



EFSI Operation Scoreboard¹

<u>PROJECT PRESENTATION</u>	
<u>Project name</u>	SCB POLAND SUPPORT FOR SMES AND MICROENTERPRISES
<u>Promoter or financial intermediary</u>	SANTANDER CONSUMER BANK SA
<u>Country of implementation</u>	Poland
<u>Summary project description</u>	<p>The proposed operation is a guarantee aimed at supporting new lending to SMEs (Mid-caps not excluded) in Poland, with a specific focus on Micro-enterprises ("Final Beneficiaries"). The operation will largely support the Cohesion Objective as most of Poland's territory consists of Cohesion Regions. Moreover, it is expected to support women's economic empowerment, in line with EIB's Gender Equality Strategy, and to contribute to the Innovation Objective.</p> <p>Thanks to the additional lending capacity generated through the transaction, SCB Poland will contractually commit to generate 4 times the amount of the Guaranteed Portfolio in new eligible funding to 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5.5 (protection of commercial interests) and 5.6 (protection of the Bank's internal decision-making process), have been replaced by the symbol [...].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	85.00%
Climate Action	2.00%
EFSI	
Contribution to EFSI	100.00%
EFSI: Research, development and innovation	11.00%
Projects that are in line with Horizon 2020	11.00%
EFSI: Financial support through the EIF and the EIB to entities having up to 3 000 employees	89.00%
Other financial support through the EIF and the EIB to entities having up to 3 000 employees	89.00%

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 up to 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;
- (v) "Increasing access to finance and improving financing conditions including for final beneficiaries".

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 up to 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

The operation contributes to the EFSI objective to support Micro-enterprises and SMEs by providing additional risk-taking capacity to Santander Consumer Bank SA (SCB) and increasing access to finance for this market segment in Poland. This is a joint operation between the EIF and the EIB, whereby the EIF guarantee to the mezzanine tranche is supported by a back-to-back guarantee by the EIB.

As around 85% of the financing is expected to be deployed in Cohesion regions (the sole non-Cohesion Region being Mazowieckie, around Warsaw), the operation also contributes to the Union priorities on convergence and social cohesion, helping reduce regional disparities by supporting investment. Furthermore, parts of the new financing to be made available by SCB shall be dedicated to female entrepreneurs and/or female leaders in line with the EIB's Gender Equality Strategy.

The operation addresses clear market failures and sub-optimal investment situations faced by Micro-enterprises and SMEs in Poland, which are key for growth creation and employment, as smaller entities 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, constrains the capacity of Polish banks to meet the financing needs of SMEs. The additional lending provided thanks to this operation is therefore expected to trigger new investments, thus supporting employment, innovation and economic growth. The EIB would not be able to provide such type of financing support and reach out to this market segment to the same extent without EFSI.

Set of indicators related to the macroeconomic environment

Poland - Economic environment

Economic Performance

	PL 2017	EU 2017	US 2017	PL 2001-2007
GDP per capita (EUR, PPP)	20,932	29,996	43,470	14,696
GDP growth (%)	4.8	2.4	2.2	4.1
Potential GDP growth (%)	3.2	1.6	2.0	3.8
Output gap (% of potential GDP)	0.89	0.08	0.04	-2.4
Unemployment Rate (%)	4.3	7.3	4.1	16.3
Unemployment Rate (%) - Y/Y change (% points)	-1.1	-0.9	-0.6	-1.2
Bank-interest rates to non-financial corporations (%)	3.8	1.3	2.4	6.3
Bank-interest rates to non-financial corporations (%) - Y/Y change (% points)	0.12	-0.04	0.4	0.47
Investment rate (GFCF as % of GDP) - Total	17.7	20.2	20.5	19.6
Investment rate (GFCF as % of GDP) - Public	3.8	2.7	3.3	3.3
Investment rate (GFCF as % of GDP) - Private	13.9	17.4	17.2	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	725,296	50,091,574
Availability of Venture Capital (Thousand euro)	37,632	28,854	28,873	21,318	4,035,807

- Country average for "GDP per capita (EUR, PPP)" 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	393.00 MEUR
External EFSI multiplier	5.60
External EIB (non-EFSI) multiplier	
Amount of private financing	321.71 MEUR
Sum of number of employees of all final beneficiaries (no additionality) (Relative to the SME/Mid-Cap share)	45,000
Allocation volume dedicated to SME/ Mid-Caps	89.00 %
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.