

Iberdrola and Norges Bank Investment Management double their alliance, with more than €2 billion renewable energy investment planned in Spain and Portugal

- *The companies incorporate an additional 1,300 MW in the Iberian Peninsula, to reach 2,600 MW*
- *The joint global investment commitment will amount to more than €2 billion over the next 3 years*
- *Iberdrola's executive chairman, Ignacio Galán, announced the agreement at the World Economic Forum in Davos*

Iberdrola and the Norwegian sovereign wealth fund, managed by Norges Bank Investment Management, are to double their clean energy investment alliance, adding 1,300 MW of additional renewable energy capacity to unlock more than €2 billion joint investment over the next three years. As of today, 674 MW of wind and solar has been added to the alliance, with the rest to be included in the coming months, to reach a total capacity of 2,600 MW.

The 674 MW of new renewable energy capacity is in the development stage – 40% wind and 60% solar PV – across the Iberian Peninsula. Final negotiations on exclusivity are also taking place on including an additional 643.5 MW of operational and under development solar PV capacity to the alliance.

Both companies have joined forces to accelerate decarbonisation in the Iberian Peninsula, and the agreement could be extended in the future to other countries. Iberdrola will have a majority stake of 51% in the assets.

The executive chairman of Iberdrola, Ignacio Galán, announced the agreement during meetings at the World Economic Focus held in Davos.

"Today we have expanded our clean energy alliance to advance the development of renewables in the Iberian Peninsula in a faster, more consolidated and competitive way. Innovative agreements like this allow us to combine our knowledge in clean energy and our financial strength with those of Norges Bank Investment Management, a truly progressive partner, building on our alliance that has been growing for many years," said the executive chairman.

Norges Bank Investment Management CEO, Nicolai Tangen, said: “We are really pleased to announce this new important deal with our great partner Iberdrola. It gives us more critical mass in Spain and is also our first step into Portugal. We look forward to adding more attractive renewable infrastructure projects going forward.”

Under the terms of the agreement, the valuation of 100% of the 674 MW now incorporated amounts to €627 million, excluding extra margins for asset management, provision of operation and maintenance services, as well as other corporate services.

This renewable portfolio will have the capacity to supply energy to more than 400,000 homes each year, resulting in more than 350,000 tonnes of CO2 avoided per year.

The perfect partner to co-invest

Norges Bank Investment Management, which manages Norway's sovereign wealth fund, has assets under management of around €1.4 trillion and stakes in more than 9,000 companies. It owns on average 1.4% of all listed companies in the world and 2.5% of all listed companies in Europe.

Norges Bank Investment Management is also one of Iberdrola's main shareholders, holding a stake of 3% for more than seven years. As a result of this relationship, Norges Bank Investment Management has decided to make its first direct investment in renewable assets in Spain with Iberdrola, the largest European electricity company by capitalisation.

Iberdrola and Norges Bank Investment Management have formed a secure alliance, between two preferred partners, which could be extended to additional renewable opportunities in other geographies.

Partnerships for growth

In recent months, Iberdrola has closed several long-term alliances to promote the decarbonisation of the economy:

- In December, [Iberdrola closed an agreement with Masdar](#) to seek to co-invest €15 billion in offshore wind and green hydrogen in Germany, the United Kingdom and the United States
- Masdar also signed [an agreement last year to co-invest in the 476 MW Baltic Eagle](#) offshore wind farm, which valued the project at €1.6 billion
- Last September, [Iberdrola partnered with GIC](#) for the expansion of transmission networks in Brazil for 430 million euros
- The [original alliance with Norges Bank Investment Management](#) was to develop 1,265 MW of renewable energy in Spain
- The company has signed an agreement to sell more than 8,400 MW of gas-fired combined cycle plants in [Mexico for \\$6 billion](#).

- Iberdrola and [MAPFRE](#) have continued to advance their strategic alliance by incorporating 150 new MW through a joint venture, which already has 450 MW.
- Iberdrola and [BP](#) also signed a strategic alliance in March to deploy 11,700 fast charging points in Spain and Portugal.
- In addition, in 2022, [Iberdrola signed an alliance with Energy Infrastructure Partners](#) to co-invest in the Wikingen offshore wind farm and boost its offshore wind portfolio.