



Transport Technology Innovation – the role of the EIB

*Impact of recession on road transport market
20th April 2009*



The European Investment Bank (EIB)

Long-term finance promoting European objectives



- ❖ European Union's long-term lending bank set up in 1958 by the Treaty of Rome.
- ❖ Shareholders: 27 EU Member States
- ❖ Governance
 - ❖ Board of Governors – EU Finance Ministers
 - ❖ Board of Directors - Member States & European Commission
 - ❖ Management Committee –EIB's executive body
 - ❖ Audit Committee – independent, non-resident



- Within the Union: six strategic priorities:
 - Cohesion and convergence
 - Small and medium-sized enterprises (SMEs)
 - Environmental sustainability
 - Knowledge economy
 - Development of Trans-European Networks (TENs)
 - Sustainable, competitive and secure energy



- Outside the Union:
 - Private sector development
 - Infrastructure development
 - Security of energy supply
 - Environmental sustainability
 - Support for EU presence in Asia and Latin America via Foreign Direct Investment (FDI)

2008 key figures



- ❖ European Union: EUR 51.5bn
- ❖ Partner countries: EUR 6.1bn
- ❖ Total lending: EUR 57.6bn

- ❖ Borrowings: EUR 59.5bn

- ❖ Subscribed capital EUR 232.4bn
(at 01/04/2009)



- ❖ Value added of the Bank's lending activities:
 - ❖ Support for EU priority objectives
 - ❖ Project quality and soundness
 - ❖ Financial benefits of EIB funds
 - ❖ Technical assistance
 - ❖ Project assessment



RECOVERY PACKAGE – ADDITIONAL ACTIONS BY EIB



The European Investment Bank (EIB)

Recovery Package – Additional EIB actions



- Announced in December 2008
- Intention to raise EIB lending by EUR 15bn per year for both 2009 and 2010
- Based on three main pillars:
 - Helping small and medium sized enterprises and mid-cap firms
 - Supporting Europe's less affluent "convergence" regions
 - Contributing to the fight against climate change (including the European Clean Transport Facility)



INVESTING IN THE TRANSPORT SECTOR

Investing In The Transport Sector



- ❖ Core business of developing TEN-T network
 - ❖ Loans of EUR 9.8bn in 2008 for TEN-T:
 - ❖ Specific products to support PPP (LGTT)

- ❖ Support for road projects focuses on improvement in safety, efficiency and reduced environmental impact

- ❖ Demand Side
 - ❖ Support to SMEs (including leasing companies)

- ❖ Supply Side
 - ❖ Support to manufacturers (convergence)
 - ❖ Support to R+D into cleaner technologies



TRANSPORT TECHNOLOGY INNOVATION

Instrument 1 – Risk Sharing Finance Facility (RSFF)

- Purpose: RDI finance 2007 to 2013
- Eligibility: R&D and innovation in all sectors with an initial focus on engineering/automotive; energy; ICT; life science, RDI infrastructure
- Target: Any legal entity with borrowing capacity (e.g. SMEs/MidCaps, Banks, PE Investors, PPP)
- EIB/EIF Products: Loans (incl. Mezzanine), funded risk-sharing facilities with Banks, structured financing
- Expected to support 10bn debt financing – so far signatures for 1.7bn.

Instrument 2 – European Clean Transport Facility

- ❖ Purpose: supporting investments targeting emission reductions and energy efficiency in the European transport industry
- ❖ Eligibility: the automotive (OEMs/Suppliers), railroad, aircraft and shipping industries as well as related infrastructure
- ❖ Funding of up to EUR 2bn in both 2009 and 2010 in addition to EIB's normal annual lending volume of around EUR 2bn to the transport vehicle sector under the Knowledge Economy.
- ❖ Overall support to the sector would equal EUR 8bn over 2009 – 2010 and already EUR 4.5bn approved (with the ECTF accounting for 63%).



- ❖ EIB continues to support the transport sector in general during this difficult period;
 - ❖ Infrastructure;
 - ❖ Demand side;
 - ❖ Supply side.

- ❖ For transport technology, in particular.



For more information...



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