

EIB President Hoyer and Prime Minister Zaev agree to boost green investments and support the economic recovery of North Macedonia



- EIB will support the Republic of North Macedonia in accelerating recovery of SMEs from COVID-19
- EIB to support the transition towards a greener and more sustainable economy in North Macedonia, in line with the European Commission's Economic and Investment Plan. This includes participation as lead IFI in the last phase of Rail Corridor VIII, a priority European corridor connecting the Black Sea to the Adriatic Sea
- To date, the EIB Group has invested some €1 billion in the economic and social development of North Macedonia, including key infrastructure projects and private sector development

The European Investment Bank (EIB) will continue to invest in the social and economic development of the Republic of North Macedonia, while supporting the faster economic recovery of the country's economy and its backbone – small and medium-sized enterprises (SMEs) – from the COVID-19 pandemic. EIB President Werner Hoyer and Vice-President Lilyana Pavlova welcomed North Macedonia's Prime Minister Zoran Zaev, Minister of Finance Fatmir Besimi and Foreign Affairs Advisor to the Prime Minister Edmond Ademi. The EIB presented plans to boost support from Team Europe, expand cooperation, step up its activities in North Macedonia and support the European Commission's rollout of its Economic and Investment Plan for the Western Balkans.

The EU bank is ready to expand its successful cooperation with the Government of North Macedonia, contribute further to the competitiveness of the country's economy, and support major infrastructure projects and the transition towards a greener and more sustainable economic model. To date, the EIB has invested close to €970 million in 29 projects in North Macedonia, supporting key sectors of the economy – infrastructure, energy, transport and SMEs.

The EU bank's priority in North Macedonia will be to facilitate the faster recovery of SMEs from the COVID-19 crisis and to unlock new sources of accessible financing, helping this segment sustain jobs, overcome liquidity issues and continue investing, which will ultimately increase its competitiveness in the region's markets. The EIB Group's support for SMEs in form of loans and guarantees will also bolster the domestic financial sector and strengthen its ability to fuel economic growth without jeopardising its long-term stability.

EIB President Werner Hoyer said: "Our priority is to help North Macedonia recover as quickly as possible from COVID-19, support its EU accession path

and its transition to a greener, more inclusive and more sustainable economy. Prime Minister Zaev and I share a European vision and commitment to an economically strong North Macedonia and Western Balkans region and we would like to see North Macedonia benefit as much as possible from the opportunities unlocked by the Economic and Investment Plan of the European Commission. As the EU climate bank, the EIB welcomes Prime Minister Zaev's strong commitment to supporting the rollout of the Green Agenda and I am pleased to see an impressive pipeline of green investments for North Macedonia going forward. The EU bank's ambition is to do even more and support investments in the renewable energy, energy efficiency and digital sectors. The pandemic has hit North Macedonia particularly hard but the country, Prime Minister Zaev and his government can count on tangible EIB technical and financial support for the recovery.

The Prime Minister of the Republic of North Macedonia Zoran Zaev stated:

"North Macedonia recently endorsed the Green Scenario for structural development of the transport, energy, environment and climate change sectors. We have an ambitious agenda that depends on substantial investments as well as multi-generational contribution to the future not only of North Macedonia, but also of Europe as a whole. Such are the two projects that we have applied for – the Wastewater Treatment Plant in Skopje and the third phase of the railway connection along Corridor 8, the east wing to Bulgaria. We believe the European Investment Bank can be our key partner in this endeavour and I am looking forward to **close** and successful cooperation in the years to come."

On the same occasion, **the EU Ambassador to North Macedonia David Geer** stated:

"If we have learned something from the COVID-19 pandemic, it is that we all must work together as a team, in order to have results that benefit our societies. Team Europe has shown that if we are united we can achieve great results and that solidarity is possible even during the most difficult times. The European Union has adapted its priorities and programmes with North Macedonia to address the crisis, and has contributed more than €226 million to mitigate health, social and economic risks. As we all try to move on and improve our resilience to crises, the European Union and the Government of North Macedonia are building a partnership that strives for more. We are trying to develop the best solutions to take forward the Green Agenda, promote connectivity and boost trade within the WB6 Common Regional Market. The implementation of the Economic and Investment Plan is key in this context and the European Investment Bank has a crucial role to play in its realisation. Together we can help build back better, more sustainable and greener economies, and we can jointly help North Macedonia transit towards and be fit for the digital age."

EIB Vice-President responsible for North Macedonia Lilyana Pavlova added: "We are glad to see that our cooperation with the Republic of North Macedonia is moving forward and that we are recognised as a reliable partner for the whole region of the Western Balkans. We aim to strengthen our partnership with new investments that will enable a green and digital transition towards more competitive market and new job opportunities. Our focus will be to help the country embrace the opportunities set out in the Economic and Investment Plan as an opportunity for fast and sustainable COVID-19 recovery, creation of a

stronger regional market and a better investment climate.”

COVID-19 support for North Macedonia and the Western Balkans

As part of the overall EU efforts under Team Europe to mitigate the economic fallout of the COVID-19 pandemic, the EIB mobilised over €1 billion for the economies of the Western Balkans in 2020 alone. These funds are part of the EIB’s €1.7 billion contribution to the Team Europe package of €3.3 billion announced by the European Commission at the Zagreb EU Western Balkans Summit in May 2020.

To support Macedonian SMEs, the EIB Group invested €20 million enabling SMEs to access new sources of financing to overcome liquidity constraints and preserve jobs during the pandemic. The Bank is ready to unlock significant sums for Macedonian SMEs in 2021 and beyond.

As a long-standing partner to North Macedonia, the EIB Group has unlocked €653 million for Macedonian SMEs and mid-caps since the beginning of its operations in the country, sustaining over 99 000 jobs.

Climate action for a green Western Balkans

As the EU climate bank, the EIB is ready to extend its support for energy efficiency, renewable energy and digital projects in the Western Balkans and contribute to its faster transition towards a greener, more inclusive and sustainable economic area.

These initiatives support the implementation of the European Commission’s Economic and Investment Plan. The EIB stands ready to contribute with financing and technical advisory support towards creating a common market in the region that is consistent with EU value chains.

Investments in transport, digitalisation and SMEs

In the context of the Economic and Investment Plan, the EIB is currently considering a number of new projects in North Macedonia, including the expansion of the railway network along Corridor VIII to create more sustainable transport infrastructure for North Macedonia and the Western Balkans. In addition, new investments are planned in the environmental protection sector and SME recovery.

These investments will reinforce the position of the EIB as one of the leading financiers in the Western Balkans region, and expand on the €8.5 billion it has invested since 2009 in support of the region’s socioeconomic development and accession process.