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2015 was an exceptionally challenging year, a tragic one at times.

But crises, even the most acute, bring opportunities. As far as the EIB Group is concerned, 2015 gave me many reasons for optimism.

We made a sizeable positive difference.

We delivered on ambitious commitments ahead of time and beyond target.

We strengthened our engagement in the most difficult areas of Europe and the globe.

We started work on another hugely ambitious programme with the Investment Plan for Europe which President Juncker and I launched in November 2014, and we ensured it was well on track even before the structures that underpin it were in place.

This was not easy, and I maintain that no one could have done more or done it quicker.

Let's speak first about impact.

The *impact* of our lending on the daily lives of Europe's people is how we measure our success.

The EIB is the EU bank, and our ultimate responsibility is to respond to the economic needs of every European citizen in every country of the EU.

Our loans help create and sustain the jobs of 4.1 million people, employed in Europe's SMEs and midcaps.

These are good jobs, lasting jobs—mostly in innovative projects.

That's as it should be.

What Europe needs today is innovation, innovation, and more innovation.

We have looked closely at our continent's competitiveness gap, and it is clear that the greatest impact can only come from the development of cutting edge approaches and technologies.

So I am very proud that total EIB loan volume to innovation was 18.7 billion euros in 2015.

We supported the R&D of over 50 private sector companies.

In 2015 climate took centre stage in international affairs.

As the economic opportunities linked to a greener economy become apparent, here too the EIB makes a big difference.

The projects we signed last year alone will support 2,828 megawatts of new electricity generation capacity, of which 94% from renewable energy

– from wind farms to solar power, geo-thermal facilities, and biomass plants.

That is enough to power 2.34 million European homes.

Inside those European homes, our loans will help to install 13 million smart meters.

These innovative devices allow consumers to see in real time how much electricity and gas they use and how much it costs them. The meters reduce waste, and help cut energy bills.

We financed new urban infrastructure that will benefit 3.2 million people in Europe.

We funded the refurbishment or new building of over 185,000 units of social or affordable housing.

Our investment in environmental infrastructure also had enormous impacts, providing 20 million people with new or improved water and sanitation services.

The EIB's loans are providing direct benefits to 1.45 million students in education facilities around Europe – in schools and universities – providing opportunities for young people and fostering research.

When public spending has been particularly tight we financed health facilities for 9.8 million Europeans.

In real terms, GDP increased last year and we expect it to continue to grow.

But many regions of Europe still do not feel like thriving places.

Since the financial crisis of 2008, the EIB's response has been strong and invaluable.

Our lending has been far higher than in the early decades of the Bank's existence.

The Bank has embarked on a path of change and modernisation. And it has produced real results.

In 2015, EIB Group financing – that is the European Investment Bank and the European Investment Fund combined – totalled 84.5 billion euros, up 4 billion on 2014. The EIB alone lent 77.5 billion euros, supporting 462 projects in 68 countries around the world, catalysing almost EUR 230 billion of investment.

The European Investment Fund, which focuses on small and mid-sized business, signed 204 deals in 2015, with a value of 7 billion euros.

That is more than double the amount of business the EIF did in 2014 – another measure of how the EIB Group responded to Europe's economic needs.

Crucially, the volume of investment by others that is catalysed by those EIF deals stands at 26.9 billion euros.

Here is how our lending breaks down across our key priority areas:

- Infrastructure (18.9 billion euros)
- Environment (19.6 billion euros)
- Innovation and skills (18.7 billion euros – EIB Group)
- and SMEs and Mid-Caps (29.2 billion euros – EIB Group)

It is a time of great change at the European Investment Bank.

New challenges have been presented to us.

To handle them, we have evolved.

Victor Hugo wrote, "Change your leaves. Keep your roots." The words of the great French writer have a certain resonance for the EIB in 2015.

The best way for us to face the challenges of implementing the Investment Plan for Europe, for example, has been to take our existing expertise and use it to develop new approaches.

Just because we invested in Skype and Shazam does not mean we stop building bridges and train connections.

In 2012 our shareholders, the EU Member states, agreed to a capital increase for the Group.

In return they asked the EIB to lend an additional 60 billion euros and to support more than 180 billion euros of overall investment.

Not only did we succeed in that, but we exceeded the target and finished the job early.

Our additional investments based on the capital increase mobilised a total of 190 billion euros when we closed the programme in April 2015.

We had hit the 180 billion mark at the end of March, nine months ahead of schedule.

In addition to this, over the same period, the 27 months of the capital increase, our so-called “normal” lending supported 335 billion euros of investment.

That is one of the reasons why we have started with confidence to deliver on the promise of the European Fund for Strategic Investments, or EFSI.

EU Governments, the European Parliament, the European Commission – all these and other voices across Europe made it clear they expected the EIB to act rapidly.

So to start work on the Investment Plan we did not wait for EFSI structures to be formally set up.

While the EU Regulation establishing EFSI and the governance for the EU Budget guarantee were being completed, the Commission acted as steward for the guarantee.

This allowed us to launch the first investments under the Plan last April.

By the end of 2015, the EIB Group – the EIB and the EIF – approved well over one hundred Investment Plan loans and guarantees.

Resources committed totalled 7.5bn billion euros, 5.7 from the EIB and 1.8 for the European Investment Fund.

The value of the projects and the investment mobilised in total comes up to 50 billion euros. This is 16% of the overall objective of 315 billion Euros over three years.

The objective remains ambitious.

A few weeks ago, Willi Molterer was appointed Managing Director of EFSI, the part of the Bank which manages the EU budget guarantee.

Now that the EFSI Investment Committee is established, the Investment Plan for Europe can properly begin.

I mentioned how profoundly the EIB Group has adapted its workings in response to change.

We plan to continue, launching new products and tools in the course of the year to ensure EFSI stays on track and achieves maximum impact.

As far as 2015 is concerned, I remain convinced that no one else could have done so much so fast. EFSI is already making its presence felt in 22 EU Member States.

However, it is crucial to remember that the Investment Plan for Europe is more than just EFSI.

Higher-risk investments will only make a real difference if the other aspects of the Investment Plan for Europe also succeed.

Strengthened advisory services, through the European Investment Advisory Hub, are critical for more innovative projects to attract funding.

The EIB Group and the European Commission launched the Hub in September, and already we engaged with requests from 21 EU Member States.

But we also urgently need regulatory reforms and the completion of the internal market to make Europe truly investment friendly!

Europe's problem is not cash, but a weakness, a proper market failure in risk taking. We can only cure this by removing regulatory redundancy and fragmentation of the internal market, currently the most powerful deterrents to investment.

We have a genuine expertise in identifying these barriers to investment. And we are contributing in providing our expertise to those who can actually remove these barriers.

The EFSI deals signed so far by the EIB are in precisely the kinds of activities and sectors the Investment Plan for Europe aims to bolster.

Half of them are in the renewable energy, energy efficiency, or low-carbon and environmental sectors. The others include digital infrastructure, R&D, and industrial innovation.

Small and medium-sized businesses already are benefitting from EFSI.

The EIF has signed 84 EFSI operations with total financing of 1.8 billion euros.

This will trigger more than 25 billion euros of investment in 81,000 small and mid-sized businesses across the EU from Britain to Bulgaria.

The Investment Plan for Europe is one of the most exciting things the EIB Group has ever been involved with, and one of the most important projects for Europe today.

But we should not forget the rest of the EIB Group's work.

That work is the bedrock upon which the investment arm of the Investment Plan is built.

When I look over the list of deals we did in the last year, I am struck by its range, by its focus on innovation, and by its power to stimulate investment.

As well as significant guarantee and securitisation activities, the European Investment Fund plays a leading role in the European equity investment space and in venture capital, which sustains many innovative young companies around Europe.

The InnovFin initiative continues to break new ground.

Just to mention one aspect, its Infectious Diseases Finance Facility funds the early, risky stages of vaccines, treatments and medical devices.

Last summer the facility's first loan of 10 million euros was to a Swedish medtech firm which is developing a novel viral load test for HIV that works outside cleanrooms and thus ensures that patients in developing can be diagnosed and treated correctly.

There are 35 million people living with HIV all around the world.

This is an investment which has real impact on their survival in particular as this test is able to detect all HIV subtypes.

Our work in education is something of which I am particularly proud.

School children in Helsinki or the London suburb of Croydon study in new buildings and with the latest in educational technology thanks to loans from the EIB.

In 2015 it was our privilege to be associated with a massive programme of modernisation for Italian schools.

These are investments in our young people.

They are also investments in Europe's future as a centre of innovation.

Europe's future must be innovative.

It must also be green.

The EIB is the world's biggest provider of climate finance.

We have financed more climate action than the next five biggest multilateral development banks put together.

Over the next five years we will provide around 100 billion euros for climate related projects.

We will help turn the ambitious agreement approved in Paris at COP21 into reality.

In particular, we stand by a pledge made with all Multilateral Development Banks to work together to raise the private finance that will be needed.

Public funding alone will never be enough to tackle climate change.

As the largest multilateral development bank, the EIB Group recognises its special responsibility to do more of what it does best:

catalyse private investment for climate action and sustainable development.

We have committed to make at least a quarter of our loans to climate action projects.

In 2015 we met that commitment. In fact, climate accounted for nearly 26.5% of our global financing, and 31% in developing countries.

On top of this, we decided to increase lending for climate action projects to 35 percent of the loans we make in the most vulnerable countries by 2020.

The EIB is also by far the largest supranational borrower in the world. We mobilise resources on capital markets worldwide, and close to 40% of our funding comes from outside Europe.

Stimulating cross border capital flows for projects serving the EU is at the heart of what EIB does.

But borrowing is also a key area for our climate action.

The EIB pioneered the Green Bond market in 2007 with our first Climate Awareness Bond.

The proceeds of these bonds are earmarked for lending to renewable energy and energy efficiency projects.

Since then the EIB has issued over EUR 11bn in Green Bonds, with EUR 4 bn raised in 2015 alone – making the bank not only the first but also the largest issuer of green bonds in the world.

Other issuers have joined in to create a worldwide market in which a record 40 billion euros of bonds were issued in 2015.

This is very important because green bonds have the potential to make a significant impact in scaling up climate finance.

In 2015 we were reminded many times that Europe is not removed from the worst of what the world can do.

The EIB has responded swiftly to the refugee crisis. We are already financing projects in countries of destination, for example for emergency refugee housing.

And we are also taking care of the countries of transit and of origin.

The EIB's response has been forceful in the countries bordering Syria. In Jordan, for example, the EIB signed a 51 million euro deal in November to finance a water pipeline that will supply the north of the country.

The arrival of Syrian refugees has created intense pressure on Jordan's scant water supply.

It also has the potential to cause conflict between the refugees and the existing residents.

Projects like this pipeline will alleviate such pressures.

By bolstering frontier countries, we reduce the impetus for refugees to move on and seek asylum in Europe.

We give them the choice to remain closer to home and build new lives there.

The EIB is the EU Bank, and most of its activity naturally focuses on Europe.

But our reach, our impact, is global.

Indeed, I would like to see the EIB Group do more outside Europe.

It is not a question of "either-or", in or out of Europe.

Whether on security, climate, or energy, we are dealing with global challenges in a global market.

We have big tasks ahead of us.

Largely as a result of EFSI, lending in higher-risk activities will rise from 6 percent of all loans to 30 percent.

This requires intensive work with new financial vehicles and many new clients.

I am confident about the bank's ability to handle these big tasks.

Remember –while we were ramping up our lending in Greece, where our exposure is now the equivalent of 10% of the country's GDP, giving additional support to Ukraine, exceeding expectations on the 2012 capital increase – while all this was going on, we launched the

preliminary phase of EFSI and mobilised 16% of the target EUR 315 billion even before the governance was fully in place.

We are confronting major challenges, and we are doing so successfully.

In recent years the EIB Group's role in helping Europe develop and deploy responses to local and global challenges has grown steadily.

The need for our lending and expertise will grow still more in the year ahead. We recognise the responsibility that comes with this role, and we won't let Europeans down.

ⁱ All figures in this presentation are unaudited and provisional.