



BOOSTING CROSS-BORDER REGIONS THROUGH BETTER TRANSPORT

14 NOVEMBER 2019 | BRUSSELS, BELGIUM



#EUBorderRegions

Regional and
Urban Policy

Cross-border transport projects, an EIB Advisory perspective

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EIB Advisory Services*



OUTLINE OF THE PRESENTATION

What is and what does the EIB Group?

What are EIB Advisory Services?

Cross-border investment from an EIB perspective

A window of opportunity for bringing together all stakeholders?



THE EIB GROUP AT A GLANCE

Largest multilateral lender in the world: EUR 64.2n, EUR 230bn of investment supported in 2018

Economic model : funds raised on international capital market, favourable borrowing conditions passed to our clients

900 projects each year in over 160 countries and 4 main sectors: environment, infrastructure, innovation and SMEs

Headquartered in Luxembourg and has 40 local offices, **3400 staff**: finance professionals, but also engineers, sector economists and socio-environmental experts

60 years of experience in financing projects



EIB PRODUCTS AND OFFER

We help catalyse investment by

LENDING	BLENDING	ADVISING
<p>Loans</p> <p>But also:</p> <p>Guarantees & Equity participation</p>	<p>Combining EIB finance with EU budget</p> <p>Project Bond Initiative, IPE</p> <p>Higher risk projects for innovation (InnovFin)</p>	<p>Strategic development</p> <p>Market Development</p> <p>Project Development</p>
<p>Attracting FUNDING for long-term growth</p>		



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EIB ADVISORY SERVICES, A POWERFUL TOOL FOR COHESION



Support to Cohesion regions is core to EIB Advisory activity

Lack of institutional capacity

Higher proportion of non-mature/non-investment ready projects

High ESIF allocations requiring swift and effective absorption

→ EIB Advisory complements EIBG financing in fostering EU socioeconomic integration enabling a more efficient functioning of the EU single market



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EIB Advisory Services for Cohesion delivered through programmes developed for more than a decade in close partnership with the EC

KEY ADVISORY FIGURES IN SUPPORT OF COHESION

ELENA – European Local Energy Assistance
2009

Jaspers
Joint Assistance to Support Projects in European Regions

InnovFin Advisory
European Investment Advisory Hub
Europe's gateway to investment support
2014 2015

2006
URBIS
The topics EUROPE ARE KEY TO UNLOCKING THE ECONOMIC POTENTIAL AND JOB CREATION

FIA-Bilateral
2015

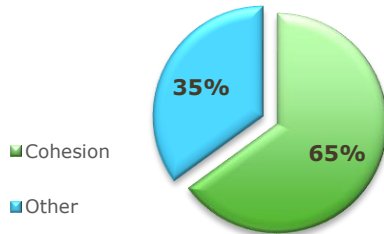
EPCC
European Project Expertise Centre

2018
Project Advisory Support / PAS
2012

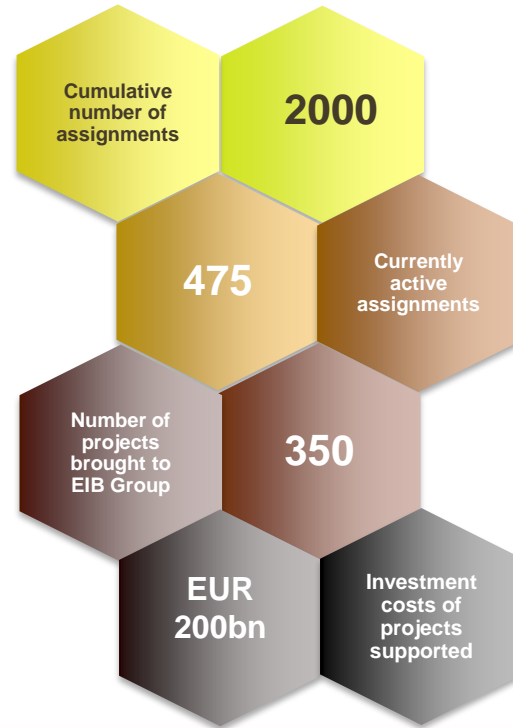
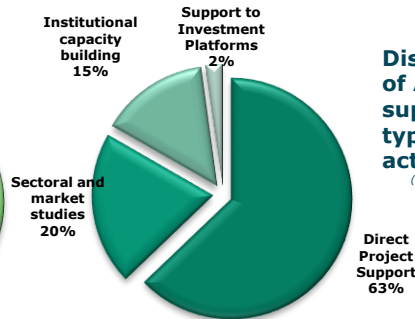
fi compass
2015

2008

Total number of Advisory assignments



Distribution of AS support by type of activity
(in Cohesion areas)



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European Investment Bank Group

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JASPERS ADVISORY SUPPORT



More than **660** JASPERS-supported projects approved since 2007

For a total project cost of over EUR **120** bn

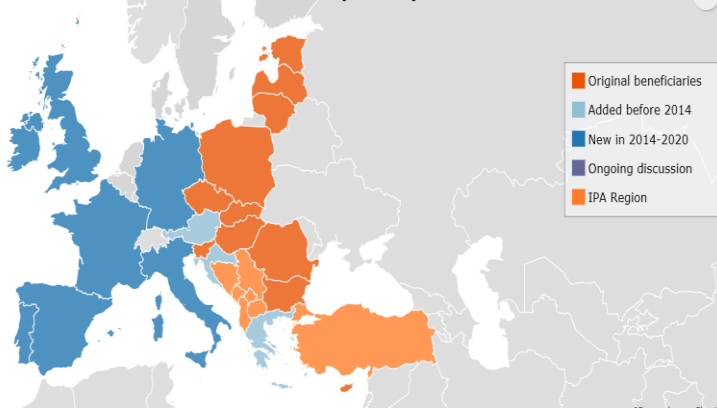
and grant volume of over EUR **69** bn covering ESIF, CEF and IPA funds

Nearly **1000** Assignments completed.. in 23 countries across EU & Neighbourhood



Of which, transport projects EUR **90** bn

Countries with advisory activity



- More than 100 in-house experts in 6 regional offices
- Advisory support across all transport sub-sectors
- Support to the development of TEN-T corridors
- Support to integration of cross border and common border initiatives (eg ERTMS, ITS, High Speed Rail, Danube navigability)
- Methodology for the development of national and regional transport strategies
- Support to development of the Functional Regional concept
- Facilitating cross border coordination of interventions (eg reducing rail cross border transfer times)
- Capacity building and system support (e.g. transboundary transport workshops)

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DRAVA BRIDGE - BELI MANASTIR

(CROATIA-HUNGARY)

Project Description

Part of the European motorway corridor from Budapest to the Adriatic Sea through Eastern Croatia and Bosnia & Hercegovina.

Section starts near Osijek and ends in Beli Manastir (18.3 km)

JASPERS Assignment

JASPERS helped the Ministry of Maritime Affairs and Transport Infrastructure (MMATI) and Croatian Motorways (HAC) preparing their application for EU funding.

Review of the feasibility study, option analysis, EIA procedures, CBA, Natura 2000 and project application



POST-2020, THE EIB ADVISORY VISION



Broad range of support under a single umbrella and a more integrated approach



**Deepening of existing partnerships with NPIs and IFI
+
Strong local presence**



Complementarity with Structural Reform Support Service (SRSS) and national support



Cooperation with national & regional authorities to leverage InvestEU and shared management opportunities

Efficiency, synergies, partnerships, complementarity, knowledge transfer



THE TRADITIONAL EIB APPROACH TO CB INVESTMENTS

Around 100 cross-border projects financed (mostly TEN-T projects)

Evaluation of 11 cross-border TEN-T projects (2006): substantial VA

Limited number of global loans and framework loans

Involvement in macro-regions strategy (e.g. Danube and Baltic)

Foreign Direct Investment: 4600 FDI projects since 2000, tech and know-how transfer

Advisory services involvement via JASPERS (Meuse river) and JESSICA (Urban Development Plan at Alzette-Belval)



A RENEWED EIB APPROACH IN THE CONTEXT OF THE IPE

The 3 pillars of the Investment Plan for Europe



A demand driven instrument to **support projects across the Union as well as cross-border projects**

Possibility to **establish multi-country platforms to promote cross-border projects**

→ **Key role of the Advisory Hub managed by the EIB**



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WHAT IS THE ADVISORY HUB? DELIVERY MODE

For who m?

Project promoters

Public authorities

Member States

Private sector

DEMAND

What?

Web portal + Online contact form + Support team

European Investment Advisory Hub (EIAH)

How?

Existing advisory programmes and activities

- Project support throughout the project cycle
- Support to FI & IP
- Enhance access to finance

Additional advisory and technical assistance

- New investment support
- Identification of needs

EIAH's partner institutions' expertise

- Network of partners
- Integrated collaboration model

SUPPLY

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WITH EFSI 2.0.

A STRONGER FOCUS ON CB PROJECTS AND DIMENSION

CB projects specifically identified as providing additionality

Projects shall have (among others) **cross-border characteristics** or “consist of **physical infrastructure linking two or more Member States**” (art. 5.1)

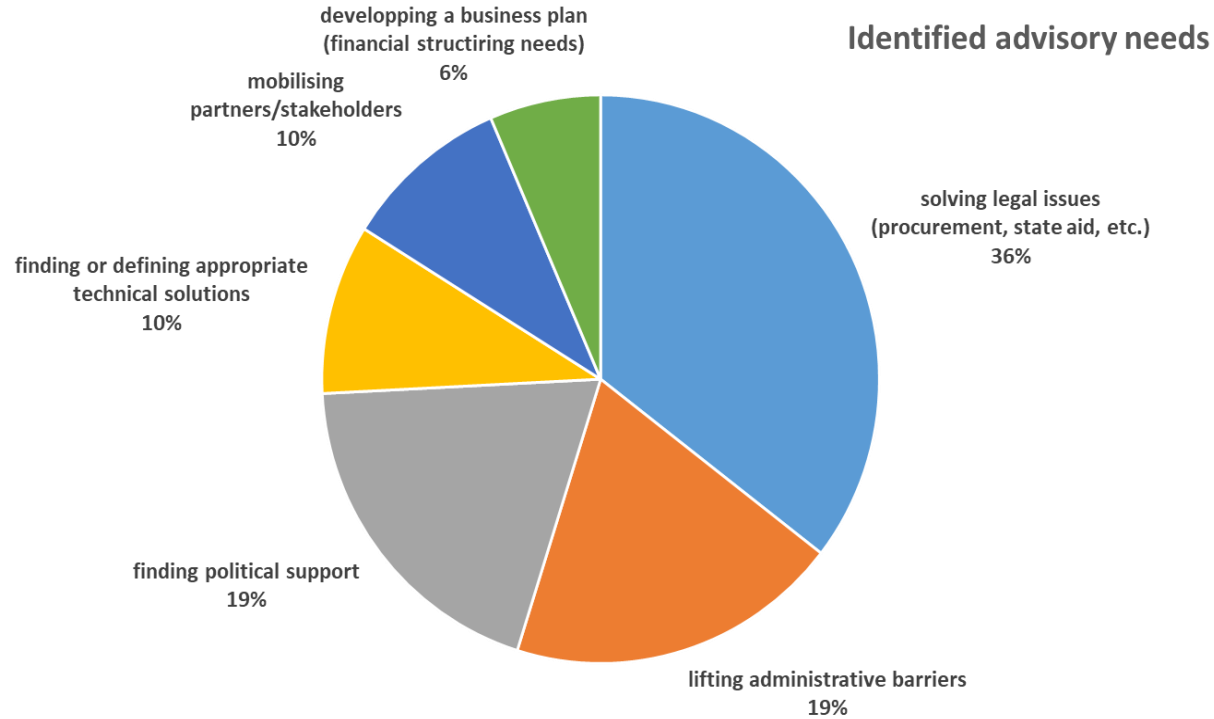
No motorways supported, unless **CB transport projects**

→ EIB AS started to

- Establish **contacts with different stakeholders** with a view to **develop new partnerships**, e.g. managing authorities of Interreg Ops, MOT, macro-regions, etc.
- **Participate in conferences and WG linked to CB issues**
- **Launch a specific study to identified CB projects**



OUTCOMES OF CB STUDY



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CONVERGENCE OF POLICIES & INSTRUMENTS, A WINDOW OF OPPORTUNITY?

Convergence of policies

(towards the recognition of the importance of CB dimension)

Extension and enlargement of the IPE via EFSI 2.0 and InvestEU: priority character of CB projects reinforced
EC Communication “**Boosting growth and cohesion in EU border regions**” mentions EFSI as a potential financier

Academic & political recognition of additional growth potential in CB regions (8%)

Post-2020 MFF : possibility to go beyond the grants vs loans debate

Convergence of instruments and budget lines

(towards a possible enlargement of the financial means dedicated to CB projects and programmes)

Combination of EFSI and ESIF money is currently operational (FI & Inv. Platforms, Omnibus Regulation)

Beyond ERDF other SF such as EARDF and ESF are now also using FI

Possibility to extend such FI to border regions

EIB Advisory very supportive for CB projects : such projects are often non-mature and complex projects requiring specific technical, legal or financial expertise that the EIB AS and the EIAH is currently offering

V4 Platform (Visegrad Countries) under development



WORKABLE OPTIONS, OUTSTANDING QUESTIONS

Short- or mid-term option

Identify a CB project to serve as a testing case for bringing together 2 groups of stakeholders (local and regional authorities managing Interreg OPs and large financial institutions dealing with large infrastructure CB projects)

Longer-term option

To set-up a dedicated financial instrument (or investment platform) or framework loan to finance a cross border integrated programme associating all these stakeholders

Prerequisites to be gathered

Initial goodwill and sufficient alignment of interests among stakeholders

Local or national leader to support the project all along the process

Outstanding questions

Institutional maturity : compatibility with political agenda and local priorities?

Legal feasibility, Applicability of the integrated approach?

Coordination entity: is EGTC a reasonable option?

Size and scale of relevant territory

Existence of a business case: financial viability and sustainability of the model?



THE VIADUC DE MILLAU CASE: A MODEL FOR CB TRANSPORT PROJECTS?



Conclusions of the evaluation

The **artistic value** of the work, combined with the **promoter's high level of expertise**, matched the **willingness of local actors to grasp this as an opportunity** to foster a **new economic impetus** incarnated in a **very innovative support programme**

Why this example can be transposed in a CB context?

- Could have been a CB projects
- Illustration of the possibility to combine hard and soft dimensions
- Conditions



Contact for more info

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