European Investment Bank. Annual report 2000

2001/2218(COS) - 15/04/2001 - Non-legislative basic document

PURPOSE : to present the European Investment Bank's (EIB) report for the year 2000. CONTENT: Following the Lisbon European Council in March 2000, which called for increased support for operations to assist SMEs, the EIB Group was set up. The report describes the Group's role in boosting the competitiveness of European industry. Lending activity - in 2000, EIB lending for projects to encourage the attainment of EU objectives totalled EUR 36 billion, a 13% increase on the previous year. The EIB provided EUR 30.6 billion for projects in the Member States, EUR 2.9 billion for the Central European Accession Countries and EUR 2.4 billion for loans in the Partner Countries: - EUR 13.7 billion was granted in individual loans (73% of this type of finance) for support for economic and social cohesion within the Union. If the impact of global loans in the less favoured regions is included, this contribution amounts to some EUR 20 billion. A substantial proportion went to the Cohesion Countries and the Germany's Eastern Lander. On the "Innovation 2000 Initiative", operations totalling EUR 1.6 billion have been signed since May 2000. In the Central European Accession Countries, EUR 1.6 billion of the total lent came from the Pre-Accession Facility at the EIB's own risk, with the focus on transport and telecommunications projects (EUR 959 million) and projects aimed at compliance with European environmental standards (EUR 746 million). The loan for Partner Countries breaks down into: EUR 1.2 billion for the Euro-Mediterranean Partnership; EUR 401 million for the ACP States; EUR 140 million for South Africa; EUR 532 million for Asia and Latin America and EUR 154 million for the Balkans. Loans for environmental projects came to EUR 6.4 billion and support for investment by SMEs totalled EUR 6.2 billion. Lending remained buoyant for trans-European networks and major infrastructure (EUR 7.5 billion.) Operations involving human capital amounted to EUR 1.2 billion. Aggragate activity is dominated by loans for tansport and telecommunications infrastructure (32%) and backing for investment in SMEs (35%). There was also a sharp upturn in lending for environmental projects. Borrowing activity - By virtue of its position as the leading non-soverieign AAA issuer worldwide, the Bank borrowed EUR 29 billion in 2000. The EUR, GBP and USD accounted for over 90% of the EIB's borrowings. Transactions in GBP, the leading currency among the Bank's borrowings, consolidated the Bank's position as a major benchmark issuer. Also launched was the Bank's maiden euro-market Polish zloty borrowings, a debt-issuance programme in PLN, to facilitate EIB's access to the domestic Polish market. Liquidity management - at 31 December 2000 liquid funds totalled some EUR 16 billion, i.e, EUR 13 billion net of short-term commitments. The operational money market portfolio of EUR 13.2 billion constituted the bulk of liquid funds. The investment bond portfolio of EUR 2.5 billion represents the second line of liquidity. Liquidity management results - operations generated grossinterest income (excluding the hedging portfolio of EUR 869 million, corresponding to an overall book return of 5.59%.