The EIB Group, consisting of the European Investment Bank (EIB) and European Investment Fund (EIF), once again put in a strong performance in Austria in 2018. Last year the Group provided finance totalling nearly EUR 1.25bn, of which almost EUR 1.18bn came from the EU bank. One of the Group’s priorities was to support research, development and innovation. In 2018 this sector received finance totalling EUR 444m from the EIB and the EIF, in particular in the form of funding for Zumtobel, AMS Semiconductor and KTM. Other priorities included infrastructure projects and support for small and medium-sized enterprises. In total, EIB Group financing has unlocked investment worth EUR 4bn in Austria. This year the EIB Group expects to provide a similar amount of financing in Austria.

**Table: European Investment Bank Group Total financing in Austria in 2018 (in EUR m)**

<table>
<thead>
<tr>
<th>Category</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Innovation and skills</td>
<td>444</td>
</tr>
<tr>
<td>Infrastructure</td>
<td>364</td>
</tr>
<tr>
<td>Small and medium-sized enterprises</td>
<td>270</td>
</tr>
<tr>
<td>Environment</td>
<td>168</td>
</tr>
</tbody>
</table>

Source: EIB

**Chart: European Investment Bank Group Total annual investment mobilised 2014-2018 (in EUR bn)**

<table>
<thead>
<tr>
<th>Year</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>4</td>
<td>2</td>
<td>3.7</td>
<td>4</td>
<td></td>
</tr>
</tbody>
</table>

Source: EIB
The Investment Plan for Europe in Austria

In December 2014 the EU Heads of State or Government adopted the Investment Plan for Europe, whose centrepiece is the European Fund for Strategic Investments (EFSI). The EU Member States originally aimed to use EFSI to mobilise additional investment of EUR 315bn over three years, thereby addressing the persistent lack of investment and innovation within the Union. The European Investment Bank and the European Investment Fund are playing a key role in the Investment Plan. EFSI guarantees enable the EIB and EIF to take on higher risks and attract private investors to projects. By the end of 2018, EFSI-backed transactions worth EUR 70.4bn had been launched Europe-wide, triggering EUR 375.5bn of overall investment. EFSI is supported by a new European Investment Advisory Hub (EIAH), which helps public and private sector promoters to prepare their investment projects with professional assistance. The Investment Plan also aims to make the regulatory environment in Europe more investment-friendly, especially in the digital, energy and capital market sectors. Meanwhile, the European Council and the European Parliament decided to increase EFSI’s target investment volume to EUR 500bn by 2020.

Since the launch of the so-called Juncker Plan, EIB Group financing under EFSI in Austria has gathered clear momentum. Over the period, 20 operations totalling EUR 1.4bn have been mounted with the help of EFSI guarantees. This has unlocked investment worth EUR 4.3bn. Particularly in the current financing climate in Austria, EFSI is an important instrument that enables the Bank to provide higher risk financing, especially in support of research and development by innovative businesses.

The European Investment Fund

The European Investment Fund (EIF) belongs to the EIB Group and provides risk financing through guarantees for financial intermediaries (e.g. banks) and equity investment in funds, with the aim of supporting small and medium-sized businesses and mid-caps and fostering innovation in Europe. In 2018, the EIF provided EUR 107.1m in Austria, leveraging EUR 500.1m of investment. Last year around 12,000 companies in Austria received finance from the EIF. Just over half of the funds provided by the EIF, i.e. EUR 57.8m, took the form of guarantees. The EIF thus secured two transactions, which facilitated EUR 205.1m of new lending to small and medium-sized enterprises. Since the start of its activity in Austria, the EIF has provided total financing worth EUR 1.6bn.

For more information, please visit: www.eif.org/Austria
Climate action financing is a top priority for the EIB in Austria. Last year, the EU bank provided a further EUR 32m for new wind farms, including EUR 19.3m to Energiepark Bruck/Leitha for the “Bruckneudorf” and “Höflein West” projects, which have a capacity of 17 MW. The remainder is going to Windkraft Simonsfeld, which has been running wind farms successfully in Austria since the end of the 1990s. The year before the EIB lent Simonsfeld EUR 48m for the construction and operation of three new wind farms in Austria (Kreuzstetten IV, Dürnkrut II and Hipples II) with a total capacity of 39 MW. The loans are backed by guarantees from the European Fund for Strategic Investments.

Strengthening research, development and innovation is another of the EIB Group’s priorities and a key prerequisite for ensuring sustainable growth and creating quality jobs. The EU bank lent Zumtobel EUR 80m, of which EUR 40m was already disbursed in 2018. Zumtobel is an international lighting group and a leading supplier of innovative lighting solutions, lighting components and associated services. It is one of Austria’s most research-intensive companies. Another loan of EUR 24m was provided to the research-intensive company F2G Biotech, which is developing new drugs to treat life-threatening fungal diseases. The EU bank extended a EUR 104m loan to AMS Semiconductor Solutions, a global leader in the development and manufacture of high-performance sensor solutions. Furthermore, KTM received a loan of EUR 120m, which it will use to push ahead with research and development in the fields of electric powertrain systems, cooperative intelligent transport systems (C-ITS) and lightweight construction. Additional funds are being provided for smart materials and technologies for motorcycles, and for future urban mobility concepts. Over the coming years the EIB will continue to support innovation in Austria.

Infrastructure plays a key role in Europe. It connects markets, and infrastructure projects make a substantial contribution to economic growth. New investments often require extensive financing on favourable terms. As the EU bank, thanks to its own favourable fund-raising conditions and with the help of the Connecting Europe Facility, the EIB is able to offer companies such terms – e.g. in a EUR 64m loan to Linz AG in 2018. The company is using the funds to increase the freight logistics capacity and efficiency of the upper Danube’s largest inland port, Linz.
The EIB Group and the European Investment Fund at a glance

The European Investment Bank (EIB) is the European Union’s financing institution. It has moved from being a bank chiefly supporting long-term infrastructure projects to a modern public financial services provider with a broad and continually refined product range, including advisory services. The EIB, together with its subsidiary the EIF, is now able to cover the entire value chain and the needs of players ranging from start-ups to large industrial companies and pan-European infrastructure projects.

The EU bank only finances projects that have passed a strict due diligence process. At the same time, all the investments must be economically, technically and environmentally viable. To achieve the maximum possible impact for growth and employment, the EIB focuses on four areas: innovation and skills, SMEs, climate action and strategic infrastructure in the EU. In addition to this, the EU bank provides funds to the international capital markets as the world’s largest multilateral borrower. In recent years, the EIB has placed issues totalling EUR 60bn.

Most of the Bank’s activities are concentrated within the EU. Around 90% of its business is carried out in the 28 EU Member States, while the remaining 10% takes place elsewhere, particularly in the Union’s Southern and Eastern Neighbourhood regions.

The EU bank is headquartered in Luxembourg and currently employs around 3 500 people including engineers, economists and socio-environmental experts as well as finance experts. The EIB’s balance sheet total stands at almost EUR 600bn.

For further information on the EIB in Austria: www.eib.org/austria.

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