

HDB/GR: Impact of the HDB loan support activities

For a second year in a row, WifOR Institute has conducted a study on the loan support activity (including guarantee support) of the Hellenic Development Bank. The study assessed the impact of HDB funding schemes for the period 2019 - 2021 on two economic indicators (Gross Value Added (GVA) and Employment), while additional environmental (greenhouse gas emissions, GHG) and social indicators were added for the first time (quality of wages, QW).

The study records that the Hellenic Development Bank contributed bEUR 7.7 to GDP and supported 306,000 jobs. For every euro of GVA created by HDB's funding activities, an additional euro is contributed to the GDP along the industry's supply chain. Moreover, for every job supported by HDB's funding activities, an additional 0.7 job is supported along the industry's supply chain.

Regarding the new environmental impact indicator, measured for the first time in a corresponding survey, it is observed that the businesses receiving loans as part of HDB's financial programme as well as their suppliers are emitting less greenhouse gases (GHG) per unit of GDP contribution value, i.e., Gross Value Added, than the businesses' foreign suppliers from European countries and the rest of the world along their global supply chain. HDB's interventions aim to support environmentally friendly investments in Greece, not only from Greek but also from international investment organisations and companies.

Additionally, in the new quality of wages index - which assesses whether employees' wages have a positive or negative impact on their quality of life - (with higher index values implying a more positive social impact), the Greek businesses receiving loans as part of HDB's financial programme are creating a positive impact on the quality of wages within Greece valued at mEUR 280. The value of the quality of wages' impact per unit of GDP contribution is positive and higher in Greece compared to the businesses' non-European foreign suppliers index along their global supply chain.