FINLAND: RECORD HIGH SUPPORT IN 2015 AND EUR 230M LOAN FOR HELSINKI AIRPORT EXPANSION

News / Airports / Routes, Finance

In 2015 the European Investment Bank (EIB), the EU's long-term lending institution, fostered projects in Finland with loans totalling EUR 1.62bn – this is an all-time record high EIB commitment in Finland. Today, the EIB provided a EUR 230m loan to Finavia Corp., the Finnish airport operator, for the expansion of Helsinki Airport. This investment will enable the international hub to serve 20 million passengers by 2020.

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EIB Vice-President Jan Vapaavuori said, opening the press conference: “The European Investment Bank is firmly committed to supporting long-term investments that improve lives, unlocks economic opportunities and strengthens services by backing projects that benefit nearly everyone in Finland. 2015 was a record year for the EIB in Finland – we provided loans amounting to EUR 1.62bn.”

The EIB’s lending in Finland last year focused on projects modernising education infrastructure in Helsinki and Vantaa and supported the construction of the hospital in Jyväskylä and the renovation of the university hospital in Oulu. The EIB also directed a substantial part of its financing towards investments in Finnish industry, such as the construction of a new large-scale bio-product mill in Äänekoski, Valmet’s research and development activities related to pulp, paper and power-generation technologies, Elisa’s large-scale rollout of 4G/LTE mobile networks and Kiosked’s innovation of advertising platforms and mobile technologies for real-time bidding. Strategic infrastructure projects, such as the construction of the motorway between Hamina and Vaalimaa, the Tampere tunnel and the wastewater treatment plant in Blominmäki also received EIB backing. Finnish small and medium-sized enterprises and midcaps also benefited from EIB support in 2015.

Today’s EUR 230m loan to Finavia co-finances the development of Finland’s main hub to alleviate peak congestion, cater for future growth in traffic and improve passenger service standards. The future Helsinki Airport will have more space, better services and more digital innovations. The investment will increase the capacity of the airport for the future. This is of great importance as international traffic in one of Europe’s main gateways to Asia is estimated to grow at an average annual rate of over 4%.

EIB Vice-President Jan Vapaavuori said: “The European Investment Bank has made supporting strategic transport infrastructure one of its priorities. Helsinki Airport is the key international gateway in Northern Europe and an important part of the Trans-European Transport Network (TEN-T). We are therefore pleased to support Finavia in developing Helsinki Airport, as its increased capacity will benefit both passengers and airlines, so maintaining the strong competitive position of this hub.”

Kari Savolainen, CEO of Finavia, said: “Helsinki Airport’s geographical location is an undisputed asset. Flying via Helsinki means choosing the shortest and fastest route between Europe and Asia. It is predicted that air traffic between Asia and Europe will increase strongly in the coming years. In order to keep up with international competition, we will be developing and improving the operations and services of Helsinki Airport even further. I am pleased that the European Investment Bank has a strong belief in Helsinki Airport’s future and is joining us to invest in the airport’s growth and its position as one of the leading transfer hubs in Europe.”

More specifically, this investment includes the expansion of the terminal with two additional piers, enlargement of the baggage handling systems (BHS) by 50%, the development of various associated landside and airside infrastructure, and an increase in apron capacity and wide-body aircraft bridges.

The EIB strongly supports job creation and the Helsinki Airport expansion programme is likely to result in an increase of up to 5 000 new jobs.

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This project is a continuation of the EIB’s successful cooperation with Finavia. Including the current operation, the EIB has provided four loans to Finavia, e.g. for Finavia’s share of the Ring Rail Line project connecting the centre of Helsinki with the airport. The EIB’s support makes the company’s financing more cost-efficient and extends the maturity profile of its debt.

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