

# **BUSINESS MATCHING**

## Sustainable Energy Sector

June 13th 2023  
Davide Venuti



# Green New Deal – Main Features

Key Milestones

1

**ITALIAN  
Green New Deal**

The Italian Government, in the Law Decree "Semplificazioni" (July 2020), has attributed to **SACE** a **key role** in the implementation of the **Italian Green New Deal**, through the issuance of **green guarantees**

2

**GOAL and Ambition**

Help **Italian companies** become **leaders** in the emerging **green economy**, making **Italy** play a pivotal role in the **international landscape**

3

**TARGET  
Beneficiaries**

Every Italian company, regardless of its size, through **insurance schemes** supported by **sovereign guarantees**

4

**CLIMATE GOALS**

PROTECTION OF WATER  
AND MARINE RESOURCES

ADJUSTMENT TO  
CLIMATE CHANGE

CIRCULAR ECONOMY

PROTECTION AND  
RESTORATION OF  
ECOSYSTEMS

PREVENTION AND  
REDUCTION OF  
POLLUTION

CLIMATE CHANGE  
MITIGATION

5

**ELIGIBLE  
STRUCTURES**

- **Loans** (including *project finance* and senior, mezzanine and subordinated debt)
- **Bond Issuance**
- **Bonds and guarantees**



# Advantages of SACE GREEN Guarantees

## ADVANTAGES FOR THE BANKS

- ✓ Opportunity to guarantee substantial amounts and long tenures
- ✓ For the share of the loan covered by SACE guarantee, the *RWA weigh zero* while computing capital ratios within the framework of Basel Accords
- ✓ The risk of failure to repay is transferred to SACE for what concerns the guaranteed amount

## ADVANTAGES FOR THE DEBTOR

- ✓ The guaranteed amount does not impact the available credit facilities at the banking system,
- ✓ The *asset stays* in the SACE portfolio up to expiry
- ✓ A chance to obtain **bilateral financing** alternatively to *pool financing* thanks to the possibility for the bank to transfer a part of the risk to SACE's accounting books
- ✓ A chance to **extend the tenure** of the financing



# Evaluation and Underwriting processes

## 1 Application Form

- The bank gathers the **declaration of green eligibility** provided by the debtor
- It proceeds by granting the financing assuming a SACE 80% coverage.
- The application is forwarded to SACE online

## 2 Due Diligence SACE

During its *due diligence* phase, SACE evaluates the risk profile of the operation, jointly with its environmental investigation.

The *due diligence* differs depending on the guaranteed amount:

- If > € 15 mln the valuation will be carried out *offline ad hoc*
- If < € 15 mln the valuation will proceed according to the debtor's declaration

## 3 Issuance

Following a positive outcome of our *due diligence* and the approval of our underwriter, the SACE guarantee is issued.



# GREEN Guarantees with Partner Banks

## ELIGIBLE COMPANIES

- Italian companies, incorporated as either **limited companies** or cooperatives;
- Corporations with **rating** comprised within the thresholds stated in *Termini e Condizioni Particolari*.
- Companies with **turnover** below € 500.000.000,00 as per the last approved financial statements at the time of request of SACE guarantee;

## FINANCEABLE AMOUNT

The amount of the loan covered by SACE guarantee shall be comprised between € 50.000,00 and € 15.000.000,00

## MAXIMUM TENURE

- Between 24 and 240 months
- Per-amortisation period between 0 and 36 months

## PURPOSE

Investment projects in Italy, eligible under the **green new deal** framework (debtor's *ex ante* declaration, three monthly *reporting* and *ex post* random supervision)<sup>1</sup>

## SACE GUARANTEE

- Fixed coverage amount at **80%**<sup>2</sup>
- The SACE premium is agreed *ex ante* with the bank, depending on the tenure and the assigned rating



**SACE**

**Note:**

The eligibility assessment is autonomously conducted by SACE and does not entail ulterior costs

(1) The SACE guarantee cannot be repealed even in case even in case of failure to perform in line with the eligibility requirements

(2) In line with EU norms concerning state aid

# CASE STUDY: SACE Green guarantee with Partner Bank

**COMPANY**

Italian SME

**SCOPE**

Purchase of a turnkey machinery line for waste recovery

**AMOUNT**

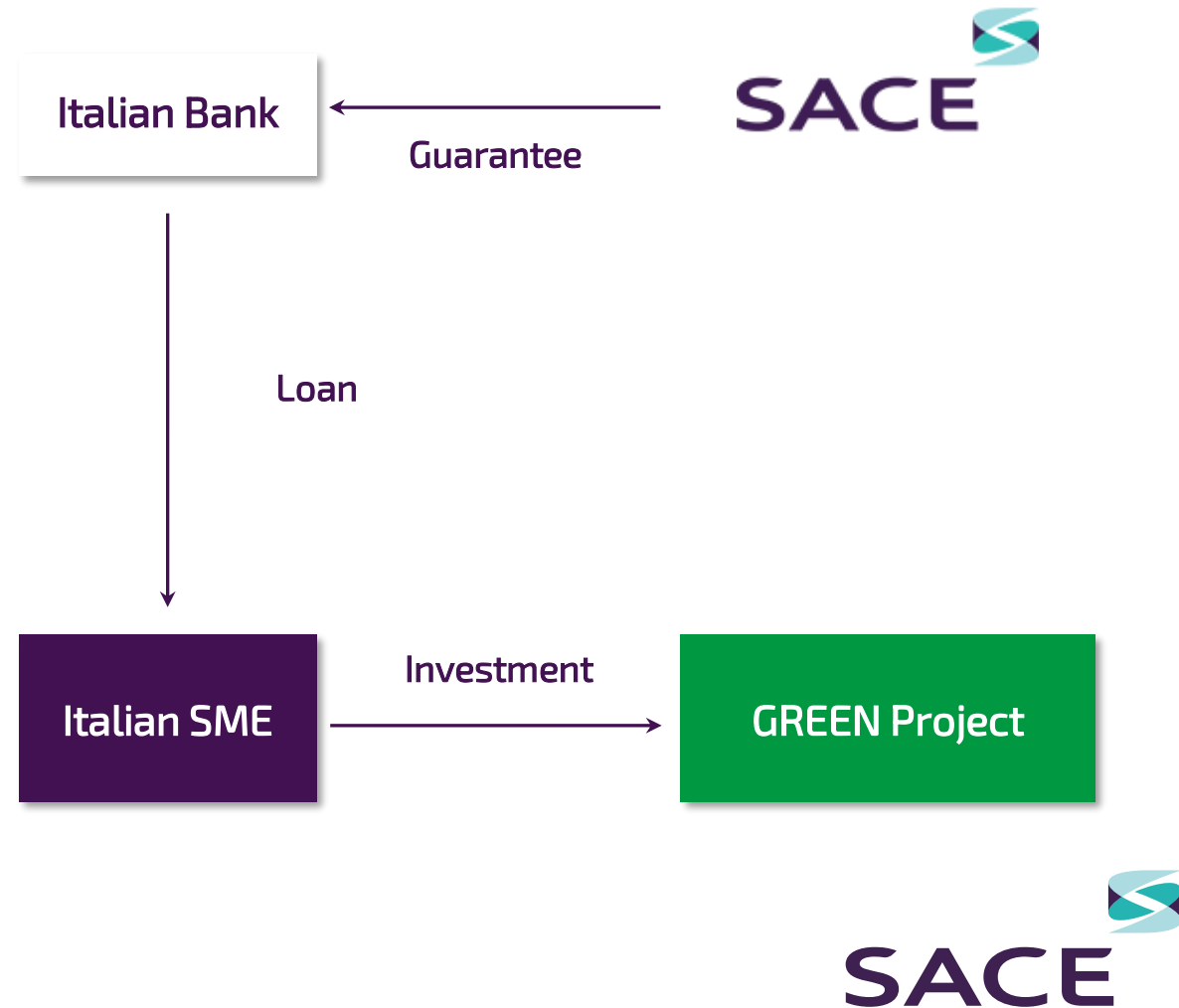
€ 1,7 mln

**TENURE**

7 years and 9 months

**SACE COVERAGE**

80%



# CASE STUDY: SACE Green Guarantee with Partner Bank

**COMPANY**

Italian SME

**SCOPE**

Energy efficiency optimization for a new production plant

**AMOUNT**

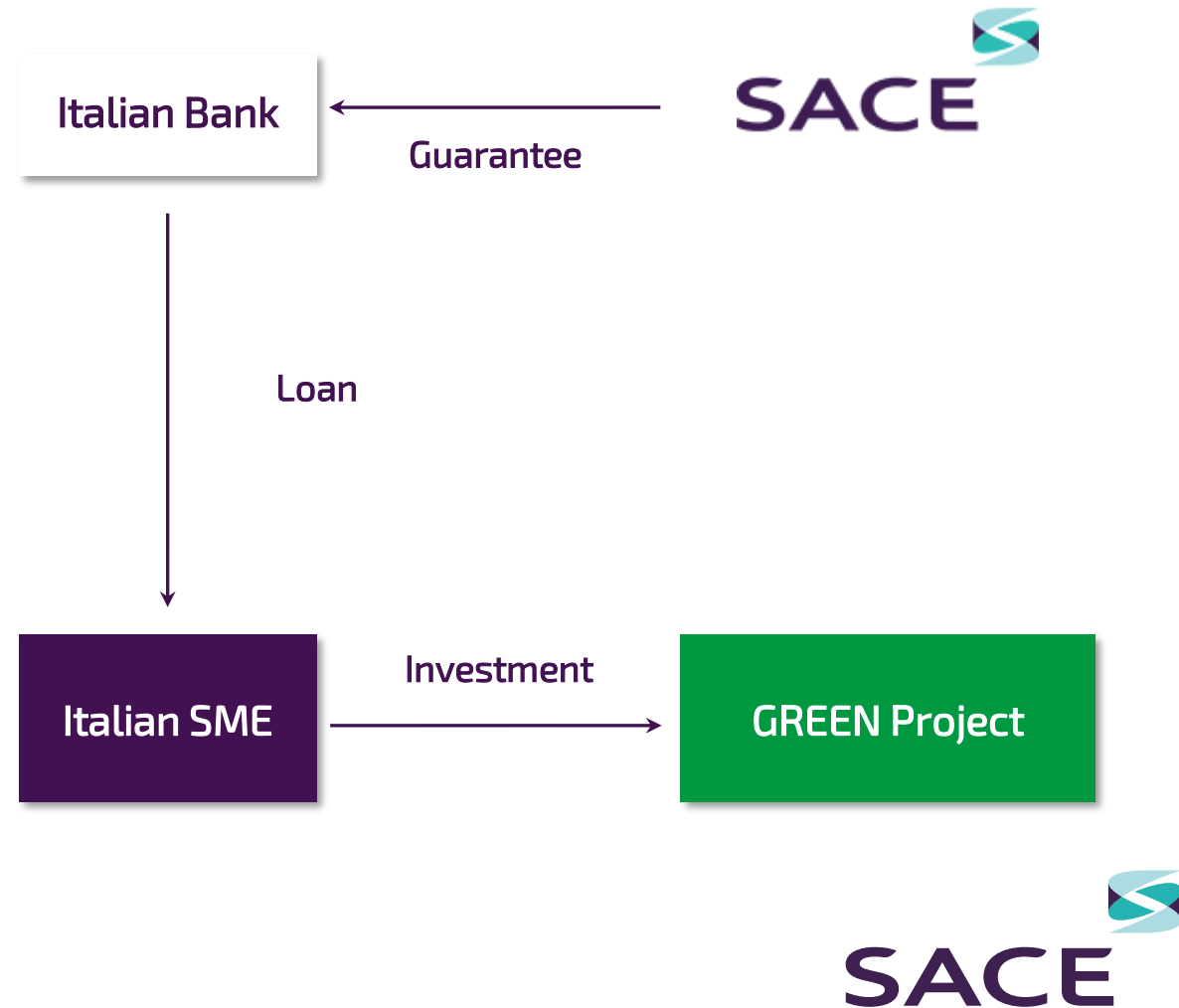
€ 8 mln

**TENURE**

10 year and 9 months

**SACE COVERAGE**

80%





**Davide Venuti**

*Relationship Manager*

Sales PMI Nord Est

**SACE S.p.A.**

Via A. Poerio, 28

30172 Venezia Mestre, Italia

M +39 347 2298138

[d.venuti@sace.it](mailto:d.venuti@sace.it)

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