

Spain: Investment and jobs in Castilla-La Mancha – EIB provides financing to MERLIN to build four latest generation logistics parks

- EU bank provides firm with loan of up to EUR 115m
- The project will help create 1 500 jobs during the implementation phase, together with over 400 permanent positions

The European Investment Bank (EIB) is to provide EUR 115m of financing to MERLIN to develop four new latest generation logistics parks in Castilla-La Mancha. The project will make it possible to meet the growing demand for space and logistics services driven by various factors including the growth of online retail.

EIB Vice-President Emma Navarro, MERLIN's Corporate Managing Director Miguel Ollero and its Financial Director Fernando Lacadena signed a EUR 51m loan agreement in Madrid. This is the first tranche of a total of EUR 115m that the EIB will provide to develop this project.

With total surface area of around 400 000 m², the new logistics parks will be located in established logistics zones. In concrete terms, three of the parks will be built in the Cabanillas and Azuqueca de Henares areas (Guadalajara), and the fourth in Seseña (Toledo). These are strategic locations given that the expansion of online retail is increasing demand for logistics space near the Madrid-Barcelona (A2) and Madrid-South (A4) corridors.

In addition to being located in a priority region under the EU's cohesion policy, the project also has an environmental component as the new buildings will be latest generation logistical warehouses including measures contributing to energy efficiency and the use of alternative energies. They will be sustainable buildings with the LEED Silver/BREEAM very good accreditation.

The logistics platforms will also have high capacities to facilitate their activity. As well as generating new business opportunities surrounding areas, the project will have a direct positive effect on job creation, helping to employ 1 500 people during the implementation phase and over 400 on a permanent basis once operations begin.

At the signing ceremony at the EIB's offices in Madrid, **EIB Vice-President Emma Navarro** said: *"We are delighted to support a project that contributes to economic, social and territorial cohesion within the EU by developing modern and sustainable logistics facilities helping to meet the growing needs of the sector. This project will generate significant economic and social externalities, both via the boost it will provide to competitiveness and economic development in Castilla-La Mancha and through its major contribution*

to job creation."