



COMMISSION OF THE EUROPEAN COMMUNITIES

Brussels, 23.8.2005
SEC(2005) 1053

COMMISSION STAFF WORKING PAPER

ANNEX TO THE

**REPORT FROM THE COMMISSION TO THE COUNCIL AND TO THE
EUROPEAN PARLIAMENT ON THE BORROWING AND LENDING ACTIVITIES
OF THE COMMUNITY IN 2004**

{COM(2005) 385 final}

TABLE OF CONTENTS

1.	Borrowing activities in 2004.....	3
1.1.	Trends in borrowing and lending.....	3
1.2.	Borrowing of the European Institutions: outstanding at the end of each period ⁽¹⁾	4
1.3.	Borrowing of the European Institutions in 2004 by currency.....	5
2.1	Lending in non-member States in 2004 - Overview.....	6
2.2	Loan disbursements for macro-financial assistance to non-member States 1996-2004.....	7
2.3.1	EIB loans signatures on Own Resources in non-member States (excluding any signatures of Pre-Accession facilities).....	8
2.3.2	Breakdown by country and sector of EIB lending in 2004.....	9
	a) South-Eastern Neighbours.....	9
	b) In the Mediterranean Countries.....	10
	c) Asia and Latin America.....	11
	d) The Republic of South Africa.....	12
2.3.3	Risk-sharing.....	12
	a) 1st Mandate.....	12
	b) 2nd Mandate.....	13
2.3.4	Cofinancing in 2004 in South-Eastern Europe.....	14
2.3.5	Cofinancing in 2004 in the Mediterranean countries.....	15
2.3.6	Cofinancing in 2004 in the countries of Asia and Latin America.....	16
2.3.7	Loans signed in 2004 in South-Eastern Europe.....	17
2.3.8	Loans signed in 2004 in the Mediterranean countries.....	18
2.3.9	Loans signed in 2004 in Asia and Latin America.....	20
2.3.10	Loans signed in 2004 in the Republic of South Africa.....	21
2.4	Breakdown by region and sector of EIB lending in 2004 in the ACP/OCT.....	21
3.2	Interest subsidies paid under the various Community mechanisms from 1995 to 2004.....	22

1. BORROWING ACTIVITIES IN 2004

1.1. Trends in borrowing and lending

EUR million

	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
I. Borrowing											
ECSC	644	386	298	474	-	-	-	-	-	-	-
European Community (1)	245	410	155	195	403	108	160	305	12	118	10
Euratom (2)	49	-	-	-	-	-	-	40	40	25	65
NCI	70	66	-	-	-	-	-	-	-	-	-
Total Commission	1,008	862	453	669	403	108	160	345	52	143	75
EIB (3)	14,148	12,395	17,553	23,026	30,098	28,355	29,038	32,172	38,016	41,911	49,865
Total Community	15,156	13,257	18,006	23,695	30,501	28,463	29,198	32,517	38,068	42,054	49,940
II. Lending											
ECSC	674	403	280	541	21	-	-	-	-		
European Community (1)	245	410	155	195	403	108	160	305	12	118	10
Euratom (2)	49	-	-	-	-	-	-	40	40	25	65
NCI	-	-	-	-	-	-	-	-	-	-	-
Total Commission	968	813	435	736	424	108	160	345	52	143	75
EIB (4)	17,682	18,604	20,946	22,958	25,116	27,765	30,644	31,184	33,443	34,187	39,661
Total Community	18,650	19,417	21,381	23,694	25,540	27,873	30,804	31,529	33,495	34,330	39,736

Note: The differences between total borrowing and lending by the Commission are due to borrowing operations undertaken for refinancing purposes and to changes in the balance of loans not assigned by the end of the year. The differences between borrowing and lending by the EIB are due to the fact that EIB lending operations are financed both from borrowings and from the Bank's own resources.

- (1) Mechanism for providing Balance of Payments support for Member States and financial assistance for non-member States.
- (2) The Euratom loans instrument is available for financings to Member States and certain non-Member States.
- (3) Total resources raised.
- (4) Loans signed from own resources, no account being taken of the guarantees provided by the EIB to promoters or operations financed out of NCI resources.

1.2. Borrowing of the European Institutions: outstanding at the end of each period⁽¹⁾

EUR million

	ECSC	EC (NCI)	Euratom	European Community	Commission Sub-total	EIB (2)	Total borrowing
1982	6,178	1,747	1,272	591	9,788	16,570	26,358
1983	6,539	3,269	1,680	4,610	16,098	20,749	36,847
1984	7,119	4,432	1,892	4,932	18,375	25,007	43,382
1985	7,034	4,960	2,013	3,236	17,243	26,736	43,979
1986	6,761	5,202	2,168	1,890	16,021	30,271	46,292
1987	6,689	5,229	2,500	2,997	17,415	31,957	49,372
1988	6,825	5,514	2,164	2,459	16,962	36,928	53,890
1989	6,738	5,122	1,945	2,075	15,880	42,330	58,210
1990	6,673	4,542	1,687	(3) 2,045	14,947	48,459	63,406
1991	7,139	3,817	1,563	3,516	16,035	58,893	74,928
1992	7,327	3,326	1,338	4,026	16,017	67,784	83,801
1993	7,331	2,202	1,018	5,204	15,755	78,661	94,416
1994	6,548	1,570	779	7,697	16,594	83,673	100,267
1995	5,966	1,113	720	8,032	15,831	87,079	102,910
1996	4,677	748	572	6,666	12,663	96,649	109,312
1997	3,637	218	118	5,853	9,826	110,394	120,220
1998	2,806	168	28	4,166	7,168	123,767	130,935
1999	2,432	130	12	4,074	6,648	146,223	152,871
2000	2,039	90	-	1,566	3,695	159,860	163,555
2001	1,386	19	40	1,614	3,059	176,027	179,086
2002	713	18	80	1,361	2,172	181,167	183,339
2003	431	16	105	1,356	1,908	194,505	196,413
2004	423	0	170	1,214	1,807	214,825	216,632

(1) The conversion rates used are those of 31 December of each year. As the majority of borrowings are denominated in national currency, the difference between two year-ends reflects on the one hand changes in the valuation of existing stock due to exchange rates fluctuations and on the other the net volume of borrowings during the year.

Original amount of borrowings, plus or minus repayments of the principal, cancellations, annulments and exchange-rate adjustments.

(2) As from 1989, including short term.

(3) As from 1990, including macro-financial assistance for non-member States.

1.3. Borrowing of the European Institutions in 2004 by currency

EUR million

	EIB	European Communities (EC, Euratom) (1)	Total borrowing	2004 %
EUR	22,355	75	22,430	44.9
CZK (2)	522		522	1.0
GBP	5,497		5,497	11.0
HUF (2)	77		77	0.2
PLN (2)	251		251	0.5
SEK	165		165	0.3
Other European currencies	6,513		6,513	13.0
Total EU	28,868	75	28,943	58.0
USD	20,777		20,777	41.6
ZAR	220		220	0.4
Sub-total	20,997		20,997	42.0
TOTAL	49,865	75	49,940	100.0
Fixed-rate				0
Variable-rate	49,865	75	49,940	100.0

(1) Macro-financial assistance to non-member States and Euratom.

(2) EU currency since 01/05/2004

2.1 LENDING IN NON-MEMBER STATES IN 2004 - OVERVIEW

EUR million

	European Communities		EIB (2)		TOTAL
	Euratom (1)	EC Macro- financial assistance (1)	Budget and EDF resources (3)	Own resources	
South Eastern Europe		10 ⁽⁵⁾		430	440
PECO	65 ⁽⁴⁾			65	65
Community of Independent States					
Mediterranean basin				2,082.5	2,082.5
Latin America and Asia				232.9	232.9
South Africa				100	100
ACP-OCT countries			378	62	440
Total	65	10	378	2,972.4	3,425.4

(1) Disbursements

(2) Signatures

(3) Granted and administered by the EIB out of the budgetary resources of the EC or the European Development Fund (EDF).

(4) Bulgaria

(5) Bosnia and Herzegovina

2.2 LOAN DISBURSEMENTS FOR MACRO-FINANCIAL ASSISTANCE TO NON-MEMBER STATES 1996-2004

EUR million

	1996	1997	1998	1999	2000	2001	2002	2003	2004	Total
Bulgaria	40		250	40	60					390
Romania		70			100			50		220
Subtotal "Enlargement" countries	40	70	250	40	160	0	0	50	0	610
Bosnia and Herzegovina (2)				10		10			10	30
fYROM (3)		25	15			10	12	28		90
Serbia and Montenegro (4)						225		40		265
Subtotal Other Western Balkan (1)	0	25	15	10	0	245	12	68	10	385
Armenia (5)			28							28
Georgia (5)			110							110
Moldova	15									15
Tajikistan (6)						60				60
Ukraine	100	100		58						258
Subtotal NIS	115	100	138	58	0	60	0	0	0	471
Grand Total	155	195	403	108	160	305	12	118	10	1,466

(1) A grant of EUR 20 million was disbursed to Albania in 1996. Grants of EUR 35 million and EUR 7 million were disbursed to Kosovo and Montenegro respectively in 2000.

(2) Disbursement of the loan was accompanied by disbursements of grants of EUR 15 million in 1999 and EUR 10 million in 2000. A further grant of EUR 15 million was paid in 2001 and of EUR 25 million in 2003.

(3) Grants totalling EUR 20 million were disbursed in 2000, followed by a further grant of EUR 10 million in 2001, one of EUR 10 million in 2002 and by another one of EUR 18 million in 2003.

(4) Disbursements accompanied by grants totalling EUR 35 million in addition to the EUR 35 million for Kosovo and the EUR 13 million for Montenegro granted in 2000 in the form of budgetary support. A further grant of EUR 15 million was disbursed in 2001 to Kosovo, followed by one of EUR 15 million to Kosovo and one of EUR 115 million to Serbia and Montenegro in 2002, one of EUR 35 million to Serbia and Montenegro in 2003, and another one of EUR 10 million in 2004 to Serbia and Montenegro.

(5) Exceptional financial assistance. These loan disbursements to Armenia and Georgia were supplemented by the disbursement of grants totalling respectively, EUR 8 million and EUR 10 million in 1998 and EUR 4 million and EUR 9 million in 1999. A further grant of EUR 6 million was made to Georgia in 2001. A further grant of EUR 11 million was paid to Armenia in 2002. Further grants to Armenia EUR 5.5 million and Georgia EUR 6.5 million were paid in 2004.

(6) This loan was accompanied by the disbursement of grants totalling EUR 14 million. A further grant of EUR 7 million was paid in 2003, although decided in 2002.

**2.3.1 EIB LOANS SIGNATURES ON OWN RESOURCES IN NON-MEMBER STATES
(EXCLUDING ANY SIGNATURES OF PRE-ACCESSION FACILITIES)**

EUR million

	2000	2001	2002	2003	1 st half 2004	2 nd half 2004	Total 2004	Total 2000-2004
CEEC (1997-2000)	77	0	0	0	0	0	0	77
CEEC (2000-2007) ¹	1,347	653	925	1,069	295	135	430	4,424
Bosnia-Herzegovina	60	40	0	0	0	0	0	100
Russia	0	0	0	25	0	0	0	25
MED (Partenariat 2000-2007)	700	1,205	1,271	1,422	383	1,479	1,862	6,460
MED (protocols 3-4)	120	115	0	0	0	0	0	235
Turkey Terra	375	75	0	150	0	0	0	600
Turkey – Special Action (Customs)	0	0	130	100	100	120	220	450
ALA (1997-2000)	136	0	0	0	0	0	0	136
ALA (2000-2007)	397	543	174	348	82	151	233	1,695
RSA (1997-2000)	90	0	0	0	0	0	0	90
RSA (2000-2007)	50	152	50	260	0	100	100	612
ACP (1996-2000)	179	188	123	178	0	0	0	668
PTOM (1996-2000)	7	0	0	0	0	0	0	7
COTONOU (2003-2008)	0	0	0	0	21	47	68	68
TOTAL	3,538	2,971	2,673	3,552	881	2,182	2,913	15,647

¹ In future “South Eastern Neighbours” following Decision 2005/47.

2.3.2 BREAKDOWN BY COUNTRY AND SECTOR OF EIB LENDING IN 2004

a) South-Eastern Neighbours

Monetary amounts in EUR million

Country	Number of loans	Total loan signatures	Energy/ Environment	Communi- cations	Water Man. & Infra	Global and Investment loans
Serbia and Montenegro	4	226		156	25	45
		100%		69%	11%	20%
Romania	2	79			29	50
		100%			37%	63%
Croatia	1	45		45		
		100%		100%		
Bulgaria	2	40		20		20
		100%		50%		50%
Albania	1	40	40			
		100%	100%			
Total	10	430	40	221	54	115
		100%	9%	51%	13%	27%

In 2004, the Bank signed ten loan contracts in the framework of the Council Decisions (see footnote n. 4 in the main report) for an aggregate amount of EUR 430 million in five countries. The majority (53%) went to Serbia and Montenegro, 18% to Romania, 10% to Croatia and 9% to each of Albania and Bulgaria:

- Bank activity was directed principally towards the **communications sector**, including loans to Serbia and Montenegro for road and airport rehabilitation, to Croatia for motorway construction and to Bulgaria for the construction of a combined road and rail bridge. This sector absorbed EUR 221 million, representing 51% of total lending;
- **Global loans** in support of small and medium scale enterprises accounted for 27% of lending activity, represented by loans of EUR 50 million in Romania, EUR 45 million in Serbia and Montenegro and EUR 20 million in Bulgaria;
- Loans of EUR 54 million (13%), were extended to the **water management and infrastructure sector**, EUR 29 million for the upgrading and expansion of sewerage and water supply networks in Romania and EUR 25 million for rehabilitation and upgrading of wastewater collection and treatment works in Serbia and Montenegro;

- Finally, the **energy sector** accounted for EUR 40 million (9% of total financing) for the construction of a combined-cycle thermal power plant in Albania.

b) In the Mediterranean Countries

Monetary amounts in EUR million

Country	No. of loans	Total loan signatures	Energy	Communi-cations	Water Manage-ment	Industry & Services	Health & Education	Global Loans
Egypt	4	594	254	280				60
		100%	43%	47%				10%
Turkey	4	655		255				400
		100%		39%				61%
Morocco	5	231	120		111			
		100%	52%		48%			
Syria	1	200	200					
		100%	100%					
Tunisia	5	184		125	34			25
		100%		68%	18%			14%
Lebanon	2	105			45			60
		100%			43%			57%
Jordan	1	100	100					
		100%	100%					
Algeria	1	13				13		
		100%				100%		
Total	23	2.082	674	660	190	13		545
		100%	32%	32%	9%	1%		26%

Loans amounting to EUR 2,082 million were signed for twenty-three operations in eight countries in 2004.

Lending was well spread throughout the region. Turkey received 31% while Egypt accounted for 29%. Morocco, Syria and Tunisia accounted for 11%, 10% and 8% respectively. Lebanon and Jordan received 5% each and the remainder went to Algeria.

- In the **energy sector**, EUR 674 million (32% of total financing) went towards the construction of gas-fired plants in Egypt and Syria, a gas pipeline in Jordan and a wind farm in Morocco;
- EUR 660 million (32% of total financing) was lent for projects in the **communications sector**. Projects covered the acquisition of aircraft in Egypt, construction of a rail tunnel and a light rail system in Turkey and improvement of the road and rail networks in Tunisia;
- **Global loans** of EUR 545 million (26% of total financing) were made in support of SMEs in Turkey, Egypt, Lebanon and Tunisia;
- Some 9% (EUR 190 million) of total financing was allocated to the **water management and sundry infrastructure sector**. Projects in Morocco covered upgrading of wastewater collection and treatment networks, construction of a new sewage treatment plant as well as upgrading areas of insanitary social housing. Other projects included rehabilitation and extension of sewerage networks in Lebanon and decontamination of a coastal site in Tunisia;
- An increase in the capacity of a cement plant in Algeria represented the remaining 1% of total financing, being EUR 13 million for the **Industry and Services** sector.

c) Asia and Latin America

Monetary amounts in EUR million

Country	Number of loans	Total loan signatures	Energy	Communications	Industries & Services	Global loans
Mexico	1	70			70	
		100%			100%	
Brazil	1	57			57	
		100%			100%	
Panama	1	41		41		
		100%		100%		
Philippines	1	65				65
		100%				100%
Total	4	233		41	127	65
		100%		18%	54%	28%

The Bank signed four loan contracts for an amount of EUR 233 million in four countries.

- Loans in favour of the **Industry and services sector** in Mexico and Brazil accounted for 54% of total financing (EUR 127 million). Projects included construction and

upgrading of vehicle and engine production facilities and construction of a blast furnace for steel slab production;

- **A global loan** of EUR 65 million was made to the Philippines (28%) for the support of small and medium-scale ventures;
- Finally, a loan of EUR 41 million (18%) was extended in favour of the **communications sector** for construction of a bridge and associated motorway links in Panama.

d) The Republic of South Africa

In 2004, the Bank signed a loan for an amount of EUR 100 million for construction of a dam and related infrastructure.

2.3.3 RISK-SHARING

a) 1st Mandate

1st Mandate: (Council Decision covering period 31.01.1997 to 31.01.2000)

No further loans were signed under the 1st Mandate in 2004 so the levels of risk-sharing achieved under the 1st Mandate have not changed. In terms of percentage of risk sharing compared to the total ceiling, these levels were 81% for ALA, 26% for CEEC and 3% for the Mediterranean.

Monetary amounts in EUR million

	Mandate Ceilings 1 st Mandate	Total amounts of loans signed at 31.12.2004	No. of loans signed with risk-sharing	Amount of loans signed with risk-sharing	Percentage of risk-sharing achieved (relative to mandate ceiling)	Percentage of risk-sharing achieved (relative to loan signature)
CEEC	3,520	3,446	21	896	26%	26%
Mediterranean	2,310	2,310	5	71	3%	3%
ALA	900	900	17	730	81%	81%
Republic of South Africa	375	375	0	0	0%	0%
FYROM	150	150	0	0	0%	0%
	7,255	7,180	43	1,697	24%	24%

b) 2nd Mandate

2nd Mandate: (Council Decision covering period 1.02.2000 to 31.01.2007)

The cumulative total for risk-sharing projects since the start of lending activity in the framework of the Council Decisions relative to the period starting 1st February 2000, was EUR 2,412 million at the end of 2004, i.e. 12.4% of the overall lending ceiling and 17.7% of lending to date.

In **South-Eastern Neighbours**, EIB lending based on risk sharing reached a total of EUR 655 million, or 7% of the lending ceiling for those countries and 15% of lending in the region to date.

In the **Mediterranean** region, two loans were signed under the risk-sharing arrangement in 2004, bringing the total to EUR 400 million, representing around 6% of the mandate ceiling and 6% of total amounts signed. As expected, projects are often signed with governments or public bodies (in accordance with the programming procedures inherent in the **Euro-Mediterranean Partnership**), and thus the risk-sharing total for the Mediterranean countries still remains relatively low.

In **Asia and Latin America (ALA)**, risk sharing in respect of EIB lending reached a total of EUR 1 327 million representing 53% of the mandate ceiling and 78% of lending in the region to date.

Monetary amounts in EUR million

	Mandate Ceilings 2nd Mandate	Total amounts of loans signed at 31.12.2004	No. of loans signed with risk-sharing	Amount of loans signed with risk-sharing	Percentage of risk-sharing achieved to-date (relative to mandate ceiling)	Percentage of risk-sharing achieved to-date (relative to loan signatures)
South-Eastern Neighbours	9,185	4,404	22	655	7%	15%
Mediterranean countries¹	6,520	6,460	8	400	6%	6%
Latin America and Asia	2,480	1,694	29	1,327	53%	78%
Republic of South Africa	825	612	1	30	4%	5%
Turkey SAP	450	450	0	0	0%	0%
TOTAL	19,460	13,620	60	2,412	12.4%	17.7%

1. Currently includes loans to Turkey that will figure in the next report under "South-Eastern Neighbours" following Council Decision 2005/47/EC.

The regional tables at the end of section 2.3 (Tables 2.3.7 to 2.3.10) identify the risk-sharing loans.

2.3.4 COFINANCING IN 2004 IN SOUTH-EASTERN EUROPE

For **South-Eastern Europe**, the Bank continued its active participation with the Commission and other IFIs in an Infrastructure Steering Group, to help with the upstream preparation of projects and policy coordination.

EUR million

Country	Project	Cost	EIB	PHARE/ ISPA	Multi- lateral institutions	Other ¹
Albania	Construction of combined-cycle thermal power plant in Vlore	96	40		50	6
Romania	Upgrading and expansion of sewerage and water supply networks	120.3	29	79.4		11.9
Bulgaria	Construction of combined (road and rail) bridge on Pan-European Corridor IV	180	70	70	25	15
Total		396.3	139	149.4	75	32.9

¹ Including funds of states, promoters and commercial banks.

2.3.5 COFINANCING IN 2004 IN THE MEDITERRANEAN COUNTRIES

In the **Mediterranean** region, the Bank's operations are conducted within the framework of EU policy and form part of a concerted approach that is pursued in close cooperation with the Commission and, as appropriate, with other IFIs, including through cofinancing operations. The contributions of these institutions to projects financed by EIB are shown below.

EUR million						
Country	Project	Cost	EIB	Multilateral institutions	Bilateral institutions	Other
Egypt	Construction of liquefied natural gas (LNG) plant	1,022.0	94.2	94.2		833.6
	Construction of two natural gas-fired combined-cycle power generation modules	569.2	160.0	97.0	70.0	242.2
<i>Subtotal</i>		<i>1,591.2</i>	<i>254.2</i>	<i>191.2</i>	<i>70.0</i>	<i>1075.8</i>
Morocco	Construction of wind farm	172.0	80.0		50.0	42.0
	Upgrading of wastewater collection and treatment networks	59.3	20.0		20.0	19.3
<i>Subtotal</i>		<i>231.3</i>	<i>100.0</i>		<i>70.0</i>	<i>61.3</i>
Tunisia	Construction of rail link for transporting phosphogypsum waste and upgrading of national rail network	61.8	20.0		34.9	6.9
	Global loan for financing local authority investment	198.0	25.0	80.1	50.0	42.9
<i>Subtotal</i>		<i>259.8</i>	<i>45.0</i>	<i>80.1</i>	<i>84.9</i>	<i>49.8</i>
Syria	Construction and operation of natural gas-fired combined-cycle power plant.	415.0	200.0	100.0		115.0
<i>Subtotal</i>		<i>415.0</i>	<i>200.0</i>	<i>100.0</i>		<i>115.0</i>
Lebanon	Upgrading and extension of sewerage networks	111.8	45.0		44.8	22.0
<i>Subtotal</i>		<i>111.8</i>	<i>45.0</i>		<i>44.8</i>	<i>22.0</i>
Algeria	Increase in capacity of M'silia cement plant	159.9	12.5	8.3	8.3	130.8
<i>Subtotal</i>		<i>159.9</i>	<i>12.5</i>	<i>8.3</i>	<i>8.3</i>	<i>130.8</i>
Total		2,769	656.7	379.6	278.0	1454.7

2.3.6 COFINANCING IN 2004 IN THE COUNTRIES OF ASIA AND LATIN AMERICA

In **Asia and Latin America**, the Bank continues to finance projects that are of interest to both the Community and the country concerned. The mutual interest of the loans signed in 2004 is described in the table below. The Bank cooperates with other IFIs in Asia and Latin America whenever possible.

EUR million

Country	Project	Cost	EIB	Bilateral Institutions	Multi-lateral institutions	Other
Mexico	Construction and upgrading of vehicle and engine production facilities	798	70	100		628
Brazil	Construction of blast furnace for steel slab production	916.6	56.5	247.8		612.3
Total		1,714.6	126.5	347.8		1,240.3

Mutual interest of projects in the countries of Asia and Latin America

Country	Project	Mutual interest
Mexico	Construction and upgrading of vehicle and engine production facilities	The project to be implemented by the subsidiary of a leading European company, will bring strategic advantages to the promoter by assuring its position in the key Nafta market
Brazil	Construction of third blast furnace for steel slab production	The project supports investments that enhance the presence of EU companies in ALA countries. A European company is the largest shareholder and other European companies will act as suppliers of equipment and technology but also probably of certain vital raw materials. The proposed investment will help this leading European steel company to consolidate its presence in Brazil where it currently employs about 13 500 employees and one of the world's fast growing markets.
Panama	Construction of second bridge over Panama canal and associated motorway links.	The project will involve a European constructor and consultant.
Philippines	Financing for small and medium-scale ventures	The operations support EU development and cooperation policies with the Philippines as well as the local operations of a EU financial intermediary. Moreover, allocations will support investment projects featuring a European interest, for instance, the transfer of technology and EU – Filipino Joint Ventures.

2.3.7 LOANS SIGNED IN 2004 IN SOUTH-EASTERN EUROPE

Country	Description	Loan (EUR million)	Risk sharing
Romania	Upgrading and expansion of sewerage and water supply networks.	29	No
	Financing of small and medium-scale ventures	50	Yes
Total		79	
Bulgaria	Construction of combined (road and rail) bridge on Pan-European Corridor IV.	20	No
	Financing of small and medium-scale ventures	20	Yes
Total		40	
Serbia and Montenegro	Rahabilitation of existing carriageway between Belgrade and Novi Sad (Pan-European Corridor X) and repair of road section between Podgorica and Bar (Adriatic Coast).	144	No
	Urgent rehabilitation and modernisation of Podgorica and Tivat airports.	12	No
	Rehabilitation and upgrading of water supply and wastewater collection and treatment networks in Novi Sad and Nis.	25	No
	Financing of small and medium-scale ventures	45	No
Total		226	
Croatia	Construction of Zupanja-Lipovac motorway section (Pan-European Corridor X).	45	No
Total		45	
Albania	Construction of combined-cycle thermal power plant in Vlore.	40	No
Total		40	
Grand Total		430	

2.3.8 LOANS SIGNED IN 2004 IN THE MEDITERRANEAN COUNTRIES

Country	Description	Loan (EUR million)	Risk sharing
Egypt	Construction of liquefied natural gas (LNG) plant	94	Yes
	Construction of two natural gas-fired combined-cycle power generation modules	160	No
	Acquisition of Airbus aircraft for fleet renewal	280	No
	Financing of small and medium-scale ventures	60	No
Total		594	
Syria	Construction and operation of natural gas-fired combined-cycle power plant.	200	No
	Total	200	
Lebanon	Upgrading and extension of sewerage networks	45	No
	Financing of small and medium-scale ventures	60	No
	Total	105	
Jordan	Construction of gas pipeline across Jordan	100	No
Total		100	
Morocco	Modernisation and environmental upgrading of thermal power plant	40	No
	Construction of wind farm	80	No
	Upgrading of wastewater collection and treatment networks	20	No
	Upgrading of wastewater collection and treatment networks	20	No
	Upgrading of areas of insanitary social housing	71	No
	Total		231
Tunisia	Improvement of country's urban road infrastructure	65	No
	Construction of rail link for transporting phosphogypsum waste and upgrading of national rail network	20	No
	Improvement of road networks of Greater Tunis and other cities	40	No
	Decontamination of Tararura coastal site in greater Sfax area	34	No
	Global loan for financing local authority investment	25	No

Total		184	
Algeria	Increase in capacity of M'silia cement plant	12.5	Yes
Total		12.5	
Turkey	Construction of tunnel including section under Bosphorus and upgrading of rolling stock and existing rail network	200	No
	First phase of construction of light rail transit system in Bursa.	55	No
	Financing of small and medium-scale ventures.	250	No
		150	No
Total		655	
Grand Total		2,082.5	

2.3.9 LOANS SIGNED IN 2004 IN ASIA AND LATIN AMERICA

Country	Description	Loan (EUR million)	Risk sharing
Mexico	Construction and upgrading of vehicle and engine production facilities	70	Yes
Total		70	
Brazil	Construction of third blast furnace for steel slab production	56.5	Yes
Total		56.5	
Panama	Construction of second bridge over Panama canal and associated motorway links	40.8	No
Total		40.8	
Philippines	Financing of small and medium-scale ventures	40.6	Yes
	Financing of small and medium-scale ventures	25.0	No
Total		65.6	
Grand Total		232.9	

2.3.10 LOANS SIGNED IN 2004 IN THE REPUBLIC OF SOUTH AFRICA

Country	Description	Loan (EUR million)	Risk sharing
Republic of South Africa	Construction of dam and related infrastructure for supplying water to Cape Town Metropolitan Area	100	No
Total		100	

2.4 BREAKDOWN BY REGION AND SECTOR OF EIB LENDING IN 2004 IN THE ACP/OCT

EUR million

	Total	Own Resources ⁽²⁾	Risk Capital	Energy	Commu- nications	Water Management & Agriculture	Industry & Services	Global Loans
ACP/OCT ⁽¹⁾	440	62	378	56	14		115	255
Africa	295	48	247	48	14		84	150
West	147	25	122	38			5	105
Southern and Indian Ocean	81	14	67	10	14		57	
East	57	9	48				22	35
Central & Equatorial	10		10					10
Caribbean	33	8	25	8			20	5
Pacific	12	6	6				11	1
Multi- regional	100	0	100					100

¹ Africa, Caribbean, Pacific / Overseas Countries and Territories

² of which EUR 121.5 million subsidised

3.2 INTEREST SUBSIDIES PAID UNDER THE VARIOUS COMMUNITY MECHANISMS FROM 1995 TO 2004

ECU/EUR million

Financial year	EC-subsidies		EIB-subsidies			
	Natural disasters	Trans-European Networks	EDF	MEDA	BOSNIA	FYROM
1995	6.1	25.0	28.1	15.2		
1996	4.3	18.0	28.6	22.4		
1997	4.0	37.0	56.9	48.2		
1998	2.8	20.0	24.5	30.3		2.7
1999	2.2	71.0	27.1	29.2		4.0
2000	1.7	54.0	18.7	17.4		1.1
2001	1.3	15.0	14.5	26.6		2.3
2002	0.9	14.3	19.9	19.1	1.0	2.5
2003	0.6	4.0	7.75	29.65		
2004	0.3	20.63	9.0	23.98	2.76	1.31