ELENA investment support facility presentation @ 2018 Annual Polis Conference, 22-23 November 2018, Manchester

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The EIB is the long-term financing arm of the European Union.

As a public policy institution, the EIB supports projects that make a significant contribution to growth and employment in Europe. Our activities focus on four priority areas (Public Policy Goals):

- Innovation and skills
- Access to finance for smaller businesses
- Infrastructure
- Climate and environment

As a bank, we raise the money we lend on the international capital markets through bond issues.

All the projects we finance must be bankable.
# EIB financing products overview

<table>
<thead>
<tr>
<th>Product</th>
<th>Concept</th>
<th>Eligibility</th>
<th>Counterpart</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Lending</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Direct Loan</td>
<td>individual loan to one borrower</td>
<td>min. approx. EUR 25m</td>
<td>public and private entities</td>
</tr>
<tr>
<td>Programme Loan</td>
<td>individual loans to several borrowers</td>
<td>individual loans should be &lt; EUR 100m</td>
<td></td>
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<tr>
<td>Framework loan</td>
<td>individual loans awarded to multiple beneficiaries through one borrower</td>
<td>individual loans should be &gt; EUR 50m (but can be less)</td>
<td></td>
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<tr>
<td><strong>Blending</strong></td>
<td></td>
<td></td>
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<tr>
<td>Connecting Europe Facility (CEF)</td>
<td>Grants for innovation and new technologies for transport</td>
<td>award is contingent on co-financing with EIB, national promotional bank or private finance</td>
<td>EU Member States/ promoters with support from Member State</td>
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<tr>
<td><strong>Advisory</strong></td>
<td></td>
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<tr>
<td>European Investment Advisory Hub</td>
<td>help to identify investment needs, prepare and structure projects in EU</td>
<td>Projects can be appraised by EIB</td>
<td>public and private entities</td>
</tr>
<tr>
<td>ELENA</td>
<td>grants for technical assistance for project development</td>
<td>up to 90% of total technical assistance costs</td>
<td>public and private entities</td>
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What is ELENA?

• Established in 2009 as European Local ENergy Assistance

• Based on an agreement between the European Investment Bank (EIB) and the European Commission
  • managed by the EIB – application process is (relatively) easy to come through, and EIB will assist in the process
  • financed by the Horizon 2020 Framework Programme for Research & Innovation

• Grant for preparation (not implementation) of investment programmes

• ELENA has a focus on energy efficiency in a broad sense
General rules

• Grant covers up to **90% of costs related to project development** support

• Budget allocation: first come, first served principle

• Required level of maturity: preparatory studies carried out and main decisions taken before ELENA support request (**ELENA proposal should demonstrate high probability that project will be implemented**)

• Obligation of investment implementation - **leverage factor** required:
  - 20 for sustainable energy projects
  - 10 for urban transport

• In case the leverage not achieved: grant may be clawed back

• 3-year implementation period for EE projects, 4-year for urban transport
Who can benefit?

Public sector

• Local, regional or national authorities
• Other public bodies (e.g. energy agencies)
• Groupings of such authorities or bodies

Private sector

• Private entities planning to develop eligible investments
Eligible investment programmes

**Energy efficiency**
- EE renovations of public and private buildings
- Street and traffic lighting
- Integration of renewable energy sources into the buildings
- Investments in district heating/cooling networks
- Local energy facilities that support EE/RE (e.g. smart grids)

**Urban transport and mobility**
- Investments to support the use and the integration of innovative solutions going beyond the current state of art for alternative fuels in urban mobility
- Vehicles, recharging infrastructure, energy-efficient measures and systems
- ICT/Intelligent transport systems (ITS)

Investment programmes implemented by the final beneficiary or by a third party
<table>
<thead>
<tr>
<th>Eligible costs</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Internal staff</strong></td>
</tr>
<tr>
<td>• Costs of personnel clearly assigned to the project</td>
</tr>
<tr>
<td>• Salaries, social security charges and other remuneration-related costs</td>
</tr>
<tr>
<td><strong>External experts</strong></td>
</tr>
<tr>
<td>• Feasibility design, market studies</td>
</tr>
<tr>
<td>• Structuring of programmes, business plans, energy audits</td>
</tr>
<tr>
<td>• Legal/financial advisory</td>
</tr>
<tr>
<td>• Preparing of tendering procedures</td>
</tr>
<tr>
<td>• Bundling of smaller projects to form bankable packages</td>
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Case study: SCMC – Smart City Mobility Concept

- **Beneficiary:** GVB Exploitatie B.V. (GVB), Amsterdam
- **Objective:** Implementing a regenerative braking energy system for the metro, IT backbone, 67 electric buses including charging infrastructure and 12 hybrid plug-in electric harbour ferries
- **ELENA support:** 3.5 MEUR
- **Estimated investment programme cost:** 165.8 MEUR

ELENA grant facilitates:
- Feasibility study for a braking energy recovery system
- Feasibility study and preliminary design for IT system architecture
- Feasibility studies, and procurement strategies and documents for procuring electric buses and plug-in/hybrid ferries
Case study: HELLO - High-volume ELEcTriC VehicLe PrOcurement

- **Beneficiary:** B2M Software GmbH, Germany
- **Objective:** Investment programme is composed of 2,000 electric vehicles (EVs), 1,200 charging points to be implemented in 5 different European countries and technology integration investments. The investment aims at improving quality and attractiveness of urban mobility services by an electric car-sharing scheme.
- **ELENA support:** 2.1 MEUR
- **Estimated investment programme cost:** 52.8 MEUR

ELENA grant facilitates:
- Market assessment and engagement
- Procurement strategy and contract negotiations
- Business models coordination and optimisation
- Operations and service concepts
- Project management and coordination