

EIB Group support for projects in the Czech Republic doubled in 2019



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- In 2019, EIB Group financing in the Czech Republic reached €1.5 billion, more than doubling against the previous year.
- EIB lending amounted to €1.3 billion and EIF equity and guarantee

commitments to €255 million.

- Some 7 000 businesses benefited from EIB Group operations supporting approximately 137 650 jobs in the country in 2019

Last year, the European Investment Bank Group (EIB Group), which consists of the European Investment Bank (EIB) and the European Investment Fund (EIF), provided loans, guarantees and equity worth €1.49 billion in the Czech Republic. This represents a 110% increase compared to EIB Group's results in 2018.

The EIB signed new loans amounting to €1.3 billion and the EIF committed €255 million in 10 equity, guarantee and microfinance operations benefiting some 5 700 small businesses. EIF financing supported approximately 54 000 jobs and mobilised total investments of €659 million.

The EU bank signed an intermediated loan of €180 million with SG Equipment Finance Czech Republic s.r.o. (SGEF CZ) that will support smaller businesses. 25% of the loan is dedicated to projects contributing to the Climate Change objective.

EIB Vice-President Lilyana Pavlova commented: *"2019 was an exceptionally successful year for the EIB Group in the Czech Republic. In cooperation with our Czech counterparts, we provided well-balanced support to the public and the private sector. Our contribution is not limited to money; advice is just as important. EIB technical assistance helped the Czech authorities to complete 10 projects worth €2.3 billion under the JASPERS initiative."*

Minister of Finance of the Czech Republic Alena Schillerová stated: *"The European Investment Bank is one of the most important international financial institutions and I am delighted by the fact that the Czech Republic's ability to access its capital, to which it has also contributed, is increasing every year. This has been demonstrated by the year-on-year increase in support provided by the EIB group in the Czech Republic, which last year rose by over one hundred percent to a total of €1.5 billion. We have agreed with the Vice-President that the Czech Republic, as a country of the future for 11 million inhabitants, will continue to require well-adjusted investment instruments and a massive inflow of foreign capital. It is therefore important to ensure that loan agreement terms allow for the most flexible use of funds, to reflect the actual expenditure."*

EIB Group results in the Czech Republic in 2019

Financing under the Investment Plan for Europe (IPE) in the Czech Republic

An EIB Group guarantee provided to Česká spořitelna and backed by the European Fund for Strategic Investments (EFSI) allowed to channel €306 million of affordable new financing to small and medium-sized businesses. The agreement supports about 250 companies and nearly 43 000 jobs across the country.

Support for strategic infrastructure

The EIB signed a loan of €444 million to finance eight components of railway

infrastructure upgrades, modernisation and renewal investments located across the Czech Republic. The railway lines belong to the TEN-T network and include the core Baltic-Adriatic, Rhine-Danube and Orient/East-Med corridors on sections pre-identified in the Connecting Europe Facility. The EIB financing will help implement the Czech transport policy, which aims to remove bottlenecks in the railway infrastructure and to support cross-border rail transport projects.

The EU bank also granted €330 million to the Czech energy utility CEZ to finance the extension, reinforcement and modernisation of the electricity distribution network in nine regions. The investments will contribute to a better integration of electricity from renewable sources into the network.

Support for the development of urban transport

The EIB provided €50 million to Plzeňské městské dopravní podniky, a public transport provider in the City of Pilsen. The loan is helping to implement Pilsen's Sustainable Transport Strategy, which aims to improve urban public transport while minimising the negative impact of transport on the environment and on urban life. The EIB financing is enabling the city to purchase some 34 trams and 34 trolley buses to replace existing vehicles. The project also involves the reconstruction of depot facilities and the modernisation of the power supply infrastructure.

Support for SMEs and mid-caps

In addition to the above EFSI-backed operation with Česká spořitelna, the EIB concluded €407 million worth of intermediated lending with four partner institutions. The operations improve access to finance for Small and Medium-sized companies and municipalities in the country. Ultimately, the operations back investments in local infrastructure, environmental protection, transport, energy, R&D and innovation, social inclusion and services, including tourism.

EIB operations are expected to support 1 228 projects and about 83 650 jobs. This comes in addition to the EIF commitments for small and mid-sized companies, bringing the total number of jobs supported by EIB Group activity in 2019 to around 137 650.

EIB Advisory Services in the Czech Republic

EIB Advisory Services in the Czech Republic are delivered mainly through the European Investment Advisory Hub, Financial Instruments Advisory (FIA) (including fi-compass and bilateral advisory services), the European PPP Expertise Centre (EPEC), the European Local Energy Assistance (ELENA), Joint Assistance to Support Projects in European Regions (JASPERS) and InnovFin Advisory (IFA).

Joint Assistance to Support Projects in European Regions (JASPERS):

Currently and in the context of the 2019 Action Plan for the Czech Republic, JASPERS is supporting 16 projects, which are mostly assignments in the transport sector including in particular rail lines. In 2019, JASPERS

completed 10 assignments worth of €2.3 billion in the country, six of which are major projects in the transport sector.

The European Investment Advisory Hub is a partnership between the EIB and the European Commission and the second pillar of the Investment Plan for Europe. The Hub offers a single point of entry to a comprehensive offer of advisory and technical assistance (delivered either by the EIB Group, the European Commission, National Promotion Institutions or Managing Authorities) with the aim of providing targeted support for investment projects across the European Union. As of December 2019, the Hub processed 35 advisory requests from the Czech Republic, ranging from information inquiries to requests for technical assistance, funding, or both.

European Local Energy Assistance (ELENA) is part of the EIB's broader effort to support the EU's climate and energy policy objectives. This joint EIB-European Commission initiative provides grants for technical assistance focused on the implementation of energy efficiency, distributed renewable [energy](#) and urban [transport](#) programmes (see [ELENA webpage](#)). In the Czech Republic, ELENA is currently supporting the Central Bohemia Region with €2.4 million for the renovation of around 170 public buildings in terms of energy performance and reduction of greenhouse gas emissions.