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REPORT FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT AND THE COUNCIL

ON 2014 EIB EXTERNAL ACTIVITY WITH EU BUDGETARY GUARANTEE

{SWD(2015) 285 final}

1. INTRODUCTION

Decisions 1080/2011/EU[1] and 466/2014/EU[2] of the European Parliament and of the Council of 25 October 2011 and 16 April 2014 respectively grant an EU guarantee to the European Investment Bank (EIB) against losses under EIB financing operations for projects outside the Union over the periods 2007-2013 and 2014-2020 respectively (the "Decisions" or the "EU guarantee"). These Decisions require the Commission to report annually on EIB external activities with the EU budgetary guarantee, building on yearly reports provided by EIB. Following the extension by six months of Decision 1080/2011/EU till 30 June 2014 and the adoption of the Decision 466/2014/EU over 2014-2020, the present report covering the year 2014 has been prepared on the requirements of these two legal basis. This report also provides a summary of the own risk operations carried out by the EIB in 2014 in the regions covered by the Decisions. The EIB operations in Africa, Caribbean and Pacific (ACP) as well as in Overseas Countries and Territories (OCT) are covered in a separate annual report.

The new Decision 466/2014/EU adopted on 16 April 2014 (the "Mandate") sets a maximum ceiling for the EU guarantee of EUR 30 billion broken down into a fixed ceiling amounting to EUR 27 billion and an optional additional amount of EUR 3 billion. The activation of the optional amount as well as its regional distribution shall be decided by the European Parliament and the Council following the mid-term review of the Mandate. In the new Decision, the three high level objectives for extending the EU guarantee remain unchanged: promoting growth in the local private sector, developing social and economic infrastructure, climate action and, as an underlying objective, fostering regional integration. The Mandate entered into force with the signing of the Guarantee agreement on 25 July 2014.

More detailed information and statistical tables on the above activities, including at project, sector, country and regional level, are provided in the attached Staff Working Document (the "SWD"). Following the third year of implementation of the EIB REsults Measurement (ReM) framework, this report provides information on expected results based on EIB financing operations signed in 2014. Actual results achieved based on the first ReM Project Completion Reviews or on case studies on operations approved before ReM and having reached completion are presented in the SWD.

2. KEY RESULTS

The Annex to the report on 2013 EIB external activity with EU budgetary guarantee[3] provided a global picture of EIB financing operations outside the EU carried out over the period from 2007 to 30 June 2014. The report concluded that the final utilisation of the Decision 1080/2011/EU as at 30 June 2014 was 99% overall despite the challenging business environment experienced in several parts of the world.

In the regions covered by the Decision, signatures totalled EUR 6.8 billion, almost equal to the previous year, with financing under the EU guarantee declining slightly to EUR 4.2 billion, and financing under EIB own-risk Facilities increasing by EUR 0.2 billion to EUR 2.6 billion. Overall volumes in 2014 were mainly driven by a strong performance in the Neighbourhoodand Pre-Accession regions.

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1 OJ L 280, 27.10.2011, p.1

2 OJ L 135, 08.05.2014, p.1

3 COM(2014)674

The EIB continued to demonstrate its commitment to supporting the EU's climate action agenda. In September 2015, the EIB Board adapted a Climate Action Strategy to guide all EIB actions both within and outside the EU, and is foreseen to update of the EIB climate strategy for external lending mandate countries before end of 2015. EIB operations signed in the regions covered by the Decision remain well above the threshold of 25% set out in the Decision with EUR 2.1 billion, or 31% of total signatures targeting climate action this year with a particular emphasis on ALA region (almost 40% of climate signatures).

In 2014, when it was implemented for the third year in a row, the EIB through the ReM framework noted that 100% of new operations signed in the Mandate regions are expected to make either an excellent or a good contribution to the Mandate objectives. Over 90% of new projects are expected to achieve either excellent or good results in terms of expected impact, quality and soundness of projects. More than 85% of new projects are expected to be associated with either high or significant EIB additionality. EIB's own report on results of EIB operations outside the EU (which also includes operations in ACP and OCT countries) in 2014 has been published on its website.

The new Decision emphasises a strong alignment of EIB external activity and EU external policies, programmes and instruments and it is worth noting that over the year 2014, the EIB continued to cooperate closely with the Commission and the EEAS to strengthen the consistency and coherence of EIB actions with external EU policies. In this context, the Commission, together with the EIB and in consultation with the EEAS, prepared the revised Regional Technical Operational Guidelines which were transmitted to the Parliament and the Council in May 2015.

3. FINANCING OPERATIONS

3.1. OVERVIEW OF EIB FINANCING VOLUME IN THE REGIONS COVERED BY THE DECISIONS[4]

The following table provides an overview of the volume of EIB financing in 2014 in the regions covered by the Decisions.

Table 1: EIB Financing Operations signed in 2014

Countries of operation (EUR million)	Operations under EU guarantee			EIB own risk operations	Total
	Comprehensive guarantee	Political risk cover	Total		
Pre-Accession Countries	621	0	621	1815	2436
Mediterranean countries	1122	260	1382	230	1612
Eastern Neighb., Russia	1016	160	1176	0	1176
Asia and Latin America	670	150	820	550	1370
South Africa	175	0	175	0	175
Total	**3603**	**570**	**4174**	**2595**	**6769**

Notes: In addition to the above volumes on EIB own resources, equity and microfinance operations amounting to EUR 52 million were signed on third party resources in the Mediterranean.

[4] Decision 466/2014/EU and 1080/2011/EU

The share of activity under the EU guarantee in total volume decreased in 2014 by 4% to reach EUR 4.2 billion (EUR 4.4 billion in 2013) or 61% of total 2014 financing in the regions covered by the Decision. The share of activity at EIB own risk increased by 4% to reach EUR 2.6 billion. More than 90% of operations financed at EIB own risk during 2014 have been signed in Pre-Accession and in ALA countries, with the remaining 9% in the Mediterranean region. In Eastern Neighbourhood (Ukraine - see below) and South Africa, all financing was signed under the EU guarantee.

In 2014, 86% of the loans signed with the EU guarantee were covered by a Comprehensive Guarantee (EUR 3.6 billion), which is used for sovereign and sub-sovereign operations, while 14% benefited from the political risk cover (EUR 0.6 billion) for private sector operations.

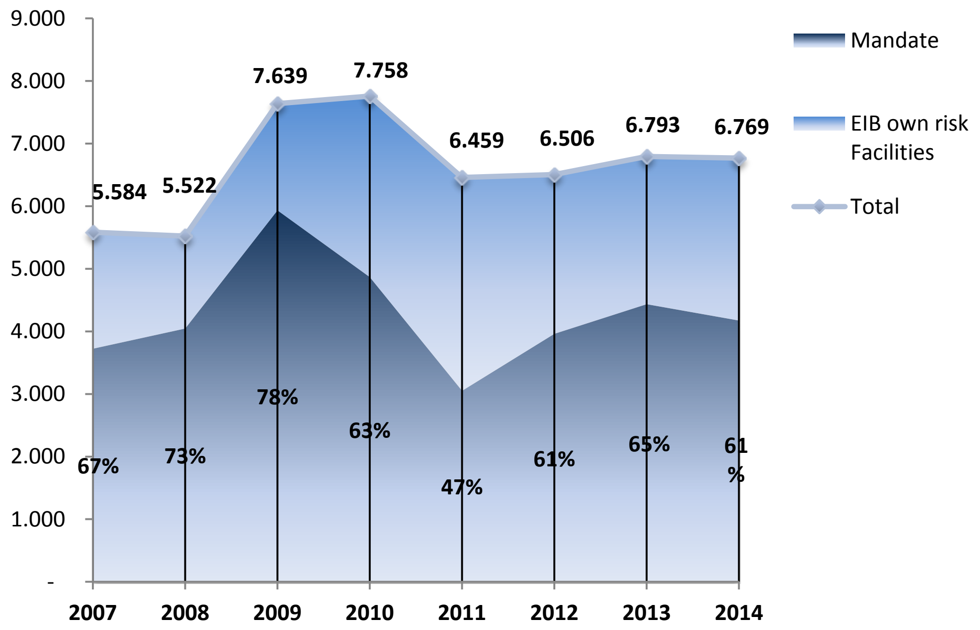
Table 2: Cumulative net signatures compared with the current EU Mandate ceilings over 2014-2020

EUR million	Ceiling	Net signed (EUR million)	Net signed as % of mandate ceiling
Pre-Accession	8.739	200	2%
Mediterranean	9.606	390	4%
Eastern Neighbours, Russia	4.831	1.090	23%
Asia and Latin America	3.407	415	12%
South Africa	416	-	0%
Total in Mandate Regions	**27.000**	**2.095**	**8%**

In the second half of the year under the new ELM nearly half of the total volume signed (EUR 2.1 billion) was signed in the Eastern Neighbourhood where geopolitical developments delayed most signatures until the last quarter. 23% of sub-ceiling 2014-2020 for Eastern Neighbourhood has been achieved due to the signature of 6 new operations in Ukraine totalling EUR 940 million.

Defaults on interest payments and loan repayments from the Syrian Government continued in 2014. At the end of 2014, cumulative payments from the Guarantee Fund related to calls by the EIB amounted to a total of EUR 142.72 million, of which EUR 60.22 million paid in 2014.

Chart 1: Annual evolution of EIB lending volumes on own resources



With EUR 6.7 billion, signatures for 2014 are slightly (2%) above the annual average of the years before (EUR 6.6 billion).

In terms of number of projects, financing for 42 projects was signed in 2014 under EU guarantee (same number of projects signed in 2013) and 23 projects under EIB own risk (26 projects signed in 2013).

Table 3: Number of operations signed by region (all resources), in 2014

Regions	Third Party Resources	Under EU guarantee	EIB own-risk	Total
Pre-Accession		8	19	27
Mediterranean[5]	7	12	1	20
Eastern Neighbours, Russia		12	0	12
Asia and Latin America		8	3	11
South Africa		2	0	2
Total	**7**	**42**	**23**	**72**

As shown in the table 4 below, the Pre-Accession countries remained the main beneficiary region of EIB financing outside the EU in 2014 with EUR 2.4 billion signed, representing 36% of total financing in the regions concerned. A major focus for the region has been to ensure adequate financial support for innovation and for growth, particularly of SMEs and private sector lending. Under the Mandate, a key priority has also been to finance projects integrating more fully with European infrastructure networks.

[5] One operation supported by both EIB own risk and ELM supported financing – recorded as EIB own-risk.

Table 4: Sectorial distribution of EIB financing operations signed in 2014 in the regions covered by the Decision (all resources)

	Pre-Accession	Mediterranean	Eastern Neighb.	Asia and Latin America	South Africa	Total
Credit lines	1.260	280	595	250		**2.385**
Energy	243	885	180	635	175	**2.118**
Transport	348	158	55	268		**828**
Urban development / Composite infrast.	300	135	105	100		**640**
Industry	165		170			**335**
Water, sewerage	20	85	71	118		**293**
Agriculture, fisheries, forestry	100					**100**
Education		70				**70**
Services		52				**52**
Total	**2.436**	**1.664**	**1.176**	**1.370**	**175**	**6.820**

In 2014 in the Mediterranean countries EIB financing under EU guarantee and at EIB own risks increased threefold to EUR 1.6 billion compared to the previous year, of which EUR 1.3 billion in support of key infrastructure projects, including investments inroads modernisation and upgrading of schools and also in climate action projects in renewable energy (solar thermal plan in Israël, in Marrocco) and energy efficiency (combined cycle plant in Egypt), .. Support to private sector development also continues to be an important priority in the region. With 5 new credit line agreements (EUR 280 million) signed in Tunisia, Egypt and Lebanon, support to SMEs reached its highest performance since the Arab Spring. An additional EUR 52 million was signed using third party resources including support to micro-entrepreneurs through microfinance service providers and investments to equity funds supporting the diversification of the local financial sectors.

In the Eastern Neighbourhood, total signatures reached EUR 1.2 billion, representing the second highest annual volume, following a record level (EUR 1.8 billion) signed in 2013. In Russia, activities have halted in the context of EU sanctions. EUR 940 million was signed in Ukraine as EIB's contribution towards the EU Special Action Plan for Ukraine. In an effort to deliver on the commitment to provide EUR 3 billion of financing over 2014 – 2016, cooperation with the Ukrainian authorities intensified, alongside dialogue with the Commission and EIB and coordination with other investors. Signed operations include credit lines for private sector development channelled via the State, framework loan for early recovery and reconstruction, support for a gas pipeline project and for the construction of the Beskyd Railway Tunnel forming part of a Pan-European corridor.

In Asia, Central Asia and Latin America, EUR 1.4 billion total signatures increased again by EUR 0.2 billion compared to 2013. Support to climate action and sustainable energy remained a major focus representing 58% of signatures in the year. Other signatures include a first credit line of EUR 150 million with a commercial bank in Mexico and the first signature in Mongolia EUR 50 million for investments in water, wastewater and sanitation. The EIB also signed a EUR 70 million tranche for the Tajik - Kyrgyz Power Interconnection. This project has a strong regional cooperation value and is quite exceptional in terms of size for the Central Asian countries.

In South Africa, two loans (totalling EUR 175 million) were signed for the financing of solar power plants, down from EUR 260 million in 2013.

3.2. CONTRIBUTION TO EU POLICY OBJECTIVES

The Decision foresees three horizontal high-level objectives for all regions covered by the EU budgetary guarantee:

(i) Local private sector development, in particular support to SMEs,

(ii) Development of social and economic infrastructure,

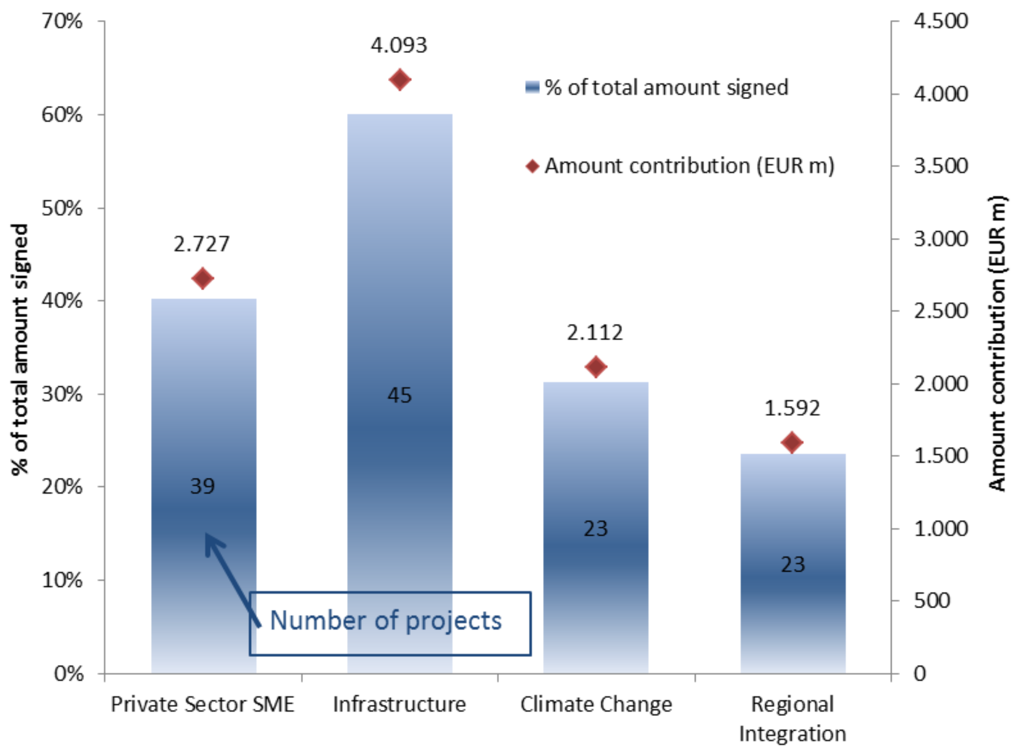
(iii) Climate change mitigation and adaptation.

Additional underlying objectives include the contribution to the general principles guiding external action, as referred to in Article 21, TEU and regional integration among partner countries, including economic integration between Pre-Accession countries, Neighbourhood countries and the Union.

The Commission and the EIB, in consultation with the EEAS, finalised an updated version[6] of the Regional Technical Operational Guidelines applicable to the 2014-2020 EIB operations under EU guarantee. The Guidelines provide guidance for aligning the scope of the EIB’s interventions in different regions with EU policies, programmes and instruments. The Guidelines have been transmitted to the European Parliament and Council in May 2015. The contribution to the Mandate's objectives is reflected in the following chart taking into account both the 2014 operations under the Mandate and under the own-risk facilities. Almost half of operations contribute to more than one objective. This is particularly relevant in climate action projects.

[6] See Commission's SWD(2015) 106 final

Chart 2: Contribution to mandate objectives (% and amount contribution)



Local private sector development, in particular support to SMEs

The EIB supports local private sector development in different ways, most commonly by extending credit lines to local financial intermediaries (mainly banks) for on-lending to small and medium enterprises, participation in private equity funds and risk capital to high-growth potential companies; equity finance for microfinance providers, and direct loans to larger companies.

In 2014, the EIB signed EUR 2.7 billion financing for 39 operations that will support local private sector development in Mandate regions. Of the 39 operations, 33 relate to new operations having their first signature in 2014 of which most are intermediated operations, mainly credit lines supporting SMEs and Mid-Caps (21 operations). Similarly to previous years, the majority of new credit lines were signed in the Pre-Accession region, under the EIB own-risk Pre-Accession Facility providing support to enterprises to modernise, expand and apply EU standards. 4 new microfinance investment vehicles or private equity funds have been launched in the Mediterranean region. In addition, 8 direct financing operations (including 3 infrastructure projects) support local private sector development either fully or partially.

Development of social and economic infrastructure

The EIB signed a total of EUR 4.1 billion whereby 41 operations signed are new projects worth EUR 3.7 billion in order to help developing social and economic infrastructure in various sectors (energy, transport, water and sanitation, health, education, urban development). The EIB signed contracts for 15 new projects in the energy sector in 2014, of which 6 are energy generation projects. The EIB also supported the development of electricity and gas networks with two projects focusing exclusively on extending and upgrading electricity networks to improve reliability and efficiency and to reach more households and businesses. 7 new projects were signed by the EIB in the transport sector, 6 new projects in the water and sewerage sector and 5 urban development projects. Detailed information on financed projects are provided in the SWD.

Climate change mitigation and adaptation

EIB support to climate action remained high in 2014, with total signatures of EUR 2.1 billion, representing 31% of all signatures in the Mandate regions. This level is similar to the previous year's record and is well above the EIB's global target of 25% of overall lending[7].

The vast majority (88%) of climate action lending is related to investments in renewable energy, energy efficiency and sustainable transport. EIB's lending climate components in the area of climate adaptation stands at 2% of climate lendings, reflecting developing countries' lack of appetite in borrowing for adaptation as well as the limited attractiveness that this sector has for private sector investors. However, recognising that the regions covered by the Decision are particularly vulnerable to current climate variability and to future climate change, the EIB is increasing the integration of climate resilience into projects. This includes supporting technical assistance and appropriate planning measures as well as supporting specific adaptation investments such as flood control and defence measures.

Climate action lending remained strong in Asia with almost 68% of signatures, it reached 54% in Latin America, and 100% of the new financing operations in South Africa. In the Mediterranean, 31% of the financing signed in 2014 supported climate action. Substantial amounts of climate action finance were also mobilised for projects in the Pre-Accession and Eastern Neighbourhood regions, but the overall proportion is less in the light of other strong lending priorities, notably private sector development.

Table 5: Climate Action lending in 2014 in the regions covered by the Decision

EUR million	Climate Action under		Total climate action	as % of total signed
	Mandate	Own-risk Facilities		
Mediterranean	505	-	505	31%
Pre-Accession	273	227	500	21%
Asia	45	400	445	68%
Latin America	200	150	350	54%
South Africa	175	-	175	100%
Eastern Neighbours, Russia	137	-	137	12%
Central Asia	-	-	-	0%
Total in Mandate Regions	**1.334**	**777**	**2.112**	**31%**
as % of total signed	*32%*	*30%*		

[7] Article 3.7 of Decision 466/2014/EU requires that over 2014-2020, EIB volume of climate change mitigation and adaptation projects shall represent at least 25% of total EIB financing operations.

Regional integration

In 2014, the EIB signed a total of 23 financing contracts worth EUR 1.6 billion (EUR 1.1 billion in 2013) contributing to regional integration. Eight credit lines (EUR 795 million) will support regional integration in the Pre-Accession region by fostering international collaboration and by supporting the convergence of economies towards the EU. In the transport sector, projects aim at facilitating the mobility across borders (EUR 253 million) and in the energy sector, projects are key in enhancing access to energy in countries that may lack natural energy resources (EUR 293 million).

3.3. IMPACT AND VALUE ADDED OF EIB OPERATIONS

The ReM framework provides an assessment of the EIB financing operations throughout their lifecycle. It helps to select sound projects which are in line with EU priorities based on concrete results, and where the EIB involvement will add value. At appraisal stage, results indicators are identified, with baselines and targets that capture expected economic, social, and environmental outcomes of the operation. Achievement against these specified performance benchmarks is monitored throughout the project life and reported at two major milestones: at project completion and 3 years after project completion ("post completion") for direct operations; at the end of the investment period and at the end of life of private equity funds; and at the end of the allocation period for intermediated lending.

Projects are rated according to three "Pillars":

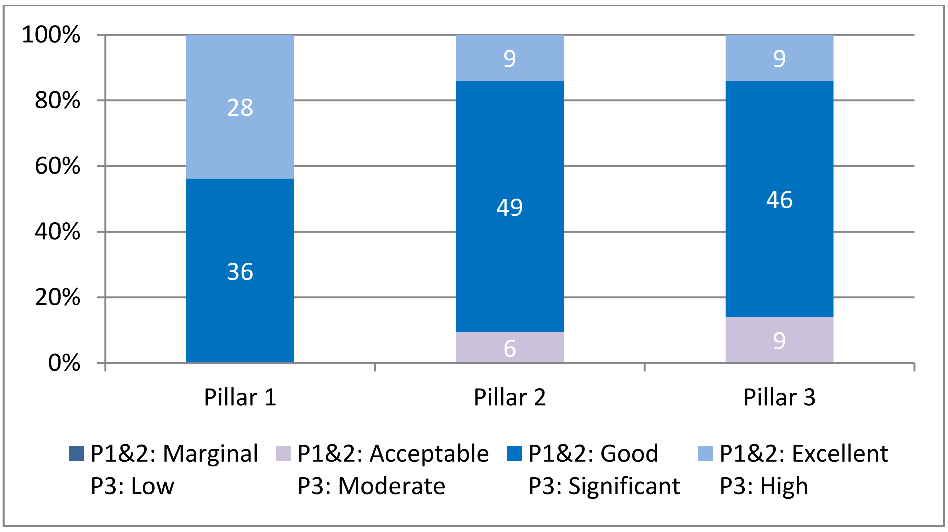
(i) Pillar 1 rates the expected contribution to the EU and the countries' priorities and eligibility under EIB mandate objectives.

(ii) Pillar 2 rates the quality and soundness of the operation, based on the expected results.

(iii) Pillar 3 rates expected EIB financial and non-financial additionality.

In 2014, 8 operations approved under the ReM framework reached completion. The results of the ReM Project Completion Reviews are summarised in the SWD. Since it will take several years for actual results to be produced by operations under the ReM framework, six selected case studies in the SWD present actual results achieved by projects under implementation. The expected results are presented below and discussed for EIB financing operations signed in 2014 in the regions covered by the Mandate. In order to avoid double counting of projects and expected results, the report will refer only to the expected results and additionality of “new projects”, i.e. those for which the first financing contract was signed in 2014 – 64 new projects.

Chart 3: ReM ratings by pillar for 2014 new signed operations



In terms of strength of contribution to objectives (ReM **Pillar 1**), more than 40% of the 2014 new signatures were rated as "excellent", meaning a high contribution to both the countries' own development objectives and the EU priorities for the country and/or region concerned. The remainder of the operations rated "good" under Pillar 1. Those projects that are expected to make a "good" contribution are in line with mandate objectives and could make a high contribution to either the country's own development objectives or those of the EU and a moderate contribution to the other.

For directly financed projects (ReM **Pillar 2),** rating is based on project soundness, financial and economic sustainability and environmental and social sustainability. For intermediated operations, the rating is based on the expected results, weighted by risk considerations as measured by the soundness of the intermediary and the quality of the operating environment.

Pillar 2 shows that 14% of new operations signed are expected to make an excellent rating including direct operations with an economic rate of return (ERR) greater than 15%, or intermediated operations (credit lines) which make an exceptional contribution to increasing access to finance as well as developing the financial sector, in a relatively low risk environment. More than 76% of new operations are expected to be "good". These are direct operations with an average ERR of 10% to 15% in the case of infrastructure projects, or intermediated operations which contribute to increasing access to finance and financial sector development yet in a high risk environment with less likelihood of results. Six projects received an "acceptable" rating, primarily because of high risk environments that impact on the probability of achieving planned results.

Additionality" (ReM **Pillar 3**) is measured by the difference between the EIB contribution to an investment project and standard market finance, in three dimensions: the adequacy of financial resources for the needs of projects; EIB's technical contribution; and the impact in terms of raising standards and facilitating contributions from other sources. In 2014, all operations were expected to bring advantage to borrowers compared to market finance. Results of the ReM shows that 14% of new operations signed in 2014 are expected to have high additionality - typically, extending the longest maturity of debt available to the borrower from the market by more than 100%; matching economic life of the assets to be financed by at least 80%; taking a lead role in project preparation, structuring and/or implementation support. Another 70% are expected to make good contribution, providing significant additionality - typically, combining significant financial additionality with significant technical and sector contribution or standards and assurance. The 14% of signed operations that were rated as expecting moderate additionality were typically standard products where limited contribution to project design, structuring or implementation was necessary.

4. EIB COOPERATION WITH OTHERS

4.1 COOPERATION WITH THE COMMISSION

The Mandate requests that the Commission, the EEAS and the EIB cooperate and strengthen the alignment of EIB external actions and EU external policy objectives, with a view to maximising synergies between EIB financing and EU budgetary resources, mainly through a regular and systematic dialogue and early consultation on policies, strategies and project pipelines. In 2014, the Memorandum of Understanding (revised in 2013) between the Commission, EEAS and the EIB in respect of cooperation and coordination in the regions covered by the Mandate continues to be applied – e.g. through exchange of information on project pipeline and contact information.

In order to reflect and operationalize the new Mandate for 2014-2020, the Commission and the EIB negotiated and signed a revised guarantee agreement and a recovery agreement in July 2014.

In its operational plan, EIB committed to lend EUR 3 billion to Ukraine during 2014-2016 in the context of the EU's initiative to provide support to Ukraine. In compliance with the Council decisions and conclusions, the EIB suspended all origination and due diligence activities on operations in Russia. In June 2014, Georgia, Moldova and Ukraine signed Association Agreements with the EU.

In the South, the EIB renewed its partnership with the EC, through the Neighbourhood Investment Facility (NIF), to propose a new risk capital facility, worth up to EUR 300 million. The EIB will invest, alongside the EU, by contributing up to EUR 200 million of own resource funding.

Two new framework agreements were signed in 2014 with the Kingdom of Cambodia and the Kingdom of Bhutan paving the way for EIB operations in these countries.

The EIB continued to actively participate in the regional blending mechanisms in 2014. The EIB closely cooperated with the Commission in the technical group of experts of the EU Platform for Blending in External Cooperation (EUBEC). In this context, the EIB actively participated in the technical group on "Provide guidance on the mobilisation of private sector resources, including through PPPs" and in the technical group on climate change financing.

During 2014, EIB adopted four Public Policy Goals (PPGs) to further increase coherence of EIB activities with EU policies. While recognising the reporting requirements of the Mandate, the EIB believes that this also provides an opportunity to harmonise how the EIB reports and communicates on its lending operations inside and outside the EU. The four PPGs are: innovation, SME & Mid-caps finance, infrastructure and environment. In addition to these, the EIB sets two cross-cutting goals, namely climate change and economic and social cohesion in the EU.

Following the OECD Global Forum on Transparency and Exchange of Information for Tax Purposes, Plenary session in November 2013 in Jakarta, EIB has approved and published in March 2014 an Addendum to the NCJ Policy[8]. Under strict deadlines and conditions and in line with peer institutions, the addendum to the NCJ Policy introduces a limited suspension to the application of the relocation requirements for those jurisdictions who have committed to taking adequate remedial action to address deficiencies identified by the OECD Global Forum.

EIB also hosted a Compliance Summit with all IFIs, FATF, OECD Global Forum, ECB, EBA, Transparency International and a Civil Society Seminar with NGOs on NCJ and taxation-related issues during 2014.

4.2. COOPERATION WITH EUROPEAN OMBUDSMAN

The Memorandum of Understanding signed between the EIB and the European Ombudsman (EO) in 2008 sets the basis for the two stages of the EIB Complaints Mechanism - the internal (EIB-CM) and the external (EO) - approved by the EIB Board of Directors in 2010 after extensive public consultation. It achieves a common understanding of purpose and consistency of application across its internal and external parts, with a specific focus on:

- The existence of an effective internal Complaints Mechanism (the EIB-CM) that deals with complaints lodged by external parties to the EIB across all the business units of the EIB;
- Concerning complaints related to operations outside the EU, including the External Mandates, the European Ombudsman commits to use its Own Initiative power systematically in order to handle complaints when the complainant is not a citizen or resident of the European Union;
- The scope of the EO's review, with the recognition of the EIB-CM as the required prior approach.

In 2014, the EO processed 2 complaints about allegations on possible maladministration of the EIB concerning projects being implemented in ELM countries. In Bosnia and Herzegovina the EO concluded in favor of the complainant and EIB will continue to cooperate with EO to develop an appropriate response. In Egypt, the EU closed the file in 2014 with no maladministration found.

4.3. COOPERATION WITH INTERNATIONAL FINANCING INSTITUTIONS

Cooperation with other International Financial Institutions (IFIs) is an integral part of the EIB activities, ranging from dialogue on institutional matters, horizontal topics and thematic issues, and mutual consultation, to enhanced forms of operational co-financing and work sharing. Dialogues between IFIs mostly takes place within specialised working groups meeting periodically to share best practices or to address specific issues.

[8] http://www.eib.org/about/documents/ncj-policy-addendum.htm

In 2014, the EIB has been working with other Multilateral Development Banks on the post 2015 Development Agenda and particularly on developing a common approach to roles with respect to Financing for Development.

The EIB Roadmap for the Mediterranean endorsed by the Ministers at the FEMIP Ministerial Meeting held in Athens acts as a guide for EIB cooperation in the Southern neighbourhood.

Another 2014 highlight was the announcement of the CAMENA Climate Action envelope under the FEMIP Trust Fund with GBP 15 million funding to be provided by the UK in order to establish an envelope to build capacity and prepare new climate investments in the South. The first CAMENA-financed projects are expected to be approved in 2015.

Cooperation between the EIB and the Union for the Mediterranean Secretariat was reinforced in 2014 through a renewed Memorandum of Understanding, signed in ensuring continuity of the close partnership already established between the two institutions.

The EIB partnered with the International Labour Organisation (ILO) to study ways to "Maximise the employment impact of the EIB's infrastructure projects", within the broader framework of the ILO's programme on Employment-Intensive Investment.

During 2014, EIB coordinated the work of the group to produce the Joint Report of 2013 MDB Climate Finance and published the report for the UN Secretary General's New York Climate Summit. As part of this work, EIB was involved with the OECD in their work to update Rio Markers for Climate finance, as well as contributing on behalf of the MDBs' group to the UNFCCC Biennial Assessment of Climate Finance - December 2014.

Under the Mandate, approximately 48% of signatures were co-financed with other IFIs and 20% of operations signed in 2014 were associated with a grant component from the EU budget. In addition to two operations co-financed with the AFD and KfW, the EIB led six additional operations during 2014, making the EIB the largest financier in the NIF, having been involved as either lead financier or co-financier in 66% of projects approved by the NIF Board since the inception of the facility. Under the EU's regional blending facilities, 2014 approvals comprised EUR 132.7 million of EU budget resources complementing EIB loans in the NIF, EUR 10.18 million in the Western Balkan Investment Facility and EUR 5 million in the Asian Investment Facility.