

Conclusions

Framework Operation #33 for Sustainability Guarantee- Greece InvestEU Member State Compartment (Capped Guarantee)

INVEU-ICR-0072-2023 –SME Window and Sustainable Infrastructure Window (SMEW-SIW)

Short description of the financing or investment operation and its objectives

Type of the financial intermediaries	Mostly commercial banks
Country of implementation	Greece
Implementing partner	EIF

The Framework Operation will support Sub-Projects aiming to enhance access to finance for sustainable enterprises and support investments contributing to the green and sustainable transformation of the Greek economy. In line with the Greek Recovery and Resilience Plan, Sub-Projects will focus on green investments through private individuals and housing association to address Greece's current challenges in supporting investments in green transitioning, energy efficiency and renewable energy production.

Global Assessment and rationale for approval

The Investment Committee of the InvestEU Fund approved the use of the InvestEU guarantee on 9 November 2023 for the above-mentioned operation.

The Framework Operation will address Greece's current challenges in supporting investments in green transitioning, energy efficiency and renewable energy production. It will address Greek market failures related to greenhouse gas emissions in the building sector and green investment gap. It will accelerate the reduction of emissions through energy efficiency of residential and commercial building, thus contributing to climate policy and carbon neutrality. Apart from the environmental savings, the building renovation investments will contribute to the economic recovery, through job creation in the construction sector, savings on energy bills, healthier living conditions and reduced energy poverty. Furthermore, the Framework Operation will address Greece's need to increase the share of renewables in the energy mix, while reducing its long-standing reliance on solid fossil fuels. In line with the Recovery and Resilience Plan, it will help thus reducing the high investment gap in Greece economy in contributing to private investment focusing on projects promoting green transition.

The additionality of the Framework Operation lies on the financial support EIF will bring to intermediaries for them to invest in green and sustainable technologies, by offering lower transaction costs, interest rates and collateral requirements. The EU Guarantee will allow EIF

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to develop its Sustainability Guarantee Product to enter into guarantees with financial intermediaries supporting higher risk category final recipients, thus supporting a growing ecosystem at a scale that would not be possible or not to the same extent. Thus, it is directly in line with the Recovery and Resilience Plan to support green transition, according to key areas policies identified in 2019 and 2020 CSRs.

Sub-Projects are therefore expected to support financial intermediaries which in turn would support final recipients aimed at covering the market gap driven by the inability for target final recipients having sustainable market practices due to increased costs and risks and thus excluded from traditional capital markets.