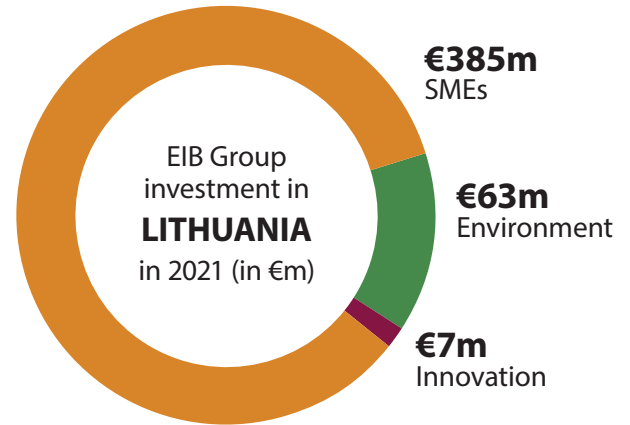


- Nearly €454 million of EIB Group financing went to Lithuanian projects.
- Record number of transactions with most support going to small companies recovering from the coronavirus pandemic.
- Strong support to help Vilnius improve its water and wastewater infrastructure and heat distribution network.



The European Investment Bank (EIB) and European Investment Fund (EIF), which together form the EIB Group, provided record total financing of nearly €95 billion in financing in 2021. Around €454 million went to Lithuanian projects, equalling 0.84% of the country's economy. A record 14 contracts were signed for the country. Support went to small businesses, the environment and innovation.

The main driver behind this activity was the deployment of the European Guarantee Fund (EGF), part of the European Union's €540 billion coronavirus rescue package to channel financing to hard-pressed small businesses. Cooperation with Lithuania's national promotional institutions (VIVA and INVEGA) and eight Lithuanian financial intermediaries will help make around €1 billion available for local small businesses. In addition, Lithuanian sensor innovator Brolis has signed the country's first venture debt deals with the EIB under the European Guarantee Fund. And the Bank has also provided strong support for projects to improve Vilnius' water and wastewater infrastructure and district heating network.





Growing out of the crisis

The European Guarantee Fund helps make new, advantageous lending available

As the coronavirus pandemic is continuing to affect businesses in Lithuania, the European Guarantee Fund is providing much-needed extra financing to small and medium-sized enterprises (SMEs). “Increasing competitiveness and efficiency remains the main element for SMEs in coping with negative pandemic effects that require flexible financing,” Paulius Jokšas, a board member of PayRay Bank UAB, one of the intermediaries receiving EGF guarantees from the European Investment Fund, said during an event in December. Jokšas said the new agreement — already the second EGF guarantee transaction for PayRay — opened up new possibilities for small companies, with a wider range of financing tools, including loans, factoring and leasing.

The EGF guarantees from both EIB Group institutions, with support from the Lithuanian government, are making around €1 billion in new financing available for small to medium-sized companies and mid-caps (businesses with up to 3 000 employees). The financing is channelled to Lithuanian businesses via financial intermediaries such as Mano Bankas, SME Bank, Faktoro, Finora Kreditas, Orion Leasing, PayRay Bank and SEB Bankas, as well as through the Lithuanian national promotional institution INVEGA and the state investment management agency VIVA.

Lithuanian sensor developer Brolis received €7.5 million in EGF-supported funding from the Bank to invest in ongoing research and development and the rollout of its new sensor technology, which is based on laser spectroscopy.

European Investment Fund
projects approved by the EIB Group amounted to
€357 million



Loans for a better life in Vilnius

EIB loans will support investments to improve water and wastewater infrastructure and modernise the capital's heating network

The EIB and Vilnius' municipal water company, Vilniaus Vandenyys, have agreed on a 20-year loan facility worth €50 million. The first €20 million tranche was signed in March 2021 and the financing will be used to improve water and wastewater infrastructure in the capital region, which will be good for the environment and improve living conditions for residents. Apart from renewing two wastewater treatment plants in Vilnius and Švenčionys, Vilniaus Vandenyys will use the financial backing to refurbish and improve the water and wastewater networks in and around Vilnius.

The project will improve the quality of services, enabling more households to connect to the centralised water supply systems. Vilniaus Vandenyys is the largest water management company in Lithuania, supplying drinking water and treating wastewater for more than 265 000 customers in the capital and the districts of Vilnius, Švenčionys and Šalčininkai.

The Bank also signed a long-term credit agreement of up to €43 million with AB Vilniaus Šilumos Tinklai (VŠT) to finance the modernisation of Vilnius' heating infrastructure. The investment is crucial for improving the security, energy efficiency and flexibility of heat supply, and meeting existing and future demand for heat and hot water. The investment programme not only contributes to energy efficiency improvements, but also aims to reduce greenhouse gas emissions from heat generation. Some 17 km of modern, pre-insulated pipelines will replace old, worn-out pipes from the last century that have been causing significant heat loss and pose an increased risk of accidents. Four additional kilometres of new pipelines will provide energy efficiency gains by connecting newly built houses and service buildings to the network. As part of the project, a biomass combined heat and power plant boiler will be installed in Vilnius together with a solar thermal collector. VŠT will also install an absorption heat pump to increase the efficiency of the biomass boiler.



European Investment Bank
projects approved by the EIB Group amounted to
€97 million



Overall EIB Group achievements in 2021

Record year of financing

Projects approved by the EIB Group amounted to

€95 billion

both inside and beyond the European Union

Projects and initiatives in Lithuania

supported by the EIB Group amounted to

€454 million

EIB Group support

for small and medium-sized companies worldwide

€45 billion

COVID-19-related financing

in Lithuania through the European Guarantee Fund

€389.5 million

Climate action in 2021

51%

of all EIB projects were green

Contribution to Lithuania's GDP

EIB Group financing for projects
in Lithuania equalled

0.84%

of its GDP

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