



EFSI Operation Scoreboard¹

<u>PROJECT PRESENTATION</u>	
<u>Project name</u>	TAALERI ENERGIA SOLARWIND FUND II
<u>Promoter or financial intermediary</u>	TAALERI ENERGIA FUNDS MANAGEMENT OY
<u>Country of implementation</u>	Regional - EU countries
<u>Summary project description</u>	The proposal is for the Bank to invest in the Taaleri SolarWind Fund II, a fund targeting equity investments primarily in greenfield renewable energy projects. It will invest in onshore wind and solar power projects. The fund aims to build a diversified portfolio of approximately 15 projects (c.1300MW) and will employ a buy-develop-and-sell strategy, holding the assets for the first few years of their operating lifetime. The fund will invest, as a minimum, 60% of its commitments in EIB Eligible Investments.

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5.5 (protection of commercial interests) and 5.6 (protection of the Bank's internal decision-making process), have been replaced by the symbol [...].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		63.00%
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		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 to the development of the energy sector in accordance with the EU priorities and namely, the expansion of the use or supply of renewable energy, the operation is addressing a gap in the affordable and adequate financing for renewable energy generation.

This project will make a substantial contribution to several key aspects of the EU energy policy, as the new Fund to be supported by EIB financing under EFSI will primarily invest in greenfield small and medium sized renewable energy projects, which will support a successful energy transition. This will be achieved by investment's in onshore wind and solar power projects. The Fund investment strategy envisages a significant allocation to the CEE region. As such the Fund will make investments in a number of cohesion countries and will therefore also contribute to the Union priorities on convergence and social cohesion.

The project addresses market failures and thus contributes to increasing security of energy supply by reducing dependency on energy imports. It will also contribute to reducing carbon and air pollution externalities. The operation also addresses the sub-optimal investment situation of the greenfield renewable energy segment demonstrated through relative scarcity of long term equity funding.

The focus on the equity financing of new greenfield renewable energy project constructions represents significant risk. The operation will therefore be classified as EIB Special Activities. The European renewable energy sector, though characterized by availability of liquidity for operating assets, lacks equity funding for the development and construction phases of renewable energy projects. The Fund's investment in the sector would provide much needed equity to projects. Due to the expected riskiness the EIB would not be able to provide such type of financing support during the period in which the EU guarantee can be used.

The EIB will be a first close investor in the fund structure. This will result in a quality stamp on the Fund proposal that is expected to crowd-in private sector financing. EIB financing is expected to increase the investors' confidence in the Fund proposal. The EIB involvement is also likely to have an indirect crowding-in effect. The operation may serve as an example for other fund managers to follow.

The operation will be the first for the EIB with the Fund Manager and will allow the EIB to provide equity financing to the new greenfield renewable energy generation asset class in the EU.

Set of indicators related to the macroeconomic environment

Regional - EU countries - Economic environment				
Economic Performance				
	EU 2017	EU 2017	US 2017	EU 2001-2007
GDP per capita (EUR, PPS)	29,900	29,900	43,098	28,780
GDP growth (%)	2.0	2.0	1.5	2.4
Potential GDP growth (%)	1.7	1.7	2.2	2.1
Output gap (% of potential GDP)	-0.19	-0.19	-0.03	1.0
Unemployment Rate (%)	7.3	7.3	4.1	8.6
Unemployment Rate (%) - Y/Y change (% points)	-0.9	-0.9	-0.6	-0.26
Bank-interest rates to non-financial corporations (%)	1.3	1.3	2.4	3.9
Bank-interest rates to non-financial corporations (%) - Y/Y change (% points)	-0.04	-0.04	0.4	-0.02
Investment rate (GFCF as % of GDP) - Total	20.1	20.1	19.7	21.3
Investment rate (GFCF as % of GDP) - Public	2.7	2.7	3.2	3.1
Investment rate (GFCF as % of GDP) - Private	17.3	17.3	16.5	18.3

Energy					
	2013	2014	2015	2016	EU (latest available)
Energy consumption from renewables (%)	15.2	16.1	16.7	--	16.7
Energy consumption from renewables - distance to EU 2020 target (%)	4.8	3.9	3.3	--	3.3
Energy dependence (%)	53.1	53.5	--	--	53.5
Primary energy consumption (consumption in 2005 =100)	91.6	88.0	89.3	--	89.3
Energy intensity of the Economy (kg of oil equivalent per 1 000 EUR)	141.7	--	--	--	141.7
Primary energy consumption (Million Tonnes of Oil Equivalent)	1,570	1,508	1,530	--	1,530
Primary energy consumption (Million Tonnes of Oil Equivalent) - distance to EU 2020 target	88.9	25.3	48.6	--	48.6

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

United States - Economic environment
Economic Performance

	US 2017	EU 2017	US 2017	US 2001-2007
GDP per capita (EUR, PPS)	43,098	29,900	43,098	45,811
GDP growth (%)	1.5	2.0	1.5	2.8
Potential GDP growth (%)	2.2	1.7	2.2	2.5
Output gap (% of potential GDP)	-0.03	-0.19	-0.03	0.57
Unemployment Rate (%)	4.1	7.3	4.1	5.3
Unemployment Rate (%) - Y/Y change (% points)	-0.6	-0.9	-0.6	0.16
Bank-interest rates to non-financial corporations (%)	2.4	1.3	2.4	4.5
Bank-interest rates to non-financial corporations (%) - Y/Y change (% points)	0.4	-0.04	0.4	-0.27
Investment rate (GFCF as % of GDP) - Total	19.7	20.1	19.7	22.1
Investment rate (GFCF as % of GDP) - Public	3.2	2.7	3.2	4.0
Investment rate (GFCF as % of GDP) - Private	16.5	17.3	16.5	18.2

Energy

	2013	2014	2015	2016	EU (latest available)
Energy consumption from renewables (%)	--	--	--	--	--
Energy consumption from renewables - distance to EU 2020 target (%)	--	--	--	--	--
Energy dependence (%)	--	--	--	--	--
Primary energy consumption (consumption in 2005 =100)	--	--	--	--	--
Energy intensity of the Economy (kg of oil equivalent per 1 000 EUR)	--	--	--	--	--
Primary energy consumption (Million Tonnes of Oil Equivalent)	--	--	--	--	--
Primary energy consumption (Million Tonnes of Oil Equivalent) - distance to EU 2020 target	--	--	--	--	--

General Sector Indicators

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

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Other indicators³

Key project characteristics

	Expected at PCR
Start of works	29.03.2019
End of works	29.02.2024
Project investment cost	300.00 MEUR
EIB/EFSI eligible investment mobilised	733.00 MEUR
External EFSI multiplier	12.21
External EIB (non-EFSI) multiplier	0.00
Amount of private financing	240.00 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)	0.00 MEUR
Energy efficiencies realised	0.00 MWh/a
Climate Action indicator	100.00% Mitigation - Renewable Energy (transversal)
Employment during construction - temporary jobs	1,840 person years
Employment during operation - new permanent jobs	154 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 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.