

PRESS RELEASE
2020-XXX-EN

Luxembourg / Ljubljana 23. December 2021

EIB provides EUR 50 million to SID Banka for green and sustainable development of Slovenian municipalities

- EIB and SID Banka will provide EUR 50 million each for local government's investments in Slovenia;
- Loans will be available to municipalities for small scale infrastructure projects, energy efficiency measures and environment protection
- In 2020 EIB lending for cohesion projects in the EU amounted to €19.5 billion

The European Investment Bank, the Bank of the European Union, will provide EUR 50 million to Slovenska izvozna in razvojna banka (SID Banka) to create a new source of more affordable financing for investments in small infrastructure projects promoted by Slovenian municipalities. SID Banka will match EIB investment with own funds, unlocking a total of EUR 100 million for investments in municipal development in Slovenia.

Local governments and their public companies will be able to finance small-scale infrastructure projects, energy efficiency measures and protection of environment in their local communities.

The operation accelerates green and sustainable development of Slovenia, improves quality of living and doing business in the country, and strengthens economic, social and territorial cohesion in the European Union. Slovenian municipalities will be able to invest in reducing their energy consumption, energy waste and CO2 footprint, contributing to success of global climate action and EU plans to become carbon neutral by 2050.

EIB Vice President Lilyana Pavlova, who is in charge of operations in the country, said: "EIB and SID Banka created a new source of more affordable financing for faster development of municipalities and faster economic and social development of Slovenia. Our funding will improve living conditions, energy efficiency and environment protection in local communities contributing towards Slovenian and EU priorities in regional development. Strengthening cohesion in the European Union is in the DNA of the EIB and one of the reasons we were founded more than six decades ago. I would like to thank SID Banka for giving us the opportunity to continue strengthening Slovenia and the EU".

Sibil Svilan, President of the Management Board and CEO of SID Banka, said:

"Longstanding good cooperation between the EIB and SID Banka was jet again confirmed with the new EUR 100 million loan that will provide financing opportunities for municipalities

and municipal public companies. Financing will be available for projects in the field of infrastructure, energy efficiency and the environment. All the benefits of the EIB's sources to the economy - long maturities, wide range of possible purposes and methods of spending, price benefits, permanent availability and geographical coverage will be transferred through commercial banks with an intermediary role of SID Banka, and also directly through SID Banka. I firmly believe that all the financed projects will be crucial for the sustainable development of Slovenia, as only such long-term and favorable sources of financing enable the successful realization of public infrastructure projects.”

For a more competitive, smarter, greener and low-carbon Slovenia

This EIB loan supports priorities outlined in the EU cohesion policy – and supports more competitive and smarter Europe and Slovenia; greener, low-carbon transitioning towards a net zero carbon economy; more connected Europe by enhancing mobility; more social and inclusive Europe; and, Europe closer to citizens by fostering the sustainable and integrated regional development across the EU. Between 2014 and 2020 alone, the EIB provided €123.8 billion to projects in EU cohesion regions supporting these goals.

In 2020 alone, EIB lending for cohesion projects amounted to €19.5 billion.

Note to Editors:

About European Investment Bank:

The European Investment Bank (EIB) is the long-term lending institution of the European Union owned by its Member States. It makes long-term finance available for sound investment in order to contribute towards EU policy goals.

About the EIB in Slovenia:

Total EIB lending commitments in Slovenia since the start of EU's Bank operations in the country reached EUR 6.99bn. The EIB invested in key sectors of the Slovenian economy, including transport, the environment, energy infrastructure, manufacturing and services. A key component of the EU Bank's activity in Slovenia is the promotion of small and medium-sized enterprises by increasing their access to long-term financing through local financial institutions. To date, the EU bank supported more than 5000 Slovenian SMEs sustaining more than 44000 jobs in the process.

About EIB Cohesion Support:

Between 2014 and 2020, the EIB provided €123.8 billion to projects in EU cohesion regions. In 2020 alone, this lending amounted to €19.5 billion. In October 2021, the EIB approved a new framework for its cohesion action for 2021-2027, increasing its financing for cohesion regions.

By 2025, the EIB will aim to dedicate 45% of its annual EU lending to cohesion regions (whose gross domestic product (GDP) per capita is below the EU average) and 23% to less developed regions (whose GDP per capita is less than 75% of the EU average). It will also increase overall support for innovation and private sector development in these regions.

About SID Banka:

SID Banka is a promotional development and export bank 100% owned by the state. Its primary task is to promote economic and social development. In accordance with the law, it supports economic, structural, social and other policies through the provision of financial and insurance services, and operates for the long-term benefit of society. SID Banka's products effectively supplement the range of services provided by commercial banks and thus eliminate market deficiencies that arise whenever there is an insufficient supply of financial and insurance services on the market from the private sector (particularly in terms of the development of a competitive economy, the development of the knowledge society and innovative entrepreneurship, the development of an environmentally friendly society and production, and regional and social development).

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