

Conclusions

Unitranche bridge financing

INVEU-ICR-0005-2022 – Sustainable Infrastructure

Short description of the financing or investment operation and its objectives

Name of the promoter or financial intermediary	Ben Oldman Advisors Sarl
Countr(ies) of implementation	Spain, Portugal
Implementing partner	EIB

The proposed EIB operation will finance a Vehicle that will provide unitranche loans to solar PV and wind on-shore projects (SPVs) in Iberia (Spain and Portugal). The vehicle is promoted and managed by Ben Oldman (the Promoter) and expects to invest EUR 200 million through unitranche loans in 2-3 years. The vehicle will be funded by a junior bond subscribed by investors and by a senior facility provided by EIB.

The projects financed by this operation will increase the renewable energy generation capacity in Spain and Portugal and will contribute to national and EU 2030 climate objectives. The financing of this project also contributes to the Bank's lending priority objectives in renewable energy, climate action, and economic and social cohesion

Global Assessment and rationale for approval

The Investment Committee of the InvestEU Fund approved the use of the InvestEU guarantee on 31 March 2022 for the above mentioned operation.

Electricity will be produced from low carbon sources (solar PV and onshore wind), addressing the market failure of negative climate and environmental externalities, through the reduction of carbon emissions and air pollution (compared to fossil-fuel generation).

The projects will rely on revenues from the market (the wholesale market and unsubsidised commercial PPAs), in a sector characterised by incomplete markets and thereby, the projects will improve market efficiency and competition. It is expected to yield very good quality and results due to excellent social benefits and fair employment creation. With the appropriate conditions in place, the project is acceptable for financing in environmental and social terms.

The Investment Committee welcomed that the projects financed by this operation will increase the renewable energy generation capacity in Spain and Portugal and will contribute to national and EU 2030 climate objectives.

The Investment Committee also recognised the risk of the project and acknowledged the project's innovative financial structure.