



**European
Investment
Bank**

The EU bank

A circle of twelve blue stars, arranged in a ring, positioned behind the text 'The EU bank'. The stars are of varying sizes and are slightly offset from each other, creating a dynamic circular pattern.

The EU bank



- Natural financing partner for the EU institutions since 1958
- Around 90% of lending is within the EU
- Shareholders: 28 EU Member States

Investing in Europe's growth

The EIB at a glance

- Largest multilateral lender and borrower in the world
 - Raise our funds on the international capital markets
 - Pass on favourable borrowing conditions to clients
- Some 440 projects each year in over 160 countries
- Headquartered in Luxembourg and 30 local offices
- Around 2 400 staff:
 - Not only finance professionals, but also engineers, sector economists and socio-environmental experts
 - More than 50 years of experience in financing projects

Lending priorities



We are open to lending across infrastructure sectors, and if appropriate under PPP/PF

Transport

- Roads
- Intercity rail
 - Track and rolling stock
- Urban transport
- Ports

Social infrastructure

- Hospitals
- Schools
- Social housing

Water & Waste

- Energy from Waste
- Water supply and networks

Energy

Generation

- Renewables
 - Wind
 - Solar
 - Hydro
- Natural gas
- Biomass
- Nuclear

Transmission & Distribution

- Network upgrade & modernisation
- Smart grids
- OFTO (TEN-E)
- Interconnectors
- Gas transmission (CNG/LNG)

Security & Efficiency

- Gas storage
- Energy efficiency
 - Industrial
 - Domestic
- Combined Heat & Power

➤ **Priorities continuously reviewed in light of EU policy objectives**

Recent transactions list (2010 → ...)

- **Southmead Hospital - €300m**
- **GSM-Railway - €280m**
- **Zelios PV Plants - €30m**
- **London Array Offshore Wind Farm - €780m**
- **A12 Utrecht - €70m**
- **C-Power Offshore Wind - €450m**
- **A15 Maasvlakte – Vaanplein - €140m**
- **Autoroute A63 - €185m**
- **LGV Sud Europe Atlantique - €985m**
- **LGV Bretagne Pays de la Loire - €550m**
- **Eurostar Rolling Stock Facility - €150m**
- **Walney Wind Farm - €120m**
- **Irish Schools Investment Programme - €90m**
- **N11-N7 Motorway - €70m**
- **London Gateway Port - €120m**
- **Nottingham Express Transit - €130m**
- **Contournement ferroviaire Nîmes-Montpellier - €300m**
- **Eldepasco Northwind Offshore - €330m**
- **Intercity Express Programme - €280m**
- **A1/A6 Motorway - €260m**
- **Alder Hey Children's Hospital - €65m**
- **Thameslink Rolling Stock - €510m**
- **Sheringham Shoal OFTO - €110m**
- **City of Glasgow College - €100m**
- **London Array OFTO - €250m**

Case Study 1: UK

- Delay in Permit
- Authority Risk
- Rescheduling of Senior Debt Required

- Calculation of Breakage Cost technically complicated
- Banks would not be comfortable to have DRB
- Preference for strong contractual position

Case Study 2: Benelux

- Contracting Authority Changes
- Scope of changes and price of changes
- Long negotiations between Authority and Subcontractor
- From Lender's perspective DRB could add value
- Speed of process and information flow to Lenders

Observations from Lenders on DRB

- DRB used as an excuse for less clear financial documentation in negotiations
- Competency of DRB members on issues at stake to be thoroughly considered
- Speed of resolution of issues is in the interest of Lenders in order to minimize exposure

- EIB does not have a formal position on the inclusion of DRB in projects it funds.
- It is currently considering an investigation of the added value of DRB on the projects it has funded so far.
- Depending on outcome of this investigation, EIB may push stronger on the issue.
- It should be noted that the bargaining power of Lenders in general is currently less than it used to be for the last couple of years

Thank you!

More information at: www.eib.org

info@eib.org

Tel.: +352 4379-22000