

InvestEU Scoreboard¹

Presentation of the financing or investment operation:

Implementing Partner: EIB

Name of the Operation: ITALIAN UTILITIES PROGRAMME LOAN

Type of approval :

- Individual financing or investment operation or
- Framework Operation

Name of the final recipient: N/A, to be defined at sub-project level

For Framework Operations: Type of Final recipients/Financial Intermediaries ACCEPTABLE CORPORATE(S)

Country(-ies) of implementation: Italy

Short description of the financing or investment operation:

The proposed Framework Operation is structured as an EIB Programme Loan contributing to funding the investment programmes of Italian utilities. Such companies provide regulated and quasi-regulated services in key sectors such as water, solid waste and energy.

The operation will be comprised of a tranche under EIB's own risk activities and a tranche for higher-risk loans backed by the InvestEU guarantee (the "InvestEU Tranche"). The operation will provide key funding to the utilities sector in Italy, supporting the COVID recovery and the shift to a greener economy.

The InvestEU Tranche will address primarily investment needs from smaller utilities, but also medium/large multiregional players if their investments will be eligible under InvestEU.

The current operation builds on the EIB's presence and expertise in the Italian infrastructure market and on the successful experience of similar recent operations such as "Small-Medium Sized Utilities Programme Loan" (partially under EFSI), supporting sub-operations mainly in the water sector.

The individual loan size under the InvestEU Tranche will have a maximum maturity of 20 years and a maximum grace period of 5 years; loans will remain within the economic life of the underlying investments / assets financed and in line with the credit profile of the counterpart and financing structure.

¹ This Scoreboard of indicators reflects the information presented to the InvestEU Investment Committee (IC) for its decision on the use of the EU guarantee for this operation. Therefore, the document does not take into account possible developments that could have occurred after this decision.

Public Statement

The Programme Loan (“PL”) will support investments in the water, solid waste and energy sectors in Italy. Italian utilities face pressing investment needs and restricted access to long-term finance. The PL will ensure compliance with key European policy and regulations in the fields of energy and environmental protection, thereby contributing to the Bank's policy objectives of Sustainable Energy and Natural Resources as well as Climate Action and Environmental Sustainability and avoid negative externalities related to emissions of greenhouse gases and local air pollutants.

The PL will address a number of market failures in the three sectors. More specifically, investments are expected to generate positive externalities in the form of improved public health and environmental benefits (e.g. from reduced pollution of water bodies, a more rational use of water resources, increased recycling and reduced disposal of solid waste, recovery of both material and energy from residual waste, reduced emissions of greenhouse gases and local air pollutants), and to contribute towards increasing security of energy supply, which is considered a public good. The investments in the energy sector shall also contribute to the long-term climate and energy goals of Italy and the EU. While the degree of correction of market failures will vary by sector and project, the PL is therefore expected to make a substantial contribution towards addressing environmental externalities, and provide key funding to accelerate infrastructure investments critical for decarbonisation.

A share of the investments (yet to be determined albeit expected to be limited) will be located in Cohesion regions.

Pillar 3 - Market failure or sub-optimal investment situation addressed by the financing or investment operation (**Very Good**)

Pillar 4 - Financial and technical contribution by the Implementing Partner (**Very Good**)

Pillar 5 - Impact of the financing or investment operation (**Very Good**)

Pillar 7 - Complementary indicators²**Key project characteristics**

	Expected at PCR
Start of works	03.01.2022
End of works	31.12.2029
Project investment cost	1,800 MEUR
EIB eligible investment mobilised	1,710.00 MEUR
External EIB multiplier	1.90
Mandate eligible investment mobilised	1,710.00 MEUR
Mandate multiplier effect	33.33
Mandate leverage effect	5.85
Amount of private financing	900 MEUR
Co-financing with national promotional banks	0.00 MEUR
Co-financing with structural funds (ESIF)	0.00 MEUR
Energy efficiencies realised	to be determined for each sub-operation
Climate Action indicator	to be determined for each sub-operation
Employment during construction - temporary jobs	8,141 person years
Employment during operation - new permanent jobs	0 FTE
Gender Tag	No Significant contribution to Gender Equality

Outputs and outcomes indicators will be defined for each sub-operation.

² The abbreviation PCR stands for Project Completion Report. EIB internal methodologies are used in order to calculate the figures presented in this document. The Promoter's estimates might differ.