

Dr Werner Hoyer  
President

Ms Ana Gomes, MEP  
European Parliament  
ASP 14G 205  
Rue Wiertz 60  
1047 Brussels  
Belgium

Luxembourg, 6 February 2018

Dear Ms Gomes,

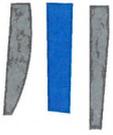
Thank you for your letter with regard to the European Investment Bank (EIB) investment in Cepheus Growth Capital Fund, an Ethiopia-focused private equity fund.

Following completion of the due diligence process, the EIB has decided to invest USD 10m in Cepheus Growth Capital Fund alongside other development agencies such as Norfund of Norway and CDC (the UK development finance institution), which both invested USD 15m each. This support of a fund manager in Sub Saharan Africa corresponds to the mandate the EIB has received from EU Member States to develop the local private equity industry and consequently provide long-term finance to SME and Mid Cap companies in order to enable their growth and create employment.

EIB is committed to the highest standards of anti-money laundering and combating the financing of terrorism in line with the principles of the international standards (e.g. FATF, OECD) and applicable EU legislation, best banking practices and applicable market standards set out in the EIB Group's Anti-Money Laundering and Combatting the Financing of Terrorism Framework (EIB Group AML-CFT Framework) which you can find here:

[http://www.eib.org/attachments/strategies/eib\\_group\\_aml\\_cft\\_framework\\_en.pdf](http://www.eib.org/attachments/strategies/eib_group_aml_cft_framework_en.pdf)

Adherence to the EIB Group AML-CFT Framework and other relevant EIB Group policies and guidelines (e.g. Anti-Fraud Policy, EIB Policy Towards Weakly Regulated, Non-transparent and Uncooperative Jurisdictions) aims at preventing the EIB Group from being exposed to reputational damage and financial loss as a result of non-compliance with applicable AML-CFT and other standards.



On this basis, prior to making a financing decision, such as in the case of the EIB's investment in Cepheus Growth Capital Fund, the EIB carries out integrity checks as part of the project due diligence process. EIB takes note that the project appraisal predates the press article referred to in your letter.

With reference to the fund mentioned in your letter, we understand this was a credit opportunity fund set-up by the mentioned individual in the Cayman Islands for US and European institutional investors. Based on the information received, the fund was closed in 2015 and is since that date no longer in existence. Consequently, the fund (which ceased to exist in 2015) is not related to Cepheus Growth Capital Fund in which the EIB has decided to invest in 2017.

We trust these answers provide sufficient clarification regarding this investment in Ethiopia.

The EIB further understands that applicable data protection legislation and rules have been observed when processing personal information regarding the individual mentioned in your letter.

With kind regards,