



**European
Investment
Bank**

The EU bank

The role of the EIB in Energy Efficiency
within and outside the European Union

5 March 2019

Supporting our priorities....



Innovation



Environment

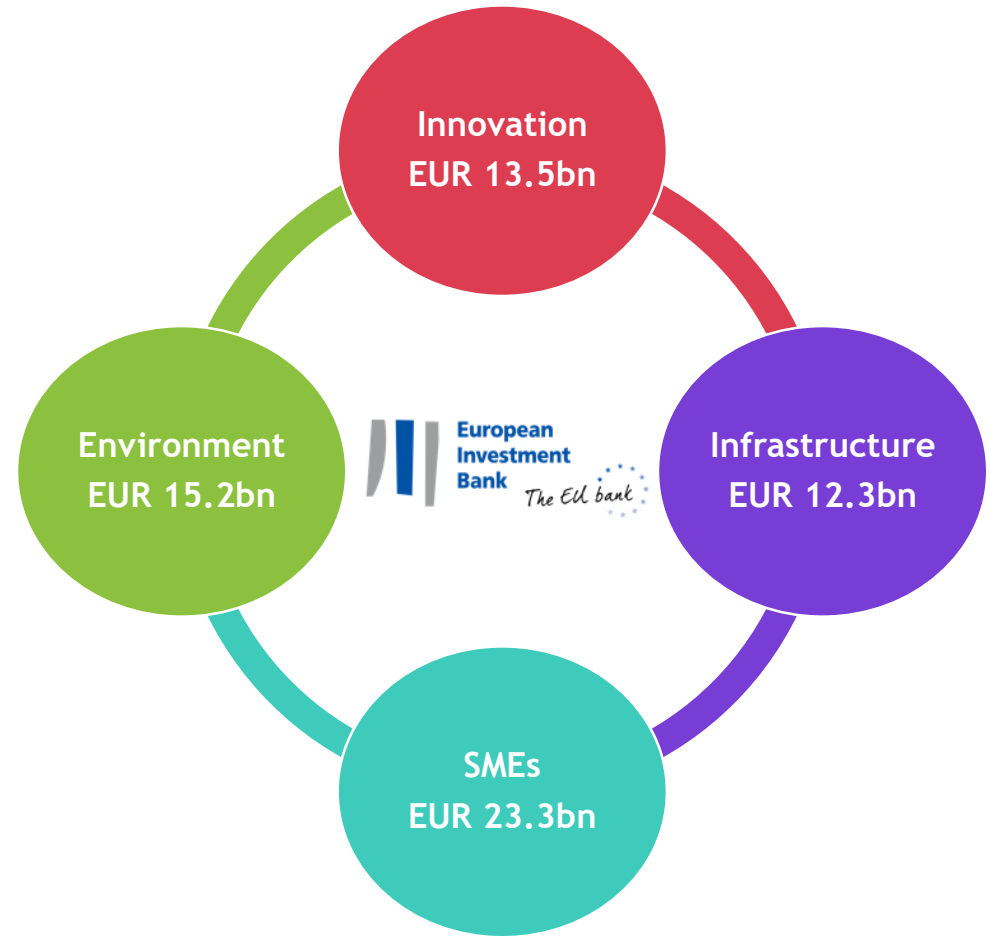


Infrastructure



SMEs

With investment that matters



Total EIB Group financing signed in 2018:

EUR 64.2bn

EU Energy efficiency (EE) targets for 2020 and 2030

- 2012 EE Directive - 20% EE target
- Updated in November 2016 - 30% EE target for 2030 and accompanying measures
- 2018 - new binding target to 32.5% for 2030

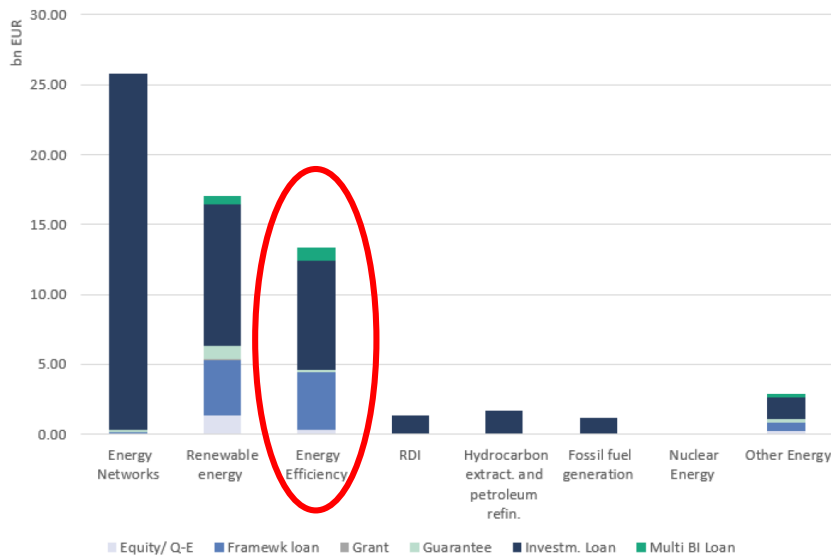
European targets for 2020, 2030 and 2050 compared with 1990 levels

	2020	2030	2050
Increase in energy efficiency	20%	32.5%	TBD

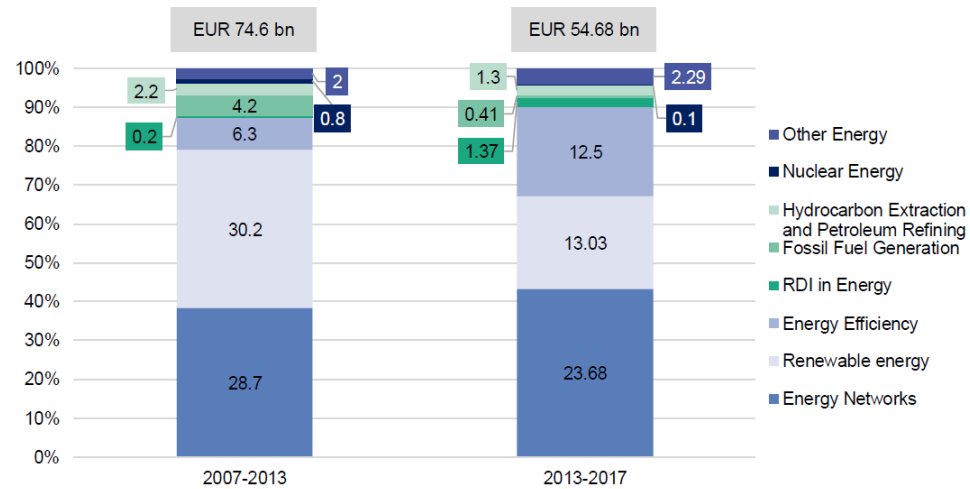


The EIB's EE target areas

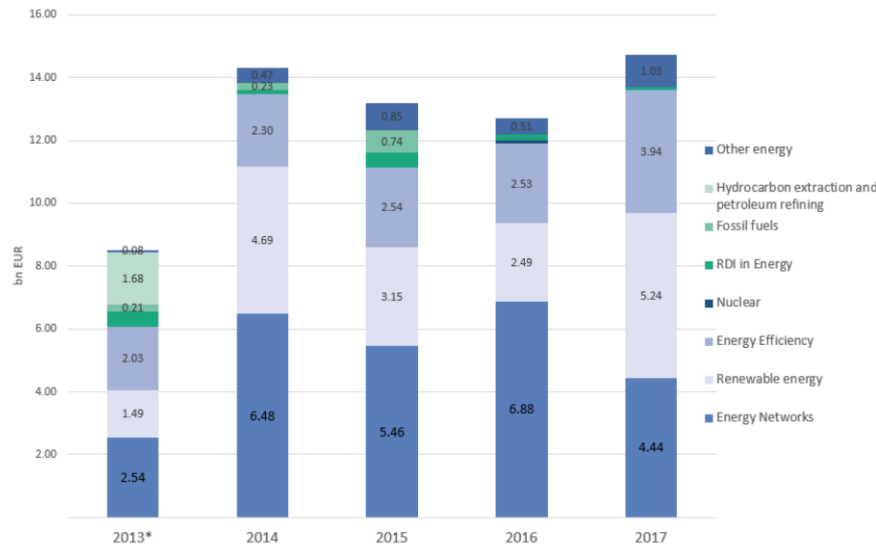
- Residential, commercial and public buildings,
- Transport (rail, road, urban transport)
- Electricity production & distribution
- Industry



Global energy approval amount by sub-sector and product during 2013-2017

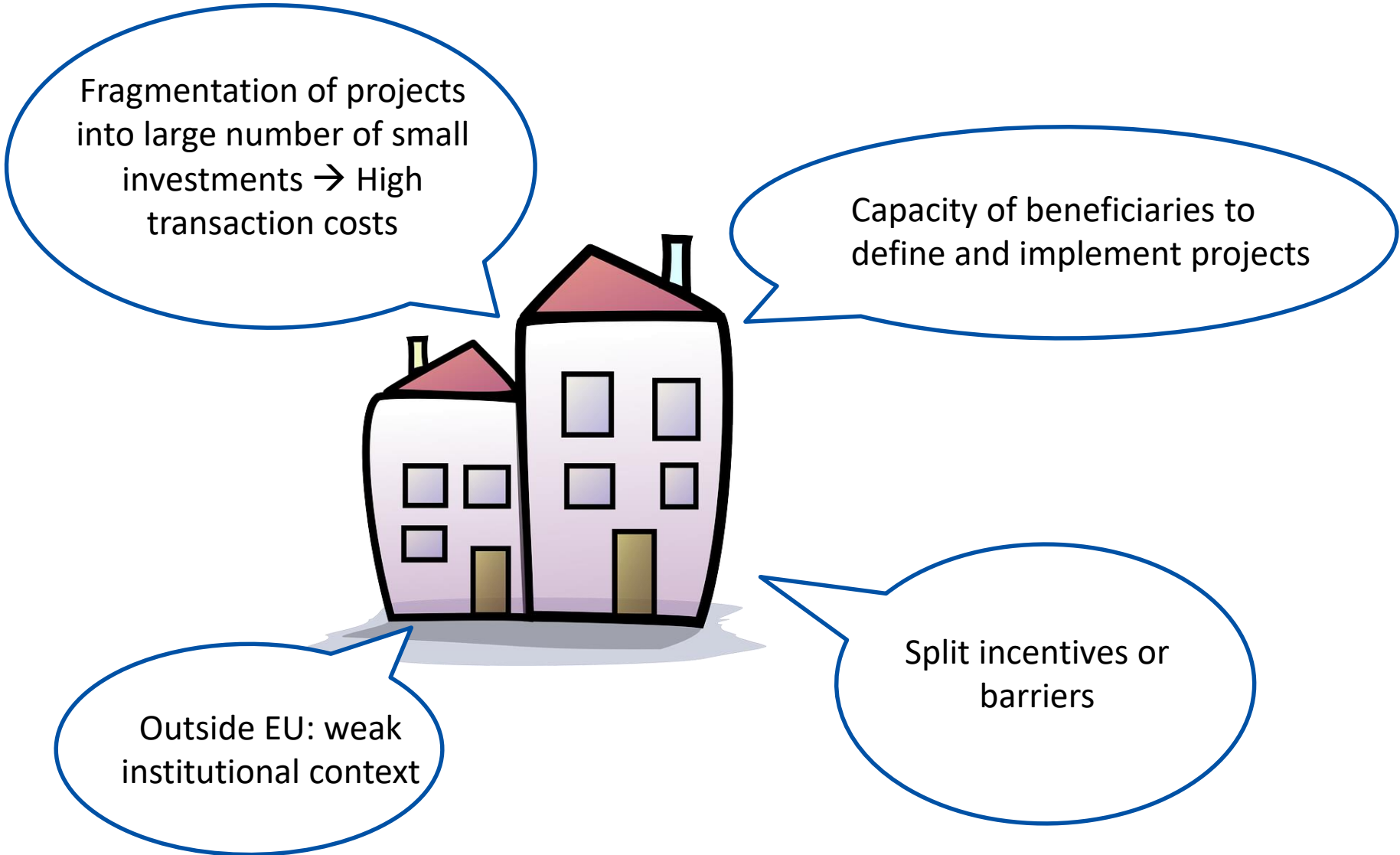


EIB approved energy financing inside the EU by sub-sector in EUR bn



EIB's energy lending approvals (2013-2017)

Barriers to delivering EE



JESSICA - *Joint European Support for Sustainable Investment in City Areas*

- EC-EIB-CEB Initiative.
- Support integrated, sustainable urban-renewal projects.
- Equity investments, loans and guarantees.



ELENA - *European Local Energy Assistance*

- To support public and private bodies with TA.
- Team of experts in the transport and energy sector.
- More than EUR 130m awarded for EUR 5bn investment on the ground.
- Now expanded to non-EU countries.

PF4EE - *Private Finance for Energy Efficiency*

- Access to adequate and affordable commercial financing.
 - A portfolio-based credit risk protection Facility (“PF4EE RSF”),
 - Long-term financing from the EIB and
 - Expert support services (“PF4EE ESF”).
- Nine operations signed.



EEEF - *European Energy Efficiency Fund*

- Public-private partnership.
- Targeting municipal, local and regional authorities and public and private entities.
- Supports the EU Member States in meeting their objective by 2030.



The role of the EIB in EE outside the EU

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

- **GGF** – Green for Growth Fund
- **EPTATF** – Eastern Partnership Technical Assistance Trust Fund
- **MPSF** - Municipal Project Support Facility
- **NIF TF** – Neighbourhood Investment Facility Trust Fund
- **ERI** – Economic Resilience Initiative

GGF - Green for Growth Fund

- Created by the EIB and KfW Development Bank.
- Public Private Partnership
- Promote the development of EE and RE markets
- Technical assistance for capacity building in partner institutions.



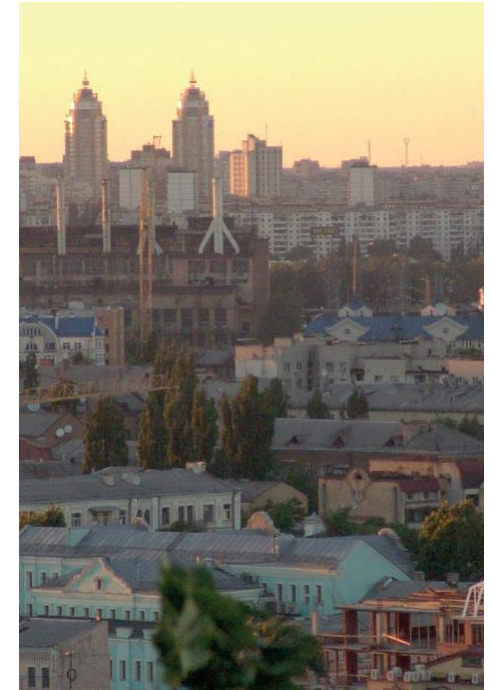
GGF - Most recent GGF operations linked to EE

- EE and CO2 emissions reduction in **Bosnia and Herzegovina**.
- Further EUR 10m to Ohridska Banka Macedonia for **RE lending**.
- Support to Bank of Georgia Group **for EE and RE lending**.
- **Promoting EE** among Georgian corporates: GGF partners with JSC Basisbank through a local currency loan equivalent to USD 10m.



EPTATF - Eastern Partnership Technical Assistance Trust Fund

- EIB-managed trust fund.
- For the Eastern Partnership countries.
- TA to improve the quality and development impact of the operations.
- Priority sectors:
 - Local private sector, in particular SMEs;
 - Social and economic infrastructure;
 - Climate change mitigation and adaptation.



MPSF - Municipal Project Support Facility

- TA to municipalities in Eastern Partner countries.
- Managed by a steering committee consisting of the EIB, the European Commission, the EBRD and KfW.
- EE and RE investment projects but also water sector projects.
- Approved TA of EUR 11.8m.



MPSF - Example of supports

Moldova

Technical assistance support of EUR 235 500 to support EE measures in Moldova.

Ukraine

Supports urban public transport projects in several medium-sized and large cities for a total amount of EUR 3 500 000.

But also several EE feasibility studies **in Armenia, in Moldova and in Ukraine** and the support to the implementation of District Heating in several towns in Ukraine.



NIF TF - Neighbourhood Investment Facility Trust Fund

- Managed by the EIB.
- Complement the Neighbourhood Investment Platform (NIP) resources.
- Support development in the Eastern and Southern Neighbourhood regions.
- Capital-intensive infrastructure projects.
- Transport, energy, environment and social development.



2 Examples of EE projects financed by EIB in Ukraine

1 - UKRAINE MUNICIPAL INFRASTRUCTURE PROGRAMME (UMIP)

- Rehabilitation and upgrading of municipal infrastructure in Ukraine.
- Multi-sector investment program.
- Public infrastructure projects in medium and large municipalities.
- 22 projects in the sectors of energy efficiency, water supply, wastewater and solid waste management.

- A TA from EPTATF, MPSF and NIP covering preparation and implementation support, including design, procurement and PIU support.

2 Examples of EE projects financed by EIB in Ukraine

2- UKRAINE HIGHER EDUCATION

- Construction and refurbishment of teaching, research.
- Supporting facilities of seven universities thus improving their cost efficiency.
- The Project benefited from:
 - An EPTATF TA and from an EIB budget TA.
 - TA also from EIB budget to finance the procurement of the design and supervision engineer
 - A NIP grant of EUR 3m.



ERI - Economic Resilience Initiative

- Support growth, vital infrastructure and social cohesion in the Southern Neighbourhood and Western Balkans regions.
- Loans and grants.
- Clean water, energy and electricity, education, healthcare, local transport and urban services.
- Supports private sector growth.
- Technical assistance and advisory services to support the projects.



ERI - Economic Resilience Initiative

Financing levels

 < €200 million  ≥ €200 million

37 projects
covering **11** countries

Projects may span across several countries

Bosnia and Herzegovina
4 projects

Serbia
5 projects

Montenegro
4 projects

Kosovo*
1 project

Albania
2 projects

Morocco
9 projects

Tunisia
4 projects

Lebanon
5 projects

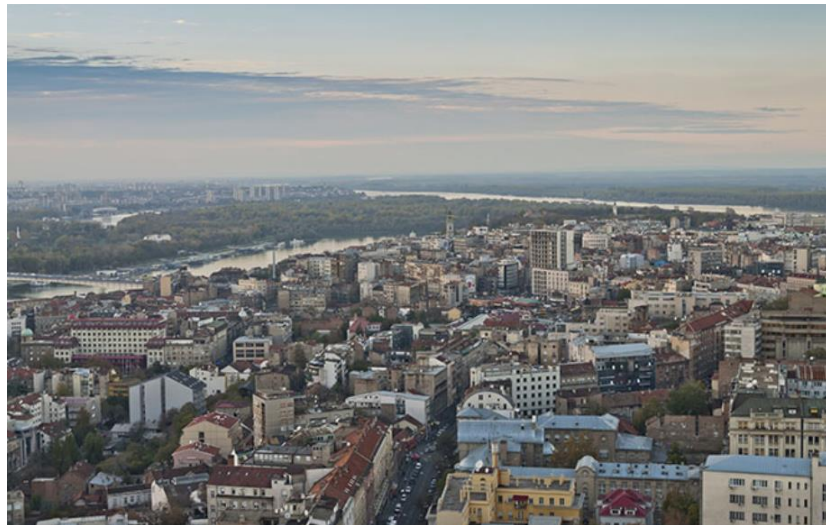
Palestine**
1 project

Jordan
3 projects

Egypt
7 projects

Potential participation of EIB in the First Kosovo Energy Efficiency Fund

- ▶ Will provide incentives for energy saving and cleaner energy in Kosovo.
- ▶ Concrete step in implementing Kosovo European Reform Agenda.
- ▶ EU pledge of €10 million with co-funding by the Government and the World Bank.
- ▶ The EIB might participate to the Fund in the future.



Launch of an EIB Energy Lending consultation

- Three month public consultation of EU Bank energy financing.
 - Dialogue with industry, civil society and policy bodies.
- How future EIB backed investment can reduce energy consumption.



Public consultation on the EIB Energy Lending Policy



Thank you for your attention!

Sandrine FRISCIA

EIB Representative for Bosnia and Herzegovina,
Montenegro

s.friscia@eib.org