



HELLENIC REPUBLIC
MINISTRY OF FINANCE



PRESS RELEASE 2022-XX-EN

Athens, February 8, 2022

Greek banks and EIB Group to unlock EUR 6.5 billion in liquidity for businesses affected by COVID-19

- EUR 2.7bn worth of guarantees have been signed with Greek banks under the European Guarantee Fund, translating into EUR 6.5bn financing to companies across Greece impacted by the pandemic
- Greece is the third largest beneficiary of the European Guarantee Fund relative to Greece's contribution to the Fund
- The transactions include a guarantee on the first-loss piece of a synthetic securitisation of SME loans; the first ever such transaction for the EIB Group in Greece
- Finance Minister Christos Staikouras, EIB Vice President Christian Kettel Thomsen, and the representatives of Alpha Bank, National Bank of Greece, Eurobank, and Piraeus Bank highlight the impact of COVID economic resilience cooperation in Athens

Businesses and entrepreneurs across Greece that have been impacted by the COVID-19 pandemic are to benefit from access to a landmark EUR 6.5 billion amount of financing as a result of the partnership between the country's systemic banks and the European Investment Bank (EIB) Group under the new European Guarantee Fund (EGF).

Under the EGF program, a total of EUR 2.7 billion of guarantees provided to Alpha Bank, National Bank of Greece, Eurobank, and Piraeus Bank by the EIB Group will help companies across the country with sustainable business plans to recover from COVID-related challenges, in what are the first ever guarantee operations signed by the EIB in Greece. They are also the first ever EIB intermediated operations to strengthen access to finance by large corporates, broadening the EIB's support for the real economy in the country.

The initiative also includes the first synthetic securitisation executed by the EIB Group in Greece and contributes to further strengthening the Greek securitisation market.

The EGF was set up in late 2020 by the EIB Group with contributions from 22 EU Member States to enhance support for companies struggling with business challenges related to COVID. Using nearly EUR 25 billion in guarantees, the EGF allows the EIB and the European Investment Fund (EIF) to fast-track loans, guarantees, asset-backed securities, equity and other financial instruments available to enterprises. Its goal is to ensure that companies with sustainable business plans can get access to liquidity to overcome COVID-related difficulties, and for healthy businesses to get the support they need, in order to protect jobs and grow in a sustainable way.

Earlier today in Athens, Finance Minister Staikouras, EIB Vice President Thomsen, and the representatives of the four systemic banks highlighted the impact of the new EGF cooperation for the Greek economy.

"The European Guarantee Fund is delivering new investment by companies across Greece and supporting business activities in sectors challenged by COVID-19. The unprecedented technical and financial cooperation between the European Investment Bank Group and leading Greek banks will further accelerate economic recovery and sustainable growth in Greece and support employment. Greece is the fifth largest absolute recipient of the EGF and the third largest relative beneficiary amongst all participating EU member states thanks to the hard and efficient work of Greek and European partners in recent months," said **Christos Staikouras**, Minister of Finance of Greece and EIB Governor.

“Together with Alpha Bank, Eurobank, National Bank of Greece and Piraeus Bank, the EIB Group is making sure that Greek companies in tourism, services and manufacturing - sectors most impacted by the devastating COVID-19 pandemic - can continue to invest, innovate and create jobs. The European Guarantee Fund is a key element of Europe’s response to the pandemic and the excellent cooperation with Greek partners in recent months will ensure that companies across Greece from Corfu to Crete tackle the challenges of COVID and invest in a stronger future,” added **Christian Kettel Thomsen**, the EIB Vice President.

Vasilis Psaltis, CEO of Alpha Bank, stated: “During the last decades, billions of Euros have been channeled into the economy, thanks to the strategic partnership between Alpha Bank and the European Investment Bank (EIB) Group. Today, the EIB’s guarantees under the European Guarantee Fund together with the Greek banks’ solid capital are creating a financing safety net for the sectors affected by the pandemic.

Nevertheless, our ambition is not limited to the management of the occasion as such. We must support Progress towards a better Tomorrow by capitalizing on our experience from and access to the world of business, RRF funds and of course our strategic partnership with the EIB. Therefore, we, at Alpha Bank, stand by the side of the Greek businesses in realizing their growth plans and support our economy’s transition to a new, digital, green and ultimately sustainable future.”

Vassilis Karamouzis, the NBG’s General Manager of Corporate and Investment Banking, stated: “The EIB Group has been a long-term, trusted partner of NBG for the sourcing of a diverse set of financing products we channel to and implement with Greek corporations, including intermediated loans to SMEs and mid-caps, guarantee instruments, and innovative financial instruments utilizing Structural and National funds. In this context, during the last two years (2020-21), NBG’s collaboration with the EIB Group has intensified, as NBG unlocked through various programs over €3bn to support the recovery of healthy Greek businesses from the COVID-19 pandemic and their further growth.”

Eurobank CEO **Fokion Karavias** stated: “We have long-standing partnership with the EIB Group. For 15 years, we have been working together towards a common goal, to finance Greek businesses and support the Greek economy to grow. Especially during the pandemic, EIB and EIF funding and guarantees have been successfully channeled through the Greek banking system and were instrumental in supporting those affected by the Covid-19 impact, saving businesses and jobs at a critical juncture. As a growth-focused bank, we look forward to continuing and expanding our partnership over the upward cycle, with a particular focus on assisting SMEs to both exploit and energise the strong and sustained growth expected in Greece”.

Piraeus Bank CEO **Christos Megalou** added: “The last few years PB has cooperated with EIB Group in a series of financial instruments exceeding €3bn, supporting Greek businesses in materializing their investment plans. Following EIB Group’s new initiatives PB participates in 3 additional programs, to provide liquidity to SMEs and Large Corporates. Through EIB’s guarantees, PB will channel in 2022, €1,1bn of financing to its clients, both for investment purposes and to support their liquidity through working capital facilities.”

European Investment Bank and European Investment Fund working with Greek banks to provide crucial crisis support

Since December 2020, the EIB Group has approved EUR 23.2 billion of EGF backing in 401 individual operations in all 22 participating countries. Moreover, among the operations signed, also included is a guarantee on a first-loss piece of a synthetic securitisation of SME loans originated by Eurobank. This is one of the very first such transactions signed by the EIB Group under EGF, bringing Eurobank and Greece at the forefront of novel financial instruments.

The EGF operations follow and complement other transactions already signed by the EIB Group in Greece in response to the crisis caused by the COVID-19 pandemic.

Background information:

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.

Alpha Bank was founded in 1879 by J.F. Costopoulos. The Alpha Bank Group is one of the leading Groups of the financial sector in Greece, operating also in Cyprus, Romania, Luxembourg and the UK. It offers a wide range of high-quality financial products and services in the domestic and international market and has one of the highest capital adequacy ratios in Europe.

The **National Bank of Greece (NBG)**, with its 181-year participation in the country's economic and social life, is one of the most significant Greek financial organizations, as it plays a key role in efforts to support the Greek economy and enable the economic transformation of the country.

The Group provides a wide range of financial products and services that meet the changing needs of businesses and individuals, including deposit and investment products, various financing facilities, brokerage, insurance, leasing and factoring services. Today Nbg's Group employs a workforce of 8.919 employees. It also has a wide distribution network of 362 branches and 1.482 ATMs in Greece (data as of 30.09.2021), and provides services through alternative electronic networks (internet, phone and mobile banking), which enable customers to carry out easy, fast and safe everyday transactions. The Bank's broad customer base, respected brand name, strong market share in deposits and enhanced capital adequacy ratios ensure the liquidity needed to finance Greek businesses and reflect the long-standing relationship of trust it enjoys with its clientele. NBG supports Greek businesses by offering new financing tools and high-quality specialized services, placing emphasis on financing productive investments, export trade and new, innovative entrepreneurship.

The **Eurobank Group**, consisting of Eurobank S.A. and its subsidiaries, is a strong banking group active in six countries, with total assets of €73.4 billion and 11,339 employees (as of 30.09.2021). Eurobank Ergasias Services and Holdings S.A. is the ultimate parent company of Eurobank Group.

With a total network of 622 branches in Greece and abroad, Eurobank offers a comprehensive range of financial products and services to its retail and corporate customers. In Greece, Eurobank operations encompass a retail banking network, dedicated business centers, a Private Banking network and a dynamic digital presence. Eurobank also has presence in Bulgaria, Serbia, Cyprus, Luxembourg and United Kingdom (London). Beyond core business activity Eurobank, responding to the needs of today's ever-changing environment, consistently designs actions relating to social and environmental issues, adopting responsible practices that promote transparency and business ethics. Eurobank links its business decisions to environmental sustainability, social responsibility and corporate governance (ESG).

Piraeus Bank, a 100% subsidiary of Piraeus Financial Holdings, is the leading bank in Greece in terms of total market shares and branch network, offering a full range of financial products and services to 5.5mn customers promoting sustainability and the principles of responsible banking.

Press contacts:

EIB: Richard Willis, r.willis@eib.org, Tel.: +352 4379 82155, +352 621 555 758

Website: www.eib.org/press - Press Office: +352 4379 21000 – press@eib.org

