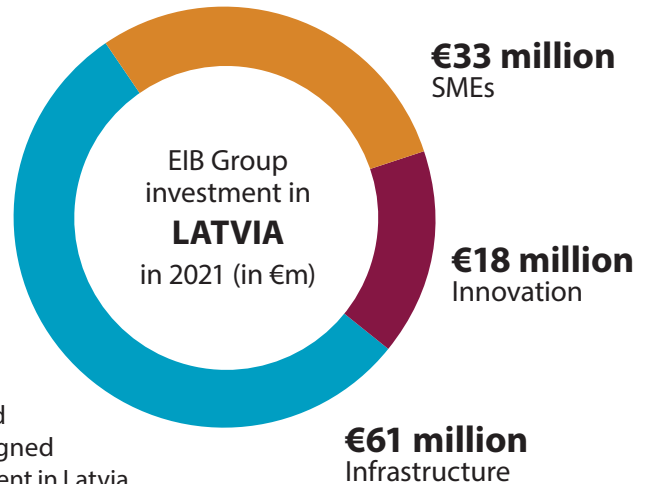


EIB Group activity in **LATVIA** 2021

- Around €112 million of EIB Group financing went to Latvian projects
- Major support for infrastructure, education and small and medium-sized businesses

The European Investment Bank (EIB) and European Investment Fund (EIF), which together form the EIB Group, provided around €112 million to Latvian projects in 2021, from national infrastructure to education and innovation. The main business driver was the EIB, which signed close to €98 million in new financing. The EIB Group's investment in Latvia equalled 0.35% of its gross domestic product (GDP).



Among others, the Bank provided loans to finance a new stretch of motorway to divert transit traffic away from a densely populated area in the Kekava municipality, south of Riga, to a new route bypassing it from the west. This will improve road safety and reduce health risks for local residents.

The European Investment Bank also lent €80 million in COVID-related financing to expand the capabilities of ALTUM, a Latvian state-owned development finance institution, which launched a €200 million COVID-19 working capital loan programme in July 2020 to safeguard Latvian businesses and jobs. The EIB signed the last €40 million tranche in 2021. So far, the European financing has helped ALTUM support 475 Latvian companies, ensuring that more than 1 580 jobs were preserved. The EIB-backed programme consists of short-term loans for Latvian companies struggling with a substantial decrease in operations and in need of liquidity support.

The European Investment Fund, which specialises in risk finance for small and medium-sized enterprises (SMEs), signed a counter-guarantee agreement with ALTUM that made it easier for students to apply for support for tuition fees and daily expenses.





Investing in education

Latvian students benefit from affordable European-backed loans

The guarantee programme is supported by the European Fund for Strategic Investments (EFSI)

ALTUM and the European Investment Fund, backed by the Investment Plan for Europe, are enabling Latvian banks to offer favourable loans to students to cover their study and housing costs. The EIF has signed a guarantee that will allow ALTUM to continue its guarantee programme for Latvian banks supporting students. In total, up to 13 500 students in the country are expected to benefit from cheaper lending conditions.

With the EFSI Skills & Education Guarantee, ALTUM will not only be able to support a larger number of Latvian university students, but also extend the programme to non-academic training, and tuition fees and living expenses for Latvian students studying abroad.

“This scheme is hugely important in allowing more people to attend higher education and develop their skills, with both personal and economic benefits, especially for those who would otherwise not be able to afford it. ALTUM’s programme is an excellent initiative and we are glad to be able to rely on the support of the European Commission to achieve this,” EIF Chief Executive Alain Godard says.

European Investment Fund

Amounts made available for projects in Latvia

€14 million



Supporting infrastructure and firms

Kekava bypass project diverts traffic away from densely populated areas

EIB funds have helped provide swift support with advantageous financial conditions to small businesses

Reliable infrastructure is key for economic growth, sustainability and job creation. As the EU climate bank, the European Investment Bank has made it a top priority to invest in cleaner transport, digital networks, energy efficiency and sustainable urban development. A €61.1 million loan to the Kekava public-private partnership will help design, build, finance and maintain a bypass in the Kekava municipality, diverting transit traffic away from densely populated areas. The project is the Bank's first public-private partnership financing operation in Latvia and the largest in the Baltics. It is supported by the Investment Plan for Europe.

The project involves a 17.5 km section of the E67/A7 road (Riga-Bauska-Lithuanian border), and includes the construction of a new bypass of approximately 14 km around Kekava. About 11.5 km of this new stretch of road will be dual carriageway, and the rest a two-lane road. The project also includes four major grade-separated interchanges and sections with lanes for local traffic, complementing investments made in the Via Baltica route and improving driving conditions. This project will ensure the most efficient road transport connection between the Latvian capital Riga and the Lithuanian border, strengthening the Trans-European Transport Network, which contributes to social, economic and territorial cohesion in the European Union.



European Investment Bank
Amounts made available for projects in Latvia
€98 million



Overall EIB Group achievements in 2021

Record year of financing

Projects signed by the EIB Group amounted to

€95 billion

both inside and beyond the European Union

Projects and initiatives in Latvia

supported by the EIB Group amounted to

€112 million

EIB Group support

for small and medium-sized companies worldwide

€45 billion

Support for infrastructure

in Latvia by the European Investment Bank

€61 million

Climate action in 2021

51%

of all EIB projects were green

Contribution to Latvia's GDP

EIB Group financing for projects in Latvia equalled

0.35%

of its GDP

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