

Conclusions

BNPP PAN-EU POWER GRID PACKAGE (Multi-country, Norway, Iceland)
INVEU-ICR-0073-2026 – Sustainable Infrastructure Policy Window (SIW)**Short description of the financing or investment operation and its objectives**

Name of financial intermediary	BNP Paribas SA
Type of the final recipients	Mid-Caps, Large Corporate
Countries of Implementation	EU-27, Norway, Iceland
Implementing Partner	European Investment Bank (EIB)

The operation will enable new investment in the European power grid through counter-guarantees on advance payment and performance bonds associated with supply contracts of manufacturers of power grid equipment in the InvestEU countries. By reducing the financial intermediary's risk concentrations on the OEMs, capacity for additional guarantees is freed up, supporting the OEM's further production capacity. It is estimated that the Lending envelope indicatively enables investments in about 60 to 100 power grid projects, of which the proposed operation would cover one-third max.

Global Assessment and rationale for approval

The Investment Committee of the InvestEU Fund approved the use of the InvestEU guarantee on 9 July 2026 for the above-mentioned operation.

Additionality

The operation, by providing additional guarantee capacity, is specifically addressing the increasing bottleneck associated with the provision of guarantees to OEMs and will therefore enable additional investment in strategic net-zero technology deployment by power-grid OEM suppliers in the InvestEU countries. This enabling effect will help support the proper functioning and access to finance of the entire power-grid supply chain and will, in turn, contribute to deploy additional power-grid capacity that will be installed mainly in the EU and some of the other InvestEU countries.

The future of the European clean energy and decarbonization effort is grid locked. As stated in the Draghi report, without a significant increase in grid capacity, Europe may face competitiveness limitations including in digitalising its production sector or providing businesses and households with access to clean energy solutions.

The operation would not have been carried out (to the same extent) by the EIB without the InvestEU support.

Market gap

The ambitious policy decarbonisation targets set in the EU towards 2030 require significant investment in renewable energy production capacity. The installation of such capacity needs to happen in parallel to an overall enhancement and an extension of the power-grid, so that the new renewable energy capacity can be fully integrated. This in turn requires a scale up of the supply chain, notably of the power-grid equipment manufacturing industry, so that it can



Investment Committee of the InvestEU Fund

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deliver components, services, and materials in a timely manner. It also requires an increased access to advance payment and performance guarantee lines for the OEMs, in a context of commercial and financial pressure (growing order books) and with commercial banks reaching their exposure concentration limits vis-a-vis OEMs.

The current situation in the guarantee market is exacerbated by the relatively limited number of EU commercial banks providing such demanded guarantees in the EU.