

The Role of International Transfers in Public Investment in CESEE: The European Investment Bank's Perspective

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Jean Vrla, Head of Division at the European Investment Bank (EIB), Directorate for Operations in the European Union and Candidate Countries, highlighted in his presentation that the EIB nearly doubled its lending volumes to the CESEE EU Member States in the course of the crisis. The funded projects are focused on areas such as cohesion and convergence policy, small and medium-sized enterprises, environmental sustainability, the knowledge economy, Trans-European Networks or energy. Large-scale infrastructure projects still form the lion's share of the EIB's lending to CESEE, with the share of SME funding having considerably increased during the last two years. Mr. Vrla asserted that the demand for EIB lending in EU and pre-accession countries is expected to weaken in the period 2011–2013 as the access to alternative funding is expected to recover. While the disbursement flows to projects will remain high in the next few years due to the time lag between signature and project implementation, the EIB's 2011–2013 lending volumes are expected to return gradually to pre-crisis levels due to the need for fiscal discipline in CESEE and the uncertain future demand for large public-private partnership (PPP) projects.

¹ Only a brief summary of Jean Vrla's workshop presentation is included here as it was unfortunately not possible for Mr. Vrla to draft a full paper for these proceedings.