



**Head of Regional Representation of the EIB Group
Southeast Asia and Pacific**



**European
Investment Bank**

**EU-Singapore Dialogue
Facilitate Green and Sustainable Investments in Southeast Asia
Singapore, 25 January 2024**

The European Investment Bank(EIB), the Climate Bank of the European Union

Improving lives in Europe and beyond

EIB

- Unique bank governed by the 27 EU Member States.
- Only multilateral development bank that provides funding to its non-members.
- EU Climate Bank supporting initiatives that align with its environmental and climate goals.

Largest multilateral lender and borrower in the world

- Raise funds on the international capital markets.
- Pass on favourable borrowing conditions to clients.

EIB mission

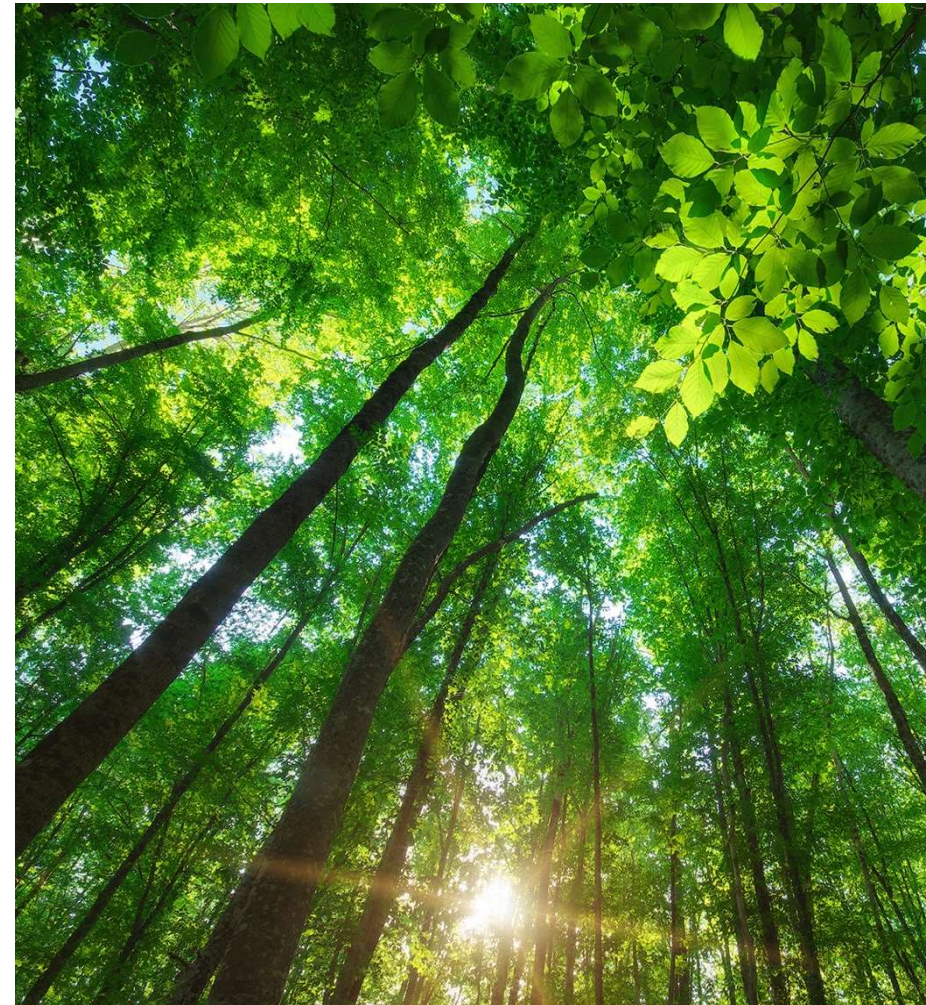
- To foster sustainable growth around the globe, provide finance for projects that contribute to economic development and inclusive growth.
- As the lead provider of climate finance, EIB promotes green energy transition and support all the projects that reduce CO2 emissions.
- As a proactive catalyst, EIB offers tailored financial expertise and technical knowledge.
- As a global leader in sustainable finance EIB encourages other financial institutions to follow suit in promoting sustainable projects.
- Through the EIB's projects, we seek to address inequalities in all regions by providing job and education opportunities, access to public infrastructure and services, and a healthy and sustainable environment.

Over €1.5 trillion invested since 1958

- More than 14.900 projects in over 160 countries.

Headquartered in Luxembourg

- Around **4.020 staff**: In addition to finance professionals, we have engineers, economists, lawyers, and socio-environmental experts.
- **59 offices** around the world.



THE EIB

Brief Overview



EIB is a Non-for-profit based lending institution



Not only an EU policy driven bank but and impact financing institution



Long term investments with maturities aligned to product and economic life.

€ 87.85 billion
Total EIB Group financing in 2023

Our investment priorities



INNOVATION, DIGITAL AND HUMAN CAPITAL

€ 19.8 billion



SUSTAINABLE ENERGY AND NATURAL RESOURCES

€ 26.8 billion



SMALL AND MEDIUM-SIZED ENTERPRISES

€ 20 billion



SUSTAINABLE CITIES AND REGION

€ 21.3 billion

Our Impact in 2023



EDUCATION

1.2 million student in better schools and universities



WATER

Safer drinking water for **4.9 million**



DIGITAL

11.6 million people with enabled 5G services



HEALTH

130.6 million people with better health services



TRANSPORT

254 million additional passenger trips on public transport



ENERGY

Enough electricity power for **13.8 million** households

EIB is the Leading Provider of Climate Finance

Since 2021 Green Investments of €349 billion (on track to achieve €1 trillion)

Mobilising the finance needed to keep global warming below 2°C, aiming for 1.5°C



All EIB Group financing aligned with Paris Agreement by end of 2020



EIB stops supporting traditional fossil fuel energy projects by end of 2021.



More than 50% of EIB financing goes to climate action and environmental sustainability by 2025



EIB Group to support €1 trillion in investment for climate action and environmental sustainability by 2030



2022 climate action: **€38 billion**

2023 climate action and environmental sustainability: **€49 billion**



CLIMATE CHANGE ADAPTATION



RENEWABLE ENERGY



ENERGY EFFICIENCY



LOWER CARBON TRANSPORT



RESEARCH, DEVELOPMENT AND INNOVATION



OTHER CLIMATE CHANGE MITIGATION

The EIB is the first international finance institution to end financing for fossil fuel projects and to focus its support on projects that are fully aligned with the Paris Agreement.



EIB GLOBAL's priorities

All EIB activities outside the EU aligned with the three overarching EFSD+ priorities:



Global Gateway



Green Deal



**Jobs
and sustainable
and inclusive
Growth**

Lending, blending, advising

- EIB expertise & global reach
- EIB financial strength
- Impact measurement

Team Europe approach

- Partner country priorities
- Cooperation with EC, DFIs and IFIs



EIB Global: Financing across the globe

€8.4 billion*
total financing in 2023



39%

significantly contributed to gender equality



46%

of total signed was in support of Least Developed Countries and Fragile States



53%

went to climate action and Environmental Sustainability



77%

support of the EU Global Gateway

EIB contribution to EU Global Gateway

EIB's Mission Fully Aligned with EU's Global Gateway Initiative:

- Contributes to sustainable global connections.
- Partner with European Commission and other financial institutions to attract private sectors investment via Innovative structures
- The main financial tool to mobilize investment is the European Fund for Sustainable Development Plus

EIB's Key Role:

- EIB is be at the forefront of implementing the Global Gateway across all regions
- EIB is committed to facilitate at least €100 billion in investment by 2027
- EIB will support the EU Green Deal and jobs and growth.

Sector Focus:

EIB is very active in all five Global Gateway sectors:

1. Digital,
2. Climate and energy,
3. Transport,
4. Health,
5. Education and research.

EIB is involved in more than 20 Flagship projects.

- EIB is developing project pipelines in all regions including Southeast Asia
- EIB share its world class expertise gained both inside and outside the EU to the benefit of its partner countries.
- In addition to sovereign lending and to crowd in private sector investments, EIB has set up a EUR400 m Global Gateway Fund

EIB- Global Gateway Fund

EIB's Key Role:

- EIB instrumental in setting up GGF.
- Acts as Investment Advisor, providing expertise in equity investments, project finance, and structured debt financings.
- The initiative is expected to greatly contribute to the achievement of the Sustainable Development Goals, to which the EIB remains fully committed and strongly aligned with partners worldwide

Objectives of GGF

- The GGF aims to contribute to the goals of the EU GG by helping to tackle the pressing global challenges - from fighting climate change to improving health systems and boosting the competitiveness and security of global supply chains
- Global Gateway Fund is a flagship initiative supporting the EU's Global Gateway strategy.
- It is currently in the initial stage of creation
- GGF operates as a fund-of-funds focusing on high-impact equity and debt operations in emerging markets.
- EIB has set up a €400 million Global Gateway Fund for high risk and high impact investments in the private sector
- EIB has contributed to €300 million to GGF
- This fund is open for additional capital contributions, which will potentially mobilise in excess of € 4bn of investments.

Sector Focus:

- Primary sectors: Financial and insurance activities
- Private sector support with indicative allocations: 40% infrastructure funds, 40% SME funds, 20% project finance or structured debt financings.
- Target sectors: clean energy, sustainable transport, connectivity, supply chains, and human development in emerging markets.

Financing Contribution

- Proposed EIB Finance: €300 million.
- Total Cost: €400 million.
- Other capital contributions

EIB IN ASIA

Activities, Examples and EIB in Southeast Asia

Lending Operations in Asia

EIB has supported **long-term investment projects** in Asia for over **25 years**, establishing a presence that is both **material and meaningful for the EU**

To date, EIB has signed a total of close to **€ 10 billion** in 14 countries in Asia from 1993 to 2022.

EIB offers attractive **financial terms** to improve the development impact

EIB focus its lending on **climate action, infrastructure and gender equality across sectors**

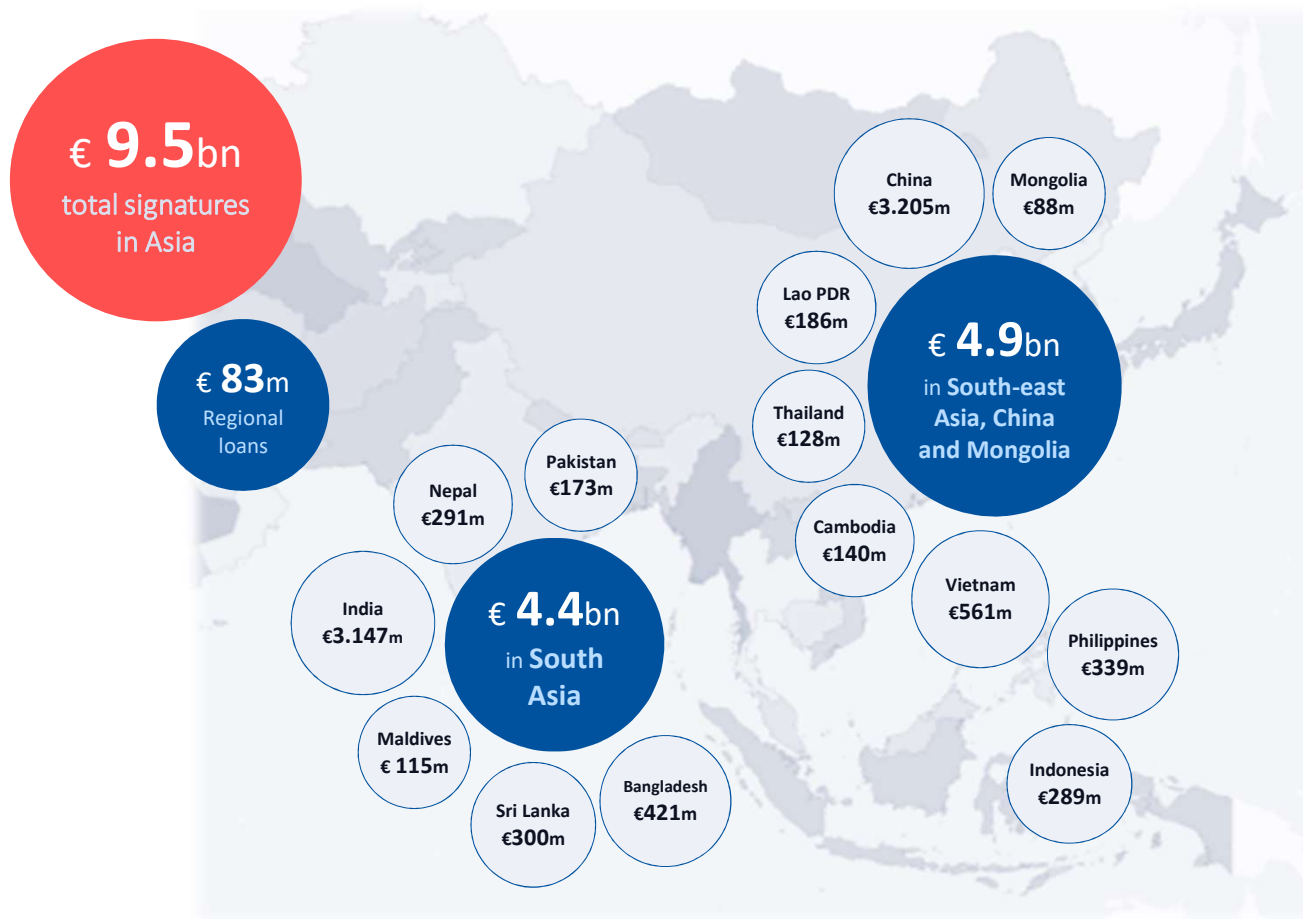
EIB contributes to meet the **Sustainable Development Goals** for 2030

EIB brings the **expertise** of our in-house engineers and economists

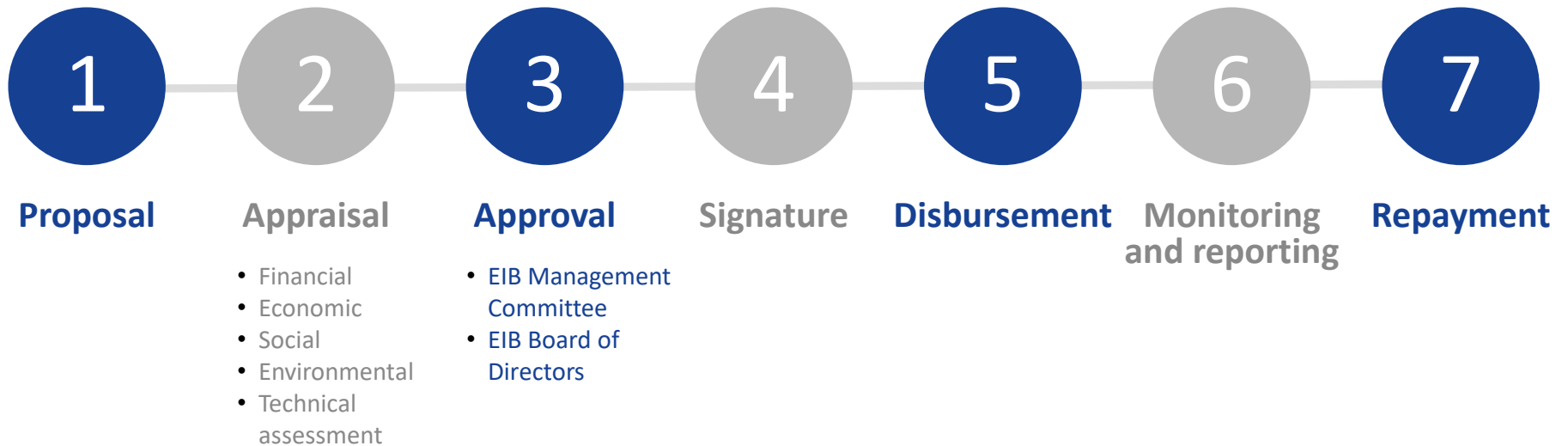
Close **cooperation with other International Financial Institutions** acting as financial intermediaries, guarantors, partners in project identification and financial arrangers.

A Framework Agreement (an international treaty) is required for EIB to lend in any Asian country.

EIB Portofolio in Asia



EIB PROJECT CYCLE



II.. PROJECT EXAMPLES



Climate Change Mitigation in Vietnam

- ▶ The two loans will foster **environmental sustainability** and will make **long-term financing** at **attractive interest rates** available to support **investments that contribute to climate change mitigation**.
- ▶ This will be accomplished through the avoidance, reduction or sequestration of greenhouse gases emissions, by using of renewable energy sources and energy efficiency enhancements, which are priorities for EIB lending.
- ▶ The proceeds of the EIB's loans are made available to four **state-owned banks**, who will on-lend the funds to final beneficiaries.
- ▶ The final beneficiaries will carry out investments that contribute to climate change mitigation, through **renewable energy or energy efficiency projects**, or **support the European presence in Vietnam**, through direct investment or transfers of technology and know-how from Europe.

The European Investment Bank (EIB) has provided a EUR 100 million framework loan and a EUR 150 million global loan to the Socialist Republic of Vietnam with the main purpose of part-financing investments that will contribute to the mitigation of climate change

Urban Mobility in India

- ▶ Transport is key to **growth and competitiveness**, as it provides the **physical networks** enabling the **movement of people and goods**.
- ▶ **Better mobility** provides access to jobs and **social services** such as **healthcare and education** that contribute to the improvement of **people's lives**.
- ▶ In Lucknow, a **EUR 450 million loan** from the EIB is expected to increase the share of public transport services from **10% to 27% by 2030**
- ▶ In Pune, a **EUR 600 million loan** will support the construction of two metro lines, which include **31 kilometers** of track and **30 station**
- ▶ In Bangalore, a **EUR 500 million** EIB loan for the new metro line is expected to cut travel times for some journeys **from two hours a day to just 15 minutes**
- ▶ In Bhopal, central India, a **EUR 400 million** loan would allow the construction of **two metro lines with 30 stations**
- ▶ In **Kanpur**, the largest industrial city of Uttar Pradesh , a **EUR 650m loan** would develop two metro rail corridors with **30 stations**.

EIB approved a total of EUR 2.6 billion loans for two the development of Metros lines in five cities in India

In India's mobility sector, EIB collaborates with European DFIs, regional MDBs and the Indian State, and promotes the Team Europe approach

- ▶ EIB cooperated with Government of Nepal and Norwegian Agency for Development Cooperation to build the infrastructure required for the transmission of **renewable energy** in the west of the country through the construction of **7 new high voltage transmission lines** and the **expansion and upgrading of several existing substations**.
- ▶ The project will improve **power distribution** and boost efficiency help alleviating **chronic power shortages**.
- ▶ The project is **line with EU policies to promote sustainable, competitive sources of energy**.
- ▶ EIB supported the country's economy by enhancing the **cross-border power trading capacity, access to electricity, transition to renewable energy and overall poverty alleviation**.

Clean Energy for Nepal

EUR 99 million EIB loan (and a total project cost of EUR 270.2 million) to develop 386 kilometers of new transmission lines creating 134 new jobs



- ▶ EIB cooperated with KfW and AfD to **rehabilitate the Warsak power plant** supporting **renewable energy and climate change adaptation** by preventing floods and sedimentation.
- ▶ The project aimed at upgrading and modernizing a 50-year old hydropower plant, **including a rehabilitation programme designed to restore the plant to its original capacity of 243 MW** and to achieve **40 years of safe, reliable and cost-effective energy production**.
- ▶ The involvement of the EU and the EIB was during a critical time where Pakistan was facing an important energy crisis with daily power cuts.
- ▶ **The EIB supported the country's economy and helped Pakistan to strengthen its stability** in a particular fragile regional geopolitical context

Hydroelectric Project in Pakistan

EUR 50 million EIB loan (and a total project cost of EUR 150 million) to upgrade a 50-year old hydropower plant

- ▶ EIB cooperated with Government of Bangladesh, ADB and AfD to build the infrastructure required to develop a new **sustainable surface water resource** that will contribute to meeting an **increasing water demand** in Dhaka and **enable a reduction in extraction from over-exploited groundwater resources**.
- ▶ The project will increase the security of water supply and improve the resilience to adverse impacts from climate change
- ▶ The project **is line with EU policies** and supported the key objectives of the Bangladesh-EU Country Strategy to address poverty and economic development.
- ▶ EIB supported the Dhaka to improve its **resilience to adverse impacts from climate change**, such as droughts.

Environmentally Sustainable Water Supply Project in Bangladesh

EUR 100 million EIB loan (and a total project cost of EUR 493 million) to develop a new sustainable surface water resource

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THANK YOU



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