

PRESS RELEASE

Luxembourg, August 13th 2018

EIB reaffirms support for Nordlink interconnector with EFSI-backing

- **European Investment Bank (EIB) closes a EUR 100m single investor tap of TenneT's 2017 hybrid bond to support the construction of NordLink interconnector between Norway and Germany**
- **Transaction backed under European Fund for Strategic Investments (EFSI), part of successful Juncker Plan. This marks EIB's first participation in a market hybrid bond issuance**

TenneT Holding B.V. and the EIB today closed the issuance of EUR 100 million hybrid capital by TenneT (rated A3/A-). EIB has purchased EUR 100 million hybrid securities to be consolidated and form a single series with TenneT's hybrid Securities programme launched on 12 April 2017.

The European Investment Bank has herewith reaffirmed its support for the Nordlink interconnector between Germany and Norway. After the signature in 2017 of loans to [TenneT](#) and [Statnett](#), the EIB has now subscribed to a hybrid bond issue by TenneT to further support the project. The financing was made possible by the [European Fund for Strategic Investments \(EFSI\)](#), central pillar of the successful [Investment Plan for Europe](#), which was launched by the EIB Group and the European Commission to boost the competitiveness of the European economy.

The EIB Vice-President **Ambroise Fayolle** commented: "This interconnector is a major project in a world where renewable energy is of such importance. This last step completes the EIB support for this project, which is exactly the type of project the EIB was set up to do sixty years ago. The security of supply and effective use of renewable energy remain high on the agenda for EIB financing and we are glad that this aligns completely with the objectives of the EFSI. We are excited that we are able to support this project while participating in TenneT's hybrid bond tap, alongside other investors"

Otto Jager, TenneT's Chief Financial Officer, added: "Today's transaction underlines the further deepening of our strong relationship with the EIB. In addition to the senior commitments of EUR 1.5bn, the EIB today supports one of the most challenging projects for the establishment of an interconnected renewable energy market in Europe. We are proud that we are the first issuer of a market hybrid bond with the EIB as participant and we are looking forward to further extend our relationship with the EIB in the near future."

European Commission Vice-President for the Energy Union **Maroš Šefčovič** said: "We need forward-looking investments into modern energy infrastructure with adequate interconnections, in particular to integrate renewables into the grid. It is a vital element of our energy security as well as our climate action. This smart combination of renewable power generation – solar and wind in Germany and hydroelectric in Norway – underlines our firm commitment to bring clean power to millions of people."

The NordLink interconnector is being developed by the Norwegian TSO Statnett and DC Nordseekabel, each with 50% ownership. DC Nordseekabel is equally owned by TenneT and the German promotional bank KfW, and is responsible for the construction of the German part of the project. Once completed, a bipolar high voltage direct current (HVDC) link will connect Norway and Germany across the North Sea with a rated capacity of 1400 MW and a total length of 624 km. NordLink will improve diversification and security of supply, enhancing electricity market integration in both countries, and more widely between Northwest Europe and

Scandinavian countries. It is also designated as a Project of Common Interest in the Priority Corridor Northern Seas Offshore Grid.

Background Information:

The **European Investment Bank** (EIB) is the European Union's long-term financing institution lending for investments that contribute to achieving the EU's objectives. Founded in 1958, it operates in the 28 EU Member States, the EU's neighbour countries and more than 100 other countries around the globe. Since 1994 the Bank can lend to eligible projects in Iceland under the EFTA Facility. This mandate enables the Bank to support projects notably in the sectors of energy, environment, research, development and innovation located in the territories of the EFTA countries (Iceland, Liechtenstein, Norway and Switzerland).

TenneT is a leading European electricity transmission system operator (TSO) with its main activities in the Netherlands and Germany. With almost 23,000 kilometres of high-voltage connections we ensure a secure supply of electricity to 41 million end-users. We employ approximately 4,000 people, have a turnover of EUR 3.9 billion and an asset value totalling EUR 21 billion. TenneT is one of Europe's major investors in national and cross-border grid connections on land and at sea, bringing together the Northwest European energy markets and enabling the energy transition. We make every effort to meet the needs of society by being responsible, engaged and connected. **Taking power further.**

The **NordLink** interconnector is being developed by the Norwegian TSO Statnett and DC Nordseekabel, each with 50% ownership. DC Nordseekabel is equally owned by TenneT and the German promotional bank KfW, and is responsible for the construction of the German part of the project. The NordLink interconnector will be the first high voltage cable directly connecting German and Norwegian electricity markets. NordLink is designed to have a capacity of 1,400 MW and a total length of approx. 624 kilometers.

About The Investment Plan for Europe

The Investment Plan for Europe focuses on strengthening European investments to create jobs and growth. It does so by making smarter use of new and existing financial resources, removing obstacles to investment, and providing visibility and technical assistance to investment projects. The European Fund for Strategic Investments (EFSI) is the central pillar of the Juncker Plan. It provides a first loss guarantee, allowing the EIB to invest in more, often riskier, projects. So far, the projects and agreements approved for financing under the EFSI are expected to mobilise EUR 335 billion in investments and support around 700 000 SMEs across all 28 Member States. Find the latest EFSI figures by sector and by country [here](#), or see the [FAQs](#).

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