EUROPEAN INVESTMENT BANK

CA/524/19
13 June 2019

PV/19/05

BOARD OF DIRECTORS

Minutes of the meeting held in Luxembourg
on Wednesday, 15 May 2019

Parts of this document that, at the time of the meeting, fall under the exceptions for disclosure defined by the EIB Group Transparency Policy, notably under articles 5.5 (protection of commercial interests) and 5.6 (protection of the Bank's internal decision-making process), have been replaced by the symbol […]*

CONFIDENTIAL

Those attending

Chairman:			
	Mr	W.	HOYER
EIB Vice Presidents:			
	Messrs	D.	SCANNAPIECO
		A.	FAYOLLE
		A.	McDOWELL
		V.	HUDÁK
		A.	STUBB
	Ms	E.	NAVARRO
Directors:			
	Messrs	K.J.	ANDREOPOULOS
		L.	BARANYAY
		F.	CARTAXO
		D.	CARVILLE
		P.	DEBATTISTA
	Ms	C.	DÍAZ
	Messrs	A.	EBERHARDS
		A.	GYÖRGY
	Ms	E.	HAGHANIPOUR
	Mr	A.	JACOBY
	Ms	K.	JORNA
	Messrs	K.	KAKOURIS
		A.	KAVČIČ
		A.	KUNINGAS
		I.	LESAY
		D.	LUNN
		E.	MASSÉ
		A.	MATIJEVIČ
		P.	NOWAK
		P.	PAVELEK
	Ms	M.	PETROVA
	Ms	K.	RYSAVY
	Ms	K.	SARJO
	Ms	M.	SCHOCH, also representing Mr DESCHEEMAECKER
	Ms	J.	SONNE
	Ms	M.	TUSKIENĖ
	Ms	G.	VIGLIOTTI
	Mr	T.	WESTPHAL
Expert Members:			
	Messrs	G.	GOBBI
		J.	LEOPOLD
Alternate Directors:			
	Ms	A.	af URSIN
	Ms	S.	BOBIN
	Ms	B.F.	CUCU
	Ms	C.	GOSTNER
	Messrs	M.	HEIPERTZ
		F.J.	MARTÍN ALONSO
	Ms	F.	MERCUSA
	Messrs	R.	RØNNE-AHM
		P.	TÁRNOKI-ZÁCH

	Ms	S.	VALTONEN
	Ms	A.	ZITCERE
	Ms	A.	ZORIĆ

Alternate Expert Members:

	Ms	B.N.	MARKUSSEN
	Mr	A.	OPORTO

Secretary:

	Ms	M.	SANTONI

Absent:

	Ms	L.	BRETON-MOYET
	Mr	M.	DESCHEEMAECKER
	Ms	I.	HENGSTER
	Mr	R.	LEPERS
	Ms	S.	SANYAHUMBI
	Mr	S.	SCALERA
	Ms	J.	YOUNG

The CHAIRMAN declared the meeting open at 9.20 a.m.

1. Quorum

The CHAIRMAN recorded that there was a quorum.

2. Agenda and declaration of conflicts of interest

The agenda (Doc 19/250) was adopted.

No conflicts of interest were declared.

3. Approval of the minutes of the previous meeting

The Board of Directors approved the minutes of the meeting held on 9 April 2019 in Luxembourg, (PV/19/04).

4. Statements by the Chairman including updates on strategic issues

The Chairman briefed the Board of Directors on a number of relevant issues.

General Questions I

5. *[…]*

6. *[…]*

7. *[…]*

8. 2018 End-of-Year Report on the Implementation of Evaluation Recommendations
(Doc 19/288)

The Bank informed the Board on the implementation of evaluation recommendations in the second half of 2018 and outlined the timeline for regular updates to be shared with the Board of Directors in that respect. The Bank had implemented all the recommendations due in 2018.

In the discussion that followed, the Board of Directors welcomed the report and commended the Bank on the efforts carried out. Suggestions were made to follow-up on the concluded EFSI evaluation and measurement of the Bank's Climate Action impact. In particular, the Board welcomed the suggestion to have a discussion on the report issued by the Bank on the impact of EFSI in the EIB Group later this year.

The CHAIRMAN recorded that the Board of Directors took note of the End-of-Year report on the implementation of evaluation recommendations.

9. EIB Complaints Mechanism: Semi-Annual Report 2018
(Doc 19/289)

Following the approval of the revised EIB Group Complaints Mechanism (CM) Policy in November 2018, the Bank presented the first CM Semi-Annual report to provide an overview of the status and outcome of complaints that have been submitted to the IG/CM as well as complaints concerning the EIB Group registered with the European Ombudsman.

In the ensuing discussion, Board members commended the IG/CM for the implementation of the Policy and on the number of cases closed in 2018. Board members also exchanged views on the mechanisms in place for lodging and handling cases, the steps taken to reduce the backlog and the practicalities around engaging in mediations, as well as on the importance of CM independence. Following comments from Board members, the Bank provided further information on specific cases and on the Whistleblowing Policy.

Concluding the discussion, the CHAIRMAN recorded that the Board of Directors took note of the EIB Complaints Mechanism: Semi-Annual Report 2018.

10. OCCO Activity Report 2018
(Doc 19/290)

Introducing the OCCO Activity Report 2018 the Bank underscored some of the key areas of work of the Bank's Compliance function during the reporting period, including on the implementation of Best Banking Practice and on the EIB Group NCJ Policy.

In the ensuing discussion, Board members commended the Bank services and encouraged the EIB to maintain its spearhead position on compliance standards. The Bank provided further information on its compliance culture programme, including on the upcoming establishment of Ethics Ambassadors, as well as on the First Line of Defence due diligence processes.

Concluding the discussion, the CHAIRMAN recorded that the Board of Directors took note of the OCCO Activity Report 2018.

11. Update on Turkey (presentation)

[…]

12. Signature of a Delegation Agreement for EU support to Malawi Kulima Access to Finance under the Africa Investment Platform (AIP) and Establishment of the Kulima Risk Sharing Facility
(Doc 19/283)

The Bank presented the structure of the programme. Following questions from Board members, the Bank provided further information on the currency mix in its operations and on the deployment of technical assistance to build local capacity.

The CHAIRMAN recorded that the Board of Directors approved item 12: “Signature of a Delegation Agreement for EU support to Malawi Kulima Access to Finance under the Africa Investment Platform (AIP) and Establishment of the Kulima Risk Sharing Facility” as well as item 28: KULIMA ACCESS TO FINANCE Project.

Operations

The Board of Directors considered and discussed the following proposals on the agenda as follows:

Operations within the European Union

INVESTMENT LOAN

13. BERLIN FORSCHUNG III Project (DE)
(Doc 19/272)

Financing of the operating expenditures specifically for R&D activities incurred by the beneficiary organisations during 2019

Borrower	:	State of Berlin
Max. amount	:	EUR 190m
Opinion of the Government of the Federal Republic of Germany		No objection
Opinion of the Commission		Favourable

The CHAIRMAN recorded that the Board of Directors approved the financing proposal.

14. *[…]*

15. NORTHVOLT ETT – LARGE SCALE BATTERY PLANT Project (SE)
(Doc 19/274)

Financing of the design, construction, commissioning and operation of a lithium-ion battery cell manufacturing facility

Borrower	:	Special Purpose Vehicle
Max. amount	:	EUR 350m
Opinion of the Government of the Kingdom of Sweden		No objection
Opinion of the Commission		Favourable

The CHAIRMAN recorded that the Board of Directors approved the financing proposal.

16. DIVACA-KOPER SECOND RAIL TRACK Project (SI)
(Doc 19/275)

Financing of the construction of 27 km of rail track on a new alignment to increase rail capacity between the port of Koper and the rail junction in Divaca

Borrower	:	Special Purpose Vehicle
Max. amount	:	EUR 250m
Opinion of the Government of the Republic of Slovenia		No objection
Opinion of the Commission		Favourable

The CHAIRMAN recorded that the Board of Directors approved the financing proposal.

17. PROGRAMME LOAN HEATING SECTOR (SK)
(Doc 19/269)

Financing of investments in the heating sector

Borrower	:	District heating companies in Slovakia of small and medium size, owned by the Slovak Republic or by municipalities
Max. amount	:	EUR 100m
Opinion of the Government of the Slovak Republic		No objection
Opinion of the Commission		Favourable

The CHAIRMAN recorded that the Board of Directors approved the financing proposal.

FRAMEWORK LOAN

18. FONDS TOURISME OCCITANIE Framework Loan (FR)
(Doc 19/276)

Financing of a fund set up by the French region of Occitanie to support public and private initiatives in the tourism sector

Borrower	:	Fonds Tourisme Occitanie
Max. amount	:	EUR 60m
Opinion of the Government of the French Republic		No objection
Opinion of the Commission		Favourable

The CHAIRMAN recorded that the Board of Directors approved the financing proposal.

19. ISP LOAN FOR CIRCULAR ECONOMY Framework Loan (IT)
(Doc 19/266)

Financing of Circular Economy projects carried out by SMEs and Mid-Caps in line with Intesa Sanpaolo's Circular Economy programme

Borrower	:	Mediocredito Italiano S.p.A.
Max. amount	:	EUR 250m
Opinion of the Government of the Italian Republic		No objection
Opinion of the Commission		Favourable

The CHAIRMAN recorded that the Board of Directors approved the financing proposal.

MULTI-BENEFICIARY INTERMEDIATED LOAN

20. BANKIA ENHANCED SUPPORT FOR SMES AND MID-CAPS (ES)
(Doc 19/277)

Financing of SMEs and Mid-Caps in vulnerable areas and segments

Borrower	:	Bankia S.A.
Max. amount	:	EUR 150m
Opinion of the Government of the Kingdom of Spain		No objection
Opinion of the Commission		Favourable

The CHAIRMAN recorded that the Board of Directors approved the financing proposal.

21. *[…]*

22. INTESA SANPAOLO V MID-CAP LOAN (IT)
(Doc 19/279)

Financing of Mid-Cap companies operating in the industry, services, agriculture and tourism sectors to carry out their small/medium-scale investments/projects

Borrower	:	Mediocredito Italiano S.p.A.
Max. amount	:	EUR 250m
Opinion of the Government of the Italian Republic		No objection
Opinion of the Commission		Favourable

The CHAIRMAN recorded that the Board of Directors approved the financing proposal.

EQUITY TYPE

23. BREAKTHROUGH ENERGY EUROPE FUND (Regional – EU countries)
(Doc 19/280)

Equity participation in a fund that will invest in economically-viable breakthrough clean energy technology companies along the innovation chain in Europe

Promoter	:	Breakthrough Energy Ventures LLC	
Max. amount	:	EUR 50m	
Opinion of the Government of the Grand Duchy of Luxembourg			No objection
Opinion of the Commission			Favourable

The CHAIRMAN recorded that the Board of Directors approved the financing proposal.

Operations in Candidate and Potential Candidate Countries

INVESTMENT LOAN

24. BELGRADE PALILULA SEWERAGE SYSTEM Project (Serbia)
(Doc 19/281)

Financing of the development of the sewerage system in the Palilula Municipality

Borrower	:	City of Belgrade	
Max. amount	:	EUR 35m	
Opinion of the Commission			Favourable

The CHAIRMAN recorded that the Board of Directors approved the financing proposal.

25. SISECAM GREENFIELD GLASS FIBRE PLANT Project (Turkey)
(Doc 19/282)

Financing of the construction of a greenfield glass fibre manufacturing plant located in the industrial zone of Balikesir

Borrower	:	Şişecam Elyaf Sanayii A.S.	
Max. amount	:	EUR 50m	
Opinion of the Commission			Favourable

The CHAIRMAN recorded that the Board of Directors approved the financing proposal.

Operations outside the European Union

INVESTMENT LOAN

26. *[…]*

FRAMEWORK LOAN

27. NIGERIA DIGITAL ID Framework Loan (Nigeria)
(Doc 19/254)

Financing of the development of a digital identity infrastructure and the supply of a biometric identity to all Nigerian citizens

Borrower	:	Federal Republic of Nigeria, through its Federal Ministry of Finance
Max. amount	:	EUR 250m
Opinion of the Commission		Favourable

The CHAIRMAN recorded that the Board of Directors approved the financing proposal.

MULTI-BENEFICIARY INTERMEDIATED LOAN

28. KULIMA ACCESS TO FINANCE Project (Malawi)
(Doc 19/253)

Financing of the intermediated facility for on-lending to eligible private agri-food sector investments

Borrower	:	FDH Bank Limited and other Financial Intermediaries
Max. amount	:	EUR 25m
Opinion of the Commission		Favourable

The CHAIRMAN recorded that the Board of Directors approved the financing proposal.

29. NEDBANK PRIVATE SECTOR FACILITY 2 (South Africa)
(Doc 19/286)

Financing of a credit facility to Nedbank for on-lending to private sector limited scale investments

Borrower	:	Nedbank Limited
Max. amount	:	EUR 100m
Opinion of the Commission		Favourable

The CHAIRMAN recorded that the operation would be submitted via written procedure.

EQUITY TYPE

30. GEMINI FUND (Liberia, Sierra Leone)
(Doc 19/256)

Equity participation in a target venture capital fund managed by Gemini Capital Partners

Fund Manager	:	Gemini Capital Partners
Max. amount	:	USD 10m (approximately EUR 9m)
Opinion of the Commission		Favourable

The CHAIRMAN recorded that the operation would be submitted via written procedure.

31. WOMENS WORLD BANKING CAPITAL PARTNERS II FUND
(Regional – ACP)
(Doc 19/257)

Equity participation in a private equity fund specialising in women-focused inclusive financial institutions.

Fund Manager	:	WWB Asset Management LLC
Max. amount	:	USD 11.5m (approximately EUR 10m)
Opinion of the Commission		Favourable

The CHAIRMAN recorded that the operation would be submitted via written procedure.

Other Operational Questions

32. Extension of the validity of the EIB co-investment programme ("ECIP") (EU)
(Doc 19/287)

Miscellaneous

33. Date of the next meeting:

The Chairman announced that the next meeting would be held on Thursday, 13 June 2019 in Luxembourg, commencing at 9.00 a.m.

The CHAIRMAN declared the meeting closed at 5.15 p.m.

Annex 1: Proposals submitted by written procedure

Annex 2 Agenda item 11 – Update on Turkey (presentation)
(STRICTLY CONFIDENTIAL)

Annex 1
to PV/19/05

PROPOSALS SUBMITTED BY WRITTEN PROCEDURE

The CHAIRMAN recorded the approval by the BOARD OF DIRECTORS, during the period since the previous meeting on 9 April 2019, of the following operations submitted by written procedure:

Operations within the European Union

Approval on 26/04/2019

INVESTMENT LOAN

i. WATER AUTHORITY RIVIERENLAND Project (NL)
(Doc 19/261)

Financing of an investment programme focussing on flood protection and wastewater treatment between the rivers Rhine/Lek and the Meuse

Borrower	:	Waterschap Rivierenland
Max. amount	:	EUR 100m
Opinion of the Government of the Kingdom of the Netherlands		No objection
Opinion of the Commission		Favourable

ii. POLISH ACADEMY OF SCIENCES III Project (PL)
(Doc 19/262)

Financing of key scientific activities undertaken by the research institutes affiliated to the Polish Academy of Sciences over the period 2019 – 2020

Borrower	:	Republic of Poland, through its Ministry of Science and Education
Max. amount	:	EUR 170m
Opinion of the Commission		Favourable

iii. MIDWAY ALIGNMENT VAASA UMEA FERRY Project (FI, SE)
(Doc 19/258)

Financing of the construction of a new passenger ferry to replace the existing one currently used to connect the cities of Vaasa and Umea

Borrower	:	Kvarken Link Oy
Max. amount	:	EUR 70m
Opinion of the Government of the Republic of Finland and of the Kingdom of Sweden		No objection
Opinion of the Commission		Favourable

MULTI-BENEFICIARY INTERMEDIATED LOAN

iv. CARIPARMA VII LOAN FOR SMES AND MID-CAPS (IT)
(Doc 19/259)

Financing of SMEs and Mid-Caps operating in the industrial, services, tourism and agriculture sectors via medium-long term lending and leasing schemes

Promoter	:	Crédit Agricole Cariparma S.p.A.
Max. amount	:	EUR 150m
Opinion of the Government of the Italian Republic		No objection
Opinion of the Commission		Favourable

v. UNICREDIT VII MID-CAP LOAN (IT)
(Doc 19/260)

Financing of Mid-Cap companies operating in the industry, services, agriculture and tourism sectors

Borrower	:	Unicredit Leasing S.p.A
Max. amount	:	250m
Opinion of the Government of the Italian Republic		No objection
Opinion of the Commission		Favourable

Operations outside the European Union

Approval on 26/04/2019

INVESTMENT LOAN

vi. RIO SALADO FLOOD PROTECTION PROGRAMME (Argentina)
(Doc 19/263)

Financing of a Programme aimed at enhancing flood protection and strengthening the capacity of the institutions responsible for integrated monitoring and management of water resources in the Salado River Basin

Borrower	:	Province of Buenos Aires, through its Ministry of Finance
Max. amount	:	USD 110m (approximately EUR 97m)
Opinion of the Commission		Favourable

Change of loan condition

Approval on 26/04/2019

vii. TEN-T MEDIUM-SIZED ITALIAN PORTS PROGRAMME LOAN (IT)
(Doc 19/264)

Extension of loan authorisation (date butoir)

Miscellaneous

Approval on 15/05/2019

viii. The Lending base Rates (“The Blue Curve”) applicable in May 2019
(Doc 19/296)