

European Investment Bank (EIB)

ELENA TECHNICAL ASSISTANCE

ELENA Results

- ❖ Facility operational since January 2010
- ❖ > 50 projects signed/approved for ELENA grants totalling EUR ~100 million
- ❖ Foreseen supported investments around EUR 4 billion
- ❖ Average expected leverage factor: 40
- ❖ Projects target more than 600 municipalities in > 15 European countries

Building blocks of an EE/RE Investment Programme in cities

- ❖ Achieve a **large scale**:
 - ❖ Group together small projects and develop a standard approach
 - ❖ Attract investor attention
- ❖ Programme implementation unit
 - ❖ Support for project preparation: ELENA facility
- ❖ Access to competitive financing
 - ❖ Efficient use of grants: combine grants with loans
 - ❖ The EIB can provide financing.

General objectives of ELENA

- ❖ Assist in the transition from preparing action plans to making investments (usually higher than 30 MEUR)
- ❖ Support for Programmes that can be replicated in other regions or cities
- ❖ Extend the use of innovative techniques and approaches
- ❖ Current budget of the Elena facility is 15 MEUR annually

European Local Energy Assistance - ELENA

ELENA *Technical Assistance*

Support for
local or regional entities for :

- **Additional personnel**
- **Technical studies**
- **Preparation of calls for tender**
- **Financial structuring**

INVESTMENT PROGRAMME

EE and RE

in public and private buildings,
public lighting and traffic light network
photovoltaics,
heating/cooling systems ;

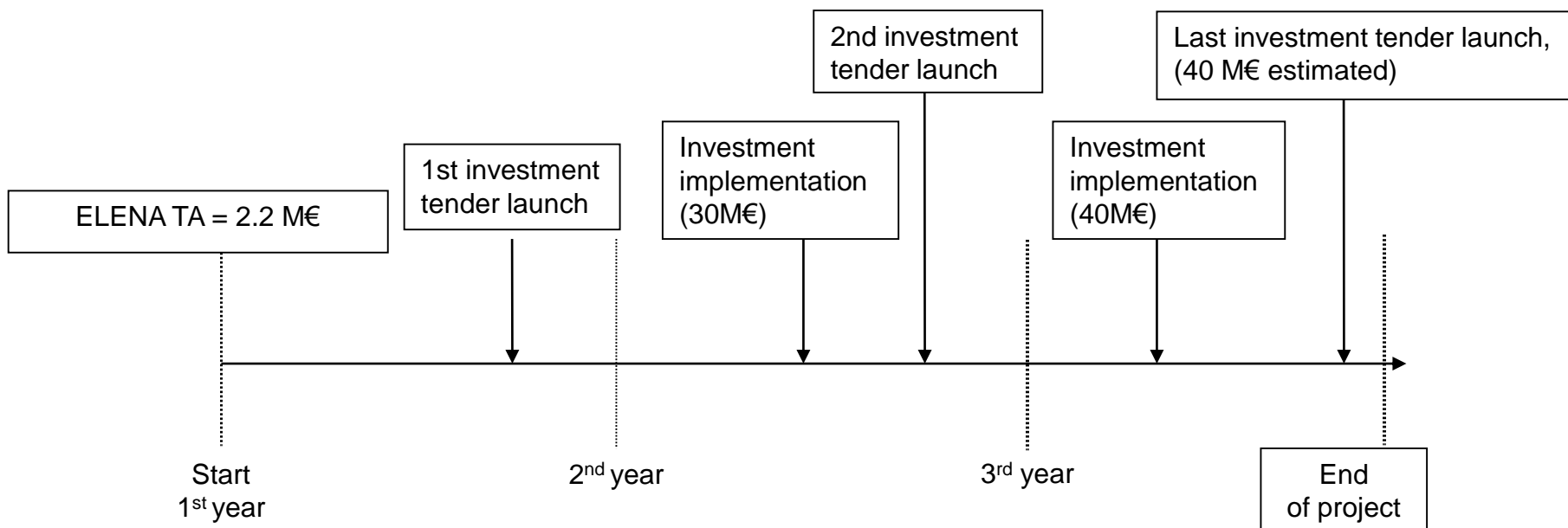
Efficient and sustainable urban transport

high-efficiency buses,
electrically powered cars,
logistical improvements;

Local energy facilities that support EE/RE

smart grids,
infrastructure for recharging electrically
powered cars,
information and communications technologies,

How investment costs are determined



Leverage factor determination

$$\begin{aligned} &\text{Sum of investments: } 30 \text{ M€} + 40 \text{ M€} + 40 \text{ M€} = 110 \text{ M€} / \\ &\text{ELENA TA} = 2.2 \text{ M€} \\ &= \\ &\mathbf{\text{Leverage factor} = 50} \end{aligned}$$

Example of project planning stages* Maturity of project development

Basic calculations

needs, objectives, outline etc.

Initial planning

first design, tech. principles, cost estimations

Draft plans

draft for design and plans, cost calculations etc.

Approval plans

for permits etc.

Execution plans

detailed design, plans etc.

Preparation of placing

elaboration of tender documents etc.

Assistance during placing period

evaluation of offers, negotiation etc.

Supervision of building work

Supervision of project and documentation

* based on the German fee structure for architects and engineers

Eligible entities

- ❖ Assistance : granted on a first-come, first-served basis
- ❖ ELENA beneficiaries : public and private entities
- ❖ Eligible countries : EU Member States or H2020 Associated Countries
(EU Member States + EFTA + Accession countries)
- ❖ All or part of the Investment Programme may be implemented by bodies other than the abovementioned entities, including private firms.

Eligible investments: buildings

- ❖ Public and private buildings, including social housing
- ❖ Street lighting and traffic light systems
- ❖ RE in buildings
- ❖ Heating or cooling systems based on combined heat and power (CHP) production or renewables
- ❖ Small CHP systems for buildings

Eligible investments: transport

- ❖ Increase EE or integrate RE in urban transport:
 - ❖ High-EE buses, including hybrids
 - ❖ Electrically powered or low-carbon-emission cars, including infrastructures to facilitate their introduction
 - ❖ More energy efficient designs for goods transport logistics in urban areas

Eligible investments in infrastructure to improve EE or use RE

- ❖ Smart power grids
- ❖ Information and communications technologies
- ❖ Energy efficient urban infrastructure
- ❖ Infrastructure for more energy efficient vehicles

Selection criteria

- ❖ Eligibility of the Investment Programme
- ❖ Potential bankability of the Investment Programme
- ❖ Financial and technical capacity to implement an investment programme
- ❖ Contribution to the EU's "20-20-20" goals
- ❖ Leverage (minimum 20)
- ❖ Value added for the EU, in terms of EU policies, in particular energy policies
- ❖ Use of state-of-the-art technologies

Eligible activities

The prior identification of an Investment Programme is a prerequisite for submission of an ELENA application.

ELENA can finance the following costs:

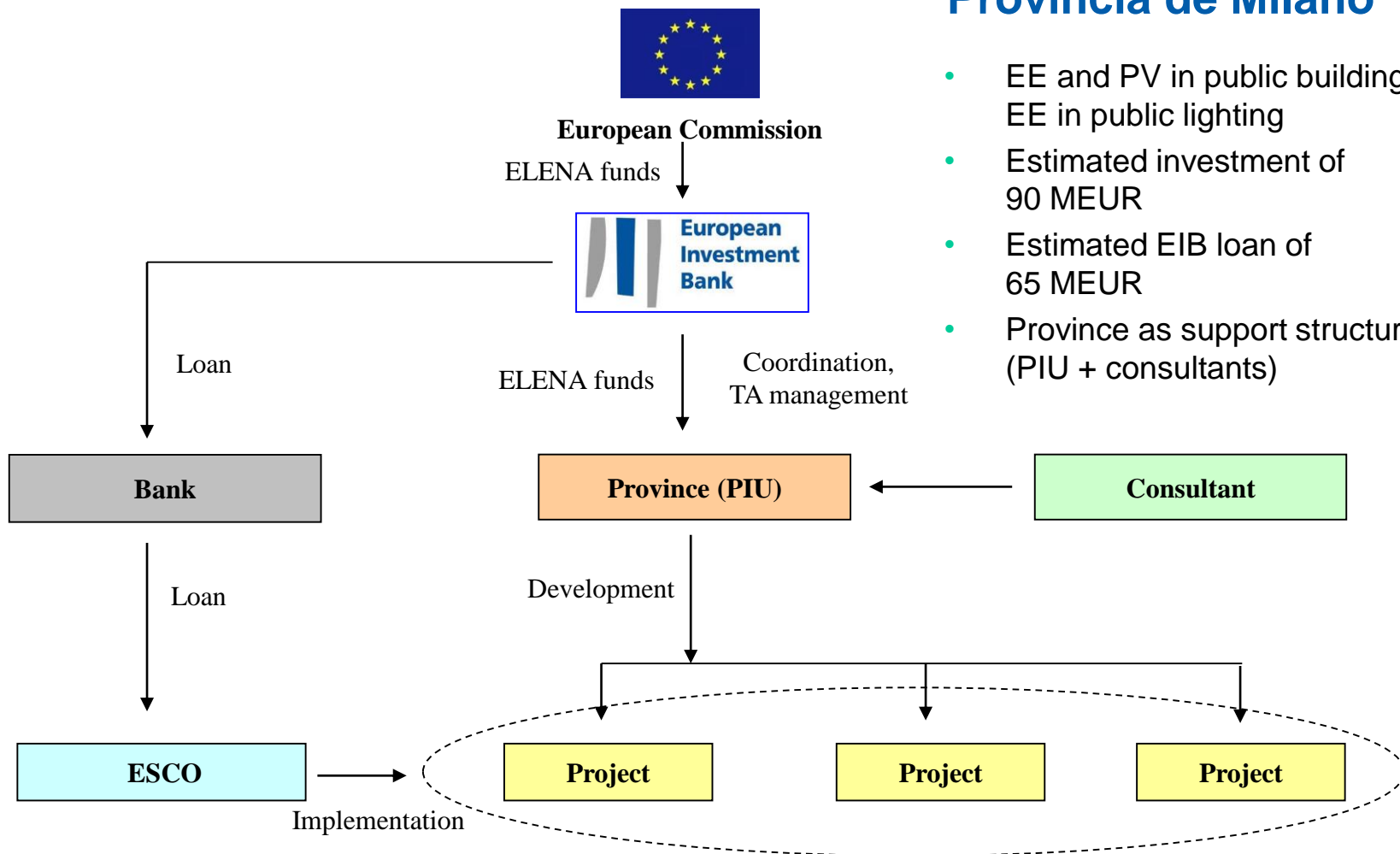
- ❖ Cost of additional personnel hired by beneficiary
- ❖ Market surveys and feasibility studies
- ❖ Energy audits
- ❖ Preparation of public calls for tender and contracts
- ❖ Other TA, excluding physical investments (hardware).

ELENA Assistance covers up to a maximum of 90% of the TA costs.

Selection of TA providers

- ❖ Providers may be selected by the beneficiary or by the EIB
- ❖ The EIB will verify that the following requirements have been met:
 - ❖ Compliance with public procurement regulations
 - ❖ Financial governance
 - ❖ Non-discriminatory treatment
 - ❖ No conflict of interest
 - ❖ Compliance with internationally accepted standards

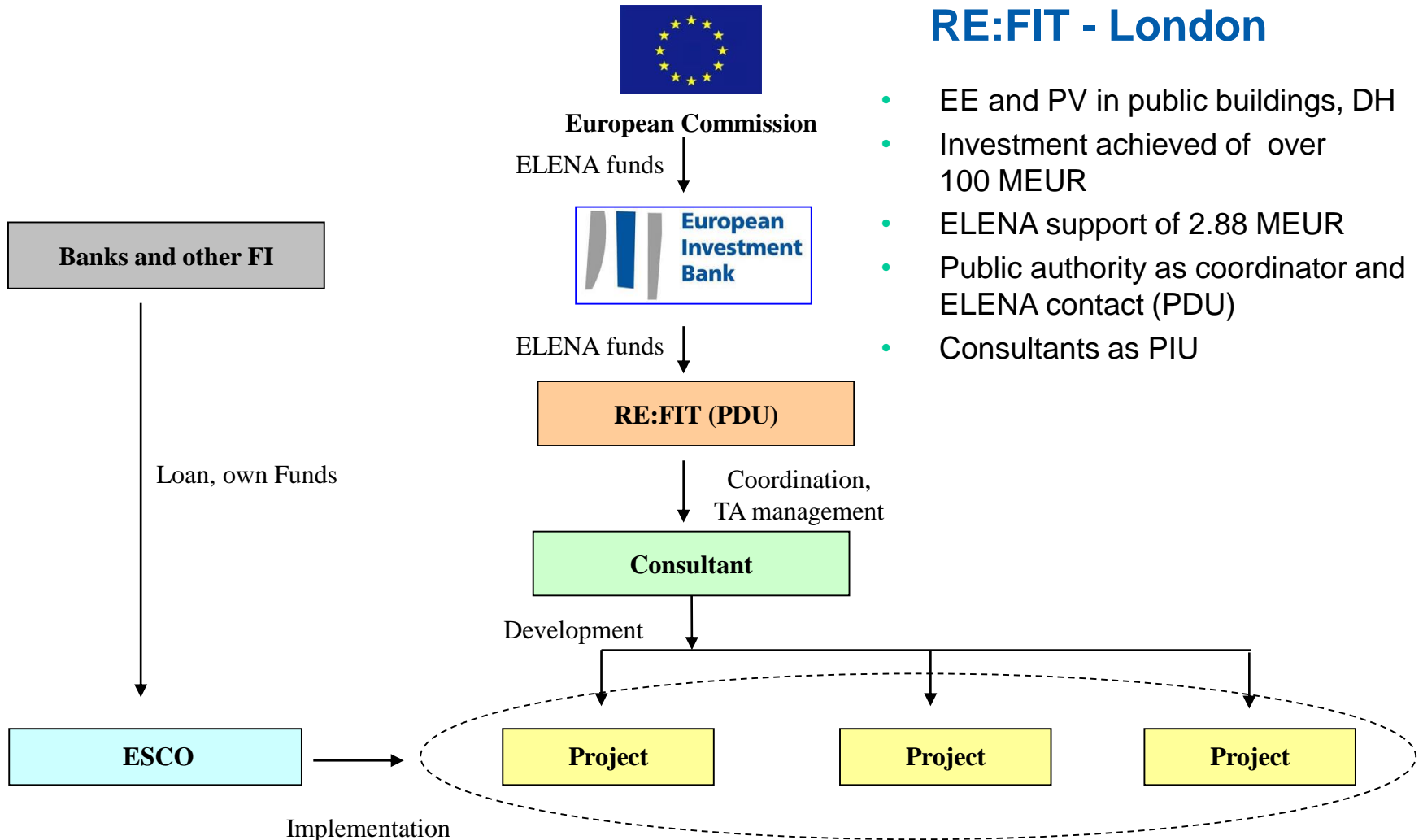
Presentation of real cases



Provincia de Milano

- EE and PV in public buildings, EE in public lighting
- Estimated investment of 90 MEUR
- Estimated EIB loan of 65 MEUR
- Province as support structure (PIU + consultants)

Presentation of real cases



RE:FIT - London

- EE and PV in public buildings, DH
- Investment achieved of over 100 MEUR
- ELENA support of 2.88 MEUR
- Public authority as coordinator and ELENA contact (PDU)
- Consultants as PIU

Features of successful applications

- ❖ Firm Sustainable Energy Action Plan (SEAP)
- ❖ Strong political commitment
- ❖ Project maturity
- ❖ Clear objectives
- ❖ Good understanding of the challenge
- ❖ Sound management structure and cooperation of the relevant staff
- ❖ Precise estimation of TA needs

How to get in touch with the ELENA

- ❖ By e-mail to elena@eib.org
- ❖ In English or French, working languages of the EIB
- ❖ Information about ELENA on our webpage (<http://www.eib.org/products/advising/elena/index.htm>):
 - ❖ ELENA Brochure
 - ❖ FAQ
 - ❖ Application Form template

Pre-Application

- ❖ Informal
- ❖ Required information:
 - ❖ Brief description of planned Investment Programme + implementation approach
 - ❖ Expected investment costs + development schedule
 - ❖ Amount, scope and main needs for Technical Assistance
- ❖ If positive assessment, preparation of the official application

ELENA application form

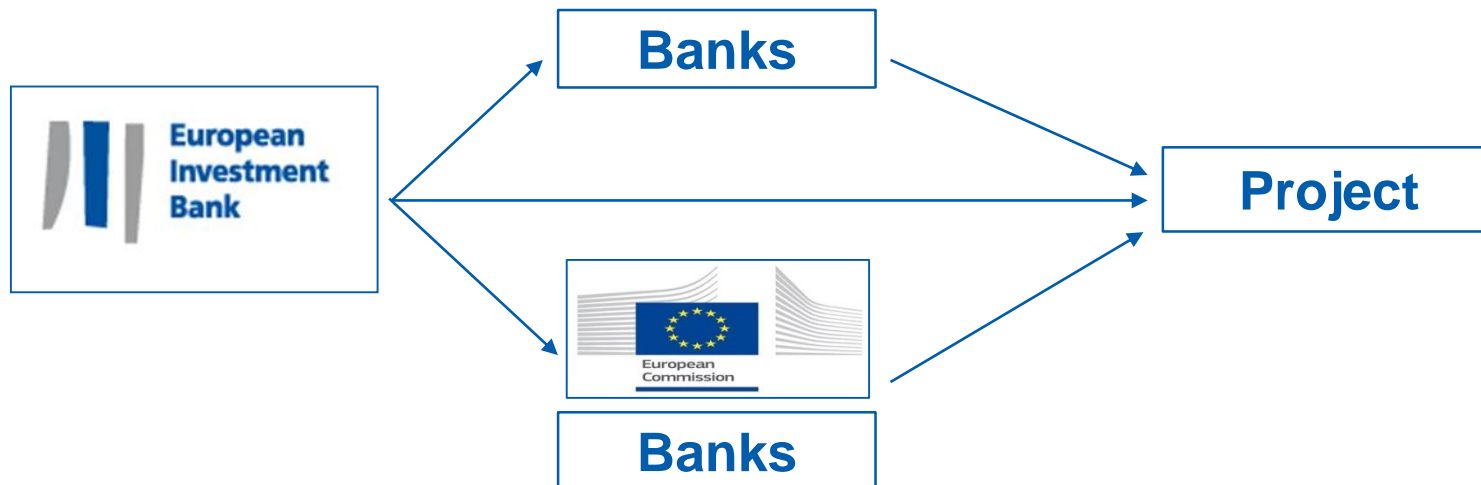
- ❖ Content of ELENA application form:
 - ❖ Applicant's identification
 - ❖ Presentation of the Investment Programme
 - ❖ Description of work programme for Project Development Services / Technical Assistance
 - ❖ Overview table:
Milestones presentation to measure the leverage factor
 - ❖ Estimated costs and funding
 - ❖ Declaration signed by the applicant

Procedure for submitting application

- ❖ Reception of application by EIB
- ❖ Possible requests by EIB for additional information
- ❖ Proposal assessment by EIB
- ❖ Approval request to European Commission
- ❖ If approved by EC: start of contract negotiation with applicant
- ❖ Signature of funding agreement between EIB and beneficiary
- ❖ Start of Project Development Services / Technical Assistance

EIB products

- ❖ Investment loans (direct) – barriers usually taken care of
- ❖ Framework loans (intermediated) – to promote aggregation and crowding in of commercial lending
- ❖ Investment funds (equity) – to catalyse private investors
- ❖ Technical assistance – typically upstream, with or without links to operations

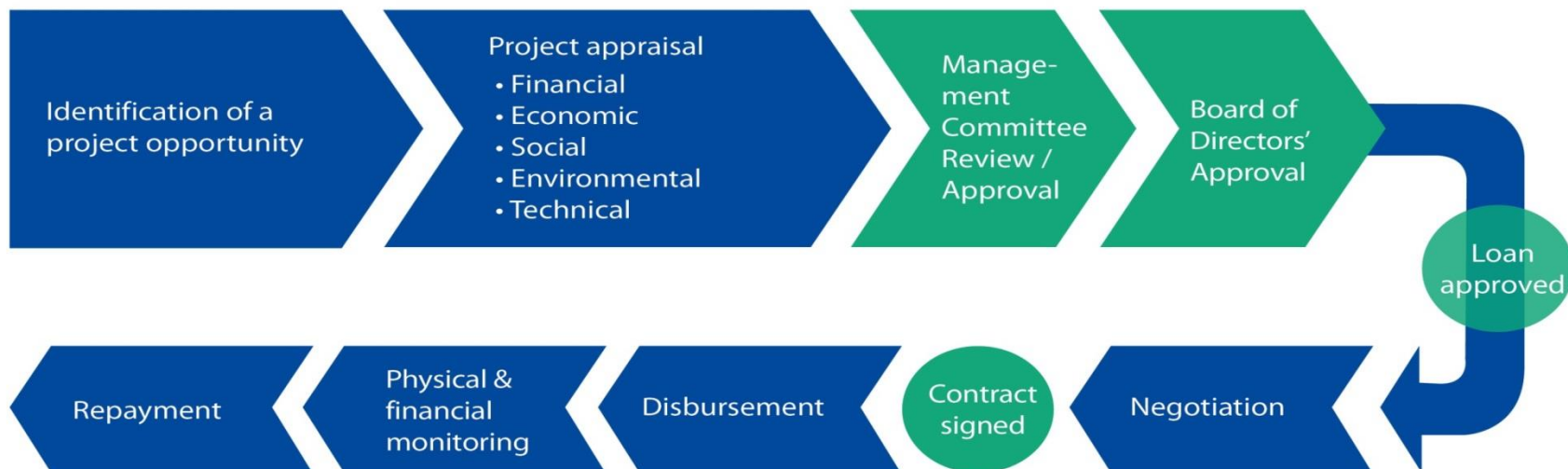


EIB dedicated instruments: Energy Efficiency

- Investment Loans (direct)
- Framework Loans (intermediated)
- Investment Funds
 - European Energy Efficiency Fund,
 - UK Energy Efficiency Fund
 - Equitix Energy Efficiency Fund
- Technical Assistance
 - Examples: ELENA

General operational considerations

- ❖ Projects financed by the Bank must be:
 - ❖ economically justified
 - ❖ technically viable
 - ❖ financially self-supporting and
 - ❖ environmentally and socially sound
- ❖ All projects financed by the Bank are appraised by a multi-disciplinary team; confidentiality is always respected.



THANK YOU!

Any questions?

For more information...

<http://www.eib.org>

<http://www.eib.org/elena>

elena@eib.org

