

## Austria: Powertrain developer AVL receives EIB top-up financing of €50 million



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- €50 million in EIB financing backs the research and development (R&D) programme of AVL, a leading Austrian engineering company in the automotive sector
- The loan comes on top of a 2017 financing to support AVL's R&D in

electrified powertrains and autonomous driving

- The operation benefits from a guarantee under the European Fund for Strategic Investments (EFSI), the financial pillar of the Investment Plan for Europe

The European Investment Bank (EIB) is providing a €50 million loan to AVL List GmbH (AVL). The Austrian company specialises in the development of innovative powertrain systems for global automotive and transport industries. The EIB financing comes [on top of a €70 million loan](#) signed in December 2017 to support AVL's electric drive-related activities, including selected R&D projects for hybrid and fully electric powertrains, as well as advanced driver assistance systems for connected and autonomous vehicles. The original loan and the top-up were possible thanks to the [European Fund for Strategic Investments](#) (EFSI). EFSI is the main pillar of the [Investment Plan for Europe](#), under which the EIB Group and the European Commission are working together as strategic partners to boost the competitiveness of the European economy.

"Electric powertrains are one way to reach zero-emission mobility, and mobility is key when it comes to reaching the European climate targets," said [Andrew McDowell, EIB Vice-President](#) responsible for activities in Austria. "As the EU bank, we support pioneering technological champions who help shape our future with high quality, cost-effective and sustainable technology. Our top-up loan to AVL will enable them to build this kind of cutting-edge technology. It will pave the way for more customer and environmentally friendly vehicles, which is all the more important given that many companies have put their R&D investments on hold due to the current economic uncertainty."

**Yorck Schmidt**, Chief Financial Officer of AVL, explained: "The loan granted by the EIB is testimony to the very successful ongoing partnership between AVL and the EIB since 2007. AVL will use the funds provided to support its in-house research for the development of electric powertrains (hybrid and full hybrid), fuel cell systems and automated vehicles (ADAS/AD), as well as for the development of related measuring and testing systems and simulation technologies. This EIB financing represents a major contribution to AVL's ongoing efforts to develop highly creative, advanced and customer-specific powertrain system solutions that, among other things, serve the goal of achieving significant reductions in CO<sub>2</sub> emissions for cleaner vehicles."

## **Background information**

### **About the European Investment Bank**

The European Investment Bank is the long-term lending institution of the European Union owned by its Member States. It makes long-term finance available for sound investments in order to contribute towards EU policy goals. The EIB also supports investments outside the EU.

### **About AVL List GmbH**

AVL List GmbH ([AVL](#)) is the world's largest independent company for the development, simulation and testing of powertrain systems (hybrid, combustion engines, transmission, electric motors, batteries and software) for passenger

cars, trucks and stationary high-performance engines. AVL has more than 11 500 employees all over the world. In 2019, sales revenues reached €1.97 billion.

### **About the Investment Plan for Europe**

The Investment Plan for Europe is one of the EU's key actions to boost investment in Europe, thereby creating jobs and fostering growth. To this end, smarter use is made of new and existing financial resources. The EIB Group is playing a vital role in this Investment Plan. With guarantees from the European Fund for Strategic Investments, the EIB and the European Investment Fund are able to take on a higher share of project risk, encouraging private investors to participate in the projects. In July, the [EIB Group exceeded its target to trigger €500 billion](#) of additional investment by the end of 2020. To date, the projects and agreements approved under EFSI are expected to mobilise around €524 billion of investments and benefit around 1.4 million small and medium-sized companies throughout the EU.