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IIB supports the largest over the past 15 years project for the export of high-tech power equipment from the Czech Republic to the Russian Federation

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International Investment Bank (IIB) has approved the provision of an irrevocable guarantee to ZDAS a.s. (Czech Republic) for the implementation of a large-scale project involving the design, construction and installation of a modern power plant at the Magnitogorsk Iron and Steel Works - MMK (Russian Federation). The total project volume is 172 million euros.

The highly efficient and environmentally friendly steam-electric power plant will allow MMK to use gas from newly - built blast furnaces for steam generation and compressed air production as part of the integrated plant modernization. This device will ensure the operation of the blast furnaces and satisfy the growing needs of the enterprise in electric and thermal energy.

The company ZDAS a.s., celebrating 70 years since its foundation this year, is one of the leading manufacturers of high-tech industrial equipment, machinery and tools for the metallurgical, energy and automotive industries in the Czech Republic. The company's products are invariably in high demand in the country and have a growing export potential in such key sales markets are Germany, China, Russia, Romania, Slovakia, and Sweden.

The Magnitogorsk Iron and Steel Works is one of the world's largest steel producers and holds a leading position among Russian ferrous metallurgy enterprises.

The implementation of the transaction will not only allow ZDAS a.s. to preserve existing but to also create new jobs, as well as to strengthen its positions in the machine-building industry. In its turn, MMK will complete an important stage of comprehensive modernization and, thanks to the possibility of using blast furnace gas as a fuel for a new power plant, will significantly reduce the negative impact of the company's activities on the environment, which will bring these indicators in line with best international standards and practices.

The participation of International Investment Bank in the project is fully consistent with its mission of a multilateral development institution. This initiative demonstrates a clear integration effect, covering interests of two IIB member states. In addition, it is designed to contribute to the achievement of such UN Sustainable Development Goals (SDGs) as "Affordable and Clean Energy", "Industry, Innovation and Infrastructure", "Responsible Consumption and Production", "Climate Action".

*"Since the relocation of our headquarters to Europe, an expansion and intensification of cooperation with European companies in general, and with Czech companies in particular, can be observed. I would like to note that this project is a qualitatively new deal in our loan and documentary portfolio in the Czech Republic, and we plan to continue to increase the scale of our investment activities in the country and the region ", stated **Nikolay Kosov, Chairperson***

of the IIB Management Board.