

Energy efficiency in buildings: how to accelerate investments?

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Typical EIB products for EE projects

LENDING	BLENDING	ADVISING
<ul style="list-style-type: none"> ▪ Long term debt ▪ Subordinated loans ▪ Project finance ▪ Equity type ▪ Guarantee ▪ Securitisation ▪ Venture capital ▪ Growth finance <p>Specific tools:</p> <ul style="list-style-type: none"> ▪ PF4EE ▪ EFSI 	<ul style="list-style-type: none"> ➤ Combining EIB finance with EU budget ➤ (Project Bond Initiative) ➤ Higher risk projects for innovation (InnovFin) 	<ul style="list-style-type: none"> ✓ EIAH (European Investment Advisory Hub) ✓ ELENA (European Local Energy Assistance) ✓ EIB Smart Cities Initiative ✓ JASPERS (Structural Funds assistance)
Attracting FUNDING for long-term growth		

ELENA: *European Local ENergy Assistance*

- **ELENA**: EIB's technical and financial support for EE project development
- **Grant** for preparation (not implementation)
- **EUR 120m** → approx. **EUR 4.0bn** investments

- **Grant** up to 90%
- Investment Programme: min. **EUR 30 m**
- leverage factor: **20** for sustainable energy projects
- **3-year's** duration

Who can benefit?

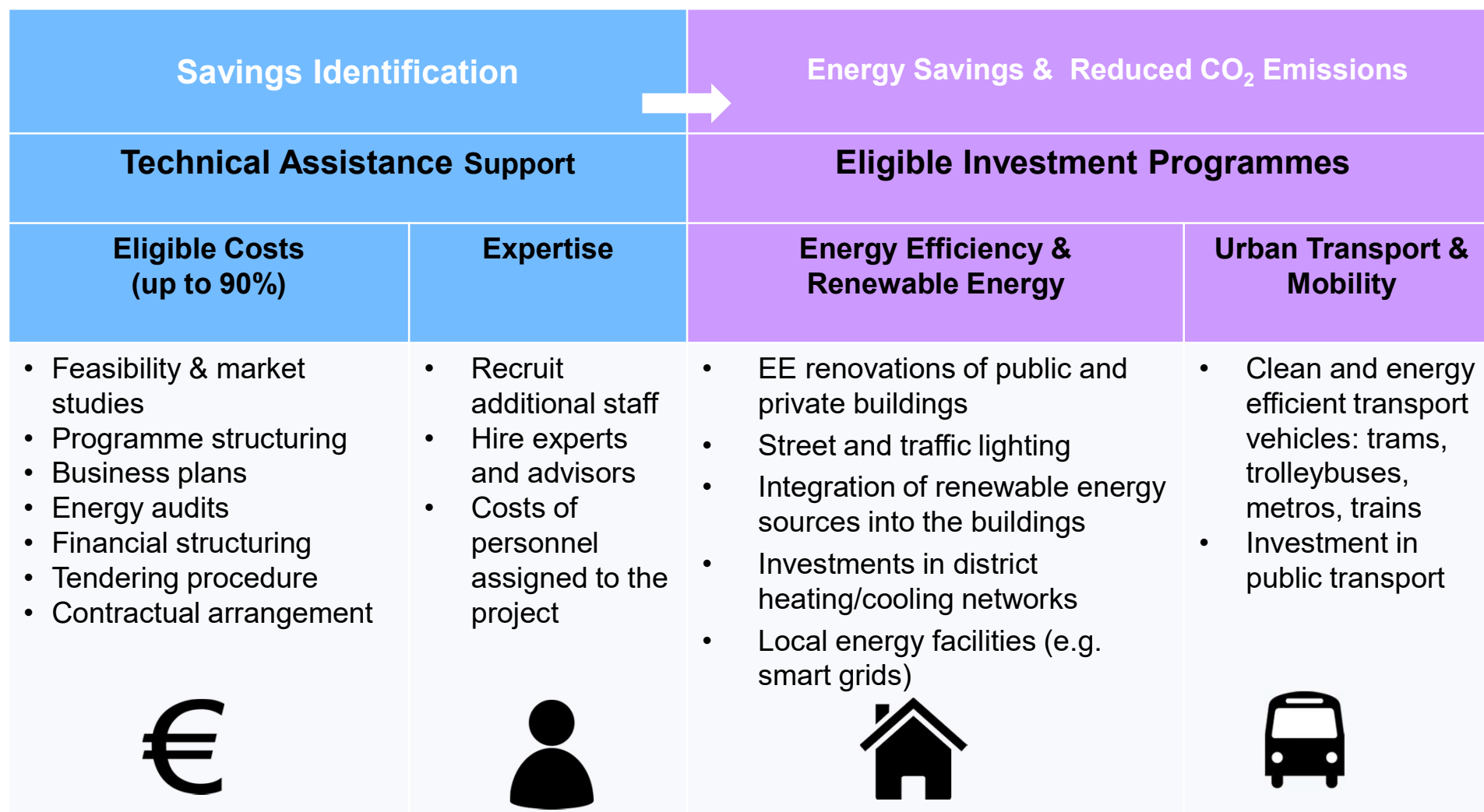
Public sector

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

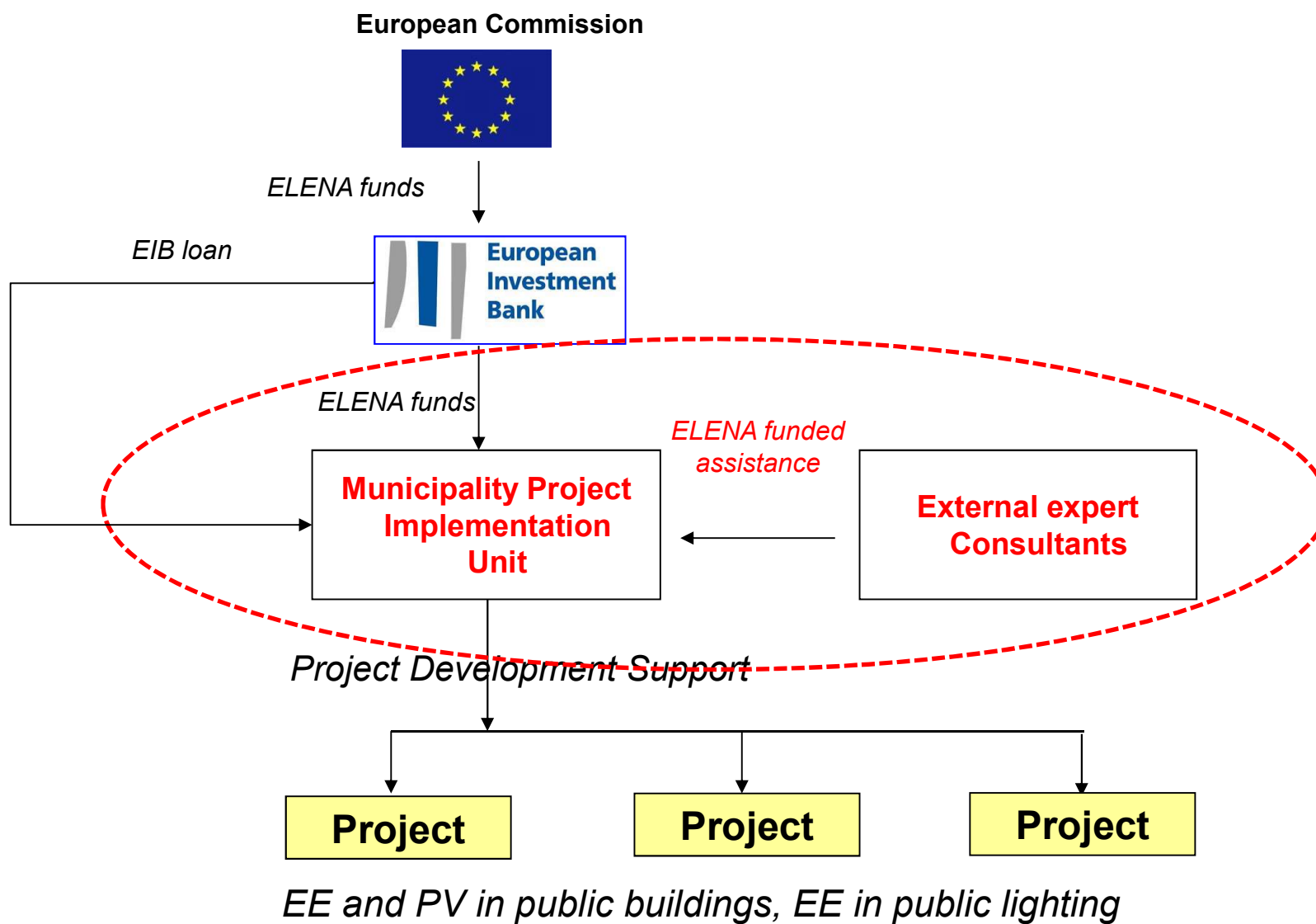
Private sector

- Private entities planning to develop eligible investments
- ELENA TA should not have purpose or effect of producing a profit

ELENA



ELENA Project Example



Case study: Picardie Pass Renovation

- Beneficiary: Regional Public Service Company for Energy Efficiency in Picardie
- Objective: energy efficiency renovations of private houses
- Estimated investment programme cost: 52 MEUR
- ELENA grant budget: 1.8 MEUR

ELENA support requested:

- ✓ Development of a public service company for EE implementing an investment program with private home owners
- ✓ External assistance to support each homeowner in the works implementation phase
- ✓ Cooperation with partners in view of promoting the service, identifying potential homeowners and prepare contracts

ELENA case study : City of Ljubljana

- Beneficiary: City of Ljubljana, Slovenia
- Objective: implement a large investment programme improving energy performance of numerous public buildings through Energy Performance Contracting and Third Party Financing using ESCOs.
- ELENA grant budget: EUR 1.35m
- Investment amount prepared : EUR 49.2m

ELENA support requested:

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

ELENA case study : City of Ljubljana

- Why was this project successful?
 - high volume on investments in EE through PPP EPC
- What were specific challenges?
 - lack on legal basis for PPP EPC
 - Underdeveloped ESCO market in Slovenia
- What were the difficulties and how could any mistakes/problems be avoided/overcome in the future
 - prior thorough verification of legal and financial issues necessary
 - public engagement and long term commitment to EE investments
 - cooperation between different national and local authorities

- What were the benefits at the local level?
 - numerous buildings retrofitted within shorter time-period → increase in value and comfort standards
 - risks and maintenance taken over by private partner
 - no changes in budget (private partner's investment covered from the guaranteed savings);
 - better control of energy use;

Summary

- Energy Efficiency investments are a priority for EIB
- Technical Assistance is available to develop large scale EE programmes (e.g. ELENA)
 - Grant (90%)
 - > investment programme EUR 30 m
 - Leverage factor 20
- Significant non-technical barriers still exist
 - Investment decision path paved with “obstacles”
 - Financial performance of EE investments
 - Recognising “negative money flows” = cost savings

Thank you for your attention!

Any questions?

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