

## Spain: Climate action – EIB provides financing to Grupo Ruiz to renew its fleet with more modern and less polluting buses



- The EU bank will provide EUR 27.5m to put 32 electric and 141 compressed natural gas buses on the road
- The agreement will help improve public transport quality and cut polluting emissions in Madrid, Majorca, Badajoz, Toledo, Salamanca and Murcia
- The project is supported by the Investment Plan for Europe

The European Investment Bank (EIB) is set to finance the modernisation of Grupo Ruiz's bus fleet by facilitating EUR 27.5 million for the introduction of 173 safer, less polluting and more modern vehicles. EIB Vice-President Emma Navarro and Grupo Ruiz CEO Gregorio Ruiz signed the agreement today in Madrid. This project is supported by the European Fund for Strategic Investments (EFSI), the main pillar of the Investment Plan for Europe.

The EIB support will enable Grupo Ruiz to replace more polluting diesel buses with 32 electric and 141 compressed natural gas alternatives. The new vehicles will provide public transport services in Madrid, Majorca, Badajoz, Toledo, Salamanca and Murcia, covering both urban and intercity lines. They will enter service over the next two years and will help to improve air quality in these cities. Grupo Ruiz's EIB-financed investments include the construction of three new electric charging stations in Badajoz, Alcudia and Palma de Mallorca.

Since 2016, the EU bank and the European Commission have been implementing a joint initiative dedicated to financing cleaner transport (the Cleaner Transport Facility). It has been helping many Spanish cities to swap their older, more polluting diesel vehicles for new hybrid, electric or latest generation compressed natural gas replacements. The agreement signed today is the fifth to be financed by the EIB in Spain under this initiative, for which it has provided almost EUR 230m.

The project is being supported by the Investment Plan for Europe, whose guarantee makes it possible for the EIB to provide financing on favourable terms to support investments whose structure or nature means that they contribute to boosting economic growth and employment. In this case, the EIB-financed investments will facilitate the creation of 360 jobs during the project's implementation phase.

During the signing ceremony in Madrid, **EIB Vice-President Emma Navarro, who is responsible for the Bank's climate action and operations in Spain**, said: "Supporting sustainable public transport that cuts polluting emissions is among the EIB's key priorities. As the EU climate bank, we are determined to dedicate more resources to supporting investments promoting climate action while also generating economic growth and jobs. This project is a good example of this, and also shows the positive impact of EIB financing on people's lives, helping to improve air quality in our cities."

**European Commissioner for the Economy, Paolo Gentiloni**, said: "Making the European transport sector more sustainable is a key component of the European Green Deal. By supporting Grupo Ruiz's efforts to cut its bus fleet's emissions, the Investment Plan for Europe continues to show its environmental credentials. I hope we will see an increasing number of companies replacing their polluting vehicles for cleaner alternatives in the near future, taking advantage of EU financial support."

**Grupo Ruiz CEO Gregorio Ruiz** said the following at the signing ceremony: "We are very aware of our responsibility in one of the big challenges of this century: working together to protect the environment. Mobility sector players have a key role in this, which is why we are committed to continuing to promote far more sustainable transport; a journey that we already began over 25 years ago with our first natural gas-powered buses. The agreement between the EIB and Grupo Ruiz shows how important it is to join forces to achieve this goal."

## **The EIB and climate action**

The EIB is among the world's largest multilateral providers of climate finance. The Bank's goal is to be a leader in mobilising the finance needed to keep global warming under 2°C and to limit the temperature increase to 1.5°C in order to meet the Paris Agreement objectives. On 14 November, the EIB Board of Directors approved its new climate objectives and the new energy lending policy. The Bank will gradually increase its financing for climate and environmental objectives up to 50% by 2025, with the goal of ensuring that the EIB Group mobilises at least EUR 1tn by 2030 to promote investments helping to meet these objectives. It also announced its intention to align

all EIB Group activities with the Paris Agreement. To this end, the EIB will cease financing fossil fuel-based projects from late 2021.

In 2016, the European Commission and the EIB presented the new initiative for financing cleaner transport systems and cutting emissions (Cleaner Transport Facility – CTF). This mechanism supports the rollout of alternative fuel-powered vehicles, particularly fleets operated by private organisations (e.g. fleets of taxis or other service providers), as well as vehicle charging infrastructure in the European strategic transport network. The CTF uses existing mechanisms and instruments including the European Fund for Strategic Investments and the Connecting Europe Facility.