



EFSI Operation Scoreboard¹

PROJECT PRESENTATION	
<u>Project name</u>	SPANISH RENEWABLE ENERGY AUCTION PROGRAMME LOAN
<u>Promoter or financial intermediary</u>	ACCEPTABLE CORPORATE(S)
<u>Country of implementation</u>	Spain
<u>Summary project description</u>	This Programme Loan concerns the financing of medium to large renewable energy Projects (onshore Wind and solar PV) in Spain, awarded under the renewable energy auctions held in Spain in 2017, on a non-recourse basis. It is envisaged that 4-6 different Projects with a capacity of 1,100 MW would be financed under this Programme Loan. The Spanish renewable energy sector, after the stagnation of the last years, has an ambitious objective of implementing 8 GW of new capacity before the end of 2019 in order to reach the country's 2020 targets. Therefore, significant funding is required.

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 the 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5.5 (protection of commercial interests) and 5.6 (protection of the Bank's internal decision-making process), have been replaced by the symbol [...].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%
EIB Cohesion Priority Regions / Economic and Social Cohesion	70.00%
EFSI	
Contribution to EFSI	100.00%
EFSI: Development of the energy sector in accordance with the Energy Union priorities	100.00%
Expansion of the use or supply of renewable energy	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 four indicators which include:

- (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.*

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 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

The operation will finance a nation-wide investment programme supporting the development of onshore wind and solar plants in Spain.

The operation will contribute to the EFSI energy and environment thematic objectives and to larger EU Climate Action and Energy Union priorities. The programme will be developed under the Spanish regulatory framework for renewable energies and as part of Spain's efforts to achieve 20% of renewables in the energy mix, as set by the EU Renewable Energy Directive. The programme will have a positive impact in terms of growth and employment creation, especially in rural areas and Spanish cohesion regions (75% of project components) as well as contributing to reduction of CO2 emissions and climate change mitigation.

The operation is addressing a sub-optimal investment situation affecting affordable long-term finance for renewable energy in Spain, due to the complexity and risks of the sector, a new regulatory framework and the projects' innovative features. During the financial crisis, both Spanish and international lenders retreated from the market, due to capital constraints and credit deterioration of projects as well as tariff cuts under the previous renewable energy regulatory framework. Currently it is still challenging for project developers to secure funding.

The projects to be financed under EFSI feature a high level of risk. The operation will fall under EIB's Special Activity category and will be offered EFSI support, under efficient lending terms and long tenors, as well as additional EIB financing. Without EFSI, the programme would therefore not be supported to the same extent. EFSI support has a catalytic effect, mobilizing further debt finance and equity for the programme's projects.

The EIB financing is also expected to have an important project acceleration and demonstration effect and to serve as a catalyst for further private financing for successive projects. The operation will accompany a market shift in the financing of renewable energy assets in Spain, based on competition, lower costs for the consumer, innovative technologies and a wider range of project promoters.

The operation will also benefit from EIB's experience in the Spanish project finance market for the structuring of the concerned wind and solar power projects.

Set of indicators related to the macroeconomic environment

Spain - Economic environment

Economic Performance

	ES	EU	US	ES
	2016	2016	2016	2001-2007
GDP per capita (EUR, PPS)	28,818	29,440	42,615	28,562
GDP growth (%)	3.2	1.9	1.6	3.6
Potential GDP growth (%)	0.39	1.3	2.1	3.6
Output gap (% of potential GDP)	-1.8	-0.75	-0.03	2.9
Unemployment Rate (%)	18.4	8.2	4.7	10.0
Unemployment Rate (%) - Y/Y change (% points)	-2.3	-0.8	-0.3	-0.33
Bank-interest rates to non-financial corporations (%)	1.6	1.4	1.8	3.8
Bank-interest rates to non-financial corporations (%) - Y/Y change (% points)	-0.41	-0.21	-1.4	-0.05
Investment rate (GFCF as % of GDP) - Total	19.9	19.7	19.6	28.7
Investment rate (GFCF as % of GDP) - Public	1.9	2.7	3.4	4.1
Investment rate (GFCF as % of GDP) - Private	18.0	17.0	16.2	24.6

Energy

	2013	2014	2015	2016	EU (latest available)
Energy consumption from renewables (%)	15.3	16.1	16.2	--	16.7
Energy consumption from renewables - distance to EU 2020 target (%)	4.7	3.9	3.8	--	3.3
Energy dependence (%)	70.4	72.9	--	--	53.5
Primary energy consumption (consumption in 2005 =100)	84.1	82.9	86.2	--	89.3
Energy intensity of the Economy (kg of oil equivalent per 1 000 EUR)	129.5	--	--	--	141.7
Primary energy consumption (Million Tonnes of Oil Equivalent)	114.3	112.6	117.1	--	1,530
Primary energy consumption (Million Tonnes of Oil Equivalent) - distance to EU 2020 target	-5.5	-7.2	-2.7	--	46.6

General Sector Indicators

	2013	2014	2015	2016	EU (latest available)
Value added in Electricity, gas, steam and air conditioning supply (% of total)	--	--	--	--	2.0
Employment in Electricity, gas, steam and air conditioning supply (% of total)	--	--	--	--	0.6

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

- EU value for "Bank-interest rates to non-financial corporations" 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 at PCR
Start of works	01.01.2019
End of works	31.12.2019
Project investment cost	900.00 MEUR
EIB/EFSI eligible investment mobilised	540.00 MEUR
External EFSI multiplier	3.00
External EIB (non-EFSI) multiplier	1.33
Amount of private financing	450.00 MEUR
Quick start (% of expenditure during 2015-2018)	
Co-financing with national promotional banks	0.00 MEUR

Co-financing with structural funds (ESIF)	0.00 MEUR
Co-financing with other EU instruments (i.e. Horizon 2020, Connecting Europe Facility, etc)	
Energy efficiencies realised	0.00 MWh/a
Climate Action indicator	100.00% Contribution to climate change adaptation (transversal)
Employment during construction - temporary jobs	2,264 person years
Employment during operation - new permanent jobs	226 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.