

Long-term investment support needed to boost green and digital transformation of the Czech Republic says the latest EIB Investment Survey



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- The European Investment Bank and the Czech Banking Association hosted a virtual conference entitled “Investment and investment finance in the Czech Republic” today.
- The EIB presented the results of its latest annual [EIB Investment Report and Survey \(EIBIS\) for Europe and the specific results for the Czech Republic](#), providing insights on investment dynamics and investment

needs.

- **After the first wave of COVID-19, half of Czech firms already planned to reduce their investment due to the pandemic. However, firms know they need to invest more to counter the impact of the pandemic.**
- **Just over half of Czech firms have invested or are planning to invest to tackle the impact of climate change on their business.**

As part of a series of events organised to discuss current investment trends in different EU Member States, the Czech Banking Association and the European Investment Bank, in partnership with the Confederation of Industry of the Czech Republic and the Institute for Democracy & Economic Analysis (IDEA), hosted the webinar "[Investment and investment finance in the Czech Republic](#)". It focused on investment needs and priorities for the Czech Republic in the era of COVID-19, digitalisation and climate change.

During the webinar, EIB Vice-President Lilyana Pavlova gave an overview of the EIB's activities in the Czech Republic and EIB Head of Economic Studies Pedro de Lima presented the results of the 2020 EIB Investment Survey for the Czech Republic.

The survey highlighted that in the long term, COVID-19 will likely give rise to further investment needs in the Czech Republic, notably in the areas of service or product portfolio and the supply chain.

[EIB Vice-President Lilyana Pavlova](#) said: *"While the COVID-19 pandemic impacted investment in Czechia, the EIB, as the EU climate bank, is dedicated to helping the country through a digital and green recovery of the economy. Over the past five years, we have provided on average €900 million per year in new lending to the Czech public and private sectors and will continue to act as a key partner in the country."*

**EIB Head of Economic Studies Pedro de Lima** added: *"About half of Czech firms planned to cut their investment spending and a third expect the pandemic to have lasting effects. This calls for patient long-term investment support – to accelerate the recovery, safeguard jobs and adapt to the challenges of the green and digital transformation."*

**Zdenek Tůma, Member of the Czech Banking Association Presidium, and Chairman of the CSOB Supervisory Board,** said: *"Czech banks' collaboration with the EIB Group is long lasting, professional and mutually advantageous. It brings benefits to final recipients not only through competitive interest rates but, in the case of the European Investment Fund's guarantees, it also helps banks to finance innovative SMEs that would otherwise be commercially risky as borrowers. And it not only helps new companies to enter markets, it supports them in administratively friendly way, and it allows to share with them the benefits of a pan-European triple A creditor's funding."*

**Helena Horská, Chief Economist of the Raiffeisen Bank,** said: *"The Czech Republic's investment gap is roughly €22 billion for 2020-2023. Without stimulating private investment, we will not be able to close it. And investment needs to be smart to lay the foundations of growth."*

The webinar was attended by business leaders, economists, policymakers and representatives from financial institutions and public sector partners, including Jan Dejl, Deputy Minister for the Ministry of Industry and Trade, Daniel Münich, Executive Director of the Institute for Democracy & Economic Analysis (IDEA) at CERGE-EI, Jitka Haubová, COO of Komerční Banka, Jan Švejnar, Professor of Global Political Economy at Columbia University and Adviser to the Czech Government, and Tomáš Kolář, CEO of Linet.

The EIB Investment Survey provides a clear picture of the challenges for firms in the EU. In addition to well-known investment barriers, such as skills shortages and aspects of the regulatory environment, firms need to deal with climate change and with the consequences of COVID-19. This translates into increased investment in innovation and digital technologies, and a rethink of the businesses' global value chains.

This is also true for firms in the Czech Republic. Over the coming years, most Czech firms intend to prioritise the development or the introduction of new products and services over capacity expansion and replacement. Just over half of firms have invested or are planning to invest to tackle the impact of climate change on their business. On average, firms dedicated about 10% of their investment spending to energy efficiency, similar to those in the rest of the EU.

**Read the EIB Investment Survey 2020 [EIBIS 2020 – Czech Republic overview](#)**

**Presentations from the seminar available on the [post-event website](#).**

### **About the EIBIS**

The annual EIB Group Survey on Investment and Investment Finance (EIBIS) is an EU-wide survey that gathers qualitative and quantitative information on firms' investment activities, their financing requirements and the difficulties they face. The survey was developed by our Economics Department and provides a unique set of data. It is the only survey that makes it possible to compare investment across countries and sectors in the EU. The survey collects data from approximately 13 300 businesses in total, across the EU27, the United Kingdom and, since 2019, the United States.

More information on [The EIB Investment Survey – 2020 EU overview](#)

### **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 its start of operations in Czech Republic, the EIB has provided €23.23 billion of financing to 192 projects.

### **About the Czech Banking Association**

The [Czech Banking Association](#) is a voluntary association of banks and building societies operating on the Czech market representing more than 99% of the Czech banking sector. The Czech Banking Association has been supporting the development of the Czech banking sector, the entire economy,

and the financial literacy of Czechs since 1990.