

2024

SUSTAINABLE INNOVATION



European
Investment Bank | Group



WATER

There is an urgent need for more investments in water.

Water supplies must be protected and access to water must be equitable and affordable. By 2050, **over 40% of the global population is likely to live in regions that have severe water stress.** Hundreds of millions of people lack safe drinking water and basic sanitation. Water problems also increase the risk of conflicts, raise food prices and drive migration.

The European Investment Bank is one of the biggest investors in water around the globe. It invests more than **€2 billion** a year in the sector.

EIB WATER PRIORITIES

- Improved water supplies
- Better wastewater treatment
- Construction of desalination plants
- More stormwater management, flood protection, coastal restoration

RECENT INVESTMENTS

- In the European Union, we focus on direct loans such as the **€1 billion** deal to help Berlin public water company rehabilitate water supply and wastewater collection
- Beyond the European Union, we have started using two new financial products: sector-based finance, such as a big investment in Jordan for desalination; and debt for nature or climate swaps that, for example, enable Barbados to invest over **\$200 million** in affordable homes, hurricane-resilient roofs and green transport.
- Over the past half decade, EIB Sustainability Awareness Bonds have supported more than **€5 billion** in water investments

FUTURE NEEDS

- Water supply — **€90 billion** each year in the European Union to provide good water services and reduce wasteful leaks
- Wastewater — **€60 billion** per year in the European Union for urban wastewater treatment
- Flood protection — more money in the face of increasing extreme weather events. Flood-related economic losses are estimated at **€6 billion to €12 billion** per year
- Beyond the European Union, better access to water and improved sanitation. The World Health Organization says two billion people's drinking water is contaminated



HOUSING

Housing is a basic human need. The lack of good, affordable housing is an increasing problem in the European Union and across the globe.

To address housing problems, the EIB Group has invested **€12 billion in social housing over the past ten years**. The Bank invests not just in housing but also in a better living conditions and nicer cities. We also work closely with the Committee of the Regions and a wide array of local and regional governments to improve social housing.

EIB HOUSING PRIORITIES

- Tackle the lack of affordable housing in many cities
- Cut energy use by making houses and buildings more efficient
- Build refugee reception centres, student accommodation and care homes
- Reduce urban sprawl and create vibrant neighbourhoods
- Improve green transport

RECENT INVESTMENTS

- Over the last five years we financed more than 50 social housing projects in 11 EU countries
- In Poznan, **€34 million** for the construction of 1 300 affordable housing units
- In Spain, we signed loans for energy-efficient and affordable housing in Barcelona, Madrid, Valencia, Malaga and Navarra. In 2023, we signed a **€120 million** loan with Castilla y León region to finance 1 100 affordable rental units
- In Lithuania, we helped renovate several thousand apartment buildings, cutting heating bills by 50% to 70%
- **€120 million** public-private partnership deal to build more than 500 affordable housing units in Ireland
- **€60 million** loan to build 640 affordable rental homes in Hanover
- Our advisory services assist many projects, in particular through URBIS (Urban Investment Support), which was developed with the European Commission
- We improve student housing across Europe

FUTURE NEEDS

- There is a big lack of investment in social housing in Europe as well as a huge need for renovation of old housing units. The annual investment need for housing is estimated at **€57 billion** for new construction and energy-efficiency renovations. These estimates do not include the refugee crisis triggered by the war in Ukraine
- Our activities in housing are critical to the prevention of a bigger housing crisis. EIB finance is also essential to meeting housing challenges caused by the war in Ukraine, other conflicts and climate change



EU ENLARGEMENT

The European Investment Bank was created to foster European economic integration. We have assisted all countries preparing to join the European Union. We work closely with the European Commission to combine loans with EU grants for enlargement countries and provide technical assistance that makes projects succeed.

Our investments have made EU standards part of the policies of enlargement countries. **Our work significantly speeds up the enlargement process and boosts economic growth.** By working together, we create better social and environmental standards, we promote sustainable infrastructure, a cleaner environment, better water supplies, greener urban transport, and access to finance for vulnerable groups and female entrepreneurs.

As partners, we are more respectful of natural resources and we build societies that are resilient to future shocks from unpredictable weather patterns. The climate crisis and the energy crisis sparked by Russia's invasion of Ukraine make it more important to accelerate the transition to a low-carbon economy across all European countries.

EIB PRIORITIES IN ENLARGEMENT COUNTRIES

- Speed up integration
- Sustainable transport
- Green energy
- Digitalisation
- Health and education
- Research, development and innovation
- Job creation

RECENT INVESTMENTS

- In Ukraine, **€100 million** technical assistance and advisory package
- **€65 million** credit line in Serbia and Bosnia and Herzegovina to help women, youth and people from vulnerable groups find jobs
- **€36 million** for a 50 MW wind farm in Bosnia and Herzegovina
- Over **€400 million** in investments for small and medium businesses in Georgia
- **€11 million** grant for the education sector in Montenegro
- **€120 million** investment planned to help Albania rehabilitate 120 kilometres of railway line; **€175 million** loan and **€150 million** grant for an 89-kilometre rail line in North Macedonia; signed **€550 million** loan for a rail project in Serbia
- JASPERS is helping to integrate the Ukrainian and Moldovan railways with the European Union and helping to finance new border crossings that speed up the transport of goods as part of the EU-Ukraine Solidarity Lanes. We are working to expand JASPERS assistance in Ukraine

FUTURE SUPPORT

- More finance for digital technologies
- Help young population find jobs and stop brain drain
- Technical, wmanagement and financial training, especially in green innovation and digital technologies
- Better financing for small businesses and inclusive employment
- Diversify the energy production mix, particularly in wind and solar power, and upgrade transmission networks

SUSTAINABLE INNOVATION

The European Investment Bank's
work in water, housing and enlargement in 2024



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