



PRESS RELEASE

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Iberdrola signs €1 billion loan with EIB to accelerate energy transition in Europe

- Project is part of REPowerEU – the plan to eliminate dependence on fossil-fuel imports.
- The loan will co-finance the construction of 22 renewable energy plants in Spain, Portugal and Germany with a total installed capacity of 2.2 GW.
- 70% of the plants will be deployed in rural areas, areas affected by the industrial transition to net zero and cohesion regions.
- Installations will provide green energy equal to the average annual energy consumption of more than 1,000,000 households.

The European Investment Bank (EIB) and Iberdrola have signed a new financing agreement worth €1 billion to fast forward the energy transition in Europe by building an extensive network of 19 solar power plants and 3 onshore wind farms in Spain, Portugal and Germany.

With a total installed capacity of 2.2 GW, the projects envisage a joint investment of more than €1.7 billion, which will accelerate the energy transition and boost supply security, climate action and social cohesion in Europe.

The operation is part of the EIB's financing package in support of [REPowerEU](#), the EU plan to strengthen Europe's energy autonomy.

In addition, the project will have an innovation component, as it will facilitate the integration of renewables into grids, undoubtedly one of the great challenges in achieving Europe's climate objectives. Some of the photovoltaic projects will include hybridization with wind power and battery systems for energy storage. Hybrid systems generate solar energy when the sun shines and wind energy when the wind blows, with integrated systems complementing each other and sharing the same connection point to guarantee a more stable supply to the grid. Energy storage is a fundamental pillar of the energy transition by adding flexibility to the generation of renewable energy and allowing a better integration into the system.

The agreement was signed in Madrid by EIB Vice-President **Ricardo Mourinho Félix** and Executive Chairman of Iberdrola **Ignacio Galán**.

The new installations will provide green energy equal to the average annual energy consumption of more than 1,000,000 households and they will be mostly located in cohesion regions, where per-capita-income is lower than EU average, underlining EIB's commitment to equitable growth and the convergence of living standards. The investments made under this agreement will boost economic growth and employment in the regions where these renewable energy facilities are installed. These new projects will also support the national energy plans of the three countries, and help Iberdrola achieve its 2040 net zero emissions target.

“This major financing agreement covering three countries highlights the EIB's continued firm commitment to accelerating the energy transition in Europe and to ensuring access to affordable, clean power for all Europeans,” said **EIB Vice-President Ricardo Mourinho Félix**. “This is a strategic objective for the European Union and the EIB that will not only contribute to climate change mitigation, but also to the EU's energy security and strategic autonomy. As the horrific war in Ukraine has shown, sustainable energy and energy security are two sides of the same coin. To achieve them both, it is vital that we collaborate with companies in the European energy sector such as Iberdrola.”

Executive Chairman of Iberdrola **Ignacio Galán** added that “As one of the main partners of the EIB, it is a pleasure for us to have the Bank support again through this loan, which represents a significant contribution to accelerate Europe’s energy independence -in line with the REPowerEU Plan of the European Union—, achieve climate objectives, and continue creating economic growth and employment in the continent.”

The EIB and energy security

In 2022, the EIB Group committed financing more than €17 billion for the energy transition in Europe. As this is a top priority for the EU climate bank, Spain received a record €3.1 billion in financing for sustainable energy and natural resources projects in the same year, making it the second largest beneficiary of financing in the EU. This figure confirms the Group’s commitment to ensuring access to sustainable energy at a time of great uncertainty. These investments are helping Europe weather the crisis triggered by the abrupt cut in gas supplies in the aftermath of Russia’s unjustified attack against Ukraine.

In October 2022, the EIB Board of Directors decided to raise the Group’s clean energy financing volumes to unprecedented levels in support of the [REPowerEU](#) objective of ending Europe’s dependence on Russian fossil fuel imports. Over the next five years, an additional €30 billion will be invested on top of the EIB’s already robust support for the EU energy sector. The financing pledged under REPowerEU is expected to generate an additional €115 billion in investment by 2027, thus making a substantial contribution to Europe’s energy independence and to the EIB Group’s target of mobilising €1 trillion in climate finance this decade.

Spain is set to play a key role in the deployment of REPowerEU and in helping the EIB Group see through its overarching long-term commitment to sustainable energy. This can be seen in the financing granted for projects such as Iberdrola, as well as other renewable energy, energy efficiency, and energy storage and network projects in Spain that have received EIB financing.

Find out more about the EIB’s support for the energy sector [here](#).

Iberdrola’s commitment to renewables and sustainable financing

The operation is part of Iberdrola’s commitment to help decarbonise the planet. As part of this strategy, the company plans to invest more than €47 billion between 2023 and 2025 to promote the energy transition, employment and net zero emissions.

Iberdrola continues to move forward with its sustainability strategy, which is based on the electrification of the economy through sustainable energies, and oriented towards combating climate change and creating wealth and jobs in the regions where it operates. This funding will enable the company to further strengthen its position in sustainable financing with more than €48 billion in ESG operations signed, of which €17.6 billion in green bonds.

The projects funded with this kind of financing are in line with the following UN Sustainable Development Goals on which Iberdrola is focusing: SDG 7 (affordable and clean energy) and SDG 13 (climate action).

Background information

About the EIB

[The European Investment Bank \(EIB\)](#) is the long-term lending institution of the European Union owned by its Member States. It finances sound investments that contribute towards EU policy goals.

The European Investment Bank Group (EIB Group) — formed by the European Investment Bank (EIB) and the European Investment Fund (EIF) — reported another year of excellent results in Spain, with record support for climate action and environmental sustainability projects and €9.9 billion of total financing signed in 2022.

About Iberdrola

[Iberdrola](#) is the largest energy company in Europe by market capitalization and one of the two main energy companies in the world, a leader in renewables, which is leading the energy transition towards a low-emissions economy. The group supplies energy to nearly 100 million people and develops its renewable, network and commercial activities in Europe (Spain, the United Kingdom, Portugal, France, Germany, Italy and Greece), the United States, Brazil, Mexico and Australia and maintains markets such as Japan, Taiwan, Ireland, Sweden and Poland, among others, as growth platforms.

With a workforce of 40,600 people and assets of more than €154,600 million, in 2022 it obtained revenues of almost €54,000 million, a net profit of €4,340 million and a tax contribution of 7,500 million euros in the countries where it operates. The company contributes to maintaining 400,000 jobs in its supply chain, with annual purchases of €17,800 million in 2022. A benchmark in the fight against climate change, it has allocated more than 140,000 million euros in the last two decades to build a sustainable energy model, based on solid environmental, social and governance (ESG) principles.

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