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| ***Disclaimer:****This is a draft fiche for a financial product under the EU compartment of the InvestEU Fund based on features included in the draft investment guidelines. The financial product fiche is intended to facilitate discussion with potential Implementing Partners. It has not been adopted or endorsed by the European Commission. Any views expressed are the preliminary views of the Commission services and may not in any circumstances be regarded as stating an official position of the Commission. The information transmitted is intended only for the entity to which it is addressed for discussions and may contain confidential and/or privileged material. This financial product fiche is meant to serve as an example for the financial product herein described. It shall not pre-empt policy prioritisation or any other aspects related to InvestEU Financial Products. An implementing partner can focus on one or more policy areas targeted by this financial product. The financial product fiches should be read in combination with the policy cover notes per policy window.* | | |
| **1.** | **Policy Window(s)** | Sustainable Infrastructure window  Research, Innovation and Digitisation window  SME window  Social Investment and Skills window |
| **2.** | **Policy Objective(s)** | See the SIW policy note. |
| **3.** | **Financial Product Name** | ***InvestEU - SIW General Debt*** |
| **4.** | **Rationale, Objectives and Expected Impact** | This InvestEU – SIW financial product covers the following policy priorities:   * Sustainable Transport * Clean Energy Transition * Environment and Resources * Digital Connectivity * Space & Defence * Other priorities (e.g. Tourism, aquaculture)   Please refer to the SIW policy note for the detailed description.  In addition, this InvestEU – SIW financial product may also cover any other relevant areas linked to sustainable infrastructure listed in Annex II of the InvestEU Regulation. This mainly relates to points 1, 2, 3, 4, 9, 9a, 10, 12(d), 13 and 13a of the Annex II. This will be subject to policy prioritisation as described in point 6a below.  The product also addresses the following priorities:   * projects that are sustainable and contribute to climate and environmental objectives in line with the EU commitments. * whenever possible support financing solutions such as loans and bonds credit enhancing and subordinated debt financing, and projects that attract capital market financing and * promotion of the green bond market.   As further detailed in rows 6 and 8, the Implementing Partner shall propose which particular policy area(s) of the SIW and which particular geography it would want to target to ensure complementarity with its existing product range and additionality under InvestEU. |
| **5.** | **New /existing financial product** | New InvestEU financial product  Continuation of existing EU financial support mechanisms  [to be developed by the implementing partner based on their experience ] |
| **6.** | **Targeted Sectors** | All areas linked to sustainable infrastructure listed in Annex II of the InvestEU Regulation and meeting the criteria of the Investment Guidelines section 3.1 are eligible for support. This mainly relates to Points 1, 2, 3, 4, 9, 9a; 10, 12(d), 13 and 13a.  The Implementing Partner shall propose which particular policy area(s) of the SIW it would want to target to ensure complementarity with its existing product range and additionality under InvestEU. An IP can cover one or more of the listed priority areas. Specific conditions per policy priority area are described below and are subject to further discussions with the IPs.   1. **Sustainable Transport**    1. **TEN-T:**   To support the development of the trans-European transport network (TEN-T), particular prioritisation shall be put on projects that contribute to the objectives set out above. This shall in particular include, in the area of **“Connecting infrastructure – TEN-T**”, projects and corporate financing:   1. implementing the core and comprehensive network in accordance with Chapters II and III of the TEN-T Regulation, including relating to urban nodes, maritime ports, inland ports and rail-road terminals of the core network as defined at Annex II to the TEN-T Regulation[[1]](#footnote-2); 2. implementing cross-border links of the comprehensive network in accordance with Chapter II of the TEN-T Regulation; 3. implementing sections of the comprehensive network located in outermost regions in accordance with Chapter II of the TEN-T Regulation, including relating to the relevant urban nodes, maritime ports, inland ports and rail-road terminals of the comprehensive network as defined at Annex II to the TEN-T Regulation; 4. supporting projects of common interest in order to connect the trans-European network with infrastructure networks of neighbouring countries as defined in Article 8(1) of the TEN-T Regulation.   Support in the area of “Connecting infrastructure – TEN-T” shall, in priority, target projects in the TEN-T core network, identified in the core network corridor Work Plans that address missing links, bottlenecks or cross-border connections.   * 1. **Cleaner, Safe and Smart Mobility**   The area of “Cleaner, Safe and Smart Mobility” will notably cover projects:     1. supporting motorways of the sea as provided for in Article 21 of the TEN-T Regulation; 2. supporting urban nodes, in accordance with Article 30 of the TEN-T Regulation; 3. supporting telematic applications systems, including for safety purposes, in accordance with Article 31 of the TEN-T Regulation; 4. supporting freight transport services in accordance with Article 32 of the TEN-T Regulation; 5. supporting new technologies and innovation, including automation, enhanced transport services, modal integration and alternative fuels infrastructure, in accordance with Article 33 of the TEN-T Regulation; 6. implementing safe and secure infrastructure and mobility, including road safety, in accordance with Article 34 of the TEN-T Regulation; 7. improving transport infrastructure accessibility for all users in accordance with Article 37 of the TEN-T Regulation; 8. heavy mass-transit infrastructure, rail rolling stock, bus, trucks and light vehicles and vessels fleets and related infrastructures; 9. other smart and sustainable urban mobility projects, including shared mobility and mobility as a service; 10. deployment of alternative fuels in transport; and 11. green shipping and inland navigation.   In particular, the projects within this area should support the deployment of innovative technologies in the transport sector utilising renewable energy, whereby “innovative” has the meaning in accordance with Article 33 of the TEN-T Regulation; involving mobile assets powered by electricity or by hydrogen, and the related supporting infrastructure.  Such projects can also support enterprises operating with leasing/renting contracts, renting and leasing for individuals and/or for the replacement of corporate transport fleets and related equipment in all transport modes.  Traffic management systems will cover inter-alia projects for the deployment of the ITS, RIS, ERTMS, SESAR systems, in line with Article 31 of the TEN-T Regulation, other digital transport infrastructure and other smart and sustainable mobility projects.  **1.3 [Green vehicles and equipment]**   1. **Clean Energy Transition**    1. **Decarbonized energy networks and generation**  * **Projects of Common Interest in the energy sector**   The objective is to provide debt financing for projects of common interest (PCIs)[[2]](#footnote-3) including the credit enhancement for project bonds,. The priority area also comprises relevant Projects of Mutual Interest (PMI) and (PECI) that comply with InvestEU Regulation   * **Smart Grids and Digitization of the grid**   The focus is building energy networks that can accommodate a situation where more than half of electricity is generated from variable sources, catalysing investments in smart grids, cross-border collaboration, networks digitalisation and modernisation, demand response management, control/balancing platforms, e-mobility, and energy   * **Cross-border projects in the field of renewable energy** * **Offshore wind installation** with particular emphasis in MS that despite potential, have little experience with floating platforms * **Storage and Hybrid renewables**   Pure storage projects would be eligible plus “hybrid” projects combining renewables plus storage (e.g. Solar generation + battery storage, or solar generation + wind generation + pumped storage, etc) or a portfolio of different RES technologies plus storage managed under a Virtual Power Plant to provide flexible generation capacity.   * **Diversification of ports from transport nodes to hubs for assembly, installation and servicing of offshore energy** * **Renewables in the heating and cooling sector**   + Decarbonisation of heat generation in industry * **Communities and Local Actors** * **“Merchant” Renewable infrastructure**   1. **Energy efficiency** * **Energy Service providers for Energy Efficiency** * **Industrial energy efficiency** * **SMEs Energy Efficiency** * **Energy renovation for Households**   1. **Other low carbon network infrastructure**   2. **Credit enhancement for green bonds**  1. **Environment and Resources**   **3.1 Clean Water**  The support shall comprise of investment projects and accompanying services supporting the implementation of the EU water acquis. Particular importance shall be given to projects:   1. ensuring access to water supply and sanitation for all EU citizens by completing and maintaining infrastructure for drinking water and wastewater treatment that complies with energy efficiency and leakage prevention criteria. 2. ensuring compliance with the Water Framework Directive (2000/60/EC) and the Floods Directive (2007/60/EC) including measures foreseen in the River Basin Management Plans and Flood Risk Management Plans.   Concerning point (ii) concrete investment include: rehabilitating or upgrading of existing hydropower to increase efficiency and reduce ecological impacts, and reducing diffuse pollution from agriculture, aquaculture, and industrial sources, water efficiency solutions, water reuse in any sector and in nature-based solutions to reduce flood risks.  **3.2 Transition to Circular Economy**  The support shall comprise infrastructure necessary to support the transition towards a more circular economy in Member States notably shifting upwards in the implementation of the EU waste hierarchy.  Without prejudice to the exclusion criteria, investment projects should cover:   * the implementation of waste management plans and waste prevention programmes (based on the revised Waste Framework Directive). * the establishment and support of networks/facilities on reuse, prepare for reuse and repair. * the setting up of functional waste separation and collection schemes, and recycling facilities.   **3.3 Nature Ecosystems**  The focus is on those projects that promote the conservation, restoration, management and enhancement of natural capital for biodiversity and adaptation benefits, including by means of green and blue infrastructure projects. It shall include ecosystem-based solutions to challenges, such as those related to air and climate systems, sea, land, soil, forestry, agriculture, water and waste, and transport and energy. Cross-border projects shall be in particular encouraged. Particular attention will also be paid to projects that promote sustainable cultural heritage. [GROW/ENV to clarify delineation]  An important part of investments is in Nature Based Solutions in support to climate change adaptation and mitigation, including:   * carbon capture and sequestration through ecosystem restoration, * natural hazard disaster risk reduction, * infrastructure projects aiming at climate change adaptation and increasing the resilience to current and future climate.   The latter shall include, among others, the protection of low-lying areas, coastal areas and other measures related to sea-level rise, flood prevention, improved and sustainable use of water supply and drought prevention, and adaptation of infrastructure to extreme temperature.   1. **Modernisation and decarbonisation of industry**   Low-carbon infrastructure for decarbonisation investments in the energy intensive industries, energy and transport.  The objective is to provide financing support to projects in the energy-transport-industry especially as regards the symbiotic investments into low-carbon infrastructure enabling the industrial decarbonisation. This may include support for CO2 or hydrogen pipelines, energy or CO2 storage facilities, or any other infrastructure enabling the flow of low-carbon energy and products related to energy intensive industries.   1. **Digital Connectivity**   **5.1 Gigabit networks, 5G and data infrastructures**  The objective of this priority area for the general debt financial product is to continue the successful experience under EFSI, as leverage tool offering risk-sharing for debt financing of digital infrastructure deployments for projects of common interest as defined in the Connecting Europe Facility Digital relating to the deployment of safe and secure very high capacity digital networks and 5G systems, to the increased resilience and capacity of digital backbone networks on EU territories by linking them to neighbouring territories, , including data and connectivity infrastructures, as well to the digitalization of transport and energy networks. In addition, projects that focus on rural digitalisation are included.  5.2. The area of “**Digital Connectivity”** will notably cover all types of projects that will contribute to the achievement of the EU’s strategic connectivity objectives as defined in the 2016 Communication from the European Commission entitled “*Connectivity for a Competitive Digital Single Market – Towards a European Gigabit Society*” to ensure Gigabit capable digital connectivity infrastructures to every household as well as comprehensive coverage of 5G services.   1. **Space & Defence - Development & Exploration of space infrastructure**   The upstream sector of space covers the development and exploitation of space infrastructure, including R&D, production of satellites, launchers as well as the deployment and operations of such infrastructure. There has already been experience in financing space infrastructure through ESFI funded project such as Ariane or Terma.   1. **Tourism**   Investments in tourism infrastructure contributing to helping Europe maintain its attractiveness as a tourism destination at global level including improving quality of hotels, accommodation and attractions; supporting digitalisation of tourism businesses and destinations; developing new attractive products in a sustainable manner for local communities and the environment; developing local supply chain; contributing to and constituting an important component of a wider urban and post-industrial regeneration project (list not exhaustive). |
| **6a** | **Policy prioritisation** | Policy prioritisation shall be determined in line with the provisions of section 2.3.2.1 of the Investment Guidelines. |
| **7.** | **Targeted Recipients** | This financial product targets projects that fulfil eligibility criteria and policy objectives. Final recipients listed in Section 2.3.1 of the Investment Guidelines are eligible for support. No support under this financial product shall be provided to natural persons except if targeting Energy Efficiency for Households.  .  Excluded entities as per Article 136 of the Financial Regulation, shall not be supported.  Recipients per priority area may include notably:  Sustainable transport-TEN-T  Public and private corporates or project companies / dedicated investment vehicles undertaking infrastructure investments for the TEN-T network.  **Sustainable transport - Cleaner, Safe and Smart Mobility**  Public and private corporates or project companies / dedicated investment vehicles. The profile of final recipients may cover public transport authorities, mobile asset renting and leasing companies, railway operators, ship operators, operators of alternative fuel infrastructure, etc.  Clean Energy Transition – [TEN-E]  Public and private corporates or project companies / dedicated investment vehicles undertaking infrastructure investments for PCIs.  **Clean Energy Transition – [Smart Grids and Digitization of the grid]**  Public and private corporates, project companies, dedicated investment vehicles/platforms, SMEs, local authorities, municipalities, RES energy communities  **Clean Energy Transition- [Storage and Hybrid renewables]**   * Storage developers. * Consortia of Storage developers and renewable developers. * Local authorities, municipalities, energy communities. * Both standalone utility scale projects and distributed ‘behind the meter’ projects would be eligible, since the overall objective is to balance the grid, and react to price signals.   **Clean Energy Transition – [Energy Efficiency]**  ESCOs and other service providers using e.g. energy performance contracts for energy efficiency renovations and integration of small renewables in existing buildings, or in public lightning.  **Environment and Resources – Clean Water**  Actors in the water sector as organised at the national level:   * Water utility companies; * River basin authorities; * Authorities responsible for flood risk management; * Water user associations.   **Environment and Resources - Transition to Circular Economy**  Actors in the waste sector and in the industry deploying circular economy.  **Environment and Resources - Nature Ecosystems**   * Public authorities implementing climate change adaptation and mitigation strategies at local, regional and national levels; * Actors in the management of public spaces; * Farmers/foresters/fishermen practicing or transitioning towards ecosystem-based or integrated agriculture (i.e. agroecology), forestry or fisheries; * Actors in industry and SMEs using nature based solutions. * Private and public actors implementing projects on nature restoration, conservation, management and enhancement;   Digital connectivity – Gigabit networks and 5G infrastructures  public and private entities and project companies (including fixed and mobile network operators), dedicated investment vehicles/platforms undertaking infrastructure investments for PCIs.  **Digital Connectivity – Digital connectivity**  Public and private corporates (including fixed and mobile network operators), project companies, consortia, dedicated investment vehicles/platforms, SMEs, local authorities, municipalities, etc. deploying Gigabit capable digital connectivity and 5G infrastructures.  **Space & Defence - Development & Exploration of space infrastructure:**   * Be established in a EU Member State at the time of first investment and that at least 75% of the cost correspond to activities for the development or operation of space or launcher systems or technologies which shall be implemented in the EU * Be established in a EU Member State at the time of first investment and exploit space or data or information in order to develop or manufacture products or services in the EU   **[Low-carbon infrastructure for decarbonisation investments in the energy intensive industry, energy and transport.]**   * Be established in a EU Member State Any legal entity including large corporates in energy intensive industries, transport or energy sectors, public authorities (e.g. ports) and their consortia developing low-carbon infrastructure for industrial symbiosis projects aiming at value-chain decarbonisation.   **Tourism**  No specific conditions apply. |
| **8.** | **Targeted Geography** | All EU MS  Selected MS  Other countries *as specified in Article 11 of the InvestEU Regulation.*  The Implementing Partner shall propose which particular geography it would want to target to ensure complementarity with its existing product range and additionality under InvestEU. |
| **9.** | **Implementation period** | In line with Article 10(2) of the InvestEU Regulation, implementation period of the financing or investment operations under the financial product:  Approval: until 31 December 2027  Signature: until 31 December 2028 |
| **10.** | **Type of financing** | Direct financing (*including co-investments and guarantees to third party financiers in line with IGs section 2.3.1) of Targeted Recipients* by Implementing Partners  Intermediated financing through Financial Intermediaries-  *The financial product can also support issuance of Green Bonds for different relevant policy areas* |
| **10.a** | **Eligible Financial Intermediaries** *(if applicable)* | N/A |
| **10.b** | **Financial Intermediaries’ Financial Needs** *(if applicable)* | N/A |
| **10.c** | **Type of product provided by the Implementing Partner to the Financial Intermediary** *(if applicable)* | N/A |
| **10.d** | **Type of product Provided by the Financial Intermediary to the Final Recipient**  *(if applicable)* | N/A |
| **11.** | **Product Provided to the Final Recipient** | Loan  Guarantee  Equity  Other *(please specify):*  *debt financing which term may include loans, guarantees, letters of credit, securities (listed or unlisted) and standby credit facilities, in each case with or without warrants or other rights attached; which may be senior, mezzanine or subordinated as further specified in the guarantee agreement,*  In specific cases, if justified by the type of financing provided by the Implementing Partner, the operation covered by the EU Guarantee could be limited to cover a specific phase of the project (e.g. construction risk, uptake risk). |
| **12.** | **Amounts / maturity per final recipients** | Minimum amount per financing or investment operation supported by InvestEU shall be [€5m].  Support shall be provided for long-term financing, with a tenor typically ranging initially from [5 to 25] years. Shorter or longer maturities can only be supported if duly justified by the nature of the project or relevant market failures. |
| **13.** | **Blending** | Yes  No  Blending facilities covering TEN-T and TEN-E priorities with budget contribution from the Connecting Europe facility (CEF) could be developed. The grant element of the blending operations would need to meet the applicable TEN-T/TEN-E eligibility criteria as set in CEF Work Programs.  Blending facilities with grant contribution from the LIFE Programme, Gigabit networks, and/or Internal Market Programme may also be developed. |
| **14.** | **Size of the financial Product** | Total amount of the EU Guarantee to this financial product shall amount to €[X]\* million.  Option 1: Portfolio FLP:  Portfolio First Loss Piece (PFLP) contribution: up to €[X]\* million corresponding to a contribution to the PFLP of approximately\*\* 20% of the overall amount of financing to be provided by the implementing partner under the product, with   * EU Guarantee contribution to the PFLP: up to €[X] million and * Implementing Partner contribution to the PFLP: up to €[X] million.   Implementing Partner residual risk contribution: approximately €[X] million  Total product size: approximately X] million  *Option 2 – pari passu*  Total aggregate amount of the EU Guarantee for support of individual operations on a pari passu basis shall amount to €[X]\* million.  *Option 3 – Mezzanine tranche*  IP coverage of the Portfolio First Loss Piece (PFLP) of up to €[X]\* million corresponding to approximately\*\* 20% of the overall amount of financing to be provided by the implementing partner under the product.  EU Guarantee of the mezzanine tranche of up to €[X] million and corresponding to a contribution of approximately\*\* 20% of the overall amount of financing to be provided by the implementing partner under the product. The EU guarantee is senior in ranking to the PFLP exposure.  The residual risk shall be covered by the IP.  *\*The figures are illustrative and do not represent the Commission’s view on a possible envisaged allocation of the guarantee to a particular product. \*\*The figures may vary depending on the modalities of the contribution to the PFLP of the signed operations.* |
| **15.** | **Pricing (only relevant for debt/guarantee financial products)** | Free of charge  Partially priced  Fully priced |
| **16.** | **Guaranteed Amounts** | In line with Article 16 (2) of the InvestEU Regulation, [the EU Guarantee shall cover, as applicable, principle and all interest and amounts due to the implementing partner but not received by it in accordance with the terms of the financing or investment operations until the event of default, (for subordinated debt a deferral, reduction or required exits shall be considered to be an event of default), restructuring losses, losses arising from currencies fluctuations other than the euro in markets where possibilities for long-term hedging are limited. |
| **17.** | **EU Guarantee coverage provided to the Implementing Partner** | First Loss Contribution  Pari-passu  Other arrangements: mezzanine coverage  In line with section 14. The IP can select one or more of the options above. |
| **18.** | **Risk Sharing with the Implementing Partner** | Risk-sharing of First Loss piece: [5] % of contribution to PFLP by the Implementing Partner  Residual Risk Tranche ('Second Loss Piece'): [100] % contribution by the Implementing Partner  Pari-passu for the whole instrument  Other arrangements mezzanine coverage: *IP covers the FLP and the EU Guarantee the mezzanine tranche.*  *[Revenue shall be shared between the EU Guarantee and the implementing partners or a guarantee fee shall by charged as defined in the guarantee agreement.]* |
| **19.** | **Structure / Features** | Option 1 – Portfolio FLP:  The EU shall provide up to [95%] of the contribution to PFLP for a debt standard portfolio constructed in line with the provisions of the guarantee agreement. The implementing partner shall contribute at least [5%] to the PFLP.  The contributions to the PFLP for specific operations could differ based on the riskiness of the underlying projects, policy prioritisation as per Section 6.a and counterparts, and will allow for a progressive increase of the PFLP in line with the increase of the guaranteed portfolio.  Retained by Implementing Partner  Covered by InvestEU guarantee  Residual loss (retained by IP)  First-loss (approx. 20%): EU Guarantee up to [95%]; IP min. [5%]  *Option 2 – pari passu*  The EU guarantee shall partly cover individual operations on a pari passu basis. The maximum exposure of the EU guarantee on an individual operation is 50% of the financing provided by the IP.  Residual risk is covered by the IP on a pari passu basis.  IP  COM  *Option 3 – Mezzanine tranche*  The EU guarantee shall cover a mezzanine tranche in respect of the relevant portfolio of operations financed by the IP.  IP  COM  IP |
| **20.** | **Currency** | EUR or any other EU currencies. |
| **21.** | **Events triggering the use of the EU Guarantee** | To be determined in the guarantee agreement in accordance with Article 14.2(c) and 16.2 of the InvestEU regulation. |
| **22.** | **State Aid considerations** | In case of combination with state resources in the implementation of the financial product described in this fiche, the dedicated GBER part will apply. |
| **23.** | **Reporting** | Indicators (*Key Performance indicators/Key Monitoring Indicators to be defined*).  Reporting will be done in In line with Article 22(5) of the InvestEU Regulation. |
| **24.** | **Other** | N/A |

1. Regulation (EU) No 1315/2013 [↑](#footnote-ref-2)
2. The TEN-E Regulation (EU) 347/2013 aims to support Projects of Common Interest in resolving permitting, regulatory and financing barriers. The TEN-E regulation addresses financing issues of Projects of Common Interest (PCIs) via grants under the Connecting Europe Facility (CEF) Grants. [↑](#footnote-ref-3)