

## PRESS RELEASE

2022-07-22-EN

Luxembourg/Madrid, 22 July 2022

# Iberdrola and EIB sign €550 million green loan to boost renewables in Spain

- Specifically, almost 1,800 MW of wind farms and photovoltaic parks will be built in different locations, mostly in rural areas.
- The new facilities will supply clean energy equivalent to the annual consumption of about one million households.
- The project will have a significant impact in terms of its contribution to the EU's security of energy supply, climate action and social cohesion.

The European Investment Bank (EIB) and Iberdrola have signed a new agreement to accelerate Spain's energy transition by developing new renewable capacity. The EU Bank will provide a €550 million green loan for the construction of a portfolio of projects with a total capacity of around 1,800 megawatts (MW). These facilities will produce green and competitive energy equivalent to the average annual consumption of around one million households. The total investment in the wind farms will amount to more than 1.1 billion euros.

Overall, the new infrastructure will create around 2,100 jobs per year during the construction phase, to which must be added those generated in the operation phase, as well as those created in other related sectors. All this gives this agreement a significant capacity to contribute to the sustainable recovery of the economy and job creation. In addition, the operation has a strategic value, as it is aimed at strengthening European energy self-sufficiency with renewable energies.

The EIB will finance photovoltaic plants and wind farms in a number of Spanish municipalities, mainly in rural areas of Castilla y León and Extremadura, considered cohesion regions by the European Union. Part of the funding will go to projects such as the 200 MW Tagus and 80 MW Almaraz photovoltaic plants in Extremadura and the 50 MW Valdemoro wind farm in Castilla y León. These investments will not only increase the generation of clean energy, but also improve security of supply.

**EIB Vice-President [Ricardo Mourinho Félix](#)** said: *"The new green loan signed with Iberdrola enables us to step up our contribution to making Spain a country with increased renewable capacity, a key factor for Europe to achieve its climate targets. As the EU Bank, we continue to support projects in line with our 'Climate Roadmap', while at the same time boosting Europe's security of energy supply in the current sensitive context. We are pleased to support Iberdrola in projects that will generate economic growth and jobs in the cohesion regions"*.

**Iberdrola's CEO, Ignacio Galán**, explained that: *"This financing agreement, which further strengthens our cooperation with the EIB, is a new boost for our projects in Spain at an important time when we need to speed up the energy transition and reduce our dependence on fossil fuels"*. The financing signed with the EIB is also in line with *"Iberdrola's commitment to a sustainable energy model that will enable the transition to a low-carbon economy"*, said Galán.

This operation contributes to the EU target of reaching 32% of energy from renewable sources in gross final energy consumption by 2030, as set out in the EU's new RES (Renewable Energy Sources) Directive,

which the European Commission has recently proposed to increase to a level of 45%. In addition, it favours the fulfilment of the Spanish renewable energy targets for 2030 of 42%, established in the National Integrated Energy and Climate Plan (PNIEC) 2021-2030.

As the loan is 100% eligible under the climate action/renewable energy framework (as it is dedicated to onshore wind and solar photovoltaic projects), the operation can be considered as an EIB Green Loan. This is a type of financing whose characteristics fully comply with the requirements defined in the EIB's *Climate Awareness Bonds* (CAB) programme. The transaction is therefore eligible for allocation to its portfolio of lending operations financed through the issuance of CABs.

### **General information:**

The [European Investment Bank](#) (EIB) is the long-term financing institution of the European Union, whose shareholders are its Member States. The EIB provides long-term finance for sound investment to help achieve EU policy objectives. The European Investment Bank (EIB) provides long-term loans on behalf of the European Union.

[Iberdrola](#), a global leader in sustainable and green financing, has established itself as a global benchmark in sustainable financing, being the first group in the world to issue green bonds, after being the first Spanish company to open this market in 2014. In 2016, the company also underwrote the first green loan for an energy company, in the amount of 500 million euros.

At the end of March 2022, the group already had green financing or financing linked to sustainability criteria amounting to more than 41 billion euros, of which more than 16 billion euros corresponds to green bonds.

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