



Selection and Funding Agreement

Emily Smith, Head of Climate and Urban Finance
Advisory Unit, European Investment Bank

Aleksejs Kaņējevs, Altum, Latvia

 #ficompass



Selection and Funding Agreement

Grant calculation modalities



- KH participants commented that in many cases the ex-ante assessment may identify the need for grant of up to 50%
- Then, some degree of flexibility to be retained to allow for adjustments following market testing / input from financial intermediaries during the selection process.
- For granular portfolios (large number of smaller scale investments), it is expected that the grant will be a fixed/pre-defined percentage(s).
- The final arrangements for managing the grant and FI in a single operation are documented in the FA which will set out the conditions for providing grant support and, if necessary in any other legally binding document.
 - Calculation methodology of the grant element(s)
 - Fixed or flexible grants on a case-by-case basis

Selection and Funding Agreement

Grant management responsibilities



- MAs should strive to keep the administration of the grant as simple as possible for bodies implementing FIs.
- Schemes based on grants components defined as a percentage of the e.g. FI support may be easy to market, understandable for the borrower and easy to administer by the bank.
- The FA shall also include specific arrangements for ensuring monitoring of the % of grants vs. FI, taking into account the total costs of the different grant components.
- Where grant management responsibilities are split between bodies implementing the holding fund and specific funds or bodies providing underlying loans, the funding agreement should be drafted to reflect accurately the apportionment of roles and responsibilities of the different bodies, for example in relation to monitoring, reporting and control.



Thank you!

www.fi-compass.eu

Follow us:    



fi-compass is provided by the European Commission in partnership with the European Investment Bank
Copyright © European Investment Bank 2023
events@fi-compass.eu | www.fi-compass.eu

