

InvestEU Scoreboard¹

Presentation of the financing or investment operation:

Implementing Partner: EIB

Name of the Operation: RFI HIGH SPEED RAIL PALERMO-CATANIA

Type of approval :

- Individual financing or investment operation
 Framework Operation²

Name of the final recipient: ACCEPTABLE CORPORATE(S)

Country(-ies) of implementation: Italy

Short description of the financing or investment operation:

The Project consists of the upgrade of 178 km of the Palermo-Catania railway line, which is part of the Scandinavian-Mediterranean TEN-T Corridor. The project connects the northern and eastern coastal urban areas of Sicily with internal parts of the region. The final objective is the delivery of an electrified double track railway with increased design speed and capacity.

Public Statement

The project consists of the upgrade of 178 km of the Palermo-Catania rail line, which is part of the Scandinavian-Mediterranean TEN-T Corridor, connecting the northern and eastern coastal urban areas of Sicily, with higher population density, with internal parts of the region.

The Project, located in Sicily (a less developed region), is expected to reduce journey times and consequently strengthen socio-economic dynamism as well as contributing to the improved accessibility of both urban areas as well as areas of the region far from the coast.

The shift of passenger and freight traffic to rail addresses market failures by minimising a number of transport externalities, such as the harm to humans in terms of accidents and loss of life, or environmental externalities such as noise, pollution and CO2 emissions.

The project is expected to be 100% eligible under Climate Action and Environmental Sustainability.

The EIB financing is an innovative combination of a funding instrument (Investment Loan) to the State with a guarantee product (Linked Risk Sharing) to financial intermediaries issuing project guarantees (performance and advance payment bonds) and taking risk on private counterparties (project contractors), for the benefit of the timely construction of a large-scale infrastructure project in line with EU key priorities. As such, the EIB financing is an absolute novelty on the market.

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.

² The EIB Programme Loans are a delegation mechanism of the approval authority from the Board of Directors to the Management Committee for a series of sub-loans to multiple borrowers that are grouped together under one sector, policy objective or geographical region. Under InvestEU, such Programme Loans are approved by the Investment Committee as Framework Operations.

The project therefore addresses market failures by supporting financial intermediaries in providing guarantees to the project promoter, covering the contractors' performance risk in respect of the construction works.

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

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

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

Pillar 7 - Complementary indicators³

Expected at PCR	
Start of works	01.01.2019
End of works	31.12.2031
Project investment cost	7,630 MEUR
Mandate eligible investment mobilized	2,144 MEUR
Mandate multiplier effect	15.8
Mandate leverage effect	9.6
Co-financing with structural funds (ESIF)	0.00 MEUR
Energy efficiencies realised	0.00 MWh/a
Climate Action indicator	100.00% Mitigation - Transport (transversal) 10.0% Adaptation (transversal)
Employment during construction temporary jobs	42,761 person years
Employment during operation – new permanent jobs	50 FTE

Outputs

Expected at PCR	
Length of track line built or upgraded	245 km
Stations constructed or upgraded	9

Outcomes

Expected at PCR	
Beneficiaries (Passengers per year)	3,200,000
Beneficiaries (cargo) [t/year]	1,200,000

³ 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.