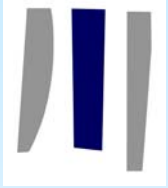


ELENA TECHNICAL ASSISTANCE

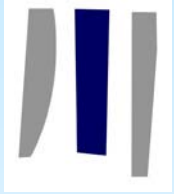
European Investment Bank (EIB)



Contents

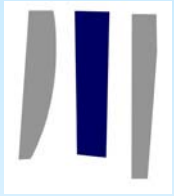
- Introduction
- ELENA eligibility and selection criteria
- How to submit an application to ELENA





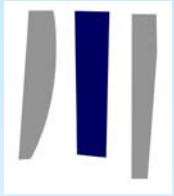
INTRODUCTION





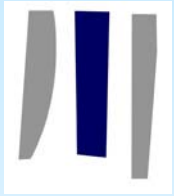
1.1 Energy and climate change in cities

- Urban areas account for about 70 percent of energy consumption and CO₂ emissions in the EU.
- There is substantial potential for investments in energy efficiency (EE) and renewable energy (RE) in cities.
- Some pioneering cities in the EU have launched major investment programmes in these areas, primarily in buildings involving partnerships with Energy Service Companies (ESCOs).



1.2 Building blocks of an EE/RE investment programme in cities

1. Achieve a large scale:
 - Group together small projects and develop a standard approach
 - Attract investor attention
2. Programme implementation unit
 - Support for project preparation: ELENA facility
3. Access to competitive financing
 - Efficient use of grants: combine grants with loans
 - The EIB can provide financing.



1.3 General objectives of ELENA

- ❖ Assist in the transition from preparing action plans to making investments (usually higher than 50 MEUR)
- ❖ Support for programmes that can be replicated in other regions or cities
- ❖ Extend the use of innovative techniques and approaches
- ❖ Current budget of the Elena facility is 15 MEUR annually



1.4 European Local Energy Assistance -- ELENA

ELENA

Technical Assistance

Support for
local or regional entities:

- Additional personnel
- Technical studies
- Preparation of calls for tender
- Financial structuring

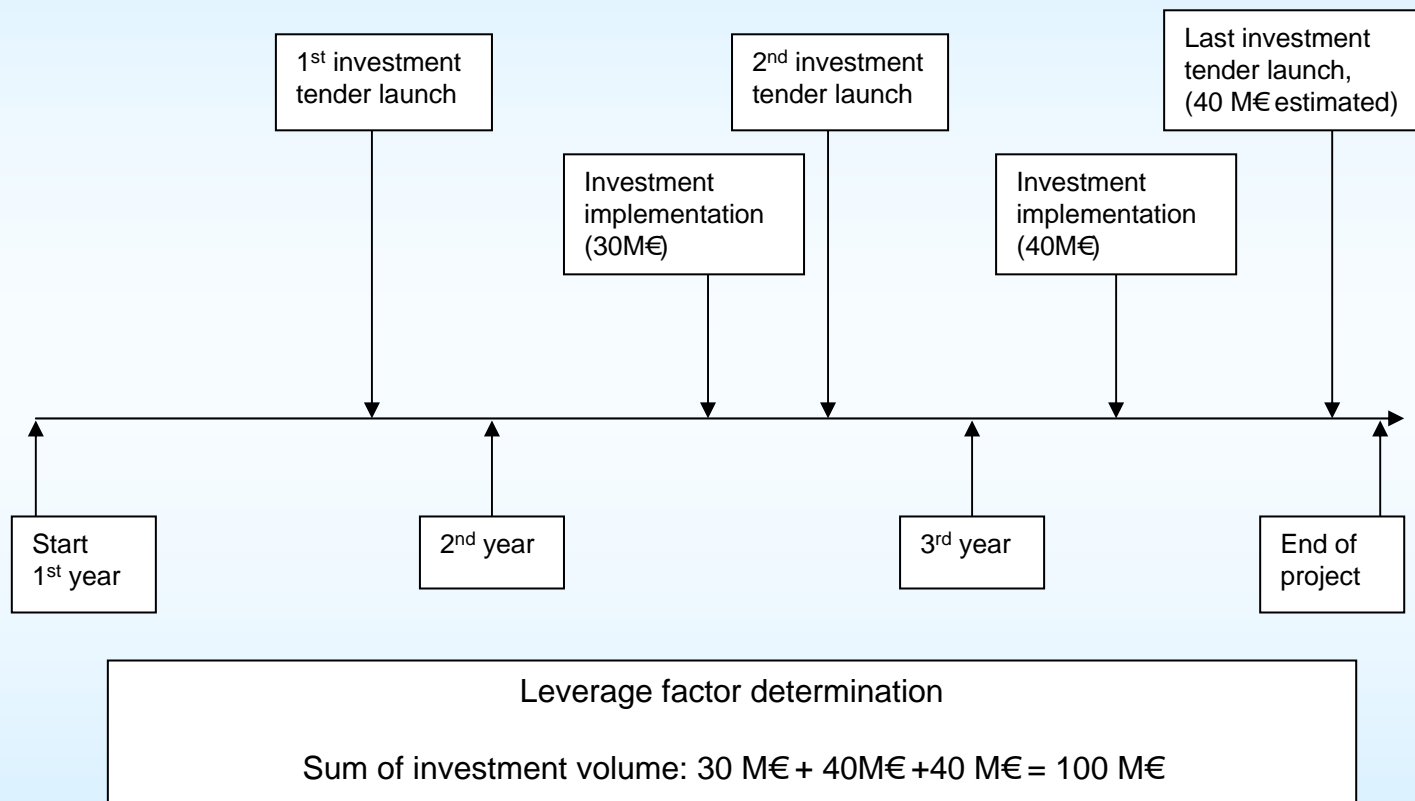
INVESTMENT PROGRAMME

EE and RE in public and private buildings, public lighting and traffic light network, photovoltaics, heating/cooling systems;

Efficient urban transport, high-efficiency buses, electrically powered cars, logistical improvements;

Local energy facilities that support EE and RE, smart grids, infrastructure for recharging electrically powered cars, information and communications technologies, etc.

1.5 Determination of investment costs



Example of project planning stages*

Maturity of project development

Basic calculations
needs, objectives, outline etc.

Initial planning
first design, tech. principles, cost estimations

Draft plans
draft for design and plans, cost calculations etc.

Approval plans
for permits etc.

Execution plans
detailed design, plans etc.

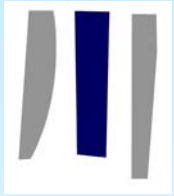
Preparation of placing
elaboration of tender documents etc.

Assistance during placing period
evaluation of offers, negotiation etc.

Supervision of building work

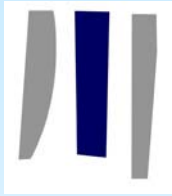
Supervision of project and documentation

* based on the German fee structure for architects and engineers



1.6 Example of EE in municipal buildings

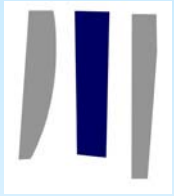
- ❖ **Provincial** support structure
- ❖ Objective:
Assistance for small or medium-sized municipalities in carrying out projects
- ❖ Preparatory activities:
Identifying buildings with potential for EE improvement through simplified energy audits
- ❖ Support required from ELENA
 - ❖ Setting up a support unit
 - ❖ Selection of procedure for implementation of investments, normally via ESCOs, building lots
 - ❖ Preparation of calls for tender and negotiations with bidders



1.7 Example of photovoltaic facilities in municipal buildings



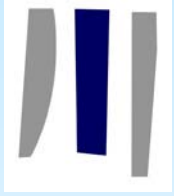
- ❖ **Regional** support structure
Objective: provide assistance to small/medium-sized municipalities in developing projects
- ❖ Preparatory activities: identifying roofs for photovoltaic facilities
- ❖ Support required from ELENA:
 - ❖ Setting up a support unit
 - ❖ Selection of procedure for implementation of investments, normally via private firms
 - ❖ Preparation of calls for tender and negotiations with bidders



1.8 Example of hybrid buses

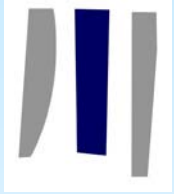


- ❖ Beneficiary: City
- ❖ Objective: replacing public buses with more energy efficient ones
- ❖ Preparatory activities: identifying replacement needs and type of buses
- ❖ Support required from ELENA:
 - ❖ Additional analyses, in particular of operational risks associated with hybrid buses
 - ❖ Selection of procedure implementation of investments
 - ❖ Preparation of calls for tender and negotiations with bidders

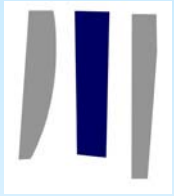


1.9 Example of infrastructure for recharging electrically powered vehicles

- ❖ City
- ❖ Preparatory activities: market survey and feasibility study
- ❖ Support required from ELENA:
 - ❖ Setting up an implementation unit
 - ❖ Detailed research
 - ❖ Selection of procedure for implementation of investments
 - ❖ Preparation of calls for tender and negotiations with bidders

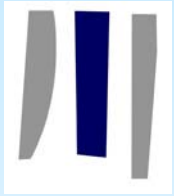


ELENA eligibility and selection criteria



2.1 Eligible entities

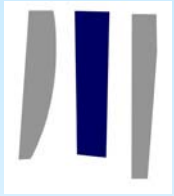
- ❖ Assistance granted on a first-come first served basis
- ❖ ELENA beneficiaries: local and regional authorities or other public entities, or groupings of such entities, including those subscribing to the Covenant of Mayors
- ❖ Eligible countries: EU, Norway, Iceland, Liechtenstein and Croatia
- ❖ All or part of the investment programme may be implemented by bodies other than the abovementioned entities, including private firms



2.2 Eligible investments: buildings

- ❖ Public and private buildings, including social housing
- ❖ Street lighting and traffic light systems
- ❖ RE in buildings
- ❖ Heating or cooling systems based on combined heat and power (CHP) production or renewables
- ❖ Small CHP systems for buildings



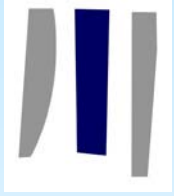


2.3 Eligible investments: transport

Increase EE or integrate RE in urban transport:

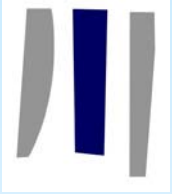
- High-EE buses, including hybrids
- Electrically powered or low-carbon-emission cars, including infrastructures to facilitate their introduction
- More energy efficient designs for goods transport logistics in urban areas





2.4. Eligible investments in infrastructure to improve EE or use RE

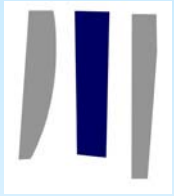
- Smart power grids
- Information and communications technologies
- Energy efficient urban infrastructure
- Inter modal transport
- Infrastructure for more energy efficient vehicles



2.5 Non-eligible investments

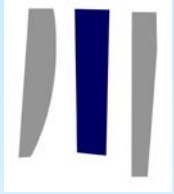


- ❖ Investments connected with industry, reductions of greenhouse gas emissions due to industrial relocation



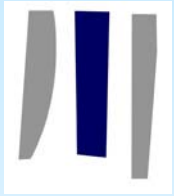
2.6 Selection criteria

- ❖ Eligibility of the beneficiary
- ❖ Eligibility of the investment programme
- ❖ Potential bankability of the investment programme
- ❖ Financial and technical capacity to implement an investment programme
- ❖ Contribution to the EU's "20-20-20" goals
- ❖ Leverage (**minimum 25**)
- ❖ Value added for the EU, in terms of EU policies, in particular energy policies
- ❖ Use of state of the art technologies



Selection criteria

- EU cohesion policy
- Needs of local authorities and impacts on local development, including on SMEs
- Contribution to dissemination of best practices or emerging technologies on the EU market
- Verification that ELENA is not used for investment programs that can be more effectively supported by other EU funds. Otherwise, the applicant must prove that the use of ELENA is the most appropriate course of action
- No other EU assistance is available for the same beneficiary and the same purpose



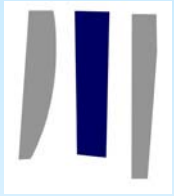
2.7 Eligible activities

The prior identification of an investment programme is a prerequisite for submission of an ELENA application

ELENA can finance the following costs:

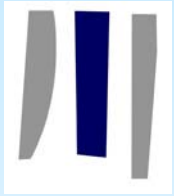
- Cost of additional personnel hired by beneficiary
- Market surveys and feasibility studies
- Energy audits
- Preparation of public calls for tender and contracts
- Other TA, excluding physical investments (hardware).

Covers a maximum of 90 percent of the cost of TA

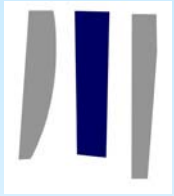


2.8 Selection of TA providers

- ❖ Providers may be selected by the beneficiary or by the EIB
- ❖ The EIB will verify that the following requirements have been met:
 - ❖ Compliance with public procurement regulations
 - ❖ Financial governance
 - ❖ Nondiscriminatory treatment
 - ❖ No conflict of interest
 - ❖ Compliance with internationally accepted standards

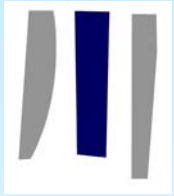


How to submit an application to ELENA



Getting in touch with the EIB

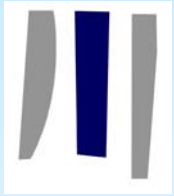
- ❖ By fax, letter, or e-mail (the preferred way is through e-mail to elena@eib.org)
- ❖ In English or French, working languages of the EIB
- ❖ Information on ELENA on our website (www.eib.org/elena):
 - ❖ ELENA Brochure
 - ❖ FAQ
 - ❖ Application Form



3.2 Application procedure

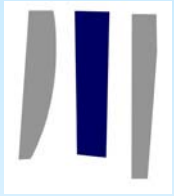
Two-step process:

- ❖ Preliminary application
- ❖ Application



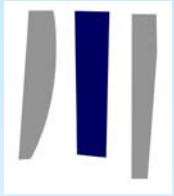
3.3 Application procedure

- Preliminary application
 - Informal
 - Required information:
 - Brief description of planned investment programme + implementation approach
 - Expected investment cost + development schedule
 - Amount, scope and main needs for technical assistance
- If positive assessment, preparation of the official application



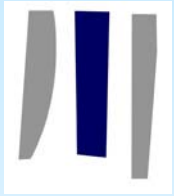
ELENA application form

- Content of ELENA application form:
 - Applicant's identification
 - Applicant's situation
 - Presentation of the Investment Programme
 - Description of work programme for Project Development Service / Technical Assistance
 - Overview table: Milestones presentation for measuring leverage factor
 - Estimated cost and funding
 - Declaration of the applicant



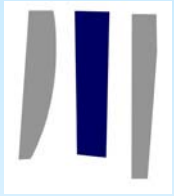
3.5 Procedure for submitting application

- ❖ Reception of application by EIB
- ❖ Possible requests by EIB for additional information's
- ❖ Proposal assessment by EIB
- ❖ Approval request to European Commission
- ❖ If approved by EC: start of contract negotiation with applicant
- ❖ Signature of funding agreement by EIB and beneficiary
- ❖ Start of project development service / technical assistance



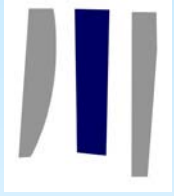
3.6 Characteristics of the ELENA contract

- Duration: 3 years maximum
- Annexes:
 - Description work programme for Project Development Service and planned Investment Programme including milestones for measuring leverage factor
 - Estimated budget
 - Reporting requirements
- Intended grant disbursement schedule:
 - 40% at start
 - 30% after validation of interim report
 - 30% after validation of final report



3.7 Information requirements

- ❖ Progress reports: every 6 months
- ❖ Interim report (generally after 18 months)
 - ❖ TA and investment programme
- ❖ Final report (normally 1 month after completion)
 - ❖ Covers the entire period
 - ❖ Proof that leverage is achieved
- ❖ Pre-approval for contracts costing more than € 200,000 and contracts entailing costs below this amount in certain cases



For more information

<http://www.eib.org/elena>

elena@eib.org