

Czech Republic: EIB signs a CZK 5 billion loan with ČEPS to modernise and reinforce the electricity transmission network



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- **Improving reliability and quality of electricity supply in the Czech Republic**
- **Increasing the integration of renewables in the electricity network**
- **Supporting regional cohesion**

The European Investment Bank (EIB) signed a CZK 5 billion loan (equivalent to €190 million) with ČEPS, a.s., the state-owned Czech Transmission System Operator. This investment aims at strengthening the electricity transmission infrastructure of the Czech Republic.

The project will improve the security of the electricity system and facilitate power exchanges and transit flows mainly from Germany to Austria through Poland and the Czech Republic. As EU Project of Common Interest, it will also enhance the integration of renewables in the network.

Most of the investment will occur in cohesion priority regions and support the efficient operation of the electricity market in the Central and Eastern

Europe region.

[EIB Vice-President Lilyana Pavlova](#) said: *"This partnership will reinforce the electricity transmission in and around the country and thus benefit all citizens and strengthen cohesion in the region. By facilitating the integration of renewables, this project will also contribute to supporting the energy transition of the Czech Republic, in line with the objectives of the EU Green Deal and our recently approved [EIB Climate Bank Roadmap](#). Ensuring a just transition to a low carbon economy is essential to achieve a resilient future for all and I am very pleased to partner with CEPS in this endeavour."*

CEPS Chairman of the Board of Directors Martin Durcak said: *"Reliable operation of the transmission system and thus secure electricity supply in the Czech Republic and the European region are ČEPS's priority tasks. Thanks to the cooperation with the EIB, ČEPS will further fulfil its extensive investment program and contribute to the safe operation of the Czech and regional transmission grid."*

The Czech Republic is a key country in Central-Eastern Europe for power trading and transit, given its location, in particular next to Germany. Solving network bottlenecks in neighbouring countries and supporting the growth in renewables in the area are essential to ensure safe and resilient operation of the Czech transmission network and maintain security of supply. This EIB investment will span over 2021-2024.

Background information:

About the European Investment Bank

The **EIB** has worked with the [Czech Republic](#) since 1992 and invested in infrastructure, small businesses, environment and innovation. Since start of operations in Czech Republic, the EIB provided € 22.51 billion of financing to 185 projects.

About CEPS

[ČEPS](#), a joint stock company, is the sole Czech Transmission System Operator and holds an exclusive licence to that effect granted by the Energy Regulatory Office under the Energy Act.

The Company is responsible for the maintenance and upgrading of 43 substations comprising 77 transformers, which allow electricity to be supplied from the transmission system to the distribution network, as well as 400kV lines with a total length of 3,780 km and 220kV lines with a total length of 1,737 km.

ČEPS is a member of relevant European international organisations. The Company is responsible for maintaining the balance of electricity supply and demand within the Czech power system in real time (system services) and for organising cross-border power exchanges including transits.