



Experiences of the EU CF under H2020

LIFE-2021-CET-EU CF Info Session 13 December 2021



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European Climate,
Infrastructure and
Environment
Executive Agency

Cities and municipalities – key driver for the energy transition

- Tremendous potential for building substantial pipeline of investment projects across Europe
- Key role in aggregating smaller projects into sizeable packages
- Capacity to mobilise significant amount of finance needed



Barriers for tapping full potential

- Missing capacity of public authorities to transform long-term strategies (e.g. SECAPs)
- Limited resources to access (financial and legal) expertise
- Lack of sufficiently mature “investment concepts” to enable access to financing



A City Facility to bridge the gap

Development ——— Implementation and Finance

LOCAL long-term
energy & climate
STRATEGIES
(SECAPs and
similar)

EUCF
(investment
concepts)

ESCOs, EPC

One-stop-
shops

ELENA –
PDA
Technical
Assistance

(or others)

Banks (incl. National
Promotional Banks)

Investment Funds

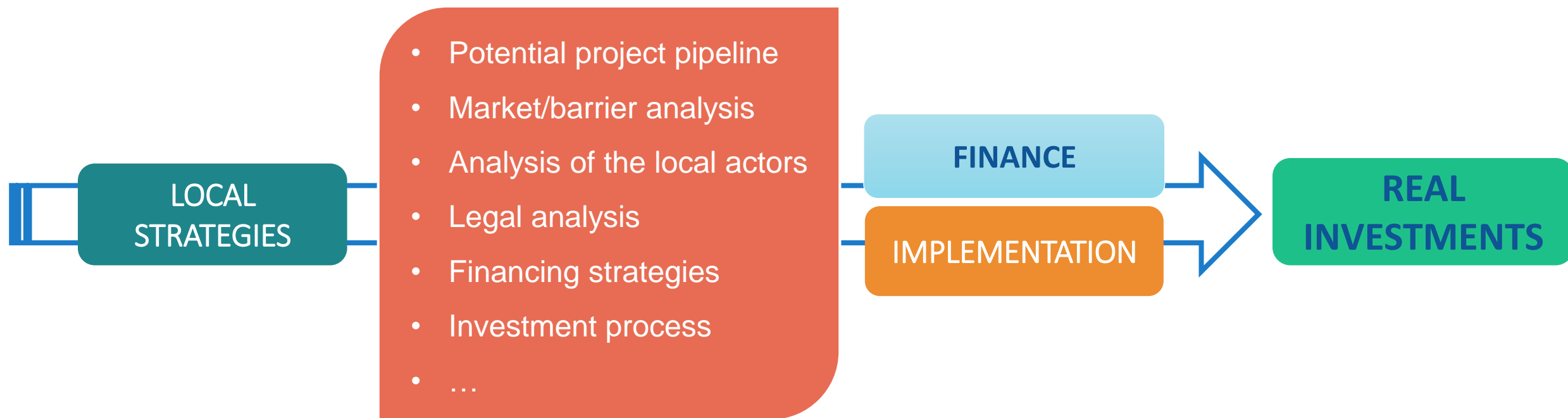
Financing Platforms

EU and other public
funds



Investment concepts

Prerequisite to access different funding sources and mobilise real investments



The current initiative under H2020

- H2020 “[European City Facility](#)” 2019-2024 (54 months)
- **Financial support**
 - Lump sums (60 000 EUR) to develop [investment concepts](#)
 - [Regular calls](#) for application
 - Quick and easy [application](#) and [evaluation](#) process
 - Efficient and sound [contracting](#) of selected cities/municipalities/groupings
- **Services**



Achievements so far

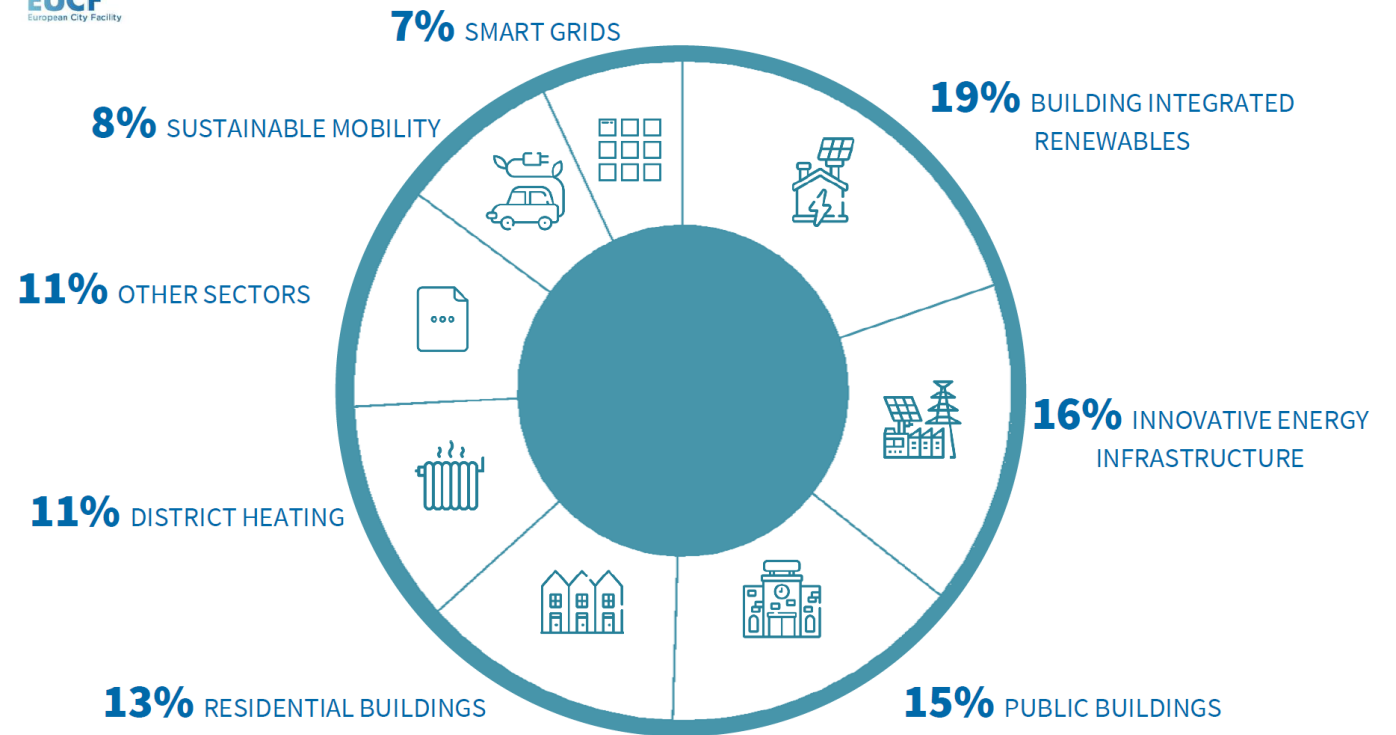
- Started in August 2019 – now halfway
- 2 calls closed, 1 call ongoing, 1 scheduled
- +470 applications from all EU countries, 99 applications selected and funded
- Significant investment sizes and energy savings expected
- Focus in the second half: development of investment concepts, implementation of investments.



Snapshots: the 1st call



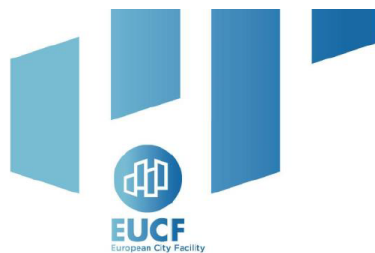
- 257 applications submitted
- 30 selected for funding



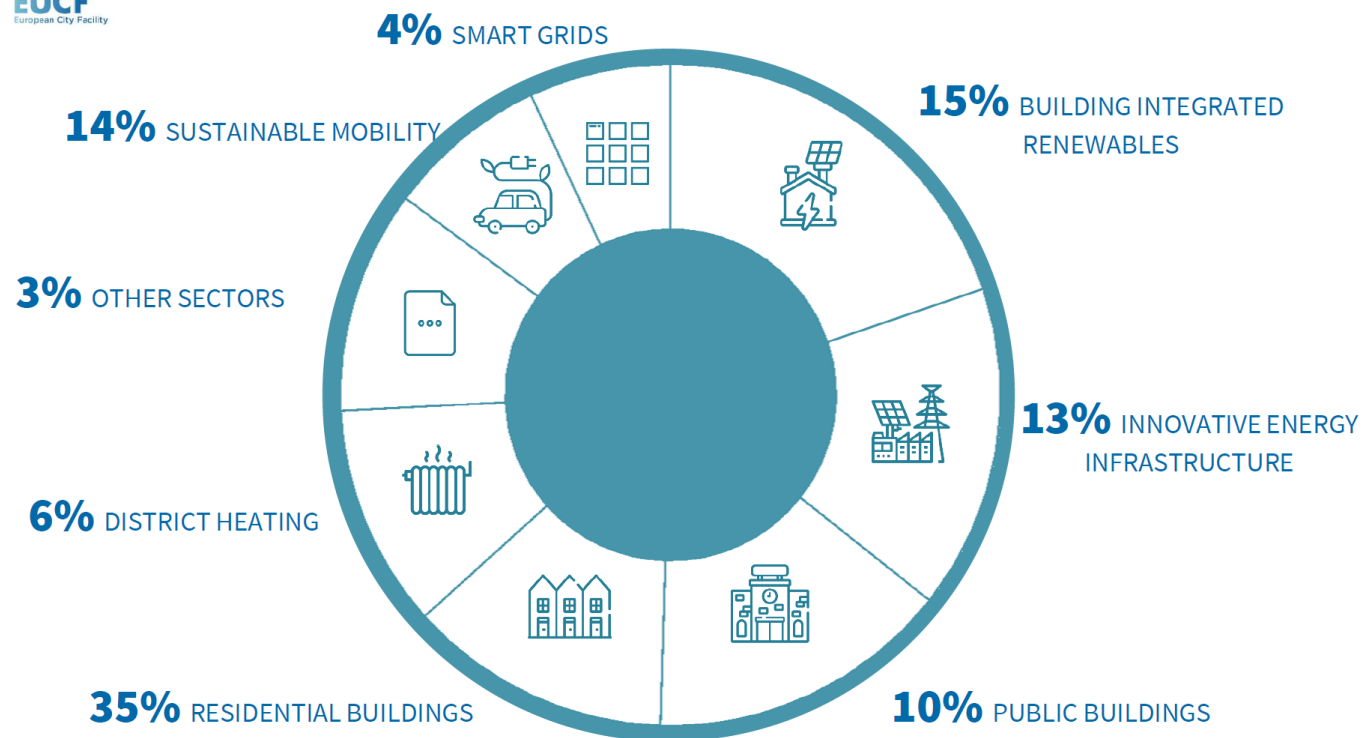
Courtesy of the EUCF consortium www.eucityfacility.eu



Snapshots: the 2nd call



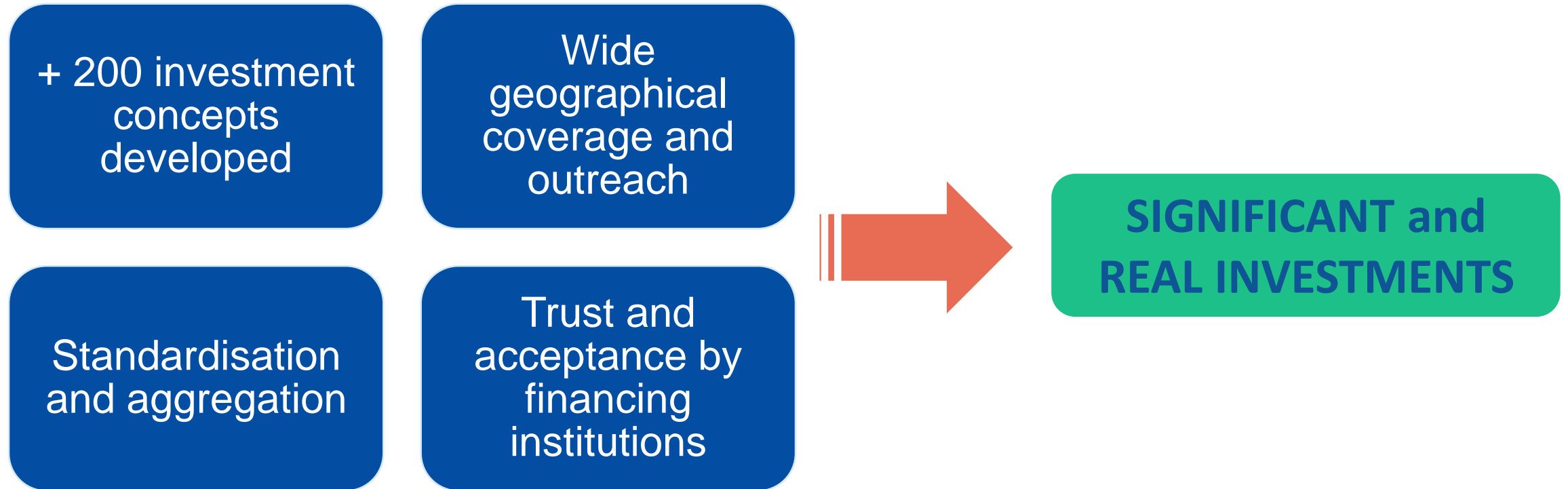
- 221 applications submitted
- 69 selected for funding



Courtesy of the EUCF consortium www.eucityfacility.eu



Overall objectives



Call - LIFE-2021-CET-EUCF – European City Facility



Call details and FAQ: [LIFE-2021-CET-EUCF – European City Facility](#)



Budget: ≤ EUR 16 million (EU contribution)



Deadline: 3 March 2022



General questions: CINEA-LIFE-CET@ec.europa.eu



Thank you very much!



https://cinea.ec.europa.eu/life/clean-energy-transition_en/



[@CleanEnergy_EU, @LIFEprogramme](#)



[European Climate, Infrastructure and Environment Executive Agency](#)



[LIFE youtube channel](#)



LIFE-2021-CET-EUCF

European City Facility

Info Session - 13 December 2021

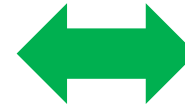


European Climate,
Infrastructure and
Environment
Executive Agency

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Objective

- Need for **significantly enhanced investments**
- **Sustainable energy** and, in particular, **energy efficiency**
- Focus on **private finance**



EU climate & energy
targets 2030 & 2050

Climate Target Plan

European Green Deal

Renovation Wave

European City Facility under LIFE CET

Cities and Municipalities

- Pipeline creation
- Aggregation
- Finance mobilization
- Capacity to transform long-term strategies in financial terms
- Financial, technical and legal expertise
- Mature “investment concepts”



Scope – EUCF under LIFE

European City Facility (EUCF) under LIFE CET

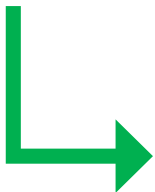
- ✓ Taking into account experiences regarding Horizon 2020 EUCF:
www.eucityfacility.eu
- ✓ Envisaging appropriate follow-up / upscale of fundamental approach(es)



Scope – LIFE EUCF focus

Development of investment concepts by European cities/municipalities:

- Within **limited period of time**
- Covering:
 - ✓ Clear identification of **potential project pipeline**
 - ✓ **Legal analysis**
 - ✓ **Governance analysis**
 - ✓ **Finance strategy**
 - ✓ Design of **investment process/roadmap**
- For **sustainable energy investments**, with dedicated focus on **energy efficiency**



Investment mobilisation

- Direct approach of investors and/or financiers
- Combination/blending with other EU financing streams and services

Scope – LIFE EUCF pillars

1. Financial support to European cities/municipalities

- **Financial support to third parties** (grants including ‘lump sums’)
- Development of **investment concepts**
- Max. **EUR 60,000** per third party
- Around **70-75% of the budget**
- Clear specification/listing of:
 - ✓ **Reasons for need** of financial support to third parties
 - ✓ **Management** of financial support to third parties
 - ✓ Different **types of activities** covered
 - ✓ **Results** to be obtained
- **Conformity with EU standards:**
 - ✓ Transparency
 - ✓ Equal treatment
 - ✓ Conflict of interest
 - ✓ Confidentiality



Scope – LIFE EUCF pillars (cont.)

2. Services to cities/municipalities at the national/regional level

- Application phase
- Investment concept development phase
- Investment implementation phase

3. Replication & best practice exchange among cities/municipalities

- Enabling **uptake** and **efficient operationalization** of fundamental approaches of scheme **at the national/regional level**

4. Framework for monitoring, analysis and capitalization of results

- **Leverage factor** by EUCF financial support regarding envisaged investment concepts
- Related **source(s) of funding**



Scope – Consortium / ‘Intermediary Managing Entity’

- **Profound understanding of strategic nature of initiative**, e.g. challenges of:
 - ✓ **Upscaling finance** for sustainable energy investments
 - ✓ **Mobilising private financing** sources
- **Deep rooting** in:
 - ✓ Municipal **sustainable energy/climate planning**
 - ✓ **Financial engineering** of sustainable energy, in particular energy efficiency investments
- **Sound, inclusive outreach strategy** to cities/municipalities across Europe
- **Capacity/ability** to:
 - ✓ Mobilise **critical mass of cities/municipalities** (or groupings)
 - ✓ Run **large-scale financial support scheme** in accordance with LIFE CET standards
 - ✓ **Select most cost-efficient and appropriate applications**



(taking into account, inter alia, the scale of the potential investment and energy savings, as well as the number of inhabitants covered in the specific context targeted)



Scope – City/municipality applications

- **Proof of political commitment**
- **Clarification of existing planning processes and resources**
- **Ambitious scale of potential investment(s) and level of energy savings**
in the specific context targeted based on politically approved SECAPs or plans of similar ambition
- **Investment sectors targeted**
- **Type of financial solutions envisaged**
- **Governance to develop investment concept**
- **Convincing plan on the engagement of key stakeholders**
in the relevant (technical and financial) segments (including citizens)
- **Plan for long-term capacity building within the public administration**
- **Commitment for monitoring for 2 years**



Expected impact

Quantified indicators and targets, wherever possible

- ✓ Increased **leveraging of (private) finance**:
 - Into **sustainable energy** and, in particular, **energy efficiency investments**
 - By **public authorities**
 - **Well-demonstrated** and **documented**
- ✓ Number of **investment concepts**
(overall and transformed into ambitious tangible investments)
- ✓ **Investments** in sustainable energy triggered *(cumulative, in million Euro)*
- ✓ **Primary energy savings / renewable energy generation** triggered *(in GWh/year)*
- ✓ **Public authority staff with increased capacity** for developing investible sustainable energy and, in particular, energy efficiency projects
 - ✓ **Uptake by potential replicators** on the national/regional level
 - ✓ Reduction of **GHG emissions** *(in tCO_{2e}/year)*



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