



PRESS RELEASE

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European Investment Bank to continue strong support for infrastructure and private sector in South Africa

The European Investment Bank (EIB) today reiterated its commitment and support for South Africa at the start of a four day official visit to the country by the European Investment Bank Vice President responsible for Africa. The EIB will continue to focus on projects that reduce poverty and inequality.

Last year the long-term lending institution provided a record EUR 280m (ZAR 3bn) for investments in South Africa, with a total of EUR 2bn since 1995. Key projects financed in 2009 included support to private sector SMEs, municipal infrastructure and national roads, as well as renewable energy and energy efficiency projects

Speaking at the start of the four day official visit to the country European Investment Bank Vice President responsible for Africa, Caribbean and the Pacific, Plutarchos Sakellaris said: "The European Investment Bank is pleased with the record ZAR 3bn investment in South Africa in 2009. We wish to continue this strong contribution to infrastructure and economic development, particularly in infrastructure and private sector support. We look forward to seeing projects approved last year improving the quality of life of South Africans across the country".

The visit by the high-level European Investment Bank delegation will include meetings with the Finance Minister, Trade and Industry and Foreign Affairs, as well as Ambassadors, business leaders, bank Chief Executives and representatives of other development finance institutions.

In 2009, the European Investment Bank provided over EUR 1.1bn (ZAR 11.7bn) of funding to sub-Saharan Africa. The Bank provides a broad range of financing instruments including loans, guarantees and risk capital to Africa selecting projects that can deliver sustainable economic, social and environmental benefits.

Notes for editors:

- The European Investment Bank, the long-term lending institution of the European Union, whose shareholders are the 27 European Union member states, has been active across Africa for over 40 years. EIB activities follow policies and objectives set down by European Union member states and whose Finance Ministers are the EIB's Governors.
- EIB loans in Africa concentrate on fostering private sector-led initiatives, including SME and microfinance investments that promote sustainable economic growth and help to reduce poverty. The Bank also supports public sector projects that are critical for private sector development and the creation of a competitive business environment.
- The EIB has been active in the Republic of South Africa (RSA) since the country's transition to a democratic government in 1994. Following the conclusion of the EU-South Africa Trade, Cooperation and Development Agreement, the EIB has been entrusted by the European Council with four successive mandates for a total lending volume of EUR 2.4bn. The current mandate covers the period 2007–2013 for up to

EUR 900 million, of which 70% had been committed by end-2009 to support both public and private sector operations, in line with the EIB's lending strategy for South Africa. Financing comes from the EIB's own resources, which the Bank obtains by borrowing on capital markets.

- Since 2002 the EIB also co-manages the Risk Capital Facility (RCF) in partnership with the Industrial Development Corporation. This European Commission (EC) funded programme aims at providing equity funding to small- and medium-sized enterprises (SMEs) owned and operated by persons previously disadvantaged under the apartheid regime.

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European Investment Bank projects in South Africa signed in 2009

Project Name	Amount (EUR m)
IDC Line of Credit	60
DBSA Municipal Infrastructure	60
RSA Toll Road	120
RMB Energy Efficiency Framework Loan	40
TOTAL	280