

## **Bosnia and Herzegovina: SMEs to benefit from EUR 10 million loan EIB signed with Raiffeisen Leasing in B&H**

- **EUR 10 million support for B&H SMEs at a time they most need it while facing COVID-19 pandemic**
- **Funds also available to municipalities for investments in healthcare, environmental protection and education**

The European Investment Bank will provide EUR 10 million to Raiffeisen Leasing doo Sarajevo, Bosnia and Herzegovina and unlock new financing for local small and medium companies. The EIB loan will allow the company to finance projects and working capital for SMEs operating in industry, tourism and services sectors, as well as agriculture. This support comes at a time when SMEs are the hardest hit by the COVID-19 pandemic and are facing unprecedented challenges.

The loan from the EU Bank also encourages investments promoting youth employment under the European Youth Employment and Training for the Western Balkans ("EYET") initiative. Funds from the EIB loan will also be available to local authorities in B&H for their investments in environment protection, healthcare and education.

**Matteo Rivellini, Head of Division at EIB in charge of Western Balkans, Croatia and Slovenia** said: "The EIB remains a partner Bosnia and Herzegovina can trust even in the most difficult of times. We are committed to support local SMEs as a backbone of local economy and major source of employment for people in B&H. Our loan is an important source of financing at a time when immediate financial aid is essential for survival of SMEs as they face the pandemic. Along with the support measures for Western Balkans introduced by the Team Europe, we are committed to step up our support for the country to address both the immediate challenges caused by the pandemic and lay the foundations for a prompt economic recovery after the crisis."

**Ambassador Johann Sattler, Head of the EU Delegation and EU Special Representative in BiH,** said: "The initiative of the European Investment Bank is another concrete example of the European Union's commitment to help Bosnia and Herzegovina mitigate the impact of the coronavirus pandemic. The EU has quickly mobilized a first package of EUR 7 million to address the most urgent medical needs in the country. Substantial package of additional EUR 73.5 million of EU funds for socio-economic recovery measures in BiH will follow. These funds complement the decision by the European Commission to provide EUR 250 million of macro-financial assistance which will contribute to BiH efforts to protect citizens and companies affected by the crisis."

**Ms. Maja Jurcevic, CEO of Raiffeisen LEASING doo** said: “We are pleased to continue our successful cooperation with EIB with this credit line. Especially having in mind that we find ourselves in very specific and hard period caused by pandemic of COVID-19. Our clients are our priority, so we are continuously striving to be their partner regardless of circumstances. In the current situation we make maximum effort to help them in various ways to overcome it as easy as possible. We believe that we will contribute in health protection as well as solving economic issues when the first wave of crisis passes.”

This is the second and final tranche of a EUR 25 million loan with Raiffeisen LEASING in B&H, with the first tranche signed in 2018 as part of the EIB’s strategic support to small and medium-sized companies in the country. According to EIB estimates, this loan is expected to help retain over 4,000 jobs and support approximately 445 SMEs.

To date, EIB has invested EUR 725 million in SMEs in Bosnia and Herzegovina, all through local financial institutions. Cooperation between the EIB and Raiffeisen Group in B&H, launched in 2005 unlocked EUR 145 million in more affordable loans for the BH economy.

Since the start of its activities in Bosnia and Herzegovina, the EIB has provided over EUR 2.4 billion financing across the sectors of the economy, especially supporting investments in the transport and SME sectors, but also those in water and sewage, energy and healthcare sectors.

As a part of the “Team Europe” €15.6 bn response funded by the EU, Member States and financial institutions response to Covid-19, the European Union announced a support package for the Western Balkans worth €700 million. The European Investment Bank contributed €5.2 billion to the “Team Europe” global support package.

## **Background information**

### **About the EIB in Bosnia and Herzegovina and in the Western Balkans:**

For detailed information on the EIB activities in the Western Balkans please visit the following link:

([www.eib.org/en/publications/the-eib-in-the-western-balkans](http://www.eib.org/en/publications/the-eib-in-the-western-balkans))

### **About Raiffeisen Group in Bosnia and Herzegovina**

Raiffeisen BANK d.d. Bosna i Hercegovina is a subsidiary of Raiffeisen Bank International AG, one of the leading banks in Central and Eastern Europe and Austria.

It was established in 1992 and is now one of leading banks in Bosnia and Herzegovina. More than 1,300 employees serve more than 430,000 customers through 100 business outlets. Numerous national and international awards such as acknowledgement by internationally recognized magazines such as Global Finance, Euromoney and the Banker are confirmation of our business success. Investments into new technologies, experienced and educated staff, active personnel development, a focus on individual customer approach and

implementation of new state-of-the-art products and services are Raiffeisen bank's main competitive factors in the B&H market.

Besides Raiffeisen Bank, the Raiffeisen Group in Bosnia and Herzegovina comprises Raiffeisen INVEST, Raiffeisen CAPITAL, Raiffeisen LEASING and RL ASSISTANCE.

For more than 130 years, the Raiffeisen Group has been combining financial success with socially responsible business conduct, where corporate, environmental and social responsibility are the key references, guided by the key principles of social solidarity, helping people to help themselves and sustainability established by Friedrich Wilhelm Raiffeisen.

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## Article – Sassoli: We can't relaunch economies unless we act together



Speaking at the start of an EU Summit on 23 April on the EU response to the Covid-19 outbreak, Sassoli said: "This is a time for unity.

"Europe's market is a single market and if we do not set out on this road together, there can be no question of relaunching economies which are closely interlinked and hugely interdependent."

Noting that the pandemic had affected some member states more than others, he said: “The time has come to put blinkered self-interest to one side and to make the solidarity which is at the heart of the European project our guiding principle once again.”

His warning came a week [after Parliament adopted a resolution](#) calling for a massive recovery package to support the European economy after the Covid-19 crisis, including **recovery bonds** guaranteed by the EU budget. In the resolution, MEPs said a joint EU response to Covid-19 was crucial and also called for an EU Coronavirus Solidarity Fund of at least €50 billion.

## **Major investment programme needed**

Referring to the resolution, Sassoli said a major programme of investment would be needed to boost the recovery and rebuild the European economy: “The huge investment required will have to be financed by a significantly strengthened MFF [EU long-term budget], which will draw on existing EU funds, but also innovative financial instruments, such as recovery bonds backed by the EU budget.”

He also underlined the need for new EU own resources such as a web tax, a tax on non-recycled plastic or a share of the revenues from the emissions trading system.

The President stressed that the recovery needs to come quickly as people, businesses and local communities need resources to safeguard the economic and social fabric of our regions.

In closing, Sassoli reminded EU leaders of the stakes involved: “The world which emerges from the crisis will be a different one. The European project must seize this opportunity to shape this new era. Today more than ever, it is essential that Europe lives up to its own values, which, together with the rule of law, are the cornerstone of our joint project, the European Union.”

[Find out what the EU is doing to fight the coronavirus](#)

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**[Press release – COVID-19: MEPs to quiz Commissioners Gabriel and Breton on Friday](#)**



On 17 April, Parliament adopted a [resolution on the COVID-19 crisis](#), calling for a coordinated post-lockdown approach in the EU, including large-scale testing. They also want to see additional EU funding to finance speedy research to find a vaccine.

The committee will debate on Friday at 10:00 with Innovation, Research, Culture, Education and Youth Commissioner Mariya Gabriel and Internal Market Commissioner Thierry Breton on the way forward for Parliament's proposals.

MEPs will also discuss the proposal from the Commission to set up an EU data platform where researchers will be able to store, share and analyse findings on the coronavirus.

You can follow the meeting from [this link](#). Here is the [agenda](#).

Most MEPs will attend the committee meeting remotely (Members will be able to view and listen to the proceedings, ask for the floor and intervene in the meeting).

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Next ITRE meeting : Tuesday 28 April 2020.

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**[EIB backs €5 billion investment to mitigate economic impact of](#)**

# coronavirus and support medical technology

- €5 billion for COVID-19 business resilience and medical technology
- Includes €3 billion for companies in Spain and Italy impacted by economic shocks
- Additional flexibility to extend existing loans to mitigate economic impact of the crisis

The European Investment Bank today approved €5 billion of new financing for businesses hit by the economic shock and for medical technology. The financing is part of the EIB's quick response to the coronavirus crisis and its economic effects. It includes €3 billion dedicated for companies in Italy and Spain, two countries most impacted by the corona virus.

During its meeting by videoconference earlier today the EIB Board also agreed measures making it possible to extend existing EIB loans in view of the economic impact of the coronavirus crisis, up to a total of €5 billion. This builds upon the rapid response package identified on 16 March.

"Investment to mitigate the economic, health and social impact of the coronavirus crisis is now a priority for the EU Bank, one that we have embraced swiftly and vigorously in cooperation with other EU institutions. Today we continued to prioritise support for companies and entities worst hit by the crisis, specifically small companies and medical innovation. We also agreed to ensure a rapid response by expanding financing available to existing clients", said Werner Hoyer, President of the European Investment Bank.

## **Backing research on coronavirus**

The Board approved a €75 million equity investment into the German company Curevac, to support research to mitigate the health impact of coronavirus.

This support is part of the scaled-up efforts to finance additional research to fight coronavirus through the EIB's dedicated Infectious Disease Financing Facility, with more operations expected in the coming weeks.

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# International organisations discuss how to support human rights defenders

## during COVID outbreak

In going forward, staff working on cooperation will continue to meet to exchange views on a range of issues on how best to support civil society and human rights defenders.

These include: how Intergovernmental organisations can ensure continued participation by civil society during these times, including online; assessing the impact of COVID-19 measures on human rights defenders and civil society organisations; how donors could deal with the situation; digital security, safe communications, and the digital divide; and how do deliver capacity building and project support under the current circumstances.