

**European  
Investment  
Bank**

*The EU bank*

EIB investment in energy efficiency programmes

17 March 2021

# The EU's Climate Bank



- ▶ Nov 2019 – EIB Board approved the ELP and a new set of targets for climate action and environmental sustainability:

## CLIMATE BANK ROADMAP 2021-2025

Global targets >25% (currently 30%) - 50% by 2025 - € 1 trillion by 2030 - fully Paris aligned by 2020

## ENERGY LENDING POLICY

Phasing-out fossil fuels - Focusing on energy efficiency and decarbonisation - The same lending policy applies outside the EU - Regional Focus on Neighborhood

# Climate action investments: € 19.3 billion in 2019



**CLIMATE CHANGE  
ADAPTATION**  
€ 0.8 billion



**RENEWABLE ENERGY**  
€ 3.9 billion



**RESEARCH, DEVELOPMENT AND  
INNOVATION**  
€ 1.0 billion



**ENERGY  
EFFICIENCY**  
€ 4.6 billion

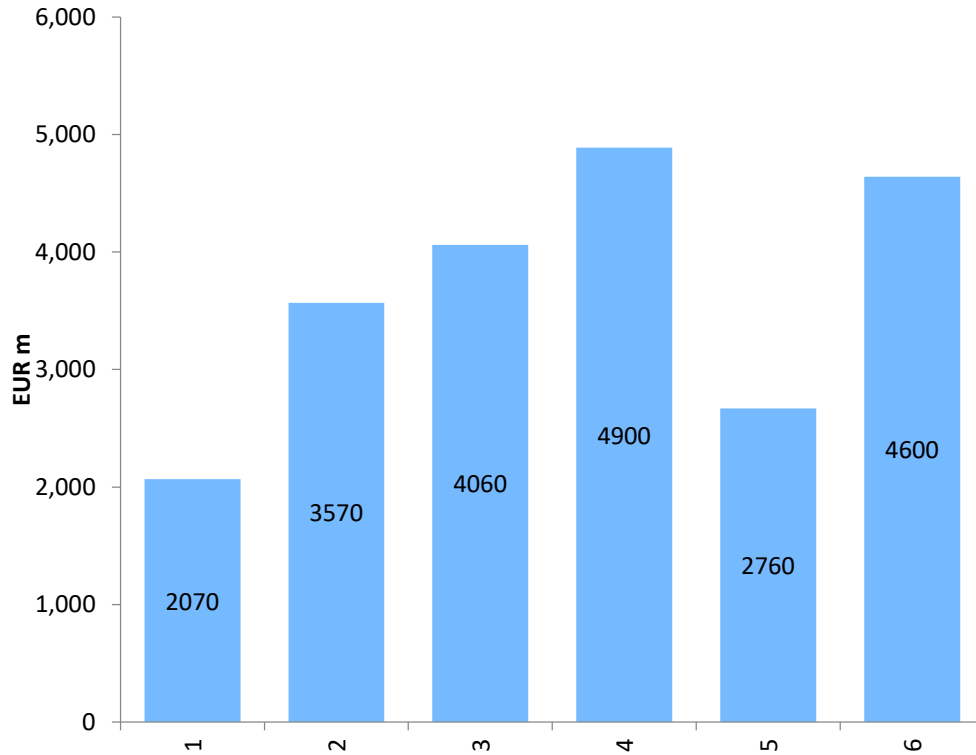


**LOWER CARBON  
TRANSPORT**  
€ 7.6 billion



**OTHER CLIMATE CHANGE  
MITIGATION**  
€ 1.4 billion

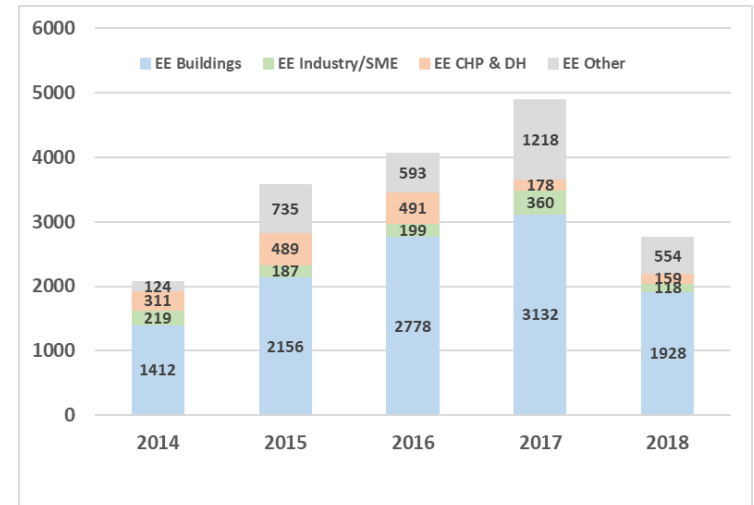
# Energy Efficiency Lending & Target Areas



**Total: EUR22bn**  
**inside EU : ~94%**  
**outside EU : ~6%**

- Lending doubled between 2014 and 2017
- Drop in 2018 related to overall decrease in Bank's lending
- Average EUR3.7bn per year

## Target Areas



- Buildings main area of focus

# Current Activities - Ukraine

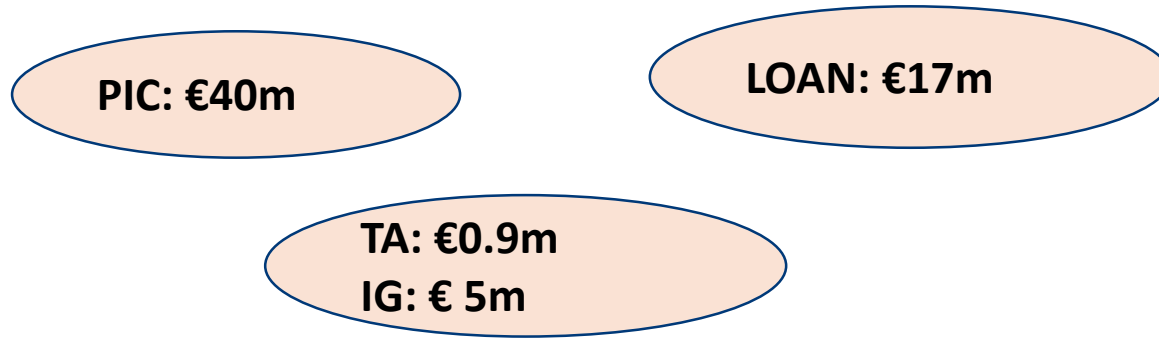
**PIC: €407m**

**LOAN: €326m**

**TA: €20m  
IG: €16.4m**

Project	Description	PIC	Loan Amount	Technical Assistance	IG
Ukraine Higher Education	EE 15 universities in two phases (+7 financed by NEFCO).	160	120	NIP: EUR 2.9m EPTATF: 250.000	E5P: EUR 10m
Ukraine Municipal Infrastructure Programme	District Heating in 3 cities	75.6	63	TA for the whole Programme: EIB: EUR 4m NIP: EUR 7.37m EPTATF: EUR 2.4m	E5P: EUR 6.4m
Ukraine Municipal Infrastructure Programme	EE Public buildings in 6 cities	87.9	73.2		
Ukraine Municipal Infrastructure Programme	Public lighting in 4 cities	83.7	70		
Ukraine Early Recovery (partially EE)	280 small-size projects - internally displaced people - includes EE / buildings refurbishment.	<i>200</i>	<i>200</i>	<i>EPTATF: EUR 3m</i>	

# Current Activities - Moldova, Armenia



Project	Description	PIC	Loan Amount	Technical Assistance		IG
Chisinau Building Energy Efficiency	Public buildings (~30) public buildings including schools and hospitals	25	10	0.45	MPSF+ EPTATF	
Yerevan Building Energy Efficiency	15 kindergartens to be fully renovated and up to 69 kindergartens for horizontal (short-payback) measures	15	7	0.45	MPSF+ EPTATF	5.00 E5P

# FACILITIES/INITIATIVES/TOOLS FOR EE

*Examples of initiatives managed and/or initiated by EIB related to the EE sector*

- **EPTATF** – Eastern Partnership Technical Assistance Trust Fund
  - EIB-managed trust fund.
  - TA to improve the quality and development impact of the operations
  - **Fully allocated**
- **MPSF** - Municipal Project Support Facility (TA to cities EaP)
  - Managed by EIB and a steering committee (EIB, EC, EBRD and KfW)
  - Approved TA of EUR 11.8m.
  - **MPSF II Under discussion**
- **ERI** – Economic Resilience Initiative (S. Neighborhood & WB) → **NDICI** - Neighborhood, Development and International Cooperation Instrument
- **GGF** - Green for Growth Fund

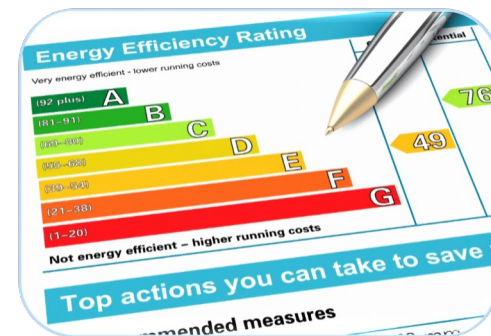
*Other tools*

- **E5P** - The Eastern Europe Energy Efficiency and Environmental Partnership
- **NIP** - Neighbourhood Investment Platform
- **GCF** – Green Climate Fund

# ELP - Unlocking energy efficiency

## Key priorities:

- ▶ Energy efficiency first principle
- ▶ Financing up to 75% of costs
- ▶ Focus on building rehabilitation
  - ▶ New European Initiative for Building Renovation
  - ▶ Development of new sources, e.g. mortgage-based lending





# Planned Activities - Ukraine

**PIC: ~€878m**

**LOAN: €800m**

**TA: €24.4m**

**IG: €2m**

Project	Description	PIC	Loan Amount	Technical Assistance	IG
Ukraine Energy Efficiency in Public Building	Public buildings small and medium size cities, targets 1000 public buildings - kindergartens, hospitals, schools, cultural buildings... (ca. 2,500,000 m2).	407	300	Phase I E5P: EUR 3 m NIP: 4.2m	Phase I: E5P: EUR 1m NIP: EUR 1m
Vocational Education and Training (partially EE)	EE 10 vocational schools. The project will make a significant contribution to climate action through the use of EDGE certification	130.6	58	NIP: EUR 8.5m & EUD: 0.2MEUR	
Ukraine Recovery Programme (partially EE)	Support internally displaced people. Significant EE component in buildings	340	340	NIP: EUR 7m	
Ukraine Street Lighting	Public lighting system in Ukrainian cities (est. 200,000 lighting points).	TBD	100	EPTATF: EUR 1.5m	

# Planned Activities - Moldova, Armenia

**PIC: €130m**

**LOAN: €82m**

**TA: €3.05m**

**IG: €22.4m**

Project	Description	PIC	Loan Amount	Technical Assistance		IG	
Moldova Energy Efficiency	Thermal rehabilitation of Public buildings (1.1 million m2) with Energy Efficiency Agency. Potentially residential buildings	80	58	2.80	NIP & EPTATF	12.40	NIP
Yerevan EE Phase II	Municipal Polyclinics, kindergartens	20	12	0.25	EPTATF	5.00	NIP
Armenia Public Entities Modernisation	Universities (Intermediated)	30	12			5.00	NIP

# Planned Activities - OTHER

Geography	Programme/Activity/Initiative	Description	Amount	Source of funding
Regional	Financing Energy for Low-carbon Investment Cities Advisory Facility (FELICITY II)	TA for preparation of urban climate action infrastructure in EaP (Ukraine, Georgia) & Central Asia, countries	20	BMU IKI
Regional	Climate Action Support Facility for Southern Neighbouring countries and WB	Framework consultancy	4.5	ERI
Regional	Municipal Project Support Facility II	TA for preparation and implementation of climate action municipal projects in EaP	10 to 15	NIP
BiH & NMK	Feasibility study for a financing programme between EIB and Habitat for Humanity International	Development a feasible financing model/programme for residential EE retrofitting in BiH and N. Macedonia	0.25	ERI
BiH	Potential Investment Loan (TBC)	EE public buildings at sub-national level	TBD	EIB Loan
Kosovo	Kosovo Energy Efficiency Fund - Potential participation of EIB	Preliminary talks with GIZ and KEEF	NA	NA

# ADVISORY

## ELENA - European Local ENergy Assistance

- Managed by EIB; funded by EU budget (H2020 programme)
- To support public and private bodies with TA.
- Project development support EE; local RE; clean urban transport
- EU + H2020

### Strict Rules

- Min. investment EUR 30m, up to 90% of costs
- First come, first served (EUR 30m – 50m per year)
- Obligation of investment implementation - LF: 20 for sustainable energy projects and 10 for residential buildings and urban transport

## JASPERS - Joint Assistance to Support Projects in European Regions

- Partnership between the European Commission EIB
- Mandated to work under Specific Grant Agreements for all IPA countries
- Helps with the absorption of funds available under IPA.

### Example Serbia

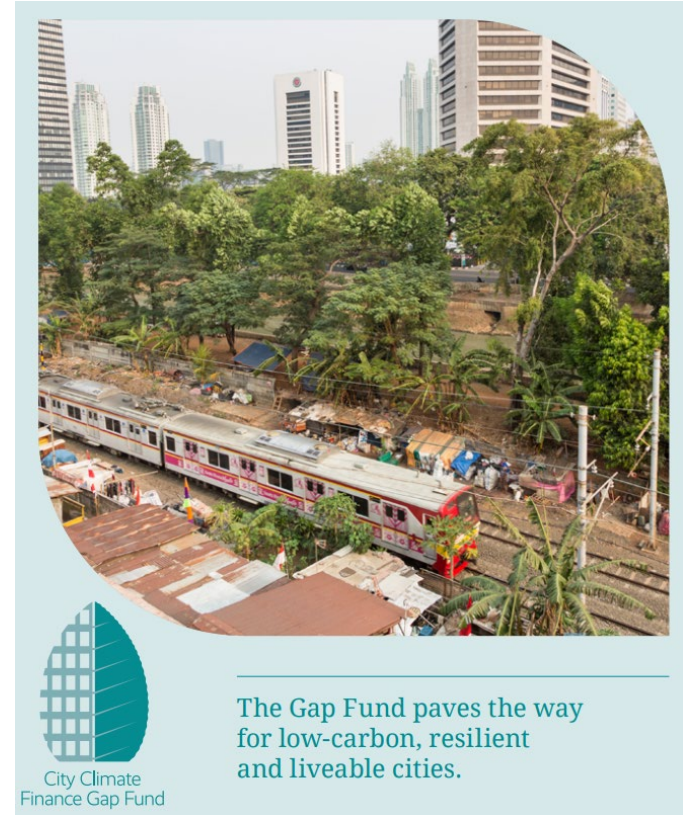
In the field of energy efficiency, JASPERS has been working on advisory activities for projects concerning public buildings (e.g. education and healthcare buildings) in Belgrade, for investments of EUR 10-20 million.

# City Climate Finance Gap Fund

- Managed by EIB and WB in partnership with GIZ
- Developing and emerging countries
- Climate action potential (e.g. EE and small RE, building retrofits, street lighting, district heating and cooling)
- Urban dimension
- Project preparation

<https://www.eib.org/en/publications/the-city-climate-finance-gap-fund>

<https://www.citygapfund.org/>



# Financing options

LENDING	BLENDING	ADVISING
<ul style="list-style-type: none"><li>• Project Loans</li><li>• Intermediated Loans</li><li>• Equity Participation</li><li>• Guarantees</li></ul>	Combining EIB finance with EU budget and co-financing with other IFIs	Prepare, evaluate and support the implementation of projects  ELENA, JASPERS, MPSF, FELICITY
Attracting FUNDING for long-term growth		

# Local offices in EaP and WB



Albania • Bosnia and Herzegovina • Serbia • Moldova • Ukraine • Georgia

<https://www.eib.org/en/infocentre/contact/offices/index.htm>

**Thank you for your attention!**

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