

InvestEU Scoreboard¹

Presentation of the financing or investment operation:

Implementing Partner: EIB

Name of the Operation: INVESTEU GREEN SECURITISATION LE

Type of approval :

- Individual financing or investment operation
 Framework Operation²

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

For Framework Operations: Type of Final recipients/Financial Intermediaries, multiple entities

Country(-ies) of implementation: Regional - EU countries

Short description of the financing or investment operation:

The proposed operation is an EIB Lending Envelope that will be implemented via several sub-operations in the format of unfunded guarantees to mezzanine tranches of synthetic securitisations. Under such structure, EIB will provide guarantees on the portfolios of existing loans, with the objective to mobilise c. EUR 1,600m of support targeting renewable energy, energy efficiency, sustainable transport and other green projects in the EU. The new portfolio to be generated by the financial intermediaries shall be eligible under EIB Climate Action and Environmental Sustainability (CA&ES) criteria and InvestEU's new definition of Green Assets (henceforth: "Green Securitisation"). Eligible final recipients will be SMEs, Midcaps, other private and public sector entities, SPVs and private individuals undertaking smaller green projects.

The Green Securitisation instrument offered under InvestEU is expected to complement EIB's existing own risk securitisation offering. This proposal is conceived, in agreement with the European Commission, in order to stimulate green investments in a still narrow but growing market, irrespective of the type of beneficiary. The Bank will ensure complementarity and additionality of the mandate as Green Securitisations will be allocated in priority to the proposed Lending Envelope.

Public Statement

This Lending Envelope for green securitisation, proposed under InvestEU as an innovative pilot, seeks to create additional lending capacity, through securitisation tools, to financial intermediaries, in order to boost their investments in small and medium scale projects eligible under EIB and InvestEU CA&ES criteria, including, amongst others, renewable energy and energy efficiency projects.

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 Lending Envelopes 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 sub-projects grouped together are approved by the Investment Committee as Framework Operations.

The Lending Envelope primarily targets the InvestEU objectives of financing the development of i) the energy sector, in accordance with the Energy Union priorities, ii) sustainable and safe transport infrastructures and mobility solutions, and iii) sustainable uses of the environment and natural resources.

In light of the market needs, the project aims to support the green transition through green projects of SMEs and Midcaps (c. 50%) as well as public and private sector entities, SPVs, private individuals and larger entities. The envelope might also support home-owners to undertake energy efficiency investments in their residential buildings.

The Lending Envelope under InvestEU will encourage the growth of a green securitization market in the EU, whose size is at a sub-optimal level.

Given the expected riskier profile of the sub-projects compared to the investments executed by EIB under own risk, the EIB would not be able to provide such product, or not to the same extent or quantum, without the InvestEU support.

The project will result in significant reduction of carbon footprint, pollution and other negative externalities.

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 (Excellent)

Pillar 7 - Complementary indicators³

Key project characteristics

Expected at PCR

Start of works	03/2024
End of works	02/2032
Project investment cost	EUR 2,560m
Mandate eligible investment mobilized	EUR 2,560 m
Mandate multiplier effect	5.12x
Mandate leverage effect	3.2x
Amount of private financing	EUR 1,760m
Co-financing with national promotional banks	N/A
Co-financing with structural funds (ESIF)	N/A
Energy efficiencies realised	N/A
Climate Action indicator	98% CC Mitigation Renewables, Energy Efficiency, Transportation
Employment during construction temporary jobs	N/A
Employment during operation – new permanent jobs	144,000

Outputs

Expected at PCR

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.

Lending volume allocated to final beneficiaries	EUR 1,600m
Duration of allocation period (months)	36

Outcomes

To be defined at sub-project level.