



Technical assistance available for EPC implementation

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EIB support to EPC market



Awareness raising on the benefits of EPC and its financing

- Awareness sessions on Eurostat rules
- Information on combination of EU grants and EPC

Technical support for EPC projects

- Support for preparing model contracts (but no legal advice)
- Market demand analysis
- Technical assistance through **ELENA** facility

Sustainable financing of EPC projects

- Lending to banks to on-lend to ESCOs, e.g. **Private Finance for Energy Efficiency (PF4EE)**
<http://www.eib.org/en/products/blending/pf4ee/index.htm>
- Dedicated financial instrument or investment platforms using resources from Structural Funds and EFSI



European Investment Advisory Hub (EIAH)



Our aim is to strengthen Europe's investment environment and improve the quality of investment projects

A **single access point** to a comprehensive offer of advisory and technical assistance services



A **cooperation platform** to leverage and exchange expertise from EIAH partners



An instrument to assess and **address unmet needs** for advisory support
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EIB advisory examples for EPC



- Financial analysis of street lighting project in Vilnius supported under URBIS
- Developing a Investment Platform for Energy Efficiency tradable assets in Czech Republic
- Smart city and Smart islands study including EPC in Croatia
- Review of the Slovak EPC model contract regarding balance sheet treatment
- Support in the design and implementation of EPC financial instrument in Slovenia





ELENA technical assistance



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ELENA - General rules



- Grant covers up to 90% of costs related to project development support
- Budget allocation: first come, first served principle; on average 20 MEUR per year;
- 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 clean urban transport
 - 10 for Smart Finance for Smart Building
- In case the leverage not achieved: grant may be clawed back
- Final beneficiary (applicant) does not have to be the one who is implementing the investment
- 3-year implementation period for EE projects, 4-year for urban transport



ELENA Eligibility for energy sector



Beneficiaries

- Public and private applicants

Projects in energy sector

- 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)

Eligible cost

- Internal staff
- External experts



ELENA support examples for EPC implementation




- EPC in buildings:
 - Province of Milano: supporting small municipalities in preparation of “genuine” EPC
 - REFIT: Greater London Authority for EPC approach public buildings of London boroughs
 - City of Ljubljana
- EPC in public lighting
 - Several projects in Italy
 - Counties around City of Zagreb
 - City of Zagreb



ELENA project example City of Ljubljana



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ELENA project example

City of Ljubljana



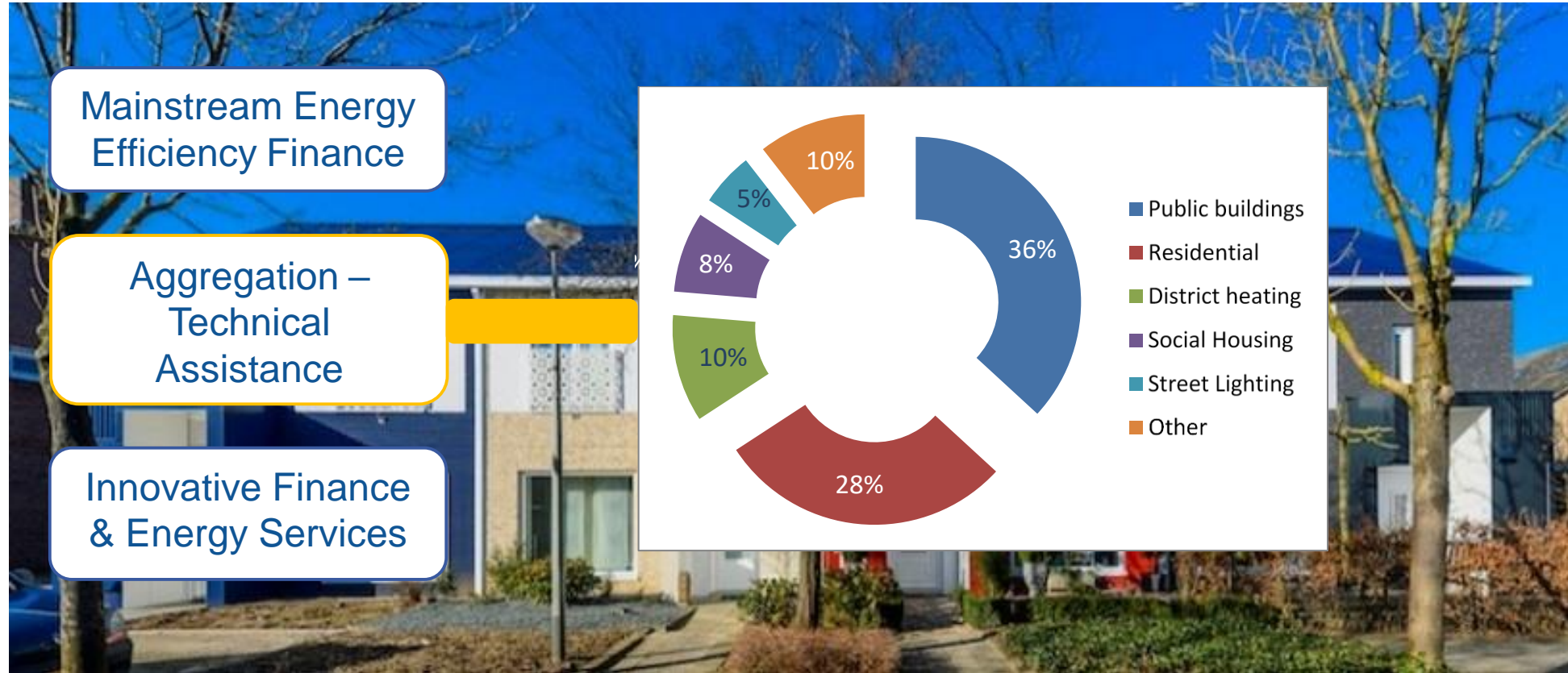
- **Objective:** implement a large investment programme improving energy performance of public buildings through EPC
- Several tenders have been prepared and contracts signed for EE improvements in similar buildings and using same EE technologies
- ELENA grant budget: EUR 1.35m
- Investment amount prepared : EUR 49m

ELENA Technical Assistance support provided for:

- ✓ Set up of an internal Project Implementation Unit and grouping buildings
- ✓ Preparation of energy audits, checking the energy baseline for the selected buildings, tender documentation preparation, design of the EPC contracts, tender evaluation
- ✓ External legal and financial advice to establish the required legal basis for the EPC approach



H2020 Energy Efficiency Finance – Project Development Assistance



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H2020 Energy Efficiency Finance PDA



- **Overview**

- Technical assistance since 2010 (Intelligent Energy Europe)
- Grants of ~ €0.5m - €1.5m, 100% funding rate
- Requirement for leverage of >1:15
- Average investment mobilised: € 15-30m
- H2020 funds for assisting project development, other public (e.g. ERDF) and private funds for actual works

- **Aim**

- Support sustainable energy investment across Europe:
(energy efficiency and small-scale renewables)
 - Launch **specific project pipelines** with a **show-case dimension** e.g. ambitious energy savings, innovative financial engineering, highly replicable solutions
 - **Build technical, economic and legal expertise**



H2020 Energy Efficiency Finance PDA



- **Target**

- beneficiaries: public and private project promoters e.g. public authorities, ESCOs, estate managers
- sectors: buildings, industry, services, urban transport, infrastructure such as street lighting, district heating/cooling and water/wastewater services

- **Projects so far**

- 38 projects funded, mostly driven by the public sector
- 6 new projects selected in 2018 call
- [Next call opens on 12 March 2019](#)

- **Achievements**

- Delivered investment pipelines combining mature and more risky projects (>€780m investments triggered)
- Delivered organisational, contractual, and financial innovation, deep capacity building and structural changes of legal frameworks

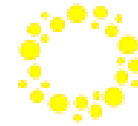


H2020 Energy Efficiency Finance PDA – Example



SUNSHINE

Save your bUildInG by SavINg Energy



- Finance and execute deep energy renovations of Multifamily buildings (MFB) through energy performance contracting
- deeply retrofit at least 200.000 m² of MFB (ca. 80 buildings) in Latvia
- Approximately €30m in investments
- long term Energy Performance Contracting (EPC)
- an online Sharing Platform to foster the ESCO market in Latvia
- Refinancing of ESCO's short-term loans and working capitals by forfeiting receivables from executed EPC

→ More information: www.sharex.lv

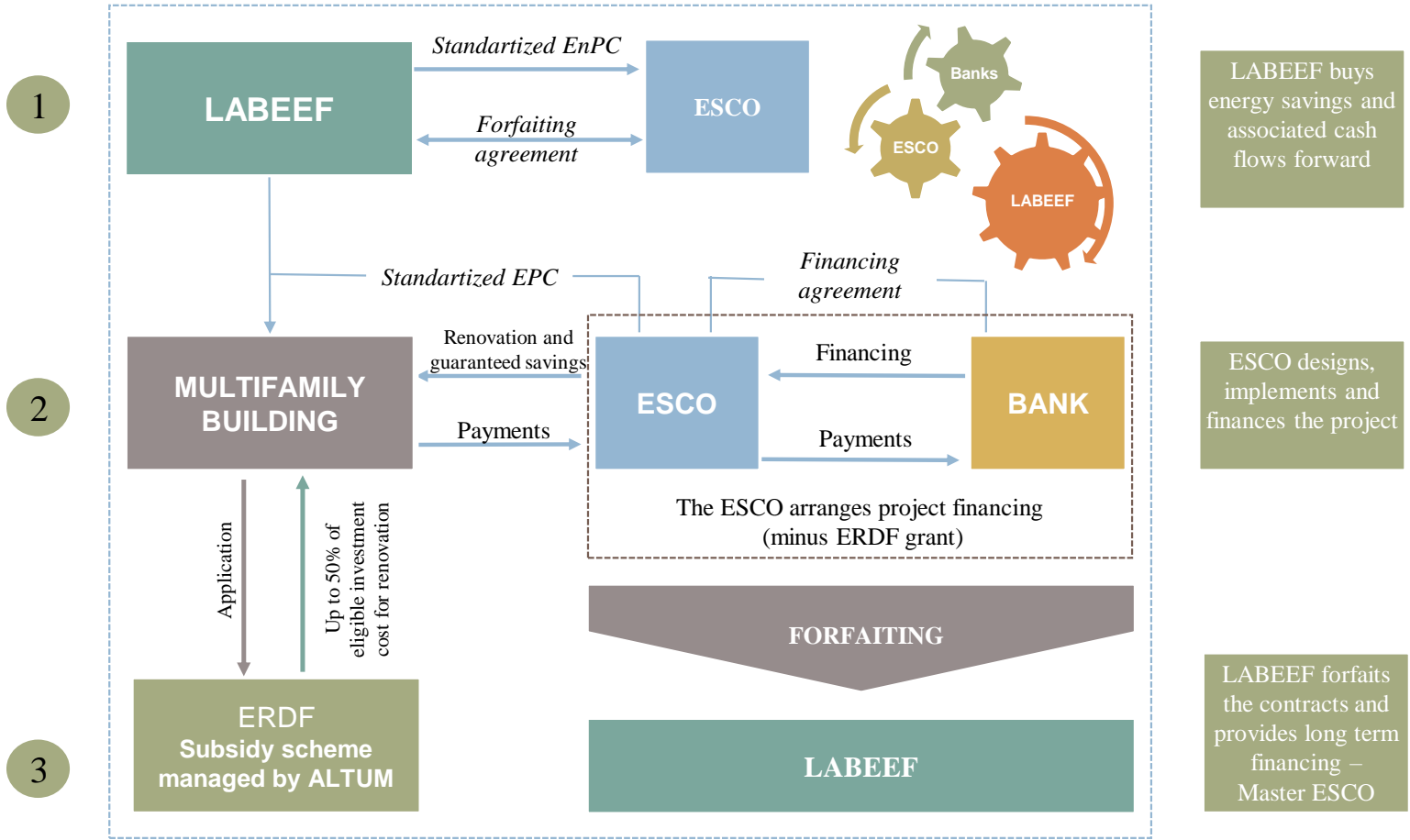


[SUNSHINE](#) and [Accelerate SUNSHINE](#)
are Horizon 2020 PDA projects in Latvia



LABEEF ENERGY EFFICIENCY FINANCING SCHEME

Including the use of ERDF



LABEEF buys energy savings and associated cash flows forward

ESCO designs, implements and finances the project

LABEEF forfaits the contracts and provides long term financing – Master ESCO

The selection of construction and installation companies must be tendered by ESCOs and approved by ALTUM to ensure competitive selection of contractors and to avoid conflict of interest.



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