

2019

GLOBAL REACH

**THE IMPACT OF THE EIB
BEYOND THE EUROPEAN UNION**



European
Investment
Bank

The EIB bank

2019

GLOBAL REACH

THE IMPACT OF THE EIB BEYOND THE EUROPEAN UNION

Global reach: The impact of the EIB beyond the European Union

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Published by the European Investment Bank.

Printed on Munken Polar, bouffant 1.13, FSC® Mix blanc.

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ABOUT THIS REPORT

THE CORONAVIRUS PANDEMIC HAS SHAKEN ECONOMIES AND IS THREATENING TO UNRAVEL SOME OF THE PROGRESS MADE ON POVERTY REDUCTION.

That is true for countries at the heart of Europe as well as for farther-flung developing nations. At the same time, climate change is pushing societies to build new models of development – and new ways of resisting the destruction that extreme weather events can cause.

As the world’s largest multilateral development bank, the European Investment Bank (EIB) has the means, and the experience, to help nations outside of Europe meet these twin challenges. This report looks at the EIB’s global reach – our projects outside of Europe that bring clean water, green energy, new infrastructure and funds for small and female-owned businesses. Our projects provide the kind of support societies need to advance, and to advance in a way that will last well into the future.

The report is broken down into several sections. The first looks at the EIB’s presence in different world regions, tracking our investment and the impact of our projects. The second explains the EIB’s role as the EU climate bank, and details our lending to climate projects outside the European Union. The third focuses on the projects we finance in some of the poorest, most fragile states in the world. The fourth section talks about our focus on gender investing, and how our projects give women the support they need to be economically independent. The final sections offer a closer examination of project results and the contribution the EIB makes.

We hope you enjoy this report, and that it provides a clearer idea of why our work outside the European Union is so important – particularly during these challenging times.

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FOREWORD

In the midst of a global pandemic that has affected all our lives – and that threatens to do lasting damage to the health of our own economies – many people may be tempted to turn inward, away from the world beyond Europe’s borders. But this would be wrong. Our fates on this planet are intertwined, and the global spread of COVID-19 should remind us of this fact.

Accelerating change in the world’s climate should be an even bigger wake-up call. We must take all measures necessary to decarbonise our economy, as a matter of urgency. As Europeans, we clearly cannot tackle climate change alone. We must, however, embrace our responsibility to enable climate change mitigation and adaptation wherever our help is needed. As the world’s largest multilateral provider of climate finance, we look at climate in everything we do. We have made firm commitments to step up our role as an incubator for climate finance and expertise, allowing us to extend our efforts to mobilise finance and know-how for climate action across the globe.

We have also seen the terrible effects of poverty and insecurity, not least in the plight of refugees and many other migrants. We have a responsibility to assist in eradicating poverty, in achieving the Sustainable Development Goals and in helping partner countries build up their economic resilience to shocks like conflict, climate disruptions and this pandemic. It is concerning to see the dramatic impact the COVID-19 crisis is having in fragile states, including Europe’s close neighbourhood, a region in which we have been providing increasing support. We are committed to playing our part to support long-term recovery, in collaboration with all parties that can contribute with expertise and finance along the way. Just as we remain committed to supporting the development of vital infrastructure and a vibrant private sector across neighbouring countries, Africa and all the regions where we work.

As the EU bank, the EIB is owned by and accountable to the EU Member States. We have immense experience in implementing the European Union’s external policy around the world, including in some of the most difficult contexts. Last year, we lent just over €1 billion in 17 least developed countries and fragile states, mostly in Africa. The EIB promotes EU standards with the aim of creating a level economic playing field that will ultimately benefit us all.

This report concerns the €7.8 billion in financing we provided outside the European Union in 2019 – €3.2 billion of which supported climate action. More importantly, the report is about the impact this lending will have. The 108 new projects supported in 2019 are expected to provide 5.1 million people with improved water supply or sanitation and will generate enough green electricity to supply 3.2 million households. The investments will enable more than 900 000 journeys each day on lower-carbon urban transport and support more than 400 000 jobs in smaller businesses and microenterprises.

Ultimately, impact is what matters. That is why we are diligent in tracking project results, from appraisal through to completion. We believe in accounting for the impact our projects make in people’s lives. We believe in learning from projects to keep building up the tremendous expertise we have at the Bank.



Werner Hoyer

President of the European Investment Bank

Our experience enables us to really make a difference, beyond alternative sources of finance. The technical expertise and assistance that we can provide often determines whether a project succeeds or fails – or whether it is even able to get off the ground. To this, we add our ability to provide long-term or risk-absorbing financing that is often unavailable but is essential for investment in the strategic infrastructure needed to spur dynamic job creation and private sector growth.

The EIB needs to keep improving. We must strengthen our value as the EU's promotional bank to ensure that Europe's geopolitical interests are served and that Europe takes a lead in development and climate action. We can best do this by working closely with our European partners inside and outside the European Union.

INTRODUCTION: THE EU BANK WITH GLOBAL REACH

For more than 50 years, the EIB has acted as the development finance institution of the European Union, accountable to the EU Member States and implementing EU external policy around the world. The EIB is active in every region that is relevant to EU development cooperation: candidate countries, the immediate neighbourhood, Africa, Asia and Latin America. It is engaged in some of the most difficult development contexts, with active involvement in around three-quarters of the world's least developed countries and fragile states, mostly in Africa.

The EIB makes a difference, improving lives. The new projects the EIB signed beyond the European Union in 2019 are expected to provide more than five million people with improved water or sanitation and to generate enough green electricity for 3.2 million households. The projects will enable 178 million new journeys on urban public transport per year and are expected to help avoid 1.42 million tonnes of carbon emissions.

In addition, the EIB support brings benefits by promoting EU standards in areas such as environmental and social protection, procurement and tax compliance. It helps to create a level economic playing field that ultimately benefits the European Union as well. Exclusively owned by EU members, the EIB is uniquely placed to support EU development policy and to act as the European Union's quasi-bilateral development finance arm.

In total, the EIB lent €7.8 billion beyond the European Union in 2019, in line with previous years, to support 108 new projects. It financed 39 new projects in Sub-Saharan Africa, 32 in the Eastern and Southern Neighbourhood, 19 in Asia, Latin America, the Caribbean and the Pacific, 13 in candidate and potential candidate countries and investments in five cross-regional funds.

This report summarises the EIB's activities beyond the European Union in 2019. It focuses on the results and impact of EIB-supported projects. Special attention is given to the global role of the EIB in fighting climate change, to gender-smart investing, and to the Bank's work in least developed countries and fragile states. Finally, the report examines the added contribution the EIB makes to the effectiveness of the development financing it provides. It looks at the Bank's role in providing beneficial financing terms, in facilitating access to finance and in providing advice and technical assistance.

EIB LENDING BEYOND THE EUROPEAN UNION IN 2019:

€7.8bn

CONTRACTS SIGNED FOR 108 NEW PROJECTS.¹

€5.5bn

FOR SOCIAL AND ECONOMIC INFRASTRUCTURE

Providing essential services in energy, transport, water, education and health

€2.3bn

FOR PRIVATE SECTOR DEVELOPMENT

Enhancing access to finance, particularly for small businesses and microenterprises

€3.2bn*

FOR CLIMATE CHANGE MITIGATION AND ADAPTATION

Investing in a low-carbon economy and climate resilience

€1.3bn*

FOR REGIONAL INTEGRATION

Strengthening links among partner countries and with the European Union

* Cross-cutting objective. Financing can support more than one objective.

Beyond the European Union, the EIB lends under the External Lending Mandate (in the EU neighbourhood countries, pre-accession countries, Asia, Latin America and South Africa) and the Cotonou Partnership Agreement covering the African, Caribbean and Pacific states. The EIB also lends at its own risk for investment-grade operations in pre-accession and neighbourhood countries, and globally in support of climate action and strategic investments. Grants from third-party donors enable the Bank to mobilise technical assistance or more favourable financing conditions², while EU blending facilities reinforce the complementarity of the EIB, European Commission and other international finance institutions, and enhance development impact.

¹ For breakdowns of 2019 financing by region and mandate objective, see page 48.

² See <http://www.eib.org/products/blending/trust-funds/index.htm>.

SUB-SAHARAN AFRICA

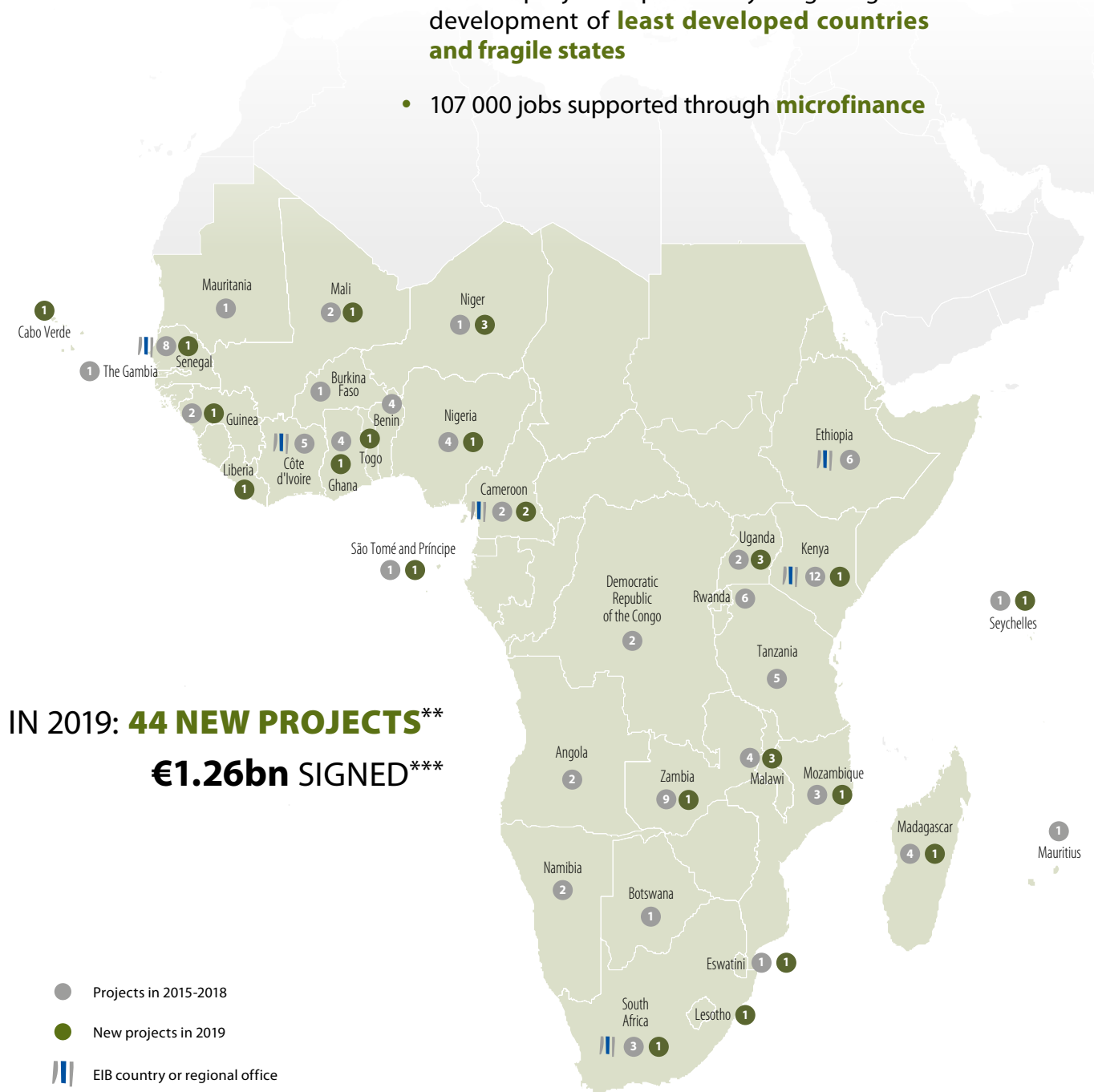
POVERTY REDUCTION IS THE EIB'S OVERARCHING OBJECTIVE.

Our activities, which we carried out under the Cotonou Partnership Agreement, support the development of a vibrant local private sector and sustainable and resilient infrastructure to provide essential services. Targeting least developed countries and fragile states is also a priority.



HIGHLIGHTS: *

- Improved **water supply** for 2.76 million people, contributing to improved health
- 18 new projects specifically targeting the development of **least developed countries and fragile states**
- 107 000 jobs supported through **microfinance**



* Results expected at appraisal for new projects in 2019.

** Includes 17 investments in funds active across Africa, and in some cases Asia and Latin America.

*** All financing contracts signed in 2019.

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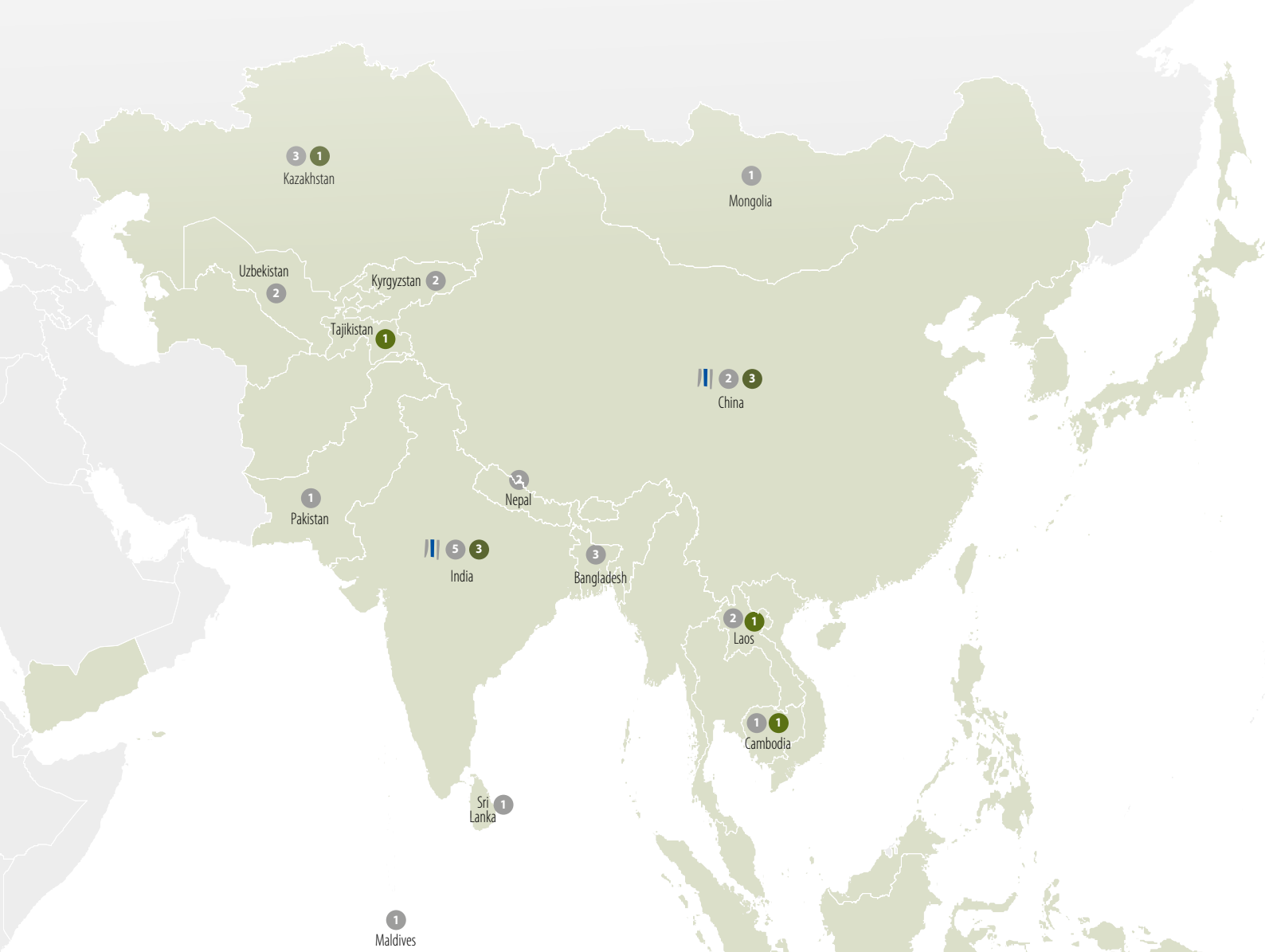
ASIA, LATIN AMERICA, THE CARIBBEAN AND THE PACIFIC

SHIFTING TO LOW-CARBON DEVELOPMENT IS AT THE FOREFRONT OF THE EIB'S EFFORTS IN LATIN AMERICA AND ASIA.

We also support the development of more climate-resilient and inclusive societies. Lending is done under the External Lending Mandate, or with the EIB's own resources for climate action projects. Lending in the Caribbean and the Pacific falls under the Cotonou Partnership Agreement.

1
French Polynesia

- Projects in 2015-2018
- New projects in 2019
- ||| EIB country or regional office

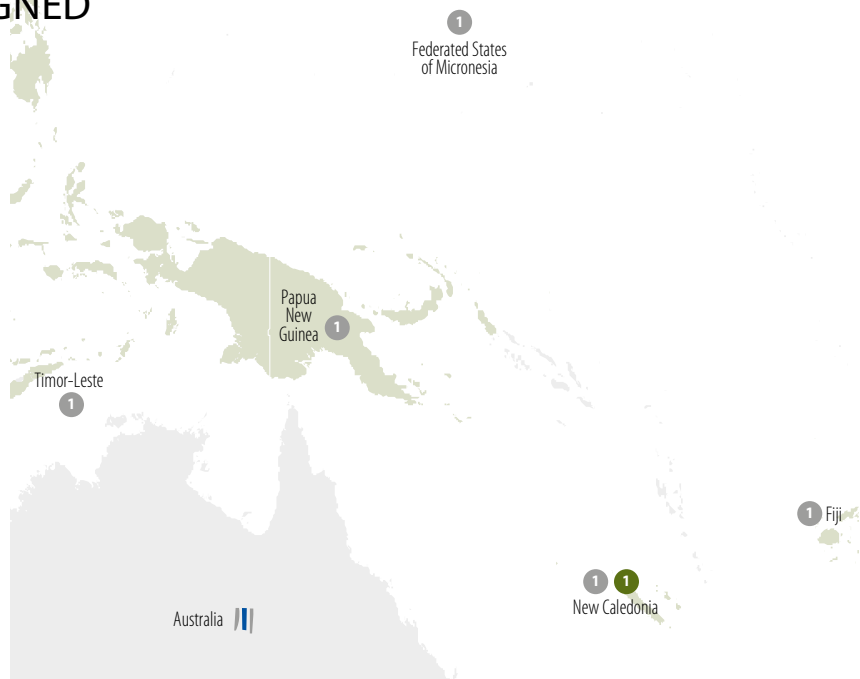


IN 2019: **24 NEW PROJECTS***

€2.32bn SIGNED**

HIGHLIGHTS: ***

- **Green energy** to supply 2.3 million households
- 660 000 more journeys every day on **urban metro lines** in India
- Support to **five climate-focused equity funds** that aim to mobilise €700 million



* Includes six investments in funds active across Africa, Asia and Latin America.

** All financing contracts signed in 2019.

*** Results expected at appraisal for new projects in 2019.

EUROPE'S NEIGHBOURHOOD

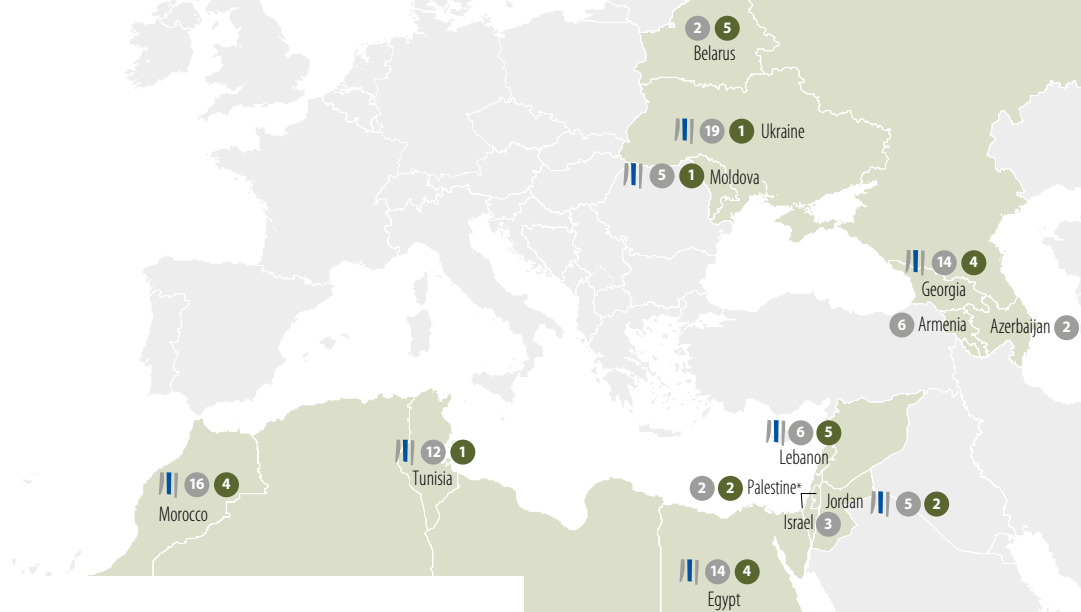
STABILITY, SECURITY AND PROSPERITY ARE KEY GOALS OF THE EUROPEAN UNION'S NEIGHBOURHOOD POLICY, WHICH GUIDES THE EIB IN THESE REGIONS.

Under the External Lending Mandate, the EIB fosters job creation and economic resilience by supporting a dynamic private sector and by investing in infrastructure for sustainable growth and economic connectivity.



IN 2019: **32 NEW PROJECTS***

€3.56bn SIGNED**



HIGHLIGHTS: ***

- **2.38 million people** to benefit from improved sanitation services
- **34 000 jobs** at small and medium-sized businesses supported by one project in Egypt
- **Five new projects to develop the Lebanese economy** through telecoms, industry, wastewater treatment, transport and microfinance

- Projects in 2015-2018
- New projects in 2019
- ||| EIB country or regional office

* Includes three investments in funds active across the region.
 ** All financing contracts signed in 2019.
 *** Results expected at appraisal for new projects in 2019.

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PRE-ACCESSION COUNTRIES

REGIONAL INTEGRATION AND PRIVATE SECTOR GROWTH ARE HIGH PRIORITIES IN THE CANDIDATE AND POTENTIAL CANDIDATE COUNTRIES OF THE WESTERN BALKANS AND TURKEY.

While infrastructure projects build links with the European Union and help countries align with EU standards, support to local business directly enhances employment opportunities.

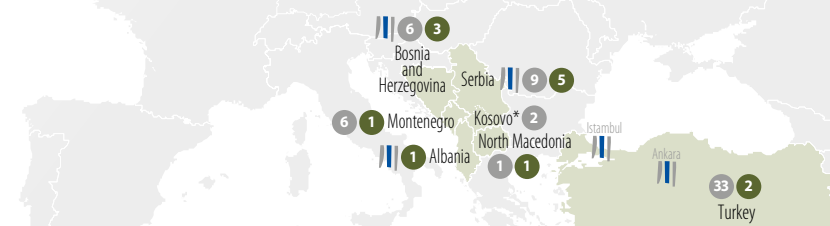


IN 2019: **13 NEW PROJECTS**

€649m SIGNED**

HIGHLIGHTS: *

- **1.8 million people** to benefit from renovated public facilities in some of the poorest municipalities in Serbia
- 220 000 people to benefit from **reduced risk of flooding** in Albania and Bosnia and Herzegovina
- More than **3 000 additional students enrolled** in schools in Montenegro

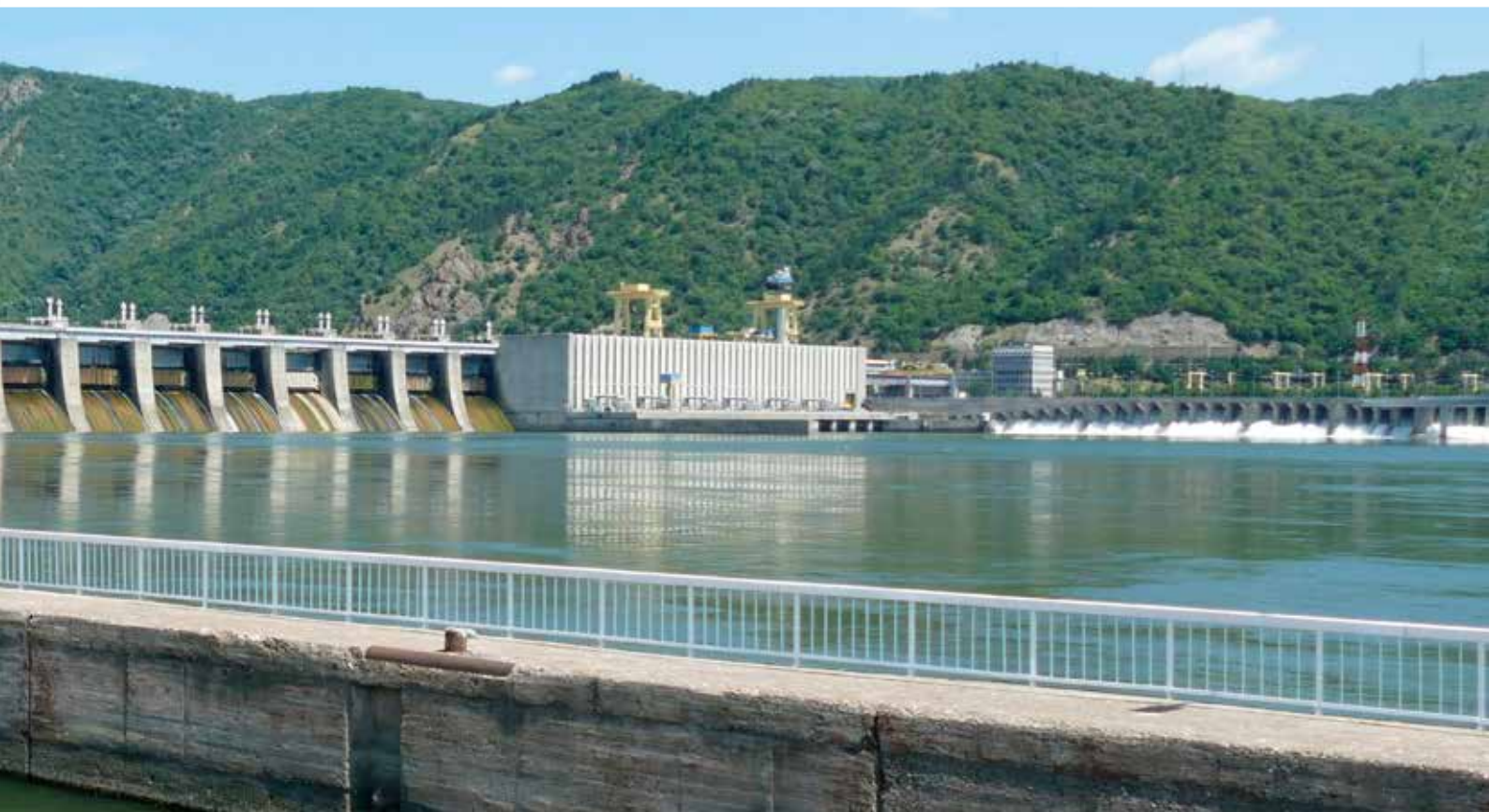


- Projects in 2015-2018
- New projects in 2019
- ||| EIB country or regional office

* Results expected at appraisal for new projects in 2019.
** All financing contracts signed in 2019.

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OUR IMPACT

EIB LENDING FOCUSES ON IMPACT. THE BANK'S PROJECTS ARE KEY TO IMPLEMENTING EU OBJECTIVES, FIGHTING POVERTY AND ACHIEVING THE SUSTAINABLE DEVELOPMENT GOALS.

That is why it is so important for us to track the results achieved by our support. We use a range of tools that we are constantly expanding and developing:

- systematic tracking of project inputs, outputs and outcomes throughout the project cycle using the Bank's Results Measurement Framework (ReM);
- enhanced ReM+ framework for higher-risk impact financing;
- deep-dive collaborative studies to get a fuller understanding of a project's impact;
- dedicated tracking of technical assistance activities and results.

These tools help us improve our activities, bring transparency to how we operate and put mandates into action. This report focuses on the results we expect from our 2019 activity (new projects), as well as the results of older, completed projects.

Tracking our contribution to the Sustainable Development Goals

The international community must achieve the Sustainable Development Goals (SDGs) to end poverty, protect the planet and ensure that all people enjoy peace and prosperity by 2030. Our assessment of project-level results enables us to gauge the contribution the EIB makes towards meeting these challenges. The EIB methodology enables us to map individual results indicators to one or more SDGs, according to each goal's underlying targets. A selection of the key expected results from new projects started in 2019 is shown on the following page, alongside the SDGs to which they contribute.

The EIB methodology also enables the Bank to map the financing we provide to both sectoral SDGs like *Affordable and Clean Energy (SDG 7)*, and to cross-cutting SDGs like *No Poverty (SDG 1)* and *Climate Action (SDG 10)*.

Expected results of new projects – contribution to SDGs

Electricity production (GWh/year)	8 590			
Households served by electricity produced	3 220 000			
People benefiting from improved water supply and sanitation	51 000 000			
Reduced urban journey times (hours/year)	130 000 000			
Additional urban transport passengers, per year	337 000 000			
Road lanes built or upgraded	4 800 km			
Population served by new/upgraded urban infrastructure	1 950 000			
Additional households in social housing	1 200			
Crop production (tonnes/year)	89 000			
Agricultural or forest land under improved management	75 000 ha			
New forest planted	32 000 ha			
Women benefiting from microfinance loans	59 000			
Employment during construction (person-years)*	370 000			
Jobs sustained in beneficiary businesses and microenterprises	409 000			

* A person-year is equivalent to the full-time work performed by one person over one year.



TOWARDS ZERO CARBON AND CLIMATE RESILIENCE

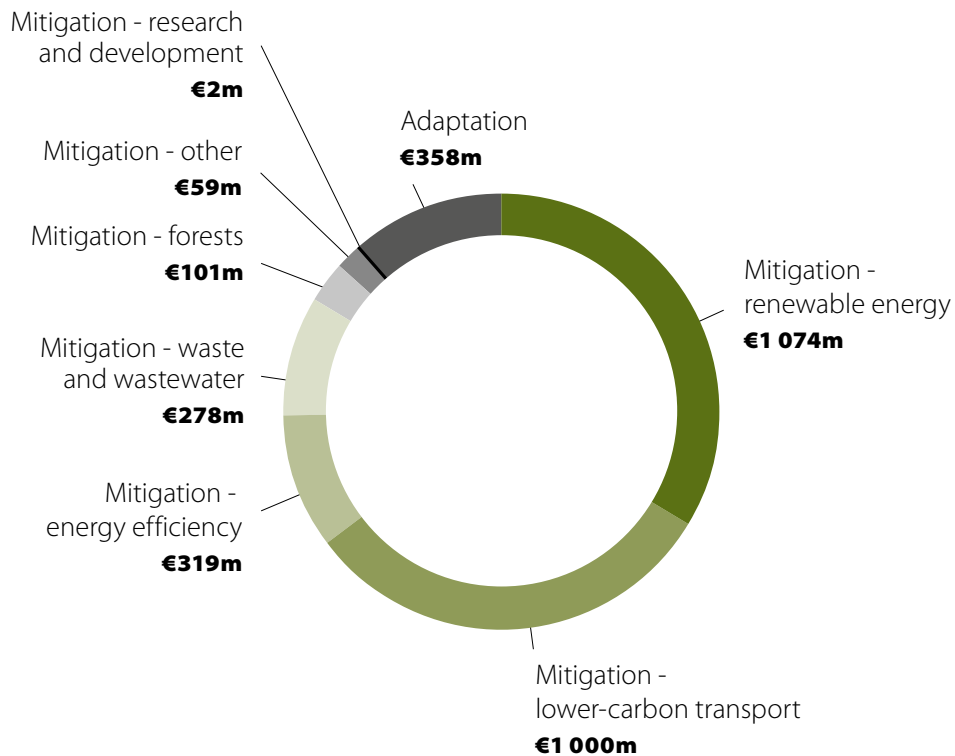
In 2019, the EIB committed to being the European Union's climate bank, adopting an even stronger focus on lending for climate action and environmental sustainability. The EIB's new energy lending policy cements this role, committing the Bank to end the financing of unabated fossil fuel projects by the end of 2021.

The EIB financed €3.2 billion of climate action beyond the European Union, including for lower carbon transport, renewable energy, energy efficiency improvements and climate change adaptation. This amounts to 40% of total lending for the year.

Climate change does not stop at political boundaries. Local greenhouse gas emissions have a global impact, and global changes in climate have local repercussions. This is why the EIB, as the climate bank of the European Union, must be active worldwide and support the efforts of developing countries to mitigate and adapt to climate change.

With the disruption caused by climate change becoming more visible around the world, it is clear that climate action must also lie at the heart of the European Union's support for social and economic development. Future growth must follow a sustainable path. Communities' resilience must be reinforced so they can deal with the effects of climate change locally. Resilience is particularly important for the essential infrastructure on which societies depend.

Here the EIB has a special role to play. The Bank is the world's largest multilateral provider of climate finance, with a track record of developing innovative new ways of mobilising resources. A global scope enables the Bank to build on its experiences across the world, as well as in Europe, to maximise impact.



The EIB's Board of Directors approved our climate commitments in 2019. The commitments call for:

- The EIB Group to support €1 trillion of climate action investments in the critical decade from 2021 to 2030.
- The EIB Group to increase finance for climate action and environmental sustainability to 50% of its overall financing by 2025.
- All EIB Group activities to be aligned with the principles and goals of the Paris Agreement by the end of 2020, including the phasing-out of support for energy infrastructure directly associated with unabated fossil fuels.

Beyond the European Union, the Bank is already making rapid progress in meeting its climate targets. One-third of our climate action lending outside the European Union will support the development of lower-carbon transport, particularly urban rail projects in India and Egypt, which account for an average of more than 900 000 journeys per day. Another third will be invested in renewable energy to generate 8 830 GWh/year of electricity – enough to supply some 3.2 million households, including 1.8 million households in Brazil, thanks to three framework loans supporting multiple renewable energy projects across the country. The rest of the financing will support climate change projects dealing with energy efficiency, forestry and improvements in water and waste management, as well as adaptation efforts in many different sectors.

A big focus is on energy efficiency. Equity funds, credit lines and framework loans are all important instruments that enable the EIB to support large numbers of small-scale energy efficiency improvements in buildings and businesses. Our lending in 2019 will help save an estimated 1 490 GWh/year in energy. In addition, we are supporting highly efficient infrastructure, such as street lighting upgrades and methane emission reductions from water treatment plants – all of which contribute to reducing greenhouse gas emissions. On climate resilience, we are supporting innovative funds for small-scale farmers as well as vital water projects that address climate change and the water shortages it can cause.

Estimating the carbon footprint of EIB projects

Supporting global efforts to combat climate change does not just mean more lending for green projects. It also means ensuring that our activities help further the goals laid out in the Paris Agreement.

To do that, we carry out an annual carbon footprint exercise to report on the total carbon impact of all projects with significant emissions, or reductions in emissions relative to the status quo. We include:

- Absolute greenhouse gas emissions – direct emissions from project implementation, including the energy used
- Greenhouse gas emissions avoided because of the projects as compared to the expected alternative without the projects
- Carbon sequestration by forestry projects

Details of the 2019 carbon footprint exercise, including reporting thresholds and the number of projects covered, are given on page 44.

830 000 t CO₂-eq/year
absolute GHG emissions

1.42 million t CO₂-eq/year
emissions avoided

860 000 t CO₂-eq/year
sequestered by forests

Assessing climate risks

The EIB rolled out a climate risk assessment system in February 2019. The system helps the Bank and its clients to understand how climate change may affect projects and to identify measures to adapt to that impact. Under the EIB's climate strategy, all of the EIB's operations are now screened for climate risk.

The first level of screening identifies projects likely to be affected by climate change. These projects are then subject to more detailed screening that identifies climate hazards such as sea level rise, heavy rain, floods, droughts and cyclones that could affect a specific project's performance.

For projects classed "at risk," the EIB assesses whether the promoter has taken into account climate change risks and whether the project has integrated adaptation measures.

Phase 2 of the Noor Ouarzazate solar power complex

Noor Ouarzazate in Morocco is one of the biggest solar power complexes in the world. Once completed, it will have over 580 MW installed capacity and is expected to reduce carbon emissions by 760 000 tonnes a year, or 17.5 million tonnes over 25 years. Support from the European Union has been critical for the project, the biggest so far under the Mediterranean Solar Plan to develop renewable energy in North Africa and a central pillar of Morocco's ambition to generate more than half of its power from sustainable energy sources by 2030. Alongside a €106.5 million grant from the European Union's Neighbourhood Investment Facility (NIF), the EIB has provided €217 million in financing for the first three phases.

Phase 2 was completed in 2019 with 200 MW of generation capacity installed, as planned, in the form of parabolic solar collectors. The plant produced 485 GWh of electricity in the first year, and that figure is expected to rise to 560 GWh/year under normal conditions – enough to power 339 000 households in Morocco. The total cost of the project was lower than expected, which resulted in a slightly lower than expected cost of electricity of €186/MWh. According to the promoter's estimates, constructing Phase 2 created 14 million hours of work, the equivalent of 5 600 full-time jobs during one year.

When the project was initiated, Morocco was importing nearly all of its energy, much of it in the form of oil, which left it exposed to volatile prices. The Noor Ouarzazate solar power complex is changing that. The complex will produce carbon-free energy equivalent to 2.5 million tonnes of imported oil, and even has the potential to produce enough green energy to export to neighbouring countries.

Enriching China's forests

Cooperation on climate change and environmental protection is a key tenet of the European Union's strategy of engagement with China. A large-scale forestry project, signed in 2019, to plant and enrich 107 000 hectares of forests in the Chinese provinces of Anhui and Jiangxi illustrates that strategy.

While 32 000 hectares of new mixed species forests will be planted on selected areas of abandoned land, 75 000 hectares of existing but degraded forests will be enhanced through enrichment planting and improved management that will diversify tree species, foster natural regeneration and improve the vitality and productivity of forests.

New, stronger forests will increase carbon sequestration, helping to battle climate change. The total net carbon sequestration achieved by the programme in both provinces is expected to be around 324 000 tonnes of CO₂ equivalent per year. Reforestation and a more diverse forest structure will also improve biodiversity and the forest ecosystem's resilience to climate change, notably through improved soil protection and reduced erosion.

The economic benefits of the project will also be considerable. Management practices will follow the internationally recognised China Forest Certification Scheme. The sustainable harvesting of domestic timber will help to address China's lack of supply, while the harvesting and processing of non-timber forest products will immediately contribute to local livelihoods. The programme is expected to provide increased job opportunities, income, skills-building, and economic development for people in rural areas. Project implementation will directly create about 48 200 person-years of employment over five years, equal to some 9 640 full-time equivalent jobs. Most of the work will be seasonal, benefiting a large proportion of the rural people living in counties covered by the project. In the longer term, established and improved forests are expected to support 1 100 full-time equivalent jobs.



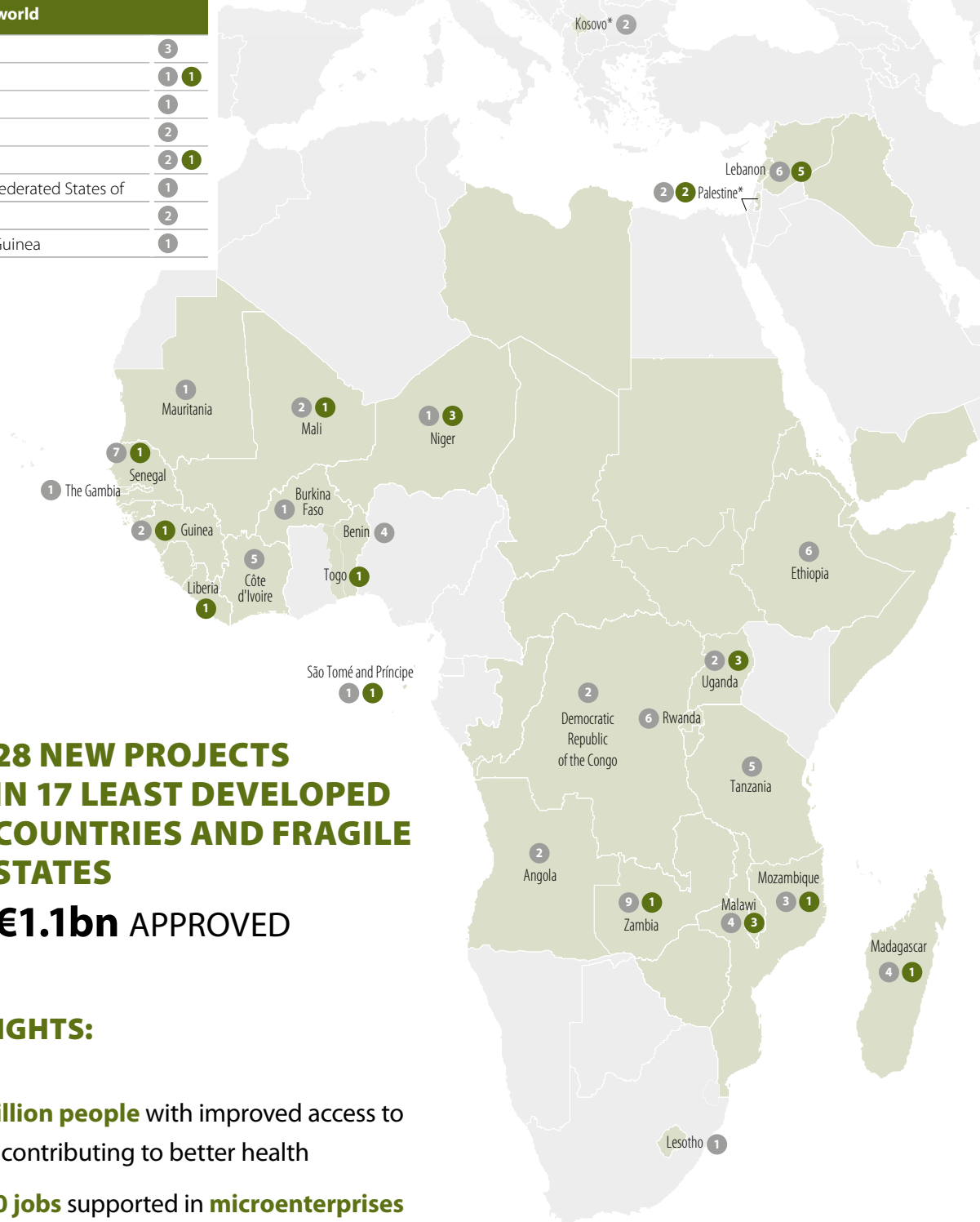
TARGETING THE POOREST, BUILDING RESILIENCE

The EIB operates in some of the poorest, most fragile states in the world. Working in these contexts is challenging, but it is also where the Bank's lending can make the most difference.

As the coronavirus pandemic has shown, investing in economic resilience is vital. Resilience is the capacity countries have to protect and promote human rights and the economic well-being of everyone in the face of conflict, natural disasters and climate change – and to deal with the large-scale migration these events can trigger.

The EIB invests significantly in least developed countries and fragile states, particularly in Africa, and provides strong support for economic resilience in Europe's immediate neighbourhood.

Rest of the world	
Bangladesh	3
Cambodia	1 1
Timor-Leste	1
Haiti	2
Laos	2 1
Micronesia, Federated States of	1
Nepal	2
Papua New Guinea	1



**IN 2019: 28 NEW PROJECTS
IN 17 LEAST DEVELOPED
COUNTRIES AND FRAGILE
STATES**

€1.1bn APPROVED

HIGHLIGHTS:

- **2.8 million people** with improved access to water, contributing to better health
- **96 000 jobs** supported in **microenterprises**
- **Green electricity for 239 000 households**

- Projects in least developed countries and fragile states, 2015-2018
- New projects in least developed countries and fragile states, 2019

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The EIB in least developed countries and fragile states

Keeping pace with water needs

Niger, which ranks 189 out of 189 countries on the UNDP's Human Development Index, needs assistance to improve its social and economic infrastructure. The supply of safe, reliable drinking water is essential. Safe, reliable water reduces the risk of waterborne diseases and creates a better environment for economic growth.

Water supply systems in the capital, Niamey, urgently need expanding. Water needs are often not fully met for three to four months each year. With the city's population expected to increase from around 1.4 million in 2020 to 2.3 million by 2030, water demands will increase rapidly.

Meeting the city's demand for water up until 2030 is the goal of the first tranche of investments planned under the EIB-funded Master Plan for the Supply of Drinking Water. The project includes the installation of a new treatment facility with a capacity of 100 000 m³ per day, as well as the expansion of an existing distribution network with about 30 kilometres of main water conveyors and 680 kilometres of distribution pipes. The network will connect 45 000 new households. In all, the improvements to drinking water accessibility and reliability are expected to benefit around 1.6 million people. The project will create 20 000 person-years of employment. By improving living conditions and economic opportunities, the project is expected to help reduce migration from this part of the Sahel region.

Projects of this kind – with a high social and economic rate of return, but low financial returns – require public financing. The EIB's long-term loan of €105 million comes with a €6.2 million interest rate subsidy paid for with the Cotonou III envelope. The EIB has played a significant role in supporting the project's preparation, financing the water master plan and feasibility studies while also leading discussions with the Niger government to help accelerate the project's financing and implementation.

Producing energy on school rooftops in Palestine

In Palestine, developing solar energy serves a dual purpose. It fosters economic resilience through long-term investment in decentralised energy systems. At the same time, it contributes to climate change mitigation, supporting low-carbon and climate-resilient development. A project to install photovoltaic panels on the unused rooftops of schools throughout the West Bank and East Jerusalem goes a step further. It makes use of unused space, supports the financial sustainability of the educational system and helps raise awareness among students and teachers of climate change and the benefits of renewable energy.

An EIB loan of €15.8 million, issued under the Economic Resilience Initiative to the Palestine Investment Fund, will support the installation of photovoltaic panels on some 450 schools, creating a peak generation capacity of 29 MW. That generation capacity will result in 48 GWh of electricity a year, enough to supply 16 000 households. The project is also expected to reduce emissions by 31 000 tonnes of CO₂ equivalent every year relative to the alternative of fossil fuel-based electricity generation.

The reliability of electricity is a key economic challenge in Palestine. Some 42% of firms report that an unreliable electricity supply is an obstacle to their operations, according to the 2020 Enterprise Surveys, conducted jointly by the EIB, the European Bank for Reconstruction and Development (EBRD) and the World Bank. Power outages cause disruption for businesses, households and schools. By providing an autonomous supply of electricity to schools in the West Bank, the project will improve the learning environment for children as well as enhance economic resilience and job opportunities throughout the economy.

Building resilience in the Southern Neighbourhood and the Western Balkans

The massive displacement of people caused by the war in Syria was a major humanitarian crisis. It also placed a huge burden on the economies and infrastructure of many nearby countries. The conflict highlighted the importance of investing in economic resilience, which enables countries to cope with unexpected shocks.

The EIB set up the Economic Resilience Initiative (ERI) in 2016 as part of the European Union's response to the challenges in the Southern Neighbourhood and the Western Balkans, such as forced displacement and migration, economic downturns, political crises, droughts and flooding. The ERI creates jobs and economic growth in the region by investing in infrastructure and in private sector development.

The ERI offers loans and innovative financial products, sometimes blending funds from the donor community with EIB financing. The initiative is implemented in close cooperation with EU countries, the European Commission and other partners. Some 60 projects worth €5.26 billion have been approved so far under the ERI.

The EIB signed **17 new projects under the ERI in 2019.**

Migration flows and climate change have put the supply of municipal water and sanitation under significant pressure. Six new ERI projects in Bosnia and Herzegovina, Jordan, Lebanon, North Macedonia and Serbia target this vital sector. Together they will **improve sanitation services for 897 000 people and enhance the supply of clean drinking water for 592 000 people.**

ERI projects also focused on **Lebanon**, a country classified as a fragile state that is facing the impact of the civil war in Syria and a financial crisis at home. New projects in Lebanon will:

- Upgrade wastewater networks in the Greater Tripoli Basin.
- Install new energy-efficient, solar-powered and reliable systems in the country's telecommunications infrastructure, including 715 new mobile phone towers.
- Support industry to substitute 52 900 tonnes of glassware imports with domestic production.
- Upgrade 920 kilometres of roads, immediately creating some 17 000 person-years of employment, and helping to spur economic growth.



GENDER-SMART INVESTING

Investors have an important role to play in furthering equality.

Investing with an awareness of gender-related risks and opportunities is smart investing. That awareness helps investors spot market gaps that others might miss. Promoting a world where everyone can realise their full potential creates better development outcomes for all.

The EIB aims to embed gender equality in its projects. This means identifying and mitigating gender-specific risks and working to ensure that the benefits of the projects we finance are equally accessible to all. It also means supporting specific investments that target equality and women's economic empowerment as an explicit goal.

Investing for gender equality and inclusive growth

Gender equality matters for development. Societies and businesses do better when everyone can realise their full potential and participate in an inclusive, environmentally sustainable and cohesive society. Yet, despite progress on many fronts, women and girls often face systematic legal, institutional and cultural discrimination. They may encounter unequal access to employment, education and financial services, and limited control over natural resources and other productive resources generating incomes and livelihoods. They live with the risk of gender-based violence and harassment and are often disproportionately vulnerable to the effects of insecurity, economic crises and climate change.

The **EIB Group Strategy on Gender Equality and Women's Economic Empowerment** and our **Gender Action Plan** (endorsed in January 2018) define how we are working to tackle gender inequality.³

PROTECT	Using an enhanced due diligence framework to enable clients and EIB experts to assess, prevent and mitigate the risks and potential negative impacts of EIB investments for girls and women.
IMPACT	Enhancing the impact of our operations on gender equality by identifying key sectors and project design features that will provide equal access to products, services and employment opportunities. Example: Clean, safe urban transport. See page 30.
INVEST	Identifying new business opportunities and suitable instruments to support women's economic empowerment through specific investments. Example: Lending for women-led SMEs. See page 31.
CHANGING THE EIB	Targeting leadership, communication, skills, information management and partnerships to measure results and accountability. Example: EIB's ShelInvest initiative. See page 30.

³ <http://www.eib.org/attachments/strategies/eib-group-gender-action-plan-2018-2019-en.pdf>

Clean, safe urban transport – Pune Metro

India's rapid economic development and urbanisation is placing urban transport systems under increasing strain, leading to mounting economic costs and serious environmental challenges. For this reason, the development of sustainable transport systems is a priority. Building on its recent experience with metro projects in Bangalore and Lucknow, in 2019 the EIB signed a €600 million loan to help build two metro lines in the city of Pune in the State of Maharashtra, in western India.

Extending over 31 kilometres and 30 stations, the lines will enable around 160 million additional passenger journeys per year, or more than 400 000 a day. The metro lines provide an alternative to road transport and are expected to save passengers around 29 million hours a year, while bringing them the financial benefits resulting from fewer road accidents and lower vehicle costs. The expected shift from road transport will help reduce both local air and noise pollution, as well as greenhouse gas emissions. By helping to reduce traffic congestion, the project will help sustain economic growth.

Beyond funding, the EIB is also contributing to the adoption of high environmental and social standards and the promotion of design features that improve gender equality. A particular concern with mass public transport systems is the security of women and girls, and ensuring they can benefit from this infrastructure as much as men. Due diligence involves assessing whether the project exposes women to unnecessary risks, thus limiting their access to the transportation provided. It also involves investigating how the project can be designed to reduce these risks. In India, the commitment to women's security in public transport is high and the project in Pune is no exception.

The project will include security measures such as separate ticket queues and toilets for women at stations, dedicated seating and coaches for women, priority seating for pregnant women and older people, night-time patrols of platforms by security personnel, including female security guards, and closed-circuit television coverage of platforms, parking and entrance areas. Together, these measures will help to enhance security for all passengers.

To make the benefits of a transport project like this truly inclusive, however, planning must consider issues outside the core infrastructure. Passengers need to get to and from the stations. For that reason, this project will also include the provision of electric vehicles available for last-mile connections between residential areas and the metro stations, while pavements within a radius of around one kilometre of the stations will be modified to improve accessibility and road safety. Together, these measures will help ensure that the new metro lines are safely accessible for everyone, including children, older people and people with reduced mobility.

EIB adopts the 2X Challenge criteria and launches ShelInvest

In 2019, the EIB launched ShelInvest⁴, a new initiative to mobilise €1 billion of investment to boost gender equality and female economic empowerment by improving women's access to finance and by making infrastructure work better for them. Building on our experience in gender-focused lending, particularly in Africa, the EIB is stepping up efforts to further invest in projects, sectors and markets that have a transformative effect on gender equality and can increase the capacity of women and girls to participate in the economy and labour market. In addition, dedicated technical assistance – including €2 million towards the African Women Rising Initiative – will help build lenders' skills and support mentoring for female entrepreneurs, improving their access to finance. This capacity-building for intermediaries will also focus on designing financial products tailored to women's needs.

⁴ <https://www.eib.org/en/press/all/2019-306-sheinvest-new-initiative-to-mobilise-eur-1-billion-for-women-across-africa>

Three projects were signed in 2019 under SheInvest. The Women's World Banking Capital Partners II Fund will target women micro-entrepreneurs through support to microfinance institutions, while a credit line to the Uganda Development Bank and investment in the Africa Development Partners III Fund will support women-led businesses.

SheInvest projects are guided by the 2X Challenge criteria⁵, an ambitious commitment from G7 development finance institutions to mobilise billions for investment that promotes women's economic empowerment in emerging and developing economies. The EIB was the first multilateral development bank to commit to using the 2X criteria when identifying projects that support gender equality and female empowerment. Aside from the SheInvest projects, two microfinance projects (Crystal Microfinance in Georgia and Enda Tamweel in Tunisia) also meet the 2X Challenge criteria.

Uganda Development Bank's first dedicated credit line for women entrepreneurs

In Uganda, women own a high proportion of small businesses, including about 39% of businesses with registered premises. However, studies suggest they receive as little as 9% of commercial credit, which impedes their businesses' ability to grow.

To help close this gap, the EIB is providing a €15 million credit line to the Uganda Development Bank (UDB). A minimum of 30% of the funding will be dedicated to women-owned or led businesses qualifying for the EIB's SheInvest initiative or the 2X Challenge, a global funding drive led by development finance institutions from G7 nations. Improved access to finance – including long repayment periods of up to seven years – will enable these women's businesses to sustain and expand their activities. The lending conducted by UDB is expected to sustain 3 300 jobs.

The collaboration with the EIB will also help UDB to expand its impact. The opportunity to draw most of the credit line in local currency, with a much longer repayment period than is available in private markets, will help UDB provide the kind of finance that small businesses need to thrive. The EIB is also supporting UDB's efforts to develop a gender strategy that will help reach more female clients, while strengthening UDB's systems to ensure effective monitoring and reporting that takes gender into account.

⁵ <https://www.eib.org/en/press/all/2019-278-the-eib-adopts-the-2x-challenge-criteria-to-increase-its-impact-on-gender-equality>



WHAT THE EIB CONTRIBUTES

At the EIB, we strive to measure whether our projects make a real difference. When considering whether to fund an eligible project, two key things matter:

- **Impact** – whether the project will make a substantial positive difference to people's lives
- **Our contribution** – why it makes a difference if we step in to support the investment

This is why tracking project outputs and outcomes is so vital. It allows us to gauge the ultimate impact of the projects we support.

We also systematically assess what we are able to bring to each project:

- The **financial benefit we provide**, over the market alternative
- Our role in **facilitating and catalysing finance**
- The **technical advice and assistance** we are able to provide

The value of the EIB as a development finance institution lies not only in our financial firepower. It also lies in our long experience working across the globe, in regions from Sub-Saharan Africa, Asia and Latin America to the EU neighbourhood, and in our local presence in the countries where we operate. And it lies in our in-house expertise, which promotes the exchange of ideas and solutions between Europe and the rest of the world.

Assessing outputs, outcomes, impact

As the bank of the European Union, the EIB acts on behalf of the EU Member States to tackle poverty and climate change and to promote development, economic integration and the achievement of the Sustainable Development Goals.

Systematically tracking results

To track the results of our projects, we rely on our Results Measurement (ReM) framework. We are constantly working to further enhance and align the ReM framework with the systems of other development finance institutions and with our own activities inside the European Union. The ReM framework assesses projects – at the beginning and end of the project cycle – according to three pillars:

- the achievement of the policy objectives
- the quality and soundness of the operation and expected results
- the EIB's contribution

Since the framework was adopted in 2012, around 750 projects have gone through ReM assessment at appraisal. This report presents the expected results of new projects signed in 2019. Projects originally appraised under the framework are reaching completion. The results of these completed projects are reported on page 45.

Taking a deeper look to better understand impact

Breadth is important when assessing results, but so is depth – getting a deeper understanding of the consequences of the projects we support. Our attention to impact uses a range of tools that we are constantly expanding and developing, going beyond our systematic results measurement:

ReM+ – Under the dedicated €800 million Impact Financing Envelope (IFE) for the African, Caribbean and Pacific regions, the EIB supports higher-impact, higher-risk private sector initiatives to tackle poverty. We use our enhanced ReM+ framework for these projects, using socioeconomic profiling and tailored social impact indicators to give more detailed insight into the effect on specific groups, such as women and low-income populations.

Deep-dive collaborative studies – We work with the Global Development Network and renowned academics to support and mentor talented early-career researchers from Africa, the Caribbean and the Pacific to produce year-long studies into the impact of selected IFE projects, gaining insights and building capacity at the same time.

Tracking technical assistance results – We have designed a parallel framework to assess the results of technical assistance operations connected to our projects, helping us to monitor the difference our technical support makes.

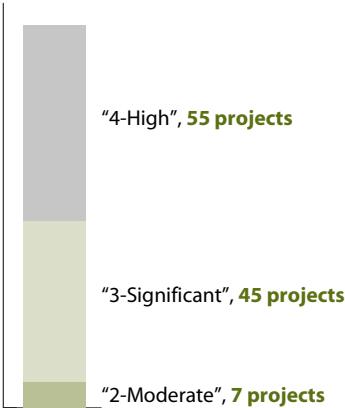
Assessing the EIB's contribution

For projects beyond the European Union, the EIB traces its contribution using Pillar 3 of the ReM framework. Different indicators rate our "financial contribution," "financial facilitation" and "advice." Detailed ratings by indicator are provided on page 43.

Financial contribution: Responding to financing needs

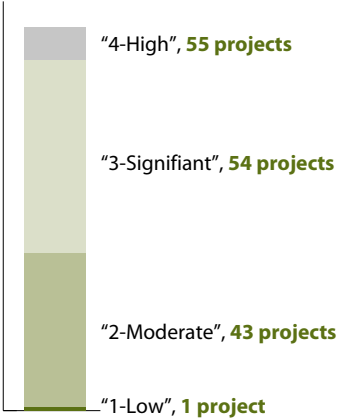
"Financial contribution" includes providing finance in a local currency, blending loans with grants, and a long-term tenor (loan duration) compared to the life of the assets or the tenor available on local markets. While the ability of the EIB to provide financing in local currency was rated as the most significant advantage for microfinance in 2019, the Bank's contribution more generally was rated "high" across all instrument types for tenor and the extent to which the duration exceeded what was available in local markets, and the ability to provide a tenor that matched the economic life of projects.

Overall ratings



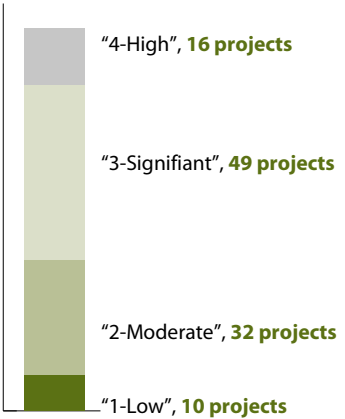
Financial facilitation: The EIB's catalytic effect

The EIB is able to promote higher standards or support promoters in adopting more innovative financing models, thereby helping to attract other sources of finance for worthwhile projects. For example, the EIB is providing innovative, "patient" indirect equity financing for the Blue Orchard Resilience Fund, which is investing in insurance and small-scale infrastructure solutions to enhance climate resilience in agriculture. The Bank is also working closely with the fund manager to raise environmental, social and governance standards. The EIB's involvement is being closely watched by other private investors who are expected to be "crowded in" to the fund.



Advice: Providing technical assistance and support

Advice provided by the EIB can often help promoters improve technical aspects of project design, effectively structure projects and financing instruments, or enhance the long-term value and effectiveness of their investments. In the Dominican Republic, for instance, the Bank provided financial advice on accommodating the exceptional needs arising after Hurricane Matthew. The Post-Disaster and Climate Resilience project will also be accompanied by technical assistance to aid the integration of social and climate resilience standards into the reconstruction process.



The EIB also uses a specialised ReM TA system for assessing the results of technical assistance operations that accompany EIB project financing.

Matching technical and financial support in Belgrade

The EIB often plays a key role in helping to prepare, finance and successfully implement projects. The extension of the sewerage system in the Palilula municipality of Belgrade, Serbia's capital, is a good example. The city authorities first consulted the EIB on how to finance the project, and the Bank advised them to pursue an investment loan with a technical assistance grant to support implementation. A €1.1 million grant under the Economic Resilience Initiative is being used to help the city prepare and implement the project. EIB experts will continue to monitor and support the project and will pay particular attention to technical progress and compliance with the EIB standards, including procurement, environmental and social requirements. The €35 million loan from the EIB is being provided with a 30-year maturity, more than triple the length offered on the market by commercial banks.

The project will build a sewage treatment plant capable of serving 85 000 people, along with 86 kilometres of wastewater pipelines. It will install 9 200 new domestic connections to the sewerage network. Some 65 000 people are expected to benefit from the improved services. The project should have substantial positive social and economic effects in the area, as well as a positive environmental impact on the river Danube, and ultimately the Black Sea.

Securing a vital road in São Tomé

Enhancing the resilience of infrastructure is essential to mitigating the negative effects of climate change. Extreme weather events have the potential to wreak havoc with basic infrastructure such as transport systems, leading to economic repercussions far beyond those caused by the immediate damage.

Climate resilience is one of the main objectives of an EIB-supported project to repair and upgrade the Marginal Boulevard road on the island of São Tomé. The coastal road is vital for connecting the city to the airport and the rest of the island, as well as providing access to an important tourism area. Improvements along the nine kilometres of critical sections covered by the project will enhance resilience to extreme weather and coastal erosion. They will also improve road safety and save vehicle operating costs. It is estimated that accidents will be reduced by 220 per year on average, saving one life per year and avoiding injuries. Reduced damage and wear to vehicles is expected to save nearly €2 million per year. The project should ultimately facilitate growth in trade and tourism.

With the ReM framework, the EIB's contribution to this project has been rated "4-High" for financial contribution, "3-significant" for financial facilitation and "4-High" for advice. The Bank is working in close cooperation with the Netherlands Enterprise Agency (RVO) to co-finance the project and provide technical advice and support. The €12.5 million loan from the EIB has a 24-year maturity, a vast improvement over market conditions. The government of São Tomé and Príncipe is not able to raise local funds with more than one-year maturity or to access external capital markets. Given the financial vulnerability of the government, the loan will also be accompanied by an interest rate subsidy worth about 16% of the loan amount, making it more affordable.

The EIB, in collaboration with RVO, will try to make the best use of our in-house expertise when mobilising technical assistance for project preparation and implementation. EIB involvement ensures that attention is given to technical, environmental, social, safety and climate aspects in the final project design. Independent audits covering all these aspects will be undertaken periodically to ensure the required standards are maintained.

IN DEPTH

This section provides further details of our lending beyond the European Union in 2019 and our tracking of project results. It covers:

- Expected results of new lending
- Project ratings and the EIB's contribution
- Carbon footprint exercise
- Results of completed projects
- Aggregate lending volumes
- A list of projects signed

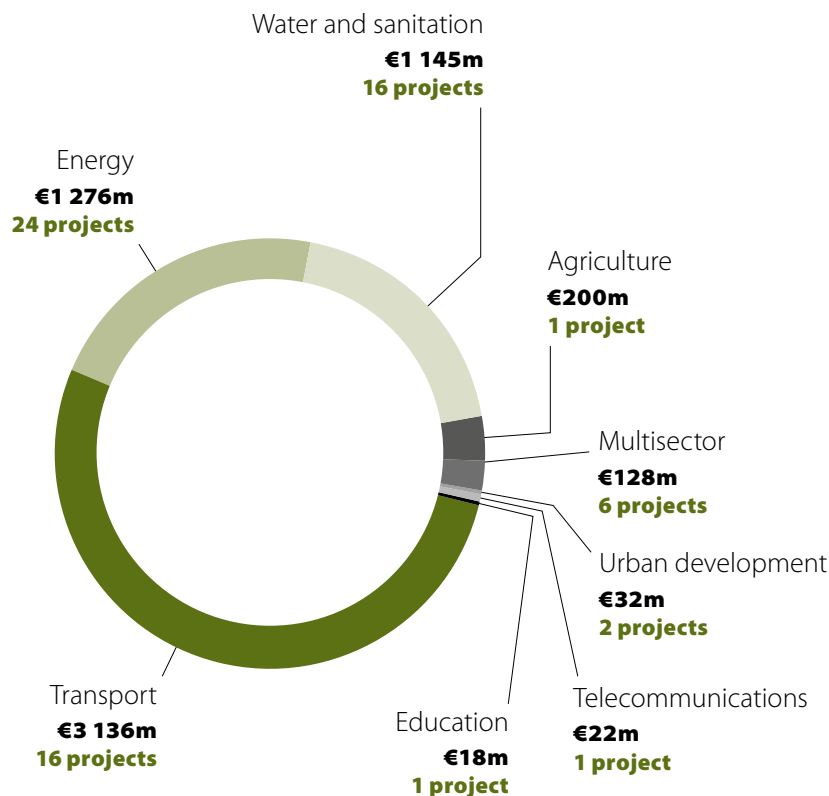


EXPECTED RESULTS OF NEW LENDING

In 2019, the EIB signed contracts for 108 new projects. Total approved lending for these new projects (excluding contracts signed under older projects) was €7.73 billion.

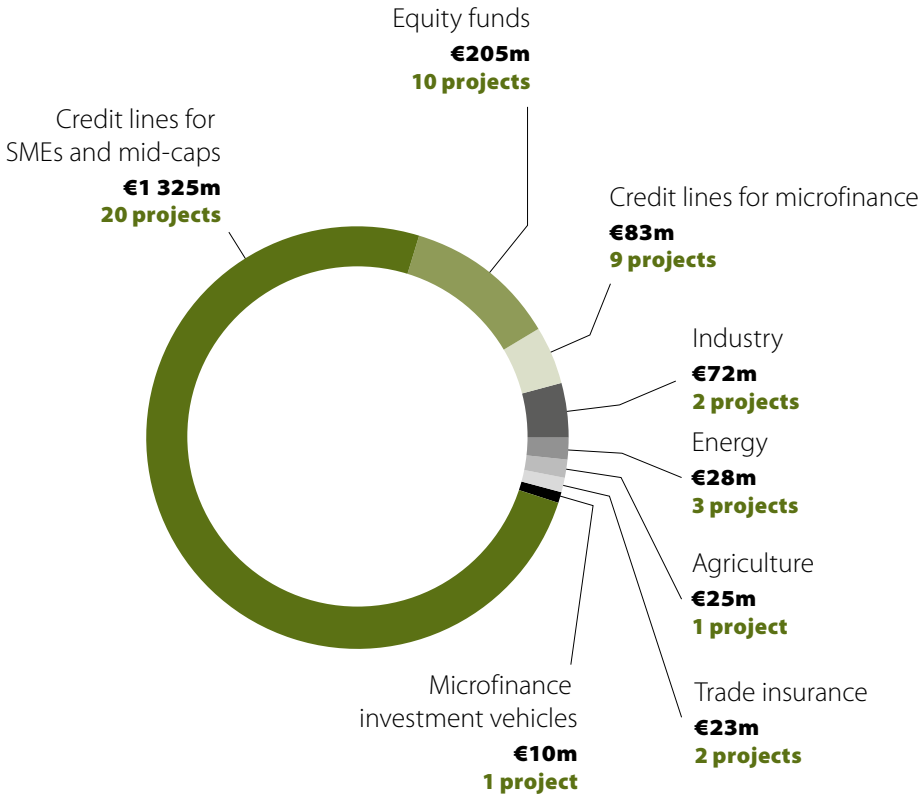
The balance between lending for social and economic development and private sector development remained similar to the previous year. A majority of the new projects – 67 – supported infrastructure development (€5.96 billion approved), with the transport sector making up half of this by volume, and investments in energy and water and sanitation accounting for much of the rest. Credit lines for small and medium enterprises (SMEs) and mid-caps made up most of the €1.77 billion of approved lending for private sector development (via 48 new projects), but equity funds and microfinance also played an important role⁶. This section summarises the aggregate outputs and outcomes we expect from these new projects.

NEW PROJECT LENDING FOR SOCIAL AND ECONOMIC DEVELOPMENT, BY SECTOR



⁶ Some projects involve both infrastructure and private sector objectives, as well as cross-cutting climate action and regional integration objectives.

NEW PROJECT LENDING FOR PRIVATE SECTOR DEVELOPMENT, BY INSTRUMENT TYPE



Highlights from new infrastructure projects in 2019 include an additional 337 million passenger journeys per year (or nearly one million every day) as a result of urban metro line projects in Pune and Bhopal in India and in Cairo, Egypt. Twenty-one projects will support electricity generation from renewable sources. Together they will result in 8 590 GWh/year generated, enough to supply more than 3.2 million households in the countries concerned. Water sector projects will improve the supply of drinking water for 3.9 million people and will improve sanitation services for 2.2 million people, with 35 000 additional households or businesses connected to sewerage systems and 228 000 people benefiting from reduced flood risks. A number of urban development projects will improve a range of municipal services, benefiting an estimated 1.95 million people in total. A major forestry project in China will support climate change mitigation through the planting of 32 000 hectares of forest, with 75 000 hectares under improved management.

In total, infrastructure projects will create some 370 000 person-years of temporary employment, with 8 600 permanent jobs expected to be created through the operation of the new infrastructure.

EXPECTED RESULTS OF NEW INFRASTRUCTURE PROJECTS

Expected outputs		Expected outcomes		
Energy				
	Generation capacity (100% renewables)	3 620 MW	Electricity production (GWh/year)	8 590
	New/upgraded power lines	2 040 km	Households potentially served by electricity produced	3 220 000
	New or upgraded electricity sub-stations	361	Direct heating energy produced (GWh/year)	1 310
	Annual savings from energy efficiency measures	671 GWh	Additional households connected to the electricity network	100 000
Transport				
Urban	New or upgraded bus/tram/metro routes	110 km	Additional urban transport passengers, per year	337 000 000
	New or upgraded stations or stops (urban)	95	Reduced urban journey times (hours/year)	130 000 000
	New rolling stock or vehicles (urban)	183		
Air/water			Additional airport passengers, per year	1 000 000
			Additional water transport cargo (tonnes/year)	7 100 000
Roads	Road lanes built or upgraded	4 800 km	Additional beneficiaries (vehicles), per day	70 700
			Reduced road journey times (hours/year)	4 920 000
			Vehicle operating cost savings, per year	€12.9m
			Road fatalities saved, per year	88
Water and sanitation				
Water supply	New/upgraded domestic water connections	147 000	Population benefiting from improved water supply	3 900 000
	New/upgraded water mains/pipes	2 610 km	Population with reduced exposure to drought risk	105 000
	New/upgraded water storage capacity	52 700 m ³		
Sanitation	New/upgraded wastewater treatment capacity (person-equivalent)	2 130 000	Population benefiting from improved sanitation services	2 210 000
	New/upgraded domestic sanitation connections	35 200	Wastewater treated to acceptable standards (person-equivalent)	2 700 000
	New/upgraded sewer/storm pipes	1 470 km		
Flood mitigation	Length of dykes constructed or rehabilitated	175 km	Area served by flood prevention infrastructure	25 110 ha
			Persons facing reduced risk of flooding	228 000
Urban development and housing				
	Length of urban streets and associated infrastructure built or upgraded	3.6 km	Population served by new/upgraded urban infrastructure	1 950 000
	New or renovated social housing units	13 000	Additional households in social housing	1 200
Telecommunications				
	Additional 3G sites	47	Additional mobile phone subscriptions	29 200
	Additional 4G sites	105	Additional mobile phone subscriptions with data services	38 500
	New mobile towers installed	965	Homes connected to broadband	12 700
	Fibre optic cables installed	75 km		
	Homes passed by broadband	24 500		
Agriculture and forests				
	New forest planted	32 000 ha	Forest/biomass growth (m ³ /year)	417 000
	Agricultural or forest land under improved management	75 000 ha	Crop production (tonnes/year)	89 000
	Crop storage capacity	65 000 tonnes	Number of beneficiaries (farmers, forest workers)	9 640
Education				
	New or upgraded education facilities (area)	21 000 m ²		
	Additional students enrolled	3 430		

Direct employment effect of infrastructure projects	Employment during construction (person-years)	Employment during operation (full-time equivalent)
Agriculture and forestry	49 000	1 540
Education	660	530
Energy	20 500	1 390
Industry and RDI	877	162
Multisector framework loans	2 410	786
Telecommunications	480	24
Transport	206 000	2 800
Urban development	2 210	540
Water, sanitation and solid waste	87 100	828
Total	370 000	8 600

In 2019, the EIB signed contracts for 20 new credit lines for SMEs and mid-caps located outside the European Union. Those credit lines are expected to support the employment of nearly 192 000 people, roughly split between SMEs and mid-caps, although SMEs will receive the majority of loans.

The €500 million Banque Misr Loan for SMEs and Midcaps II in Egypt, an unusually large transaction, is expected to greatly aid the development of the country's private sector. Lending to the private sector as a percentage of GDP in Egypt declined in the wake of the 2011 Arab Spring political crisis and as government borrowing needs rose. The 2020 EIB-EBRD-World Bank MENA Enterprise Surveys show that banks only finance 7% of investments by Egyptian SMEs, a very low figure for the Southern Neighbourhood, while 89% of SMEs that say they need a bank loan are credit constrained. The new operation with Bank Misr is expected to support some 33 600 jobs.

The EIB also signed nine new credit lines for microfinance institutions. The total EIB commitment of €83 million is expected to help sustain the employment of just over 217 000 micro-entrepreneurs, 45% of which are women. EIB support for one microfinance investment vehicle (Women's World Banking Capital Partners II Fund) will help the fund invest €70 million in 15 additional providers of microfinance.

Ten new equity funds supported in 2019 focus primarily on spurring private sector development through investment in high growth potential companies in Africa. Initial estimates suggest that 12 700 jobs will be supported in these companies. Three of the equity fund operations also focus specifically on climate resilience.

EXPECTED RESULTS OF NEW PRIVATE SECTOR DEVELOPMENT PROJECTS

Credit lines for SMEs and mid-caps			
	SMEs	Mid-caps*	All
Total loans (€ m)	1 004	304	1 308
Total loans (#)	64 900	127	65 000
Average loan size (€)	15 500	2 390 000	20 100
Average loan tenor (years)	5.4	6.8	5.7
Jobs sustained in beneficiary firms	149 000	42 900	192 000

* Includes four loans to large companies.

Expected outputs		Expected outcomes	
Credit lines for microfinance			
Total loans (€ m)	307	Jobs sustained in beneficiary firms	217 000
Total loans (#)	353 000	Jobs sustained held by women	98 300
Average loan size (€)	871	Jobs sustained held by young people	91 500
Women as % of final beneficiaries	45%		
Equity funds			
Total fund size (€ m)	1 278	Jobs supported in investee companies	12 700
Investee companies (#)	119	Net jobs created in investee companies	3 560
Average investment (€ m)	1.07		

NEW PROJECT RATINGS

Under the ReM framework, projects are rated according to three pillars at the time of Board approval:

- **Pillar 1** checks eligibility under EIB mandates and rates the contribution to EU and country priorities.
- **Pillar 2** rates the quality and soundness of the operation, tracking project results.
- **Pillar 3** rates the expected EIB financial and non-financial contribution, beyond the market alternative.

Ratings are based on a series of measurable indicators and guidelines, while a process of quality control ensures that all ratings are checked for consistency across operations.

REM RATINGS FOR 2019 NEW PROJECTS



Note: Excludes one fully grant-funded facility for which no ratings are available.

Pillar 1 – Eligibility and policy contribution

Seventy-six projects were rated “4-High” under Pillar 1 for making a high contribution to both EU priorities and national development objectives, a similar proportion to the previous year. A further 30 were rated “3-Significant” for making a large contribution to either EU priorities or national development objectives. Only the Lana River Front – Urban Redevelopment project in Albania was rated “2-Moderate” overall, despite a contribution to climate change adaptation.

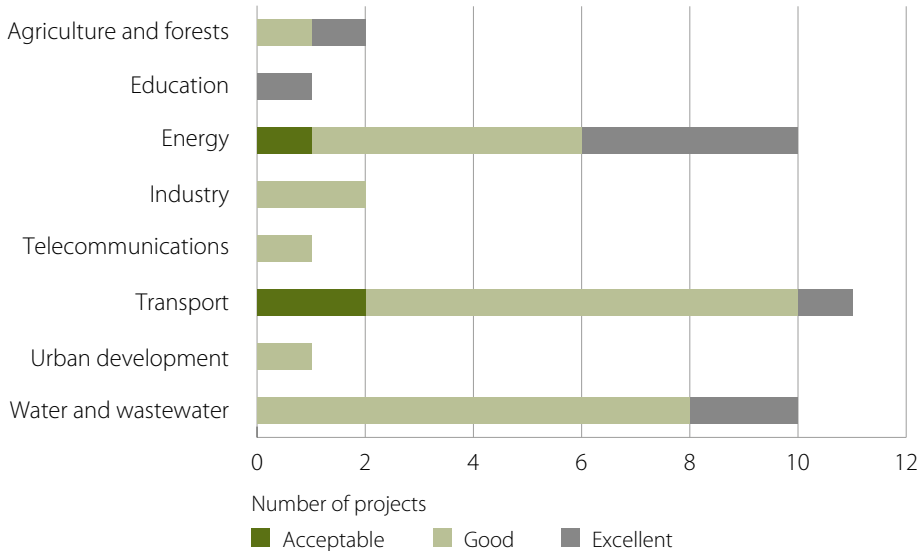
Pillar 2 – Quality and soundness of the operation

The Pillar 2 rating is based on the project’s soundness, financial and economic sustainability, and, in the case of directly financed projects, environmental and social sustainability. For intermediated operations, the rating is based on the expected results, weighted by risk considerations as measured by the soundness of the intermediary and the quality of the operating environment. Eighty-two projects were rated “good,” with an average economic rate of return of 10-15% for infrastructure projects; 19 projects were rated “excellent.” Another six projects received an “acceptable” rating, often because of high-risk environments or weaker promoters. Notable in this category are two credit lines for SMEs and mid-caps in Belarus, a credit line for microfinance in Tunisia and road investments in Lebanon.

Environmental and social impact is also assessed under Pillar 2 for infrastructure and industrial private sector projects (typically excluding framework loans for smaller projects where the final project impact is not specified at appraisal). The rating is based on both the nature of the effect and the size of the risks. The rating includes an underlying assessment of the robustness of arrangements to mitigate risks. Projects are rated on the following scale.

- 1 - Marginal:** Not Acceptable, for environmental and/or social reasons – not suitable for EIB financing.
- 2 - Acceptable:** Acceptable with major negative residual environmental and/or social impacts.
- 3 - Good:** Acceptable with minor negative residual environmental and/or social impacts.
- 4 - Excellent:** Acceptable with positive or neutral residual environmental and/or social impacts.

ENVIRONMENTAL AND SOCIAL RATINGS, BY SECTOR



Pillar 3 – The EIB’s technical and financial contribution

The EIB not only provides finance to sound projects. It also provides a package of support that includes advantageous financing conditions, technical advice and help to attract further finance. This is what we mean by the “EIB contribution,” which goes beyond the financing that project promoters could otherwise have obtained in local markets.

The ability of the EIB to make such a meaningful contribution beyond the European Union rests not just on its strength as an international, top-rated lender. It is also due to the EU guarantees provided under the External Lending Mandate as well as blending loans with grants from the European Union and Member States. These tools enable the EIB to extend its reach to higher-risk regions and contexts in less developed countries, and allow us to mobilise technical assistance to ensure the success and lasting benefit of projects.

For projects beyond the European Union, the EIB traces its contribution using the third pillar of its ReM framework. Different indicators are used to rate the “financial contribution,” “financial facilitation” and “advice” (these three sub-pillars and their ratings are presented on page 43), and these components are used to calculate an overall rating. For 100 new projects in 2019, the overall EIB contribution was rated “significant” or “high.” A further breakdown of average Pillar 3 ratings and indicators by instrument type is given in the table below.

THE EIB'S TECHNICAL AND FINANCIAL CONTRIBUTION TO PROJECTS – AVERAGE VALUES FOR DIFFERENT INSTRUMENT TYPES

		Direct and framework loans	Credit lines for SMEs and mid-caps	Credit lines for microfinance	Equity funds and microfinance funds
Number of projects		56	19	9	23
EIB contribution – overall rating		3.2	2.9	3.4	3.5
Financial contribution	Overall rating	3.3	3.3	3.7	3.7
	Subsidy (%)	9.6	1.1	0.0	0.4
	Subsidy (rating)	2.3	1.5	1.0	1.3
	Local currency (rating)	1.1	2.5	2.8	3.3
	Extension of tenor (%)	169	91	108	122
	Extension of tenor (rating)	3.7	3.6	3.6	3.9
	Match with economic life (%)	90	107	131	95
	Match with economic life (rating)	3.7	3.9	4.0	3.8
Financial facilitation	Overall rating	2.5	2.3	2.7	3.3
	Innovative financing	1.6	1.4	2.0	2.7
	Attracting private sector financiers	1.6	2.4	2.1	3.4
	Working with public-sector partners	2.7	n/a	2.4	2.7
	Raising standards	3.4	2.5	2.6	3.4
Advice	Overall rating	2.9	1.8	3.2	2.5
	Financial advice and structuring	2.3	1.5	1.9	2.6
	Technical contribution and advice	3.0	1.8	3.9	2.0

Note: EIB contribution ratings for individual projects: 4 = high; 3 = significant; 2 = moderate; 1 = low. The table shows simple average ratings or percentages across projects. Excludes one fully grant-funded facility for which no ratings are available.

THE 2019 CARBON FOOTPRINT EXERCISE

The EIB carbon footprint exercise estimates and reports greenhouse gas emissions from projects (not only climate action projects) when either or both of the following thresholds are exceeded:

- **absolute emissions** (actual emissions from the project) exceed 20 000 t CO₂-eq/year;
- **relative emissions** (estimated emissions increases or abatement compared to the expected alternative) exceed 20 000 t CO₂-eq/year.

Absolute emissions refer to the direct emissions of the project itself (Scope 1 emissions) plus emissions from generation of the power supply used by the project (Scope 2 emissions). Scope 3 emissions (other indirect emissions) are not normally included in project data, except for physical infrastructure links such as roads, railways and metros. Relative emissions are estimated by comparing the absolute emissions with those produced by the status quo.

While relative emissions are important for comparing technologies and projects, the absolute emissions from each project lie at the heart of the EIB's footprint approach, as these are what will ultimately affect our climate impact. Individual project-level greenhouse gas data are assessed at project appraisal and reported on the Bank's Environmental and Social Data Sheets. For the purposes of aggregated annual reporting, project emissions are calculated proportional to the volume of EIB financing of each project that year, thus avoiding possible double counting with the reporting of other international financial institutions.

The 2019 exercise for projects beyond the European Union, including contracts signed and large allocations approved during the year, estimates the greenhouse gas emissions from financing these investment projects as 0.83 Mt CO₂-eq/year, and carbon sequestration from forestry projects as 0.86 Mt CO₂-eq/year. Estimated savings from financing these investment projects are 1.42 Mt CO₂-eq/year.

The carbon footprint exercise began being applied to more projects from the beginning of 2019, thanks to a revision of the thresholds for assessment as part of our Climate Strategy implementation. The change is described in *EIB Project Carbon Footprint Methodologies*, published in December 2018.⁸

⁸ https://www.eib.org/attachments/strategies/eib_project_carbon_footprint_methodologies_en.pdf

RESULTS OF PROJECTS COMPLETED IN 2019

The EIB's ReM framework enables us to thoroughly assess project results. We assess not only the results expected at appraisal, but also at project completion. When projects reach completion, the framework looks at what the project has achieved, comparing achievements against expectations at the outset. This process makes it possible to draw lessons from past projects, which can inform our appraisal of projects in the future.

In 2019, 42 projects that were appraised under the ReM framework reached completion. Overall, on a portfolio basis, the EIB operations delivered what they set out to do, within a reasonable margin. Underlying these numbers are heterogeneities, with some projects over- and some underachieving. The estimation of results can be particularly difficult for intermediated operations. In the case of credit lines to SMEs, estimations are often based on previous operations or the portfolio of the intermediary, as well as the intermediary's expectations for future lending. For many credit lines and framework loans for small-scale infrastructure projects, the exact focus of the sub-projects is not known in advance and results are only assessed after project completion.

Given these differences at the project level, it is valuable to look at the portfolio level to get a more representative view of the performance in a given sector. For financial sector operations – specifically credit lines for small businesses and mid-caps – we present data at the portfolio level but comment on the project-level differences contributing to the overall picture (see page 47). For infrastructure sectors, the diversity of sectors represented means that no aggregation was possible, and it should be noted that individual projects may not be representative of the wider portfolio in each sector.

Social and economic infrastructure development

Among the social and economic infrastructure projects tracked using the ReM framework (since 2012), 18 reached completion in 2019. These include nine projects in the energy sector, three transport projects, three concerned with innovation and industry and two focused on urban redevelopment and housing. One energy project is a large allocation (sub-project) under a framework loan.

Of the eight **energy** sector projects, five focused on electricity generation from renewable sources and the combined projects are already producing enough electricity to supply 1.3 million households. Original estimates of generation capacity installed, where available, were accurate while realised electricity production was slightly lower than expected due to conditions or the gradual ramp-up of production in the first year of operation. Two further projects focused on electricity transmission networks (both in Brazil) and two on energy efficiency measures. The energy efficiency projects resulted in the connection of nearly one million households and businesses to the electricity network, slightly above expectations. Some changes in design also meant that more power lines were installed. The large allocation under the China Climate Change Framework Loan involved energy efficiency improvements for five million square metres of buildings in Harbin in China, achieving energy savings of 255 GWh/year, while in Turkey further savings of 77 GWh/year were achieved by a credit line for smaller-scale energy efficiency projects.

In the **transport** sector, the Beskyd railway tunnel in Ukraine was implemented as planned, despite the difficult security situation in the country. Additional cargo carriage in the first year was lower than expected as transit cargo from Russia was suspended. The renovation and expansion of border crossing points for road traffic between Armenia and Georgia has reduced traffic waiting times at the border by 66%, facilitating regional trade and integration. Meanwhile, the redevelopment of the Petlim port cargo terminal in Turkey resulted in five million tonnes of cargo being handled in the first year.

Three **industry and innovation** projects involved the Turkish automotive sector. They included research and development collaboration with EU researchers and the technological upgrade of facilities to produce more advanced vehicles, enabling light goods vehicles with lower carbon emissions to be produced. In addition, the Omnicane Carbon Burn-out project in Mauritius recycled 22 000 tonnes of waste ash (from power generation) in its first year of operation, producing useful energy and inputs for cement making.

Output and outcome indicators – infrastructure sectors

Energy (nine projects)	
Electricity generation capacity from renewables (MW)	813
Electricity production from renewables (GWh/year)	1 830
Households that could be supplied with electricity generated	1 340 000
Cost of electricity generated with environmental externalities (€/MWh)	99.5
Households connected to the electricity network	987 000
Power lines constructed or upgraded (km)	8 970
Substations constructed/upgraded	10
Reduction in power outages linked to malfunctions in the system (hours/year, average across projects)	4.91
Energy savings realised, per year (GWh)	332
Transport (three projects)	
Length of track line (tunnel) built or upgraded (km)	1.8
Modal shift from road to rail (%)	15
Time savings from rail improvement (hours/year)	0.3
Operating cost savings – railways (€ million/year)	6
Additional cargo carried (tonnes/year)	800 000
Additional rail passengers (per year)	300 000
Reduced waiting times from border infrastructure improvement (%)	66
Cargo port terminal capacity (million tonnes/year)	15
Cargo traffic handled by port terminal (million tonnes/year)	5
Industry and RDI (four projects)	
National or international patents granted	11
EU collaboration agreements with universities, research institutes, etc.	3
Reduction in CO ₂ emissions, per vehicle (gCO ₂ /km)	60
Waste handled in new waste treatment facility (tonnes/year)	22 000
Urban development and housing (two projects)	
Total redeveloped area (m ²)	54 150
Area of open space created or restored (m ²)	43 000
Park area created or restored (m ²)	20 000
Building floor surface built or renovated (m ²)	74 035
Civil servants using new facilities	2 739
Population benefiting from upgraded or new urban infrastructure	300 000
Number of social or affordable housing units built or renovated	5 322
Number of households/population affected by the new facilities	5 322

In the **urban development and housing sector**, 300 000 people in Ecuador have benefited from improved public administration facilities in the country, while 5 300 households in South Africa have been able to move into new affordable housing. These results were achieved despite some changes in project scope. The earthquake in Ecuador in April 2016 led to a change in government priorities, resulting in only one element of the project being implemented. Due to market conditions, uptake of financing for affordable housing in South Africa was lower than expected and this reduced the final scale of the investments.

Employment – Altogether, these projects directly supported nearly 57 000 person-years of employment during the construction phase and 1 920 full-time equivalent jobs associated with the operation of the infrastructure or facilities constructed. While the employment figures achieved are only slightly lower than expected, there were some more significant discrepancies at the individual project level. Employment (both temporary and permanent) was lower for the urban development and housing projects because of the reduced project scope. For the large allocation under the China Climate Change Framework Loan, employment estimates were based on previous investments, but temporary employment proved to be significantly lower thanks to improved technologies and possibly more skilled workers.

Employment during construction and operation (infrastructure sectors)

Temporary jobs during construction (person-years)	56 700
Permanent jobs during operation (full-time equivalent)	1 920

Financial sector

Twenty-four credit lines for SMEs and mid-caps assessed under the ReM framework were completed in 2019. Apart from some cancelled amounts, the funding committed was passed onto the SMEs. Given a higher capital intensity and larger investment projects by SMEs in parts of the portfolio, a smaller number of loans was made available. However, 94% of the loans, slightly more than expected, went to SMEs. In fact, 55% of the loans went to very small (micro) firms with fewer than 10 employees. Tenor was somewhat lower than expected, mainly due to one large credit line that weighed on the overall portfolio. The average loan tenor period provided to firms (weighted by loan amounts) was 4.3 years compared with an expected value of 4.5 years. Nearly 300 000 jobs in beneficiary companies were supported. This was closely in line with expectations despite the higher than expected capital intensity of many of the firm-level investments financed.

Results for 24 completed credit lines

	SME	Micro	Small	Medium	Mid-cap*	All
Total loans (€ m)	1 809	317	488	1 004	689	2 497
Total loans (#)	5 729	3 372	1 410	947	355	6 084
Average loan size (€ 000s)	316	94	346	1 060	1 940	410
Average investment size (€ 000s)	535	218	523	1 681	3 914	732
Average loan tenor (years)	4.2	5.3	4.2	3.9	4.6	4.3
Jobs sustained	127 472	6 947	29 794	90 731	166 262	293 734

* Includes three loans to large companies.

2019 AGGREGATE LENDING VOLUMES

Unless otherwise stated, lending volumes in this report are for all contracts signed in 2019. These include contracts signed for new projects, where the first financing contract was signed in 2019. They also include a smaller number of follow-up contracts signed under older projects that have been detailed in previous reports (because earlier financing contracts for these projects were signed in previous years). This is in line with standard EIB reporting of lending volumes.

A slightly different scope is used for reporting project results. To avoid double counting, we only report the results of new projects (first financing contract signed in 2019) and not of follow-up contracts, the expected results of which have been reported previously. In the section “Expected results of new lending,” we also present lending volumes by sector and instrument type for new projects only. In this case, we report the full EIB commitment (approved lending). This covers both the amount “signed” in 2019 and any prospective approved balance to be signed under future contracts.

A breakdown of 2019 lending volumes for both new projects and older projects is given in the table below.

2019 aggregate lending volumes

Regions/Instruments	New projects (first signed in 2019)				Older projects (first signed before 2019)	Total contracts signed in 2019
	Total project cost	Funding approved	Contracts signed in 2019	Volume to be signed		
African, Caribbean and Pacific countries	6 437	1 534	1 370	65	18	1 387
Asia and Latin America	7 383	2 605	2 033	573	157	2 190
Eastern Neighbours	3 323	1 265	1 180	85	120	1 300
Pre-accession countries	1 121	633	580	53	69	649
Southern Neighbours	5 000	1 791	1 751	40	510	2 261
Development of social and economic infrastructure		5 958	5 211	748	270	5 481
Local private sector development		1 771	1 703	68	603	2 306
Climate change mitigation and adaptation		3 654	3 052	602	141	3 193
Regional integration		1 327	1 306	21	4	1 310
Total	22 985	7 729	6 914	816	873	7 787

Note: One project in the Republic of South Africa is included under countries in Africa, the Caribbean and the Pacific (ACP). Central Asia is included under Asia and Latin America. Lending for a given project may support more than one objective.

LIST OF PROJECTS SIGNED IN 2019

Project	Region	Sector	Approved amount*	Signed in 2019*	Project cost*	Objective contribution (%)			
						PS	Inf	CC*	RI
ACP Microfinance Facility (Alterfin)	ACP	Microfinance	6	6	12	100			
ACP Smallholder Financing Facility (CERUDEB)	ACP	Microfinance	15	15	30	100		2	
ACP Smallholder Financing Facility (Pride)	ACP	Microfinance	5	5	10	100		2	
AEP Niamey II	ACP	Water, sewerage	105	105	220		100		
African Development Partners III	ACP	Equity funds	46	46	727	100			100
Africinvest Venture Capital Growth Fund	ACP	Equity funds	15	15	120	100			
Agri-Infrastructure and Biomass Power Generation D	East	Agriculture	219	89	454	43	57	34	
Agro-Food Programme Morocco	MED	Agriculture	25	25	69	100		8	
Alexandria-West Waste Water Treatment Plant Extension	MED	Water, sewerage	120	120	185		100	43	
Amethis Mena Fund II	MED	Equity funds	20	20	150	100			100
Armenia Road Safety Improvement	East	Transport	55	4	102		100		100
ATI Membership Contribution Niger	ACP	Trade insurance	11	11	216	100			
ATI Membership Contribution Togo	ACP	Trade insurance	11	11	216	100			
Bakheng Water Supply Project B	ALA	Water, sewerage	85	54	211		100	5	
Bancoldex Private Sector Support	ALA	Credit lines for SMEs	136	135	273	100		2	
Bank of Georgia – Loan for SMEs and Mid-caps II	East	Credit lines for SMEs	50	50	140	100		2	
Banque Misr Loan for SMEs and Mid-caps II	MED	Credit lines for SMEs	500	500	1 400	100		2	
Baotou Energy Efficiency	ALA	Energy	100	100	350		100	100	
BCI Small Enterprises and Remote Areas Facility	ACP	Credit lines for SMEs	30	24	60	100		2	
BDMG Climate Action FL II	ALA	Energy	100	100	135		100	100	
Belagroprombank Loan for SMEs	East	Credit lines for SMEs	20	20	56	100		2	
Belarus Sustainable Energy Scale-Up	East	Energy	90	90	180		100	100	
Belarus Transport Connectivity	East	Transport	110	110	349		100		100
Belarus Utility Services Modernization	East	Water, sewerage	66	66	132		100	29	
Belarusbank Loan for SMEs	East	Credit lines for SMEs	85	85	238	100		2	
Belgrade Palilula Sewerage System	PA	Water, sewerage	38	35	52		100	15	
Bhopal Metro Rail Project – A	ALA	Transport	400	250	815		100	100	
BiondVax Universal Flu Vaccine (IDFF) B	MED	Industry	24	4	55	100			
Blue Orchard Resilience Fund	ACP	Equity funds	9	9	36	50	50	55	
	ALA		14	14	55				
Cairo Metro Line 1 Upgrading and Renovation	MED	Transport	350	350	770		100	100	
Cape Verde Connectivity Programme	ACP	Telecommunications	22	22	53		100	2	
Casablanca – Travaux Autoroutiers	MED	Transport	100	80	206		100		100
COPASA Water and Sanitation Programme	ALA	Water, sewerage	145	145	291		100	75	

Project	Region	Sector	Approved amount*	Signed in 2019*	Project cost*	Objective contribution (%)			
						PS	Inf	CC*	RI
Craft – Climate Resilience Solutions Fund	ACP	Equity funds	5	5	44	100		70	
	ALA		21	20	175				
Craft – Climate Resilience Solutions Fund LCFP	ACP	Equity funds	1	1		100		70	
	ALA		4	4					
Credit Agricole Loan for SME and Other Priorities III	PA	Credit lines for SMEs	50	30	100	70	30	2	
Crystal Microfinance	East	Microfinance	4	4	8	100			
CVDB – Municipal Energy Efficiency Programme	MED	Energy	45	45	114		100	100	
Deir Alla Water Supply And Sanitation	MED	Water, sewerage	81	81	97		100	61	
E-80 Highway Nis-Merdare Phase I	PA	Transport	141	141	255		100		100
East Africa SME-Focused Facility (UDB)	ACP	Credit lines for SMEs	15	15	30	100		2	
EDFI European Financing Partners VI	ACP	Credit lines for SMEs	50	50	100	100		2	
EGP African Renewable Energy FL	ACP	Energy	50	50	200		100	100	
Enda Tamweel	MED	Microfinance	9	9	18	100			
Energy Efficiency Telecom Guinea	ACP	Energy	27	27	42		100	98	
Energy Efficiency Telecom Lebanon	MED	Energy	27	27	48		100	85	
European Roads Ukraine III	East	Transport	450	450	1 050		100	1	100
Evolution II	ACP	Energy	27	27	219		100	100	
Faten Palestine Microfinance Loan	MED	Microfinance	9	9	18	100			
Flood Protection Measures RS	PA	Water, sewerage	19	19	41		100	38	
Foursan Capital Partners Fund II	MED	Equity funds	19	18	181	100			60
Gambia Renewable Energy 5	ACP	Energy	96	13	132		100	51	
GEF South Asia Growth Fund II	ALA	Energy	22	22	133		100	60	
Georgia Loan for SMEs Outreach Initiative	East	Credit lines for SMEs	25	15	70	100		2	
Georgia Transport Connectivity II	East	Transport	250	250	558		100		100
Glass Manufacturing Lebanon – Intermediated Loan	MED	Industry	22	22	44	100			
Greater Tripoli Basin Wastewater Networks	MED	Water, sewerage	92	92	107		100	98	
Green for Growth Camena	MED	Energy	5	4	500	50	50	100	
Green for Growth Fund IV	MED	Energy	10	10	228	50	50	100	100
	East		15	15	342				
IDF Loan for SMEs and Priority Projects IV – B	PA	Credit lines for SMEs	150	50	200	70	30	2	
ISP BiH Loan for SMEs and Priority Projects IV	PA	Credit lines for SMEs	60	30	120	70	30	2	
Jiangxi Water Transport I	ALA	Transport	200	200	639		100	100	
Jirama Water III – Prioritaire	ACP	Water, sewerage	35	35	74		100	23	
Kazakhstan Micro Lending	ALA	Microfinance	27	27	55	75	25	29	
Kenya Agriculture Value Chain	ACP	Credit lines for SMEs	25	25	50	100		2	
Kpong Dam Retrofit	ACP	Energy	13	13	60		100	100	
Lana River Front – Urban Redevelopment	PA	Urban development	10	10	24		100	12	

Project	Region	Sector	Approved amount*	Signed in 2019*	Project cost*	Objective contribution (%)			
						PS	Inf	CC*	RI
Lao Resilient Rural Roads B	ALA	Transport	25	5	60		100	31	
Latam Sustainable Power Generation FL	ALA	Energy	150	151	700		100	100	
Leapfrog Emerging Consumer Fund III	ACP	Equity funds	36	23	532	100			
Lebanon Private Sector Resilience Facility Saradar	MED	Credit lines for SMEs	485	90	1 358	100		2	
Lebanon Roads And Employment Project	MED	Transport	171	151	480		100		
LLWDP II	ACP	Water, sewerage	82	82	200		100	49	
Malawi M1 Road Rehabilitation I	ACP	Transport	136	96	191		100		
Mano River Union Road	ACP	Transport	20	20	59		100	2	100
MBIL Finea B	MED	Credit lines for SMEs	200	35	400	100		2	
Meridiam Infrastructure Africa Fund Top-Up	ACP	Equity funds	15	15	505		100	20	
Metier Sustainable Capital Fund II	ACP	Energy	40	40	181		100	100	
MFI Lebanon	MED	Microfinance	5	5	9	100			
MGM Sustainable Energy Fund II	ACP	Energy	4	4	20	50	50	80	
	ALA		22	21	113				
Moldova Solid Waste Framework Loan – A	East	Water, sewerage	100	25	200		100	35	
Montenegro Education Programme	PA	Education	18	18	41		100	6	100
Municipal Infrastructure Resilience Framework	PA	Water, sewerage	50	50	80		100		
Municipal Resilience Facility I Madad Fund	PA	Water, sewerage	67	67	67		100	50	
NBE Loan for SMEs and Mid-caps B	MED	Credit lines for SMEs	750	375	2 100	100		2	
Nedbank Private Sector Facility 2	RSA	Credit lines for SMEs	100	100	280	100		2	
Neoenergia Climate Action FL	ALA	Energy	250	250	500		100	100	
Nigelec Expansion De l'Accès à l'Electricité	ACP	Energy	61	61	140		100		
Nigeria Private Enterprise Finance Facility	ACP	Credit lines for SMEs	60	60	300	100		2	
ONEE – Noor Atlas	MED	Energy	129	129	272		100	100	
ONEE-AEP Amélioration et Assainissement II	MED	Water, sewerage	38	38	75		100	15	
Partnership for Local Development	PA	Urban development	22	22	30		100	21	100
Post-Disaster and Climate Change Resilience FL	ACP	Multisector	62	56	122		100	65	
Pune Metro Rail Project A	ALA	Transport	600	200	1 770		100	100	
Qairokkum HPP Climate Resilience Upgrade	ALA	Energy	50	30	198		100	100	
Réhabilitation Urbaine Tunisie II B	MED	Urban development	90	6	250		100	5	
ResponsAbility Access to Clean Power Fund	ACP	Energy	16	16	79		100	100	
	ALA		11	11	53				
ResponsAbility Access to Clean Power Fund LCFP	ACP	Energy	3	3			100	100	
	ALA		2	2					

Project	Region	Sector	Approved amount*	Signed in 2019*	Project cost*	Objective contribution (%)			
						PS	Inf	CC*	RI
São Tomé Sustainable Roads	ACP	Transport	13	13	25		100	46	
Scaling Solar PV Senegal	ACP	Energy	13	13	47		100	100	
School Rooftops Photovoltaic Systems	MED	Energy	16	16	32		100	100	
Sisecam Greenfield Glass Fibre Plant	PA	Industry	50	50	115	100			
Skopje WWTP	PA	Water, sewerage	78	78	137		100	40	
Southern Africa and Indian Ocean SMERF (Fincorp)	ACP	Credit lines for SMEs	10	10	22	100		2	
Southern Africa and Indian Ocean SMERF DBS	ACP	Credit lines for SMEs	10	10	22	100		2	
Southern Africa and Indian Ocean SMERF FDH	ACP	Credit lines for SMEs	4	4	8	100		2	
Southern SSA Off-Grid Solar Energy Roll-Out	ACP	Energy	9	9	26		100	100	60
St Maarten Airport Post-Hurricane Reconstruction	ACP	Transport	44	44	153		100	27	
TBC Bank JSC Loan for SMEs B	East	Credit lines for SMEs	56	26	157	100		2	
TCX-The Currency Exchange Fund Capital Increase	ACP	Equity funds	15	15	110	100			
TDB SMEs and Climate Action Loan	ACP	Credit lines for SMEs	109	108	218	100		25	100
Technical and Technological Institutes Programme B	ALA	Education	81	11	191		100		
Verod Capital Growth Fund III	ACP	Equity funds	12	13	128	100			
Water and Sanitation RS II	PA	Water, sewerage	30	30	60		100		
West and Central Africa PEFF (CB Cameroon)	ACP	Credit lines for SMEs	14	14	28	100		2	
West and Central Africa PEFF Pro-PME Financement Sa.	ACP	Credit lines for SMEs	5	5	10	100		2	
West Africa Microfinance Facility (Kafo Jiginev)	ACP	Microfinance	10	10	20	100		2	
Women's World Banking Capital Partners II Fund	ACP	Microfinance	10	10	90	100			
Yangtze River Basin Forest Protection	ALA	Agriculture	200	200	400		100	100	
Yes Bank (India) Climate Action FL B	ALA	Energy	170	87	340		100	100	
Zambia Water and Sanitation Project B	ACP	Water, sewerage	80	5	156		100		

*Millions of euros. Amounts for operations denominated in a currency other than the euro are converted on the basis of the exchange rate applicable at the time of approval (approved amount, project cost) or signature (signed amount).

**The 2% applied to standard credit lines signed in 2019 was applied globally and based on an ex-post analysis of earlier credit lines, namely of the activities financed at allocation level (financial intermediary's on-lending to final beneficiaries) under similar non-dedicated credit lines in 2014-2016. All climate action data for 2019 are subject to the 2019 Sustainability Report audit.

Objective contribution		Region	
PS	Local private sector development	ACP	African, Caribbean and Pacific countries + OCT
Inf	Social and economic infrastructure	ALA	Asia, Central Asia and Latin America
CC	Climate change mitigation and adaptation	East	Eastern Neighbours
RI	Regional integration	Med	Mediterranean Partnership countries
		PA	Pre-accession countries
		RSA	Republic of South Africa

Operations for which a contract was signed in previous year (results reported in a previous report)



GLOBAL REACH
THE IMPACT OF THE EIB
BEYOND THE EUROPEAN UNION

ANNUAL REPORT 2019

