



EFSI Operation Scoreboard¹

<u>PROJECT PRESENTATION</u>	
<u>Project name</u>	BUCHAREST POLYTECHNIC UNIVERSITY
<u>Promoter or financial intermediary</u>	UNIVERSITATEA POLITEHNICA DIN BUCURESTI
<u>Country of implementation</u>	ROMANIA
<u>Summary project description</u>	<p>The purpose of the project is to improve the quality, efficiency and effectiveness of teaching, learning and research at the Polytechnic University of Bucharest (Universitatea Politehnica din Bucuresti - UPB), a leading university of Romania. To achieve these objectives, UPB has adopted a master plan for the redevelopment of its main campus Noul Local. Currently UPB is located on four different campuses (Leu, Polizu, Noul Local and Regie).</p> <p>The project will finance the campus redevelopment plan and comprises the construction of a standalone building to house three faculties currently located on the historic Polizu campus. The aim is to regroup the faculties located at Polizu to the Noul Local Campus and to upgrade the facilities to a standard on which they can best support the teaching, learning and research activities of the university.</p> <p>This is the first project with the promoter and the first in higher education in Romania.</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5.5 (protection of commercial interests) and 5.6 (protection of the Bank's internal decision-making process), have been replaced by the symbol [...].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		Moderate
EFSI		
Contribution to EFSI		100.00%
EFSI: Research, development and innovation		7.00%
Research infrastructures		7.00%
EFSI: Human capital, culture and health		93.00%
Education and training		93.00%

Pillar 2

Quality and soundness of the project		Excellent
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

In line with the EFSI objectives of contributing to research, development and innovation (RDI) and supporting human capital, culture and health, this operation supports research infrastructures, education and training in Romania. The new facility will replace existing infrastructures built between 1886 and 1950, which are no longer fit for effective teaching and research activities. The new facilities, besides featuring state of the art teaching and research facilities, will also favor collaboration and synergies between researchers from different disciplines. Overall, the project will thus contribute to human capital formation and RDI capabilities in Romania, which is critical to support the build-up of a knowledge-based economy in the country.

The EIB would provide a first direct loan to a Romanian university - the Bucharest Polytechnic University - which is also a new customer for the EIB. The borrower is facing a significant sub-optimal investment situation, preventing it from realising its full investment potential. The availability of long-term financing at acceptable terms and alternative funding sources is still restricted in the country – a situation which this operation aims to address.

The operation represents significant risk and is expected to fall under the EIB's Special Activity category, mainly due to its unsecured characteristic and the long tenor of the loan.

The EIB is providing the necessary long term financing and comfort to the market to crowd-in private sector financing. EIB financing is expected to increase the commercial lenders' confidence in both the promoter and the project. Moreover, the loan constitutes a pilot operation for EIB financing of universities in Romania to be potentially replicated across the country.

Set of indicators related to the macroeconomic environment

Romania - Economic environment				
Economic Performance				
	RO	EU	US	RO
	2016	2016	2016	2001-2007
GDP per capita (EUR, PPS)	17,404	29,440	42,615	13,787
GDP growth (%)	4.8	1.9	1.6	6.3
Potential GDP growth (%)	3.5	1.3	2.1	4.6
Output gap (% of potential GDP)	-0.08	-0.75	-0.03	2.9
Unemployment Rate (%)	5.5	8.2	4.7	7.3
Unemployment Rate (%) - Y/Y change (% points)	-1.1	-0.8	-0.3	-0.26
Bank-interest rates to non-financial corporations (%)	3.4	1.4	1.8	10.3
Bank-interest rates to non-financial corporations (%) - Y/Y change (% points)	-0.64	-0.21	-1.4	-
Investment rate (GFCF as % of GDP) - Total	22.7	19.7	19.6	24.9
Investment rate (GFCF as % of GDP) - Public	3.6	2.7	3.4	3.8
Investment rate (GFCF as % of GDP) - Private	19.1	17.0	16.2	21.1

Education					
	2013	2014	2015	2016	EU (latest available)
Early leavers from education (% of population aged 18-24)	17.3	18.1	19.1	18.5	10.7
Tertiary education attainment (% of population aged 30-34)	22.9	25.0	25.8	25.6	39.1
Education expenditure per pupil/student (EUR) - Pre-primary education	757.6	915.0	-	-	-
Education expenditure per pupil/student (EUR) - Primary and lower secondary education (levels 1 and 2)	848.0	940.6	-	-	-
Education expenditure per pupil/student (EUR) - Upper secondary and post-secondary non-tertiary education (levels 3 and 4)	977.5	1,173	-	-	-
Education expenditure per pupil/student (EUR) - Tertiary education (levels 5-8)	1,488	2,007	-	-	-

General Sector Indicators					
	2013	2014	2015	2016	EU (latest available)
Value added in Education (% of total)	--	--	--	--	5.3
Employment in Education (% of total)	--	--	--	--	6.7

- 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	01.01.2020	
End of works	31.12.2023	
Project investment cost	51.15 MEUR	
EIB/EFSI eligible investment mobilised	49.95 MEUR	
External EFSI multiplier	2.00	
External EIB (non-EFSI) multiplier		
Amount of private financing	0.00 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	2,677.00 MWh/a	
Climate Action indicator		
Employment during construction - temporary jobs	1,000 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. 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.