

CO-OPERATIVE BANK AND EIB GIVE £25 MILLION BOOST TO SMEs

Small and medium sized businesses got a £25m (£40 million) boost today (9 November) when The Co-operative Bank and the European Investment Bank concluded a global loan arrangement.

The finance will be used to by The Co-operative Bank to support investments by SME's in industry, rural and urban tourism schemes and services, mainly in assisted areas of the UK. This is the first global loan the EIB, the European Union's long-term financing institution, has concluded with The Co-operative Bank.

EIB Vice President Peter Sedgwick said: "EIB is very pleased to co-finance the development of SME's with The Co-operative Bank which plays an important development role through its financing of small and medium sized enterprises, municipalities and local communities. This facility will enable The Co-operative Bank to extend the financing it can provide SMEs, with a particular focus on smaller enterprises which need development finance for further growth."

The Co-operative Bank's Chief Executive, Mervyn Pedelty, said: "We are delighted to be working with the EIB to support businesses in assisted areas. The Co-operative Bank looks forward to a long and successful relationship with the EIB where we can utilise EIB funding and our local business expertise to benefit the regions."

The finance will support investment that will increase the productivity and competitive capacity of SMEs, and contribute to growth and employment. The main concentration of The Co-operative Bank's retail network is in the North-West of England, the Midlands, Yorkshire and Wales, covering a large portion of the UK's assisted areas. The facility will strengthen the EIB's network of global loan arrangements in the UK and enhance the availability of medium to long-term finance for small and medium sized business customers.

Editorial Notes

The European Investment Bank finances capital investment furthering EU integration, in particular: regional development, trans-European networks in transport, telecoms and energy, industrial competitiveness and integration, small and medium sized enterprises, environmental protection, energy security, and health and education projects. It also operates outside the EU within the framework of the EU's co-operation external policy. Owned by the EU Member States, the EIB raises its funds on capital markets (AAA issuer). In 2000, the EIB lent some EUR 36 billion, of which EUR 3.3 billion (some £ 2.1 billion) in the UK.

For further information, please contact the EIB's Information and Communications Department (Mr. Adam McDonough, tel.: +352 43 79 31 47, e-mail: a.mcdonough@eib.org).