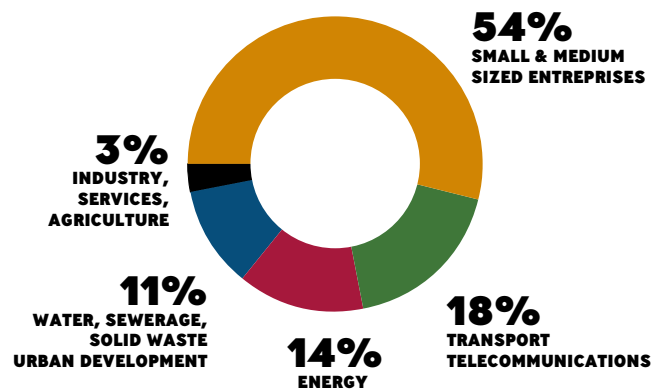




EIB Group activity in the Czech Republic in 2020

- EIB Group operations in 2020 supported **€1.4 billion of investments** in the Czech Republic
- EIB Group support in the Czech Republic represented **0.66% of the country's GDP** (11th among the EU Member States)
- The European Fund for Strategic Investments – a core part of the Investment Plan for Europe – is expected to mobilise a total of **€6.8 billion** of new investment in the Czech Republic

EIB LENDING IN THE CZECH REPUBLIC, 2016-2020
(by sector)



In the Czech Republic, the EIB and the EIF, jointly forming the EIB Group, support investment projects that reduce disparities in regional development, strengthen economic competitiveness and improve the living standards of Czechs.



In 2020 EIB Group lending in the Czech Republic amounted to

€1.4bn

- €1.2 billion from the EIB
- €0.2 billion from the EIF

Between 2016 and 2020 the EIB alone provided

€4.4bn

to finance projects in the Czech Republic

FINANCING IN THE CZECH REPUBLIC UNDER THE INVESTMENT PLAN FOR EUROPE

The Investment Plan for Europe (the Juncker Plan) is one of the European Union's key initiatives to accelerate investment in Europe, create jobs and foster growth. It was designed by the EIB Group and the European Commission to close the investment gap left as a result of the 2008 financial crisis by triggering €315 billion of additional investment in the European Union by mid-2018. The key to fulfilling this promise was a €21 billion guarantee programme, the European Fund for Strategic Investments (EFSI).

In July 2018, exactly three years after EFSI came into force, the EIB Group surpassed this initial goal. With its mandate extended and increased to €500 billion in 2017, the EIB Group also exceeded its second target, with €535.4 billion of additional investment triggered. It did so ahead of schedule, while mitigating the impact of COVID-19 on Europe's economy.

Over the past five years, the EIB approved €1.2 billion of support for projects backed by EFSI in the Czech Republic, which is expected to mobilise a total of €6.8 billion of new investment in research and development (R&D), transport, energy, environment and resource efficiency.

In 2019, an EIB Group guarantee backed by EFSI helped Česká spořitelna channel €306 million of new financing into small and medium-sized businesses to support about 250 companies and nearly 43 000 jobs across the country.

Support for strategic regional infrastructure

In 2020, the EIB provided €122.7 million of loans to the Central Bohemia and Pardubice regions to support key regional infrastructure, healthcare, transport, social care, education, culture and the energy efficiency of public buildings.

EIB investments will help these regions to cope with current and future health, economic and climate challenges. They will help enhance the attractiveness of these areas and increase the economic opportunities and quality of life of Czech people.

Support for climate adaptation and energy transition

Through a €300 million loan signed in 2020, the EIB will finance a vast set of measures put in place by the Czech Ministry of Agriculture to strengthen the country's water management services, including flood protection and storm management. This is part of the Bank's efforts to preserve natural resources and protect the environment for future generations.

The EIB's support will help to improve living conditions for some 110 000 people in the Czech Republic. About 25% of the Czech population live in flood-prone areas that face disastrous floods on average every 10-15 years.

The EIB signed a €190 million loan to ČEPS, a.s., the state-owned Czech Transmission System Operator. This investment will help strengthen the country's electricity transmission infrastructure, improving the reliability and quality of electricity supply, and increasing the integration of renewables in the electricity network.

Support for sustainable transport

In 2020, the EIB provided €223.8 million to upgrade freight and passenger rail transport in the Czech Republic. EIB loans will support the acquisition of 50 electric locomotives and 140 freight intermodal wagons, and the retrofitting of around 310 locomotives with the European Train Control System (ETCS) by CD CARGO, as well as the purchase of 37 new passenger trainsets by the South Moravia region.

These investments will improve the capacity, safety and quality of freight services and passenger rail transport in the Czech Republic, notably through the use of modern control and signalling systems. By promoting a shift from road to rail transport, these projects will have a positive impact on the environment and support the country's transition to a low-carbon economy, in line with the objectives of the EIB Climate Bank Roadmap and the Czech Republic's transport policy.

Support for SMEs and mid-caps during the COVID-19 crisis

In total, EIB Group operations in the Czech Republic in 2020 benefited some 8 000 small and medium-sized enterprises (SMEs) and mid-caps, supporting over 147 000 jobs.

The EIB concluded €356 million worth of intermediated lending with four partner financing institutions in 2020, further improving the access of Czech SMEs and municipalities to EIB financing. These operations support investments that will primarily focus on helping Czech companies deal with the consequences of the COVID-19 crisis. Some 1 190 SME and mid-cap projects are estimated to benefit from EIB loans in the Czech Republic, supporting about 91 200 jobs.

The EIF committed a total of €180 million through 11 operations, aimed at raising €1.3 billion. Some 6 870 businesses benefited from EIF operations in the Czech Republic, supporting about 55 900 jobs.

EIB ADVISORY SERVICES IN THE CZECH REPUBLIC

The mission of EIB Advisory is to help create and successfully implement sustainable investment projects by providing technical and financial advice to its partners across the project cycle and beyond. Advisory services in the Czech Republic are often delivered by multiple interdisciplinary advisory teams consisting of finance experts, engineers, and specialists in a variety of fields, including public private partnerships (PPP), innovation and the climate.

EIB advisory services help public and private entities to prepare projects that enable them to tackle some of the key challenges the Czech Republic and some of its neighbours are facing. Such projects support key investment in climate action, energy efficiency, digitalisation, innovation and social infrastructure.

In 2020, EIB advisory services provided:

- Grant support to the Czech-Moravian Guarantee and Development Bank (CMZRB) to help it structure an advisory unit within the organisation. The unit will provide advisory services to Czech project promoters in areas such as transport infrastructure, digital and smart city solutions infrastructure, the circular economy, renewable energy and social infrastructure.
- An assessment of the financing gaps for the agriculture and agri-food sectors in the Czech Republic, aiming to support the Czech European Agricultural Fund for Rural Development (EAFRD) in planning and programming the use of financial instruments for the period 2021-2027.
- €2.25 million of grants from the EIB's European Local Energy Assistance (ELENA) to the investment programme of the Czech Ministry of Industry and Trade for a comprehensive energy efficiency renovation of the country's central government buildings. The renovation will increase operational efficiency, improve energy performance and reduce greenhouse gas emissions.
- Horizontal support in the preparation of projects under the Coal Regions in Transition Initiative in the Czech Republic, as requested by the Czech Ministry for Regional Development. Three Czech regions participated in the initiative – Karlovy Vary, Ústí nad Labem and Moravia-Silesia.
- Support for innovation and R&D project promoters.

OVERALL EIB GROUP ACHIEVEMENTS IN 2020

**Total EIB
Group financing***
€76.8bn

EIB financing
€66.09bn

EIF financing
€12.87bn

Green financing
40% of total
financing

Environment
€16.82bn

SMEs & mid-caps
€30.56bn

Innovation
€14.43bn

Infrastructure
€14.99bn

**Economic & social cohesion and
convergence (EIB, Europe)**
35% of total
financing

COVID-19-related financing
EIB Group COVID-support totalled
€25.46bn

Investment Plan for Europe
projects approved by the EIB Group amounted to
€102.8bn

**The European Fund for
Strategic Investments (EFSI)
in the Czech Republic**
€1.2 billion approved, which is expected to mobilise
some **€6.8 billion** of investments

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* EIB Group total financing excludes a small overlap due to joint engagements of the EIB and the EIF.