

Den Europæiske Investeringsbank  
Europäische Investitionsbank  
Ευρωπαϊκή Τράπεζα Επενδύσεων  
European Investment Bank  
Banca Europea de Inversiones  
Banque européenne d'investissement  
Banca europea per gli investimenti  
Europese Investeringsbank  
Banco Europeu de Investimento



Press Release  
EE 7/90

Luxembourg, 29 October 1990

441.2(54)

### EIB LOAN FOR HUNGARIAN TELECOMMUNICATIONS

The European Investment Bank is advancing 80 million ecus (1) to Magyar Távközlési Vállalat (MTV), the Hungarian telecommunications company for the modernisation and expansion of the national telecommunications system.

The 15 year loan goes towards the first phase of a 10 year programme to upgrade the national telecommunications system to provide the level of service required in the context of the liberalisation of the Hungarian economy, taking also into account the country's dependence on international trade. Works being supported will improve quality of the existing service to all users by connecting high-usage subscribers, mainly business, to a new digital overlay network, and further include the introduction of digital telephone and telex exchanges, optical fibre and microwave radio transmission systems. The new digital overlay network will gradually be expanded to replace the existing analog system. The first phase, due to be completed by end 1993, is also supported by the World Bank.

This is the third EIB loan in Hungary, bringing the total EIB finance for investment projects in the country to 120 million ecus. Previous financing included 25 million ecus as a global loan for on-lending to small and medium sized projects and 15 million ecus for modernisation of the electricity distribution system. The European Investment Bank's Board of Governors has authorised the Bank to lend up to a combined 1 billion ecus in Poland and Hungary as part of the European Community's programme to help the two countries in their move towards market oriented economies.

For further information, please contact Information Division (Mr A. McDonagh, tel: 4379-3247).

(1) Conversion rates used by the EIB for statistical purposes during the current quarter are those obtaining on 28/9/1990 when 1 ECU = GBP 0.70, IEP 0.77, USD 1.31, HUF 82.11.