

Financing smart cities investments

EIP Smart Cities and Communities Marketplace
June 20th, 2017



Added value of the European Energy Efficiency Fund

If you are a

Public Entity

- ...alike to City of Venlo (Netherlands), CHAP Social Housing Association (UK)

Private company liaising with a public entity

- ...alike to Manutencop (Italy), Enertika (Spain), Bolloré (France), EDF Group (France), Johnson Controls (Germany)

Financial Institution financing the above

- ...alike to Banca Transilvania (Romania)

Developing a project of

Renewable Energy

- As we have done with: City of Orléans (France), City of Rennes (France), CHAP Social Housing Ass. (UK)

Energy Efficiency

- As we have done with: City of Venlo (Netherlands), Region Rhône Alpes (France), Sant'Orsola Hospital (Italy), Universidad Politecnica de Madrid (Spain), Banca Transilvania (Romania), Jewish Museum of Berlin (Germany), Munich University (Germany), CHAP Social Housing Ass. (UK)

Clean Urban Transport

- As we have done with: Bolloré – Paris, Lyon, Bordeaux (France)

With these features

Avoiding **CO₂e emissions** at least for **20%** of the baseline

Looking for **funding** in a (flexible) range between **5 and 25 €m**

In one of the **28 EU countries**

eeef can support your project providing

Tailor made funding

Debt

- e.g. City of Venlo (Netherlands), Bolloré (France), Region Rhône-Alpes (France), CHAP Social Housing Ass. (UK), Sant'Orsola Hospital (Italy)

Equity

- e.g. City of Rennes (France), City of Orléans (France)

Mezzanine

- e.g. Banca Transilvania (Romania)

Forfeiting structures

- e.g. Universidad Politecnica (Spain)

Technical Assistance



eeef founder investors

Smart cities: challenges and enablers from an investor perspective

Blocking factors demand-wise

Demand is still scarce and fragmented

Long public procurement processes, subject to several uncertainties

Funding considered as the last step

Enablers

Incentivize and aggregate

Learning by sharing and standardization

Involve possible investors and funding resources from the concept phase

- Make available **project facilitators**
 - Introducing public communities to what smart cities are in practice and creating consensus
 - Increasing economic and financial appeal of smart city measures
 - Assisting cities to go through the development and tender processes
- In general specialized funding comes for **multimillion investment size**, this frequently implies **pooling several technical measures and/or public entities**
- Promote an **open discussion among cities** to share experiences, best practices and challenges to avoid mistakes, which results in project success
- **Political support**, firm and stable over the project development and implementation timeframe
- Adopt **standard protocols** for measurement and verification, contractual basis and qualifying contractors
- **Funding is key for ideas to become reality**
- Certain requirements need **to be addressed together with the project scope** and before structuring any call for tender and concession documentation (e.g. minimum investment size, blending options, financial maturity function of implemented measures)

New Technical Assistance facility for a higher success rate of projects

EEEF coordination & monitoring activities and bankability-oriented TA enhance the implementation rate of projects

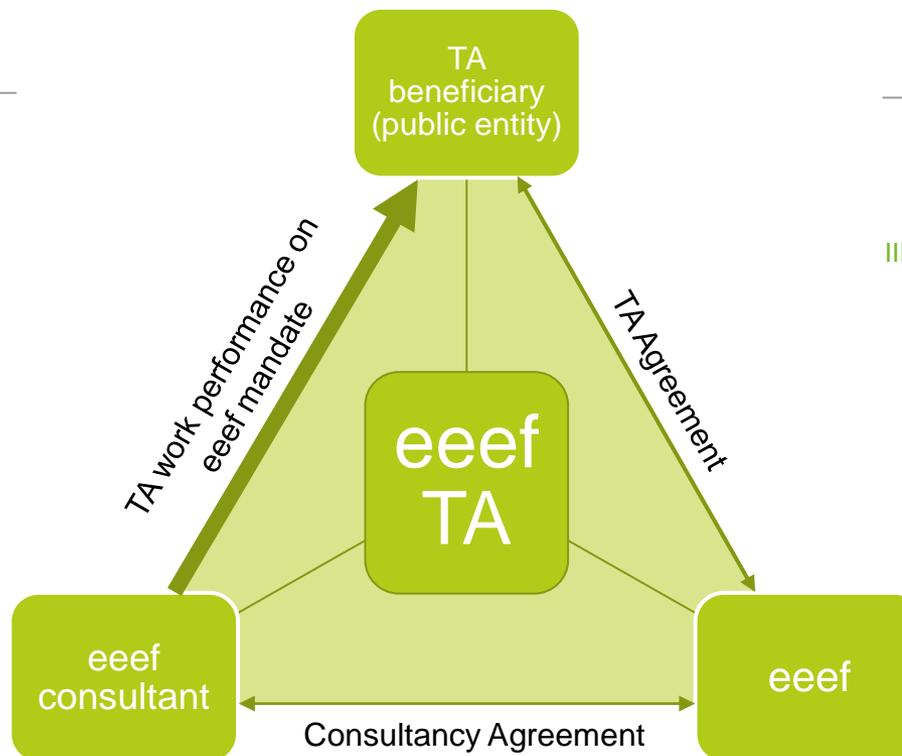
TA boundaries

All activities necessary to prepare investments - feasibility studies, energy audits, assessment of economic viability of investments, legal support etc.

No reimbursement required if the agreed conditions are met e.g. timeframe, leverage factor, eeef (co-)funding

Background experience

COM TA: **16 TA projects** in **8 countries**, a total project volume of **€155m facilitated**



How TA works

- I. eeef selected consultants
- II. eeef to match consultant with municipality
- III. Joint definition of project scope
- IV. Progresses monthly monitored by eeef
- V. Bankability built all along the development process. eeef participating to project funding otherwise reimbursement of costs

Current status: selected municipalities of Gijón (Spain) and Ferrara (Italy).

Further funding available

How to apply as beneficiary

Remaining funding available on a first-come-first-serve basis

Application to submit to technical_assistance@eeef.eu

All info at <http://www.eeef.eu/eeef-ta-facility.html>

Contacts



European Energy Efficiency Fund (eeef)

Lada Strelnikova

+49 (69) 910 46444

lada.strelnikova@db.com

Iñigo Prior

+49 (69) 910 48603

inigo.prior@db.com

Paola Rusconi

+49 (69) 910 84768

paola.rusconi@db.com

Zarpana Signor

+49 (69) 910 49858

zarpana.signor@db.com

www.eeef.eu

© Copyright 2017. European Energy Efficiency Fund, SICAV-SIF, 31 Z.A. Bourmicht, L-8070 Bertrange, Luxembourg. All rights reserved.

This presentation (the 'Document') has been prepared by European Energy Efficiency Fund, SICAV-SIF ('European Energy Efficiency Fund') exclusively for the benefit and internal use of the potential client ('Client') in order to indicate, on a preliminary basis, the feasibility of a possible transaction or transactions. The Document may only be used for these purposes. The Client is not permitted to duplicate the information provided in this Document and to communicate the received information of this Document to any third party without the prior written consent of European Energy Efficiency Fund.

The Document is incomplete without reference to, and should be viewed solely in conjunction with, the oral briefing provided by European Energy Efficiency Fund. The Document is neither intended to serve as legal or tax advice nor should it replace it.

The information in the Document reflects prevailing conditions and European Energy Efficiency Fund's views as of this date, all of which are subject to change.

Neither the European Energy Efficiency Fund nor their directors, officers, agents or employees, customers or professional advisers make any representation, warranty or undertaking, express or implied, as to the accuracy, reliability, completeness or reasonableness of the Document. The aforementioned persons will be under no duty to provide access to any additional information or to update or correct (if required) any Information. Accordingly, neither the European Energy Efficiency Fund nor the aforementioned persons will be liable for the accuracy, reliability, completeness or reasonableness of the Document.

