



STATE OF ISRAEL
MINISTRY OF FINANCE

SPOKESPERSON OFFICE

INTERNATIONAL AFFAIRS
DEPARTMENT

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Press Release

141.1m EURO EIB Loan will Finance Water-Saving Projects in Israel

The Accountant-General at the Ministry of Finance, **Shuki Oren**, this week raised €141.1 million from the European Investment Bank (EIB). The loan has been granted to the Israel Government for financing projects in the area of water, namely sewage utilities and waste-water enhancement. These projects are intended to pump waste water for agricultural irrigation and thereby lead to savings in high-cost fresh water.

The loan is for a period of 20 years, with a grace period for the first four years. The loan was granted to the Israel Government with preferential terms, and will enable the government to save a significant amount compared with ordinary overseas borrowing.

According to Finance Minister **Dr. Yuval Steinitz**: “The loan is the first withdrawal under a €200 million finance agreement signed by the Israel Government and the European Investment Bank in December 2006. The loan is for financing the pumping of waste water for irrigation and for promoting the development of sewage utilities, with an emphasis on peripheral areas”.

Accountant-General **Shuki Oren** stated that “the loan from the European bank is fully in line with the aim of diversifying the composition of the Israel Government’s external debt and reducing the costs of raising capital. At the same time, the loan will help to promote important growth-encouragement projects in the area of sewage and water utilities”. According to Oren, “The Accountant-General’s Division is constantly monitoring the international markets, and maintains contacts with large financial institutions worldwide in order to exploit inexpensive borrowing opportunities such as this.”