



Conference on the EU Strategy for the Danube Region

Economic Development – Internal Market, Trade, Innovation, Research and Development

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The European Investment Bank (EIB)

European Priority Objectives



- ❖ Within the Union:
 - ❖ Cohesion and convergence (“regional development”)
 - ❖ Small and medium-sized enterprises (SMEs)
 - ❖ Environmental sustainability
 - ❖ Promoting a competitive knowledge economy; education, RDI
 - ❖ Trans-European Networks (TENs)
 - ❖ Sustainable, competitive and secure energy



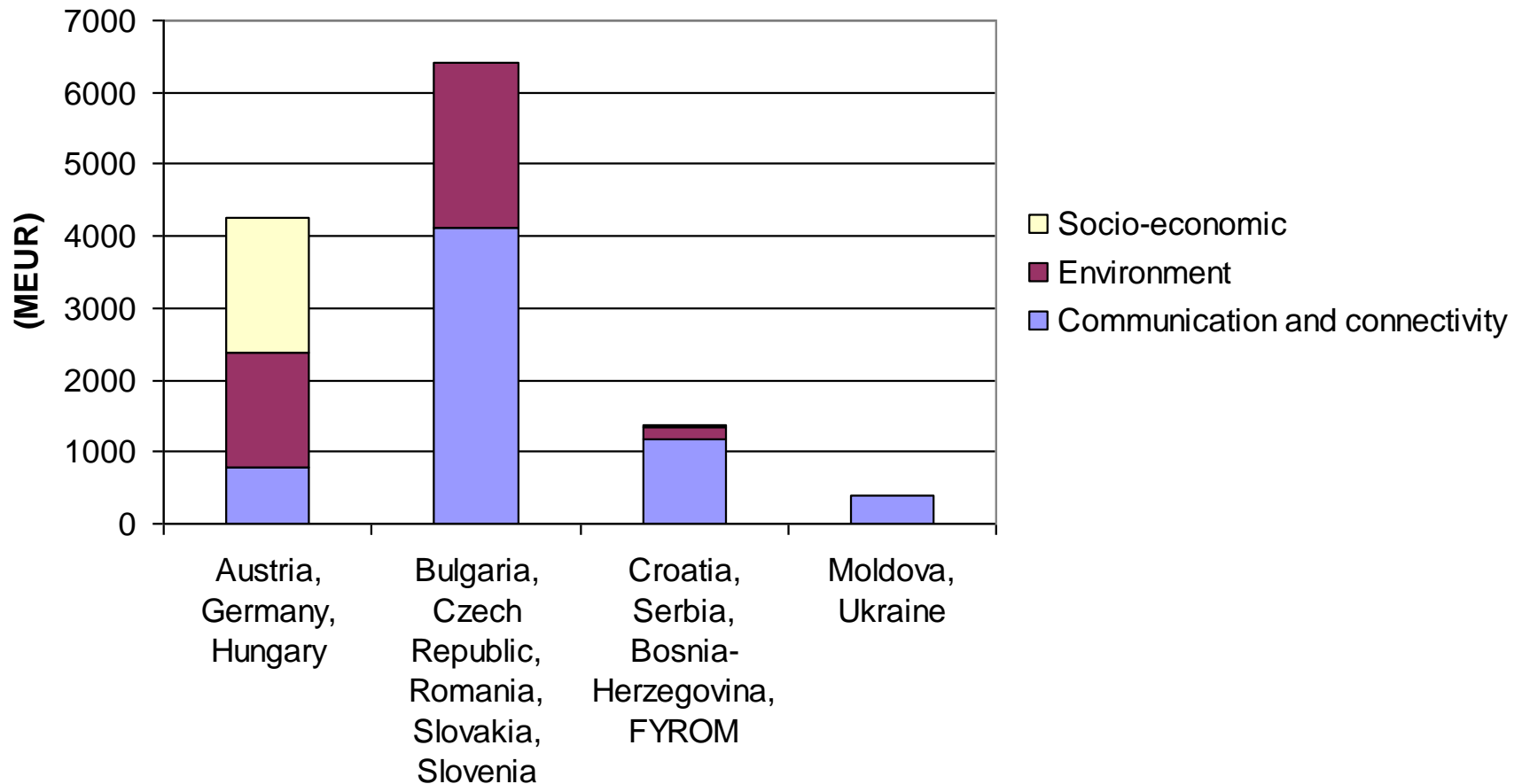
Overview of the EIB lending to the Danube region

- ❖ Some EUR 4bn of Loan Signature per year (2007-2009) in the Danube Region of Germany, Austria, Hungary, Bulgaria, Czech Republic, Romania, Slovakia, Slovenia, Croatia, Serbia, Bosnia-Herzegovina, FYROM, Montenegro, Moldova and Ukraine.
- ❖ EIB co-finances with EU Financing Programmes, other international financing institutions, bilaterals and private sector investors.
- ❖ 2007-2009 EIB main lending was for communication & connectivity 46%, followed by environmental 36%, and socio-economic investments 18%.
- ❖ Investments specifically addressing socio-economic situation (education, research, development and innovation) were mainly in Hungary, Germany and Austria, this trend to continue in 2010.



Overview of the EIB lending to the Danube region

Danube Region Loan Signatures 2007-2009
12,445m EUR





Examples of the EIB lending to the Danube region

- ❖ Rehabilitation programme of social housing in Vienna, increase in the building value, a reduction in energy use and emissions and to better living and health conditions for the tenants (EUR 105m) AUSTRIA
- ❖ Credit line to Hungary's National Development Bank, to on-lend to municipalities, or small and medium-sized enterprises to improve their access to financing and to support projects for environmental protection, energy or infrastructure. (EUR 100m) HUNGARY
- ❖ Flood damage repair investments in four affected Czech river basins South Bohemia, Ústi Region, Olomouc Region and Moravian Region after the floods of summer 2009. (EUR 267m) CZECH REPUBLIC
- ❖ Co-finance the New Hungary Rural Development Programme 2007-2013, to support climate change, forestry, biodiversity protection, soil and water management through development and modernisation of forestry, afforestation of agricultural land, restoring forestry potential and introducing prevention actions. (EUR 200m) HUNGARY



Opportunities to Economic Development in Danube region

- ❖ Integration of the connectivity and communication system, through sustainable development in for example ports, navigation, road and rail.
- ❖ Promoting energy diversification, renewable energy and energy efficiency.
- ❖ Foster education, research, science, development and innovation.
- ❖ Improving the quality of life, sustainable urban and regional development policies and investments.
- ❖ Making better use of tourism and ecotourism along the river and delta.
- ❖ Improvement in the ecological situation of the polluted Danube river, and the fragile ecosystem in the Danube Delta (UNESCO World Heritage Site), investment in water, wastewater, solid and hazardous waste.


Available technical assistance support

- ❖ JASPERS - technical support for project preparation for large infrastructure schemes which receive finance from the Structural and Cohesion Funds.
- ❖ Western Balkans Investment Framework (WBIF) technical assistance support in the Western Balkan region.




Challenges to Economic Development in Danube region

- ❖ Great differences in the region, economical; Germany EUR 29.000 per capita, Bulgaria 10.400 EUR per capita, political; EU Member States and Non-Member States.
- ❖ The Danube river flows from more economically developed countries to less economically developed countries, downstream co-operation important.
- ❖ Clash between transport, navigation and hydropower investments versus sustainable environment, conflict or complementary?
- ❖ Prioritisation of economical and institutional development to overcome regional differences in economic performance, demands co-ordination between regional and local authorities in the Danube region.
- ❖ EU policy programmes in the region, Cohesion Policy, Accession Countries Policy, European Neighbourhood Policy, the challenge will be to coordinate existing programmes to reach Danube Strategy goals.
- ❖ Certain regions have less access to funding, e.g. countries in Western Balkans that do not benefit from EU Structural Funds.



Suggestions for an efficient implementation of the Danube Strategy



- ❖ Starting with infrastructure to move to business development, entrepreneurship and support to knowledge economy – but important issues remain in terms of energy and environment (water, waste,...).
- ❖ Importance of strengthening institutional capability: from projects origination to implementation and of developing an integrated approach addressing financial and non-financial needs.
- ❖ Priority to be given to cross-border projects and interconnectivity
- ❖ Importance of promoting cooperation (between funding sources, Member States and Non-Member States), and exchange of information and best practices.
- ❖ Importance of prioritising investment needs and avoiding fragmentation.
- ❖ There are existing experience of cross-border cooperation to build on, like ICPDR, Danube Commission, and DABLAS.



For more information...

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