



Investing in Finland in 2018

- Nearly 1.8 billion euros in financing for 25 different projects
- First EFSI support for public sector projects

EIB financing in Finland amounted to 1.79 billion euros in 2018, reaching an unprecedented number of 25 different projects. The healthcare sector received important backing, as did Finnish energy sector operators. Innovative Finnish companies could also count on the EIB's support, thanks in part to the Juncker Plan. EIB investments in Finland amount to nearly 8 billion euros over the past five years.

Innovation is a major EU priority, and the Bank strives to support small and medium-sized companies in their research, development and innovation (RDI) activities wherever it can. This is no different in Finland, where companies like Nightingale and M-Files received backing from the EU Bank for their RDI or expansion plans. In addition, the EIB's subsidiary, the European Investment Fund (EIF), committed nearly 145 million euros in equity and guarantees, supporting total investments of over half a billion euros.



The European Fund for Strategic Investments (EFSI) enables the EIB Group to undertake more innovative and high-risk financing. In Finland, this meant EIF financing for SMEs through local financial institutions, but also investing in the FII co-investment platform together with TESI. Importantly, the EU Budget guarantee also allowed the Bank to support Nokia with a loan of half a billion euros for its 5G research. So far, financing under EFSI in Finland amounts to 2 billion euros and is set to trigger over 8.2 billion euros of additional investments in the Finnish economy.

It's getting hot in Finland

The city of Oulu isn't exactly the warmest place on earth. With average temperatures well below zero for six months, it needs heating throughout most of the year. However, lacking ideal conditions for wind or solar power, means resorting to fossil fuel to generate electricity. A good thing then, that the EIB signed a 100 million euro loan agreement with *Oulun Energia*, for a new combined-heat-and-power, or CHP, plant. This new plant will deliver 70 MWe (electric power) and 175 MWth (thermal power), while running on biomass, replacing an existing plant that has much higher emissions! A similar project was supported in – slightly warmer – Pori, where a CHP biomass-fired plant of 15 MWe (electric) and 80 MWth (heat and steam) capacity will soon see the light. The a 30 million euro loan from the EIB was backed under the Juncker Plan, making it the first public sector project in Finland to receive “EFSI” support.



Westmetro – construction underway!

The Westmetro - from Helsinki to Espoo – and the EIB go back a long time, as the EU's Bank has supported this project from the start. After the first phase, a final loan agreement was signed in August 2018 for the Westmetro extension, to complete a total financing package of 450 million euros for the second phase of the project. Following the completion of the first section, works have now started on all the remaining stations, adding a further five stations and seven kilometres to the line.

Keeping Finland healthy – with a little bit of help from Europe

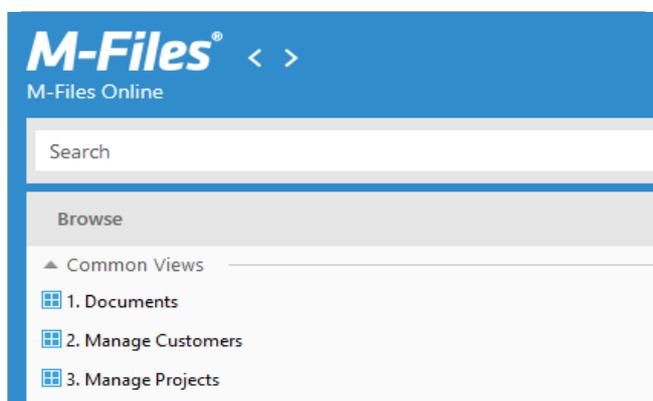
Finland has often been ranked as one of the world's healthiest countries. Apart from a healthy lifestyle, this probably has something to do with the healthcare system, as well. The EIB supported three different projects in the sector with loans totalling over 400 million euros. This benefitted people in the Uusimaa region of Finland, where 17 different hospital buildings were renovated or extended, as well as people in the Kainuu region, who got a new central hospital. Finally, the EIB also supported Hoivatilat, a service company builds, develops and leases out nursing homes, day care centres and service blocks in provision of 'equity of access' to care facilities.

Hello? Making 5G work

Nokia as such needs no introduction, but it's good to highlight the EIB's support for the company, which was made possible thanks to the Juncker Plan. The Finnish multinational telecommunications, information technology, software and services company signed a 500 million euro loan with the EIB to further accelerate its research and development of 5G technology, the next-generation mobile telecommunication standard. 5G technology is expected to enable faster speeds, massive connectivity, decade-long battery life for sensors and super-responsive and reliable networks for customers. In October, the EIB also signed a further 5G-related loan with DNA, who will use the investment to expand capacity of its Finnish 4G network and start deployment of 5G, getting ready for when market players - like Nokia - will start fully implementing it.

Powering Finland, through any weather.

With a growing population comes increased use of resources, and in today's society, electricity is ever more important. With climate change increasingly an issue also in Finland, two players in Finland's energy market sought EIB-support for weatherproofing their distribution networks. These investments were needed to make their networks less susceptible to extreme weather, in-line with the Finnish "Electricity Market Act", which requires that by 2028 power cuts cannot last more than 6 hours in urban areas and 36 hours in rural areas. All-in-all, several hundreds of thousands of kilometres of cables will be either renewed or put in the ground, making sure you can still watch Finland win ice hockey matches on TV, even if there's a storm outside.



Managing files. M-Files.

In July, the EIB signed a 27 million euro loan with M-Files, a software company from Tampere. The rapidly growing company aims to revolutionise the way organisations manage and use information, making it more intelligent, intuitive and compliant. This EIB financing will not only allow the company to better serve its customer base, but also allow it to accelerate its already fast growth, creating new specialised jobs in Europe and beyond.

In their blood. Nightingale's analysis technology gets a boost

Nightingale Health is a Finnish innovator and inventor of an internationally recognized blood analysis technology for chronic disease prevention. In 2018 they signed a EUR 20 million loan transaction with the EIB to accelerate the research and development of its blood analysis technology, facilitating better prediction and prevention for chronic diseases. It is estimated that up to 80% of all healthcare costs in the EU are chronic disease-related, making their prevention not only humanly, but also economically important.

Future EIB involvement in Finland

The EIB will continue to develop its activity in Finland in 2019 and beyond, to support projects that benefit its citizens and propel Europe forward as a whole. In cooperation with local partners, the Bank aims to further diversify its activities in the country, addressing market segments where it can add particular value. Climate will remain high on the agenda, while our support for Finnish innovative businesses will not relent.

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