

WG1.2
Member State financial instruments
designed to support public building renovation

CA EED 3

Brussels, 11 October 2023

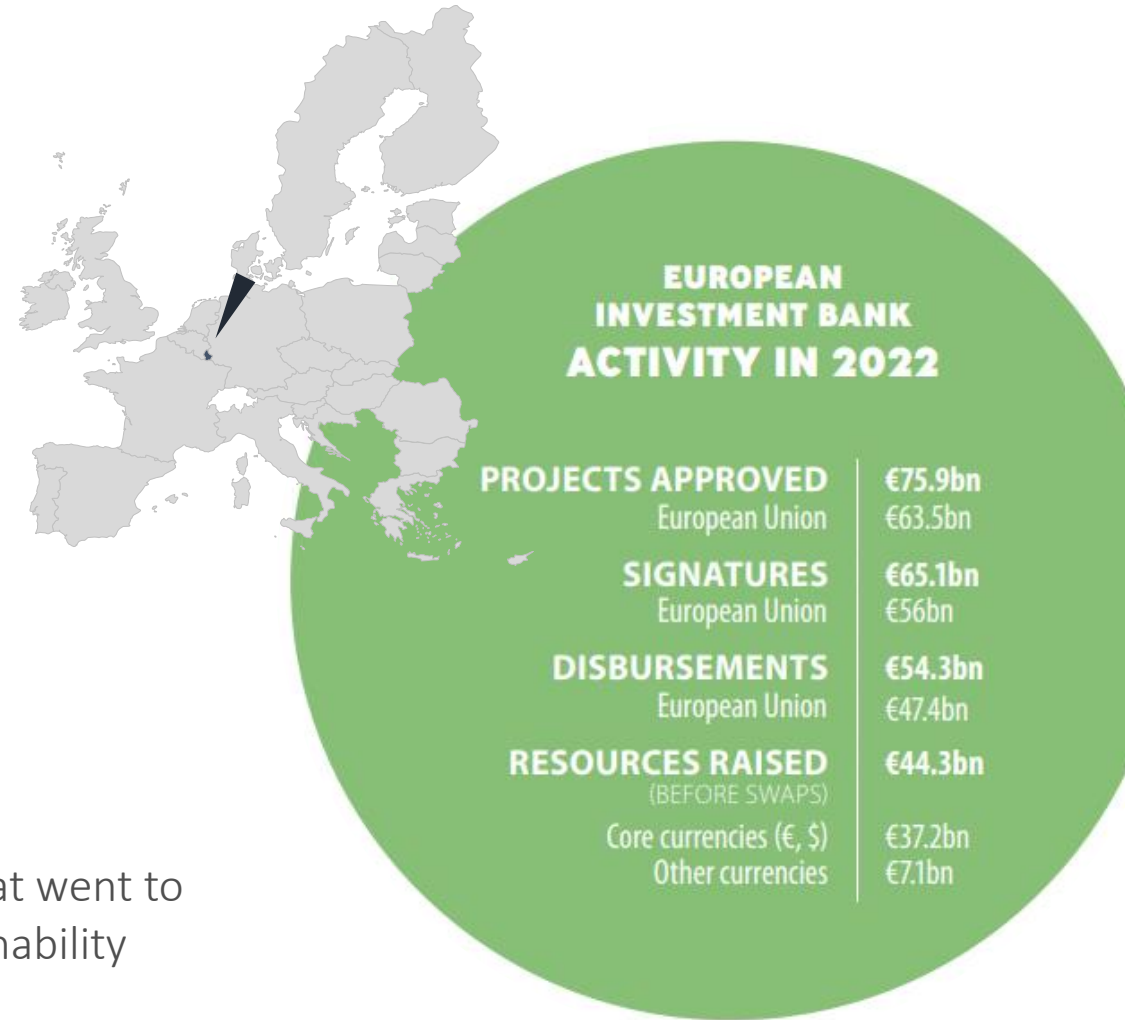
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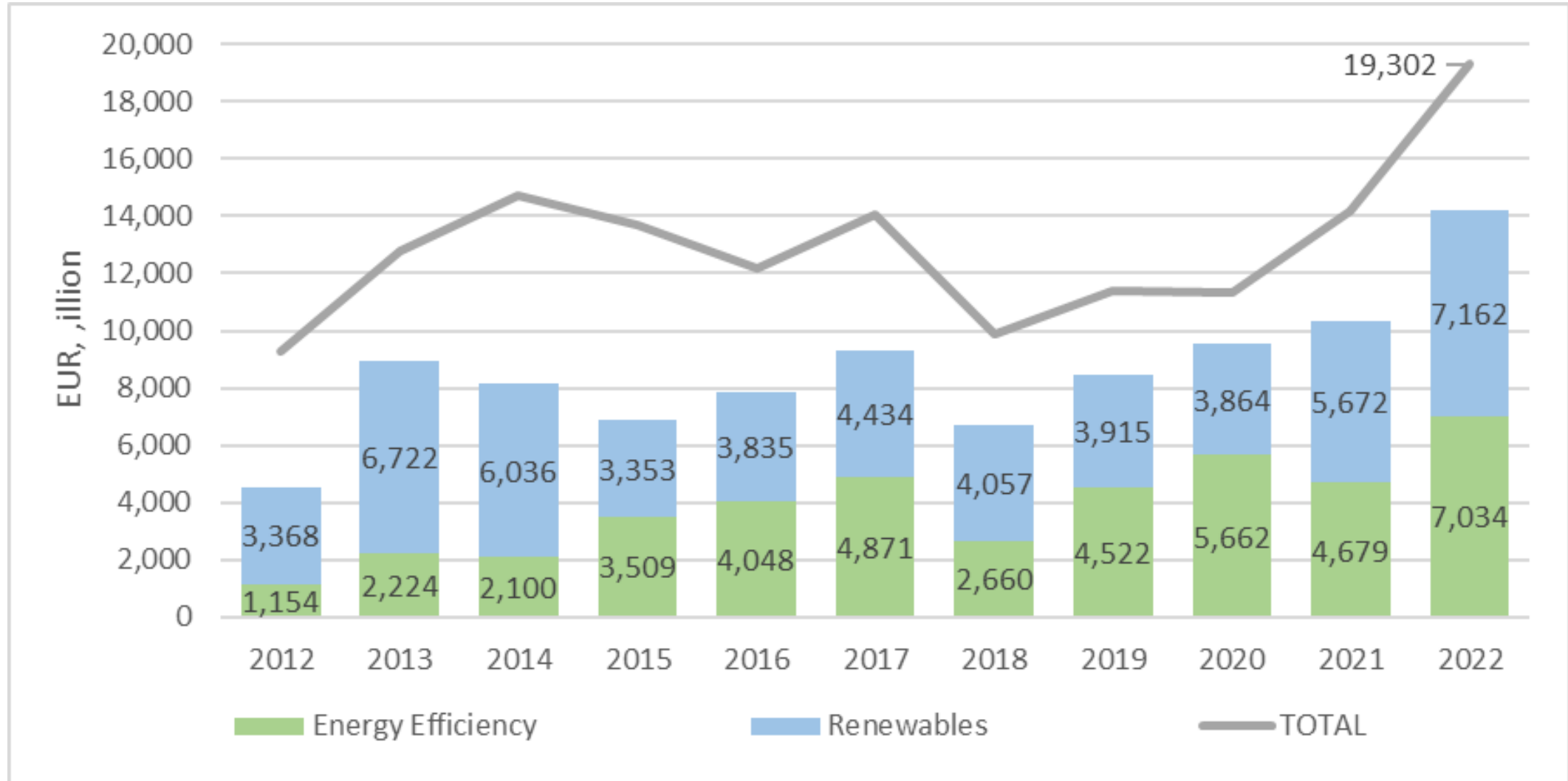
EUROPEAN INVESTMENT BANK – AN OVERVIEW

- EIB is based in Luxembourg and **owned by the 27 EU Member States**
- EIB is the **EU's long-term lending institution** – a public bank with objectives **driven by EU-policies** with priorities to promote European economic development and integration
- **4 key areas:** innovation, SME, infrastructure, climate/environment
- EIB **finances itself** mainly **through bond issuance** on international capital markets
- **Core activities** include **lending, blending** and **advisory**

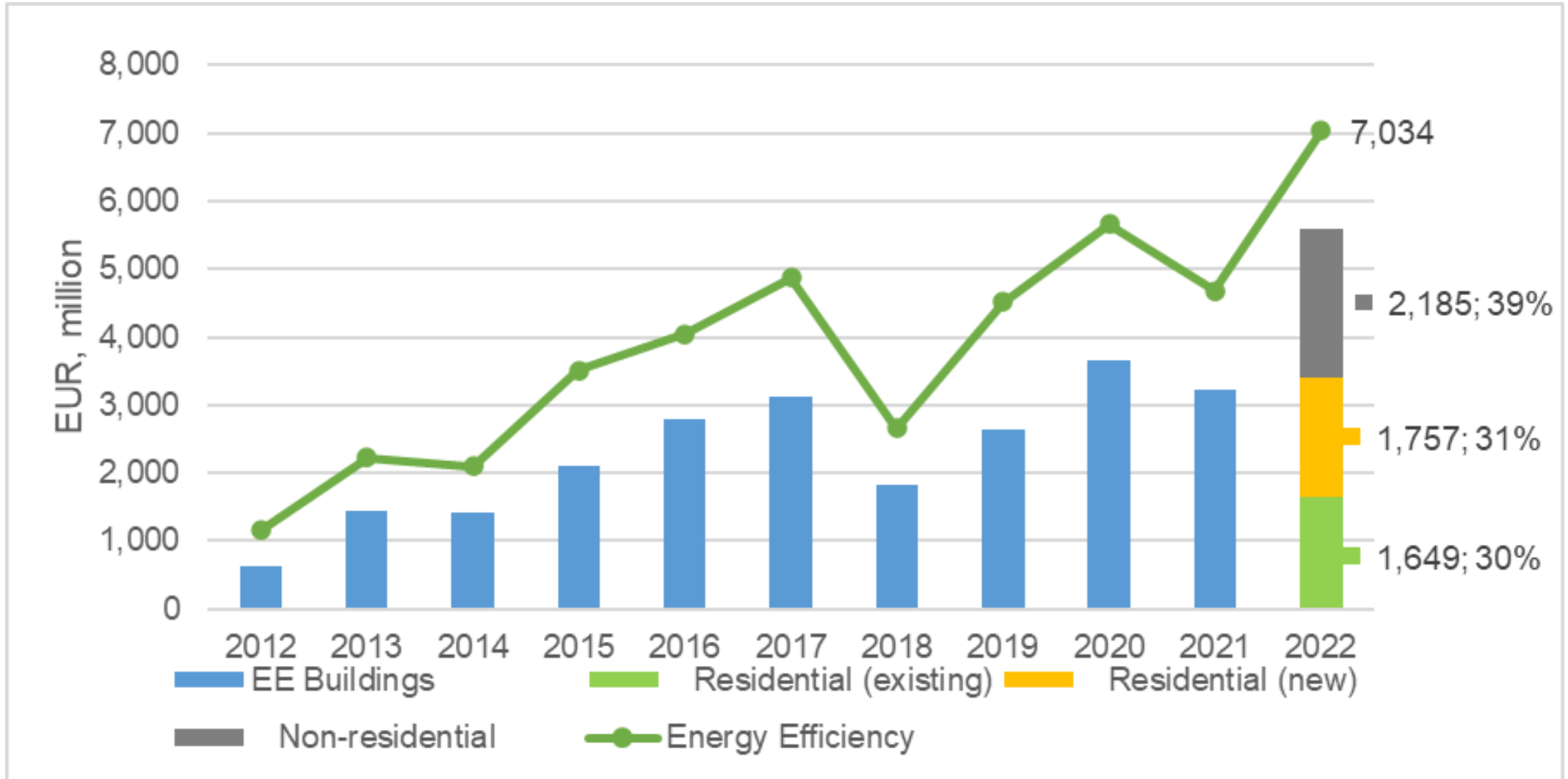
In 2022, the share of EIB investments that went to climate action and environmental sustainability projects rose to [€36.5 billion, or 58%](#)



ENERGY LENDING 2012 TO 2022



EE IN BUILDINGS: LENDING 2012 TO 2022



About 80% of Energy Efficiency lending dedicated to Buildings

EIB PRODUCTS OVERVIEW

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

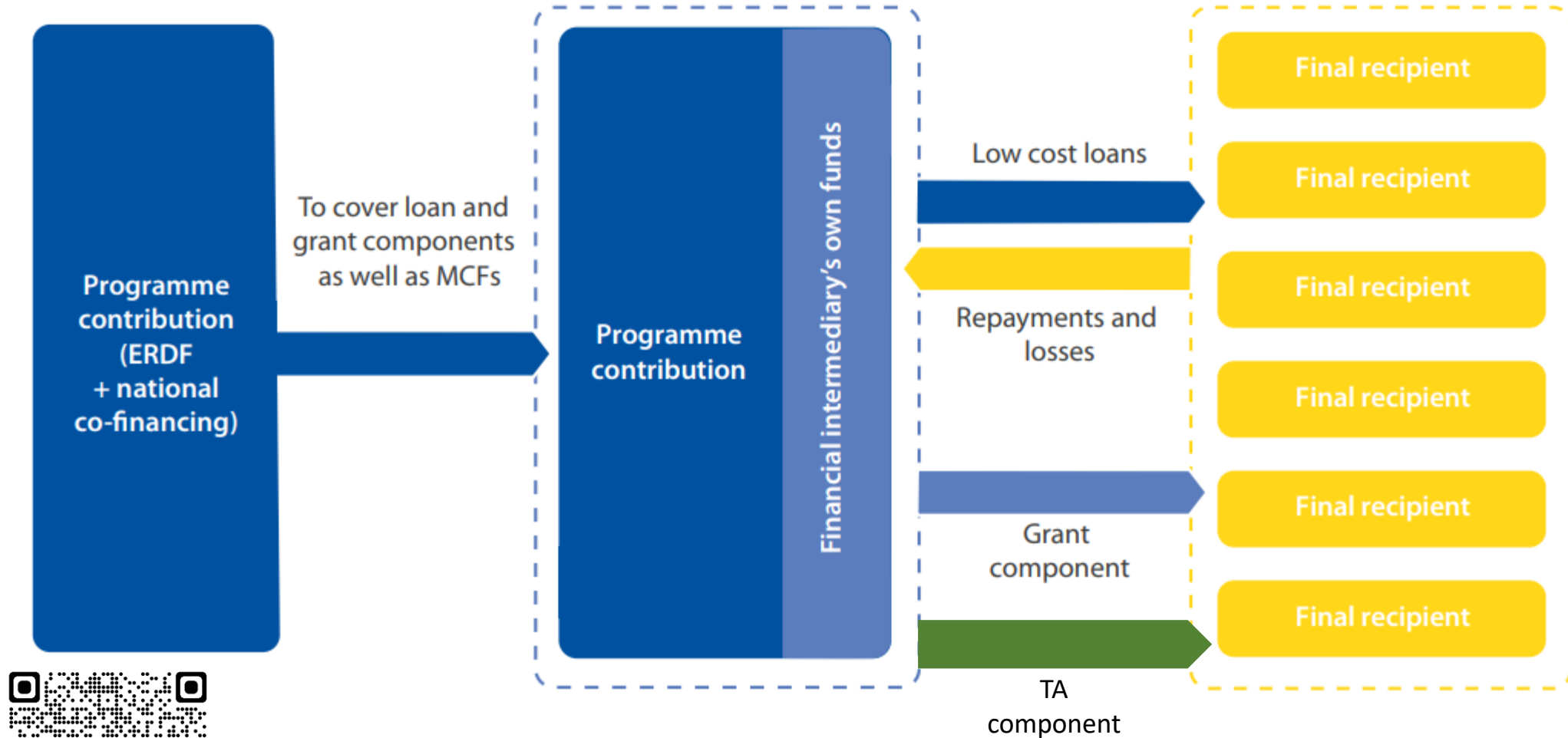
Technical Assistance / Advisory Services typically upstream, with or without links to operations.

- Invest EU AH (InvestEU Advisory Hub)
- ELENA (European Local Energy Assistance)
- JASPERS (Joint Assistance to Support Projects in European Regions)

ARTICLE 30 IN A SNAPSHOT

- Establishment/use of financing facilities
- Support to MS in setting up financing facilities and Project development assistance facilities
- Promotion of energy efficiency lending products
- Mobilization of private financing

A MODEL FOR A FI WITH A GRANT COMPONENT TO SUPPORT EE



EXAMPLE: SUSTAINABILITY LOANS FOR CITIZENS IN LIMBURG - NL

Description

The operation is related to an investment loan to the province of Limburg, to co-finance Duurzaam Thuis, a debt fund, established by the province of Limburg, which will on-lend to homeowners and tenants to implement energy efficiency and renewable energy measures in the residential sector.

Objectives

The purpose of this project is to make funding available to support housing stock energy-efficiency renovation in Limburg's region, in the Netherlands. These so-called sustainability loans aim to increase the sustainability of houses located in the province of Limburg having as target groups individual homeowners and tenants. The project objectives include, inter alia, the promotion of energy efficiency and renewable in residential buildings.

Proposed EIB finance (Approximate amount)

EUR 75 million

Total cost (Approximate amount)

EUR 150 million

ELENA EXAMPLE: LIMBURG SUSTAINABILITY LOANS FOR CITIZENS

Project Development Services

ELENA will be used to encourage more households to invest in energy efficiency improvements in their homes and to promote measures to reach an average of a B level rating. The new applications with higher energy efficiency components will require more work and personalised assistance both by internal staff and external experts.

Investment Programme

The Province is requesting ELENA to support the scaling up of an existing fund, which aims at providing homeowners and tenants with loans for PV panel installations and energy efficiency measures throughout the Province of Limburg. With the increased market development under ELENA, the Province is aiming at disbursing more loans with a higher energy efficiency focus.

ELENA Contribution: EUR 3.4 million

Investment (estimated): EUR 120 million

Leverage Factor: 35



EXAMPLE: ENERGY EFFICIENCY IN PUBLIC VENUES - GR

Description

The EIB will finance an integrated investment programme, launched by the Ministry of Environment & Energy and the Ministry of Economy & Development, aiming to improve energy efficiency in public buildings and other venues (e.g. schools, hospitals and sports facilities).

Objectives

The EIB financing consists in an intermediated multi-beneficiary framework loan to enable final beneficiaries to invest in activities related to building retrofitting. This includes, for example, the replacement of frames, insulation measures, replacement of obsolete heating and cooling equipment, installation of renewable energy and building management systems, as well as interventions aiming to the enhancement of the static integrity of the buildings when necessary.

Proposed EIB finance (Approximate amount)

EUR 375 million

Total cost (Approximate amount)

EUR 714 million

ELENA EXAMPLE: PROJECT DEVELOPMENT OF INTEGRATED EE RENOVATIONS

Project Development Services

The Ministry of Development and Investments intends to use ELENA to support primarily the implementation of ELECTRA programme, where the Hellenic Republic intends to invest over EUR 700 m in Energy Efficiency investments. The initial list of projects in the IP will be selected from a projects' pipeline which showed interest to apply for ELECTRA financing (first batch of projects) and through a call for expression of interest (second batch of projects).

Investment Programme

The IP consists of 3 schemes addressing the implementation of energy efficiency retrofits in public buildings (hospitals, health centres and administrative buildings), the installation of PV panels on those buildings and energy efficiency measures in the regional and municipal street lighting network.

ELENA Contribution: EUR 2.6 million

Investment (estimated): EUR 79 million

Leverage Factor: 31



INVESTEU ADVISORY HUB: ELECTRA PROGRAMME

Support provided

The Greek ministry requested the European Investment Advisory Hub's support to improve its ability to implement the Electra programme. This support included:

- An online tool was devised to process loan requests and organise the reporting of information between the Consignments, Deposits and Loans Fund (CDLF) and the Ministry.
- Comprehensive training sessions to make sure staff members use the tool to its full potential. By streamlining the project's flow and reporting tasks, the Hub's support helped to ensure the successful deployment of the financing and improved investments in energy efficiency.
- Improvement of the operating capacity for future initiatives of CDLF.

The initiative improves the effectiveness of EU funding by setting up financial instruments such as loans or guarantees, rather than grants. Greece will also provide €125 million from its public investments budget to help the programme, as well as €170 million from the Resilience and Recovery Fund. Careful structuring of the financial instruments helps to lower the financial risk of investments in the buildings sector.

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THANK YOU



European
Investment Bank