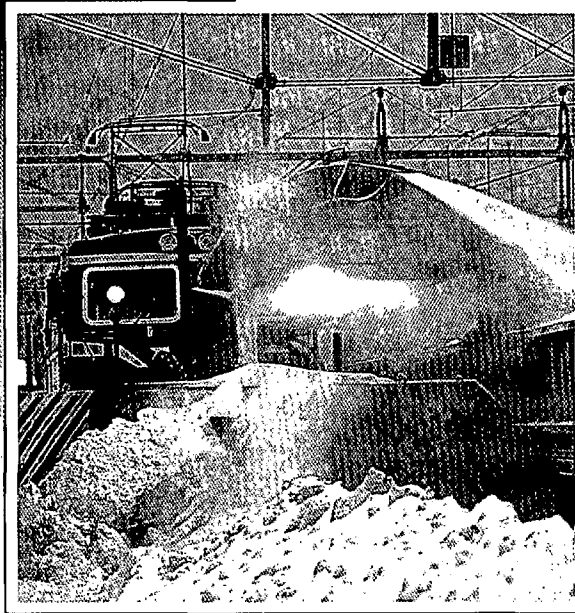


1995



ANNUAL REPORT



EUROPEAN INVESTMENT BANK
The European Union's financing institution

THE MISSION OF THE EUROPEAN INVESTMENT BANK

Our mission is to further the objectives of the European Union by making long-term finance available for sound investment.

- **We are at the service of the Union.**

We were created by the Treaty of Rome; our shareholders are the Member States; and our Board of Governors is composed of the Finance Ministers of these States:

- **We provide service and value-added**

- through our appraisal and follow-up of investment projects and programmes.

To receive our support, projects and programmes must be viable in four fundamental areas : economic, technical, environmental and financial. We appraise each investment project thoroughly and follow it through to completion.

- through our financing.

Through our own lending operations and our ability to attract other financing, we widen the range of funding possibilities. Through our borrowing activities, we contribute to the development of capital markets throughout the Union.

- **We offer first-class terms and conditions.**

Our financial soundness derives from the strength and commitment of our shareholders, the independence of our professional judgements and our record of achievement. It enables us to borrow at the finest terms, which we pass on in our lending conditions.

- **We work in partnership with others.**

Our policies are established in close coordination with the Member States and the other Institutions of the European Union. We also cooperate closely with the business and banking sectors and the main international organisations in our field.

- **We attract qualified and multi-lingual staff from all the Member States.**

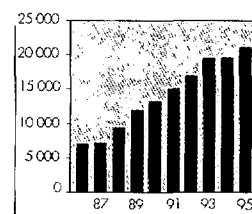
We are motivated by our direct participation in the construction of Europe.

KEY DATA

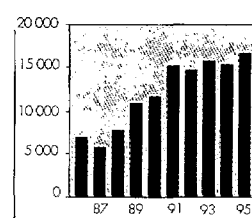
(ECU million)

	1995	1994
Contracts signed	21 408	19 928
From own resources	21 160	19 661
From other resources	248	267
Within the European Union	18 603	17 682
of which loans	18 603	17 656
of which guarantees	-	26
Outside the European Union	2 805	2 246
Africa, Caribbean, Pacific	430	462
South Africa	45	-
Mediterranean	1 038	607
Central and Eastern Europe	1 005	957
Asia, Latin America	288	220
Loans approved during the year	25 664	22 819
Within the European Union	23 071	20 335
Outside the European Union	2 593	2 484
Disbursements	16 881	15 539
From own resources	16 749	15 435
From other resources	132	104
Resources raised	12 395	14 148
Community currencies	10 774	10 994
Non-Community currencies	1 622	3 154
Outstandings		
Loans from own resources	114 696	106 087
Guarantees	331	361
Financing from other resources (Special Section)	3 492	3 783
Short, medium and long-term borrowings	87 079	83 673
Subscribed capital at 31 December	62 013	57 600
of which paid in and to be paid in	4 652	4 321
Reserves and profit for the financial year	12 302	10 135
Balance sheet total	108 825	102 753
Bank staff	897	859

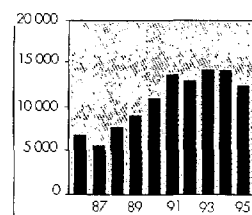
Loans signed



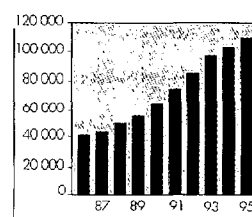
Disbursements

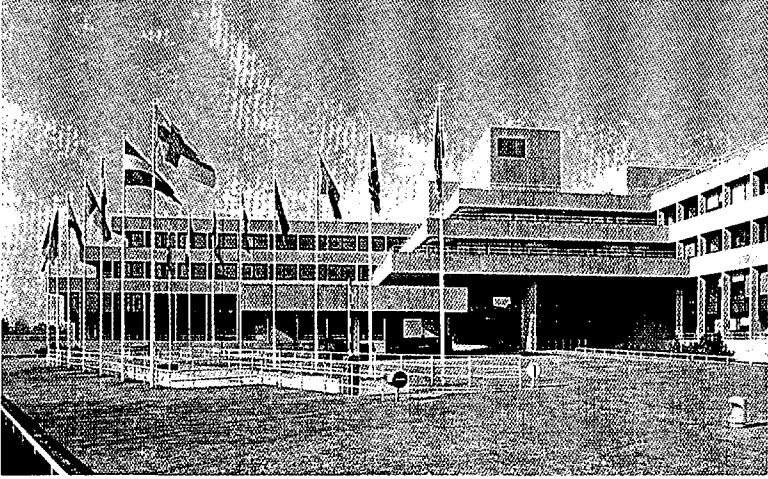


Resources



Balance sheet





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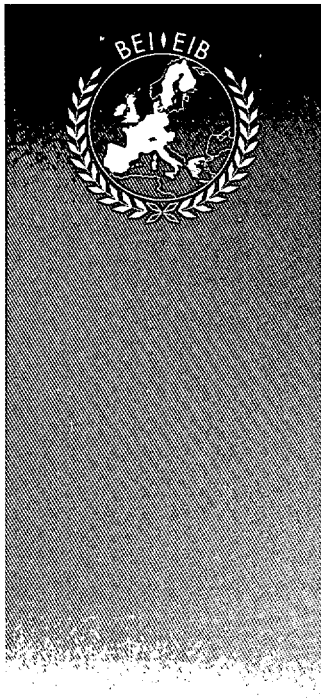
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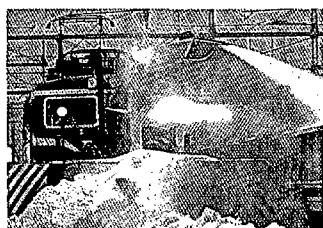
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ANNUAL REPORT 1995

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CONTENTS



In the Nordic countries,
as in the Union as a whole,
the EIB is promoting the establishment
of efficient communications systems.

	Page
Mission Statement	
Message from the President	5
The EIB, the European Union's financing institution	7
1995 : Overview	7
Serving European Union objectives	10
Financing provided within the European Union	19
Breakdown by Community policy objective	23
Financing operations by country	33
Operations outside the European Union	45
Africa, Caribbean, Pacific	45
Mediterranean Countries	49
Central and Eastern European Countries	51
Asian and Latin American Countries	54
Resources raised	55
EIB borrowing operations on the financial markets	55
Liquidity management	62
Decision-making bodies, administration and staff	63
Decision-making bodies	63
Administration and structure	67
Results for the year, annual accounts	73
Balance sheet and financial statements	76
Report by the External Auditors	91
Statement by the Audit Committee	92
Annexes	93
Economic background	93
List of financing provided in 1995	95
Statistical tables	106
Guide to readers	121

MESSAGE FROM THE PRESIDENT



Against a background of sluggish economic growth, the European Investment Bank continued in 1995 to make a substantial contribution towards implementing the European Union's priority economic objectives. Total lending amounted to nearly ECU 21.5 billion and, reflecting the priorities of the Union and its Member States, concentrated on building up infrastructure as well as on promoting new investment in industry and the service sector in support of economic development.

The 200 or so major capital projects and investment programmes which the EIB helped to finance in the Member States during 1995 accounted for some 5% of gross fixed capital formation within the "Fifteen", and substantially more in the less prosperous regions. This is because more than two thirds of this financing benefited areas faced with structural problems in terms of development or industrial conversion, highlighting again the priority attached by the EIB to fostering regional economic growth and integration throughout the Union. In this activity, we continued to cooperate closely with the European Commission so as to ensure an optimum combination of EIB loan finance and Community budgetary grant aid.

The same cooperation characterises our activities outside the Union, where the Bank supports, by its long-term lending, the Union's aid and cooperation policies in a growing number of third countries. By making more than ECU 2.8 billion available in some sixty of these countries, the Bank helped, as in previous years, to promote the sustainable development of their economies. The main thrust of our lending has been directed towards forging closer communications links with the Union, improving the living conditions of the populations concerned and encouraging joint ventures associating local operators with entrepreneurs in the Union.

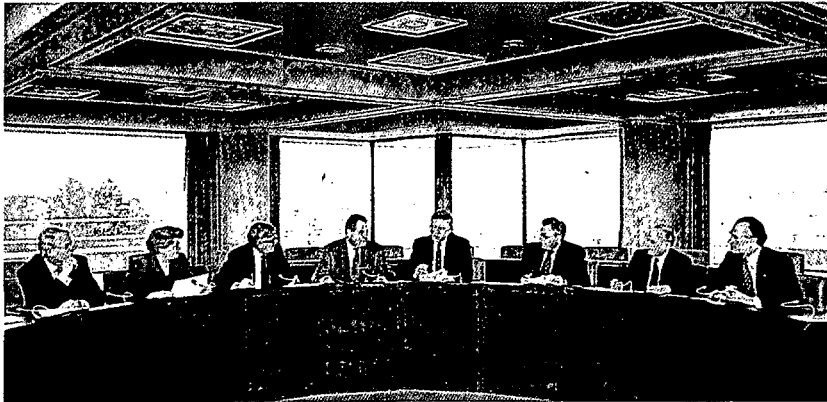
To achieve these results, the Bank has pursued four major lines of action:

First, we have worked hard to identify sound projects answering real economic needs. The principal sectors targeted by our financing are: communications and energy infrastructure creating arterial networks across Europe; environmental protection, especially in urban areas; and industry, the competitiveness of which is vital for our future. Bank operations in these sectors are designed to help build a closer-knit Europe and to foster stronger growth and employment levels within the Union, on a long-term basis.

Second, the EIB has successfully implemented a range of mandates entrusted to it as part of specific European Union policy priorities. For example, the Bank has been particularly active in the financing of SMEs and trans-European networks (TENs), both vitally important for job creation and the balanced distribution of capital investment within the Union. Under its special "TENs Window", the EIB is already committed to financing seventeen of the twenty-four priority TENs identified by the Essen European Council, and the rest are under Bank appraisal. The Bank has also helped to back projects or programmes targeting completely new EU objectives. Within the Member States, the EIB has not only supported the Peace and Reconciliation Initiative in Northern Ireland and in the six Border Counties of Ireland, particularly with loans for onlending to SMEs, but it has also aided rehabilitation of regions in Madeira and Piedmont stricken by natural disasters; outside the Union, the Bank has supported projects designed to reinforce the Middle East peace process as well as South Africa's reconstruction and development programme.

Third, the Bank has at the same time developed even further its partnerships with the European banking system. Together, we have pooled expertise in the sphere of joint and intermediated financing operations and have also arranged guarantee packages for major projects, thereby offering promoters custom-made products. But perhaps the best example of cooperation between the EIB and the banking community is in the deployment of the Bank's global loans for small and medium-scale projects undertaken by SMEs or local authorities. In 1995 alone, this global loan facility enabled the EIB, working in partnership with a broad spectrum of banks in Europe, to cofinance more than 12 000 ventures carried out by SMEs as well as some 2 000 infrastructure schemes in the public sector, particularly those designed to enhance environmental protection.

Finally, as the world's largest non-sovereign borrower, in 1995 the EIB further developed its borrowing techniques in order to widen the range of its resources and to guard against interest-rate fluctuations. The Bank is thus increasing its flexibility to adapt to cur-



rency, product and syndication opportunities. At the same time, the Bank has continued to play an important unifying role on Europe's capital markets and, following the conclusions of the December 1995 Madrid European Council, has also created the important precedent in favour of the future single currency by guaranteeing subscribers conversion of each of its new borrowings on the basis of one Euro for one ECU.

The Bank's success in helping to further the process of European integration is anchored in its strong financial base, the support of its managing bodies and the experience and pro-

fessionalism of its multidisciplinary staff teams drawn from all the Member States of the Union. I am particularly grateful to the staff, at all levels, for their motivation and commitment, the best guarantees for the EIB's continued positive response to the challenges facing the Europe of tomorrow.

Sir Brian Unwin

President and Chairman of the Board of Directors

THE EIB, THE EUROPEAN UNION'S FINANCING INSTITUTION



The task of the European Investment Bank, the European Union's financing institution, is to contribute towards the integration, balanced development and economic and social cohesion of the Member Countries. ♦ To this end, it raises on the markets substantial volumes of funds which it directs on the most favourable terms towards financing capital projects according with the objectives of the Union. ♦ Outside the Union the EIB implements the financial components of agreements concluded under European development aid and cooperation policies.

1995 : OVERVIEW

In 1995, against a persistently adverse economic backdrop, the EIB signed finance contracts for a total of ECU 21.4 billion⁽¹⁾ (19.9 billion in 1994). This increase of some 7.5% in activity is confirmation of the Bank's ability to finance investment contributing to the priority objectives of the Union.

- **Contracts signed** break down as to 18.6 billion for projects within the European Union (+5.2%) and 2.8 billion for projects outside the Union (+24.9%).

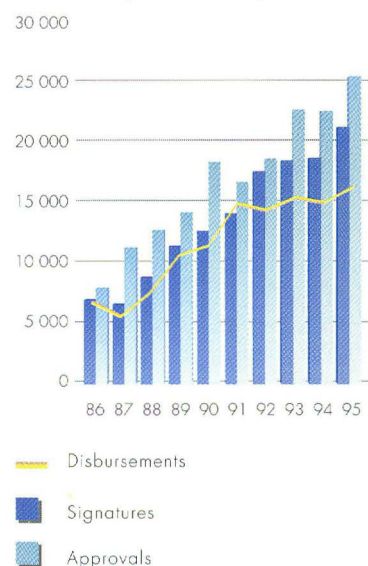
- During the year, after appraisal of the large number of projects submitted to the EIB, **financing authorisations** were approved for a total of 25.7 billion (22.8 billion in 1994), of which 23.1 billion for projects in Member Countries of the Union.

- **Disbursements** amounted to 16.9 billion (15.5 billion in 1994), of which 15.8 billion in Member Countries.

- Given the large volume of liquid holdings, due mainly to the high level of loan prepayments, **borrowings** on the capital markets totalled 12.4 billion (14.1 billion in 1994). Community currencies represented more than 86% of funds raised - after swaps - almost half being accounted for by the Italian lira and the Deutsche Mark.

- At the end of 1995, total **outstanding lending** from own resources came to 114.7 billion, or 185% of subscribed capital (106.1 billion at end-1994); **total outstanding borrowings** amounted to 87.1 billion (83.7 billion at end-1994). The balance sheet totalled 108.8 billion (102.8 billion in 1994).

Disbursements, contracts signed and projects approved (1986 - 1995)



(1) Unless otherwise indicated all amounts given in this report are expressed in ECUs, rounded to the nearest million.

Table 1 : Contracts signed in 1995, from 1991 to 1995 and from 1986 to 1995
Breakdown by origin of resources and project location

	1995		1991 - 1995		1986 - 1995	
	amount	%	amount	%	amount	%
European Union	18 603	86.9	84 626	90.6	131 550	91.9
of which : loans	18 603	86.9	84 475	90.5	131 161	91.6
of which : guarantees			151	0.2	389	0.3
Outside the European Union	2 805	13.1	8 751	9.4	11 659	8.1
of which : own resources	2 557	11.9	7 889	8.4	10 135	7.1
of which : risk capital	248	1.2	862	0.9	1 525	1.1
Total	21 408	100.0	93 377	100.0	143 209	100.0

WITHIN THE EUROPEAN UNION
CONTINUED SUPPORT
FOR CAPITAL INVESTMENT

Loans were advanced in all fifteen Member Countries for a total of 18 603 million (17 682 million in 1994). During the year, the EIB thus contributed towards a wide range of projects costing 53 billion in all and representing more than 4% of gross fixed capital formation within the Union. ♦ During their first year of membership, substantial funding was provided in Austria, Sweden and Finland, confirmation of thorough groundwork by the Bank. ♦ There was an appreciable upturn in lending in Germany, Ireland, Portugal, Italy and also Luxembourg. In the other countries, activity was either stationary or slightly down on the previous year. ♦ Finally, the EIB financed various projects of benefit to the Union in Norway, Iceland and Morocco.

CONFIRMED PRIORITY FOR
REGIONAL DEVELOPMENT :
12.1 BILLION IN 1995

During the year more than two thirds of funding was devoted to projects contributing to regional development and strengthening the Union's economic and social cohesion. ♦ These projects, financed by individual or global loans, were concentrated in areas eligible for assistance under the Community Structural Funds, mainly in countries covered by the Cohesion Fund and in the eastern Länder of Germany. ♦ Since activation of the reform of the Structural Funds in 1989 and in conjunction with Community grant aid, the EIB has contributed funding of more than 71 billion towards facilitating capital investment of some 212 billion in regional development areas.

SUSTAINED COMMITMENT
TO CREATION OF
TRANS-EUROPEAN NETWORKS :
7.3 BILLION IN 1995

The EIB continued to provide funding for the creation of integrated and efficient networks, essential for intra-Community trade. ♦ During the year, the Bank, which adapted the terms and conditions of its loans to suit the specific nature of such projects, advanced 7.3 billion for transport (land, sea and air, 5 256 million) and telecommunications networks (885 million) as well as for energy transfer systems (gaslines and high-voltage power lines, 1 171 million). ♦ Since 1991, the EIB has granted some 32 billion for these projects, representing almost 40% of its total lending, thus reaffirming its position as the leading source of bank finance for major projects in most of the Member Countries of the Union. ♦ The Bank is directly involved in efforts to equip Europe with infrastructure for the 21st century. This is particularly true of trans-European networks and more especially those accorded priority status by the Essen European Council, for which the Bank had, by the end of 1995, approved loan commitments totalling 7.6 billion.

CONSTANT CONCERN FOR
ENVIRONMENTAL
PROTECTION :
6 BILLION IN 1995

The EIB is alert to the impact on the environment of all the projects it finances, such that those contributing directly to reducing pollution or improving the quality of life, particularly in cities, are at the forefront of its funding operations. ♦ Over the past five years, the EIB has made almost 22 billion available for several thousand water and waste management projects, sometimes regional in scope, often local as well as for the abatement of pollution, mainly atmospheric, caused by industrial processes or energy generation. ♦ At the same time it has continued to provide finance for enhancing the quality of urban life by funding projects for upgrading public transport facilities and for urban development schemes in several towns and cities.

In order to sustain economic recovery, the EIB constantly assists enterprises in responding to international competition and adapting to technological change. ♦ In 1995 it made 3 billion available to almost 12 000 SMEs and deployed, in support of 4 400 of these, the Community interest subsidy mechanism introduced to encourage employment. ♦ Larger-scale industrial and service enterprises also received loans totalling 1.6 billion.

SUPPORT FOR LARGE AND SMALLER ENTERPRISES TO PROMOTE COMPETITIVENESS AND EMPLOYMENT : 4.6 BILLION IN 1995

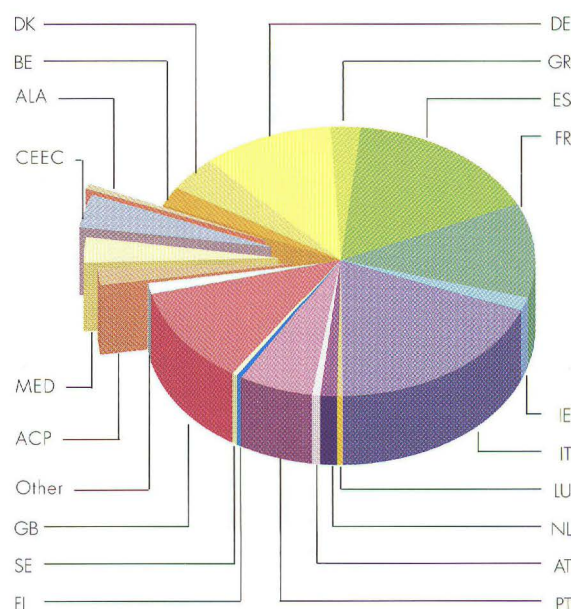
Funding of 2.8 billion was provided in more than 60 partner countries under Community cooperation and development aid policies. ♦ Financing was earmarked for sustainable development in the recipient countries and supported efforts promoting peace and stability in several parts of the world, notably the Middle East and South Africa. ♦ In the Central and Eastern European countries lending furthered the process of gradual rapprochement and preparation for their closer integration with the Union. ♦ In the Mediterranean EIB operations can be seen as the precursor of a Euro-Mediterranean partnership. ♦ In Africa, the Caribbean and the Pacific, financing was designed to strengthen essential infrastructure and develop the fabric of industry. ♦ Finally, in an increasing number of countries in Asia and Latin America the EIB is co-financing projects of mutual benefit aimed at bringing these countries closer to the European Union.

OUTSIDE THE UNION 2.8 BILLION FOR FOSTERING DEVELOPMENT AND PEACE

Table 2 : Amount and geographical breakdown of contracts signed

1995 : 21 408		1994 : 19 928	
amount	%	amount	%
665	3.6	Belgium (BE)	615 3.5
825	4.4	Denmark (DK)	850 4.8
2 715	14.6	Germany (DE)	2 408 13.6
525	2.8	Greece (GR)	535 3.0
2 818	15.1	Spain (ES)	3 012 17.0
2 207	11.9	France (FR)	2 477 14.0
327	1.8	Ireland (IE)	291 1.6
3 435	18.5	Italy (IT)	3 100 17.5
79	0.4	Luxembourg (LU)	5 .
319	1.7	Netherlands (NL)	400 2.3
242	1.3	Austria (AT)	90 0.5
1 232	6.6	Portugal (PT)	1 110 6.3
179	1.0	Finland (FI)	60 0.3
273	1.5	Sweden (SE)	15 0.1
2 244	12.1	United Kingdom (GB)	2 455 13.9
519	2.8	Other ⁽¹⁾	261 1.5
18 603	100	European Union	17 682 100
430	15.3	Africa, Caribbean, Pacific (ACP)	462 20.6
45	1.6	South Africa (RSA)	
1 038	37.0	Mediterranean (MED)	607 27.0
1 005	35.8	Central and Eastern Europe (CEEC)	957 42.6
288	10.3	Asia and Latin America (ALA)	220 9.8
2 805	100	Outside European Union	2 246 100

(1) Projects located outside the Member States but of benefit to the Union [see Note 5(d), page 122]



The EIB ... serving European Union objectives

A key event in 1995 was the accession of Austria, Finland and Sweden to the European Union and their consequent membership of the European Investment Bank. Getting operations properly under way in these countries was facilitated by contacts previously established under the European Economic Area (EEA) Agreement. ♦ The macroeconomic environment for the financial year remained unstable and sometimes difficult. It was characterised at the start of the year by a period of monetary turbulence, then by a gradual slackening in growth, despite the general downtrend in interest rates. ♦ The adoption by the Madrid European Council on 15-16 December 1995 of the scenario for introduction of the single currency, the Euro, and of the date - 1 January 1999 - for the start of the third stage of Economic and Monetary Union established the terms of reference for the economic and financial policies of the Union and its Member States for the years ahead. ♦ At the end of a year in which the EIB was an active partner in moves towards peace and development, the scene is now set for renewed commitment by the Union with respect to Central and Eastern Europe, the Mediterranean and Africa.

IN 1995,
THE EIB INCREASED
THE VOLUME OF ITS FINANCING...

By virtue of the scale of its activities and its specific mission, the EIB is a key partner in building the Europe of tomorrow. As such, it is becoming ever more closely involved in preparing and implementing many decisions on Community policies.

The working relations and cooperation maintained with the other institutions and decision-making bodies of the Union bear witness to this. These relations have been reinforced, with the President attending meetings of the Council of Ministers in order to present and defend the positions of the EIB, in particular as regards the financing of trans-European networks and Community guarantees for operations outside the Union.

More generally, the President and his colleagues on the Management Committee have taken part in a great many information, coordination and planning meetings with representatives of the European Commission and the European Parliament, particularly those of its committees most directly concerned with EIB activity. These various contacts, as also those pursued bilaterally with the Member States' authorities, enable the Bank to discharge its mission of serving the Union as effectively as possible.

As a committed player in international economic and financial affairs, the Bank has taken part in several ministerial conferences,

such as the Economic Summit on the Middle East and North Africa (Amman), the Euro-Mediterranean Conference (Barcelona), the Pan-European Conference of Ministers of the Environment (Sofia), as well as in annual meetings of the main international financing institutions, including the World Bank and the European Bank for Reconstruction and Development.

♦
Throughout the year, the EIB promoted an increasing volume of sound, long-term investment while paying special attention to project quality. It reacted promptly to a combination of various developments: enlargement of the Union, increased mandates outside the Union and the decline in interest rates. It was able to adjust accordingly through structural reorganisation and adaptation of its products, including the terms and conditions of loans, with a view to greater operating efficiency.

Developments set in motion in 1995 should continue in the medium term, with changes already imminent linked to introduction of the single currency and to fresh enlargements. Hence, looking to the future and in an economic environment demanding special emphasis on growth and employment, the EIB will continue to strive towards the balanced development of the European Union

AND TOOK AN ACTIVE PART
IN EU DECISION-MAKING
PROCESSES

On 15-16 December 1995, the European Council meeting in Madrid adopted the scenario for introduction of the single currency, the Euro, and confirmed that the third stage of Economic and Monetary Union would begin on 1 January 1999. It stressed the importance of a high degree of convergence between economies, a prerequisite for the success of Economic and Monetary Union. The Council then reviewed the analyses of the European Commission, stressing that "all the ... progress being made in the convergence process ahead of monetary union is already helping to cushion the consequences of the currency fluctuations and to establish a sound macroeconomic framework that is conducive to growth and job creation".

The European Parliament, in its resolution on Economic and Monetary Union of 30 November 1995, for its part welcomed initiatives to strengthen convergence and stability within the Economic and Monetary Union based on greater compatibility between the budgetary and monetary policies of the Member States with a view to adoption of the single currency. At the same time it called for a strengthening of structural aid measures in order to guard against any exacerbation of regional disparities following introduction of the single currency.

The EIB, in common with all other economic players, will be closely involved in the transition to the third stage of Economic and Monetary Union, with all the consequences and adjustments that will ensue.

In its constant endeavours to secure the balanced development of the various regions of the Union, the EIB will in particular be confronted with many new challenges. It will need to develop its activity in the various Member States without any distinction as to their monetary affiliation. The Bank will also need to take account of certain countries' legitimate aspirations to join the Union by

facilitating the integration of their economies, thus continuing the line of action it has been pursuing for several years.

Furthermore, Economic and Monetary Union will result in an area much more open to banking activities and the emergence of new practices. The EIB will readily adapt to this new dimension, in view of its experience both of lending activity in Europe, its natural theatre of operations, and of borrowing activity worldwide.

Over the years, the EIB has constantly promoted use of the ECU. It became, in particular, the principal ECU issuer on international markets and was one of the founders of the multilateral clearing system. The relative lack of interest in international issues in ECU has, however, clearly affected the EIB. Given the inflow of ECUs from loan repayments, both on scheduled dates and early due to falling rates, but also as a result of its ongoing commercial paper and notes programmes in ECU, the EIB was able last year to command substantial liquidity. It was thus in a position to accommodate sustained demand for disbursements in this currency, such that the ECU became the third most important currency of disbursement (11.8% of the total).

In the circumstances, the EIB was able to limit its fund-raising in ECU to a single operation for 400 million in 1995, compared with 300 million in 1994. At the end of 1995, total EIB borrowings outstanding in ECU verged on nine billion, i.e. over 10% of the total portfolio.

The EIB will clearly be making this experience of dealing in and promoting the European currency available for the Euro, as already evidenced by the launch, in early March 1996, of a borrowing denominated in ECU (500 million) and offering investors, for the first time, transparent parity of redemption in terms of one Euro for one ECU.

IN THE TRANSITION
TO THE THIRD STAGE OF
ECONOMIC AND MONETARY
UNION IN 1999 ...

THE EIB WILL BE ABLE TO
OPTIMISE ITS FINANCIAL EXPERTISE
ON A EUROPEAN SCALE ...

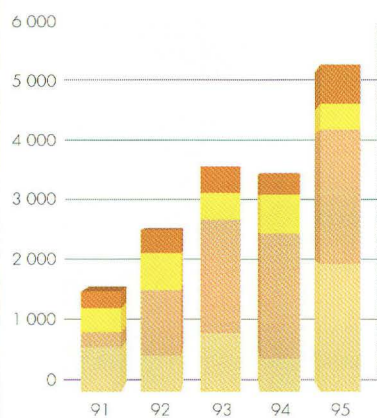
AND ITS LONG-STANDING USE OF A
SINGLE UNIT OF ACCOUNT

1958	The EIB's unit of account : 0.88867088 grams of fine gold
1974	The unit of account is defined as a basket of nine currencies The Euro, a composite currency, is used for borrowings
1979	The unit of account becomes the ECU
1995	Madrid Council : the single currency is to be called the Euro with a parity of ECU 1 = Euro 1

THE EIB AND
TRANS-EUROPEAN NETWORKS

- ◆ December 1992 :
Edinburgh facility
7 billion in additional loans
for a hundred or so projects.
- ◆ December 1993 :
White Paper on "Growth, competi-
tiveness and employment".
- ◆ December 1994 :
Identification of the priority TENs;
Special "TENs Window".
- ◆ December 1995 :
Thirteen loans agreed;
eleven projects approved or
in the pipeline.

Financing for transport
TENs
(1991 - 1995 : 17 billion)



- Railways
- Roads
- Exceptional structures
- Ports and airports, intermodal freight terminals

Between 1991 and the end of 1995, the EIB, the leading source of bank finance for infrastructure projects in most Member States, granted loans totalling around 23 billion for infrastructure projects of benefit to the Community in the fields of transport (see page 27) and energy transfer (see page 32), plus 9 billion for telecommunications networks. These figures account for about 40% of financing provided in the Union over that period.

The commitment to promoting integration of the Union by identifying and speeding up implementation of trans-European networks (TENs), fourteen of which fall within the transport sector and ten in the energy sector, has given the EIB an increasing role to play.

By the end of 1995, one year after the Essen European Council had identified the 24 priority TENs, all these networks had been examined by the EIB's departments, and financing decisions had been taken on thirteen of them.

As these were **high-priority projects**, by the beginning of April 1996 the EIB had already granted loans worth ECU 4.8 billion (out of 5.8 billion committed for financing) for nine of the fourteen transport projects and ECU 520 million (out of 1.8 billion committed) for four of the ten projects in the energy sector.

Lending for transport schemes focused on the Øresund fixed link between Denmark and Sweden; the Turku - Helsinki - St Petersburg rail and road corridor in Finland and the Malmö - Göteborg rail line in Sweden, links in the "Nordic Triangle"; the French and Belgian sections of the Paris - Brussels - Cologne - Amsterdam - London (PBKAL) high-speed rail network; the Italian part of the "Brenner Axis" rail link; the Cork - Dublin - Belfast railway corridor; the maritime links in the Ireland - Great Britain - Benelux intermodal transport corridor; the Portugal - Spain and Athens - Corinth and Katerini - Klidi motorway links; and Malpensa international airport near Milan. In the energy sector, EIB financing included support for interconnection of the Portuguese and Spanish gas and electricity grids as well as for gas pipelines from the Maghreb Countries to Europe and from Russia to Europe.

Complementing this action in favour of high-priority projects, the EIB has continued and stepped up its assistance for a wide range of TENs projects in all countries of Europe, the role of which in terms of European integration and job creation is equally crucial. The funding involved between 1993 and 1995 amounted to ECU 11.5 billion (see map on page 26).

The facilities provided by the special "TENs Window", set up in December 1994 and offering in particular scope for very long-term financing with extended grace periods for repayment of principal (see Annual Report 1994, page 12), have not only already been drawn on for the Belgian (PBKAL) and "TGV Méditerranée" high-speed rail projects and the Øresund fixed link but are also being deployed for the Rome - Naples high-speed rail project and the London - Channel Tunnel link.

In extending its activity in the Central and Eastern European countries aimed at strengthening physical links between these countries and the Union with a view to their eventual accession, the EIB is devoting special attention to financing major road and rail corridors. The projects involved are the Berlin - Warsaw, Berlin - Prague -Vienna and Trieste - Ljubljana - Budapest rail links and air traffic management systems covering the entire area. Since 1993, the key communications and energy networks in this part of Europe have benefited from loans amounting to over ECU 1 billion.

Trans-European networks are making a vital contribution towards boosting economic activity, creating new jobs and furthering integration of the Union. In taking note of progress in this field, the Madrid European Council called on the Council of Ministers and the European Parliament quickly to finalise the necessary regulatory framework and the Member States to assign top priority to completion of the TENs singled out by the European Council.

It also asked the Council of Finance Ministers to take the decisions necessary to facilitate the financing of trans-European networks.

In keeping with the decisions taken at the Essen European Council (December 1994), the EIB has been closely involved in financing trans-European infrastructure networks, in particular those accorded priority status (see box article on page 12, map on page 26 and list of financing provided on page 95). By the end of 1995, all these networks either had EIB funding committed or were under appraisal by Bank staff. Nine of the fourteen priority transport networks and four of the ten energy networks had already attracted financing.

More generally, the EIB has expanded its longstanding support for European communications and energy transmission infrastructure. By granting loans worth some

ECU 7.3 billion in 1995, it contributed to investment totalling around 21 billion.

Drawing on its experience in infrastructure financing, the EIB has also made ample use of the specific arrangements provided by the "TENs Window". These facilities have been tailored to provide very long-term financing with extended grace periods for the repayment of principal and are already being applied to a number of projects. They can also be used for projects linking up with partner countries in Central and Eastern Europe and the Mediterranean or for projects with a trans-European dimension in the environmental field (see Annual Report 1994, page 12).

Cooperation and interaction with the EIF (European Investment Fund), which has been operating since June 1994, have been developed further. With a capital of ECU 2 billion, subscribed by the EIB (40%), the European Union (30%) and some 80 banks in the fifteen countries of the Union, the EIF will in the space of eighteen months have approved 27 guarantees totalling some ECU 1.3 billion for TENs projects in the fields of transport, energy transfer and telecommunications in ten countries of the Union (see also EIF Annual Report).

Through its participation in the EIF and its contributions to feasibility studies for a variety of major schemes, the EIB endeavours to

FOR DECADES,
THE EIB HAS BEEN SUPPORTING
MAJOR EUROPEAN
INFRASTRUCTURE PROJECTS ...

IT IS INVOLVED IN
THE CONSTRUCTION OF ALL
TRANS-EUROPEAN NETWORKS

Since the project's inception, the EIB has been fully committed to financing construction of the fixed link under the Channel and remains one of the main providers of funds for the scheme. ♦ In parallel with its direct commitment, the EIB concluded a credit agreement for ECU 1.1 billion for the account of and secured by various banks. Suspension of interest payments by the promoter in September 1995 led to calling of the guarantee and to early repayment of this credit. ♦ Since then, the EIB has been participating actively, as a member of the Steering Group formed by the main creditor banks, in the negotiations under way aimed at restructuring and rehabilitating the operator's financial situation. ♦ The EIB's objective remains unchanged: to enable this vital infrastructure to play its full part in the process of European integration.

THE EIB
AND THE CROSS-CHANNEL
FIXED LINK

FINANCING INVESTMENT
IN THE LESS DEVELOPED
REGIONS REMAINS
THE EIB'S KEY REMIT

provide more than just sound financing at optimum cost. Through the quality of project appraisal carried out by its own staff under the threefold criterion of technical, economic and financial viability, the Bank acts as a catalyst in mobilising other capital, both

public and private, and national or Community subsidies. In order to contribute towards discussion of the role of the private sector and the need for partnership with the public sector, the EIB hosted a special Forum in May 1995 (see below).

The European Council has restated the need to maintain a high degree of lasting convergence between the economies of the Member States in the long term. This convergence must go hand in hand with special efforts to strengthen the economic and social cohesion of the Union. Combating unemployment and ensuring equal opportunities have thus been reaffirmed as priority tasks.

close cooperation with the Structural Funds, chiefly the ERDF (European Regional Development Fund) and the Cohesion Fund in Greece, Ireland, Spain and Portugal.

Estimates made during programming of the second stage of Community structural action (1994 - 1999) showed clearly the impact expected from combined EIB lending and aid from the Structural Funds. This impact is particularly marked in the cohesion countries, in view of the concentration effect of the doubling of subsidies for structural purposes between 1992 and 1999.

In this respect, developing the different regions and narrowing the gaps between the richest and the most deprived can be achieved only, in a period of low growth, through policies committed to channelling both public and private investment to areas lagging behind. Support for investment in these regions is the constant concern and leading priority of the EIB, which devotes over two thirds of its financing to this objective. Lending for the regions is deployed in

In these countries, and in other Objective 1 areas, ERDF and Cohesion Fund grants could account for almost half the public expenditure indicated by the respective States in the Community Support Frameworks; this share is considerably higher for infrastruc-

First EIB Forum

"The provision of infrastructure;
the role of the private sector"
Amsterdam, May 1995

As a leading partner for both public and private financial institutions involved in the financing of major infrastructure networks, the EIB devoted its 1995 Forum to the role of the private sector. Budgetary constraints and the quest for greater effectiveness in the definition, creation and management of infrastructure call for a redefinition of the respective roles of the public and private sectors, in particular as regards transport networks.

The work, to which some 200 political, economic and financial decision-makers contributed, focused on the conditions required to secure fruitful public-private partnership at the financing stage and to devise ways in which risks and constraints arising during planning and implementation of major European projects can be shared and managed.

Second EIB Forum

"The Mediterranean :
working in partnership"
Madrid, October 1996

The conclusions of this first EIB Forum highlighted the preponderant role that the public sector must continue to play, particularly in the field of transport, in order to take account of the variance between social utility and financial profitability that characterises many of these projects. They also emphasised the need for the national and European authorities to put in place clear and stable regulatory frameworks.

The proceedings of the Forum are available on request from the EIB.

FOSTERING RECONCILIATION IN
THE ISLAND OF IRELAND

ture in the transport or environment sectors (up to 80-85%), where the EIB is traditionally very active (6.3 billion in 1994 and 1995). Furthermore, the relative decline in support from the Structural Funds in the other assisted regions has prompted the EIB to step up its efforts there: some 43% of its financing for regional development is now concentrated in Objectives 2 and 5(b) areas (36% on average between 1989 and 1993).

The Bank is also participating in the special programme to support the peace and reconciliation initiative in Northern Ireland and in the six Border Counties of Ireland. This joint initiative launched by the European Union and the Governments concerned brings together many banks from both countries. It

provides for the EIB to extend global loan facilities to these banks with a view to promoting capital investment, particularly by SMEs. In order to create conditions conducive to investment, interest subsidies are to be made available from the budgetary resources of both the Union and the Member States in question.

In addition, alert to regional problems caused by natural disasters, the EIB contributed to reconstruction work in Madeira, after the cyclone of October 1993. The same approach was adopted for Piedmont, where the EIB took part in the emergency programme decided by the Commission after the 1994 floods.

The Cannes European Council (June 1995) emphasised that "small and medium-sized enterprises (SMEs) play a decisive role in job creation and, more generally, act as a factor of social stability and economic drive". In fact, two thirds of all European jobs are provided by firms employing fewer than 250 persons. This share is constantly rising as the tendency among larger firms is to downsize their workforce. Strengthening the competitiveness of SMEs is thus one of the most appropriate ways to fight unemployment.

In this context, the EIB has endeavoured to build on the activity it has been promoting for over 25 years, in close cooperation with the banking system, through its global loan facility. It has now adapted its eligibility cri-

teria in order to provide loans to SMEs in the retail trade and private services sectors.

During the year, the EIB also deployed in full the subsidised lending facility for job-creating SMEs. Loans totalling ECU 1 billion were thus provided to foster the development of 4 400 firms and to assist the creation of some 45 000 jobs in the fifteen countries of the Union (see page 31). This specific action forms part of a wider movement characterised by a brisk recovery in demand for financing, which is reflected in the extension of credit during the financial year to some 12 000 SMEs and the conclusion of a large number of global loans, for a total of 3.4 billion, disbursements on which will extend well into 1996.

ACTIVE SUPPORT
FOR SMES
IN ALL COUNTRIES OF THE UNION

One of the stated objectives of the European Union is to achieve lasting economic growth consistent with respect for the environment. Integration of environmental considerations into the various Community policies thus becomes a factor of competitiveness and job creation.

The importance attributed to this by economic players is clearly reflected in the growth in their investment for environmental purposes, both in industry and the energy sector and in public amenity projects. Action on the part of the EIB, by way of both individual and global loans, bears witness to its involvement in this effort.

SUSTAINABLE GROWTH
AND RESPECT FOR THE ENVIRONMENT:
ONE AND THE SAME OBJECTIVE

INITIATIVES TRANSCENDING
THE FRONTIERS OF THE UNION

This constant concern to take into account the impact of projects on the environment and the quality of life also informs EIB action outside the Union to promote sustainable development. For this reason, alongside its financing activities, the Bank takes an active part in a great many programmes and initiatives at regional and international level. In the Mediterranean, it has been participating, since 1988, with the World Bank, the European Commission and United Nations specialised agencies, in the Mediterranean Environmental Technical Assistance Pro-

gramme (METAP), the third stage of which will commence in 1996.

It is also the case in Europe as regards other initiatives in which the EIB is a partner: the "Baltic Sea Joint Comprehensive Action Programme" under the auspices of the Helsinki Commission, studies for pollution abatement in the Elbe, Oder and Danube river basins and the "Environment for Europe Programme" adopted by the Pan-European Conference of Ministers of the Environment in Sofia in October 1995 (see page 44).

1995 : BROADER-BASED
AID AND COOPERATION
POLICIES ...

In 1995, relations between the European Union and all its partner countries underwent major developments, due both to a desire on the part of all concerned to deepen those relations and to the imminence of negotiations on the many agreements up for renewal in 1996.

The growth in EIB activity in the Central and Eastern European Countries over the past two years is a further significant reflection of this attraction. Such growth could involve new developments which, while showing confidence in the aptitude of the Bank to take effective action in these countries, may also imply a certain degree of risk, bearing in mind, in many cases, their political and economic fragility. It is thus essential, if the EIB is to continue to expand its lending in an increasing number of countries (see financial statements, page..), that the risks attaching to loans outside the Union be shared.

The interest shown by a growing number of countries in forging association links with the Union, in several cases extending to full accession, shows clearly that the European Union is considered across the world to be an anchor of political stability and economic power.



TOWARDS THE CENTRAL AND
EASTERN EUROPEAN COUNTRIES
WITH A VIEW TO THEIR ACCESSION

Relations with the **Central and Eastern European Countries** were one of the principal issues discussed at the Essen European Council at the end of 1994. The message from the Essen summit was that, after the accession of the three new Member States, the European Union should embark on its programme to prepare for "the accession of all European countries with which it has concluded Europe Agreements".

Estonia, Latvia and Lithuania, and a draft agreement was initialled with Slovenia. They aim to establish close political and economic relations and are intended to help these countries prepare for their accession. At the start of 1996, nine Central and Eastern European Countries had formally indicated their desire to join the European Union.

After those concluded with Poland and Hungary in 1994, Europe Agreements came into force in 1995 with Bulgaria, the Czech Republic, Romania and Slovakia. Europe Agreements were signed in 1995 with

The Heads of State or Government meeting in Madrid stressed that enlargement, seen as both a political necessity and a historic opportunity, "will ... offer both the applicant States and the current members of the Union new prospects for economic growth and general well-being".

They also called on the European Commission to prepare opinions on the formal applications for membership submitted, so that the Council could take the necessary decisions to begin accession negotiations after the conclusion of the Intergovernmental Conference.

In the immediate future, the support given by the Union to these countries, aimed in particular at equipping their economies for the Single Market, constitutes one of the pillars of the pre-accession strategy applied jointly by the EIB, the various Community programmes (PHARE in particular), the World Bank and the EBRD, of which the EIB is a shareholder and which, in 1996, has initiated procedures for increasing its capital.

The Madrid European Council underscored the effectiveness and essential nature of this joint action, declaring that the PHARE Programme and "the continued activities of the European Investment Bank will allow an overall increase in the input for accession preparations".

In 1995, the EIB continued to implement the current mandate in respect of the Central and Eastern European Countries, now two-thirds completed and likely to be renewed in 1996. EIB financing has included support for projects serving to link up trans-European networks, particularly through the road and rail corridors defined at the Pan-European Transport Conference held in Crete in March 1994.



For the **Mediterranean Countries**, 1995 will stand out as a year in which the Euro-Mediterranean partnership became a real commitment and action was taken to support the peace process in the Middle East. The Barcelona Declaration, approved at the first Euro-Mediterranean Conference, organised by the European Union in November 1995, contains, in addition to political aspects centred on dialogue between peoples, a major programme of economic and financial partnership, due to serve as a basis for the gradual establishment of a vast free-trade area between now and the year 2010.

As regards financial cooperation, the Declaration points out that "the creation of a free-trade area and the success of the Euro-Mediterranean partnership require a substantial increase in financial assistance, which must above all encourage sustainable indigenous development and the mobilisation of local economic operators". It also notes that "the Cannes European Council agreed to set aside ECU 4 685 million for this financial assistance in the form of available Community budget funds for the period 1995 - 1999. [Following endorsement by the Bank's decision-making bodies, this] will be supplemented by EIB assistance in the form of increased loans and the bilateral

financial contributions from the Member States".

Thus there will be a new enlarged framework for financial cooperation, in which the current bilateral financial protocols will make way for a global approach based on the horizontal cooperation arrangements already applied by the EIB.

The "Support Agreement", concluded by the Bank with the Palestinian Authority on 27 October 1995, illustrates the desire of the EIB to participate fully in the efforts of the European Union and the international community to ensure consolidation of the peace process and economic development in the area.

The EIB's mandate offers scope for granting loans of up to ECU 250 million between now and 1998. Initial finance contracts were signed on 30 October 1995.

This support for the peace process forms part of a regional approach, characterised in 1995 by loans to Jordan, reconstruction assistance in Lebanon and funding for regional cooperation ventures, particularly in the industrial sector bringing together Israeli and Egyptian operators.

IN THE MEDITERRANEAN COUNTRIES,
MOVING TOWARDS
A TRUE EURO-MEDITERRANEAN
PARTNERSHIP ...

AND PROMOTING THE PEACE PROCESS
IN THE MIDDLE EAST

In Turkey, the EIB resumed its lending in favour of projects on a regional scale as part of horizontal cooperation under the Re-directed Mediterranean Policy. Approval of the customs union agreement by the European Parliament in December 1995 opens up new prospects for relations between Turkey and the Union.

In the republics of former Yugoslavia, as soon as the Dayton and Paris Agreements were signed, the Union affirmed its resolve to support reconstruction efforts in this region. The EIB will in due course participate in financing mainly basic infrastructure.



CONSOLIDATING ACTIVITY
IN THE ACP COUNTRIES

In Africa, the Caribbean and the Pacific, EIB activity will be defined over the next few years by the Financial Protocol to the revised Fourth Lomé Convention. Signed in Mauritius on 4 November 1995, it covers the period 1996 - 2000.

its own resources up to ECU 1 693 million to finance projects and programmes benefiting the 70 countries signatories to the Convention. The Bank will also manage risk capital from budgetary resources of the European Development Fund, totalling around ECU 1 billion, as well as the 370 million set aside to subsidise certain loans granted from its own resources.

On 31 October 1995, the Board of Governors authorised the EIB to grant loans from



COMMENCING OPERATIONS
IN SOUTH AFRICA

On the African Continent, activation of support for the commitment of **South Africa** to the democratic process was an event holding out hope for stability and development. It was formalised by signature in September 1995 of a Framework Agreement. In accordance with the authorisation of the EIB's

Board of Governors of 19 June 1995, this provides finance totalling ECU 300 million, to be deployed over the first two years of Bank operations in favour of projects forming part of the South African Reconstruction and Development Programme.



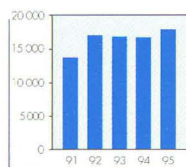
INCREASING SUPPORT FOR
ASIA AND LATIN AMERICA

In Asia and Latin America, the ECU 750 million provided under the mandate which came into force in 1993 and expired at the end of February 1996 have now been committed, demonstrating the dynamism and strength of ongoing multilateral relations. Financing has centred on projects of mutual interest and, in a certain number of cases,

has involved partnerships with operators from Member States.

The many agreements signed in 1995 bear witness to the Bank's commitment to helping the countries concerned make optimum use of their resources and potential.

FINANCING PROVIDED WITHIN THE EUROPEAN UNION



Amount provided: Financing in the countries of the European Union amounted to 17 782 million (16 624 million in 1994). It covered, on the one hand, 190 projects financed by **individual loans under contracts signed** during the year (13 428 million) and, on the other, 13 801 **allocations from global loans** (4 354 million) concluded during the year or in previous years. ♦ This more operational presentation of activity differs from the list of **finance contracts signed** (18 603 million in 1995 as

against 17 682 million in 1994) covering individual loans (13 428 million) and global loan contracts concluded during the year (5 175 million) for commitment over a number of years.

The year 1995 saw a further rise in financing for transport, an appreciable increase in funding for solid and liquid waste management, an evening-out of support for the energy sector and a decline in lending for telecommunications.

Loans advanced for industry and the service sector were noticeably higher as a result of increased support for SMEs, due in part to deployment of the interest subsidy mechanism in favour of job-creating SMEs.

Infrastructure taken overall accounted for three quarters of loans advanced during the year, a proportion virtually unchanged since 1992.

Since then, there has been a steady increase in EIB funding for **transport infrastructure**, which progressed from 4 553 million in 1992 to 6 442 million in 1995. Priority trans-European network projects (TENs) have been the main beneficiaries: nine of them attracted loans amounting to 1 604 million, followed by road and motorway networks, railways, urban transport and port and airport infrastructure.

Financing for **telecommunications**, some 2 billion since 1992, fell by half in 1995 to about 1 billion.

Lending for **water and waste management** totalled 2 236 million, including 953 million in global loan allocations for 1 557 small or medium-scale schemes usually carried out, as was a variety of numerous infrastructural works (518 million), by local authorities.

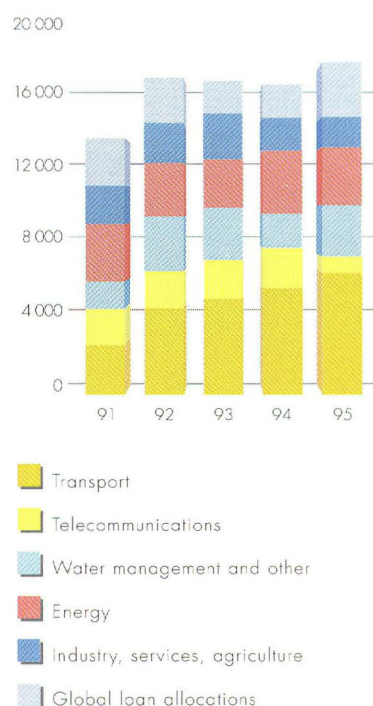
In the **energy** sector, operations totalled 3 083 million (3 384 million in 1994 in contrast to 2 576 million in 1993), on the one hand for oil and natural gas production (583 million) and electricity generation (1 274 million) - notably by hydroelectric power stations or natural gas-fired combined cycle plants - and on the other for electricity (223 million) and natural gas (1 003 million) transmission and supply. Priority TENs projects for interconnecting the electricity and gas grids of Spain and Portugal attracted 522 million.

Financing for **industry and the service sector** totalled 4 617 million, two thirds of which (2 955 million) were advanced in the form of allocations from global loans. A total of 11 766 allocations were made available, mainly for SMEs in industry (6 619 allocations; 2 237 million), services (5 054 allocations; 709 million) and, to a lesser extent, agriculture (93 allocations; 10 million). Individual loans totalled 1 662 million and went mainly to the motor vehicle, chemicals, petrochemicals and service sectors.

FINANCING PROVIDED WITHIN THE EU IN 1995 :

INDIVIDUAL LOANS :	13 428 MILLION
GLOBAL LOAN ALLOCATIONS :	4 354 MILLION
TOTAL :	17 782 MILLION

Sectoral breakdown of financing : 81 179 million from 1991 to 1995



GLOBAL LOANS
IN THE MEMBER COUNTRIES

Trends in the number
and amount of allocations from
ongoing global loans
(1991 - 1995)



In 1995, the EIB concluded global loans totalling 5.2 billion, a very sharp increase on the 1994 figure of 3.6 billion.

First deployed by the EIB in 1968, global loans constitute an indirect, decentralised financing facility for fostering small and medium-scale ventures which, for practical and administrative reasons, it would not be possible to finance through individual loans. Global loans are akin to credit lines made available to financial intermediaries working in partnership with the EIB and which, operating at national, regional or even local level, are in close touch with the real needs of business. The intermediaries can allocate these proceeds as required over a period of one or more years, and are responsible for selecting projects in conjunction with the EIB and in keeping with its criteria, as well as for managing the loan and its associated risk. The minimum allocation is ECU 20 000 for capital investment of ECU 40 000, the corresponding maximum amounts being ECU 12.5 million and ECU 25 million.

Between 1991 and 1995, EIB global loans running to ECU 19.6 billion were advanced to more than 130 financial institutions and commercial banks in the fifteen countries of the Union, with amounts actually allocated totalling 16.2 billion. During 1995, 13 801 small and medium-scale ventures were financed for an amount of 4 354 million, 58% more than in 1994.

The scope of global loans has gradually been extended in order to adjust to the changing needs of businesses and broader-based Community and national policies. They now benefit :

- SMEs in industry, agriculture and the service sector, including the retail trade and private services; over the past five years, 40 000 SMEs have attracted ECU 11 billion in global loan funding. Some 4 400 or so of these smaller businesses have been financed under the lending facility offering interest subsidies for job-creating SME ventures (see page 31);
- small infrastructural works furthering Community objectives.

Since 1979, the SME facility has been extended to include investment undertaken by local authorities to develop public-utility infrastructure in assisted areas. This financing was broadened in 1980 to encompass investment to reduce oil consumption by promoting more rational use of energy, and again in 1986 to investment contributing to protection of the environment.

From 1991 to 1995, over ECU 5 billion worth of allocations funded 3 400 drinking water supply or wastewater disposal facilities, municipal or district household waste processing centres, around 1 800 local and regional road improvement schemes, some of which facilitate access to Community networks, and small-scale harbour and airport infrastructure works as well as urban road upgrading schemes. In addition, 320 small electricity generating and natural gas supply installations were also financed.

The EIB, whose mission is to provide long-term investment financing, contributes to all the structural and cyclical benefits such investment may generate.

It is particularly difficult to quantify the impact which investment, financed in all countries of the Union and in all sectors, has on economic activity and employment.

The contribution made to job creation by projects financed is difficult to assess precisely. Account needs first to be taken of the 45 000 jobs expected to be created in SMEs benefiting from the 1 billion in subsidised loans (see page 31). A further significant factor is the spin-off in terms of jobs created as a result of financing infrastructure projects, which account for three quarters of Bank activity, as well as employment safeguarded, not to mention directly or indirectly created, by virtue of support for industrial and service-sector projects.

Funding provided for projects within the European Union helped on average to underpin 35% of their aggregate investment costs, which, on the basis of information from the beneficiaries, can be estimated at some ECU 53 billion. This capital investment corresponds to about 4% of overall investment, in terms of gross fixed capital formation (GFCF), in the fifteen countries of the Union. The breakdown of total project costs was as follows: 21 billion for communications infrastructure, 10 billion for environmental infrastructure, 10 billion for energy and 12 billion for the productive sector.

From 1991 to 1995 aggregate capital investment to which the Bank contributed can be put at 262 billion, or nearly 5% of Community GFCF. This investment represents a substantial share of national GFCFs, particularly in countries which are wholly or partly eligible for assistance under Objective 1 of the Structural Funds: 20% in Portugal and 11% in Greece, Spain and Ireland.

IMPACT ON ECONOMIC ACTIVITY

Table 3 : Financing provided in 1995 : breakdown by sector and by individual loans and allocations from ongoing global loans

(ECU million)

	Total	Individual loans	Global loan allocations	Infrastructure				Industry Services Agriculture
				Transport	Telecommunications	Water management and other	Energy	
Belgium	765	506	259	414	—	95	34	222
Denmark	847	782	64	473	46	—	84	244
Germany	2 571	1 268	1 303	231	—	939	626	776
Greece	336	269	66	181	53	40	36	26
Spain	2 893	2 652	241	1 221	539	519	315	299
France	2 098	1 178	921	832	—	335	4	926
Ireland	165	133	32	83	—	31	—	52
Italy	3 249	2 271	978	940	247	74	625	1 362
Luxembourg	81	79	2	—	—	—	—	81
Netherlands	456	319	137	312	—	7	—	137
Austria	215	199	16	107	—	39	—	69
Portugal	1 253	1 193	60	994	—	72	134	53
Finland	174	163	11	149	—	—	—	25
Sweden	240	225	15	76	—	39	111	15
United Kingdom	1 919	1 670	249	389	—	563	636	330
Other ⁽¹⁾	519	519	—	40	—	—	479	—
Total	17 782	13 428	4 354	6 442	885	2 754	3 083	4 617
%	100.0	75.5	24.5	36.2	5.0	15.5	17.3	26.0

(1) See footnote 1 to Table 2, page 9.

For the past twenty years or so, protecting the environment has been a leitmotiv running through the EIB's operations. Loans for this purpose have been rising steadily to account at present for over one third of all operations within the European Union. The EIB implements a two-pronged strategy (see pages 28 and 29) : financing capital investment aimed directly at protecting the environment (22 billion between 1991 and 1995) and systematically assessing the environmental impact of all projects submitted for funding.

Building on its experience, the EIB decided to undertake a thorough review in order to respond more effectively to the many demands stemming from popular expectations, the increasing interweaving of environmental protection into the fabric of European policies and the guiding principles laid down in the European Commission's Fifth Action Programme. The findings, collated in a report "The EIB and the environment" approved by the Bank's managing bodies, will be widely distributed.

The EIB aims to give priority backing to schemes designed to :

- ◆ protect water resources and deal with sewage treatment;
- ◆ institute environment-friendly procedures for the processing of solid or toxic waste;
- ◆ reduce air pollution, notably from thermal power stations and industrial plant;
- ◆ improve the quality of life, particularly by promoting public transport systems in urban and suburban areas;
- ◆ foster the adoption of new manufacturing processes in industry.

In order to reinforce the effectiveness of its approach to the environment and with a view to centralisation, the EIB has created a specific post in its newly established Projects Directorate : Peter Carter has been given responsibility for coordinating and providing advice on matters of general policy.

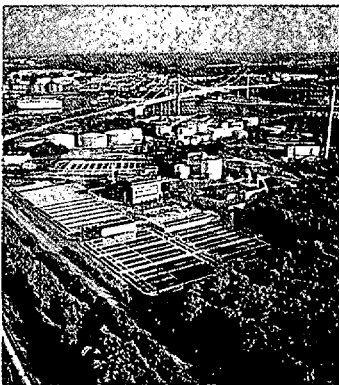
Moreover, the Bank is cooperating ever more closely with the Commission, especially with those Directorates responsible for the environment and transport, the European Environment Agency and other international financial institutions. Regular contacts are also maintained with NGOs active in this field.

As in the past, any loan granted by the EIB is subject to the findings of an environmental impact assessment conducted under the joint responsibility of members of the project appraisal team who are particularly alert to environmental issues.

In every sector, the assessment focuses on :

- ◆ pinpointing potential risks for the environment;
- ◆ conducting economic and financial cost/benefit analyses for environment-related investment;
- ◆ examining projects in the light of current and prospective legislation;
- ◆ evaluating project design and technology deployed in order to verify compliance with legal standards.

In tandem with its operations within the European Union, the EIB contributes to finding answers to serious environmental problems beyond the EU's immediate borders, for instance in Central and Eastern Europe where strenuous efforts have been made under the action programme instigated in 1993 and honed at the Sofia conference of Ministers of the Environment (see page 16). The Bank is also playing an active part in international initiatives for the Mediterranean, most notably through METAP (see page 16), and for the Baltic (see box article, page 44).



Breakdown by Community policy objective

As the European Union's financing institution, the EIB has the task of funding investment helping to fulfil at least one of the objectives embodied in specific Community policies and decisions adopted over the years. A number of projects simultaneously serve several objectives; operations are therefore presented in such a way as to provide successive pictures of activity and the figures given in this section, particularly the tables, cannot therefore be meaningfully added together.

To contribute to the balanced development of the Union by backing quality projects while adhering to rigorous banking practice: this is the mission entrusted to the EIB. Its activities have constantly adapted to developments in Community policies. The remit specific to the EIB not shared by other financial institutions is to support investment serving a Community objective. The "eligibility" criterion requires that projects financed contribute to **regional development** or be of **common interest to several Member States** (Article 198 E of the EC Treaty).

Regional development

In order to promote economic and social cohesion, the EIB consistently assigns priority to financing investment in those regions in which development is lagging behind - Objective 1 areas for the purposes of action under the Community Structural Funds - or

which are facing industrial or agricultural conversion problems - Objective 2 or 5(b) areas - or the Arctic areas covered by Objective 6. It devotes about two thirds of its financing to this goal, more often in conjunction with the Community's Funds.

Common interest

In keeping with the concept of common interest, the Bank takes into account objectives resulting from Community policies by financing investment which:

- ♦ contributes to rapid development of trade between Member States and with countries outside the Union, such as trans-European communications networks;
- ♦ helps reduce dependence on external energy resources;
- ♦ accommodates environmental concerns;
- ♦ boosts the competitive standing of European industry, including that of SMEs.

COMMUNITY POLICY OBJECTIVES :
A SPECIFIC REMIT FOR THE EIB

Table 4 : Breakdown by Community policy objective of financing provided (1995) ⁽¹⁾
(individual loans and allocations from ongoing global loans)

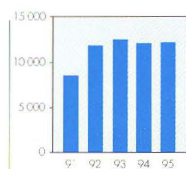
(ECU million)

	Regional development	European communications infrastructure	Environment and quality of life	Energy objectives	International competitiveness	SMEs
Belgium	249	395	95	34	—	222
Denmark	304	519	315	264	—	64
Germany	1 786	402	1 378	630	4	467
Greece	336	140	115	36	—	24
Spain	2 697	1 630	982	529	—	181
France	1 440	649	568	42	231	576
Ireland	165	60	31	—	—	32
Italy	2 459	1 197	813	814	264	842
Luxembourg	79	—	79	79	—	2
Netherlands	24	312	33	7	—	136
Austria	64	107	39	—	53	16
Portugal	1 253	576	394	133	7	43
Finland	24	149	133	—	—	10
Sweden	5	76	39	111	—	15
United Kingdom	1 259	341	1 031	277	9	249
Other ⁽²⁾	—	40	—	479	—	—
Total	12 144	6 592	6 044	3 433	570	2 881

(1) As certain financing operations meet several objectives, the amounts for the various headings cannot be meaningfully added together.

(2) See footnote 1 to Table 2, page 9.

REGIONAL DEVELOPMENT



Individual loans and allocations from global loans for projects contributing to regional development within the European Union totalled

12 144 million in 1995, compared with 12 035 million in 1994. They accounted for 68% of aggregate Bank activity, matching the average level recorded since the start of the reform of the Structural Funds in 1989.

These operations supported projects in the fifteen countries of the Union, the total cost of which ran to some 35 billion.

In 1995, the EIB continued its efforts to assign greater priority to funding projects in areas qualifying for structural support measures. A total of 11 330 million, or over nine tenths of operations in favour of regional development, involved projects in these areas. Investment in networks, principally national telecommunications projects, attracted a further 814 million in loans.

Interaction with Structural Fund measures continued to increase, with 39% of projects benefiting from loan finance in the regions concerned also having received Structural Fund assistance, compared with 31% in 1994 and 25% on average over the period 1989 - 1993.

In the regions lagging behind in their development (Objective 1), funding amounted to 5 881 million (5 748 million in 1994), i.e. 33% of total activity in the Union and 48% of that for regional development, figures identical to those for 1994. Half this funding went to communications infrastructure and 20% to the productive sectors.

Operations in the cohesion countries (Portugal, Spain, Greece and Ireland) totalled 4 648 million (4 746 million in 1994), i.e. 26% of total activity and 38% of that geared to regional development.

These countries, whose GNP per head of population is less than 90% of the Union average and which are implementing an economic convergence programme, benefit from a particular concentration of Community operations. Against a background of high public debt, Structural Fund grant aid to these countries has been doubled between 1992 and 1999. This has led to their deferring recourse to loans from the EIB, with funding requests tending to be submitted as and when available grant aid reduces or is committed in full.

The mechanical effect of depreciation of the currencies of several of these countries in relation to the ECU also affects evaluation of

Regional development
1991 - 1995 :
56 607 million

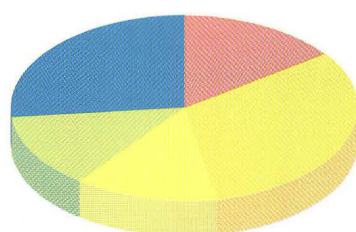


Table 5 : Regional development : sectoral breakdown (1995)

(ECU million)

	Total		Individual loans	Global loan allocations	
	amount	%	amount	amount	number
Energy	2 009	16.5	1 949	60	44
Transport	4 385	36.1	4 305	80	198
Posts and telecommunications	885	7.3	885	—	—
Water, sewerage	1 229	10.1	698	531	1 026
Other infrastructure	385	3.2	268	117	82
Industry, agriculture	2 534	20.9	1 034	1 499	3 929
Services	718	5.9	288	430	3 165
Total	12 144	100.0	9 427	2 717	8 444

the pattern of activity. Over the past three years, financing denominated in national currencies has tended to increase or level off, whilst that denominated in ECUs has levelled off or fallen.

In addition, under the framework agreement concluded with the European Commission in 1995, the EIB appraised the economic benefits and technical viability of 25 projects, mainly in Greece and Spain, on behalf of the Cohesion Fund.

The EIB also administers, on behalf of the EFTA countries and the Community and without participating in decision-making, the financial mechanism set up to support structural development in Greece, the island of Ireland, Portugal and the disadvantaged regions of Spain. This mechanism, created under the agreement on the European Economic Area (EEA), extended the benefit of interest rebates to eight EIB loans for projects in Greece and Spain totalling 302 million. Grant aid amounting to 68 million was also made available under this mechanism for six projects in the same two countries.

In **areas affected by industrial decline** (Objective 2) and **rural areas facing conversion problems** (Objective 5(b)), funding went up 12% compared with 1994 to 5 449 million.

The sectoral breakdown of lending in these areas shows that the largest portion of funding went to the productive sectors (2 006

million, or 37%), mainly for SMEs (1 406 million). The transport sector accounted for a high share (28%), the remainder being divided between energy and water management projects.

Since the launch of the Structural Fund reform in 1989, regional financing has reached an aggregate level of over 71 billion, contributing to the implementation of projects representing total investment estimated at 212 billion. Over the period as a whole, 42% of these operations involved transport and telecommunications, 15% energy and 13% environmental projects. The high proportion of assistance for basic infrastructure is explained by the need to remedy the relatively poor capital equipment position in regions lagging behind in their development. Industrial projects attracted 30% of the total, almost half of which for SMEs.

Numerous projects in assisted areas also supported the creation of communications infrastructure of benefit to Europe or met energy policy or environmental protection objectives.

Emphasising balanced regional development, a constant and primary concern of the EIB, thus went hand in hand with action to promote implementation of other Community policies as part of an approach to strengthen the economic and social cohesion of the European Union.

Breakdown of financing by Structural Fund area 1989 - 1995

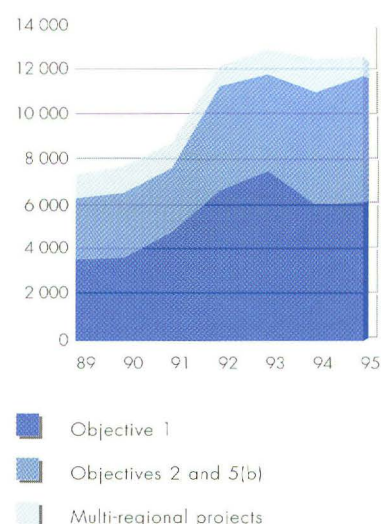


Table 6 : Financing in areas qualifying for Structural Fund support

	(ECU million)		
	1989 - 1993	1994	1995
Financing for regional development	70 008	12 035	12 143
<i>in percentage terms :</i>			
Objective 1 areas	53%	48%	48%
Objectives 2 and 5(b) areas	36%	40%	45%
Multi-regional projects	8%	12%	7%

EUROPEAN TRANSPORT AND ENERGY NETWORKS 1993 - END-MARCH 1996

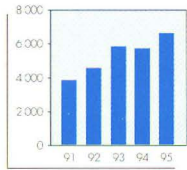
This map illustrates Bank financing operations in support of trans-European networks singled out, at the Essen European Council, in view of their arterial importance at European level and the links established by them both with the regions and with neighbouring partner countries. Colour-coding :

- black priority trans-European networks (TENs)
- red sections of these TENs for which financing has been committed
- green other infrastructure and networks financed with a European dimension

(See also pages 12/13 and list of financing provided in 1995, page 95)



EUROPEAN COMMUNICATIONS INFRASTRUCTURE



The smooth functioning of a European internal market now covering fifteen countries calls more than ever for efficient transport and telecommunications networks

branching out across Europe. Major communications and energy transfer infrastructure, key factors in urban and regional development, facilitate the free movement of people, goods and information, thereby playing a direct part in fostering European integration and completion of the Single Market.

The European Council in Essen (December 1994) adopted the fourteen priority transport projects proposed by a high-level group in which the EIB had been actively involved. By end-1995, the EIB had granted 4 563 million for nine of these TENs. All the other projects have been approved, appraised by the Bank or are the subject of studies (see box article, page 12, and map, page 26).

In 1995, lending for European communications infrastructure moved up sharply, totalling 6 592 million compared with 5 698 million in 1994. Loans for **transport** facilities ran to 5 494 million. They were directed primarily towards trunk road and rail projects (4 658 million), usually forming part of outline plans drawn up on a European scale : fixed links across the Great Belt and the Øresund, high-speed trains, conventional rail lines and many motorway links.

In the air transport sector, loans supported the development of airport infrastructure (extension of Bordeaux, Dublin and Frankfurt airports), facilities for improving air traffic and safety conditions, and the partial renewal of fleets in France and the United Kingdom.

Growing support for maritime transport focused on extension of Athens-Piraeus commercial harbour and construction of container terminals at Rotterdam and Bremerhaven. The Bank also financed acquisition of two roll-on/roll-off freight vessels in order to improve shipping links between Ireland, the United Kingdom and the Benelux countries.

After running at a high level for several years, lending for **posts and telecommunications** declined (1 098 million, as against 2 155 million in 1994). Backing for programmes to boost domestic and international telephone capacity continued, applying the most up-to-date technology, as well as for a project to modernise mail distribution infrastructure as part of a wider programme to restructure postal services Union-wide, thereby substantially improving overall economic performance.



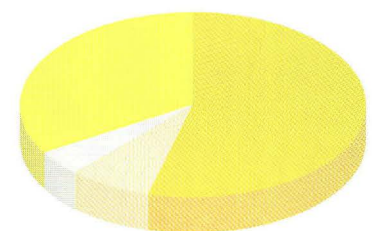
Over the past five years, lending for European communications infrastructure has reached close on 27 billion (15% annual growth), including, in the transport sector : 7 billion for road and motorway systems; 5 billion for high-speed and conventional rail networks; 2 billion for exceptional structures, such as the Channel Tunnel and the fixed links across the Great Belt and the Øresund; 2 billion for airport infrastructure and fleet renewal; and 1 billion for maritime transport. Funding also went to the posts and telecommunications sector for extending conventional facilities, introducing digital networks and fibre-optics, mobile telephone systems and satellite links. The total cost of investment so supported is put at around 88 billion.

Table 7 : European communications infrastructure (1995)

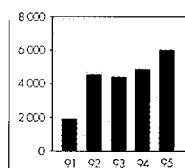
	(ECU million)
Transport	5 494
Exceptional structures	400
Railways	2 045
Roads and motorways	2 213
Air transport	467
Maritime transport	368
Telecommunications	1 098
Networks and exchanges	832
Mobile telephony	53
Posts	213
Total (*)	6 592

(*) of which 56 million in global loan allocations

European communications infrastructure 1991 - 1995 : 26 886 million



PROTECTION OF THE ENVIRONMENT



The growth and continuous diversification of environmental protection funding stem from the application of Community and national standards

and the formulation of programmes on air and water quality, discharges into the atmosphere and improving the management of domestic and industrial waste.

This specific action by the EIB complements its systematic approach to appraising all projects submitted to it for loan financing with a view to ensuring their compliance with national and European environmental regulations.

1995 represented a new milestone in EIB support for environmental protection with loans totalling 6 044 million, or over one third of total activity. This figure represents a substantial increase compared with the previous three years, when financing ran to about 4.5 billion.

The projects financed in the fifteen countries of the Union corresponded to aggregate investment of some 18 billion. Funding took the form of both individual loans (4 900 million) and global loan allocations (1 144 million).

A major proportion of operations (71%) involved projects in the least favoured regions.

Approximately 20% covered installations in thermal power stations and refineries which, by making energy savings, also help to reduce the European Union's dependence on external energy resources.

The operations spanned a wide range of activities, chief amongst which was water management, with a comparable sum going towards improving urban and suburban transport.

Works to improve **drinking water supplies** and the collection and **treatment of wastewater** attracted a total of 2 022 million.

These projects often formed part of large-scale multiannual programmes (in the United Kingdom, Germany, Spain and Belgium) and in particular in the new Member Countries in Stockholm, Göteborg and Vienna, tying in with broader programmes to clean up the Baltic and the Danube.

But a growing number of smaller-scale works was also undertaken by local authorities: in 1995 almost 1 500 small wastewater collection networks and treatment plants were funded, mainly in Germany, France and Belgium. EIB financing assisted the installation of facilities for treating liquid industrial effluent in recycled paper plants in Italy and at several chemicals production complexes in France.

Loans were also advanced for domestic and industrial **waste incineration**, usually combined with heat generation for feeding into district heating networks, at Nantes and Cergy-Pontoise in France, Madrid and Majorca in Spain, near Nijmegen in the

Table 8 : Environment and quality of life (1995)

	(ECU million)		
	Total	Individual loans	Global loan allocations
Environment	3 972	2 991	981
Water conservation and management	2 022	1 161	861
Waste management	257	217	41
Measures to combat atmospheric pollution	1 441	1 412	29
Other measures	251	201	50
Urban development	2 072	1 909	163
Urban and suburban transport	1 769	1 769	—
Other measures	303	140	163
Total	6 044	4 900	1 144

Netherlands, Aarhus in Denmark and North Rhine - Westphalia in Germany.

Financing for reducing **atmospheric pollution** has made consistent progress over the past five years, from 383 million in 1991 to 1 092 million in 1994 and then 1 441 million in 1995.

The industrial sector attracted considerable support (633 million), chiefly for reducing the emission of pollutants from refineries in Cadiz, Tenerife and Huelva in Spain, Kalundborg in Denmark and Milazzo and Falconara in Italy. Funding was also aimed at improving the quality of products on the market, as in the case of a new low-pollution car engine manufactured in northern France.

In the energy sector proper, 808 million in loans was channelled into desulphurisation facilities for Drax coal-fired power station in the United Kingdom and the "Schwarze Pumpe" lignite-fired plant in eastern Germany as well as into converting obsolete plants in Dresden, Potsdam and Dessau to natural-gas firing.

Lending for projects designed to enhance the **quality of urban life** showed a marked increase in 1995 for the second year running. At 2 072 million, this accounted for one third of financing for environmental protection.

There was considerable emphasis on improving public transport facilities with a

view to relieving congestion in city centres, in particular by extending light railway lines in Valencia, Bilbao, Athens and Lisbon and the tramway service in Rostock; construction of suburban railway lines in the main Spanish cities, in the conurbations of Copenhagen and Oporto, around Helsinki, in Yorkshire and the Midlands, and in and around Naples; and upgrading of roads and parking areas in Greater Lyons.

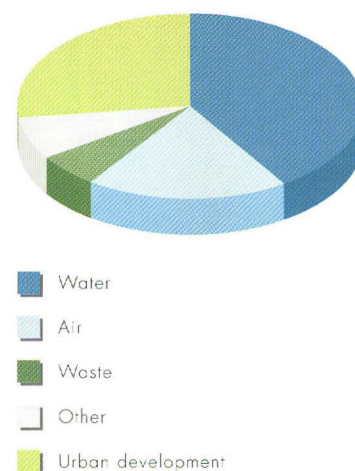
Lastly, the EIB has also assisted reforestation schemes in Ireland and Spain, involving the development of forest roads and measures to combat forest fires.

Since 1991, almost 22 billion has been directed towards two key categories of environmental protection investment : managing water resources and enhancing the quality of urban life.

Major programmes for treating sewage and protecting land against erosion and flooding attracted 8 851 million : for example, in Italy in the Po, Tiber and Arno basins, in the Venice lagoon and more generally on the Adriatic coast, in all counties of the United Kingdom, and in Germany, particularly in the eastern regions.

On the urban development front, the largest share of the total of 5 849 million went towards improving public transport in fifteen or so cities.

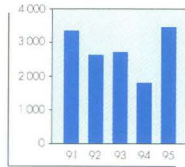
**Environmental protection
1991 - 1995 :
21 683 million**



The Bank's newly established Operations Evaluation Unit is playing an active part in furthering protection of the environment. It conducts ex post evaluations of the actual operating performance of certain projects. An initial report, drawn up in 1995, analysed sewage treatment plants in several countries of the European Union (see page 70).

EX POST EVALUATIONS

INDUSTRIAL OBJECTIVES



The year 1995 saw a renewed upturn in individual loan finance for projects to strengthen the international competitiveness of Community industry and in global loan allocations to SMEs under both new and ongoing contracts.

In order better to cater for demand, in July 1995 the EIB decided to broaden its eligibility criteria to include investment relating to services and the retail sector, through the global loan facility, and ex ante financing of research and development.

Overall funding ran to 3 450 million, double that for the year 1994, when such lending was at a particularly low ebb (1 791 million).

A key area to benefit from **individual loans** (540 million) was the motor vehicle industry (370 million): a new car assembly plant in Melfi (Basilicata) and continued construction of plants forming part of its integrated supply system; production plants in northern France for car engines, run jointly by two firms, and for a new automatic gearbox; building of a factory at Steyr in Austria for making a new generation of engines.

The other loans went to the chemicals, plastics, woodworking, ceramics, textiles and electrical components sectors. Small firms in Italy also benefited from 29 million for projects to develop advanced technology.

Productive ventures promoted by **small and medium-sized enterprises** attracted 11 736 allocations totalling 2 881 million from global loans in 1995 (1 693 million or 6 776 allocations in 1994), which was 70% up on

the previous year. SMEs in assisted areas claimed 7 086 allocations worth 1 912 million and those in non-assisted areas, 4 650 allocations worth 969 million in all.

This growth in operations partly reflects the interest shown in introduction of the interest subsidy facility for job-creating SMEs.

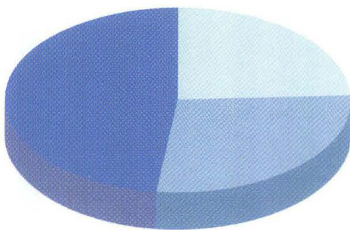
In addition, allocations also benefited often larger-scale projects promoted by SMEs, aimed at improving the environment or fostering rational use of energy (52 million).

A summary analysis of the 11 736 SMEs financed in 1995, almost 10 000 of which employ fewer than 250 persons, shows the relative importance of the smallest firms: those with less than 50 employees received 2 457 million in allocations, or 85% of the total.



Between 1991 and 1995, 39 022 SMEs attracted a total of 10 067 million; 82% had a workforce of under 50, while just 3% had more than 250 employees, often in labour-intensive sectors.

Industrial objectives 1991 - 1995 :
13 459 million



- Competitiveness of large firms
- SMEs in non-assisted areas
- SMEs in assisted areas

Table 9 : Industrial objectives (1995)

(ECU million)

Large firms	569
International competitiveness and European integration	569
SMEs	2 881
Assisted areas	1 912
Non-assisted areas	969
Total	3 450

SMEs with less than 50 employees accounted for 56% of allocations, highlighting

the targeted nature of the EIB's global loans to small firms.



The European Council meeting in Copenhagen in June 1993 decided to extend the Edinburgh lending facility to job-creating SMEs. After relevant arrangements had been considered by the European Parliament, the Council of the European Union entrusted the EIB in April 1994 with administering the SME facility. In June 1994, in conjunction with the European Commission, the EIB activated this support facility for job-creating SMEs.

The purpose of this specific measure, designed to complement initiatives adopted at national level, was to help get investment by small and medium-sized enterprises on the move again. Indeed, SMEs have a vital role to play in the productive sector in all countries of the European Union and make a key contribution towards creating jobs.

The SME facility provided for EIB global loans totalling 1 billion and subsidised from the budget of the European Union. SMEs creating new jobs became eligible for loans for a maximum of ECU 30 000 per job created and carrying a 2% interest subsidy over a period of 5 years.

Originally set to run up to 31 July 1995, the facility was extended until December 1995 to give the new Member States, Austria, Sweden and Finland, the opportunity to avail themselves of this mechanism.

By the end of 1995, the amount of one billion had been committed in full. Some 4 400 firms in the fifteen Member States submitted requests for allocations expected to support the creation of about 45 000 jobs.

SUBSIDISED LENDING
FACILITY FOR
SMEs COMMITTED IN FULL

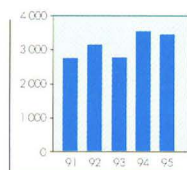


Table 10 : Investment by small and medium-sized enterprises
Allocations from ongoing global loans

(ECU million)

	1995				1991 - 1995					
	Total		Subsidised SMEs		Total		Workforce			
	number	amount	number	amount	number	amount	<50		50-250	
							number	amount	number	amount
Belgium	430	222	140	33	1 285	818	1 009	499	243	250
Denmark	249	64	39	13	1 171	264	881	123	265	96
Germany	1 119	467	1 094	254	2 213	1 408	1 425	609	569	450
Greece	19	24	13	17	140	152	73	69	34	31
Spain	1 136	181	1 035	128	2 741	651	2 382	440	317	180
France	6 180	576	826	126	21 720	1 987	18 725	1 448	2 644	424
Ireland	141	32	13	8	388	98	365	71	20	21
Italy	1 147	842	321	144	6 909	3 654	5 256	1 828	1 325	1 236
Luxembourg	3	2	3	1	3	2	1	1	2	2
Austria	33	16	19	10	33	16	9	1	16	11
Netherlands	273	136	65	29	737	376	472	143	228	182
Portugal	122	43	8	5	637	251	359	112	193	75
Finland	45	10	31	8	45	10	31	4	14	7
Sweden	47	15	48	10	47	15	37	9	9	5
United Kingdom	792	249	695	198	953	364	914	309	26	10
Total	11 736	2 881	4 350	983	39 022	10 067	31 939	5 664	5 905	2 978
%	—	—	—	—	100.0	100.0	81.8	56.3	15.1	29.6

ENERGY OBJECTIVES

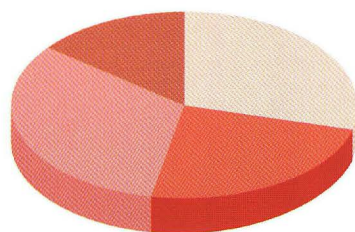


Financing for investment meeting the Community's energy objectives settled down to slightly below the 1994 level : 3 433 million compared

with 3 526 million.

Operations centring on **more rational use and management** of energy ran to 1 502 million, or 44% of the total.

**Energy objectives
1991 - 1995 :
15 621 million**



- Indigenous resources
- Import diversification
- Management and rational use :
in energy sector
- in industry

In the energy sector proper (990 million) loans went towards construction of combined-cycle gas-fired power stations, combined heat and power plants and household waste incineration facilities. Financing also covered expansion of electricity transmission and supply grids in Spain, Greece and the United Kingdom, district heating networks in Italy as well as interconnection of the Swedish and German power grids across the Baltic and continued conversion of the gas networks in Sachsen-Anhalt and the Leipzig area.

Lending in the industrial sector was made available for rationalisation measures in refineries in Denmark, Spain and Italy, a steelworks in Luxembourg, papermills and a variety of small industrial firms.

The EIB continued to support development of **indigenous resources** (1 037 million) by financing the harnessing of hydroelectric potential : in Greece, construction of a plant in northern Epirus; in Italy, rehabilitation works and construction of a new plant in Piedmont; in Sweden, modernisation of five power stations and construction of a new facility in the north of the country; and, in Norway, replacement of penstocks to improve the operation and safety of existing facilities.

The Bank also advanced new loans for tapping oil and natural gas deposits in Italy, on land and in the Adriatic, as well as in the British and Norwegian sectors of the North Sea, where it has been involved in work to rehabilitate and extend the Ekofisk field.

Construction of a lignite-fired power station to replace obsolete polluting plant also attracted funding. This investment contributed towards harnessing lignite reserves, from the largest deposit in eastern Germany, in the Lausitz region.

Lastly, 894 million went towards promoting the **diversification of energy supplies** in the European Union.

The projects in question centred on gasline networks, some of which are priority TENs (see map, page 26) : firstly, in Spain, laying of the Maghreb - Europe gasline, the Moroccan section also having received funding, and connection to the Portuguese grid; in Italy, work to double up the pipeline importing gas from Algeria across Tunisia and the Strait of Messina; in Germany, improvements to supplies in Berlin through gas imported from Russia.

Altogether, between 1991 and 1995, loans for natural gas transmission and supply networks and for high and medium-voltage power lines reached 5.8 billion.

Table 11 : Energy objectives (1995)

	(ECU million)
Indigenous resources	1 037
Oil and natural gas deposits	583
Solid fuels	213
Hydropower	241
Import diversification	894
Natural gas	894
Management and rational use of energy (*)	1 502
Heat/power generation and heating networks	426
Combined-cycle gas-fired power stations	34
Power transmission and distribution	223
Conversion of gas networks	132
Renewable sources	175
Energy savings in industry	513
Total	3 433

(*) of which 113 million in global loan allocations

Financing operations by country

The financing operations described below correspond to individual loans (see list, page 95) and allocations from ongoing global loans (see Tables H, I, J, page 110 et seq.) provided during the year. Their breakdown by country, sector and objective is illustrated in Tables 3 and 4 (pages 21 and 23).

* Project included in the list of priority TENs adopted by the European Council in Essen in December 1994

Four fifths (395 million) of the amount of individual loans in Belgium was devoted to the **transport** sector, improving links between Union Member Countries.

A loan of 230 million was advanced for the first phase of the north European high-speed train network, i.e. the section connecting Brussels with the French network * and, beyond, with the Channel Tunnel. The EIB also contributed towards financing a section of the A8 motorway linking Brussels with Lille and Liège, a link between the E25 and E40 motorways and improved facilities for the Eurocontrol operational centre responsible for European air traffic control. In addition, a total of 20 million was advanced from global loans for work on regional road systems.

Loans for **communications infrastructure** (519 million) accounted for almost two thirds of lending in Denmark.

In the transport sector (473 million) the EIB contributed towards financing two exceptional projects: construction of fixed links across the Øresund between Copenhagen and Malmö in Sweden * and across the Great Belt. It also made a further contribution towards railway electrification and telecommunications modernisation programmes in Sjaelland and Bornholm.

In the **energy** sector loans of 34 million were made available for completion of two natural-gas-fired power stations at Drogenbos, near Brussels, and Seraing, near Liège.

Finally, a loan of 78 million was provided in conjunction with the ongoing regional **water management** programme in Flanders for wastewater collection and treatment, so reducing the amount of pollution released into the North Sea, while 17 million from global loans will help to finance local water supply and sewerage networks.

In **industry** 222 million in global loan allocations benefited 430 small and medium-scale ventures.

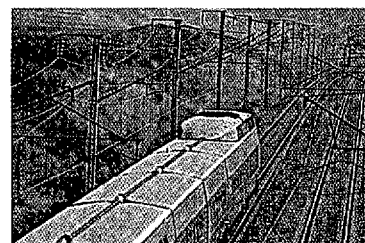
Lending in the **energy** sector, totalling 84 million, was earmarked for construction of combined heat and power stations, fuelled either by natural gas in Silkeborg and Viborg or by solid waste in Aarhus.

These projects, in common with modernisation of a refinery at Kalundborg which received 180 million, will help to protect the environment.

Finally, 64 million was allocated from global loans in favour of some 250 industrial SMEs.

BELGIUM

Finance contracts signed : 665.3 million
1994 : 615.3 million
Individual loans : 506.2 million
Global loans : 159.1 million
Global loan allocations : 259.3 million



DENMARK

Finance contracts signed : 824.9 million
1994 : 849.7 million
Individual loans : 782.4 million
Global loans : 42.5 million
Global loan allocations : 64.2 million

GERMANY

Finance contracts signed : 2 715.0 million
 1994 : 2 407.9 million
 Individual loans : 1 268.3 million
 Global loans : 1 446.7 million
 Global loan allocations : 1 303.1 million

Activity in Germany consisted to a large extent of loans for projects in the eastern Länder. In the country as a whole financing was devoted to water and waste management infrastructure (939 million), energy generation and transmission facilities (626 million) and industrial and service-sector projects (776 million)

In the **western part** of Germany the EIB funded extension of both the container terminal at the port of Bremerhaven and Frankfurt airport (170 million).

Loans were advanced for liquid and solid waste management in northern Rhineland and the town of Constance. Global loan allocations totalling 468 million were drawn down in favour of 220 small-scale sewerage schemes

In the productive sectors (310 million) an individual loan was granted for a tyre factory in Breuberg (Essen), while a total of 305 million was allocated from global loans for 931 SMEs.

In the **eastern Länder** financing, consisting of 771 million in individual loans and 488 million in global loan allocations, was devoted mainly to *basic infrastructure*, almost all of which contributed to improving environmental conditions

In the energy sector loans advanced (579 million) went largely towards developing natural gas supplies : conversion of the transmission and distribution grids in Berlin, Leipzig and Sachsen-Anhalt; construction and modernisation of combined heat and power stations in Berlin, Potsdam, Dresden and Dessau.

They also funded improvements to the power grid in the Leipzig region and construction of the lignite-fired "Schwarze

Pumpe" power station in the Lausitz region, at the heart of the largest lignite deposit in Germany, to replace obsolete and polluting installations.

In the wastewater collection and treatment sector, the EIB provided finance for works at Eisenach and Saalfeld (Thuringia) and Wittenberg (Sachsen-Anhalt) as well as for smaller-scale installations, by means of global loans, at some 80 different sites (352 million).

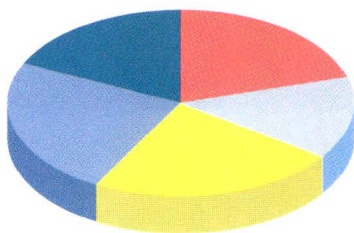
Improvements to public transport facilities in Rostock (Mecklenburg) and smaller urban development works attracted a total of 77 million.

For the *productive sectors* the EIB made available 465 million, including 161 million for 190 SMEs. Individual loans were given over mainly to modernisation of a cable factory, warehousing for a mail order company and improvements to mail distribution centres, a project also of benefit to other regions of the country.



Since 1990 funding of 5 262 million has been provided in the eastern Länder, comprising 3 713 million in individual loans and 1 549 million in allocations from various global loans. More than half of this contributed towards basic infrastructure essential for developing the economy and improving both the environment and living conditions in general : modernisation of telecommunications networks (1 012 million), extension of the natural gas transmission and supply system and construction or modernisation of power stations (1 066 million) plus wastewater collection and treatment plants (715 million, two thirds of which for 170 small local infrastructural works). Three quarters of the total was concentrated in Saxony, Sachsen-Anhalt and Thuringia.

Financing in the eastern Länder
 1990 - 1995 :
 5 262 million



- Energy
- Water
- Communications
- Industry and services
- SMEs

Most of the projects financed by the Bank in Greece attracted Community grant aid under the Second Community Support Framework (1994 - 1999), given that the whole of the country is eligible for support from the Structural Funds under Objective 1 as well as from the Cohesion Fund. A large framework loan (210 million) was advanced by the Bank for small-scale infrastructure projects in the transport, water supply and sewerage sectors, urban development and modernisation of tourism facilities. This loan follows on from two earlier global loans and complements budgetary assistance from the Structural Funds.

In 1995 individual loans for transport projects (181 million) funded extension of the Athens metro, improvements to the Athens-Corinth and Katerini-Klidi * motorways (Patras-Athens-Thessaloniki corridor and expansion of a container terminal at the port of Athens-Piraeus. In the field of telecommunications (53 million), the EIB pro-

As in previous years a considerable proportion of the projects financed in Spain were concentrated in areas eligible for assistance from the Structural Funds, especially Objective 1 areas (qualifying for Community grant aid, notably under the Cohesion Fund) where lending amounted to 1 377 million, while Objectives 2 and 5(b) areas attracted 759 million.

Funding of infrastructure accounted for 86% of EIB activity : 1 221 million for transport, 539 million for telecommunications, 390 million for water management, 314 million for energy and 166 million for forestry development and sundry infrastructure.

In the transport sector loans were advanced

vided further financing for establishing mobile telephony systems.

In addition, allocations totalling 40 million benefited some 1 300 very small road, sewerage and sundry infrastructure works.

In the energy sector loans (36 million) went towards constructing a small hydroelectric plant in Epirus and upgrading the power grid mainly by means of cables interconnecting the mainland with the Aegean Islands.

Finally, global loan allocations totalling 26 million were provided for 20 SMEs in industry and the service sector.

Under the EEA Financial Mechanism grants were made available for a number of projects : the port of Piraeus, financed by the EIB, restoration of four monasteries on Mount Athos and Tsivlos hydroelectric power station.

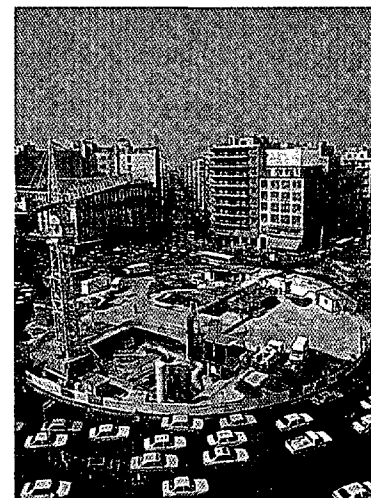
principally for motorway networks (821 million) throughout Spain, notably on the Lisbon-Valladolid route *, as well as in the Basque country, Galicia and Catalonia. Some 372 million was made available for modernising the suburban railway networks in the country's nine largest cities and for extending the Valencia and Bilbao metro systems. Assistance totalling 28 million was given over to further modernisation of Palma de Majorca, Barcelona and Malaga airports.

The EIB continued to co-finance improvements to the telephone system (539 million).

Increased emphasis was placed on projects for processing solid and liquid urban waste : construction of incinerators on

GREECE

Finance contracts signed : 525.2 million
1994 : 535 million
Individual loans : 269.4 million
Global loans : 255.8 million
Global loan allocations : 66.4 million



SPAIN

Finance contracts signed : 2 818 million
1994 : 3 011 million
Individual loans : 2 652 million
Global loans : 166 million
Global loan allocations : 241 million

SPAIN (continued)

Majorca and in Madrid plus extension of **wastewater** collection and treatment networks in Catalonia and Andalusia and in the province of Valencia (294 million).

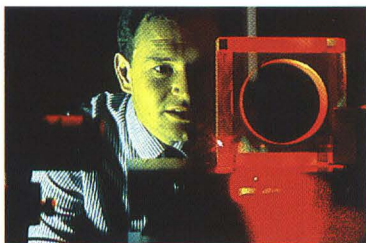
Various other projects were also financed : development of industrial estates, road-works, sewerage systems in Aragon, reaf-forestation schemes and forest fire-fighting equipment in Andalusia together with 68 small and medium-scale ventures (59 million from global loans).

Infrastructure projects in Galicia and Extremadura, reafforestation works in An-dalusia, environmental protection global loans and railway improvement schemes at-tracted interest rebates, while urban renova-tion works in Gandia and Vigo as well as a

coastal environmental watch network re-ceived grant aid

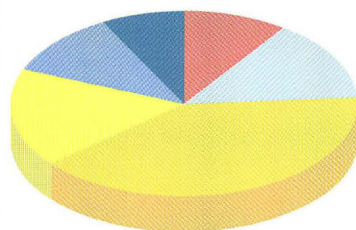
In the **energy** sector a loan (224 million) fi-nanced the Spanish stretch of the Tarifa-Cordoba-Portuguese frontier section of the Maghreb-Europe gasline * bringing Algerian natural gas to Spain and Portugal. This loan complements that concluded for the section across Morocco (see page 49). The EIB also sup-ported further development of the power supply system in Catalonia and Navarra and intercon-nection with the Portuguese electricity grid *.

Finally, in **industry**, the EIB advanced fi-nance for hydrodesulphurisation installa-tions in refineries in Tenerife, Cadiz and Huelva, while 1 136 allocations (181 mil-lion) were made for SMEs.



SPAIN :
A DECADE OF LENDING

Sectoral breakdown :
1986 - 1995



- Energy
- Water and other
- Transport
- Telecommunications
- Industry
- SMEs

Since Spain's accession in 1986 loans totalling ESP 3 000 billion, or some ECU 20 billion, have been advanced to support capital investment totalling around ESP 8 500 billion (ECU 60 billion). Four fifths of this financing focused on projects in areas eligible for assistance under the Community's Structural Funds, the Cohesion Fund and the Financial Mechanism of the European Economic Area (EEA).

Lending to industry and the service sector centred on major projects in the aeronautical engineering and especially automotive sectors, usually in association with companies from other Member Countries. It also helped with modernisation and conversion of a number of refineries turning out light products and improvements to ensure their compliance with environmental protection standards; support for smaller-scale businesses either directly (factories producing telecommunications equipment, household electrical goods, pharmaceuticals, paper) or through global loan allocations for nearly 5 000 SMEs, mainly in the foodstuffs, metalworking and mechanical engineering sectors but also in tourism and business services.

The major capital projects financed in productive sectors were underpinned by support for modernising basic infrastructure, prominent among which was a large number of transport schemes, including the Madrid-Seville high-speed railway link, public transport systems in Madrid, Barcelona, Valencia and Bilbao as well as port installations and renewal of airline fleets. The EIB also contributed to modernising and extending telecommunications, including satellite, systems and developing gas and electricity supply grids. Finally, loans were also advanced for drinking water supply and wastewater collection and treatment projects throughout mainland Spain and on the islands.

Over two thirds of Bank financing in France targeted assisted areas (1 440 million), principally those classified under Objective 2 or 5(b) for the purposes of the Structural Funds. The main recipient was the **transport** sector, with lending provided both for regional services and for major links of benefit to the Community as a whole: 833 million, of which 160 million in global loan allocations.

In the railway sector, the EIB co-financed extensions of the Paris-Lyons-Valence high-speed rail line towards Marseilles, Nîmes and, subsequently, Spain (149 million).

The Bank also contributed towards further work on various sections of European motorways. Several of these projects are located in the Alps: dualling of the Chamoise tunnel (A40), the La Maurienne motorway (A43) linking the Fréjus tunnel with the national motorway network and a new section of the A51 between Grenoble and Aix-en-Provence. The Bank continued its support for construction of the A39 between Dôle and Bourg-en-Bresse and, in the north, the L'Isle Adam-Amiens-Boulogne section of the A16 and the Havre-Yvetot-St Saens section of the A29.

The EIB also made loans available for upgrading the road network on Guadeloupe and for the link between the Hautes-Pyrénées and Spain. In addition some 150 smaller road improvement schemes received allocations from global loans. Financing was similarly provided for extension of Bordeaux airport and partial renewal of the domestic airline fleet.

The Bank continued to support improvements to the **environment and the quality of**

urban life (335 million). Loans assisted smoother traffic flows and parking facilities in Greater Lyons, wastewater treatment in Belfort and solid urban waste processing in Nantes and Cergy-Pontoise and more than 1 000 small-scale drinking water supply plus wastewater collection and treatment works.

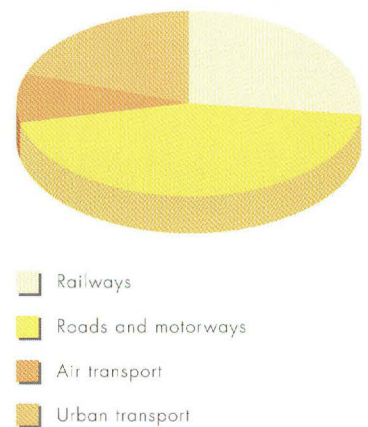
In **industry and the service sector** individual loans (346 million) were granted for projects in motor vehicle manufacturing (joint production of engines for two firms and development of a new automatic gear-box in factories in Pas-de-Calais) and aeronautical engineering (modernisation of aero engine manufacturing facilities) as well as for modernisation of proprietary pharmaceuticals plants. A large proportion of this total went towards environmental protection installations. In addition, allocations totalling 581 million were made from global loans for over 6 183 small and medium-scale ventures, half of them in the service sector.

Over the past five years transport infrastructure has attracted more than ECU 5 billion. Some projects have a European dimension such as the Channel Tunnel and the inter-connecting motorway network, the motorways in the Alps and the Northern and Mediterranean high-speed rail lines. Other projects are regional or even local in character, such as construction of tram lines in Nantes, St Etienne and Strasbourg and a very large number of specific improvement works. Finance has thus been provided for more than 1 100 small-scale projects, carried out by local authorities and relating to road works, urban road systems and small port and airport facilities.

FRANCE

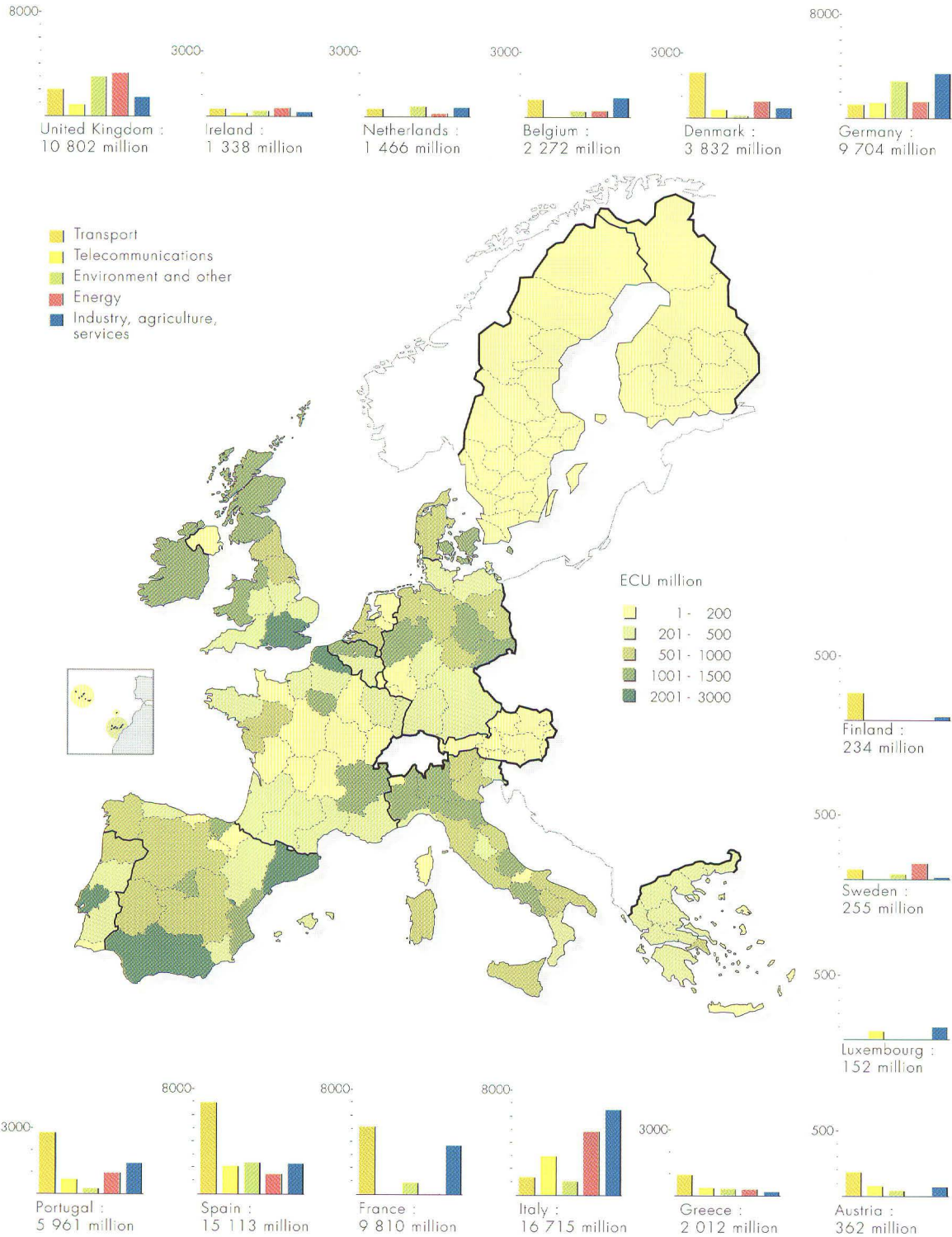
Finance contracts signed : 2 206.7 million
 1994 : 2 477.4 million
 Individual loans : 1 177.8 million
 Global loans : 1 028.9 million
 Global loan allocations : 920.6 million

France : transport sector
 1991 - 1995 : 5 138 million



FINANCING PROVIDED WITHIN THE EUROPEAN UNION
1991 - 1995

Regional breakdown and graphs illustrating the
sectoral breakdown by country (Table H, page 110)



Operations in Ireland, the whole of which is eligible for assistance from the Structural Funds under Objective 1, focused mainly on improvements to transport infrastructure (83 million).

The EIB continued its support for development of the national road network, upgrading of rolling stock on the Dublin-Belfast* rail line, providing a more efficient link between the two principal cities in the south and the north of the island, and modernisation of Dublin airport. Other loans went towards a further stage of the reaffor-

estation programme (31 million) and modernisation and extension of several technical training colleges (20 million). Finally, a total of 32 million was allocated from global loans for 141 SMEs.

Bank support for SMEs is set to gather momentum in coming years by virtue of the conclusion, during 1995, of a particularly large volume of global loans : 194 million. This finance is aimed mainly at accommodating demand from SMEs in industry and tourism.

In Italy financing for regional development amounted to 2 459 million, accounting for 76% of Bank activity. In regions eligible under Objective 1 of the Structural Funds, lending ran to 1 060 million, including 959 million in individual loans, while Objectives 2 and 5(b) regions attracted 1 127 million in all. Support was also provided for networks, mainly telecommunications, spanning the entire country.

Infrastructure investment absorbed 1 887 million, representing four fifths of total individual loans.

The largest share of this financing (1 187 million) went to the **communications** sector : 940 million for transport and 247 million for developing trunk telecommunications networks and increasing switching capacity.

There was a marked increase in funding for the transport sector, primarily for priority TENs or direct adjuncts to these, modernisation of the Brenner* railway line, and the lakes motorway improving access to Malpensa international airport*. Also financed was modernisation of the railway network in Campania and Abruzzi and extension of the intermodal freight terminal at Bologna.

In the **energy** sector lending (568 million) covered a wide range of projects : development of oil and gas deposits, natural gas transmission and supply grids, in particular dualling of the pipeline bringing gas from Algeria plus harnessing of hydroelectric potential in Piedmont and Lombardy and district heating networks. Allocations for 56 million were also made for some 40 small schemes, chiefly concerned with natural gas distribution.

Funding was also provided for **urban development** in Ferrara, **wastewater** collection and treatment installations in Campania and Lombardy, and operations fostering the Community's artistic and cultural heritage. In addition, improvements to the railway network in Campania will significantly facilitate access to the Naples conurbation.

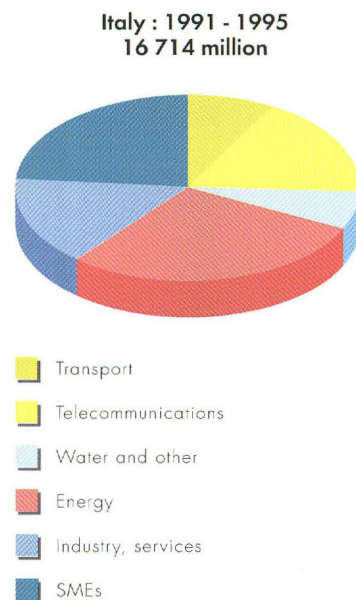
Individual loans for **industry and the service sector** (457 million) were devoted to projects involving chemicals and petrochemicals, optical fibres, household electrical appliances, paper, the woodworking and glass industries, textiles and, finally, foodstuffs, with reconstruction of a confectionery plant damaged by flooding in 1994 at Alba in Piedmont.

IRELAND

Finance contracts signed : 327.3 million
 1994 : 291.1 million
 Individual loans : 133.4 million
 Global loans : 193.9 million
 Global loan allocations : 32.1 million

ITALY

Finance contracts signed : 3 434.9 million
 1994 : 3 099.5 million
 Individual loans : 2 271.0 million
 Global loans : 1 163.9 million
 Global loan allocations : 978.1 million



ITALY (continued)

Finally, 1 169 allocations totalling 906 million were made from global loans for SMEs.

Between 1991 and 1995, the Bank advanced loans of some 17 billion in Italy,

broken down as follows : 40% for a large number of ventures throughout industry and the service sector, 32% for transport and especially telecommunications projects and 28% for the energy sector.

LUXEMBOURG

Finance contract signed : 78.8 million
1994 : 5 million
Individual loan : 78.8 million
Global loan allocations : 2.1 million

In Luxembourg, a loan of 79 million was signed for construction in the Esch-Belval steel making complex of an electric arc furnace for the production of long products from scrap, offering higher energy efficiency

and lower emission levels. In addition, allocations for 2 million were made in favour of small job-creating businesses in the mechanical engineering and motor vehicle components sectors.

NETHERLANDS

Finance contracts signed : 318.9 million
1994 : 399.5 million
Individual loan : 318.9 million
Global loan allocations : 136.8 million

Almost all individual loans concluded (312 million) in the Netherlands benefited **transport** infrastructure with a European dimension.

Funding of 192 million was provided for a new container terminal at the port of Rotterdam and for the purchase of large-tonnage ro-ro freighters for the Hull-Rotterdam route* on the Ireland-United Kingdom-Benelux corridor.

traffic in this highly congested area and for excavation of a new motorway tunnel under the Noordzeekanaal. This latter project will help to reduce traffic bottlenecks in Amsterdam and expand the capacity of road links between the north of the country and the European motorway network.

The EIB also provided finance for a **household waste** incineration plant near Nijmegen in Gelderland.

Other loans were earmarked for development of air traffic control installations at Schiphol-Amsterdam airport which will ensure smoother and safer management of air

Finally, allocations amounting to 137 million were made from global loans for 276 SMEs in **industry** and the service sector.



AUSTRIA

Finance contracts signed : 241.9 million
1994 : 89.5 million
Individual loans : 199.2 million
Global loans : 42.7 million
Global loan allocations : 16.2 million

1995 was the first year in which the EIB advanced loans in Austria as a Member Country of the European Union. Loans assisted upgrading of the main **rail link** between Vienna and Tarvisio on the Italian border (107 million) and **wastewater** treatment works for Greater Vienna (39 million) in order to reduce the volume of effluent discharged into the Danube.

In **industry**, a loan of 53 million went towards construction of a new engine at a motor vehicle factory in Steyr, an assisted area.

In addition, 33 industrial and service-sector SMEs received allocations for 16 million from global loans.

In Portugal, the whole of which is eligible for assistance from the Community's Structural Funds under Objective 1 and from the Cohesion Fund, Bank financing was almost exclusively focused on strengthening infrastructure, primarily in the **transport** sector (993 million, or 81% of the total). The projects contributed not only to regional development but also to fostering trade with the other countries of the European Union, i.e. by upgrading many sections of trunk and regional roads, including various stretches of the Valladolid-Lisbon * route.

Several loans went to projects in the Lisbon conurbation : construction of a suburban railway line between the northern and the southern banks of the Tagus estuary, a second bridge over the Tagus, upstream from the city, urban development schemes preparing the ground for the 1998 World Fair, and further work on extending the metro. This new line, which will connect up with the site of the World Fair, includes construction of a station at Cais do Sodré making it easier for passengers to switch from one form of transport to another (train, metro,

PORTUGAL

Finance contracts signed : 1 231.6 million
 1994 : 1 109.7 million
 Individual loans : 1 193.3 million
 Global loans : 38.3 million
 Global loan allocations : 59.6 million

Loans granted in Portugal since its accession amount to PTE 1 600 billion (ECU 9 billion). They have helped to underpin capital investment worth some PTE 4 000 billion (ECU 22 billion), representing a considerable proportion of total capital spending in this country, of the order of 20% of GFCF, over the past five years. Half of the projects financed since 1989 have benefited from grants from the Community's Structural Funds and also, in recent years, from the Cohesion Fund and the EEA Financial Mechanism.

Some three quarters of lending was devoted to strengthening basic infrastructure essential for the country's development. The prime recipients were motorway and road schemes both on priority routes serving Lisbon and Oporto and providing links with Spain and thence France and also on the whole trunk and secondary network. Funding was also provided on several occasions for main rail lines.

By virtue of its burgeoning economic and urban development, the Greater Lisbon area has attracted almost one third of Bank financing. The EIB has advanced loans for extending the metro and constructing a second bridge over the Tagus plus building motorway bypasses and is supporting an extensive programme of improvements in the area upstream of the Tagus where the 1998 World Fair is to be held.

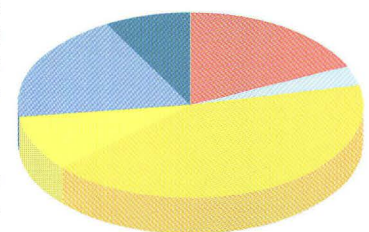
Various loans have contributed towards upgrading port and airport installations, largely with a view to improving links with the Azores and Madeira, and telecommunications networks.

In the energy sector loans have been advanced for electricity generation, transmission and supply as well as for the introduction of natural gas in several regions.

In industry and the service sector, the EIB has co-financed large motor vehicle projects, development of a copper mine and numerous SME ventures. The latter have often involved forestry resources for the production of timber, cork or paper, staple consumer goods or the provision of hotel facilities in the capital, on the Algarve and along motorways. Indeed, SMEs have accounted for the majority of the 2 260 businesses financed.

PORTUGAL : A DECADE OF ACTIVITY

Sectoral breakdown :
1986 - 1995



- Energy
- Water and other
- Transport
- Telecommunications
- Industry
- SMEs

PORTUGAL (continued)

bus). The Bank also financed modernisation of the Douro railway line and urban road improvements in Oporto.

The EIB provided a loan of 21 million, with an interest rebate from Community budgetary resources, for reconstruction, on the island of Madeira, of infrastructure and housing damaged by the October 1993 cyclone.

In the **energy** sector 121 million were ad-

vanced for construction, in tandem with the Maghreb-Europe gasline, of natural gas transmission and supply networks in the west of the country * as well as in the centre and south. Some 13 million were also allocated for small-scale energy projects.

In **industry and the service sector** an individual loan of 7 million will assist construction of motorway hotels, while a total of 46 million was allocated to 123 SMEs.

FINLAND

Finance contracts signed : 179.1 million
1994 : 60.2 million
Individual loans : 163.5 million
Global loans : 15.7 million
Global loan allocations : 10.5 million

During this first year of Finland's membership of the European Union financing provided for **infrastructure** (149 million) centred on two projects forming part of the Nordic triangle : improvements to sections of the E18 motorway connecting Stavanger in Norway with St Petersburg in Russia via Oslo, Stockholm and Helsinki * and modernisation of sections of the southern railway

line between Turku, Helsinki and the Russian border *.

In **industry** 25 million were lent for environmental protection and energy-saving installations at a steelworks in Imatra, in the south east of the country, and for 46 small ventures financed from global loans.

SWEDEN

Finance contracts signed : 273.1 million
1994 : 15.3 million
Individual loans : 225.4 million
Global loans : 47.7 million
Global loan allocations : 14.8 million

All funding in Sweden, a new Member State, was channelled towards infrastructure.

In the **energy** sector (111 million) the EIB financed further work on laying a cable across the Baltic for power exchanges with Germany as well as development of hydro-electric potential through construction of a new power station and modernisation of five others in the north of the country.

In the **transport** sector (76 million) the Swedish part of the project to construct a fixed link

between Denmark and Sweden across the Øresund * benefited from a loan of 69 million. The Bank also contributed to modernisation of a section of the railway line on the east coast.

Finally, 39 million went towards **wastewater** treatment plants in Stockholm and Göteborg.

From global loans signed in 1995 an initial series of 48 allocations totalling 15 million was made available for small and medium-scale ventures.

Individual loans in the United Kingdom went almost entirely towards infrastructure projects in the energy, water management and transport sectors (1 589 million).

In the **energy** sector (636 million) financing was provided for developing oil and natural gas fields in the British sector of the North Sea and for electricity generation, transmission and supply facilities. As part of measures to reduce polluting emissions the EIB also funded installation of desulphurisation equipment at Drax coal-fired power station, the largest of its kind in Europe.

Water supply and wastewater treatment projects in the North East, North West, East Anglia, Essex and Wales attracted 564 million.

Over the past five years, a total of some ECU 2.5 billion has been made available for a considerable number of schemes : drinking

water supply systems, wastewater collection and treatment, coastal protection works and improving the quality of bathing water.

In the **transport** sector loans (389 million) were advanced for construction of a light railway line between Wolverhampton and Birmingham, further work on building the second motorway bridge over the Severn estuary, improvements to the road and rail systems in the North West and upgrading of the rail network in West Yorkshire. The Bank also financed continuing modernisation of the airline fleet and acquisition of ro-ro freighters for the Hull-Rotterdam route *.

Lending for **industry** (330 million) comprised individual loans for a new aircraft maintenance centre at Cardiff airport, production units for advanced optical systems and manufacture of electronic components in Scotland as well as global loan allocations for 794 ventures undertaken by SMEs.



Outside the territory of Member States the EIB provided finance in two EFTA countries under Article 18 of its Statute.

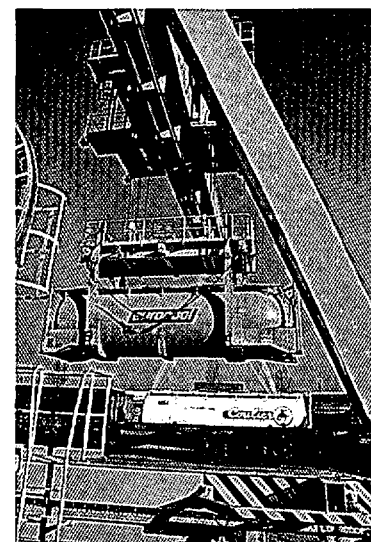
In **Norway** 289 million were advanced for refurbishing and extending the Ekofisk oil and natural gas complex, development of which had been financed by the Bank in 1974 in view of its potential contribution to the European Union's energy supplies, and for replacing penstocks at several hydro-electric power stations.

In **Iceland**, a loan of 40 million was made available for upgrading road infrastructure, especially around Reykjavik and its airport, which provides links with the European Union.

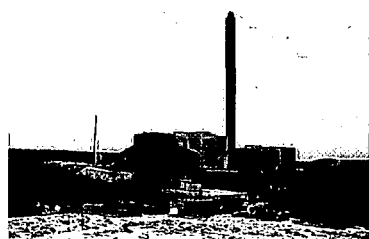
In addition, the EIB extended further financing for the **Maghreb-Europe gasline** * conveying Algerian natural gas across Morocco and the Strait of Gibraltar to Spain (190 million). The Spanish section of this project also received funding.

UNITED KINGDOM

Finance contracts signed : 2 243.9 million
1994 : 2 454.7 million
Individual loans : 1 670.4 million
Global loans : 573.5 million
Global loan allocations : 248.8 million



THE BALTIC :
WORKING TOGETHER TO PROTECT
THE ENVIRONMENT ...



... AND TO DEVELOP
COMMUNICATIONS INFRASTRUCTURE

The Baltic is becoming increasingly important for the European Union and its partner countries. Barring Russia, all countries around the Baltic seaboard are either members of the Union (Germany, Denmark, Sweden, Finland) or signatories to Europe agreements (Poland, Lithuania, Latvia, Estonia). Investment financed by the EIB in this area primarily fulfils two priority criteria :

- halting or even reversing environmental degradation in the Baltic and in neighbouring industrialised regions;
- fostering in these countries, as in all countries in Central and Eastern Europe, compliance with Community environmental standards, notably with a view to their accession to the Union;
- strengthening communication links both within the area and with the rest of the Union.

The scale of the environmental problems is such that they have to be tackled at pan-regional level. Accordingly, since 1992 the EIB has been actively participating in the Baltic Sea Joint Comprehensive Action Programme, as part of which it has approved financing for sewage treatment plants in Warsaw and Stockholm as well as in a host of towns, cities and areas in northern Germany, such as Greifswald, Schwerin, Kiel and Lübeck. Prior to this, the EIB, in cooperation with the European Commission, had overseen implementation of a series of studies on investment programmes for the Elbe basin and the Oder basin, which covers almost one third of Poland together with some areas of Germany and the Czech Republic.

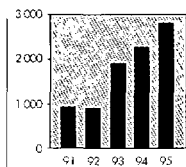
In addition, global loans geared specifically to financing environmental protection measures have already been arranged in Sweden, Finland, Poland and Latvia. Funds have also been granted for renovating the district heating network at Pärnu in Estonia as well as for environmental protection measures at the Imatra steelworks on the Baltic seaboard in south-east Finland.

A significant proportion of the crossborder cooperation schemes in the Baltic States and Poland's coastal region, which were initiated in 1994, will further efforts to protect the environment as a positive complement to the LIFE II programme (1996 - 1999) which aims to strengthen lines of command responsible for implementing environment-related policies and to bring about a reduction in pollution from a variety of sources. Furthermore, in those regions on the Baltic seaboard eligible for assistance from the Structural Funds, financing of some 5 300 million has been programmed for the period 1994 - 1999.

Major schemes currently planned by the authorities in the region involve development of port facilities, telecommunications, the electricity network in the Baltic area, arterial motorways - the Via Baltica and the Via Hanseatica - as well as other stretches of motorway and railway lines.

The Bank has already supported projects meeting such criteria, notably in Lithuania - extension and modernisation of Vilnius airport and the port of Klaipeda - and Estonia - the port terminal at Muuga. In addition, there have been several projects designed to facilitate power exchanges by submarine cable across the Baltic and to improve air traffic safety in the area as well as schemes covering several sections of the road and rail networks in Poland and Finland along the coast, thereby extending the "Nordic Triangle".

OPERATIONS OUTSIDE THE EUROPEAN UNION



Financing outside the European Union totalled 2 805 million, of which 2 557 million consisted of loans from the Bank's own resources and 248 million operations involving risk capital drawn from the budgetary resources of the Union or of Member States. ♦ In Africa, the Caribbean and the Pacific, financing amounted to 430 million (462 million in 1994), of which 225 million comprised risk capital from the resources of the European Development Fund (EDF). ♦ The commencement of operations in South Africa was marked by the granting of loans amounting to 45 million in that country. ♦ In the Mediterranean Countries, lending came to 1 038 million (607 million in 1994), of which 23 million in the form of risk capital. ♦ In the Central and Eastern European Countries, EIB loans totalled 1 005 million. ♦ Finally, loans amounting to 288 million were granted in Asia and Latin America. ♦ Most of the capital projects in question were covered by co-financing arrangements concluded with Member States' bilateral financial institutions, the Commission, the World Bank and other development aid agencies; cooperation with the EBRD was stepped up with a view to coordinating financing activities in the Central and Eastern European Countries.

In 1995, the first operations were undertaken in **South Africa** to assist the transition to democracy and contribute towards financing the reconstruction and development programme. Global loans totalling 45

million from own resources were signed to fund small infrastructure projects, mainly in water management (30 million), and small or medium-scale productive ventures (15 million).

In the **ACP States and the OCT**, the 1995 financial year witnessed a consolidation of activity. Finance contracts were signed in 29 ACP States, in Haiti for the first time, as well as in one OCT under the Fourth Lomé Convention (205 million in loans from own resources carrying interest subsidies and 194 million in risk capital) and under the Third Convention (31 million in risk capital).

In most countries, projects were financed from risk capital, either exclusively (in nineteen countries, involving 178 million) or in conjunction with loans from own resources (in five, amounting to 138 million). In six countries projects were funded solely from own resources (114 million).

In sectoral terms, more than one third of financing benefited basic economic infra-

structure (291 million). Loans for the energy sector, electricity generation and transmission and oil and gas development amounted to 108 million. Drinking-water supply and wastewater collection and treatment projects totalled 105 million, while those relating to communications infrastructure attracted 78 million in all.

Financing for industry, agriculture, fisheries and services consisted of 68 million in individual loans and 71 million in the form of global loans, deployed in cooperation with national or regional development banks and earmarked for funding SMEs, which received 38 allocations in 1995 (23 million).

AFRICA, CARIBBEAN, PACIFIC

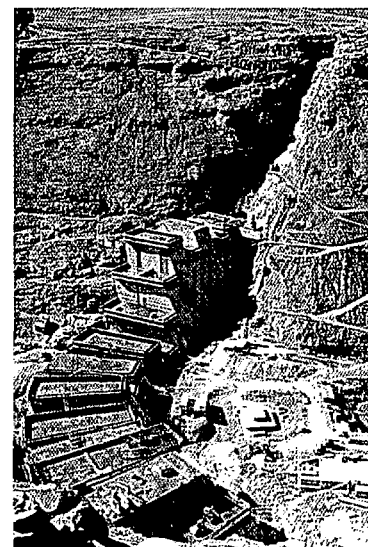


Table 12 : Conventions, financial protocols and decisions in force or under negotiation at 27 March 1996

(ECU million)

Agreement	Year of expiry	Loans from own resources ⁽¹⁾	Operations mounted from budgetary resources		Total	
			Risk capital operations ⁽²⁾	Grant aid ⁽³⁾		
ACP States - OCT						
ACP	-1st Financial Protocol					
OCT	Fourth Lomé Convention	1996	1 200	825	9 975 ⁽⁴⁾	12 000
OCT	Council Decision	1996	25	25	115 ⁽⁴⁾	165
ACP	- 2nd Financial Protocol					
OCT	Fourth Lomé Convention	2000	1 658	1 000	11 967 ⁽⁴⁾	14 625
OCT	Council Decision	2000	35	30	135 ⁽⁴⁾	200
South Africa	Council Decision	1997	300	—	—	300
Mediterranean Countries ⁽⁵⁾						
Turkey	Special financial cooperation measure not yet in force	2000	750	—	—	—
Algeria	Fourth Financial Protocol	1996	280	18	52	350
Morocco	Fourth Financial Protocol	1996	220	25	193	438
Tunisia	Fourth Financial Protocol	1996	168	15	101	284
Egypt	Fourth Financial Protocol	1996	310	16	242	568
Jordan	Fourth Financial Protocol	1996	80	2	44	126
Lebanon	Fourth Financial Protocol	1996	45	2	22	69
Syria	Third Financial Protocol	1996	110	2	34	146
Syria	Fourth Financial Protocol	1996	115	2	41	158
Israel	Fourth Financial Protocol	1996	82	—	—	82
Gaza and West Bank ⁽⁶⁾	Council Decision	1998	250	—	250	500
Malta	Fourth Financial Protocol	1998	30	2	13	45
Cyprus	Fourth Financial Protocol	1998	50	2	22	74
Off-protocol horizontal financial cooperation	Council Decision	1996	1 800	25	205 ⁽⁷⁾	2 030
Central and Eastern European Countries						
Hungary, Poland, Slovak Rep., Czech Rep., Bulgaria, Romania, Estonia, Latvia, Lithuania, Albania	Council Decision	1996	3 000	—	—	3 000
Slovenia	Financial Protocol	1997	150	—	20 ⁽⁸⁾	170
Asian and Latin American Countries	Council Decision ⁽⁹⁾	1996	750	—	—	750

(1) Loans attracting interest subsidies from the European Development Fund in the case of projects in the ACP States and the OCT and from the Community budget in the case of projects in certain Mediterranean countries. Amounts required for interest subsidies are financed from grant aid.

(2) Granted and managed by the EIB.

(3) Granted and managed by the Commission.

(4) Including amounts reserved for interest subsidies on EIB loans.

(5) Balances remaining under earlier financial protocols or the entire amounts originally provided for may be drawn on concomitantly.

(6) The amount of loans from own resources will be set against off-protocol cooperation.

(7) Including about 100 million in interest subsidies for EIB loans for the environment.

(8) Solely for interest subsidies on EIB loans in favour of transport projects of common interest.

(9) Renewal under negotiation.

A significant proportion of the amounts provided for in the First Protocol to the Fourth Lomé Convention were committed between 1991 and 1995: 878 million of the 1 225 million available from own resources and 686 million of the 850 million available from risk capital resources.

Part of the loans funded basic infrastructure necessary for economic development: drinking-water supply and wastewater collection and treatment systems (184 million), electricity generation, transmission and dis-

tribution facilities as well as the development of oil deposits (505 million), plus communications infrastructure, primarily railways and airports (178 million).

The industrial sector received substantial funding: 306 million in individual loans for minerals extraction, food processing, tanning and hotel construction and 14 million in allocations to some 430 small enterprises under global loans concluded with local financial institutions.

In **AFRICA**, financing was granted in eighteen countries and totalled 312 million (138 million from own resources and 174 million in risk capital).

In the ACP countries signatories to the **Lomé Convention**, 1995 saw further sustained activity in Southern Africa, an increase in financing in West Africa and a resumption of lending in Central Africa, where the EIB had not operated for several years.

Financing in **Southern Africa** totalled 125 million, of which 31 million was risk capital. Funds went towards water management projects in **Botswana** and **Mauritius**, renovation of a hydroelectric power station in **Zimbabwe**, modernisation of the telephone network in **Namibia** and port facilities in Port Louis (Mauritius). Several projects in productive sectors also attracted finance: cashew nut processing in **Mozambique**, shrimp farming in **Madagascar**, tanning in Namibia and cotton spinning in **Zambia**. Global loans were concluded in Zambia and **Swaziland**.

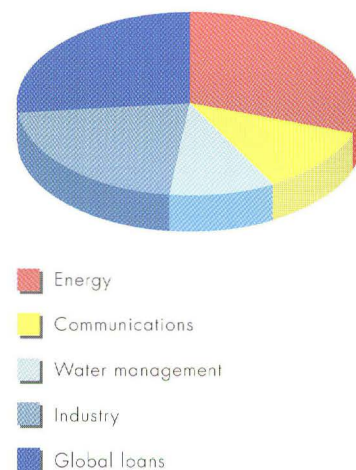
In **West Africa**, 114 million was advanced, including 78 million in risk capital. Two regional projects were financed with two neighbouring countries; they involved im-

provements to the railway line between Abidjan in **Côte d'Ivoire** and Kaya in **Burkina Faso** and interconnection of the electricity supply networks of these two countries (26 million in total). In addition, loans were granted in Côte d'Ivoire for development of oil and natural gas deposits and modernisation of cocoa and plastics manufacturing plant. Support was extended for hydroelectric schemes in **Guinea**, modernisation of the Dakar water supply system and several airports in **Senegal** and extension of the telecommunications system in Burkina Faso. A global loan was granted in **Ghana**.

In **East Africa**, all finance (46 million) took the form of risk capital. The EIB supported modernisation of airport facilities in **Ethiopia** (21 million) and refurbishment of hotels in wildlife reserves in **Tanzania**. Two global loans were concluded in **Uganda** and **Tanzania**.

In **Central Africa**, 27 million from own resources and risk capital was provided to fund extension of the Douala electricity network in **Cameroon** and construction of a glue factory. The EIB also financed the rehabilitation of electricity generation and distribution facilities in **São Tomé and Príncipe**.

ACP : 1991 - 1995
1 763 million



In the **CARIBBEAN** (61 million, including 28 million in risk capital), funding was provided mainly for water and waste management in the **Bahamas, Antigua, Grenada** and **Guyana** and for transport projects, involving the extension of an airport in **Saint Christopher and Nevis** and enlargement of the port area at Montego Bay in **Jamaica**. Global loans were signed in **Guyana, the Dominican Republic** and **Haiti**. An aquaculture farm was financed in **Suriname**.

In the **PACIFIC** (54 million, including 21 million in risk capital), a project for developing a gold mine on the island of Lihir in **Papua New Guinea** received financing of 46 million, of which 25 million from own resources. In **Fiji** the EIB financed modernisation of the telephone network and a port development feasibility study.

Finally, in the **OCT**, two global loans totalling 2.5 million will help to finance SMEs in the **Netherlands Antilles**.

Table 13 : Financing provided outside the European Union (1995)

(ECU million)

	Total	Own resources	Risk capital resources	Individual loans				Global loans
				Energy	Transport Telecommunications	Water management	Industry Agriculture Services	
Africa, Caribbean, Pacific	430	205	225	108	78	105	68	71
Africa	312	138	174	108	68	71	21	44
Caribbean	61	33	28	—	2	34	1	25
Pacific	54	33	21	—	8	—	46	—
OCT	3	1	2	—	—	—	—	3
South Africa	45	45	—	—	—	—	—	45
Mediterranean	1 038	1 015	23	149	210	258	296	125
of which off protocol : 718								
Egypt	220	290	6	—	—	—	296	—
Morocco	165	245	—	—	165	40	—	40
Algeria	100	100	—	100	—	—	—	—
Turkey	94	94	—	14	—	80	—	—
Tunisia	55	73	8	15	35	—	—	23
Lebanon	10	73	3	—	10	60	—	3
Israel	10	68	—	—	—	35	—	33
Jordan	13	38	—	20	—	18	—	—
Gaza	26	26	6	—	—	—	—	26
Malta	15	15	—	—	—	15	—	—
Cyprus	10	10	—	—	—	10	—	—
Central and Eastern Europe	1 005	1 005	—	290	400	—	—	315
Czech Republic	260	260	—	200	60	—	—	—
Hungary	200	200	—	—	50	—	—	150
Romania	175	175	—	60	115	—	—	—
Poland	140	140	—	—	40	—	—	100
Slovak Republic	80	80	—	30	—	—	—	50
Bulgaria	60	60	—	—	60	—	—	—
Albania	34	34	—	—	29	—	—	5
Slovenia	32	32	—	—	32	—	—	—
Lithuania	19	19	—	—	14	—	—	5
Estonia	5	5	—	—	—	—	—	5
Asia, Latin America	288	288	—	143	52	93	—	—
Argentina	76	76	—	—	—	76	—	—
China	55	55	—	55	—	—	—	—
Indonesia	46	46	—	46	—	—	—	—
Peru	27	27	—	—	27	—	—	—
Philippines	25	25	—	—	25	—	—	—
Pakistan	24	24	—	24	—	—	—	—
Thailand	18	18	—	18	—	—	—	—
Paraguay	17	17	—	—	—	17	—	—
Total	2 805	2 557	248	689	740	456	364	556

Lending in countries bordering the Mediterranean came to 1 038 million, of which 23 million drawn from budgetary resources. More than two thirds of the total was made available under off-protocol horizontal financial cooperation arrangements (718 million) to finance regional and environmental protection projects, while the remaining 320 million was provided under current financial protocols. Loans related to projects in eleven countries. Infrastructure schemes attracted 617 million: transport (210 million), water management, supply, sewerage and sewage disposal, and irrigation (258 million), and energy generation, transmission and distribution (149 million). Three projects were in productive sectors (296 million) and global loans amounting to 125 million were advanced to finance small investment by local authorities and private-sector enterprises.

In view of amounts committed in earlier years, three quarters of the sums available (1 380 million) under the fourth generation of financial protocols concluded, over the period 1992-1996, with the Maghreb and Mashreq countries and Israel (see Table 12, page 46) have now been deployed; the fi-

ancing packages provided for under the financial protocols with Morocco, Tunisia, Lebanon, Jordan and Israel have been almost fully utilised. Resources available as part of horizontal financial cooperation (1 825 million) had been committed as to 79% by end-1995.

Having lent 570 million to industry over the past five years, the EIB has made an active contribution to rapid economic growth in the Mediterranean Countries. Development of the private sector, to a large extent by means of partnerships between local and European entrepreneurs permitting the injection of capital and especially the transfer of knowhow and technology, has been one of the EIB's priorities. This has concentrated first on large-scale investment - the financing of factories producing refrigerator compressors, a printing works, aluminium and steel processing plants, a refinery - and loans to create modern industrial estates. In addition, in almost all the countries on the Mediterranean rim global loans to local commercial or development banks have helped to fund hundreds of small productive ventures by SMEs in industry and tourism.

Morocco

A large proportion of the total financing of 245 million in Morocco was provided for constructing sections of motorway linking the capital Rabat to Fez and Tangiers, which will appreciably improve trade between Morocco and the European Union. Installation of a new irrigation network in the Marrakesh Plain was also funded. Two global loans were arranged, one of which will assist the financing of small road schemes by local authorities and the other, productive-sector SMEs. In 1995, some 40 enterprises attracted global loan allocations totalling 8 million.

Algeria

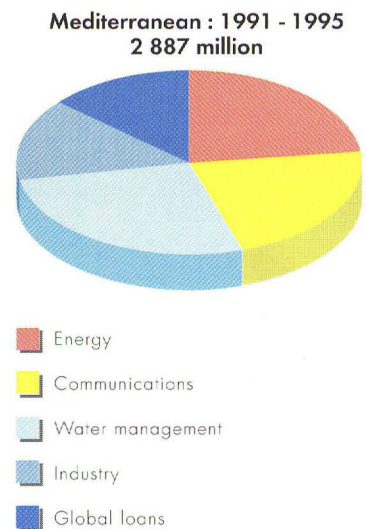
A loan of 100 million was made available in Algeria under off-protocol arrangements to extend the Rhourde Nous gas complex south of Hassi Messaoud in order to increase and improve the performance of existing installations. The gas produced feeds the gas pipeline between the Maghreb countries and Spain, a priority energy network for which 414 million was provided in 1995.

Tunisia

Lending in Tunisia (73 million) was directed mainly at development of the Tunis conurba-

MEDITERRANEAN COUNTRIES

OCTOBER 1996
2nd EIB FORUM :
THE MEDITERRANEAN :
WORKING IN PARTNERSHIP



tion: improvement of the capital's road network, rehabilitation of the commercial ports of La Goulette-Radès and Bizerta, supply of natural gas to the city and to Radès power station from the trans-Mediterranean gas pipeline between the Maghreb countries and Italy. A global loan was also concluded for investment contributing to environmental protection in productive-sector enterprises.

Egypt

All financing advanced in Egypt in 1995 (296 million, including 6 million in risk capital) was for industrial investment. The largest operation (220 million under off-protocol arrangements) funded the construction of a refinery in the Alexandria port area, which will produce high-grade distillates from Egyptian oil for supply to markets in Egypt, Israel and the Middle East. Support provided for this project, which is being undertaken as an Egyptian-Israeli joint venture, is typical of the desire to consolidate the Middle East peace process. Two other loans contributed towards modernisation of an aluminium plant in Upper Egypt and completion of the equipping of a factory producing refrigerator compressors near Cairo.

Lebanon

The EIB continued to assist in the reconstruction of Lebanon by granting loans for reinstatement of drinking water supply networks and sewage collection and treatment facilities in the north of the country (60 million), as well as for reconstruction and modernisation of air traffic control systems (10 million). A global loan for 3 million from risk capital will assist in financing SMEs in the industrial and service sectors.

Israel

Loans in Israel totalling 68 million comprised 35 million for the construction of a biological wastewater treatment works in

West Jerusalem and its connection to the sewerage network plus a global loan of 33 million to finance small-scale investment by industrial, tourism and service enterprises.

Jordan

Lending in Jordan (38 million) financed modernisation of water supply systems and sewage collection and treatment works in the north of the country and upgrading and extension of the electricity distribution network in the Amman conurbation. Under current global loans, 36 allocations were made to small enterprises (10 million).

Gaza and the West Bank

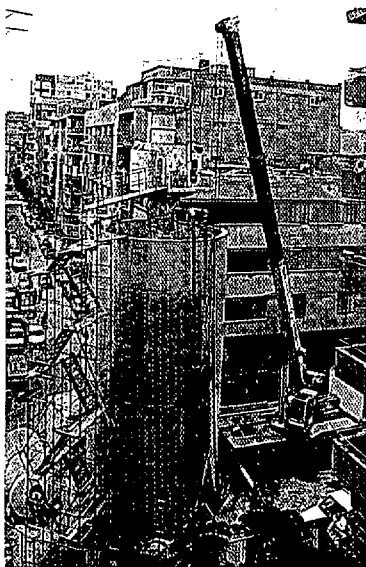
As part of the European Union initiative to support the process of peace and economic development in the Middle East, the EIB signed the "Support Agreement" in October 1995 between the Bank and the Palestinian Authority. Two global loans totalling 26 million (of which 6 million in risk capital) were concluded at the end of 1995 with a view to financing new capital projects in the industrial, agricultural-processing, tourism and service sectors. These funds were made available from the amount of 250 million decided by the Board of Governors in November 1994.

Malta

A loan of 15 million, granted off protocol, will enable Malta to comply with Community directives on wastewater and its discharge into the Mediterranean. The works will entail construction of two treatment plants on the islands of Malta and Gozo.

Cyprus

A loan of 10 million was provided in Cyprus to extend the sewerage system in the town of Limassol. In addition, sixteen allocations totalling 4 million were made under global loans.



Turkey

In Turkey, loans of 94 million granted under the horizontal cooperation component of the Redirected Mediterranean Policy benefited projects of regional and environmental importance. Two helped finance waste water management (80 million), improving sewage collection and treatment in the cities of Ankara and Antalya, while a third was for

interconnection of the Turkish and Syrian electricity networks by constructing a transmission line between the Atatürk dam in Southern Turkey and Aleppo in Northern Syria (14 million). This project forms part of a larger scheme aimed at establishing an interconnected grid around the entire Mediterranean rim.

A total of 1 005 million was made available in ten countries in **Central and Eastern Europe**, including, for the first time, Albania.

The bulk of funds (973 million) was provided under the Decision of the Board of Governors of May 1994 authorising the EIB to mount operations in these countries up to an amount of 3 billion, guaranteed by the Community, while the balance of 32 million was advanced in Slovenia under the financial protocol that came into force in 1993.

Just over two thirds of the total (690 million) was deployed to strengthen the basic infrastructure necessary to raise the economic development of these countries : transport

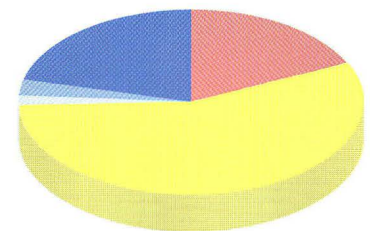
(270 million), telecommunications (130 million) and energy (290 million).

Several of the projects concerned are direct extensions of trans-European networks, namely the Polish section of the railway line on the Berlin - Warsaw - Minsk - Moscow route, sections of road in Albania and, in the Slovak Republic, the pipeline supplying Russian gas to the European network.

In addition, global loans totalling 315 million were granted in six countries to finance public and private-sector enterprises and projects promoting environmental protection and energy saving.

CENTRAL AND EASTERN EUROPEAN COUNTRIES

CEEC : 1991 - 1995
3 449 million



- Energy
- Communications
- Water management
- Industry
- Global loans



Czech Republic

Loans totalling 260 million were advanced for projects in the energy and transport sectors (200 and 60 million respectively). The EIB is contributing to a major programme to install anti-pollution equipment in six of the country's largest lignite-fired power stations situated close to deposits in Northern Bohemia. In the transport sector, improvement of the arterial road network is a priority for economic development.

Hungary

Financing provided in Hungary (200 million) consisted of individual loans for continued modernisation and extension of the telephone network as well as a substantial global loan (150 million). The latter, granted to a group of financial institutions, will help fund not only businesses in productive sectors but also environmental protection and energy-saving equipment together with infrastructure set in place by both the public and private sectors. It will thus serve to improve the competitiveness of Hungarian enterprise and the standard of infrastructure. In addition, eleven global loan allocations totalling 24 million were made, notably in the tourism and foodstuffs sectors.

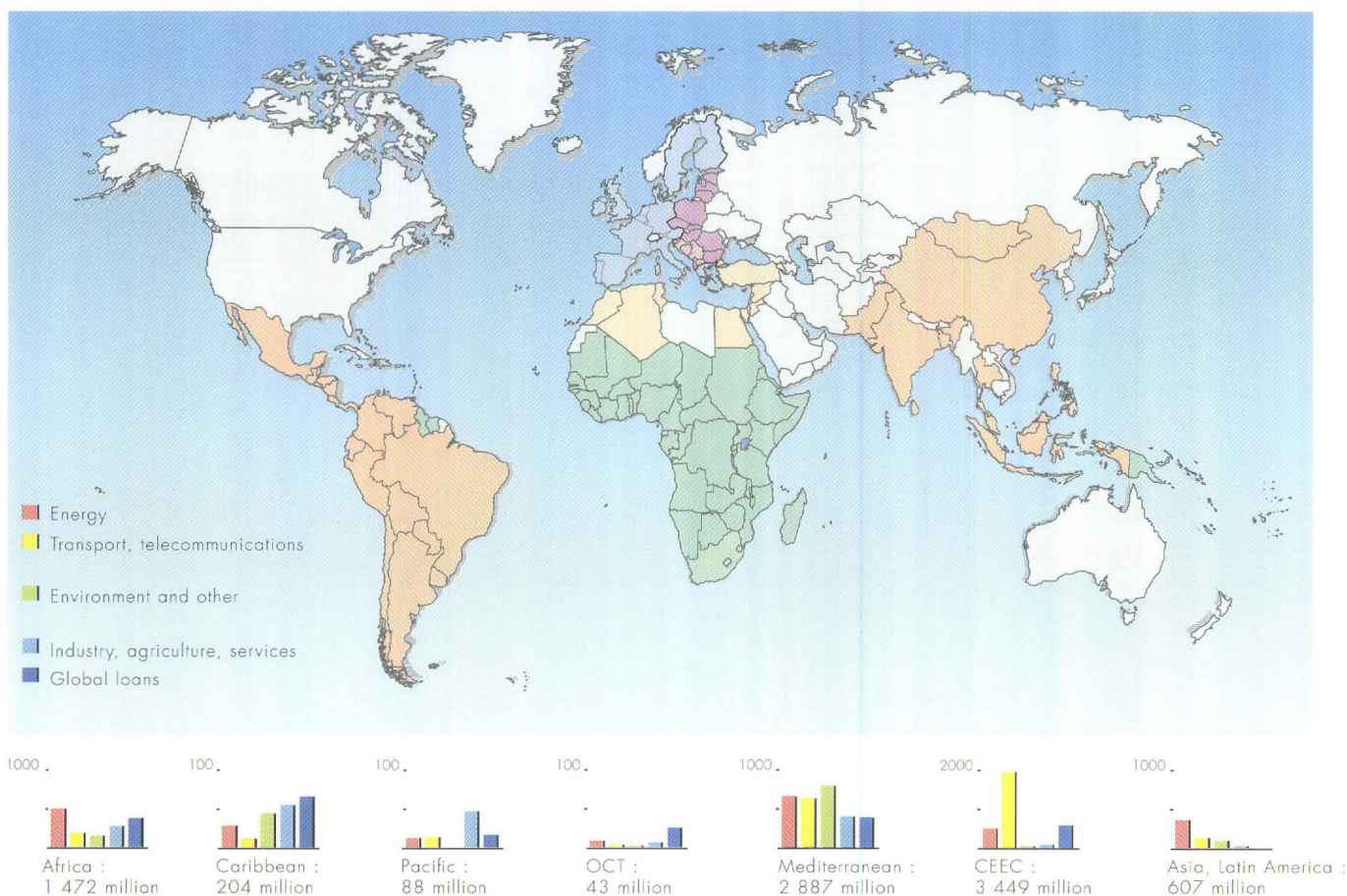
Romania

Loans totalling 175 million were granted in Romania in 1995. They are contributing to modernisation of the telecommunications network (80 million) and power grid plus rehabilitation of the combined heat and power generating station in South Bucharest. Bank finance also supported repair and enlargement of the port of Constanta, which was partly destroyed by a storm.

Poland

EIB lending in Poland totalled 140 million. It centred on modernisation of the railway line from Warsaw to Terespol (40 million), forming part of the trans-European Berlin - Warsaw - Minsk - Moscow rail corridor. In addition, a global loan was concluded with a group of financial institutions selected to fund productive-sector enterprise, environmental protection and energy-saving projects or infrastructure schemes undertaken by public and private-sector concerns. Finally, 15 million was made available in the form of global loan allocations.

FINANCING PROVIDED OUTSIDE THE EUROPEAN UNION 1991 - 1995
Geographical and sectoral breakdown



Slovak Republic

In the Slovak Republic, as well as a loan of 30 million for modernisation and extension of the gasline network conveying Russian gas to Western Europe, the EIB granted a global loan of 50 million both for assisting industrial or service enterprises and for funding equipment to protect the environment and save energy. Some 8 million was also allocated under global loan finance.

Bulgaria

The EIB extended further finance in Bulgaria towards improving the transport networks essential for economic growth. Accordingly, a project to repair and rebuild some 900 km of main roads attracted a loan for 60 million.

Albania

The EIB advanced loans in Albania for the first time in 1995. Financing was made available in the transport sector (29 million), for improving sections of the European road corridor linking the port of Durrës on the Adriatic with the port of Varna on the Black Sea and for constructing a ferry terminal at Durrës. In addition, a global loan of 5 million was concluded with a view to supporting industrial and service-sector projects as well as environmental protection and energy-saving equipment.

Slovenia

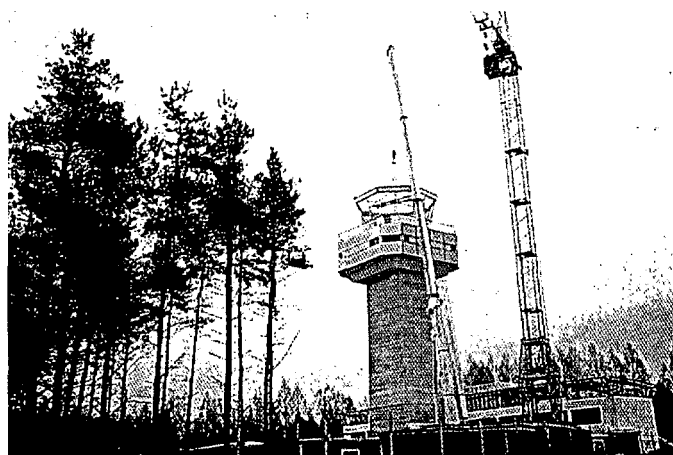
In Slovenia, where strengthening of the transport infrastructure has been assigned priority under the current financial protocol, a loan of 32 million was granted to continue construction of the motorway link between Ljubljana and Celje, facilitating communications between the east and the west of the country.

Lithuania

In Lithuania, the construction of a container terminal in the Port of Klaipeda on the Baltic Sea benefited from a loan of 14 million, while a global loan of 5 million was granted to finance small and medium-sized enterprises plus energy-saving and environmental protection equipment.

Estonia

In Estonia, a global loan of 5 million will help finance industrial and service enterprises and fund investment aimed at protecting the environment and saving energy. Two enterprises were allocated a total of 2 million from current global loans.



ASIA AND LATIN AMERICA

Projects in eight Asian and Latin American countries signatories to cooperation agreements with the European Union attracted loans totalling 288 million. The operations were mounted under the authorisation given by the Board of Governors in February

1993 to finance capital investment of mutual interest to the country concerned and the Union or involving European partners, up to a maximum of 750 million over a period of three years. By the end of 1995, some 607 million had been advanced



ASIA EIB lending in Asia (168 million) benefited five countries and centred on the energy (143 million) and transport (25 million) sectors.

China

The framework agreement signed with China on 6 December 1995 underlines the special importance of cooperation in the fields of energy and environmental protection. It was followed by the signature of a loan of 55 million by the EIB to finance development of the Ping Hu offshore oil and gas field, conveyance of hydrocarbons to the coast and distribution of natural gas in Pudong, a satellite of Shanghai.

Indonesia

In Indonesia, the laying of a gas pipeline linking the islands of Sumatra and Batan as well as central and southern Sumatra attracted a loan of 46 million.

Philippines

The EIB contributed to modernisation and extension of Davao airport on the island of Mindanao with a loan of 25 million.

Pakistan

A loan of 24 million was granted in Pakistan for the design, construction and commissioning of a hydroelectric power complex on the Indus river in the north-east of the country. This project forms part of a programme designed to increase electricity generation.

Thailand

The EIB made a further loan of 18 million towards construction of the pipeline linking a gas field in the Gulf of Thailand to the existing gas grid.

LATIN AMERICA



Three Latin American countries benefited from EIB loans totalling 120 million, with 93 million of this devoted to wastewater treatment and waste management and 27 million to improving road networks.

Argentina

The EIB provided 76 million in all in Argentina for improving the environment in the Buenos Aires conurbation by constructing new facilities for wastewater collection and treatment and for hazardous waste processing and disposal.

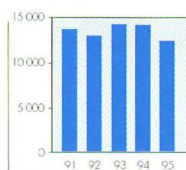
Peru

Financing of 27 million in Peru will assist with repair of the northern part of the Pan-American Highway, an essential artery for the country's economy.

Paraguay

A loan of 17 million was granted in Paraguay to help finance extension of the sewerage system in the capital, Asunción.

RESOURCES RAISED



Medium and long-term borrowings on the markets in 1995 totalled 12 429 million, compared to 14 156 million in 1994. ♦ The EIB accommodated loan disbursement requests through its active presence on the various markets and greater recourse to floating-rate issues and swap operations. ♦ Funds raised, after swaps, amounted to 12 395 million, of which 7 058 million at fixed rates and 5 337 million at floating rates. ♦ Community currencies accounted for over four fifths of the total raised.

Conditions on the capital markets were comparatively favourable for the EIB in 1995. A slowdown in economic growth, subdued inflationary pressures and appreciation of the USD on the forex market during the second half increased the receptiveness of the financial markets. Moreover, with unsatisfied demand from investors, particularly for paper issued by "AAA" borrowers, a situation that became more acute from the third quarter, EIB issues gained added appeal. This was particularly true of the international market on which the Bank raises the majority of its funds and where the total amount issued grew significantly.

The EIB retained its leading position among major international issuers, borrowing 12 429 million in all. Nevertheless, this amount was 12.2% lower than that for 1994 (14 156 million) as a result of surplus cash flow and loan prepayments which were not offset by early redemptions.

In order to command resources tailored to its requirements, the EIB mounted swap operations (see Table 15, page 59) such that the **total amount of funds raised in 1995 came to 12 395 million** compared with 14 148 million in 1994. As in the past, fixed-rate borrowings comprised the bulk of funds raised (7 058 million compared with 10 636 million in 1994). The proportion of floating-rate resources climbed significantly year-on-year to over 40% of total borrowings (5 337 million compared with 3 512 million in 1994); a sizeable share was tapped in four currencies (ITL, ESP, PTE, GRD).

Almost all the resources raised by the EIB were deployed in loan disbursements. The volume of issues intended to finance early redemptions fell sharply: 478 million in 1995 compared with 1 997 million in 1994; appreciable cash flow in certain currencies enabled the EIB to draw on its liquid holdings (615 million).

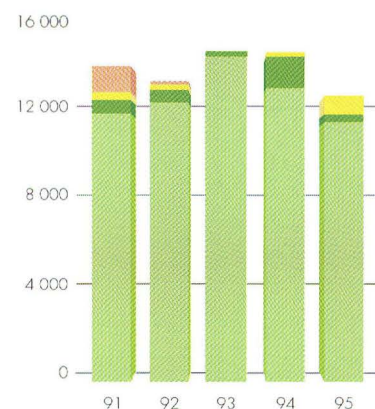
The breakdown of currencies borrowed confirms, as in previous years, the predominance of Community currencies (9 712 million in 1995 compared with 10 107 million in 1994), accounting, after swaps, for over 86% of the total. This allows for the not insignificant proportion of borrowings denominated in non-EU currencies swapped against European Union currencies. The EIB issued paper in ECU and in eleven of the Union currencies. The amounts raised in ITL and DEM were the highest: 27% and 19.3%, respectively. Borrowings in FRF fell sharply. As for non-Community currencies, the share of the JPY increased whilst that of the USD declined.

The Bank undertook 68 operations in 1995, comprising 60 public offerings and 8 private placements (73 operations in 1994 broken down into 59 public borrowings and 14 private placements).

The average maturity of funds raised was seven years although there were considerable differences depending on the currency involved: four years for the USD, but eighteen for the GBP.

EIB BORROWING OPERATIONS ON THE FINANCIAL MARKETS

Breakdown of resources raised from 1991 to 1995



Medium and long-term operations

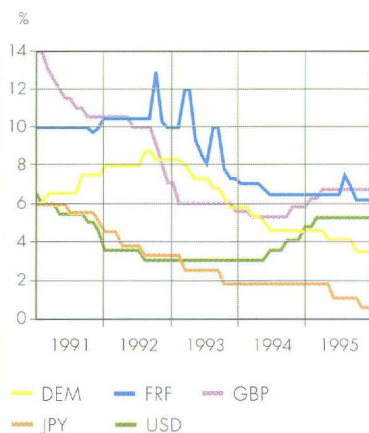
- Public issues
- Private borrowings
- Medium-term notes

Short-term operations

- Commercial paper

CAPITAL MARKET TRENDS

Official interest rates for the main currencies



Viewed as a whole, 1995 was a very good year for bond markets in the main OECD countries in spite of the turmoil which unsettled markets during the first half of the year. Bond yields fell steeply whilst the volume of new issues continued to rise.

The favourable climate on bond markets can be attributed primarily to the slowdown in economic activity, alleviation of inflationary pressures and numerous countries' determination to redress their budgetary positions. Central banks were able to relax their monetary policy, prompting a marked drop in short-term interest rates and a steepening in the yield curve on the main markets. Bond yields fell by over 150 basis points during 1995 and stock markets were generally bullish.

In the second half of the year, the driftdown in interest rates and an easing of tension on currency markets after the upheavals earlier in the year encouraged a good many investors to increase their positions on emerging (or high-yielding) markets, resulting in a significant narrowing in bond yield differentials between core and emerging markets.

Despite the propitious environment, the volume of bonds issued on international markets expanded by only 5% compared with 1994, climbing to the equivalent of some USD 470 billion. This modest rise can be explained, in part, by a narrowing of spreads on swap operations, which considerably reduced scope for arbitrage. Moreover, the bond market found itself in strong competition with bank lending activity. Margins on the international bank lending market fell to all-time lows in 1995 owing to the very sizeable pool of liquidity in the banking system and the volume of funds raised through international bank borrowings leapt by over 30% in 1995.

The USD (35%), JPY and DEM accounted for 75% of total market volume, thereby confirming their dominant position in international bond issuance. The volume of new issues denominated in DEM and CHF increased whereas those in GBP shrank.

The pattern of borrowers on international bond markets was virtually unchanged in 1995 in relation to 1994. Banks and financial institutions still constituted the largest group, issuing one third of the total, closely followed by industrial and commercial companies. Supranational agencies accounted for 8% of the overall amount issued and sovereign and local borrowers, the remainder. Declining bond yields rekindled investor interest in high-yielding paper, such as Eurobonds issued either by lower-rated borrowers or on emerging markets in high-yielding currencies (SAR, CZK and Taiwan dollar).

The number of global bond issues progressed from 80 in 1994 to 124 in 1995, for the most part denominated in US dollars, with the aggregate amount raised through such issues representing over 10% of total borrowings on the international bond market. However, certain issues were not genuinely "global" bonds in that they were not freely negotiable worldwide around the clock. The average amount of issues has been contracting steadily since the first global bonds were launched. The volume of new floating-rate paper fell compared to 1994 levels whereas there was an upturn in asset-backed securities and dual-currency issues.

In adopting an appropriate resource-raising policy, the EIB pursued a strategy of ensuring that its treasury remained highly liquid while minimising borrowing costs.

First and foremost, the Bank secured its supply of the principal currencies used for loan disbursements both by launching sizeable issues and through its constant presence on the capital markets. This strategy allowed the EIB to create substantial issues, covering the entire length of the yield curve, which would serve as benchmarks providing investors with an instrument to complement government bonds. It was exemplified by the DEM for which five, seven and ten-year benchmarks enabled the EIB to retain its position as one of the largest borrowers. The same approach also applied to the GBP for which, in addition to medium and short-dated paper, the Bank floated an issue with a maturity of 22 years, particularly sought after by British investors. As for the PTE, the addition of fungible tranches to an existing issue provided a benchmark offering liquidity comparable to that of an issue by the Portuguese State.

In order to improve funding costs, the EIB sought to diversify its resource raising. A variety of techniques made it possible to limit the Bank's exposure to interest-rate fluctuations; this increased the EIB's flexibility in adapting to financial market supply conditions, whilst accommodating loan disbursement requests.

Diversification was primarily apparent in terms of currencies and placement areas. The EIB sought to undertake operations on the markets of the new European Union Member States, as in the case of the FIM with a maiden private placement with Finnish investors. Moreover, the EIB added the AUD, which it had not tapped for a long period, to the ranks of the usual non-Community currencies borrowed (USD, JPY and CHF). Lastly, the authorisation given in November 1995 by its Board of Directors to launch is-

ssues denominated in non-OECD currencies should make it possible for the EIB to contract borrowings in currencies such as the Hong Kong dollar or South African rand.

The Bank also diversified in terms of products. Firstly, structured issues were launched whenever market conditions allowed, resulting in issues with step-up coupons in FRF and ESP, a PTE-denominated zero coupon issue and dual-currency bonds issued in JPY, but repayable in USD, AUD or DEM. In addition, the EIB concluded medium-term note programmes, enabling it, according to pre-established issue documentation, flexibly to launch smaller amounts on more advantageous conditions than with conventional bonds; in 1995, such programmes were arranged or planned in ITL, BEF and ESP.

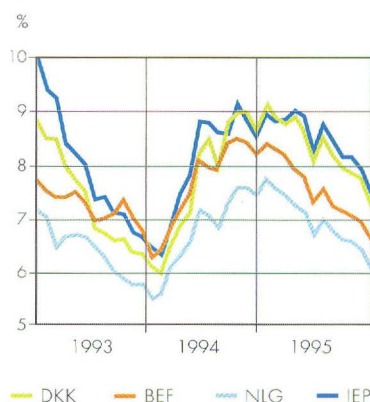
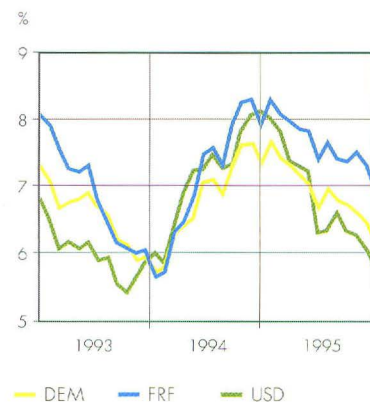
Similarly, the EIB sought to diversify syndication methods. One such example was the price discovery system which involves sounding out investors prior to the conclusion of large-scale issues requiring very substantial participation by the financial community. This system makes it possible to secure attractive terms even when markets are reaching saturation point.

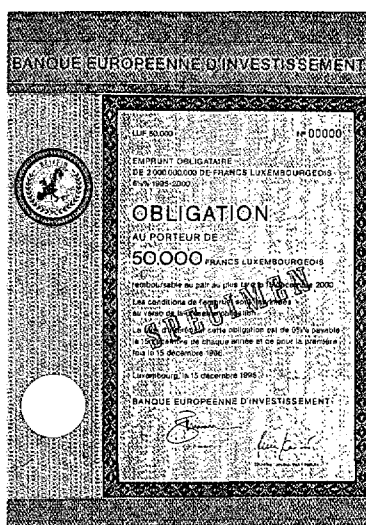
The price discovery system was adopted on two occasions when launching DEM issues and will be extended to all currencies as and when market conditions allow.

The need to raise an ever-increasing volume of funds, especially in those currencies for which the EIB already accounted for a significant share of the market, led the Bank to resort to interest-rate and currency swap operations. The total notional amount of such operations was 3.5 billion in 1995 compared with 4.3 billion in 1994. They were designed largely to transform fixed-rate bond issues into floating-rate funds (3 156 million compared with 3 498 million in 1994).

Gross yields on 10-year Government bonds

For ease of comparison all yields are expressed on an annual basis





Nonetheless, the EIB did not waver from a policy of prudence, redoubling efforts to contain derivatives risks. It also adapted its approach to swap operations which may henceforth involve swaps between EU currencies. Credit lines have also been increased and special-purpose vehicles are to be accepted as counterparties.

The EIB pursued its strategy of hedging interest-rate risks. Hedging operations in 1995 totalled a notional amount of 3 121 million, covering 47% of aggregate resources raised at fixed rates. As in the past, this hedging was undertaken either through deferred rate-setting contracts concluded with lead managers at the time of issue or through an internal hedging facility whereby the EIB acquired a portfolio of bonds to be resold in line with disbursement needs. Only minimal recourse was had to hedging through interest-rate swaps. In

order to add to the effectiveness of hedging, asset/liability management was practised to ensure overall hedging cover in the longer term.

The EIB also continued with its policy, first implemented in 1994, of scheduling the launch of issues separately from immediate disbursement requirements. In conjunction with targets expressed as sub-LIBOR costs, well below those that can be obtained through conventional issues and different depending on the maturities and currencies concerned, the EIB contracted borrowings whenever costs were in line with its targets, even if, where necessary, this involved swapping the net proceeds against floating-rate funds. In 1995, all such operations, totalling some 1 500 million at a cost below target, were undertaken chiefly via the aforementioned structured issues.

COMMUNITY CURRENCIES

Breakdown of currencies raised after swaps

Italian lira : ECU 3 343 million
ITL 7 200 billion

The ITL, the principal Community currency borrowed, recorded a 47% increase over 1994. The EIB remained the leading borrower on the Eurolira market, with a not in-

significant proportion of its borrowings placed with Italian retail or institutional investors who regard EIB issues as a complementary alternative to Italian government bonds. Resources were raised through fourteen public issues, concluded either individually or under a debt issuance programme worth ITL 3 000 billion successfully launched during the year.

Table 14 : Pattern of resources raised

	1991	1992	1993	1994	1995	TOTAL
	(ECU million)					
Medium and long-term operations (after swaps)	12 540	12 862	14 224	14 148	12 395	66 169
Public issues	11 615	12 103	14 080	12 728	11 251	61 778
Private borrowings	576	536	144	1 369	315	2 940
Medium-term notes	349	222	—	50	829	1 451
Short-term operations	1 133	112	—	—	—	1 245
- Commercial paper	1 133	112	—	—	—	1 245
Total	13 672	12 974	14 224	14 148	12 395	67 413

Deutsche Mark : ECU 2 397 million
DEM 4 500 million

As in the previous year, the DEM was the second currency most commonly used for loan disbursements, primarily at fixed rates. Three

benchmarks with maturities of five, seven and ten years respectively accounted for the bulk of resources. The price discovery system, used on two occasions, made it possible to obtain more advantageous conditions than other major international borrowers.

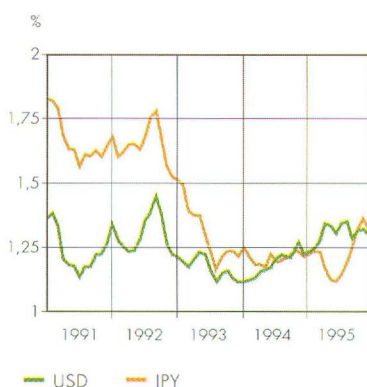
Table 15 : Resources raised in 1995

(amounts in ECU million)

	Before swaps		Swaps	After swaps	
	Amount	%	Amount	Amount	%
MEDIUM AND LONG-TERM OPERATIONS					
Fixed-rate borrowings	9 102.6	73.2	- 2 873.7	6 228.9	50.3
European Union	6 425.5	51.7	- 1 534.7	4 890.8	39.5
DEM	2 396.6	19.3	—	2 396.6	19.3
GBP	876.3	7.1	- 120.5	755.8	6.1
ESP	820.2	6.6	- 450.6	369.6	3.0
PTE	152.4	1.2	153.0	305.4	2.5
ITL	951.7	7.7	- 654.5	297.2	2.4
FRF	342.2	2.8	- 114.1	228.1	1.8
ECU	400.0	3.2	- 200.0	200.0	1.6
LUF	323.6	2.6	- 130.2	193.3	1.6
NLG	144.8	1.2	—	144.8	1.2
FIM	17.8	0.1	- 17.8	—	—
Non-European Union	2 677.1	21.5	- 1 339.0	1 338.1	10.8
JPY	1 534.0	12.3	- 763.1	770.9	6.2
CHF	598.2	4.8	- 274.8	323.3	2.6
USD	406.5	3.3	- 162.6	243.9	2.0
CAD	81.1	0.7	- 81.1	—	—
AUD	57.3	0.5	- 57.3	—	—
Floating-rate borrowings	2 497.0	20.1	2 840.5	5 337.5	43.1
European Union	2 457.6	19.8	2 596.2	5 053.8	40.8
ITL	1 697.1	13.7	654.5	2 351.7	19.0
ESP	—	—	1 204.5	1 204.5	9.7
PTE	611.0	4.9	87.9	698.9	5.6
GBP	—	—	240.4	240.4	1.9
ECU	—	—	200.0	200.0	1.6
GRD	149.4	1.2	—	149.4	1.2
FRF	—	—	114.1	114.1	0.9
SEK	—	—	77.1	77.1	0.6
FIM	—	—	17.8	17.8	0.1
Non-European Union	39.4	0.3	244.3	283.7	2.3
USD	39.4	0.3	244.3	283.7	2.3
Debt issuance programmes	829.0	6.7	—	829.0	6.7
ITL	694.4	5.6	—	694.4	5.6
IEP	134.7	1.1	—	134.7	1.1
TOTAL	12 428.6	100.0	- 33.2⁽¹⁾	12 395.4	100.0

(1) Exchange adjustments

Trends in exchange rates against the ECU for 1 dollar and 100 yen



Spanish peseta : ECU 1 574 million ESP
258 billion, of which ESP 123 billion
(ECU 754 million) obtained via swaps

Brisk demand for disbursements in ESP prompted a highly proactive borrowing policy both on the "Matador" market for non-resident issuers as well as through currency and also interest-rate swaps. In addition to its strong presence on the "Matador" market where it accounted for over half of aggregate borrowings, the EIB diversified its resources by lengthening the maturity of its issues and undertaking structured operations. Despite having to raise sizeable sums on a tight market, the EIB lowered its yield relative to Spanish government bonds.

Portuguese escudo : ECU 1 004 million
PTE 197 billion, of which PTE 47 billion
(ECU 241 million) obtained via swaps

The Bank continued to increase the volume of its PTE borrowings, which were contracted mainly at floating rates to meet demand from investors and the EIB's clients. In view of the fairly limited amount to which it was possible to subscribe under each operation, the EIB created benchmarks by adding fungible tranches to an initial borrowing : an issue worth PTE 60 billion was thus created, making it one of the biggest borrowings after government paper. The EIB also launched its largest issue to date on the "caravela" market, in the wake of a preliminary presentation to investors in Lisbon.

Pound sterling : ECU 996 million
GBP 800 million, of which GBP 100 million
(ECU 120 million) obtained via swaps

The EIB's strategy in GBP has been to offer the market a complement to gilts by issuing bonds bearing the same maturities, which enabled it to achieve spreads compared to government bonds, both on the primary and secondary markets, much more advantageous than those obtained by other borrowers with the same rating. A very long-dated issue for 22 years, which had not been considered by other issuers, was launched by the EIB and was well received by British investors.

ECU : 400 million

The amount raised in ECU rose slightly over 1994 (300 million) and was tapped via a single issue. Substantial cash flow in this currency meant that the EIB did not need to make any further calls on the market.

French franc : ECU 342 million
FRF 2 250 million

Weaker demand for disbursements than in the previous year and considerable prepayments on loans explain the reduced level of borrowings in FRF, raised through two public issues on the Eurofranc market, one of which took the form of a structured operation.

Netherlands guilder : ECU 145 million
NLG 300 million

A single issue was floated on the Dutch market.

Table 16 : Breakdown by currency of resources raised

(ECU million)

	ITL	DEM	ESP	PTE	GBP	ECU	FRF	LUF	GRD	NLG	IEP	SEK	FIM	BEF	DKK	ATS	JPY	USD	CHF	Total
1995																				
amount	3 343	2 397	1 574	1 004	996	400	342	193	149	145	135	77	18	—	—	—	771	528	323	12 395
%	27.0	19.3	12.7	8.1	8.0	3.2	2.8	1.6	1.2	1.2	1.1	0.6	0.1	—	—	—	6.2	4.3	2.6	100.0
1994																				
amount	2 560	2 051	948	584	1 518	300	1 153	201	36	661	177	—	—	752	53	59	580	1 659	856	14 148
%	18.1	14.5	6.7	4.1	10.7	2.1	8.1	1.4	0.3	4.7	1.2	—	—	5.3	0.4	0.4	4.1	11.7	6.0	100.0

Luxembourg franc : ECU 193 million
LUF 7 500 million

In addition to the LUF 7 500 million raised on the Luxembourg market to cover disbursements, LUF 5 000 million were swapped against SEK and ESP.

Greek drachma : ECU 149 million
GRD 45 billion

A first capped floating-rate issue - for GRD 20 billion - was launched on the "marathon" market in the first quarter; it was subsequently increased by a further tranche of GRD 25 billion.

Yen : ECU 771 million
JPY 93 billion

The EIB made calls on the JPY capital market whenever conditions were particularly favourable. The first issue, aimed at Japanese institutional investors, financed early redemptions. Four private placements were used for currency swaps or retained in JPY as required for asset/liability management purposes. Moreover, for the first time in nine years, the EIB reapproached the "samurai" market in October with a dual-currency issue (JPY 100 billion) in two tranches targeted at Japanese retail investors; the entire proceeds of this issue were swapped.

US dollar : ECU 528 million
USD 660 million, of which USD 108 million (ECU 82 million) obtained via swaps

Given limited demand for disbursements in USD and little scope for arbitrage, the level

Irish pound : ECU 135 million
IEP 110 million

Five operations were undertaken as part of a debt issuance programme, enabling the EIB to raise small amounts providing it with maximum flexibility in its loan disbursements.

Finnish markka : ECU 18 million
FIM 100 million

Following a presentation to the Finnish financial community at mid-year, the EIB concluded a private placement with institutional investors at the end of the year.

of issuance activity in USD was much slacker than in previous years. Resources were raised via two public offerings and through private placements. Additional funds were obtained by means of swaps.

Swiss franc : ECU 323 million
CHF 500 million, of which CHF 425 million (ECU 265 million) obtained via swaps

Four operations were launched to cater for loan disbursements, early redemptions and swap operations.

Canadian dollar, Australian dollar :

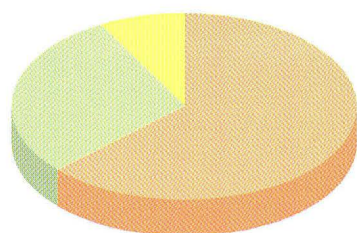
Resources raised in CAD (150 million; ECU 81 million) and AUD (100 million; ECU 57 million) were swapped.



NON-COMMUNITY CURRENCIES

LIQUIDITY MANAGEMENT

Liquid funds, at 31 December 1995, totalled some 8 292 million, held in 20 currencies, including the ECU. The breakdown was as follows :



- Operational treasury
- Investment portfolio
- Hedging portfolio

- The **operational treasury** constitutes the bulk of liquid funds (5 252 million). It largely comprises a short-term money-market treasury and an operational bond portfolio.

The short-term operational treasury consists chiefly of borrowing proceeds and surplus cash flow. Designed to cover future disbursements, this treasury's holdings corresponded to 3.7 times the average monthly amount disbursed as at end-1995.

The short-term operational treasury consists of liquid instruments with short-dated

maturities. At end-1995, most of this treasury was placed in first-class products, the rest being invested in marketable short-term instruments.

- The **investment portfolio** represents the second line of liquidity (2 374 million). It consists of bonds issued by OECD Member States and first-class public institutions.

- The **hedging portfolio** (665 million) is intended to hedge, through bond purchases, all or part of certain new EIB bond issues. This instrument enables the EIB to hold in its treasury the proceeds of issues launched with a view to taking advantage of particularly favourable developments on the market, irrespective of disbursement needs.

LIQUIDITY MANAGEMENT RESULTS

In the aftermath of extreme volatility in 1994, bond and money markets experienced a steep drop in yields in 1995.

Against this background, liquidity management generated income of 593 million, corresponding to an overall book return of 7.8%, as against 200 million and 2.8%, respectively, in 1994.

Investments in the **short-term operational treasury** yielded interest of 318 million on average holdings of 5 243 million.

The conversion, on 1 January 1995, of the bond portfolio into an **investment portfolio** was followed by restructuring which made it possible to shorten final maturities and further enhance the quality of securities held. Consequently, over 98% of the investment portfolio consists of securities guaranteed by EU Member States or issued by "AAA" institutions.

The return on the investment portfolio amounted to around 11.5% in 1995, including a gain of 90 million realised upon restructuring. The average duration of the portfolio was shortened from 5.4 years at end-1994 to 3.8 years at 31 December 1995. The market value of the portfolio as at 31 December 1995 stood at 2 495 million compared to a book value of 2 374 million.

		(ECU million)	
		1995	1994
Liquidity management	Total income	593	200
	Average holdings	7 593	7 078
	Average return	7.8%	2.8%
of which short-term operational treasury	Total income	318	259
	Average holdings	5 243	4 586
	Average return	6.1%	5.6%
	Duration	29 days	
of which investment portfolio (a)	Total income	268	- 81
	Average holdings	2 324	2 485
	Average return	11.5%	- 3.3%
	Duration	3.8 years	5.4 years

(a) 1994 figures correspond to the former bond portfolio which was converted into an investment portfolio as of 1 January 1995

DECISION-MAKING BODIES, ADMINISTRATION AND STAFF

The Board of Governors consists of Ministers designated by each of the Member States, usually Finance Ministers. They represent the Member States as shareholders in the Bank. With entry into force in January 1995 of the Treaty of Accession of the Republic of Austria, the Republic of Finland and the Kingdom of Sweden to the European Union, the Board of Governors has been increased to 15 members.

The Board of Governors lays down general directives on credit policy, approves the balance sheet, profit and loss account and annual report, decides on capital increases and appoints members of the Board of Di-

rectors, the Management Committee and the Audit Committee.

BOARD
OF GOVERNORS

Mr Gerrit ZALM held the office of Chairman of the Board of Governors until the Annual Meeting in June 1995. In accordance with the system of annual rotation, he was succeeded by Mr Andreas STARIBACHER, Governor for Austria.

Mr Viktor KLIMA has since replaced Mr Andreas STARIBACHER as Governor for Austria and consequently took over the latter's duties as Chairman of the Board of Governors as from 3 January 1996.

The Board of Directors ensures that the Bank is managed in keeping with the provisions of the Treaty and the Statute and with the general directives laid down by the Governors. It has sole power to take decisions in respect of loans, guarantees and borrowings. Its Members are appointed by the Governors for a (renewable) period of five years following nomination by the Member States and are responsible solely to the Bank. Following the accession of the Republic of Austria, the Republic of Finland and the Kingdom of Sweden to the European Union on 1 January 1995 and pursuant to amended Article 11 (2) of the Statute, the Board of Directors now consists of 25 Directors and 13 Alternates, of whom 24 and 12 respectively are nominated by the Member States; one Director and one Alternate are nominated by the Commission.

The Governors therefore supplemented the membership of the Board of Directors by appointing Messrs Veikko KANTOLA, Leif PAGROTSKY and Thomas WIESER as Directors and Mr Herbert LUST as Alternate Director.

Since publication of the Annual Report for the financial year 1994, Messrs Rainer MASERA, Gert VOGT, Vittorio GRILLI, Gerd SAUPE, Antoine POUILLIEUTE and Gaston REINESCH have taken over as Directors from Messrs Luigi ARCUTI, Richard BRANTNER, Mario DRAGHI, Winfried HECK, Philippe JURGENSEN and Yves MERSCH respectively; Mr Gerhardt RAMBOW has succeeded Mr Rudolf MORAWITZ, who died on 22 May 1995 and to whom tribute was paid in the last Annual Report. Mr Francesco GIAVAZZI was succeeded as Alternate by Mr Vittorio GRILLI who, following his appointment as Director, has been replaced by Mr Giuseppe MARESCA.

BOARD
OF DIRECTORS

Called upon to assume other responsibilities, Messrs Leif PAGROTSKY, Director, and Giancarlo DEL BUFALO, Alternate Director, tendered their resignations; as of 1 April 1996, their successors had still to be appointed.

The Board of Directors wishes to thank all outgoing members for their contributions towards its work.

BOARD OF GOVERNORS

Situation at 1 April 1996

Chairman

Viktor KLIMA (Austria)

Andreas STARIBACHER (Austria)
until January 1996

Gerrit ZALM (Netherlands)
until June 1995

BELGIUM

Philippe MAYSTADT, *Ministre des Finances*

DENMARK

Mogens LYKKETOFT, *Finansminister*

GERMANY

Theo WAIGEL, *Bundesminister der Finanzen*

GREECE

Yannos PAPANTONIOU, *Minister for National Economy*

SPAIN

Pedro SOLBES MIRA, *Ministro de Economía y Hacienda*

FRANCE

Jean ARTHUIS, *Ministre de l'Économie et des Finances*

Alain MADELIN, *Ministre de l'Économie et des Finances, until August 1995*

Edmond ALPHANDÉRY, *Ministre de l'Économie, until May 1995*

IRELAND

Ruairi QUINN, *Minister for Finance*

ITALY

Lamberto DINI, *Primo Ministro, Ministro del Tesoro*

LUXEMBOURG

Jean-Claude JUNCKER, *Premier Ministre, Ministre d'Etat, Ministre des Finances*

Jacques SANTER, *Premier Ministre, Ministre d'État, Ministre du Trésor, until January 1995*

NETHERLANDS

Gerrit ZALM, *Minister van Financiën*

AUSTRIA

Viktor KLIMA, *Bundesminister für Finanzen*

Andreas STARIBACHER, *Bundesminister für Finanzen, until January 1996*

Ferdinand LACINA, *Bundesminister für Finanzen, until March 1995*

PORTUGAL

António SOUSA FRANCO, *Ministro das Finanças*

Eduardo CATROGA, *Ministro das Finanças, until October 1995*

FINLAND

Arja ALHO, *Ministeri, Valtiovarainministeri*

Iiro VIINANEN, *Valtiovarainministeri, until May 1995*

SWEDEN

Erik ÅSBRINK, *Finansminister*

Göran PERSSON, *Finansminister, until March 1996*

UNITED KINGDOM

Kenneth CLARKE, *Chancellor of the Exchequer*

AUDIT COMMITTEE

Situation at 1 April 1996

Chairman

Juan Carlos PÉREZ LOZANO, *Interventor delegado, Agencia Española de Cooperación Internacional (AECI), Ministerio de Asuntos exteriores, Madrid*

Albert HANSEN, *Secrétaire général du Conseil du gouvernement, Luxembourg, until June 1995*

Members

Ciriaco de VICENTE MARTÍN, *Presidente de la Sección de Fiscalización del Tribunal de Cuentas, Madrid, until June 1995*

Michael J. SOMERS, *Chief Executive, National Treasury Management Agency, Dublin*

Albert HANSEN, *Secrétaire général du Conseil du gouvernement, Luxembourg*

BOARD OF DIRECTORS

Situation at 1 April 1996

Chairman :

Sir Brian UNWIN

Vice-Chairmen :

Wolfgang ROTH

Panagiotis-Loukas GENNIMATAS

Massimo PONZELLINI

Luis MARTÍ

Ariane OBOLENSKY

Rudolf de KORTE

Claes de NEERGAARD

Mr Corneille BRÜCK served as Vice-Chairman until 1 July 1995, since when he has been appointed Honorary Vice-Chairman.

Directors :

Isabel CORREIA BARATA

Sinbad COLERIDGE

Geoffrey DART

Jos DE VRIES

Federico FERRER DELSO

Vittorio GRILLI

Veikko KANTOLA

Rainer MASERA

Francis MAYER

Paul McINTYRE

Miguel MUÑIZ DE LAS CUEVAS

Noel Thomas O'GORMAN

Petros P. PAPAGEORGIOU

Vincenzo PONTOLILLO

Antoine POUILLIEUTE

Gerhardt RAMBOW

Giovanni RAVASIO

Gaston REINESCH

Emmanuel RODOCANACHI

Gerd SAUPE

Lars TYBJERG

Jan M.G. VANORMELINGEN

Gert VOGT

Thomas WIESER

Subdirectora-Geral do Tesouro, Direcção-Geral do Tesouro, Ministério das Finanças, Lisbon

Chief Executive, Structured Finance Division, Barclays de Zoete Wedd Ltd., London

Head of Regional Development Division, Department of Trade and Industry, London

Plaatsvervangend Directeur, Directie Buitenlandse Financiële Betrekkingen, Ministerie van Financiën, The Hague

Subdirector General de Financiación Exterior, Dirección General del Tesoro y Política Financiera, Ministerio de Economía y Hacienda, Madrid

Dirigente Generale, Direzione Generale del Tesoro, Ministero del Tesoro, Rome

Cabinet Counsellor, Ministry of Finance, Helsinki

Direttore generale dell'Istituto Mobiliare Italiano, Rome

Chef du Service des Affaires Internationales, Direction du Trésor, Ministère de l'Économie, Paris

Under Secretary, Head of European Union Group (Overseas Finance), HM Treasury, London

Presidente del Instituto de Crédito Oficial, Madrid

Second Secretary, Finance Division, Department of Finance, Dublin

Associate Professor, Department of Economics, University of Piraeus, Piraeus

Direttore Centrale, Banca d'Italia, Rome

Directeur Général de la Caisse Française de Développement, Paris

Ministerialdirektor, Bundesministerium für Wirtschaft, Bonn

Director-General for Economic and Financial Affairs, European Commission, Brussels

Administrateur général, Ministère des Finances, Luxembourg

Président Directeur-Général, Crédit National, Paris

Ministerialdirigent, Bundesministerium der Finanzen, Bonn

Director, The Mortgage Bank of Denmark, Copenhagen

Ere-Directeur-generaal van de Administratie der Thesaurie, Ministère des Finances, Brussels

Sprecher des Vorstands der Kreditanstalt für Wiederaufbau, Frankfurt

Gruppenleiter für Wirtschaftspolitik, EU-Angelegenheiten und Internationale Finanzinstitutionen, Bundesministerium für Finanzen, Vienna

...

Alternates :

Jean-Pierre ARNOLDI

Susan Jane CAMPER

Pierre DUQUESNE

Eberhard KURTH

Eneko LANDÁBURU ILLARRAMENDI

Herbert LUST

Giuseppe MARESCA

Pedro Antonio MERINO GARCÍA

Per Bremer RASMUSSEN

Pierre RICHARD

Konrad SOMMER

Philip WYNN OWEN

Auditeur Général, Administration de la Trésorerie, Ministère des Finances, Brussels

Chief Manager, Reserves Management, Foreign Exchange Division, Bank of England, London

Sous-Directeur des Affaires Multilatérales, Direction du Trésor, Ministère de l'Économie, Paris

Ministerialdirektor, Bundesministerium für Wirtschaftliche Zusammenarbeit und Entwicklung, Bonn

Director-General for Regional Policy and Cohesion, European Commission, Brussels

Direktor, Abteilung für Internationale Finanzinstitutionen, Bundesministerium für Finanzen, Vienna

Dirigente superiore, Direzione generale del Tesoro, Ministero del Tesoro, Rome

Subdirector General del Tesoro y Política Financiera, Ministerio de Economía y Hacienda, Madrid

Kontorchef, Ministry of Finance, Copenhagen

Président-Directeur Général du Crédit Local de France, Paris

Ministerialrat, Bundesministerium der Finanzen, Bonn

Head of the Treasury's Transport Policy Division, London

...

MANAGEMENT
COMMITTEE

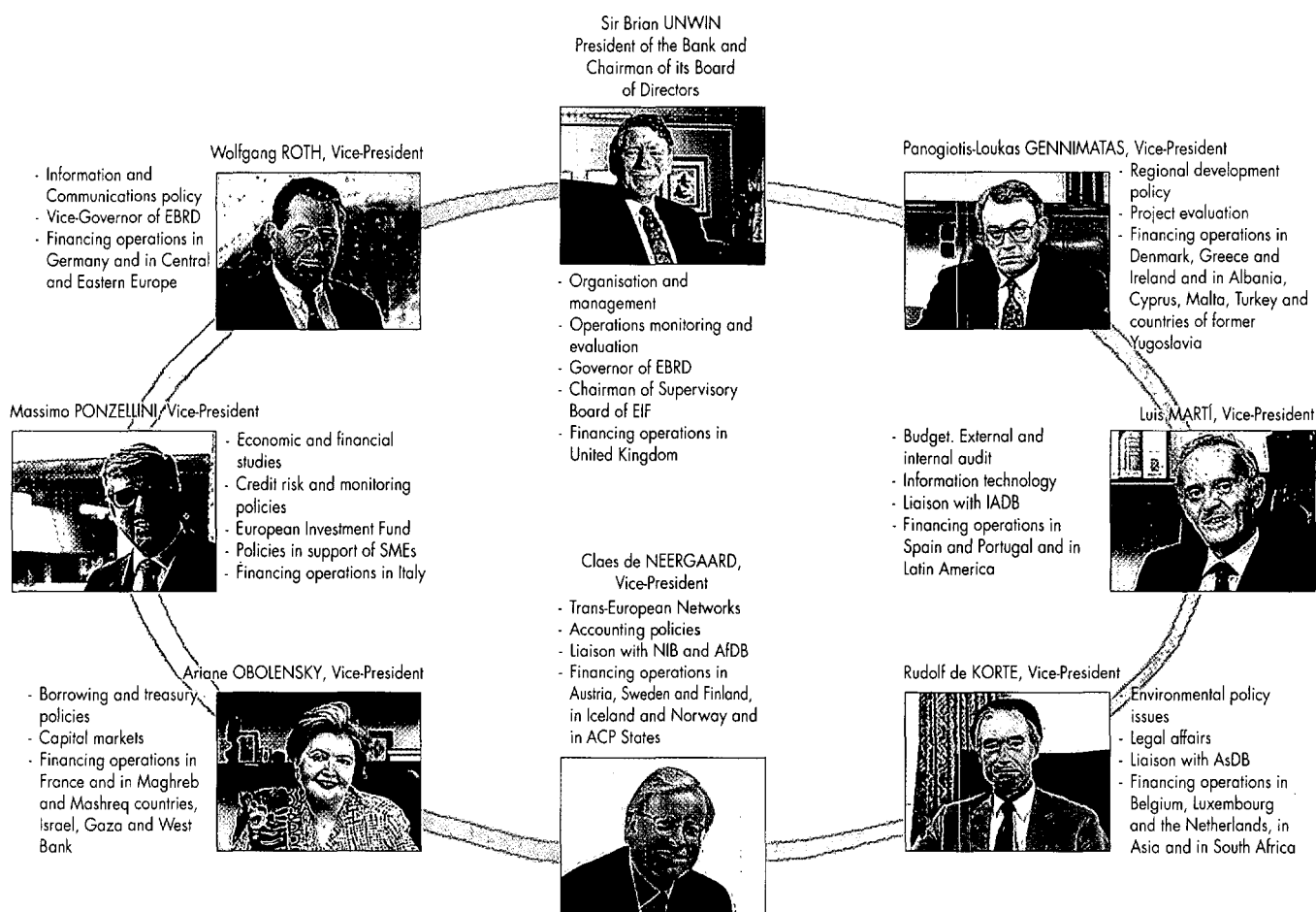
The Management Committee is the Bank's collegiate executive body; under the authority of the President and the supervision of the Board of Directors, it oversees the day-to-day business at the EIB. All major decisions are taken collectively; the lead responsibility for supervising the different activities of the Bank is currently divided amongst its members as shown below. The Management Committee recommends decisions to Directors and ensures that these are implemented. The President, or, in his absence, one of the seven Vice-Presidents, chairs the meetings of the Board of Directors. The members of the Management Committee are responsible solely to the Bank; they are appointed by the Board of Governors, on a proposal from the Board of Directors, for a period of six years. Following the accession of the new Member Countries, the Governors decided to in-

crease the membership of the Management Committee from seven to eight.

The Governors appointed as Vice-Presidents, Mr Rudolf de KORTE, previously member of the Netherlands Parliament, from 1 July 1995, and Mr Claes de NEERGAARD, former Executive Director of the European Bank for Reconstruction and Development, from 1 September 1995.

Mr Rudolf de KORTE succeeded Mr Corneille BRÜCK, Vice-President of the EIB, on whom, in recognition of his distinguished service, the Governors conferred the title of Honorary Vice-President. Mr Claes de NEERGAARD filled the new post of Vice-President created following the accession of the new Member Countries.

The College of the Management Committee Members
and their supervisory responsibilities



The three members of the Audit Committee are appointed by the Board of Governors for a renewable period of three years. An independent body answerable directly to the Board of Governors, the Audit Committee verifies that the operations of the Bank have been conducted and its books kept in a proper manner. The Governors take note of the report by the Audit Committee and its conclusions before approving the Annual Report of the Board of Directors.

On 19 June 1995, the Governors renewed the term of office of Mr Albert HANSEN for a further period of three years and appointed Mr Juan Carlos PÉREZ LOZANO, Interventor delegado, Agencia Española de Cooperación Internacional (AECI), to complete the term of office of Mr Ciriaco de VICENTE MARTÍN, who had tendered his resignation. In accordance with the system of annual rotation, Mr PÉREZ LOZANO also took over the chairmanship of the Audit Committee held by Mr HANSEN until June 1995.

At their Annual Meeting in June 1995, the Governors unanimously decided to strengthen the Committee's audit and control functions in order to tailor these to recent developments in auditing practice. The Audit Committee is now responsible, in particular, for designating, after consultation with the

Since publication of the last Annual Report, major restructuring measures, some of which were initiated in 1994, have been brought to completion, the goal being to enable the Bank efficiently to discharge the important additional remits entrusted to it and to fulfil its increasing responsibilities in an ever more complex environment. These structural changes were carried out on a flexible basis: in the case of internal redeployment of resources, account was taken of the objective of optimising individual skills and expertise. Movements affecting the senior management cadre are mentioned hereafter.

Management Committee, the Bank's external auditors who, henceforth, report directly to the Audit Committee which approves their annual work programme. The Audit Committee has also decided to invite new tenders for the Bank's external auditing contract.

In 1995, the Audit Committee continued to build on its customary duties of auditing the Bank's books and accounts, basing itself on the work which it had entrusted to the external auditors, Price Waterhouse. As part of its investigations, it examined various reports drawn up by the Bank's Internal Audit Division. In addition, it conducted a number of visits to different projects financed by the Bank, both within the European Union (Denmark, Greece, Ireland) and in non-member countries (Egypt, Hungary). As the projects visited were not all financed solely from the Bank's own resources but also involved Community budgetary funds, the visits were carried out jointly with representatives of the European Court of Auditors and the Commission, in accordance with arrangements set out in the 1992 tripartite Accord between the three institutions which was tacitly renewed in November 1995 for a further three-year period. Finally, in keeping with the strengthening of its role, the Audit Committee submitted a report to the Governors on the general content and conclusions of its work during the year.

In the "General Secretariat", Thomas OURSIN, Secretary General, who is retiring on 31 July 1996 after an eminent career, will be succeeded by Francis CARPENTER, Director of the "Credit and Monitoring" Department in the Directorates for "Lending Operations in the European Union". Joachim MÜLLER-BORLE, Director of the Representative Office in Brussels, will be retiring on 30 June 1996. The autonomous "Human Resources" Department is now headed by Gerlando GENUARDI following the retirement of Ronald STURGES.

AUDIT COMMITTEE



ADMINISTRATION AND STAFF

ORGANISATION STRUCTURE

(Situation at 1 April 1996)

Secretary General
Thomas OURSIN



Directors

Corporate Affairs
Martin CURWEN

Joachim MÜLLER-BORLE

Autonomous Departments

Human Resources
Gerlando GENUARDI

Information Technology
Rémy JACOB

Administrative Services
Alessandro MORBILLI

Coordination

Secretariat
Planning, Budget and Management Information System
Representative Office in Brussels

Personnel Administration
Personnel Policy
Recruitment

Applications Engineering
Systems and Operations

Internal Services
Translation

* * *

Internal Audit

Ferdinand SASSEN
Jenny QUILLIEN
Hugo WOESTMANN
Theoharry GRAMMATIKOS

Zacharias ZACHARIADIS
...
Jörg-Alexander UEBBING

Albert BRANDT
Ernest FOUSSE

Adriaan ZILVOLD
...

Jean-Claude CARREAU

Directorates for Lending Operations in the European Union

Coordination
André DUNAND

Directorate 1
Director General
Pitt TREUMANN



Italy, (Rome)
Caroline REID

Belgium, France, Luxembourg, the Netherlands
Alain BELLAVOINE

Germany, Austria
Emmanuel MARAVIC

Spain, Portugal
Armin ROSE

Directorate 2
Director General
Michel DELEAU



Ireland, United Kingdom, North Sea
Thomas HACKETT

Greece, Finland, Denmark, Sweden
Ernest LAMERS

Credit and Monitoring
Francis CARPENTER

Infrastructure
Energy and Environment
Industry
Credit Institutions

France - Infrastructure
France - Entreprise
Belgium, Luxembourg, the Netherlands

Germany (Northern Länder)
Germany (Southern Länder), Austria

Spain - Public Sector
Spain - Private Sector
Madrid Office
Portugal
Lisbon Office

UK, North Sea : Infrastructure, Industry, Banks
London Office
UK, North Sea : Transport, Energy
Ireland

Greece, Finland
Athens Office
Denmark, Sweden

* * *

Public Sector (DK, DE, ES, IT, AT, SE)
Public Sector (BE, GR, FR, IE, LU, NL, PT, FI, GB)
Private Sector (DK, DE, ES, IT, AT, SE)
Private Sector (BE, GR, FR, IE, LU, NL, PT, FI, GB)
Financial Institutions

Ralph BAST

Angelo MICHETTI
Michael O'HALLORAN
Laurent DE MAUTORT
Bruno LAGO

Jacques DIOT
Isabel LOPES DIAS
...

Henk DELSING
Joachim LINK

Francisco DOMINGUEZ
Jos VAN KAAM
Fernando DE LA FUENTE
Filipe CARTAXO
Ian PACE

Andreas VERYKIOS
Guy BAIRD
Thomas BARRETT
Richard POWER

Antonio PUGLIESE
Arghyra YARMENITOU
Paul DONNERUP

Agostino FONTANA
Brian FEWKES
José Manuel MORI
John Anthony HOLLOWAY
Dominique de CRAYENCOUR

Directorate for Lending Operations outside the European Union

Director General
Fridolin WEBER-KREBS



Africa, Caribbean, Pacific
Jean-Louis BIANCARELLI

Mediterranean/METAP
Rex SPELLER

Central and Eastern Europe
Terence BROWN

Coordination and Control
Manfred KNETSCH

Asia and Latin America

West Africa and Sahel
Central and East Africa
Southern Africa and Indian Ocean
Caribbean and Pacific

Maghreb, Turkey
Mashreq, Middle East, Malta, Cyprus

Poland, Hungary, Estonia, Latvia, Lithuania, Ex-Yugoslavia, Slovenia
Czech Rep., Slovakia, Bulgaria, Romania, Albania

Coordination
Control - Mediterranean, Central and Eastern Europe, Asia and Latin America
Control - ACP and Financial Institutions

Patrick THOMAS

Stephen McCARTHY
Tassilo HENDUS
Jacqueline NOEL
Justin LOASBY
Claudio CORTESE

Daniel OTTOLENGHI
Christian CAREAGA
Alain SEVE
Patrick WALSH

Walter CERNOIA
Guido BRUCH
Christopher KNOWLES

Marc BECKER
Michel HATTERER

Guy BERMAN

Directors

Finance Directorate

Director General
René KARSENTI



Capital Markets
Ulrich DAMM
Deputy Director General
Jean-Claude BRESSON,
Deputy Director

Treasury
Luc WINAND

Planning and Operational Support
Eberhard UHLMANN

Financial Control/Accountancy
François ROUSSEL

Coordination
Risk Control

Greece, France, Italy, Portugal
ECU, Spain, Ireland, United Kingdom, United States,
Canada, South-East Asia
Germany, Austria, Switzerland, Central and Eastern Europe
Belgium, Luxembourg, Netherlands, Japan, Nordic
Countries

Portfolio Management
Liquidity Management
Operational Asset/Liability Management

Planning/Loan Cashflows
Administration of Accounts, Transfers, and Teletransmissions

General Accounting
Financial and Accounting Control
of Operations

Henri-Pierre SAUNIER
Georg HUBER

Carlo SARTORELLI
Jean-Claude BRESSON
Carlos GUILLE
Barbara STEUER
Joseph VOGTEN

Luc WINAND
Francis ZEGHERS

Erling CRONQVIST

Luis BOTELLA MORALES
Charles ANIZET

Projects Directorate

Director General
Herbert CHRISTIE



Infrastructure I
Peter BOND

Infrastructure II
Luigi GENAZZINI

Energy / Mining
Günter WESTERMANN

Industry I
Hemming JØRGENSEN

Industry II
Hörsi FEUERSTEIN

Coordination

Transport (except Air Transport) and Sundry Infrastructure

Water Supply, Sewerage and Wastewater Treatment,
Solid Waste, Agriculture, Forestry and Fisheries

Electricity, Mining, Metallurgy

Oil and Gas, Chemicals, Heavy Industry

Air Transport, Telecommunications, Light Industry
and Food Processing

Patrice GERAUD

Andrew ALLEN
Jean-Pierre DAUBET
Luis LÓPEZ RODRÍGUEZ
Philippe OSTENC
Mateu TURRO

Henri BETTELHEIM
José FRADE
Peder PEDERSEN
Barend STOFKOPER

Juan ALARIO GASULLA
Angelo BOIOLI
Heiko GEBHARDT
Jean-Jacques MERTENS
René VAN ZONNEVELD

Constantin CHRISTOFIDIS
Carillo ROVERE
Stephen WRIGHT

Richard DEELEY
Jacques GIRARD
Patrick MULHERN
Pedro OCHOA

Directorate for Economics and Information

Chief Economist
Alfred STEINHERR



Information and Communications
Henry MARTY-GAUQUIE

Coordination

Economic and Financial Studies

Documentation and Library

Media Relations
Communications Policy

Pier Luigi GILBERT

Daphne VENTURAS

Marie-Odile KLEIBER

Adam McDONAUGH

Legal Affairs Directorate

Director General
Bruno EYNARD



Operations
Konstantin ANDREOPOULOS

Policy
Giannangelo MARCHEGIANI

Italy
Ireland, United Kingdom
France
Belgium, Denmark, Greece, Finland, Luxembourg,
the Netherlands, Sweden
Germany, Austria
Spain, Portugal

Banking, Financial and Internal Questions
Community Law and Institutional Questions

Marco PADOVAN
Patrick Hugh CHAMBERLAIN (act.)
Marc DUFRESNE
Robert WAGENER

Hans-Jürgen SEELIGER
Alfonso QUEREJETA

Roderick DUNNETT
Pauline KOSKELO

Operations Evaluation Unit

Jean-Jacques SCHUL, Special Adviser to the President



Bernard BELIER
Peter HELGER



In the Directorates for "Lending Operations in the European Union", geographical responsibilities have been redistributed to accommodate operational requirements stemming mainly from accession of the new Member Countries. Pitt TREUMANN, Director General, has taken charge of "Directorate 1", while Michel DELEAU, formerly Director General of the Directorate for "Lending Operations outside the European Union", has become Director General of "Directorate 2". Emmanuel MARAVIC has been appointed Director of the "Germany, Austria" Department.

In the Directorate for "Lending Operations outside the European Union", Fridolin WEBER-KREBS, previously Director of the "Denmark, Germany, Austria, Sweden" Department in the Directorates for "Lending Operations in the European Union", has been appointed Director General.

The "Finance" Directorate has been extensively restructured with a view to achieving a new balance of responsibilities, strengthening risk control and management and ensuring greater interaction with the other Directorates. The Directorate now consists of the following four Departments: "Capital Markets", headed by Ulrich DAMM, who has been appointed Deputy Director General, "Planning and Operational Support", with Eberhard UHLMANN as its Director, "Treasury", headed by Luc WINAND, and "Financial Control/Accountancy", headed by François ROUSSEL, a department which has been restructured as part of the strengthening of control functions within the Finance Directorate.

A further major change has been introduced with the merger into a new "Projects" Directorate of the economic and technical services of the former Directorate for "Economic and Financial Studies" and "Technical Advisory"

Directorate which now work closely together in their respective fields so as to maximise multidisciplinary skills. The new Directorate contributes towards the analysis of projects and their technical, environmental and economic monitoring. Herbert CHRISTIE, previously Director General of the Directorate for "Economic and Financial Studies", has become Director General of this Directorate. Its five sectoral Departments are headed by Peter BOND, Luigi GENAZZINI, Günter WESTERMANN, Hemming JØRGENSEN and Horst FEUERSTEIN. J. Garry HAYTER, Director of the "Manufacturing Industry, Electronics and Telecommunications" Department in the "Technical Advisory" Directorate, has taken his retirement.

A Directorate for "Economics and Information" has been set up with a view to bringing together strategic methodology and communications. The Directorate is headed by Alfred STEINHERR, Chief Economist and formerly a Departmental Director in the Directorate for Economic and Financial Studies. Henry MARTY-GAUQUIE has been appointed Director of the "Information and Communications" Department, succeeding Karl Georg SCHMIDT who has retired.

An "Operations Evaluation" Unit, reporting directly to the President, has also been established in order to analyse, for operational purposes, the impact of projects financed and to evaluate, as part of its duties, the Bank's contribution towards the attainment of European Union policies. The Unit conducts its activities under the responsibility of Jean-Jacques SCHUL, Special Adviser to the President and previously Director General of the "Technical Advisory" Directorate.



The Bank was deeply saddened by the untimely death, in early 1996, of Roger ADAMS, Director of this Unit.



Workforce

At end-1995, the EIB's staff numbered 897. Recruitments during the year centred primarily on nationals of the three new Member Countries and, as in 1994, allowed the Bank to continue adapting resources to the needs arising from the increase in its activities and responsibilities. One third of new executive staff recruited was female.

Management

In 1995, the Bank launched a job evaluation exercise following on from the evaluation of the duties of its managerial staff conducted during the previous year. The purpose of the exercise was to examine the level of posts by gauging their individual degree of autonomy and responsibilities in a rapidly changing environment marked by broader and more complex tasks. The evaluation was carried out with the assistance of an external consultant and in association, from the outset, with the Staff Representatives.

The Bank also introduced the amendments to the staff appraisal and merit-based remuneration system which had been examined in 1994 with the Staff Representatives. At the same time, as part of the action programme for promoting equal opportunities (see below), it adapted certain internal provisions in order to permit more flexible working hours and, in particular, widened the scope for parental leave.

Staff Representatives

A new Convention was signed in 1995 between the Staff Representatives and the Bank. By virtue of this Convention, which constitutes the overall framework for relations between the administration and employees, the Bank's staff representation arrangements are on a par with the most advanced systems in the Member States.

Negotiations took place in a spirit of open-mindedness, with a genuine desire for mutual cooperation. They culminated in the introduction of greater flexibility and transparency in terms of information flows, notably through the systematic creation of joint committees for activities financed by both the Bank and its staff and the establishment of working parties to examine other matters.

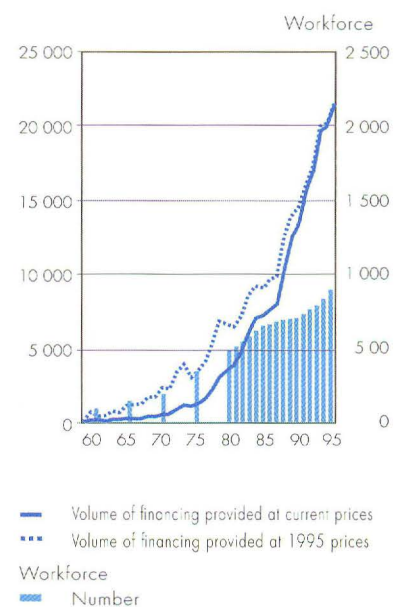
Equal opportunities

The purpose of the Joint Committee on Equal Opportunities (COPEC), comprising representatives of the administration and the staff, is to ensure application of the policy of equal opportunities in terms of careers, training and social amenities. It has published its first annual report this year, detailing mainly results achieved and providing statistics on areas covered by its activities.

The COPEC works on the basis of a multi-annual action programme drawn up in 1994. Its first activity report reveals that its recommendations have been followed on a variety of topics, leading to the adoption of a series of measures designed to develop the working environment and to adapt working conditions in keeping with current social trends in the Member States. The COPEC has helped to heighten management's awareness of the problems of equal opportunities, while the Management Committee has underscored the valuable contribution made by the COPEC towards decision-making processes in areas within its province. However, the number of female staff occupying managerial posts remains low and efforts to ensure a more even balance will continue.

In January 1995, with a view to making a tangible contribution towards fostering equal opportunities for its staff in the course of their work, the Bank opened its own crèche, where children whose parents are

Staff complement related to Bank activity (1960 - 1995)



	Staff complement	Executive staff	Administrative and support staff
1992	785	424	361
1993	810	445	365
1994	859	473	386
1995	897	498	399

employed in the other Community institutions may also be enrolled. This new stage in the Bank's social policy has responded to a real need and, as at 1 January 1996, 50 children were already attending the crèche.

Training

The Bank continued its training policy designed to enhance individual skills. Particular emphasis was placed on in-service vocational training connected with new financial analysis techniques, new technology etc. in order to maintain expertise at a high level, while language, computer and professional training programmes were consolidated. On average, each staff member devoted some 6.5 days to training.

The Bank also introduced greater scope for full-time post-graduate training by offering staff already with degrees the opportunity of broadening their knowledge base.

Information and transparency

In line with the objectives of transparency of EU institutions' activities, as mapped out by the Maastricht Treaty, the EIB expanded its range of communications policy instruments, mainly by developing electronic media, and stepped up cooperation with the other institutions, especially the Commission, in preparing brochures for as wide an audience as possible.

The Bank also contributed towards debates on European issues by organising its first "EIB Forum" (see page 14) and helped to shape public opinion by attending several international fairs and exhibitions.

In 1995, the Bank presented its "EIB Prize" to Messrs Andreas LÖFFLER and Peter NIPPEL

for doctoral theses on "The Capital Asset Pricing Model as an Equilibrium Model" and "Die Struktur von Kreditverträgen aus theoretischer Sicht". In keeping with annual practice, the Bank awarded scholarships to students preparing doctorates at the European Institute in Florence and the Institutes of Economics and Statistics at the University of Copenhagen.

Finally, the Bank made an active contribution towards events marking the "European Year of Culture" hosted in 1995 by Luxembourg, the country in which it is based. The EIB organised inter alia an exhibition of the work of the British architect, Sir Denys Lasdun, who designed its headquarters and the extension inaugurated on 10 May 1995, and provided support for the orchestra "Les Solistes européens". In addition, the Bank made its premises available for an exhibition of works by several internationally renowned Luxembourg artists and loaned its collection of 16th and 17th century Flemish tapestries, on a long-term basis, to the Château de Vianden, a centrepiece of Luxembourg history.

The Board of Directors wishes to thank the staff of the Bank for their productivity and the quality of their work, performed with commitment and professionalism. It would like to encourage continuance of such achievements.

Luxembourg, 26 March 1996

*The Chairman
of the Board of Directors*

Sir Brian Unwin



RESULTS FOR THE YEAR

Profit for the financial year 1995 came to 1 216.5 million compared with 969.7 million in 1994, representing an increase of 25 %. This figure takes account of a transfer of 125 million for the creation of specific provisions and a transfer of 50 million to the Fund for general banking risks. These provisions reflect the prudent approach adopted by the Bank with regard to its financial policy.

Receipts of interest and commission on loans in 1995 ran to 7 795 million as against 7 334 million in 1994, while interest and charges on borrowings totalled 6 715 million (6 293 million in 1994).

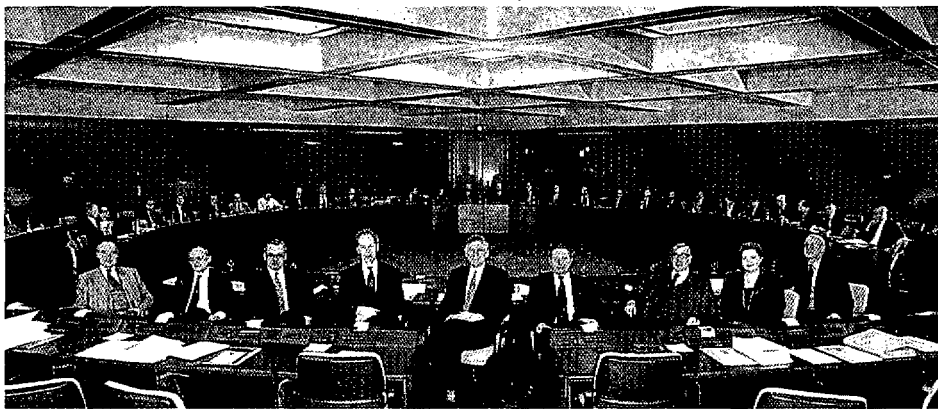
Investment income (interest and commission) climbed from 421 million in 1994 to 480 million in 1995, a rise of 14 %.

During the year, restructuring of the investment portfolio, which amounted to 2.4 billion at 31 December 1995, yielded an immediate gain of over 90 million. The 240

million unrealised depreciation as at 31 December 1994 on the investment portfolio largely reflected the negative result appearing in the profit and loss account under "Result on financial operations". As mentioned last year, this sum was expected gradually to be recovered; the amount recovered hitherto runs to some 17 million, in addition to the 90 million already mentioned, and corresponds to amortisation, in 1995, of the difference between the entry price and the redemption value of each of the securities in the new investment portfolio.

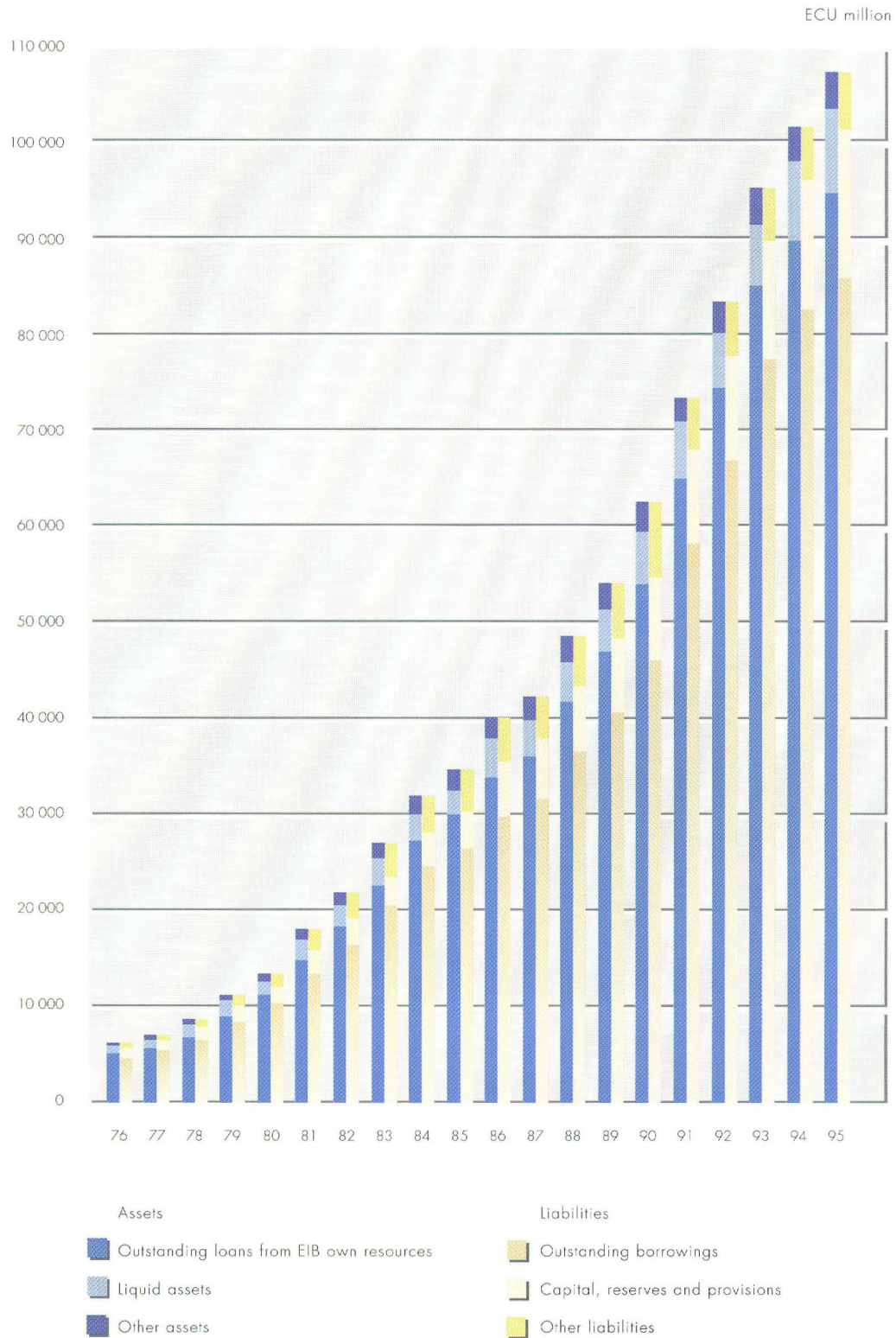
Exchange differences, amortisation of issuing charges and redemption premiums, administrative expenses and charges plus depreciation of buildings, furniture and equipment represented a total of 248 million in 1995.

The Board of Directors has recommended that the Governors appropriate the profit for the year (1 216.5 million) to the Additional Reserves.



The EIB's Board of Directors (for composition, see page 65) whose meetings are chaired by the President (centre) or, in his absence, by one of the Vice-Presidents of the Management Committee. To the President's left, Thomas Oursin, Secretary General.

GROWTH IN THE BALANCE SHEET OF THE BANK



	Page
- Annual accounts	
- Balance sheet as at 31 December 1995	76
- Statement of Special Section	78
- Profit and loss account	80
- Cash flow statement	81
- Summary statement of loans and guarantees	82
- Summary statement of debts evidenced by certificates	86
- Statement of subscriptions to the capital of the Bank	86
- Notes to the financial statements	87
- Report by the external auditors	91
- Statement by the Audit Committee	92
- Economic background	93
- List of financing provided within the European Union in 1995	95
- List of financing provided outside the European Union in 1995	102
- Statistical tables	
- General activity	106
- Activity within the European Union	107
- Activity outside the European Union	117
- Borrowing activity	119
- Guide to readers	121

BALANCE SHEET AS AT 31 DECEMBER 1995

In ECUs — see notes to the financial statements

ASSETS	31.12.1995	31.12.1994
1. Cash in hand, balances with central banks and post office banks	26 807 130	37 497 709
2. Treasury bills eligible for refinancing with central banks (Note B)	2 257 430 092	1 038 722 088
3. Loans and advances to credit institutions		
a) repayable on demand	218 145 514	72 846 206
b) other loans and advances (Note C)	3 792 859 024	4 668 108 879
c) loans : aggregate outstanding	42 190 441 135	38 491 533 270
less undisbursed portion	<u>6 112 849 242</u>	<u>5 433 688 101</u>
	36 077 591 893	33 057 845 169
	40 088 596 431	37 798 800 254
4. Loans and advances to customers		
loans : aggregate outstanding	72 446 367 515	67 523 772 600
less undisbursed portion	<u>12 432 195 744</u>	<u>9 577 948 246</u>
	60 014 171 771	57 945 824 354
Specific provisions (Note A.3)	<u>- 125 000 000</u>	
	59 889 171 771	
5. Debt securities including fixed-income securities (Note B)		
a) issued by public bodies	1 587 923 120	1 577 826 247
b) issued by other borrowers	<u>409 072 971</u>	<u>429 564 006</u>
	1 996 996 091	2 007 390 253
6. Shares and other variable-yield securities (Note D)	90 000 000	72 000 000
7. Participating interests (Note D)	80 000 000	40 000 000
8. Intangible assets		
amortised issuing charges and redemption premiums	353 697 601	392 966 694
9. Tangible assets (Note E)	87 127 162	87 297 087
10. Other assets		
a) receivable from Member States for adjustment of capital contributions (Note F)	2 888 806	0
b) receivable on account of reserves and provisions (Note L)	465 889 494	0
c) receivable in respect of EMS interest subsidies paid in advance (Note G)	49 721 890	66 669 022
d) sundry debtors (Note H)	<u>120 441 626</u>	<u>322 353 544</u>
	638 941 816	389 022 566
11. Subscribed capital, called but not paid	503 225 006	400 000 000
12. Prepayments and accrued income	<u>2 687 596 164</u>	<u>2 543 662 198</u>
	108 699 589 264	102 753 183 203

LIABILITIES

	31.12.1995	31.12.1994
1. Amounts owed to credit institutions		
a) repayable on demand	0	44 056 561
b) with agreed maturity dates or periods of notice (Note I)	<u>36 609 404</u>	<u>23 639 951</u>
	36 609 404	67 696 512
2. Debts evidenced by certificates		
a) debt securities in issue	83 626 500 656	79 770 795 645
b) others	<u>3 452 264 448</u>	<u>3 902 329 561</u>
	87 078 765 104	83 673 125 206
3. Other liabilities		
a) payable to Member States for adjustment of capital contributions (Note F)	0	1 777 408
b) interest subsidies received in advance (Note G)	261 558 884	292 088 377
c) sundry creditors (Note H)	638 697 558	581 191 614
d) sundry liabilities (Note H)	<u>106 429 092</u>	<u>28 884 555</u>
	1 006 685 534	903 941 954
4. Accruals and deferred income	3 478 198 527	3 414 234 869
5. Provisions for liabilities and charges		
staff pension fund (Note J)	269 405 172	238 328 790
6. Fund for general banking risks (Note K)	450 000 000	350 000 000
7. Capital		
subscribed	62 013 000 000	57 600 000 000
uncalled	<u>- 57 361 014 839</u>	<u>- 53 279 061 724</u>
	4 651 985 161	4 320 938 276
8. Reserves (Note L)		
a) reserve fund	6 201 300 000	5 760 000 000
b) additional reserves	<u>4 310 100 085</u>	<u>3 055 226 679</u>
	10 511 400 085	8 815 226 679
9. Profit for the financial year	<u>1 216 540 277</u>	<u>969 690 917</u>
	108 699 589 264	102 753 183 203

OFF-BALANCE-SHEET ITEMS

	31.12.1995	31.12.1994
Guarantees		
- in respect of loans granted by third parties	331 144 074	360 738 017
- in respect of participations by third parties in Bank loans	<u>59 295 788</u>	<u>71 386 579</u>
	390 439 862	432 124 596
Special deposits for service of borrowings (Note R)	5 131 929 918	5 605 496 680
Swap contracts (Note S)		
- currency	573 781 000	400 300 000
- interest	<u>119 999 000</u>	<u>102 500 000</u>
	693 780 000	502 800 000
Portfolio securities		
- commitments to sell (Note T)	0	370 835 341

STATEMENT OF SPECIAL SECTION ⁽¹⁾ AS AT 31 DECEMBER 1995

In ECUs — see notes to the financial statements

ASSETS	31.12.1995	31.12.1994
Member States		
<i>From resources of the European Atomic Energy Community</i>		
Loans outstanding		
- disbursed ⁽²⁾	729 480 896	785 767 732
<i>From resources of the European Community (New Community Instrument for borrowing and lending)</i>		
Loans outstanding		
- disbursed ⁽³⁾	846 099 719	1 213 651 936
Turkey		
<i>From resources of Member States</i>		
Loans outstanding		
- undisbursed	1 804 484	15 366 790
- disbursed	148 865 138	157 557 566
Total ⁽⁴⁾	150 669 622	172 924 356
Mediterranean Countries		
<i>From resources of the European Community</i>		
Loans outstanding		
- undisbursed	159 286	1 292 489
- disbursed	263 512 810	269 998 689
	263 672 096	271 291 178
Risk capital operations		
- amounts to be disbursed	54 946 917	35 918 034
- amounts disbursed	48 007 159	45 287 350
	102 954 076	81 205 384
Total ⁽⁵⁾	366 626 172	352 496 562
African, Caribbean and Pacific States and Overseas Countries and Territories		
<i>From resources of the European Community</i>		
Yaoundé Conventions		
Loans disbursed	61 962 093	66 810 937
Contributions to the formation of risk capital		
Amounts disbursed	659 959	646 310
Total ⁽⁶⁾	62 622 052	67 457 247
Lomé Conventions		
Risk capital operations		
- amounts to be disbursed	531 984 626	435 953 804
- amounts disbursed	804 606 812	754 327 041
Total ⁽⁷⁾	1 336 591 438	1 190 280 845
Grand Total	3 492 089 899	3 782 578 678

For information :

Total amounts disbursed and not yet repaid on loans on special conditions made available by the Commission in respect of which the Bank has accepted an EC mandate for recovering principal and interest :

- a) Under the First, Second and Third Lomé Conventions : at 31 December 1995 : 1 492 793 886; at 31.12.1994 : 1 447 891 167
 b) Under Financial Protocols signed with the Mediterranean Countries : at 31 December 1995 : 172 394 118; at 31.12.1994 : 160 182 792

(1) The Special Section was set up by the Board of Governors on 27 May 1963 : under a Decision taken on 4 August 1977 its purpose was redefined as being that of recording operations carried out by the European Investment Bank for the account of and under mandate from third parties.

(2) Initial amount of contracts signed under Council Decisions 77/271/Euratom of 29 March 1977, 82/170/Euratom of 15 March 1982 and 85/537/Euratom of 5 December 1985 providing

for an amount of three billion as a contribution towards financing commercially-rated nuclear power stations within the Community under mandate, for the account and at the risk of the European Atomic Energy Community :
 2 773 167 139
 add : exchange adjustments + 179 657 351
 less : repayments - 2 223 343 594
 729 480 896

LIABILITIES

31.12.1995

31.12.1994

Funds under trust management

Under mandate from the European Communities

European Atomic Energy Community	729 480 896	785 767 732
European Community :		
- New Community Instrument	846 099 719	1 213 651 936
- Financial Protocols with the Mediterranean Countries	311 519 969	315 286 039
- Yaoundé Conventions	62 622 052	67 457 247
- Lomé Conventions	804 606 812	754 327 041

	2 754 329 448	3 136 489 995
	148 865 138	157 557 566

Under mandate from Member States

Total	2 903 194 586	3 294 047 561
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Funds to be disbursed

On loans to Turkey under the Supplementary Protocol	1 804 484	15 366 790
On loans and risk capital operations in the Mediterranean Countries	55 106 203	37 210 523
On risk capital operations under the Lomé Conventions	531 984 626	435 953 804

Total	588 895 313	488 531 117
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Grand Total	3 492 089 899	3 782 578 678
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(3) Initial amount of contracts signed under Council Decisions 78/870/EEC of 16 October 1978 (New Community Instrument), 82/169/EEC of 15 March 1982, 83/200/EEC of 19 April 1983 and 87/182/EEC of 9 March 1987 for promoting investment within the Community, as well as 81/19/EEC of 20 January 1981 for reconstructing areas of Campania and Basilicata (Italy) stricken by an earthquake on 23 November 1980 and 81/1013/EEC of 14 December 1981 for reconstructing areas stricken by earthquakes in Greece in February and March 1981, under mandate, for the account and at the risk of the European Community : 6 399 144 856

Add : exchange adjustments		+ 97 442 200
Less : cancellations	201 990 536	
repayments	<u>5 448 496 801</u>	- 5 650 487 337
		<u>846 099 719</u>

(4) Initial amount of contracts signed for financing projects in Turkey under mandate, for the account and at the risk of Member States : 417 215 000

Add : exchange adjustments		+ 8 383 251
Less : cancellations	215 000	
repayments	<u>274 713 629</u>	- 274 928 629
		<u>150 669 622</u>

(5) Initial amount of contracts signed for financing projects in the Maghreb and Mashreq countries, Malta, Cyprus, Turkey and Greece (10 million lent prior to accession to EC on 1 January 1981) under mandate, for the account and at the risk of the European Community : 416 689 000

Less : cancellations	7 739 147	
repayments	41 684 879	
exchange adjustments	<u>638 802</u>	- 50 062 828
		<u>366 626 172</u>

(6) Initial amount of contracts signed for financing projects in the Associated African States, Madagascar and Mauritius and the Overseas Countries, Territories and Departments (AASMM-OCTD) under mandate, for the account and at the risk of the European Community :

- loans on special conditions	139 483 056	
- contributions to the formation of risk capital	<u>2 502 615</u>	141 985 671
Add :		
- capitalised interest	1 178 272	
- exchange adjustments	<u>10 741 881</u>	+ 11 920 153
Less :		
- cancellations	1 573 610	
- repayments	<u>89 710 162</u>	- 91 283 772
		<u>62 622 052</u>

(7) Initial amount of contracts signed for financing projects in the African, Caribbean and Pacific States and the Overseas Countries and Territories (ACP-OCT) under mandate, for the account and at the risk of the European Community :

- conditional and subordinated loans	1 706 037 641	
- equity participations	<u>34 215 720</u>	1 740 253 361
Add :		
- capitalised interest		+ 1 655 147
Less :		
- cancellations	202 689 613	
- repayments	191 620 990	
- exchange adjustments	<u>11 006 467</u>	- 405 317 070
		<u>1 336 591 438</u>

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 1995

IN ECUs — see notes to the financial statements

	31.12.1995	31.12.1994
1. Interest receivable and similar income (Note N)	8 316 827 738	7 766 558 981
2. Interest payable and similar charges	- 6 754 202 799	- 6 321 762 996
3. Commission receivable (Note O)	18 048 975	18 364 756
4. Commission payable	- 1 501 412	- 11 936 227
5. Result on financial operations	9 010 507	- 207 754 949
6. Other operating income	672 003	2 766 068
7. General administrative expenses (Note P) :	- 142 229 173	- 131 907 923
a) staff costs	113 983 316	108 154 206
b) other administrative expenses	<u>28 245 857</u>	<u>23 753 717</u>
8. Value adjustments in respect of :	- 105 200 120	- 128 336 166
a) issuing charges and redemption premiums	96 551 267	119 020 349
b) buildings and net purchases of furniture and equip- ment (Note E)	<u>8 648 853</u>	<u>9 315 817</u>
9. Value adjustments in respect of loans and advances (Note A.3)	- 125 000 000	—
10. Value adjustments in respect of transferable securities held as financial fixed assets, participating interests and shares in affiliated undertakings (Note Q)	90 399 744	—
11. Transfers to Fund for general banking risks	- 50 000 000	—
12. Profit on ordinary activities	1 256 825 463	985 991 544
13. Net loss arising from re-evaluation of net Bank assets not subject to adjustment under Article 7 of the Statute (Note A § 1)	<u>- 40 285 186</u>	<u>- 16 300 627</u>
14. Profit for the financial year (Note L)	1 216 540 277	969 690 917

CASH FLOW STATEMENT AS AT 31 DECEMBER 1995

In ECU's — see notes to the financial statements

	31.12.1995	31.12.1994
A. Cash flows from operating activities :		
Profit for the financial year	1 216 540 277	969 690 917
Adjustments :		
Transfer to Fund for general banking risks	50 000 000	—
Value adjustments	230 200 120	128 336 166
Unrealised gains/(losses) on securities	—	239 658 629 *
Exchange adjustment not subject to Article 7	40 285 186	16 300 627
Increase/(decrease) in accrued interest and commissions payable and interest received in advance	63 963 658	- 1 652 663
Increase in accrued interest and commissions receivable	- 143 933 966	- 32 591 512
Proceeds from investment portfolio sales	- 90 399 744	— *
Profit from operating activities :	1 366 655 531	1 319 742 164
Net loan disbursements	- 16 909 887 002	- 15 600 486 687 *
Loan repayments	10 505 127 397	9 453 949 749 *
Operational portfolio sales	567 174 314	—
Operational portfolio purchases	- 567 174 314	—
Hedging portfolio sales	851 288 767	—
Hedging portfolio purchases	- 1 447 573 111	—
Net cash from operating activities	- 5 634 388 418	- 4 826 794 774
B. Cash flows from investing activities :		
Sales of securities	1 844 204 413	9 346 676 430
Purchases of securities	- 2 022 377 630	- 10 188 534 949
Proceeds from investment portfolio sales	90 399 744	— *
Increases in land, buildings and furniture	- 8 478 928	- 46 840 339
Other increases/(decreases) in assets	- 37 741 270	29 036 388
Net cash from investing activities	- 133 993 671	- 859 662 470
C. Cash flows from financing activities :		
Issue of borrowings	12 717 129 211	14 018 786 784
Redemption of borrowings	- 6 186 060 817	- 7 379 884 841
Net increase in issuing charges and redemption premiums	- 57 282 174	- 111 714 044
Increase in currency swaps receivable	- 2 953 390 042	- 386 217 070 *
Increase in currency swaps payable	3 243 600 958	698 049 811 *
Net decrease in short-term borrowings	- 1 348 607 739	- 259 271 396
Capital, reserves and provisions paid in by Member States	538 414 874	100 000 000
Net decrease in amounts owed to credit institutions	- 31 087 108	- 2 668 414
Other increases in liabilities	57 320 560	238 726 723
Net cash from financing activities	5 980 037 723	6 915 807 553
Summary statement of cash flows		
Cash and cash equivalents at beginning of financial year	5 247 784 128	4 146 922 313
Net cash from :		
(1) operating activities	- 5 634 388 418	- 4 826 794 774
(2) investing activities	- 133 993 671	- 859 662 470
(3) financing activities	5 980 037 723	6 915 807 553
Effects of exchange rate changes on cash and cash equivalents	- 206 917 390	- 128 488 494 *
Cash and cash equivalents at end of financial year	5 252 522 372	5 247 784 128
Cash analysis		
Cash in hand, balances with central banks and post office banks	26 807 130	37 497 709
Bills maturing within three months of issue	1 214 710 704	757 847 183
Loans and advances to credit institutions :		
- accounts repayable on demand	218 145 514	72 846 206
- term deposit accounts	3 792 859 024	4 379 593 030
Cash analysis	5 252 522 372	5 247 784 128

* Certain data have been restated to align with the presentation adopted in 1995.

SUMMARY STATEMENT OF LOANS AND GUARANTEES AS AT 31 DECEMBER 1995

In ECUs — see notes to the financial statements

1. Aggregate loans outstanding (*)

Aggregate historical amount of loans calculated on the basis of the parities applied on the date of signature 180 309 581 951
Less :
exchange adjustments 93 346 166

terminations and cancellations	2 826 681 051
principal repayments	62 693 450 296
third party participations	59 295 788
	<u>- 65 672 773 301</u>
Aggregate loans outstanding	114 636 808 650

Loans granted

Analysis of aggregate loans outstanding :

	to intermediary credit institutions	directly to final beneficiaries	Total
- Loans disbursed	36 077 591 893	60 014 171 771	96 091 763 664
- Undisbursed portion	6 112 849 242	12 432 195 744	18 545 044 986
Aggregate loans outstanding	42 190 441 135	72 446 367 515	114 636 808 650

(*) Loans outstanding comprise both the disbursed portion of loans and the portion still to be disbursed.

2. Statutory ceiling on lending and guarantee operations

Under the terms of Article 18 (5) of the Statute, the aggregate amount outstanding at any time of loans and guarantees granted by the Bank must not exceed 250% of its subscribed capital.

The present level of capital implies a ceiling of 155.0325 billion in relation to aggregate loans and guarantees outstanding currently totalling 115 027 248 512 and broken down as follows :

aggregate loans outstanding	114 636 808 650
aggregate guarantees outstanding (off-balance-sheet items) :	
- in respect of loans granted by third parties	331 144 074
- in respect of third party participations in Bank loans	59 295 788
	<u>390 439 862</u>
Aggregate loans and guarantees outstanding	115 027 248 512

3. Breakdown of undisbursed portion by type of interest rate

Fixed rate of interest and standard currency mix, as specified in the finance contract 224 660 090
Fixed rate of interest, as specified in the finance contract, with the Bank selecting the currency mix 680 558 142
Open rate, with the Bank selecting the rate of interest and currency mix 5 123 409 868
Variable rate 15 217 921
Revisable rate 69 003 221
Undisbursed portion : **6 112 849 242**

Loans granted

	to intermediary credit institutions	directly to final beneficiaries	Total
	224 660 090	345 780 519	570 440 609
	680 558 142	1 239 690 495	1 920 248 637
	5 123 409 868	9 852 017 163	14 975 427 031
	15 217 921	603 519 454	618 737 375
	69 003 221	391 188 113	460 191 334
Undisbursed portion :	6 112 849 242	12 432 195 744	18 545 044 986

4. Scheduled repayments on loans disbursed

Period remaining until final maturity :

Not more than three months	914 552 395	700 303 374	1 614 855 769
More than three months but not more than one year	3 104 160 368	4 240 953 387	7 345 113 755
More than one year but not more than five years	19 046 499 180	29 319 030 711	48 365 529 891
More than five years	13 012 379 950	25 753 884 299	38 766 264 249
Loans disbursed :	36 077 591 893	60 014 171 771	96 091 763 664

5. Breakdown of loans disbursed by currency of repayment

Member States' currencies and the ECU	31 014 011 220	45 740 967 395	76 754 978 615
Other currencies	5 063 580 673	14 273 204 376	19 336 785 049
Loans disbursed :	36 077 591 893	60 014 171 771	96 091 763 664

6. Geographical breakdown of lending by country in which projects are located

Countries and territories in which projects are located	No. of loans	Aggregate loans outstanding	Undisbursed portion	Disbursed portion	% of total
6.1. Loans for projects within the Union and related loans (a)					
Germany	402	11 216 326 499	438 966 650	10 777 359 849	9.78
France	436	13 726 803 943	1 855 595 589	11 871 208 354	11.97
Italy	2 186	25 382 584 570	2 220 482 928	23 162 101 642	22.14
United Kingdom	372	12 645 429 494	2 319 410 824	10 326 018 670	11.03
Spain	336	17 899 661 684	1 788 012 097	16 111 649 587	15.61
Belgium	72	2 224 926 073	356 956 173	1 867 969 900	1.94
Netherlands	50	1 945 194 853	309 499 547	1 635 695 306	1.70
Sweden	11	289 648 905	128 199 753	161 449 152	0.25
Denmark	166	3 741 276 336	272 008 098	3 469 268 238	3.26
Austria	13	481 262 142	97 617 575	383 644 567	0.42
Finland	5	242 440 599	15 742 660	226 697 939	0.21
Greece	211	3 522 498 429	426 842 633	3 095 655 796	3.07
Portugal	245	7 456 154 326	1 333 970 151	6 122 184 175	6.50
Ireland	210	2 949 126 682	371 504 681	2 577 622 001	2.57
Luxembourg	7	138 077 726	80 986 307	57 091 419	0.12
Related loans (a)	20	1 037 232 514	496 351 024	540 881 490	0.94
Total	4 742	104 898 644 775	12 512 146 690	92 386 498 085	91.51
6.2. Loans for projects outside the Union					
<i>6.2.1 ACP Countries/OCT</i>					
Nigeria	7	210 344 684	75 000 000	135 344 684	
Zimbabwe	15	182 768 248	74 476 455	108 291 793	
Côte d'Ivoire	13	116 591 727	10 491 869	106 099 858	
Kenya	9	105 949 734	13 000 000	92 949 734	
Botswana	12	79 309 997	48 264 100	31 045 897	
Ghana	4	76 854 731	50 000 000	26 854 731	
Jamaica	10	72 811 976	26 878 819	45 933 157	
Mauritius	9	70 202 386	52 000 000	18 202 386	
ACP Group	2	70 102 147	60 000 000	10 102 147	
Papua New Guinea	7	69 698 190	41 000 000	28 698 190	
Trinidad & Tobago	5	64 896 406	26 055 593	38 840 813	
Cameroon	9	52 379 561	8 000 000	44 379 561	
Mali	1	35 153 898	11 752 274	23 401 624	
Fiji	7	30 493 171	8 000 000	22 493 171	
Bahamas	3	26 861 730	14 000 000	12 861 730	
Namibia	3	23 746 645	18 592 464	5 154 181	
Mozambique	1	20 000 000	20 000 000	—	
Guinea	3	17 492 118	7 500 000	9 992 118	
Barbados	4	16 946 383	10 000 000	6 946 383	
Netherlands Antilles	6	14 804 827	5 000 000	9 804 827	
Mauritania	1	14 076 763	—	14 076 763	
Regional - Africa	1	13 862 537	3 015 668	10 846 869	
French Polynesia	4	12 653 353	3 023 500	9 629 853	
Senegal	2	12 333 499	—	12 333 499	
Malawi	5	9 279 531	—	9 279 531	
Zaire	1	7 756 649	—	7 756 649	
Saint Lucia	3	6 920 042	1 060 000	5 860 042	
New Caledonia	2	6 354 190	1 325 000	5 029 190	
Gabon	3	6 036 778	—	6 036 778	
Swaziland	3	4 477 296	—	4 477 296	
Cayman Islands	3	4 447 063	—	4 447 063	
Lesotho	1	4 261 018	—	4 261 018	
Congo	2	3 725 949	—	3 725 949	
British Virgin Islands	2	3 480 651	1 300 000	2 180 651	
Aruba	2	3 085 494	1 600 000	1 485 494	
Saint Vincent	1	2 705 764	—	2 705 764	
West Africa	1	2 648 381	—	2 648 381	
Zambia	1	2 601 843	—	2 601 843	
East Africa	1	2 433 108	—	2 433 108	
Falkland Islands	1	2 337 945	—	2 337 945	
Tonga	2	2 285 216	620 000	1 665 216	
Togo	1	2 167 183	—	2 167 183	
Central Africa	1	1 598 418	—	1 598 418	
Seychelles	1	1 378 438	—	1 378 438	
Belize	2	1 047 141	—	1 047 141	
Niger	1	998 987	—	998 987	
Montserrat	1	302 730	—	302 730	
Liberia	1	141 829	—	141 829	
Sub-total	180	1 492 806 355	591 955 742	900 850 613	1.30
6.2.2 South Africa	2	45 000 000	45 000 000		0.04

(a) Loans authorised under the second paragraph of Article 18(1) of the Statute for projects located outside the territory of Member States but offering benefits for the Union are considered as related to loans within the Union.

6. Geographical breakdown of lending by country in which projects are located (continued)

Countries and territories in which projects are located	No. of loans	Aggregate loans outstanding	Undisbursed portion	Disbursed portion	% of total
6.2.3 Mediterranean Countries					
Egypt	25	774 359 483	475 016 182	299 343 301	
Morocco	22	766 756 894	500 063 446	266 693 448	
Algeria	17	717 639 916	492 518 694	225 121 222	
Tunisia	31	450 032 887	236 858 290	213 174 597	
Former FR of Yugoslavia (b)	18	420 311 940	—	420 311 940	
Lebanon	8	254 878 987	200 047 000	54 831 987	
Jordan	26	198 109 515	111 217 184	86 892 331	
Israel	4	97 000 214	68 000 000	29 000 214	
Turkey	4	94 694 344	93 500 000	1 194 344	
Cyprus	8	74 490 986	34 249 500	40 241 486	
Syria	5	54 783 349	11 855 200	42 928 149	
Malta	5	46 349 671	26 720 500	19 629 171	
Gaza/West Bank	2	20 000 000	20 000 000	—	
Sub-total	175	3 969 408 186	2 270 045 996	1 699 362 190	3.46
6.2.4 Central and Eastern European Countries					
Poland	15	1 005 655 609	707 530 284	298 125 325	
Czech Republic	9	737 871 285	658 482 313	79 388 972	
Hungary	13	729 174 515	425 235 470	303 939 045	
Romania	9	381 549 241	309 010 137	72 539 104	
Bulgaria	7	285 451 998	231 048 434	54 403 564	
Slovak Republic	8	252 378 561	145 128 013	107 250 548	
Slovenia	5	120 075 156	96 791 910	23 283 246	
Estonia	5	51 823 399	40 500 000	11 323 399	
Albania	3	34 000 000	34 000 000	—	
Lithuania	3	28 952 585	23 003 261	5 949 324	
Latvia	1	5 000 000	5 000 000	—	
Sub-total	78	3 631 932 349	2 675 729 822	956 202 527	3.17
6.2.5 Asian and Latin American Countries					
Argentina	3	1 18 599 982	76 000 000	42 599 982	
Chile	1	71 019 591	4 631 261	66 388 330	
Pakistan	2	60 000 000	60 000 000	—	
Thailand	2	57 959 191	51 719 844	6 239 347	
India	1	55 000 000	55 000 000	—	
China	1	55 000 000	55 000 000	—	
Philippines	2	47 811 382	39 173 581	8 637 801	
Indonesia	1	46 000 000	46 000 000	—	
Costa Rica	1	44 000 000	44 000 000	—	
Peru	1	26 626 839	1 642 050	24 984 789	
Paraguay	1	17 000 000	17 000 000	—	
Sub-total	16	599 016 985	450 166 736	148 850 249	0.52
Total	451	9 738 163 875	6 032 898 296	3 705 265 579	8.49
Grand total	5 193	114 636 808 650	18 545 044 986	96 091 763 664	100 %

(b) Loans granted to public entities in the former Federal Republic of Yugoslavia are still considered as related to loans in the Mediterranean Countries.

7. Breakdown of loans by principal form of guarantee (a)

7.1. Loans for projects within the Union and related loans (b)

Loans granted to, or guaranteed by, Member States	44 880 078 422	(c-d)
Loans granted to, or guaranteed by, public institutions of Member States	5 181 519 725	
Loans granted to, or guaranteed by, financial institutions (banks, long-term credit institutions, insurance companies)	36 741 473 824	(c)
Loans guaranteed by companies (excluding financial institutions) under majority control of Member States or public institutions in the Community	3 246 712 067	(c)
Loans secured by fixed charge on real estate	577 832 730	
Loans guaranteed by non-bank companies in the private sector	11 971 855 272	
Loans secured by fixed charge on assets other than real estate, or other security	2 299 172 735	
Total loans within the Union	104 898 644 775	

7.2. Loans for projects outside the Union

7.2.1. African, Caribbean and Pacific States - Overseas Countries and Territories

Loans granted to, or guaranteed by, States signatories to financial cooperation agreements :		
First Lomé Convention	9 218 497	
Second Lomé Convention	123 661 267	
Third Lomé Convention	426 041 310	
Fourth Lomé Convention	683 228 620	
	<u>1 242 149 694</u>	(e)
Loans secured by other guarantees :		
First Lomé Convention	2 354 440	
Second Lomé Convention	9 537 318	
Third Lomé Convention	24 783 089	
Fourth Lomé Convention	213 981 814	
	<u>250 656 661</u>	(e)
Total ACP States/OCT	1 492 806 355	

7.2.2. South Africa

Loans granted to, or guaranteed by, the Republic of South Africa	45 000 000	(f)
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7.2.3. Non-member Mediterranean Countries benefiting from financial cooperation with the EC

Financial Protocols		
Loans granted to, or guaranteed or counter-guaranteed by, countries signatories to these protocols	2 727 308 940	
Loans secured by other guarantees	6 000 000	
Horizontal cooperation		
Loans granted to, or guaranteed by, countries benefiting from this cooperation	996 099 246	
Loans secured by other guarantees	240 000 000	
Total Mediterranean Countries	3 969 408 186	(c)
7.2.4. Non-member Central and Eastern European Countries (CEEC)		
Loans granted to, or guaranteed by, countries signatories to financial cooperation agreements	3 225 932 349	(f-c)
Loans secured by other guarantees	406 000 000	(f)
Total Central and Eastern European Countries	3 631 932 349	

7.2.5. Non-member Asian and Latin American Countries (ALA)

Loans granted to, or guaranteed by, countries signatories to financial cooperation agreements	386 586 030	
Loans secured by other guarantees	212 430 955	
Total Asian and Latin American Countries	599 016 985	(f)
Total loans outside the Union	9 738 163 875	
AGGREGATE LOANS OUTSTANDING	114 636 808 650	

- (a) Certain loans are covered by several types of guarantee or security.
- (b) Loans authorised under the second paragraph of Article 18(1) of the Statute for projects located outside the territory of Member States but offering benefits for the Union are considered as related to loans within the Union.
- (c) The ceiling amount of the blanket guarantee provided by the EC was 4 658 457 187 at 31 December 1995 compared to 4 038 085 710 at 31 December 1994. This guarantee is provided to cover any risk attaching to financial commitments in the Mediterranean Countries, including loans granted to public entities in the former Federal Republic of Yugoslavia and loans under the First Financial Protocol signed with Slovenia, as well as in Greece, Spain and Portugal in respect of loans granted prior to these countries' accession to the EC, totalling 383 191 414 at 31 December 1995.
- (d) Aggregate loans outstanding guaranteed by the EC amounted to 1 442 827 at 31 December 1995.
- (e) The ceiling amounts on guarantees provided by Member States to cover any risk attaching to financial commitments entered into under the Lomé Conventions, insofar as the ACP States are concerned, and under the related Council Decisions, insofar as the OCT are concerned, are respectively :
- First Convention : 11 572 937;
 - Second Convention : 133 198 585;
 - Third Convention : 417 102 898;
 - Fourth Convention : 689 162 900.
- (f) The full amount of loans granted in non-member Central and Eastern European and Asian and Latin American Countries and in South Africa is guaranteed by the EC.

SUMMARY STATEMENT OF DEBTS EVIDENCED BY CERTIFICATES AS AT 31 DECEMBER 1995

In ECUs — see notes to the financial statements

Payable in	Borrowings				Currency swaps		Net amount		
	Outstanding at 31.12.1994	Outstanding at 31.12.1995	Average rate	Due dates	Amounts payable(+) or receivable(-)		Outstanding at 31.12.1994	Outstanding at 31.12.1995	
					31.12.1994	31.12.1995			
ECU	9 908 447 981	8 923 516 164	8.28	1996/2004	341 290 002 +	341 290 002 +	6.44	10 249 737 983	9 264 806 166
DEM	12 338 552 377	14 069 944 851	6.54	1996/2016	48 521 778 +	54 645 244 +	5.31	12 387 074 155	14 124 590 095
FRF	9 312 063 798	9 296 013 845	8.37	1996/2005	506 033 731 +	516 720 506 +	7.50	9 818 097 529	9 812 734 351
GBP	8 555 710 908	8 409 809 813	8.62	1996/2017	1 215 934 943 +	1 247 613 762 +	8.16	9 771 645 851	9 657 423 575
ITL	7 426 864 252	10 095 980 717	10.32	1996/2005	327 928 108 +	314 503 700 +	10.17	7 754 792 360	10 410 484 417
BEF	1 684 377 984	1 315 844 012	8.09	1996/2004	122 933 552 +	124 405 976 +	8.25	1 807 311 536	1 440 249 988
NLG	4 044 997 730	3 596 717 385	7.07	1996/2009	12 463 453 +	12 615 185 +	3.71	4 057 461 183	3 609 332 570
DKK	90 613 485	58 667 427	7.98	1996/1999	—	—	—	90 613 485	58 667 427
IEP	267 778 196	375 269 050	8.14	1996/2015	125 776 513 +	121 880 172 +	6.89	393 554 709	497 149 222
LUF	498 605 770	717 708 196	7.31	1996/2005	—	129 205 978 -	6.73	498 605 770	588 502 218
GRD	33 843 238	176 527 039	15.99	1996/2000	—	—	—	33 843 238	176 527 039
ESP	3 558 728 944	4 229 708 741	10.59	1996/2009	777 427 709 +	1 606 190 822 +	9.03	4 336 156 653	5 835 899 563
PTE	1 059 300 402	1 693 381 339	10.30	1996/2005	331 829 042 +	572 324 877 +	8.82	1 391 129 444	2 265 706 216
ATS	82 044 244	60 352 762	6.25	1996/1996	—	—	—	82 044 244	60 352 762
SEK	108 957 031	114 978 740	10.00	1999/1999	108 957 031 -	28 291 094 -	8.51	—	86 687 646
FIM	—	17 491 844	6.91	2002/2002	—	—	—	—	17 491 844
USD	10 484 641 689	9 577 477 285	7.50	1996/2010	751 166 781 -	728 290 771 -	5.21	9 733 474 908	8 849 186 514
CHF	4 415 924 870	4 841 950 794	5.73	1996/2007	640 156 211 +	401 700 136 +	6.05	5 056 081 081	5 243 650 930
JPY	6 927 742 767	6 668 677 631	4.78	1996/2008	1 184 584 906 -	1 749 804 558 -	0.57	5 743 157 861	4 918 873 073
CAD	2 393 208 915	2 349 984 642	8.20	1996/2008	2 147 113 152 -	2 112 640 661 -	8.35	246 095 763	237 343 981
AUD	472 974 251	481 512 743	8.84	1998/2001	472 974 251 -	481 512 743 -	8.84	—	—
Total	83 665 378 832	87 071 515 020							
Pre-miums	7 746 374	7 250 084							
Total	83 673 125 206	87 078 765 104							

The following table shows the total capital sums required for the redemption of borrowings

Maturities :		Notes and bonds		Other	Total
	Not more than three months	3 398 245 573		68 963 744	3 467 209 317
	More than three months but not more than one year	4 827 663 840		280 571 706	5 108 235 546
	More than one year but not more than five years	47 216 106 957	1 805 281 021		49 021 387 978
	More than five years	28 184 484 286	1 297 447 977		29 481 932 263
Total		83 626 500 656	3 452 264 448		87 078 765 104

STATEMENT OF SUBSCRIPTIONS TO THE CAPITAL OF THE BANK AS AT 31 DECEMBER 1995

In ECUs — see notes to the financial statements

Member States	Subscribed capital ⁽¹⁾	Available for call ⁽²⁾	Capital paid in and to be paid in		
			Paid in at 31.12.1995	To be paid ⁽¹⁾	Total
Germany	11 017 450 000	10 189 970 950	770 096 498	57 382 552	827 479 050
France	11 017 450 000	10 189 970 950	770 096 498	57 382 552	827 479 050
Italy	11 017 450 000	10 189 970 950	770 096 498	57 382 552	827 479 050
United Kingdom	11 017 450 000	10 189 970 950	770 096 498	57 382 552	827 479 050
Spain	4 049 856 000	3 747 237 310	281 525 690	21 093 000	302 618 690
Belgium	3 053 960 000	2 825 758 011	212 295 948	15 906 041	228 201 989
Netherlands	3 053 960 000	2 825 758 011	212 295 948	15 906 041	228 201 989
Sweden	2 026 000 000	1 874 016 998	58 682 784	93 300 218	151 983 002
Denmark	1 546 308 000	1 430 762 746	107 491 566	8 053 688	115 545 254
Austria	1 516 000 000	1 402 275 305	43 910 711	69 813 984	113 724 695
Finland	871 000 000	805 660 812	25 228 383	60 110 805	65 339 188
Greece	828 380 000	766 479 995	57 585 525	4 314 480	61 900 005
Portugal	533 844 000	493 953 399	37 110 164	2 780 437	39 890 601
Ireland	386 576 000	357 689 755	26 872 829	2 013 416	28 886 245
Luxembourg	77 316 000	71 538 697	5 374 615	402 688	5 777 303
Total	62 013 000 000	57 361 014 839	4 148 760 155	503 225 006	4 651 985 161

(1) As from 1 January 1995, the subscribed capital has been increased from 57 600 000 000 to 62 013 000 000 by virtue of the contributions of the three new Member States : the Kingdom of Sweden, the Republic of Austria and the Republic of Finland. The amount to be paid in of 503 225 006 comprises :

- the six equal instalments of 53 830 729 13 to be paid in by the fifteen Member States on 30 April and 31 October of the years 1996-1998 in respect of their share in the capital increase decided on 11 June 1990;
- the three equal instalments of 60 080 210 40 to be paid in by the Kingdom of Sweden, the Republic of Austria and the Republic of Finland on 30 April of the years 1996 and 1997 and 31 October 1996 corresponding to their share in the capital paid in by the Member States at 1 January 1995.

(2) Could be called by decision of the Board of Directors to such extent as may be required for the Bank to meet its obligations towards those who have made loans to it.

NOTES TO THE FINANCIAL STATEMENTS

as at 31 December 1995 — in ECUs

Note A — Significant accounting policies

1. Conversion of currencies

In accordance with Article 4(1) of its Statute, the EIB uses the ECU adopted by the European Communities as the unit of measure for the capital accounts of Member States and for presenting its financial statements.

The value of the ECU is equal to the sum of the following amounts of the Member States' currencies :

DEM	0.6242	NLG	0.2198	IEP	0.008552
GBP	0.08784	BEF	3.301	GRD	1.440
FRF	1.332	LUF	0.13	ESP	6.885
ITL	151.8	DKK	0.1976	PTE	1.393

The conversion rates between Member States' currencies and the ECU, which are determined on the basis of market rates, are published daily in the Official Journal of the European Communities.

The Bank applies these rates in calculating the rates applicable to other currencies used for its operations.

The Bank conducts its operations in the currencies of its Member States, in ECUs and in non-Community currencies.

Its resources are derived from its capital, borrowings and accumulated earnings in various currencies and are held, invested or lent in the same currencies.

The following conversion rates were used for drawing up the balance sheets at 31 December 1995 and 31 December 1994 :

1 ECU =	31.12.1995	31.12.1994
Deutsche Mark	1.88397	1.90533
French francs	6.43979	6.57579
Italian lire	2082.71	1997.45
Pounds sterling	0.847242	0.787074
Spanish pesetas	159.549	162.070
Belgian francs	38.6979	39.1614
Netherlands guilders	2.10857	2.13424
Swedish kronor	8.69726	9.17793
Danish kroner	7.29536	7.48233
Austrian Schillings	13.2554	13.4074
Finnish markka	5.71695	5.82915
Drachmas	311.567	295.480
Portuguese escudos	196.505	195.884
Irish pounds	0.820478	0.795061
Luxembourg francs	38.6979	39.1614
United States dollars	1.31424	1.23004
Swiss francs	1.51282	1.61320
Lebanese pounds	2097.53	2025.88
Japanese yen	135.590	122.659
Canadian dollars	1.79065	1.72697
Australian dollars	1.76527	1.58571
CFA francs	643.979	657.579

The Bank's assets and liabilities are converted into ECUs. The gain or loss arising from such conversion is credited or charged to the profit and loss account.

Excluded from such calculations are the assets representing the portion of capital paid in by the Member States in their national currency which is adjusted periodically in accordance with Article 7 of the Bank's Statute.

2. Treasury bills and other bills eligible for refinancing with central banks and debt securities including fixed-income securities

With a view to clarifying management of its liquid assets and consolidating its solvency, the Bank has decided to establish three types of portfolio : investment portfolio, hedging portfolio and operational portfolio.

2.1. Investment portfolio

The investment portfolio was set up on 1 January 1995 by transferring, at their net book value, the fixed-income securities held in the portfolio at 31 December 1994.

The investment portfolio consists of securities purchased with the intention of holding them until final maturity in order to ensure the Bank's solvency. These securities are issued or guaranteed by :

- governments of the European Union, G10 countries and their agencies;
- supranational public institutions, including multinational development banks.

The entry cost of securities in this portfolio is the purchase price or more exceptionally the transfer price (notably in the event of transfer of securities from the operational portfolio). The difference between entry price and redemption value is accounted for pro rata temporis over the remaining life of the securities held.

2.2. Hedging portfolio

The hedging portfolio, which comprises fixed-dated securities, is maintained as part of the Bank's active management of the interest-rate risks inherent in its lending and funding activities. These investments are accounted for at cost adjusted by the amor-

isation of premiums or discounts between purchase cost and maturity values. Such amortisation is performed on a straight-line basis over the remaining life of the security. Gains and losses on disposal of these securities are released to income over the period of the original maturity of the borrowings.

2.3. Operational portfolio

This portfolio is intended to cover the Bank's short-term liquidity requirements.

The operational portfolio comprises, in addition to securities already mentioned under the heading of the Investment portfolio, listed securities issued and guaranteed by financial entities. Securities held in this portfolio are marked to market in the balance sheet.

3. Loans and advances to credit institutions and customers

Loans are included in the assets of the Bank at their net disbursed amounts.

Specific provisions have been made for loans and advances outstanding at the end of the financial year and presenting risks of non-recovery of all or part of their amounts. The specific provisions are entered on the profit and loss account as "Value adjustments in respect of loans and advances".

4. Tangible assets

Land and buildings are stated at cost less both initial write-down of the Kirchberg headquarters and accumulated depreciation. Depreciation is calculated to write off the value of the Bank's Luxembourg-Kirchberg headquarters and its office in Lisbon on the straight-line basis over 30 and 25 years respectively. Office furniture and equipment are depreciated in full in the year of acquisition.

5. Intangible assets

Issuing charges and redemption premiums are amortised over the lives of the borrowings based on the principal amounts outstanding.

6. Staff pension fund

The Bank's main pension scheme is a contributory defined benefit pension scheme which covers all employees. All contributions to the scheme by the Bank and its staff are invested in the assets of the Bank. Annual contributions are set aside and accumulated as a specific provision on the liabilities side of the Bank's balance sheet. The scheme is valued at least every three years. Actuarial surpluses and deficits are spread forward over a period of average remaining service lives of the membership.

7. Fund for general banking risks

This item includes those amounts which the Bank decides to put aside to cover risks on loans, having regard to the particular risks associated with such operations representing the Bank's main activity.

Amounts transferred to this Fund feature separately in the profit and loss account as "Transfers to Fund for general banking risks".

8. Taxation

The Protocol on the Privileges and Immunities of the European Communities, appended to the Treaty of 8 April 1965 establishing a Single Council and a Single Commission of the European Communities, stipulates that the assets, revenues and other property of the Bank are exempt from all direct taxes.

9. Interest rate and currency swaps

The EIB has entered into currency swaps in which the proceeds of a borrowing may be converted into a different currency. Simultaneously, a forward exchange operation has been conducted in order to obtain the amounts needed to service the borrowing in the original currency. The net amounts of these operations are entered on the balance sheet either under the item, "Other assets - sundry debtors" where the amount receivable exceeds the amount payable or, conversely, under the item, "Other liabilities - sundry liabilities". The EIB has also undertaken interest rate swaps, which have transformed a fixed-rate bond into a floating-rate bond in the same currency or vice versa.

10. Financial futures operations

Used by the Bank as a means of hedging the value of bonds held in the operational portfolio, at the year-end open futures contracts concluded on organised markets are revalued at the closing date. Gains and losses on hedging operations are symmetrically accounted for in the profit and loss account with the gains and losses on the part of the portfolio hedged.

11. Prepayments and accrued income - Accruals and deferred income

Prepayments and accrued income : Expenditure incurred during the financial year but relating to a subsequent financial year, together with any income which, though relating to the financial year in question, is not due until after its expiry (principally interest on loans).

Accruals and deferred income : Income receivable before the balance sheet date but relating to a subsequent financial year, together with any charges which, though relating to the financial year in question, will be paid only in the course of a subsequent financial year (principally interest on borrowings).

Note B –	Treasury bills eligible for refinancing with central banks		Debt securities including fixed-income securities	
	31.12.1995	31.12.1994	31.12.1995	31.12.1994
The breakdown according to maturity is as follows :				
- not more than three months	598 966 297	266 620 482	615 744 407	502 714 736
- more than three months but not more than one year	—	250 758	—	—
- more than one year but not more than five years	1 167 590 214	284 634 278	448 737 998	196 288 461
- more than five years	490 873 581	487 216 570	932 513 686	1 308 387 056
	2 257 430 092	1 038 722 088	1 996 996 091	2 007 390 253

	Purchase price	Amortisation for the period	Book value	Amortisation to be accounted for	Value at final maturity	Market value
Investment portfolio	2 357 367 147	16 865 738	2 374 232 885	140 959 177	2 515 192 062	2 494 924 175
Operational portfolio	—	—	—	—	—	—
Hedging portfolio	670 262 614	- 4 780 020	665 482 594	- 18 881 440	646 601 154	690 305 865
Other short-term paper valued at nominal value	1 214 710 704	—	1 214 710 704	—	1 214 710 704	1 214 710 704
	4 242 340 465	12 085 718	4 254 426 183			

Note C – Loans and advances to credit institutions (other loans and advances)

	31.12.1995	31.12.1994
Borrowing proceeds to be received		
The breakdown according to maturity is as follows :		
- not more than three months	—	195 391 364
- more than three months but not more than one year	—	93 124 485
	—	288 515 849
Term deposits		
- not more than three months	3 423 026 433	4 379 593 030
Reverse repos		
- not more than three months	369 832 591	—
	3 792 859 024	4 668 108 879

Note D - Shares and other variable-yield securities and participating interests

Shares and other variable-yield securities

This item (90 000 000) corresponds to the capital paid in by the Bank in respect of its subscription (300 000 000) to the capital of the EBRD.

Participating interests

This item (80 000 000) corresponds to the first two of four equal annual instalments (160 000 000 in all) to be paid in by the Bank in respect of its subscription (800 000 000) to the capital of the European Investment Fund (EIF), with its registered office in Luxembourg.

For the financial year 1995, the Bank has decided not to consolidate the EIF's accounts. Consequently, no additional information will be provided in this report due to the negligible effect of any such consolidation in terms of showing a true and fair view pursuant to the Council Directive of 8 December 1986 on the annual accounts and consolidated accounts of banks and other financial institutions.

Note E – Tangible assets

	Land	Kirchberg buildings	Lisbon building	Furniture and equipment	Total
Net accounting value at beginning of the year	3 358 412	83 716 169	222 506	—	87 297 087
Acquisitions during the year	—	3 665 075	—	4 813 853	8 478 928
Depreciation during the year	—	3 821 000	14 000	4 813 853	8 648 853
Net accounting value 31.12.1995	3 358 412	83 560 244	208 506	—	87 127 162

Note F – Amounts receivable from or payable to Member States for adjustment of capital contributions

In accordance with Article 7 of the Statute, application of the conversion rates given in Note A entails adjusting the amounts paid by Member States in their national currency as contributions to the Bank's capital.

The corresponding amounts receivable from or payable to Member States are as follows :

	31.12.1995	31.12.1994
Receivable from :		
Germany	1 956 748	—
Netherlands	478 388	—
Austria	453 670	—
	<u>2 888 806</u>	—
Payable to :		
Germany	—	1 112 583
Netherlands	—	664 825
	—	<u>1 777 408</u>

In accordance with the Decision of the Board of Governors of 30 December 1977, where the accounting conversion rate of a currency fluctuates upwards or downwards by more than 1.5% amounts receivable from or payable to Member States will be settled on 31 October of each year. Where the conversion rate fluctuates within the above margin of 1.5% in either direction, the resulting amounts will remain in non-interest-bearing adjustment accounts.

Note G – Interest subsidies received in advance

a) Part of the amounts received through EMS arrangements has been made available as a long-term advance. The corresponding contra account is entered on the assets side under item 10 (c) as "Receivable in respect of EMS interest subsidies paid in advance".

b) On the liabilities side (item 3.(b)), "Interest subsidies received in advance" comprise :

- amounts in respect of interest subsidies for loans granted for projects outside the Union, under Conventions signed with the ACP States and Protocols concluded with the Mediterranean Countries;
- interest subsidies, concerning certain lending operations mounted within the Union from the Bank's own resources, made available in conjunction with the European Monetary System under Council Regulation (EEC) No 1736/79 of 3 August 1979 and in conjunction with the financial mechanism established by the EFTA Countries under the EFTA Agreement signed on 2 May 1992;
- amounts received in respect of interest subsidies for loans granted from EC resources under Council Decisions 78/870/EEC of 16 October 1978 (New Community Instrument), 82/169/EEC of 15 March 1982 and 83/200/EEC of 19 April 1983 and under Council Regulation (EEC) No 1736/79 of 3 August 1979 as amended by Council Regulation (EEC) No 2790/82 of 18 October 1982.

Note H – Other balance sheet accounts

	31.12.1995	31.12.1994
Sundry debtors :		
- staff housing loans and advances	67 661 671	55 119 854
- currency swap operations	—	213 711 514
- other	<u>52 779 955</u>	<u>53 522 176</u>
	<u>120 441 626</u>	<u>322 353 544</u>
Sundry creditors :		
- European Community accounts :		
. for Special Section operations and related unsettled amounts	237 171 573	255 653 075
. deposit accounts	92 735 066	79 832 719
- deposit accounts held under the EFTA financial mechanism	212 923 519	113 665 937
- other	<u>95 867 400</u>	<u>132 039 883</u>
	<u>638 697 558</u>	<u>581 191 614</u>
Sundry liabilities :		
- currency swap operations	76 499 402	—
- other	<u>29 929 690</u>	<u>28 884 555</u>
	<u>106 429 092</u>	<u>28 884 555</u>

Note I – Amounts owed to credit institutions (with agreed maturity dates or periods of notice)

The breakdown according to maturity is as follows :

	31.12.1995	31.12.1994
- not more than three months	<u>36 609 404</u>	<u>23 639 951</u>

Note J – Provisions for liabilities and charges (staff pension fund)

The cost of retirement benefits was last valued on 30 June 1994 by a qualified actuary using the projected method. The main assumptions contained in this review were as follows :

- a discount rate of 7.5% for determining the actuarial present value of future benefits;
- an average retirement age of 62;
- a combined average impact of the increase in the cost of living and career progression estimated at 4.5%.

This valuation revealed that the provision on the liabilities side of the balance sheet as at 31 December 1994 corresponded to 103 % of future benefits and that this same provision would exceed the plan termination liability.

The total cost of the pension scheme, including interest credited by the Bank for the financial year ended 31 December 1995, was 36 679 977 (1994 : 32 770 600). The cost of retirement benefits charged to the profit and loss account at the same date amounted to 9 443 809 (1994 : 8 351 822). The provision on the liabilities side of the balance sheet increased by 31 076 382 (1994 : 31 885 952).

Note K – Fund for general banking risks

No movements were recorded for this Fund in 1994. At 31 December 1995, the balance of 450 000 000 broke down as follows :

	31.12.1995	31.12.1994
Fund at beginning of the year	350 000 000	350 000 000
Contribution of the three new Member States as at 1.1.1995	26 815 105	—
Partial appropriation of the item "Contribution to balance of profit and loss account still to be appropriated" ⁽¹⁾	23 184 895	—
Transfer for the year	50 000 000	—
	450 000 000	350 000 000

(1) On 19 June 1995, the Board of Governors decided to appropriate an amount of 23 184 895 from the item "Contribution to balance of profit and loss account still to be appropriated" (three new Member States) totalling 74 292 465 at 1 January 1995 (see also Note L).

Note L – Reserves and appropriation of balance of profit and loss account

On 19 June 1995, the Board of Governors decided to appropriate the amount of the item "Contribution to balance of profit and loss account still to be appropriated" (three new Member States), i.e. 74 292 465, as to 23 184 895 to the Fund for general banking risks and as to 51 107 570, together with the balance of the profit and loss account for the year ended 31 December 1994, i.e. 969 690 917, hence a total of 1 020 798 487, to the Additional Reserves.

Statement of movements in the reserves at 31 December 1995

	Situation at 31.12.1994	Contribution of Sweden, Austria and Finland to the reserves at 31 December 1994	Appropriation of balance of profit and loss account for year ended 31.12.1994 and corresponding contribution of the three new Member States	Situation at 31.12.1995
Reserve Fund	5 760 000 000	441 300 000	—	6 201 300 000
Additional Reserves	3 055 226 679	234 074 919	1 020 798 487	4 310 100 085
	8 815 226 679	+ 675 374 919	+ 1 020 798 487	10 511 400 085

Following their accession, the Kingdom of Sweden, the Republic of Austria and the Republic of Finland are to pay in an amount of 776 482 489, corresponding to their contribution to the reserves and provisions (26 815 105 - see Note K) at 31 December 1994 and to the balance of the profit and loss account for the year ended 31 December 1994, in five equal six-monthly instalments of 155 296 498 beginning on 30 April 1995 and ending on 30 April 1997. At 31 December 1995, the balance remaining to be paid in amounted to 465 889 494.

Acting on a proposal from the Management Committee, the Board of Directors is recommending that the Governors appropriate the balance of the profit and loss account for the year ended 31 December 1995 - after the creation of specific provisions of 125 000 000 and the transfer of 50 000 000 to the Fund for general banking risks - i.e. 1 216 540 277, to the Additional Reserves.

Note M – Aggregate foreign-exchange denominated assets and liabilities converted into ECUs

	31.12.1995	31.12.1994
Assets	92 435 821 079	87 182 204 572
Liabilities	81 922 731 929	77 900 566 210

Note N – Geographical analysis of "Interest receivable and similar income" (item 1 of the profit and loss account) :

	31.12.1995	31.12.1994
Germany	720 977 323	605 105 860
France	1 051 188 278	999 240 900
Italy	2 075 870 564	2 062 142 207
United Kingdom	875 578 964	869 520 118
Spain	1 232 782 617	1 084 475 203
Belgium	119 535 073	97 180 376
Netherlands	120 012 464	118 453 542
Sweden	7 257 919	—
Denmark	290 549 279	335 176 336
Austria	17 711 803	—
Finland	6 314 334	—
Greece	243 520 587	209 455 283
Portugal	483 648 779	439 514 696
Ireland	220 671 815	224 494 616
Luxembourg	7 445 353	9 186 897
	7 473 065 152	7 053 946 034
Other countries	321 690 143	280 542 739
	7 794 755 295	7 334 488 773
Income not analysed ⁽¹⁾	522 072 443	432 070 208
	8 316 827 738	7 766 558 981

(1) Income not analysed :

Interest and commissions on funds placed	500 309 161	432 070 208
Other revenue from portfolio securities	21 763 282	—
	522 072 443	432 070 208

Note O – Geographical analysis of "Commissions receivable" (item 3 of the profit and loss account) :

	31.12.1995	31.12.1994
Germany	—	—
France	398 161	562 175
Italy	459 247	653 860
United Kingdom	200 229	238 299
Spain	16 049	40 610
Belgium	9 780	17 206
Netherlands	2 702	2 846
Denmark	170 181	247 351
Greece	125 297	168 077
Portugal	12 439	17 634
Ireland	169 467	225 698
	1 563 552	2 173 756
Community institutions	16 485 423	16 191 000
	18 048 975	18 364 756

Note P – Administrative expenses and charges

	<u>31.12.1995</u>	<u>31.12.1994</u>
Staff costs		
Salaries and allowances	85 333 995	78 934 295
Social costs	18 453 379	19 656 466
Other costs	<u>10 195 942</u>	<u>9 563 445</u>
	113 983 316	108 154 206
General and administrative expenses *	<u>28 245 857</u>	<u>23 753 717</u>
	<u>142 229 173</u>	<u>131 907 923</u>

* Including costs incurred for the account of the EIF and to be re-ouped in accordance with the Cooperation Agreement.

The number of personnel employed by the Bank was 897 at 31 December 1995 (859 at 31 December 1994).

Note Q – Value adjustments in respect of transferable securities

In order to ensure that the investment portfolio complies with well-defined management guidelines, it was decided to restructure it by substituting securities. This generated a gain of Ecu 90.4m.

Note R – Special deposits for service of borrowings

This item represents the amount of coupons and bonds due but not yet presented for payment.

Note S – The risk associated with swap contracts has been measured in accordance with Council Directive 89/647/EEC of 18 December 1989 on a solvency ratio for credit institutions in line with the "original exposure approach".

Note T – Statement of futures position at 31 December 1995

No operations recorded under this heading as at 31 December 1995.

REPORT BY THE EXTERNAL AUDITORS

The Chairman of the Audit Committee

European Investment Bank
Luxembourg

We have audited the accompanying financial statements of the European Investment Bank, which are listed below, for the year ended 31 December 1995. These financial statements are the responsibility of the European Investment Bank's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with International Standards on Auditing. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

Luxembourg, 7 February 1996

In our opinion, the financial statements give a true and fair view of the financial position of the European Investment Bank as of 31 December 1995, and of the results of its operations and its cash flows for the year then ended in accordance with International Accounting Standards and the principles of the European Communities Council Directive on the annual accounts and consolidated accounts of banks and other financial institutions.

The financial statements covered by our opinion are the following :

Balance sheet

Profit and loss account

Statement of special section

Cash flow statement

Summary statement of loans and guarantees

Summary statement of debts evidenced by certificates

Statement of subscriptions to the capital of the Bank

Notes to the financial statements.

Price Waterhouse

THE AUDIT COMMITTEE

The Audit Committee consists of three members appointed by the Board of Governors of the Bank for a three-year period. One member is replaced or reappointed each year. Chairmanship of the Committee rotates annually and is held by the member whose term of office is ending in that year. The Committee verifies that the Bank's operations are carried out in compliance with the procedures laid down in the EIB's Statute. It verifies that the operations of the Bank have been conducted and its books kept in a proper manner and confirms that the balance sheet and financial statements reflect exactly the situation of the Bank as regards both assets and liabilities.

In carrying out these tasks, the Audit Committee bases itself on ongoing work conducted both by the Bank's Internal Audit Division and by an outside firm of international chartered accountants. It also avails itself of information supplied by the EIB's monitoring departments.

The Audit Committee reports to the Board of Governors, the following statement being read to the Governors prior to their approval of the Annual Report and accounts for the past financial year :

STATEMENT BY THE AUDIT COMMITTEE

The Committee instituted in pursuance of Article 14 of the Statute and Article 25 of the Rules of Procedure of the European Investment Bank for the purpose of verifying that the operations of the Bank are conducted and its books kept in a proper manner,

- having studied the books, vouchers and documents which it deemed necessary to examine in the discharge of its duties,
- having examined the reports of 7 February 1996 drawn up by Price Waterhouse,

considering the 1995 Annual Report, the balance sheet of the Bank and the statement of Special Section as at 31 December 1995 as well as the profit and loss account for the financial year ending on that date as drawn up by the Board of Directors at its meeting on 26 March 1996,

considering Articles 22, 23 and 24 of the Rules of Procedure,

hereby certifies :

that the Bank's operations during the 1995 financial year have been carried out in compliance with the formalities and procedures laid down by the Statute and the Rules of Procedure,

that the balance sheet, the profit and loss account and the statement of Special Section correspond to the book entries and that they reflect exactly the situation of the Bank as regards both assets and liabilities.

Luxembourg, 28 March 1996

The Audit Committee

J. C. PÉREZ LOZANO

M. J. SOMERS

A. HANSEN

Economic background to EIB activity

World economic growth accelerated slightly to 3.2% in 1995, confirming the trend of previous years. The pace of recovery in the fifteen countries of the Union, slightly weaker at 2.5%, was virtually the same as in 1994. It continued to outstrip that of the OECD countries as a whole (2.3%)⁽¹⁾.

Whereas growth in Japan rallied a little (to 0.7% as against 0.5% in 1994), economic activity in the USA slackened appreciably from 3.5% in 1994 to 2.1% in 1995.

In the **countries of the European Union**, the vigorous economic recovery in 1994, following six years of recession, consolidated in 1995 at 2.5% (2.8% in 1994). This stabilisation was due to a cyclical pause linked in particular to stock adjustments in industry and to sluggish private consumer spending. The period of monetary squalls at the beginning of the year led to a more marked slowdown in activity in countries whose currencies appreciated and to heightened inflationary pressures in countries where currencies fell in value.

The wait-and-see attitude adopted by certain economic players in the first half of 1995 stemmed largely from the lagged effects of the rise in long-term interest rates. Stable prices and efforts to strengthen budgetary finances helped to bring about an easing of monetary conditions, thereby interrupting the persistent rise in long-term rates.

(1) Macro-economic statistics in this section are drawn mainly from the 1995 - 1997 economic budgets published in early 1996 by the Commission. They remain provisional. The rates of growth for physical aggregates are expressed in volume terms. Inflation is measured by the consumer price index. Data cover the 15 Member Countries; those for Germany take account of the eastern Länder since 1992 (trade balances since 1991).

The Asian economies continued to forge ahead. In the countries of Eastern Europe, economic recovery began to spread to Russia. In Latin America, prospects emerged of sustainable growth. Finally, in Africa production again grew at a faster rate than the population.

World trade, which has been expanding rapidly in recent years, rose further by close on 8% in 1995.

During the second half of 1995, rates were progressively edged downwards in order to bolster economic recovery.

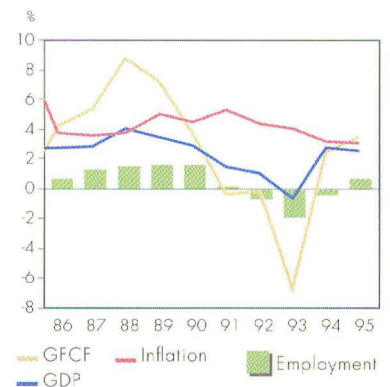
Overall, economic prospects remained fairly favourable, with the recovery opening the way to non-inflationary growth in the medium term. However, it was insufficiently vigorous to make a significant dent in unemployment and the number of jobless fell only slightly to 10.9% (11.3% in 1994).

In general, macro-economic performance and economic policy coordination supported the process of transition to the last stage of Economic and Monetary Union.

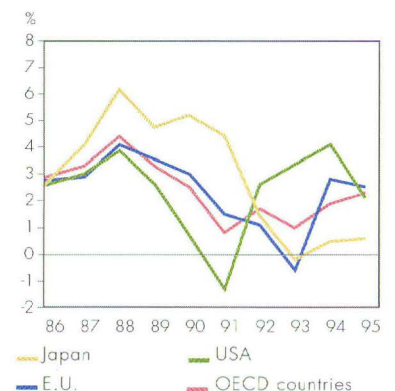
An improvement was recorded in terms of inflation, with lower price rises in most Member Countries than in 1994 (3.0% against 3.2% for the Union as a whole). This result, achieved despite increasing production capacity utilisation, reflects continued wage moderation and efforts to improve budgetary finances in Member Countries.

1995 : CONSOLIDATION OF GROWTH

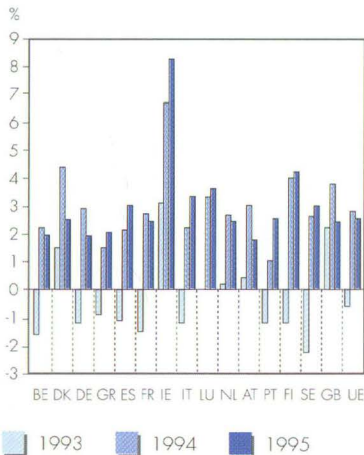
GDP, inflation, GFCF, employment
(annual variations)



GDP/GNP
(annual variations)



**GDP : 1993 - 1995
(growth rates)**



The general budgetary picture in the Member Countries was one of improvement, with the borrowing requirements of Union States down to no more than 4.7% of GDP against 5.5% in 1994.

Performance turned out less favourable with regard to public debt. While most of the Member Countries improved their budgetary positions, the reduction in the volume of borrowing failed to bring down the overall debt ratio, which reached some 71% of GDP, against 68% in 1994.

The process of convergence of long-term interest rates slackened somewhat during 1995.

Denmark capital investment rose strongly, by 28.5%, 21.4% and 11.8% respectively. The same held true for four countries lagging behind in their development (Ireland, Spain, Greece and Italy) where growth ranged from 10% to 13%.

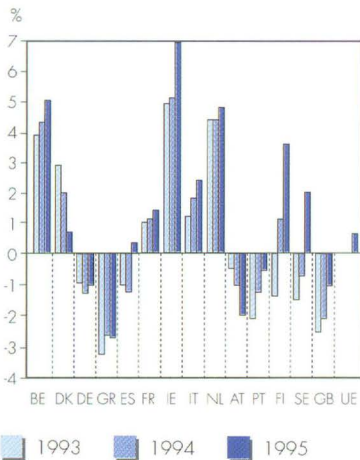
Overall, recovery in the construction industry slackened off (1.4% against 2.8%), with a more marked downturn in Germany, the United Kingdom and Austria.

Developing countries continued to experience very mixed fortunes.

In the dynamic Asian economies, growth remained at a high level (nearly 8%) as in 1994. In Africa, the recovery that began in 1994 with a growth rate of over 3% edged up in 1995 to nearly 3.5%. Among the southern Mediterranean countries, the relative slackening in growth already apparent in 1994 persisted in 1995. In Latin America, the definite growth setback sustained in mid-1995 in the wake of the collapse of the Mexican peso and economic policy tightening was reversed.

The Central and Eastern European countries, after experiencing falling production in the early years of transition, made encouraging headway. GDP growth in this group of countries as a whole ran to over 4.2%, with only slight differences in performance as between most of them.

**Current balances : 1993 - 1995
(as % of GDP)**



After five years of continuous fall (1989 - 1993) the recovery in overall capital investment as measured by GFCF remained firm, rising by 3.5% compared with 1994.

The general buoyancy of investment provided the main impetus for growth. Private consumer spending remained subdued. The relative importance of exports as a growth factor progressively fell.

Capital expenditure continued to pick up, turning positive in all the Member Countries and rising by 6.5% across the Union as a whole (against 2.7% in 1994 and -10.2% in 1993). However, the picture varied from country to country. In Sweden, Finland and

List of financing provided within the European Union in 1995⁽¹⁾

Financing provided for capital investment within the Union totalled 18 603 million. The corresponding operations, all financed from own resources, give rise to financial commitments for the EIB and are accounted for in its balance sheet.

The Bank cooperates closely with an increasing number of financial institutions and commercial banks, with which it concludes global loans for financing small and medium-scale industrial, service-sector and infrastructural schemes. It also grants certain individual loans through the intermediary of institutions and banks.

The Community policy objectives with which individual loans comply are highlighted by symbols in the right-hand columns. Unless otherwise indicated, global loans cover a number of sectors and objectives (see box article, page 20).

The symbols are as follows :

- regional development
- ▶ industrial competitiveness and European integration
- Community infrastructure
- ◆ energy
- ◀ protection of the environment and urban development.

TEN : project forming part of the priority trans-European networks adopted by the Essen European Council in December 1994.

	ECU million		ECU million
BELGIUM		DENMARK	
<u>25 669.2 million Belgian francs</u>	<u>665.3</u>	<u>6 027.7 million Danish kroner</u>	<u>824.9</u>
<u>Individual loans</u>	<u>(506.2)</u>	<u>Individual loans</u>	<u>(782.2)</u>
Construction of two power stations combining gas and steam turbines, running on natural gas, in Drogenbos (Brussels region) and Seraing (near Liège) <i>Tractebel</i>	33.8 ■ ◆	Construction of combined heat and power plant in Viborg <i>Viborg Kommune</i>	32.9 ◆
Extension of wastewater collection and treatment facilities (Flemish Region) <i>Aquafin</i>	77.7 ◀	Renovation and conversion of waste incinerator for heat and power production and of district heating and sewerage systems <i>Århus Kommune</i>	6.9 ◆ ◀
Construction of first phase (French frontier - Brussels) of new high-speed rail line <i>SNCB - Société Nationale des Chemins de fer Belges</i>	TEN 230.4 ●	Construction of combined heat and power plant in Silkeborg (Jutland) <i>Silkeborg Kraftvarmeværk 1/S</i>	43.9 ◆
Ghislenghien - Hacquenies section of A8 Brussels - Lille motorway <i>SOFICO - Société régionale wallonne de financement complémentaire des infrastructures</i>	52.5 ■ ●	Electrification and modernisation of several sections of the Odense - Padborg railway line and purchase of regional and suburban electric train sets <i>Danske Statsbaner - DSB</i>	128.1 ● ◀
Construction at Liège of link between E25 (Maastricht - Liège - Luxembourg) and E40 (Aachen - Liège - Brussels) motorways <i>SOFICO</i>	51.8 ■ ●	Motorway suspension bridge on eastern section of Great Belt fixed link <i>A/S Storebæltsforbindelsen</i>	248.2 ■ ●
Development and harmonisation of European air traffic control systems <i>Eurocontrol</i>	49.0 ●	Construction of Øresund fixed road-rail link between Copenhagen (Denmark) and Malmö (Sweden) <i>A/S Øresundsforbindelsen</i> <i>Øresundskonsortiet</i>	TEN 64.6 ● TEN 31.9 ●
Extension and regrouping of Eurocontrol facilities at Haren (Brussels region) <i>Eurocontrol</i>	11.0 ●		
<u>Global loans</u>	<u>(159.1)</u>		
For financing small and medium-scale public infrastructural works : <i>Crédit Communal de Belgique</i>	16.2	Development of digital switching and fibre-optic transmission system in Zealand and on Bornholm <i>Kjøbenhavns Telefon A/S, KTAS</i>	46.1 ■ ●
For financing small and medium-scale ventures :		Modernisation and extension of refinery in Kalundborg <i>Statoil Danmark A/S</i>	179.9 ◆ ◀
- <i>Kredietbank NV</i>	51.8		
- <i>Société Nationale de Crédit à l'Industrie</i>	26.7	<u>Global loans</u>	<u>(42.5)</u>
- <i>CERA Hoofdkantoor C.V.</i>	25.9		
- <i>Générale de Banque S.A.</i>	25.5		
- <i>Caisse Nationale de Crédit Professionnel S.A.</i>	13.0		

(1) Finance contracts are generally denominated in the equivalent of the national currency concerned.

For financing small and medium-scale ventures :
Finance for Danish Industry International S.A., FIH 42.5

	ECU million	ECU million
GERMANY		
<u>5 079.8 million Deutsche Mark</u>	2 715.0	
<u>Individual loans</u>	<u>(1 268.3)</u>	
Construction of lignite-fired power station to replace obsolete units at Schwarze Pumpe (Brandenburg) SVK Schwarze Pumpe-VEAG Kraftwerksgesellschaft mbH	213.1 ■ ◆ ◀	Transfer of cable production facilities to factories in East Berlin and Schönow (Brandenburg) KWO Kabel GmbH 47.7 ■
Natural-gas-fired combined-cycle heat and power plants in :		Development of flexible modular motor vehicle tyre shop and installation in factory at Breuberg (Hessen) Pirelli Reifenwerke GmbH 4.4 ▶
- Dessau (Sachsen-Anhalt) Heizkraftwerk Dessau GmbH & Co. KG	21.3 ■ ◆ ◀	Construction of warehouses at Haldensleben (Sachsen-Anhalt) and Ohrdruf (Thuringia) for mail order company Otto Versand GmbH & Co. 43.2 ■
- Potsdam (Brandenburg) Energieversorgung Potsdam GmbH	29.7 ■ ◆ ◀	Logistical centres for mail distribution system 213.1 ■ ●
- East Berlin BEWAG AG	53.3 ■ ◆	<u>Global loans</u> (1 446.7)
- Dresden (Saxony) Dresdner Elektrizität & Fernwärme GmbH	TEN 134.6 ■ ◆ ◀	For financing small and medium-scale ventures :
Cable linking up German and Swedish power grids Baltic Cable AB	40.0 ■ ◆	- Kreditanstalt für Wiederaufbau 374.8
Modernisation and extension of natural gas transmission and distribution networks in :		- Westdeutsche Landesbank Girozentrale 318.8
- Leipzig area Erdgas West-Sachsen GmbH (EWS)	26.6 ■ ◆	- Landesbank Hessen-Thüringen Girozentrale 193.1
- Sachsen-Anhalt Gasversorgung Sachsen-Anhalt GmbH (GSA)	42.6 ■ ◆	- Bremer Landesbank Kreditanstalt Oldenburg Girozentrale 138.1
- Berlin GASAG Berliner Gaswerke AG	39.7 ■ ◆	- Deutsche Bank AG 79.9
Wastewater collection and treatment facilities in :		- Deutsche Ausgleichsbank 79.9
- Wittenberg (Sachsen-Anhalt) Lutherstadt Wittenberg	10.7 ■ ◀	- Commerzbank AG 79.8
- Rudolstadt and Saalfeld (Thuringia) Zweckverband Wasserversorgung und Abwasserbeseitigung Gemeinden Rudolstadt & Saalfeld	10.8 ■ ◀	- Südwestdeutsche Landesbank Girozentrale 64.3
- Constance (Baden-Württemberg) Stadt Konstanz	10.7 ◀	- InvestitionsBank des Landes Brandenburg 54.0
- part of North Rhine-Westphalia Erftverband	48.1 ◀	- Landesbank Schleswig Holstein Girozentrale 31.9
- Eisenach area (Thuringia) Abwasserverband Eisenach-Erbstromtal	44.4 ■ ◆ ◀	- Hamburgische Landesbank Girozentrale 16.2
Construction of regional public waste disposal complex in Bonacker (North Rhine-Westphalia) Hochsauerlandkreis	8.1 ◀	- Norddeutsche Landesbank Girozentrale 15.7
Modernisation of suburban railway system in Stuttgart area Zweckverband Nahverkehr Stuttgart	3.7 ◀	
Extension of "Wilhelm Kaisen" container terminal at port of Bremerhaven Bremer Lagerhaus - Gesellschaft AG	89.4 ■ ●	
Replacement of tram and bus fleets to improve public transport in Rostock Rostocker Strassenbahn AG	52.5 ■ ◆ ◀	
New eastern terminal at Frankfurt airport Flughafen Frankfurt Main AG	80.5 ●	
		GREECE
		<u>160 042 million Greek drachmas</u> 525.2
		<u>Individual loans</u> (269.4)
		Construction of small hydro-electric power station at Pournari on Arakthos River, near Arta (Epirus) DEI - Dimosia Epiririsi Ilektrismou (Public Power Corporation) 9.5 ■ ◆
		Extension and uprating of power grid DEI 26.2 ■ ◆
		Upgrading to motorway standard of various sections of Patras - Athens - Thessaloniki - Bulgarian border highway Elliniki Dimocratia
		- Elefsina - Korinthos 17.0 ■ ●
		- Katerini - Klidi TEN 16.5 ■ ●
		Extension of container terminal at port of Piraeus Piraeus Port Authority 42.5 ■ ●
		Extension of Athens metro Attiko Metro A.E. 105.0 ■ ◀
		Installation of mobile telephony networks :
		- STET (Hellas) S.A. 33.1 ■ ●
		- PANAFON (Hellas) S.A. 19.6 ■ ●
		<u>Global loans</u> (255.9)
		For financing small infrastructural works included in regional component of Community Support Framework Elliniki Dimocratia 210.0
		For financing small and medium-scale ventures :
		- ETEBA - National Investment Bank for Industrial Development SA 39.2
		- Ergobank SA 6.6

	ECU million		ECU million
SPAIN			
<u>464 724.3 million Spanish pesetas</u>	<u>2 817.6</u>		
<u>Individual loans</u>	<u>(2 651.5)</u>		
Forestry schemes, notably works to combat erosion and forest fires <i>Junta de Andalucía</i>	89.4 ■ ◀	Construction of new passenger terminal at Palma de Mallorca and extension of existing passenger terminals at Barcelona and Malaga airports <i>Ente Público de Aeropuertos Españoles y Navegación Aérea</i>	27.7 ■ ●
Construction of seven small hydro-electric power stations in Ebro Valley and 34 wind generators near Pamplona <i>Energía Hidroeléctrica de Navarra SA</i>	26.7 ■ ◆	Modernisation and extension of telecommunications system <i>Telefónica de España SA</i>	539.0 ■ ●
Project to link Spanish and Portuguese electricity grids : Meson - Portuguese border and Cartelle - Trives (Galicia) sections <i>Red Eléctrica de España S.A.</i>	TEN 6.2 ■ ◆	Improvements to road and drinking water supply infrastructure <i>Comunidad Autónoma de Extremadura</i>	32.2 ■ ◀
Upgrading and modernisation of electricity grid <i>Fuerzas Eléctricas de Cataluña</i>	57.0 ■ ◆	Improvements to road and sewerage networks, development of industrial estates, forestry schemes and conservation of historical and cultural heritage <i>Comunidad Autónoma de Aragón</i>	76.3 ■ ◀
Construction of Maghreb-Europe gasline for supplying Spain and Portugal with Algerian natural gas : Tarifa - Córdoba - Portuguese border (near Badajoz) sections and stretch located in Spanish territorial waters <i>Gasoducto al Andaluz SA</i>	TEN 224.4 ■ ◆	Installation of hydro-desulphurisation unit at refinery in Huelva <i>Ertoil SA</i>	29.4 ■ ◀
Wastewater collection and treatment and drinking water supply schemes in :		Installation of hydro-desulphurisation unit at refinery in Cadiz and steam/electricity co-generation unit at refinery in Tenerife <i>Compañía Española de Petróleos SA</i>	88.1 ■ ◆ ◀
- Valencia <i>Entidad Pública de Saneamiento de Aguas Residuales de Valencia</i>	61.6 ■ ◀	<u>Global loans</u>	<u>(166.1)</u>
- Catalonia <i>Junta de Saneamiento de Cataluña</i>	61.4 ■ ◀	For financing small and medium-scale ventures :	
- Andalusia <i>Junta de Andalucía</i>	46.1 ■ ◀	- <i>Instituto de Crédito Oficial</i>	61.5
Construction of urban waste processing facilities in :		- <i>Banco de Crédito Local de España</i>	61.5
- Son Reus <i>Tirme, Palma de Mallorca</i>	69.9 ◆ ◀	- <i>Banco Central Hispanoamericano S.A.</i>	30.9
- Madrid <i>Tirmadrid SA</i>	55.2 ◆ ◀	- <i>Instituto de Fomento de Andalucía</i>	12.3
Modernisation of rolling stock and infrastructure for suburban railway systems in the country's nine largest cities <i>Red Nacional de los Ferrocarriles Españoles</i>	273.9 ■ ● ◀	FRANCE	
Improvements to regional and trunk road systems :		<u>14 350.6 million French francs</u>	<u>2 206.8</u>
- <i>Ministerio de Obras Públicas, Transportes y Medio Ambiente</i>	TEN 469.7 ■ ●	<u>Individual loans</u>	<u>(1 177.8)</u>
- <i>Comunidad Autónoma de Galicia</i>	60.6 ■ ●	Modernisation of Belfort sewage treatment plant (Franche-Comté) <i>District de l'agglomération belfortaine</i>	6.2 ■ ◀
- <i>Territorio Histórico de Guipúzcoa</i>	58.7 ■ ●	Urban waste processing and recycling in :	
- <i>Territorio Histórico de Bizkaia</i>	33.8 ■ ●	- Nantes (Pays-de-la-Loire) <i>Arc-en-Ciel SA</i>	30.7 ■ ◀
- <i>Gestión de Infraestructuras SA</i>	30.7 ■ ●	- Cergy-Pontoise (Ile-de-France) <i>Compagnie Générale d'Environnement de Cergy-Pontoise</i>	38.6 ◆ ◀
- <i>Territorio Histórico de Álava</i>	24.6 ■ ●	Southward extension of Paris - Lyons - Valence high-speed railway line (TGV-Méditerranée) : common section from Valence to Avignon and two branches, Avignon - Marseilles and Avignon - Nîmes <i>Société Nationale des Chemins de fer Français</i>	149.3 ■ ●
Extension of urban rail network in Valencia and purchase of rolling stock <i>Ferrocarriles de la Generalidad Valenciana</i>	36.8 ■ ◀	New motorway sections through intermediary of Caisse Nationale des Autoroutes (CNA) :	
Construction of first stage of Bilbao metro and purchase of rolling stock <i>Consortio de Transportes de Vizcaya</i>	61.5 ■ ◀	- A43 : Fréjus road tunnel - Pont d'Aiton motorway network junction (Rhône - Alpes) <i>Société Française du Tunnel Routier de Fréjus</i>	145.6 ■ ●
		- A39 : Lons-le-Saunier - Bourg-en-Bresse and Dôle - Lons-le-Saunier (Franche-Comté) <i>SAPRR-Société des Autoroutes Paris Rhin-Rhône SA</i>	95.5 ■ ●
		- A16 : L'Isle Adam - Amiens and Amiens - Boulogne (Ile de France/Picardy) <i>SANEF - Société des Autoroutes du Nord et de l'Est de la France SA</i>	92.4 ■ ●

	ECU million		ECU million
- A29 : Le Havre - Yvetot and Yvetot - Saint-Saens (Haute-Normandie) SAPN - Société de l'Autoroute Paris-Normandie	46.3 ■ ●	Modernisation of trunk and urban road system <i>Ireland, Minister for Finance</i>	23.3 ■
- A51 : Sisteron - La Saulce ESCOTA - Société de l'autoroute Esterel - Côte d'Azur	15.4 ■ ●	Extension of Dublin airport <i>Aer Rianta - Irish Airports</i>	15.9 ■ ●
- A40 : dualling of Chamoise tunnel and Nantua and Neyrolles viaducts (Rhône - Alpes) SAPRR - Société des Autoroutes Paris Rhin-Rhône SA	4.6 ●	Modernisation and extension of higher education institutes <i>Ireland, Minister for Finance</i>	19.6 ■
Improvements to D929 departmental road between Lannemezan and Bielsa (Spanish border) <i>Département des Hautes-Pyrénées</i>	23.1 ■ ●	<u>Global loans</u>	(193.9)
Upgrading of sections of road : Jarry harbour - Le Raizet airport and Petit-Bourg bypass <i>Région Guadeloupe</i>	38.5 ■	For financing small and medium-scale ventures :	
Partial renewal of aircraft fleet and provision of ancillary ground equipment <i>Air Inter SA</i>	46.0 ■ ●	- <i>Bank of Ireland</i>	61.1
New terminal at Bordeaux-Mérignac airport <i>Chambre de Commerce et d'Industrie de Bordeaux</i>	15.3 ■ ●	- <i>Ulster Bank</i>	59.4
Urban development and car parks in Lyons conurbation (Rhône - Alpes) <i>Communauté Urbaine de Lyon</i>	84.7 ◀	- <i>ACC Bank</i>	48.9
Improved environmental protection facilities at four factories near Lille (Nord) and south of Lyons (Rhône-Alpes) <i>Rhône-Poulenc Chimie SA</i>	37.0 ■ ◀	- <i>National Irish Bank</i>	24.5
Design, development and production of new automatic gearbox in Valenciennes (Nord) and Barlin, near Béthune (Pas-de-Calais) <i>Automobiles Peugeot SA</i>	185.2 ■ ▶	ITALY	
Construction of motor vehicle engine plant at Douvrain (Pas-de-Calais) <i>Automobiles Peugeot SA</i>	77.0 ■ ◀	<u>7 417.6 billion Italian lire</u>	3 434.9
Modernisation of aero-engine development and production in Paris area <i>SNECMA - Société Nationale d'Etude et de Construction de Moteurs d'Aviation</i>	46.3 ▶	<u>Individual loans</u>	(2 271.0)
<u>Global loans</u>	(1 028.9)	Rehabilitation and upgrading of hydro-electric power stations (Piedmont, Lombardy) <i>ENEL SpA</i>	9.4 ◆
For financing small and medium-scale transport and environmental protection infrastructure :	567.2	Construction of hydro-electric power station in Dora Riparia basin (Piedmont) <i>Azienda Energetica Municipale di Torino</i>	112.9 ■ ◆
- <i>Crédit Local de France</i>		Construction of combined-cycle power station and extension of municipal district heating system in Reggio Emilia <i>Azienda Gas Acqua Consorziale di Reggio Emilia</i>	32.9 ◆
For financing small and medium-scale ventures :	231.5	Development of oil and gas deposits :	
- <i>Groupe Paribas</i>	77.2	- natural gas in Daria (The Marches) and Roseto-Montestillo (Apulia); and oil south of Potenza (Basilicata)	21.8 ■ ◆
- <i>Banque Nationale de Paris - BNP</i>	76.0	- oil in Villafortuna-Treccate (Piedmont) <i>AGIP SpA</i>	72.0 ◆
- <i>Crédit Commercial de France - CCF</i>	46.3	Continued construction of second trans-Mediterranean gasline <i>SNAM SpA</i>	130.9 ■ ◆
- <i>Locafrance SA</i>	30.8	Extension of natural gas transmission system in Emilia-Romagna, Lombardy, Piedmont, Tuscany and Apulia <i>SNAM SpA</i>	164.7 ■ ◆
- <i>BNP Bail SA</i>		Expansion and modernisation of natural gas distribution network in Rome <i>ITALGAS - Società Italiana per il Gas SpA</i>	23.5 ◆
IRELAND		Extension and modernisation of drinking water supply systems and natural gas transmission networks <i>ASM -Azienda Servizi Municipalizzati, Brescia</i>	23.5 ◆ ◀
<u>266.6 million Irish pounds</u>	327.3	Wastewater collection and treatment facilities in :	
<u>Individual loans</u>	(133.4)	- Salerno and Benevento provinces <i>Regione Campania</i>	7.0 ■ ◀
Development of Irish forests <i>Ireland, Minister for Finance</i>	30.6 ■ ◀	- Alto Seveso, Alto Lura and Livescia basins (Lombardy) <i>Lariana Depur SpA</i>	23.5 ◀
Modernisation of rolling stock and signalling, mainly on Dublin - Belfast line <i>Iarnrod Eireann - Irish Rail</i>	TEN 44.0 ■ ●	Modernisation of Verona - Brenner Tunnel railway line <i>Ferrovie dello Stato SpA</i>	TEN 350.4 ●
		Modernisation of five sections of railway network in Campania and Abruzzi <i>Ferrovie dello Stato SpA</i>	564.7 ■ ● ◀

	ECU million		ECU million
Widening of motorway between Milan and Gallarate (Lombardy) to improve access to Malpensa international airport <i>Autostrade - Concessioni e Costruzioni Autostrade SpA</i>	TEN 20.0 ●	Reconstruction of confectionery plant damaged by floods in Alba (Piedmont) <i>Ferrero SpA</i>	28.2 ■
Extension of intermodal freight terminal at Bologna (Emilia-Romagna) <i>Società Interporto di Bologna pA</i>	5.2 ●	Construction of new unit producing polyester fibre for clothing industry at Vercelli (Piedmont) <i>TMI Europe SpA</i>	16.5 ►
Modernisation and extension of telecommunications <i>Telecom Italia SpA</i>	246.9 ■ ●	Garment manufacture; advanced vocational training and service centre at Villorba (Veneto) <i>Benetton SpA</i>	13.1 ►
Renovation of historic centre and urban development in Bologna and Ferrara (Emilia-Romagna) <i>Regione Emilia-Romagna</i>	4.8 ◀	Extension of recycled paper plant in Borgo a Mozzano (Tuscany) <i>Cartiera Lucchese SpA</i>	18.1 ■ ◆ ◀
Restoration and repair of historic buildings in Monreale and Milazzo (Sicily) and the Roman site of Pompeii <i>Ministero per i Beni Culturali e Ambientali</i>	4.5 ■ ◀	<u>Global loans</u>	[1 163.9]
New fibreboard production facility at Rivoli di Osoppo, near Udine (Friuli-Venezia Giulia) <i>Fantoni SpA</i>	14.1 ►	For financing reconstruction of infrastructure, buildings and firms in the productive sector damaged by floods in November 1994 :	
Modernisation of ceramic tile factories near Bologna and Modena (Emilia-Romagna) <i>Florim Ceramiche SpA</i> <i>Atlas Concorde SpA</i>	5.0 ■ 4.7 ■ ►	- IMI	65.5
Modernisation of refinery at Falconara, on Adriatic coast (The Marches) <i>API - Raffineria di Ancona SpA</i>	23.5 ◆ ◀	- Banca Mediocredito	65.5
Modernisation of refinery at Milazzo (Sicily) <i>AGIP Petroli SpA</i>	113.5 ■ ◆ ◀	- CREDIOP	65.5
Modernisation and extension of fine chemicals factory at Campoverde (Latina) <i>Recordati SpA</i>	9.7 ■	- BNL	65.5
Modernisation and extension of textile yarn plant at Pisticci (Basilicata) <i>NYLSTAR SpA</i>	39.3 ■ ►	For financing small and medium-scale applied research projects :	
CONSTRUCTION of motor vehicle assembly plant in Melfi (Basilicata) <i>SATA srl & FIAT Auto SpA</i>	83.6 ■ ►	- IMI	159.7
Construction of 19 car component factories in Melfi (Basilicata) as part of integrated supply system <i>ACM Consorzio Auto Componentistica Mezzogiorno, S.C.p.A.</i>	2.2 ■ ►	- Efibanca	92.9
Development of advanced optical systems in Milan (Lombardy) <i>Pirelli Cavi SpA</i>	18.8 ►	- BNL	70.6
Modernisation of two plants producing telecommunications equipment for digital radio transmissions and mobile telephony near Milan (Lombardy) and Caserta (Campania) <i>Siemens Telecomunicazioni SpA</i>	37.3 ■ ►	- Monte dei Paschi di Siena	53.7
Modernisation of domestic electrical appliance factory in Naples (Campania) <i>Whirlpool Italia</i>	4.9 ■	- Banca Commerciale Italiana	43.6
Extension and modernisation of four domestic electrical appliance factories in central and northern Italy <i>Merloni Elettrodomestici SpA</i>	7.6 ■	- Banca S. Geminiano	37.3
Modernisation of two plants for manufacturing domestic electrical goods in Carinara and Teverola (Campania) <i>Merloni Elettrodomestici SpA</i>	11.8 ■	- Istituto Bancario San Paolo di Torino	28.2
		- Banca Mediocredito	28.2
		- Centrobanca	25.2
		- Carimonte Banca	23.5
		- CREDIOP	22.7
		- Mediocredito Centrale	22.3
		- Banca Popolare dell'Emilia Romagna	21.8
		- Mediocredito Lombardo	21.8
		- Cassa di Risparmio di Parma e Piacenza	15.0
		- Interbanca	14.1
		- Credito Romagnolo	11.8
		- Credito Fondiario e Industriale	8.7
		LUXEMBOURG	
		<u>3 000 million Luxembourg francs</u>	78.8
		Construction of electric arc furnace to produce long products at Esch-Belval <i>Socabel</i>	78.8 ■ ◆ ◀
		AUSTRIA	
		<u>3 183 million Austrian Schillings</u>	241.9
		<u>Individual loans</u>	[199.2]
		Modernisation and extension of wastewater treatment system in Vienna <i>Entsorgungsbetrieb Simmering GmbH</i>	39.4 ◀
		Upgrading of main railway line between Vienna and Tarvisio (Italian border) <i>OBB-Österreichische Bundesbahn</i>	106.5 ●
		Development of new engine at motor vehicle plant in Steyr <i>BMW Motoren GmbH</i>	53.3 ■ ►

<u>Global loans</u>	ECU million <u>(42.7)</u>
For financing small and medium-scale ventures :	
- Österreichische Investitionskredit AG	37.4
- Österreichische Hotel und Fremdenverkehr Treuhand (tourism)	5.3

NETHERLANDS

<u>668 million Netherlands guilders</u>	<u>318.9</u>
<u>Individual loans</u>	<u>(318.9)</u>
Extension of incineration plant for household and similar waste at Beuningen near Nijmegen (Gelderland) <i>Afvalverwerking Regio Nijmegen NV</i>	7.2 ◀
Motorway tunnel under Noordzeekanaal <i>Exploitiemaatschappij Wijkertunnel</i>	48.0 ●
Construction of new container terminal in port of Rotterdam <i>Gemeentelijk Havenbedrijf Rotterdam</i>	166.5 ●
Purchase of two large-tonnage freighters for Hull - Rotterdam route <i>Royal Nedlloyd Group NV</i>	TEN 25.2 ● ◀
Air traffic control and management facilities at Schiphol airport, Amsterdam <i>Luchtverkeersbeveiligings-Organisatie</i>	72.0 ●

PORTUGAL

<u>241 822.0 million Portuguese escudos</u>	<u>1 231.5</u>
<u>Individual loans</u>	<u>(1 193.3)</u>
First phase in installation of natural gas transmission system in western Portugal <i>Transgás-Sociedade Portuguesa de Gás Natural SA</i>	TEN 102.3 ■ ◆
Construction of natural gas distribution networks :	
- in nine central western towns <i>Lusitaniagás Companhia de Gás do Centro SA</i>	12.8 ■ ◆
- in Setúbal area <i>Setgás - Sociedade de Produção e Distribuição de Gás Natural SA</i>	6.1 ■ ◆
Construction of electrified railway line between Chelas, north-east of Lisbon, and Coina on south bank of Tagus <i>Gabinete do Nó Ferroviário de Lisboa</i>	101.4 ■ ◀
Northward extension of A3 motorway from Braga to Spanish border <i>BRISA - Auto-estradas de Portugal SA</i>	76.1 ■ ●
Improvements to trunk road network :	
- <i>Junta Autónoma de Estradas</i>	229.5 ■ ●
- <i>República Portuguesa - Ministério das Finanças</i>	76.1 ■
Construction of two tunnels and an urban road in Oporto <i>Câmara Municipal do Porto</i>	11.4 ■ ◀
Construction of second road bridge over Tagus estuary, upstream from Lisbon <i>Lusoponte - Concessionária para a Travessia sobre o Tejo SA</i>	270.4 ■ ●

Modernisation of suburban railway line in Oporto <i>Gabinete do Nó Ferroviário do Porto</i>	70.6 ■ ◀
Construction of fourth line on Lisbon metro <i>Metropolitano de Lisboa EP</i>	101.4 ■ ◀
Construction of public transport interchange station at Cais do Sodré and extension of metro line A <i>Metropolitano de Lisboa EP</i>	55.9 ■ ◀
Urban development in preparation for 1998 World Fair in Lisbon <i>Parque Expo' 98 SA</i>	50.7 ■ ◀
Reconstruction of public infrastructure and housing damaged by October 1993 cyclone on island of Madeira <i>Região Autónoma da Madeira</i>	21.4 ■
Construction of hotels along main highways <i>Portis - Hotels Portugueses SA</i>	7.2 ■ ▶
<u>Global loans</u>	<u>(38.3)</u>
For financing small municipal infrastructural works <i>- Caixa Geral de Depósitos</i>	28.1
For financing small and medium-scale ventures : <i>- IAPMEI - Instituto de Apoio às Pequenas e Médias Empresas & Investimento</i>	10.1

FINLAND

<u>1 030 million Finnish markka</u>	<u>179.1</u>
<u>Individual loans</u>	<u>(163.5)</u>
Modernisation of Turku - Helsinki, Riihimäki - Lahti and Helsinki - Tikkurila sections of southern rail link between Turku, Helsinki and Russian border <i>Republic of Finland</i>	TEN 118.3 ● ◀
Improvements to two sections of E18 east-west road link in southern Finland <i>Republic of Finland</i>	TEN 31.0 ●
Environmental protection and energy-saving facilities at steelworks in Imatra <i>Imatra Steel OY AB</i>	14.2 ■ ◀
<u>Global loan</u>	<u>(15.7)</u>
For financing small and medium-scale ventures : <i>- KERA LTD</i>	15.7

SWEDEN

<u>2 533.7 million Swedish kronor</u>	<u>273.1</u>
<u>Individual loans</u>	<u>(225.4)</u>
Construction of hydro-electric power station and modernisation of five others in northern Sweden <i>Vattenfall AB</i>	85.5 ◆
Cable linking up Swedish and German power grids <i>Baltic Cable AB</i>	25.1 ◆

	ECU million		ECU million
Modernisation and extension of wastewater treatment plants in :		Motorway bridge over Severn estuary <i>Severn River Crossing plc</i>	23.7 ■ ●
- Stockholm <i>Stockholm Vatten AB</i>	25.3 ◀	Construction of new aircraft maintenance centre at Cardiff airport (Wales) <i>British Airways Maintenance Cardiff Ltd</i>	36.0 ■
- Göteborg <i>Göteborgs Ryaverks Aktiebolag, Gryaab</i>	13.9 ◀	Expansion of fibre-optics production capacity at Bishopstoke and Harlow (South East) <i>Pirelli General plc</i>	9.4 ▶
Upgrading of Ulriksdal - Uppsala section of east coast railway line <i>Banverket</i>	43.7 ●	Construction of plant for manufacture and assembly of electronic memory devices in Livingston (Scotland) <i>NEC Semiconductors (UK) Ltd</i>	36.0 ■
Construction of Öresund road-rail fixed link between Copenhagen (Denmark) and Malmö (Sweden) <i>Öresundskonsortiet</i>	TEN 31.9 ●	<u>Global loans</u>	<u>(573.5)</u>
<u>Global loans</u>	<u>(47.7)</u>	For financing small and medium-scale ventures :	
For financing small and medium-scale ventures :		- <i>Barclays Bank plc</i>	420.2
- <i>Kommuninvest</i>	32.7	- <i>Northern Bank Ltd</i>	70.1
- <i>AB Svensk Export Kredit, SEK</i>	15.0	- <i>Bank of Scotland</i>	31.8
		- <i>TSB Bank plc</i>	30.0
		- <i>Clydesdale Bank plc</i>	21.6
UNITED KINGDOM		OTHER ⁽¹⁾	<u>518.6</u>
<u>1 870.1 million pounds sterling</u>	<u>2 243.9</u>	NORWAY	
<u>Individual loans</u>	<u>(1 670.4)</u>	Replacement of penstocks at three hydro-electric power stations in southern Norway <i>Statkraft SF</i>	23.5 ◆
Installation of desulphurisation equipment at Drax coal-fired power station (North Yorkshire) <i>National Power plc</i>	359.5 ■ ◀	Refurbishment and extension of Ekofisk oil and gas complex in Norwegian sector of North Sea <i>Fina Exploration Norway SCA</i>	265.5 ◆
Development of Captain oilfield in British sector of North Sea <i>Texaco North Sea UK Ltd</i>	223.4 ◆	MOROCCO	
Extension and uprating of power supply grid in Midlands <i>Midlands Electricity plc</i>	53.4 ■ ◆	Construction of natural gas pipeline between Algerian-Moroccan border and Moroccan coast on Strait of Gibraltar, near Tangier <i>Europe Maghreb Pipeline Ltd</i>	TEN 189.6 ◆
Improvements to drinking water supply and sewerage systems in various regions :		ICELAND	
- Wales <i>Dwr Cymru Cyfyngedig</i>	167.8 ■ ◀	Improvements to road infrastructure in Reykjavik area and around western fjords <i>Republic of Iceland</i>	40.0 ●
- East Anglia <i>Anglian Water Services Ltd</i>	144.6 ◀		
- North West <i>North West Water Ltd</i>	131.8 ■ ◀		
- Essex, Norfolk and North East <i>Lyonnaisse Europe plc</i>	77.2 ■ ◀		
- North East <i>Northumbrian Water Ltd</i>	41.9 ■ ◀		
Modernisation of railway network <i>West Yorkshire Passenger Transport Executive</i>	36.0 ■ ● ◀		
Upgrading of road and rail infrastructure <i>Cheshire County Council</i>	107.9 ■ ●		
Purchase of two large-tonnage freighters for Hull - Rotterdam route <i>Peninsular and Oriental Steam Navigation Company</i>	24.6 ● ◀		
Construction of light railway line between Wolverhampton and Birmingham and purchase of rolling stock <i>West Midlands Passenger Transport Executive</i>	47.9 ■ ◀		
Partial renewal of long-haul aircraft fleet <i>British Airways plc</i>	149.3 ●		

(1) Akin to financing for projects within the European Union (Article 18 (1) of the EIB's Statute).

List of financing provided outside the European Union in 1995

The total amount of EIB financing for investment outside the Union was 2 805.4 million, of which 45 million went to South Africa, 429.9 million to the African, Caribbean and Pacific States and the Overseas Countries and Territories, 1 037.5 million to the Mediterranean Countries, 1 005 million to the Central and Eastern European Countries, 168 million to Asia and 120 million to Latin America.

Loans from own resources are indicated by *. In certain cases they carry interest subsidies, provided from EDF resources in the ACP States and from Community budgetary resources in some Mediterranean Countries.

Financing from budgetary resources is indicated by □. It is provided by the EIB under mandate from, on behalf, for the account and at the risk of the Community and is accounted for off balance sheet in the Special Section.

	ECU million		ECU million
SOUTH AFRICA	45.0	BURKINA FASO	22.8
Finance for small-scale infrastructural projects, mainly sewerage schemes		Interconnection of Côte d'Ivoire and Burkina Faso power grids	
Global loan to <i>Development Bank of Southern Africa</i>	30.0 *	Conditional loan to <i>Société Nationale d'Electricité du Burkina</i>	9.8 □
Finance for SMEs		Rehabilitation of railway line between Abidjan (Côte d'Ivoire) and Kaya (Burkina Faso)	
Global loan to <i>Industrial Development Corporation</i>	15.0 *	Conditional loan to <i>Burkina Faso</i>	7.0 □
		Extension and modernisation of national telephone network	
		Conditional loan to <i>Office National des Télécommunications</i>	6.0 □
AFRICA		CAMEROON	21.1
COTE D'IVOIRE	46.6	Extension of Douala power transmission and distribution network	
First phase in development of Lion (oil and associated gas) and Panthère (gas and condensates) deposits off Jacqueville, south-west of Abidjan		<i>Société Nationale d'Electricité - SONEI</i>	8.0 *
<i>Société Nationale des Opérations Pétrolières de Côte d'Ivoire</i>	30.0 *	Conditional loan to <i>SONEL</i>	12.5 □
Interconnection of Côte d'Ivoire and Burkina Faso power grids		Construction of urea-formalin glue manufacturing unit	
Conditional loan to <i>Republic of Côte d'Ivoire</i>	3.6 □	Conditional loan to <i>Société Camerounaise d'Injection et de Modelage de Produits Organiques et Synthétiques</i>	0.6 □
Rehabilitation of railway line between Abidjan (Côte d'Ivoire) and Kaya (Burkina Faso)		ETHIOPIA	21.0
Conditional loan to <i>Republic of Côte d'Ivoire</i>	6.0 □	Extension and modernisation of installations at Addis Ababa airport and six regional airports	
Modernisation and extension of cocoa-processing plants at Abidjan and San Pedro		Conditional loan to <i>Federal Democratic Republic of Ethiopia for Ethiopian Civil Aviation Authority</i>	21.0 □
<i>Société Africaine de Cacao</i>	6.0 *	ZAMBIA	19.0
Modernisation and extension of plastics-processing plant		Finance for SMEs	
Conditional loan to <i>Ivoirienne de Manufactures</i>	1.0 □	Conditional global loans to <i>Standard Chartered Bank of Zambia Ltd, Barclays Bank of Zambia Ltd, Stanbic Bank, Zambia Ltd</i>	10.0 □
BOTSWANA	40.0	Expansion of cotton and mixed-yarn spinning facilities	
Construction of dam for supplying water to Gaborone		Conditional participating global loan to <i>Swarp Spinning Mills Ltd</i>	6.0 □
<i>Republic of Botswana for Water Utilities Corporation</i>	40.0 *	Greenhouse rose cultivation	
		Conditional global loan to <i>Barclays Bank of Zambia Ltd</i>	3.0 □
MAURITIUS	28.0	SENEGAL	18.4
Rehabilitation and extension of Baie du Tombeau sewerage system		Modernisation of drinking water production and distribution in Dakar and improvements to sewerage system	
<i>Republic of Mauritius</i>	16.0 *	Conditional loan to <i>Republic of Senegal for Société Nationale des Eaux du Sénégal</i>	15.0 □
Development of Port Louis commercial harbour		Modernisation of installations at five main airports	
<i>Mauritius Marine Authority</i>	12.0 *	Conditional loan to <i>Republic of Senegal</i>	3.4 □
GUINEA	25.0	UGANDA	15.0
Garafiri hydroelectric scheme on Konkouré River		Finance for SMEs	
Conditional loan to <i>Republic of Guinea for Entreprise Nationale d'Electricité de Guinée</i>	25.0 □	Conditional global loan to <i>Republic of Uganda</i>	15.0 □

	ECU million		ECU million
NAMIBIA	13.6		
Modernisation and extension of telecommunications network <i>Telecom Namibia</i>	12.7	*	
Extension of tannery in Okapuka Conditional loan to <i>Meat Corporation of Namibia</i>	0.9	□	
ZIMBABWE	13.0		
Rehabilitation and uprating of Kariba hydroelectric power station on Zambezi River Conditional loan to <i>Zimbabwe Electricity Supply Authority</i>	13.0	*	
TANZANIA	10.3		
Finance for SMEs Conditional global loan to <i>Tanzania Development Finance Company Ltd</i>	10.0	□	
Rehabilitation and renovation of six hotels in game reserves Conditional loan to <i>Government of Tanzania for Tanzania Hotels Investments Ltd (TAHI)</i>	0.3	□	
SÃO TOMÉ AND PRÍNCIPE	5.6		
Rehabilitation and expansion of power generation and distribution facilities Conditional loan to <i>State of São Tomé and Príncipe for Empresa de Agua e Electricidade</i>	5.6	□	
SWAZILAND	5.0		
Finance for SMEs Conditional global loan to <i>Swaziland Industrial Development Company Ltd</i>	5.0	□	
MADAGASCAR	3.5		
Expansion of shrimp farm in Mahajamba delta on north-western coast Conditional loan to <i>AQUALMA</i>	3.5	□	
MOZAMBIQUE	3.0		
Construction of new cashew-nut processing facility in Namialo industrial complex Conditional loan to <i>Companhia Industrial João Ferreira dos Santos Sarl</i>	3.0	□	
GHANA	1.0		
Finance for leasing operations Conditional global loan to <i>Leasafic Ghana Ltd</i>	1.0	□	
CARIBBEAN			
JAMAICA	19.0		
Finance for SMEs Global loan to <i>National Development Bank of Jamaica</i>	12.0	*	
Enlargement of Montego Bay industrial free zone <i>Port Authority of Jamaica for Montego Bay Free Zone Company Ltd</i>	7.0	*	
BAHAMAS	14.0		
Rehabilitation and extension of drinking water supply networks on New Providence and Family Islands <i>Commonwealth of the Bahamas for Water and Sewerage Corporation</i>	14.0	*	
GUYANA	8.3		
Rehabilitation of Rose Hall water supply system Conditional loan to <i>Cooperative Republic of Guyana for Guyana Water Authority</i>	7.8	□	
Finance for SMEs Conditional global loan to <i>Institute of Private Enterprise Development Ltd (IPED)</i>	0.5	□	
DOMINICAN REPUBLIC	8.0		
Finance for SMEs Conditional global loan to <i>Asociación para el Desarrollo de Microempresas</i>	8.0	□	
HAITI	4.0		
Finance for SMEs Conditional global loan to <i>Société Financière Haïtienne de Développement S.A.</i>	4.0	□	
ANTIGUA	3.4		
Construction of solid-waste collection and processing facilities on islands of Antigua and Barbuda Conditional loan to <i>Governments of Antigua and Barbuda</i>	3.4	□	
SAINT CHRISTOPHER AND NEVIS	2.0		
Extension of runway at Newcastle Airport on Nevis Conditional loan to <i>Government of the Federation of Saint Christopher and Nevis</i>	2.0	□	
GRENADA	1.8		
Construction of solid-waste collection and processing facilities on Island of Grenada Conditional loan to <i>Government of Grenada</i>	1.8	□	
SURINAME	0.6		
Construction of pilot aquaculture farm on Commewijne River Conditional loan to <i>N.V. Commewijne Shrimp and Fish Culture Corporation</i>	0.6	□	
OVERSEAS COUNTRIES AND TERRITORIES			
NETHERLANDS ANTILLES	2.5		
Finance for SMEs Global loan Conditional global loan <i>Ontwikkelingsbank van de Nederlandse Antillen</i>	1.0	*	
	1.5	□	
PACIFIC			
PAPUA NEW GUINEA	46.0		
Development of gold mine on island of Lihir, north of New Ireland - <i>Mineral Resources Development Company for Lihir Gold Ltd</i> - Conditional loan to <i>Mineral Resources Development Company</i>	25.0	*	
	21.0	□	
FIJI	8.4		
Extension of telecommunications network <i>Fiji Posts and Telecommunications Ltd</i>	8.0	*	
Feasibility study on expansion of Port of Suva <i>Ports Authority of Fiji</i>	0.4	□	

ECU million

ECU million

MEDITERRANEAN**EGYPT 296.0**

Construction oil refinery near port of Alexandria for producing medium and high-grade distillates
Middle East Oil Refineries 220.0 *

Modernisation of aluminium plant
Aluminium Company of Egypt 70.0 *

Completion and upgrading of facilities at refrigerator compressor plant, north east of Cairo
Misr Compressor Manufacturing Company 6.0 □

MOROCCO 245.0

Construction of sections of motorway :
- Rabat - Fez
- Rabat - Tangier
Société Nationale des Autoroutes du Maroc 165.0 *

Installation of new irrigation network in Haouz Plain around Marrakesh
Kingdom of Morocco 40.0 *

Finance for SMEs
Global loan to *Banque Nationale pour le Développement Economique and Banque Marocaine du Commerce Extérieur* 30.0 *

Finance for small and medium-scale roadworks carried out by local authorities
Global loan to *Fonds d'Équipement Communal* 10.0 *

ALGERIA 100.0

Extension of Rhourde Nous gas complex
SONATRACH 100.0 *

TURKEY 93.5

Construction of sewerage network in Ankara
Ankara Water and Sewerage Administration 45.0 *

Construction of sewerage network and wastewater treatment plant in Antalya
Antalya Water Supply and Sewerage Authority 35.0 *

Interconnection of electricity grids of Turkey and Syria
Turkish Electricity Generation and Transmission Corporation 13.5 *

TUNISIA 73.0

Rehabilitation and modernisation of principal commercial ports
Republic of Tunisia for Office des Ports Nationaux Tunisiens 25.0 *

Finance for environmental protection equipment in industry
Global loan to *Republic of Tunisia* 15.0 *

Construction and commissioning of gasline between Nabeul and Tunis and between Nabeul and Radès power station
Société Tunisienne de l'Électricité et du Gaz 15.0 *

Rehabilitation and extension of sections of road in Greater Tunis
Republic of Tunisia 10.0 *

Finance for equity participations in productive-sector enterprises, primarily associated with European Union firms
Apex global loan to Tunisian financial sector 8.0 □

LEBANON 73.0

Reconstruction of drinking water supply and sewerage installations in north of country
Republic of Lebanon 60.0 *

Reconstruction and modernisation of air navigation facilities
Republic of Lebanon 10.0 *

Finance for productive-sector SMEs
Conditional global loan to
Lebanon Invest (Holding) SAL 3.0 □

ISRAEL 68.0

Construction of new biological wastewater treatment plant in West Jerusalem and connection to sewerage network
State of Israel for Jerusalem Development Authority 35.0 *

Finance for SMEs
Global loan to *Industrial Development Bank of Israel* 33.0 *

JORDAN 38.0

Extension and upgrading of power grid in Greater Amman
Hashemite Kingdom of Jordan 20.0 *

Modernisation of water supply and wastewater collection and treatment system in north of country
Hashemite Kingdom of Jordan 18.0 *

GAZA 26.0

Finance for SMEs
Global loans to :
- *Arab Bank plc* 10.0 *
- *Cairo-Amman Bank* 10.0 *
Conditional global loans to :
- *Arab Bank plc* 3.0 □
- *Cairo-Amman Bank* 3.0 □

MALTA 15.0

Construction of sewerage and wastewater treatment installations on Malta and Gozo
Republic of Malta 15.0 *

CYPRUS 10.0

Extension of sewerage system in Limassol
Sewerage Board of Limassol-Amathus 10.0 *

ECU million

ECU million

CENTRAL AND EASTERN EUROPEAN COUNTRIES

	260.0
Installation of desulphurisation equipment at six lignite-fired power stations <i>C'EZ, a.s.</i>	200.0 *
Improvements to road network <i>Konsolidac'ni Banka</i>	60.0 *
HUNGARY	200.0
Finance for SMEs Global loan to <i>K & H Bank, OTP Bank, Creditanstalt - Budapest, ING Bank - Budapest, Inter - Europa Bank and Unicbank</i>	150.0 *
Modernisation and extension of telephone network <i>Magyar Távközlési Rt.</i>	50.0 *
ROMANIA	175.0
Extension and modernisation of telephone network <i>Republic of Romania for Regia Autonoma de Telecomunicatii - ROM-Telecom, R.A.</i>	80.0 *
Rehabilitation and modernisation of heat and power generation, transmission and distribution facilities <i>Republic of Romania for Regia Autonoma de Electricitate - RENEL R.A.</i>	60.0 *
Rehabilitation of port of Constanta <i>Republic of Romania for Constanta Port Administration - CPA</i>	35.0 *
POLAND	140.0
Finance for SMEs Global loan to <i>Bank Creditanstalt (Polska), Raiffeisen Centrobank, ABN AMRO (Polska) Bank and ING Bank - Warsaw</i>	100.0 *
Rehabilitation of first section of Warsaw-Terespol-Belorussian frontier railway line <i>Polskie Koleje Panstwowe</i>	40.0 *
SLOVAK REPUBLIC	80.0
Finance for SMEs Global loan to <i>National Bank of Slovakia</i>	50.0 *
Modernisation and extension of international gas transit pipeline network <i>Slovensky Plynarensky Priemysel</i>	30.0 *
BULGARIA	60.0
Rehabilitation and reconstruction of some 900 km of trunk roads <i>Republic of Bulgaria</i>	60.0 *
ALBANIA	34.0
Rehabilitation and modernisation of some 100 km of roads along main east-west road corridor <i>Republic of Albania</i>	24.0 *
Expansion of and repairs to ferry terminal in Port of Durrës <i>Republic of Albania for Port of Durrës Authority</i>	5.0 *
Finance for SMEs Apex global loan to <i>Republic of Albania via Bank of Albania</i>	5.0 *
SLOVENIA	32.0
Construction of three sections of east-west motorway <i>Ljubljana - Celje</i> <i>Druzba za Autocest v Republiki Sloveniji</i>	32.0 *

	19.0
Construction of small container terminal and improvements to roll-on roll-off terminal <i>Republic of Lithuania for Klaipeda State Seaport Administration</i>	14.0 *
Finance for SMEs Global loan to <i>Lithuanian Development Bank</i>	5.0 *
ESTONIA	5.0
Finance for SMEs Global loan to <i>Estonian Investment Bank</i>	5.0 *
ASIA	
CHINA	55.0
Development of Ping Hu oil and gas field; conveyance and distribution of gas to Pudong <i>People's Republic of China via People's Bank of China for Shanghai Petroleum Company</i>	55.0 *
INDONESIA	46.0
Construction of new gasline linking islands of Sumatra and Batan as well as central and southern Sumatra <i>Government of Indonesia for Perum Gas Nagara</i>	46.0 *
PHILIPPINES	25.0
Modernisation and extension of Davao airport on island of Mindanao <i>Government of the Philippines for Davao Airport Authority</i>	25.0 *
PAKISTAN	24.0
Construction and commissioning of hydroelectric complex on Indus River <i>Government of Pakistan for Water and Power Authority of Pakistan</i>	24.0 *
THAILAND	18.0
Extension of Erawan gasline between Bang Pakong and Wang Noi <i>Petroleum Authority of Thailand</i>	18.0 *
LATIN AMERICA	
ARGENTINA	76.0
Wastewater collection and treatment facilities in northern Buenos Aires <i>Agua Argentinas</i>	70.0 *
Hazardous waste processing and disposal facilities in Buenos Aires <i>AILINCO S.A.</i>	6.0 *
PERU	27.0
Rehabilitation of northern section of Pan-American Highway <i>Republic of Peru, Ministry of Transport and Communications</i>	27.0 *
PARAGUAY	17.0
Extension of wastewater collection and treatment system in Asunción <i>Republic of Paraguay for Corporación de Obras Sanitarias</i>	17.0 *

STATISTICAL TABLES

Table A : Financing provided (contracts signed) from 1959 to 1995

(ECU million)

Year	Total	Within the European Union				Outside the European Union		
		Total	EIB own resources	Mandates & guarantees	NCI resources	Total	EIB own resources	Budgetary resources
1959/1972	2 839.9	2 453.4	2 344.1	109.3	—	386.5	155.7	230.8
1973/1980	14 547.9	12 553.0	11 946.2	132.1	474.7	1 994.9	1 381.5	613.4
1981/1985	28 500.0	25 714.0	20 747.7	379.7	4 586.9	2 786.0	2 438.8	347.2
1986	7 556.1	7 071.1	6 678.1	—	393.0	485.0	381.8	103.2
1987	7 848.7	7 450.4	7 003.4	—	446.9	398.3	188.8	209.5
1988	10 180.1	9 479.8	8 938.3	185.0	356.5	700.2	520.1	180.1
1989	12 246.1	11 634.2	11 555.9	—	78.3	611.8	485.9	125.9
1990	13 338.9	12 626.0	12 549.9	52.5	23.6	712.9	669.0	43.9
1991	15 393.3	14 477.3	14 438.1	—	39.2	916.0	781.5	134.5
1992	17 032.5	16 139.7	16 066.0	73.7	—	892.8	764.3	128.5
1993	19 615.3	17 724.2	17 672.6	51.5	—	1 891.1	1 807.4	83.7
1994	19 927.5	17 681.9	17 656.0	25.8	—	2 245.6	1 978.5	267.1
1995	21 408.2	18 602.8	18 602.8	—	—	2 805.4	2 557.2	248.2
Total	190 434.4	173 607.8	166 199.1	1 009.6	6 399.1	16 826.6	14 110.5	2 716.1

Table B : Financing provided (contracts signed) from 1991 to 1995 and from 1959 to 1995
Breakdown by origin of resources and project location

(ECU million)

	1991 - 1995			1959 - 1995		
	Total	EIB own resources ⁽²⁾	Other resources	Total	EIB own resources ⁽²⁾	Other resources
Member Countries	84 625.8	84 586.6	39.2	173 607.8	167 208.7	6 399.1
Belgium	2 164.4	2 164.4	—	3 293.9	3 270.4	23.6
Denmark	3 779.7	3 779.7	—	7 734.2	7 188.4	545.8
Germany	10 183.6	10 183.6	—	14 775.8	14 775.8	—
Greece	2 315.4	2 315.4	—	5 203.2	4 897.1	306.1
Spain	15 197.3	15 158.1	39.2	20 816.1	20 572.1	244.0
France	10 709.2	10 709.2	—	23 279.1	22 029.0	1 250.0
Ireland	1 547.0	1 547.0	—	5 036.8	4 612.8	424.0
Italy	17 694.0	17 694.0	—	53 418.3	50 331.6	3 086.7
Luxembourg	155.2	155.2	—	212.2	212.2	—
Netherlands	1 427.9	1 427.9	—	2 539.5	2 536.3	3.2
Austria	403.9	403.9	—	637.8	637.8	—
Portugal	6 062.6	6 062.6	—	8 753.5	8 713.7	39.8
Finland	239.3	239.3	—	239.3	239.3	—
Sweden	288.4	288.4	—	288.4	288.4	—
United Kingdom	11 179.9	11 179.9	—	25 242.4	24 766.6	475.8
Other ⁽¹⁾	1 278.0	1 278.0	—	2 137.1	2 137.1	—
Africa-Caribbean-Pacific	1 762.7	974.6	788.1	4 731.0	2 848.8	1 882.2
South Africa	45.0	45.0	—	45.0	45.0	—
Mediterranean	2 887.3	2 813.3	74.0	7 779.7	6 945.8	833.9
CEEC	3 449.0	3 449.0	—	3 664.0	3 664.0	—
ALA	607.0	607.0	—	607.0	607.0	—
Total	93 376.8	92 475.6	901.2	190 434.4	181 319.2	9 115.2

Financing provided in Spain and Portugal up to the end of 1985 and in Greece up to the end of 1980 is recorded under operations outside the European Union.

(1) Financing akin to operations within the European Union (see Note 5(d), Guide to Readers, page 122).

(2) Including loans under mandate and guarantees.

Table C : Financing provided within the European Union from 1991 to 1995
(individual loans and allocations from ongoing global loans) - Sectoral breakdown

(ECU million)

	Total	Individual loans	Global loan allocations	Infrastructure				
				Transport	Telecommunications	Water management and other	Energy	Industry Services Agriculture
Belgium	2 272.3	1 393.3	879.0	811.9	—	265.0	302.9	892.6
Denmark	3 832.4	3 526.2	306.2	2 091.9	380.0	102.4	791.3	466.9
Germany	9 703.8	5 359.0	4 344.7	1 027.6	1 159.1	2 796.8	1 297.6	3 422.6
Greece	2 011.5	1 625.6	385.9	923.5	340.5	288.2	289.7	169.6
Spain	15 112.5	14 163.7	948.8	6 913.7	2 075.6	2 334.4	1 506.1	2 282.7
France	9 809.9	5 926.7	3 883.2	5 137.5	—	890.2	54.8	3 727.4
Ireland	1 337.9	1 239.3	98.6	344.2	140.6	252.4	401.0	199.6
Italy	16 715.0	12 506.7	4 208.3	1 364.9	2 956.9	1 049.2	4 844.0	6 500.0
Luxembourg	152.2	150.1	2.1	—	59.5	—	—	92.8
Netherlands	1 466.4	1 066.6	399.8	376.7	—	479.2	173.9	436.6
Austria	361.8	345.6	16.2	179.0	74.0	39.4	—	69.5
Portugal	5 961.4	5 587.1	374.3	2 771.0	641.5	230.0	942.2	1 376.7
Finland	234.2	223.7	10.5	209.4	—	—	0.1	24.7
Sweden	255.4	240.7	14.8	75.5	—	39.3	125.9	14.6
United Kingdom	10 802.5	10 383.2	419.4	2 071.2	887.6	3 023.6	3 337.7	1 482.5
Other ⁽¹⁾	1 278.0	1 278.0	—	40.0	291.1	—	946.9	—
Total	81 307.3	65 015.5	16 291.7	24 338.2	9 006.3	11 789.9	15 014.0	21 158.8

(1) See footnote 1 to Table B opposite.

Table D : Financing provided within the European Union from 1991 to 1995
(individual loans and allocations from ongoing global loans) - Breakdown by objective

(ECU million)

	Regional development	European communications infrastructure	Environment and quality of life	Energy	Industrial objectives	
					International competitiveness	SMEs
Belgium	611.0	792.7	353.9	302.9	—	842.0
Denmark	2 047.8	2 464.0	631.7	982.3	20.3	263.9
Germany	6 665.6	2 165.1	3 923.0	1 412.7	96.0	1 407.7
Greece	2 011.5	940.0	535.4	269.3	—	152.3
Spain	13 965.5	7 051.4	4 387.8	1 995.1	699.3	676.4
France	6 732.7	3 174.1	2 049.0	161.9	998.9	2 012.6
Ireland	1 337.9	298.8	252.4	400.4	—	97.9
Italy	11 444.7	4 248.9	3 322.6	4 419.1	1 030.0	3 655.1
Luxembourg	91.2	59.5	78.8	78.8	—	2.1
Netherlands	140.9	376.7	521.3	594.6	—	376.4
Austria	63.8	252.9	39.4	—	53.3	16.2
Portugal	5 961.4	2 054.5	1 286.3	933.6	88.5	250.8
Finland	23.7	209.4	132.5	0.1	—	10.4
Sweden	4.7	75.5	39.2	125.9	—	14.6
United Kingdom	5 504.3	2 391.5	4 129.6	2 997.4	277.9	416.5
Other ⁽¹⁾	—	331.1	—	946.9	—	—
Total	56 606.7	26 886.1	21 682.8	15 621.0	3 264.2	10 194.9

As certain financing meets several objectives, the totals for the various headings cannot be meaningfully added together.

(1) See footnote 1 to Table B opposite.

Table E : Financing provided for the European Union's regions in 1995 and from 1989 to 1995
(individual loans and allocations from ongoing global loans)

(ECU million)

	1995				1989 - 1995	
	Regional development	Total	Structural Fund support areas	Regional development	Total	Structural Fund support areas
			Objective 1			Objective 1
Belgium	249.0	231.1	87.1	702.0	581.2	93.1
Denmark	304.0	258.7	—	2 689.2	1 836.8	—
Germany	1 786.4	1 527.5	1 232.7	7 379.8	6 484.6	5 082.2
Greece	335.8	335.8	335.8	2 431.4	2 431.4	2 431.4
Spain	2 697.0	2 586.3	1 637.4	16 116.2	15 755.3	9 553.7
France	1 440.1	1 365.7	40.6	8 870.3	7 434.2	239.9
Ireland	165.5	165.5	165.5	1 735.8	1 735.8	1 735.8
Italy	2 458.8	2 186.7	1 060.1	16 341.9	15 339.5	9 785.9
Luxembourg	79.3	79.3	—	103.0	103.0	—
Netherlands	24.0	24.0	1.0	261.4	199.4	10.7
Austria	63.8	63.8	—	63.8	63.8	—
Portugal	1 252.9	1 252.9	1 252.9	7 503.8	7 503.8	7 503.8
Finland	23.7	20.8	—	23.7	20.8	—
Sweden	4.7	4.7	—	4.7	4.7	—
United Kingdom	1 258.7	1 227.2	67.6	7 080.1	5 919.3	237.2
Total	12 143.7	11 330.0	5 880.7	71 307.1	65 413.6	36 673.7

Table F : Financing provided within the European Union in 1995
(individual loans and allocations from ongoing global loans)
Sectoral breakdown

(amounts in ECU million)

	Total		Loans	Allocations
	amount	%	EIB	EIB
Energy and infrastructure	13 164.6	74.0	11 765.8	1 398.8
Energy	3 083.1	17.3	2 983.3	99.8
Production	1 848.2	10.4	1 812.2	36.1
<i>Conventional thermal power stations</i>	609.8	3.4	606.4	3.3
<i>Hydroelectric power stations</i>	292.1	1.6	267.6	24.5
<i>Heat generating plant</i>	363.4	2.0	355.5	7.9
<i>Development of oil and natural gas deposits</i>	582.7	3.3	582.7	—
<i>Solid fuel extraction</i>	0.2	—	—	0.2
Transmission, storage, reprocessing	966.3	5.4	966.3	—
<i>Electricity</i>	154.4	0.9	154.4	—
<i>Oil and natural gas</i>	811.9	4.6	811.9	—
Supply	268.6	1.5	204.8	63.8
<i>Electricity</i>	68.9	0.4	53.4	15.4
<i>Natural gas</i>	190.8	1.1	151.4	39.4
<i>Heat</i>	8.9	0.1	—	8.9
Transport	6 442.5	36.2	6 256.5	186.0
Exceptional structures	400.2	2.3	400.2	—
Railways	2 150.4	12.1	2 150.4	—
Roads, motorways	2 422.9	13.6	2 354.0	69.0
Urban transport	632.4	3.6	531.7	100.7
Air transport	467.5	2.6	466.7	0.8
Maritime transport	369.0	2.1	353.5	15.6
Telecommunications	884.7	5.0	884.7	—
Networks and exchanges	832.0	4.7	832.0	—
Mobile telephony	52.7	0.3	52.7	—
Water, sewerage, solid waste	2 236.1	12.6	1 283.4	952.7
Drinking water supplies	230.4	1.3	100.7	129.6
Wastewater treatment	1 212.6	6.8	614.5	598.2
Supply and sewerage	447.5	2.5	358.5	89.0
Solid and liquid waste treatment	296.4	1.7	209.7	86.7
Multi-purpose schemes	49.2	0.3	—	49.2
Urban infrastructure	173.4	1.0	140.2	33.2
Urban renewal	73.0	0.4	55.5	17.5
Urban development schemes	100.3	0.6	84.7	15.6
Other infrastructure	344.8	1.9	217.7	127.1
Composite infrastructure	224.8	1.3	97.7	127.1
Agricultural and forestry development	120.0	0.7	120.0	—
Industry, services, agriculture	4 617.1	26.0	1 662.2	2 954.9
Industry	3 611.3	20.3	1 374.5	2 236.7
Mining and quarrying	21.9	0.1	—	21.9
Metal production and semi-processing	117.6	0.7	93.0	24.6
Metalworking and mechanical engineering	485.9	2.7	—	485.9
Transport equipment	566.1	3.2	483.5	82.7
Electrical engineering, electronics	320.3	1.8	173.5	146.8
Chemicals	647.0	3.6	520.4	126.5
Rubber and plastics processing	172.0	1.0	4.4	167.7
Glass and ceramics	144.2	0.8	9.7	134.5
Construction materials	101.8	0.6	—	101.8
Woodworking	154.9	0.9	14.1	140.8
Foodstuffs	258.9	1.5	28.2	230.7
Textiles and leather	169.4	1.0	29.6	139.8
Paper and pulp, printing	257.2	1.4	18.1	239.1
Other manufacturing industries	66.0	0.4	—	66.0
Civil engineering, building	128.0	0.7	—	128.0
Services	996.2	5.6	287.6	708.6
Tourism, leisure, health	137.1	0.8	11.7	125.4
Research and development	3.5	0.0	—	3.5
Private and public-sector services	663.5	3.7	256.3	407.2
Waste recovery and recycling	28.0	0.2	—	28.0
Training and education centres	21.4	0.1	19.6	1.8
Commerce	142.7	0.8	—	142.7
Agriculture, fisheries, forestry	9.6	0.1	—	9.6
Grand total	17 781.7	100.0	13 428.0	4 353.7

Table G : Financing provided within the European Union from 1991 to 1995
(individual loans and allocations from ongoing global loans)
Sectoral breakdown

(amounts in ECU million)

	Total		Loans		Allocations	
	amount	%	EIB	Total	EIB	NCI
Energy and infrastructure	60 148.5	74.0	54 818.6	5 329.9	5 329.9	—
Energy	15 014.0	18.5	14 537.6	476.5	476.5	—
Production	7 660.0	9.4	7 494.5	165.5	165.5	—
Conventional thermal power stations	2 670.9	3.3	2 643.0	27.9	27.9	—
Hydroelectric power stations	751.5	0.9	644.2	107.3	107.3	—
Geothermal and alternative energy sources	29.3	—	27.4	1.9	1.9	—
Heat generating plant	989.7	1.2	964.8	24.9	24.9	—
Development of oil and natural gas deposits	3 179.0	3.9	3 177.6	1.3	1.3	—
Solid fuel extraction	39.7	—	37.4	2.2	2.2	—
Transmission, storage, reprocessing	3 898.2	4.8	3 882.0	16.2	16.2	—
Electricity	1 153.6	1.4	1 147.9	5.8	5.8	—
Oil and natural gas	2 570.8	3.2	2 560.4	10.4	10.4	—
Nuclear fuel	173.7	0.2	173.7	—	—	—
Supply	3 455.9	4.3	3 161.1	294.7	294.7	—
Electricity	1 812.1	2.2	1 766.5	45.5	45.5	—
Natural gas	1 492.5	1.8	1 281.2	211.3	211.3	—
Heat	151.3	0.2	113.4	37.9	37.9	—
Transport	24 338.2	29.9	22 968.6	1 369.6	1 369.6	—
Exceptional structures	2 451.0	3.0	2 451.0	—	—	—
Railways	5 033.6	6.2	4 985.6	48.0	48.0	—
Roads, motorways	9 662.8	11.9	8 929.5	733.2	733.2	—
Intermodal freight terminals and other	173.3	0.2	168.4	4.9	4.9	—
Urban transport	3 937.0	4.8	3 441.3	495.7	495.7	—
Air transport	2 301.4	2.8	2 281.0	20.4	20.4	—
Maritime transport	779.2	1.0	711.8	67.4	67.4	—
Telecommunications	9 006.3	11.1	9 006.3	—	—	—
Specialised networks	201.3	0.2	201.3	—	—	—
Networks and exchanges	7 740.7	9.5	7 740.7	—	—	—
Mobile telephony	204.0	0.3	204.0	—	—	—
Satellites, ground stations	691.7	0.9	691.7	—	—	—
International cables	168.6	0.2	168.6	—	—	—
Water, sewerage, solid waste	9 137.0	11.2	6 241.9	2 895.1	2 895.1	—
Drinking water supplies	775.6	1.0	302.4	473.3	473.3	—
Wastewater treatment	3 321.7	4.1	1 704.6	1 617.0	1 617.0	—
Supply and sewerage	3 114.0	3.8	2 761.8	352.2	352.2	—
Solid and liquid waste treatment	1 297.2	1.6	996.5	300.7	300.7	—
Multi-purpose schemes	628.5	0.8	476.6	151.9	151.9	—
Urban infrastructure	499.8	0.6	418.9	80.9	80.9	—
Urban renewal	215.2	0.3	174.4	40.9	40.9	—
Exhibition, trade fair and conference centres	144.0	0.2	141.5	2.5	2.5	—
Public and administrative buildings	5.5	—	—	5.5	5.5	—
Urban development schemes	135.0	0.2	103.0	32.1	32.1	—
Other infrastructure	2 153.2	2.6	1 645.3	507.9	507.9	—
Composite infrastructure	2 016.7	2.5	1 510.0	506.7	506.7	—
Agricultural and forestry development	136.5	0.2	135.3	1.2	1.2	—
Industry, services, agriculture	21 158.8	26.0	10 197.0	10 961.8	10 834.0	127.8
Industry	17 697.4	21.8	9 306.4	8 391.1	8 288.5	102.6
Mining and quarrying	102.0	0.1	—	102.0	101.0	1.0
Metal production and semi-processing	336.9	0.4	178.1	158.8	158.7	0.1
Metalworking and mechanical engineering	1 759.5	2.2	65.1	1 694.3	1 679.9	14.4
Transport equipment	4 679.7	5.8	4 416.6	263.1	261.2	1.9
Electrical engineering, electronics	1 195.8	1.5	696.3	499.4	496.8	2.6
Chemicals	3 141.7	3.9	2 579.9	561.8	555.1	6.8
Rubber and plastics processing	638.1	0.8	115.2	522.8	514.9	7.9
Glass and ceramics	350.1	0.4	52.6	297.5	294.5	2.9
Construction materials	738.8	0.9	164.9	573.9	570.6	3.3
Woodworking	536.1	0.7	44.7	491.4	484.7	6.7
Foodstuffs	1 384.8	1.7	187.4	1 197.4	1 181.0	16.4
Textiles and leather	589.7	0.7	51.9	537.8	533.8	4.0
Paper and pulp, printing	1 594.8	2.0	753.5	841.3	821.8	19.5
Other manufacturing industries	187.1	0.2	—	187.1	175.9	11.2
Civil engineering, building	462.5	0.6	—	462.5	458.7	3.8
Services	3 419.9	4.2	890.6	2 529.3	2 504.4	24.9
Tourism, leisure, health	1 014.7	1.2	242.7	772.0	765.1	6.9
Research and development	100.5	0.1	96.0	4.5	4.5	—
Private and public-sector services	1 845.1	2.3	464.9	1 380.2	1 366.9	13.3
Waste recovery and recycling	84.8	0.1	—	84.8	83.2	1.6
Training and education centres	92.2	0.1	87.0	5.2	4.1	1.0
Commerce	282.8	0.3	—	282.8	280.6	2.1
Agriculture, fisheries, forestry	41.4	0.1	—	41.4	41.0	0.4
Grand total	81 307.3	100.0	65 015.5	16 291.7	16 163.9	127.8

Table H : Breakdown of financing by region (in 1995 and from 1991 to 1995)
(individual loans and allocations from ongoing global loans)

This analytical table is based on NUTS 1 or 2 regional classification, depending on the country concerned. Where possible, individual loans covering several regions have been subdivided.
EUROSTAT 1992 estimates of per capita GDP expressed in terms of purchasing power parities (EU 15 = 100).
1992 population figures ('000 inhabitants).

(amounts in ECU million)

	GDP		1995			1991 - 1995		
	p/cap.	Population	Total	Loans	Allocations	Total	Loans	Allocations
Belgium	109	10 045	765.5	506.2	259.3	2 272.3	1 393.3	879.0
Bruxelles-Brussel	174	960	79.1	77.4	1.7	276.4	238.0	38.4
Vlaams Gewest	110	5 804	273.9	77.7	196.1	1 062.9	381.2	681.8
Région Wallonne	88	3 280	182.2	120.8	61.4	348.8	189.9	158.8
Multiregional			230.4	230.4	—	584.2	584.2	—
Denmark	107	5 170	846.6	782.4	64.2	3 832.4	3 526.2	306.2
Hovedstadsregionen			151.8	141.7	10.2	691.5	640.8	50.7
Oest for Storebælt			430.7	429.0	1.7	1 453.0	1 434.1	19.0
Vest for Storebælt			136.0	83.6	52.4	1 020.0	783.5	236.6
Multiregional			128.1	128.1	—	667.9	667.9	—
Germany	107	80 595	2 571.5	1 268.3	1 303.1	9 703.8	5 359.0	4 344.7
Hamburg	196	1 677	6.0	—	6.0	129.7	107.5	22.2
Bremen	155	684	91.7	89.4	2.3	114.1	89.4	24.7
Hessen	149	5 878	122.1	84.8	37.2	414.3	322.6	91.7
Baden-Württemberg	131	10 074	140.0	14.5	125.5	350.2	57.0	293.2
Bayern	126	11 676	61.3	—	61.3	480.7	311.5	169.1
Nordrhein-Westfalen	113	17 590	415.4	56.2	359.2	1 727.4	400.0	1 327.5
Saarland	109	1 080	18.8	—	18.8	156.3	92.6	63.6
Niedersachsen	105	7 523	137.0	—	137.0	592.5	9.8	582.7
Schleswig-Holstein	104	2 662	91.3	40.0	51.3	204.5	65.0	139.5
Rheinland-Pfalz	102	3 852	13.9	—	13.9	63.8	—	63.8
Berlin	95	3 455	133.7	124.9	8.7	264.3	218.3	46.0
Brandenburg	44	2 544	302.8	258.6	44.3	705.3	475.3	230.1
Sachsen-Anhalt	43	2 809	171.6	111.8	59.7	1 048.6	698.5	350.1
Sachsen	42	4 664	269.8	161.3	108.6	1 720.2	1 331.3	388.9
Mecklenburg-Vorpommern	41	1 873	97.5	52.5	45.0	411.2	248.6	162.6
Thüringen	38	2 552	285.0	61.3	223.7	960.1	571.7	388.4
Multiregional			213.7	213.1	0.6	360.5	359.9	0.6
Greece	61	10 280	335.7	269.4	66.4	2 011.5	1 625.6	385.9
Attiki	68	3 528	164.2	161.1	3.1	646.1	596.1	49.9
Kentriki Ellada	59	2 439	31.5	12.9	18.6	392.5	261.2	131.2
Voreia Ellada	58	3 313	43.7	16.5	27.2	260.5	141.2	119.3
Nisia	54	1 000	6.4	—	6.4	155.2	84.4	70.8
Multiregional			90.0	78.8	11.2	557.2	542.6	14.6
Spain	77	39 115	2 892.7	2 651.5	241.2	14 697.4	14 163.7	948.8
Baleares	103	686	111.3	110.4	0.93	358.0	348.1	10.0
Madrid	97	4 914	251.8	245.1	6.7	1 941.4	1 889.8	51.6
Cataluña	95	6 023	380.9	328.4	52.5	2 521.7	2 376.9	144.9
Navarra	94	522	35.6	33.8	1.9	190.3	182.2	8.1
País Vasco	90	2 131	251.9	235.9	16.0	1 026.4	984.4	42.0
La Rioja	87	261	6.6	3.8	2.9	46.1	40.8	5.3
Aragón	84	1 208	106.5	92.5	14.0	209.2	176.6	32.6
Comunidad Valenciana	78	3 801	252.2	186.0	66.1	1 666.0	1 511.1	154.9
Canarias	75	1 503	34.9	23.7	11.2	215.6	190.2	25.4
Cantabria	74	527	23.4	20.2	3.3	194.3	181.9	12.4
Asturias	71	1 120	32.1	30.2	1.9	319.9	307.1	12.8
Murcia	70	1 039	16.1	10.2	5.9	390.1	358.0	32.2
Castilla-León	66	2 620	138.3	120.4	18.0	631.9	524.2	107.6
Castilla La Mancha	65	1 718	27.9	14.6	13.4	917.4	857.8	59.5
Andalucía	59	6 989	785.1	764.7	20.4	2 651.3	2 482.4	168.9
Galicia	59	2 795	250.8	247.1	3.6	914.8	858.8	56.1
Extremadura	51	1 132	76.5	74.0	2.5	502.9	478.3	24.6
Multiregional			110.7	110.7	—	415.1	415.1	—

Table H : Breakdown of financing by region (in 1995 and from 1991 to 1995) (continued)
(individual loans and allocations from ongoing global loans)

(amounts in ECU million)

	GDP		1995			1991 - 1995		
	p/cap.	Population	Total	Loans	Allocations	Total	Loans	Allocations
France	112	57 042	2 098.4	1 177.8	920.6	9 809.9	5 926.7	3 883.2
Ile-de-France	169	10 799	207.0	88.0	119.0	1 019.8	663.3	356.4
Champagne-Ardenne	114	1 343	16.6	—	16.6	171.2	126.4	44.8
Alsace	113	1 633	38.2	—	38.2	280.9	132.9	148.0
Rhône-Alpes	111	5 429	443.6	334.7	108.9	1 472.3	1 017.8	454.5
Haute-Normandie	107	1 744	76.4	46.3	30.1	312.7	238.4	74.3
Franche-Comté	104	1 104	100.7	66.9	33.8	180.1	87.2	92.9
Centre	103	2 387	48.9	—	48.9	109.0	2.3	106.7
Provence-Côte d'Azur	101	4 332	150.4	90.1	60.3	467.6	155.5	312.1
Aquitaine	99	2 817	52.0	15.3	36.6	278.5	38.4	240.1
Bourgogne	99	1 610	33.4	—	33.4	160.8	88.1	72.6
Basse-Normandie	98	1 395	23.8	—	23.8	99.8	8.7	91.1
Midi-Pyrénées	97	2 448	52.9	23.2	29.8	276.6	76.1	200.5
Lorraine	97	2 283	25.0	—	25.0	316.8	99.4	217.4
Pays de la Loire	96	3 087	90.6	30.7	59.9	586.3	325.1	261.2
Picardie	95	1 831	100.6	58.5	42.1	393.7	304.8	88.8
Bretagne	93	2 807	60.8	—	60.8	346.6	—	346.6
Auvergne	90	1 310	31.2	—	31.2	96.2	—	96.2
Poitou-Charentes	89	1 605	33.6	—	33.6	144.2	45.2	99.0
Nord - Pas-de-Calais	89	3 956	349.9	302.3	47.5	2 131.1	1 867.7	263.4
Limousin	89	714	11.1	—	11.1	46.0	—	46.0
Languedoc-Roussillon	88	2 159	66.1	37.3	28.7	217.7	45.3	172.3
Corse	79	251	0.04	—	0.04	1.4	—	1.4
Overseas Departments	45	1 469	39.8	38.5	1.3	230.4	133.6	96.8
Multiregional			46.0	46.0	—	470.4	470.4	—
Ireland	76	3 548	165.5	133.4	32.1	1 337.9	1 239.3	98.6
Italy	105	57 896	3 249.1	2 271.0	978.1	16 715.0	12 506.7	4 208.3
Lombardia	134	9 030	325.1	158.7	166.4	1 599.2	989.2	610.0
Valle d'Aosta	129	119	—	—	—	13.0	7.8	5.2
Emilia-Romagna	128	3 985	316.0	121.9	194.1	1 206.1	638.6	567.5
Trentino-Alto Adige	124	910	387.9	350.4	37.4	630.4	435.6	194.7
Friuli-Venezia Giulia	122	1 218	17.9	14.1	3.8	203.3	156.1	47.2
Liguria	121	1 701	35.2	—	35.2	436.6	283.0	153.7
Lazio	120	5 246	101.4	76.4	25.0	900.1	711.9	188.3
Piemonte	119	4 380	394.2	255.0	139.1	1 395.4	961.2	434.1
Veneto	117	4 468	151.9	13.1	138.9	860.0	477.6	382.3
Toscana	112	3 592	116.7	36.3	80.4	752.6	426.9	325.7
Marche	104	1 457	73.7	39.3	34.5	523.1	302.2	220.9
Umbria	103	828	22.1	—	22.1	253.0	89.4	163.7
Abruzzo	94	1 275	560.6	542.1	18.5	1 299.2	1 076.9	222.3
Molise	82	337	18.5	—	18.5	155.7	118.8	36.9
Sardegna	79	1 679	28.1	27.5	0.6	536.8	480.9	55.9
Puglia	77	4 115	31.3	17.7	13.7	933.2	790.2	143.0
Campania	73	5 732	121.7	92.7	29.0	1 044.2	791.2	252.9
Sicilia	73	5 073	127.9	118.1	9.8	921.0	793.7	127.3
Basilicata	67	622	152.1	143.8	8.3	914.8	857.7	57.2
Calabria	63	2 110	19.7	17.0	2.7	488.1	468.5	19.5
Multiregional			246.9	246.9	—	1 649.3	1 649.3	—
Luxembourg	156	393	80.9	78.8	2.1	152.2	150.1	2.1
Netherlands	102	15 182	455.7	318.9	136.8	1 466.4	1 066.6	399.8
West-Nederland	109	7 117	358.9	311.7	47.1	704.2	567.2	136.9
Noord-Nederland	103	1 605	14.3	—	14.3	31.5	—	31.5
Zuid-Nederland	98	3 352	45.1	—	45.1	531.0	401.8	129.1
Oost-Nederland	89	3 108	37.5	7.2	30.3	186.7	84.5	102.2
Multiregional			—	—	—	13.0	13.0	—
Austria	115	7 914	215.3	199.2	16.2	361.8	345.6	16.2

Table H : Breakdown of financing by region (in 1995 and from 1991 to 1995) (continued)
(individual loans and allocations from ongoing global loans)

(amounts in ECU million)

	GDP		1995			1991 - 1995			
	p/cap.	Population	Total	Loans	Allocations	Total	Loans	Allocations	
Portugal	67	9 858	1 252.8	1 193.3	59.6	5 961.4	5 587.1	374.3	
Lisboa e Vale do Tejo	93	3 293	599.9	586.0	13.9	2 544.6	2 420.7	123.8	
Norte	60	3 479	111.1	82.0	29.1	749.8	604.2	145.6	
Algarve	58	342	5.1	—	5.1	127.7	116.5	11.2	
Centro	48	1 715	23.5	12.8	10.7	290.0	218.8	71.1	
Madeira	44	254	22.2	21.4	0.8	112.6	100.1	12.6	
Alentejo	41	539	—	—	—	276.3	270.0	6.3	
Açores	41	238	—	—	—	96.3	92.6	3.7	
Multiregional			491.1	491.1	—	1 764.2	1 764.2	—	
Finland	93	5 042	174.0	163.5	10.5	234.2	223.7	10.5	
Sweden	106	8 668	240.1	225.4	14.8	255.4	240.7	14.8	
United Kingdom	98	57 848	1 919.2	1 670.4	248.8	10 802.5	10 383.2	419.4	
South East	115	17 658	85.1	37.6	47.5	2 391.8	2 317.8	74.1	
East Anglia	100	2 083	188.0	172.8	15.2	269.1	245.9	23.2	
Scotland	96	5 098	267.7	259.3	8.4	1 479.1	1 469.1	10.0	
South West	93	4 734	12.7	—	12.7	307.5	284.3	23.2	
East Midlands	92	4 051	17.3	—	17.3	285.1	251.2	33.9	
West Midlands	90	5 264	124.8	101.4	23.4	491.6	453.9	37.7	
Yorkshire and Humberside	90	4 989	442.4	420.0	22.4	904.4	862.2	42.2	
North West	88	6 383	277.1	230.3	46.8	1 108.6	1 021.8	86.8	
North	88	3 091	87.6	72.1	15.4	747.8	719.8	27.9	
Wales	83	2 891	244.9	227.4	17.4	1 035.1	997.6	37.5	
Northern Ireland	79	1 606	21.8	—	21.8	177.3	155.1	22.2	
Multiregional			149.9	149.3	0.6	1 604.9	1 604.4	0.6	
Other⁽¹⁾			518.5	518.5	—	1 278.0	1 278.0	—	
Total			368 596	17 781.7	13 428.0	4 353.7	81 307.3	65 015.5	16 291.7

(1) See Table B, page 106.

Table I : Allocations from ongoing global loans in 1995

Breakdown by region and objective

(as some allocations meet several objectives, the totals for the different headings cannot be meaningfully added together)

(amounts in ECU million)

	European communications infrastructure											
	Total		Regional development				Non-assisted areas		Energy, environment		European communications infrastructure	
			Infrastructure		Industry		SMEs		number	amount	number	amount
	number	amount	number	amount	number	amount	number	amount	number	amount	number	amount
Belgium	741	259.3	201	25.3	154	85.6	276	136.7	156	17.3	6	0.6
Vlaams Gewest	516	196.1	104	15.3	77	44.1	253	127.1	117	13.8	1	0.4
Région Wallonne	218	61.4	97	10.0	77	41.5	20	8.1	35	3.4	5	0.2
Bruxelles-Brussel	7	1.7	—	—	—	—	3	1.5	4	0.2	—	—
Denmark	249	64.2	—	—	46	9.7	203	54.5	—	—	—	—
Vest for Storebælt	182	52.5	—	—	42	9.4	140	43.1	—	—	—	—
Hovedstadsregionen	58	10.0	—	—	—	—	58	10.0	—	—	—	—
Oest for Storebælt	9	1.7	—	—	4	0.3	5	1.3	—	—	—	—
Germany	1 455	1 303.1	159	442.1	407	231.3	714	236.2	326	809.1	5	18.7
Nordrhein-Westfalen	414	359.2	29	69.7	59	17.2	261	83.3	95	259.4	—	—
Thüringen	80	223.7	43	189.2	36	28.8	—	—	41	188.4	—	—
Niedersachsen	149	137.0	20	36.5	39	14.7	64	32.5	44	87.6	1	0.1
Baden-Württemberg	292	125.5	2	2.8	16	5.0	237	72.3	39	48.2	—	—
Sachsen	83	108.6	18	58.3	65	50.3	—	—	18	58.3	—	—
Bayern	135	61.3	5	3.5	52	18.6	67	17.8	15	24.8	—	—
Sachsen-Anhalt	43	59.7	11	29.8	32	29.9	—	—	11	29.8	—	—
Schleswig-Holstein	52	51.9	8	8.6	12	3.1	17	6.8	18	22.7	4	—
Mecklenburg-Vorpommern	40	45.0	13	27.9	26	16.1	—	—	16	29.9	—	18.6
Brandenburg	33	44.3	10	15.9	23	28.3	—	—	10	15.9	—	—
Hessen	55	37.2	—	—	19	8.8	23	5.4	13	23.0	—	—
Saarland	16	18.8	—	—	4	1.1	10	1.5	2	16.1	—	—
Rheinland-Pfalz	36	13.9	—	—	14	3.8	19	6.4	3	3.7	—	—
Berlin	8	8.7	—	—	6	3.8	2	5.0	—	—	—	—
Hamburg	11	6.0	—	—	—	—	10	4.7	1	1.3	—	—
Bremen	8	2.3	—	—	4	1.8	4	0.5	—	—	—	—
Greece	28	66.4	8	40.0	20	26.3	—	—	2	9.8	2	11.2
Voreia Ellada	11	38.3	4	23.4	7	14.9	—	—	2	9.8	2	11.2
Kentriki Ellada	8	18.6	2	13.0	6	5.6	—	—	—	—	—	—
Nisia	5	6.4	1	3.1	4	3.2	—	—	—	—	—	—
Attiki	4	3.1	1	0.5	3	2.6	—	—	—	—	—	—

Table 1: Allocations from ongoing global loans in 1995 (continued)

Breakdown by region and objective
(as some allocations meet several objectives, the totals for the different headings cannot be meaningfully added together)

(amounts in ECU million)

	Total		Regional development				Non-assisted areas		Energy, environment		European communications infrastructure	
			Infrastructure		Industry		SMEs		number	amount	number	amount
	number	amount	number	amount	number	amount	number	amount				
Spain	1 209	241.2	67	58.2	565	112.4	571	68.9	4	1.1	2	0.7
Comunidad Valenciana	236	66.1	4	11.8	232	54.3	—	—	—	—	—	—
Cataluña	433	52.5	—	—	2	1.4	430	51.0	1	0.1	—	—
Andalucía	45	20.4	14	13.2	31	7.2	—	—	—	—	—	—
Castilla-León	64	18.0	17	13.9	47	4.1	—	—	—	—	—	—
País Vasco	128	16.0	—	—	107	13.0	21	3.0	—	—	—	—
Aragón	39	14.0	2	1.3	7	8.7	27	3.3	1	0.1	2	0.7
Castilla La Mancha	35	13.4	6	5.6	29	7.8	—	—	—	—	—	—
Canarias	43	11.2	19	9.4	24	1.8	—	—	—	—	—	—
Madrid	60	6.7	—	—	—	—	60	6.7	—	—	—	—
Murcia	31	5.9	1	0.1	30	5.8	—	—	—	—	—	—
Galicia	13	3.6	3	2.3	10	1.3	—	—	—	—	—	—
Cantabria	26	3.3	—	—	26	3.3	—	—	—	—	—	—
La Rioja	20	2.9	—	—	—	—	20	2.9	—	—	—	—
Extremadura	7	2.5	1	0.6	6	1.9	—	—	—	—	—	—
Asturias	14	1.9	—	—	14	1.9	—	—	—	—	—	—
Navarra	9	1.9	—	—	—	—	7	1.0	2	0.9	—	—
Baleares	6	0.9	—	—	—	—	6	0.9	—	—	—	—
France	7 434	920.6	885	177.4	3 971	374.3	2 210	206.4	1 200	297.9	12	15.6
Ile-de-France	711	119.0	—	—	—	—	651	63.9	60	55.2	—	—
Rhône-Alpes	1 004	108.9	50	8.2	471	54.0	463	45.1	68	9.8	—	—
Bretagne	434	60.8	124	18.8	306	41.7	3	0.2	121	17.7	—	—
Provence-Côte d'Azur	415	60.3	27	12.2	345	23.6	3	0.2	66	36.4	1	0.1
Pays de la Loire	501	59.9	23	3.6	437	53.5	40	2.8	23	3.6	—	—
Centre	339	48.9	38	3.5	19	1.1	183	16.0	137	31.8	—	—
Nord-Pas-de-Calais	601	47.5	44	4.7	554	42.8	3	0.1	44	4.7	—	—
Picardie	268	42.1	15	10.8	111	5.8	108	8.6	48	25.9	1	1.8
Alsace	287	38.2	10	3.0	105	11.0	154	12.4	25	13.2	3	1.6
Aquitaine	439	36.6	86	10.6	334	24.6	15	0.8	89	11.1	—	—
Franche-Comté	183	33.8	10	4.6	45	3.1	113	19.6	25	11.0	—	—
Poitou-Charentes	298	33.6	89	17.7	208	15.9	1	0.03	80	6.2	—	—
Bourgogne	259	33.4	32	6.6	67	7.2	127	12.9	64	13.2	1	0.1
Auvergne	186	31.2	45	13.2	105	15.2	26	1.9	35	3.0	—	—
Haute-Normandie	204	30.1	7	15.4	60	4.4	136	9.8	1	0.5	6	12.0
Midi-Pyrénées	345	29.8	74	8.2	232	17.0	27	2.4	85	10.3	—	—
Languedoc-Roussillon	322	28.7	147	17.5	172	11.1	3	0.2	147	17.5	—	—
Lorraine	186	25.0	15	2.2	171	22.8	—	—	16	6.8	—	—
Basse-Normandie	226	23.8	16	8.8	101	8.2	104	6.5	21	9.0	—	—
Champagne-Ardenne	148	16.6	6	2.2	77	4.6	50	3.0	21	9.0	—	—
Limousin	69	11.1	24	5.1	45	5.9	—	—	21	1.6	—	—
Overseas Departments	8	1.3	3	0.5	5	0.8	—	—	3	0.5	—	—
Corse	1	0.1	—	—	1	0.1	—	—	—	—	—	—
Ireland	141	32.1	—	—	141	32.1	—	—	—	—	—	—
Italy *	1 213	978.1	21	30.3	1 119	823.1	31	26.6	51	96.8	1	9.4
Emilia-Romagna	194	194.1	2	5.6	185	171.6	3	5.7	2	5.6	—	—
Lombardia	165	166.4	1	1.4	146	138.0	5	4.1	9	9.3	1	9.4
Piemonte	198	139.1	2	1.4	171	105.8	12	8.6	11	19.0	—	—
Veneto	109	138.9	1	1.9	96	115.9	8	4.8	5	18.1	—	—
Toscana	87	80.4	2	2.6	80	65.4	2	2.4	5	12.7	—	—
Trentino-Alto Adige	29	37.4	1	2.2	24	27.0	—	—	5	10.4	—	—
Liguria	56	35.2	—	—	55	29.0	—	—	1	6.2	—	—
Marche	36	34.5	—	—	36	34.5	—	—	—	—	—	—
Campania	72	29.0	2	0.2	70	28.8	—	—	1	0.1	—	—
Lazio	35	25.0	2	1.4	33	23.6	—	—	3	1.9	—	—
Umbria	33	22.1	1	0.3	32	21.9	—	—	1	0.3	—	—
Molise	7	18.5	1	6.7	6	11.9	—	—	1	6.7	—	—
Abruzzo	38	18.5	—	—	38	18.5	—	—	—	—	—	—
Puglia	54	13.7	5	4.7	49	8.9	—	—	6	4.8	—	—
Sicilia	61	9.8	—	—	61	9.8	—	—	—	—	—	—
Basilicata	7	8.3	—	—	7	8.3	—	—	—	—	—	—
Friuli-Venezia Giulia	6	3.8	1	1.8	4	1.0	1	1.0	1	1.8	—	—
Calabria	4	2.7	—	—	4	2.7	—	—	—	—	—	—
Sardegna	21	0.6	—	—	21	0.6	—	—	—	—	—	—
Valle d'Aosta	1	0.1	—	—	1	0.1	—	—	—	—	—	—

* including ECU 29.2 million also under the heading of advanced technology

Table I: Allocations from ongoing global loans in 1995 (continued)

Breakdown by region and objective
(as some allocations meet several objectives, the totals for the different headings cannot be meaningfully added together)

(amounts in ECU million)

	Total		Regional development				Non-assisted areas		Energy, environment		European communications infrastructure	
			Infrastructure		Industry		SMEs		number	amount	number	amount
	number	amount	number	amount	number	amount	number	amount				
Luxembourg	3	2.1	—	—	1	0.5	2	1.6	—	—	—	—
Netherlands	276	136.8	—	—	49	24.0	224	112.2	3	0.7	—	—
West-Nederland	110	47.1	—	—	7	0.1	108	47.1	1	0.1	—	—
Zuid-Nederland	74	45.1	—	—	17	11.4	55	33.0	2	0.6	—	—
Oost-Nederland	67	30.3	—	—	17	5.1	50	25.3	—	—	—	—
Noord-Nederland	25	14.3	—	—	14	7.5	11	6.8	—	—	—	—
Austria	33	16.2	—	—	24	10.5	9	5.6	—	—	—	—
Westösterreich	23	9.5	—	—	16	6.3	7	3.2	—	—	—	—
Südösterreich	4	4.7	—	—	3	2.4	1	2.3	—	—	—	—
Ostösterreich	6	2.0	—	—	5	1.8	1	0.2	—	—	—	—
Portugal	131	59.6	8	14.1	123	45.5	—	—	7	14.0	—	—
Norte	55	29.1	4	7.3	51	21.8	—	—	3	6.2	—	—
Lisboa e Vale do Tejo	49	13.9	1	5.1	48	8.8	—	—	2	7.2	—	—
Centro	20	10.7	—	—	20	10.7	—	—	—	—	—	—
Algarve	3	5.1	1	1.2	2	3.9	—	—	—	—	—	—
Madeira	4	0.8	2	0.5	2	0.3	—	—	2	0.5	—	—
Finland	46	10.5	—	—	36	9.5	9	0.9	1	0.1	—	—
Manner-Suomi	46	10.5	—	—	36	9.5	—	—	1	0.1	—	—
Sweden	48	14.8	—	—	16	4.7	32	10.1	—	—	—	—
United Kingdom	794	248.8	1	0.1	422	139.6	370	109.1	2	0.1	—	—
South East	136	47.5	—	—	10	4.1	128	43.8	—	—	—	—
North West	94	46.8	—	—	77	40.1	20	6.8	—	—	—	—
West Midlands	111	23.4	—	—	79	16.8	31	6.5	1	0.1	—	—
Yorkshire and Humberside	106	22.4	—	—	72	16.0	34	6.4	—	—	—	—
Northern Ireland	61	21.8	1	0.1	60	21.8	—	—	1	0.1	—	—
Wales	39	17.4	—	—	32	14.5	7	2.9	—	—	—	—
East Midlands	81	17.3	—	—	20	5.7	61	11.6	—	—	—	—
North	55	16.0	—	—	38	11.3	12	4.1	—	—	—	—
East Anglia	30	15.2	—	—	5	0.6	25	14.6	—	—	—	—
South West	50	12.7	—	—	7	1.4	43	11.3	—	—	—	—
Scotland	31	8.4	—	—	22	7.1	9	1.2	—	—	—	—
Grand total	13 801	4 353.7	1 350	787.4	7 094	1 929.2	4 651	968.8	1 752	1 246.7	28	56.2

Table J: Allocations from ongoing global loans from 1991 to 1995

Breakdown by region and objective
(as some allocations meet several objectives, the totals for the different headings cannot be meaningfully added together)

(amounts in ECU million)

	Total		Regional development				Non-assisted areas		Energy, environment		European communications infrastructure	
			Infrastructure		Industry		SMEs		number	amount	number	amount
	number	amount	number	amount	number	amount	number	amount				
Belgium	1 659	879.0	202	25.4	465	266.9	882	575.1	156	17.3	6	0.6
Vlaams Gewest	1 098	681.8	104	15.3	224	166.1	688	490.8	117	13.8	1	0.4
Région Wallonne	505	158.8	98	10.0	241	100.8	142	46.1	35	3.4	5	0.2
Bruxelles-Brussel	56	38.4	—	—	—	—	52	38.2	4	0.2	—	—
Denmark	1 190	306.2	2	6.3	318	87.9	854	176.4	18	37.4	1	4.8
Vest for Storebælt	855	236.6	—	—	289	84.8	559	130.8	8	16.7	1	4.8
Hovedstadsregionen	266	50.7	2	6.3	—	—	259	39.8	6	10.7	—	—
Oest for Storebælt	69	19.0	—	—	29	3.1	36	5.8	4	10.0	—	—

Table J: Allocations from ongoing global loans from 1991 to 1995 (continued)

Breakdown by region and objective

(as some allocations meet several objectives, the totals for the different headings cannot be meaningfully added together)

(amounts in ECU million)

	Total		Regional development				Non-assisted areas		Energy, environment		European communications infrastructure	
			Infrastructure		Industry		SMEs		number	amount	number	amount
	number	amount	number	amount	number	amount	number	amount				
Italy *	7 199	4 208.3	41	59.1	5 487	2 648.1	1 441	1 052.0	246	453.4	3	16.2
Emilia-Romagna	613	567.5	2	5.6	306	266.7	255	201.5	42	63.3	2	6.8
Lombardia	642	610.0	1	1.4	173	149.6	396	321.3	58	103.4	1	9.4
Toscana	556	325.7	3	2.7	410	212.5	134	83.3	15	36.2	—	—
Veneto	447	382.3	1	1.9	157	153.0	276	190.7	15	41.0	—	—
Valle d'Aosta	2	5.2	—	—	1	0.1	—	—	1	5.2	—	—
Piemonte	508	434.1	2	1.4	214	137.9	232	198.7	54	82.0	—	—
Campania	733	252.9	4	2.2	729	250.7	—	—	2	2.0	—	—
Liguria	308	153.7	2	3.3	249	105.4	52	26.0	7	22.4	—	—
Trentino-Alto Adige	244	194.7	4	6.0	233	173.1	—	—	11	21.7	—	—
Umbria	284	163.7	1	0.3	281	159.9	—	—	3	2.6	—	—
Abruzzo	411	222.3	1	0.8	410	221.5	1	2.7	1	0.8	—	—
Marche	411	220.9	—	—	410	220.8	1	0.1	—	—	—	—
Puglia	667	143.0	9	14.5	658	128.5	—	—	9	14.6	—	—
Sicilia	419	127.3	2	0.2	417	127.0	—	—	7	22.4	—	—
Lazio	239	188.3	5	4.7	208	172.3	23	5.9	8	10.3	—	—
Friuli-Venezia Giulia	102	47.2	2	5.6	20	8.1	71	22.0	11	17.1	—	—
Sardegna	310	55.9	—	—	310	55.9	—	—	—	—	—	—
Molise	50	36.9	2	8.4	48	28.5	—	—	2	8.4	—	—
Calabria	111	19.5	—	—	111	19.5	—	—	—	—	—	—
Basilicata	142	57.2	—	—	142	57.2	—	—	—	—	—	—
* including ECU 29.2 million also under the heading of advanced technology												
Luxembourg	3	2.1	—	—	1	0.5	2	1.6	—	—	—	—
Netherlands	746	399.8	—	—	177	97.6	560	278.8	9	23.4	—	—
Zuid-Nederland	186	129.1	—	—	31	28.8	150	84.1	5	16.3	—	—
Oost-Nederland	181	102.2	—	—	58	33.6	121	63.3	2	5.3	—	—
West-Nederland	305	136.9	—	—	32	12.5	271	122.6	2	1.8	—	—
Noord-Nederland	74	31.5	—	—	56	22.6	18	8.9	—	—	—	—
Austria	33	16.2	—	—	24	10.5	9	5.6	—	—	—	—
Oststerreich	6	2.0	—	—	5	1.8	1	0.2	—	—	—	—
Sudsterreich	4	4.7	—	—	3	2.4	1	2.3	—	—	—	—
Weststerreich	23	9.5	—	—	16	6.3	7	3.2	—	—	—	—
Portugal	882	374.3	237	112.1	645	262.2	—	—	62	56.7	—	—
Norte	360	145.6	101	50.8	259	94.8	—	—	25	24.8	—	—
Lisboa e Vale do Tejo	238	123.8	42	32.5	196	91.4	—	—	18	24.4	—	—
Madeira	8	12.6	2	0.5	6	12.0	—	—	2	0.5	—	—
Centro	198	71.1	44	18.0	154	53.1	—	—	12	6.0	—	—
Açores	13	3.7	11	2.7	2	0.9	—	—	—	—	—	—
Algarve	23	11.2	12	5.3	11	5.9	—	—	3	0.7	—	—
Alentejo	42	6.3	25	2.3	17	4.0	—	—	2	0.3	—	—
Finland	46	10.5	—	—	36	9.5	9	0.9	1	0.1	—	—
Manner-Suomi	46	10.5	—	—	36	9.5	9	0.9	1	0.1	—	—
Sweden	48	14.8	—	—	16	4.7	32	10.1	—	—	—	—
United Kingdom	1 121	419.4	3	1.0	549	218.5	567	198.0	3	1.9	—	—
South East	194	74.1	—	—	10	4.1	184	70.0	—	—	—	—
Yorkshire and Humberside	146	42.2	—	—	94	31.5	52	10.7	—	—	—	—
North West	146	86.8	1	0.4	110	62.8	35	23.6	—	—	—	—
East Midlands	130	33.9	—	—	27	11.8	103	22.0	—	—	—	—
North	71	28.5	1	0.6	55	23.4	15	4.5	—	—	—	—
South West	67	23.2	—	—	9	1.7	58	21.5	—	—	—	—
West Midlands	139	37.7	—	—	97	23.8	41	13.8	1	0.1	—	—
Wales	71	37.5	—	—	53	27.9	18	9.6	—	—	—	—
East Anglia	57	23.2	—	—	5	0.6	51	20.8	1	1.8	—	—
Scotland	36	10.0	—	—	26	8.6	10	1.4	—	—	—	—
Northern Ireland	64	22.2	1	0.1	63	22.2	—	—	1	0.1	—	—
Grand total	45 568	16 291.7	4 240	3 679.5	24 650	6 759.1	15 036	3 741.0	3 788	4 189.8	51	75.0

Table K : Financing provided from 1991 to 1995 in the ACP States under the Fourth Lomé Convention * and in the OCT
Breakdown by country and sector

* Details of financing made available under the First, Second and Third Lomé Conventions - 154 million from 1991 to 1995, of which 152.5 million under the Third Lomé Convention - appeared in the Annual Report 1994.

(ECU million)

	Total	Resources		Energy	Transport	Telecommunications	Water management other	Industry services	Global loans	Sector
		EIB own	Budgetary							
ACP Group	77.6	70.0	7.6	—	—	—	—	—	—	77.6
AFRICA	1 210.2	655.1	555.1	458.4	74.1	73.0	144.3	208.0		252.4
<i>West Africa</i>	<i>489.1</i>	<i>311.0</i>	<i>178.1</i>	<i>211.8</i>	<i>21.4</i>	<i>15.5</i>	<i>27.3</i>	<i>132.0</i>		<i>81.1</i>
Nigeria	132.5	130.0	2.5	55.0	—	—	—	—		77.5
Guinea	65.0	16.5	48.5	26.0	—	—	8.0	31.0		—
Ghana	61.7	60.0	1.7	60.0	—	—	—	0.7		1.0
Côte d'Ivoire	57.1	41.5	15.6	37.6	6.0	—	—	13.5		—
Mali	51.0	35.0	16.0	—	—	—	—	51.0		—
Senegal	32.0	13.0	19.0	—	3.4	13.0	15.0	—		0.6
Mauritania	25.0	15.0	10.0	—	—	—	—	25.0		—
Burkina Faso	22.0	—	22.0	12.8	7.0	—	—	2.2		—
Cape Verde	12.4	—	12.4	5.4	5.0	—	—	2.0		—
Guinea-Bissau	12.0	—	12.0	7.0	—	2.5	—	2.5		—
Sierra Leone	8.0	—	8.0	8.0	—	—	—	—		—
Gambia	4.3	—	4.3	—	—	—	4.3	—		—
Regional	4.2	—	4.2	—	—	—	—	4.2		—
Benin	2.0	—	2.0	—	—	—	—	—		2.0
<i>Central and Equatorial Africa</i>	<i>35.2</i>	<i>9.5</i>	<i>25.7</i>	<i>33.1</i>	—	—	<i>1.5</i>	<i>0.6</i>		—
Cameroon	22.6	9.5	13.1	20.5	—	—	1.5	0.6		—
Zaire	7.0	—	7.0	7.0	—	—	—	—		—
São Tomé and Príncipe	5.6	—	5.6	5.6	—	—	—	—		—
<i>East Africa</i>	<i>187.0</i>	<i>35.0</i>	<i>152.0</i>	<i>28.5</i>	<i>26.7</i>	<i>30.8</i>	—	<i>1.7</i>		<i>99.3</i>
Kenya	65.8	35.0	30.8	5.5	—	—	—	—		60.3
Tanzania	52.2	—	52.2	23.0	11.0	—	—	0.2		18.0
Ethiopia	35.7	—	35.7	—	15.7	20.0	—	—		—
Uganda	20.4	—	20.4	—	—	—	—	1.4		19.0
Eritrea	8.0	—	8.0	—	—	8.0	—	—		—
Djibouti	2.8	—	2.8	—	—	2.8	—	—		—
Seychelles	2.0	—	2.0	—	—	—	—	—		2.0
<i>Southern Africa</i>	<i>485.0</i>	<i>285.6</i>	<i>199.4</i>	<i>185.0</i>	<i>12.0</i>	<i>26.7</i>	<i>115.5</i>	<i>73.8</i>		<i>72.0</i>
Zimbabwe	137.7	120.0	17.7	85.0	—	—	15.0	12.7		25.0
Botswana	67.3	62.8	4.5	7.0	—	—	50.4	3.4		6.5
Mauritius	59.1	54.0	5.1	—	12.0	14.0	28.0	5.1		—
Mozambique	55.4	20.0	35.4	40.0	—	—	—	15.4		—
Zambia	52.5	—	52.5	18.0	—	—	—	16.0		18.5
Namibia	30.2	23.8	6.4	—	—	12.7	14.1	3.4		—
Malawi	29.8	—	29.8	15.0	—	—	8.0	0.3		6.5
Lesotho	23.0	5.0	18.0	20.0	—	—	—	—		3.0
Swaziland	13.0	—	13.0	—	—	—	—	4.5		8.5
Madagascar	12.0	—	12.0	—	—	—	—	10.0		2.0
Angola	3.1	—	3.1	—	—	—	—	3.1		—
Comoros	2.0	—	2.0	—	—	—	—	—		2.0
<i>Multiregional Project</i>	<i>14.0</i>	<i>14.0</i>	—	—	<i>14.0</i>	—	—	—		—
CARIBBEAN	198.7	117.5	81.2	27.5	11.0	—	44.0	54.2		62.1
Trinidad and Tobago	50.6	46.5	4.1	—	—	—	—	46.5		4.1
Jamaica	50.0	45.0	5.0	9.0	—	—	7.0	—		34.0
Dominican Republic	26.0	—	26.0	15.0	—	—	—	—		11.0
Bahamas	14.0	14.0	—	—	—	—	14.0	—		—
Guyana	13.3	—	13.3	—	—	—	7.8	5.0		0.5
Barbados	10.0	10.0	—	—	—	—	10.0	—		—
Regional	7.0	—	7.0	—	4.0	—	—	—		3.0
Saint Vincent & the Grenadines	5.0	—	5.0	—	5.0	—	—	—		—
Haiti	4.0	—	4.0	—	—	—	—	—		4.0
Belize	3.5	—	3.5	3.5	—	—	—	—		—
Saint Lucia	3.5	2.0	1.5	—	—	—	—	0.5		3.0
Antigua	3.4	—	3.4	—	—	—	3.4	—		—
Grenada	3.3	—	3.3	—	—	—	1.8	1.5		—
Dominica	2.5	—	2.5	—	—	—	—	—		2.5
Saint Christopher & Nevis	2.0	—	2.0	—	2.0	—	—	—		—
Suriname	0.7	—	0.7	—	—	—	—	0.7		—
PACIFIC	82.5	55.0	27.5	12.0	5.0	8.0	—	46.0		11.5
Papua New Guinea	64.0	41.0	23.0	12.0	—	—	—	46.0		6.0
Fiji	13.0	13.0	—	—	5.0	8.0	—	—		—
Solomon Islands	2.0	—	2.0	—	—	—	—	—		2.0
Tonga	2.0	1.0	1.0	—	—	—	—	—		2.0
Western Samoa	1.5	—	1.5	—	—	—	—	—		1.5
Total : ACP States	1 569.1	897.6	671.5	497.9	90.1	81.0	188.3	308.2		403.6

Table K : Financing provided from 1991 to 1995 in the ACP States under the Fourth Lomé Convention and in the OCT (continued)
Breakdown by country and sector (ECU million)

	Resources								Sector
	Total	Resources		Energy	Transport	Telecommunications	Water management other	Industry services	Global loans
		EIB own	Budgetary						
OCT	39.5	25.0	14.5	7.5	—	—	2.0	5.0	25.0
New Caledonia	10.0	4.0	6.0	—	—	—	—	2.0	8.0
French Polynesia	10.0	5.0	5.0	—	—	—	—	—	10.0
Netherlands Antilles	9.5	8.0	1.5	4.0	—	—	—	3.0	2.5
Aruba	2.5	2.0	0.5	—	—	—	—	—	2.5
Falkland Islands	2.5	2.5	—	2.5	—	—	—	—	—
Cayman Islands	2.0	2.0	—	—	—	—	2.0	—	—
British Virgin Islands	2.0	1.5	0.5	—	—	—	—	—	2.0
Mayotte	1.0	—	1.0	1.0	—	—	—	—	—
Turks and Caicos Islands	0.1	—	0.1	—	—	—	—	0.1	—
Grand total	1 608.6	922.6	686.0	505.4	90.1	81.0	190.3	313.2	428.6

Table L : Financing provided from 1991 to 1995 in the Mediterranean Countries
Breakdown by country and sector (ECU million)

	Resources								Sector
	Total	Resources		Energy	Transport	Telecommunications	Water management other	Agriculture industry	Global loans
		EIB own	Budgetary						
Morocco	635.0	615.0	20.0	140.0	165.0	80.0	140.0	—	110.0
Egypt	607.9	591.4	16.5	130.4	—	—	45.0	396.5	36.0
Algeria	584.0	581.0	3.0	300.0	131.0	—	150.0	0.9	2.2
Tunisia	315.0	300.0	15.0	15.0	58.0	—	152.0	—	90.0
Lebanon	259.0	256.0	3.0	45.0	135.0	—	76.0	—	3.0
Jordan	149.0	146.0	3.0	20.0	15.0	45.0	50.0	3.0	16.0
Israel	108.0	108.0	—	—	—	—	35.0	—	73.0
Turkey	93.5	93.5	—	13.5	—	—	80.0	—	—
Cyprus	59.0	54.0	5.0	—	—	—	27.0	1.0	31.0
Malta	30.5	28.0	2.5	—	6.0	—	22.0	—	2.5
Gaza/West Bank	26.0	20.0	6.0	—	—	—	—	—	26.0
Syria	20.4	20.4	—	—	—	—	20.4	—	—
Total	2 887.3	2 813.3	74.0	663.9	510.0	125.0	797.4	401.4	389.7

Table M : Financing provided from 1991 to 1995 in the Central and Eastern European Countries
Breakdown by country and sector (ECU million)

	Resources							Sector
	Total	Energy	Transport	Telecommunications	Water management other	Industry	Global loans	
Poland	931.0	—	415.0	220.0	58.0	—	238.0	
Czech Republic	737.0	300.0	185.0	95.0	—	100.0	57.0	
Hungary	617.0	55.0	142.0	150.0	—	—	270.0	
Romania	385.0	135.0	140.0	80.0	—	—	30.0	
Bulgaria	286.0	45.0	141.0	70.0	—	—	30.0	
Slovak Republic	253.0	85.0	25.0	65.0	—	—	78.0	
Slovenia	120.0	—	120.0	—	—	—	—	
Estonia	52.0	7.0	35.0	—	—	—	10.0	
Albania	34.0	—	29.0	—	—	—	5.0	
Lithuania	29.0	—	24.0	—	—	—	5.0	
Latvia	5.0	—	—	—	—	—	5.0	
Total	3 449.0	627.0	1 256.0	680.0	58.0	100.0	728.0	

Table N : Financing provided from 1993 to 1995 in Asia and Latin America
Breakdown by country and sector (ECU million)

	Resources						Sector
	Total	Energy	Transport	Telecommunications	Water management other	Industry	
Argentina	122.0	46.0	—	—	—	76.0	
Chile	75.0	—	—	—	75.0	—	
Pakistan	60.0	60.0	—	—	—	—	
Thailand	58.0	58.0	—	—	—	—	
China	55.0	55.0	—	—	—	—	
India	55.0	55.0	—	—	—	—	
Philippines	48.0	—	25.0	—	—	23.0	
Indonesia	46.0	46.0	—	—	—	—	
Costa Rica	44.0	44.0	—	—	—	—	
Peru	27.0	—	27.0	—	—	—	
Paraguay	17.0	—	—	—	—	17.0	
Total	607.0	364.0	52.0	75.0	93.0	23.0	

Table O : Resources raised in 1995

Month of issue	Place of issue	Subscription currency	Amount (million)	Amount in ECUs (million)	Life (years)	Coupon (%)
I. Medium and long-term operations (before swaps)						
PUBLIC BORROWING OPERATIONS						
January	Germany	DEM	1 000	524.8	10	7.750
	Spain	ESP	15 000	92.6	15	11.600
	Luxembourg	LUF	2 500	63.8	8	7.875
	Luxembourg	JPY	75 000	611.5	6	4.250
	Luxembourg	ITL	1 000 000	500.6	3	variable
February	Spain	ESP	25 000	154.3	3	11.200
	Luxembourg	FRF	1 500	228.1	10	8.500
	Luxembourg	ECU	400	400.0	5	8.250
	United Kingdom	GBP	500	635.3	23	8.750
March	Spain	ESP	15 000	92.6	5	11.250
	Greece	GRD	20 000	67.7	5	variable
	Luxembourg	FRF	750	114.1	10	7.660
	Luxembourg	USD	200	162.6	2	7.375
	Luxembourg	USD	300	243.9	5	7.625
	Luxembourg	ITL	600 000	300.4	4	10.800
	Luxembourg	ITL	150 000	75.1	4	10.800
	Luxembourg	LUF	2 500	63.8	7	8.000
	Portugal	PTE	30 000	153.2	10	variable
April	Spain	ESP	25 000	146.8	10	12.450
	Luxembourg	ITL	500 000	218.2	4	10.800
	Luxembourg	LUF	2 500	65.7	8	7.750
	United Kingdom	GBP	100	120.5	6	8.750
May	Luxembourg	ITL	1 000 000	436.5	5	variable
	Netherlands	NLG	300	144.7	10	7.250
June	Spain	ESP	15 000	88.1	5	11.250
	Luxembourg	ITL	300 000	130.9	5	10.450
	Portugal	PTE	30 000	153.4	10	variable
	United Kingdom	GBP	100	120.5	7	8.500
July	Germany	DEM	1 500	806.2	5	6.000
	Italy	ITL	1 000 000	454.1	4	variable
August	Luxembourg	ITL	500 000	227.1	7	11.250
	Luxembourg	CAD	150	81.1	10	8.500
	Switzerland	CHF	225	145.5	5	4.500
	Switzerland	CHF	200	129.3	3	3.750
September	Luxembourg	LUF	3 000	78.4	10	7.125
	Portugal	PTE	10 000	50.8	5	10.800
	Switzerland	CHF	500	323.3	12	5.000
October	Spain	ESP	15 000	92.2	5	10.125
November	Germany	DEM	2 000	1 065.6	7	6.125
	Japan	JPY	35 000	268.8	3	6.100
	Japan	JPY	25 000	192.0	3	4.650
	Japan	JPY	40 000	307.2	3	6.000
	Luxembourg	ITL	650 000	305.9	3	variable
	Luxembourg	AUD	100	57.3	3	7.000
	Portugal	PTE	10 000	50.7	5	10.800
December	Spain	ESP	15 000	92.2	10	10.350
	Spain	ESP	10 000	61.5	5	10.125
	Greece	GRD	25 000	81.8	4	variable
	Luxembourg	LUF	2 000	51.8	5	6.125
	Portugal	PTE	50 000	253.6	3	variable
	50 operations			11 286.0		
PRIVATE BORROWING OPERATIONS						
	3	JPY	18 000	154.7	10-12	3.040-3.050
	2	PTE	20 000	101.7	5-8	var-11.300
	2	USD	52	39.4	12-15	variable
	1	FIM	100	17.8	7	6.910
	8 operations			313.6		
Total (I)				11 599.6		
II. Debt issuance programmes						
	5	IEP	110	134.7	4-20	7-9
	5	ITL	1 500 000	694.4	2-10	10.25-10.875
	10 operations			829.0		
Grand total				12 428.6		

Table P : Resources raised from 1991 to 1995

(amounts in ECU million)

	1991		1992		1993		1994		1995	
	amount	%	amount	%	amount	%	amount	%	amount	%
European Union Currencies										
ECU	2 500	18.3	1 937	14.9	960	6.8	300	2.1	400	3.2
DEM	1 198	8.8	1 583	12.2	1 948	13.7	2 051	14.5	2 397	19.3
FRF	1 378	10.1	1 461	11.3	1 811	12.7	1 153	8.1	342	2.8
GBP	1 837	13.4	1 428	11.0	2 639	18.6	1 518	10.7	996	8.0
ITL	1 466	10.7	1 326	10.2	2 039	14.3	2 560	18.1	3 343	27.0
BEF	166	1.2	238	1.8	—	—	752	5.3	—	—
NLG	369	2.7	303	2.3	227	1.6	661	4.7	145	1.2
DKK	—	—	—	—	—	—	53	0.4	—	—
IEP	—	—	—	—	125	0.9	177	1.2	135	1.1
LUF	24	0.2	49	0.4	100	0.7	201	1.4	193	1.6
GRD	—	—	—	—	—	—	36	0.3	149	1.2
ESP	813	5.9	648	5.0	1 241	8.7	948	6.7	1 574	12.7
PTE	250	1.8	85	0.7	243	1.7	584	4.1	1 004	8.1
ATS	—	—	—	—	—	—	59	0.4	—	—
SEK	—	—	—	—	—	—	—	—	77	0.6
FIM	—	—	—	—	—	—	—	—	18	0.1
Total	10 002	73.2	9 058	69.8	11 333	79.7	10 994	77.7	10 774	86.9
of which : fixed	6 812	49.8	5 962	46.0	9 886	69.5	8 188	57.9	5 720	46.1
of which : floating	3 190	23.3	3 096	23.9	1 447	10.2	2 806	19.8	5 054	40.8
Non-Union Currencies										
USD	2 262	16.5	1 529	11.8	1 502	10.6	1 659	11.7	528	4.3
CHF	782	5.7	947	7.3	453	3.2	856	6.0	323	2.6
JPY	627	4.6	1 440	11.1	657	4.6	580	4.1	771	6.2
CAD	—	—	—	—	278	2.0	—	—	—	—
Total	3 670	26.8	3 916	30.2	2 891	20.3	3 154	22.3	1 622	13.1
of which : fixed	3 413	25.0	2 924	22.5	2 808	19.7	2 448	17.3	1 338	10.8
of which : floating	257	1.9	992	7.6	83	0.6	706	5.0	284	2.3
Grand total	13 672	100.0	12 974	100.0	14 224	100.0	14 148	100.0	12 395	100.0
of which : fixed	10 225	74.8	8 886	68.5	12 695	89.2	10 636	75.2	7 058	56.9
of which : floating	3 447	25.2	4 087	31.5	1 529	10.8	3 512	24.8	5 338	43.1

Table Q : Resources raised in ECU from 1981 to 1995

(amounts in ECU million)

Year	Fixed-rate borrowings		Floating-rate borrowings				Raised in ECU (A)	Total raised (B)	A/B as %
	Before swaps	After swaps	After swaps	Commercial paper	Certificates of deposit	Total			
1981	85.0	85.0	—	—	—	—	85.0	2 309.7	3.7
1982	112.0	112.0	—	—	—	—	112.0	3 205.2	3.5
1983	230.0	230.0	—	—	—	—	230.0	3 619.4	6.4
1984	455.0	455.0	—	—	100.0	100.0	555.0	4 360.9	12.7
1985	720.0	720.0	—	—	—	—	730.6	5 709.1	12.8
1986	827.0	897.0	—	—	—	—	897.0	6 785.5	13.2
1987	675.0	807.4	—	—	—	—	807.4	5 592.7	14.4
1988	959.0	993.0	82.9	—	252.5	335.4	1 328.4	7 666.1	17.3
1989	1 395.0	1 526.0	75.1	200.0	37.5	312.6	1 838.6	9 034.5	20.4
1990	1 271.8	1 254.9	—	500.0	10.0	510.0	1 764.9	10 995.6	16.1
1991	1 550.0	1 550.0	450.0	500.0	—	950.0	2 500.0	13 672.3	18.3
1992	1 130.0	1 130.0	806.5	—	—	806.5	1 936.5	12 973.6	14.9
1993	650.0	500.0	460.2	—	—	806.5	960.2	14 223.8	6.8
1994	300.0	—	300.0	—	—	300.0	300.0	14 148.0	2.1
1995	400.0	200.0	200.0	—	—	200.0	400.0	12 395.4	3.2
Total	10 759.8	10 460.3	2 374.8	1 200.0	400.0	4 321.1	14 445.6	126 691.8	11.4

1985 includes 10.6 million in third-party participations in Bank loans.

GUIDE TO READERS

1. Definitions :

(a) **Activity** : The EIB provides individual loans and global loans as well as some guarantees.

Global loans are concluded with financial institutions which deploy the proceeds as sub-loans in support of small and medium-scale ventures.

The presentation of EIB activity in the European Union covers :

- firstly, as in the past, **finance contracts signed** : individual loans (as well as, where applicable, guarantees) and global loans;
- secondly, **financing provided** : operational data embracing individual loans and allocations from ongoing global loans.

(b) **Own resources** : Principally the proceeds of the Bank's borrowings on the capital markets but including "own funds" (paid-in capital and reserves), this term was adopted to distinguish such resources from those deployed under mandate from the European Union or the Member States. Whereas operations using own resources are entered on the balance sheet, operations conducted under mandate, which also form part of the Bank's activities, are entered in a trust management account; the "Special Section".

2. **ECU** : Except where otherwise indicated, all amounts quoted are expressed in ECUs.

Unit of account : In accordance with Article 4 of the Statute, the EIB's unit of account is defined as being the ECU used by the European Communities. See also Financial Statements, Note A, point 1.

3. **ISO standards** : The EIB uses the country and currency abbreviations adopted by the International Organisation for Standardisation (ISO), as indicated in the tables below.

Belgium	BE	Greece	GR	Ireland	IE	Netherlands	NL	Finland	FI	United States	US
Denmark	DK	Spain	ES	Italy	IT	Austria	AT	Sweden	SE	Switzerland	CH
Germany	DE	France	FR	Luxembourg	LU	Portugal	PT	United Kingdom	GB	Japan	JP

4. Conversion rates

(a) **Statistics** : The conversion rates used by the EIB during each quarter for recording statistics of its financing operations - contract signatures and disbursements - as well as of its borrowings are those obtaining on the last working day of the previous quarter; in 1995, these were as follows :

		1st quarter (at 31.12.1994)	2nd quarter (at 31.03.1995)	3rd quarter (at 30.06.1995)	4th quarter (at 30.09.1995)
1 ECU =	ECU				
Belgian franc	BEF	39.1614	38.0760	38.2575	38.5982
Danish krone	DKK	7.48233	7.34932	7.26472	7.29574
Deutsche Mark	DEM	1.90533	1.85173	1.86067	1.87684
Greek drachma	GRD	295.480	302.719	302.541	305.779
Spanish peseta	ESP	162.070	170.305	162.914	162.659
French franc	FRF	6.57579	6.49478	6.51736	6.47961
Irish pound	IEP	0.795061	0.827969	0.818476	0.815884
Italian lire	ITL	1997.45	2291.05	2202.07	2124.94
Luxembourg franc	LUF	39.1614	38.0760	38.2575	38.5982
Netherlands guilder	NLG	2.13424	2.0726	2.08427	2.10151
Austrian Schilling	ATS	13.4074	13.0311	13.0844	13.2058
Portuguese escudo	PTE	195.884	195.553	196.689	197.164
Finnish markka	FIM	5.82915	5.81302	5.74919	5.62063
Swedish krona	SEK	9.17793	9.92232	9.78410	9.16362
Pound sterling	GBP	0.787074	0.829611	0.841979	0.834473
United States dollar	USD	1.23004	1.33941	1.34296	1.31847
Swiss franc	CHF	1.61320	1.52786	1.54641	1.51294
Japanese yen	JPY	122.659	116.796	113.950	130.225

(b) **Accounts** : The EIB's balance sheet and financial statements are drawn up on the basis of the conversion rates in force at 31 December of the financial year concerned.

5. Activity within the European Union

(a) **Statistics** : With a view to ensuring statistical continuity, comparisons with previous periods have been based on identical criteria, which explains why certain data in the Annual Reports published since 1988 differ from those featuring in earlier reports.

(b) **Community policy objectives** : Financing provided within the European Union must meet one or more of these objectives; the figures in tables corresponding to different objectives cannot therefore be added together meaningfully.

(c) **Order of countries** : As a general rule, tables detailing activity within the European Union list the countries by alphabetical order of the name for each country in its own language.

(d) **Other** : Financing akin to operations within the European Union. Projects located outside the European territory of the Member States but of interest to the European Union are treated as projects within the European Union. The Board of Governors may authorise financing for such projects on a case-by-case basis under the terms of the second paragraph of Article 18(1) of the Bank's Statute. *This Article also provides scope for operations outside the European Union under specific agreements and protocols.*

6. **Adjustments, totals and rounding** : Because of statistical **adjustments**, amounts quoted for earlier financial years may differ slightly from those published previously.

Amounts are quoted at current prices and exchange rates; they should be interpreted with care if added together over a long period. The significance of figures for individual years is affected by price movements and exchange rate variations occurring over the years.

Differences between totals shown and the sum of individual amounts are due to **rounding**

7. **Deflator** : The deflator applied to Bank activity is a composite index of the change in national price indices derived from gross fixed capital formation corrected by the index of the change in the rates for converting national currencies into ECUs and weighted by each Member Country's share in Bank financing from own resources. This deflator is put at 0.4% for 1995.

Abbreviations and acronyms used in this report

Union or EU	= European Union
Community or EC	= European Community
Commission	= European Commission
Council	= Council of the European Union
ACP	= Africa, Caribbean, Pacific
ALA	= Asia, Latin America
CEEC	= Central and Eastern European Countries
EBRD	= European Bank for Reconstruction and Development
EEA	= European Economic Area
EFTA	= European Free Trade Association
EIF	= European Investment Fund
ERDF	= European Regional Development Fund
GDP/GNP	= Gross domestic/national product
GFCF	= Gross fixed capital formation
METAP	= Mediterranean Environmental Technical Assistance Programme
OCT	= Overseas Countries and Territories
OECD	= Organisation for Economic Cooperation and Development
OJ	= Official Journal of the European Communities
SMEs	= Small and medium-sized enterprises

For further information on EIB activity, please contact the Information and Communications Department, Adam McDonough (tel.: 4379-3147, fax: 4379-3189).

This Department, as well as the EIB's external offices, have available the following publications in the official languages of the European Union: annual report, annual brochure, "EIB-Information" (quarterly bulletin), thematic and operational brochures on financing facilities within and outside the European Union, general information leaflet. A video on the EIB's objectives and activities is also available on request.

The EIB wishes to thank promoters for the photographs illustrating this report: Banverket/Thomas Fahlander (cover and p. 3), GRYAAB (p. 22), EEC (pp. 31, 36, 43), La Vie du Rail/C. Recoura (p. 33), Wijkertunnel/Dick Sellenraad (p. 40), Affaldskontoret, Århus (p. 44), Loufi Abou-Zeid (p. 50), Gas Natural Ban (p. 54) ; other photographs and illustrations: EIB photographic library.

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EUROPEAN INVESTMENT BANK

*The financing institution of the European Union, the European Investment Bank (EIB), created by the Treaty of Rome, has seen its role reaffirmed by the Treaty on European Union. Its Statute constitutes a Protocol to the Treaty. ♦ The EIB enjoys its own legal personality and financial autonomy within the Community system. ♦ The members of the EIB are the Member States of the Union, who have all subscribed to the Bank's capital. ♦ The EIB's mission is to further the objectives of the European Union by providing long-term finance for specific capital projects in keeping with strict banking practice. ♦ As a **Community institution**, the EIB continuously adapts its activity to developments in Community policies. ♦ It thereby contributes towards building a closer-knit Europe, particularly in terms of economic integration and greater economic and social cohesion. ♦ As a **Bank**, it works in close collaboration with the banking community both when borrowing on the capital markets and when financing capital projects. ♦ The EIB grants loans mainly from the proceeds of its borrowings, which, together with own funds (paid-in capital and reserves), constitute its own resources. ♦ Outside the European Union, EIB financing operations are conducted principally from the Bank's own resources but also, under mandate, from Union or Member States' budgetary resources.*

OBJECTIVES

Within the European Union, projects considered for EIB financing must contribute towards one or more of the following objectives:

- fostering the economic advancement of the less favoured regions;
- improving European transport and telecommunications infrastructure;
- protecting the environment and the quality of life, promoting urban development and safeguarding the Community's architectural and natural heritage;
- attaining Community energy policy objectives;

- enhancing the international competitiveness of industry and integrating it at Community level;
- supporting the activities of small and medium-sized enterprises.

Outside the Union, the EIB contributes to European development aid and cooperation policies in accordance with the terms and conditions laid down in the various agreements linking the Union to more than 120 third countries in Central and Eastern Europe, the Mediterranean region, Africa - including South Africa, the Caribbean and the Pacific, Asia and Latin America.

The Financing Institution of the European Union

PROJECTS ELIGIBLE FOR FINANCING

WHAT TYPES OF PROJECT?

EIB loans may be granted to public or private borrowers in support of projects in all sectors of the economy, ranging from communications, environmental and energy infrastructure to industry, services and agriculture.

The EIB finances large-scale projects by means of **individual loans** (upwards of ECU 25 million) concluded directly with promoters or through financial intermediaries.

Small and medium-scale projects are funded indirectly through **global loans** made available to banks or financial institutions operating at European, national or regional level.

TO WHAT EXTENT?

As a complementary source of financing, the EIB contributes to only part of the investment costs (up to 50%, as a rule), supplementing the borrower's own funds and other sources of finance.

The EIB helps to finance investment programmes in conjunction with the operations of the Structural Funds and of the other Community financial instruments. Loans from the EIB may be used in association with national or Community grant aid, particularly in assisted areas.

WHAT CRITERIA APPLY?

The EIB assesses the project's consistency with Community policies, its technical and financial viability as well as its economic benefits. Compliance with environmental protection and procurement regulations is also vetted. Similarly, the promoter's financial situation and cash flow projections along with security offered are examined closely.

LOANS

WHAT DECISION-MAKING PROCEDURES?

Once the appraisal is completed, the EIB's Board of Directors, acting on a proposal from the Management Committee, decides on the granting of the finance, following opinions delivered by the Member State concerned and the Commission.

WHAT MATURITIES?

The EIB grants medium and long-term loans (up to 20 years or more). Their maturity and the possibility of a grace period depend on the type of project involved and its useful life. In the case of certain exceptionally large infrastructure schemes of benefit to Europe in general, the EIB may, if need be, tailor its terms accordingly.

WHAT CURRENCIES?

Depending on the EIB's holdings and the borrower's preferences, the loan is disbursed in one or more currencies of the Union, in ECUs, or in third country currencies used by the Bank.

WHAT RATES?

The EIB's first-class credit rating ("AAA") enables the Bank to raise funds on the keenest terms available at the time.

As a financial intermediary operating on a non-profit-making basis, the EIB onlends the funds borrowed by it at a rate reflecting its excellent position on the markets, plus a small margin to cover its operating costs. Loans are disbursed at par.

Rates (fixed usually, but also revisable, variable or convertible) may be set either upon signature of the finance contract or upon each disbursement (open-rate contract). The method adopted for setting rates is the same for all countries and sectors. The EIB does not grant interest subsidies, although these may be provided by third parties.



DEN EUROPÆISKE INVESTERINGSBANK

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