

InvestEU Scoreboard
<p>Presentation of the financing or investment operation:</p> <p>Implementing Partner: European Bank for Reconstruction and Development (EBRD)</p> <p>Name of the Operation: EBRD InvestEU Green Uncapped Portfolio Guarantee - Eurobank Bulgaria</p> <p>Type of approval :</p> <ul style="list-style-type: none"> <input type="checkbox"/> Individual financing or investment operation <p>Name of the financial intermediary (for intermediated operations): Eurobank Bulgaria AD</p> <p>Country(-ies) of implementation: Bulgaria</p> <p>Short description of the financing or investment operation:</p> <p>Uncapped unfunded portfolio guarantee provided by EBRD under the EU Compartment of InvestEU to cover Eurobank's newly generated portfolio of loans to private and public companies financing investments in sustainable transport and energy efficiency and renewable energy projects in buildings across all sectors in Bulgaria, contributing to energy savings and CO2 emission reductions.</p>
<p>Public Statement</p> <p>100% of the aggregate signed amount of the proposed operation will support climate and environment objectives, ensuring full alignment with the objectives set out in the environmental policies of the Union, and also Bulgaria.</p> <p>The operation will address the issue of limited availability of financing resources designated for financing investments in buildings' energy efficiency by providing a risk-sharing instrument to a leading commercial bank in Bulgaria that is well placed to meet the investment financing needs, scale up and reach out to a multitude of final recipients, from micro businesses and SMEs, to large companies that invest in improved buildings energy performance or sustainable transport.</p> <p>The Project will help Postbank optimise the use of its capital and maintain regulatory compliance at a time when resilience and building sufficient buffers is important. The EBRD's guarantee will provide capital relief on the EBRD risk share of the portfolio, thereby expanding Postbank's lending capacity and incentivising it to prioritise and upscale high-performing sustainable investments.</p> <p>The operation will also be supported by advisory services ("AS") structured and managed by the EBRD and funded under the InvestEU Advisory Hub. The dedicated AS will support end-borrowers and the PFI in the project preparation and implementation, through provision of capacity building to facilitate the structuring of eligible projects, selection of eligible high-performing equipment and materials, project implementation, accompanied by impact measurement and reporting, as well as market awareness activities, ultimately facilitating the demand for energy efficient technologies and increasing potential outreach to end-borrowers</p>
<p>Pillar 3 - Market failure or sub-optimal investment situation addressed by the financing or investment operation (Very Good)</p>
<p>Pillar 4 - Financial and technical contribution by the Implementing Partner (Excellent)</p>
<p>Pillar 5 - Impact of the financing or investment operation (Very Good)</p>
<p>Pillar 7 - Complementary indicators</p> <ul style="list-style-type: none"> a) Leverage effect: minimum 5.26 times b) Multiplier effect: minimum 6.6 times

- c) Investment supporting climate and environmental objectives: minimum 9,112 tonnes CO2 reductions / year (preliminary indicative estimate)
- d) Number of households, number of public and commercial premises with improved energy consumption classification: minimum 200 (preliminary indicative estimate)
- e) Estimated energy savings generated by the projects (in kilowatt-hours (kWh / year)): 36,830,000 kWh / year (preliminary indicative estimate).
- f) Additional renewable and other safe and sustainable zero and low-emission energy generation capacity installed (in megawatts (MW)): to be reported as available and on best effort basis.
- g) Annual green-house gas emissions reduced/avoided in tonnes of CO2 equivalent /year: 9,112 CO2/ year (preliminary indicative estimate).

ESG Aspects:

This operation passed EBRD's environmental and social due diligence. The operation has been assessed for Paris alignment, following the Bank's Paris Agreement alignment methodology for indirect investments and was assessed to be Paris aligned. The EBRD entered into a Risk Participation Agreement with Postbank that clearly specifies eligible use of proceeds in a policy statement, providing control over EBRD-supported financial flows. It is expected that the project will support granular investments in improving the energy performance of buildings and accelerating the adoption of sustainable transport, and as a result, the residual risks of non-alignment with the goals of the Paris Agreement are expected to be low.