European Investment Fund

activity report 2001

European Investment Fund

member of the EIB Group

Mission statement

The European Investment Fund (EIF), the EU specialised vehicle providing venture capital and guarantee instruments for SMEs.

The EIF is a European institution, majority owned subsidiary of the EIB, whose main objective is to support the creation, growth and development of Small and Medium-sized Enterprises (SMEs). It intervenes by means of risk capital and guarantee instruments, using either its own funds or those available within the framework of mandates entrusted to it by the European Investment Bank (EIB) or the European Union.

The EIF has a tripartite shareholding which includes the EIB, the European Union represented by the European Commission, and a number of European banks and financial institutions, from the public or private sector. The EIF acts in a complementary role to its majority shareholder, the EIB.

According to Article 2 of its statutes, the European Investment Fund contributes to the pursuit of Community objectives; in particular it is committed to the development of a knowledge-based society, centred on innovation, growth and employment, the promotion of entrepreneurial spirit, regional development and the cohesion of the Union.

The EIF acts independently and commercially under market conditions. According to Article 24 of its statutes, it targets appropriate returns for its shareholders.

In its role as "risk capital arm of the EIB Group", the EIF uses the financial means at its disposal to support the emergence of a performing and homogenous European venture capital market. In doing so, its action is fully integrated within the strategy which aims to equip Europe with an increasingly innovative and competitive economy, via high quality job creation.

The EIF's SME guarantee instruments facilitate access to debt finance for Small and Medium-sized Enterprises through the intermediation of a wide range of banks and financial institutions. As the EIF has Multilateral Development Bank status under the European Union solvency ratio directive, financial institutions are allowed to allocate capital in respect of EIF guarantees at a rate of 20%.

The EIF plays a catalytic role to attract private sector finance. It optimises the impact and benefit of those operations in which it participates, in close association with the financial sector. Finally, it contributes to the diffusion of best market practices in its business fields.

The EIF may conduct its activities in the Member States of the European Union as well as in those applicant countries in respect of which the Accession process has commenced.

European Investment Fund activity report 2001

European Investment Fund

member of the EIB Group

EIF Highlights

as at 31 December 2001

2001 ACTIVITIES

Venture capital:	EUR 800 million invested in 57 venture capital funds
Guarantees:	EUR 958 million involving 39 operations

CUMULATIVE PORTFOLIOS

Venture capital:	EUR 2,015 million invested in 153 venture capital funds
Guarantees:	EUR 3,335 million involving 87 operations

MAIN FINANCIAL DATA 2001

Subscribed Capital:	EUR	2,000 million
Paid In Capital:	EUR	400 million
Capital and Reserves:	EUR	576.5 million
Treasury:	EUR	554 million
Net Income:	EUR	75.7 million

SHAREHOLDERS

European Investment Bank	61%
European Commission	30%
European Institutions	9%

The EIF Annual Report for 2001, including the annual accounts, has been released separately.

Summary

Introduction

by the Chief Executive

2001 has been a particularly productive year for the EIF. Since the reform of its statutes in June 2000, the Fund has embarked upon a phase of consolidation of its organisation and rapid expansion of its activities, both in terms of venture capital and guarantees to SMEs, and has now reached its new cruising speed.

With regard to venture capital, EUR 800 million were invested during the year in 57 funds. The EIF's total portfolio amount to over EUR 2 billion at the end of 2001, invested in over 150 funds. Indeed, the EIF has become a major player in European venture capital, more particularly in the field of start-up capital, the market sector in which resources are the most scarce, the risks are highest and market requirements are the most important. This activity however, which covered all the countries of the Union and the Accession countries, took place in a difficult environment. The EIF's role both as a stabilising element and a driving force of the market was therefore reinforced in line with the recommendation made in Stockholm by the Heads of State and Government, who in March 2001 stressed that "investment and innovation need to be supported by an enhanced supply of risk capital".

As far as the SME portfolio guarantee business is concerned, this has continued to evolve and is now able to assist an increasing number of financial intermediaries, and hence businesses, both from EU budgetary funds and its own resources: 39 guarantee transactions were concluded in 2001, for EUR 958 million, bringing the EIF's total portfolio of SME guarantees to more than EUR 3.3 billion, concluded with 86 banks or financial institutions. The number of small businesses covered by the EU funded SME Guarantee Facility exceeds 85,000.

These statistics for 2001 show that in each of its fields of intervention, the EIF has contributed to achieving some of the major EU policy objectives, whether it be job creation, innovation, regional development or the preparation of the Accession countries for membership.

Through its expertise and increased activity, it has also made a quite substantial contribution to the dissemination of best practices and financial innovation on a pan-European scale.

In terms of organisation, in order to cope with the increase in its business, the EIF has expanded its operational services, and likewise its exposure monitoring teams. Its structure nevertheless remains light and flexible, with highly specialised and totally committed employees.

In accordance with its Business plan, the EIF will focus in 2002 on growth and value adding operations for SME Portfolio guarantees, while for venture capital operations, a stable volume of quality operations is being developed.

It will be able to rely on the resources and the new financial products of the Multiannual Programme for Enterprise, which it runs under the mandate of the European Commission. These budgetary resources will complement the range of instruments the EIF deploys to assist businesses, for example through its ability to provide guarantees for micro-credit and equity participations.

The course taken since the reform of 2000 is therefore set to continue and to be expanded, in compliance with the statutory objectives of the EIF: to support EU policies and at the same time generate adequate returns for its shareholders.

Walter CERNOIA
Chief Executive

EIF Products and Financial Resources

The EIF is entrusted with the responsibility of two different instruments which, through their leverage effect, play a strategic role for the development of SMEs in Europe: **venture capital** and **guarantees**. This is in line with the conclusions of the ECOFIN Council of 7 November 2000, which emphasized the new role of the EIF as the EU specialist financial institution for SMEs:

VENTURE CAPITAL:

the EIF is a "fund of funds" which manages 3 sources of funding

- own resources;
- EIB resources, which constitute the bulk of its venture capital activity;
- EU Budget resources, under the ETF Start-up scheme (created in 1998).

GUARANTEES FOR SMEs:

the EIF provides guarantees to financial intermediaries through

- own resources, for credit enhancement, credit insurance and structured SME finance;
- the SME Guarantee Facility (as a Trustee for EU Budget resources), for the guarantee of growth SMEs. Within the Multiannual Programme, 3 new guarantee windows have been added to this Facility: for ICT investments, for micro-credits and for equity participations (see page 21);
- the Growth and Environment scheme: for the guarantee of environmentally friendly investments made by small SMEs, with the support of EC Budgetary Funds.

Both instruments implemented by the EIF for SMEs are complimentary to the Global Loans provided by the EIB to financial intermediaries in support of SME financing. The EIB Group thus offers a wide range of dedicated instruments to this important activity sector of the European economy.

Venture Capital

Guarantees

Serving the objectives of the

European Union

Management

Venture Capital

1. The Venture Capital Market in Europe

A likely sharp decrease of the venture capital market in Europe in 2001

It is recalled that the performance of the risk capital markets in Europe in 2000 was spectacular, with EUR 48 billion raised, against EUR 25 billion in 1999, and EUR 35 billion invested, compared to EUR 25 billion in 1999 (Source: EVCA). Funds raised for investment in early-stage companies increased by 70% to EUR 8.6 billion, and the European market started to be less focussed on buy-out investments and provided greater coverage of the different stages of company development.

Although at the time of writing (January 2002) only preliminary estimates are available as to year 2001 levels of activity, every indication points to a significant slowdown in both fund raising and investing. First half 2001, estimates show a decrease of 17.4% in amounts invested against first half 2000 (EUR 11.1 billion against EUR 13.5 billion). More significantly for EIF activity, the mid-year EVCA figures show a significant decline of seed and start-up investments (dropping from EUR 2.5 billion to EUR 1.6 billion), with the number of companies backed falling from 2,054 to 1,692. Average investment per company at these early stages fell from EUR 1.2 million to EUR 0.97 million, partly reflecting more realistic valuations.

This trend is likely to be amplified in the second half of the year by the fact that typically in excess of 60% to 65% of venture capital activity takes place during the second half. The third quarter trend in the US market (excluding private equity) was down 70% on the same quarter 2000, a figure which suggests that third quarter activity in Europe must have slowed down considerably, although possibly not by as much as in the USA.

Lastly, it is to be expected that the unstable market conditions resulting from the 11 September events and the surrounding climate of uncertainty are further slowing commitments to and investments by funds. Many funds now face the prospect of holding less profitable investments, nurturing them for longer periods and having to inject more cash into them through several funding rounds, which may lead to a consolidation of the industry. In addition, observations seem to indicate that the current tightening of funding is more than proportionately affecting the relatively less developed capital markets (Southern flank in particular), possibly resulting from the fact their risk capital markets are less established.

Still a wide gap with the USA

In terms of comparison of European levels of activity with those of the US, data shows that the gap has continued to widen. In its progress report on the Risk Capital Action Plan, the European Commission even noted that out of the total of funds invested in the USA in 2000 (over EUR 74 billion), some EUR 28 billion (37%) went to early-stage investments. This is more than 4 times European investment in the same segment.

In qualitative terms it is worth noting that in spite of the very real progress made over the recent past, Europe is still far from being a single risk capital market. Many unresolved difficulties still exist in important areas such as the tax treatment of investors, market regulation or the absence of an affordable single patent. The introduction of the Euro is playing a role in unifying business practices.

However, the current downturn in the cycle results in interesting opportunities for investors

When looking back at vintage returns, it appears that in the past and taken as an asset class, those funds that started investing during "deceleration" periods have historically generated above average returns. As EIF has been witnessing in its investing activity over the past two years, valuations are more realistic and established funds tend to concentrate on their existing portfolios rather than seek new opportunities. Consequently, EIF expects funds established in the period 2001 to 2003 to yield higher than average financial returns.

2. The Strategic Objectives of the EIF

Therefore, in keeping with its remit to develop and sustain the European risk capital market, particularly during the current times, the EIF continues to uncover good opportunities to invest and in so doing attracts private sector investors.

More generally, the Fund's objective is to play a catalytic role, notably by backing venture capital funds which otherwise would not be able to start and develop on either the same scale or rapidity, or with the same degree of success.

Additionally, beyond its immediate investing activity, the EIF is constantly seeking to anticipate market developments, endeavouring to uncover promising areas where a shortage of equity is hampering the establishment of an efficient and balanced European venture capital market. As a European institution, the Fund has a broad overview of the venture capital market and aims to anticipate - and play an active role - in its evolution.

The EIF's investment focus is as much as possible on "early stage" technology funds. Nevertheless, the EIF also considers, in particular:

- Funds focused on specific industries or technologies (e.g. biotechnologies, agrobusiness, content industries, nanotechnologies, "enabling technologies", etc);
- Regional funds, with a view to facilitating the balanced development among European regions;
- Funds financing the exploitation of research and development results;
- Pan-European funds.

3. Venture Capital Commitments Signed in 2001

Table 1 presents the detailed list of EIF signatures in venture capital in 2001, which total **EUR 800.1 million**, invested in 57 funds. This brings to EUR 2 billion the actual amount invested so far by the EIF in over 150 Funds throughout the EU and the Accession Countries. The first ever EIF operation was signed in Greece (EUR 20 million), a substantial and also first commitment was made in Portugal (EUR 10 million), and 4 operations were signed in Spain for a total of EUR 70 million, representing 9% of EIF commitments in the year. The EIF thus contributed to the development of a more balanced European venture capital market, by attracting other investors and disseminating best market practice. Furthermore, 5 operations benefited funds active in the Candidate countries (for a total amount of EUR 65 million representing 8% of the EIF total commitments in the year). An important part of the activity was devoted to the support of 11 pan-European funds (totalling EUR 157 million or 20% of the Fund's venture capital activity).

In sectoral terms, the EIF operations in 2001 had essentially a technological focus, on Information and Communication technologies, biotechnologies and life sciences, micro-electronics, new generation Internet and the multimedia industry.

The EIF average investment in funds being in the range of 15-20%, one can consider that the EUR 800 million invested by the EIF in 2001 contributed to the mobilization of more than EUR 4 billion of European venture capital. Given its investment focus, the EIF can now be considered as the biggest investor in early stage high technology venture capital funds in Europe. Furthermore, the EIF was able to strengthen its reputation in Venture Capital investment, co-operating with national venture capital Associations and sister institutions. The EIF's professional approach to due diligence has been shown to be a real asset to management teams, sponsors and co-investors alike.

Table 1: Venture Capital Operations Signed Commitments in 2001

Country	Venture Capital Operations	Sector	Signatures
Belgium	E-Capital	IT, biotech health	7,500,000
	Fagus NV (Fortis Bank VC)	IT, life sciences	12,500,000
	Privast Capital Partners	ICT, internet, multimedia, biotech	3,700,000
Subtotal			23,700,000
Denmark	Danske eVentures Seed K/S	ICT, multimedia	13,446,825
	Symbion Capital I A/S	IT, biotech, life sciences	10,074,687
Subtotal			23,521,512
Germany	BC Venture	Tech	17,000,000
	Brockhaus Private Equity GmbH & Co KG	Tech, TIMES	10,000,000
	EquiNet EarlyStage Fonds Nr. 1 GmbH & Co. KG	IT, Internet	2,200,000
	Heidelberg Innovation BioScience Venture II	Biotech, life sciences	20,000,000
	Polytechnos Ventures Fund II	IT, Telecom, life sciences	18,000,000
	Technostart Ventures II	Biotech, life sciences, communication	12,000,000
Subtotal			79,200,000
Greece	NBG Technology L.P.	ICT	20,000,000
Subtotal			20,000,000
Spain	GED Iberian Fund	Generalist	10,000,000
	Highgrowth	ICT, bio-sciences	10,000,000
	Milenia L.P.	Tech	30,000,000
	Spinnaker Invest	Tech	20,000,000
Subtotal			70,000,000
France	Auriga Ventures II	IT, life sciences	13,005,000
	Bioam	Biotech	10,000,000
	Finadvance Ventures I	Tech-Regional	1,550,000
	Fonds de promotion pour le capital risque 2000	IT, life sciences, electronics, new materials, sustainable development	50,000,000
	Science & Innovation 2001	Tech	12,500,000
Subtotal			87,055,000
Ireland	Trinity Venture Fund 2	IT, electronics, telecommunications	20,000,000
Subtotal			20,000,000

Table 1: (Continued)

Country	Venture Capital Operations	Sector	Signatures
Italy	Angelventures Serviços de Consultoria SA	Tech	15,000,000
	Athena Private Equity Fund	Tech-Regional	15,000,000
	Eontech	ICT	5,023,333
	Fineco Capital SCA	Generalist	10,000,000
	Quadrivio New Old Economy Fund	Tech-Regional	10,000,000
Subtotal			55,023,333
Luxembourg	New Tech Venture Capital Fund	ICT, internet, multimedia	2,250,000
Subtotal			2,250,000
Netherlands	Life Sciences Partners II B.V.	Biotech	15,000,000
Subtotal			15,000,000
Austria	Go Equity II LP	Biotech, life sciences, communication, electronics	7,915,000
Subtotal			7,915,000
Portugal	Caravela Fund B.V.	Generalist	10,000,000
Subtotal			10,000,000
Finland	Grow How Rahasto I Ky	ICT, biotech, life sciences	4,000,000
Subtotal			4,000,000
Sweden	InnKap 3 Partners KB	ICT, life sciences	15,000,000
	Litorina Kapital 2001 KB	ICT, emigration	9,482,668
	Swedstart Life Science Fund KB	ICT, life sciences	9,610,134
	Swedstart Tech Fund KB	ICT, life sciences	9,610,134
Subtotal			43,702,936
United Kingdom	Scottish Equity Partners II	Software, communication, micro-electronics, healthcare, biotech	31,899,638
	The First Cambridge Gateway Fund	IT, Telecom, life sciences	13,849,079
	The UK High Technology Ltd	Tech	8,071,025
	The Viridian Growth Fund	Generalist-Regional	5,371,968
	UK Regional Venture Capital Scheme	Generalist-Regional	57,065,421
Subtotal			116,257,131

Table 1: (Continued)

Country	Venture Capital Operations	Sector	Signatures
Pan-European Multi-countries	Add One	IT, communications	30,000,000
	Avlar Bioventures Fund II LP	Biotech	20,979,108
	Bio Fund Ventures III L.P.	Life sciences	20,387,000
	CIM Venture Fund for Creative Indutries L.P.	Creative industries	7,387,349
	Digital Networks - European Digital Infrastructure Fund I	Tech	10,000,000
	Gilde Europe Food & Agribusiness Fund B.V.	Pharma, biotech, food, agribusiness	15,000,000
	IMH Venture Capital Berlin GmbH	TIMES, life sciences	10,000,000
	Prime Technology Ventures	IT, Telecom, electronics	20,000,000
	Sofinnova Capital 4	IT, life sciences	10,000,000
	TechFund Capital Europe FCPR	ICT, enabling technologies	3,750,000
	View Point Ventures	Tech	10,000,000
Subtotal			157,503,457
Candidate Countries	Baltic Investment Fund III LP	IT & comm., distribution & logistics, consumer products, manufacturing and infrastructure	7,500,000
	Baltic SME Fund LP	IT & comm., distribution & logistics, consumer products, manufacturing and infrastructure	2,500,000
	Baring Central Europe Fund	Generalist	20,000,000
	Innova/3 LP	New business models, consolidation, spinoffs & MBI, regional market integration	20,000,000
	Raiffeisen CEE Private Equity	Niche retail operations, media, entertainment, consumer packaging and service companies	15,000,000
Subtotal			65,000,000
Grand Total			**800,128,369**

4. The Venture Capital Portfolio

Graph 1: EIF Equity Operations Cumulative Portfolio as at 31 December 2001

Geographical Breakdown (EUR 2.01bn)

	in million EUR	
Austria	42	2%
Belgium	33	2%
Denmark	31	2%
Eastern Europe	65	3%
Finland	99	5%
France	264	13%
Germany	235	12%
Greece	20	1%
Ireland	79	4%
Italy	239	12%
Luxembourg	19	1%
Netherlands	41	2%
PanEU&Multi	309	15%
Portugal	22	1%
Spain	160	8%
Sweden	60	3%
United Kingdom	296	15%

The venture capital operations of the Fund have been transformed since 2000, in the context of the EIF Reform: on the one hand through the transfer to the EIF of the EIB portfolio (EUR 921 million) covering operations concluded between 1997 and 2000 by the Bank, but essentially through the new Risk Capital Mandate according to which the EIF is entrusted to manage all EIB venture capital resources and is now the sole responsible for venture capital operations within the EIB Group. This, combined with a concerted effort to grow venture capital activity by investing in funds managed by independent teams and having a business approach aiming at the support of early stage high technology. Despite the difficulties in the venture capital market in 2001, the 57 deals closed this year for EUR 800 million result in a consolidated portfolio of **more than EUR 2 billion, in some 153 funds** throughout the European Union and the Accession Countries. This represents a doubling of the venture capital portfolio since the June 2000 Reform.

The balanced geographical breakdown of the portfolio (graph 1) demonstrates the strategy to promote Venture capital in those parts of the EU where the market is relatively less developed, in particular the "Southern Flank". Additionally, some 3% are represented by investments in support of venture capital in the Candidate Countries. It is also worth noting that the EIF investments in the UK (14% of portfolio), which is the most developed market in the EU, correspond essentially to investments in early stage or regional funds, all market segments that are less developed.

In terms of **sectoral approach** (graph 2), early stage technological funds represent the large majority of the portfolio (58%). In countries where the market is less developed, investments may have taken place in generalist or regional funds, which also include the support of more traditional industrial sectors in their investment strategy. It is also recalled that the venture capital portfolio that the EIB transferred to the EIF in 2000 included a significant proportion of generalist operations, including mezzanine finance, which is now reflected in this overall portfolio.

As far as **the resources invested** are concerned, the EIB resources represent at the end of 2001 EUR 1,781 million or 88% of the total EIF portfolio; the ETF Start-up resources provided by the EC budget represent EUR 105 million or 5% of the overall portfolio, while EIF own resources represent EUR 128 million or 6%.

These investments are expected to have long-term effects in terms of quality job creation. At the end of the third quarter of 2001, 1569 enterprises had already benefited from EIF investments in venture capital.

Graph 2: EIF Equity Operations Cumulative Portfolio as at 31 December 2001

Sectoral Breakdown (EUR 2.01bn)

	in million EUR	
Generalist and others	531	26%
Regional	325	16%
Tech	1,159	58%

Guarantees

1. General Context: Trends in the Banking Sector

Banks' strategies on boosting shareholder returns by arbitraging regulatory capital for more efficient risk-return profiles of their activities have been so far driven by the relatively rigid existing regulatory capital system, which results in the same risk weighting for strong and weak borrowers.

In that respect, the new draft of the Basel Capital Accord leads to a much closer correlation between regulatory capital requirements and economic capital needs. This is a welcome and positive evolution. But it may be expected that those new rules will reinforce the trend of larger banks to move away from business lending towards fee-generating business.

However, many smaller local banks in Europe (savings, co-operative or specialised banks) will continue to depend on their traditional banking activities: collecting deposits and extending loans in the relevant local markets. These bankswill find it more difficult to diversify their income sources, as fee-generating business will require large financial resources and large-scale commitments, specific expertise and advanced management techniques.

Furthermore, in order to optimise their capital allocation, banks will have to develop sophisticated internal rating systems (e.g. building up loan-data collection systems to estimate loan default probabilities) to effectively allocate regulatory capital. This will require substantial investments and will most likely stimulate further banking consolidation through mergers and acquisitions.

On the other hand SMEs, which represent 98% of all enterprises in Europe and are the main source of employment, typically rely on bank loans for the financing of their investment activities, as their access to capital markets will remain very limited.

SME lending might be considered a less profitable business area, because a less profitable business area, because of the proportionally higher risk (smaller business can not offer adequate collateral and their dependence on the economic cycle is higher) and the difficulty in carrying out a proper credit risk assessment, due to the lack of adequate information.

Due to the above-mentioned trends - refocusing of larger banks towards non-lending activities, challenging competitive landscape for smaller regional banks - access to debt finance is therefore likely to become more difficult for smaller companies in the future.
In this context, it is recalled that the Barcelona European Summit of 15-16 March 2002 has requested "the Commission to present a report on the consequences of the Basel deliberations for all sectors of the European economy, with particular attention to SMEs."

2. The Role of the EIF

In this context, the guarantee activity of the EIF, in support of banks and financial institutions that provide financing to SMEs, is therefore particularly important.

Financial institutions benefiting from EIF guarantees achieve regulatory and economic capital relief:

- **EIF's status of Multilateral Development Bank under the European Union's solvency ratio directive allows financial institutions benefiting from EIF guarantees to allocate capital to those operations at the rate of 20% instead of 100%;**
- The EIF guarantee allows financial institutions to expand their lending capacity and market share and to improve their return on equity in the SME segment;
- Financial institutions reduce risk provisioning and final losses on their SME portfolio.

Addressing market failures and supporting SME lending is achieved by EIF through the management of dedicated programmes on behalf of the European Commission and through own resources guarantee activities.

The new Multiannual Programme for Enterprises (see page 21) foresees guarantee schemes covering micro-credit, investments in the field of information and communication technologies and equity participations, as well as the extension of the existing guarantee Facility in support of enterprises with growth potential.

The EIF guarantee activity has an **important leverage effect:** under the current "Trust activity", it is considered that for each EUR 1 million budgetary allocation (risk funds) EIF has so far supported approximately EUR 50 million new SME lending which would not be normally provided by the financial institutions.

With its own resources activity, the EIF allows increased lending capacity and higher return on equity for SME lending and it contributes to the spread of best market practice and product innovation (e.g. by contributing to the development of the securitisation markets and of structured finance transactions for SME financing).

The EIF guarantee resources and products

The EIF guarantee products consist of tailor-made guarantees to a wide range of counter-parties, always with a portfolio approach.

EIF offers three main product lines:

- **Credit insurance (and re-insurance)**
- **Credit enhancement (securitisation)**
- **Structured finance operations.**

Such guarantee activity comprises:

- "Own resources" transactions, where the EIF assumes the risk on its own balance sheet and receives guarantee fees for the issuing of the guarantees;
- "Trust" activity, such as the SME Guarantee Facility, where the EIF manages programmes on behalf of the European Commission, without taking risk on its own capital.

The SME guarantee product line:

- **Credit Insurance and Re-insurance**
  Loan portfolio guarantees and counter-guarantees in relation to a portfolio of loans or leases, where EIF covers up to 50% of the credit risk of every individual loan or lease in the relevant portfolio. Special cases are:
  - The Growth and Environment Scheme (G&E), where guarantees are issued by the EIF on its own capital, and the EIF receives the relevant risk premium from the European Commission, at no cost for the beneficiaries (lenders).
  - The Multi-annual programme (MAP), a new programme mainly targeted at guarantee schemes in the member States and in the Accession Countries that EIF manages on a trust basis for the European Commission.
- **Credit Enhancement**
  In the context of securitisation of SME financing, the EIF can provide a guarantee to enhance the credit quality of the bonds backed by the securitised portfolio or act as a credit default swap counterparty.
- **Structured Transactions** are targeted at Structured Investment Vehicles (SIV) that wish to increase their investment capacity and to improve the investors' return on equity through leveraged finance. The typical activity of such vehicles is to extend risk capital and mezzanine finance to SMEs that would normally not obtain conventional bank finance.

3. Guarantee Operations Signed in 2001

The EIF concluded 39 SME guarantee transactions in 2001, for a total amount of EUR 958 m. These operations covered 12 Member States. Out of these 39 operations, 21 were extensions of existing agreements, as a response to the demand expressed by the financial intermediaries in their SME lending activity. In terms of amount guaranteed, this represents a 59% increase in activity compared to 2000, where EUR 604 m were committed in 28 operations.

Last year saw a development of own resources transactions (EUR 316m), including 5 structured finance, 2 credit insurance and 6 **credit enhancement** operations. The latter type of intervention has become a priority for the EIF since 2000 in view of the market development and the EIF mission of contributing to enhance access to finance by European SMEs. The EIF provides an unconditional, irrevocable guarantee of timely payment of principal and interest on typically BB to A rated bonds.

An interesting feature of the European securitisation market in 2001 has been the net increase of SME financing in securitised pools, with the consequent increased role of EIF as external credit enhancer, namely in Italy, Germany and Spain.

The list of operations concluded in 2001 shows the success of the guarantee schemes sponsored by the European Commission and managed by the EIF: the SME Guarantee Facility (EUR 554m) and Growth & Environment (EUR 63m).

Table 2: Guarantee Operations Signed in 2001

Product	Bank	Country	Commitment
Enhancement	FCF 2001 / Fortis	Belgium	15,000,000
	FCC GIAC 4 / CDC - IXIS	France	20,000,000
	Promise - K 2001 - 1 / Dresdner Bank	Germany	47,500,000
	Promise - G 2001 - 1 / BW Bank	Germany	41,275,000
	Lombarda Lease Finance 1	Italy	45,000,000
	FTPYM - 2 / BBVA	Spain	40,100,000
Insurance	Finans Nord	Denmark	54,000,000
	Caisse Nationale de Crédit Agricole	France	15,000,000
Structured Finance	BC Mezzanine GmbH	Germany	10,730,000
	Merseyside SI Mezzanine Fund	United Kingdom	1,200,000
	Objective I Alliance MSIF III	United Kingdom	16,095,284
	Objective I Alliance Wales	United Kingdom	7,580,115
	Objective I Alliance Yorkshire	United Kingdom	3,697,617
G&E	Fortis	Belgium	5,000,000
	Fortis	Belgium	5,000,000
	ING Bank	Netherlands	5,000,000
	KBC Bank	Belgium	7,500,000
	Bank Austria	Austria	5,000,000
	Spar Nord Bank	Denmark	1,000,000
	Unibank A/S	Denmark	7,000,000
	Finnvera	Finland	10,000,000
	Deutsche Ausgleichsbank	Germany	10,000,000
	Mediocredito Lombardo	Italy	12,500,000
	BP Emilia Romagna	Italy	8,000,000
	Banco BPI	Portugal	10,000,000
SME GF	Artigiancredit Lombardia	Italy	29,000,000
	Artigiancredito Toscano	Italy	23,500,000
	BBMKB	Netherlands	62,634,991
	Bürges	Austria	51,760,000
	Deutsche Ausgleichsbank	Germany	110,400,000
	Eurofidi	Italy	25,000,000
	Federfidi Lombarda	Italy	33,500,000
	Finnvera	Finland	8,333,333
	Growth Fund	Denmark	26,718,600
	Interconfidi Nordest	Italy	25,000,000
	Mediocredito Centrale	Italy	89,700,000
	SIAGI	France	12,500,000
	Artigiancredit Emilia Romagna	Italy	51,500,000
	Kreditanstalt für Wiederaufbau	Germany	5,300,000
Grand Total			**958,024,940**

4. The Cumulative SME Guarantee Portfolio of the EIF

Graph 3: EIF Guarantee Operations Cumulative Portfolio as at 31 December 2001

Commitment by Instrument (EUR 3,357m)

	in million EUR	
Enhancement	245	7%
G&E	686	20%
Insurance	176	5%
SME GF	2,115	64%
Structured Finance	135	4%

The cumulative EIF Guarantee portfolio totals EUR **3.357 billion** at the end of 2001, about two thirds of this amount being represented by the EU funded SME Guarantee Facility (Graph 3). This cumulative portfolio consists of guarantee agreements concluded with a total of **87 financial intermediaries.**

Data available from the 23 institutions participating in the EU funded SME Guarantee Facility show that more than 85,000 SMEs have benefited indirectly, since 1998, from the intervention of the EIF.

Serving the Objectives of the European Union

The "Lisbon Strategy"

At their Lisbon meeting which took place on 24/25 March 2000, the EU Heads of State and Government set for the Union a strategic goal: "to become the most competitive and dynamic knowledge-based economy in the world capable of sustainable economic growth with more and better jobs and greater social cohesion". This overall strategy covers issues such as structural reform for competitiveness and innovation, completion of the internal market, the modernisation of the European social model, the fight against social exclusion and the increased coordination of macro-economic policies. The European Council underlined that the role of the Union was to "act as a catalyst in this process, by establishing an effective framework for mobilising all available resources for the transition to the knowledge-based economy"; in this context, the Risk Capital action plan of the Union (creating an internal market for venture capital) had to be completed by 2003 and a "European patent" was to be available at the end of 2001. In terms of financial resources, the Heads of State welcomed the contribution that the EIB was ready to make within its "Innovation 2000 Initiative", notably through the doubling of the resources devoted to venture capital. The Reform of the EIF, already finalised in June 2000, through which all venture capital resources of the Union are now managed by the EIF was a prompt and important response to the Lisbon Conclusions.

The Stockholm European Council of March 23-24 2001 further reinforced the Lisbon Strategy, EU Heads of State and Government affirming that "investment and innovation need to be supported by an enhanced supply of risk capital" and that investments in the European "frontier technologies" had to be reinforced. The activity of the EIF in 2001 is exactly matching this strategic requirement.

Enterprise policy: The "Map"

The EIF is responsible for implementing the financial instruments foreseen under the **Multiannual Programme for Enterprise** and Entrepreneurship (MAP). These instruments represent a useful complement to the EIF's activity in both venture capital and guarantees.

The MAP covers the period 2001/2005. Its operational scope provides for action in over 30 countries, including the European Economic Area and EU membership candidate countries. The management agreement between the Commission and the EIF was signed on 18 December 2001 and the MAP is now operational. Its detailed investment guidelines are published on the EIF Website (www.eif.org). It includes the following instruments:

ETF Start-up Facility: supports the financing of incubators activity and seed-capital funds, smaller funds, funds operating regionally or focused on specific industries or technologies, or venture capital funds financing the exploitation of Research and Development results, e.g. funds linked to research centres and science parks which in turn provide risk capital to SMEs in their start-up phase.

The **"Seed Capital Action"**: will provide a support aimed at the recruitment of additional investment managers to reinforce the capacity of the venture capital industry to cater for investments in seed capital. Grants are restricted to cover management costs (up to EUR 100,000 if the newly recruited manager has been employed for 3 years by a fund, for a maximum of 3 new staff per fund). Beneficiaries will be selected exclusively amongst those funds in which the EIF participates. This scheme represents a useful contribution to the development of the European venture capital industry.

The SME Guarantee Facility will now include four windows:

- guarantees for credits to **SMEs with growth potential**, which face difficulty in having access to financing because of the relatively higher risk they represent;
- **Information and Communication Technologies** (ICT) guarantees: the exploitation by small undertakings (up to 50 employees) of the new possibilities presented by the Internet and e-commerce. Guaranteed loans could cover computer equipment, software and training in order to help such undertakings become more competitive;
- guarantees for **micro-credits**, in order to encourage financial institutions to become more involved in this area by offering loans of a smaller amount (up to EUR 25,000 for very small enterprises of less than 10 employees) which have proportionally higher unit costs;
- **equity participations** guarantees covering investments in SMEs with growth potential, including investments by local or regional funds which provide seed capital and/or capital in the start-up phase in order to reduce the particular difficulties which SMEs face because of their weak financial structure.

The total EU budget commitment to be managed by the EIF in the framework of the MAP amounts to EUR 317 million until 2005.

Regional development

The venture capital activity of the EIF takes full account of the necessity to promote a more balanced venture capital market throughout Europe. 2001 saw the conclusion of several operations in the South of the Union, which clearly contributed to this objective: like NBG Technology, the first operation concluded by the EIF in Greece in the field of venture capital (EUR 20 million), or CARAVELA, an important operation in Portugal in close partnership with BPI. The South of Italy attracted also significant EIF commitments, notably through the inclusion of investments in the "Mezzogiorno" as a prerequisite for EIF participation in funds based in Northern Italy. The EIF played also a very important role in the development of the early stage venture capital market in Spain, where it concluded 4 operations in 2001, for a total amount of EUR 70 million, mainly in the technological and biotech sectors.

The EIF was thus able to play a real "catalytic" role in the South of the Union, by attracting other investors and by disseminating best practice.

On the guarantee side, five structured finance transactions concluded on own resources (for a total of EUR 38.7 million) targeted financial intermediaries active on a regional basis in Objective 1 areas: four of them benefited different UK Objective 1 Regional Funds and one, the BC Mezzanine GmbH operation, covered SMEs located in the Eastern part of Germany. It is worth mentioning that the EIF guarantee operations concluded so far in Germany have benefited 3,215 SMEs located in the new "Lander".

Research and development

In its venture capital business the EIF directly supports the development of European research.

Its primary task, as regards venture capital, is to support active funds essentially in the technology sector, enabling them to back the results of European research and innovation. The majority of funds supported by the EIF in 2001 focus on this type of operation. Three such funds are cited here as typical examples: the support for "Heidelberg Innovation" (EUR 20 million), the venture capital fund set up within one of the most dynamic "bio-regions" in Germany. It should be noted that this venture capital support came after the allocations of the European research budget and a loan from the EIB to the European Molecular Biology Laboratory in Heidelberg (EMBL), which clearly demonstrates the complementarity of the three institutions.

In France the EIF has contributed EUR 10 million to the establishment of the BIOAM fund, which is the first French venture capital fund to link the most prestigious French public research centres (Pasteur Institute, CNRS, INRA and INSERM) and private investors, also in the biotechnology sector.

In Denmark the EIF has financed SYMBION, which is a start-up capital fund centring on biotechnology and information technology; it is continuing the work undertaken by the incubator of the same name, established in 1986 by 100 Danish research workers, to promote the development of research projects in the greater Copenhagen region.

These actions linking essentially private venture capital to the exploitation of the results of European research are set to become increasingly important and are directly in line with the memorandum signed in June 2001 by Chairman Maystadt, on behalf of the EIB group, and by Commissioner Busquin, on behalf of the Directorate General for Research of the European Commission. This co-operation aims to develop synergies and improve the coordination between the EIB Group, including the EIF, and the 6th Research Framework Programme of the European Commission, which is set to run from 2002 to 2006. In order to eliminate the European lag in research, the 6th Framework Programme has been allocated EUR 17.5 billion and has been geared to the support of key sectors for the future of Europe, such as biotechnologies and genomics, nanotechnologies and aerospace.

These priority areas are precisely those which the EIF will be supporting in the years ahead, through venture capital and also, increasingly, guarantees to SMEs involved in research and development.

Environment

"Growth and Environment" presents an example of how the EIF can be used to promote the European policy on the environment. It enables a **guarantee** to be issued to financial institutions granting loans to SMEs which are making **environmentally friendly investments.** This guarantee is free of charge for the financial institution and for the sponsored company.

"Growth and Environment" is a pilot scheme set up on the initiative of the European Parliament. Its aim is to make SMEs aware of environmental issues and to create a network of banks committed to this sector.

The EIF guarantee operates on a portfolio basis. At its own risk the Fund gives a 50% residual loss guarantee for the eligible credits included in the portfolio of the financial institution. The guarantee fees are paid out of the EU budget funds under a co-operation agreement concluded between the European Commission and the EIF.

The loans guaranteed by the EIF under this scheme must without exception be allocated to projects aiming to reduce adverse effects on the environment. These involve investments by companies producing environmental equipment and services (eco-industry), projects generating environmental benefits or having a significant ecological impact. The scheme is more particularly targeted at SMEs with fewer than 50 employees. The credit decision and the monitoring of investments is left to the financial institution.

From an operational point of view, this scheme can be considered to have achieved its objective in full: the budget funds available during this pilot phase ending in 2001 have been fully committed by the EIF, which has seen a strong demand from the banking world. The funds enabled more than EUR 1.5 billion of environmental investments to be covered via 4,000 loans to SMEs. The network of financial intermediaries set up by the EIF under this programme consists of 54 banks spread throughout the EU.

At the end of 2001 Growth and Environment received a favourable assessment from the Commission.

Accession countries

The EIF first began to investigate investment opportunities in Central and Eastern Europe (CEE) in October 2000 following the Reform of its Statutes, which allowed the extension of the Fund's venture capital activities to Accession Countries. Venture capital is still a limited resource in the region. According to EVCA statistics, funds raised in 2000 amongst the more advanced economies in the Pre-Accession Countries only accounted for EUR 780 million or 1.6% of funds raised in the EU Member States. Less than EUR 400 million has been invested in those countries in 2000 compared to EUR 35 billion in the Union. Looking at a stage distribution, virtually no capital went into seed ventures, 15% went into business start-ups, 75% in expansion capital and 5% each in replacement capital and buy-outs. Also in terms of teams the market is very tight. Opportunities to find qualified and experienced venture capital teams with the right blend of local market knowledge and international experience are still scarce. The market appears driven by larger generalist funds that target mainly companies that operate in traditional industries, are in the development stage or are mid-sized, with an already proven track record.

As at the end of 2001, the EIF had already committed EUR 65 million into five multi-country venture capital funds, which cover all of the EU applicant countries, with the exception of Cyprus and Malta. The total volume of the funds where the EIF invested thus represents an important part of venture capital raised in the region in 2001. The following investments have been made to date:

- The Baring Central European Fund (backed by the ING Baring Group), operates mainly in Poland and Hungary, and is pursuing a buy-and-build strategy that fits in well with the state of development of the markets in those regions.

- The Raiffeisen Central European Private Equity Fund is targeting a buy-and-build strategy focused on consumer and service industries. It is managed out of three offices in Vienna, Budapest and Warsaw (and soon Prague). This Fund is backed by the Raiffeisen Group, one of the most experienced players in the CEE financial sector.

- In the three Baltic States of Estonia, Latvia and Lithuania EIF is investing via the combined funds Baltic SME Fund and the Baltic Investment Fund III. This is also EIF's first investment in co-operation with the EU-PHARE SME Finance Facility Special Fund.

- Innova/3 L.P. is a regional fund focusing on CEE, being run out of Warsaw and shortly also Budapest. This is the first commitment of the EIF in the area of early stage SME investment to which Innova has dedicated part of its resources.

- In addition, it is worth noting that the Greek NBG Technology Fund (joined by EIF in October 2001) will also extend, on an opportunistic basis, its activities into the CEE region, primarily into Bulgaria and Romania.

In the future, EIF's venture capital investments will continue to concentrate on relatively mature companies in more traditional industries. An increasing shift towards earlier stage investments and technology is however predictable. This will enable the EIF to intensify its role as a networking platform between EU-based technology funds and management teams operating in the Accession countries in order to facilitate technology transfer and the expansion of CEE companies into EU markets.

EIF's contribution is positively valued not only for its role as a quality cornerstone investor facilitating the fundraising process for individual management teams, but also for its efforts to align fund structures, terms and conditions with best industry practice. This institutional building role is an important part of the Fund's activity, both in Central and Eastern Europe and also in the South of the Union.

Management and Administration of the Fund

The EIF is managed and administered by the following three authorities:

the **General Meeting of all shareholders** the **Board of Directors** the **Chief Executive.**

EIF Management:

The reorganization of the EIF has been completed in line with the reorientation of its activities following the Reform approved by the general Assembly Meeting in June 2000. To cope with the increase in activity, special attention was paid to the staffing of the Operations Department, and especially of the Venture Capital Teams. In parallel, the overall Risk Management and Monitoring activity of the Fund was further developed, through the creation of a dedicated division.

M. Schublin, K. Kreilgaard, F. Tassone, T. Meyer, J.P. Burcklen, A. Tappi
J.A. Holloway, M. Leander, W. Cernoia, S. Rasmussen, R. Wagener

Chief Executive	Walter CERNOIA
Head of Division, Institutional and Policy Coordination	Marc SCHUBLIN
Secretary General	Robert WAGENER
Head of Division, Legal Service	Maria LEANDER
Responsible for Human Resources	Susanne RASMUSSEN
Head of the Administration and Financial Control Division	Frank TASSONE
Director of Operations	John A. HOLLOWAY
Head of Division, Venture Capital 1 (B, F, I, GR, LUX, NL, ESP, UK)	Jean-Philippe BURCKLEN
Head of Division, Venture Capital 2 (A, DK, FIN, D, IRL, P, SW, Accession Countries)	Kim KREILGAARD
Head of Division, Risk Management and Monitoring	Thomas MEYER
Head of the Guarantees Division	Alessandro TAPPI

Board of Directors

Chairman

Giovanni RAVASIO,	*since 25 February 2002*
Philippe MAYSTADT,	*until 24 February 2002*

Designated by the EIB:

Members

	Philippe MAYSTADT until 25 February 2002
Francis MAYER,	**Vice-President, European Investment Bank** *Massimo PONZELLINI until September 2001*
Peter SEDGWICK,	**Vice-President, European Investment Bank** *since 25 March 2002*
Iñigo FERNANDEZ DE MESA,	**Subdirector General de Coordinacion de Organismos Monetarios internacionales; Ministerio de Economia, Madrid**
Lars TYBJERG,	**Deputy Permanent Secretary, Ministry for Economic and Business Affairs, Copenhagen**

Alternates

Terry BROWN,	**Director General, European Investment Bank**
Rémy JACOB,	**Director, European Investment Bank**
Jean-Pierre ARNOLDI,	**Administrateur général de la Trésorerie, Ministère des Finances, Brussels** *Stéphane-Emmanuelle PALLEZ until September 2001*
Isabel CORREIA BARATA,	**Consultora da Direcção, Banco de Portugal, Lisbon**

Designated by the European Commission:

Members

Guy CRAUSER,	**Director General for Regional Policy and Cohesion, European Commission, Brussels**
Giovanni RAVASIO,	**Former Director General for Economic and Financial Affairs, European Commission, Brussels**

Designated by the Financial Institutions:

Member

Detlef LEINBERGER,	**Mitglied des Vorstands, Kreditanstalt für Wiederaufbau, Frankfurt**

Alternate

Mauro CICCHINÈ,	**President, DEXIA CREDIOP, Rome** *Antonio PEDONE until June 2001*

Audit Board

Chairman

Michael HARALABIDIS,	**Senior Risk Analyst, National Bank of Greece, Athens** *Albert HANSEN until June 2001*

Henk KROEZE,	**Group Controller, Holding - NIB Capital NV, Den Haag**
Sylvain SIMONETTI,	**Head of Unit, Accounting and Administration, European Commission, DG ECFIN, Luxembourg**

Capital and Shareholders

Authorised capital is EUR 2 billion divided into 2000 shares. It was entirely subscribed on 31 December 2001, by the EIB (61%), the European Community (30%) and 28 financial institutions (9%):

	Institution	Number of shares	Subscription EUR
•	**European Investment Bank**	**1215**	**1 215 000 000**
•	**European Community**	**600**	**600 000 000**
	Financial institutions	**185**	**185 000 000**
	Belgium	**10**	**10 000 000**
•	FORTIS BANQUE	6	6 000 000
•	KBC BANK N.V.	4	4 000 000
	Germany	**60**	**60 000 000**
•	KREDITANSTALT FÜR WIEDERAUFBAU	40	40 000 000
•	LfA FÖRDERBANK BAYERN	5	5 000 000
	BAYERISCHE LANDESBANK GIROZENTRALE	5	5 000 000
•	LANDESKREDITBANK BADEN-WÜRTTEMBERG-FÖRDERBANK	5	5 000 000
	DEUTSCHE AUSGLEICHSBANK	5	5 000 000
	Greece	**9**	**9 000 000**
•	ALPHA BANK A.E	6	6 000 000
•	COMMERCIAL BANK OF GREECE S.A	3	3 000 000
	Spain	**5**	**5 000 000**
•	INSTITUTO DE CREDITO OFICIAL (ICO)	5	5 000 000
	France	**25**	**25 000 000**
	CAISSE DES DEPOTS ET CONSIGNATIONS	15	15 000 000
•	DEXIA CRÉDIT LOCAL	10	10 000 000
	Ireland	**3**	**3 000 000**
•	AIB CAPITAL MARKETS PLC	3	3 000 000

	Institution	Number of shares	Subscription EUR
	Italy	**30**	**30 000 000**
•	DEXIA CREDIOP S.p.A.	10	10 000 000
•	BANCA DI ROMA S.p.A.	10	10 000 000
•	INTESABCI S.p.A	5	5 000 000
•	BANCA MONTE DEI PASCHI DI SIENA S.p.A	5	5 000 000
	Luxembourg	**8**	**8 000 000**
•	ARTESIA BANK LUXEMBOURG S.A.	5	5 000 000
•	BGL INVESTMENT PARTNERS S.A.	3	3 000 000
	Netherlands	**3**	**3 000 000**
•	NIB CAPITAL BANK N.V.	3	3 000 000
	Austria	**9**	**9 000 000**
	BANK AUSTRIA AKTIENGESELLSCHAFT	3	3 000 000
	ERSTE BANK DER OESTERREICHISCHEN SPARKASSEN AG	3	3 000 000
	RAIFFEISEN ZENTRALBANK OESTERREICH AKTIENGESELLSCHAFT	3	3 000 000
	Portugal	**9**	**9 000 000**
•	BANCO BPI, S.A.	6	6 000 000
•	BANCO ESPIRITO SANTO E COMERCIAL DE LISBOA, S.A.	3	3 000 000
	Finland	**6**	**6 000 000**
	FINNVERA PLC	6	6 000 000
	United Kingdom	**3**	**3 000 000**
•	BARCLAYS BANK PLC.	3	3 000 000
	Multilateral Financial Institution	**5**	**5 000 000**
	NORDIC INVESTMENT BANK	5	5 000 000
	Total Financial Institutions	**185**	**185 000 000**
Total		**2 000**	**2 000 000 000**

• founder Member or successor entity to founder member (situation: 31 December 2001: for regular updates, readers are invited to visit the EIF's website: www.eif.org)

Financial Results

in million EUR

	2001	2000
Balance sheet		
Assets		
Treasury	553.9	499.1
Venture Capital	48.4	39.8
Fixed Assets	5.2	5.3
Miscellaneous	17.5	18.7
Total Assets	**625.0**	**562.9**
Liabilities		
Paid in Capital	400.0	400.0
Retained Earnings	23.9	10.2
Profit of the Year	75.7	32.7
Reserves	52.2	45.7
Provisions	24.3	45.0
Miscellaneous	48.9	29.3
Total Liabilities	**625.0**	**562.9**

	2001	2000
Profit and Loss Account		
Income		
Guarantees	15.9	26.4
Venture Capital	6.3	4.1
Treasury	24.8	21.1
Miscellaneous	-0.5	0.7
Extraordinary Income	60.5	0.0
Total Income	**107.0**	**52.3**
Expenses		
Staff	6.0	5.4
Administrative expenses	2.3	1.8
Value Adjustments	3.3	0.4
Provisions	19.7	12.0
Total Expenses	**31.3**	**19.6**
Net Income	**75.7**	**32.7**

Off Balance Sheet Items		
Guarantees (loans granted by 3rd parties)		
Drawn	2,260.1	1,925.4
Undrawn	529.6	920.8
Subtotal	**2,789.7**	**2,846.2**
Commitments in Venture Capital Operations	51.8	15.8
Assets held for third parties	130.7	142.6
Fiduciary Operations	3,852.2	2,594.0
Total	**6,824.4**	**5,598.8**

How to contact the EIF

Address

European Investment Fund
43, avenue J.F. Kennedy
L-2968 Luxembourg

Fax: +(352) 42 66 88-200
e-mail: info@eif.org
website: www.eif.org
Phone: +(352) 42 66 88-1

The EIF is a Member of EIB Group

European Investment Bank
100, boulevard Konrad Adenauer
L-2950 Luxembourg

Fax: +(352) 43 77 04
e-mail: info@eib.org
website: www.eib.org
Phone: +(352) 43 79 1

European Investment Fund 43, avenue J.F. Kennedy L-2968 Luxembourg
Tel.: (352) 42 66 88-1 Fax: (352) 42 66 88-200 E-mail: info@eif.org Website: www.eif.org