



# FI Campus 2023

## *Financial Intermediary discussion - Debt Finance for the Green Transition*

Moderator: **Emily Smith**, Head of Climate and Urban Financial Advisory Unit, European Investment Bank

**Adam Hirny**, Director, Energy Transformation Support Department, BNP Paribas Bank, Poland

**Oliver Houlden**, Investment Manager, Amber Infrastructure, United Kingdom

**Vesela Petkova**, Director for Urban Development Funds, UBB, Bulgaria

**Lola Merveille**, Head of Liaison Office to the EU, BPI France

**Małgorzata Kowalczyk**, Holding Fund Officer, Financial Instruments Baltic Sea and Northern Europe, European Investment Bank

**Cecília Gyalog**, Director, EU Coordination Directorate, MFB Hungarian Development Bank

*Adam Hirny*  
***BNP Paribas Bank Polska***

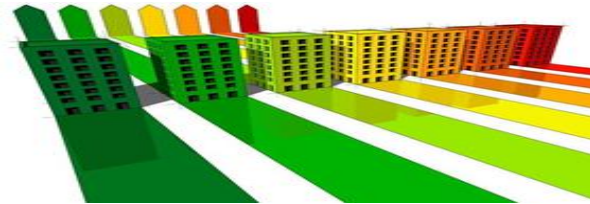
## SEGMENT APPROACH

### Private Individuals



- Highly standardised product
- EE and RES
- Standardised approach to customers
- Digital tools (Energy calculators, green technology advisor)

### Multi Family Buildings



- Highly standardised product
- EE and RES
- More individualised approach
- Team of Green Experts & External Technical Support

### SME/MIDCAPs



- Differentiated products
- Wide range of investments
- Tailor made approach based on Energy expertise
- Internal and External Energy Expert Teams

### Public Buildings



- Individualised approach,
- ESCO Formula to be developed
- Cooperation with External Energy Consultants

### Medium & Large Scale Renewables



- Tailor made lending (Structured Finance),
- Cooperation with External Experts,
- Potential for standardisation

## ONE STOP SHOP FOR SME&MIDCAPS (ELENA + BIZNESMAX + LEASING)

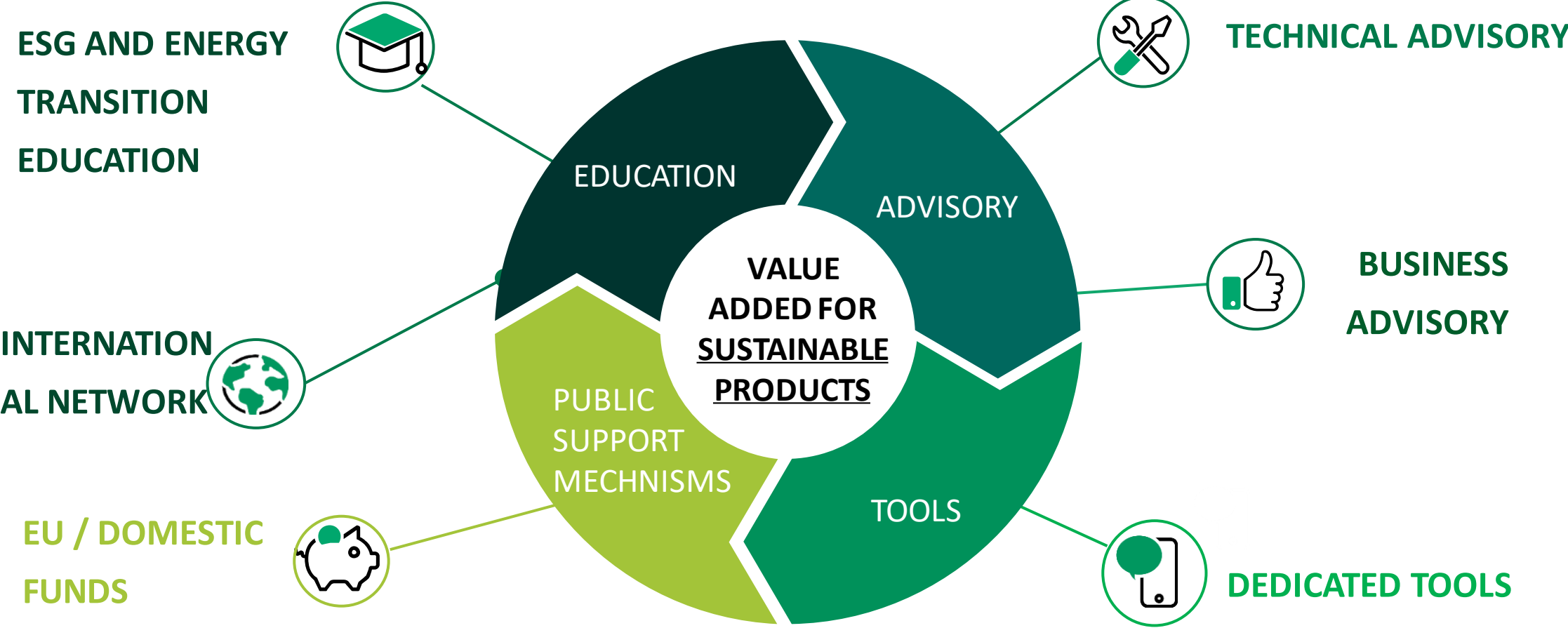
### Combination of Energy Technical Assistance & Lending Support

#### Results:

- Over 500 investments covered by EEFECB Program (supported by technical assistance of BNPP Technical Team)
- Over 150 energy audits ordered
- PLN 80 Mio of finished investments – nearly billion PLN of potential

#### Challenges/Solutions :

- Low conversion rate of Energy Audits vs Investments
- More complex lending process – more time needed for results – more difficult to catch bank’s relationship manager’s (RM) attention,
- Stimulus&reward system for RM’s – better internal recognition of green assets



*Oliver Houlden*  
***Amber Infrastructure***

**Amber Infrastructure Overview**

Equity-focused funds



**INTERNATIONAL PUBLIC PARTNERSHIPS**  
FTSE 250-listed investment company investing in long-term public infrastructure assets  
**GEOGRAPHY:** OECD  
**SECTORS:** Public/social infrastructure and low risk regulated assets  
**VINTAGE:** 2006  
**SIZE:** £3.1bn<sup>1</sup> market cap  
**INVESTMENTS:** >140



**THREE SEAS INITIATIVE INVESTMENT FUND**  
Greenfield fund enhancing key infrastructure across the CEE region  
**GEOGRAPHY:** CEE  
**SECTORS:** Transport, energy and digital  
**VINTAGE:** 2020  
**SIZE:** €928m<sup>1</sup>  
**INVESTMENTS:** 4  
**CO2 Saved:** 73,000 tonnes

**SAIF5**

Co-mingled managed account investing in supercore  
**GEOGRAPHY:** OECD  
**SECTORS:** Supercore/regulated projects with an allocation to core+  
**VINTAGE:** 2019  
**SIZE:** ~€100m<sup>1,2</sup>  
**INVESTMENTS:** 3



**NATIONAL DIGITAL INFRASTRUCTURE FUND**  
First dedicated Digital Infrastructure fund in Europe  
**GEOGRAPHY:** UK  
**SECTORS:** Digital infrastructure  
**VINTAGE:** 2017  
**SIZE:** £100m<sup>1,2</sup>  
**INVESTMENTS:** 4

Debt-focused funds



**MAYOR OF LONDON'S ENERGY EFFICIENCY FUND\***  
Follow-on appointment to manage the second London efficiency fund  
**GEOGRAPHY:** London, UK  
**SECTORS:** Energy efficiency, low carbon transport, decentralised energy and renewables  
**VINTAGE:** 2018  
**SIZE:** £500m<sup>1,2</sup>  
**ERDF Commitment:** £71m  
**INVESTMENTS:** 16  
**CO2 Saved:** 17,700 tonnes



**SCOTTISH PARTNERSHIP FOR REGENERATION IN URBAN CENTRES\***  
Largest industrial and business real estate investor in Scotland<sup>3</sup>  
**GEOGRAPHY:** Scotland  
**SECTORS:** Urban regeneration, district heating and CHP  
**VINTAGE:** 2011  
**SIZE:** £87m<sup>1,2</sup>  
**ERDF Commitment:** £49m  
**INVESTMENTS:** 18  
**CO2 Saved:** 11,000 tonnes



**LONDON ENERGY EFFICIENCY FUND\***  
First dedicated UK energy efficiency fund  
**GEOGRAPHY:** London, UK  
**SECTORS:** Energy efficiency and decentralised energy  
**VINTAGE:** 2011  
**SIZE:** £106m<sup>1,2</sup>  
**ERDF Commitment:** £37m  
**INVESTMENTS:** 13  
**CO2 Saved:** 40,000 tonnes



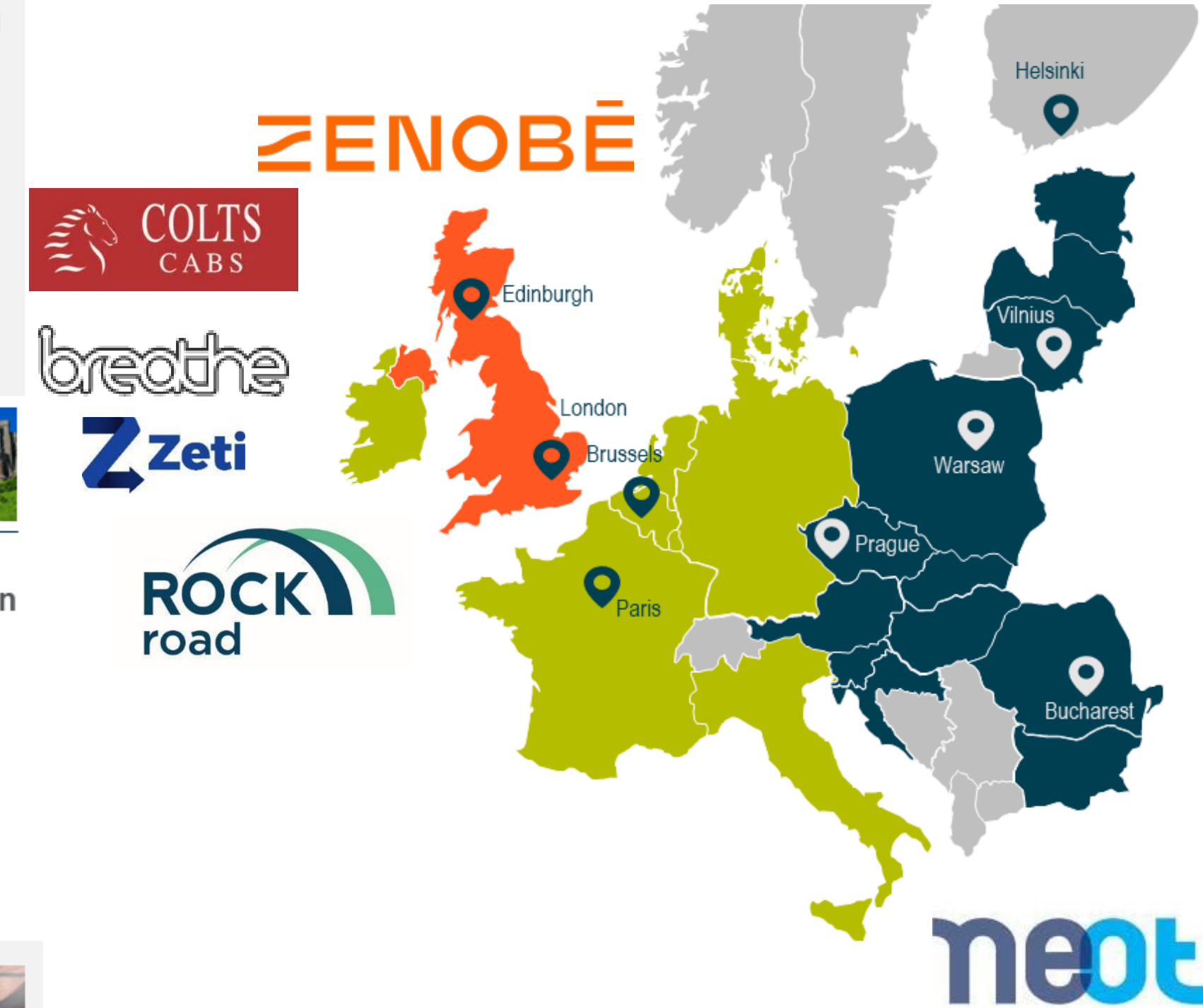
**NORTH OF TYNE GREEN NEW DEAL FUND**  
Provides finance to the public sector and SMEs to help the region reach net zero  
**GEOGRAPHY:** North of Tyne, UK  
**SECTORS:** Energy efficiency, decentralised energy, low carbon transport, natural capital and renewables  
**VINTAGE:** 2021  
**SIZE:** £18m<sup>1,2</sup>

**AMBER**  
INFRASTRUCTURE GROUP

Amber has developed c.£3bn of assets including from its own balance sheet to demonstrate 'proof of concept' and an entrepreneurial approach to investors

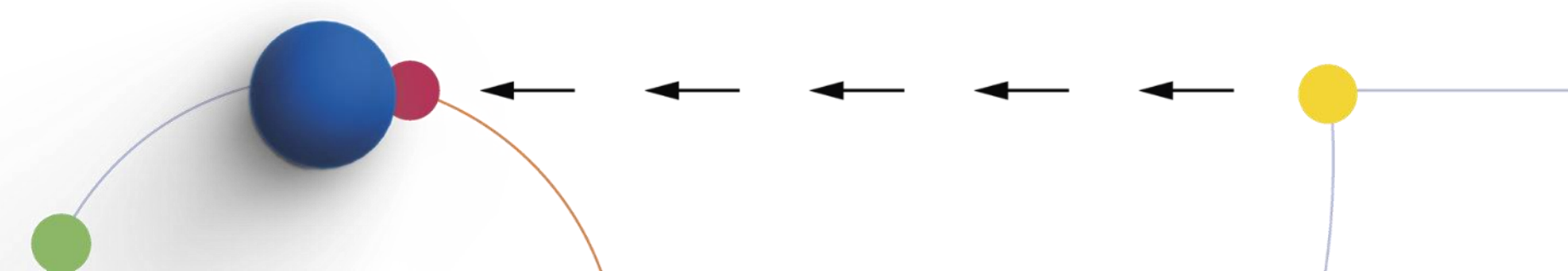


**Amber's European E-Mobility Focus**



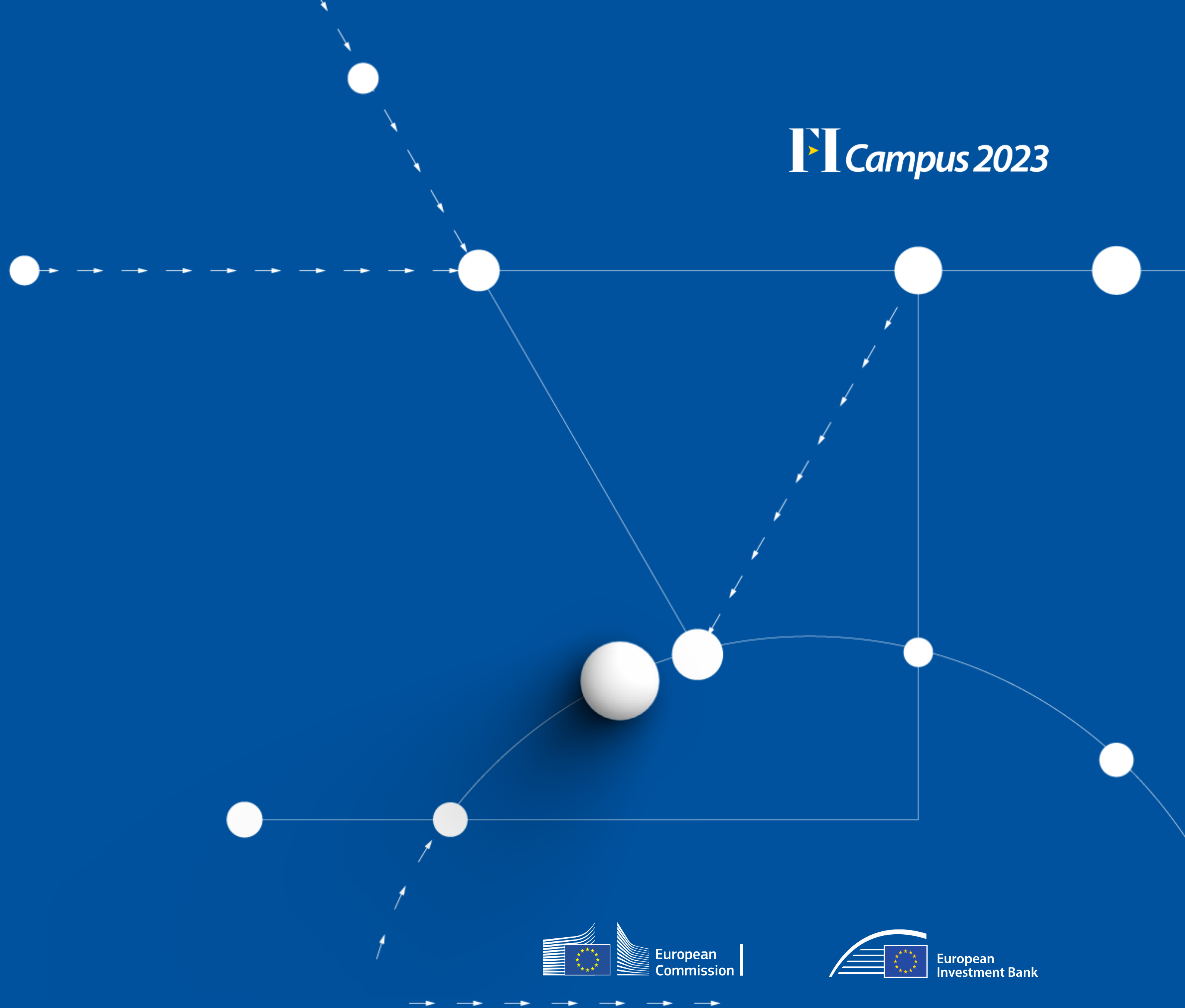
1. As at 30 June 2022. | 2. Investor funds under management including available contingent facilities. | 3. Since 2011, based on industrial and business real estate which does not rely on pre-letting.

\* **European Union**  
European Regional Development Fund



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*Vesela Petkova*  
**UBB Bulgaria**



# “Sustainability is neither a hype, nor a trend. It’s the way we do business” (Johan Thijs, CEO KBC Group).

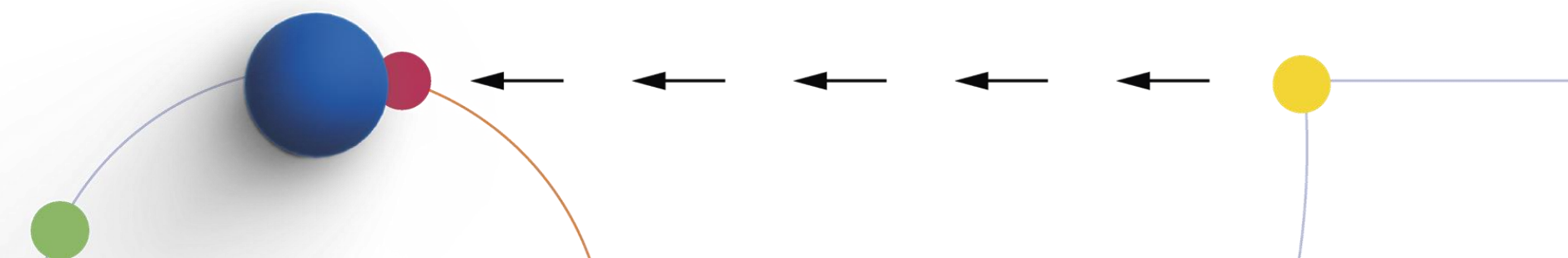
## *UBB market leader in FI usage in Bulgaria*

- **EUR 1 228 Mio** outstanding exposure covered with FIs
- UBB share on the local market re. FIs: Micro enterprises - **86%**/ SME - **73%**
- 22 FI lines under management / 5 in active mode
- **InvestEU**: 1<sup>st</sup> on the BG market (EUR 150 Mio)

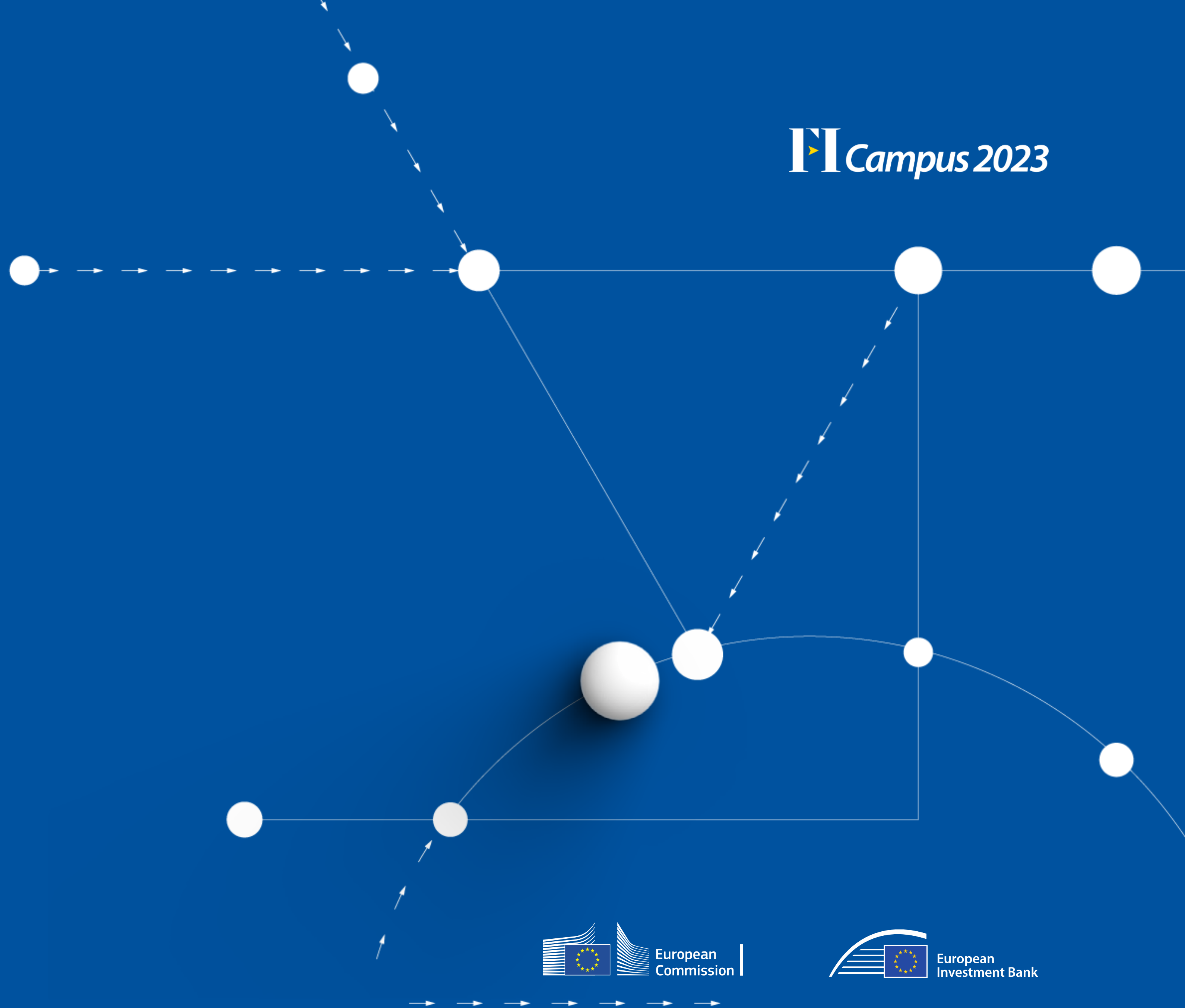
## *KBC sustainable accomplishments and further focus:*

- Standards for sustainable and responsible lending
- Energy Credit Policy adopted
- Equator principle compliance
- KBC Sustainable Finance Program
- New green products and investment initiatives

- **Part of Sustainable Cities Fund (SCF) consortium**, providing ca. 37% of the co-financing of the UDFs for Sofia and Southern Bulgaria (ca. EUR 64 Mio)
- **Responsibilities** lie on creditworthiness, collateral and risk assessment
- To date SCF financed > 70 projects for more than **EUR 140 Mio total**
- **Approximately 20%** of the portfolio comprise of energy efficiency measures, sustainable urban mobility, development of green areas
- **Strong support** provided by other partners at SCF with regard to eligibility, state aid and business plan assessment aspects



*Lola Merveille  
BPI France*





# Green transition – challenges and opportunities

## 1. The Green transition : a strategic necessity still perceived as a constraint by companies...

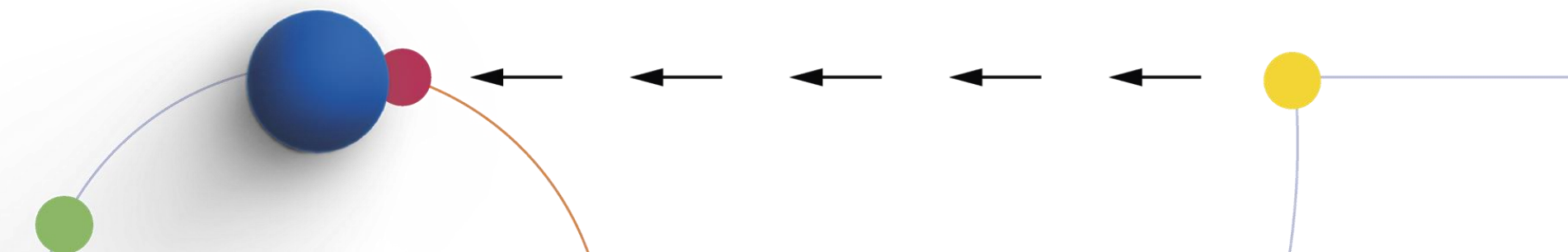
- **80% of businesses are aware** that climate change calls for a rapid response but **a minority turned it into action**
- **Several obstacles** that can all be addressed
- **Financial & non-financial support** needed to engage businesses' green transition

## 2. ... That calls for a systemic approach addressing 3 pillars

- Accelerating the **decarbonisation** of companies with dedicated financial and non-financial solutions
- Supporting the emergence and growth of "**greentechs**"
- Supporting production of **renewable energy** including in **emerging sectors**

## 3. Highlighting 2 Bpifrance products targeting green transition:


- **The green loan**
- **The energy saving loan**




*Małgorzata Kowalczyk*  
**European Investment Bank**

# Solutions for changing times in Poland making the best of the new CPR

## Combination

 **of Financial Instruments** with favourable financial terms to final recipients in line with expected revenues or (energy) savings

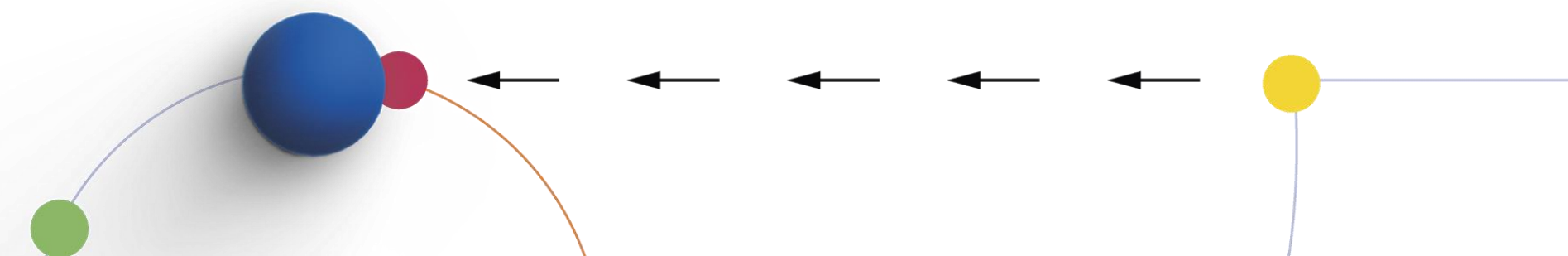
 **and Grants**, needed to overcome barriers of a long payback time and a limited financial repayment capacity among final recipients

 **creates a tailor made solution for green projects**

## A multi-regional investment platform

 across several Managing Authorities **offering the same product parameters** and financial conditions **across all the Polish regions**

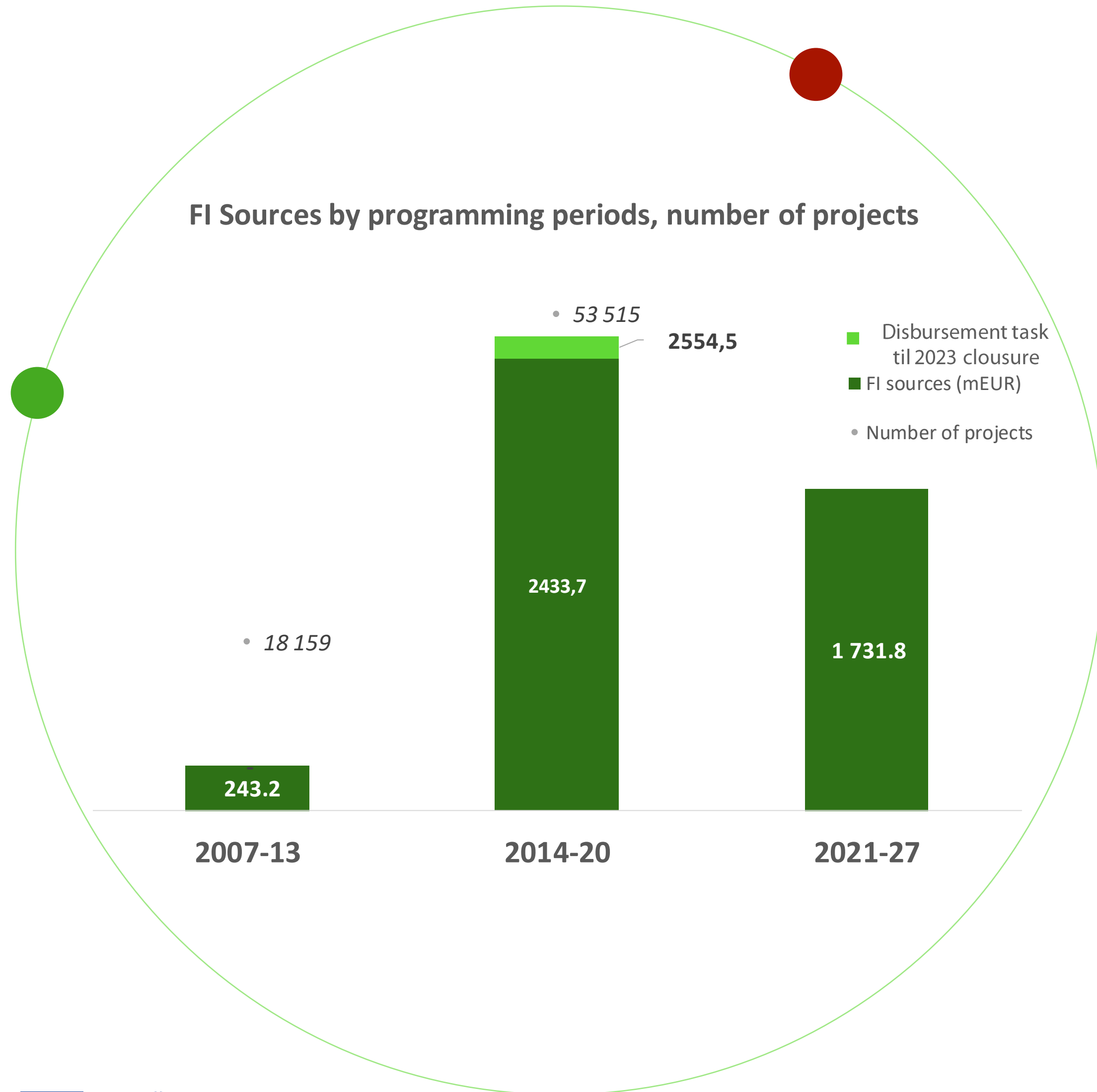
 through standardisation of instruments, streamline processes, **cooperation** as well as **exchange of experience** among the Polish regions



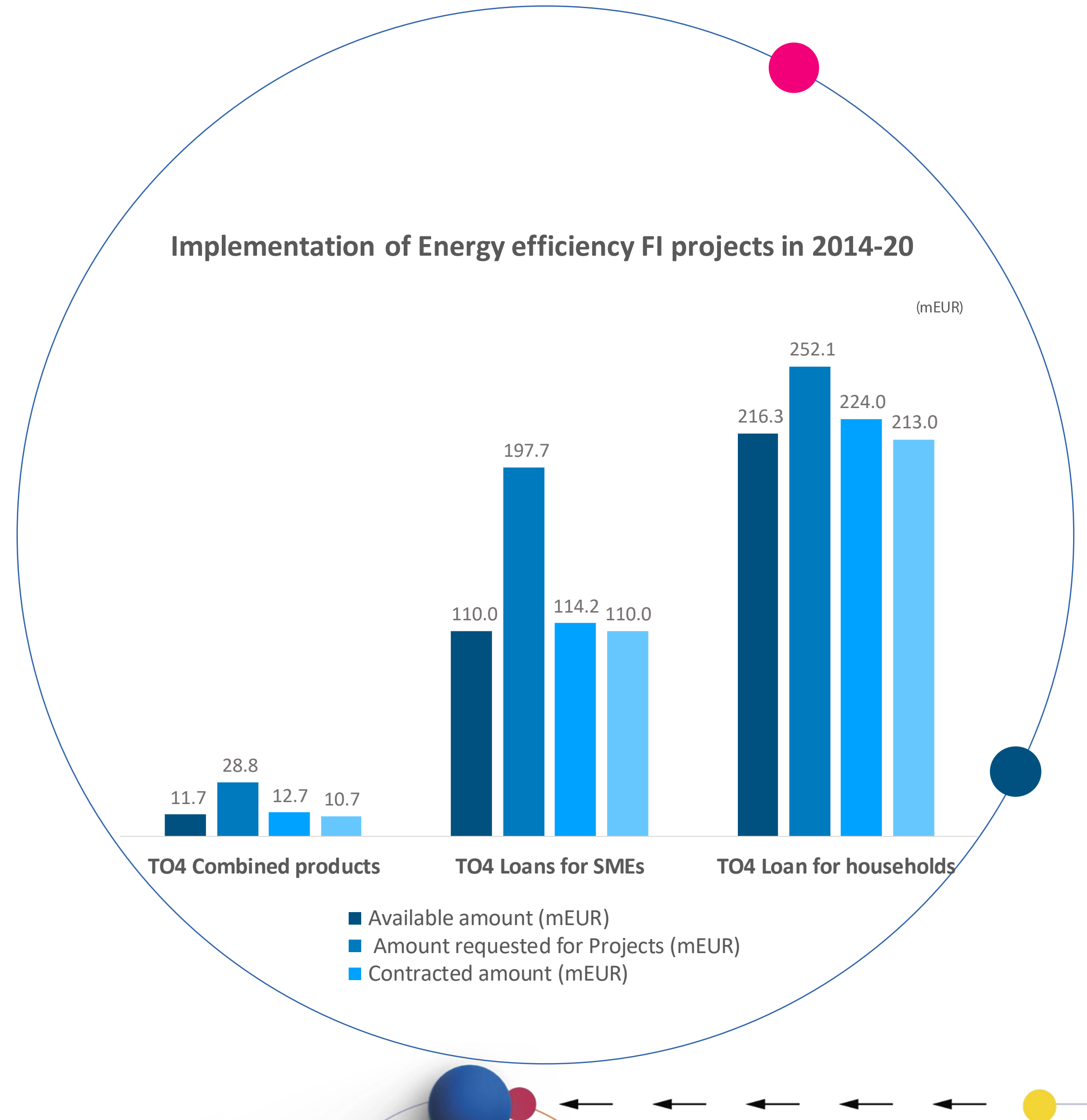
*Cecília Gyalog*  
**Hungarian Development  
Bank**

# FIs in Hungary accross several budget periods

FI Sources by programming periods, number of projects



Implementation of Energy efficiency FI projects in 2014-20



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## Thank you

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