



PRESS RELEASE

2020-406-EN

Luxembourg/Belgrade, 23 December 2020

EIB and Intesa Leasing Beograd agreed on €40 million loan for COVID-19 recovery for Serbian SMEs and mid-caps

- **The EIB provides €40 million to enable affordable financing for small businesses affected by COVID-19 pandemic and help them retain jobs and business continuity**
- **This is the 3rd operation in support of Serbian private sector under the Team Europe COVID-19 support package**
- **In 2020, the EIB Group unlocked €175 million to support the recovery of Serbian companies hardest hit by the pandemic**

As the COVID-19 crisis continues to pose serious challenges on the global economy, including Serbia, the European Investment Bank (EIB) and Intesa Leasing Beograd (ILB) signed a €40 million loan for small and medium-sized enterprises (SMEs) and mid-caps in Serbia. These funds will enable ILB to provide affordable lease finance to local companies under more flexible and favourable conditions, which are part of COVID-19 exceptional measures adopted by the EIB in May 2020. This agreement will help support job retention, recovery and development of the private sector in Serbia.

Businesses in sectors hit by the pandemic such as tourism, transport, logistics, retail, manufacturing and services will be able to access lease finance sources faster and with favourable conditions to address their short-term business continuity needs and longer-term investments. This is EIB's third operation in Serbia as part of Team Europe efforts and EIB's own financing programme for the recovery of private sector in the Western Balkans.

Vice-President Lilyana Pavlova, responsible for the EIB's activities in Serbia, said: "Retaining business operations and jobs continues to be a challenging task on a daily basis for small businesses across Serbia that contribute to around 60% of employment. This transaction will enable our long-standing partner in Serbia - Intesa Leasing Beograd - to help the most vulnerable entities suffering from the impact of the pandemic address their most pressing survival needs, preserve their businesses, jobs and liquidity but also to support their post-crisis recovery which is equally crucial. By investing €175 million in the Serbian private sector in 2020, we have clearly demonstrated our enduring support to sustainable recovery of SMEs and their business development in these challenging times, and we will continue to do so."

Darko Popovic, President of Intesa Leasing Managing Board in Serbia, stated: "We are pleased to sign the fourth credit line today with the European Investment Bank (EIB), our long-term partner, with whom we have so far placed loans in the total amount of 30 million euros. The current circumstances caused by the COVID-19 virus have mostly affected small and medium enterprises, which on the one hand are the most vulnerable, but on the other hand also the most important carrier of the recovery of the Serbian economy in the period after the pandemic. Through a new credit line signed with the EIB, Intesa Leasing will offer to this segment favourable sources of financing in order to contribute to its strengthening and enable its continuous operation."

This is the fourth loan in support of Serbian SMEs signed by the EIB in 2020, in addition to two financial guarantees provided by the European Investment Fund, part of the EIB Group. These funds, totalling €175 million, will boost the recovery of private businesses facing the ongoing COVID-19 crisis and promote social inclusion of vulnerable groups of the society. From 2009 to date, the EIB has invested almost €2 billion in the Serbian economy, contributing to the retention of over 320,000 jobs.

Sem Fabrizi, EU Ambassador and Head of the EU Delegation to Serbia, said: "Small and medium sized enterprises are the backbone of the Serbian economy and this is another concrete commitment

to help those who are also very much affected by the Covid crisis. SMEs are indeed a strong resource for the economic recovery: a number of Serbian SMEs and start-ups found its place at the local market but also in the region, significantly increased their income and export, developed new innovative products and services, hired additional work-force and more than 1000 high-end jobs are created in the innovative sectors – also thanks to funding from the EU. That's why we need to support them more than ever”.

Notes to Editors:

About the EIB

The European Investment Bank (EIB) is the long-term lending institution of the European Union owned by its Member States. It makes long-term finance available for sound investment in order to contribute towards EU policy goals. www.eib.org

About the EIB in Serbia

The EIB has been active in the territory of Serbia since 1977, providing finance to support key infrastructure projects, as well as SMEs, industry, services and local authorities. Since the start of its activities in the country, a total of over €6 billion of investments in SMEs and the revitalisation of transportation, education, healthcare and utility infrastructure have been made. For more information regarding the EIB's projects in Serbia, please refer to: <https://www.eib.org/en/projects/regions/enlargement/the-western-balkans/serbia/index.htm>

About the EIB in the Western Balkans

The EIB is one of the leading international financiers in the Western Balkans. Since 2009, the Bank has financed projects totalling more than €8 billion in the region.

For detailed information on EIB activities in the Western Balkans, please visit the following website: www.eib.org/en/publications/the-eib-in-the-western-balkans

About Team Europe and the COVID-19 response in the Western Balkans

For the region of the Western Balkans and as part of the #TeamEurope strategy, the EU's global response to COVID-19, the EIB has prepared an immediate support package of €1.7 billion, primarily for SMEs and the healthcare sector. The total EU financial support package for the Western Balkans amounts to more than €3.3 billion. For more information: <https://www.eib.org/en/press/all/2020-111-eib-group-to-contribute-eur1-7-billion-to-the-eu-s-covid-19-response-package-for-the-western-balkans>

About Intesa Leasing Beograd

Intesa Leasing Belgrade, a member of **INTESA**  **SANPAOLO**, is one of the leading leasing companies on the Serbian market with a net balance amount of 16,1 billion dinars and total placements of 14.9 billion dinars. Combining modern world experiences with local skills, we find the best possible solutions on a daily basis that meet the financial needs of clients, advocating for a better quality of life, prosperity, development of the economy and society as a whole.

EIB Climate Action

The European Investment Bank is active in around 160 countries and is the world's largest multilateral lender for climate action projects. The EIB Group has recently adopted its Climate Bank Roadmap to deliver on its ambitious agenda to support €1 trillion of climate action and environmental sustainability investments in the decade to 2030 and to deliver more than 50% of EIB finance for climate action and environmental sustainability by 2025. Also, as part of the Roadmap, from the start of 2021, all new EIB Group operations will be aligned with the goals and principles of the Paris Agreement.

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