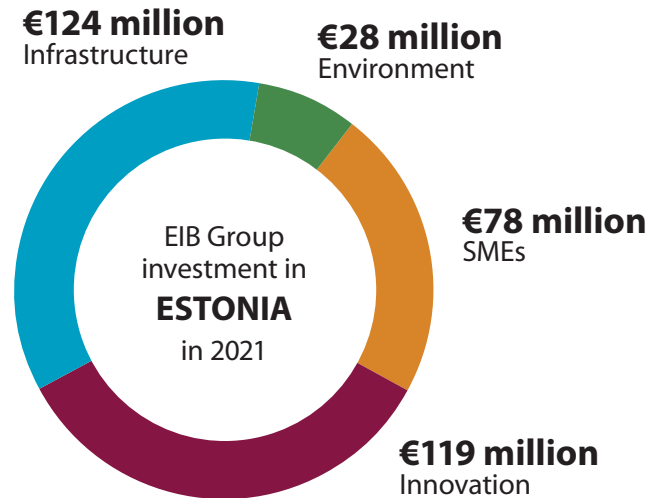


- Nearly €348 million of EIB Group financing went to Estonian projects
- Major support for public sector, healthcare, SMEs and innovation
- €120 million top-up signed with the Republic of Estonia to support healthcare and civil protection during the COVID-19 pandemic



Nearly €348 million of EIB Group financing went to Estonian projects in 2021, equalling 1.16% of Estonia's GDP. From providing finance for small businesses to improving local and national infrastructure, the EIB Group supports Estonia's economic growth and prosperity.

The main business driver was the European Investment Bank (EIB), which signed close to €271 million in new financing. The Bank provided loans, among others, to Starship Technologies, the world's leading provider of autonomous delivery, and the City of Tallinn to fund projects to improve urban infrastructure. A €120 million top-up of the EU funds co-financing facility was signed to support healthcare and civil protection during the COVID-19 pandemic.

The European Investment Fund, the EIB's subsidiary specialising in risk finance for small and medium-sized enterprises (SMEs), helped to make available a further €76.8 million in financing for Estonian small businesses. The EIF continued the implementation of the Baltic Innovation Fund II with investments in Karma Ventures II (€40 million) and BPM Mezzanine Fund II (€30 million).





Better infrastructure for Tallinn

The EIB is supporting Estonia's capital in achieving green goals

Having been awarded the title of 2023 European Green Capital, Tallinn is investing heavily in sustainable and green solutions. The European Investment Bank (EIB) and the City of Tallinn signed a €100 million loan agreement in support of the city's integrated sustainable urban renewal and development programme. Tallinn is a long-standing EIB client. This loan is the fourth EIB operation with the city.

The new loan will help achieve Tallinn's plan for sustainable energy and climate change adaptation. The plan covers mobility, education, social development, energy efficiency and other sectors. In particular, the financing will be used to renovate schools and social housing, and to improve sustainable mobility in the city. To make mobility more sustainable, the city will upgrade bike paths and pedestrian walkways, but also renew existing streets.

Public squares and parks around the city will also be upgraded, for the benefit of residents and visitors alike. Finally, the EIB financing also supports improvements to municipal infrastructure such as street lighting, waste centres, and water and sewage networks.



Boosting local talent

How the EIF and the European Union are bridging the cash flow gap for Estonian SMEs

Shiftworks recently received an EU-guaranteed loan from Finora Capital, backed by the European Investment Fund (EIF) under the European Union's Investment Plan for Europe. Shiftworks is the company behind Tallinn Music Week, a festival held annually in the capital of Estonia since 2009. Tallinn Music Week has three main programmes: a music festival, a conference and a city festival.

The biggest challenge for festival organisers, as founder and CEO of Shiftworks Helen Sildna explains, is bridging the cash flow gap: "Revenue comes after the festival, but we need to be sustainable all year round and pay for services upfront. Bridging this gap is what we needed a loan for." She continues to describe how businesses in the cultural and creative sectors face difficulties accessing finance: "We don't own real estate or anything considered a tangible asset in the eyes of a bank looking for collateral. That's why we were thrilled about this opportunity."

What's the goal behind this kind of festival? "We felt that more could be done to promote the local scene and local talent in Estonia. We started with the music festival, showcasing local talent, and then came the conference part, to explore various topics and offer networking opportunities for people working in the sector. The city festival came later, focusing on design, arts, the food scene, city talks to discuss societal issues, shining the spotlight on parts of the city that are not so well-known. It became a tool to promote music and Tallinn in general. Festivals can be a very effective way to promote a city."

The loan to Shiftworks was signed under the cultural and creative sector programme with Finora Capital. Additionally, in 2021, the EIF signed two transactions in Estonia to support microcredit with Hupoteeklaen (€5 million) and Finora Capital (€2 million) under the EU-funded Employment and Social Innovation initiative.



EIF financing
projects approved by the European Investment Fund amounted to
€76.8 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

Estonian projects supported

by the EIB Group amounted to

€348 million

1.5 million
new jobs created in
the European Union by 2025

by the EIB Group

€120 million

COVID-19 top-up

signed with the Republic of Estonia

Climate action in 2021

51%

of all EIB projects were green

Significant financing

EIB Group financing for
Estonian projects equalled

1.16%

of Estonia's GDP

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