

EUROPEAN INVESTMENT BANK

DONORS



2019

IN ACTION

EUROPEAN INVESTMENT BANK
DONORS IN ACTION

2019



European Investment Bank Donors in Action 2019

© European Investment Bank, 2018.

All rights reserved.

All questions on rights and licensing should be addressed to publications@eib.org.

Copyright photos

©EIB Photolibrary, David Blumenfeld, Nicholas Lapite, Shutterstock, iStock, Getty images, SES.

The EIB wishes to thank the above individuals and organisations for photographs in this report.

Authorisation to reproduce or use these photos must be requested directly from the copyright holder.

For further information on the EIB's activities, please consult our website www.eib.org, which contains a regularly updated complete list of projects.

Get our e-newsletter at www.eib.org/sign-up

Welcome

EIB Donors in Action illustrates how sustained partnerships between Donors and the European Investment Bank are improving people's lives, contributing to the UN Sustainable Development Goals and advancing the international development objectives of the European Union.

Through its global presence and the mobilisation of grant funds from Donor Mandates, the EIB finances projects, companies and initiatives in some 130 countries outside of the European Union. High-impact activities supported by our Donors range from community-sustaining microfinance to challenging, cross-border infrastructure projects that facilitate trade and boost employment.

The EIB is the world's largest multilateral lender. Our financial strength and fiduciary capabilities reflect our mandate as the EU bank, serving the nations and citizens of the European Union. To learn more about our Donor partnerships and opportunities for future cooperation, see our resources and contacts on page 58.

CONTENTS



6 Foreword
by EIB President
Werner Hoyer

**8 THE EUROPEAN UNION
AND THE EUROPEAN
INVESTMENT BANK**
Partners for Development

**10 WHAT MAKES
THE EIB UNIQUE**

**12
—
13**

Partnerships
Succeeding together



14 WORKING TOGETHER

16 GRANT-FINANCIAL INSTRUMENTS

20 OUR DONORS

24
—
25

Impact

A strong record



26 CLIMATE ACTION
A global issue

34 JOBS AND SMALL BUSINESSES
Motors of the economy

42 SUB-SAHARAN AFRICA
Investing in people

54
—
55

Looking Ahead

Avenues for the future



**56 NEW CHALLENGES
AND OPPORTUNITIES**

58 RESOURCES AND CONTACTS

60 THE EIB – DID YOU KNOW?



Werner Hoyer, President of the EIB.

The European Investment Bank marked its 60th anniversary in 2018. As we look back over six decades, we can see that the Bank, like the European Union, has evolved in the face of numerous political, economic and social changes. The EIB is proud to be part of this European story, in the service of the European Union and its citizens.

Within the European Union, the Bank is mobilising finance to strengthen Europe's competitiveness and growth potential, while promoting market integration, cohesion and climate action. We invest in Europe's future. The European Fund for Strategic Investments (EFSI) – a core component of the Investment Plan for Europe – is making a big impact. As of today, close collaboration between the EIB Group and the European Commission has enabled us to approve finance of over EUR 344 billion for new EFSI projects.

The EIB is also a global actor. In addition to our activities inside the European Union, we support EU policy objectives through investment in some 130 external partner countries. The Bank is currently delivering around EUR 7-8 billion per year in financing outside the European Union.

As the EU bank, we respond to evolving EU global priorities and contribute to the UN Sustainable Development Goals (SDGs), notably in climate action, migration and mobility, sustainable growth and jobs, trade and economic prosperity. However, no amount of public money alone will be sufficient to realise all commitments to the SDGs and to the Paris Agreement on Climate. The private sector needs to play a more active role, a process that we can accelerate via improved financial instruments for development.

The advantages of **Donor partnerships**

In this dynamic environment, EIB-Donor partnerships are increasingly valuable – enabling both partners to achieve more in an agreed and targeted way. Such partnerships have many advantages:

- A direct route between policy decisions and action: By contributing to the design and financing of EIB Trust Funds, Donors can orientate EIB funding towards common priority regions and sectors.

- **Financial leverage and fiduciary strength:** The impact of Donor grants is multiplied by the global reach as well as the financial and sector expertise of the EIB Group. As a bank, the EIB's in-house capabilities and systems make us a trusted and reliable partner for the management of public and third-party funds.
- **Wider impact in developing countries:** Grant support allows the EIB to appraise and finance projects that were previously beyond our scope in poorer countries and/or in critical sectors such as water. The economic and social benefits can be very high.

Future challenges

This inaugural Donors in Action book surveys what the EIB and Donors are achieving together outside of the EU, and indicates challenges that will require our best efforts in the years ahead. Let me briefly highlight two of these challenges.

Climate action: As a global leader in the fight against climate change, the European Union is very aware that the negative effects do not stop at a country's border. This is a global problem. In order to limit global warming to the 2°C agreed in Paris in 2015, we need to take urgent action to reduce carbon levels around the world.

The EIB is very active in this area. In addition to increasing investment in renewable energy and energy efficiency outside of the European Union, we are working with Donors to offer new grant-funded instruments. These include the Luxembourg-EIB Climate Finance Platform, Geeref NeXt, and CAMENA.

Migration and economic resilience: Investment outside our borders can alleviate the risk of social and political unrest in beneficiary countries. Resilient economies where growth is robust and inclusive are less likely to experience social unrest, conflict, and unplanned migration. The EIB is stepping up

its activities on this front. We are rolling out the Economic Resilience Initiative (ERI) to help the Western Balkans and the EU's Southern Neighbourhood countries respond to economic shocks and to crises such as adverse weather events or refugee flows from war-torn areas.

Under ERI the EIB will increase its support to these neighbouring regions by EUR 6 billion, on top of the EUR 7.5 billion of EIB financing already planned for these regions, the largest of any International Financial Institution. We estimate that ERI will mobilise EUR 15 billion of additional investment in these regions up to 2020, taking the total EIB mobilisation of investment in the regions to some EUR 35 billion. This initiative will increase economic opportunities and create local jobs. We have already achieved some very tangible results, with approved projects in Jordan, Lebanon, Egypt, Morocco, Tunisia, Palestine, Serbia, Montenegro and Bosnia-Herzegovina.

Investments in economically sound, socially valuable, and environmentally responsible projects benefit everyone, no matter where they live. The contributions of EIB Donors make a big difference, enabling the EIB to do more in challenging environments around the globe. This inaugural book celebrates their valuable support.

Werner Hoyer

President of the European Investment Bank

Visit of President Hoyer to the Panama Canal.





The European Union and the European Investment Bank Partners for **development finance**

According to the OECD, the European Union and its Member States continue to be the world's leading providers of Official Development Assistance, making available an overall amount of EUR 75.7 billion in 2017. The European Union is committed to achieving the UN Sustainable Development Goals (SDGs) and implementing the 2030 Agenda for Sustainable Development, and is a recognised leader in climate action. The 17 SDGs guide international efforts to enhance human well-being and dignity, within a framework of sustainable growth. They call for a new global partnership between the public and private sectors, and with civil society.

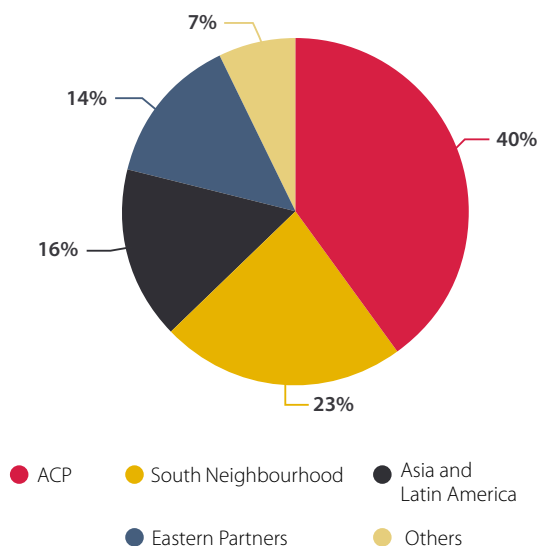
The European Union believes that the fundamental objective of poverty reduction is closely associated with the complementary objectives of promotion of good governance and respect for human rights. These shared values underpin the EU itself. The fight

against poverty also entails a balance between human development and the protection of natural resources, alongside economic growth and modern infrastructure that benefits the poor.

The European Investment Bank, owned by the EU Member States, is the world's largest international lender. By investing across a wide range of sectors, the EIB supports the achievement of the SDGs. We are also the largest non-sovereign borrower on international capital markets, able to leverage significant volumes of financial resources to support EU priorities.

Whereas the majority of EIB activities are concentrated in EU countries, the Bank is also active in more than 130 countries outside of the European Union. In volume terms, around 10% of EIB lending occurs outside the EU's borders.

EIB activity outside the EU and European Free Trade Association (EFTA) - 2017



Of the 100 external projects signed in 2017, 40% are located in the Africa-Caribbean-Pacific (ACP) group of countries and a further 23% in the EU Southern Neighbourhood. Approved lending volumes in ACP countries increased substantially, from EUR 762 million in 2016 to EUR 1.6 billion in 2017. Lending also increased significantly under our External Lending Mandate – for example in Asia and Latin America where climate action is a priority, and in Southern Neighbourhood countries that are benefitting from the recently launched Economic Resilience Initiative.

On the ground, EIB investment decisions outside the EU in 2017 will enable:

- 17 million people benefitting from safer water and improved sanitation;
- Electricity from clean, renewable sources that will be enough to supply 6 million homes;
- Better access to finance for micro-enterprises and smaller businesses, supporting over 500,000 existing jobs and providing resources for business growth and new job creation;
- Improved transportation for over 300 million journeys per year.



100

New projects signed in 2017

EUR 7.2 billion

Financing for new projects signed in 2017 (approved amount)

EUR 22.9 billion

Investment supported by new projects signed in 2017

The role of Donor mandates

Outside of the European Union and the European Economic Area, EIB activities are guided by mandates given to the Bank by EU Member States and the European Commission. These mandates finance sustainable investments in often challenging environments. Donor grants increase the viability and sustainability of EIB loans through technical assistance and advisory services to support project preparation and implementation. They also lower the cost of overall financing, thus generating a better risk-return trade-off.

Donors can provide grant support to EIB-funded mandates through two main channels:

- EIB-managed trust funds and existing ACP instruments;
- EU regional blending facilities.

The EIB can also seek grants for qualifying projects under the following global blending facilities: Green Climate Fund, Global Concessional Financing Facility, Global Infrastructure Facility and the International Climate Initiative.



What makes the EIB unique?

The **EU bank**

The EIB is the only bank fully owned by the Member States of the European Union and tasked with promoting EU policies and objectives worldwide. We work closely with the European Commission and with the national financial institutions of EU countries. Our Board of Governors is composed of the Finance Ministers of all EU Member States.

Unique positioning in both **developed and developing countries**

Initially dedicated to project finance within the nascent European Economic Community, the EIB was rapidly called upon by its shareholders to expand its activities towards international development finance. Today, around 90% of our lending is within the European Union. However, given the large size of the EIB's loan portfolio, our external and international development financing is significant – around EUR 8 billion per year. Such external activities receive valuable grant support from our Donors.

Project **expertise**

The EIB's unique technical expertise – backed by over 250 engineers, project economists, and social and climate experts – provides reassurance to project promoters and investors, and fosters the “crowding in” of financial partners and the private sector. The Bank applies the highest standards to the technical, economic, financial, environmental and social assessment of projects, in compliance with EU and national laws and regulations. The EIB applies experience gained within the European Union to improve the design and implementation of projects in other regions of the globe. The reverse is also true. Lessons learned in Africa, for example, have helped to improve water projects in the European Union.

A leader in key sectors for **development**

Worldwide, the EIB is the leader in project finance for the water sector. It has provided more than EUR 66 billion in funding to over 1,400 water ventures around the world. Over a quarter of EIB lending now targets climate action (EUR 19.4 billion in 2017) and we are the leading financier for renewable energy projects.

We pioneered the issuance of green bonds and remain the largest issuer, with some EUR 20 billion raised for climate action projects since 2007. The Bank stands by its pledge to invest EUR 100 billion in climate action from 2016 to 2020.

Promoting **private sector development**

Private sector clients of the EIB Group range from major multinationals to small companies. Over 1 million SMEs have benefitted from enhanced access to finance via financial instruments managed by the European Investment Fund. Outside of the European Union, private sector development and involvement are central tenets of EIB external mandates. By limiting EIB financing to a maximum of 50% of project cost, the Bank promotes the “crowding in” of private sector finance and capital.

Largest **multilateral lender**

In the 60 years since its founding, the European Investment Bank has grown into the world’s largest international lender. The EIB is active in more than 160 countries inside and outside the EU, and over the years has supported nearly 12,000 projects and invested more than EUR 1 trillion. We approved EUR 78.2 billion in investments in 2017. The EIB has preferred creditor status, which exempts it from foreign exchange controls and moratoria on payments.

Funding and fiduciary capacities

Thanks to our good credit rating and shareholder support, the EIB is also the largest supranational borrower on international capital markets. In 2017, the Bank raised EUR 56.4 billion from global investors. Our strong internal controls and external oversight mean that the EIB is a reliable fiduciary partner for our Donors and other stakeholders.

Human rights and conflict sensitivity

The EIB has a long-standing record of investing in countries affected by conflict and fragility. Over the last decade, 52% of the EIB’s financing volume outside the EU supported socio-economic development in 18 countries scoring low or very low on the Global Peace Index. These investments accounted for slightly under 40% of the total number of projects supported outside the EU/EFTA. In 2017, the EIB launched the Conflict Sensitivity Helpdesk, supported by external conflict-specialist organisations and designed to help EIB staff translate the principles of conflict sensitivity into action.

The EIB is by far the largest multilateral lending institution we rate.

Standard & Poors
October 2017
Supranationals Special Edition



Partnerships



Working together

Dialogue and interaction with **stakeholders**

The European Investment Bank plays a key operational role in supporting the international development policies and objectives of the European Union, including:

- Progress towards the United Nations SDGs
- Climate action
- Food security
- Migration
- Avoiding market distortions / Crowding in the private sector
- Gender equality and women's economic empowerment
- Human rights and conflict sensitivity

The Bank engages constantly at multiple levels with EU countries and institutions, including the European Commission and European Parliament. EU countries are the shareholders of the Bank and participate in its governance structures. Outside of the European Union, the EIB has a network of external offices that work closely with EU delegations and Member State representations.

The EIB attaches great importance to engaging with civil society and building cooperative relations with its representatives. Active dissemination of information and a constructive dialogue with civil society organisations are essential to improve public knowledge of and trust in the EIB, and help the Bank to respond to public expectations.

Contributors **Committees**

Because Donors are closely involved in the development of each EIB trust fund and make decisions on project proposals, it is important to share information with them on a regular basis. Each EIB trust fund therefore has a Contributors Committee, which enables Donors to participate in the definition of strategic orientations, and to monitor activity results and the effectiveness of grant allocations.

As an example, the Eastern Partnership Technical Assistance Trust Fund (EPTATF) was set up in 2010 to provide technical assistance to improve the quality and development impact of the Bank's Eastern Partnership operations. The EPTATF Contributors Committee consists of representatives of EU Member States that have signed a Contribution Instrument with the Bank. An observer from the European Commission also attends EPTATF committee meetings.

These Contributors Committees provide guidance on the strategy and orientations of the funds, and approve financing proposals. They meet at least once a year, normally at the Bank's headquarters in Luxembourg.

The EIB and the International Aid Transparency Initiative

A clear link exists between the transparency of aid and development finance and its potential for a lasting impact. For this reason, the EIB has signed up to the International Aid Transparency Initiative (IATI), which has developed a common standard for the publication of aid and development finance flows. We have been working with the IATI Secretariat to put in place a set of guidelines for International Development Finance Institutions.

Partnerships Platform for Funds (PPF)

Set up in 2017, this fund management platform will host the next generation of Donor-supported Funds destined to amplify EIB activities worldwide. Working with our Donors to establish targeted geographical and/or sector funds, the PPF enhances the EIB toolkit for the delivery of international development finance. A key objective of the new PPF is to strengthen operational efficiency by harmonising processes and procedures, governance arrangements, fee levels and reporting standards.

As was the case for earlier EIB-managed trust funds, a Contributors Committee will be set up for each fund under this new platform. The main role of these committees is to oversee activities under the respective fund and to approve specific operations supported by Donor contributions. Certain decisions can be taken via a written procedure.

A separate Partnerships Committee acts as an advisory body to the PPF. It meets to discuss and provide strategic guidance to the EIB on the platform's performance, and to signal emerging opportunities for new funds. Both committees consist of representatives of Donors that have signed a contribution agreement with the Bank.

The PPF approach is flexible and scalable – as reflected in the early instruments set up under the platform. The Water Sector Fund has initial funding of EUR 2 million, whereas the multi-Donor ERI Fund has already received pledges of EUR 130 million and counting. The EUR 30 million Luxembourg-EIB Climate Finance Platform is a single Donor fund.

The PPF initiative will be vitally important going forward. We are seeing an increasing appetite for innovative ways to mobilise Donor funding, to maximise efficiency. The platform gives us the capacity to do exactly that, and get more great projects off the ground.

Jesper Persson
Head of Trust Funds and Blending
EIB Mandate Management Department

Grant-financed instruments

Overview

Our Donors can channel grant funding in support of EIB-financed projects outside of the EU and EEA:

- As bilateral Donors to existing EIB-managed trust funds and ACP instruments, as well as to the next generation of funds that will be rolled out under the Partnership Platform for Funds;
- As contributors to EU regional lending facilities, which form part of the wider, multi-annual EU budget.

These channels play a critical and complementary role in achieving the development goals described in the previous pages. In many less-developed countries, the reality is that political and/or commercial risk in the project environment are often outside the scope of traditional lending. Donor contributions drive forward project preparation in often challenging environments and, when necessary, can counter-balance the higher project risk profile. They also enable project delivery in countries that cannot access financial markets because they lack repayment capacity due to existing debt levels.

Bilateral Donor support - **trust funds**

The EIB manages several trust funds in support of the development goals of the European Union, EU Member States and partner countries. We are launching a new generation of trust funds via the EIB Partnership Platform for Funds (see earlier box). All of our trust funds publish annual reports, available on the EIB website. At this time, the principal EIB-managed trust funds for action outside the EU and EEA are:

FEMIP Trust Fund + CAMENA

Launched in 2005, the FEMIP Trust Fund (FTF) has received over EUR 66 million in contributions for capacity building, upstream studies, technical assistance, and risk capital operations in the southern Mediterranean partner countries. This includes a GBP 15 million grant from the United Kingdom for CAMENA – a separate, climate action-focused window. The FTF supports sustainable projects in the following sectors: finance and MSMEs, infrastructure, the environment and human capital, and research, development and innovation. As of May 2018, the FEMIP Trust Fund has been incorporated into the ERI Fund – see below.

EU-Africa Infrastructure Trust Fund

The multi-Donor, EUR 815 million EU-Africa Infrastructure Trust Fund (EU-Africa ITF) is a leading example of EU joint action to support Africa. Focusing on complex, cross-border infrastructures, the EU-Africa ITF has supported 86 projects via 119 Donor-approved grants. EU-Africa ITF funding is deployed in the form of technical assistance, interest rate subsidies, investment grants and other financial instruments, and has unlocked over EUR 8 billion in African investment since its launch in 2007.

Eastern Partnership Technical Assistance Trust Fund

The EPTATF was launched in 2010, and has attracted Donor contributions of EUR 39 million from eight different EU countries. The beneficiary countries are Armenia, Azerbaijan, Belarus, Georgia, Moldova and Ukraine. To date, 23 different operations have been approved under EPTATF, ranging from infrastructure to small business support. EPTATF is able to intervene at different stages of the project cycle – from feasibility studies through to impact assessments, including local capacity building.



Migotiyo Plantations, sisal farm located in Kenya's Rift Valley Province.

Next generation – the **Partnership Platform for Funds**

Economic Resilience Initiative Fund

Launched under the PPF, the ERI Fund has been set up to manage Donor contributions, and has already raised EUR 130 million from eight EU Member States.

The Economic Resilience Initiative (ERI) is a major EIB development programme for the coming years. The mandate is to invest in regional economic and social infrastructure – and to promote private sector development – across North Africa, the Middle East and the Western Balkans. Its medium-term goal is to improve living conditions and economic prospects for people in those countries, notably by creating jobs for young women and men.

The EIB is aiming to invest an extra EUR 6 billion in these regions between 2016 and 2020, which can leverage around EUR 15 billion in additional investments. Launched under the PPF, the ERI Fund has been set up to manage Donor contributions, and has already raised EUR 130 million from eight EU countries.

Luxembourg-EIB Climate Finance Platform

The Luxembourg Climate Finance Platform was unveiled in late 2016 at the COP 23 climate summit in Bonn. The Luxembourg government is allocating EUR 30 million, which will be used to catalyse private sector investment in climate action projects around the world.

Water Sector Fund

The Water Sector Fund has been established under the PPF and benefits from an initial pledge of EUR 2 million from the Netherlands. This fund will provide technical assistance for water sector projects in emerging countries, via grants of up to EUR 500,000 for eligible projects. Because global investment needs for water, sanitation and hygiene are enormous, the Water Sector Fund is seeking additional investment from other Donors.

EU regional blending facilities

The European Union has established numerous instruments that blend grants with loans to support the goals of the EU Agenda for Change and the more recent New EU Consensus on Development. The European Commission plays a leading role in the design and deployment of these instruments. Here below is a non-exhaustive list of such EU blending facilities where the EIB is a major participant:

Neighbourhood Investment Platform

This platform – formerly known as the Neighbourhood Investment Facility – was launched in 2008. The NIP supports development in the Eastern and Southern Neighbourhood regions by funding capital-intensive infrastructure projects in the transport, energy, environment and social sectors. The goal is to boost economic development. The NIP also supports the private sector, mainly through operations targeting SMEs.

Eastern Europe Energy Efficiency and Environment Partnership

The so-called E5P Fund supports energy efficiency and pro-environment projects in Ukraine, Armenia, Georgia and Moldova. This multi-investor fund is managed by the European Bank for Reconstruction and Development (EBRD) and resources may be used for technical assistance, investment grants, risk capital and other risk-sharing instruments. Municipal energy efficiency initiatives, such as insulation in public buildings and street lighting as a means to reduce greenhouse gas emissions, are priorities for this regional fund.

Africa Investment Platform

The Africa Investment Platform will provide up to EUR 1.8 billion for projects across sub-Saharan Africa in the period 2016 - 2020. Projects in infrastructure such as renewable energy and transport are eligible, as are SME-focused initiatives and agriculture, which remains

the largest employer in sub-Saharan Africa. Using both our own resources and the ACP Investment Facility, the EIB has already co-financed six AIP-backed projects, with a further five in the pipeline.

Asia Investment Facility

The AIF supports climate-friendly projects in Asia, helping the continent transition towards a greener economy. Projects targeted here are notably in the transport, energy and environment infrastructure sectors.

Caribbean Investment Facility

The CIF supports sustainable economic growth in the Caribbean by financing key infrastructure projects in the areas of transport, water and sanitation, energy, disaster prevention and Information and Communication Technologies, with the goal of fostering economic development and growth, integration at regional level and poverty reduction.

Investment Facility for Central Asia

The IFCA fosters sustainable development in Central Asian countries by financing key projects in the areas of transport, energy infrastructure, environmental protection, SMEs and social infrastructure. Key objectives include improving the transit connections between Central Asia and neighbouring countries, increasing protection of the environment, stimulating growth of the private sector and improving health and education.

Investment Facility for the Pacific

The EUR 46 million IFP supports inclusive and sustainable growth in the Pacific region by promoting infrastructure projects – with a focus on climate change and green investments in the areas of energy, transport, water and sanitation, environment and information/communication. The IFP also provides funding to SMEs to increase employment and social sector investments.

The role of the EIB Mandate Management Department

“Donor-supported mandates are making a significant value contribution to EIB operations, both inside and outside the European Union. Simply put, donor support enables us to do more and better in challenging environments. In partnership with our donors, we are also aiming to innovate – with a clear focus on new financial products for more crowding in of the private sector. The Sustainable Development Goals will only be achievable if we multiply impact through a combination of grant financing and private sector investment.

Since 2016, the Mandate Management Department has strived to improve the EIB’s donor engagement for existing mandates, as well as to develop new pathfinding initiatives. A current focus is enhancing visibility, services and reporting to Donors, thereby further strengthening our partnerships.”

Christoph Kuhn, Director
EIB Mandate Management Department

Latin America Investment Facility

The LAIF promotes growth in Latin American countries by financing projects in the fields of energy, agriculture, transport, environment, climate change, SMEs, information/communication technologies and social services. Priorities include the enhancement of Latin American interconnectivity, increasing environment protection, climate change adaptation and mitigation and promoting socio-economic development.

External Investment Plan

The EIP channels resources towards three components: the European Fund for Sustainable Development, technical assistance and the promotion of partnerships. This plan will combine resources from these three components to promote large-scale private sector investment in partner economies in Africa and the EU Neighbourhood

Region. The EIB is advising the European Commission on EIP and is an eligible financial institution, alongside AFD, KfW, the EBRD and others.

Western Balkans Investment Framework

The EUR 1 billion WBIF came into being in 2009 to support projects in Albania, Bosnia and Herzegovina, Kosovo, the former Yugoslav Republic of Macedonia, Montenegro and Serbia. The WBIF focuses on energy, transport, social and environmental infrastructures, as well as private sector development.

Our Donors



Austria joined the FEMIP Trust Fund (FTF) in 2004 and has since contributed a total of EUR 17.5 million to EIB trust funds. In addition to resources provided to the FTF, Austria has contributed funds to projects in sub-Saharan Africa through the EU-Africa Infrastructure Trust Fund, as well as projects in Eastern Partnership countries via the Eastern Partnership Technical Assistance Trust Fund.



An EIB Donor since 2005, Belgium has contributed a total of EUR 3.5 million to two trust funds: the FEMIP Trust Fund, which supports development projects in the EU's Southern Neighbourhood, and the EU-Africa Infrastructure Trust Fund, which finances regional and cross-border infrastructure projects in sub-Saharan Africa.



Following EU accession in 2013, Croatia is one of the EIB's newest Donor partners. In 2017, Croatia pledged EUR 500,000 to help finance operations under the EIB's Economic Resilience Initiative Fund (ERIF), which aims to build economic resilience in Croatia's neighbouring Western Balkans region as well as in the EU's Southern Neighbourhood.



Cyprus has been an EIB Donor since 2004, and is a founding member of the FEMIP Trust Fund (FTF). Cyprus's contribution of EUR 1 million to the FTF has fostered private sector development and supported infrastructure in the EU's Southern Neighbourhood.



The European Commission is the EIB's leading Donor. Since 2005, the Commission has contributed a total of EUR 648.7 million to two EIB-managed funds. The Commission is a founding Donor of the award-winning EU-Africa Infrastructure Trust Fund. The Commission also supports projects in the EU's Southern Neighbourhood through its contribution to the FEMIP Trust Fund.



A Donor partner since 2006, Finland has contributed a total of EUR 6 million to EIB activities. Finnish grants for the FEMIP Trust Fund have funded technical assistance and risk capital operations for critical projects in the EU's Southern Neighbourhood. Finland is also providing financial support to infrastructure projects in sub-Saharan Africa as a contributing member of the EU-Africa Infrastructure Trust Fund.

 **France**

France became an EIB Donor partner in 2005, and has since contributed a total of EUR 19.3 million to three EIB trust funds. France provides development assistance for countries in the EU's Southern Neighbourhood through the FEMIP Trust Fund and supports infrastructure projects in sub-Saharan Africa via the EU-Africa Infrastructure Trust Fund. Through contributions to the Eastern Partnership Technical Assistance Trust Fund, France also supports technical assistance to projects in Eastern Partnership countries.

 **Greece**

An EIB Donor partner since 2004, Greece has contributed a total of EUR 4 million to two EIB trust funds. The country is a contributor to the FEMIP Trust Fund (FTF), which fosters private sector development, and infrastructure projects in the EU's Southern Neighbourhood. Greece also provides grant support to the EU-Africa Infrastructure Trust Fund.

 **Ireland**

Ireland first became an EIB Donor partner in 2005 when it pledged funds to the FEMIP Trust Fund (FTF). Ireland has committed a total of EUR 1 million to the FTF, which promotes infrastructure improvement and private sector development in the EU's Southern Neighbourhood.

 **Germany**

Germany's Donor partnership with EIB began in 2005, with an initial contribution to the FEMIP Trust Fund. Germany has since contributed a total of EUR 14.8 million to three EIB trust funds. In addition to the FTF, Germany is supporting the Eastern Partnership Technical Assistance Trust Fund. The country is also promoting the rollout of critical regional infrastructure in sub-Saharan Africa via the EU-Africa Infrastructure Trust Fund.

 **Hungary**

Hungary became a Donor partner in 2016, when a first contribution of EUR 1 million was made to the EU-Africa Infrastructure Trust Fund. This Hungarian support promotes regional infrastructures and trade in sub-Saharan Africa, boosting economic prospects for local people.

 **Italy**

Since 2004, Italy has pledged a total of EUR 52.5 million to three EIB trust funds. The country was one of the initial contributors to the FEMIP Trust Fund. Through contributions to the EU-Africa Infrastructure Trust Fund, Italy has also supported development assistance in sub-Saharan Africa. The country is one of the largest contributors to the new Economic Resilience Initiative Fund, which finances operations in the Western Balkans and the EU's Southern Neighbourhood.

Our Donors



Latvia

Latvia became an EIB Donor partner in 2011 via a contribution to the Eastern Partnership Technical Assistance Trust Fund (EPTATF). Latvia's EUR 100,000 commitment to EPTATF has helped provide technical assistance to projects in neighbouring Eastern Partnership countries.



Lithuania

Lithuania's partnership with the EIB dates from 2014, when the Baltic state became a Donor to the Eastern Partnership Technical Assistance Trust Fund. Lithuania has since pledged a total of EUR 1.4 million to two EIB-managed trust funds, including a contribution to the Economic Resilience Initiative Fund.



Luxembourg

Luxembourg was amongst the earliest EIB Donors. Since 2004, the country has committed a total of EUR 39.4 million to four different trust funds, including the FEMIP Trust Fund, the EU-Africa Infrastructure Trust Fund and the Economic Resilience Initiative Fund. In 2017, Luxembourg and the EIB launched the Luxembourg-EIB Climate Finance Platform, a joint initiative aimed at financing high-impact climate action projects in developing regions.



Malta

Malta first partnered with the EIB in 2005 as a contributing member of the FEMIP Trust Fund (FTF). Through Malta's contributions of EUR 1.5 million to the FTF, the country has unlocked financial resources in support of project technical assistance, risk capital operations and capacity building in the EU's Southern Neighbourhood.



Netherlands

An EIB Donor since 2005, the Netherlands has pledged a total of EUR 6 million to three EIB trust funds. The Netherlands supports the FEMIP Trust Fund and the EU-Africa Infrastructure Trust Fund. More recently, the Netherlands and the EIB collaborated to set up a Water Sector Fund to support the development and implementation of sound water projects.



Poland

Poland started contributing to EIB trust funds in 2011. The country has pledged a total of EUR 51 million, making it the fourth-largest contributor to EIB trust funds. These include the Eastern Partnership Technical Assistance Trust Fund and the new Economic Resilience Initiative Fund.



Portugal

Portugal became an EIB Donor partner in 2005 and has since contributed a total of EUR 2 million to EIB trust funds. Via the FEMIP Trust Fund, Portugal promotes private sector development and infrastructure improvement in the EU's Southern Neighbourhood. The country also supports infrastructure projects in sub-Saharan Africa via the EU-Africa Infrastructure Trust Fund.



Slovenia

Slovenia joined the EIB Donor community in 2017 by contributing EUR 500,000 to the new Economic Resilience Initiative Fund, which will mobilise investment and create jobs in the economies of Slovenia's neighbours in the Western Balkans, and also in the wider EU Southern Neighbourhood.



Sweden

Sweden's first contribution to EIB trust funds dates back to 2010. This Scandinavian country has committed a total of EUR 15.3 million to two EIB trust funds. Sweden is a leading Donor to the Eastern Partnership Technical Assistance Trust Fund and also provides development assistance to countries in the EU's Southern Neighbourhood via the FEMIP Trust Fund.



Slovakia

Slovakia is one of the EIB's newest trust fund contributors. In 2017, the country pledged a total of EUR 2 million to the new Economic Resilience Initiative Fund (ERIF). The ERIF aims to mobilise investment and build resilience for economies in the EU's Southern Neighbourhood and the Western Balkans regions.



Spain

Spain first partnered with the EIB in 2004 and has contributed a total of EUR 20 million to two EIB trust funds. As a contributor to the FEMIP Trust Fund, Spain provides development assistance to countries in the EU's Southern Neighbourhood. Spain has also pledged development assistance to the EU-Africa Infrastructure Trust Fund, supporting infrastructure projects in sub-Saharan Africa.



United Kingdom

The United Kingdom is the Bank's second-largest trust fund contributor, having pledged a total of EUR 170 million since 2005 to four different EIB-managed funds, including the FEMIP Trust Fund, the Eastern Partnership Technical Assistance Trust Fund, the EU-Africa Infrastructure Trust Fund and the Economic Resilience Initiative Fund. United Kingdom funding has also enabled the EIB to launch CAMENA, a dedicated envelope for climate action initiatives in the Mediterranean region.



Impact





Climate action

The challenges

Climate change is now a significant driver of economic and social policymaking at the national and multilateral levels. There is a strong and growing consensus that climate disruption not only threatens future economic growth but also undermines aspirations for employment and poverty reduction in developing countries. Impacts from our changing climate are increasingly visible in the form of rising surface temperatures and sea levels, changes in rainfall patterns, extreme weather events, disruption to harvests and accelerated loss of biodiversity. Environmental sustainability is becoming a matter of national security in regions where water, food, and public health are suffering because of climate change.

EIB response

The European Union is a leader in international efforts to tackle climate change. Member States have a strong record of implementing innovative solutions to reduce greenhouse gas emissions in areas such as urban design and public transport.

The ambitious 2015 Paris Agreement provides an internationally accepted framework for climate action in the coming years.

The EIB prioritises activities that reduce climate change, such as decreasing or sequestering greenhouse gas emissions. Climate action also involves ensuring that assets, people and ecosystems can adapt and be resilient to climate change. The Bank's current climate strategy was rolled out in 2015. It committed the EIB to mobilise finance for projects to keep global warming well below 2°C. EIB actions are helping achieve the United Nations Sustainable Development Goal No. 13, which calls for urgent action to fight climate change.

The EIB is committed to lending at least 25% annually to climate action activities. For developing countries – often the most vulnerable to climate change – the Bank aims to increase its lending for climate action to 35% by 2020.



The solar power complex project in Ouarzazate.

Grant funding is a catalyst for ambitious climate action projects. In the case of the Ouarzazate solar power project in the Moroccan desert, a grant of EUR 30 million from the European Commission under the EU Neighbourhood Investment Facility leveraged some EUR 450 million in long-term loans from the EIB, the Agence Française de Développement and KfW of Germany for the construction of this state-of-the-art facility.

The EIB has many in-house climate change experts, both in sector teams and in the Environment, Climate & Social Office, who apply a “climate lens” to our investment projects. All the experts carefully review investments throughout the project cycle to ensure that projects are environmentally and socially sustainable, and that they meet our environmental and social standards¹. The Bank’s detailed due diligence methodology can be consulted in the EIB Environmental and Social Handbook².

The Bank has also developed innovative financial instruments to address climate action, including:

- 1) Green Bonds, which offer investors the opportunity to participate in long-term, sustainable, impact investments. The funds from the bonds support renewable energy and energy efficiency projects.
- 2) Green for Growth Fund, a layered fund to advance energy efficiency and renewable energy in Southeast Europe, including Turkey, as well as in the nearby European Eastern Neighbourhood region and in the Middle East and North Africa.
- 3) The Natural Capital Financing Facility, an instrument that supports biodiversity and climate adaptation through tailored loans and investments, backed by an EU guarantee.

1 <http://www.eib.org/infocentre/publications/all/environmental-and-social-standards-overview>

2 <http://www.eib.org/en/infocentre/publications/all/environmental-and-social-practices-handbook.htm>

Jujuy Province: a regional role model in Argentina

Located in the far north of Argentina, Jujuy Province is both poor and spectacularly beautiful. The provincial government has launched an initiative, **Jujuy Verde: Carbono Neutral 2030**, which will reshape the way the province treats its waste, moving from open air landfills to recycling centres and formalised waste management services.

The project is an example of integrated EU support as it combines a EUR 42 million investment from the EIB with a grant from the Latin American Investment Facility (LAIF) of EUR 11.3 million. "The people of Jujuy want to protect their environment, but they had no means to do it until now. The project will have impact on the whole province," says EIB Deputy Advisor Susan Antz. It is certainly comprehensive. The landfills will be replaced by dedicated facilities, including a biogas plant, waste collection and environmental centres and the equipment needed to improve waste collection, sorting and recycling.

The technical assistance component, as covered by the grant from the European Union under the LAIF, is also hugely important. At the moment, Jujuy's landfill sites are run by casual labourers, and sorting through the rubbish is often their only source of income. The idea is to engage these people, some of whom have been working as waste-pickers for over 20 years, and train them to run the new facilities, giving them formal employment and dignity.

"In many ways they are organised," Antz says. "They are already specialised in sorting the waste. What we need to do is make sure that later on they get permanent jobs and regular income with regularised hours."

The project is designed to process 200,000 tonnes of waste per year. That will meet the needs of 800,000 people, which is around the total population of Jujuy Province itself. The local population is also proud. "People want this project to happen," Antz explains.

"Indigenous populations are very enthusiastic about it. They tell us that they want to look after their homeland and they see that this is a good way to do that."

Jujuy's green credentials will receive a huge boost from these initiatives, while conditions, incomes and quality of life will improve for those men and women who work on them. The work carried out there is pioneering, from socio-economic and environmental perspectives. By 2030, the province aims to be an example of what can be done to improve livelihoods.



Removing risk from innovative green investment

Investment requirements across the globe for climate action projects are enormous, and projects must therefore attract private sector investors. To promote this, the Luxembourg Government and the EIB have joined forces to create the Luxembourg - EIB Climate Finance Platform (LCFP).

“Addressing climate change requires innovative, high impact finance solutions that mobilise the private sector, and that is the purpose of the platform,” says Isabelle Goubin, Director of the Treasury in Luxembourg. The aim of the LCFP is to catalyse private sector investment into climate adaptation projects, which remain chronically underfunded and yet very necessary.

“By making EUR 30 million available from the Luxembourg government as a first loss piece, we can positively influence investment decisions to be carried out by the EIB and then together we can encourage others to get on board,” says André Weidenhaupt, Director-General of the Environment Department of the Ministry for Sustainable Development and Infrastructure.

The LCFP has approved two transactions so far, including the Green for Growth Fund (GGF), which has a proven track record in smaller scale renewable energy and energy efficiency initiatives. Says Weidenhaupt, “this Fund already exists, but the investment through the LCFP is now allowing it to expand to the Middle East and North Africa. Due to the higher perceived risks, these regions could have struggled to find private investors but through first loss capital and the resulting substantial EIB investment, GGF

could in turn attract investors for projects in these regions.” The aim of the GGF is to achieve energy savings of 125,000 MWh, and reduce CO₂ emissions by 35,000 metric tonnes.

The second transaction is the Land Degradation and Neutrality Fund (LDN Fund), which brings together public and private investors to fund projects that reverse land degradation. The objective is to rehabilitate a total of around 500,000 hectares for sustainable forestry and agricultural use by making positive contributions to carbon sequestration, food security and employment.

“The LDN Fund is very innovative in nature and has received a lot of interest,” explains Goubin. “At the same time, it was struggling to find first loss capital to guarantee that the structure would work. The LCFP was the first investor to guarantee first loss funding, and helped trigger a further array of investors.”





A personal view

Having joined the EIB in 1998, I became one of the founding members of the Bank's Environmental Advisory Group. In 2010, I moved to the Bank's Environment, Climate & Social Office to lead the EIB's work on project-related greenhouse gas emissions. For the last three years, I have been the lead expert on climate change matters.

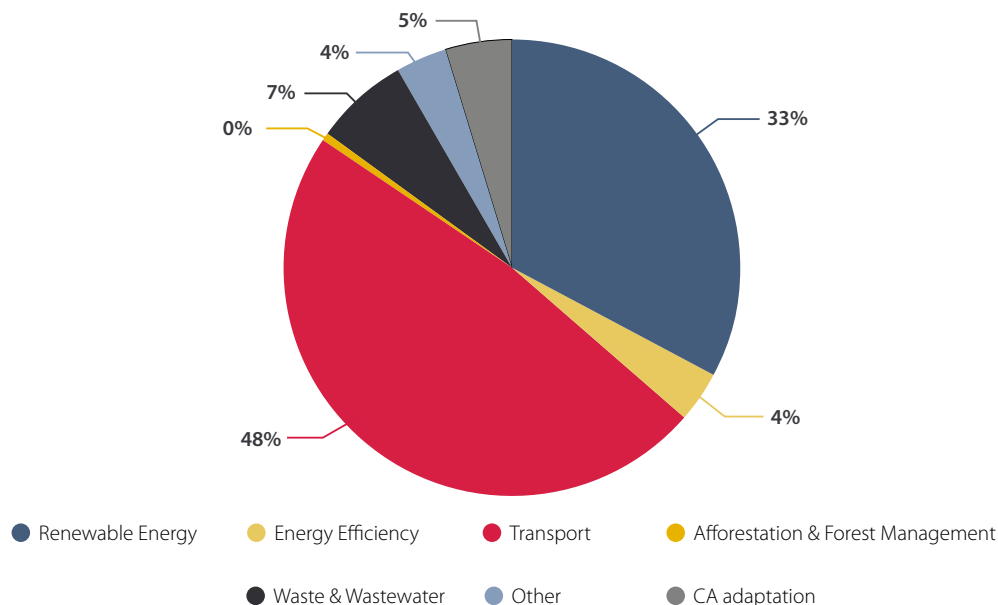
My real concern is the debate around "conflicting objectives", which I find to be a misleading distinction; we cannot choose whether to look at a project from either development or climate change points of view. The urgency with which we must deal with climate change, to avoid dangerous and unmanageable weather extremes, means that we cannot keep these topics separate. We must not look at good development projects and say that, because they address other key objectives, we do not have to take account of climate change impacts. These could be undermining the whole aim and impact of the project. We risk undermining the economic and social drivers if we do not view our projects in a holistic way. This is particularly important as we work hard to attract more private sector finance towards climate action.

A favourite project at the moment is the CRAFT fund that we are appraising. This fund is looking at technologies for adaptation, and we have been following it closely since its inception. The idea of combining the mobilising power of a fund structure with a focus on technologies to support vulnerable livelihoods and businesses in developing countries is very attractive.

Nancy Saich

Chief Climate Change Expert, EIB Projects Directorate

Donor support is driving EIB climate action outside the EU



Total EIB own-resource climate action financing outside of EU/EFTA in 2017 was EUR 2.5 billion, with EUR 1.2 billion financing in lower carbon transport projects, and EUR 800 million financing in renewable energy projects. The EIB also financed climate action projects in waste and wastewater, energy efficiency and climate adaptation.

A new priority – Alignment with the Paris Agreement

The landmark Paris Agreement on Climate was signed in November 2017. The agreement aligned country strategies and financial flows with ambitious climate action goals. The EIB's climate strategy and action plans are aligned with the Paris Agreement principles. Key aspects of the Bank's strategy include:

- Climate risk management for all projects;
- Mainstreaming of climate considerations in sector strategies;
- Development of climate action pipelines to increase support for adaptation;
- Integration of climate-related risks into the broader EIB risk framework;
- Reporting greenhouse gas emissions;
- Redirecting financial flows towards low carbon and resilient economies.

The EIB has unique technical and financial experience on climate change, and will regularly review its climate strategy. This allows the Bank to play a key role in helping the global community meet the goals of the Paris Agreement and in supporting EU climate policies and Nationally Determined Contributions. As the lead of the MDB climate finance working group on mitigation, the EIB is working to ensure that climate action definitions after 2020 are aligned with the Paris Agreement.

Enhancing safety and energy efficiency in Armenian kindergartens



Kindergartners in Yerevan, Armenia, attend classes in buildings that have many safety problems.

Many Yerevan schools are dilapidated, but a big renovation grant from European Donors for 150 Armenian kindergartens will make them more energy efficient – and safer for the children. Falling plaster, peeling paint, cracked walls, chipped facades, drafty windows, leaky roofs, faulty heating systems... The list of problems goes on and on for Armenian kindergartens, and the children suffer the most.

The decaying school buildings in Yerevan, the capital of Armenia, make life uncomfortable for teachers and support staff, but also potentially dangerous for the youngsters attending classes each day.

“Children’s health and safety is paramount,” says Armine Hayrapetyan, the director of a kindergarten in Yerevan.

Children are **the most at risk**

Daily life for children and their educators will improve soon. A reconstruction project that runs until 2020 is rehabilitating nearly 150 kindergartens in Yerevan to make them energy efficient. The works will insulate pupils and teachers from the big temperature swings between the Armenian summer and winter and increase building resistance to possible seismic activity. Dangerous cracks will be fixed and walls reinforced, insulation will be added to roofs, and the interiors will get new plaster and new paint. Energy efficiency measures include modern heaters and LED lighting, with power provided by new solar energy systems.



Armine Hayrapetyan, director of Yerevan kindergarten No. 110, says children’s health is the driving force for the renovations.

“Renovation of just our doors and windows is extremely important, as children are more susceptible to disease,” says Anoush Davtyan, whose four-year-old son, Karen Apresyan, is in kindergarten No. 110 in Yerevan.

The work is supported by a EUR 5 million grant from the Eastern Europe Energy Efficiency and Environment Partnership. The European Investment Bank helps administer this fund. The money comes from the European Union and other Donors to help energy projects in Ukraine, Moldova, Georgia, Armenia, Azerbaijan and Belarus. The fund shows countries how to save money on energy use, reduce carbon dioxide emissions and protect the environment.



This is the largest kindergarten in Yerevan, in the heart of the Erebuni district of the city.

Cutting **emissions and expenses**

The grant for the kindergartens, signed in June 2018, comes on top of a EUR 7 million EIB loan signed in 2017 to help Yerevan make energy-efficiency improvements in public buildings across the capital.

The Yerevan kindergarten project will reduce carbon dioxide emissions by over 5,500 tonnes annually, contributing to climate change mitigation in Armenia. The city will lower its energy bill by more than EUR 1 million per year. The project will make the school day safer for 34,500 children, teachers and other staff members. Davtyan, a school parent, says the project would not have happened without the EU bank’s support. “That’s why the energy efficiency programme of the European Investment Bank is extremely important to us,” she says. “The kindergartens will be renewed and our lives will be safer.”



The Yerevan kindergarten project will make buildings more resilient to the big temperature changes between summer and winter.



Jobs and small businesses

Inga Gelovani, owner of a clothing store,
Tbilisi, Georgia

The challenges

Across the globe, small and medium-sized enterprises face particular challenges. As motors of the economy, they represent the vast majority of companies and are the largest aggregate job creators. Despite this key role in wealth creation, they are often chronically underfunded due to insufficient financial intermediation – whether for short-term working capital or longer-term investment loans and equity. Small businesses cannot reach their potential if the right funding options are not available.

The entrepreneurs of tomorrow often start as market traders. The availability of microfinance can significantly boost the economic prospects of this sector of the economy. Microfinance availability remains insufficient in many regions, despite some interesting success stories such as M-Birr in Ethiopia, supported by the EIB.

In the EU Southern Neighbourhood, significant numbers of migrants, many of whom are of working age, are currently living in countries such as Lebanon and Jordan. Whatever the long-term solutions, it is important to provide these migrants with opportunities to work and to better support their families today. In this way, they can also contribute to the economies of their host countries.

EIB response

The EIB has historically played a significant role in supporting SMEs, both in Europe and further afield. Thanks to our Donors, the range of EIB actions in support of local jobs and SMEs is expanding.

In 2017, the EIB approved EUR 29.6 billion for SME lending worldwide, supporting over 285,000 SMEs. Outside of the EU and the EEA, EIB lending has supported over 540,000 jobs in SMEs, mid-cap companies and microenterprises – thus making a significant contribution to the UN Sustainable Development Goal No. 8 (Decent Work and Economic Growth).

Like other international finance institutions, the EIB does not have a retail banking network and therefore works through carefully selected banking partners with a local presence. This allows us to support the full range of SMEs by providing financial resources that benefit both export-driven, mid-sized companies in Europe and small market traders in developing countries via microfinance.

Helping Caribbean and Pacific businesses **face adversity**

The Caribbean and Pacific Impact Finance Facility (CPIFF) received EUR 40 million of investment from the EIB's Impact Financing Envelope in 2015. The facility supports financial and microfinance institutions in the Caribbean and the Pacific, which on-lend to small enterprises in both regions.

"On a global scale, these regions are comparatively small – but proportionally we deploy a lot of funding, especially to microfinance. That means more jobs and small businesses," says EIB Investment Officer Yves Ferreira.

A 2016 project in the Dominican Republic with the Banfondesa microfinance institution demonstrates the CPIFF's versatility and impact. The EIB's loan focuses on parts of the Dominican Republic that are underserved financially – from Monte Cristi in the North to Pedernales in the South, and along the Dominican-Haitian border. Economic and social problems here are deep and complex. These areas are also vulnerable to climate change, inadequate water supplies, food insecurity and related health issues.

"We are promoting financial inclusion of vulnerable sectors in these regions, an essential step in getting people out of poverty." "This is directly benefitting over 25,000 families and indirectly benefitting around 115,000 people by granting credits without collateral in amounts ranging from EUR 500 to EUR 50,000," says Banfondesa President Cristian Reyna. The target beneficiaries include self-employed workers, individual employees, and microenterprises. Financing will target women, young entrepreneurs and company start-ups.

In Haiti, a similar approach applies to the EUR 3 million loan agreement signed with Action pour la Coopération avec la Microentreprise (ACME). "Again, we are seeking to broaden access to finance for women and rural borrowers, but there is another aspect to this. Through ACME, we are providing 20,000 microloans in areas that were hit badly by Hurricane Matthew," Ferreira explains.

The EIB also plays a role in post-conflict environments. "An operation with KIF in Timor Leste has been signed, and we are waiting to disburse it," says Ferreira. A particular focus for KIF is the agricultural sector and the improvement of lives for women and families. This operation would not have been possible for the Bank without the ACP Impact Financing Envelope and the CPIFF.



Small enterprises can achieve big ambitions



Abu Mosa bakery, West Bank.

Small businesses are the backbone of most economies in the Southern Mediterranean region and play an important role in job creation, innovation and sustainable economic growth. SMEs account for around 80% of active firms in the region, providing over 60% of total private sector employment. Yet, access to finance remains a significant challenge for such businesses.

“We know our partner countries are facing many challenges and we want to help reinvigorate growth”, says Luca Ponzellini, EIB loan officer with responsibility for operations with Arab Bank in the Southern Neighbourhood region. “Our ultimate goal is to lift the economy and create new opportunities in countries affected by the migration crisis. EIB lending to SMEs and mid-caps aims to increase access to finance – and thereby help countries to better respond to shocks and to boost job creation, including for young people and women. Enhancing prospects for more resilient and inclusive growth and creation of sustainable

employment opportunities are crucial to improve living standards.”

On the ground, the EIB is working with local partner banks who have direct and often daily relationships with SMEs. First operations are already starting to make a difference for small firms in Lebanon and Jordan as well as Egypt, Morocco and the West Bank. Many of these areas have received migrants in recent years. Such lending via partner banks is set to benefit over 1,300 smaller businesses and mid-caps, helping to sustain more than 54,000 jobs.

“Small business are often unbanked and do not have access to credit. The local banking sector in general is risk averse in Southern Neighbourhood countries. With the Arab Bank operation for example, we are trying to provide them with the type of long-term funding they need to help small businesses, entrepreneurs and others,” Ponzellini explains.

Building capacity to **improve financial inclusion**

In Egypt, a first ERI technical assistance operation with the Export Development Bank of Egypt (EBE) will enhance outreach to smaller business by streamlining operations and modernising EBE's product offering.

"We want to support our partners in lending more and better to the powerhouse of the economy," says Liliya Chernyavs'ka, who is working with EBE to deliver the technical assistance. Through capacity building, the EIB is

helping EBE to promote private sector development and job creation more effectively, thereby also catering to the needs of underserved groups including women, young people and very small businesses.

Osama Mohamed Ismail, AluNile, Egypt.





A personal view

Prior to joining the EIB over 20 years ago, I worked as a consultant for promoting entrepreneurship in developing countries. My first 16 years at the Bank were spent working as a loan officer, including ten years covering West Africa, followed by North Africa and the Indian Ocean region. I subsequently worked on mandate management (ACP-Cotonou and ELM), which provided a real overview of what the EIB does in developing countries. Now I am working on institutional and policy aspects in the Neighbouring Countries, notably the Economic Resilience Initiative.

The areas of access to finance and financial inclusion are crucial for the development of our partner countries, and the EIB approach is very comprehensive. We provide the necessary financing to cover the whole range from microfinance to equity to long-term financing and combine this with capacity building for financial intermediaries and entrepreneurs themselves. The way we are doing things is also changing. We are focusing on impact, adding more upstream advisory services and capacity building measures in addition to blending our financing with grant money where required (for example via partial portfolio guarantees), and hence really adding value.

In the case of ERI, the EIB is responding to the migration crisis systematically: by investing in particular in the private sector, small businesses and entrepreneurs as well as the conditions to help their development. This is something we are doing in other areas too: the potential benefits of the Boost Africa initiative are enormous. We are empowering the next generation of business leaders and providing the platforms for them to develop their ideas. In terms of local job creation and innovation, these cutting-edge projects are very gratifying to be involved in.”

Heike Ruettgers

Head of Division, EIB Neighbouring Countries Department



Promoting the private sector via the new Economic Resilience Initiative

The Economic Resilience Initiative (ERI), launched by the EIB at the request of the European Council, is mobilising additional financing in support of growth, vital infrastructure and social cohesion in the Western Balkans and the EU's Southern Neighbourhood.

Existing and potential contributors to the ERI Fund – including representatives from Bulgaria, Estonia, Finland, France, Germany, Ireland, Latvia, Malta, Spain and Belgium – gathered in Luxembourg in February and also in May 2018 to learn more. These encounters included interactive workshops to discuss progress on ERI implementation as well as the pipeline of ERI projects. The common objective of Donors and the EIB is to promote longer-term economic growth in the region, providing local jobs that improve lives.

Cumulative pledges to the ERI Fund from Croatia, Italy, Lithuania, Luxembourg, Poland, Slovakia, Slovenia and the UK have nearly reached EUR 130 million. This joint response by the EU bank and its shareholders is addressing migration challenges and creating new opportunities in the EU's Southern Neighbourhood and the Western Balkans. There is a special focus on young people and women, including through private sector development and access to finance for smaller businesses.



Acceleration for Tunisian entrepreneurs

An EIB seed accelerator programme is creating jobs and helping start-ups **get ahead**

Despite the name, a “seed accelerator” has nothing to do with farming and everything to do with helping new businesses grow.

Mondher Khanfir, an engineer and venture capitalist, runs a seed accelerator firm in his homeland Tunisia. Such firms provide entrepreneurs with early stage investment – known as pre-seed and seed funding – as well as training and, in some cases, open-lab office space. These different supports can be critical in helping young entrepreneurs to create companies that are innovative and have high growth potential.

It takes around two years for a Mediterranean digital start-up to go from incubation and acceleration to

fundraising. “This is a very long time. In fact, it’s killing many potential good start-ups,” Khanfir says.

His own experience proves his point. In the late 1990s, when he was a young entrepreneur trying to start his first company, he was “shocked at the level of bureaucracy, administrative hurdles and clearance procedures. Everything was a nightmare. Only six months later, I left the country.”

Khanfir finally returned to Tunisia for a second attempt to start new businesses. Today one of his companies is WikiStartup, a seed accelerator dedicated to supporting talented young entrepreneurs, showing them that they can stay in their home country and succeed.

Seed accelerators such as WikiStartup play a crucial role in local economies by helping start-ups succeed at home. That is especially important in Mediterranean markets suffering from political instability or slow

economic recovery. Seed firms support the local entrepreneurial ecosystem and first-time job creation in a region where youth unemployment is a big issue.

Targeted help for the **private sector**

WikiStartup benefitted from a EUR 2 million European Investment Bank seed accelerator programme dedicated to the Mediterranean region, with money coming from the Donor-supported FEMIP Trust Fund. This Fund complements the Bank's other activities in the Mediterranean region by financing upstream technical assistance, regional studies and targeted risk-capital operations that accompany innovative private sector companies.

The FEMIP Trust Fund has supported workshops in eight countries, including the US, France, Germany, Turkey and Denmark, to help seed accelerators in the MENA region like WikiStartup engage with other seed accelerators and improve their ability to aid start-ups.

"We were happy to see that all start-up entrepreneurs share the same mind-set – take risks, look for knowledge capital, think out of the box, be very open and creative," Khanfir says.



Mondher Khanfir created the first private seed accelerator in Tunisia, WikiStartup, to encourage entrepreneurs.

An EIB seed accelerator programme is helping entrepreneurs in Tunisia and other Mediterranean countries.





Sub-Saharan Africa

The challenges

Africa is home to several of the world's poorest countries and faces numerous development challenges. Sub-Saharan Africa is experiencing rapid population growth. Job creation, electrification, transport links and other infrastructure upgrades are not keeping pace. The financial sectors of many African countries are undercapitalised and risk-averse, restricting access to finance for entrepreneurs and small businesses.

Many population centres are also vulnerable to climate-related shocks such as droughts and flooding, and lack the resilient infrastructure needed to cope. Food and water security are also absent for millions of people, which can lead to the spread of serious diseases. Without sustainable growth and employment, many of the young will continue to migrate, undermining Africa's medium-term prospects.

EIB response

EIB activities on the African continent follow the European Union's External Policies and are in line with the

Agenda for Change and the New Consensus for Development – placing the achievement of the UN Sustainable Development Goals front and centre.

The European Investment Bank has been active in Sub-Saharan Africa since 1963, when the Bank made an inaugural investment in a banana packaging and export business in Côte d'Ivoire. Across the continent, the Bank supports projects in all regions and multiple sectors using an array of financial instruments. These include the EU-Africa Infrastructure Trust Fund, which provides grant funding to get complex infrastructure projects off the ground, and the ACP Investment Facility, which catalyses investment in private sector projects.

In addition, the EIB has designed and implemented the EUR 500 million Impact Financing Envelope, which supports higher risk, high-impact projects. The Bank also invests its own resources in Africa, mainly for public sector initiatives. In North Africa, which is outside of the ACP grouping, the EIB works actively within the framework of the European Union's External Lending Mandate and the EU Neighbourhood Policy.



Tariku Wado, M-BIRR Mobile Banking Service.

Protecting the population around Africa's largest lake

At first sight, Africa's largest fresh water lake – the majestic Lake Victoria – seems impervious to the manifold challenges Africa is facing. Water stands for life and for economic opportunities, and Lake Victoria has always attracted people searching for better lives. In recent years, this has created serious problems. Population density in the Lake Victoria catchment area has risen almost seven times the African average and the infrastructure has not kept pace with this surge. Proper wastewater and sanitation facilities are lacking, putting both human life and the ecosystem in danger.

In response to a request from the Ministers of Water of the East Africa Community, a Lake Victoria Water and Sanitation initiative was designed by UN-HABITAT. It is an integrated package of measures, including water supply and sanitation improvements, solid waste management, drainage improvements in key areas, as well as capacity building and training for local utilities and town planners.

Of the three countries bordering the lake, Tanzania has the longest shoreline. The EUR 104.5 million Lake Victoria Water and Sanitation Mwanza project is the Tanzanian component of this initiative. The project focuses on the most populated areas – Mwanza (Tanzania's second town) and its satellites Musoma and Bukoba. In Mwanza, the project foresees the construction of a new wastewater treatment plant with a sewer network, including a sanitation programme for 250 schools. Musoma and Bukoba will benefit from a new, centralised wastewater system.

“When I first visited Mwanza, the situation was quite alarming. A substantial part of the city consists of informal settlements built upon a rocky slope. There was no sewerage system, so the outflow from the latrines ended up running down the hill, through people's homes, and into the lake. There was dirt



and foul odour everywhere. Now that we've installed the pipes, this is history – a real improvement in people's quality of life," says Raoul Pedrazzani, loan officer for public sector projects in Sub-Saharan Africa. "In addition, we also installed some concrete stairs as we realised that it was extremely difficult for the citizens to move around in the steep and unsteady terrain. The installation of the stairs was not originally foreseen, but adds greatly to the benefits of the project for local people."

Total project cost:

EUR **104.5 million**

of which EUR **45 million** from EIB

Co-financiers:

AFD, Government of Tanzania

Grant support provided by:

ACP IF EUR **3.93 million**

EU-AITF EUR **17.7 million**

Donor grants and results

A project of such complexity would be impossible without the grants provided by the European Commission and EU Member States, through the EIB-managed ACP Investment Facility and the EU-Africa Infrastructure Trust Fund. Technical assistance grants totalling EUR 10.9 million finance design, tendering, capacity building, supervision of works and implementation. An interest rate subsidy of EUR 10.7 million on the EIB loan allows the Government of Tanzania to undertake this important project despite limited external borrowing capacity.

Construction is ongoing, and the project is already delivering improvements. Thanks to the installation of a wastewater treatment system in informal settlements around Mwanza, many residents have access to clean water in their homes for the first time. A new public staircase has improved access to higher parts of the informal settlements. A school has benefitted from the installation of new toilet blocks. Overall, by 2020, the project is expected to result in:

- 5,000 new connections to the water supply
- 54,000 households benefitting from safe drinking water;
- 48,000 households receiving better sanitation services;
- 3,000 connections to wastewater evacuation.



A personal view

“If you want to develop our continent, invest in our people too!”

Having previously worked for the African Development Bank, I joined the EIB in 1997 as a loan officer covering Central Africa. I was appointed head of the EIB's Nairobi regional office when it opened in 2005 and subsequently headed the Pretoria office too, after taking a sabbatical to set up a business incubator in Uganda. I am now back at EIB head office in Luxembourg, in charge of technical assistance programmes for private sector development in sub-Saharan Africa.

A highlight from my time in Pretoria was the establishment of the Southern Africa Banking Academy, open to our partner banks and microfinance institutions across the region. This is an annual gathering to discuss new banking practices, and to share strategies and experience in areas such as SME and micro-enterprise development, governance, environmental and social standards and anti-money laundering.

We are going to establish similar academies for East Africa and West Africa too, where financial inclusion, digital finance and small-holder agribusiness lending will be key focal areas. In contributing to African development, institutions such as the EIB should invest more in capacity building, and concentrate as much on skills development and training people as we do on financing capital investments. As one promoter in South Africa told me, “Don't just invest in our plants. Invest in our people too!”

One of the best ways to do this is to invest in universities, technical and vocational schools, alongside our projects. Africa needs more investment in human capital so that local knowledge and expertise can flourish. Project preparation is key, and trust funds can play a huge part here. This is something we have seen with the success of the EU-Africa Infrastructure Trust Fund. Investing in extra human capacity, alongside the appropriate legal and regulatory frameworks, will enhance project quality, improve sustainability and create an even brighter future for the African continent.

Carmelo Cocuzza

Head of Unit, Global Partners Department, EIB





Boosting finance for African tech entrepreneurs

The venture capital industry is very young in sub-Saharan Africa, but is growing quickly and will be of vital importance for a continent that requires huge investment across the board. In Boost Africa, the EIB, the African Development Bank and the European Commission have combined forces to create a EUR 200 million fund of funds with a focus on tech start-ups across the African continent. “The aim of Boost Africa is to start an industry by empowering African investors,” says EIB investment officer Paola Ravacchioli. “We are not looking to compete with them.”

Boost Africa is structured to encourage a wide range of players to get involved in a nascent market for Africa. On the investor side, the EIB and the African Development Bank are encouraging others to invest in Boost Africa. Locally-owned investment funds, which may lack investment experience, are provided with a supporting environment. “We are looking to provide technical assistance to make first time fund management teams investment-ready, and provide training out of the top drawer,” Ravacchioli says.

The first investments from Boost Africa benefitted TL Com Tide Africa Fund and Partech Ventures, both of which are looking across borders for bankable start-ups. “We have been pleasantly surprised by how many of the proposals we receive are taking a regional approach,” Ravacchioli says. In fact, the first investment through the Tide Africa fund is a good indicator of where Boost Africa is going.

Andela, headquartered in Lagos and with hubs in Kampala and Nairobi, is a company that identifies and trains software developers across the African continent. Andela’s goal is to train 100,000 software coders by 2020. Given that the company was only set up in 2014, this target is ambitious but attainable. These coders are then placed with multinational companies across the world, often working remotely and earning salaries commensurate with those of other employees. The aim is to achieve a 50:50 gender split. At this early stage, 25% of Andela’s coders are female, compared with a global average of 7%.

There are great business ideas everywhere in Africa, and talented entrepreneurs looking to turn their initiatives into the leading companies of tomorrow. Likewise, there are plenty of individuals and groups who are looking to invest in these businesses. Boost Africa is demonstrating how to bring the two together, to support fund managers and help businesses find funding. The EIB believes that the model can be scaled-up significantly.

“We want to create a network,” Ravacchioli says. “This collaborative approach is definitely getting noticed. Fund managers are coming to us, but financial institutions are too. Collaboration on deals makes them stronger and better. It’s a win-win situation for everyone.”





Donor Mandates – Multiplying EIB effectiveness in sub-Saharan Africa

A number of African countries are classified as Heavily Indebted Poor Countries by the IMF and World Bank. That makes them subject to certain debt sustainability requirements, so they can only take on loans where a concessionality element is included. Grants (for example interest rate subsidies or investment grants) help reduce the debt burden for the borrowers, allowing these countries to continue to invest. The leverage effect can be quite striking. In the case of the EU-Africa ITF, every euro of grant support has leveraged over 18 euros of investment.

- In difficult investment climates (such as high-risk sectors or countries perceived as politically fragile), Donor-funded grants encourage public and private sector investment by providing financial incentives or risk-mitigation mechanisms. This helps attract funding that would otherwise not be available.
- Technical assistance grants have contributed to strengthening the capacity of numerous African project promoters and financial intermediaries. Benefits include a greater awareness of social and environmental criteria, accelerated project implementation and higher project quality standards.
- Grant support can also enable project upgrades that make a real difference for local populations. Certain transport sector projects in sub-Saharan Africa have applied grants to ancillary components such as pedestrian bridges or lighting to make

roads safer. In a number of energy projects, grant-financed components such as last-mile connections help extend electricity access to previously inaccessible areas.

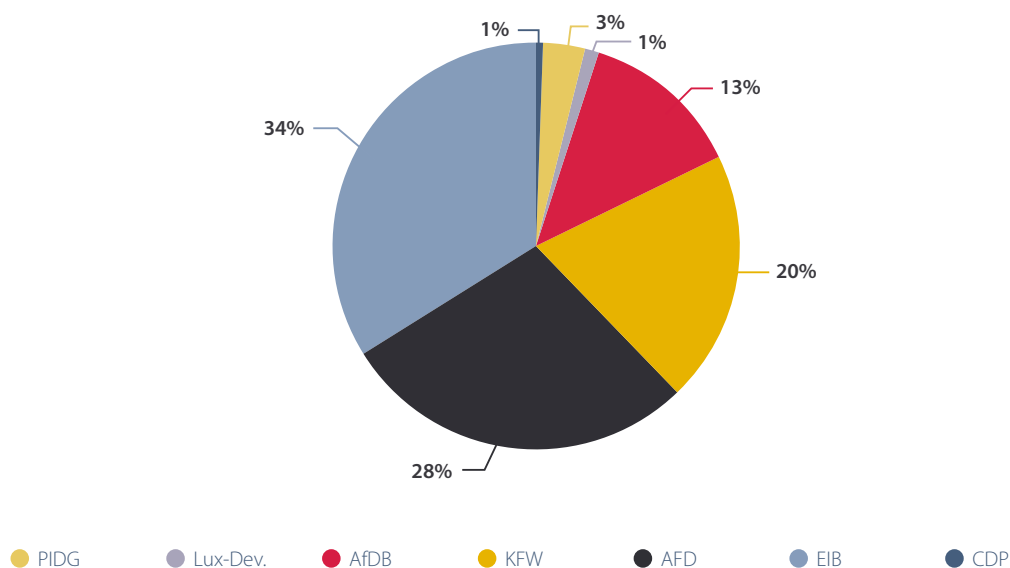
The EU-Africa Infrastructure Trust Fund - Teamwork in **development finance**

The EU-Africa Infrastructure Trust Fund (EU-Africa ITF) was designed and launched in 2007 by the European Commission and EIB, and rapidly attracted the support of Member States. The fund introduced a novel mechanism for informal and effective cooperation between leading development finance institutions, by allowing each Donor to nominate a Development Finance Institution to act as a lead financier. For example, the European Commission nominated the EIB while the United Kingdom nominated the African Development Bank (AfDB). Together, these financial institutions form the so-called Project Financiers Group.

This Project Financiers Group assesses all projects proposed for grant support from a technical perspective before they are submitted to the Donors of the Fund for a financing decision. Co-financing between the Project Financiers Group members is encouraged and in many cases obligatory. This bottom-up approach ensures that African needs are properly understood, so Donors can better target their scarce aid resources. Aid fragmentation is reduced, which is a big help for African governments. The pioneering approach of the EU-Africa ITF has served as a model for subsequent EU trust funds and blending instruments.

Development Finance Institutions in partnership

(breakdown of EU-Africa ITF net grant approvals by lead financiers)



Did you know?

- Since 2003, the Bank has invested around EUR 9 billion in some 300 projects in sub-Saharan Africa, from the ACP Investment Facility, EIB own resources and the more recent ACP Impact Financing Envelope.
- Infrastructure projects and support for the financial sector represent the majority of projects, but the EIB has also invested in agriculture, education and health services. These sectors can be risky, but the positive impacts can be huge. The Boost Africa initiative, mentioned previously, is expected to create 25,000 jobs on the continent by investing in technology-focused entrepreneurs.
- With voluntary contributions exceeding EUR 800 million from the European Commission and 13 Member States, the EU-Africa ITF is currently the largest trust fund currently managed by the EIB – and one of the leading trust funds in the world dedicated to sub-Saharan Africa. Since 2007, Donor contributions have financed 119 grant operations under the EU-Africa ITF, supporting 86 complex infrastructure projects with cross-border impact.



Margaret Anyango

Africa Let there be d.light

Lighting the way for homes and businesses

Electricity is a prerequisite for economic development. Yet, vast areas of the African continent remain unconnected to electricity grids or chronically underserved by expensive and unreliable power. Despite many new projects, African demand is outstripping supply. The grid is not the only solution however – nor does it have to be. Not when there are ingenious companies like d.light.

d.light provides solar-powered electricity products to improve daily life, from solar-powered lanterns and torches all the way to complete home kits for lighting, television, radio and mobile phone charging. All are providing clean power – and all are costing around one-third the price of power from the grid. d.light products eliminate the need for dirty, pricey and unreliable diesel generators and kerosene lamps, which are health and safety hazards.

“We’re present in Kenya, we’re increasingly present in Africa, but our target market is simply those who do not have a reliable source of energy, and those who are outside of the grid,” says Geoffrey Aswani, d.light sales manager for Nairobi. Within only a few years, d.light reached 200,000 customers in Kenya, and today has sales in over 60 countries. The EIB is supporting the company’s rapid growth via a EUR 25 million investment from the ACP Impact Financing Envelope.

“People here work until late in the evening,” says Margaret Anyango. “And at this time they are running around trying to get their groceries. There is a demand, but if you do not sell your produce that day, you can’t just keep them until the next day. It’s a waste.”

Margaret runs a fruit and vegetable stall in Nairobi and is a d.light customer. “I was operating at a loss before d.light,” she says. “Now I open at 7 in the morning and close at 10 in the evening. My customers can always see my shop is open, even from a distance. When I close, it is because I want to rest. Not because there is no light.”

Josephine Wanjiru agrees. The 26 year old and her family live in Joska, around an hour’s drive from Nairobi if you are lucky with the traffic. “I work part-time in my family’s butchery, where we sell meat and we make, cook and sell samosas. Before, we used to close at around 10 pm, but now with the d.light, we close at around midnight. So it means that we make more money than before.

Josephine Wanjiru





Catherine Maina

The profit margin has risen, and the money that we save, we reinvest it in our business."

d.light was born out of tragic circumstances. In 2004, the founder, Sam Goldman, was working as a volunteer in Benin, when his 15-year-old neighbour was burned by fire following an accident with a kerosene lamp. Today, d.light is looking to make life better for millions of people across the world. It is work-

ing so far. "d.light systems mean children can do their homework at night. They help parents prepare supper for their children more safely, using this source of power to see what they are doing," says Geoffrey.

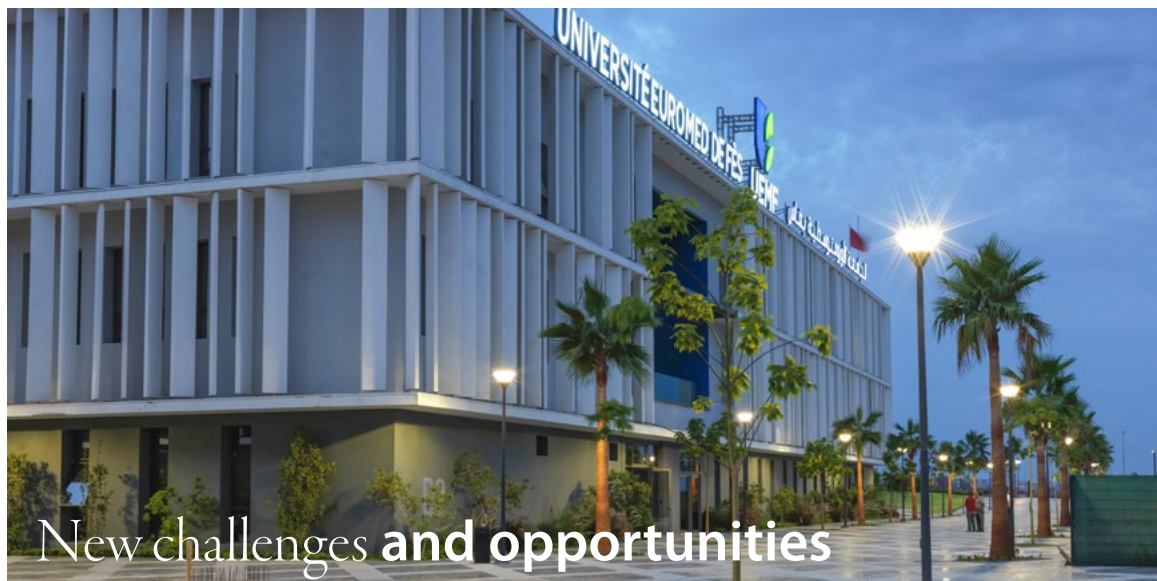
The impact of d.light products on the lives of customers is extremely positive. They change how businesses run and how households function, using a solution that works

for Africa. Off-grid power is clean, affordable and reliable – driven by sunshine, Africa's most plentiful energy resource. We can expect many millions of people to find a better life with d.light.



Looking Ahead





The United Nations Sustainable Development Goals bear witness to the major development challenges confronting the international community. Action is required on many fronts. Collective action is essential, as reflected in the 17th Goal (“Partnerships for the Goals”).

As part of the collective European Union response to these challenges, the EIB is launching a series of targeted funds from our new Partnership Platform for Funds (PPF). As a number of existing instruments gradually reach the end of their lifecycles, this new platform enables the EIB to maintain and reinforce support for EU development initiatives.

Three funds launched under the Partnership **Platform for Funds**

As outlined in the Impact section, the **Luxembourg-EIB Climate Finance Platform (LCFP)** is seeking to catalyse private sector investment in climate adaptation projects. The international community needs to be more proactive and seek not only to reduce future emissions, but also to address existing consequences of climate

change. The EIB is financing such adaptation projects in the Caribbean and the Pacific Islands, and is working on similar initiatives in the Middle East.

Like the LCFP, the new **Water Sector Fund** demonstrates how Donors and the Bank are anticipating the need for new types of investment. Baseline financial returns on needed water sector projects are often low; the temptation is to postpone investments that are not immediately necessary. However, without investment now in resilient water infrastructures, we will not make the required progress towards the Sustainable Development Goals. By contributing to funding for the expertise required to make sustainable projects in a difficult sector, Donor grants increase both the operational and financial performance of projects, for the benefit of local people and national budgets.

The EU Southern Neighbourhood and sub-Saharan Africa have strong growth potential as a youthful population enters the workforce. The EIB and its partners can help by leveraging our financial instruments and grant funding to target investment in job-creating sectors. To help kick-start this next phase of regional development, the **Economic Resilience Initiative and ERI Fund** are

already delivering investment in the Southern Neighbourhood and Western Balkans. As an example, the ERI Fund has recently financed technical assistance from UNIDO for the construction of three sustainable industrial zones in Lebanon. By supporting such local infrastructures, ERI contributes to the development of small businesses and private sector jobs in Lebanon.

Donors can positively contribute to all stages of the project cycle – by funding technical assistance, investment grants, interest rate subsidies and specialised financial instruments. EIB-managed trust funds provide the flexibility to target Donor grants towards the project cycle stages where needs are greatest, and impact is maximised.

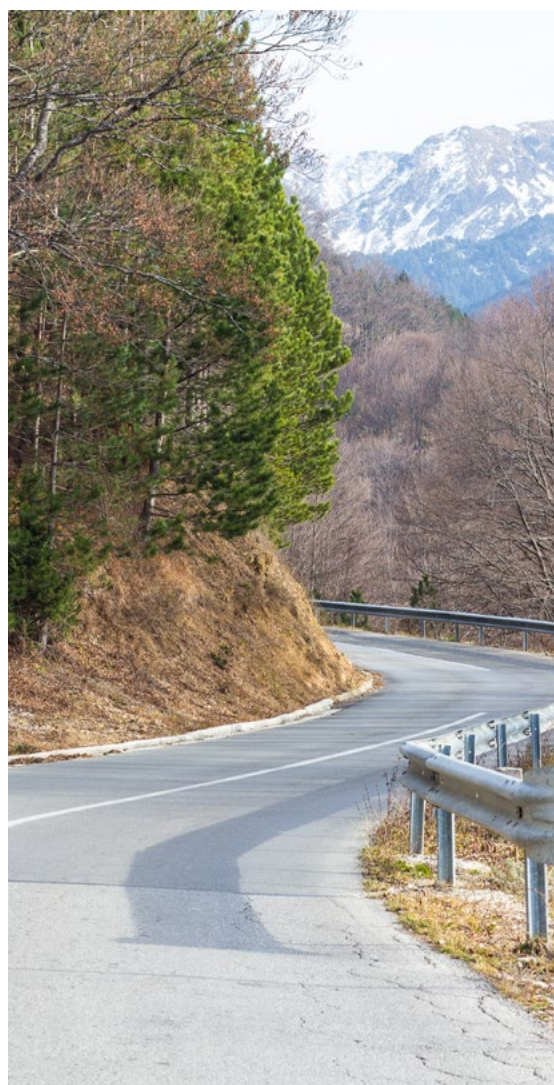
Promising avenues for the future

The **ACP Migration Package**, launched in 2016, is providing support for sub-Saharan Africa, the Caribbean and the Pacific by reinforcing infrastructure finance – vital for private sector development. The existing EUR 500 million **ACP Impact Financing Envelope** is being made into a revolving fund, to unlock an additional EUR 300 million for investment in migration-focused private sector initiatives. The envelope will target investment funds that, in turn, invest in companies providing essential services to poorer people.

A vision to develop quality, low-cost diagnostic facilities for rural populations in Africa is leading the EIB to engage with leading philanthropic organisations. By accelerating the diagnosis of illnesses such as malaria, tuberculosis and HIV, faster and more targeted treatments can save lives and improve general health. Currently at an advanced design phase, the future **European Health Guarantee Platform for Africa** will enable the European Commission and the EIB to join forces with the pioneering Bill and Melinda Gates Foundation. African governments will be able to engage private sector service providers; a guarantee backstop will facilitate payments for services and encourage further investment into healthcare in the region.

Looking ahead, the EIB Group has identified **venture capital in sub-Saharan Africa** as a key vector for development. We are also beginning to see fresh approaches in many countries to issues such as rural electrification, transport infrastructure and digital connectivity. As innovative companies and business leaders find creative, scalable and bankable ways to improve lives, the EIB will play its part.

Route 6, Kijeve to Peja.





Resources and contacts

New resources for EIB Donors

As part of our commitment to enhance dialogue with our Donors, the EIB has upgraded or expanded a number of outreach tools and activities. Donors can find these resources here:

www.eib.org/donors

New online resources: A quarterly Donor e-Newsletter was rolled out in March 2018 to update Donors on the latest activities as well as share success stories and expert views.

New common platform: The EIB launched the Partnership Platform for Funds in 2017 to manage EIB trust funds. The platform will strengthen operational efficiency by streamlining and standardising the procedures of EIB trust funds. This new framework provides regular and enhanced reporting.

New annual event: The EIB inaugural Donor conference will take place in November 2018. This annual forum will enable Donors, beneficiaries and the EIB to share their knowledge and experiences, and to reflect on tomorrow's challenges through a series of panel discussions. The conference is also an opportunity for Donors to share their objectives and identify areas for more cooperation.



Donor **contacts**

Investment opportunities

If you want to know more about investment opportunities with new or existing EIB trust funds, please contact our Trust Funds and Financing Partnerships Unit in Luxembourg:

donor-relations@eib.org

The Trust Funds and Financing Partnerships Unit is part of the Mandate Management Department, within the EIB's Operations Directorate. This Unit manages the new Partnership Platform for Funds, and leads on dialogue with Donors for the design of new instruments.

Donor committees

If you are a Donor and wish to receive information about Contributors Committees and agendas, please contact the **EIB Trust Funds Secretariat** in Luxembourg:

tfsecretariat@eib.org

The Trust Fund Secretariat is part of the EIB's General Secretariat Department, and serves as the primary contact for all matters relating to Contributors Committees. The Secretariat prepares the agenda and dispatch of the documents for each meeting, coordinates the questions and answers process prior to the meeting, and drafts minutes together with agreed action points. It is also responsible for the calendar of meetings and procedures for the appointment of committee members.

EIB – Did you know?

- The EIB was established in 1958 by the Treaty of Rome.
- The Bank's first home was Brussels. In 1968, it moved to Luxembourg. In 1980, the EIB relocated to an award-winning building on Luxembourg's Kirchberg, designed by the British architect Sir Denys Lasdun.
- The first President of the EIB was Pietro Campilli of Italy. The current head of the Bank, Werner Hoyer, is our 7th President.
- The Bank had fewer than 70 employees in 1958 and now has more than 3,000.
- In the early days, it was not unusual for senior staff to have fought on different sides of World War II. In the operations department, a manager who had served in the Luftwaffe worked alongside another manager from the Royal Air Force. In turn, their director general had defended a town in Italy that another staff member, who had been a French officer, helped liberate.
- The first EIB loans were to Italian companies in 1959, for electricity and plastics plants.
- Today, the EIB's mission is to invest in projects across Europe and the world that help economies and improve lives. The EIB focuses on four areas: innovation, small businesses, climate and infrastructure.
- The European Investment Bank and the European Investment Fund form the EIB Group. The EIF was established in 1994 as a public-private partnership, specialising in venture capital and risk finance for smaller businesses.
- The EIB is self-financing. We raise money by issuing bonds on international capital markets. Our excellent rating and shareholder backing allow us to borrow at good rates.
- The EIB Institute was set up in 2012 to better serve the community and exchange ideas. The Institute supports social, cultural, and academic initiatives around Europe, including an innovation competition for social entrepreneurs and classes that teach students about finance.

EUROPEAN INVESTMENT BANK

DONORS

2019

IN ACTION



European
Investment
Bank



European Investment Bank
98-100, boulevard Konrad Adenauer
L-2950 Luxembourg
☎ +352 4379-22000
www.eib.org – ✉ info@eib.org

