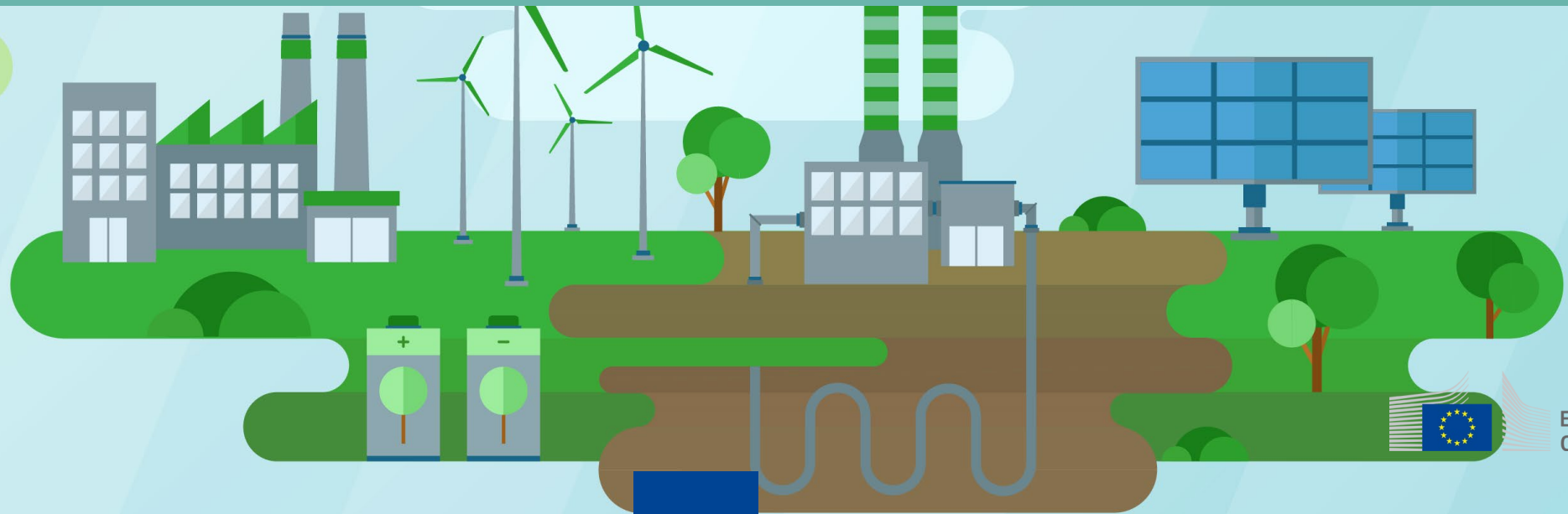




EIB support to Innovation Fund Project Development Assistance, IF PDA

Dr. Zoran Stanic, Head of IF Unit, EIB
Innovation Fund Info Day webinar for the Small-scale call 2022
20 April 2023



EIB at a glance



Largest multilateral lender and borrower in the world

Leading provider of climate finance

Governed by the EU Member States

Over **€1.5 trillion** invested since 1958

- More than **14,400 projects** in over **160 countries**
- Crowding-in bank: **€ 4.9 trillion** overall investment mobilised
- Lending ca. 65bn EUR in 2022

Headquartered in Luxembourg

- Around **3,800 staff**: In addition to finance professionals, we have engineers, economists and socio-environmental experts
- **54 offices** around the world

EIB role in the Innovation Fund Project Development Assistance

- The Innovation Fund includes a dedicated **Project Development Assistance (PDA)** to improve the “maturity” of projects for subsequent applications

“**Maturity**” refers to selection criterion C in Article 11 of the Delegated Regulation of the Innovation Fund: *“Project maturity in terms of planning, business model, financial and legal structure as well as project of reaching the financial close within a predefined period of time not exceeding four years after the award decision”*

- According to Art. 13, the following activities may be funded by way of PDA:
 - (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
- The EIB has been entrusted by the Commission with the implementation of the PDA task in accordance with Article 18(1)(c) of Delegated Regulation (EU) 2019/856
- The PDA will be implemented by financial and technical experts of the EIB with support from external consultants

Criteria for projects to be considered for PDA support

Project development assistance support (PDA)

Out of the proposals that do not score above the threshold for funding, those proposals are considered for project development assistance that:

- *reach at least the **minimum threshold** for ‘GHG emission avoidance’, ‘Degree of innovation’, ‘Scalability’ and ‘Cost efficiency’*
- *are awarded at least **50%** of total points under the ‘Project maturity’ criterion, and*
- *are considered by the evaluators as **having the potential for improving their maturity through specific project development assistance***

PDA process

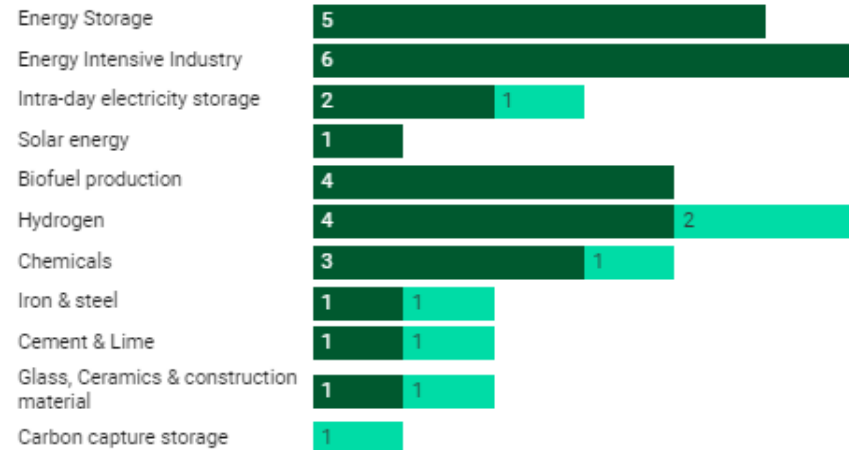


*Budget
Time, Quality*

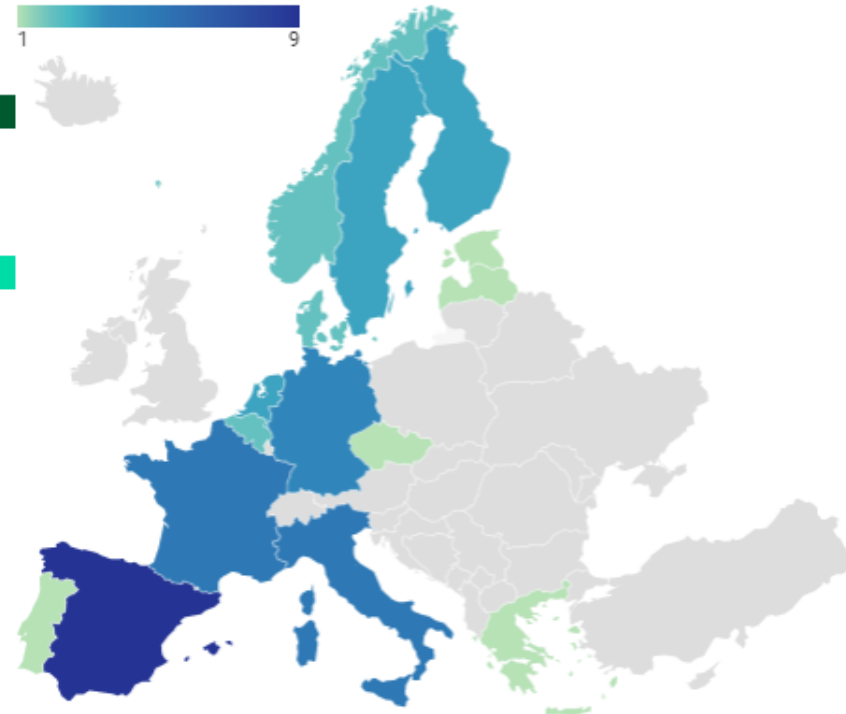
Overview of awarded PDA projects

Number of projects that received project development assistance

■ Large-scale ■ Small-scale

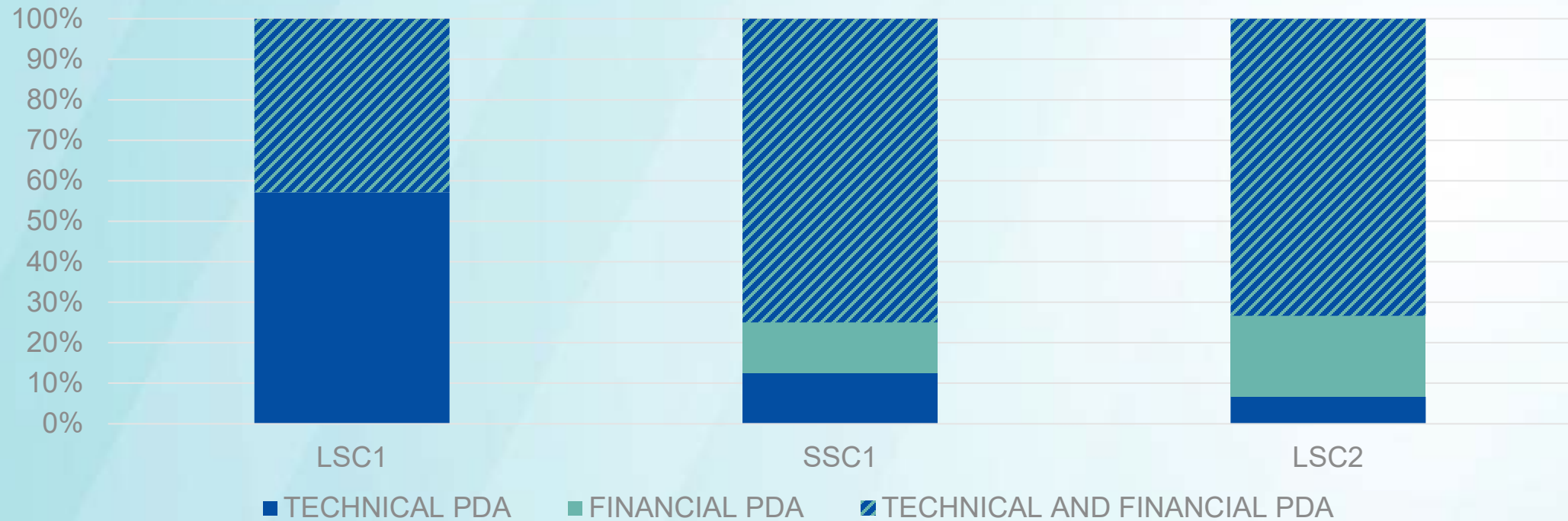


Our project development assistance across the European Union



Overview of PDA scope for IF cycles

Share of PDA activities addressing technical and/or financial maturity



PDA examples from IF cycles

Independent reviews

- Technology assessment: Verification of key technical parameters of the project
- CAPEX & OPEX review
- Market analysis review
- Pilot project review and scale-up risk assessment

Additional studies

- Business case modelling
- Market research
- Life cycle assessment (LCA)

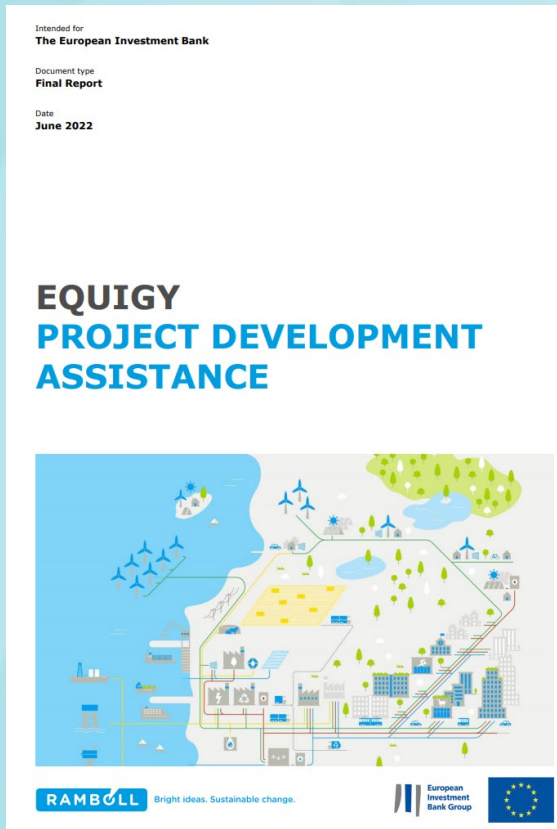
Financial modelling

- Review of the existing financial model
- Development of a bank-standard financial model

Other Financial Advisory

- Business plan assessment
- Corporate strategy guidance
- Advice on fundraising strategy
- Support with equity pitch documentation

PDA examples: Market study for project EQUIGY CBP



The project: European crowd balancing platform to allow aggregators to participate in the electricity balancing markets with smaller Distributed Energy Resources (DER), e.g. home batteries, electric vehicles, etc.

Market study

- Assessment of relevant DER
- Analysis of European balancing markets incl. outlook and barriers to entry (interviews with stakeholders)
- Aggregator business mapping
- Assessment of the platform

<https://equigy.com/wp-content/uploads/2022/11/Ramboll-for-publication.pdf>

Success stories: CO2ncrEAT and HyPUSH

CO2ncrEAT

Production of a **green building product** such as masonry blocks **by reusing CO₂** from industrial exhaust gases **and wasted by-products** with carbonating properties from the steel industry

Location	Belgium
Category	Carbon capture utilisation (CCU) & Carbon capture and storage (CCS) technology

HyPUSH

Implementation and operation of a green **hydrogen-powered vessel (freight transport)** combining **lythium battery and hydrogen fuel cells**

Location	France
Category	Substitute products

Awarded IF grant under IF SSC2



More information on IF PDA projects on EIB IF PDA webpage:

<https://www.eib.org/en/products/mandates-partnerships/innovation-fund/index.htm>

Key highlights

- The purpose of PDA is to **increase the project's maturity** based on specific recommendations with **limited time and budget**
- Projects receiving PDA support **can reapply to subsequent IF calls**
- Projects can receive **technical and/or financial** PDA support
- Overall responsibility for project development remains with the promoter

