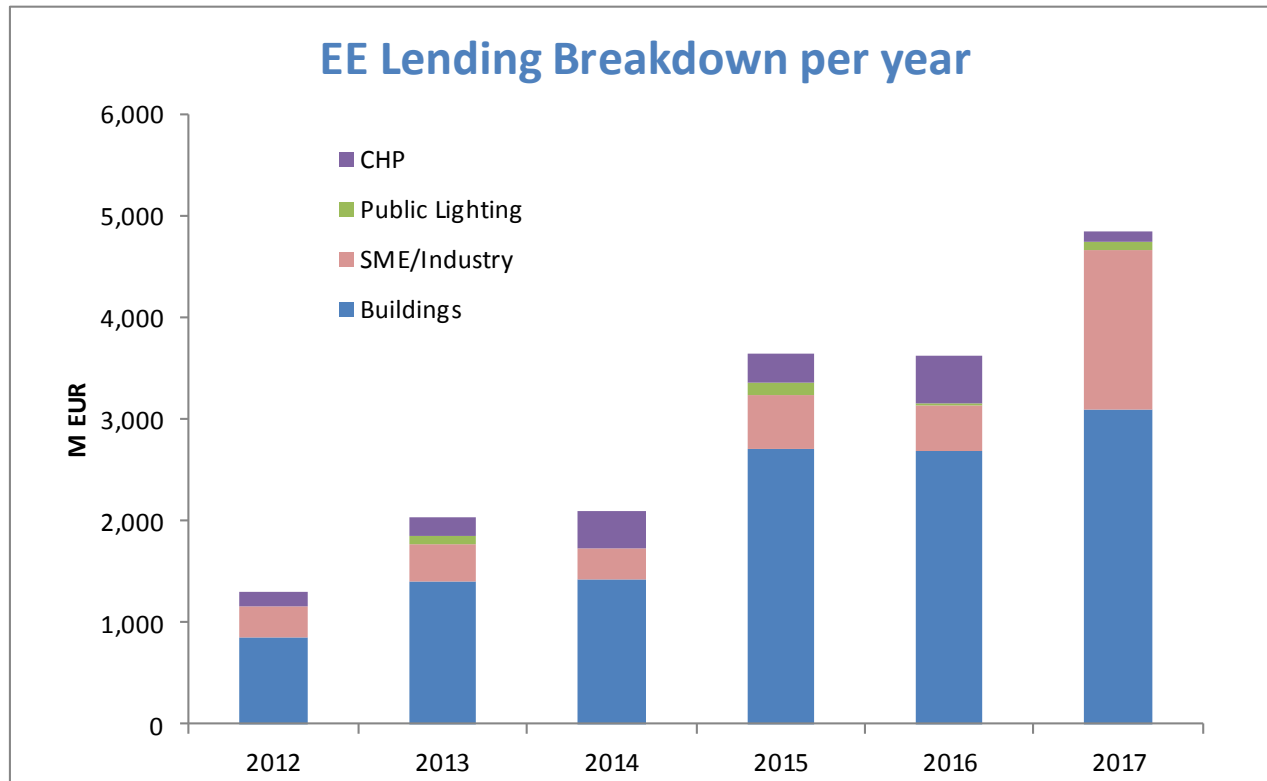


ELENA Facility European Local ENergy Assistance Support for One Stop Shops

**R. Six, Energy Efficiency Division
European Investment Bank**

Riga, 10/04/2019

EIB EE lending EE 2012-2017



- ▶ EUR 4.8bn to EE in 2017 (65% buildings, 30% industry)
- ▶ Buildings is the largest EE sub-sector, in line with EU priorities

How EIB can assist: Lending, Blending, Advising

Loans/Funds

- Investment Loans (direct)
- Intermediated Loans, Promote Aggregation. Small and medium-scale projects (particularly to SMEs) via national and regional intermediary banks. Lending decision remains with the financial intermediary
- Investment Funds
- European Fund for Strategic Investment (EFSI)
- Dedicated schemes such as Private Finance for Energy Efficiency (PF4EE), Smart Finance for Smart Buildings (SFSB)
- Blending with ESIF

Technical Assistance / Advisory Services typically upstream, with or without links to operations.

- ✓ ELENA (European Local Energy Assistance)
- ✓ JASPERS (Joint Assistance to Support Projects in European Regions)
- ✓ FIA (Financial Instruments Advisory)
- ✓ EIAH (European Investment Advisory Hub)

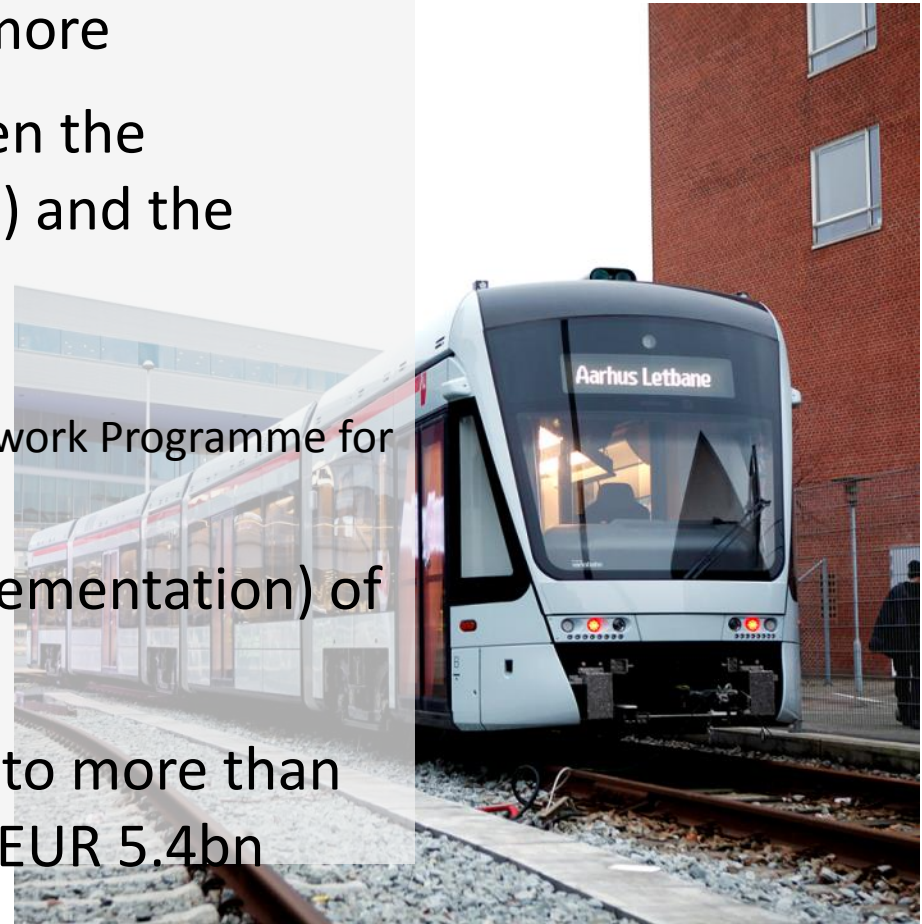
Outline

- ▶ What is ELENA?
- ▶ Who can benefit from ELENA?
- ▶ What type of investments does ELENA support?
- ▶ Eligible costs
- ▶ Application process
- ▶ Case studies of One Stop Shops



What is ELENA?

- ▶ Established in 2009 as European Local ENergy Assistance – not only local anymore
- ▶ Based on an agreement between the European Investment Bank (EIB) and the European Commission
 - ▶ managed by the EIB
 - ▶ financed by the Horizon 2020 Framework Programme for Research & Innovation
- ▶ Grant for preparation (not implementation) of investment programmes
- ▶ More than EUR 155m awarded to more than 80 projects supporting approx. EUR 5.4bn investments



Picture: Aarhus tram project

General rules

- ▶ Minimum investment of EUR 30m
- ▶ Grant covers up to 90% of costs related to project development support
- ▶ Budget allocation: first come, first served principle; in range of EUR 30m – 50m 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 residential buildings and urban transport
- ▶ In case the leverage not achieved: grant may be clawed back
- ▶ Final beneficiary (applicant) doesn't have to be the one who is implementing the investment
- ▶ 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 and support eligible investments: e.g. associations, mixed public/private, banks etc.

ELENA TA should not have purpose or effect of producing a profit

Eligible investment programmes

Sustainable Energy

- 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)

Investment programmes implemented by the final beneficiary or by a third party

↑
ELENA

Eligible investment programmes

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-efficiency measures and systems

Investment programmes implemented by the final beneficiary or by a third party

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Eligible investment programmes

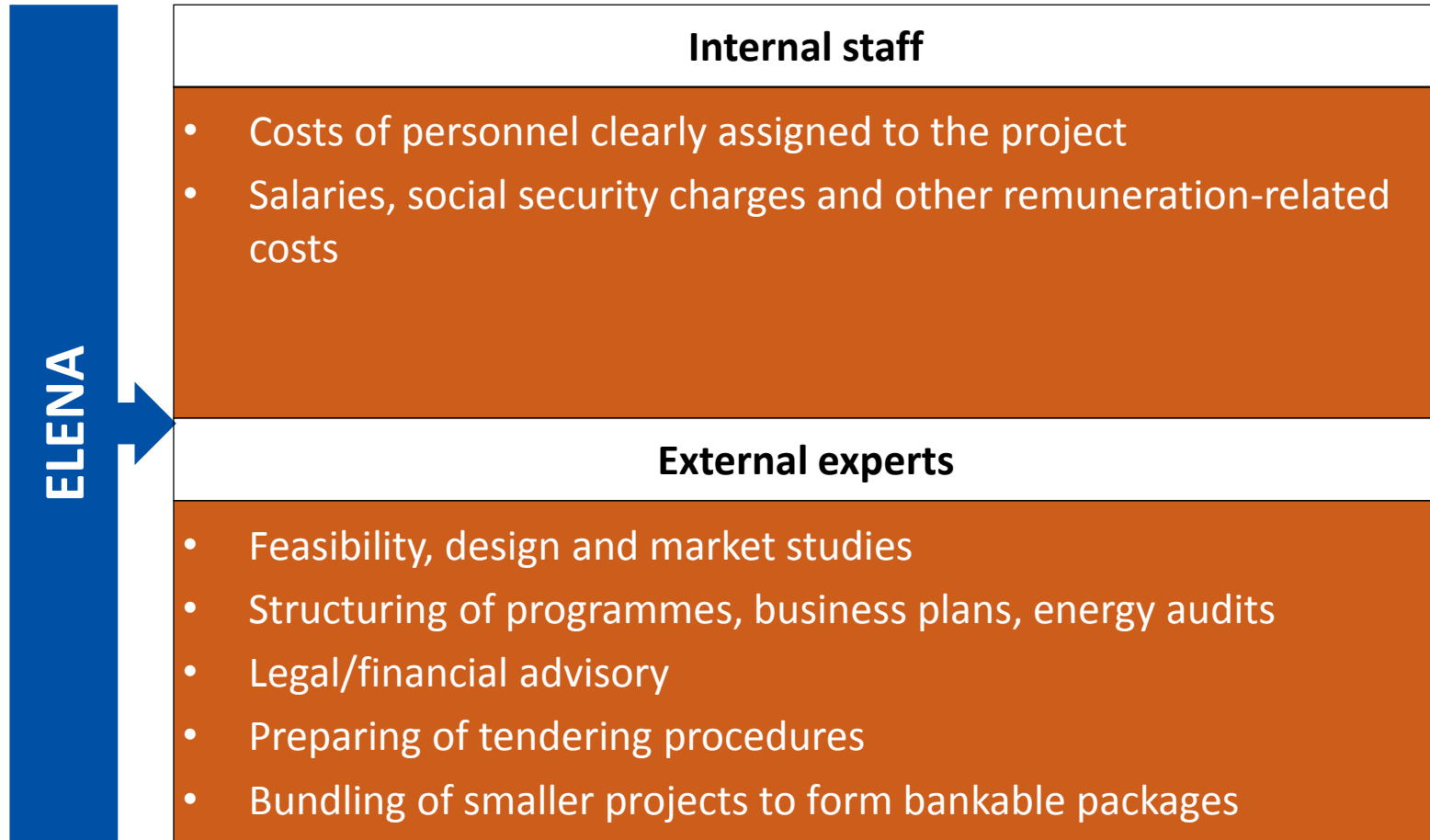
Residential buildings

- EE refurbishment of residential buildings
- Integration of renewable energy sources into the buildings
- Project development activities: assessing the energy performance of buildings: support for energy performance certificates or energy audits, access to financing: help households access financing from financial institutions, and/or available grants, setting up one stop shops etc.

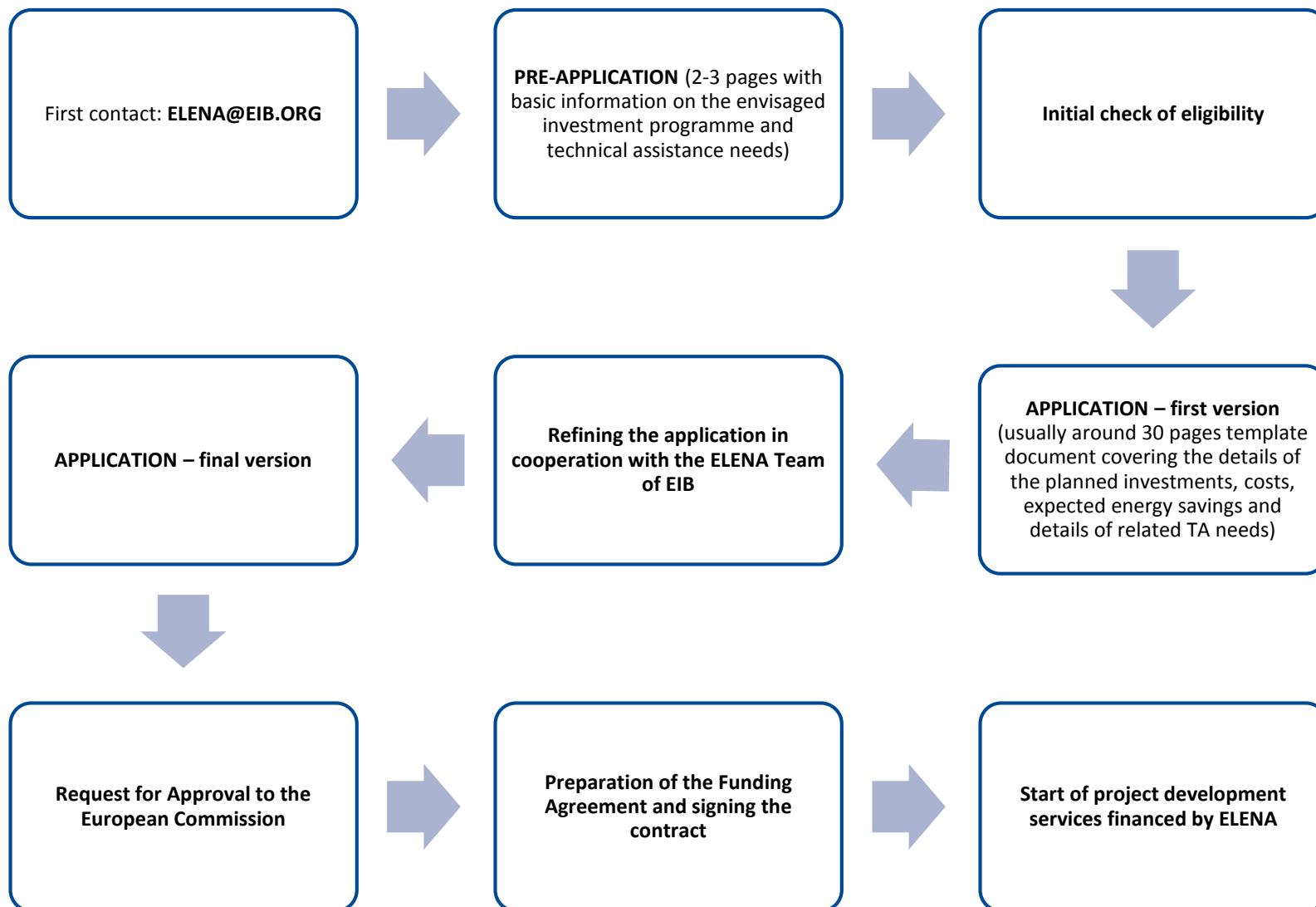
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Eligible costs



Application process



ELENA projects overview



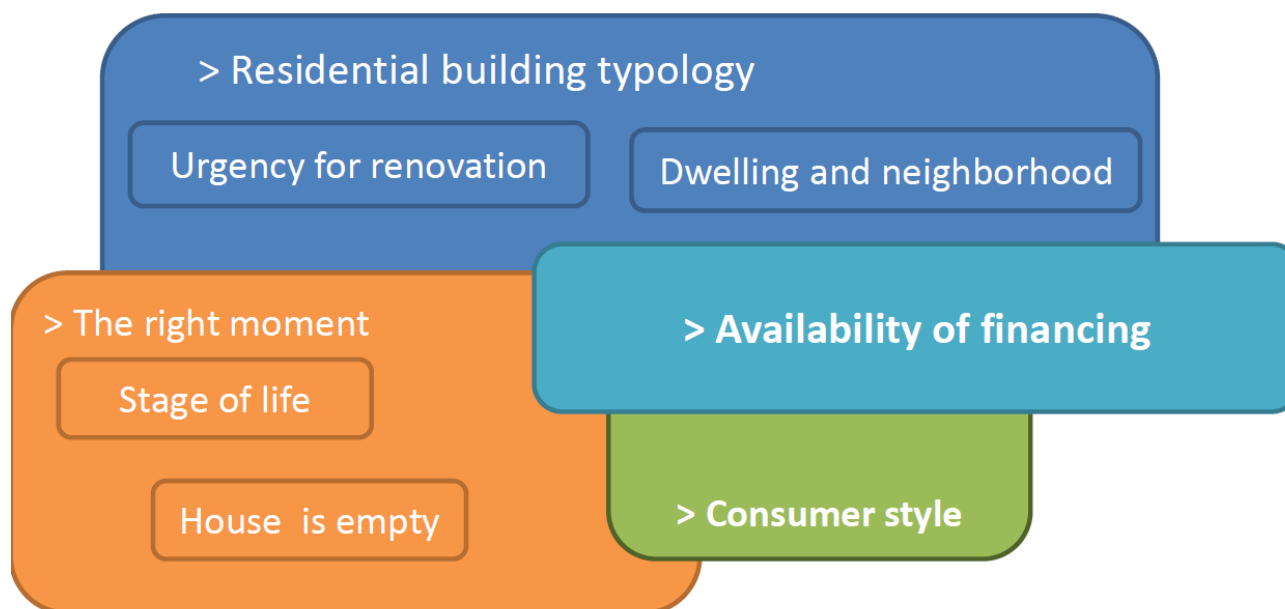
[ELENA interactive map](#)

Financing Home Renovation in Europe

Financing Home Renovation in Europe

Consensus on findings regarding private housing refurbishment market

✓ *Targeting households through multiple criteria*



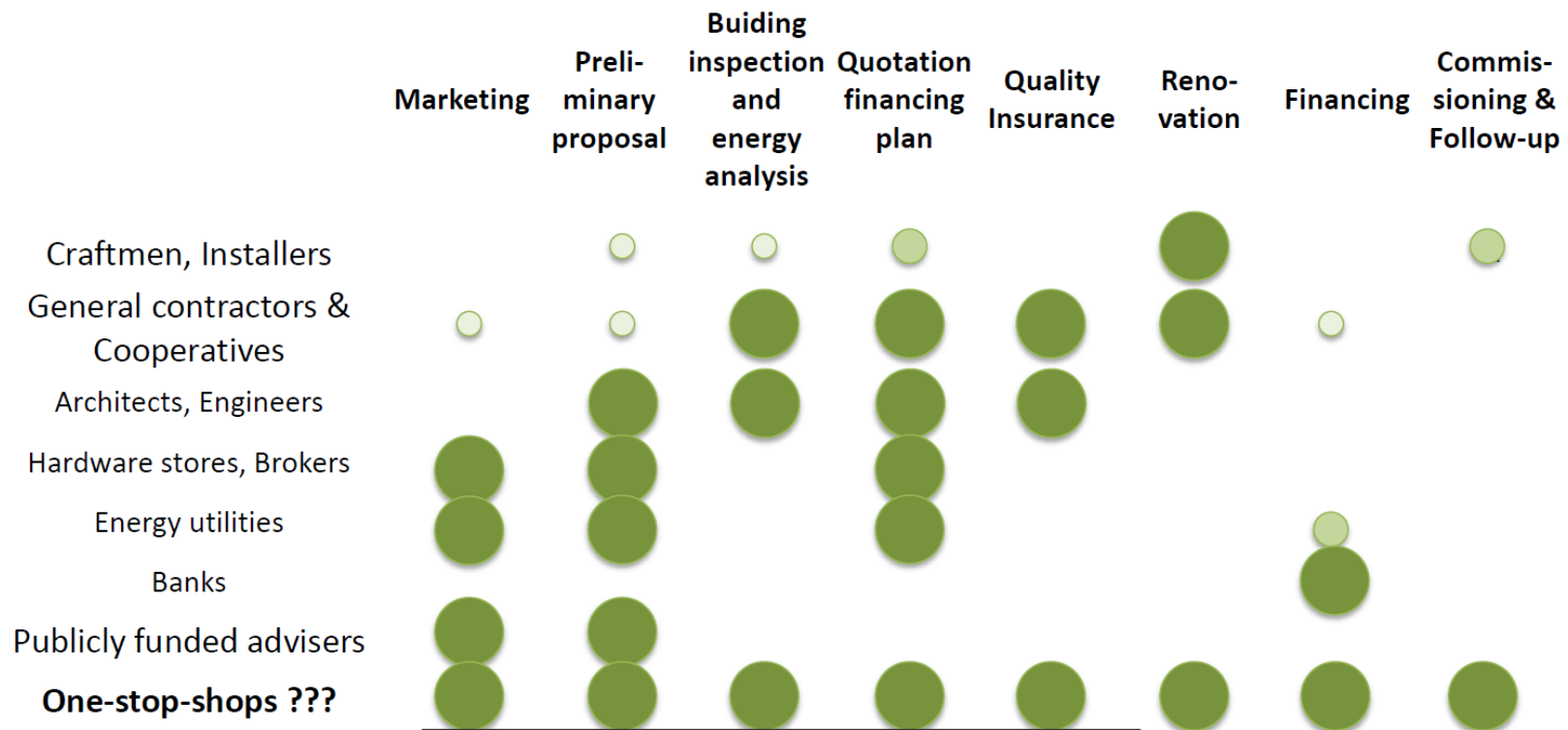
Source: https://ec.europa.eu/energy/sites/ener/files/documents/francoise_refabert_-_vesta_conseil.pdf

A fragmented offer for EE house refurbishment

Consensus on findings regarding private housing refurbishment market

→ A fragmented offer

● Core business ● Limited ● Emerging



Source: https://ec.europa.eu/energy/sites/ener/files/documents/francoise_refabert_-_vesta_conseil.pdf

Examples of EIB support to One Stop Shops

Bank is involved in the support of one stop shops for EE in residential buildings at two levels:

Examples of **EIB as lender** to co-finance the EE measures:

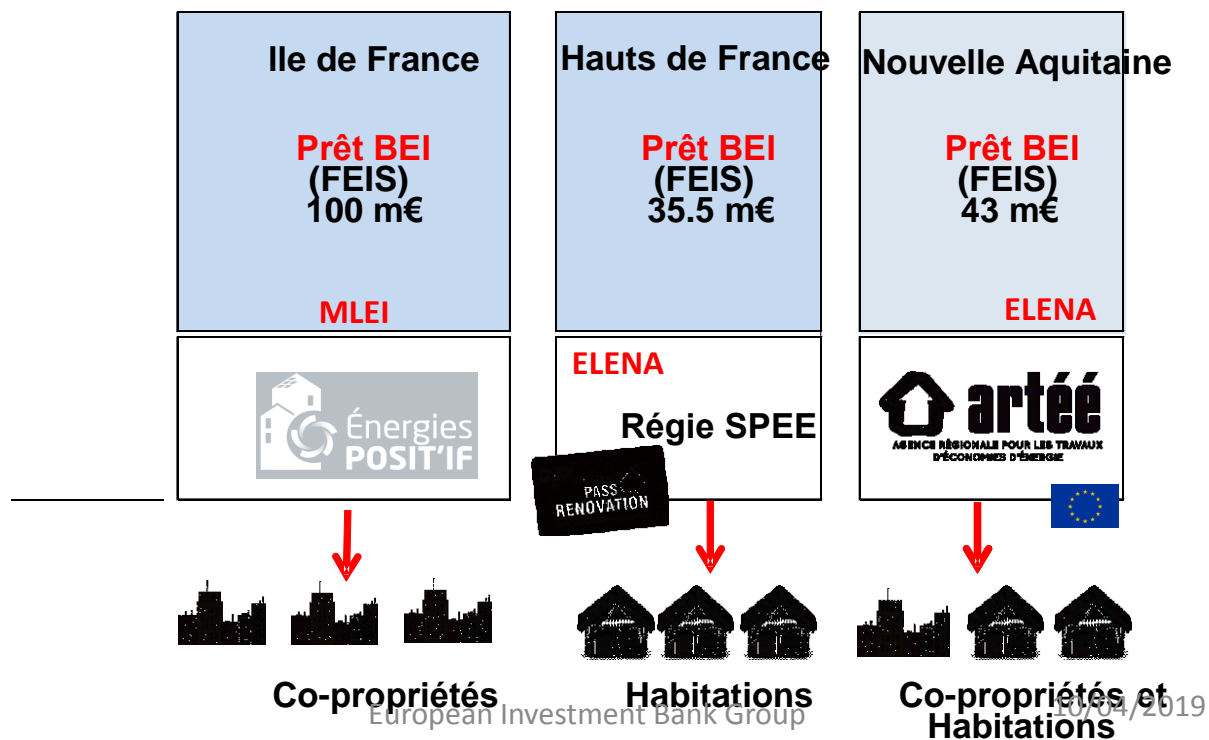
- ▶ SEM Iles de France Energies
- ▶ Picardie Pass Renovation
- ▶ SEM ARTEE
- ▶ SEM Bordeaux Métropole Energies
- ▶ Sustainable Loans for citizens in Limburg, Netherlands

Examples of **ELENA grant support** for several OSS:

- ▶ Picardie Pass Renovation
- ▶ Superhomes, Tipperary, Ireland
- ▶ ARTEE, Nouvelle Aquitaine, France
- ▶ Sustainable Loans for citizens in Limburg, Netherland
- ▶ Others in advanced stage of preparation or submitted to the EC for approval (E.g FR, NL and SP)

EIB Financing plus technical assistance in France

- ▶ Specialised companies “*Société de Tiers Financement*” (STF) were established to provide technical and financial assistance to homeowners / homeowners associations i.e “One stop shop”
- ▶ For each sub-operation, the borrower from EIB is the STF
- ▶ Final Beneficiaries will be homeowners or homeowners associations
- ▶ Average loan ~ EUR 31,000
- ▶ Allow the offer of long tenor (~ 20 yrs) plus attractive rates (2-2.5%)



Province of Limburg

EIB Loan

- ▶ EIB investing EUR 75m in the province Fund (“Duurzaam Thuis”)
- ▶ For private citizens who can borrow money for EE measures and PV installations

ELENA Support

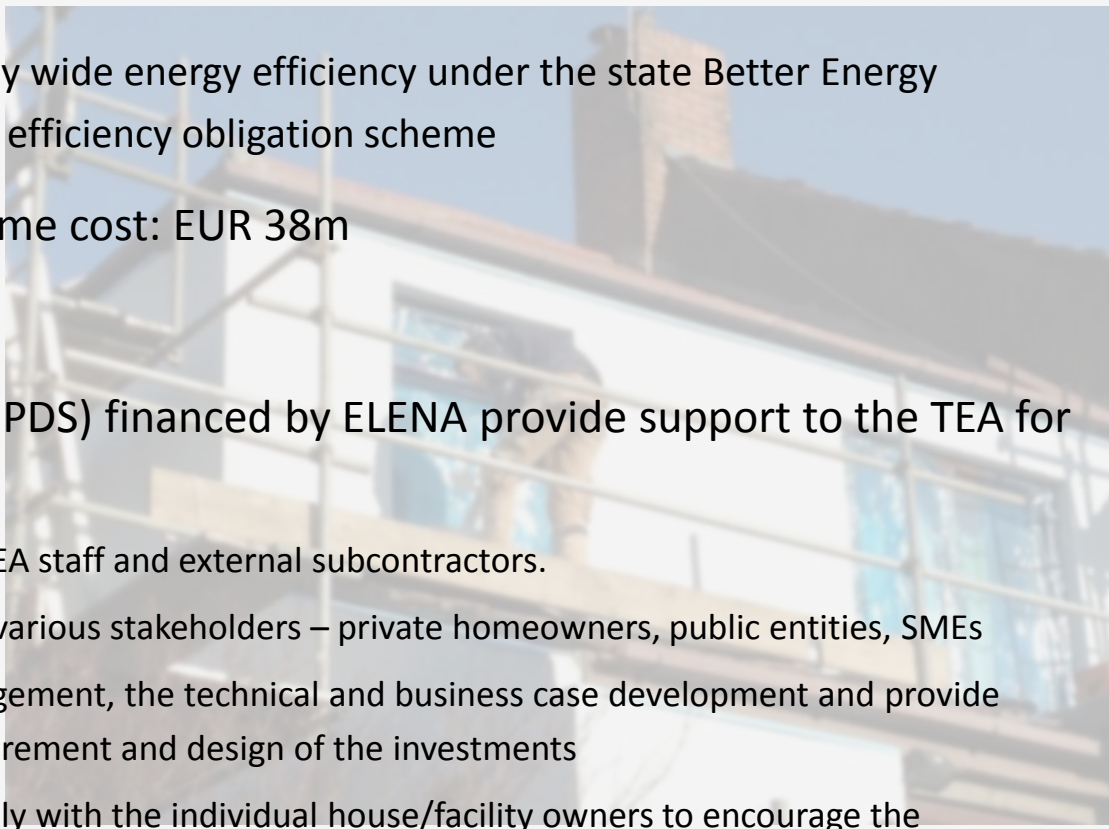
- ▶ Citizens also receive technical advice to increase the EE component of the loans, advice on suppliers and contractors, advice on works and prices etc.

- 10-15 year terms
- Loans: Owner up to EUR 35,000 and tenants up to EUR 25,000
- Province Loan Officers can work with the homeowners on personalized energy assessments



Tipperary Energy Agency

- Beneficiary: Tipperary Energy Agency
 - Deep retrofit of single family dwellings under the programme “Superhomes”
 - Public Lighting Replacement Programme
 - Implementation of renewable heating systems, mobilising investment under the Renewable Heat Incentive (RHI)
 - Implementation of community wide energy efficiency under the state Better Energy Community (BEC) and energy efficiency obligation scheme
- Estimated investment programme cost: EUR 38m
- ELENA grant budget: EUR 1.5m
- Project Development Services (PDS) financed by ELENA provide support to the TEA for implementation
 - ✓ ELENA PDS Team composed of TEA staff and external subcontractors.
 - ✓ Offering a tailored assistance to various stakeholders – private homeowners, public entities, SMEs
 - ✓ Undertake the stakeholder engagement, the technical and business case development and provide energy audits, prepare the procurement and design of the investments
 - ✓ ELENA PDS Team will liaise directly with the individual house/facility owners to encourage the investment

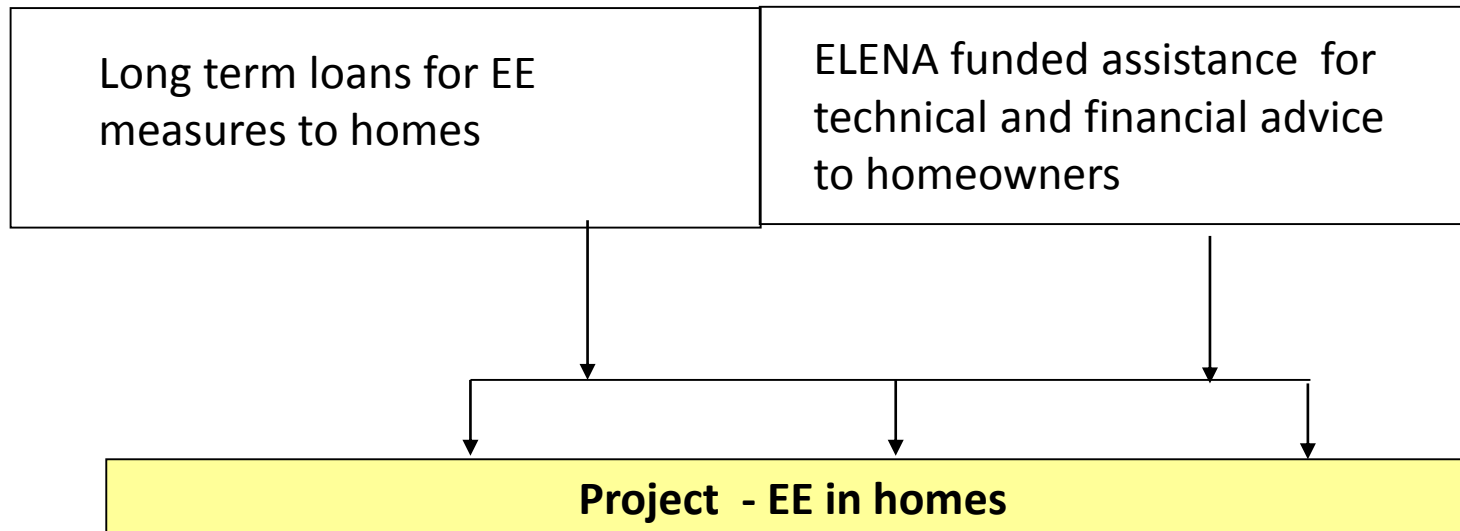


EIB Support to One Stop shop



EIB loan

ELENA grant



Thank you for your attention!

Further information:

www.eib.org/elena