

 Early Warning System

EBRD-55127

EBRD InvestEU Framework for Biofuels Development



Quick Facts

Countries	Bulgaria, Croatia, Czech Republic, Estonia, Greece, Hungary, Latvia, Lithuania, Poland, Romania, Slovakia, Slovenia
Financial Institutions	European Bank for Reconstruction and Development (EBRD)
Status	Approved
Bank Risk Rating	B
Voting Date	2024-05-29
Borrower	Borrowers not available at the time of disclosure.
Sectors	Agriculture and Forestry, Energy, Industry and Trade, Transport
Investment Type(s)	Loan
Investment Amount (USD)	\$ 76.01 million
Loan Amount (USD)	\$ 76.01 million
Project Cost (USD)	\$ 76.01 million



Project Description

According to the EBRD, the EBRD/InvestEU Biofuels Framework aims to facilitate financing of higher risk investments for the development of projects by private sector clients in the EBRD's EU Countries of Operations in the wide biofuels market comprising both liquid and gaseous fuels produced from biomass. Examples of such biofuels include biodiesel, bioethanol, sustainable aviation fuel (SAF) and biomethane. Potential clients and beneficiaries of the EBRD loans may include private sector entities engaged in biofuel related sectors like waste management, agriculture, energy, and fuels, as well as financial investors looking to launch new biofuels projects or upgrade existing facilities.

The key objective of the Framework is to support the development of biofuel market in the EBRD EU countries of operations, which remains small and undeveloped and to support financing of biofuel projects, which cannot be financed without InvestEU guarantee due to their higher level of risk and/or innovative nature. InvestEU guarantees provide necessary support by de-risking the investment and providing lower cost of financing that will enable roll-out of projects that would otherwise not be economically viable. Financing will include but not be limited to capex, working capital, cost of acquisition, construction and upgrade of biofuel plants and associated infrastructure, procurement of equipment, short-term loans required for biofuel projects development.



Early Warning System Project Analysis

As stated by the EBRD, ESDD will be addressed on a project-specific basis, taking into account various types of biofuel feedstocks and ensuring compliance with the sustainability criteria outlined for biofuels within the EU RED-III Directive. Additionally, EBRD will utilize a risk-based approach in conducting internal due diligence to ensure compliance with the Invest EU Framework on a project by project basis. Each sub-project under the framework will be categorized as per the ESP.



Investment Description

- European Bank for Reconstruction and Development (EBRD)

As stated on the project disclosure page, the EBRD loans can be provided in EUR or in local currency of an EU member state which is an EBRD country of operation. Minimum and maximum individual loan amount are set at respectively EUR 2 million and EUR 30 million (or the equivalent in another currency).

Under the EBRD-EC Contribution Agreement up to EUR 60 million is provided for Technical Assistance (TA) to support the roll-out of the guarantee and or contribute to the InvestEU policy objectives. Sub-projects under the Framework will have access to these funds.



Private Actors Description

As stated by the EBRD, type of clients to include private sector companies, implementing biofuel projects within the scope of the proposed Framework in accordance with the EBRD-EC InvestEU Guarantee Agreement.

Specific private actors are not available at the time of disclosure.



Contact Information

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ACCESS TO INFORMATION

You can request information by emailing: accessinfo@ebrd.com or by using this electronic form:

<https://www.ebrd.com/eform/information-request>

ACCOUNTABILITY MECHANISM OF EBRD

The Project Complaint Mechanism (PCM) is the independent complaint mechanism and fact-finding body for people who have been or are likely to be adversely affected by an European Bank for Reconstruction and Development (EBRD)-financed project. If you submit a complaint to the PCM, it may assess compliance with EBRD's own policies and procedures to prevent harm to the environment or communities or it may assist you in resolving the problem that led to the complaint through a dialogue with those implementing the project. Additionally, the PCM has the authority to recommend a project be suspended in the event that harm is imminent.

You can contact the PCM at: pcm@ebrd.com or you can submit a complaint online using an online form at:

http://www.ebrd.com/eform/pcm/complaint_form?language=en

You can learn more about the PCM and how to file a complaint at: <http://www.ebrd.com/work-with-us/project-finance/project-complaint-mechanism.html>