

PRESS RELEASE

First loan agreement targeting youth employment signed in Italy

EIB AND INTESA SANPAOLO PROVIDE €240 MILLION TO PROMOTE YOUTH EMPLOYMENT IN SMEs, INNOVATIVE START-UPS AND SOCIAL PROJECTS

With two different innovative financing operations, the European Investment Bank (EIB) and Intesa Sanpaolo are pumping €240 million into Italy's productive fabric:

- A €120 million credit line to promote youth employment in SMEs and midcaps and to support the creation and development of innovative start-ups
- A €120 million loan for financing small and medium-scale investments in the social sector

Milan, 30 January 2014 - The **EIB** and **Intesa Sanpaolo** signed today the **first joint loan in Italy targeting the creation of new jobs for young people in small and medium-sized firms, midcaps and innovative start-ups.**

This **€120 million** operation comes seven months after the European Council's Brussels Summit on combating youth unemployment in June 2013. At that meeting, the EU's Heads of State or Government called on the EIB, the EU's financing institution, to deploy "without delay" all instruments at its disposal to tackle the growing problem of unemployment – especially youth unemployment. The €120 million EIB credit line will be channelled by Mediocredito Italiano, the corporate financing arm of the Intesa Sanpaolo group, to **SMEs, midcaps** and innovative start-ups in order to foster the creation of **new jobs** for young people in the **15 to 29 age group** and promote the development of a new, more innovation-friendly entrepreneurial culture.

"I am particularly proud of this operation with Intesa Sanpaolo, the first in a series of loans with Italy's banks under the EIB's *Jobs for Youth* programme. Following the European Council's request last June, which the Italian Government has vigorously driven forward, operations like this provide the best demonstration of the EU institutions' capacity to provide a rapid and practical response to the social emergency that is the sky-high level of youth unemployment", said **EIB Vice-President Dario Scannapieco**.

“We are delighted to be the EIB’s principal European partner in terms of both volume of business and range of areas of support for Italian firms” said **Carlo Messina, CEO of Intesa Sanpaolo**. “In particular, with this agreement Intesa Sanpaolo is making available facilities and resources that will enable our business fabric to regenerate by promoting youth employment and the creation and development of an innovation-friendly environment. In this way – he added – we aim to foster an innovative and dynamic economy that encourages talented young people to stay in our country, boosts productivity and restores profitability”.

SMEs (firms with up to 250 employees) and **midcaps** (firms with between 250 and 3000 employees) that meet at least one of the following criteria will be eligible for loans:

- they have **hired at least one worker** (three in the case of midcaps) aged between **15 and 29** in the six months prior to the loan request or will do so in the following six months;
- they provide **vocational training programmes or internships** for young people;
- they **work together with a school, technical college or university** to employ young people (e.g. in summer internships);
- they have an ownership structure in which the majority of the capital (over 50%) is held by young people under **29 years of age**;
- they comply with the provisions of **Law 99 of 2013 on the promotion of youth employment**.

Also eligible are **innovative start-ups** meeting certain requirements of section IX of Decree Law 179/2012, including:

- they have been set up and trading for no longer than **48 months**;
- **the headquarters** of their **own business** and their **interests is in Italy**;
- their sole or main business purpose is the **development, production and sale of innovative high-tech products and services**.

Also due for signature in the next few days is a **€120 million credit line** for financing investment by small and medium-sized firms in the **health and education sectors** as well as other investments eligible under **urban regeneration programmes**. **Banca Prossima** – the group’s non-profit arm – will channel the EIB funds to the relevant productive sectors of the Italian economy.

Note to editor

*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.*

***Intesa Sanpaolo** is among the top banking groups in the euro zone and the leader in Italy in all business areas (retail, corporate, and wealth management). The Group offers its services to 11.1 million customers through a network of over 4,800 branches well distributed throughout the country.*

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