

EFSI Operation Scoreboard¹

PROJECT PRESENTATION	
<u>Project name</u>	GOLFE DU LION FLOATING OFFSHORE (EFGL)
<u>Promoter and financial intermediary</u>	LES EOLIENNES FLOTTANTES DU GOLFE DU LION SAS
<u>Country of implementation</u>	France
<u>Summary project description</u>	<p>The Project comprises the design, installation, operation and maintenance of a 30MW floating offshore wind farm. The Project will consist of three 10 MW wind turbines, floating substructures and the relevant balance of plant components (intra array cable, anchoring etc). The export cable will be installed by the national transmission system operator at the cost of the project company. The assets will be financed on a non-recourse project finance basis.</p> <p>The Project is one of four demonstration projects utilizing floating offshore wind technology supported by the French Agence de l'Environnement et de la Maîtrise de l'Énergie. All four projects have approached the Bank for financing in 2019.</p> <p>Floating offshore wind technology is a new application that enables offshore wind installations in sea areas with high water depths or far from shore. In such areas, traditional fixed-bottom technology might be either impractical or associated with a higher cost.</p>

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5.5 (protection of commercial interests) and 5.6 (protection of the Bank's internal decision-making process), have been replaced by the symbol [...].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		
EIB Cohesion Priority Regions / Economic and Social Cohesion		100.00%
Climate Action		100.00%
EFSI		
Contribution to EFSI		100.00%
EFSI: Research, development and innovation		50.00%
Demonstration projects and programmes as well as deployment of related infrastructures, technologies and processes		50.00%
EFSI: Development of the energy sector in accordance with the Energy Union priorities		50.00%
Expansion of the use or supply of renewable energy		50.00%

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".

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 3

EIB Technical and financial contribution to the project	Moderate
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.

Pillar 4 - Complementary indicators

Additionality

In line with the EFSI objective related to the development of the energy sector in accordance with the EU priorities, namely the expansion of the use or supply of renewable energy, the operation aims to provide affordable and adequate long-term financing for an innovative floating offshore wind project. As such it will help to address another EFSI objective, research, development and innovation, specifically the development of demonstration projects and programmes as well as deployment of related infrastructures, technologies and processes. Equally the operation will address the objective of supporting less-developed regions and transition regions as the operation will be fully deployed in a Cohesion region. The operation will thus also contribute to the Union priorities on convergence and social cohesion, helping reduce regional disparities by supporting investment. Finally, the operation will contribute 100% the Climate Action target of the EIB.

Zero-carbon power projects reduce negative carbon and air pollution externalities. Innovative zero-carbon technologies increase learning-by-doing and thus, drive down costs over time - a positive externality. Market failures reveal the inability of a market to allocate resources efficiently. This leads to an investment gap that justifies public intervention. Thanks to EFSI support, the operation will address the specific market failure and sub-optimal investment situation.

The operation is expected to fall under EIB Special Activities, in particular due to the level of the operating, technology/innovation and construction risks associated to the innovative floating technology. The operation presents a very high level of complexity in a context of a capital-intensive operation. 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 availability of large and affordable long-term debt financing from the EIB will contribute to the operation's viability since the EIB, acting as a cornerstone financier of this project, will contribute to the crowding-in of other lenders into the financing structure and to a timely financial close. In addition, the floating offshore wind segment remains a relatively young sector and EIB's capacity to appraise the project risks and provide inputs on appropriate financial structuring can provide comfort to private investors considering participating in the financing of this project. Agence de l'Environnement et de la Maîtrise de l'Energie, a French National Promotional Bank, is contributing to the project through subsidies and repayable advances. The Caisse des Dépôts et Consignations, the main French national promotional bank, is one of the equity sponsors.

This will be the first operation supporting a floating off-shore wind farm under EFSI.

Set of indicators related to the macroeconomic environment

France - Economic environment

Economic Performance

	FR 2018	EU 2018	US 2018	FR 2001-2007
GDP per capita (EUR, PPS)	31,988.40	30,935.11	43,569.11	31,052.71
GDP growth (%)	1.58	1.97	2.86	1.90
Potential GDP growth (%)	1.21	1.60	2.24	1.78
Output gap (% of potential GDP)	0.36	0.62	0.74	1.69
Unemployment Rate (%)	8.90	6.60	3.90	8.50
Unemployment Rate (%) - Y/Y change (% points)	-0.20	-0.60	-0.20	-0.19
Bank-interest rates to non-financial corporations (%)	1.37	1.26	--	3.53
Bank-interest rates to non-financial corporations (%) - Y/Y change (% points)	-0.03	-0.06	--	0.00
Investment rate (GFCF as % of GDP) - Total	22.92	20.54	20.84	21.76
Investment rate (GFCF as % of GDP) - Public	3.39	2.86	3.31	3.91
Investment rate (GFCF as % of GDP) - Private	19.53	17.68	17.53	17.84

Energy

	2014	2015	2016	2017	EU (latest available)
Energy consumption from renewables (%)	14.77	15.19	15.93	16.30	17.53
Energy consumption from renewables - distance to EU 2020 target (%)	8.23	7.81	7.07	6.70	2.47
Energy dependence (%)	46.10	--	--	--	53.50
Primary energy consumption (consumption in 2005 =100)	90.10	91.90	90.50	--	90.00
Energy intensity of the Economy (kg of oil equivalent per 1 000 EUR)	--	--	--	--	141.83
Primary energy consumption (Million Tonnes of Oil Equivalent)	234.50	239.20	235.40	--	1,542.70
Primary energy consumption (Million Tonnes of Oil Equivalent) - distance to EU 2020 target	14.60	19.30	15.50	--	59.70

General Sector Indicators

	2014	2015	2016	2017	EU (latest available)
Value added in Electricity, gas, steam and air conditioning supply (% of total VA)	1.77	1.80	1.86	1.79	1.82
Employment in Electricity, gas, steam and air conditioning supply (% of total employment)	0.48	0.49	0.49	0.46	0.54

- 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	01.09.2020
End of works	15.07.2022
Project investment cost [MEUR]	[...]
EIB/EFSI eligible investment mobilised [MEUR]	[...]
External EFSI multiplier	2.70
External EIB (non-EFSI) multiplier	0.00
Amount of private financing [MEUR]	[...]
Quick start (% of expenditure during 2015-2018) [%]	
Co-financing with national promotional banks [MEUR]	60.00 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]	0.00 MWh/a
Climate Action indicator	100.00% Mitigation - Renewable Energy (transversal)
Employment during construction - temporary jobs [person years]	445 person years
Employment during operation - new permanent jobs [FTE]	40 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.