THE ROUTE MAP TO A CONNECTED EUROPE
Transport is key to growth and competitiveness, providing the physical networks and services for the movement of people and goods. It is by far the largest sector in which the European Investment Bank has been active since its foundation in 1958.

The EIB promotes the most efficient, economic and sustainable ways to satisfy transport demand by prioritising loans for cleaner modes of transport. By fostering a shift from private to public transport, we also help tackle climate change, enhancing energy efficiency and limiting greenhouse gas emissions.

Investments in the transport sector not only create direct employment during construction and operation of the asset, but act as key growth enablers by supporting efficient business and trade flows. Since 2005, the EIB has invested EUR 150bn in the transport sector.

A green light for finance
As the European Union’s bank, our support for the transport sector is aligned with EU policy objectives. For the transport sector EU policy is laid down in the European Commission’s 2011 Transport White Paper. The goal is to promote sustainable mobility and to establish a transport system that underpins European economic progress, enhances competitiveness and offers high-quality mobility services while using resources more efficiently.

The Bank’s Transport Lending Policy highlights climate action and safety, resource efficiency and strategic infrastructure supporting cohesion and the single market as the main objectives to guide transport lending. Although projects can meet several of these objectives, transport projects fall within two main eligibility criteria:

- **Strategic transport projects**, including those on the TEN-T network, within the EU and on the extended TEN-T network in neighbouring countries. These have represented over the past ten years, on average, 60% of all EIB transport lending.

- **Sustainable transport projects**, which have accounted for the remaining 40% of EIB transport lending over the past ten years. These projects target urban transport as well as urban railways, road safety, regional railways, conventional and high-speed railways outside the TEN-T network.

The EIB finances projects across the rail, road, air and maritime sectors, as well as supporting research, development and innovation. Lending volumes are not capped by sector. EIB loan amounts are generally limited to 50% of the project’s investment cost to avoid crowding out private lenders. All projects financed by the EIB must be technically and economically justified, and their procurement and environmental approval process must be in line with EU directives.

The EIB is not a one-time investor. We are committed to the development of sustainable transport networks at the regional, national and international levels – a commitment reflected in our national lending and support for the TEN-T Network.

For more than 25 years, the EIB has invested in the development of Poland’s road and rail networks, providing more than EUR 20.5bn to finance around 80 projects that otherwise might not have been completed. The long-term investment in Poland’s transport infrastructure network has facilitated mobility within Poland – and across borders to neighbouring countries, providing opportunities for trade, employment and cultural exchange. More recently, a EUR 20m EIB loan is extending and modernising Krakow’s urban trams, building on the EIB’s previous EUR 38m investment in the city’s tram network and creating a sustainable urban transport network.
The EIB is strongly committed to the funding of the Trans-European Networks (TENs) as the driving force behind the achievement of EU objectives in growth, competitiveness and employment, and improved social and territorial cohesion within the Union. The Trans-European Transport Network (TEN-T) makes this possible by building a core transport network that is the backbone of European connectivity, adding cross-border links, and upgrading infrastructure to remove bottlenecks. In time, most European citizens and businesses will be within 30 minutes travel of this comprehensive network.

The new EU transport policy establishes the core TEN-T transport network based on nine major corridors. The key aims of the new policy, which are reflected in the EIB’s 2015 transport signatures are:

- completing and updating core structural networks across the EU
- improving connections between ports, airports and urban centres
- creating multi-modal platforms to improve logistics.

By promoting seamless travel across Europe, the TEN-T aims to close the gaps between Member States’ transport networks.

Since 2012, EUR 27bn of the EIB’s transport investment has been allocated to projects on the TEN-T network. The transport projects financed by the EIB are increasingly green. In 2015, for the first time, the majority of transport projects financed by the EIB fell under the sustainable transport policy objective, as opposed to strategic transport. That’s because we increased our lending to sustainable transport, in particular rail and urban public transport, in line with EU and EIB priorities.

Transforming the existing rail connection between Barcelona and Valencia into an interoperable European gauge that will allow international trains to use the network. ERTMS, the European railway traffic management system, will also be implemented.
In line with EU policy, we prioritise investment in railways, inland waterways and short sea shipping projects because they do most to reduce greenhouse gas emissions per transport unit.

The EU has set the target of reducing dependence on imported oil and cutting carbon emissions from transport by 60% by 2050. Transport must use less and cleaner energy. It must better utilise modern infrastructure and reduce its negative impact on the environment, while conserving key natural assets such as water, land and ecosystems. Investing in cleaner, more efficient and alternative-fuel mobility, as well as upgrading existing infrastructure, plays a crucial role in achieving this goal. That’s why we have increased our lending for sustainable transport modes.

The development of sustainable urban transport and urban nodes, as well as road safety, are key priorities for the EIB. In urban centres, sustainable transport significantly improves the quality of life by reducing congestion, thereby reducing pollution levels and travel times. Our investments also reduce accident rates and improve safety.

The EIB is providing a EUR 300m loan to ANAS, the Italian state-controlled company that constructs and maintains Italy’s motorway and national road network, to finance the construction of road safety and noise barriers, and for equipment and tunnel improvements on a total of 5,800 km of roads. The project will improve road safety and environmental performance, making progress towards compliance with EU directives on road safety, tunnel safety and noise pollution. As the selected sections are heavily used, with some sections forming part of the TEN-T, the project is expected to deliver significant benefits in terms of reduced traffic congestion and fewer accidents, injuries and fatalities.

A EUR 200m loan will update Budapest’s public transport network. The project implements the urban mobility strategy developed by the City of Budapest. It includes the reconstruction of the metro and tramway, as well as several roads and bridges. The project is an example of EIB support for the development of a comprehensive urban transport system that combines modes.

In London, the EIB is supporting the extension of the Northern Line of the underground transport network. The project is a key example of a transport-driven development project in an urban area. Investment in the transport network is catalysing further investment in social infrastructure, as well as improving the accessibility of public transport, which boosts the number of Londoners using it.
Innovation, including innovation for transport, is high on the agenda of the EIB for the achievement of the long-term competitiveness of the EU. We invest in research and development projects and finance new technology that makes transport more efficient and safer.

The effects of the financial crisis are still being felt in infrastructure funding. Since 2007, the number of large transport projects has decreased annually. Investors have become more risk-averse and public finance is stretched across various policy objectives, resulting in less financing for transport. At the same time, the crisis left a significant backlog of investment in transport infrastructure. Prioritising sound and well-justified projects is crucial.

Having financed the construction of a Liquefied Natural Gas (LNG) import terminal at the port of Rotterdam, the EIB is now investing in the expansion of the LNG handling facilities that supply LNG-fuelled ships and industrial customers. LNG-fuelled ships are an emerging market trend and constitute an important step towards reducing the environmental impact of the shipping industry and ensuring security of supply in LNG fuel.
EIB Advisory Services

As the EU bank, the EIB mobilises investment to foster European competitiveness and economic growth. Project preparation has become increasingly important for the Bank. Technical advisory services assist project planners in preparing sound and sustainable projects that meet EU policy objectives. Ensuring that projects are well-prepared reduces project risk and encourages other investors to step in.

The EIB manages JASPERS (Joint Assistance to Support Projects in European Regions). Co-sponsored by the European Commission and the EIB, JASPERS provides advisory services on transport, as well as on investments in environmental projects, RDI, and urban development, among other sectors. The services range from reviewing the project and recommending changes to support during implementation.

EIAH

The European Investment Advisory Hub is a joint initiative of the European Commission and the EIB under the Investment Plan for Europe. The Hub offers a single access point to a full range of advisory and technical assistance services. The aim: strengthening Europe's investment and business environment by improving the process by which projects are identified, prepared and implemented; enhancing the use of EU grants and financial instruments; supporting the development of PPPs; and providing access to finance. Find out more: www.eib.org/eiah

EFSI

The Investment Plan for Europe aims to unlock financing for European companies. One of its main planks is the European Fund for Strategic Investments (EFSI). With a European Commission guarantee and the EIB’s own funds, EFSI allows the bank to take on riskier operations, including some in the transport sector, by launching new financial products that are more scalable and flexible than existing EIB products. However, the underlying project quality remains the same. Financing is allocated to projects based on technical, economic and financial soundness, as well as wider European benefits.

The EIB’s EUR 300m financing of new trains to operate within Lazio, Tuscany, Veneto, Piedmont and Liguria is a good example of how EFSI allows the Bank to put a stamp of approval on a company for private investors. The money will be used by the EIB to buy bonds issued by Ferrovie dello Stato, the Italian state railway company. Ferrovie dello Stato will pass the proceeds of the sale on to its subsidiary Trenitalia, which will actually buy the trains. Investors needed a clear signal of support for Ferrovie dello Stato’s debt, because it’s possible the company may soon be partially privatised. The EFSI loan showed that the company will have EIB backing during this time of potential transition – a move which was well-received by the market and allowed Trenitalia to go ahead with the important update to its rolling stock.
European Investment Bank finance is key to building Europe’s transport backbone. The Trans-European Transport Network (TEN-T) boosts growth and competitiveness. In time, most European citizens and businesses will be within 30 minutes travel of this comprehensive network. It’s a massive commitment. Here are some of the TEN-T deals the EIB signed in 2014 and 2015.

**THE NETHERLANDS**
EUR 165m towards the construction of a new sea-lock which will provide main maritime access to the Port of Amsterdam.

**UNITED KINGDOM**
EUR 575m to purchase high-speed trains to operate on key interurban routes on the TEN-T network in the UK.

**IRELAND**
EUR 100m to adapt Dublin’s existing port infrastructure to accommodate traffic growth and larger ships.

**BELGIUM**
EUR 260m to support a PPP motorway project aimed at improving access to the port of Zeebrugge and the towns of Knokke and Brugge. The project is the first greenfield PPP in Europe to benefit from the EC-EIB Project Bond Initiative.

**FRANCE**
The Project Bond Credit Enhancement facility is providing EUR 50m to support the expansion and rehabilitation of the Port of Calais. The expanded port will be able to handle more and larger vessels by creating three additional roll-on/roll-off berths as well as upgrading existing berths.

**GERMANY**
EUR 300m for the purchase of new trains to expand regional rail network access to the centre of Stuttgart.

**SPAIN**
EUR 180m to finance improvements to the national rail network, including the installation of ERTMS trackside command-control and signalling equipment.

**ITALY**
EUR 950m loan to renew and upgrade national railways infrastructure throughout Italy to ensure high safety and performance standards on the network.

**GREECE**
EUR 300m loan to construct around 240 km of motorway and upgrade more than 430 km of existing network along the Patras-Athens-Thessaloniki corridor.

**CROATIA**
EUR 17.5m to upgrade and expand Dubrovnik Airport to improve safety standards and accommodate growing traffic.

**SWEDEN**
EUR 558m to construct an integrated urban transport network in the city of Gothenburg.

**LITHUANIA**
EUR 68m to modernise and upgrade the national rail network.

**POLAND**
EUR 180m to modernise the railway line in North-East Poland to allow passenger and cargo trains to travel at higher speeds on the network.

**HUNGARY**
EUR 500m framework loan to support a multimodal transport programme.

**AUSTRIA**
EUR 180m to upgrade the Arlberg tunnel to comply with regulatory safety standards, particularly the EU Tunnel Safety Directive.

**IRELAND**
EUR 260m to support a PPP motorway project aimed at improving access to the port of Zeebrugge and the towns of Knokke and Brugge. The project is the first greenfield PPP in Europe to benefit from the EC-EIB Project Bond Initiative.

**SWEDEN**
EUR 558m to construct an integrated urban transport network in the city of Gothenburg.

**LITHUANIA**
EUR 68m to modernise and upgrade the national rail network.

**POLAND**
EUR 180m to modernise the railway line in North-East Poland to allow passenger and cargo trains to travel at higher speeds on the network.

**HUNGARY**
EUR 500m framework loan to support a multimodal transport programme.

**AUSTRIA**
EUR 180m to upgrade the Arlberg tunnel to comply with regulatory safety standards, particularly the EU Tunnel Safety Directive.