



EUROPEAN INVESTMENT BANK

European Fund for Strategic Investments

**RATIONALES FOR THE DECISIONS TAKEN BY
THE EFSI INVESTMENT COMMITTEE IN 2018-2020**

**For projects, previously subject to a confidentiality agreement,
As of 8 March 2023**

RATIONALES FOR THE DECISIONS TAKEN BY THE EFSI INVESTMENT COMMITTEE IN 2018-2020

**For projects, previously subject to a confidentiality agreement,
As of 8 March 2023**

This document should be read in conjunction with the document: *“DECISIONS TAKEN BY THE EFSI INVESTMENT COMMITTEE IN 2018-2020 - for projects previously subject to a confidentiality agreement, as of 8 March 2023”*

In accordance with article 7.12 of Regulation (EU) 2017/2396, the rationales for the decisions taken by the Investment Committee to approve the use of the EU guarantee for EIB operations are made publicly available, in general after the subsequent Investment Committee meeting, except for projects subject to a confidentiality agreement between the EIB and the promoters. The publication shall not contain commercially sensitive information.

In line with article 30 of the EFSI Agreement and the Transparency Policy of the Bank, the rationales of the Investment Committee for decisions approving the use of the EU guarantee in 2018-2020, which have not yet been disclosed as of 8 March 2023, are published below. This is after the projects have been signed or if these projects are not subject to a confidentiality agreement between the EIB and the promoters anymore.

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Alongside previously disclosed rationales of Investment Committee decisions in 2018-2020, the rationales of the Investment Committee to approve the availability of the EU guarantee for the following EIB operations, which were previously subject to a confidentiality agreement between the EIB and the promoters, are as follow:

December 2020

CRONOS LOGEMENT INTERMEDIAIRE (France)

The IC approved the use of the EFSI guarantee for an operation that concerns the construction of 2 200 affordable housing units in Île-de-France (Great-Paris region) under the “Logement Intermediaire” legal framework. The project aims to overcome a major shortage of affordable rental housing in the region, and thus to facilitate and make available affordable housing to the middle-income households, which find it increasingly difficult to find appropriate housing in the vicinity of this important employment centre. The proposal is in line with the EFSI objectives related to social infrastructures, social services and solidarity economy. The operation will have a substantial energy-efficient impact, mainly through the qualification of the new residential units as nearly zero energy buildings, some of which may offer savings 20% higher than the legal requirements, hence contributing to the EU and France objectives of CO2 reduction. As such, the operation will contribute 20% to the EIB climate action objective.

The operation addresses the market failure of insufficient investments into affordable housing in France. The operation will enable increase in the provision of affordable housing, particularly in tense areas, i.e. areas with a strong demand for housing and little existing supply. Despite the obvious need for long-term financing for affordable housing, such long-term financing at acceptable conditions is not readily available to the borrower, as a result of which the borrower faces a sub-optimal investment situation. The operation is expected to fall under EIB special activities, in particular due to the significantly longer tenor of the loan compared to existing debt stock as well as a high refinancing risk. The

EIB would not be able to provide such type of financing support during the period in which the EU guarantee can be used, or not to the same extent, without EFSI. The quality stamp provided by the EIB on the project is expected to crowd-in private sector financing by increasing the commercial lenders' confidence in the promoter (on this and other operations).

DB SPAIN ENHANCED SUPPORT FOR SMES & MIDCAPS (Spain)

The Investment Committee approved the use of the EFSI guarantee for the proposed risk participation in existing corporate loans of DB Spain.

The funding and credit capacity provided by the intervention facilitates lending capacity towards increased access to finance for eligible entities with less than 3 000 employees, with a contractual minimum requirement to support new eligible financing of at least 2x the amount of the EFSI intervention.

At full deployment, the contractually set new eligible lending portfolio of EUR 300m is expected to benefit 880 small companies and support more than 47 000 jobs, of which at least 20% in Cohesion areas.

Access to finance for SMEs and Midcap remains constrained, both quantitatively and qualitatively in terms of available terms, tenors and collateral requirements, and its continued support therefore a self-standing purpose of the EFSI in line with Article 3 (b) of the Regulation.

The risk profile of the EFSI intervention is Special Activity in line with the EIB's Statute, which is a strong indicator of Additionality in the EFSI Regulation.