Luxembourg, 18 September 2018

EFSI Operation Scoreboard[1]

PROJECT PRESENTATION	
Project name	SPAR&BAU ENERGY EFFICIENT HOUSING
Promoter or financial intermediary	WILHELMSHAVENER SPAR- UND BAUGESELLSCHAFT EG
Country of implementation	Germany
Summary project description	The project concerns the construction of two residential Nearly Zero Energy Building (NZEB) by the German housing cooperative Wilhelmshavener Spar- und Baugesellschaft eG (henceforth "Spar&Bau", "the Cooperative", "the Company", "the Borrower" or "the Promoter"). The buildings are highly energy efficient and will comply with or exceed the energy performance level of the KfW Efficiency House 55, which is compatible with the NZEB road map. The smaller building will achieve the "Plus Energy House" standard, meaning that the building will on yearly basis generate more energy than it consumes. The operation will support the construction of approx. 227 rental units, which will be owned and managed by the Promoter.

[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5.5 (protection of commercial interests) and 5.6 (protection of the Bank's internal decision-making process), have been replaced by the symbol […].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%
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	Acceptable
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 sustainability[2];
(iv) "Employment" i.e. the project's direct employment effect.

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 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 and a small net energy positive house. The project also impacts positively on German 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, and thermal comfort benefits).

The project addresses the following market failures: Through demand savings of electricity and heat, energy efficiency projects reduce carbon externalities, as well as, in most cases, air pollution and other negative externalities. The energy efficiency market, in particular for residential buildings, is subject to asymmetric information. In particular, in the case of rental properties, it is subject to split incentives between landlords, who undertake energy efficiency investments, and tenants, who pay energy bills. The Borrower is facing a significant sub-optimal investment situation: while its plans for an NZEB project would contribute to achieving EU and German national energy efficiency goals, its possibilities to source financing at affordable terms and conditions are limited, which would prevent the company from realising the full investment potential as NZEB under a reasonable timescale. Because of this sub-optimal investment situation, investment flows into energy efficiency in buildings are typically below optimum levels from a socio-economic perspective.

The operation is expected to fall under EIB Special Activities in particular due to the unsecured characteristic, the long tenor of the loan as well as to the large loan size compared to the existing balance sheet of the Borrower. The EIB loan is expected to be effectively subordinated to other lenders. The availability of long-term financing at acceptable terms and alternative funding sources for the NZEB sector is still restricted. Due to the expected riskiness of the operation, the loan could not have been carried out to the same extent by the EIB without EFSI support.

The EIB will be providing long-term financing and a quality stamp on the project that is expected to crowd-in private sector financing. EIB financing is expected to increase the commercial lenders' confidence in the promoter and confirm their own engagement in their financing (on this and other operations). A portion of the positive net-energy component of the project is expected to benefit from a financing from KfW, the German National Promotional Bank.

The loan will be the first for the EIB with the promoter and the first in Germany with a cooperative housing entity.

Set of indicators related to the macroeconomic environment

Germany - Economic environment

Economic Performance

	DE 2016	EU 2016	US 2016	DE 2001-2007
GDP per capita (EUR, PPS)	36,232	29,440	42,615	32,614
GDP growth (%)	1.9	1.9	1.6	1.4
Potential GDP growth (%)	1.8	1.3	2.1	1.3
Output gap (% of potential GDP)	-0.15	-0.75	-0.03	-0.27
Unemployment Rate (%)	3.9	8.2	4.7	9.4
Unemployment Rate (%) - Y/Y change (% points)	-0.5	-0.8	-0.3	0.06
Bank-interest rates to non-financial corporations (%)	1.3	1.4	1.8	4.1
Bank-interest rates to non-financial corporations (%) - Y/Y change (% points)	-0.15	-0.21	-1.4	-0.04
Investment rate (GFCF as % of GDP) - Total	20.0	19.7	19.6	19.9
Investment rate (GFCF as % of GDP) - Public	2.1	2.7	3.4	2.0
Investment rate (GFCF as % of GDP) - Private	17.9	17.0	16.2	17.9

Energy

	2013	2014	2015	2016	EU (latest available)
Energy consumption from renewables (%)	12.4	13.8	14.6	--	16.7
Energy consumption from renewables - distance to EU 2020 target (%)	5.6	4.2	3.4	--	3.3
Energy dependence (%)	62.6	61.6	--	--	53.5
Primary energy consumption (consumption in 2005 =100)	95.4	91.8	92.3	--	89.3
Energy intensity of the Economy (kg of oil equivalent per 1 000 EUR)	130.7	--	--	--	141.7
Primary energy consumption (Million Tonnes of Oil Equivalent)	302.8	291.1	292.9	--	1,530
Primary energy consumption (Million Tonnes of Oil Equivalent) - distance to EU 2020 target	26.2	14.5	16.3	--	46.6

General Sector Indicators

	2013	2014	2015	2016	EU (latest available)
Value added in Construction (% of total)	--	--	--	--	5.9
Value added in Electricity, gas, steam and air conditioning supply (% of total)	--	--	--	--	2.0
Employment in Construction (% of total)	--	--	--	--	6.6
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 indicators[3]

Key project characteristics

	Expected at PCR
Start of works	01.06.2018
End of works	30.12.2022
Project investment cost	81.08 MEUR
EIB/EFSI eligible investment mobilised	79.11 MEUR
External EFSI multiplier	2.26
External EIB (non-EFSI) multiplier	
Amount of private financing	45.48 MEUR
Quick start (% of expenditure during 2015-2018)	10.00 %
Co-financing with national promotional banks	0.60 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	850.00 MWh/a
Climate Action indicator	100.00% Mitigation - Energy Efficiency (transversal)
Employment during construction - temporary jobs	470 person years
Employment during operation - new permanent jobs	0 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.