



EU-Japan Subnational Climate Action Workshop: EIB Climate Finance and Advice for Cities – European Experience

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European
Investment Bank

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EIB LENDING AND ADVISORY FOR CITIES

The EIB: The EU Climate Bank



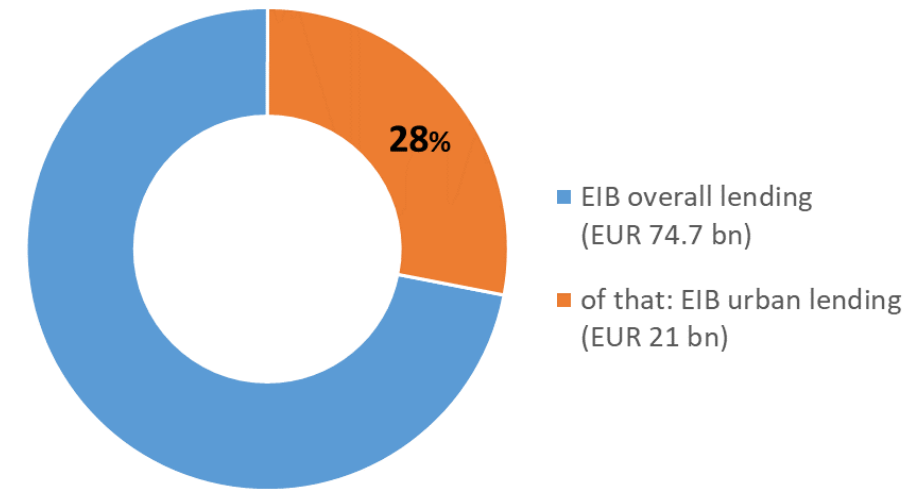
- ▶ The world's largest multilateral lender: €65 bn in 2022 of which > €36 bn green finance (some 58% of total lending)
- ▶ Around 90% of lending is within the EU
- ▶ 4,000 staff, 59 offices, HQ in Luxembourg
- ▶ Loans, blending, equity, guarantees, advisory
- ▶ Governed by the EU Member States

The EIB: Urban lending*



- ▶ EUR 21 billion in urban lending
- ▶ urban mobility (34%), water management (16%), urban development (15%), education (11%), and urban industries and services (8%) as the main areas of EIB urban lending support.
- ▶ over 80% of EIB direct urban lending contributed to the EIB Climate Action and Environmental Sustainability.

EIB total and urban lending in 2023



*Note: provisional numbers for EIB Urban Lending

Financing through Municipal Banks and/or National Promotional Banks



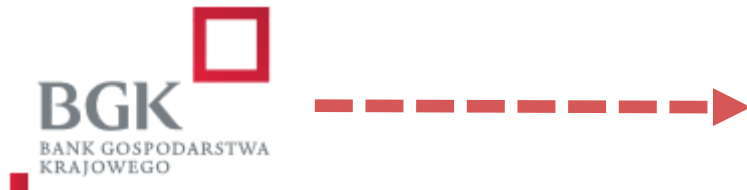
Smart Cities in Belgium

Innovative projects to promote smarter, more sustainable cities across Belgium



Urban Development Programmes in Brandenburg

Local authorities and Social Housing Associations are Eligible Applicants



Investment Platform

Social and Affordable Housing Investments in Poland



CDLF

Consignment Deposits and Loan Fund

Greek Local Authorities

Municipal Infrastructure Projects with Several Municipalities in Greece

EIB PROVIDES URBAN ADVISORY SUPPORT TO HELP CITIES

Improve urban investment

Mobility
Public buildings
Energy efficiency
Social housing
Education
Public space

- ✓ Higher quality projects
- ✓ Bankable investments

Enhance skills and access expertise

Technical
Financial
Procurement
Climate
ESIA

- ✓ Stronger capacity
- ✓ Solving punctual problems

Tackle strategic challenges

Greening
Inclusion
Resilience
Digitalization
Governance

- ✓ Better strategies
- ✓ Investment pipelines
- ✓ Improved monitoring

Project Example

CITY OF RZESZÓW (POLAND)

- ✓ 200k local population + **100k displaced Ukranian population**
- ✓ EIB: PLN 900 million project, EIB loan signed Nov 2022 with **EU co-financing under ERDF**
- ✓ EIB Advisory support for urban regeneration and creation of a climate neutral district
- ✓ City selected under Climate-Neutral and Smart Cities Horizon Europe Mission



Project Example

CITY OF ATHENS (GREECE)

Proposed measures

CLIMATE MITIGATION



Building envelope

- Thermal insulation of the roof under the tiles of the school complex.
- The windows will be repaired and the benefit will be the improvement of the airtightness.



Lighting

- Replacement of the existing lights by LED.
- Enhancement of lighting were required so that the brightness level is 300 LUX according to KENAK.



Heating system

- Counterbalancing in the boiler room (automation system and smart meters of thermal energy for the control of the heat generation system).
- Inverter circulator.
- Thermostatic heads in radiators with antivantal.
- Replacement of the radiators by new panel type ones.
- Replacement of the existing boiler with a new one of the same power and a higher Seasonal Performance Rate (condensing technology).
- Installation of 5 thermostats and creation of 5 separate heating zones in the building.
- New heating circuit with a new inverter circulator for the school amphitheater and the toilets.



Air conditioning and ventilation

- New air conditioning system VRV in the amphitheater room and installation of new heat pumps in the teachers' and principal's offices.
- Introduction of wall fans in the classrooms.



Renewables

- Installation of a photovoltaic system on the roof of the WC courtyard building with a capacity of 3.78 kWp and a total surface area of 22.23 m². Electrical Network Connection Methodology: NET METERING (RES).

EARTHQUAKE RESILIENCE

This building has been studied in accordance to the most updated buildings seismic code, Eurocode 8.3.



Active measures

- Roof structure strengthening.
- Wooden floors and ceilings structural strengthening.
- Stone walls strengthening.



Passive safety measures

- Escape routes for students.
- Secure the furniture by anchoring it to the walls and floors, with appropriate supports.
- Safety instructions and planning for resilience as well as for a quick and safe evacuation.

CLIMATE ADAPTATION



Lightning protection

- Construction of a network of earthing and lightning protection in the building.



Measuring devices

- Installation of measuring devices for awareness and educational purposes within the school (in every class and in the landscape area) to measure temperature, humidity, pollutants, etc.



Water resources

- Replacement of the school pavement with a suitable and permeable one for school activities in accordance to school yard specifications provided by the Ministry of Education. The existing drainage slopes will be kept.



Greening

- Creation of green areas near selected facades (improvement of the microclimate).
- Maintenance of existing green areas (tree pruning, tree rehabilitation, dry bush cleaning).

- ✓ **Pioneer in urban resilience**, including use of nature based solutions
- ✓ **Rich heritage** both an asset and as challenge
- ✓ EIB supporting Athens in the implementation of its **Resilience Strategy for 2030**
- ✓ **EIB loan and NCFF EIB loan** signed in 2018 with **URBIS TA (EIB Advisory Hub)** and **NCFF TA to support resilience to climate change (mitigation and adaptation) and resilience to earthquakes: Direct impact on buildings and open spaces**
- ✓ **City selected under Climate-Neutral and Smart Cities Horizon Europe Mission**



74th Athens Primary School | 106 Adrianou st.

Athens Resilient City: Climate Mitigation

EU MISSION FOR SMART AND CLIMATE NEUTRAL CITIES



EUROPEAN UNION



EU MISSIONS

CLIMATE-NEUTRAL & SMART CITIES

Concrete solutions for our greatest challenges



#EUmissions #HorizonEU #MissionCities



SELECTED CITIES (MISSION CITIES)

- **100 EU cities selected from all Member States and of different types** (size, current emissions, level of preparedness), representing **12% of the EU population**.
- **+12 cities from associated countries.**

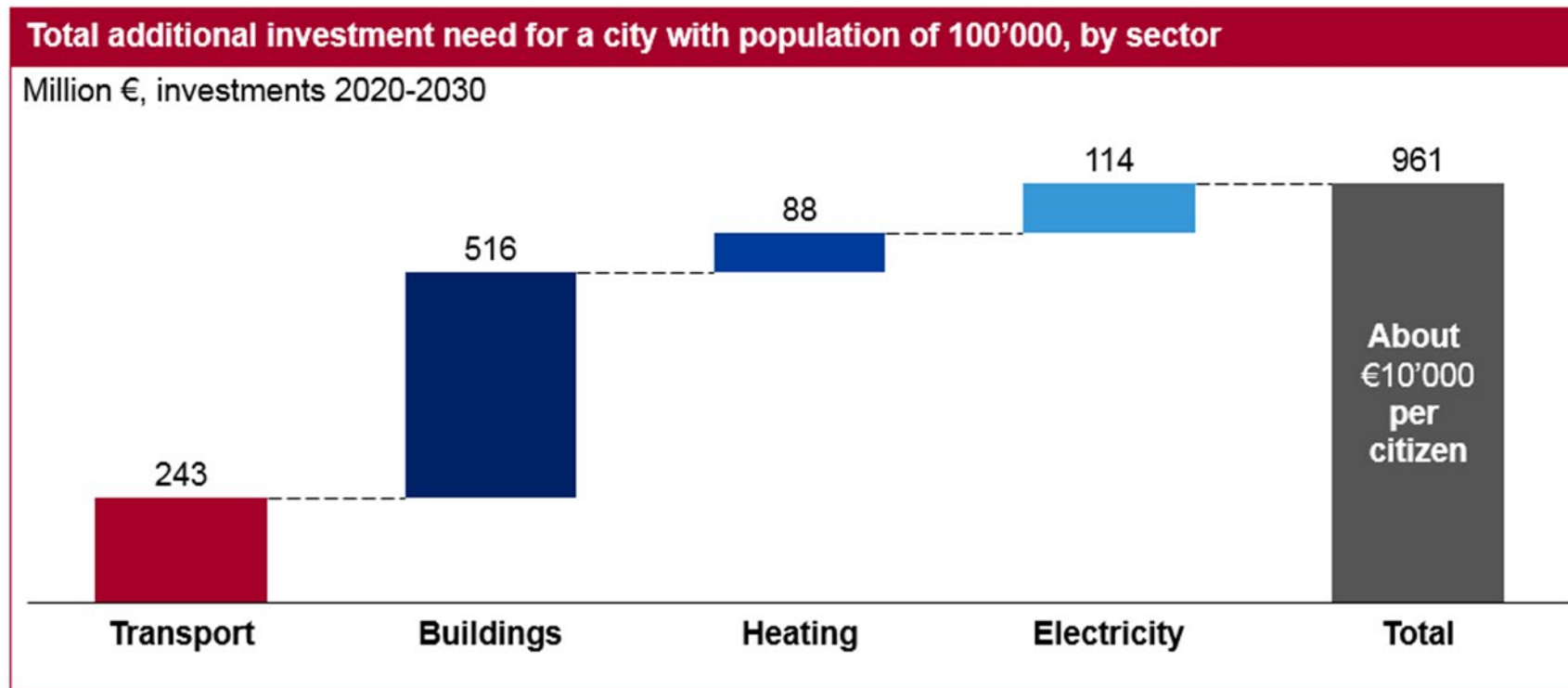


Associated countries

ALBANIA Elbasan	ISRAEL Eilat	TURKEY Istanbul Izmir
BOSNIA AND HERZEGOVINA Sarajevo	MONTENEGRO Podgorica	UNITED KINGDOM* Bristol Glasgow
ICELAND Reykjavik	NORWAY Oslo Stavanger Trondheim	

Investment needs to decarbonise a typical EU City

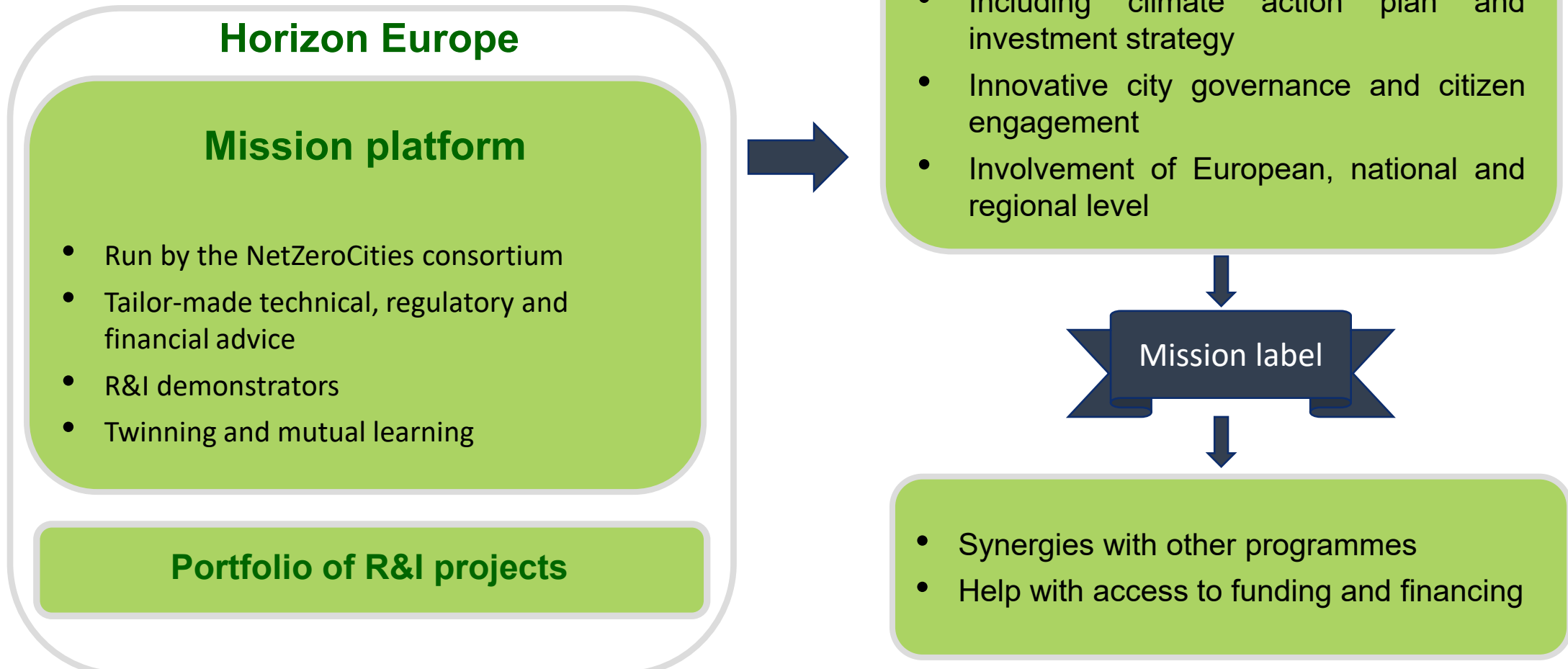
Estimate during preparation of the Cities Mission:
EUR 1 billion for a city of 100,000 inhabitants



Source: Material Economics



MAIN ELEMENTS OF THE MISSION



ENABLING SMES TO BECOME GREENER

How can financial intermediaries determine green eligibility of an investment measure?

Green Eligibility Checker: an advisory web tool to help financial intermediaries to identify, assess and report on green investments under EIB intermediated finance products (<https://greenchecker.eib.org/>)



ORIGINATION

Confidence in project relevance

The Green Checker indicates which investments meet the EIB green criteria and thus aims to strengthen FI staff's confidence and ability to inform clients.



APPRAISAL

Confirmation of EIB green finance eligibility

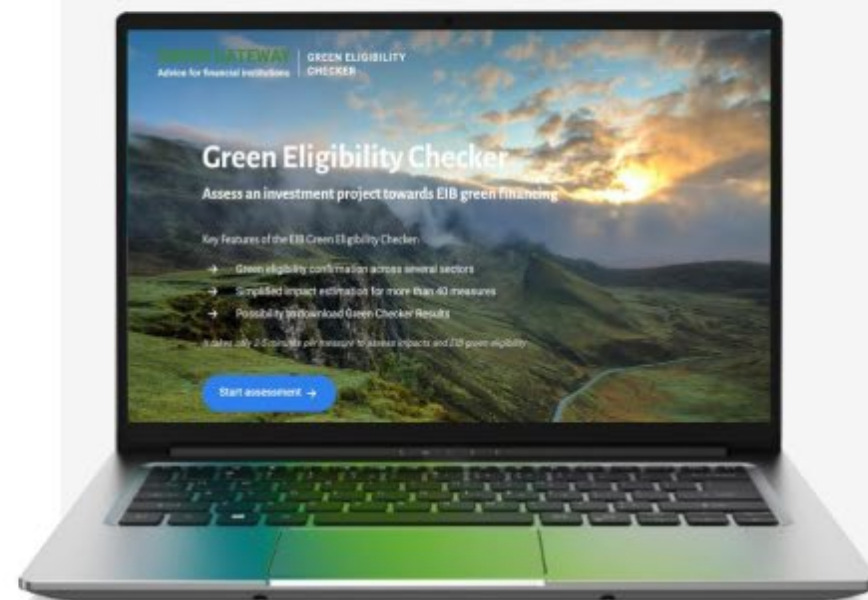
By using the Green Checker, FI staff benefit from EIB green eligibility validation as well as from the streamlined, guided processes embedded in the tool.



REPORTING

Simplified climate impact estimation

The Green Checker estimates impact figures for EIB reporting and summarises them in the PDF report 'Green Checker Results'.



Green Gateway - Advice for financial institutions

Advisory programme, funded under the InvestEU Advisory Hub, to increase the role of financial intermediaries in EU efforts to transition to a low-carbon and climate resilient economy.

Available to financial intermediaries free of charge!

<https://greengateway.eib.org/>

Green Gateway web portal

- Green Eligibility Checker
- Guidance & Knowledge
- E-learning programme (in development)



Tailored bilateral support

- Product development
- Project origination
- Impact reporting and monitoring
- EU Taxonomy support

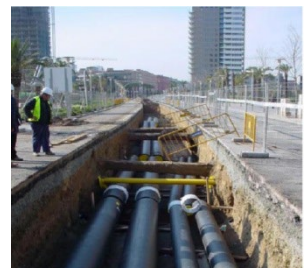


Comprehensive advisory programme to facilitate financing of green investments by SMEs / MidCaps / Public entities / Private entities

ENERGY EFFICIENCY FOR BUILDINGS AND SUSTAINABLE URBAN MOBILITY

European Local Energy Assistance

- **Grant Facility** managed by EIB on behalf of the EC
- Supporting **preparation of sustainable investments**
- Project preparation for **energy efficiency measures, building integrated renewables, district heating and clean urban transport**
- EIB assist grant applicants to develop sound bankable proposals and assist projects throughout the project cycle
- To date, over **€290m of grants** awarded to 166 projects across the EU, including many EU cities, supporting approx. **€9.6bn investments**



ELENA Grant Funds up to 90% of Preparation Costs

Internal staff



External experts



- ✓ Project Management
- ✓ Feasibility studies
- ✓ Technical studies/energy audits
- ✓ Legal support at project level
- ✓ Preparing of tendering procedures
- ✓ Aggregating
- ✓ Applying for grants and financing
- ✓ Any preparation activities

Grant typically in range of **EUR 1-3 million**

Cities using ELENA to realise investments

Zagreb

Energy Efficiency

EUR 2.7m grant supporting EUR 85m of investments

The Investment Programme supported by ELENA will focus on **deep energy efficiency renovations of approx. 50 public buildings in the City of Zagreb**



Bydgoszcz

EUR 2.8m grant supporting EUR 86m of investments

The project will address the preparation of **energy efficiency investments in approx. 60 public buildings** and around **15,000 lighting points**

Transport

Hamburg

EUR 2.1m grant supporting EUR 64m of investments

ELENA supporting Hamburg in their project concerning the deployment of a **new Intelligent Transport Systems (ITS) Bus Priority System (BPS)**

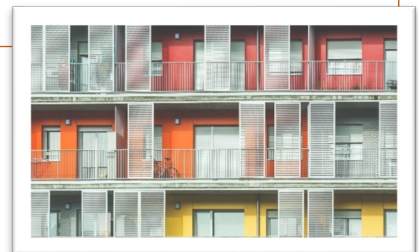


Residential

Copenhagen

EUR 2.2m grant supporting over EUR 54m of investments

The City using one-stop-shop (OSS) for multi-apartment buildings. ELENA supporting renovation of at least 1,450 dwellings located in the City of Copenhagen, aiming to reduce the total energy consumption by 40%.



ELENA in 25 Member States

€290m of grants supporting approx. €9.6bn investments



ELENA supports cities directly and in groups

- **Minimum investment** of approx. **€30m**
- ELENA Grant covers up to **90% of costs** related to preparation
- Obligation to have investments realised
- **Investment:** can be **financed from any source** e.g from City themselves, other public and private investors; can use debt, equity, grants, public, private or combination.
- **EIB supports the applicant to develop the request for grant approval** and continues support right through the ELENA contract
 - Identification and explanation of the needs and approach to implement 3-4 year time frame
 - Cities should have any political commitment needed to realise the investment with ELENA support

SUSTAINABLE URBAN MOBILITY – PROJECT SUPPORT

Coimbra Bus Rapid Transit, Portugal

- Support to feasibility study for line to be operated by battery EV articulated buses
- Specific support on risk analysis (technology selection, operational impacts, etc.)



Bucharest Metro

- Support for feasibility studies for several lines
- Preparation for EU grant and EIB loan funding



EV Charging, Greek cities

- Advisory support for the rollout of EV charging points in Greek towns and cities
- preparation for EU funding



THEMATIC SUPPORT FOR A CITY STRATEGIC PRIORITIES

EIB SUPPORT TO THE NEW EUROPEAN BAUHAUS

- Support to aligning investment projects to the NEB –
e.g. urban regeneration in Faliro Bay (Greece), Taranto (Italy)
and (Galway, Ireland)
- Development of a standard NEB Financial Instrument
guideline
- Preparation of a NEB Small Projects Checklist
- Preparation of a NEB Investment Guideline



CIRCULAR ECONOMY - SUPPORT FOR CIRCULAR CITIES – THE CIRCULAR CITIES CENTRE

Corporate Use

The Circular City Centre (C3) is a **competence and resource centre** within the EIB, which supports EU cities in their **circular economy transition**

The C3 was developed and tested in a 2022-2023 pilot phase with support from the **European Investment Advisory Hub**, in cooperation with **Circle Economy**

The C3 will **continue under financing** from the **European Commission (DG RTD)** for the 2024-27 period

The C3 is an initiative within the framework of the Commission's **Circular Cities and Regions Initiative**



C3 PILOT PHASE DELIVERY - RECAP



**New documents and
other resources**

**4 guidance documents
developed and published**



**Knowledge sharing and
awareness raising**

4 webinars delivered

Dedicated C3 webpage

Networking / Cooperation



**Circular City Advisory
(CCA)**

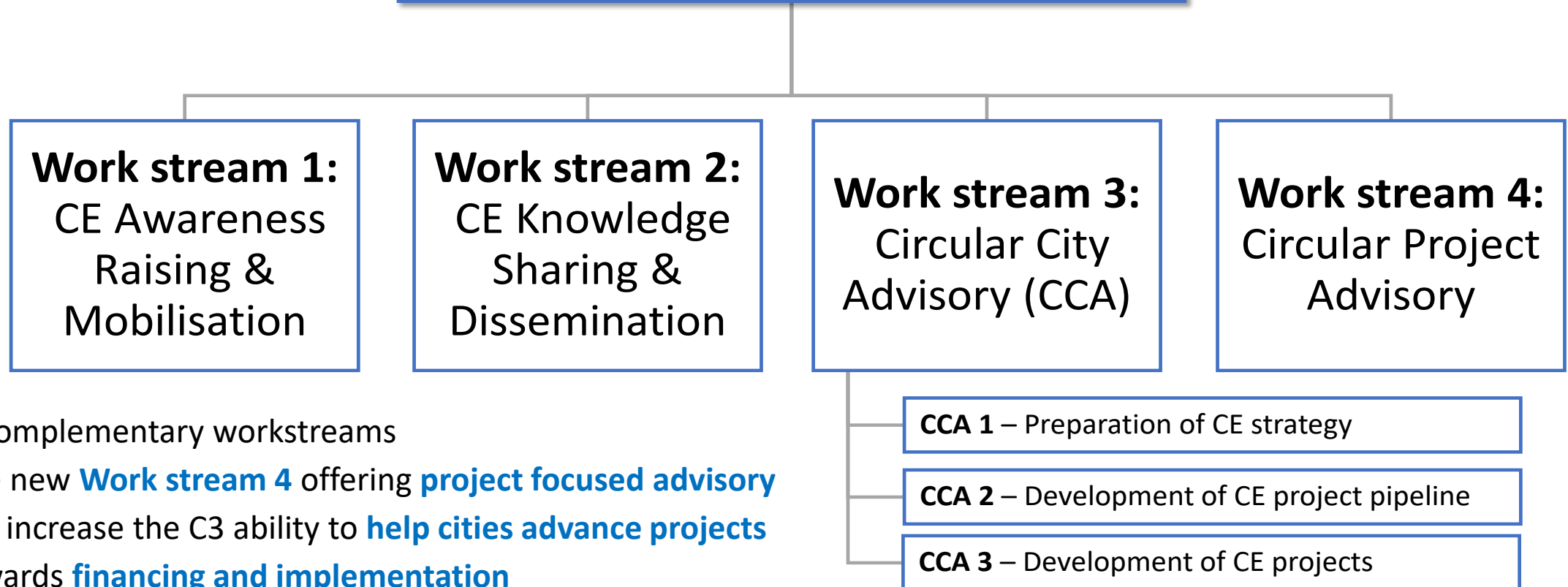
3 programmes developed

7 CCA graduated cities



C3 DEPLOYMENT 2024-2027

The Circular City Centre (C3)



4 complementary workstreams

The new **Work stream 4** offering **project focused advisory** will increase the C3 ability to **help cities advance projects** towards **financing and implementation**

More information about C3 can be found at the [C3 webpage](#)

THANK YOU



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