

The dynamics of banking: (II) Investing in key economic sectors (English version)

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Since the beginning, the EIB has financed some 5 000 projects and built up a loan portfolio of exceptional quality. Each project it finances undergoes a rigorous appraisal. Although a simple telephone call is often enough to get the EIB involved in a project, an exhaustive analysis is carried out before the Bank either makes a firm commitment or decides not to go ahead. Every aspect of the operation is examined by a team of financial experts, economists and engineers. The Bank can also draw on its wide experience to advise on how to maximise a project's effectiveness. Each project must not only be financially and economically viable but also technically sound and environmentally appropriate. Wherever it invests, the EIB focuses on developing economic growth, with the emphasis on investment in communications, environmental protection, the energy sector, industry, health and education. At present, about 85 % of the EIB's loans help to finance projects in the European Union, located for the most part in the assisted areas. The Bank is firmly committed to Europe's policy on creating employment. The EIB is active in some 150 partner countries, with links to the European Union through development aid and cooperation agreements. The Central European countries seeking membership of the Union are currently the leading beneficiaries. The EIB is financing investment to stimulate their economies and help prepare for Union membership. On average, the EIB finances about one third of project cost. Its loans, limited at the most of 50 % of total cost, are arranged in conjunction with other funding. Concentrating on medium- and long-term lending, the Bank has developed long-term loans, well suited to financing trans-European transport and communication networks. The EIB is now shifting its attention to the high-technology sectors in order to foster the knowledge- and innovation-driven society in Europe. With this goal in mind, it helps the building up of high-tech trans-European networks, the use of multimedia facilities in education and development of small and medium-sized enterprises. For this, the EIB has launched venture capital operations through its specialist subsidiary: the European Investment Fund. The EIF takes equity and venture capital funds alongside other partners.