



# **EFIP/ESPO Workshop: Financing Ports Projects through financial instruments**

## **EIB Financing**

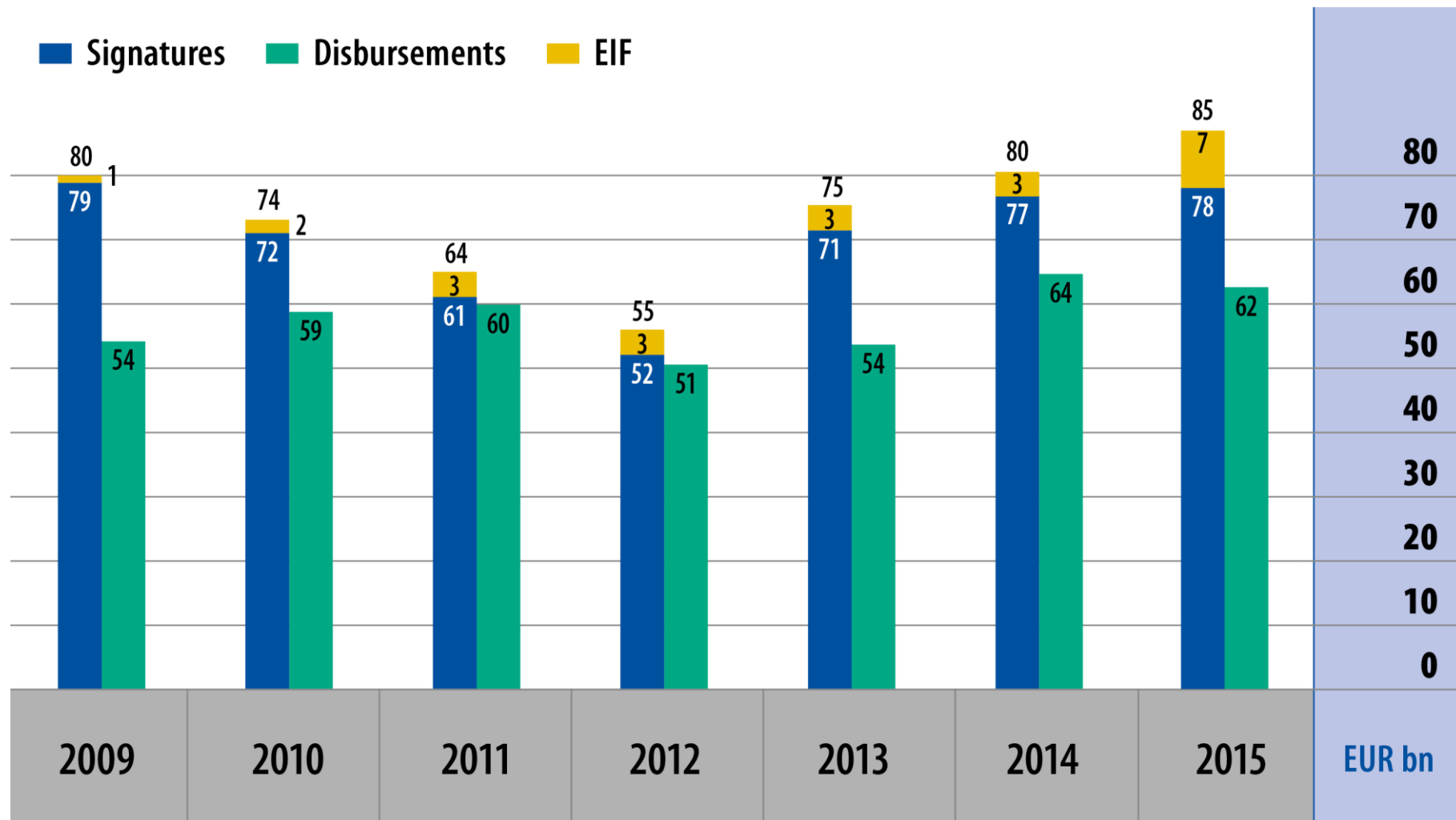
**Finbarr O'Sullivan**  
**New Products and Special Transactions**  
**European Investment Bank**  
**Brussels, 23<sup>rd</sup> February 2016**

# EIB Overview & EIB activity in the Ports Sector

# The EIB at a glance

- Largest multilateral lender and borrower in the world
  - Raise our funds on the international capital markets
  - Pass on favourable borrowing conditions to clients
- Some 450 projects each year in over 160 countries
- Headquartered in Luxembourg and 33 local offices
- Around 2 900 staff:
  - Not only finance professionals, but also engineers, sector economists and socio-environmental experts
  - More than 50 years of experience in financing projects

# EIB Group track record: over EUR 500bn lent since 2008



# Key priorities in 2015



**ENVIRONMENT**

**EUR 19.6bn**



**INFRASTRUCTURE**

**EUR 18.9bn**



**INNOVATION**

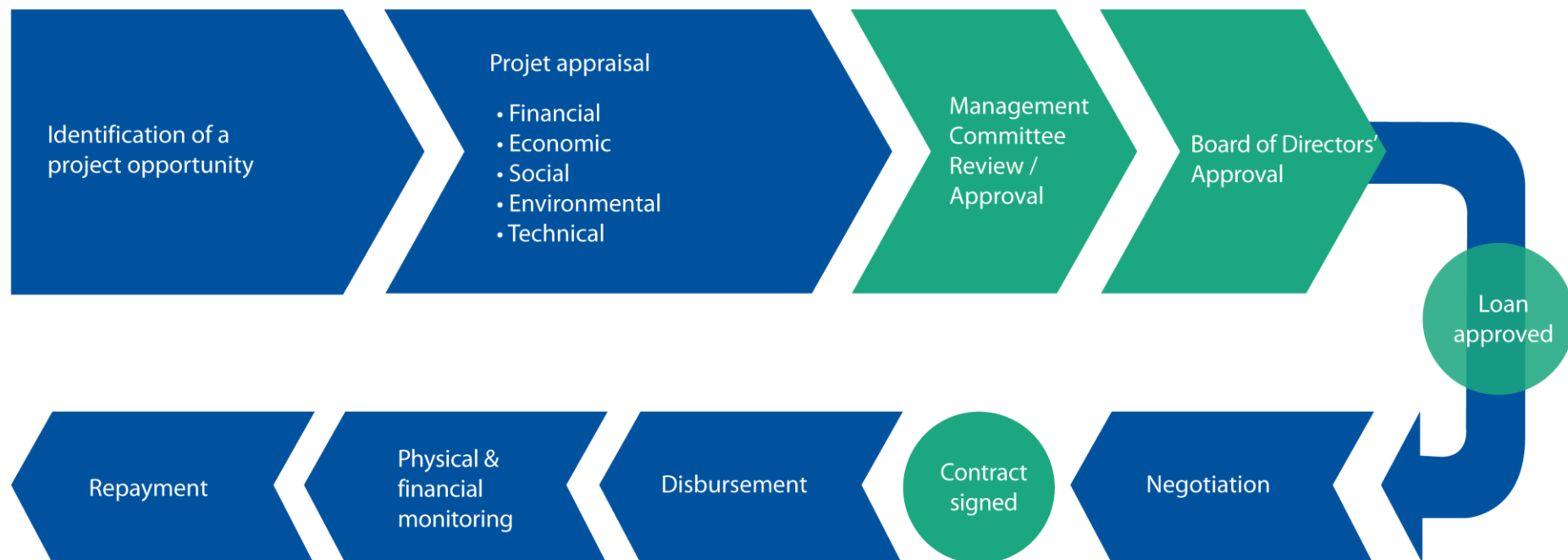
**EUR 18.7bn**



**SME**

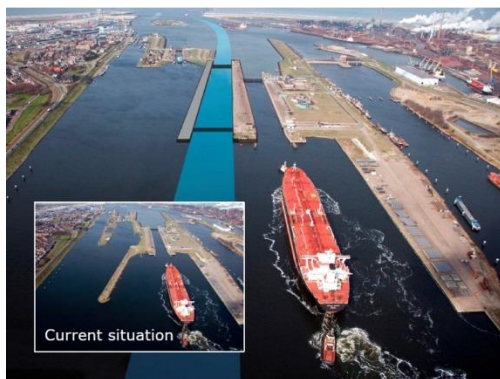
**EUR 29.2bn**

*We support sound and sustainable projects*



# Eligible Maritime projects

- Existing ports - rehabilitation/expansion of common user infrastructure
  - Breakwater, access channel, maritime locks, capital dredging, navigation aids, quay walls, etc.
  - Environmental compliance components
  - LNG Bunkering infrastructure
- Development of new terminals
  - Basic terminal infrastructure by a port authority
  - Superstructure and equipment by a terminal operator
- Development of new ports



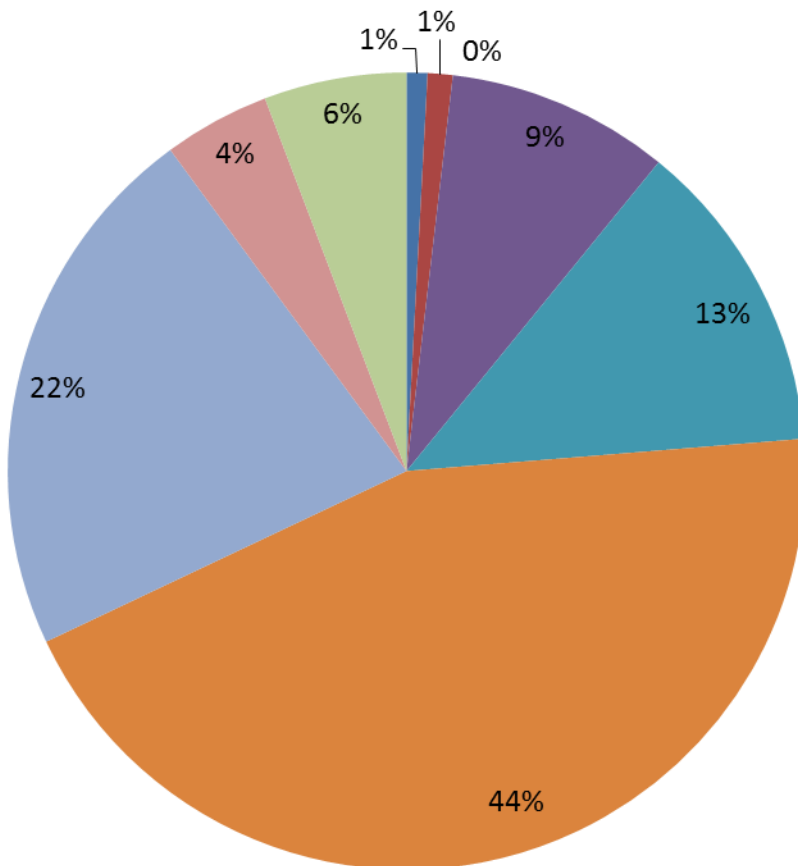
# Eligible Maritime projects

- Inland Waterways projects
  - Locks, capital dredging, quay walls, etc.
- Improvement of hinterland transport connections
- New vessels, retrofitting and vessel R&D
  - EU flagged and operating on routes originating or ending in a EU country
  - Vessels operating on SSS routes aimed at modal shift
  - Replacement of older, less energy efficient or more polluting vessels
  - Retrofitting: scrubbers, LNG engines
- Climate Adaptation projects



# Sea Ports and Inland Waterways

**EIB lending to the maritime transport sector 2003-2013**  
**Loan signatures in EU per project type, total amount EUR 5 924 m**



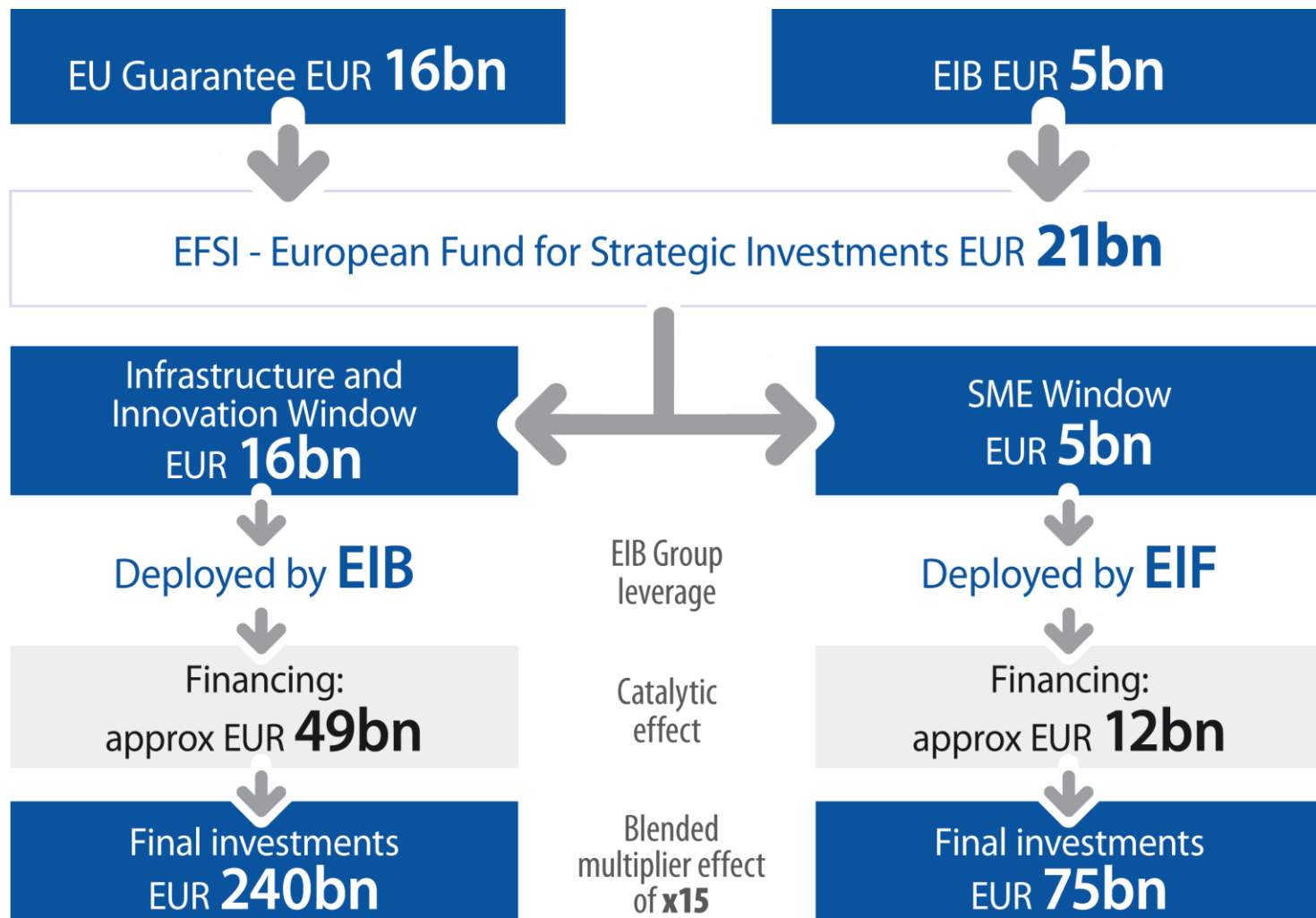
- Inland waterways/ports: Construction of (a) new lock(s)
- Inland waterways/ports: Renovation/upgrade of existing port facilities
- Inland waterways/ports: Renovation/upgrade of inland waterways
- Sea ports: Construction of (a) new lock(s)
- Sea ports: Development of a new port
- Sea ports: Major port expansion programme
- Sea ports: New container terminal development
- Sea ports: Renovation/upgrade of an existing container terminal
- Sea ports: Renovation/upgrade of existing port facilities

## Projects in the EU

- Fos 2XL, Marseilles, France (infrastructure for two container terminals)
- Kaiserschleuse Bremerhaven, Germany (major maritime lock)
- Rotterdam Port Second Maasvlakte (infrastructure for major extension of Port of Rotterdam)
- Pireaus Port II (container terminal expansion involving infrastructure and superstructure )
- Duisburger Haven
- Port of Thessaloniki
- Purchase of Ro-ro vessel (Baltic Sea and Western Europe Motorways of the Sea)
- Purchase of Ro-pax vessels (Spain-Italy & Italy-Greece Motorways of the Sea)
- Spanish ports (Barcelona, Valencia, Cadiz, Bilbao)
- Port of Antwerp 2<sup>nd</sup> Lock Waaslandhaven
- Jade Weser Container Terminal
- London Gateway
- Port of Liverpool River Terminal
- Port of Genoa
- Fincantieri RDI
- Port of Calais
- Dublin Port Company
- Sealock IJmuiden

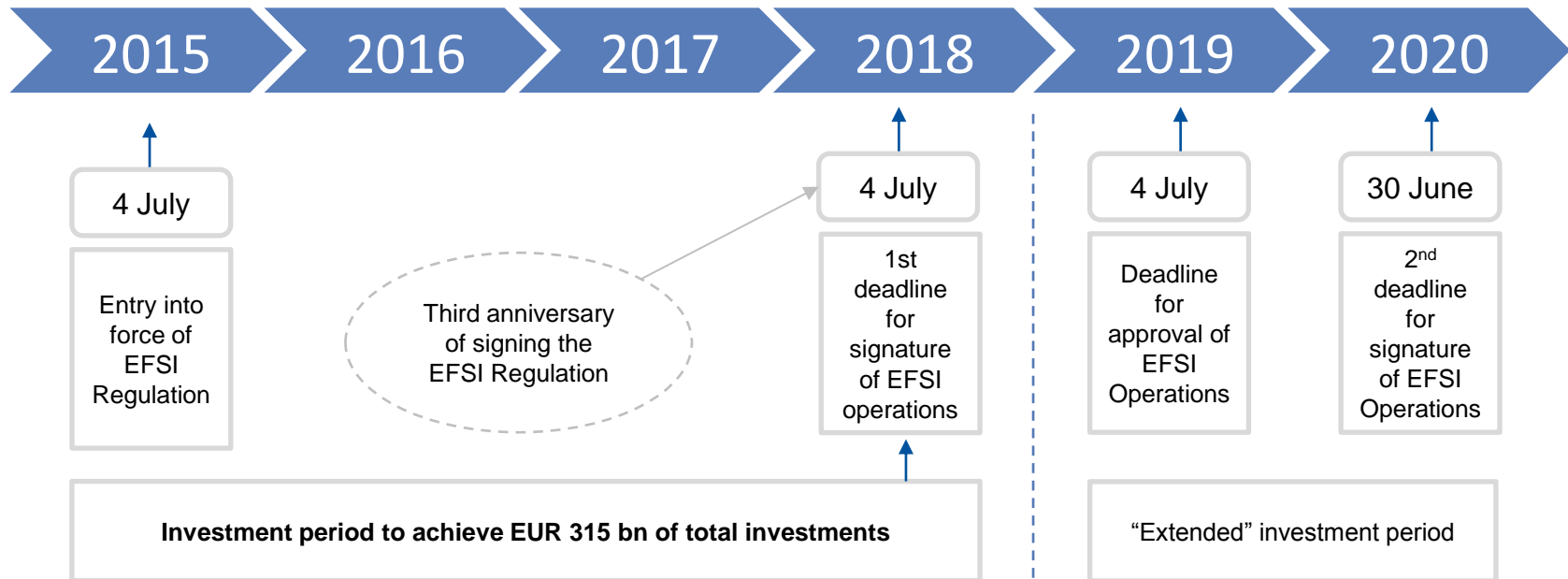
# EFSI Overview

# European Fund for Strategic Investments (EFSI)



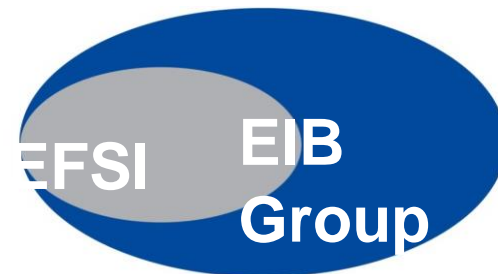
# Overview: Timeline and Investment Period

## □ Key milestones:



➔ **EFSI Operations to target EUR 315 bn of total investment by 2018.  
Investment Period extends until 30 June 2020.**

# EFSI setup and governance



## **All EFSI operations are within the EIB Group (EIB&EIF)**

- On the EIB's balance sheet (no separate entity)
- Subject to standard due diligence
- EIB & EIF governing bodies approve each operation



## Additional EFSI governance:

- Steering Board
- Investment Committee, headed by a Managing Director
- Investment Committee in place since January 2016



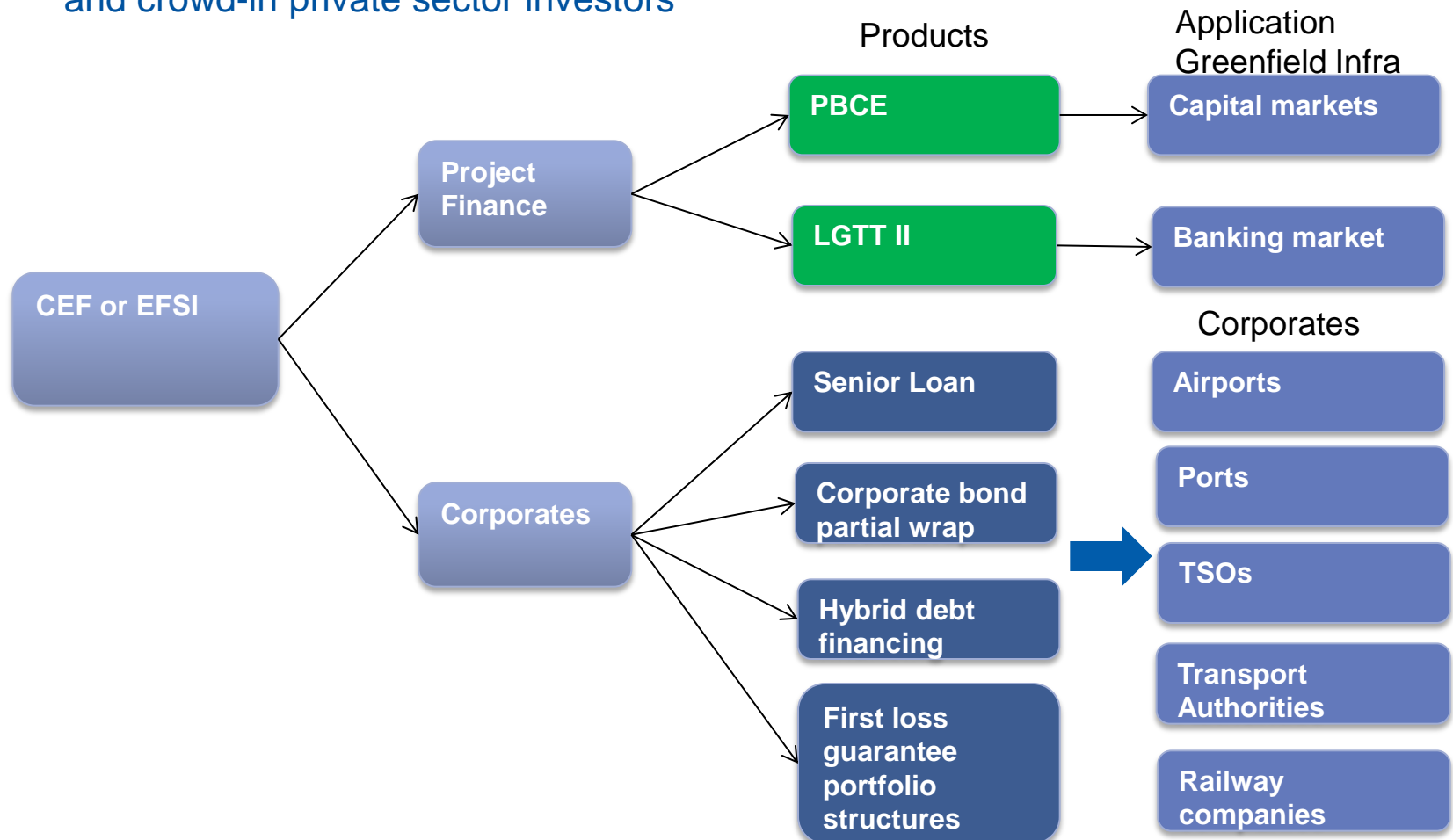
Operations already started in spring 2015

# EFSI impact on EIB activities

- EFSI allows EIB to **expand its volume of “Special Activities”**
  - from ~4bn/year pre-EFSI to ~20bn/year with EFSI
- EIB revised its **Credit Risk Policy Guidelines**:
  - To do more higher risk business (must be “bankable”)
  - And to do better and different to fill market gaps (new products / new customers)
- Development of new products
  - New Debt Products; Equity strategy, additional risk sharing arrangements
- New ways of cooperation with NPBs; Banks; SWFs
- New Staff (Operations, advisory services...)

# Diversification of Financial Products under EFSI or CEF

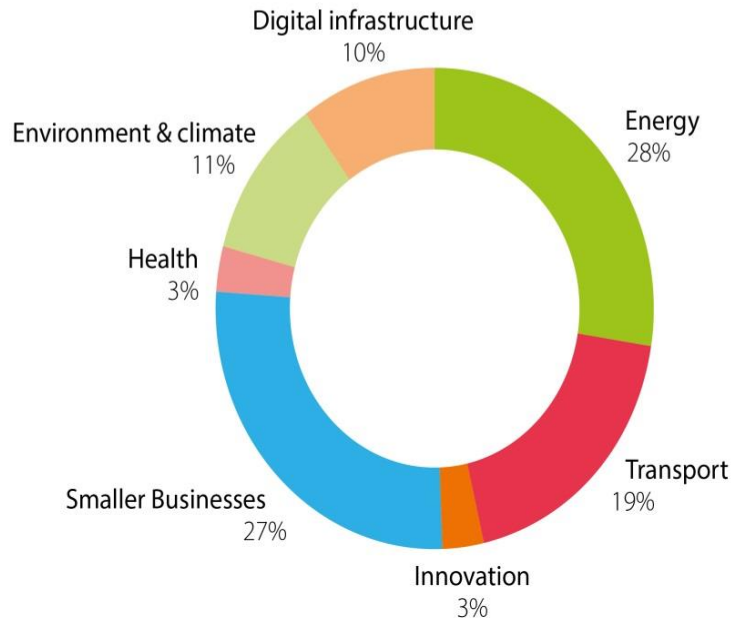
- ❖ Traditional EIB products: senior corporate & project finance loans
- ❖ EIB-EC Risk-Sharing involves a broad product range that allows EIB to take more risk and crowd-in private sector investors



# EFSI Volume to date (as of 2/2/2016)



## EFSI financing by sector



Some 145 transactions  
in 22 of 28 countries



# European Investment Advisory Hub

*Europe's gateway to investment support*



# The Advisory Hub in the Investment Plan

## Investment Plan for Europe

**Mobilize EUR 315bn of additional financing**

...through the European Fund for Strategic Investments (EFSI)

**Support investment in the real economy**

...through the **European Investment Advisory Hub** and the European Investment Project Portal

**Create an investment friendly environment**

...through improvements of the European regulatory environment

# What is the Advisory Hub?



A **joint initiative** by the European Commission and the European Investment Bank



A tool to strengthen Europe's investment environment and improve the **quality of investment projects**



I. A **single access point** to a comprehensive offer of advisory and technical assistance services

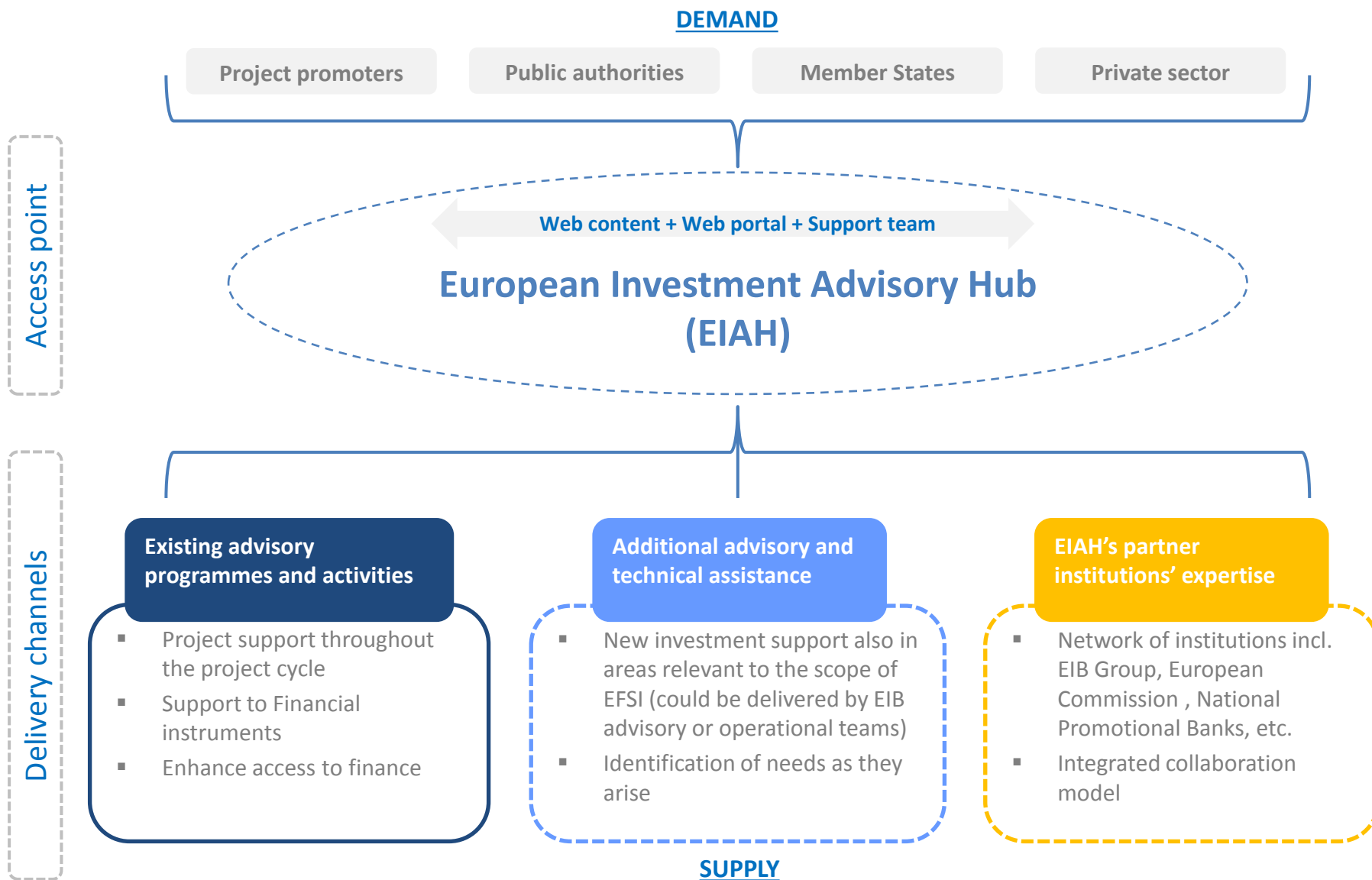


II. A **cooperation platform** to leverage, exchange and involve partners (NPI-s, managing authorities)



III. An instrument to assess and **address** unmet **needs** for advisory support

# What is the Advisory Hub?



# What type of support is available?

TYPE OF SUPPORT	DESCRIPTION	PROGRAMMES
<b>Support for projects and investments</b>	Advisory and technical support in identification, prioritisation, preparation, structuring and implementation of investment projects	JASPERS, ELENA, EPEC, Implementation support programmes
<b>Enhance use of EU funds</b>	Advisory and capacity building support in the implementation of ESIF financial instruments	fi-compass, bilateral services to Managing Authorities
<b>Access to finance</b>	Enhancement of the overall conditions for financing for public and private beneficiaries	Innovation Finance Advisory
<b>Access to the expertise of the Hub's local partners</b>	Advisory and technical support from the Hub's local network	
<b>Access to new advisory services</b>	Continuous development of the Hub's advisory offer to address unmet needs	

**A 360 degrees advisory offer**

# FAQs about the Advisory Hub

**What is the geo scope of the Hub?**

*The European Union*

**Is the Hub linked to EFSI projects only?**

*No, support will not be limited to projects to be financed by EFSI (and/or the EIB)*

**Does the Hub provide financing?**

*No*

**Who concretely delivers the advisory support provided via the Hub?**

*Experts of the EIB, its partner institutions and/or appointed external consultants*

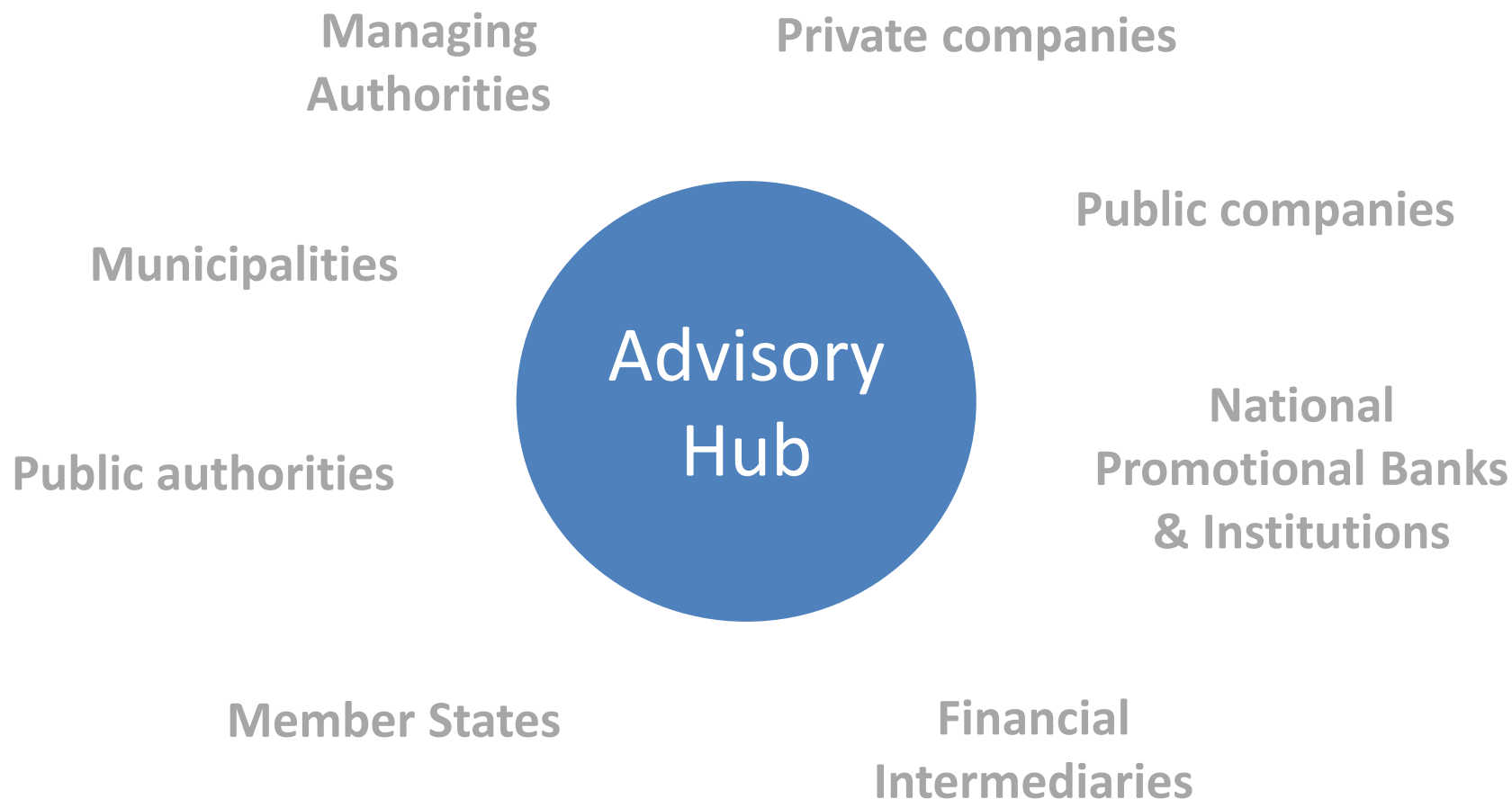
**Is the support provided via the Hub free of charge?**

*In most cases, yes. A contribution may be requested from certain private beneficiaries in order to align interests and ensure ownership of results*

**Does the Hub have local offices?**

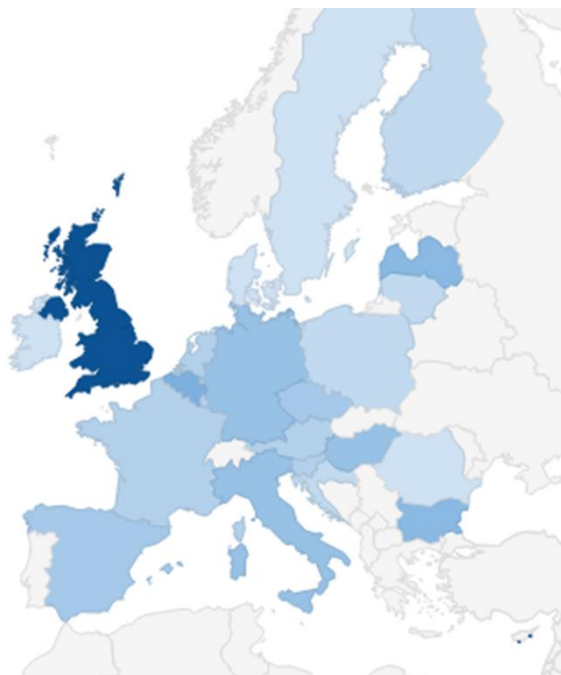
*Currently the Hub operates mainly via the EIB headquarter in Luxembourg and its local offices. A network of local partner Institutions is being established*

# Who can contact the Advisory Hub for support?








# Requests to the Hub: overview

## Requests coming from more than 20 EU Member States

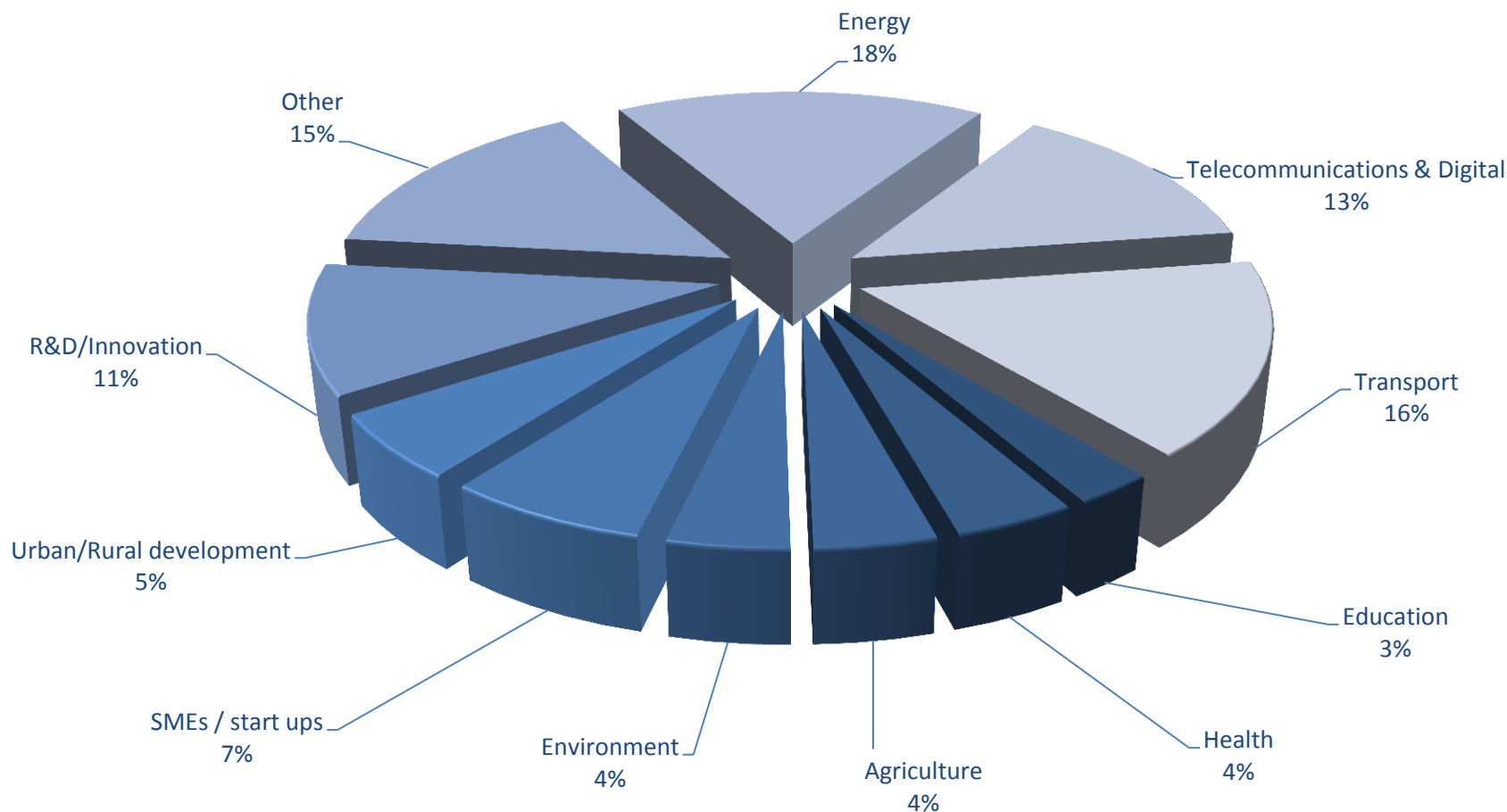


## A 4 step screening processing

	 Request for general information	 Request for cooperation with EIAH	 Request for funding	 Request for funding and technical assistance	 Request for technical assistance
			Project specific requests		
<b>Phase 1: first contact with the client</b>	Answer questions, provide information	Engage with the requester and assess the possibility of starting a cooperation	Investigate details of the project, send project fiche	Investigate details of the project, send project fiche	Investigate details of the project, send project fiche
<b>Phase 2: Preliminary analysis</b>			Clarify EIAH's role and direct the client towards EIB (or EFSI) financing sources	Understand the needs, find out more about the project, liaise with relevant EIB services	Understand the needs, find out more about the project, liaise with relevant EIB services
<b>Phase 3: Initial strategic project guidance</b>				The relevant EIB service interacts on behalf of the Hub for further investigation and scoping of projects' needs.	The relevant EIB service interacts on behalf of the Hub for further investigation and scoping of projects' needs.
<b>Phase 4: Full engagement</b>				EIB technical advisors and/or consultants start providing the identified advice, the cooperation is formalized by the signature of a Assignment Letter	EIB technical advisors and/or consultants start providing the identified advice, the cooperation is formalized by the signature of a Assignment Letter

# Requests to the Hub: overview

## Project-specific requests by sector



# Requests being processed...a few examples

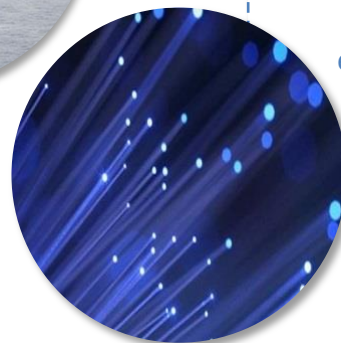
## Renewable Energy projects

Following the request from a national government for help with the structuring and financing of several small-scale renewable energy projects, the EIAH is providing support in developing the underpinning strategy and clarifying major issues (e.g. a proper demand analysis and cost-benefit analysis).



## Broadband projects

The Hub is looking at various high-speed broadband projects in underserved areas, and is working help assess/establish an investment and financing model that ensures sustainable implementation, as well as technical support.



## Ecology programme in the Danube region

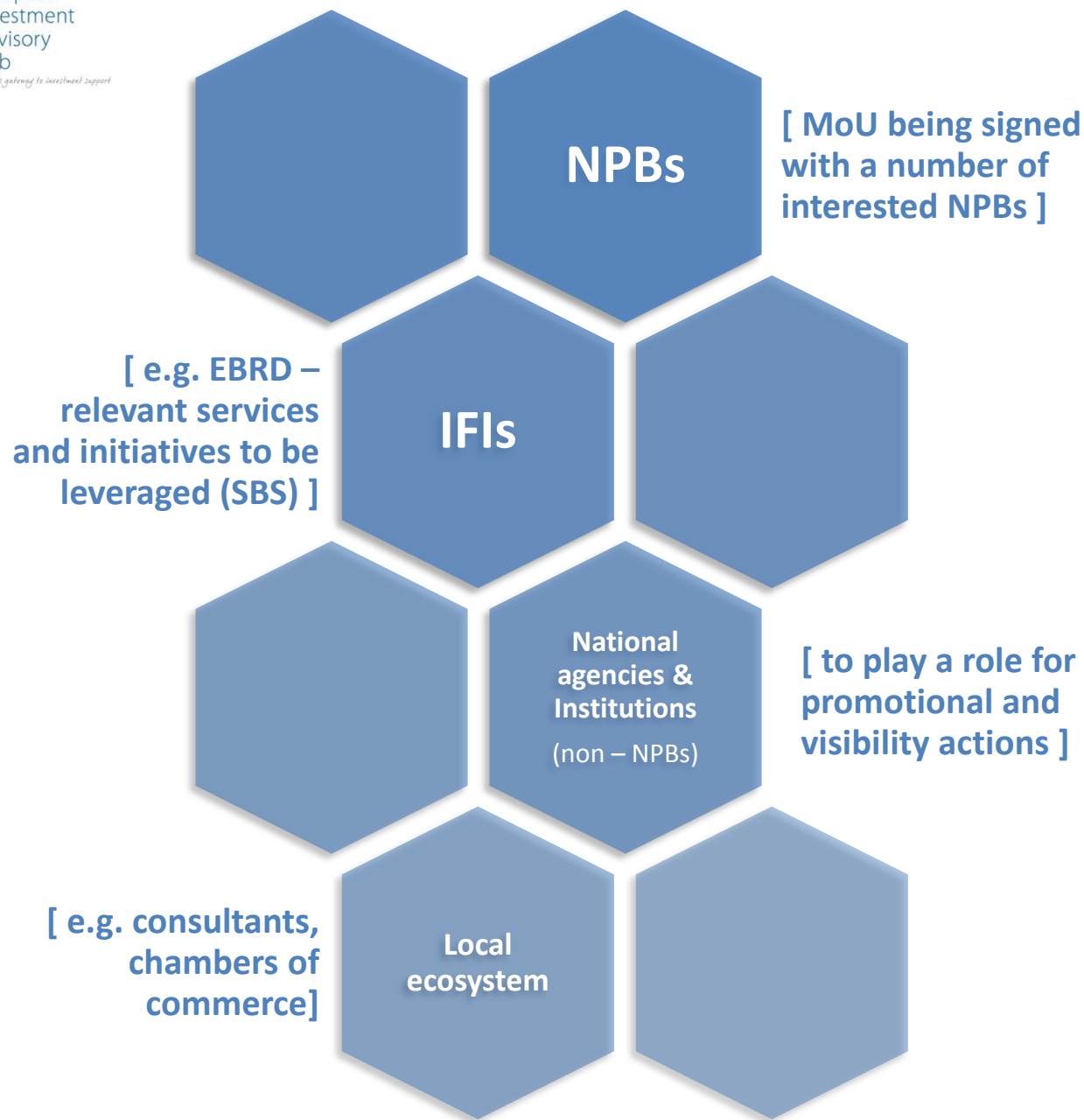
Request for project implementation/coordination support for a major ecology programme in the Danube region. A consultant will be engaged by the Hub to develop a roadmap prioritising the delivery of a series of critical sub-projects/actions and identify possible sources of funding.



## Transport PPP-project in an EU member state

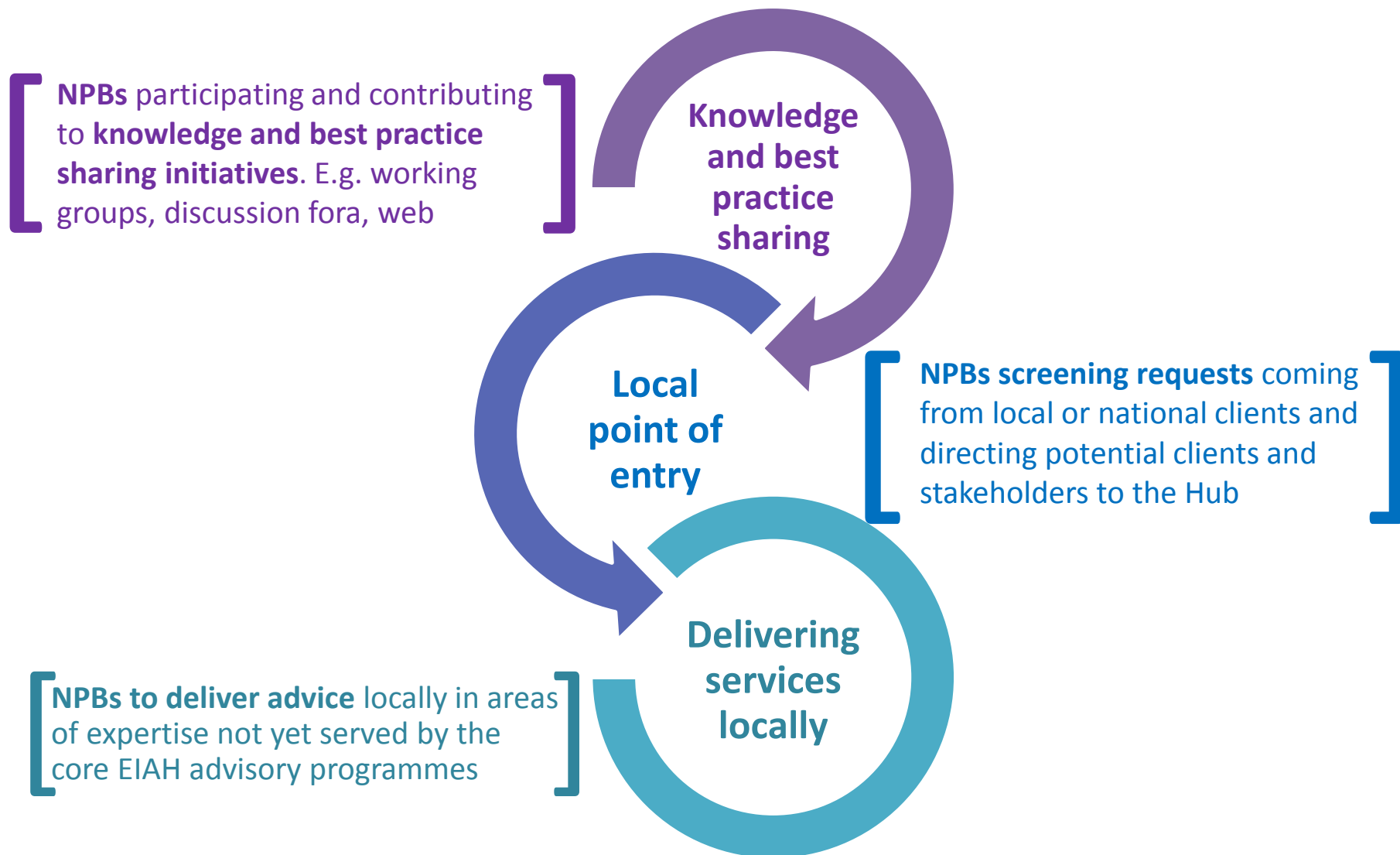
Promoted via the national roads agency, the project relates to a TEN-T axis road. Advisory input focused on techno-economic review of project documentation as well as support with PPP structuring.





# Building the EIAH Partner Network

## Scope of the cooperation between EIAH network institutions

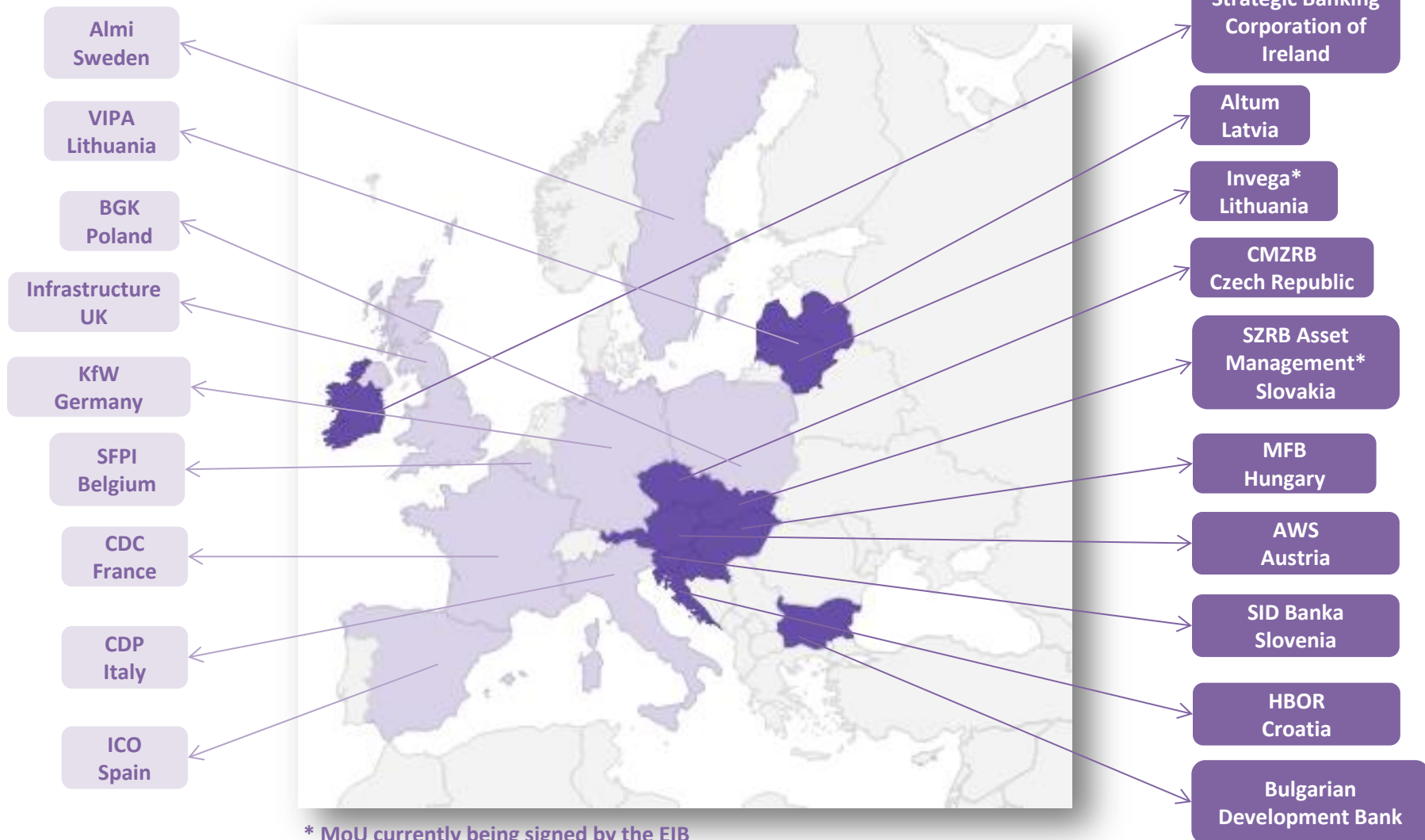


# Building the EIAH Partner Network

## MoU signatures

### MoUs to be signed

### Signed MoUs



## Would you like to know more?

Consult the Hub's  
advisory offer

[www.eib.org/eiah](http://www.eib.org/eiah)

Request support from  
the Hub

[www.eib.org/eiah/contact](http://www.eib.org/eiah/contact)

Contact the Hub for  
more info

[eiah@eib.org](mailto:eiah@eib.org)

*Europe's gateway to investment support*