

The EIB: The Climate Bank of the EU



The EIB Group



The lending arm of the
European Union
since 1958

Owned by 27 EU MS



Specialist provider of risk
finance to small and
medium-sized enterprises

Owned by EIB, EC and 33
financial institutions



The EIB Group at a glance

The largest multilateral lender and borrower in the world

- Raise funds on international capital markets
- Pass on the funding advantage of our AAA rating
- Leading provider of climate finance

In 60 years over € 1.2 trillion invested

- More than 12,000 projects in over 160 countries
- Crowding-in: € 3 trillion overall investment mobilized

Headquartered in Luxembourg

- 3,400 staff (bankers, engineers, economists and E&S experts)
- 50 offices around the world

EIB Group financing in 2019



€ 63.3 billion



€ 10.2 billion

* Provisional and subject to audit

Our priorities

INNOVATION



€ **14.44**
billion

ENVIRONMENT



€ **16.52**
billion

INFRASTRUCTURE



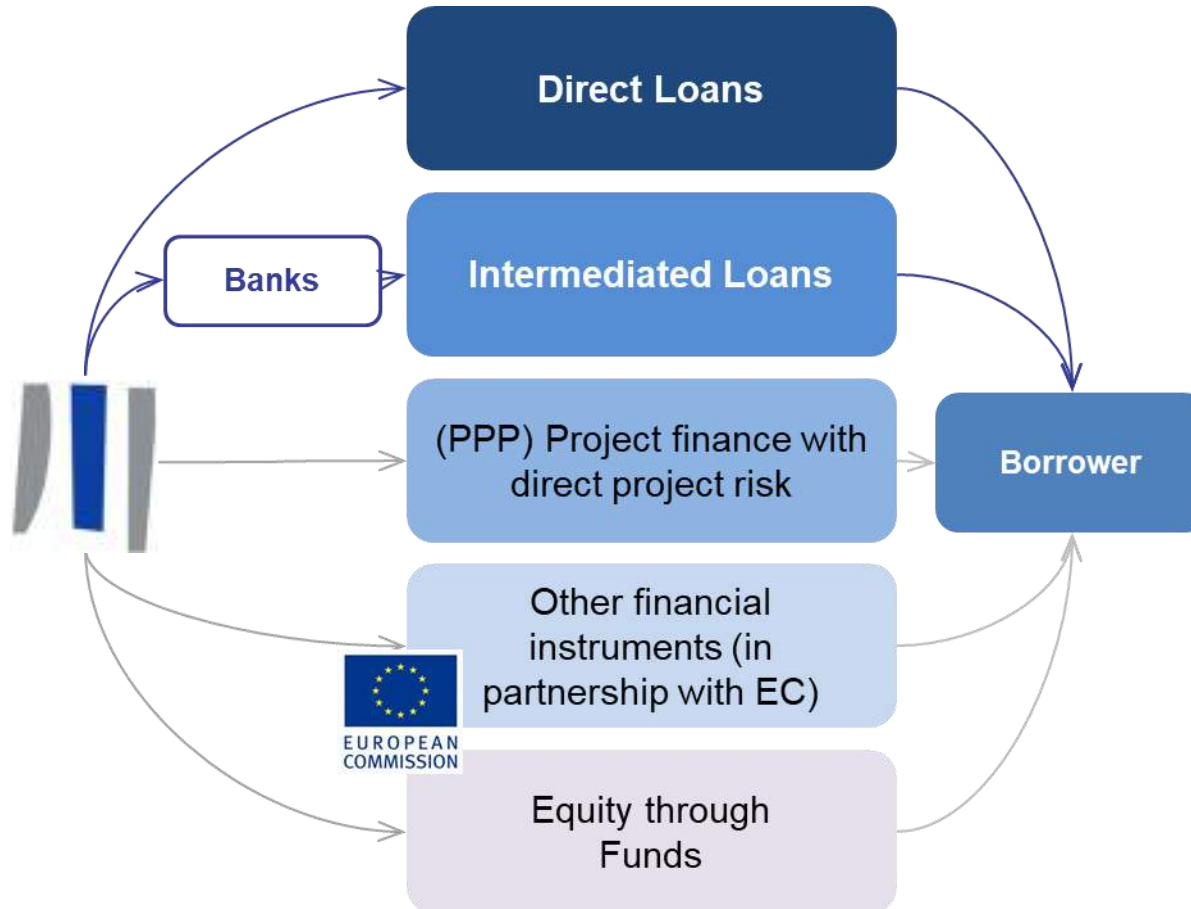
€ **15.74**
billion

SMEs



€ **25.52**
billion

Types of EIB financing



EIB offers technical/financial advisory



UPSTREAM

- **Policy & programme** advice
- **Preliminary** project assessment

PREPARATION

- **Technical advice** to promoters prior to appraisal (demand studies, business plan, CBA)
- Advice on **financial structuring** (PPPs, investment platforms & 'innovative' projects)
- Selection (ToR) & supervision of **consultants** for technical and financial studies to support project preparation

IMPLEMENTATION

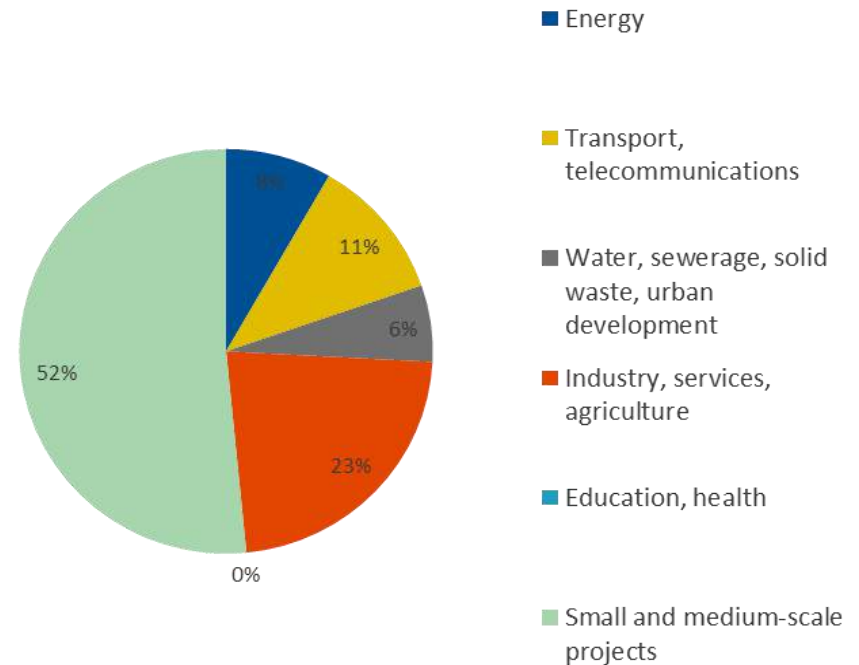
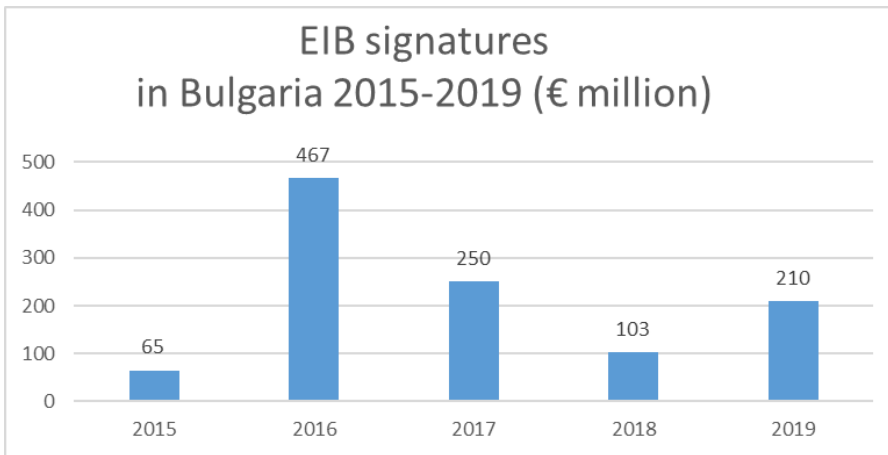
- Advice on **project implementation**
- **Enhanced monitoring** in delayed projects

CAPACITY BUILDING RELATED TO PROJECTS

Capacity building on technical issues – **Cooperation** centres of expertise - **Dissemination** best practices & case studies – **Needs Assessment** for project advisory support

The EIB in Bulgaria

EIB Lending in Bulgaria in 2015 - 2019 per sector



- Operations began in early 1990s
- €1.1 billion of EIB lending in Bulgaria in the last five years
- EIB Group financing in Bulgaria represents 4.5% of its GDP, as of year-end 2019

Key EIB projects in Bulgaria

Financial Institutions

- SME Initiative (maximum SME portfolio of €608 million reached in 2019)
- Intermediated loans to banks and non-bank financial institutions in support of the SME sector

Public sector

- BEH-IGB Project, backed by Bulgarian state guarantee
- Co-financing of EU Funds

Corporates

- KCM Lead Zinc Capacity Expansion (transaction jointly with EBRD and Unicredit Bank)
- Software Group (IT company), backed by the European Growth Financing Facility
- Food Production Modernisation (multi-country operation)

EIB Advisory Activities in Bulgaria

The European Investment Advisory Hub (EIAH) - EFSI

- Partnership between the EIB and the EC offering advisory and technical assistance. Over 90 advisory requests, ranging from information inquiries to requests for technical assistance, funding, or both.

JASPERS – project preparation EU funds

- Advising promoters and transferring knowledge about the preparation of EU-eligible projects. 129 advisory assignments delivered since 2007 to Bulgaria's Authorities (incl. 10 assignments in 2019) supporting 98 projects with an underlying investment cost of over €9 billion.

Project Advisory Support (PASSA) – project implementation EU funds

- Technical assistance to State administrations and Promoters to accelerate project execution and speeding up EU Structural Funds' absorption. Support provided to the National Railway Infrastructure Company, Sofia Municipality and the Ministry of Environment and Water.

The future of the EIB in Bulgaria

- Combine advisory and lending to assist Bulgaria contribute to the EU-wide 2030 climate targets.
- Continue to support public entities, corporates and financial institutions.
- Support preparation of and financing key infrastructure projects, including PPPs.
- Deploy InvestEU (starting with 2021) – the EU financial instrument aimed at supporting sustainable growth and innovation.
- Advise and finance projects submitted under the European Green Deal and the Just Transition Fund.
- Advise the European Commission on projects submitted by Bulgaria under the Energy Transition Package.

The future

THE EUROPEAN INVESTMENT BANK IS EUROPE'S CLIMATE BANK

€1 trillion for climate action and the environment unlocked by 2030

50 % of total financing to climate action and the environment by 2025 (current level: 30%)

2020 Fully aligned with the Paris agreement by the end of the year



**Alignment with the Paris Agreement: finance flows consistent with a pathway towards low greenhouse gas emissions and climate-resilient development.*



Aligned with EU's Energy Policy

- **Key EU-wide targets for 2030:**
 - Greenhouse gases (at least -40% from 1990 levels)
 - Energy Efficiency target (ie. reduction in energy demand) of 32.5%
 - Renewables (32%)
- Member States are required to prepare National Energy and Climate Plans (NECPs): National targets, investment needs, policies
- **A European Green Deal: EU “new growth strategy”**

The EU will:



Become
climate-neutral
by 2050



Protect human life,
animals and plants,
by cutting pollution



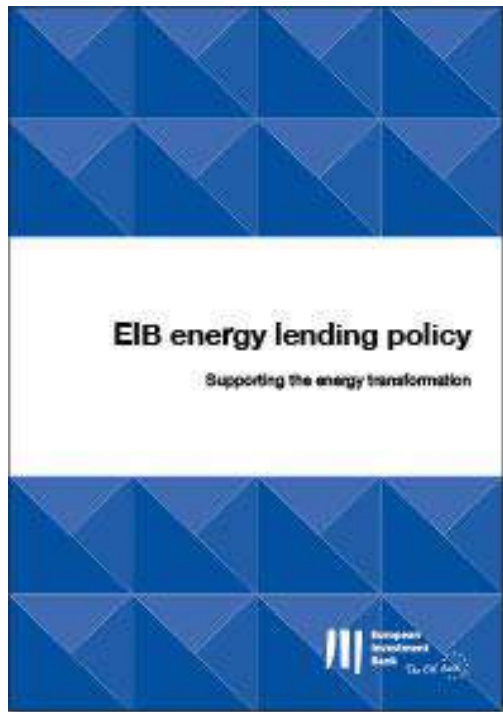
Help companies
become world leaders
in clean products and
technologies



Help ensure a
just and inclusive
transition

Source: EC

New Energy Lending Policy: supporting the energy transformation



ELP in a nutshell

- Phasing-out fossil fuels
- Focusing on energy efficiency and decarbonisation
- Engagement with Member States and clients

The EIB Board approved new Energy Lending Policy on 14 November 2019

Engagement with MS around the National Energy and Climate Plans

- Strengthen dialogue with governments
- Energy Finance Workshops



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Thank you!

More information at: www.eib.org

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