



EIB Financing of Renewable Energy

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European Investment Bank

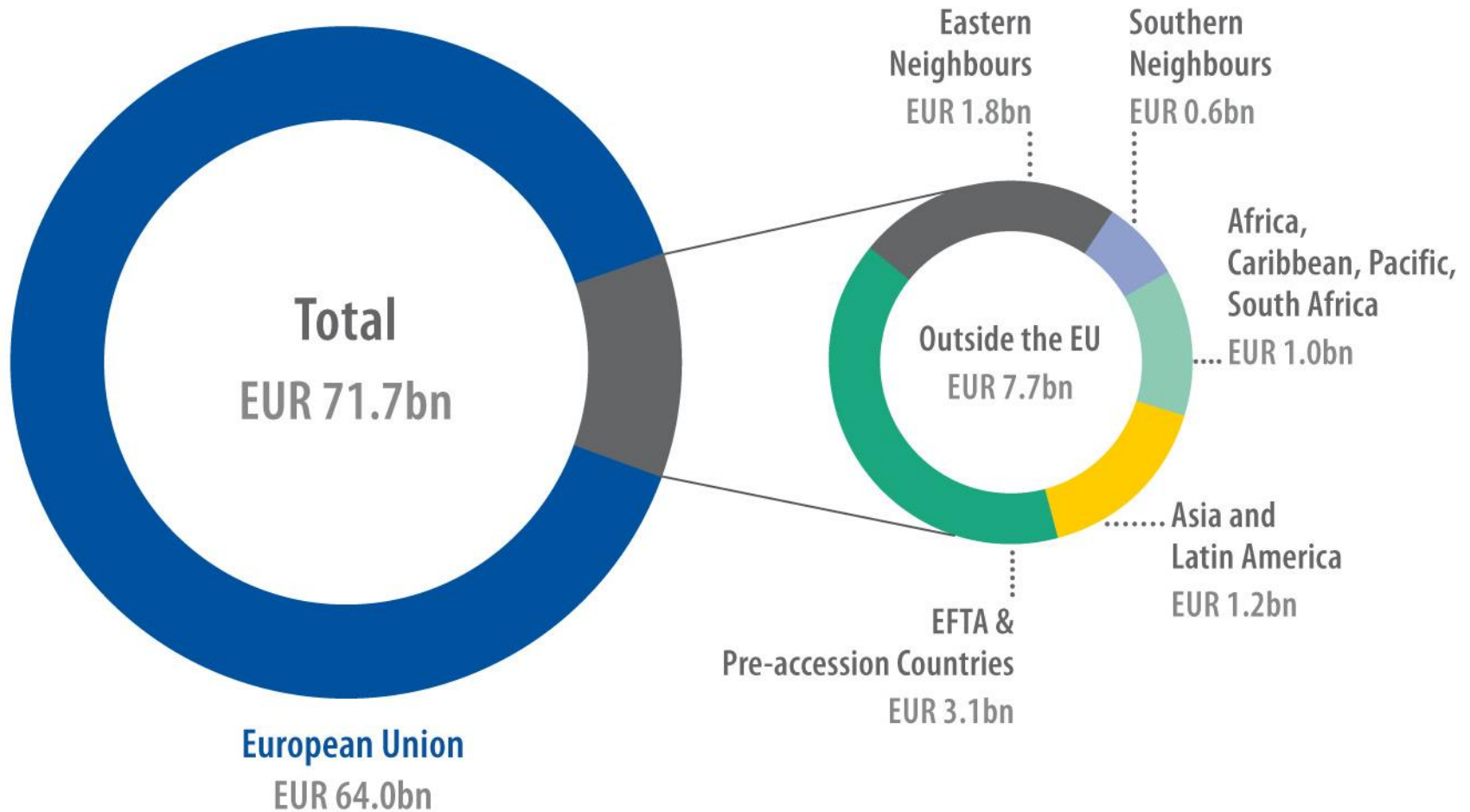
“A competitive market environment for renewables” – UNECE GERE, 2014



- Natural financing partner for the EU institutions since 1958
- More than 90% of lending is within the EU
- Shareholders: 28 EU Member States

Investing in Europe's growth

The world's largest multilateral lender

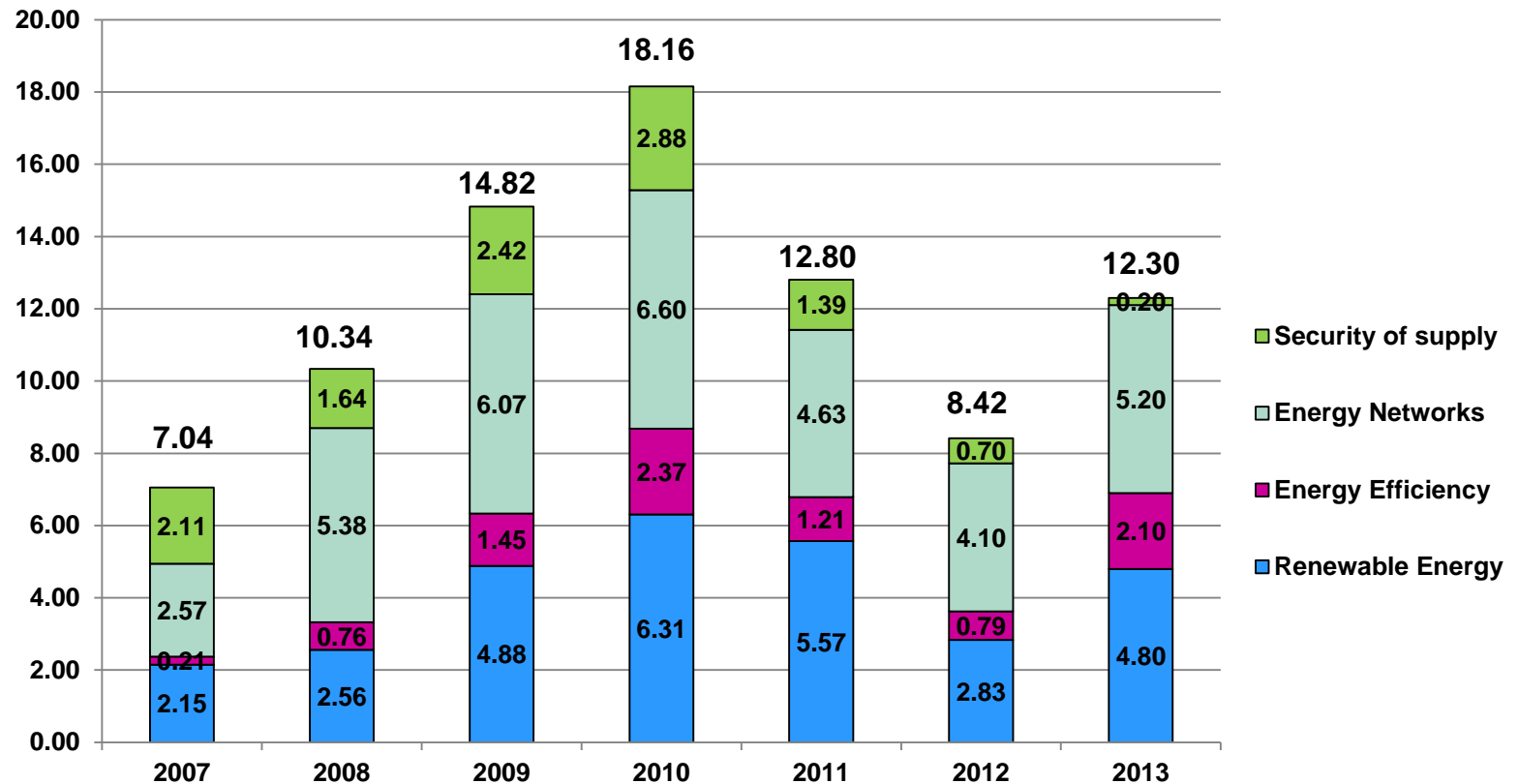


We help catalyse investment

LENDING	BLENDING	ADVISING
<p>Loans</p> <p>But also:</p> <p>Equity participation (Crescent Capital)</p>	<p>Combining EIB finance with EU budget (Green for Growth)</p> <p>Higher risk projects for innovation (InnovFin)</p>	<p>Prepare & implement projects (WBIF, ELENA)</p>

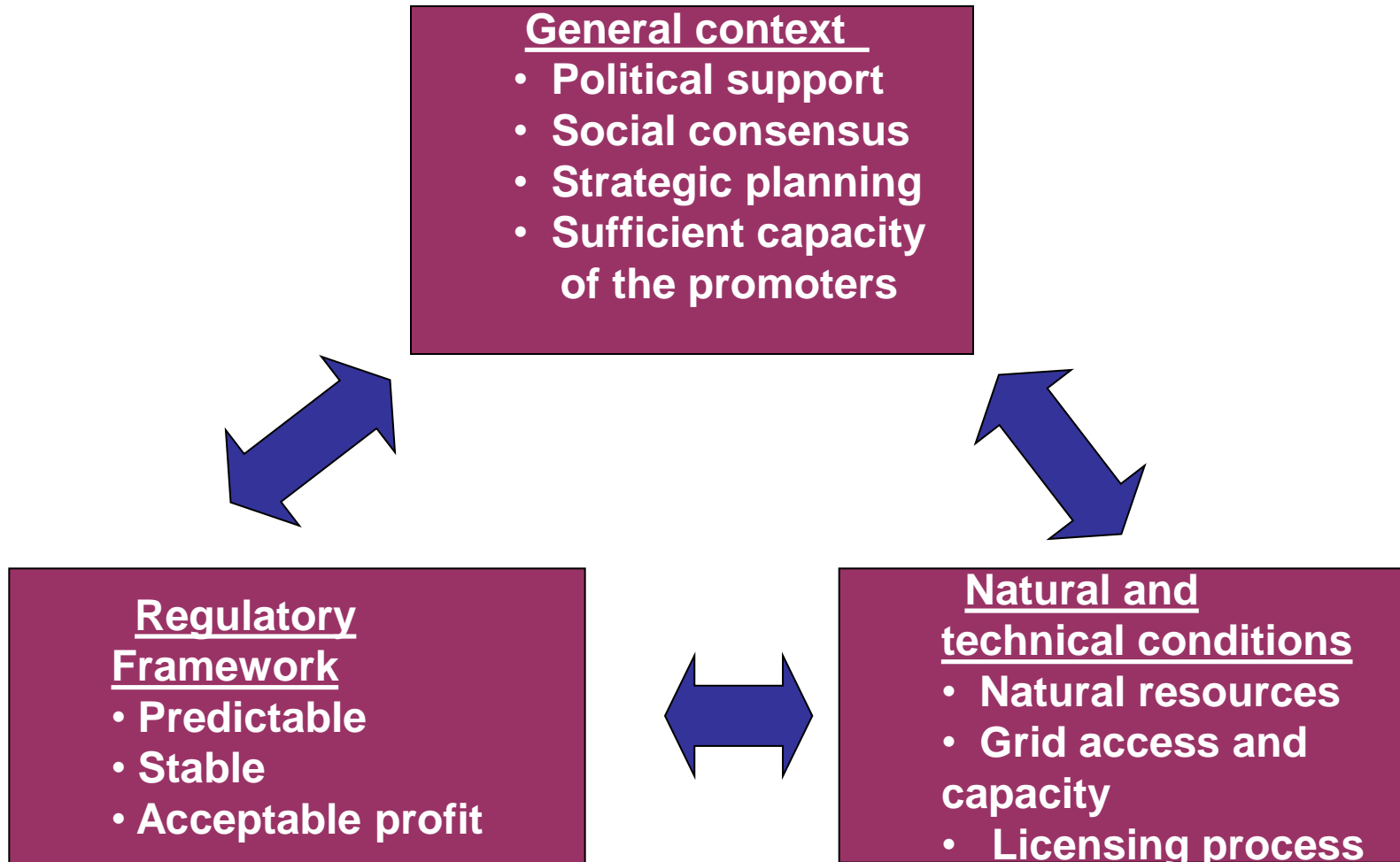
Attracting FUNDING for long-term growth

EIB Energy Lending 2007-2013





Investment drivers



Projects must:

- Meet at least one of the EIB's objectives
- Be technically sound
- Be financially viable
- Show an acceptable economic return
- Comply with environmental protection and procurement regulations

2 main facilities:

- **Direct Loans**
- Large-scale projects (more than EUR 25m)

- **Intermediated Loans**
- Small and medium-scale projects (particularly to SMEs) via national and regional intermediary banks
- Lending decision remains with the financial intermediary



Projects example – Green for Growth Fund Southeast Europe (GGF)



- ❖ **Financing Small-Scale Renewable Energy Projects** in the **Southeast Europe** region including **Turkey** and the **Eastern European Neighbourhood** region.
 - ❖ Hydro Power (<30 MW)
 - ❖ Wind farms (<30 MW)
 - ❖ Solar (thermal and photovoltaic)
 - ❖ Biogas / Biomass (no food-crops)
 - ❖ Geothermal Projects



Projects example – TA under Western Balkan Investment Framework (WBIF)



- TA for financing preparation of Feasibility study including Technical Design, Environmental and Social Impact Assessment and Tender documentation for construction works

Examples of TAs for projects:

1. Irrigation and Hydroelectric Power Scheme Zletovica, HS Zletovica, FYROM;
2. Wind farm Poklecani EPHZHB Bosnia and Herzegovina;
3. Hydroelectric Power Plant Krusevo, EPBIH, Bosnia and Herzegovina;
4. Wind Farm Vlastic, EPBIH, Bosnia and Herzegovina etc.



Thank you! For more information...



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

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BACK UP



http://www.eib.org/attachments/thematic/environmental_and_social_practices_handbook.pdf

- ❖ Comply with EU policy, principles, standards and practices, especially the requirements of EU legislation, for the protection of the environment, and satisfy social safeguards
- ❖ Potential impacts acceptable: public consultation, natural habitats, forestry, indigenous people, involuntary resettlement, child and forced labour, cultural heritage, waterways, climate change
- ❖ Typical criteria for wind: local development plan / SEA and cumulative impact + impacts on: landscape / visual, sensitive areas, migrating / nesting / feeding birds & bats, fauna & flora species of conservation value, local residents, other impacts from auxiliary facilities
- ❖ Guidance note:

http://ec.europa.eu/environment/nature/natura2000/management/guidance_en.htm

EIB's procurement policy



http://www.eib.org/attachments/thematic/procurement_en.pdf

- ❖ Obtain the economically most advantageous offer (best value for money) in purchasing the works, goods and services necessary to implement a project
- ❖ Principles:
 - ❖ Competition as a basis to obtain attractive offers
 - ❖ Fairness vis a vis competitors
 - ❖ Appropriate selection process
 - ❖ Most logical criterion: net present cost of constructing and operating the project component over its lifetime
 - ❖ Transparency and accountability (well defined and documented)
- ❖ In EU Law on Public Procurement to be complied with
 - ❖ Determine whether the project is ruled by public or private sector procurement
 - ❖ Relevant directive concerning competitive tendering on the basis of fair and non-discriminatory terms
 - ❖ Open or restricted procedures with publications in OJEU

Candidate and Potential Candidate Countries

- EIB can lend up to EUR 9bn with EU guarantee during 2007-2013
- Pre-Accession Facility
- Priorities:
 - Projects supporting accession agreements with EU
 - Incorporation and implementation of *acquis communautaire*
- Loans of EUR 3bn in 2013
- Total loans of EUR 22bn 2007-2013 (excluding Croatia)

- up to EUR 3 848m with EU guarantee during 2007-2013
- Eastern Partners Facility
- Loans of EUR 1.8bn in 2013 for:
Small and medium-scale projects implemented by SMEs and mid-caps, Transport, Environmental infrastructure
- Total loans of EUR 4.8bn 2007-2013