The European Investment Bank (EIB) and European Investment Fund (EIF), which together form the EIB Group, provided a record global amount of nearly €95 billion in financing in 2021. It was also a record year for Finland, which received over €3 billion in financing. This included €1.7 billion from the EIB and €1.3 billion from the European Investment Fund, the EIB’s subsidiary specialising in risk finance for small and medium-sized enterprises (SMEs). The Group’s total investment in Finland equalled 1.21% of the country’s gross domestic product (GDP).

Most of the support went to helping small and medium firms recover from the pandemic and further finance their growth plans. A total of 3,489 SMEs (companies with 10-249 employees) and mid-caps (250-3,000 employees) in Finland benefited from EIB Group support in 2021, and 33,342 jobs were sustained. A large part of this financing came under the new European Guarantee Fund (EGF), an emergency measure that was part of the European Union’s COVID-19 crisis package agreed in the summer of 2020. The EGF helped make over €2 billion in financing available for Finnish companies to cope with the economic consequences of lockdowns and other COVID restrictions.

The EIB continued to support key public sector infrastructure by financing the construction of two hospitals and new schools. The Bank also provided venture debt financing to a number of fast-growing innovative companies.
Turning production green

**ElB backs a new fossil-free bioproduct mill in Kemi**

**Excess renewable electricity is sold to national and local grids**

In February 2021, the European Investment Bank signed a €200 million loan agreement with Metsä Fibre Oy, part of Metsä Group, for its investment in the Kemi bioproduct mill in northern Finland. The financing will support a €1.6 billion investment, which will increase the production volume of pulp and other bioproducts at the Kemi site through state-of-the-art technology. Metsä Fibre previously invested in a similar bioproduct mill in Äänekoski, Finland, which was supported under the Investment Plan for Europe.

The EIB-backed parts of the larger project concern the generation of renewable energy during the production process, as well as work related to environmental protection. The mill will produce 2.0 TWh of renewable electricity per year, equal to roughly 2.5% of Finland’s total electricity production. The mill’s energy self-sufficiency is high, and excess electricity will be sold to national and local grids, making the operation fully in line with the climate ambitions of both Metsä Group and the EIB Group.

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**European Investment Bank**

Amounts made available for operations in Finland

€1.7 billion
Financing growth

Finnish company Gigglebug secures a loan from Nordea guaranteed by the EIF

EIF helps small and medium companies overcome COVID-19-related difficulties

“Right from the start, this was always about spreading the ‘giggle bug,’” says Anttu Harlin, co-founder and CEO of Gigglebug Entertainment. “Our very first production starred a tiny character called Gigglebug who had the biggest gift of all: contagious laughter that could ease any situation. This character gave us the confidence to start our company.”

Gigglebug is a Helsinki-based animation studio that creates entertainment content targeting children and families. Its work includes animated television series, movies, games and gifs. Like many markets, the animation world is changing: it is increasingly focused on the unique developmental needs and tastes of each age group and audience segment. At the same time, with more devices available for consuming content and broader internet coverage, digitalisation means that anyone can access entertainment much more easily. With confirmed productions in the pipeline and strong growth expectations, Harlin did not want the economic slowdown to affect the company’s ambitions. To finance its growth, the company secured a loan from Nordea, guaranteed by the EIF through the European Guarantee Fund.

The EGF was founded to ensure that small and medium firms with sustainable business plans would have access to liquidity to overcome COVID-related hurdles, and that healthy businesses would be helped to grow. In 2021, the EGF helped make over €2 billion in financing available in Finland through the EIB and EIF for small companies struggling with the economic consequences of lockdowns and other COVID restrictions. The EIF guarantee programme enabled Nordea to offer €1 billion in new financing to its customers on more favourable terms.

Gigglebug invested the loan in development and sales to ensure it could capitalise on the previous year’s good momentum and avoid a slowdown. “We’re taking it one step at a time, but the aim is to be the strongest animation studio in northern Europe,” Harlin says.
### Overall EIB Group achievements in 2021

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<th>Record year of financing</th>
<th>Projects and initiatives in Finland</th>
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<tr>
<td>Projects approved by the EIB Group amounted to <strong>€95 billion</strong> both inside and beyond the European Union</td>
<td>supported by the EIB Group amounted to <strong>€3 billion</strong></td>
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<tr>
<td><strong>€45 billion</strong> in EIB Group financing for small and medium-sized enterprises</td>
<td><strong>€2 billion</strong> made available for <strong>European Guarantee Fund</strong> projects in Finland</td>
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**Climate action in 2021**

51% of all EIB projects were green

**Significant financing**

EIB Group financing for Finland equalled 1.21% of its GDP