EIB Global
Project Finance Division
ACEF (3-7 June, Manila)
The EIB

The bank of the European Union

Improving lives in Europe and beyond

• One of the world’s largest multilateral lenders
• Leading provider of climate finance
• Governed by the EU Member States
EIB at a glance

One of the world’s largest multilateral lenders and borrowers

- We raise our funds on the international capital markets.
- We pass on favourable borrowing conditions to clients.

Over €1.5 trillion invested since 1958

- More than 14,000 projects in over 160 countries.
- Crowding-in bank: €4.9 trillion overall investment supported.

Headquartered in Luxembourg

- Around 4,273 staff: In addition to finance professionals, we have engineers, economists and socio-environmental experts.
- 60 offices around the world.
Energy

In 2023 the Bank provided more than €21 billion for energy-related projects

- €8.35 billion for energy efficiency
  - of which €5.50 billion for energy-efficient buildings

- €9.14 billion for renewables
  - of which more than €3.38 billion for onshore and offshore wind
  - of which more than €4.18 billion for solar photovoltaic energy

- €3.79 billion for electricity grids and storage financing
EIB Group financing in 2023 by Region

- **European Union**: € 78.3 bn
- **Outside EU**: € 9.5 bn
- **Latin America and the Caribbean**: € 969 m
- **Asia**: € 1.36 bn
- **Sub-Saharan Africa**: € 2.48 bn
- **Eastern Neighbourhood**: € 348 m
- **Southern Neighbourhood**: € 1.69 bn
- **Western Balkans**: € 1.25 bn
- **Türkiye**: € 400 m
- **Other (EFTA)**: € 1.03 bn
- **Outside EU**: € 9.5 bn
EIB Global - Outside the EU market

Latin America and the Caribbean
Mexico, central and south America, Caribbean islands

Southern Neighbourhood
Egypt, Jordan, Morocco, Tunisia, Israel, Lebanon, Palestine

Sub-Saharan Africa
most of Sub-Saharan African countries

Candidate and Pre-Accession Countries
Western Balkans and Türkiye

Eastern Neighbourhood
Armenia, Azerbaijan, Belarus, Georgia, Moldova, Ukraine

Central Asia
Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan, Uzbekistan

Asia (excl. Central Asia)
most of Asian countries
Global Gateway

The EIB is committed to the European Union’s Global Gateway strategy which scope is to boost smart, clean and secure links in the digital, transport, energy and climate-relevant sectors, and strengthens education, research and health network by connecting countries and regions around the world and encouraging public and private investment in projects that are good for people and planet.

Since 2022, EIB has mobilised €34 billion for operations that are in line with Global Gateway's objectives, from climate action to healthcare and education. EIB Global is on track to facilitate at least a third of the €300 billion of investment that Global Gateway aims to raise by 2027.

**Priority areas for EIB under Global Gateway strategy:**

- Green energy supply (support the green transition to renewable energy and energy efficiency)
- Sustainable transport networks
- Digital connectivity and digitalisation
- Sustainable supply chains for critical raw materials and industrial goods
- Human Development (including health)
Corporate Use

**EIB financing**

### Private sector development
- Support to small and medium enterprises and midcaps (through Loans intermediated by a bank)
- Investment in microfinance
- Investment in equity funds

### Public sector lending
- Financial sector capacity (Portfolio guarantees and credit lines)
- Corporate lending
- Project Finance

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### Advantages of EIB financing

<table>
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<tr>
<th>Pricing</th>
<th>Competitive interest rates (EIB’s AAA funding advantage and not-for-profit institution).</th>
</tr>
</thead>
<tbody>
<tr>
<td>Signaling Effect</td>
<td>Certification of a project’s quality.</td>
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<tr>
<td>Maturities</td>
<td>Long maturities, up to 10/12 years for a corporate loan and up to 20 years for PF (depending on the economic life of the project) + grace period on capital repayments (typically covering the implementation period).</td>
</tr>
<tr>
<td>Expertise</td>
<td>EIB sector and product expertise acquired over 60 years of activity in and outside of Europe; in-house engineers and socio-environmental reports.</td>
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<tr>
<td>Long-term</td>
<td>Long-term partner with an objective to support sustainable economic development.</td>
</tr>
<tr>
<td>Blending</td>
<td>Possibility of blending: combination of EIB financing, EU grants and/or other donor resources such a Technical Assistance.</td>
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"European Investment Bank - Global"
Project Finance activity Outside the EU

KEY SECTORS

**RENEWABLE ENERGY**
Wind, solar, hydro, green hydrogen, battery storage, transmission lines.

**WATER**
Water conveyors, desalination.

**TRANSPORT**

**DIGITAL**
Submarine cables, satellites.

**PF/PPP signatures:**
- 73% - climate mitigations
- 22% - climate adaptation

→ 95% dedicate to Climate Action and Environmental Sustainability (CA&ES)

**Regional Split of PF/PPP Loans (2013-2023)**
- ACP States: 26%
- Asia (excl. Central Asia): 3%
- Central Asia: 9%
- Latin America: 5%
- Mediterranean countries: 57%

**Sectoral Split of PF/PPP Loans (2013-2023)**
- Agriculture & industry: 18%
- RE generation: 55%
- Telecommunications: 4%
- Sustainable Transport: 22%
- Desalination: 1%

**KEY SECTORS**

**RENEWABLE ENERGY**
Wind, solar, hydro, green hydrogen, battery storage, transmission lines.

**WATER**
Water conveyors, desalination.

**TRANSPORT**

**DIGITAL**
Submarine cables, satellites.
Project Finance Examples Outside the EU
Project finance case studies Outside EU

310MW Lake Turkana Wind Farm (Kenya)
- First large-scale renewable energy IPP in Africa in 2014
- Role of the EIB: largest lender with 15-year EUR200m loan:
  - EUR 100m EKF-covered tranche;
  - EUR 50m full project risk retained by EIB
  - EUR 50m guaranteed for commercial risk by two RSA commercial banks (the latter keeping political risk)
  - EUR 25m EU blending mechanism in the form of preferred equity

897 MW Solar PV in Jizzakh, Samarkand and Sherabad LLC (Uzbekistan)
- Role of the EIB: senior lender with 21-year USD 83.6m loan
- Co-financing with ADB, EBRD, AIIB
- Very competitive tariff in Central Asia (2.2 US cents/kWh)

60 MW Scaling SolarPV project (Senegal)
- Awarded under the WB's PPP programme Scaling Solar
- Role of the EIB: senior lender with 19-year €12.5m loan
- 25-years take or pay PPA with Public Utility Senelec at 46 usd/MWh - Very low prices, due to the protection given by the government of Senegal

420 MW Nachtigal Hydropower Project (Cameroon)
- The plant design includes a 1.5-km long dam, a main powerhouse and ancillary infrastructure including substation and transmission line.
- Role of the EIB: senior lender with 18-year EUR 50m loan
## Project Finance OEU – selected operations

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<th>Project Description</th>
<th>Technology</th>
<th>Capacity</th>
<th>Location</th>
<th>Loan Amount</th>
<th>Loan Duration</th>
<th>Specials</th>
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<td>310MW Lake Turkana</td>
<td>Wind</td>
<td>310MW</td>
<td>Kenya</td>
<td>EUR 225m</td>
<td>15 year Loan</td>
<td>Wind Kenya</td>
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<td>50MW CSP KHI</td>
<td>CSP</td>
<td>50MW</td>
<td>RSA</td>
<td>EUR 50m</td>
<td>19 year Loan</td>
<td>CSP RSA</td>
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<td>54MW Sainhand Wind</td>
<td>Wind</td>
<td>54MW</td>
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<td>Wind Mongolia</td>
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<td>1GW Don Jose &amp; Villanueva Solar</td>
<td>Solar</td>
<td>1GW</td>
<td>Keny</td>
<td>EUR 87m</td>
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<td>Solar PV Kenya</td>
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<td>80MW Radiant &amp; Eldosol Solar</td>
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<td>80MW</td>
<td>Kenya</td>
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<td>117MW Tafila Wind</td>
<td>Wind</td>
<td>117MW</td>
<td>Jordan</td>
<td>EUR 90m</td>
<td>17 year Loan</td>
<td>Wind Jordan</td>
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<td>100MW Uzbekistan Solar IPP</td>
<td>Solar PV</td>
<td>100MW</td>
<td>Uzbekistan</td>
<td>EUR 44m</td>
<td>19 year Loan</td>
<td>Solar PV Uzbekistan</td>
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<td>Nachtigal HPP</td>
<td>Hydro</td>
<td>Nachtigal HPP</td>
<td>Cameroon</td>
<td>EUR 50m</td>
<td>18 year Loan</td>
<td>Hydro Cameroon</td>
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<td>34MW Scaling Solar Zambia</td>
<td>Solar</td>
<td>34MW</td>
<td>Zambia</td>
<td>EUR 12m</td>
<td>18 year Loan</td>
<td>Solar PV Zambia</td>
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<td>80MW Scaling Solar Senegal</td>
<td>Solar</td>
<td>80MW</td>
<td>Senegal</td>
<td>EUR 13m</td>
<td>19 year Loan</td>
<td>Solar PV Senegal</td>
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<td>27MW Cabeolica</td>
<td>Wind</td>
<td>27MW</td>
<td>Cape Verde</td>
<td>EUR 30m</td>
<td>15 year Loan</td>
<td>Wind Cape Verde</td>
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<tr>
<td>Green Light Rail Transit (LRT) line</td>
<td>Transport</td>
<td>Green Light Rail Transit (LRT) line</td>
<td>Israel</td>
<td>EUR 250m</td>
<td>24 year Loan</td>
<td>Transport Israel</td>
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<tr>
<td>Submarine Cable System</td>
<td>Sea-water desalination facility</td>
<td>Submarine Cable System</td>
<td>Israel</td>
<td>EUR 140m</td>
<td>5 year Loan</td>
<td>Sea-water desalination facility</td>
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<td>SMS GALILEE LTD</td>
<td>Desalination</td>
<td>SMS GALILEE LTD</td>
<td>Israel</td>
<td>EUR 150m</td>
<td>27 year Loan</td>
<td>Desalination Israel</td>
</tr>
</tbody>
</table>

Source: European Investment Bank
Project Finance Examples Inside the EU
**EU specific mandates**

**InnovFin – EU Finance for Innovators**

- to provide finance to support research and innovation of small and early-stage enterprises – from small tech start-ups to large research facilities and circular economy companies (2014 – 2020)

**InvestEU**

- Builds on the successful model of the Investment Plan for Europe, the Juncker Plan.
- It brings together, under one roof, the European Fund for Strategic Investments (EFSI) and 13 other EU financial instruments available since the period 2014 – 2020.
- Expected to stimulate more than €372 billion of public and private investment, backed by an EU budget guarantee of €26.2 billion.
- The programme consists of three building blocks:
  - the InvestEU Fund,
  - the InvestEU Advisory Hub and
  - the InvestEU Portal.

**Innovation Fund – Project Development Assistance**

- The EIB offers support to the Innovation Fund through Project Development Assistance (PDA). The PDA offers tailor-made support to selected projects, with the goal to increase project maturity for subsequent Innovation Fund calls.
Invest EU Examples

EV Battery Gigafactory (France)
- Electric battery manufacturing plant in Douai, France
- Battery supply of 9 GWh to power 200,000 electric vehicles produced by Renault each year from 2025
- Project Costs: EUR 1,317m
- EIB loan: EUR 450m

Innovative demonstration plant, Hagen (Germany)
- Eco-friendly battery material production
- Construction and operation of an innovative first-of-its-kind commercial demonstration plant for the manufacturing of cathode active material ("pCAM") which is used in the production of advanced Lithium-ion cells
- Project Costs: EUR 73m
- EIB loan: EUR 37m

Faurecia - Hydrogen Mobility (France, Germany)
- Investments in: (i) research and development (R&D) and manufacturing deployment of hydrogen technology for mobility applications; (ii) R&D in the fields of vehicle advanced driver assistance systems and driver monitoring systems
- Project Costs: EUR 640m
- EIB loan: EUR 315m

H2 GreenSteel (Sweden)
- The implementation of a 2.5 million tons per year hydrogen-based integrated primary steel manufacturing plant, including innovative first-of-a-kind commercial scale components: a large scale electrolysis-based hydrogen generation plant, an hydrogen-based direct reduced ironmaking (DRI) plant combined with electric arc furnace (EAF) steelmaking and all associated downstream facilities.
- The outcoming steel will be very low carbon, meaning the plant will manufacture green high-quality flat carbon steel products targeting mainly the automotive, construction, white goods, industrial equipment and energy sectors.
- Project Costs: EUR 5,430 m
- EIB loan: EUR 750 m
InnovFin Example

WindFloat Atlantic (Portugal)

- 25 MW floating offshore wind farm about 20km off the coast of Portugal, in 85-100m water depth
- Project cost: EUR 139 million
- EIB loan: EUR 60 million
- Funded through the InnovFin Energy Demonstration Project facility

Impact

- The development of offshore wind energy supports EU and national targets for renewable energy generation and contributes to security of energy supply and environmental objectives.
- Milestone for the renewable energy sector. The EIB financed cutting-edge energy technology deployed in Portugal and that will make it possible to install windfarms in locations that were not feasible until this moment, contributing to Europe’s leadership in developing innovative responses to the climate change challenge.
THANK YOU