



European
Commission



Financing Energy Efficiency

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Energy Efficiency**

Why energy efficiency matters?

Competitiveness

- ↓ Reduce EU's energy bill
- ↑ Create new business opportunities
- ↑ Boost R&D & markets for EU global leadership

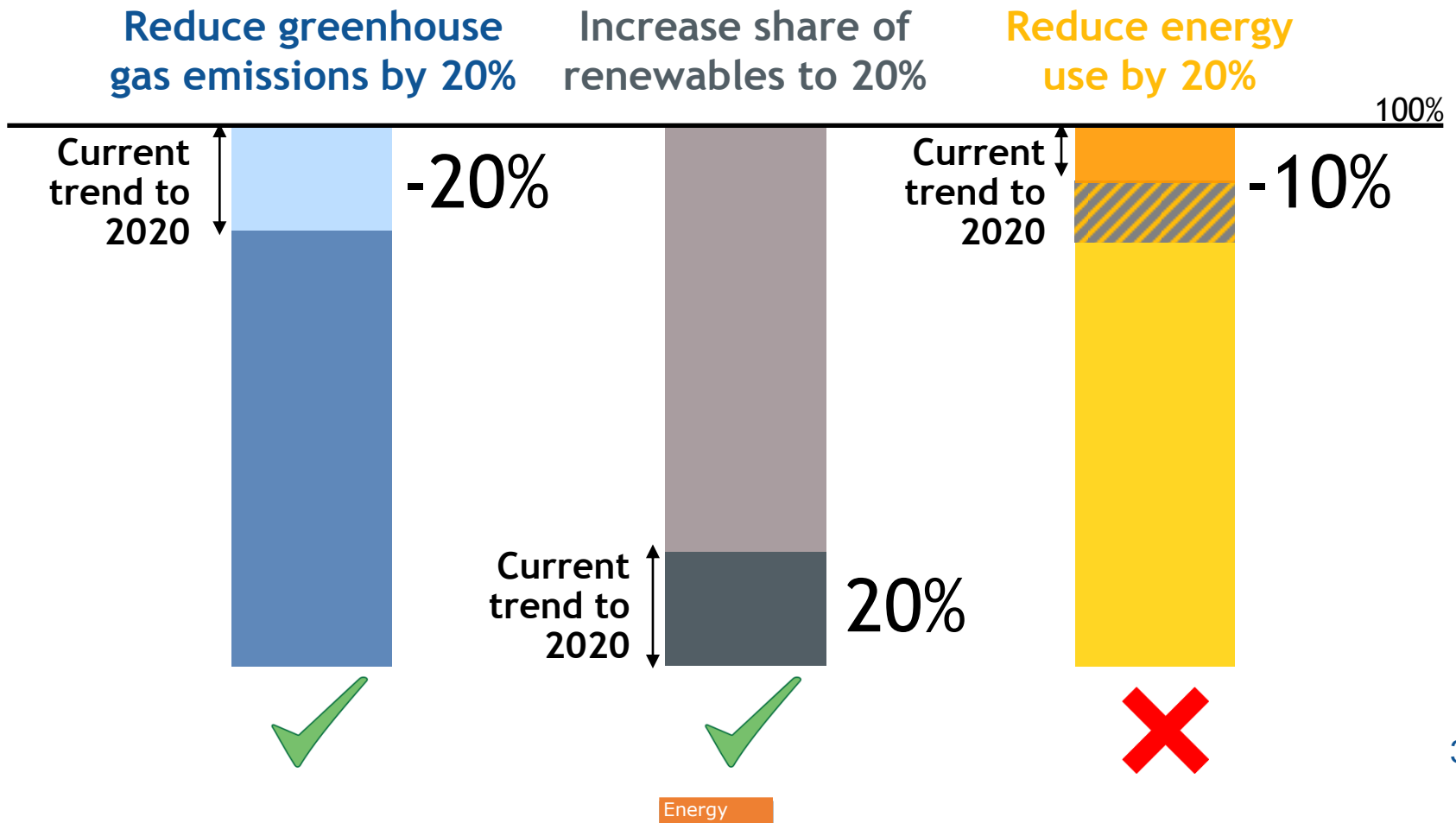
Sustainability

- ↓ Reduce CO₂ emissions
- ↓ Limit environmental degradation

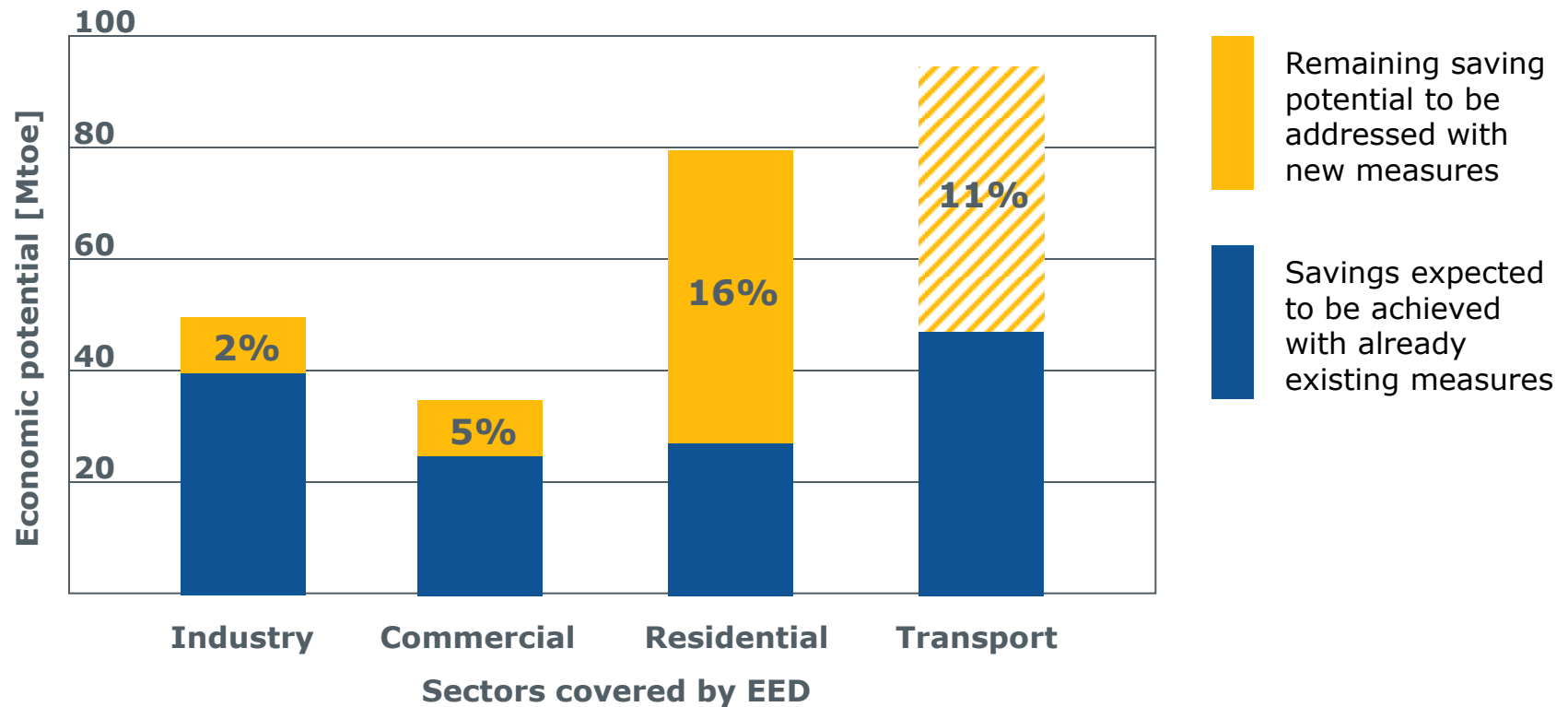
Supply Security

- ↓ Reduce EU's energy dependence
- ↓ Reduce investments in energy infrastructures
- ↑ Improve the energy trade balance

The EU 20-20-20 targets by 2020



Despite untapped savings potentials across all major sectors



And despite existing measures

Energy performance of buildings Directive

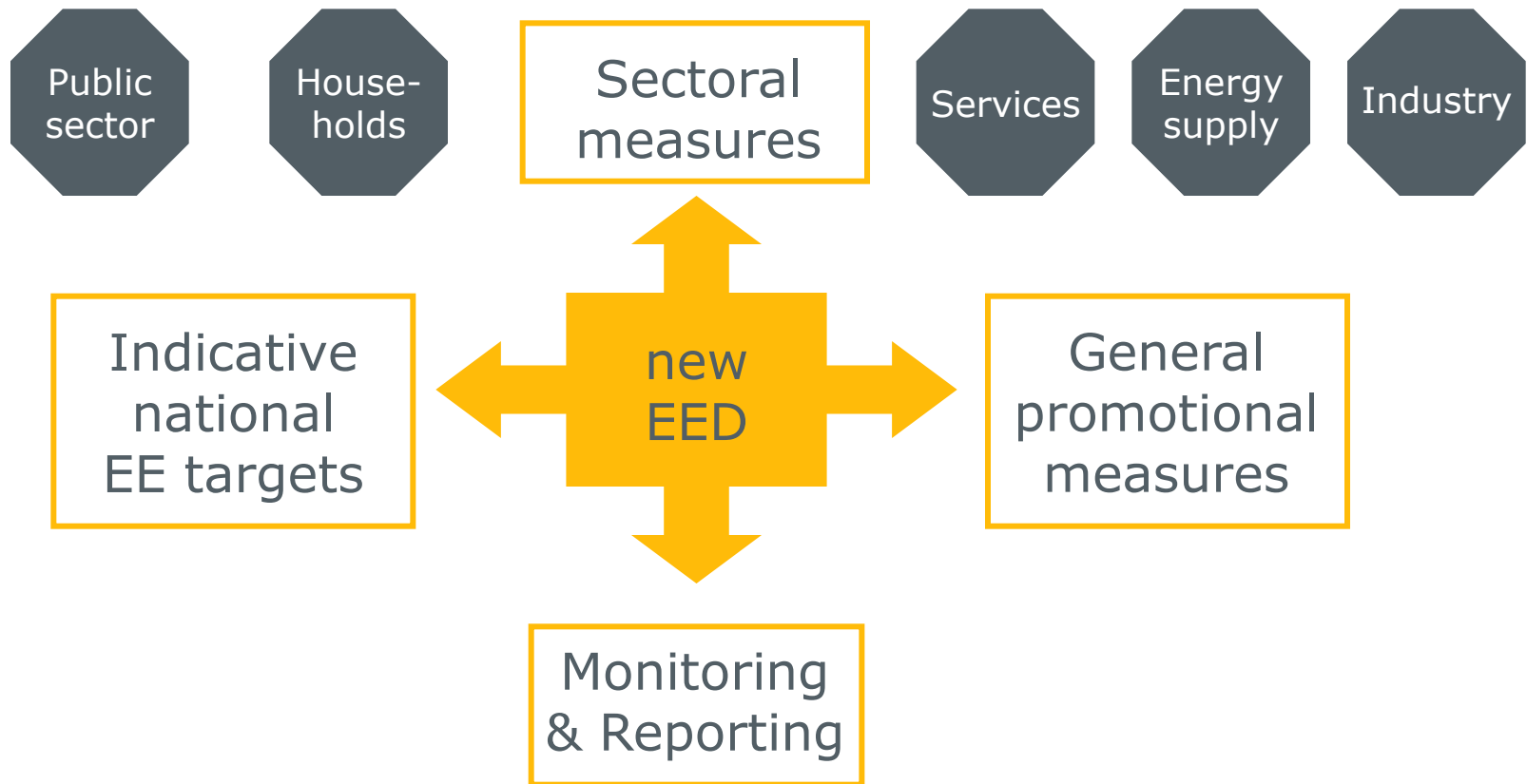
- **Minimum energy performance requirements**
- **Nearly zero-energy buildings**
- **Certification and inspections**

Eco-design and Energy Labelling Directives

- **Minimum performance requirements**
- **Labelling**

Energy Services and Cogeneration Directives

Policy response: a new Energy Efficiency Directive



...and beyond 2020?

Roadmap 2050

- **Explore routes towards a low-carbon energy system by 2050**
- **Give more certainty to governments and investors**
- **Energy efficiency, renewables and infrastructure improvements are 'no-regrets' options**
- **Well-functioning energy markets are key**

What is the 'investment' need?

Energy savings potential across sectors requires investment of around 850 billion € (2011-2020)

- **Around 85 billion € per year**
- **Buildings take the lion's share of around 60 billion € per year**

How to trigger energy efficiency investments?

- *Energy saving obligation schemes*
(e.g. UK, Denmark, Italy, France, Poland and Ireland)
- *Enhanced use of ESCOs*
(steps taken to set proper regulatory framework and tailored financing products but the full potential largely unexploited)
- *Energy auditing schemes and agreements with industry*
(e.g. Poland, Sweden, Finland and the Netherlands)
- *Training and information campaigns*
(e.g. EU's BUILD-UP and BUILD-UP Skills initiatives)
- *Covenant of Mayors*
(over 3400 sustainable energy cities across Europe; more than 900 SEAPs delivered so far; 33 bn EUR in investments identified)

What is currently available at EU level?

Cohesion policy funds (2007-2013):

- **4,6 billion € for energy efficiency**

Intelligent Energy Europe Programme (2007-2013):

- **735 million € for 'soft' energy efficiency/renewables projects**

ELENA Facility:

- **97 million € for technical assistance to mobilise investments**

European Energy Efficiency Fund (EEE-F):

- **265 million € for investments into mature, bankable efficiency/renewables projects**
- **20 million € for technical assistance**



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ELENA-EIB

Large scale investments
Direct contracts with EIB
Open call, no deadline
Leverage 20
All IEE MS
> €50m

ELENA-CEB

Mid-size programmes
Direct contracts with CEB
or Intermediated via PFIs
Open call, no deadline
Leverage 20
IEE/CEB MS
< €50m

ELENA-EBRD

Mid-size investments
Direct contracts with EBRD
Open call, no deadline
Leverage 20
IEE/EBRD MS
< €50m

TA for Project
Development
Services

ELENA-KfW

Mid-size programmes
Intermediated via PFIs
Open call, no deadline
Leverage 20
All IEE MS
< €50m

MLEI

Small-scale investments
Direct contracts with EACI
IEE call, standard deadline
Leverage 15
All IEE MS
> €6m

European Energy Efficiency Fund

Established: 2010 by amending the European Energy Programme for Recovery (EPR)

Launched: 1 July 2011 with 265 M€ (EC, EIB, CDP, DB)

Objective: Addressing financial needs of commercially viable EE and RES projects

Scope: 70% EE, 20% RES, 10% Clean urban transport

European Energy Efficiency Fund

Final Beneficiaries: local/regional public authorities

Tailor made financing: Senior/junior loans, convertible debt, equity participation, forfeiting loans

Technical assistance: 20M€ (grants) for project development services

EEE F Eligibility criteria

At least 20 % primary energy savings for energy efficiency projects (higher for buildings)

At least 20 % reduction of CO₂ equiv. for renewable energy and transport projects

Comply with EU legislation (RES directive, CHP, etc.)

Concrete objectives to mitigate climate change and multi-annual strategies in place

EEE F Eligibility criteria

Focus on proven technologies

Strong support for ESCOs providing guaranteed energy savings

Projects eligible as from 01.01. 2011

Typical project size: up to 25M€

EEE F Technical Assistance (TA)

Objective: *support project development services for technical and financial preparation of projects*

- TA of total of 20M€ (provided by the EC),
- Grant (up to 90% of eligible costs)
- Min. leverage factor of 20
- Only for projects applying for funding to the EEE- F
- Based on ELENA structure

Role of EEE F in mobilising private finance

Objective: *Enhance viable EE and RES investments at local/regional level within multiannual strategies to mitigate CC*

- **Address market failures (information/awareness, TA...)**
- **Address lack of access to capital (specific financial products...)**

Role of EEE F in mobilising private finance

Confidence building around EE investment

Develop and spread ESCO/EPC models

Offer innovative financing

For more information: www.eeef.eu

What will be available at EU level?

Next Multi-Annual Financial Framework (2014-2020) proposals:

- **Cohesion funding to allocate some 17 billion € to energy efficiency and renewable energy (doubling current allocations)**
- **Horizon 2020: 6.5 billion € is to be allocated to research and innovation in "Secure, clean and efficient energy"**
- **Increased use of financial instruments**

What should be improved?

Public consultation on financial support for energy efficiency in buildings

- **How could access to financing be improved?**
- **What is the role of the EU regulatory framework?**
- **How to remove important barriers?**

http://ec.europa.eu/energy/efficiency/consultations/20120518_eeb_financial_support_en.htm

Thank you for your attention



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