ELENA: Supporting investments in energy efficiency and innovative urban mobility

JASPERS Networking Platform workshop
Prague - October 2019
Outline

- What is ELENA?
- Who can benefit from ELENA?
- What type of investments does ELENA support?
- Eligible costs
- Application process
- Case studies
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
- Nearly EUR 160m awarded to projects supporting approx. EUR 5.9bn 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
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
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.

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

ELENA
## Eligible costs

<table>
<thead>
<tr>
<th>Internal staff</th>
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<tbody>
<tr>
<td>• Costs of personnel clearly assigned to the project</td>
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<tr>
<td>• Salaries, social security charges and other remuneration-related costs</td>
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<table>
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<tr>
<th>External experts</th>
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<tbody>
<tr>
<td>• Feasibility, design and market studies</td>
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<tr>
<td>• Structuring of programmes, business plans, energy audits</td>
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<tr>
<td>• Legal/financial advisory</td>
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<tr>
<td>• Preparing of tendering procedures</td>
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<tr>
<td>• Bundling of smaller projects to form bankable packages</td>
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</tbody>
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Application process

First contact: ELENA@EIB.ORG

PRE-APPLICATION (2-3 pages with basic information on the envisaged investment programme and technical assistance needs)

Initial check of eligibility

APPLICATION – final version

Refining the application in cooperation with the ELENA Team of EIB

APPLICATION – first version (usually around 30 pages template document covering the details of the planned investments, costs, expected energy savings and details of related TA needs)

Request for Approval to the European Commission (EC), if approved by EC

Preparation of the Funding Agreement and signing the contract

Start of project development services financed by ELENA
ELENA projects overview
ELENA projects overview

Projects: 85
- Western Europe: 40%
- Southern Europe: 26%
- Central Europe: 15%
- Northern Europe: 15%

ELENA contribution €150 million
- 44%
- 19%
- 17%
- 20%

ELENA investment €5.6 billion
- 45.4%
- 17%
- 19%
- 20%

Update: August 2019
ELENA projects overview

ELENA PROJECTS ARE DIVIDED INTO THREE ENVELOPES

- Energy efficiency projects: 44
- Transport projects: 6
- Sustainable residential: 5

ONGOING PROJECTS

Update: August 2019
Case study: Bordeaux Métropole Energies

- Beneficiary: Bordeaux Métropole Energies SEM, France
- Objective: Support to the local utility company to create a One-Stop Shop (OSS) for energy refurbishment of individual houses and apartment buildings in Bordeaux including financing offer
- Estimated investment programme cost: 38 MEUR
- ELENA support: 1.5 MEUR
- Start in June 2019

ELENA supports:
Set up project implementation unit: EE technicians, thermal engineer, architect, 3rd party financing specialist. External expertise when needed.
The team will:
- Carry out business development
- Realize an Energy Audit
- Prepare a commercial offer for refurbishment
- Accompany client during implementation and monitoring
Case study: Energy Efficiency Finance Facility for Residential Buildings in Poland

- Beneficiary: BNP Paribas Bank Polska SA
- Objective: support substantial investments in energy efficiency refurbishment in residential buildings in Poland
- Estimated investment programme cost: 78 MEUR
- ELENA support: 3.15 MEUR
- Start in April 2019

ELENA support:
- Set up of a global service package for homeowner associations such as
  - energy audits,
  - preparation of technical documentation and
  - specialized technical advice to the housing associations,
  - Financing through an BNP Paribas loan to home owners
Case study: Smart Central Bohemian Region (Smart CEBOREG)

- **Beneficiary:** Central Bohemian Region
- **Objective:** The CBR will perform a comprehensive renovation of around 170 public buildings, with the goal to increase operational efficiency, improve energy performance and reduce greenhouse gas emissions.
- **Estimated investment programme cost:** 62 MEUR
- **ELENA support:** 2.45 MEUR
- **Start in October 2019**

**ELENA support:**

- The CBR will contract external service providers to assess the energy savings potential of all the buildings and prepare all the required technical and financial documentation for the grand application and as well as for the preparation of the publication of the tenders for the implementation.
Thank you for your attention!

Further information:

www.eib.org/elena
More Information

For info or further questions on this presentation please contact the JASPERS Networking and Competence Centre:

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JASPERS Networking Platform:  www.jaspersnetwork.org

JASPERS Website:  jaspers.eib.org