

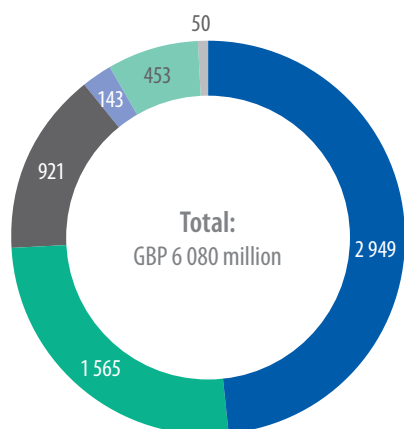
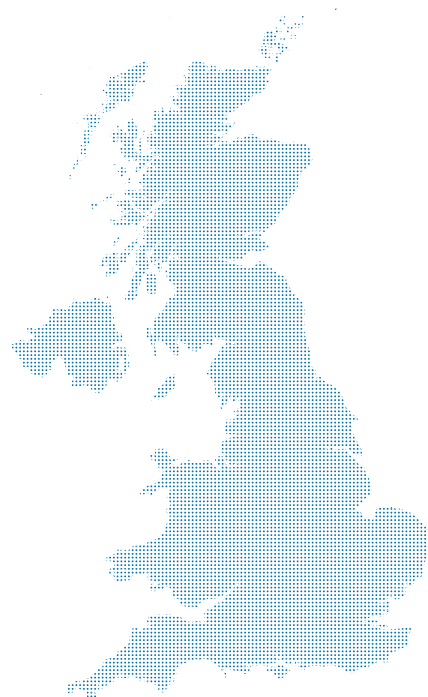


# The EIB in the United Kingdom in 2014

During 2014 the European Investment Bank, Europe's long-term lending institution, provided more than GBP 6 billion to support long-term investment for a broad range of infrastructure projects across the UK.

This represented the largest ever engagement by the European Investment Bank in the United Kingdom since the first operation in the country in 1973.

2014 lending also included the EIB's largest ever single loan, GBP 1.5 billion to support investment by National Grid to improve renewable energy transmission and upgrade electricity infrastructure.



**EIB lending by sector in the United Kingdom in 2014** (in GBP m)

■ Energy	48%
■ Transport, telecommunications	26%
■ Water, sewerage, solid waste, urban development	15%
■ Industry, services, agriculture	2%
■ Education, health	7%
■ Small and medium-scale projects	1%

## Support for strategic infrastructure

New infrastructure investment in the UK supported by the EIB in 2014 included upgrading teaching and research facilities at 5 universities. Additional investment backed by the EIB included an offshore wind farm, and upgrading and expanding strategic electricity and gas networks.

The EIB also helped to finance a number of new transport projects at both the national level and in London and Aberdeen. Investment further included projects to upgrade and tackle the shortage of social housing, as well as regenerate urban areas in Manchester and London.

This included the launch of a new GBP 1 billion investment programme to boost job creation, quality of life and health standards across London, with the first projects focusing on social housing and cutting energy bills in public buildings in Barking and Dagenham.

Job creation, quality of life and health standards across London will benefit from GBP 1 billion of new urban renewal, social housing and energy efficiency investment over the next four years following agreement of a new GBP 500 million lending programme by the European Investment Bank to be matched by financing from the London Green Fund and boroughs across the capital.



## Strengthening education and research

Investment in research and teaching facilities at leading universities is essential for Europe's competitiveness and to ensure that students gain skills necessary for the global economy. Investment in education that matches labour market needs and support innovation essential for future competitiveness is essential.

In 2014 the European Investment Bank supported investment to improve teaching areas, ensure facilities suited for cutting edge research and develop university campuses across the UK.

The EIB is backing ambitious plans by the University of Ulster to develop the Belfast City Campus to improve higher education in Northern Ireland and transform Belfast's Cathedral Quarter. The development will result in over 5000 construction jobs during the demolition, build and fit out of the new campus.

EIB support for higher education in the UK during 2014 also included new business and mathematics schools and expanding the library at the University of Kent. This included new business and mathematics schools and expanding the library at the University of Kent.

Elsewhere long-term financing from the EIB enabled Bangor University to improve energy efficiency and renovate and upgrade the historic campus to provide new science facilities. The EIB is also supported investment by Imperial College London.

## Transforming UK energy infrastructure

The European Investment Bank is one of the world's largest lenders for renewable energy and related infrastructure.

In the UK in 2014 the EIB helped to finance the West of Duddon Sands offshore windfarm and key offshore transmission links under Round 2 of the OFTO programme.

The largest ever loan by the EIB being provided to National Grid was used to support a new electricity interconnection across the Irish Sea to connect Scottish windfarms with English cities and to upgrade power infrastructure in London. The EIB also supported new investment by UK power networks and expansion of gas connections to Scotia Gas Network customers.

## Supporting corporate research and innovation

New investment in aeronautical research and high-tech manufacturing in the UK backed by the EIB through financing agreed in 2014 included development by Rolls-Royce in Derby and Airbus in Bristol.



## The European Investment Fund

The European Investment Fund (EIF) is the specialist arm of the EIB providing risk financing solutions to financial intermediaries to support SMEs and midcaps and foster innovation in Europe. In 2014, it committed EUR 3.3bn in support of business through which approximately EUR 14bn of capital will be mobilised.

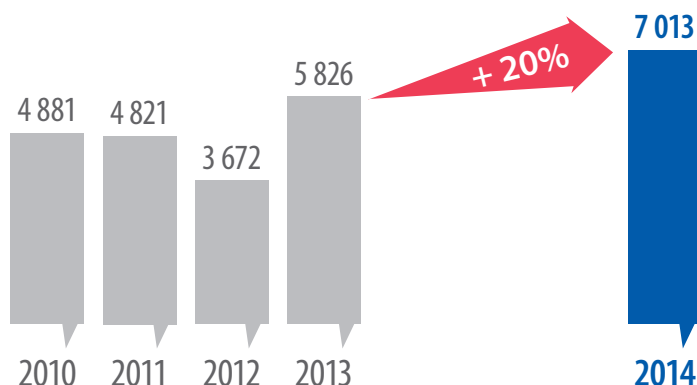
By business line, the EIF committed a total of EUR 1.65bn for equity in 74 early and growth stage funds, which raised a total of EUR 8.3bn. On the guarantees side, it committed EUR 1.6bn in 60 transactions, which acted as a catalyst in attracting EUR 5.6bn of new loans for SMEs. The EIF's support for micro-enterprises totalled EUR 51m, generating a loan volume of EUR 133m. Overall, more than 175 000 SMEs and midcaps were supported by the EIF in 2014.

In the United Kingdom in 2014, EIF committed GBP 498.2m (= commitment total by country) of which GBP 491.6m in equity, GBP 2.2m guarantee and GBP 4.4m in microfinance operations, aimed at raising GBP 3 248.8m (catalysed amount total by country).

For more information: [www.eif.org/united-kingdom](http://www.eif.org/united-kingdom).

## Signatures in United Kingdom

2010-2014 (in EUR m)



A new GBP 280 million long-term EIB will support further development of a higher thrust version of the Trent XWB aero-engine family in Derby. This represents the largest ever backing by Europe's long-term lending institution for research and development investment by Rolls-Royce. Investment to help develop new engines builds on the unique strengths of Rolls-Royce and will help to ensure that cutting edge skills and engineering techniques build better and more efficient engines for the global airline market.

Following GBP 74 million EIB support Green Port Hull will become a centre for the construction and maintenance of offshore wind farms and create more than 1,000 direct jobs.

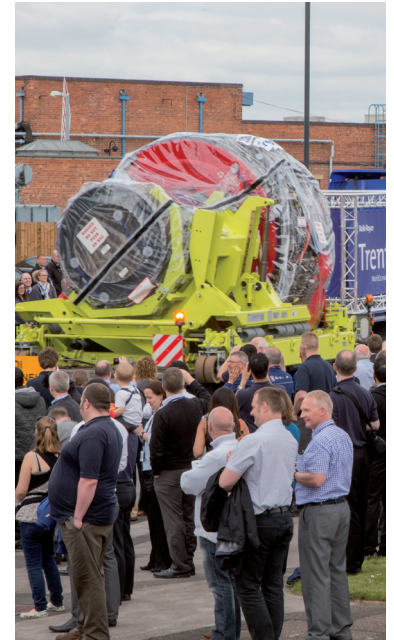
## Enhancing transport connections in the capital and across the UK

Commuters and visitors to London will benefit from improved capacity on the London Overground and the Northern Line Extension following significant EIB support agreed in 2014.

In Scotland the EIB is helping to remove a bottle neck on the M8 between Edinburgh and Glasgow and improve traffic in the North-East of Scotland through GBP 271 million support for the Aberdeen Western Bypass.

Following EIB financing agreed in 2014 Passengers on the East Coast Main Line intercity route will benefit from the latest new trains from 2018. This will improve services and journey times between London, Leeds, Newcastle and Edinburgh with 28% more seats into Kings Cross during the morning peak. The new trains will emit over 40% less CO2 per passenger km than the high-speed trains they replace, making them more environmentally friendly.

As well as building a new assembly facility in the UK, Hitachi is constructing maintenance depots in west London and Doncaster and upgrading existing depots throughout Great Britain to maintain the fleet.



## Ensuring that the UK's water infrastructure copes with a changing climate

The EIB has been the largest lender to the UK water sector since before privatisation. Last year the EIB agreed a new GBP 230 with Welsh Water that will help the company keep its costs down, which in turn will help keep customer bills lower as it implements a record GBP 1.5 billion capital investment programme.

The European Investment Bank loan will help finance the company's extensive capital expenditure programme to maintain and improve its services. This not only includes improving drinking water quality through the company's GBP 120 million investment programme to rebuild, refurbish or upgrade 12 water treatment works but also rolling out new and innovative schemes such as the RainScope surface water programme.





The GBP 15 million RainScape investment in Llanelli and Gowerton involves retrofitting sustainable urban drainage systems to capture, divert or slow down the rate at which rainwater enters our sewer network. This reduces the risk of flooding or pollution from overloaded sewers following heavy rainfall and helps improve local eco-systems by creating greener and more sustainable places to live.

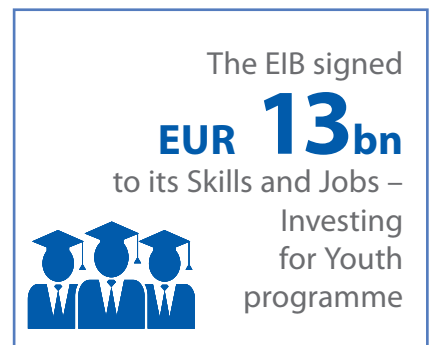
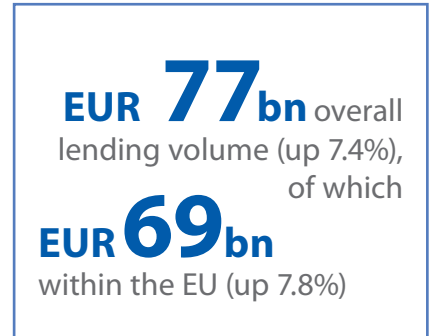
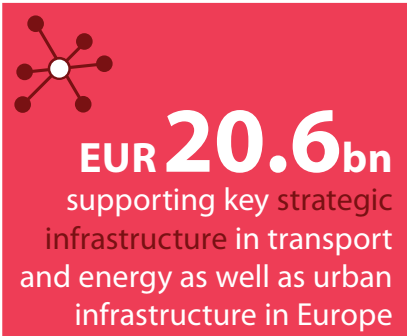
## The EIB at a glance

The EIB is the EU's long-term lending institution and is owned by the EU Member States. It makes long-term finance available for sound investment, contributing to growth, jobs, regional convergence and climate action in Europe and beyond.

To maximise growth and job creation, the EIB targets four priority areas: innovation and skills, SMEs, climate action and strategic infrastructure across the EU.

The EIB has delivered on the commitment made to Member States to mobilise EUR 180bn of additional investment across Europe over the period 2013-2015. Already in the first two years since the EUR 10bn increase in the EIB's capital decided by Member States in 2012, the EIB Group has provided financing amounting to more than EUR 150bn, supporting overall investment of around EUR 450bn. This includes both regular financing and additional activities following the 2013 capital increase.

Since 2008, the European Investment Bank Group has provided almost EUR 500bn for investment in projects across Europe. The EU bank averagely finances a third of project costs, and EIB loans have mobilised around EUR 1.5tn in this period.



For further information on the EIB in the United Kingdom: [www.eib.org/united-kingdom](http://www.eib.org/united-kingdom)

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