrës), while support to SMEs also remained a key area of EIB operations.

The EIB co-finances major projects in the region with other International Financial Institutions, particularly the European Bank for Reconstruction and Development (EBRD), the World Bank and the Council of Europe Development Bank, as well as with bilateral donors. The EIB also continues its close cooperation with the European Commission and the European Agency for Reconstruction in order to prepare and co-finance projects with EU budgetary contribution provided by the new EU Instrument for Pre-Accession Assistance (IPA).

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Annual Press Conference 2007

Briefing Note No 09

The Bank promoting European objectives

Luxembourg, 8 February 2007

Converging with Neighbours of European Union

The EU Neighbourhood Policy is the driving force for the EIB's activities in the countries bordering Europe in the South and to the East. The priority the EU gives to its neighbouring countries is highlighted by a 2006 decision of the Council to give the EIB a new lending mandate of up to EUR 12.4bn for these countries for the period 2007-2013, the biggest mandate ever outside the Union. This mandate effectively doubles EIB activity in the Mediterranean Partner Countries and increases possible lending in the Eastern neighbour countries six-fold.

FEMIP for the Mediterranean

Through its Facility for Euro-Mediterranean Investment and Partnership (FEMIP), which brings together the full range of instruments to assist the economic development of the Mediterranean partner countries, the EIB has become the main financial partner of the Mediterranean region, providing finance worth more than EUR 9bn (including Turkey until 2005) between 2002 and 2006. As part of the Barcelona Process and more recently, within the European Neighbourhood Policy, FEMIP promotes the economic and social modernisation of the economies of the Mediterranean partner countries and supports enhanced regional integration, particularly in the run-up to the gradual establishment of a free-trade area with the EU by 2010.

FEMIP focuses its activities on two priority objectives on support for the private sector and on creating an investment-friendly environment. In addition, FEMIP pursues a policy of dialogue with all involved in the Euro-Mediterranean financial partnership, both on the institutional front and with the representatives of the private sector and civil society.

FEMIP in 2006

The bulk of the lending in 2006 was directed towards the energy infrastructure sector (EUR 594m or 44%). Environmental protection accounted for EUR 325m (24%), while industry and lines of credit to financial intermediaries to support SMEs received EUR 200m (15%) and EUR 115m (8%) respectively. Lending to the health sector amounted to EUR 70m (5%). Risk capital operations rose to EUR 50m (4%).

EUR m	Energy	Environment	Industry	Health & Education	Lines of credit	Risk Capital	Total
Egypt	310		200		40		550
Morocco	170	40		70		10	290
Syria		45					45
Tunisia	114	40					154
Israel		200			75		275
Regional						40	40
Total	594	325	200	70	115	50	1354

In terms of geographical distribution, 64% of the total volume went for projects in the Near East (7 projects worth a total of EUR 870m), 33% to the Maghreb (6 projects worth a total of EUR 444m) and 3% (4 projects worth a total of EUR 40m) to regional projects.

With an active portfolio of EUR 380m of risk capital operations committed to the private sector in the Mediterranean Partner Countries, the EIB has become, thanks to EU budgetary funds, the most active international financial institution in terms of private equity investments in the region. The product range includes direct investments, investments in funds and co-investments with local intermediaries (equity and quasi-equity instruments).

Some key projects in 2006

- A EUR 260m loan to the construction of two natural gas-fired combined-cycle power generation units in El Atf and Sidi Krir (Egypt) and a EUR 50m loan for the construction of gas transmission pipeline between Abu Qurqas and Asyut in south of Egypt.
- "Beltone Capital" is one of the FEMIP risk capital operations, which involved the Bank acquiring a 9% stake in the capital of the Egyptian investment company for an amount equivalent to EUR 5.6m. Beltone Capital will invest in private sector growth companies, primarily in Egypt, providing them with strategic guidance and expertise. The EIB's contribution in terms of structuring the innovative legal documentation of this open-ended investment company was crucial, providing shareholders with the protective elements of a traditional limited-life fund and enabling Beltone Capital to comply with the highest standards and best market practices.
- The EIB granted its first micro-credit loan from FEMIP risk capital resources in Tunisia to Enda inter-arabe, an NGO which has been providing micro-credit services since 1995 to some 30 000 micro-entrepreneurs – over 85% of them women – with a recovery rate of 99.6%. The objective of this FEMIP financing is to strengthen Enda inter-arabe's capital and enable it to expand its operations in the country's least developed regions. The EIB loan is accompanied by technical assistance financed through budgetary resources.
- A EUR 70m loan was provided to improve the health sector in Morocco, supporting hospital reform, an initiative of the Moroccan Ministry of Health. This project is an ambitious programme of hospital reconstruction, rehabilitation and equipping, with investments in 17 existing hospitals. The purpose of the programme is to improve the quality of buildings and equipment and to contribute to better hospital services across Morocco.

The coming mandate

In November 2006 the Member States of the European Union agreed to provide an indicative ceiling for EIB lending to the Mediterranean Countries for 2007-2013 of EUR 8.7bn as part of the overall envelope of EUR 12.4bn allocated to the European Neighbouring countries. This doubles the loan resources available under the previous mandate. Within this framework, support for the private sector, which has tripled in absolute terms in the period 2003-2005 compared to 2000-2002, will remain FEMIP's priority. FEMIP will also back partner countries in their quest to create an environment supportive of private sector development by investing in infrastructure. Support to integrated transport, energy and telecommunications networks, including the extension of Trans-European Networks to the Mediterranean and investment in human capital will be part of this.

Dialogue at the institutional level will be organised on three levels: i) a FEMIP Council at Ministerial level (next meeting in Cyprus on 14th May 2007); ii) a FEMIP Committee of representatives from the European and Mediterranean countries and the Commission, which will discuss FEMIP strategy, approve its annual report and provide guidance to Ministers on specific issues, such as sector analysis or definition of new financing instruments. Its first meeting took place two days ago (6 February); iii) FEMIP Conferences will bring together private and public sector representatives, academics and every stakeholder on topics selected by Ministers. The next FEMIP conference, co-organised with the European Banking Federation (EBF) will take place in Paris, on 22 and 23 March 2007, and will focus on the issue of financial transfers from migrant workers in the Euro-Mediterranean area.

FEMIP foresees that under the new mandate its role in the energy and transport sectors will increase further in line with EU and Mediterranean priorities. In the energy sector these are sustainable energy development, competitiveness and security of supply. In preparation, FEMIP is currently undertaking studies concerning renewable energy in the Mediterranean partner countries (together with the "Agence de l'Environnement et de la Maîtrise de l'Énergie" (ADEME) and the "Agence Française de Développement" (AFD)); into the possibilities for carbon finance and crediting activities in the Mediterranean region, to identify priority sectors and build a pipeline of concrete CDM projects, which the EIB could help establish and finance in the years to come; and finally, on the potential for environmentally sustainable bio-fuel production in FEMIP countries.

As regards preparation for an enhanced role in transport, FEMIP addressed the question of the extension of the Trans-European Networks to the Mediterranean partner countries and the different ways of managing transport networks at Ministerial and expert meetings in 2004 and 2005. At the request of the 6th FEMIP

Ministerial meeting (Tunis - June 2006), a conference on "Finance for transport networks: meeting the challenge of Euro-Mediterranean economic integration" was jointly organised with the Government of Monaco at the end of 2006. The focus was on communication networks, the investment priorities and the financial resources available from both public and private sector lenders.

Reconstruction in Lebanon

As confirmed on the occasion of the recent "PARIS III" International Conference, the EIB will support the Recovery, Reconstruction and Reform Plan drawn up by the Lebanese government by providing EUR 960m over the next 6 years for key projects under the Public Investment Programme and for investment in the private sector. As a longstanding partner of Lebanon, the Bank will continue its commitment to infrastructure projects (mainly transport and wastewater), and provide new EIB financing to (i) support SMEs whose activities were negatively impacted by the recent conflict (ii) underpin sector reform, notably in the power sector (Electricité du Liban – E.D.L) and (iii) support private sector investment. Additionally, Technical Assistance grants will help project preparation and implementation, as well as the privatisation process.

Russia and neighbours to the East

Whereas the EIB has been active in the Mediterranean for some thirty years, the first EIB loan for a project in Russia dates back to 2003. The mandates governing EIB activity in the East have been for relatively small amounts. However, as EU interest in this area of the world grows, so do the sizes and the scopes of the mandates, from an original EUR 100m for Russia in 2001, to EUR 500m for Russia, Belarus, Moldova and Ukraine up to January 2007, to EUR 3.7bn for these countries plus the Southern Caucasus for the period 2007-2013.

The first EIB Mandate for EUR 100m was specifically focused on environmental projects on the Baltic Sea rim of Russia. It resulted in three Bank-financed operations for a total of EUR 85m, all of them co-financed with both EBRD and NIB, benefiting water projects in the St. Petersburg area.

The second Mandate for EUR 500m was for financing projects of major interest to the EU in Russia, Ukraine, Moldova and Belarus, in the environmental sector as well as transport, telecommunications and energy infrastructure on priority trans-European network axes with cross-border implications for an EU Member State. In 2006, the Bank approved a first loan of EUR 200m in Ukraine for the rehabilitation of the final sections of the M-06 motorway between Kiev and Brody along the Pan-European Corridors III and V. The project will be co-financed with the EBRD.

In order for the EIB to be active in individual countries under the mandate, framework agreements have to be concluded between the Bank and the country concerned. So far such agreements only existed with Russia and Ukraine, but in 2006 an agreement was reached with Moldova as well, paving the way for future EIB activity in this country. Also helpful for the Bank's lending in the Eastern neighbour countries was the signing of a Memorandum of Understanding between the European Commission, the EIB and the EBRD on 15 December 2006 which will reinforce the close cooperation in the Eastern neighbour countries.

In the new EIB Mandate for 2007-2013, up to EUR 3.7bn is foreseen for Russia, Ukraine and Moldova, as well as for Armenia, Azerbaijan and Georgia in the Southern Caucasus. Investments will be targeted in the sectors that were covered by earlier mandates, but in addition renewed priority will be given to projects in the energy sector, in particular strategic energy supply and transport projects.

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Annual Press Conference 2007

Briefing Note No 10

The Bank promoting European objectives

Luxembourg, 8 February 2007

Supporting Partner Countries in ACP and ALA

In addition to its activities in the European Union, the EIB is instrumental in implementing the EU's development and economic cooperation policy in some 105 countries further afield. The mandates are quite different, development goals being central in the Africa, the Caribbean and the Pacific (ACP) while in Asia and Latin America (ALA) the mandate is more focused on specific activities.

The EIB and ACP countries

The EIB contributes to the European Union's external co-operation and development policies in the African, Caribbean and Pacific regions under the Cotonou Partnership Agreement between the EU and the 79 ACP countries. The Cotonou Agreement was concluded in June 2000 for a 20 year period, and succeeded the Lomé IV convention, with protocols for each successive five-year period. Under the first protocol (2003-2007), the EIB manages the Investment Facility (IF), a EUR 2.037bn risk-bearing revolving instrument, established to support investment in private enterprises and commercially run public sector entities, including revenue-generating infrastructure that is key to the private sector. The IF is supplemented by an envelope of up to EUR 1.7bn from the Bank's own resources for the ACPs (EUR 20m for the 20 Overseas Countries and Territories – a further group of beneficiary areas that have a special constitutional relationship with a EU Member State), covered by a guarantee from the Member States. The second financial protocol, for 2008-2013, foresees an additional EUR 1.53bn allocation to the IF, to be supplemented by an increased envelope of up to EUR 2.03bn for lending from the Bank's own funds.

Interest rate subsidies are available in specific cases and allow for a softening of the financing package, notably for projects with an important environmental and/or social component or public sector projects in countries pursuing economic adjustment programmes.

EIB lending in South Africa is provided under a separate mandate. For 2007-2013 EUR 900m is available, compared to EUR 825m for 2000-2006.

EIB lending to ACP, OCT and RSA in 2006 and in 2002-2006 (EUR million)*

Signed loans by sector	ACP (2002-2006)	ACP 2006	RSA (2002-2006)	RSA 2006
Energy	544	207	130	80
Transport & Telecoms	177	4	60	-
Environment	166	48	185	-
Industry, Services	515	117	-	-
SMEs	1 081	370	260	-
Total	2 484	745	635	80

* 2002 and 2003 figures for ACP countries include also loans under Lomé IV

The IF has now established a strong track record of activity with a total of approved and signed operations amounting to EUR 1.736bn and EUR 1.205bn respectively. To this should be added approvals and signatures under the Bank's own resources of EUR 478m and EUR 337m respectively. A clear focus has so far been placed on projects promoted by the private sector, which accounted for 81% of the IF signed portfolio at the end of 2006 on a cumulative basis. Otherwise, 53% of the current IF portfolio targets financial services – with good results achieved so far in developing the Bank's microfinance activities in the ACPs and particularly in sub-Saharan Africa - and 21% relates to industrial investments (including mining operations). The other 26% relate to basic infrastructure, covering energy, water, transport and telecommunications investments.

Working closely with the European Commission

The possible pooling of the Bank's and the Commission's expertise as well as the identification of financing opportunities where Commission grant resources can be used alongside EIB funding continues to be a major area of concerted action, as illustrated by the 2006 signature of a Memorandum of Understanding between the Bank and the European Commission for the creation of a Trust Fund in support of regional infrastructure in Africa. Through this Trust Fund, which will also be open to contributions from Member States, the European Commission will initially allocate up to EUR 60m in grants to accompany approximately EUR 260m in loans from the EIB in the form of interest rate subsidies.

Along the same line, good progress was made in implementing projects in Ethiopia, Madagascar and Mozambique involving EIB loans under the ACP-EU Water Facility, established in 2004 to promote and support investment in the water sector in ACP countries. The new dedicated EIB Water Project Preparation Facility (PPF) of EUR 3m will finance the preparation of at least eight ACP water and sanitation projects over the next three years.

Outlook

In the years to come, the Bank's emphasis will be on infrastructure and the financial sectors. In infrastructure, basic investments such as in energy, sanitation and water projects will continue to be the focus, with priority given to projects initiated by the private sector and regional initiatives (projects involving or having an impact on more than one country). Operations with the financial sector, notably the channelling of funds through local financial institutions and private equity funds, generally serve the double purpose of supporting the development of local financial markets and providing funding for smaller enterprises, including micro-enterprises.

Highlights for 2006

- A EUR 9.75m loan from the Bank's own funds went to Barbados Light and Power Company for the BLPC IV wind power project. The project replaces expensive fossil fuel by an environmentally-friendly alternative and a reduction in atmospheric emissions. The project is eligible under the Bank's Climate Change Financing Facility and is likely to be eligible for registration under the Clean Development Mechanism of the Kyoto Protocol. BLPC has applied for support under the Bank's Climate Change Technical Assistance Facility with a view to facilitating the process of obtaining such registration and the interest rate subsidy attached.
- A EUR 3.5m loan for the Kolombangara Forestry Project for the rehabilitation of a poor quality tropical hard wood plantation and the replacement of ageing forestry equipment in the Western Province of the Solomon Islands. The project also supports community based sustainable management of natural forests aiming at developing best harvesting and marketing practice.
- A EUR 80m loan from the Bank's own funds went to ESKOM Holdings Ltd in South Africa for the construction of a new high voltage transmission interconnection between Johannesburg and Cape Town. ESKOM is the country's fully state-owned electricity utility.

The EIB and Asia and Latin America

EIB lending in Asia and Latin America is governed by mandates of the European Union (EU). Under previous mandates, the Bank was authorised to lend up to EUR 4.4bn. The first mandate dates back to 1993 and the last mandate of EUR 2.48m covered the period 1 February 2000 to 31 January 2007.

Since it began its operations in the ALA countries in 1993, the EIB has signed 95 loans totalling EUR 4.762m. Of this amount, 55% has been allocated to projects in Latin America and 45% to projects in Asia. The funds have been utilised to finance productive investment of mutual interest to the EU and the country where the project is located in Asian and Latin American partner countries, in line with European Union cooperation policy objectives.

In 2006, EIB lending for projects located in Asia and Latin America totalled EUR 483m, of which EUR 240m for 5 projects in Latin America (Brazil, Colombia, Ecuador, Honduras and Peru) and EUR 243m for 5 projects in Asia (Pakistan, Vietnam, Sri Lanka and the Maldives).

In Latin America for example, the Bank signed a EUR 20m loan to the Central American Bank for Economic Integration (CABEI) to support investment in 100 km of the Honduran corridor connecting the Atlantic with the Pacific Coast. The project is part of the Plan Puebla - Panama initiative, a regional action plan to improve cross-border infrastructure in Central America and Mexico.

In Asia, the EIB contributed to international and EU efforts to alleviate the impact of natural disasters in the region, notably through loans to finance post-tsunami reconstruction in Maldives and Sri Lanka were signed and a cement plant in the earthquake-affected region of Pakistan.

The new ALA mandate

Under its new mandate covering the period 2007-2013, the EIB can lend up to EUR 3.8 billion 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 indicative ceilings of EUR 2.8bn for Latin America and EUR 1.0bn for Asia.

The Bank's activities in ALA will complement the EU cooperation strategy with the regions. In sector terms, the lending objectives for Asia and Latin America have been broadened. EIB lending will target environmental protection, including climate change mitigation, and projects that contribute to the energy security of the EU, and will continue to support EU presence through Foreign Direct Investment, transfer of technology and know-how.

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**Annual Press Conference 2007****Briefing Note No 11****The Bank promoting European objectives**

Luxembourg, 8 February 2007

EIB Capital Market Operations in 2006**Strong Positioning as Sovereign Class Issuer**

- Offers investors diversification through ownership by all EU sovereigns, underpinning market recognition for positioning as 'the Way to buy Europe'.
- EUR 48bn raised under the 2006 funding programme via 303 transactions in a record 24 currencies (including six in synthetic format).
- Core currencies remained the main source of funding, but with a somewhat diminished share of 83% / EUR 40bn (vs. 88% / EUR 44bn in 2005), and the share of other currencies grew significantly to 17% / EUR 8bn (vs. 12% / EUR 6bn in 2005). The largest area of growth in other currencies was in AUD, where EUR 1.8bn equivalent was raised.
- The market's positive reception for the EIB's funding strategy was reflected in a leading market poll (by 'EuroWeek'), where EIB was voted 'Most Impressive Borrower', 'Most Innovative Borrower' and 'Best Supranational or Agency Borrower' for the third consecutive year. The Bank was also voted 'Most Exciting and Challenging Borrower for the year ahead'.

Strategic, Agile, Development Impact

- Consistent and innovative strategy delivering liquid benchmark presence across a comprehensive range of maturities in EUR, GBP and USD (EUR 28.2bn total benchmark issuance in 2006). EIB is exceptional in offering such comprehensive yield curves across EUR, GBP and USD.
- Responsive to opportunities for tailor-made plain vanilla and structured issuance in various currencies. In 2006 the Bank issued EUR 5.7bn in structured products (12% of total 2006 issuance).
- Active role in contributing to development of markets in new EU Member States and Accession Countries, and in important EU partner countries in the Mediterranean area and Africa.

Top quality credit standing

- Top quality credit standing – rated AAA by Moody's, S&P and Fitch.

EUR: Sovereign class and innovation

In EUR, the Bank raised EUR 17.4bn. The Bank maintained its strategic approach to EUR benchmark issuance, launching 2 new EARN EUR 5bn transactions in the key 5-year and 10-year sectors. Further attention to sovereign class liquidity was visible in the EUR 580m increase of the 2008 EARN, via an auction-based liquidity allocation procedure established last year.

The Bank is the only borrower to complement sovereigns with benchmark issues in Global format of EUR 5bn size with outstanding maturities from 3-years to 30-years, with an aggregate amount of EUR 68bn outstanding (as of end 2006). EARNs offer a complement to government issues as well as diversified exposure, thanks to the Bank's ownership by all EU sovereigns – indeed, EIB bonds can be seen as 'a way to buy Europe'.

An important highlight in EUR targeted and structured issuance (raising EUR 6.9bn in total), was the first issue to be distributed via a Public Offering in all 12 countries of the Euro area (termed European Public Offering of Securities or 'EPOS'). The issue was a EUR 1bn structured bond linked to Eurozone inflation. It

was a practical proposition thanks to the “passporting” mechanism foreseen in the EU Prospectus Directive¹. It was the first time that the passporting mechanism was used on this scale in the bond market. The issue is therefore noteworthy as a contribution to EUR capital market development.

GBP: Leading Gilt Alternative

In GBP, the Bank raised GBP 5.7bn (EUR 8.4bn). The total GBP outstandings of the Bank’s bond issues are equivalent to approximately 10% of the GBP non-Gilt market, maintaining the Bank’s position as the largest non-Gilt issuer and confirming the status of EIB’s bonds as the principal alternative to Gilts.

There was issuance in 15 different benchmark maturities, making EIB the only non-Gilt issuer to tap such a broad range of issues, all the way out to 2054. Two new benchmark lines were established in the 3- and 10-yr maturities, of which the 4.375% Mar 2009 issue reached GBP 850m after 5 taps.

In structured products, the Bank conducted one new issue and increased the existing 2016 inflation-linked issue to a total of GBP 297m.

USD: Comprehensive curve up to 30-years

In USD, the Bank raised an amount of USD 17.6bn (EUR 14.2bn), making it one of the largest non-US issuers in this currency. The Bank issued 5 benchmarks in Global format across all key maturities: 3-year, 5-year, 10-year (twice) and 30-year. The latter extended the EIB curve out to the 30 years, with a benchmark size of USD 1bn, being the first issuer in this part of the curve after the re-introduction of the ‘long bond’ by the US Treasury. The second new USD 3bn 10-year issue represented the largest transaction in this maturity by a non-US AAA borrower, underlining the strength of liquidity offered by EIB.

The Bank also issued two Eurodollar bonds in the 7-year sector, for USD 1bn and USD 1.5bn respectively. The latter was the largest eurobond in its asset class this year. Structured transactions amounted to USD 1.4bn (EUR 1.2bn).

Developmental role in New EU Member State and Accession Country Currencies

Developmental work continued in currencies of the new Member States and Accession Countries, with a view to both assisting capital market evolution and where possible and appropriate also supporting lending activities. As in other currencies, EIB’s issuance strategy in these markets is to build up issues to liquid size across a range of maturities, where market conditions permit.

In these currencies the Bank raised a total of EUR 1.4bn (in BGN, CZK, HUF, PLN and TRY). The largest source of demand remained in Turkish lira (TRY), where the Bank raised EUR 1.1bn equivalent and continued to develop its liquidity and yield curve. In Bulgarian leva the Bank launched its first floating rate note.

Development impact in Partner Countries

In 2006 there was debut issuance in three currencies of important Mediterranean / African partner countries (Botswana pula, Egyptian pound and Namibian dollar). This issuance, in synthetic format, illustrates the Bank’s continuing developmental contribution in such markets. In other regions, there was a first synthetic issue in Indonesian rupiah, and repeat issuance in synthetic format in Brazilian real, and Russian ruble. Total issuance in synthetic format was EUR 589m equivalent.

Also, the Bank maintained a leadership role in South African Rand, raising ZAR 2.8bn (EUR 312m). As part of this the 8% Jan 2013, ZAR issue was increased to ZAR 4,500 million, becoming the largest and most liquid Eurorand bond.

¹ This Directive sets out an efficient mechanism for the “passporting” of prospectuses in the member states of the European Union: a prospectus approved by the competent authority in one member state (“home country regulator”) can be used as a valid prospectus in any other member state (“host Member State”) without the need for any further prospectus approval (“mutual recognition”).

Breaking new ground in other European currencies

In CHF, the Bank introduced a new benchmark, a 30-year CHF 300m, which was the longest dated issue at the time of issuance. In the DKK market the Bank issued the longest dated “blue-stamped” 2% bond (2% Jun 2026 DKK 2.6bn), responding to investor demand for tax-efficient duration products in a segment supported by the Government. In SEK, the Bank launched the first inflation-linked bond in the international market to be issued by a supranational (SEK 1.5bn issue maturing 2020). The Bank was also present in the ISK and NOK markets. Overall, the Bank raised EUR 2.2bn equivalent in all ‘other European currencies’ combined.

Asia/Pacific

EIB strengthened its role as a prominent issuer in the Asia/Pacific markets, where the Bank issued in JPY, AUD, HKD and NZD for a total of EUR 4.2bn equivalent. In AUD, the Bank achieved the largest volume of issuance among non-core currencies (AUD 3.0bn vs AUD 1.2bn in 2005) and was the largest ‘Kangaroo’ (foreign) issuer. The Bank also issued the first Kangaroo inflation-linked bond, an AUD 250m CPI-linked bond due 2020. Of particular note in JPY was the re-opening of the Global Yen market for supranational issuers and non-Japan sovereigns with a 20-year JPY Global JPY 50bn. In HKD, the Bank issued a HKD 1bn 2-year bond, which was the first supranational transaction after relaxation of HK legislation permitting issues shorter than 3 years.

Borrowings signed and raised in 2006 vs. 2005 (EUR million)

	Before swaps:				After swaps:			
	2006		2005		2006		2005	
EUR	17,439	36.3%	19,311	38.8%	31,820	66.2%	32,179	64.6%
CZK	18	0.0%			18	0.0%	19	0.0%
DKK	235	0.5%			235	0.5%		
GBP	8,392	17.5%	10,057	20.2%	3,067	6.4%	3,096	6.2%
HUF	110	0.2%	222	0.4%	97	0.2%	53	0.1%
PLN	32	0.1%	73	0.1%	32	0.1%	49	0.1%
SEK	309	0.6%	174	0.4%	309	0.6%	468	0.9%
Total EU	26,535	55%	29,838	60%	35,577	74%	35,864	72%
AUD	1,840	3.8%	692	1.4%				
BGN	102	0.2%						
CHF	703	1.5%	709	1.4%			259	0.5%
HKD	101	0.2%						
ISK	501	1.0%	162	0.3%				
JPY	1,277	2.7%	1,352	2.7%				
MXN			183	0.4%				
NOK	424	0.9%	38	0.1%	88	0.2%	38	0.1%
NZD	933	1.9%	1,077	2.2%				
TRY	1,095	2.3%	1,222	2.5%				
USD	14,225	29.6%	14,309	28.7%	12,305	25.6%	13,581	27.3%
ZAR	312	0.7%	219	0.4%	80	0.2%	63	0.1%
Total non EU	21,515	45%	19,962	40%	12,473	26.0%	13,941	28.0
TOTAL	48,050	100%	49,800	100%	48,050	100%	49,805	100%

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**Annual Press Conference 2007****Briefing Note No 12****The Bank promoting European objectives**

Luxembourg, 8 February 2007

EIB committed to greater risk-taking

The EIB is currently making efforts on a number of fronts to enable and encourage greater risk-taking:

1. To meet its strategic objectives, the EIB is taking greater risks when financing projects thanks to a revised credit risk policy which consists, for instance, of relaxing the minimum conditions governing acceptability of new operations and reducing the security requirements.

The Bank is adapting its lending policy and loan rating and risk pricing systems in order to support priority projects by accepting a higher risk profile. Recent amendments to the Bank's credit risk policy guidelines include *lowering the minimum rating requirements for banks, corporates and local authorities, extending the maturity of loans to corporates, increasing counterparty limits, reducing financial security requirements and relaxing the conditions applicable to new project financing operations.*

2. The Bank also regularly updates its risk assessment systems and parameters, resulting in pricing that is closer to that of the market.

Furthermore, **the loan classification and risk pricing systems are regularly updated**, as are data on default probabilities and recovery rates, which has resulted in *improved alignment of loan pricing* with the market and greater risk-taking opportunities for the EIB.

3. The Bank is developing new indicators that will enable changes in its risk-taking to be monitored more closely.

The EIB's multiannual corporate operational plan now contains a **new indicator** corresponding to the percentage of new signatures within the Union classified as B- or below, which will complement the existing portfolio's quality indicator and provide a more accurate picture of the risk profile of the Bank's lending activity.

4. The Bank is developing new instruments in conjunction with partners (banks, the EIF, the Commission, other IFIs) that enable risk to be spread so as to better reflect those partners' individual expertise and roles.

Development of new financial instruments. In close cooperation with the banking sector, the EIF and the Commission (in this case, through the *risk sharing financing facility*), the Bank is finalising new value-adding facilities in the form of loans or guarantees as well as other complex instruments involving higher risk-taking (particularly by exploiting the opportunities provided by the Structured Finance Facility (SFF) in terms of mezzanine finance and high-yield bond issues for research/innovation projects) and risk sharing products aimed at SMEs.

5. The EIB's risk management is in line with best banking practices, voluntarily complying with the criteria laid down in the EU's Capital Adequacy Directive.

By voluntarily adhering to the **Basel** Committee recommendations embodied in the EU's *Capital Adequacy Directive* and developing an internal system for evaluating its borrowers' credit rating, the Bank is demonstrating its desire to follow best banking practice in terms of identifying and managing risk, pricing and reporting.

6. The Bank is developing an internal indicator to gauge the economic contribution of its operations by explicitly including the “cost” of risk.

It is developing a **Risk and Internal Rate of Return Indicator (RIRRI)** to complement the external value added indicators and express the financial contribution of operations to the Bank’s surplus, *taking into account the risk assumed in those operations*. The RIRRI is defined as the difference between the contribution of the loan associated with the operation (intermediation income plus credit risk pricing) and the (generalised) cost of that loan (credit risk cost plus administrative costs).

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**Annual Press Conference 2007****Briefing Note No 13****The Bank promoting European objectives**

Luxembourg, 8 February 2007

EIB and EU budget combine forces to support the Union's policies

To bolster the funds required to promote the Union's political priorities, the European Investment Bank (EIB) and the European Commission are combining their resources for the 2007-2013 financial perspectives.

Enhanced cooperation between the Commission and the EIB led to the introduction in 2006 of new joint financial instruments and facilities for the period covered by the new 2007-2013 financial perspectives.

To support its policies, the Union has more budgetary and bank resources available than ever before, increased by the leveraging effect of the budget on the funds raised by the EIB on the capital markets (around EUR 50bn per annum).

The new Inter-Institutional Agreement concluded by the Council, the Parliament and the Commission in 2006 has for the first time introduced three new joint Commission/EIB financial instruments in support of research, innovation and European transport networks:

- Up to EUR 1bn from the 7th framework programme's research budget, plus EUR 1bn from the EIB's reserves, will help to provide around EUR 10bn in risk financing for some EUR 30bn's worth of investment in research and innovation;
- EUR 500m from the trans-European transport networks budget, plus EUR 500m from the EIB's reserves, will serve to complement the PPP financing packages totalling some EUR 20bn for investment in these networks;
- EUR 1bn from the competitiveness and innovation programme (CIP) budget, plus EUR 1bn from the EIB's surpluses, will provide venture capital and guarantees in support of innovative SMEs for investments totalling some EUR 30bn.

At the same time, three new joint initiatives will lead to better use of the Structural Funds and provide the Member States with new opportunities to leverage them in a sustainable manner:

- JASPERS (Joint Assistance to Support Projects in European Regions): a joint EIB, European Commission and European Bank for Reconstruction and Development (EBRD) initiative, assisting EU Member States to prepare major infrastructure projects which will be supported by the EU's Structural and Cohesion Funds;
- JEREMIE (Joint European Resources for Micro-to-Medium Enterprises): a joint EIB, EIF and European Commission initiative to improve SMEs' access to finance. JEREMIE will enable EU Member States and regions to use part of their structural funds to obtain a set of financial instruments designed to support micro and small and medium-sized enterprises;
- JESSICA (Joint European Support for Sustainable Investment in City Areas): a new European Commission policy initiative, supported by the EIB, to help authorities in EU Member States to exploit financial engineering mechanisms in support of investment in sustainable urban development in the context of European cohesion policy.

With regard to the EU's external policies, the EIB has been entrusted with a new mandate by the Council whereby it will lend some EUR 28bn guaranteed by the EU budget over the same period 2007-2013 (see briefing note on external mandates).

Furthermore, a new Trust Fund has been jointly established by the Commission and the EIB to finance infrastructure in Africa (see briefing note on support for partner countries) and another is being prepared under the new Neighbourhood Policy.

All these new financial products and facilities offer new prospects for heightened cooperation between the European Commission and the EIB. From the policy and strategic dialogue when defining the broad guidelines to the implementation of individual projects, all synergies between the two institutions will be exploited in order to boost the effectiveness of their financial and human resources. In addition to the

individual agreements for each instrument, a general legal, administrative and budgetary framework is being developed along with procedures for exchanging information, mutual consultation and working together.

To further enhance the consistency and effectiveness of financing outside the European Union, cooperation is also being stepped up with all multilateral and bilateral financial institutions.

To be effective and consistent outside the Union, EIB and EU budget financing is also to be coordinated more closely with European bilateral agencies (agreements with AFD, KfW and EDFs) and international financial institutions (EBRD, World Bank), as it is important to avoid any form of duplication between these public institutions and to ensure, on the contrary, that they work together and complement one another.

In the interests of efficiency and to keep costs down, the aim is (i) to attract maximum resources from the private sector, (ii) to ensure that support for European policies and priorities is consistent and (iii) to maintain as united a front as possible in favour of sound conditionality of financing, especially with regard to governance and environmental protection.

This heightened collaboration between financing institutions is already being achieved through a number of cooperation agreements (memorandums of understanding) to which the European Commission is often also party. These agreements were consolidated in 2006, particularly with the EBRD. The light institutional structures of the Trust Funds will also be the preferred forum for dialogue and cooperation.

Inter-institutional cooperation has also taken the form of new initiatives in the environmental field, particularly the fight against climate change, with the joint creation of Carbon Funds, and a common charter concerning the European Principles for the Environment applicable to financing.

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

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**Annual Press Conference 2007****Briefing Note No 14****The Bank promoting European objectives**

Luxembourg, 8 February 2007

Transparency, Public Information and Relations with Civil Society**Public Disclosure of Information**

The EIB considers openness and transparency on how it makes decisions, works and implements EU policies crucial to strengthen its credibility and accountability towards European citizens and citizens affected by its operations elsewhere.

Public disclosure of information is a key reference for implementing the Bank's commitment to transparency. On 28 March 2006, the EIB Board of Directors approved a revised Public Disclosure Policy, bringing the Bank's public information policy from 2002 in line with its own transparency standards and taking account of European policy initiatives and international principles. To allow interested stakeholders to contribute to the policy review a public consultation was held, the Bank's first-ever. The process ran through two rounds and generated substantial stakeholder input. The Bank adopted a very flexible approach in terms of timetable and procedures to allow as full a consultation as possible. The results were positively received both by contributors and the Bank itself. A Consultation Report was published, outlining how the consultation was conducted and bringing together all stakeholder submissions and the Bank's reasoned positions on the extent in which these were taken into account.

The new disclosure policy is based on a presumption of disclosure, which means that all information held by the Bank is subject to disclosure on request, unless there is a compelling reason for non-disclosure. As the EIB operates as a bank, there are certain constraints on the information that it can disclose which are set out in the policy. Formal reviews of the policy will take place every three years. In addition, the Bank will review the policy from a legal perspective in the first half of 2007 to apply the provisions of the Aarhus Regulation on the application to EU institutions and bodies of the provisions of the Aarhus Convention on access to information, public participation in decision-making and access to justice in environmental matters.

Key to public access to information are the Bank's website, with up to 3 million visitors in 2006, and the EIB Infodesk, which handled around 30 000 requests for information from a multitude of stakeholder groups.

The Bank will also launch a public consultation on a review of its Anti-Fraud Policy, which was announced on the EIB website in November 2006 and will run in 2007. The consultation will focus on the Bank's existing policy and guidelines on combating corruption, fraud, money laundering and the financing of terrorism and the procedures for the conduct of investigations.

Relations with civil society organisations

The Bank's relationship with civil society organizations (CSOs), including non-governmental organisations (NGOs) and other interest groups, is based on the acknowledgment that these organisations can have a valuable input in the development of EIB activities. They can also contribute to the Bank's awareness of local issues and provide useful information on projects.

A Civil Society Unit within the Communication Department coordinates the Bank's contacts with NGOs and other interest groups. As the EIB's interface with these organisations, its task is to ensure consistency and quality of communication and to engage with civil society in an active way. The Bank increasingly seeks closer contacts with organisations which can help the public and, more specifically, citizens affected by EIB operations, finding their way to information about the Bank. Inside the Bank, the Unit provides coordination on civil society contacts and issues. The Unit also runs, together with the Human Resources Department and external experts, in-house awareness and capacity building programmes on the Bank's interaction with civil society to build and improve the knowledge base and commitment among staff for communication with civil society representatives.

The current interaction with CSOs is characterised by new ways of engagement. First of all, the Bank started partnering with expert organisations, which share particular objectives with it, such as the EU's Lisbon agenda, sustainable development, environmental protection, or poverty alleviation. Another key development contributing to the quality of relations with CSOs is the Bank's new practice of public consultation on selected policies, strategies or guidelines.

A first example of the Bank's cooperative relationship with expert CSOs is a Memorandum of Understanding that it signed, in September 2006, with IUCN (The World Conservation Union) on biodiversity issues. The agreement provides a framework for joint initiatives and collaboration on matters related to biodiversity aspect of EIB activities, with IUCN providing expert advice on the Bank's initiatives, policies and strategies, such as reviews of guidelines on due diligence or assistance to monitor aspects of EIB-financed projects. IUCN is also assisting in the Bank's in-house training and awareness building on biodiversity issues. The Bank is exploring other opportunities with CSOs for cooperation based on expertise and pragmatism.

While the Bank will further pursue such targeted working relations, it is also keen on sustaining and improving its contacts with critical policy advocacy NGOs campaigning on the Bank's activities. Contacts with these organisations have increased over the last years and developed a dialogue component. This is underscored by the Bank's participation in events that these organisations organised on EIB related issues, such as a conference on an independent compliance and appeal mechanism for the Bank that CEE Bankwatch Network and other NGOs held in Brussels (November 2006).

As part of its regular Workshops for NGOs and other CSOs, the Bank held two Workshops in 2006. As usual, EIB and interested CSOs together set the agenda and provide speakers. The Spring Workshop in Brussels tackled R&D and Innovation in the framework of the Lisbon process; human capital formation; and the role of civil society in the Bank's project cycle. The Autumn Workshop in Berlin addressed issues pertaining to the triangle environment - climate change - energy. Corporate responsibility was also part of the agenda. The Workshops also provide CSOs an opportunity to arrange side events with EIB staff on bilateral issues, notably projects.

In 2006, the Bank received over 100 enquiries and requests for disclosure of information from NGOs which, because of the complexity of their content or association with activities of other parties, required a certain level of coordination within the Bank or with external parties, in particular project promoters and borrowers, the European Commission and other international financing institutions. A third of these covered road transport projects, the majority relating to schemes in the New Member States and Accessions Countries (*please note that a number of projects and issues attracted more than one enquiry or request*). Attention was also focused on port infrastructure (Spain), urban transport and waste incineration (Bulgaria), flood damage reconstruction schemes (Poland), and the activities of JASPERS (Joint Assistance in Supporting Projects in European Regions – a new project preparation facility set up by the EIB together with the European Commission and the EBRD). Another considerable number of letters related to disclosure of information.

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