Luxembourg, 5 February 2019

EFSI Operation Scoreboard[1]

PROJECT PRESENTATION	
Project name	LA CABRERA Y TALAYUELA SOLAR PV
Promoter or financial intermediary	ENCAVIS AG, SOLAR CENTURY HOLDINGS LTD
Country of implementation	Spain
Summary project description	The Project consists of two solar PV plants, with a total combined capacity of 482.5 MWp, Talayuela plant, with ~300 MWp (250 MWac) and Cabrera plant, with ~182.5 MWp (155.2 MWac). The project scope also includes the respective ancillary infrastructure for the interconnection to the grid (including a 21 km 400 kV aerial power line for Talayuela and a 13km 220 kV aerial power line for Cabrera). The Promoter decided to develop the Project on a full merchant basis, without applying for any form of public subsidy or support scheme. In order to allow for the bankability of the operation, it intends to enter into a power purchase agreement (PPA) in the form of a financial hedge, to secure certain revenues, with a counterpart and terms acceptable to the Bank. The project would be among the first greenfield renewable energy projects to be financed in Spain, following the reform implemented in 2014, in particular, without any form of government support. This represents a major shift in the financing of renewable energy assets in Spain and accompanies the evolution of the renewable energy market towards a more market-based approach. In addition, the project will contribute to the EU Climate objectives and will support Spain meet its renewable target of 20% of primary energy consumption, to be generated by renewable sources by 2020, in which the country is currently lagging behind.

[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5.5 (protection of commercial interests) and 5.6 (protection of the Bank's internal decision-making process), have been replaced by the symbol […].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	
EIB Cohesion Priority Regions / Economic and Social Cohesion	100.00%
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%
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 sustainability[2];
(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 objective of developing the energy sector in accordance with the Energy Union priorities, the operation will expand the use and supply of renewable energy in Spain. As the project will be deployed in regions eligible under the EU Cohesion Policy, the operation will also contribute to the Union priorities on convergence and social cohesion. The operation relates to the financing of two solar photovoltaic power plants with a combined capacity of 482MWp located in the municipalities of Talayuela and Alcalá de Guadaira. The project contributes 100% to EIB's Climate Action objectives and helps Spain in achieving its objective of generating 20% of primary energy using renewable sources by 2020, in line with its nationally binding EU targets under the Renewable Energy Directive.

The project addresses a sub-optimal investment situation in the renewable energy sector in Spain and at the same time accompanies a major market shift in the financing of renewable energy assets, i.e. towards project finance structures based on PPAs. Thanks to EFSI, the EIB supports the evolution of the Spanish renewable energy market model from one dependant on public subsidies to one based on competition, more developed technologies and a wider range of promoters. Nevertheless, the uncertainty associated with the new regulatory framework and in particular the exposure of the project to electricity price risk, creates uncertainty regarding the funding of such type of projects. Hence, thanks to EFSI, the availability of long-term non-recourse debt financing by EIB will be crucial to bridge the gap, thus ensuring project viability.

Due to the expected riskiness of the operation, the operation is expected to fall under EIB Special Activities. The loan could not have been carried out to the same extent by the EIB without EFSI support. EIB, with EFSI support, will be acting as a cornerstone lender and thus crowding-in other lenders into the financing structure.

The operation will be the first for the EIB with the promoter.

Set of indicators related to the macroeconomic environment

Spain - Economic environment

Economic Performance

	ES 2017	EU 2017	US 2017	ES 2001-2007
GDP per capita (EUR, PPS)	27,557	29,900	43,098	28,706
GDP growth (%)	3.3	2.0	1.5	3.8
Potential GDP growth (%)	0.98	1.7	2.2	3.6
Output gap (% of potential GDP)	-0.24	-0.19	-0.03	2.9
Unemployment Rate (%)	16.5	7.3	4.1	10.0
Unemployment Rate (%) - Y/Y change (% points)	-2.0	-0.9	-0.6	-0.34
Bank-interest rates to non-financial corporations (%)	1.6	1.3	2.4	3.8
Bank-interest rates to non-financial corporations (%) - Y/Y change (% points)	0	-0.04	0.4	-0.05
Investment rate (GFCF as % of GDP) - Total	20.6	20.1	19.7	28.7
Investment rate (GFCF as % of GDP) - Public	2.0	2.7	3.2	4.1
Investment rate (GFCF as % of GDP) - Private	18.6	17.3	16.5	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 indicators[3]

Key project characteristics

	Expected at PCR
Start of works	01.03.2019
End of works	29.02.2020
Project investment cost	352.15 MEUR
EIB/EFSI eligible investment mobilised	303.00 MEUR
External EFSI multiplier	2.86
External EIB (non-EFSI) multiplier	0.00
Amount of private financing	176.15 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% Mitigation - Renewable Energy (transversal)
Employment during construction - temporary jobs	800 person years
Employment during operation - new permanent jobs	70 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.