

EFSI Operation Scoreboard¹

PROJECT PRESENTATION	
<u>Project name</u>	VIVAWEST ENERGY EFFICIENT BUILDINGS II
<u>Promoter and financial intermediary</u>	VIVAWEST GMBH
<u>Country of implementation</u>	Germany
<u>Summary project description</u>	The Project concerns the construction of residential Nearly Zero Energy Buildings (NZEBS) by the housing company Vivawest (the Promoter) in Germany. The buildings are highly energy efficient and will comply with the energy performance level of the KfW Efficiency House 55, which is compatible with the NZEB road map. The operation will support the construction of about 2,322 rental units, which will be owned and managed by the Promoter, of which about 17% are rentrestricted social and affordable housing. The project also includes student accommodation and childcare facilities.

¹ This Scoreboard of indicators reflects the information presented to the EFSI 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.

Parts of this document that fall under the exceptions for disclosure defined by the EIB Group Transparency Policy, notably under articles 5.5 (protection of commercial interests) and 5.6 (protection of the Bank's internal decision-making process), have been replaced by the symbol [...].

PROJECT PILLAR ASSESSMENT

Pillar 1

Contribution to EU policy		High
Cross-cutting objectives		
Climate Action		100.00%
EFSI		
Contribution to EFSI		100.00%
EFSI: Development of the energy sector in accordance with the Energy Union priorities		100.00%
Energy efficiency and energy savings (with a focus on reducing demand through demand side management and the refurbishment of buildings)		100.00%

Pillar 2

Quality and soundness of the project		Good
1. Growth		[...]
2. Promoter capabilities		[...]
3. Sustainability		[...]
4. Employment		[...]

This pillar evaluates the quality and soundness of the operation. This pillar is composed of up to four indicators, as relevant, among which:

- (i) "Growth" i.e. for example and where relevant the economic rate of return ('ERR'), which considers the project's socioeconomic costs and benefits, including its spillover effects;*
- (ii) "Promoter capabilities" i.e. the capacity of the promoter/intermediary to implement the project and create the expected impact at the [final] beneficiary level;*
- (iii) "Sustainability" i.e. environmental and social sustainability²;*
- (iv) "Employment" i.e. the project's direct employment effect;*
- (v) "Increasing access to finance and improving financing conditions including for final beneficiaries".*

Pillar 3

EIB Technical and financial contribution to the project		Significant
1. Financial contribution		[...]
2. Financial facilitation		[...]
3. Advice		[...]

This pillar measures the EIB's particular contribution to the project and its financing scheme in the form of financial and non-financial benefits which go beyond what commercial players would normally be able to offer. This dimension of value added is assessed through up to three indicators:

- (i) "Financial Contribution" i.e. improving the counterpart's funding terms compared to market sources of finance (interest rate reduction and/or longer lending tenor);*
- (ii) "Financial Facilitation" i.e. helping to attract private financiers (for example through positive signaling effects), promoting synergies in co-financing with other public sources of funds including National Promotional Banks or EU financial instruments;*
- (iii) "Technical Contribution and Advice" i.e. providing advice with a view to optimizing the financing package (financial structuring), or technical advisory services in the form of expert input / knowledge transfer - provided in-house by the EIB or in the form of assignments to external consultants - to facilitate the preparation or implementation of a project.*

² For additional information on the EIB's assessment of the project's environmental and social aspects, please refer to the project's Environmental and Social Data Sheet (ESDS) published on the EIB website.

Pillar 4 - Complementary indicators

Additionality

In line with the EFSI objective of developing the energy sector in accordance with the Energy Union priorities - moderation of energy demand - and to the Bank's climate action objectives (reduced CO2 emissions) and EU directives Energy Performance of Buildings Directive (EPBD), the operation will promote the early adoption and construction of new residential NZEB buildings. The project also impacts positively on Germany's national energy efficiency targets. The project, through the construction of NZEBs will contribute to improving the environment. The NZEB high performance residential buildings are expected to generate a number of benefits, (reduced energy bill, lower maintenance costs, longer asset life, thermal comfort benefits).

The operation addresses the market failure of the energy efficiency market which in the particular case of residential buildings is subject to asymmetric information and split incentives between landlords and tenants. As a result of these market failures, investment flows into energy efficiency in buildings are typically below optimum levels from a socioeconomic perspective. [...]

The project is expected to be classified under the EIB Special Activities category, in particular due to the unsecured structure and long tenor. The proposed unsecured, structurally subordinated EIB loan will represent only a small portion in the company's funding mix. The EIB would not be able to provide such type of financing support during the period in which the EU guarantee can be used, or not to the same extent, without EFSI.

The EIB will be providing long term financing with an [...] unsecured structure, representing an [...] evolution for the company's capital structure. This will result in a quality stamp on the project that is expected to facilitate the crowding-in of private sector financing. [...] The operation is also expected to benefit from the financing from the German National Promotional Bank KfW as well as the Regional Promotional Bank NRW Bank. [...] Hence, the crowding-in effect of the operation is expected to extend beyond the current scope of twenty one NZEB residential projects.

Set of indicators related to the macroeconomic environment

Germany - Economic environment

Economic Performance

	DE 2018	EU 2018	US 2018	DE 2001-2007
GDP per capita (EUR, PPS)	37,956.14	30,935.11	43,569.11	33,490.41
GDP growth (%)	1.42	1.96	2.85	1.40
Potential GDP growth (%)	1.62	1.60	2.23	1.31
Output gap (% of potential GDP)	0.68	0.61	0.74	-0.17
Unemployment Rate (%)	3.30	6.60	3.90	9.42
Unemployment Rate (%) - Y/Y change (% points)	-0.30	-0.60	-0.20	0.05
Bank-interest rates to non-financial corporations (%)	1.02	1.26	--	4.11
Bank-interest rates to non-financial corporations (%) - Y/Y change (% points)	-0.13	-0.06	--	-0.04
Investment rate (GFCF as % of GDP) - Total	20.77	20.54	20.84	19.91
Investment rate (GFCF as % of GDP) - Public	2.32	2.85	3.30	2.04
Investment rate (GFCF as % of GDP) - Private	18.44	17.68	17.53	17.86

Energy

	2014	2015	2016	2017	EU (latest available)
Energy consumption from renewables (%)	13.80	14.60	--	--	16.69
Energy consumption from renewables - distance to EU 2020 target (%)	4.19	3.40	--	--	3.30
Energy dependence (%)	61.60	--	--	--	53.50
Primary energy consumption (consumption in 2005 =100)	91.79	92.29	--	--	89.29
Energy intensity of the Economy (kg of oil equivalent per 1 000 EUR)	--	--	--	--	141.68
Primary energy consumption (Million Tonnes of Oil Equivalent)	291.10	292.89	--	--	1,529.59
Primary energy consumption (Million Tonnes of Oil Equivalent) - distance to EU 2020 target	14.50	16.29	--	--	46.59

General Sector Indicators

	2014	2015	2016	2017	EU (latest available)
Value added in Construction (% of total VA)	--	--	--	--	5.90
Employment in Construction (% of total employment)	--	--	--	--	6.60

Urban development

	2014	2015	2016	2017	EU (latest available)
Urban population as % of total population	75.09	75.30	--	--	--
Urban population exposure to air pollution by particulate matter (Micrograms per cubic metre)	20.30	--	--	--	22.50
Unemployment rate - Cities (%)	6.50	6.10	5.40	--	9.10
Unemployment rate - Towns and suburbs (%)	4.60	4.20	3.80	--	8.30

Unemployment rate - Rural areas (%)	3.70	3.50	3.00	--	8.40
At risk poverty rate - Cities (%)	19.30	19.89	--	--	16.69
At risk poverty rate - Towns and suburbs (%)	15.19	15.00	--	--	16.00
At risk poverty rate - Rural areas (%)	15.30	14.50	--	--	19.80
Severe housing deprivation rate - Cities (%)	3.20	2.80	--	--	4.80
Severe housing deprivation rate - Towns and suburbs (%)	1.10	1.40	--	--	4.00
Severe housing deprivation rate - Rural areas (%)	1.30	1.00	--	--	6.20
Households level of internet access - Cities (%)	90.00	91.00	93.00	--	88.00
Households level of internet access - Towns and suburbs (%)	89.00	90.00	92.00	--	86.00
Households level of internet access - Rural areas (%)	88.00	89.00	91.00	--	80.00

- Country average for "GDP per capita (EUR, PPS)" is calculated in real terms

- EU value for "Bank-interest rates to non-financial cooperations" corresponds to Euro Area average; Country average is the simple average between 2003 and 2007

- The EU value is displayed as the value in the year that corresponds to the latest value of the indicator in a particular country

Other indicators³

Key project characteristics	Expected value at PCR
Start of works	01.04.2018
End of works	30.06.2022
Project investment cost [MEUR]	629.67 MEUR
EIB/EFSI eligible investment mobilised [MEUR]	541.50 MEUR
External EFSI multiplier	1.80
External EIB (non-EFSI) multiplier	
Amount of private financing [MEUR]	69.30 MEUR
Quick start (% of expenditure during 2015-2018) [%]	
Co-financing with national promotional banks [MEUR]	222.50 MEUR
Co-financing with structural funds (ESIF) [MEUR]	0.00 MEUR
Co-financing with other EU instruments (i.e. Horizon 2020, Connecting Europe Facility, etc) [MEUR]	
Energy efficiencies realised [MWh/a]	10,500.00 MWh/a
Climate Action indicator	100.00% Mitigation - Energy Efficiency (transversal)
Employment during construction - temporary jobs [person years]	3,900 person years
Employment during operation - new permanent jobs [FTE]	21 FTE

³ For additional information on the EIB's assessment of the project's environmental and social aspects, please refer to the project's Environmental and Social Data Sheet (ESDS) published on the EIB website. The abbreviation PCR stands for Project Completion Report. If applicable, a difference between the amount of Project investment costs and EIB/EFSI eligible investment mobilized might derive from the fluctuation of the underlying exchange rate.