

## **PRESS RELEASE**

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### **ROMANIA: EIB PROVIDES LOANS OF EUR 79 MILLION FOR REHABILITATION OF THE HEALTH SECTOR AND A CLEANER ENVIRONMENT**

The European Investment Bank (EIB) is providing two loans in Romania:

- **EUR 66.4 million to finance projects in the national health sector;**
- **EUR 12.6 million for investments to improve water supply services in small and medium-sized towns.**

The first loan will serve to provide better health care services for patients requiring maternity and newborn care and upgrade emergency medical care and rural primary health care. The project will be implemented in 42 Romanian counties, including the capital Bucharest. The financing will contribute to a reduction of maternal and infant mortality and general mortality in rural areas. It will focus on modernising health care facilities and services as well as providing policy and planning support to the national health administration.

The loan represents the second phase of investments initiated by the Romanian Government under a comprehensive healthcare reform in Romania. It will be co-financed by the World Bank and the State Budget.

The second loan will support the implementation of the government's Small and Medium-Sized Towns Infrastructure Development Programme (SAMTID). It is designed to encourage smaller municipalities in the same county to group together into associations and delegate the operation and management of their water services to regional operating companies. The objective is to transform fragmented municipal services into larger scale, county-level utilities operating on a commercial basis.

This Programme will improve water supply services and result in cost savings and the reduction of leakage through the replacement of network pipes and old pumps and installation of water consumption meters. In its first phase it will cover five counties across Romania. The EIB loan will be combined with grants from the EU Phare Programme and the State budget intervention.

Mr Wolfgang Roth, EIB Vice-President, commented: *"The investments will improve the quality of medical care, help to reform the Romanian health sector and increase the efficiency of water supply services. To accelerate Romania's economic catching-up process, the EIB envisages increasing its lending to projects that deepen the country's integration with the European Union, especially in the sectors of transport, the environment, health and education"*.

#### **Note for the Editor:**

The task of the EIB, the European Union's financing institution, is to contribute towards the integration, balanced development and economic and social cohesion of the Member States by financing sound investment. Outside the Union, the EIB supports investment projects fostering EU integration of the Accession Countries (Romania and Bulgaria) as well as European development aid and cooperation policies.

Since 1990, the EIB has provided loans to Romania amounting to EUR 3.4 billion for projects fostering the country's integration into the EU and helping to meet EU accession criteria so that the country can join the EU as envisaged in 2007.

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