

EIB SUPPORT TO INNOVATION FUND'S PROJECTS

DEVELOPMENT ASSISTANCE, IF PDA

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**SUSTAINABLE
ENERGY WEEK**

EXTENDED PROGRAMME

11-22 OCTOBER 2021

TOWARDS 2030: RESHAPING THE EUROPEAN ENERGY SYSTEM

#EUSEW2021

EIB Group climate goals for the critical decade

Climate Bank Roadmap



All financing aligned with Paris Agreement by the end of 2020



End support for traditional fossil fuels by end 2021



More than 50% of our financing goes to climate action and environmental sustainability by 2025



Support €1 trillion in investment for climate action and environmental sustainability by 2030



#Believe
InSmall

What does EIB do?

LENDING

- LOANS
- GUARANTEES
- HYBRID/MEZZANINE
- EQUITY

- PROJECT FINANCE
- CORPORATE LOANS
- FRAMEWORK LOANS
- EQUITY FUNDS

BLENDING

- CO-FINANCING
- FINANCIAL INSTRUMENTS WITH THE EC

- EFSI,
- INNOVFIN
- INVESTEU

ADVISING

- TECHNICAL
- FINANCIAL

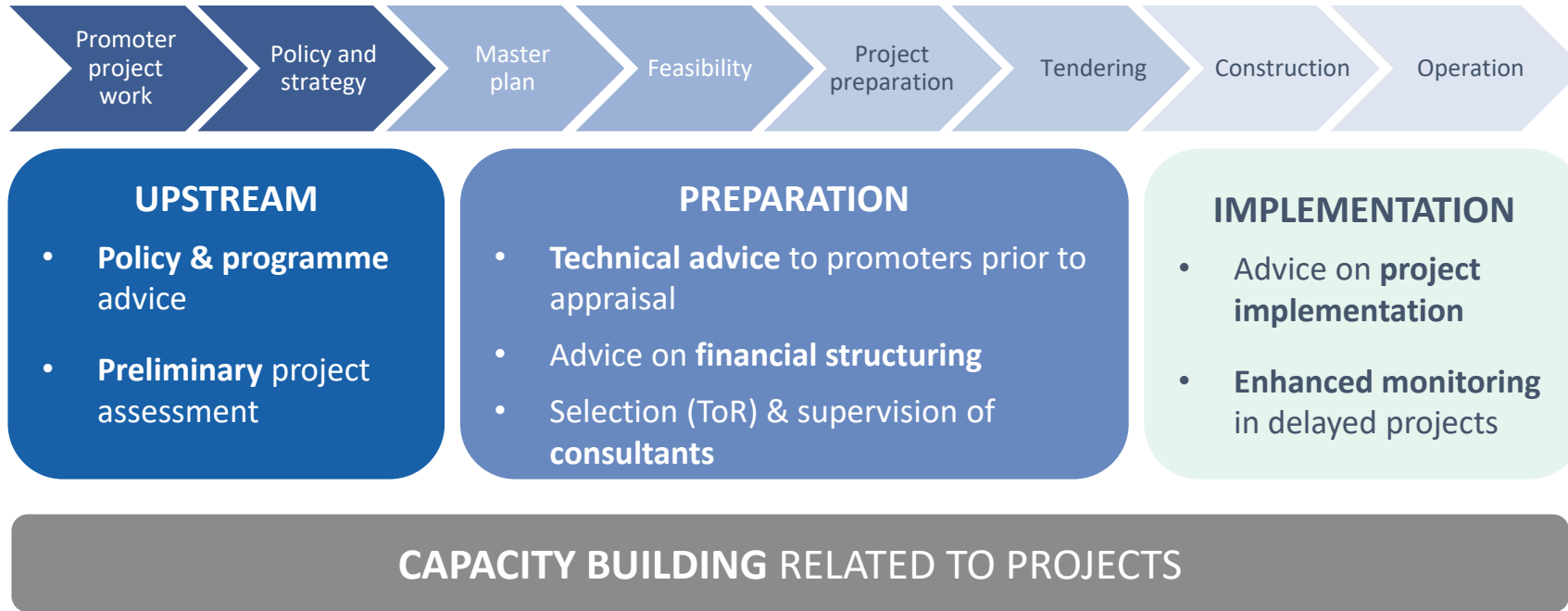
- EIAH
- ELENA
- JASPERS

WHAT DO WE NOT DO?

- GRANTS
- RE-FINANCING
- M&A

We can however manage or provide TA in relation to grants provided by the EC (e.g. Innovation Fund PDA)

EIB offers technical/financial advisory



TECHNICAL ASSISTANCE INITIATIVE:

- EIAH
- INNOVFIN EDP
- ELENA
- JASPERS

EIB role in the Innovation Fund Project Development Assistance

- The Innovation Fund includes a dedicated Project Development Assistance (PDA) to help to accelerate the structuring and financing of high quality projects
- Entrusted with the implementation of the PDA in accordance with Delegated Regulation (EU) 2019/856
- The PDA will be implemented by financial and technical experts of the EIB with support from external consultants

Potential IF PDA activities

Activities that may be funded:

- a) improvement and development of a project documentation, or of components of the project design with a view to ensuring the sufficient maturity of the project;
- b) assessment of the feasibility of the project, including technical and economic studies;
- c) advice on the financial and legal structure of the project;
- d) capacity building of the project proponent.

IF PDA – responsibilities

CINEA	<ul style="list-style-type: none">▶ Selects and submits to the EIB the projects that are eligible for PDA (<i>Eligible Projects</i>)▶ Indicates potential PDA
EIB	<ul style="list-style-type: none">▶ Screens Eligible Projects (<i>Shortlisted Projects</i>) based on their maturity and defines PDA service▶ Submits Shortlisted Projects to EC▶ Discusses and signs PDA agreements with Promoters of Selected Projects▶ Executes PDA and reports to EC
EC	Reviews and approves Shortlisted Projects (<i>Selected Projects</i>)

Main stages of the EIB PDA

- The PDA is designed as a two-step approach:
 1. **PDA Award Decision:** by the Commission based on preliminary EIB shortlist of the eligible projects.
 2. **PDA Execution:** Signature of PDA agreements and provision of advisory support to the beneficiaries

1) PDA Award






- Financial and/or technical experts of the EIB will:
 - review projects which were rejected by CINEA as not sufficiently mature for the grants.
 - base its review on the initial maturity assessment and gaps identified by the CINEA evaluation report.
- The EIB prepares shortlist of projects based on their possibility to improve their maturity through the provision of the PDA
- Shortlisted projects submitted to the EC for approval of the PDA award following consultation of Member States (MS)
- PDA award decision by the EC

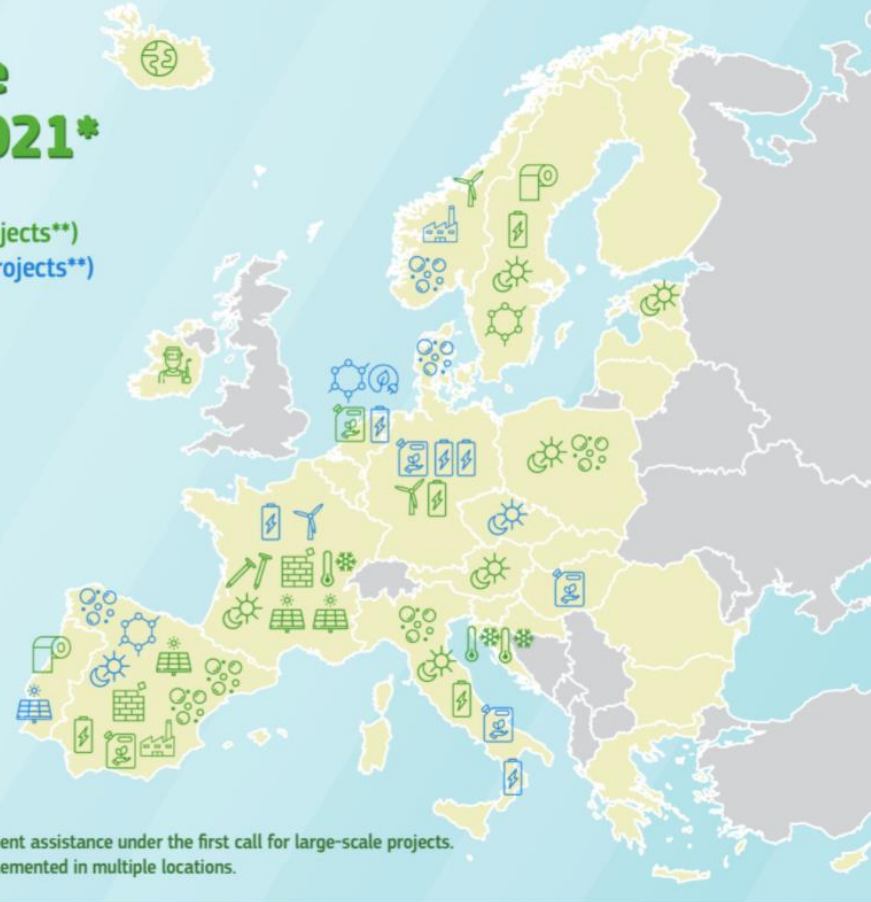
LSC-2020 – Selected Projects

Successful projects under the Innovation Fund as of July 2021*

Green: Small-scale projects invited for grant preparations (32 projects**)

Blue: projects proposed for project development assistance (15 projects**)

- | | |
|--|---|
|  Biofuels and biorefineries |  Other energy storage |
|  Chemicals |  Bio-electricity |
|  CO ₂ transport and storage |  Pulp and paper |
|  Hydrogen |  Refineries |
|  Intra-day electricity storage |  Renewable heating/cooling |
|  Iron and steel |  Solar energy |
|  Non-ferrous metals |  Wind energy |
|  Glass, ceramics and construction material | |



*Projects offered a grant under the first call for small-scale projects and project development assistance under the first call for large-scale projects.

**The number of symbols is higher than the number of projects, as some projects are implemented in multiple locations.

LSC-2020 – Selected Projects / sectors

Hydrogen: 3 projects

Biofuels, refineries and biorefineries: 3 projects

Intra-day electricity storage: 2 projects

Other energy storage: 3 projects

CO2 transport and storage: 1 project

Other sector(s): 3 projects

LSC-2020 – PDA scope examples

- ▶ Independent Technology Assessment incl. assessment of pilot project assessment
- ▶ Support on financial modelling
- ▶ Support on business model
- ▶ Support on strategy development
- ▶ Market studies
- ▶ Other

Initial experience

- ▶ PDA targets the gaps in the IF applications
- ▶ Some projects have limited potential to be improved by PDA
- ▶ For selected LSC projects PDA offers well received
- ▶ Smooth cooperation with project promoters
- ▶ Projects changes, since application, considered in final PDA scope