

Conclusions

Framework operation #5 for Climate & Infrastructure Funds Product INVEU-ICR-0041-2022 – Sustainable Infrastructure Window

Short description of the financing or investment operation and its objectives

Name of the final recipient	Acceptable Special Purpose Vehicle/project Company, SMEs, Midcaps, Mixed entities, such as public-private partnerships and private companies with a public purpose
Countr(ies) of implementation	Multi-country with emphasis Western and Southern-Europe
Implementing partner	EIF

The Sub-Projects under this Framework Operation are climate and infrastructure equity funds that will act as financial intermediaries and will address backbone infrastructure and Industrial ecosystems in energy, transport, environment, digital connectivity.

Renewable energy generation, storage and low-emission heat energy efficiency, energy savings are among the key areas that the Sub-projects are expected to cover, and to a lesser extent digital connectivity, sustainable transport and environment and resources

Global Assessment and rationale for approval

The Investment Committee of the InvestEU Fund approved the use of the EU guarantee on 7 July 2022 for the above-mentioned operation.

The Investment Committee welcomed the Framework Operation, targeting adequately the EU policy objectives. Whilst there is a well-developed market for existing infrastructure assets with an operational track record, there is a significant funding gap for market players that have the capacity to take an active role in the development and structuring of new infrastructure assets. This operation introduces an additional instrument in the greenfield development market which is underdeveloped for smaller actors who do not have own equity to construct and develop the risk. Specifically, the participation of EIF made possible with the support of the InvestEU guarantee will contribute by demonstrating higher tolerance for risk, providing longer tenors and (in case of Eastern Europe countries) assume currency risk by participating in local currency.

The EIF's participation is expected to have a strong catalytic effect on institutional investors in support of the existing or novel funds.

In a number of instances EIF may be a cornerstone investor instrumental to fund formation. The Investment Committee also welcomed the thorough monitoring of economic benefits as well as main environmental, climate and social risks/impacts, and mitigation measures.