

Dear Prime Minister,  
Ministers,  
Excellencies,  
Ladies and gentlemen,



We had the huge privilege to open this 11th Annual Forum with the comments of an experienced political leader, who is really at the centre of this Region on the Move, the Prime Minister Karamanlis. Thank you very much, dear Prime Minister, for what has been the best possible introduction to our Forum. This year's theme - «South-Eastern Europe - a Region on the Move» is a topic of high importance not only for the Region as a whole.

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Indeed, the Region is on the move and the links with the EU become closer. In a few weeks we shall formally welcome Bulgaria and Romania as new members of the European Union. Looking ahead enlargement talks will focus on Croatia's and Turkey's accession negotiations and on further support to the efforts of the Western Balkans for their future membership and, in a few minutes, we will have the pleasure to listen to Mr Rehn, the member of the European Commission in charge of the enlargement process.

The Region is on the move...

Yet, a lot remains to be done to complete the successes, to overcome existing obstacles, to cement stability and to achieve the objectives mentioned by the Prime Minister: democracy, peace and security, growth and prosperity.

Historically, EU membership has been a key contributor to these objectives. Benefits from membership stem out from the free movement of people and goods, from unhindered access to the vast EU internal market, from the flow of substantial resources

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South-East Europe - A Region on the Move

from «Brussels» to the new Member States; but also from the discipline imposed through the adoption of the «acquis communautaire», that is the body of rules and regulations that govern the Union. This creates legal certainty, transparency and a sound financial environment.

The European Investment Bank has been involved in all EU enlargements and has actively supported the process. Indeed, the Bank has been instrumental in facilitating the integration of new Member States.

Our experience shows that limited administrative capacity is often an issue. It often takes a long time for investment programmes and specific projects to reach the stage where the Commission and the banks are able to make decisions on their financing. In order to plug this gap, the European Investment Bank, in conjunction with the Commission and the EBRD, have introduced a new Initiative, a scheme known as JASPERS (Joint Assistance to Support Projects in European Regions), managed by the EIB in Luxembourg through a network of external offices. JASPERS provides technical assistance to the various national and regional authorities and helps them to bring investment projects to the point where they are ripe for financing.

A second recent initiative goes under the name of JEREMIE (Joint European Resources for Micro-to-Medium Enterprises). Where the recipient countries so wish, JEREMIE can use financial resources from the EU's Regional Funds to establish venture capital funds and other financial products directed to SMEs and micro-enterprises, this in cooperation with other banks and capital providers, - thus the transformation of one-shot grants into revolving financial products. The revolving nature of such instruments will increase substantially the leverage of EU funds. JEREMIE is managed by the EIB's subsidiary, the European Investment Fund. There are excellent opportunities to help South-Eastern Europe through JEREMIE and other EIF products.

In keeping with the theme of recent initiatives commencing with the letter «J» is JESSICA, about to be launched this time in cooperation with the Commission and the Council of Europe Development Bank. This will mainly target investments in urban regeneration and help in improving the urban environment.

We will refer to all these initiatives in more detail in our last session tomorrow. Today, however, we will discuss the wider issues of integration, the progress achieved so far in South-Eastern Europe, the preparations for Turkey's and Croatia's accession, the work in the Western Balkans and the role of Greece - the Region's oldest member State - in the development and stabilisation process; in short, the challenges ahead.

A panel of academics and political experts will comment on the EU's enlargement agenda and analyse the underlying factors driving further economic and political reforms as well as those inhibiting them.

Tomorrow, we will turn our attention to the action required in order to carry forward economic development in South-Eastern Europe, and take a more concrete look on what can and must be done, such as the expansion of transport networks including maritime infrastructure, the development of energy networks improvements in regional exchanges with the possible creation of a regional free-trade area in the Western Balkans in order to enlarge the market and make the SEE Region more attractive for private investment, notably FDI.

Finally, we will discuss how best Governments, banks and private promoters can plan and prioritise their investments, the ways to approach possible sources of finance to support infrastructure investments, as well as the ways to improve and facilitate access to capital for private corporates and SMEs.

We do hope that this Forum will elicit suggestions for our own activity in South-Eastern Europe to support the region's development in the most effective way.

Thank you for your attention.