



EFSI Operation Scoreboard¹

<u>PROJECT PRESENTATION</u>	
<u>Project name</u>	SB POLSKA ABS- ENHANCED SUPPORT FOR SMES&MIDCAPS
<u>Promoter or financial intermediary</u>	SANTANDER BANK POLSKA SA
<u>Country of implementation</u>	Poland
<u>Summary project description</u>	<p>The proposed operation aims to support new lending to SMEs, Mid-Caps and public sector entities promoting Climate Action projects in Poland through an EIF guarantee supported by a back-to-back guarantee by EIB on a mezzanine tranche in a synthetic securitisation transaction. The underlying portfolio is a granular portfolio of consumer loans held by Santander Bank Polska S.A. (formerly Bank Zachodni WBK, the “Promoter” or “Intermediary”).</p> <p>The Guarantee is expected to provide capital relief under the applicable Regulation frameworks. Thanks to the additional credit capacity generated through the capital released on the Guaranteed Portfolio of consumer loans, the Intermediary will provide additional funding for 4 times the guaranteed amount to support eligible projects undertaken by Final Beneficiaries.</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 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5.5 (protection of commercial interests) and 5.6 (protection of the Bank’s internal decision-making process), have been replaced by the symbol [...].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	Significant
Cross-cutting objectives	
EIB Cohesion Priority Regions / Economic and Social Cohesion	80.00%
Climate Action	12.00%
EFSI	
Contribution to EFSI	100.00%
EFSI: Research, development and innovation	11.00%
Projects that are in line with Horizon 2020	11.00%
EFSI: Development of the energy sector in accordance with the Energy Union priorities	4.00%
Energy efficiency and energy savings (with a focus on reducing demand through demand side management and the refurbishment of buildings)	4.00%
EFSI: development of transport infrastructures, and equipment and innovative technologies for transport	4.00%
Smart and sustainable urban mobility projects (targeting accessibility, reduction of greenhouse gas emissions, energy consumption and accidents)	4.00%
EFSI: Financial support through the EIF and the EIB to entities having up to 3 000 employees	77.00%
Other financial support through the EIF and the EIB to entities having up to 3 000 employees	77.00%
EFSI: Environment and resource efficiency	4.00%
Projects and infrastructures in the field of environmental protection and management	2.00%
Sustainable urban and rural development	2.00%

Pillar 2

Quality and soundness of the project	Excellent
1. Capacity and soundness of the Intermediary and quality of the operating environment	[...]
2. Increasing access to finance and improving financing conditions including for final beneficiaries	[...]
3. 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	[...]

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),*

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.

(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

This operation will contribute to the EFSI objective of providing financing to SMEs and Mid-Caps through the provision of a mezzanine guarantee in a synthetic securitisation. This is a joint EIB Group operation, whereby an EIF guarantee to the mezzanine tranche is supported by a back-to-back counter-guarantee by the EIB. As around 80% of the financing is expected to be deployed in Cohesion regions, the operation also contributes to the Union priorities on convergence and social cohesion. Moreover, the operation will also support the Climate Action Objective, mainly through projects promoted by public sector entities and potentially also by SMEs or Mid-Caps. Equally, the operation fully supports the Capital Markets Union (“CMU”) priority objective since it aims at supporting an active and sustainable SME and Mid-Cap securitisation market in Europe.

The operation addresses clear market failures and sub-optimal investment situations faced by SMEs and Mid-Caps, who often lack access to traditional sources of finance due to their inherent weak credit profile and lack of available collateral. This, linked with the strict capital adequacy requirements, constrain the capacity of Polish banks to meet the financing needs of SMEs and Mid-Caps. Moreover, this operation further supports the development of the ABS market in Poland, while improving the financing conditions for SMEs and Mid-Caps in the country. The additional lending provided thanks to this operation is also expected to trigger new investments, thus supporting employment, innovation and economic growth.

Set of indicators related to the macroeconomic environment

Poland - Economic environment

Economic Performance

	PL 2016	EU 2016	US 2016	PL 2001-2007
GDP per capita (EUR, PPS)	20,365	29,440	42,615	14,639
GDP growth (%)	2.7	1.9	1.6	4.1
Potential GDP growth (%)	2.7	1.3	2.1	3.8
Output gap (% of potential GDP)	-0.29	-0.75	-0.03	-1.9
Unemployment Rate (%)	5.5	8.2	4.7	16.4
Unemployment Rate (%) - Y/Y change (% points)	-1.4	-0.8	-0.3	-1.2
Bank-interest rates to non-financial corporations (%)	3.7	1.4	1.8	6.3
Bank-interest rates to non-financial corporations (%) - Y/Y change (% points)	-0.05	-0.21	-1.4	0.47
Investment rate (GFCF as % of GDP) - Total	19.1	19.7	19.6	19.6
Investment rate (GFCF as % of GDP) - Public	3.3	2.7	3.4	3.3
Investment rate (GFCF as % of GDP) - Private	14.7	17.0	16.2	16.3

SME/midcap

	2013	2014	2015	2016	EU (latest available)
Share of SMEs with Access to Finance Difficulties (%)	22.1	30.6	23.1	21.5	20.9
Availability of Private equity (Thousand euro)	430,484	257,840	799,568	725,206	50,091,574
Availability of Venture Capital (Thousand euro)	37,632	28,654	28,873	21,318	4,035,807

- 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
EIB/EFSI eligible investment mobilised	654.00 MEUR
External EFSI multiplier	5.60
External EIB (non-EFSI) multiplier	
Amount of private financing	510.72 MEUR
Sum of number of employees of all final beneficiaries (no additionality) (Relative to the SME/Mid-Cap share)	50,000
Allocation volume dedicated to SME/ Mid-Caps	77.00 %
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)	

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.