

# The European Investment Bank and Raiffeisenverband Salzburg support regional companies with a further €100 million



Raiffeisenverband Salzburg (RVS) and the European Investment Bank (EIB) are intensifying their cooperation. Due to high demand for loans, RVS has signed a further €30 million financing agreement with the EU bank. This is the first tranche of an overall sum of €50 million for which RVS has secured the EIB's agreement. To provide clear impetus for investment in the region, the new loan volume will also be doubled by Raiffeisen Salzburg to €100 million in the coming years.

The two banks have been working closely since 2017. Over this period, RVS has been cooperating with the EU bank directly to support companies in the region by granting loans on favourable terms. Projects that meet EIB criteria enjoy low interest rates. Since 2017, the EIB has granted promotional loans totalling €100 million to selected projects as part of this cooperation, with RVS doubling this amount to €200 million.

The scope of the EIB's refinancing is broad: in previous years, the low-interest EU loans went towards supporting new expansion and modernisation projects conducted by small and medium-sized enterprises (SMEs) in the state of Salzburg and neighbouring regions, with a focus on environmentally friendly investment. These initiatives included renovation projects at tourism companies, which have reduced their CO<sub>2</sub> emissions significantly thanks to new heating and ventilation technologies, thermal insulation and/or the use of energy management systems. The funds were also used for switching to energy-efficient production machinery and processes as well as constructing low-energy buildings for commercial use.

These newly signed agreements place even greater emphasis on climate action, with a particular focus on innovation. These favourable refinancing packages are primarily intended for companies operating in innovative fields and investments in pioneering products and processes.

Salzburg-based businesses and their future are particularly important to RVS General Manager Dr Heinz Konrad: "Small and medium-sized enterprises in particular form the backbone of the local economy. They create jobs and provide young people with training, thereby safeguarding the success of future generations. Even amid today's economic challenges, we intend to keep looking to the future and ensure that increasingly important issues such as sustainability and business continuity do not fall by the wayside. Thanks to this refinancing, we can support our clients' projects by granting medium- and long-term loans with favourable terms, while keeping red tape to a minimum."

EIB Vice-President Thomas Östros added: “In the current difficult economic climate, marked by the COVID pandemic, we must ensure that access to fresh capital is not blocked. Against this backdrop, I am particularly pleased that we are stepping up our cooperation with Raiffeisenverband Salzburg, especially since the new funds have an even greater focus on financing climate action. Tackling the crisis and climate change are absolute priorities for the EIB, the EU bank.”

**Background information:**

**Raiffeisenverband Salzburg**

Raiffeisenverband Salzburg (RVS) is on the one hand a regional universal bank and on the other hand the regional headquarters of the Raiffeisen banking group Salzburg and is, together with the 41 independent Raiffeisen banks and a total of 119 bank branches, the largest banking group in the state of Salzburg. Since May 1st, 2020 Mr. Heinz Konrad is CEO of the Raiffeisenverband Salzburg.