



Investment Committee of the InvestEU Fund

Meeting no 28 – 16 May 2024

Room Schuman, Foyer Européen

European Commission, Luxembourg

10 rue Heinrich Heine, L-1720 Luxembourg (Gare)

NORTEGAS BIOMETHANE PRODUCTION PLANTS (ES)

INVEU-ICR-0016-2024 – Sustainable Infrastructure Window (SIW)

Short description of the financing or investment operation and its objectives

Name of the final recipient:	Norbiogas Renovables SLU (subsidiary of Nortegas Group)
Size/type of the final recipient:	Mid-Caps
Countries of implementation	Spain
Implementing partner	European Investment Bank (EIB)

The operation consists of the construction and operation of several anaerobic digestion biogas units. The facilities will produce biogas and upgrade it into biomethane, which will then be injected into the natural gas grid. The plants will utilise agricultural residues, mainly livestock manure from surrounding farms, as well as minor stakes of organic by-products from agro-industry and vegetal residues to produce biomethane and organic fertilizers (digestate).

The operation is in line with the InvestEU objective of developing the energy sector and sustainable bioeconomy.

Global Assessment and rationale for approval

The Investment Committee of the InvestEU Fund approved the use of the InvestEU guarantee on 16 May 2024 for the above-mentioned operation.

The Bank's financial contribution is considered excellent and valuable to the client, considering the long tenor of EIB's loan and the diversification of its financier base, being the first transaction entered by Nortegas with an International Financial Institution (IFI). An excellent financial contribution is achieved due to the customised terms, such as the longer availability period or length of financing. Additionally, by providing debt at attractive conditions, the EIB facilitates the company's transition towards decarbonisation.

The operation would not have been carried out to the same extent by the EIB without the InvestEU support.

The operation is fully aligned with key EU policies, namely the Green Deal and fits Fit for 55 package, of achieving climate neutrality by 2050 and committing to cutting emissions by at least 55% by 2030. It also contributes to replacing fossil-based feedstock with renewable-based resources, while substantially contributing to reduction of (diffused) pollution from Agriculture, notably in terms of GHG emissions and groundwater potential pollution. In this sense, the operation is also aligned with the Global Methane Pledge (GMP).



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The operation contributes to the EIB PPG on "Sustainable Energy and Natural Resources", addressing in particular pollution abatement, renewable energies, circular economy and broader environmental issues. The operation contributes 100% to the horizontal objectives of CA&ES (CA Mitigation and Circular Economy).

Based on the targeted pipeline of the operation, it is expected that a share of the operation will be located in Cohesion Regions, with a contribution in terms of CAPEX of 36% to less developed regions and 43% to Transition regions. In addition, it will contribute with a 4% in Just Transition regions. The operation will contribute to strengthening the economy in transition and less developed regions, offering quality employment in rural areas of Castilla y Leon, Castilla la Mancha, Extremadura, and other Autonomic Communities severely affected by rural depopulation.

The Investment Committee found the project to be well aligned with EU policy objectives and carving a path for a nascent market in a very fragmented market situation.