European Investment Bank
Support to Blue Economy

Batumi
15 September 2017
1. EIB at a Glance

Maritime Transport Projects

SME Support
The EIB: the EU bank

- Natural financing partner for the EU institutions since 1958
- Largest multilateral lender and borrower in the world
- Shareholders: 28 EU Member States
- HQ in Luxembourg with 44 local offices
- Around 3000 staff (finance professionals, engineers, sector economists and socio-environmental experts)
- Around 450 projects each year in over 160 countries
- AAA-rated by the three major rating agencies
Volume of issuance is larger than all other major supranational banks …

… and compares with that of certain EU Governments

*Gross financing requirement for FY2015-16 / 2016-17
**Fiscal years from 1 July to 30 June
Source: Barclays research/ best efforts estimates as of 25 January 2017
Data collated from a mixture of official reports and bond market analysis systems such as Dealogic
The EIB Capital Breakdown

- Germany: 16.111%
- France: 16.111%
- Italy: 16.111%
- United Kingdom: 16.111%
- Spain: 9.666%
- Belgium: 4.466%
- Netherlands: 4.466%
- Sweden: 2.963%
- Denmark: 2.261%
- Austria: 2.217%
- Poland: 2.062%
- Finland: 1.274%
- Greece: 1.211%
- Portugal: 0.781%
- Czech Republic: 0.761%
- Hungary: 0.720%
- Ireland: 0.565%
- Romania: 0.522%
- Croatia: 0.366%
- Slovak Republic: 0.259%
- Slovenia: 0.240%
- Bulgaria: 0.176%
- Lithuania: 0.151%
- Luxembourg: 0.113%
- Cyprus: 0.111%
- Latvia: 0.092%
- Estonia: 0.071%
- Malta: 0.042%
Our Priorities in 2016

Environment  Infrastructure  Innovation  SMEs

EUR 16.9bn  EUR 19.7bn  EUR 13.5bn  EUR 33.6bn
• The EIB finances projects in some 140 non-EU countries
• EIB lending outside the EU accounts for some 10% of its global activity
Eastern Partnership Portfolio

EIB Investments per Country in Eastern Partnership
- Ukraine, 68%
- Georgia, 18%
- Moldova, 9%
- Armenia, 5%
- Azerbaijan, 1%

EIB Investments per Sectors in Eastern Partnership
- Loans to SMEs, 35%
- Transport, 28%
- Energy, 13%
- Environment, 8%
- Other, 16%
EIB Support to Blue Economy

EIB at a Glance

2 Maritime Transport Projects

SME Support
EIB Support to Transport

Transport operations signed in EU Member States (2007-2016)
EUR 124bn

Transport operations signed in EU Member States (2016)
EUR 10.6bn

Air 8%
Maritime 10%
Other 0%
Urban 25%
Rods, Motorways 21%
Rail 36%

Recent EIB lending (signed operations) some EUR 70bn per year.
On average, transport projects have constituted some 15%-20% of total lending.
EIB Transport Lending Policy

• published in 2011
• Purpose: provide information regarding project eligibility and appraisal
• http://www.eib.org/attachments/strategies/transport_lending_policy_en.pdf

• EIB seeks to focus on activities likely to have the greatest impact on furthering EU policy goals
• Priority to technologies and infrastructures with the objective of developing a more efficient and sustainable European transport system:
  • Further use of renewable sources
  • Contributing to reducing oil dependency
  • Enhancing competitiveness of the European industry
Eligible Maritime Projects

- **Existing ports** - rehabilitation/expansion of common user infrastructure
  - Breakwater, access channel, maritime locks, capital dredging, navigation aids, quay walls, etc.
  - Environmental compliance components
  - LNG Bunkering infrastructure

- **Development of new terminals**
  - Basic terminal infrastructure by a port authority
  - Superstructure and equipment by a terminal operator

- **Development of new ports**
Eligible Maritime Projects II

- **Inland Waterways projects**
  - Locks, capital dredging, quay walls, etc.

- **Improvement of hinterland transport connections**

- **New vessels, retrofitting and vessel R&D**
  - EU flagged and operating on routes originating or ending in a EU country
  - Vessels operating on SSS routes aimed at modal shift
  - Replacement of older, less energy efficient or more polluting vessels
  - Retrofitting: scrubbers, LNG engines

- **Climate Adaptation projects**
General requirements

- All shipping financed by EIB under EU eligibility **should have an EU flag** to ensure compliance with European safety, operating and environmental norms.

- Bank financed vessels are to **operate to or from an EU port**.

- All shipping projects will **adhere to all EU and IMO safety and environmental rules and regulations** with regard to the construction and operation of vessels.

- For projects involving the expansion of the deep-sea fleet, the project implementation will result in an overall **improvement of the shipping line environmental performance**.
Black Sea Direct Maritime Lending

- Direct investment loans
- 5 operations in the period
- Figures do not include support provided to Greece


- Water transport
- Sea port installations/river development works
- Flow control, dykes, protection against erosion, etc.

Blue Economy Direct Support
Black Sea Region
(2011 - 2017)

EUR 281m

Romania  Turkey  Ukraine
# Maritime Signed Projects I

## Istanbul Urban Transport I

<table>
<thead>
<tr>
<th><strong>Project:</strong></th>
<th>EUR 100 million</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>EIB loan:</strong></td>
<td>EUR 50 million</td>
</tr>
<tr>
<td><strong>Description:</strong></td>
<td>Extension of the Mass Transport System of Istanbul Metropolitan Municipality through the expansion of the city's fleet of ferry boats</td>
</tr>
<tr>
<td><strong>Type:</strong></td>
<td>Shipping</td>
</tr>
<tr>
<td><strong>Signed:</strong></td>
<td>2006</td>
</tr>
<tr>
<td><strong>Location:</strong></td>
<td>Istanbul, Turkey</td>
</tr>
</tbody>
</table>

## Petlim Port

<table>
<thead>
<tr>
<th><strong>Project:</strong></th>
<th>USD 268 million</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>EIB loan:</strong></td>
<td>USD 130/80 million</td>
</tr>
<tr>
<td><strong>Description:</strong></td>
<td>The construction of a container port with 1.3 million TEU capacity in the Aliaga district of the Izmir province on the Aegean coast of Turkey</td>
</tr>
<tr>
<td><strong>Type:</strong></td>
<td>Ports</td>
</tr>
<tr>
<td><strong>Signed:</strong></td>
<td>2016</td>
</tr>
<tr>
<td><strong>Location:</strong></td>
<td>İzmir, Turkey</td>
</tr>
</tbody>
</table>
**Nibulon (Cereal Production and Transportation)**

- **Project:** USD 148 million
- **EIB loan:** USD 74 million
- **Description:** Financing of agriculture storage and logistics investment program of the Nibulon Group in Ukraine.
- **Type:** Inland Waterway
- **Signed:** 2006
- **Location:** Istanbul, Turkey

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**Sulina Canal Bank Protection**

- **Project:** EUR 76 million
- **EIB loan:** EUR 38 million
- **Description:** Improvement of navigation conditions on the Danube Delta to protect the environment and sustainable communities
- **Type:** Inland Waterway
- **Signed:** 2002
- **Location:** Sulina, Rumania
EIB Support to Blue Economy

EIB at a Glance

Maritime Transport Projects

3 SME Support
SME Support to Blue Economy

• Indirect loans via financial intermediaries
• Figures do not include support provided to Greece
Coastal Tourism in Blue Economy

- Represents in general an important component of the Blue Economy
- 2011-2016: almost EUR 866 million through intermediated loans
- For investments in hotels and other accommodations
- Mostly in Turkey
- Also in Bulgaria, Georgia and Romania

Note: Need to identify what part was financing coastal tourism

**Sustainable Tourism & EE Global Loan**

- **Project:** EUR 400 million
- **EIB loan:** EUR 154 million
- **Description:** Renovation of tourism facilities and energy efficiency as well as other investments aimed at rationalisation of use of natural resources and mitigating the adverse environmental effects of tourism
- **Type:** Coastal Tourism
- **Signed:** 2013
- **Location:** Turkey
Thank you for your attention