

# EIB Group increases investment in Slovenia to €254 million despite COVID-19 crisis



- The European Investment Bank, a part of the EIB Group, increases investment in the Slovenian economy by 20% to €221 million; total EIB investments in the country reach €7.21 billion
- The European Investment Fund's €33 million is the second-highest investment volume in Slovenia in the last five years
- Increase of EIB Advisory Services' activities; to date, JASPERS alone has attracted €3.4 billion into Slovenia's economy
- EFSI is expected to mobilise close to a billion euros in investment in the Slovenian economy.

The European Investment Bank Group provided €254 million in Slovenia during 2020 in loans, equity and guarantees in Slovenia, an increase at the Group level of €4 million compared to the previous year. The two parts of the EIB Group, the European Investment Bank (EIB) and the European Investment Fund (EIF), invested €221 million and €33 million respectively.

The EIB Advisory Services continued to help public and private promoters in Slovenia develop projects in a wide range of areas such as sustainable urban mobility, agriculture and agrifood, climate action, and energy efficiency. EIB also provided financial advisory support to innovative companies in Slovenia to find the best funding options for their R&D programmes and tangible investments.

**EIB Vice-President Lilyana Pavlova, who is in charge of operations in Slovenia, said:** "In 2020, EIB Group investments in Slovenia focused mostly on the economic recovery from the COVID-19 pandemic, as well as reinforcing long-term economic sustainability of Slovenia. Our investments helped make Slovenia more resilient and improved the quality of life and doing business in the country. We are also proud to have contributed to further modernisation of key infrastructure in the country. In 2021, the Bank will focus on COVID-19 recovery, climate action and sustainable, circular economy. I look forward to working with our Slovenian partners to unlock multi-billion investment opportunities stemming from these initiatives."

**Andrej Sircelj, Minister of Finance in the Government of the Republic of Slovenia, said:** "Due to the adopted anti-corona measures, we ensured a relatively small decline in employment and maintained the existence of many companies in the market. With this, we established a good basis for our exit strategy to achieve a rapid restart of the economy. In addition to the recovery, the exit strategy will provide an additional impetus for the economy to reach a higher level of competitiveness. This will reflect in higher growth, development and, consequently, also the well-being of our people."

## **EIB increases investment in Slovenia by 20%, the highest investment volume in five years**

EIB lending in Slovenia grew for the third year in a row and reached the highest investment volume in five years. The EU bank recorded a 20% increase of its activities volume in Slovenia year-on-year, supporting projects in telecommunications, energy and transport.

Lending to (i) *Telekom Slovenije's* high-speed internet network expansion (€100 million), (ii) DARS's Karavanke tunnel upgrade (€90 million), and (iii) Elektro Maribor's energy distribution (€31 million) increased total EIB investments in the country to €7.21 billion (since 1977).

Over the past ten years alone, the EIB has invested €3.73 billion in Slovenia – 32% of the total investment volume between 2010 and 2020 went to credit lines for local small and medium-sized companies, 25% to the Slovenian energy sector, and 13% to the transport and composite infrastructure sectors, respectively.

Other sectors of the Slovenian economy have also benefited from EIB investments, including urban development (4%), telecommunications and water and sewerage (3% each), and industry, education and services (2% each).

## **EIF's second-highest investment volume in five years for innovation and competitiveness of local SMEs**

The European Investment Fund contributed to the local economy to the tune of €33 million. The Fund invested €3 million through equity operations and €30 million in guarantees, making 2020 the second most successful year for the EIF in Slovenia in the last five years.

Since 2016, the EIF has invested close to €100 million in equity (€53 million), guarantees (€40.1 million) and inclusive finance (EUR 6.5million). EIF activities in 2020 reinforced and supported innovation and competitiveness of Slovenian small- and medium-enterprises.

## **European Fund for Strategic Investments (EFSI) attracts close to a billion euros into the Slovenian economy**

Over the past six years, the EFSI (a joint initiative of the European Commission and the EIB launched to overcome investment gaps in the EU) made a meaningful impact in Slovenia. The EFSI has supported more than 2 500 SMEs in Slovenia, sustaining approximately 36 000 jobs and mobilising €996 million in investments in the Slovenian economy, according to the EIB methodology.

## **EIB Advisory Services help Slovenia attract more than €3.4 billion in investment, €1.14 billion in EU grants**

The Advisory Services of the European Investment Bank continued to support Slovenia's project development and attract EU funding and grants. Since 2006, Joint Assistance to Support Projects in European Regions (JASPERS) Advisory Service alone supported preparation of investment projects worth €3.4 billion of which €1.14 billion was paid out in EU grants.

In 2020, EIB Advisory Services engaged with the country in **social outcomes contracting**, an innovative form of procuring social services based on outcomes rather than outputs. Support was provided for the assessment of **financing gaps for the agriculture and agrifood sectors** in Slovenia. This activity will strengthen the Slovenian EAFRD managing authority's planning and programming and increase the use of financial instruments in the EU's Common Agriculture Policy Strategic Plan for the 2021-2027 period.

The EIB also provided a technical assistance grant of up to **€2.4 million** for the preparation of investments to **improve urban transport** in Slovenia through **sustainable urban mobility schemes**.

### **Investing in preparedness, planning and increased resilience of Slovenia**

EIB Advisory Services also committed to helping Slovenia mitigate the negative effects of climate change, including via preparation of a project pipeline for flood risk management and drafting of a national strategy and guidance for climate proofing.

### **Support for the recovery of Slovenia's economy from COVID-19**

In response to the COVID-19 pandemic and its effects on the economy, the EIB Group is working with local banks on repurposing and extending existing SME and mid-cap loans to support companies hardest hit during the pandemic.

In partnership with Slovenian financial institutions, new operations are being considered to unlock new sources of financing for SMEs and mid-caps operating in the agriculture, manufacturing and services sectors. Loans for Slovenian local authorities in the fields of infrastructure, energy efficiency and the knowledge economy are also part of the negotiations.

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**[Article – Coming up in plenary: vaccines, recovery, Russia](#)**



## **Covid-19: debate on EU vaccination strategy**

MEPs will debate the EU's [Covid-19 vaccination strategy](#) with European Commission President Ursula von der Leyen on Wednesday. The discussion is expected to cover vaccine deliveries, contracts and data transparency, as well as the new system authorising exports of Covid-19 vaccines.

## **Recovery and resilience facility**

On Tuesday, Parliament is set to approve the [Recovery and Resilience Facility](#), the largest part of the [Next Generation EU](#) package, designed to help EU countries deal with the effects of the pandemic.

## **Circular economy**

Parliament is set to back Commission proposals to make the EU a fully [circular economy](#) by 2050, but is calling for [binding 2030 targets for materials use and consumption](#).

## **Social media and fundamental rights**

Recent events have raised concerns about the link between social media and freedom of speech and the impact on fundamental rights. MEPs will discuss ways to defend democracy in the face of online disinformation on Wednesday.

## Tackling human trafficking

Parliament will call for better protection for women, children, asylum-seekers, refugees and migrants from trafficking. MEPs will call for the EU's [anti-trafficking directive](#) to be amended, criminalising the “knowing use of services” provided by victims of trafficking.

## An EU-wide minimum wage

On Monday, MEPs will consider measures to tackle inequality, including the proposed [EU directive on minimum wages](#), which aims to guarantee statutory minimum wages above the poverty threshold throughout the Union.

## Covid-19: relief measures for the aviation sector

To avoid airlines operating empty flights during the pandemic (so-called ghost flights) to retain take-off and landing slots, Parliament backed the temporary suspension of [the use it or lose it rule](#) in March 2020. On Thursday, MEPs will vote on an agreement for airlines to use at least 50% of their slots in the coming period, instead of the usual 80%, to retain slots in the following season.

## Alexei Navalny's arrest and relations with Russia

On Tuesday, MEPs will discuss the crackdown on political opposition in Russia with EU foreign policy chief Josep Borrell, including opposition Alexei Navalny's recent arrest and sentencing. They will also explore the source of the growing [tensions between the EU and Russia](#).

## Situation in Myanmar

MEPs will debate the recent military coup in Myanmar and subsequent arrest of Aung San Suu Kyi and other democratically elected leaders.

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## [Steven Maijoor delivers keynote speech at Conference on FinTech and Regulation](#)

ESMA Chair, Steven Maijoor, addressed today senior policymakers and industry

at the 5th [Annual Conference](#) on 'FinTech and Regulation: New Challenges and New Solutions'. His [speech](#) touched upon: digitalisation: risks and opportunities; accelerating trends; and safe navigation.

The Covid-19 pandemic and ensuing of public health measures have accelerated the trend towards digital finance. Now more than ever, consumers are managing their finances and investments online. Businesses must continue to reinvent themselves and authorities will need to coordinate their policy response. More details in the speech.

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## [Message by President Charles Michel at the event celebrating the first International Day of Human Fraternity](#)



Today marks the very first International Day of Human Fraternity. I'm pleased to join this celebration, established by the United Nations, to promote tolerance, peaceful coexistence and interfaith dialogue between communities.

I'd like to thank His Holiness Pope Francis and His Eminence the Grand Imam of Al-Azhar, Sheikh Ahmed Al-Tayyeb, for launching this initiative.

A day of human fraternity is needed today more than ever, as the world battles the COVID pandemic.

Today reminds us that the only way out of this global crisis is through greater fraternity – and solidarity – between peoples.

The nearly 8 billion people living on this planet can often seem so different from one another. Living in different communities, with different beliefs, religions, opinions, languages, and different ways of life.

Yet, if we look closely, we are not so different after all. We all aspire to the same things. Peace. Dignity. And human rights. To think freely. To believe freely. And to express ourselves freely. And to be respected, as individuals, and as members of our communities.

The more we see each other from afar, the more we see our differences. The more we look each other in the eye, the more we see our own reflection. Our common humanity.

This is why coming together, for dialogue, for understanding, is more important than ever.

Dialogue sparks understanding. Understanding inspires tolerance. And

tolerance leads to respect. This virtuous chain can make peace and fraternity possible. For believers – no matter their creed – and for non-believers alike.

It's what unites us as human beings. And it's what nurtures the mutual understanding that leads to tolerance and respect between communities.

I wish you a thoughtful and happy Day of Fraternal Humanity! Thank you.

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## [The three European Supervisory Authorities publish Final Report and draft RTS on disclosures under SFDR](#)

The Joint Committee of the three European Supervisory Authorities (EBA, EIOPA and ESMA – ESAs) delivered today to the European Commission (EC) the [Final Report](#), including the draft Regulatory Technical Standards (RTS), on the content, methodologies and presentation of disclosures under the EU Regulation on sustainability-related disclosures in the financial services sector (SFDR).

The proposed RTS aim to strengthen protection for end-investors by improving Environmental, Social and Governance (ESG) disclosures to end-investors on the principal adverse impacts of investment decisions and on the sustainability features of a wide range of financial products. This will help to respond to investor demands for sustainable products and reduce the risk of greenwashing.

Steven Maijoor, Chair of the ESAs Joint Committee, said: *“The significant set of rules issued today provide a strong basis to improve ESG reporting and combat greenwashing. They strike a careful balance between achieving common disclosures across the range of financial products covered by the SFDR and recognising that they will be included in documents that are very diverse in length and complexity. The ESAs have listened to the consultation feedback from stakeholders and have adjusted the proposed disclosures”.*

### **Main proposals**

#### **Entity-level principal adverse impact disclosures**

The principal adverse impacts that investment decisions have on sustainability factors should be disclosed on the entity's website. The disclosure should take the form of a statement showing how investments adversely impact indicators in relation to

- climate and environment; and

- social and employee matters, respect for human rights, anti-corruption and anti-bribery aspects.

The ESAs have updated the list of indicators for principal adverse impacts. The principal adverse impact reporting in the SFDR is based on the principle of proportionality – for companies with fewer than 500 employees, the entity-level principal adverse impact reporting applies on a comply-or-explain basis.

### **Product level disclosures**

The sustainability characteristics or objectives of financial products are to be disclosed in an annex to the respective sectoral pre-contractual and periodic documentation in mandatory templates and on providers' websites.

Proposals relate to:

- **Pre-contractual information** should include details on how a product with environmental or social characteristics/ sustainable investment objective/ meets those/ that characteristics/ objective.
- **Information on the entity's website** on the environmental or social characteristics of financial products/ sustainable investment objective of the product and the methodologies used.
- **Information in periodic reports** specifying: (I) the extent to which products met the environmental and/or social characteristics by means of relevant indicators; and (II) for products with sustainable investment objectives, including products whose objective is a reduction in carbon emissions.
- **Information in relation to the 'do not significantly harm' principle:** specifying the details for how sustainable investments do not significantly harm sustainable investment objectives.

As the ESAs were not empowered to differentiate the disclosures between financial market participants and products, the RTS contain a harmonised approach to all financial products. Therefore, the same disclosures are required for a very broad range of products attached as annexes to existing sectoral disclosure documents that have different levels of granularity and length.

### **Next steps**

The EC is expected to endorse the RTS within 3 months of their publication.

While financial market participants and financial advisers are required to apply most of the provisions on sustainability-related disclosures laid down in the SFDR from 10 March 2021, the application of the RTS will be delayed to a later date according to the [EC letter to the ESAs](#). The ESAs have proposed in these draft RTS that the application date of the RTS should be 1 January 2022.

The ESAs plan to issue a public supervisory statement before the application date of SFDR in order to achieve an effective and consistent application of the SFDR's requirements and consistent national supervision of the SFDR.



The ESAs will also publish a consultation on taxonomy-related product disclosures under the Taxonomy Regulation which amends the empowerments in Articles 8(4), 9(6) and 11(5) of the SFDR.

## **Background**

On 9 December 2019, the SFDR was published in the Official Journal. The Taxonomy Regulation was published in the Official Journal on 22 June 2020.

The Final Report takes into account the feedback received on the [consultation paper](#) launched in April 2020.