



**European  
Investment  
Bank**

*The EU bank*

## EIB support to Dutch offshore wind

What role can EIB play in financing of the windfarm in the Hollandse Kust Noord?

October 2019

# European Investment Bank in short

- Not-for-profit, long-term lending institution owned by the member states of the EU
- Objectives driven by EU-policies. EIB leading priority is to promote European economic development and integration
- EIB finances eligible projects, meaning a clear link with the to-be-built assets that address policy objectives
- EIB is the implementing agency for the EC's Investment Plan for Europe / EFSI and will play central role in InvestEU (EFSI successor)
- Governance
  - Board of Governors: finance ministers of the member states
  - Board of Directors: representatives of the member states + 1 of the EC
  - Management Committee: President and 8 VPs for day-to-day running of EIB
- EIB's lending activities are mainly funded via bond issuance on the international capital markets – ca. EUR 60bn per year.
- No use of tax payers' money
- EIB website ([www.eib.org](http://www.eib.org)) for more detail

# Our priorities

Environment



EUR  
 15.2bn

Infrastructure



EUR  
 12.3bn

Innovation



EUR  
 13.5bn

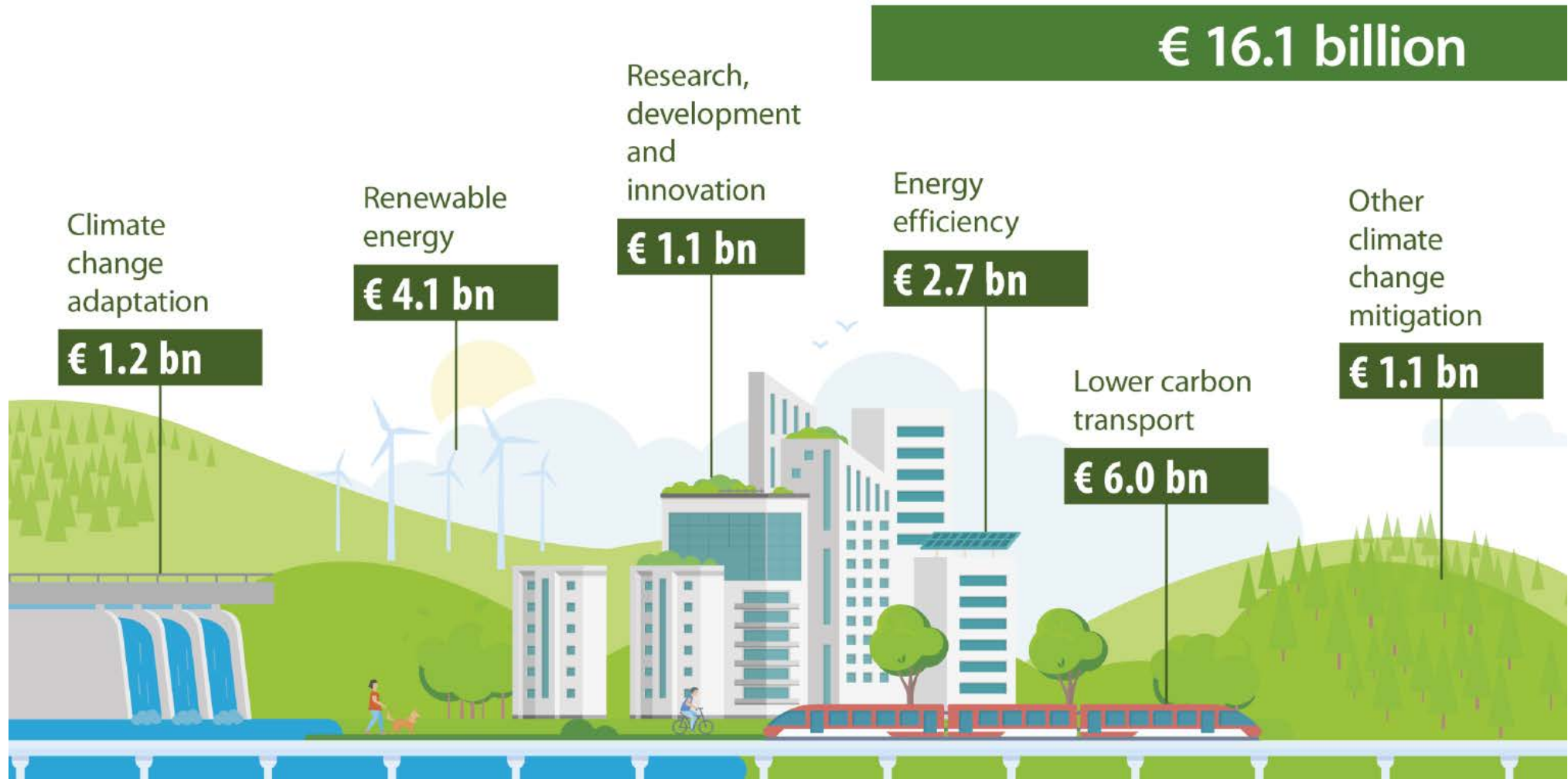
SMEs



EUR  
 23.3bn

FY 2018 figures

# Climate action



FY 2018 figures

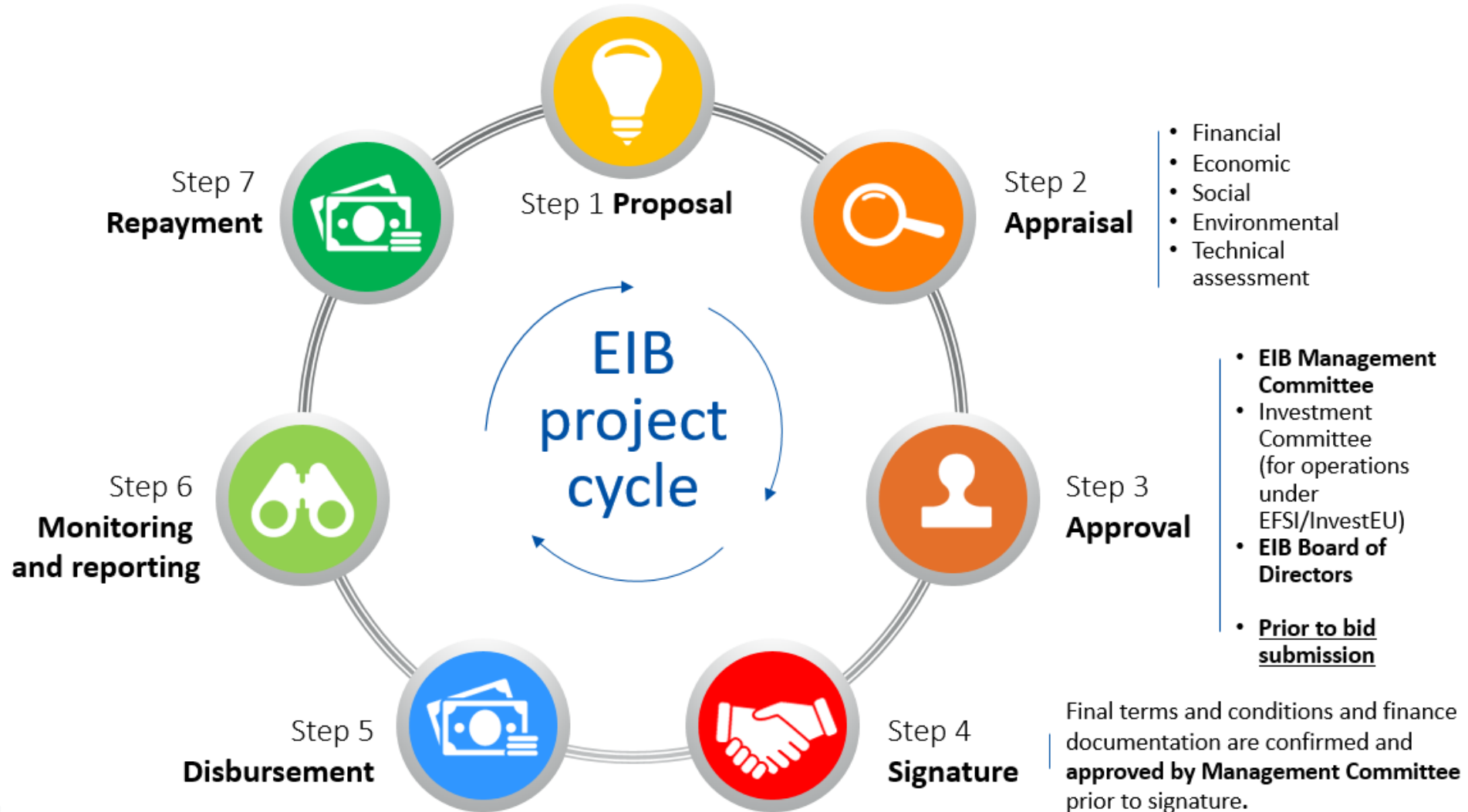
# A reliable partner to the renewables industry

Public and private sector counterparts have engaged with EIB for their renewables transactions, entrusting EIB with a role as cornerstone lender to their deals.

- EUR 4.1bn of lending in 2018 for renewable energy generation with select support to transactions on project finance basis, expected to increase over time.
- Projects can use (i) project finance, with no or limited recourse to balance sheets of sponsors or (ii) corporate finance through various products such as senior loans or hybrid bonds.
- EIB has worked with diverse sponsor groups including large scale utilities, oil & gas majors, public sector counterparts and IPPs.
  
- EIB has supported the offshore wind industry since inception, including with project financing for more than a decade, and across economic cycles.
- Policy rationale was that wind power, as an emerging technology, would once be competitive without subsidies. This view is in the course of becoming reality though now needs to prove sustainable.
- EIB is considering broad support to the sector to further promote its evolution to maturity.

# EIB project cycle

We support sound and sustainable projects



# EIB offers structural support to Dutch offshore wind

EIB typically acts as the reliable, long-term cornerstone lender, providing sizeable contributions at attractive conditions.

- Main impact of early EIB involvement with board approval prior to bid submission:
  - Complementing RVO's broad **project facilitation**
  - Providing **higher degree of certainty** to bidders on access to EIB funding
  - **Meet sponsors' timelines** after tender award
  - Leveraging RVO project preparation to allow for **lighter process with private bidders**
- Different products currently under consideration for Hollandse Kust Noord, with selection to be made by bidders interested in EIB financing:
  - i. Project finance approach**
    - Non- or limited-recourse financing
    - Senior debt product most in demand
    - Significant ticket with project risk, potentially complemented by an ECA covered tranche, depending on risk profile
  - ii. Corporate approach**
    - Senior unsecured loans for corporate entities and utilities
    - Hybrids for utilities
    - Amount depending on product and credit standing of counterpart

# Way forward

- Interested parties are invited to contact the EIB directly to discuss potential EIB financing:

**Ruben Devogelaer**  
[r.devogelaer@eib.org](mailto:r.devogelaer@eib.org)

- Early involvement, pre-bid stage strongly recommended to ensure requested product and approach are aligned with EIB's internal approvals.