

INVL Renewable Energy Fund I is acquiring six solar projects in Romania

The INVL Renewable Energy Fund I managed by INVL Asset Management continues actively investing in Romania, where it has signed two agreements for the acquisition of six solar projects with a total capacity of 102.7 megawatts (MW).

After the transactions, the INVL Renewable Energy Fund I portfolio of projects under development in Romania has increased to 268.7 MW. All solar projects in the fund's portfolio already have approved grid connection terms. The fund's overall investment potential in Romania will exceed EUR 200 million. It is expected that power plants will reach commercial operations gradually starting 2024 while the commissioning of full portfolio is expected in the second half of 2025.

According to **Liudas Liutkevičius**, *Managing Partner of the INVL Renewable Energy Fund I*, recently acquired the solar projects are at an advanced stage of development, with grid-connection conditions approved and construction permits for some of the projects already granted. Construction work on the development portfolio is set to start gradually from the first quarter of 2023.

"The attractiveness of the Romanian market is growing fast. We are observing constant growth of interest from foreign investors in the country's renewable energy sector. Our fund's investments in sustainable energy projects are already quite significant and we continue to actively seek new acquisition targets on the market. The fund's solar projects in Romania are nearing the start of construction which opens more opportunities for local cooperation in areas of construction, equipment supply. Growing fund's project portfolio also present attractive opportunity for potential investors to join fund and use available funds for positive environmental impact investment and generate attractive returns," Liutkevičius says.

The INVL Renewable Energy Fund I recently announced additional fund-raising round which will end in the beginning of November. The fund has already raised EUR 34.6 million. Under agreed investment strategy, fund is targeting renewable energy projects (onshore wind and utility-scale solar farms) within EU and NATO member states. The fund is currently focusing on Central Eastern European countries, where it sees big growth potential.

Total fund's portfolio including projects in Romania and Poland has reached total capacity of nearly 309 MW. The fund is considering investment opportunities in the Baltic countries as well and expects by the end of this year to increase portfolio of projects under development to 400 MW or more and to complete construction works of all projects by the end of 2025.

Fund's managing partner notes that renewable energy sources are an effective way to increase any country's energy independence, security, and resilience to commodity price spikes while at the same time reducing negative environmental impact of energy generation. Due to specifics of its electricity production balance, Romania has a need for new power generation capacity and the government itself is supporting the expansion of renewable energy.

"Romania, with more than 19 million people, is a fast-growing market. Romania plans to join the Schengen area in near future and has started negotiations of joining OECD which will make this market even more attractive for foreign investments. The country's geographical location and annual hours of sunshine mean solar parks can be more efficient and produce electricity at a competitive market price. The growing demand for new renewable electricity capacity is attracting new investments and reducing pollution," Liutkevičius says.