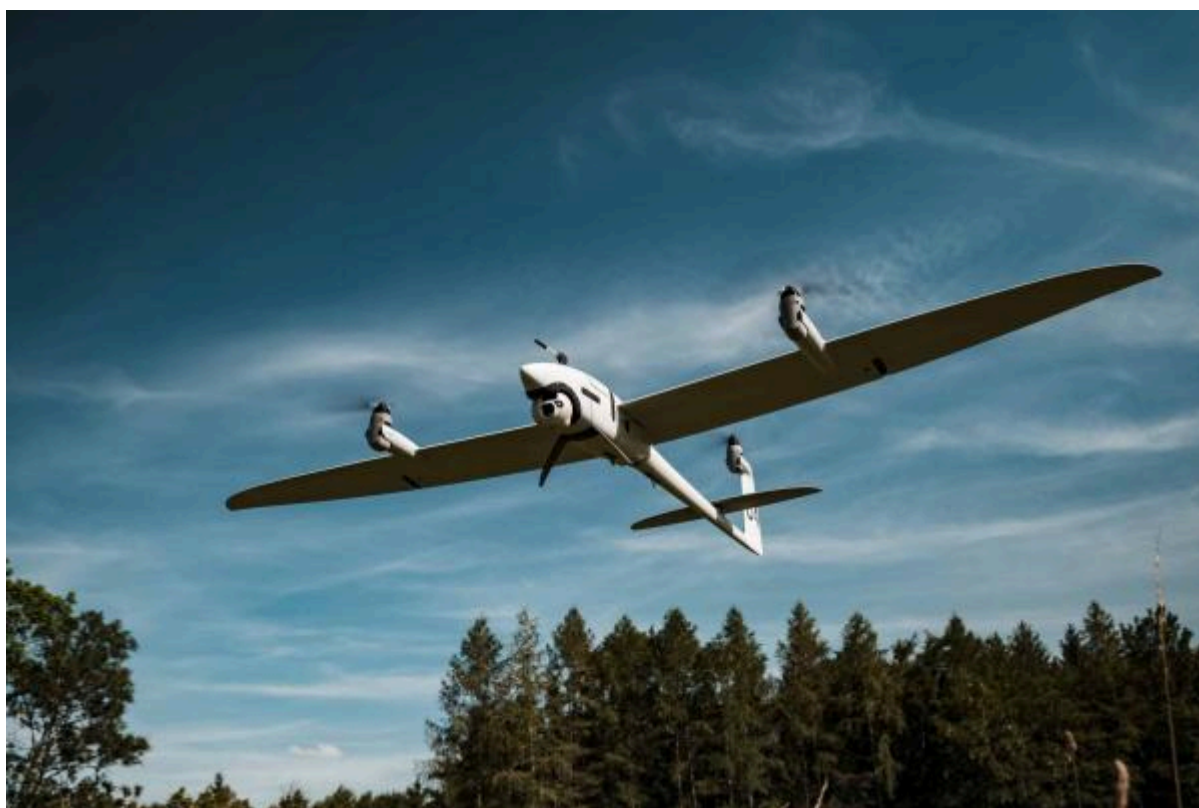


EIB Board of Directors steps up support for Europe's security and defence industry and approves €4.5 billion in other financing

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- Board approves updating dual-use projects definition and backing security and defence SMEs and innovative startups through EIB credit lines
- Board also approves €4.5 billion for innovation, business, transport and agriculture investment

The Board of Directors of the European Investment Bank (EIB) today approved an updated definition of dual-use goods and infrastructure eligible for EIB Group financing and agreed to facilitate financing for small and medium-sized enterprises (SMEs) in the security and defence industry, by opening up dedicated intermediated financing.

The Board also approved €4.5 billion in new financing for projects, including in the strategic priority areas of climate action, technological innovation and agriculture.

"We are stepping up our support for Europe's security and defence industry, strengthening investment to

keep Europe and its citizens safe, while safeguarding the EIB Group's financing capacity," EIB President Nadia Calviño said.

Revamped rules for security and defence financing

Boosting EIB Group support to safeguard Europe's peace and security is one of the [top strategic priorities, outlined by President Calviño](#) to EU Finance Ministers in February. Following intensive consultations with the Bank's shareholders, financial markets and key stakeholders, and the European Council's [mandate](#) to further improve access to finance for European security and defence firms, President Calviño [unveiled an immediate Security and Defence Industry Action Plan](#) at the last EU Finance Ministers meeting (ECOFIN), where the initiative received broad support.

Today's Board of Directors meeting formally adopted the Action Plan. Going forward, the EIB will waive a previous requirement that dual-use projects eligible for financing in the area of security and defence derive more than 50% of their expected revenues from civilian use. [Projects and infrastructure used by the military or police that also serve civilian needs](#) will now be eligible for EIB Group financing. There will no longer be a minimum threshold for expected revenues from civilian applications or share of civilian users.

The EIB Group will also update its rules for security and defence SME financing. This will open dedicated credit lines managed by banks in EU Member States and other intermediaries for dual-use projects by smaller companies and innovative startups. EU companies whose activity is partly in defence will be eligible for financing using EIB-backed intermediated credit lines. No further changes were made to the EIB Group's eligibility, excluded activities and excluded sectors list.

The EIB Group has created a dedicated Security and Defence Office, providing a one-stop shop for security and defence investment, operational since 1 May 2024. It offers streamlined financial support and expert assistance aimed at strengthening Europe's security and defence capabilities.

The changes are expected to speed up investment and improve access to EIB Group financing for the European security and defence sector, deploying €6 billion in funding available under the [Strategic European Security Initiative \(SESI\)](#), and the [European Investment Fund's \(EIF\) Defence Equity Facility](#), and further boosting the EIB Group's already considerable support to the European security and defence industry.

€4.5 billion for innovation, business, transport and agriculture investment

The Board today also approved €4.5 billion of new financing for renewable energy, agriculture, sustainable transport and business investment.

"The financing will have an impact in creating skilled jobs, increasing renewable energy generation and enhancing sustainable transport infrastructure to improve lives and opportunities and to contribute to a greener and more resilient future for all," said EIB President Nadia Calviño.

The Board approved €1 billion of new business financing. Sustainability-focused corporate research and innovation across Europe will be supported by a dedicated pan-European venture debt initiative and new cooperation with local financing partners to scale up business financing in Ukraine, Georgia, Moldova, Armenia and Azerbaijan, while access to finance to enable companies to expand and create jobs will be enhanced by new business financing programmes with banking partners in Spain and the Czech Republic. The first financing programme for agribusiness and agricultural cooperatives in Senegal, under the EIB's pan-African agriculture financing initiative, and support for agricultural and rural development investment in Spain were also approved.

The EIB backed €1.1 billion of investment in sustainable transport, including co-financing construction of a new 149 kilometre suburban railway network with 58 stations in Bangalore, the third largest city in India, that will reduce congestion, climate emissions and pollution. Financing for new and upgraded regional passenger

trains in southwestern France and increased support for an extension of the Stockholm metro were also approved.

New clean-energy investment totalling €1.2 billion was agreed by the Board. New equity financing for investment in utility scale renewables in Asia, Latin America and Europe was approved, alongside backing small-scale wind and solar schemes in France and Germany and upgrading electricity distribution in Greece and Italy.

Background information

The European Investment Bank (EIB) is the long-term lending institution of the European Union, owned by its Member States. It finances sound investments that contribute to EU [policy objectives](#). EIB projects bolster competitiveness, drive innovation, promote sustainable development, enhance social and territorial cohesion, and support a just and swift transition to climate neutrality.

The EIB Group, which also includes the [European Investment Fund \(EIF\)](#), signed a total of [€88 billion in new financing for over 900 projects in 2023](#). These commitments are expected to mobilise around €320 billion in investment, supporting 400,000 companies and 5.4 million jobs.

All projects financed by the EIB Group are in line with the Paris Climate Accord. The EIB Group does not fund investments in fossil-fuels. We are on track to deliver on our commitment to support €1 trillion in climate and environmental sustainability investment in the decade to 2030 as pledged in our [Climate Bank Roadmap](#). Over half of the EIB Group's annual financing supports projects directly contributing to climate change mitigation, adaptation, and a healthier environment.

Approximately half of the EIB's financing within the EU is directed towards cohesion regions, where per capita income is lower. This underscores the Bank's commitment to fostering inclusive growth and the convergence of living standards.

The EIB Group has been actively supporting investment that reinforces Europe's defence and security industry since 2017. Beneficiaries of EIB Group financing range from household names in the defence sector to innovative startups.

Under its Strategic European Security Initiative (SESI), expanded immediately after Russia's aggression against Ukraine, there still is €6 billion in funding available. In addition, the EIF launched a €175 million [Defence Equity Facility](#) in January 2024, which can support SME and start-ups in the field, such as those in the area cybersecurity.

Eligible projects under SESI will include military mobility, space, cybersecurity, green security, critical infrastructure, border protection, and other dual-use investments, such as drones. More details can be found on the [dedicated page of the EIB's website](#).

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