

EBRD in Greece & RRF Co-Financing Framework

November 2022



European Bank
for Reconstruction and Development



EBRD in Greece

About EBRD in Greece



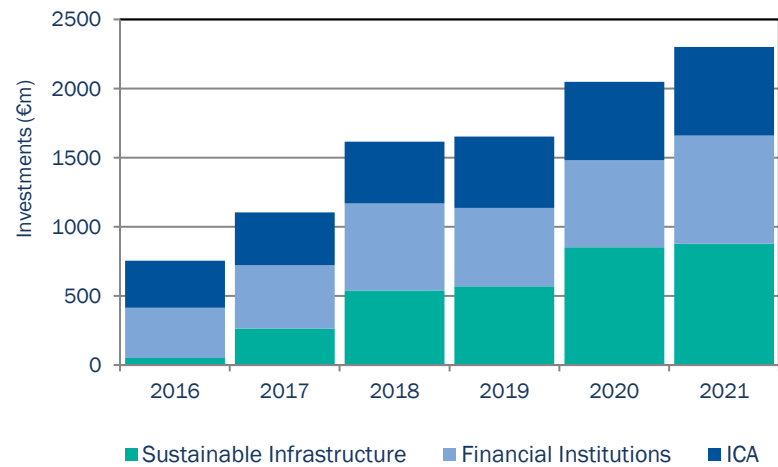
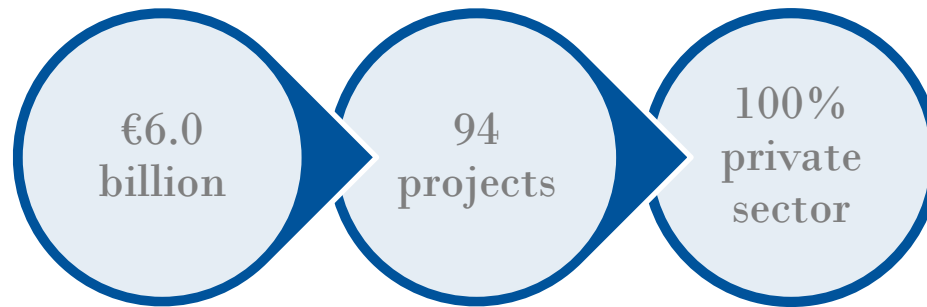
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Why are we here

- Priority 1: *Strengthening competitiveness by facilitating expansion of the private sector.*
- Priority 2: *Supporting sustainable energy and infrastructure, including through further regional linkages.*
- Priority 3: *Further enhancing financial sector resilience.*



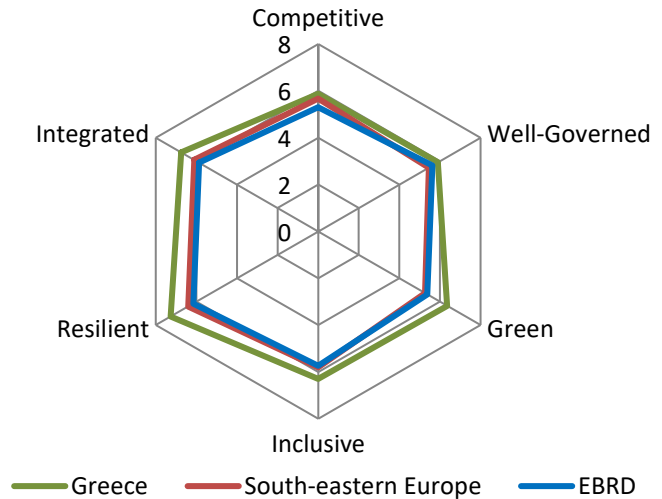
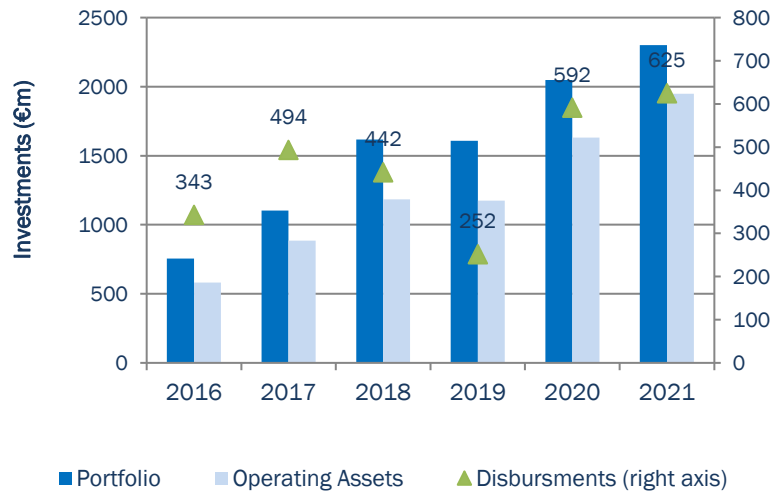
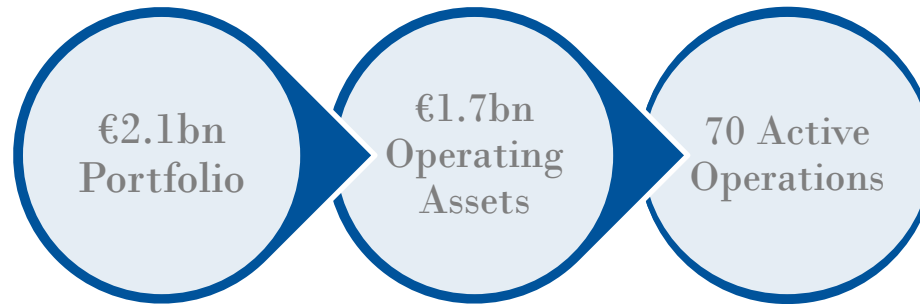
EBRD's Investments in Greece





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EBRD's Portfolio in Greece





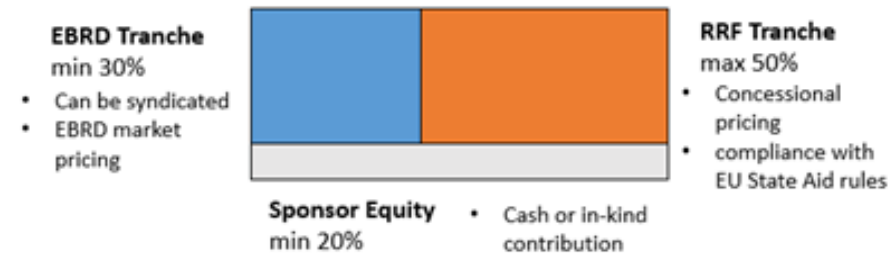
EBRD RRF Co-Financing Framework



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EBRD RRF Co-Financing Framework

- EBRD has signed an Operational Agreement with the Greek Ministry of Finance on Monday 29 November to manage up to 500 mn EUR of concessional loans funded from the Greek Recovery and Resilience Corporate Loan Facility to finance eligible private sector projects taking place in Greece until December 2025 and meeting the policy priorities & eligibility criteria of the Greek Recovery and Resilience Plan (“RRP”).
- EBRD can leverage the RRF loans with up to 500 mn EUR of debt financing to be provided by EBRD (and potentially with other commercial lenders) pari passu and pro rata.
- Borrowers or sponsors will be required to contribute at least 20% of project costs with their own funds either from balance sheet cash / in-kind or a capital increase.



Strategic Pillars



- Underlying projects have to target mainly fixed capital, human capital and natural capital. They can cover intangible assets such as R&D, data, IP & skills.
- Underlying projects have to contribute to at least 1 of the 5 Strategic Pillars identified by the Greek authorities: Green transition, Digitalisation, Extroversion, Innovation (R&D), and Economies of scale via mergers and acquisitions.
- At least 38.5% of the total portfolio of underlying loans will go to green measures & 20.8% to digital measures.
- Underlying projects have to respect the ‘Do No Significant Harm’ Principle.
- Provided that underlying projects have to comply with EU State aid rules, RRF loans can still provide an important source of concessional finance, even for projects which might have otherwise explored more commercial funding options.

OTE RRF project

Case study



Funded by the
European Union
NextGenerationEU



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EUR 150 million promoting digital transformation, green transition and regional inclusion

- The **first project under the EBRD's RRF Co-Financing Framework** and the **first large scale RRF loan** in the country, **accelerating and facilitating the deployment of very high capacity networks.**
- The loan consists of a **€56.25 million tranche provided from the EBRD's own resources**, and **€93.75 million tranche financed by the EU's RRF and channelled via the Greek Ministry of Finance.**
- **Execution in ca. 3 months**, undertaking internally the required **DNSH assessment**, while navigating constantly the client through the relevant RRF requirements.

Project

- **Implementation of an up to €187.5 million** investment programme for the rollout of **Fibre-to-the-Home** ("FTTH") **broadband infrastructure.**
- Targeting **ca.371,000 households and businesses in 12 regions** with limited or no access to FTTH promoting **regional inclusion and forward linkages.**

Strategic Pillar & Transition Impact

- Contributing by **100% to the Digital Tag** of the Greek RRP.
- **100% Green eligible investments¹** - as FTTH is by 40% more energy efficient than traditional ADSL per unit of data transmitted.
- Supporting OTE's commitment to **various initiatives relating to gender equality and inclusion.**

¹ As per EBRD's Green Economy Transition methodology

Hatzopoulos RRF project

Case study

Greece 2.0
NATIONAL RECOVERY AND RESILIENCE PLAN



Funded by the
European Union
NextGenerationEU



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EUR 10 million supporting transition to more sustainable products and reduction in energy consumption

- A **family-owned** company, A.Hatzopoulos SA specialises in the **manufacturing of flexible packaging solutions** for the F&B, FMCG and pharmaceutical industries, **exporting over 75%** of its production to more than 30 countries.
- The project marked the **second transaction** under EBRD's RRF Co-Financing Framework, **utilising in total a fifth of the RRF funds under management.**
- The loan consists of a **€3.75 million tranche provided from the EBRD's own resources**, and **€6.25 million tranche financed by the EU's RRF and channelled via the Greek Ministry of Finance.**
- **Execution in less than 3 months**, undertaking internally the required **DNSH assessment.**

Project

- **Implementation of an up to €12.5 million investment plan**, replacing old machinery and an R&D programme focused on **circular economy.**
- Enabling A.Hatzopoulos' **transition** to the production of **fully recyclable product portfolio** by 2025.

Strategic Pillar & Transition Impact

- Alignment with the **Greek RRP's Extroversion pillar**, strengthening A.Hatzopoulos' **market positioning** vis-à-vis its global peers.
- Contributing by **23.3% to the Green Tag** of the Greek RRP.
- **100% Green eligible investments¹** - in view of expected reduction in energy consumption and GHG emissions.

¹ As per EBRD's Green Economy Transition methodology