



**COUNCIL OF
THE EUROPEAN UNION**



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PRESSE 216

Council approves EU-guarantee for EIB external operations for the 2014-20 period

The Council today¹ approved a renewal of the EU's guarantee for the European Investment Bank's external operations for the 2014-2020 period ([PE-CONS 3/14](#)).

The decision renews the EU budget guarantee for EIB lending to projects that support the EU's external policy objectives. The guarantee covers sovereign and political risks in connection with loan and loan guarantee operations, thus preventing those risks from affecting the EIB's credit standing and enabling the bank to maintain attractive lending rates.

Projects outside the EU currently represent less than 10% of total EIB financing activities. While the bank's latest capital increase allows the EIB to step up its activities, the additional lending will essentially focus on projects within the EU and not its external activity.

The decision sets a €30 billion maximum ceiling for EIB financing operations under EU guarantee for the duration of the EU's 2014-2020 financial framework. This figure is broken down into a maximum €27 billion fixed ceiling and a €3 billion optional additional amount to be (wholly or partially) activated by the Parliament and the Council following a mid-term review in 2016.

¹ At a meeting of the Foreign Affairs Council, without discussion.

P R E S S

Regional distribution of the €27 billion fixed ceiling is set as follows:

- Pre-accession countries: €8 739 322 000;
- Neighbourhood and Partnership countries: €14 437 225 000, broken down into the following indicative sub-ceilings:
 - Mediterranean countries: €9 606 200 000;
 - Eastern Europe, Southern Caucasus and Russia: €4 831 025 000;
- Asia and Latin America: €3 407 295 000, broken down into the following indicative sub-ceilings:
 - Latin America: €2 288 870 000;
 - Asia: €936 356 000;
 - Central Asia: €182 069 000;
- South Africa: €416 158 000.

Within the overall fixed ceiling, the EIB governing bodies may decide, after consulting the Commission, to reallocate up to 20 % of the sub-regional ceilings within regions and up to 10 % of the regional ceilings between regions.

Two lists are established by the draft decision, specifying those countries that are potentially eligible and those that are actually eligible for EIB financing under the EU guarantee. Potentially eligible countries can become eligible, through adoption by the Commission of a delegated act, to reflect significant policy developments following an overall assessment. Bhutan is added to the list of actually eligible countries and Myanmar is added to both lists, following developments that have enabled the EU to open a new chapter in its relations with both countries.

The decision renews the general objectives set for financing operations across all regions, namely local private sector development, in particular in support of SMEs, social and economic infrastructure and climate change mitigation and adaptation. A target has been set to reinforce the climate change dimension, whereby the latter must amount to at least 25% of total financing operations.

Adoption of the decision follows an agreement reached with the European Parliament at first reading.