

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.

'Use by' or 'best before'? New tool to support food operators



EFSA has developed a tool to help food business operators decide when to apply the 'use by' or 'best before' date to their products.

The 'use by' date on food is about safety – foods can be eaten until this date but not after, even if they look and smell fine. 'Best before' refers to quality – the food will be safe to eat after this date but may not be at its best. For example, its flavour and texture might not be as good.

The European Commission estimates that up to 10% of the 88 million tonnes of food waste generated annually in the EU is linked to date marking on food products.

Kostas Koutsoumanis, chair of EFSA's Panel on Biological Hazards, said: "Clear and correct information on packaging and a better understanding and use of date marking on food by all actors can help reduce food waste in the EU, while continuing to ensure food safety. This scientific opinion represents a step forward in this direction."

The tool is structured as a decision tree with a series of questions to be answered by the food business operators to help them decide whether a 'use by' or 'best before' date is required. Questions range from whether date marking requirements for a food category are already regulated by legislation, whether a product undergoes any treatment to eliminate hazardsA substance or activity which has the potential to cause adverse effects to living organisms or environments., whether it is handled again before packaging, its characteristics and storage conditions.

Experts also reviewed the factors that need to be considered by food business

operators to set a shelf-life date – the period of time during which a food will remain safe and/or of a suitable quality for consumption while the packaging is intact and it is stored as instructed.

EFSA's Panel on Biological Hazards will publish another opinion on this topic in 2021. It will focus on the information given to consumers on storage conditions, time limits for consumption after opening and thawing practices.

Ecuador: EIB backs improved water supply and sanitation in Portoviejo



- European Investment Bank to invest USD 60 million to modernise water supply infrastructure and waste water treatment facilities in Ecuador;
- The project backed by the European Union, will improve access to water for communities across the Portoviejo Canton, particularly in rural areas;
- The water project contributes to the achievement of a number of Sustainable Development Goals and to building Ecuador's resilience to pandemics such as Covid-19.

The European Investment Bank is financing the development of drinking water and sanitation networks in the Portoviejo region in Ecuador. The EIB's USD 60 million loan to the Decentralised Autonomous Municipal Government of the Canton Portoviejo ([GAD of Portoviejo](#)), part finances the construction and rehabilitation of water supply, wastewater and storm water networks in urban and rural areas of the canton Portoviejo, province of Manabí.

The EIB loan will enable the construction of sewer networks, wastewater treatment plants and stormwater networks close to the coast, thereby contributing to the implementation of the [Clean Oceans Initiative](#). The modernization of water supply and sewerage systems in the region will lead to substantial energy savings, reducing water losses in networks and an improvement in wastewater treatment operations. This, also results in a long term investment in the country's resilience to pandemics such as Covid-19, as it provides steady access to clean drinking water.

The operation will be co-financed by the Inter-American Development Bank ([IADB](#)), Spain's Fund for the Promotion of Development ([FONPRODE](#)) managed by the Spanish Agency for International Development and Cooperation ([AECID](#)), and EU's Latin America Investment Facility ([LAIF](#)).

EIB Vice-President, Ricardo Mourinho Félix, responsible for Latin America said: "Clean water and sanitation are essential to boost socio and economic growth, and to protect human health during infectious disease outbreaks such as the COVID-19. As the largest lender to the water sector globally, the EIB

is pleased to be financing and providing its expertise to help the Portoviejo government rehabilitate the region's drinking water distribution network by improving access to the service, efficiency, quality and resilience to mitigate the adverse effects of climate change. This project builds on our strong track record of supporting high-impact investment in Ecuador and across Latin America".

Mayor of Portoviejo, Agustín Casanova said: "For the first time in the history of Portoviejo, with this project we are providing sustainable drinking water and sanitation services to our rural communities, reducing therefore unacceptable inequalities. This is a project which has enormous social benefits and will also bring a return on investment, allowing us to benefit from the support of the EIB and other international organisations."

EU Ambassador to the European Union to Ecuador, Charles-Michel Geurts said: "Alongside this loan, the European Union will also contribute with a EUR 10.4 m grant via the LAIF facility (Latin American Investment Facility) which will allow the provision of technical assistance for the contracting process, financial management, technical supervision, social and environmental follow-up; the construction of sustainable small water and sanitation facilities for dispersed rural communities; strengthen water and sanitation systems for PORTOAGUAS and improve health conditions in residential areas for the most vulnerable families. This project is an excellent example of international cooperation, at a European level with the EIB, AECID and LAIF; as well as at a regional level with the IDB. It's only by joining forces we will be able to face the challenges that Ecuador is experiencing."

Impact of the water project in Ecuador

The EIB loan will support a strategic investment project for the municipality of Portoviejo expected to contribute to Ecuador's national "Water and Sanitation for All" programme. The loan will be guaranteed by the Republic of Ecuador, via its Ministry of Economy and Finance. EIB's financing will benefit from a Guarantee from the European Union.

In concrete terms, the investments will enable Portoaguas, the utility that serves the canton Portoviejo, to provide 90,000 inhabitants with safe drinking water, and around 22,500 with wastewater services. The water supply project financed by the EIB consists of a new water supply system for rural parishes of the Cantón (Crucita, San Plácido, Chirijos, Alhajuela, Abdón Calderón, Pueblo Nuevo, Río Chico), which will meet both current and projected demand until 2050. It includes a water intake structure at the Poza Honda dam and a water treatment plant that will supply drinking water to the rural parishes via a 49 km water main and 9 reservoirs. In addition, the EIB will finance 6 new wastewater treatment plants to treat the wastewater and avoid the discharge of river pollution in the Cantón.

In the urban parish of Colón, the project includes the construction of a pumping station at the Cuatro Esquinas water treatment plant, sanitary sewer networks and associated wastewater treatment plant. The EIB loan will also finance the construction of stormwater drainage networks in eight rural parishes to prevent the overflow and ponding of stormwater.

The project will contribute to foster gender equality, women's participation and corporate social responsibility in the municipality of Portoviejo, since the project finances activities to break down work barriers and training for women.

It is a long term investment in the country's resilience to pandemics such as Covid-19, as it provides steady access to clean drinking water, critical for effective crisis mitigation.

International cooperation and development goals

The operation is fully aligned with EIB's priority areas of intervention under the External Lending Mandate for Latin America 2014-2020, namely development of economic and social infrastructure, climate action, and cooperation with international financial institutions. The operation is expected to contribute to the achievement of Sustainable Development Goals 3, 5, 6, 11, and 13 (Good Health and Well-being, Gender Equality, Clean Water and Sanitation, Sustainable Cities and Communities, and Climate Action respectively).

The EIB in Ecuador

The EIB is the largest multilateral public bank in the world and financed around EUR 8 billion in investments outside of the European Union last year. Ecuador is among the biggest beneficiaries of EIB financing in Latin America. Since the EU bank started working there in 2006, it has provided over EUR 700m to finance investments with favourable conditions – in terms of both maturity and interest rates – with the aim of improving the quality of life of Ecuadorians. EIB supported projects in the country include the [post-earthquake loan for reconstruction](#) in Manabí and Esmeraldas and the [Quito Metro](#) de Quito.

The EIB in Latin America

The EIB provides economic support for projects in Latin America by facilitating long-term investment with favourable conditions and by providing the technical support needed to ensure that these projects deliver positive social, economic and environmental results. Since the EIB began operating in Latin America in 1993, it has provided total financing of EUR 8.4bn to support 117 projects in 14 countries in the region.

[Press release – Asylum: MEPs call for more solidarity among EU member states](#)



In a draft resolution to assess the functioning of the law that determines the member state which has to deal with an asylum application, the committee notes that the [2013 Dublin III Regulation](#) puts a “disproportionate responsibility on a minority of member states, in particular when high numbers of arrivals occur”. MEPs call for a solidarity-based mechanism to ensure the fundamental right to asylum in the EU and the equal distribution of responsibility among member states.

The inappropriate application of the hierarchy of criteria – in particular the excessive use of the first country of entry criterion – and the ineffective implementation of transfers increase pressure on certain countries, namely Greece, Italy, Malta, Cyprus, and Spain, according to the committee, which asks for fairer rules.

MEPs regret that Council, contrary to Parliament, did not adopt a position on the [2016 proposal to reform the Dublin Regulation](#), thereby blocking that reform and leaving the Union with the “same set of rules which have proven to be ineffective” in managing high numbers of arrivals. They insist that ad hoc agreements on relocation cannot replace a harmonized and sustainable Common European and Asylum System and demand more resources and capabilities for frontline member states as long as the Dublin rules are not reformed.

The non-legislative text was approved with 45 votes to 10 and 13 abstentions. It will be put to the vote by the full House during the next plenary session. You can read more about the draft resolution [here](#).

[Article – Making your voice heard in](#)

the EU



Current language: EN – English