

InvestEU Scoreboard¹

Presentation of the financing or investment operation:

Implementing Partner: EIB

Name of the Operation: Green Developer Financing Programme (EU Countries)

Type of approval :

- Individual financing or investment operation
- Framework Operation

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

Type of Final recipients PRIVATE ENTITY(IES)

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

Short description of the financing or investment operation:

The proposed Framework Operation was initially approved by the EIB in March 2021 as a Programme Loan (“PL”) to provide structurally subordinated Framework Loans (“FL”) to EU-based small and medium-sized private sponsors and players (the “Developers”).

The proposed amendment is to include an InvestEU Tranche (the “IEU Tranche”) through an increase of the overall amount of the Framework Operation. The IEU tranche will be used depending on the level of riskiness of the relevant Sub-Project (FL). A number of Sub-Projects will be in any case still financed under EIB own risk.

Under the main Framework Operation, each Sub-Project (the “Sub-Project”) is in the form of a FL to EU-based Developer operating in sectors contributing to Paris Agreement’s objectives (e.g. renewable energy (“RE”), energy efficiency (“EE”) and green mobility). The Developer of each Sub-Project utilizes the proceeds to invest in new small and medium sized projects with a Climate Action impact.

Under each Sub-Project, the Bank can provide a senior corporate loan either to the parent company of the Developer (the Holdco) or to an aggregating vehicle created by the Developer (YieldCo, an entity formed to own operating assets like SPVs, such as solar or wind power, and to raise funds by issuing loans and shares to investors). Typically Developers have little operations and rely on distributions received from SPVs to service debt raised at HoldCo or YieldCo level. With this structure, the EIB along with other unsecured lenders at the same level would be structurally subordinated to project finance lenders (secured) located at the various underlying SPVs.

Public Statement

The EIB contribution will directly support small and medium size Renewable Energy (“RE”) and Energy Efficiency (“EE”) promoters to accelerate the implementation of relevant investments in the EU,

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.

including in EIB Cohesion Priority Regions (encompassing less developed and transition regions, as defined by the EU cohesion policy map). The proposed operation aims to address the imbalance faced by small and medium green mobility, RE and EE project players to access on-balance sheet lending by bridging the equity gap of these entities.

The operation has a very good ESG impact as it contributes to the development of the energy efficiency, renewable energy and heat sector in accordance with the Energy Union priorities, including the 2030 and 2050 climate and energy frameworks and by doing so reduces carbon emissions and air pollution negative externalities.

It delivers positive outcomes in job creation, social and health benefits to local communities and an improvement of the purchasing power of EU households.

Finally, it expands financial support to new EIB clients and new markets by offering a new financing structure complementing the Bank's usual financing channels (project finance, bank intermediated lending). The proposed EIB financing would address the underlying market failure and send a positive signal to the market regarding the commitment of the borrower to the energy transition which is even more important in the current market turmoil generated by the COVID-19 pandemic. The underlying projects to be financed via this structure will benefit from customized terms which demonstrate the EIB's tailored approach to the client.

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	01.06.2020
End of works	31.12.2025
Project investment cost	1,000.00 MEUR
Mandate eligible investment mobilized	600.00 MEUR
Mandate multiplier effect	4.21
Mandate leverage effect	2.11
Amount of private financing	500.00 MEUR
Co-financing with national promotional banks	Will be assessed at sub-project level.
Co-financing with structural funds (ESIF)	Will be assessed at sub-project level.
Climate Action indicator	50.00% Mitigation - Renewable Energy (transversal) 50% Mitigation – Energy Efficiency (transversal)
Employment during construction temporary jobs	Will be assessed at sub-project level.
Employment during operation – new permanent jobs	Will be assessed at sub-project level.

Outputs expected at PCR

To be assessed at sub-project level.

Outcomes expected at PCR

To be assessed at sub-project level.

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.

