

## **EIB SIW HSBC Pan-EU Wind Package RS Facility**

**INVEU-ICR-0055-2024 – Sustainable Infrastructure Window (SIW)**

### **Short description of the financing or investment operation and its objectives**

Name of the final recipient	HSBC Continental Europe
Type of the final intermediaries	Banks
Type of final recipients	Mid-Caps, Large corporates
Country of implementation	EU-27, Iceland, Norway
Implementing partner	European Investment Bank (EIB)

Sub-operation with HSBC under the Lending Envelope (LE) to enable new investment in wind energy in the EU through counter-guarantees on advance payment and performance bonds associated with supply contracts of EU manufacturers of wind energy equipment including grid interconnectors. The LE consists of sub-operations in the form of Partial Delegation Linked Risk Sharing with acceptable Financial Intermediaries, which support the EU green Deal objectives and REPowerEU plan, and is part of the European Wind Power Package.

### **Global Assessment and rationale for approval**

The Investment Committee of the InvestEU Fund approved the use of the InvestEU guarantee on 29 October 2024 for the above-mentioned operation.

The operation will contribute to the InvestEU objective of developing the energy sector.

The ambitious policy decarbonisation targets set in the EU towards 2030 require significant investment in renewable energy production capacity, notably in onshore and offshore wind energy infrastructure in the EU. This in turn requires a scale up of the supply chain manufacturing industry and ability to deliver components, services, and materials in a timely manner. It also requires an increased access to advance payment and performance guarantee lines for the OEMs, in a context of financial pressure (growing order books and challenges from rising inflation and interest rates) and with commercial banks reaching their exposure concentration limits vis-a-vis OEMs.

The current situation in the guarantee market for wind projects is exacerbated by the relatively limited number of EU commercial banks providing such demand guarantees in the EU.

The operation addresses the increasing bottleneck associated with the provision of guarantees to OEMs and will enable the activation of under-utilised already installed strategic Net-Zero technology manufacturing capacity of wind energy OEM suppliers in the EU, which would otherwise go idle and potentially be lost in part. This enabling effect will help support



## Investment Committee of the InvestEU Fund

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the proper functioning and access to finance of the entire wind-energy supply chain and will, in turn, contribute to deploy additional renewable energy generation capacity that will eventually be installed in the EU.