

InvestEU Scoreboard¹

Presentation of the financing or investment operation:

Implementing Partner: EIB

Name of the Operation: BALTIC POWER OFFSHORE WINDFARM

Type of approval :

☒ Individual financing or investment operation

☐ Framework Operation

Name of the final recipient: BALTIC POWER SP ZOO

Country(-ies) of implementation: Poland

Short description of the financing or investment operation:

The project consists of the development, construction and operation of a very large-scale (up to 1.2 GW) fixed-bottom offshore windfarm in the Polish Economic Exclusive Zone in the Baltic Sea located 23 km to the north of the Polish coastline. The wind farm is expected to produce c. 4 050 GWh/year of electricity

The project will be one of the first offshore windfarm to be built on the Polish sea. The project is located 23 km to the north of the Polish coastline, on the level of the municipalities Choczewo and Łeba. The construction of the wind farm is planned to start in 2024. Completion is expected by Q2/26.

The EIB loan would be split in two tranches:

1. A non-recourse tranche with direct risk to the project. This tranche is expected to be supported by the InvestEU guarantee.
2. A tranche guaranteed by (or intermediated through) an acceptable financial counterparts / export credit agencies.

The project benefits from a 25-year support by the Polish Government which takes the form of a "contract for difference" (CfD) premium (the project receives the difference between a strike price and the actual market price, in case of higher market price the difference is set off with future premium to be paid or repaid to the settlement authority).

Public Statement

This project consists of the construction and operation of new, very large-scale, fixed-bottom offshore wind farm that will contribute to the achievement of the 2030 decarbonisation targets set out in the National Energy and Climate Plan of Poland. The project is located in an EU Less Developed region; categorised internally as EIB Priority Cohesion region (Pomorskie).

The financing of this project contributes to Bank's lending priority objectives on Renewable Energy, on Climate Action, Environmental Sustainability as well as Economic and Social Cohesion.

In terms of addressing market failures, the offshore wind farm primarily reduces carbon and air pollution externalities, through the reduction of carbon emissions and air pollution. Moreover, the project provides new generation capacity in a sector characterised by incomplete markets, relying on public Contracts for Difference with exposure to residual market risks. It thereby contributes to the policy objective of supporting market integration of renewable energy projects.

The operation is expected to yield good quality and results, thanks to avoided GHG emissions, knowledge externalities, fair employment creation and governance arrangements. The Bank's contribution will be most visible on the financial side given the difficulty to raise financing in local currency in a capital market

¹ This Scoreboard of indicators reflects the information presented to the InvestEU Investment Committee (IC) for its decision on the use of the EU guarantee for this operation. Therefore, the document does not take into account possible developments that could have occurred after this decision.

which is highly constrained in terms of volume and tenor. The Bank's support to the project will support the crowding in of other financiers given its experience in the offshore wind sector.

Pillar 3 - Market failure or sub-optimal investment situation addressed by the financing or investment operation (**Excellent**)

Pillar 4 - Financial and technical contribution by the Implementing Partner (**Very Good**)

Pillar 5 - Impact of the financing or investment operation (**Good**)

Pillar 7 - Complementary indicators²

Key project characteristics

Expected at PCR	
Start of works	01.01.2024
End of works	30.06.2026
Project investment cost	3 389.4 MEUR
Mandate eligible investment mobilized	3 162.9 MEUR
Mandate multiplier effect	54.57
Mandate leverage effect	5.85
Amount of private financing	Up to 2 753.9 MEUR
Co-financing with national promotional banks	To be determined (BGK expected to participate, amount unknown yet)
Co-financing with structural funds (ESIF)	0.00 MEUR
Energy efficiencies realised	0.00 MWh/a
Climate Action indicator	100.00% Mitigation - Renewable Energy (transversal)
Employment during construction temporary jobs	12 800 person years
Employment during operation – new permanent jobs	570 FTE

Outputs

Expected at PCR	
Electricity generation capacity from renewable energy sources	1 140.0 MW

Outcomes

Expected at PCR	
Electricity produced from renewable energy sources	4050 GWh/yr
Households which could be supplied with the energy generated by the project	1 700 000
Cost of electricity generated with environmental externalities	94.00 EUR/MWh

² The abbreviation PCR stands for Project Completion Report. EIB internal methodologies are used in order to calculate the figures presented in this document. The Promoter's estimates might differ.