

# Conclusions

## Clean Energy Transition

**INVEU-ICR-0095-2023 – Sustainable Infrastructure and Research, Innovation and Digitalization Windows (SIW-RIDW)**

### Short description of the financing or investment operation and its objectives

Name of financial recipient	To be determined at sub-project level
Type of the final recipients	Special purpose Vehicle/project company, Mid-Caps, large corporate
Countries of implementation	Denmark; Estonia; Finland; Iceland; Latvia; Lithuania; Norway; Poland; Sweden
Implementing partner	Nordic Investment Bank (NIB)

The purpose of the framework operation is to provide debt financing to sub-projects related to the use of low-carbon fuel for the decarbonisation of industrial processes and mobility, to the development of the energy transmission and storage infrastructure necessary to facilitate the integration of the renewables into the energy system. The support can also be provided to investments in the area of energy efficiency buildings (new construction and renovation). The sub-project under the Framework Operation can also be used to finance other clean energy transition actions.

### Global Assessment and rationale for approval

The Investment Committee of the InvestEU Fund approved the use of the InvestEU guarantee on 8 December 2023 for the above-mentioned operation.

The sub-projects shall address the market failure of negative climate and environmental externalities, through reduction of greenhouse gas emissions as well as air pollution. They are also expected to be characterised by a higher level of risk, which could be associated with the exposure to unhedged market risk elements and/or to higher risk off-takers, exposure to countries and market segments with less consolidated regulatory framework and track record, structural features (level of collateral cover, length of the tenor and/or grace period, position in the funding structure, refinancing risks) or risks related to the project implementation (e.g. construction risk, technology risk). NIB's financing shall have either a crowding-in effect or fill market gaps where alternative financing sources are either scarce and/or prohibitively expensive.

In certain markets, the additionality of NIB's involvement consists in contributing to the development of markets with less available alternative funding sources and less track record in structuring long term financing for renewable projects development (e.g. Baltics and Poland).

InvestEU committee welcomed the Framework Operation that has a good additionality in contributing to the development of markets with less available alternative funding sources and less track record in structuring long term financing for renewable project development. It will also allow to take a higher market risk and to address the market failure.