Investing in Europe’s growth

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

20.6bn EUR
STRATEGIC INFRASTRUCTURE

25.5bn EUR
SMALLER ENTERPRISES

19.1bn EUR
CLIMATE ACTION

14.7bn EUR
INNOVATION AND SKILLS
We are open to lending across infrastructure sectors, and if appropriate under PPP/PF

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<th>Transport</th>
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<th>Water &amp; Waste</th>
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<td>Intercity rail</td>
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<td>Track and rolling stock</td>
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<td>Nuclear</td>
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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 efforts

- 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!

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