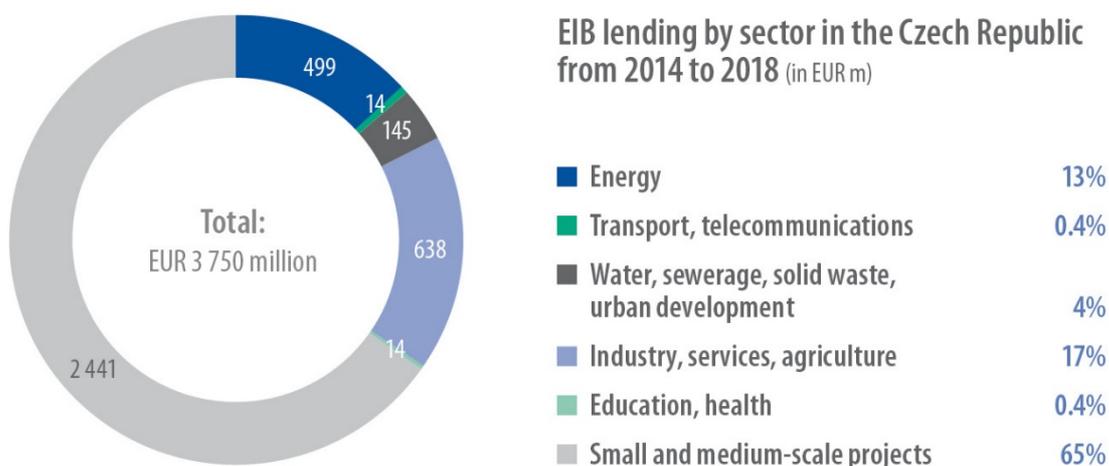




The EIB in the Czech Republic in 2018

In the Czech Republic, as in other EU countries, the EIB supports investment projects that reduce disparities in regional development, strengthen economic competitiveness and improve living standards. In 2018, EIB lending in the Czech Republic totalled EUR 443m. EIB lending for projects promoting European objectives in the Czech Republic now totals EUR 3.8bn over the past five years (2014–2018). EIB loan disbursements, representing the support to the real economy, amounted to EUR 691m over the last three years, a record disbursement level in the country. Financing for projects that contribute to economic progress in EU-assisted areas remains the key activity of the EIB. Most of the Czech Republic's regions fully qualify for EIB loans as well as allocations from the European Union's Structural and Cohesion Funds.



Loans for SMEs and midcaps

The EIB concluded six intermediated loans worth EUR 395m with Czech financial institutions in 2018. These institutions lend the EIB funds to SMEs and municipalities for projects in the fields of local infrastructure, environmental protection, energy, R&D and innovation, and services, including tourism. About 2,600 SMEs and mid-caps benefitted from EIB lending and 128,000 jobs were supported last year in the Czech Republic.

Modernisation of Czech Republic's Regions and Cities

In 2018, the EIB provided CZK 700m (some EUR 27.4m) to the South Moravian Region to improve infrastructure, help the economy and offer better public services, especially in health and social care. This includes the refurbishment of public buildings, schools and sport facilities, social-care buildings, and measures that will cut energy expenses. This loan co-finances 15 transport, health and social care sub-projects with EU funds amounting to CZK 1.5bn (EUR 59m). This is the third EIB operation granted in the South Moravian Region, bringing the EIB support to the area to some EUR 116m.



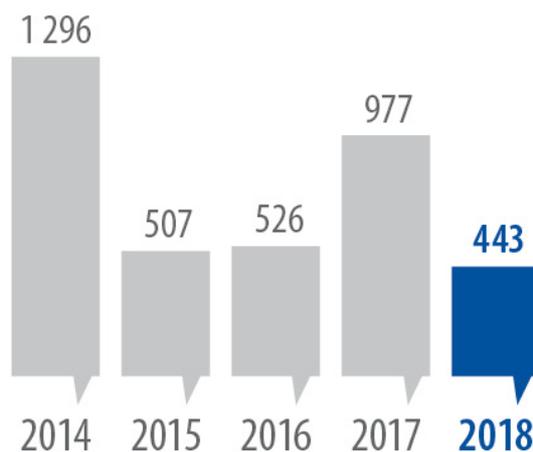
RDI Centre in Kuřim

Support for innovative industries

Similar to previous years, the EIB provided support to local branches of leading innovative companies to foster research and development, and to introduce innovative production technologies. In this framework, the EU bank provided, under the European Fund for Strategic Investments (EFSI), the following loans in the Czech Republic:

- EUR 7.5m out of a total loan of EUR 30m to CARMAT, the developer of the world's most advanced artificial heart. The company's products provide an alternative for people suffering from end-stage biventricular heart failure.
- EUR 13.4m out of a total loan of EUR 80 million to finance the development of an innovative and sustainable European car industry. The loan will help CIE Automotive develop technologies that reduce the weight of vehicles and ensure more efficient, less polluting manufacturing processes.

European Investment Bank Signatures in the Czech Republic 2014-2018 (in EUR m)



Source: EIB

Project example:

EIB joins forces with Komerční Banka to battle youth unemployment

The EU bank provided EUR 80 million in financing for SMEs and mid-cap businesses. Part of the loans will be allocated under the Jobs for Youth (JfY) Initiative to SMEs and mid-caps employing people under the age of 30.

EIB funds are co-financing projects that offer vocational training, internships and training programmes for young people, or projects that have a cooperation agreement with technical colleges, schools and universities. The EU bank will strive to do similar transactions to strengthen its cooperation with commercial banks in the Czech Republic and help SMEs in the country.

EIB Advisory Services

The Advisory Services in the Czech Republic are delivered mainly through JASPERS, the European Investment Advisory Hub (EIAH), the Financial Instruments Advisory (FIA), the InnovFin Advisory (IFA) and the European PPP Expertise Centre (EPEC).

In 2018, **JASPERS** (Joint Assistance Joint Assistance to Support Projects in European Regions) in the Czech Republic focussed mainly on transport, accentuating the general trend since we started working in the country in 2006, and developed into a promising additional dimension: Smart Cities. So far JASPERS has completed in the Czech Republic 100 assignments, of which 86 have helped prepare major projects. Whilst 63% of the assistance has been dedicated to efficient rail and road infrastructure, the rest of the JASPERS portfolio has been spread among water and wastewater, energy and solid waste and smart development projects. We have been mobilising a broad palette of our expertise in the Czech Republic.

In 2018, JASPERS activity in the country focussed on transport. Nine of the eleven assignments that we completed supported major rail and road projects. We also successfully supported the update of the Cost Benefit Analysis Methodology for transport projects in the Czech Republic, which should speed up the preparation of transport projects to be supported by European Structural Funds. JASPERS is now working on 18 assignments, of which 89% are in the transport sector. Our work currently covers the second phase of these major projects: R35 - Dostavba MÚK Opatovice - Ostrov and D1 Přerov - Lipník nad Bečvou (0137) motorway.

Last year, JASPERS also assessed urban development needs and gaps throughout four Central European countries at once, namely the Czech Republic, Hungary, Poland and Slovakia, which together constitute the Visegrad Group. In the Czech Republic we cooperated with the city of Pilsen and the region of South Moravia and delivered our analysis and recommendations towards the end of the year.

The European Investment Advisory Hub, as a partnership program between the EIB and the European Commission, offers a single point of entry to a comprehensive offer of advisory and technical assistance, providing targeted support for the identification, preparation and development of investment projects across the European Union. As of December 2018, it has received 26 advisory requests from the Czech Republic, ranging from information inquiries to requests for technical assistance and funding. Of these, 22 requests were project specific, and 14 came from private sector.

The EIAH also cooperates with National Promotional Institutions to promote knowledge and best practice sharing, maintain a national entry point for advisory, as well as to provide for local delivery of investment advisory. In the Czech Republic, a Memorandum of Understanding has been signed with the Ceskomoravska Zaruční a Rozvojová Banka (CMZRB). A Hub support package, through the **Financial Instruments Advisory**, has been developing an investment platform for energy efficiency measures in the building sector in cooperation with CMZRB.

InnovFin Advisory (IFA) is currently in discussions for a potential advisory assignment regarding ELI (Extreme Light Infrastructure). ELI is a Czech, Hungarian, Romanian joint Research Infrastructure. It is a laser facility hosted in the three countries that will host the most intense beamline system worldwide and currently in the process of obtaining ERIC (strategic European Research Infrastructure Consortium) status.

The Czech Republic participates in **EPEC**'s networking activities and is a member of EPEC through the Ministry of Finance. EPEC has supported the Ministry of Transport and the State Fund for Transport Infrastructure (SFDI) in the development of the PPP decision and PPP case for the D4 expressway project.

The European Investment Fund

The European Investment Fund (EIF) is the specialist arm of the EIB, providing risk financing solutions to financial intermediaries to support SMEs and mid-caps and foster innovation in Europe. In 2018 it committed more than EUR 10bn in support of businesses, through which approximately EUR 43.7bn of additional capital will be leveraged.

The EIF committed EUR 3.5bn for equity in 155 equity transactions with early and growth stage funds, which are expected to raise EUR 19bn of additional commitments. On the guarantees side, it committed EUR 6.5bn in 151 transactions, which acted as a catalyst in generating EUR 23.9bn of new loans for SMEs. The EIF's support for micro- and social enterprises totalled EUR 95m, creating a total loan volume of more than EUR 864m. Overall, more than 280,000 SMEs and mid-caps were supported by the EIF in 2018, sustaining some 2.75 million jobs.

In the Czech Republic in 2018, the EIF committed EUR 264m in 14 operations, aimed at raising EUR 925m. Some 4,300 businesses benefitted from EIF operations in the Czech Republic in 2018, supporting about 48,000 jobs.

For more information: www.eif.org/czech-republic.

The EIB at a glance

The EIB is the EU's long-term lending institution and is owned by all EU countries. It makes long-term finance available for sound projects, contributing to growth, jobs, regional convergence and climate action in Europe and beyond. In 2018, its total financing amounted to EUR 55.6bn.

To ensure maximum impact, the EIB combines EU funds with its loans and advising on technical and financial aspects.

The EIB is supporting Europe's economic recovery by implementing the European Fund for Strategic Investments (EFSI). By the end of 2018, the EIB Group had committed EUR 70.4bn under EFSI, mobilising total investment of EUR 375.5bn, or 75% of the target of EUR 500bn.

The potential investment triggered by the EIB Group in the Czech Republic thanks to EFSI transactions totalled EUR 4bn up to the end of 2018. The EIF signed 17 EFSI transactions with an aggregate EIF contribution of EUR 505m.

The EIB's activities around the world are guided by EU external priorities. The EIB is active mainly in the pre-accession countries and eastern and southern neighbours. The EIB also operates in African, Caribbean and Pacific countries, Asia and Latin America, where it supports local private sector development, social and economic infrastructure and climate action projects.

The EIB is financially autonomous and raises the bulk of its lending resources on the international capital markets through bond issues.

Overall EIB Group achievements in 2018	
A total of EUR 64.2bn in financing by the EIB Group.	By end of 2018, the EIB Group has approved EUR 70.4bn under EFSI for more than 1000 financing transactions which are expected to support investment of EUR 375bn since the launch of EFSI.
EUR 13.5bn EIB Group support for innovation and skills , including education and digital infrastructure.	EUR 23.3bn EIB Group support for SMEs and midcaps – the biggest ever volume.
EUR 12.25bn supporting key infrastructure in transport and energy, as well as urban infrastructure.	EUR 15.15bn for environmental projects supporting resource-efficiency and sustainability.

For further information on the EIB in the Czech Republic: www.eib.org/czech-republic	
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