



**4th Green Technologies Seminar  
Hong Kong, Nov. 2015**



- [The EIB at a glance](#)
- Facts & figures
- Approach to the Waterborne Transport Sector
- Due diligence process
- EIB products

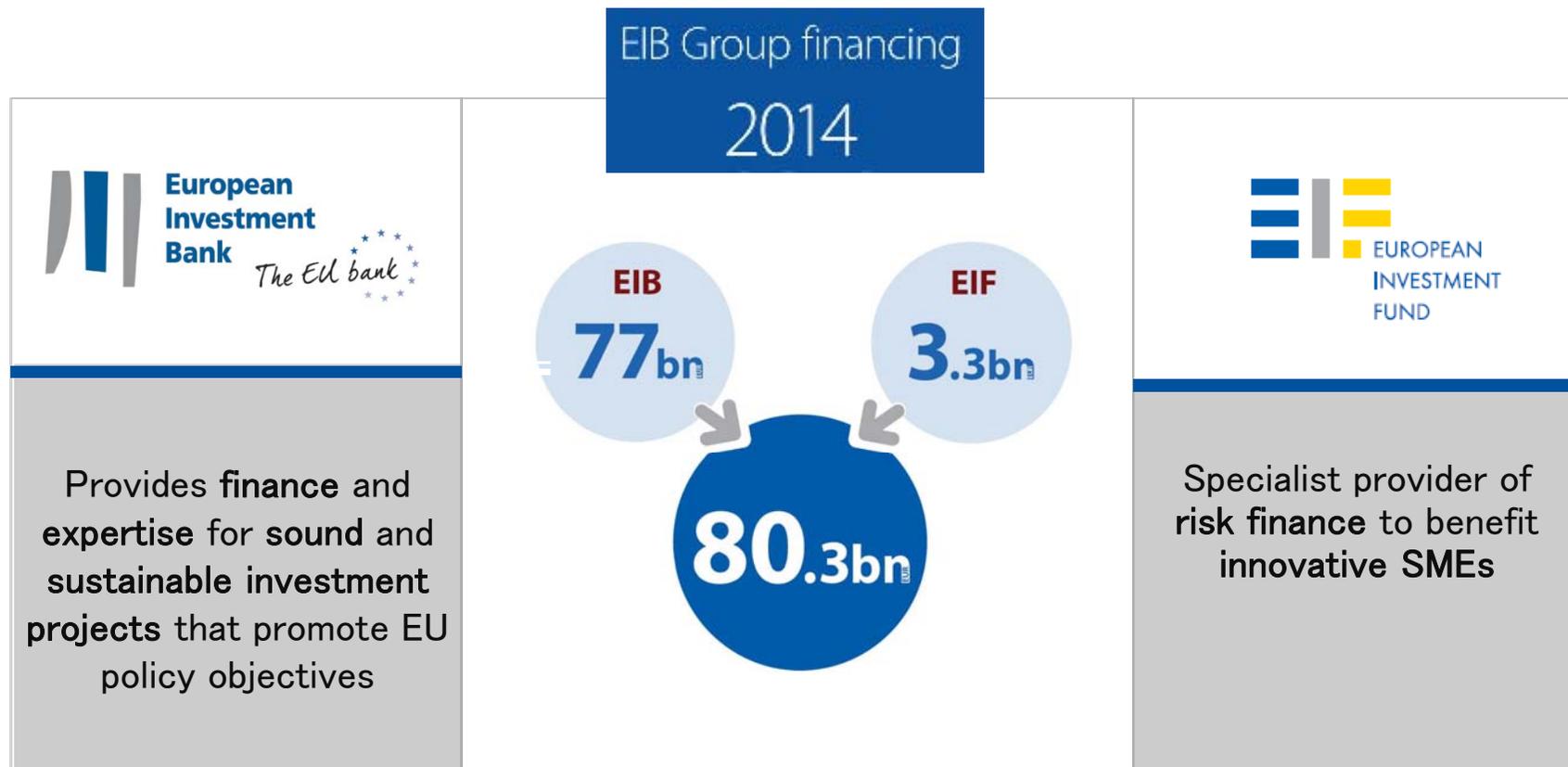
## The EIB at a glance



- EU's long-term lending bank set up in 1958 by the Treaty of Rome
- Providing finance and expertise for sound and sustainable investment projects
- More than 90% of lending is within the EU
- Shareholders: 28 EU Member States

*Investing in Europe's growth*

# The EIB Group

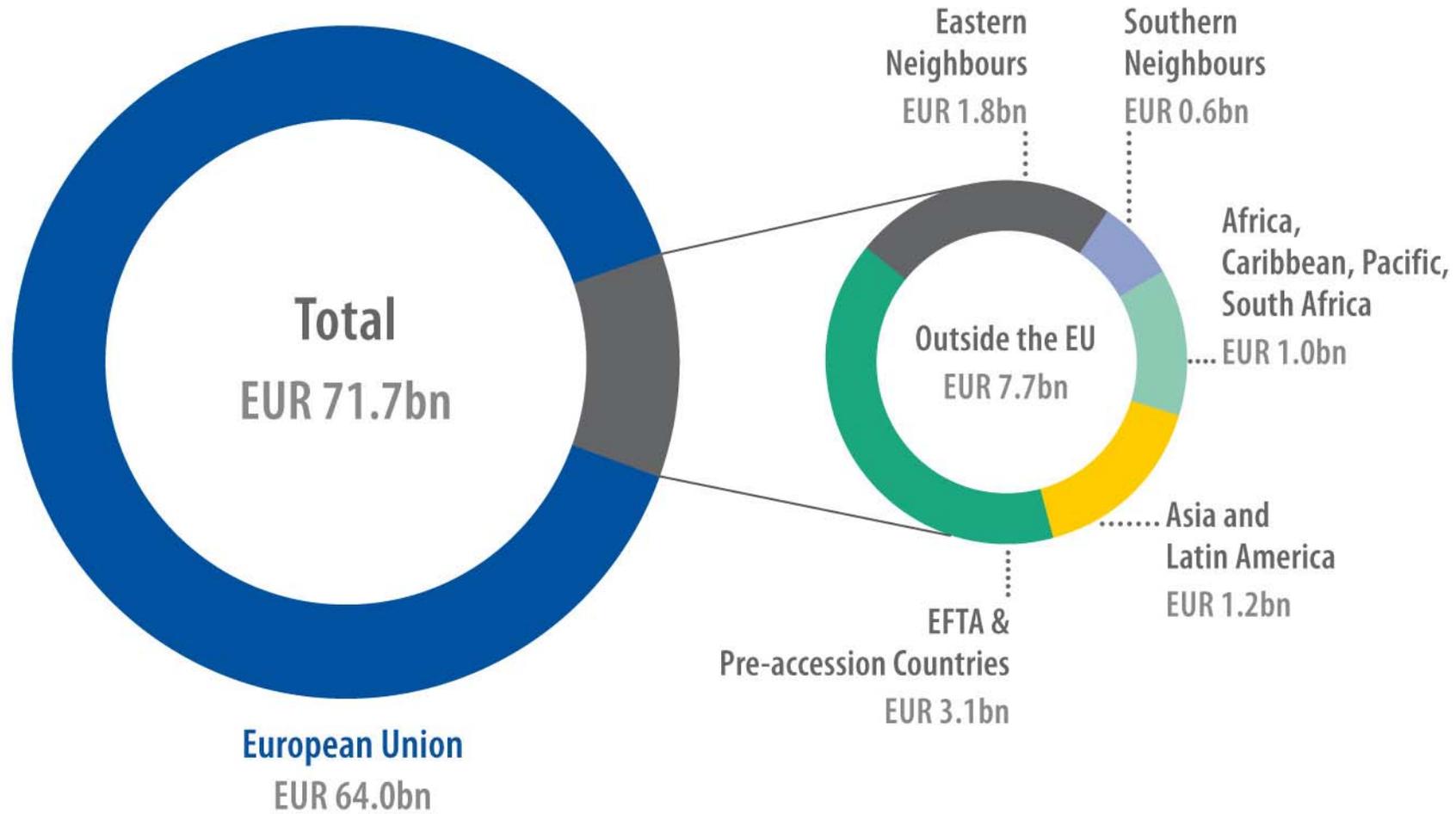


- **Largest multilateral lender and borrower in the world**
  - Raise our funds on the international capital markets
  - Pass on favourable borrowing conditions to clients (large amounts, broad range of currencies, long maturities, attractive interest rates)
  - Catalyst for participation of other banking or financial partners
- **Some 440 projects each year in over 160 countries**
- **Headquartered in Luxembourg and some 30 local offices**
- **Around 2 100 staff:**
  - Not only finance professionals, but also engineers, sector economists and socio-environmental experts
  - More than 50 years of experience in financing projects

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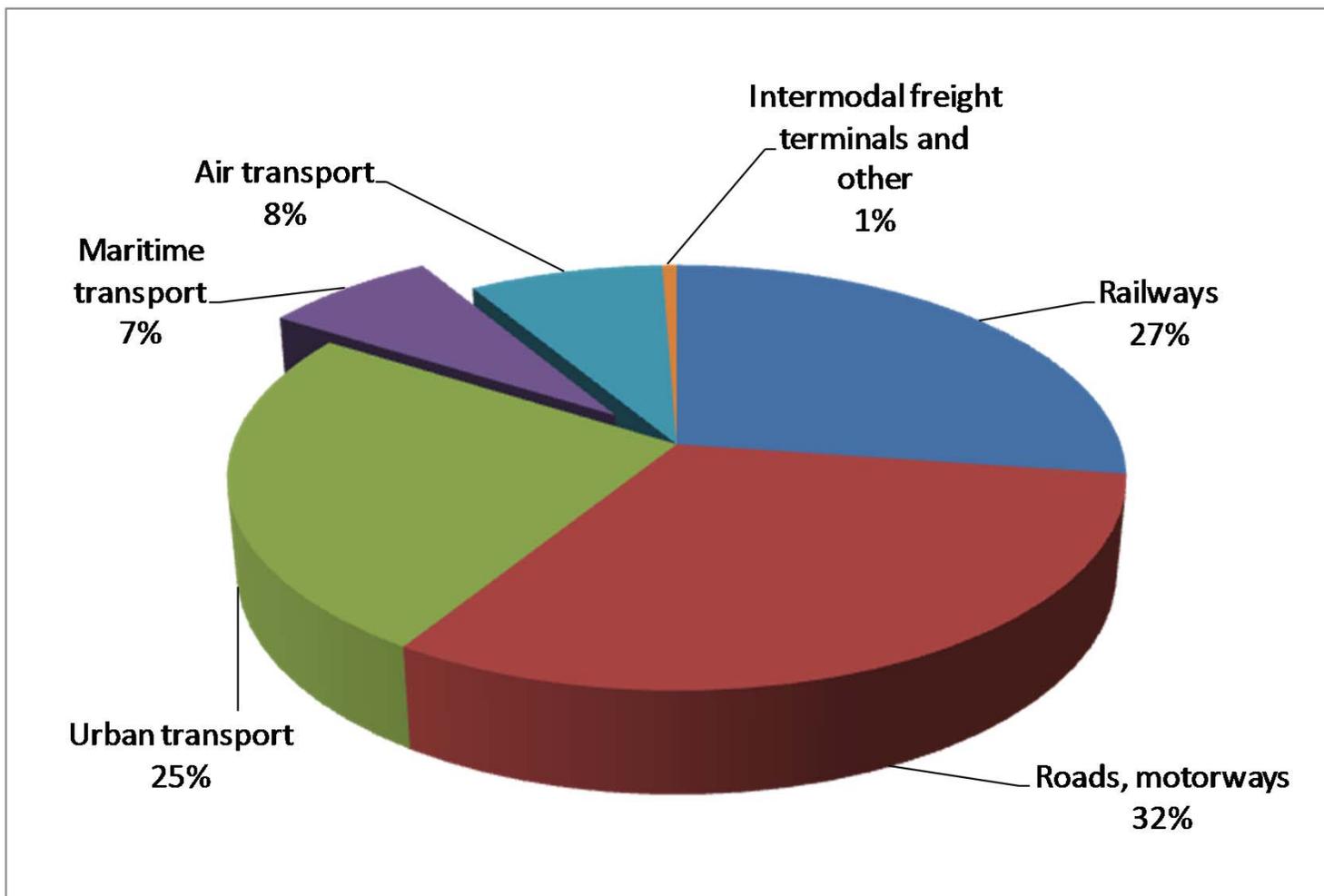
# Total lending in 2013

*The world's largest multilateral lender*



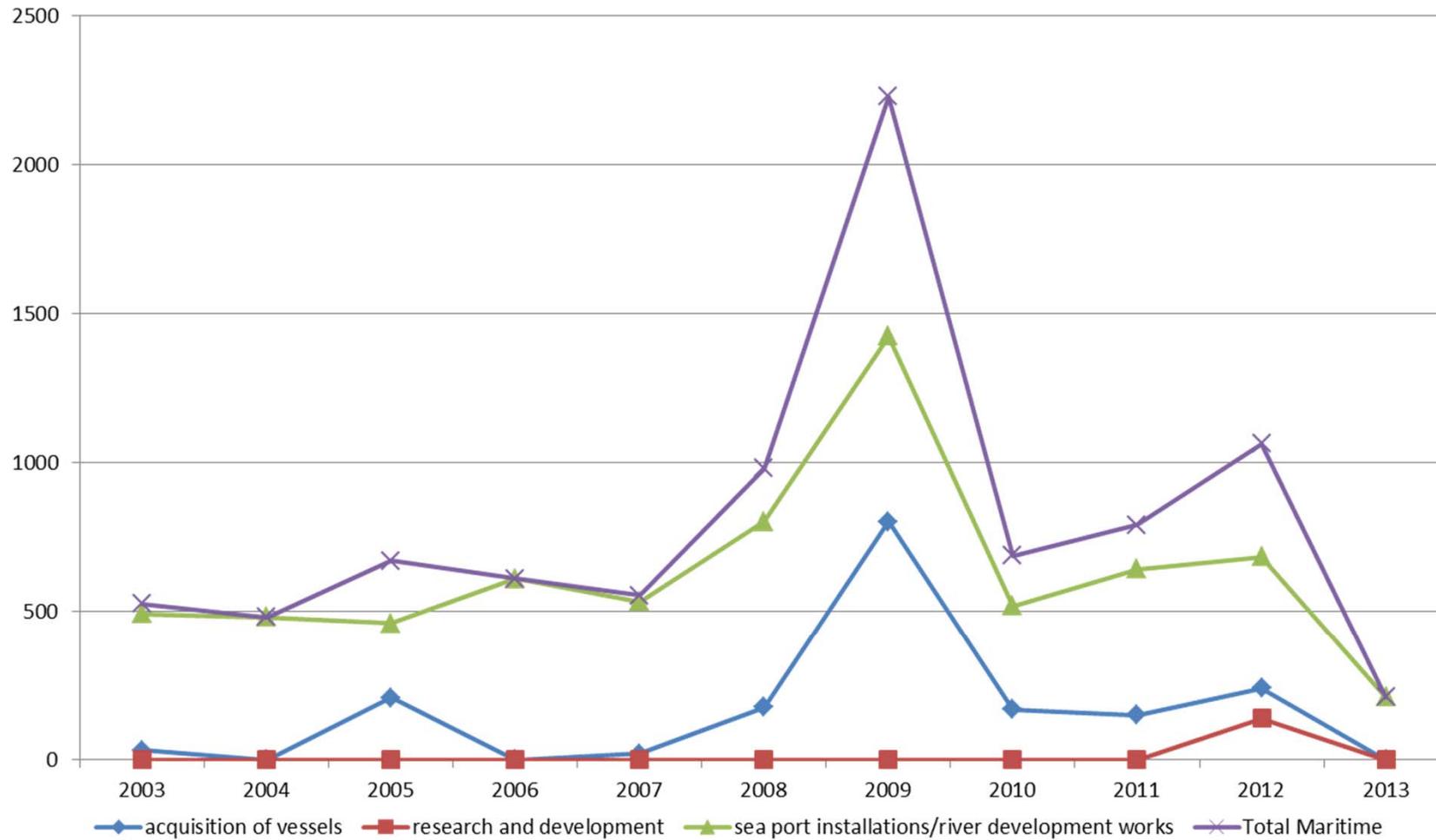
# EIB Lending to the Transport sector

2002-2013: EUR 160.95 billion



# EIB Lending to Waterborne Transport

**Waterborne transport: 2003-2013**  
**Loan Signatures (EUR m)**



# Benefits of EIB financing

Large amounts – up to 50% of eligible costs

Long term loans at attractive interest rates (fixed/floating)

Signalling effect and quality stamp (technical expertise)

Co-financing with house banks preferred

No cross selling & hold to maturity strategy

# Summary

- EIB offers loans for financing of a broad range of tangible and intangible investments
- Bilateral and intermediated loans depending on the project, borrower and final beneficiary
- Long-term senior investment loans (corporate & project finance)
- Financing for up to 50% of project cost
- Long maturity matching economic life of project assets
- EIB financing offers financial value-added (AAA/Aaa/AAA rating)
- Signalling Effects: Due to the Bank's reputation for its prudent lending policy and its strong market/technology know-how, the EIB provides learning/signalling effects for other Banks

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# Approach to Waterborne Transport Sector

- Projects must be in line with:
- **EU objectives** (White paper, CEF, TEN-T policy)
  - Convergence
  - SMEs and mid-cap enterprises
  - Environmental sustainability (incl. sustainable transport)
  - Knowledge Economy (incl. R&D)
  - Trans-European Networks (TENs)
  - Sustainable, competitive and secure energy
  - **EIB's Transport Lending Policy** (updated in Dec. 2011):
    - Development of TEN's
    - Reduction of greenhouse gas emissions (GHG) and Climate Adaptation
    - RDI and energy efficiency

# EIB Transport Lending Policy (2011)

## Background for intervention in waterborne transport sector

- Ports form the main gateway to international trade for the EU and the demand for waterborne transport is expected to increase in the future.
- Sea ports and intermodal logistics centers have a key role to play in the improvement of an **integrated and sustainable global supply chain system**.
- On the European coasts, **safe and efficient entry points** into European markets are needed to avoid unnecessary traffic crossing Europe.
- **Reliable and diversified intermodal connections with the hinterland** are critical to facilitate the flow of goods and reduce transport time and costs.
- **Inland waterway transport** is particularly indicated for goods transport, allowing for the safe transport of large consolidated freight volumes.
- Inland waterway transport remains the most **energy-efficient and climate friendly** of all modes of transport.

# Eligible projects

- **Motorways of the Sea projects** (infrastructure and vessel components)
  - Vessels and port facilities on routes part of the Motorways of the Sea network
- **New vessels**
  - In the EU: vessels with EU flag to be operated on « eligible routes », originating or ending on a EU country, during the loan life.
  - Short sea shipping: vessels operating on routes aimed at modal shift from road to maritime transport.
  - Convergence: vessel operations solely aimed at development region assistance.
  - Remote community support where no viable alternate to shipping is available (EU island community support).
  - Replacement of older, less energy efficient or more polluting vessels.

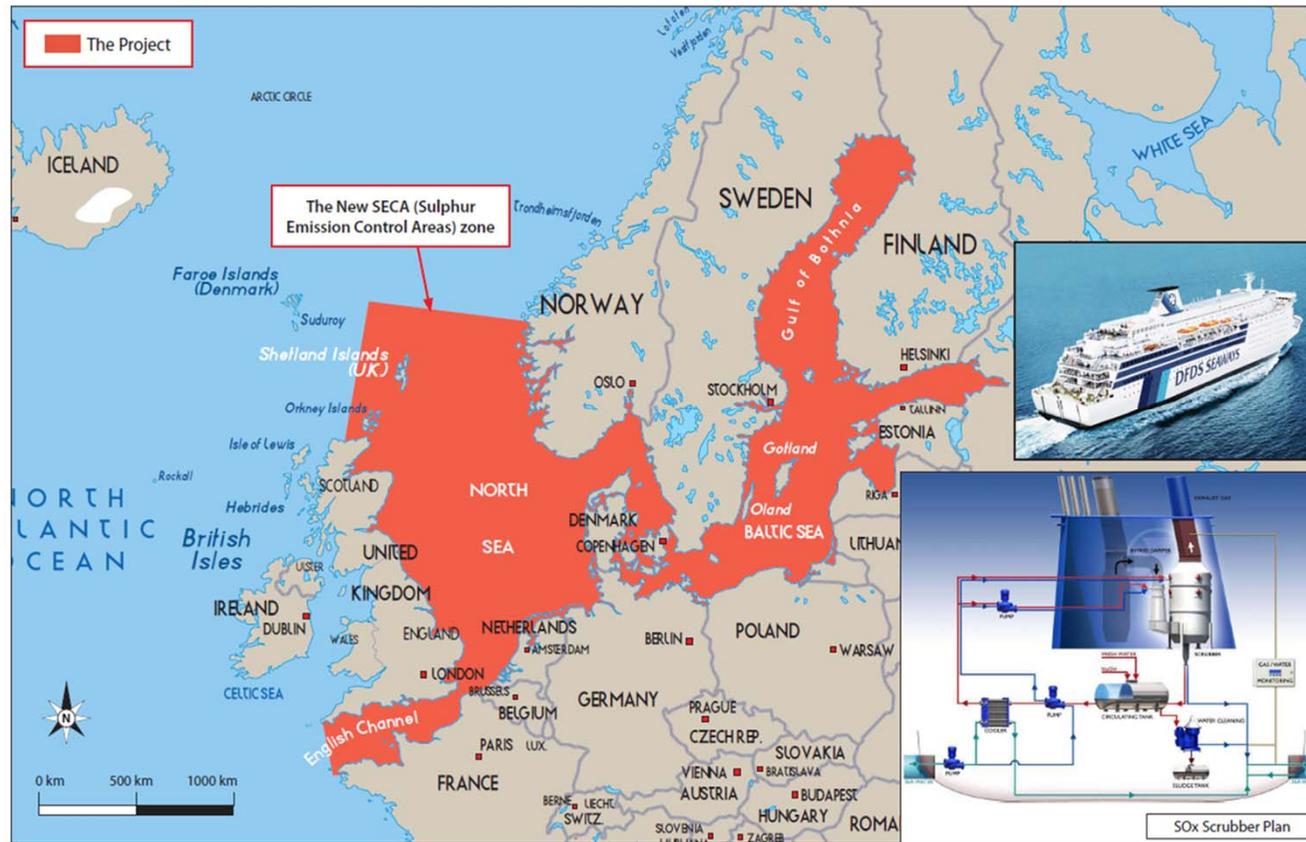
N.B. The EIB pays special attention that the ships it finances use best available technologies and that promoters use sound environmental management practices.
- **Vessel and Equipment R&D**
  - R&D to enhance ship environmental performance and energy efficiency (ship hull, propulsion, power plants, waste treatment, electric motors, etc.).

## Examples of EU Short Sea vessel construction projects approved by the EIB

Vessel Project	Loan amount (EUR million)
DFDS Scrubber Retrofit (Denmark)	100
Finnlines Scrubber Retrofit (Finland)	100
Balearia Retrofit (Spain)	70
Tallink RO-PAX Ferries (Estonia)	172
Grimaldi RO-PAX (Italy)	600
Fjord Line RO-PAX (Denmark)	55
Godby Shipping RO-RO (Finland)	38
Balearia RO-Pax (Spain)	70
Grimaldi RO-RO (Italy)	180
IMEC (Messina) RO-RO (Italy)	240
VIEMAR RO-PAX (Italy)	100

# Example 1 - DFDS Retrofitting

Project: DFDS ENVIRONMENTAL PROJECTS - Denmark



N° 20130517

European Investment Bank - GraphicTeam - 2633 MC82690 12/2013

## Example 1 - DFDS Retrofitting

- The project comprised:
  - i. The retrofitting of scrubbers for 18 of the promoter's vessels for the removal of oxides of sulphur (SO<sub>x</sub>) emissions from exhaust gases and
  - ii. The retrofitting of dual fuel LNG engines for 5 vessels.

These retrofitting's are aimed at compliance with EU regulations for the control of sulphur emissions in the Baltic and North Seas and the English Channel on 1st January 2015. When this legislation comes into effect, the maximum sulphur oxide emission from vessels operating in these areas will be the equivalent of 0.1 % sulphur in the vessel's fuel content.

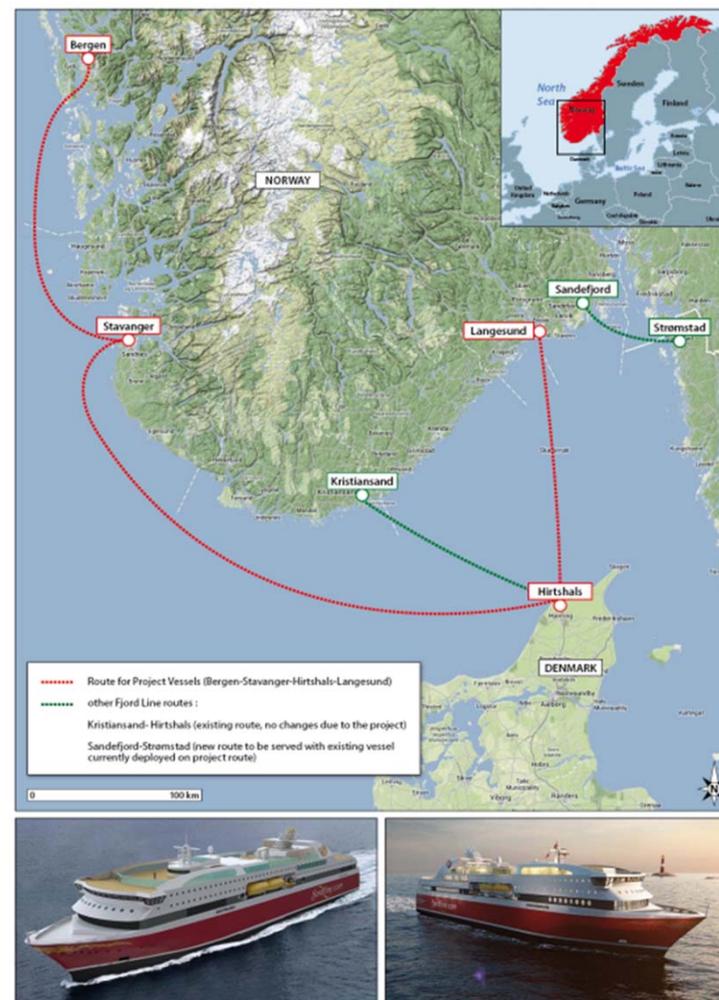
## Example 2 - Fjord Lines ROPAX Ferries

The project comprised the construction of two new ferries, which will offer daily services between Bergen, Stavanger, Kristiansand (Norway) and Hirtshals (Denmark). Each vessel has a capacity to carry 1,500 passengers and up to 600 vehicles.

The project ferries have the following specifications:

- Length: 170 meter
- Beam: 27,5 meter
- Engines: 4
- Engines: 4 x 4 x Rolls Royce Bergen
- Cruise speed: 21.5 knots (70% MCR)
- Passengers: 1 500
- Crew cabins 67 (100 beds)
- Passengers cabins 303 (1180 beds)
- Deadweight 3620
- Cargo Lane meters: Up to 1 600 meter
- Cars/trailers capacity: 600/100

Project: FJORD LINE ROPAX VESSELS - Norway



N° 20110178

European Investment Bank - GraphicTeam - 2371 MC 82090 7/2013

# Example projects approved by EIB

- ## 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 2nd Lock Waaslandhaven
- Jade Weser Container Terminal
- London Gateway
- Port of Liverpool River Terminal
- Port of Genoa
- Fincantieri RDI

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## Projects must:

- Meet at least one of the EIB's objectives
- Be technically sound
- Be financially viable
- Show an acceptable economic return
- Comply with environmental protection and procurement regulations

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## *We help catalyse investment*

LENDING	BLENDING	ADVISING
<p>Loans</p> <p>But also:</p> <p>Guarantees (trade financing)</p> <p>Equity participation</p>	<p>Combining EIB finance with EU budget (Project Bond Initiative)</p> <p>Higher risk projects for innovation (RSFF)</p>	<p>Prepare &amp; implement projects (JASPERS)</p> <p>Support for public / private partnerships (EPEC)</p>
<p>Attracting FUNDING for long-term growth</p>		

- Senior debt (>EUR 25m investment)
  - Lending to public port authorities, private terminal operators, project finance vehicles, shipping lines
  - Up to 50% of investment cost
  - Individual projects / Grouped loans (smaller projects grouped by borrower/sector)
- Intermediated lending (<EUR 25 m investment)
  - Lending to intermediary bank for on-lending to SMEs and Mid-caps
  - Up to 50% of investment portfolio cost
  - Eligible companies (“final beneficiaries”) are autonomous SMEs with less than 250 employees.
  - Mid-cap businesses (less than 3000 employees).
- Equity
  - Through participation in port infrastructure funds and equity funds
- Financial instruments under CEF (Debt instruments): EU-EIB risk-sharing instruments
  - Project Bond Initiative (PBI) Pilot Phase: provides funded or unfunded subordinated credit enhancement to ensure sufficient rating of the project bonds
  - Loan Guarantee for TEN-T (LGTT): provides a guarantee for demand risk over the ramp-up period for TEN-T projects

# For more information

<http://www.eib.org/>

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