



JESSICA implementation in the EU Member States

State of play

JESSICA - Joint European Support for Sustainable Investment in City Areas, is an initiative of the European Commission's Directorate General for Regional Policy (DG REGIO) developed in co-operation with the European Investment Bank (EIB) and the Council of Europe Development Bank (CEB) which is aimed at supporting sustainable urban development and regeneration through financial engineering mechanisms.

The "JESSICA mechanism" offers to Member States and regions the possibility to invest some of their Structural Funds allocations in revolving funds and so to recycle financial resources in order to enhance and accelerate investments in Europe's urban areas.

Supporting JESSICA implementation in Member States

JESSICA Evaluation Studies

Owing to the innovative characteristics of JESSICA, the evaluation phase is fundamental for the subsequent development and implementation of the instrument. Therefore, evaluation studies were offered free of charge to Member States and regions interested in launching JESSICA operations and were co-financed 85% by the EC and 15% by the EIB.

Since the launch of the initiative in 2007, 65 JESSICA evaluation studies have so far been commissioned of which around 54 are already completed and available on the web (www.jessica.europa.eu, www.eib.org/jessica), being widely recognised as a key element to help managing authorities implement financial engineering instruments for urban development and regeneration.

JESSICA Horizontal Studies

Complementing specific evaluation studies, the European Commission and EIB decided to launch thematic horizontal studies in order to provide guidance on cross-cutting operational matters relevant to stakeholders in all Member States and to provide further support to the activities of the JESSICA Networking Platform. The horizontal studies are developed in consultation with a Horizontal Studies Steering Group (HSSG) which was established in the framework of the JESSICA Networking Platform in June 2010.

While the "JESSICA Holding Fund Handbook" and the report on "UDF Typologies and Governance Structures" were already published in November 2010 (please also see the above mentioned websites), the following horizontal studies are currently being carried out and expected to be published by early-2012: "UDF Handbook", "Energy-focused Urban Development Funds", "Methodologies for Assessing Social and Economic Performance in JESSICA", "Housing in JESSICA Operations", "JESSICA for Smart and Sustainable Cities" and "Marketing, Communication and Knowledge Dissemination Strategies for JESSICA Operations".

JESSICA Networking Platform (JNP)

The JESSICA Networking Platform was launched in March 2009 by DG Regional Policy in collaboration with the EIB and CEB to provide a forum for exchange of experience and good practice, and to accelerate the implementation of "JESSICA instruments". The interest in JNP events was growing continuously - from 80 participants in the 1st meeting to 160 in the latest. During 2011, the added-value of the JNP was further enhanced through the establishment of dedicated thematic working groups on "JESSICA lessons learned" and "Housing in JESSICA". These working groups are co-ordinated by participating JESSICA stakeholders and expected to present a first set of recommendations to the Commission and its JESSICA partners in due course.

State of play in the EU Member States

By 30 June 2011, a total amount of EUR 1.89 billion was already committed to 22 JESSICA operations in 11 Member States:

- 18 holding funds agreements signed by EIB (amounting to EUR 1.73 billion)
- 1 holding fund set up with a national financial institution (Estonia)
- 3 urban development funds established without a holding fund (Brandenburg/DE, East Midlands/UK and Wales/UK).

The scope of supported projects includes, among others, brownfield regeneration, the development of sustainable urban infrastructure (e.g. waste-to-energy projects) and energy efficiency interventions in the existing housing stock.

Of these 22 JESSICA operations, ten have an energy component amounting to a maximum of EUR 1,008 billion of possible investments in energy efficiency measures and renewable energies infrastructure in cities (the scope of investments can range from urban infrastructure developments to the retrofitting of housing stock).

During 2010, the first holding funds started launching calls for expression of interest to select urban development funds through which financial support will effectively start flowing into actual urban projects. By 30 June 2011, 15 urban development funds were operational under both holding fund and non-holding fund schemes, with approximately 30 UDFs expected to be operational end-2011 / early-2012.

As a result, disbursements to final recipients are already taking place in Estonia, Germany, Poland and Lithuania.

JESSICA summary implementation progress 2007- 30 June 2011

Member State	Evaluation studies	JESSICA operations	Funds committed (EUR m)
Belgium	3		
Bulgaria	1	1	33
Cyprus	1		
Czech Republic	5	1	20
Estonia		1	57
Finland	1		
France	2		
Germany	6	1	20
Greece	4	1	258
Hungary	1		
Italy	10	3	318
Latvia	1		
Lithuania	3	1	227
Luxembourg	1		
Netherlands	2		
Poland	7	5	257
Portugal	1	1	130
Romania	1		
Slovakia	1		
Slovenia	1		
Spain	4	2	209
Sweden	1		
United Kingdom	5	5	357
State of play	62 studies launched	22 operations underway	EUR 1886 m committed