European Company for the Financing of Railroad Rolling Stock

UIC Energy Efficiency Workshop - Rome
Overview

Structure
• Multilateral lending institution established in 1956 by a State Treaty (Convention) signed by 25 European Member States, for a period of 50 years then extended until 2056
• Shareholders are national railway operators in each Member State

Mission
• Mission is to support the development of rail transport in Europe by financing railroad rolling stock investments
• It provides cost-effective loans to its shareholder railways for the acquisition or modernization of rolling stock, through borrowing in the debt capital markets or equity
• Credit Rating: AA+ (stable) by S&P – Aa1 (stable) by Moody’s
Ownership Structure

Member States

Shareholder Railways

- Germany 22.6%
- France 22.6%
- Italy 13.5%
- Belgium 9.8%
- Netherlands 5.8%
- Spain 5.2%
- Switzerland 5.0%
- Others 15.5%
Governance

- Supranational organization, governed by its constitutive documents and in a subsidiary manner by Swiss law
- Governing bodies are the General Assembly, the Board of Directors and the Management
- Controlling bodies are internal and external auditors
Business Model

Member states

State guarantee

Shareholding and cross guarantee

Railways

Loan

Procurement/Modernization

Rolling stock

Collateral

Capital markets

Bond issuance

EUROFIMA

EUROFIMA
EUROFIMA’s History in the Capital Markets

1950’s
- 1956: EUROFIMA is established
- 1957: First Swiss franc issue

1960’s
- 1961: First Dutch gilders issue
- 1964: First Deutsche mark issue
- 1967: First US dollar issue

1970’s
- 1971: First French & Luxembourg franc issues
- 1972: First Belgian franc issue
- 1978: First Yen issue ‘Samurai’ market
- 1979: First Austrian shillings issue

1980’s
- 1986: First Italian lira issue
- 1987: First Australian, Canadian, New Zealand dollar issues. Opened the Spanish ‘Matador’ market
- 1989: First Swedish krona

1990’s
- 1995: First Hong Kong dollar issue
- 1997: First South African rand issue
- 1998: First Czech krona, Polish zlotys issues
- 1999: First euro issue

2000’s
- 2001: First ‘Kangaroo’ issue
- 2002: First Norwegian krona issue
- 2005: First Mexican peso, Turkish lira, ‘Maple’ issues
- 2006: First Icelandic krona
- 2008: First ‘Kauri’ and ‘Uridashi’ issues
Loan Distribution

As per December 31, 2016

Europe:
- Germany: 15.5%
- Switzerland: 19.3%
- Italy: 16.3%
- France: 14.1%
- Spain: 2%
- Benelux: 5.4%
- Croatia, Montenegro, Serbia, Slovenia: 1.4%
- Greece: 2.5%
- Portugal: 2%
- Bulgaria: 0.2%
- Czech Republic, Hungary, Slovakia: 0.9%

Asia:
- Austria: 1.6%

Other:
- Denmark: 0.4%

Total: 100%
EUROFIMA today

- Luxembourg Protocol
- 4th Railway Package
- PTAs & new players
- Green Bond
Green Bond Framework

1. Use of Proceeds
   • Eligible Green Assets
   • Eligible Types of Investments

2. Process for Project Evaluation and Selection
   • Technical criteria (identification, use, age, value, type of power)
   • Internal evaluation and approval process

3. Management of Proceeds
   • Micro-matching
   • Monitoring

4. Reporting
   • Green Bond Reporting
   • Environmental Impact Reporting
   Investments

The Green Bond Principles 2017
Commitment to Sustainable Transport

Evolution of Railway Financing per Type of Rolling Stock

- Electric locomotives
- Electric Motor Units
- Passenger coaches
- Freight coaches
- Diesel locomotives
- Diesel Motor Units
- Shunting locomotives