

Overview of financing opportunities for local sustainable energy

European Structural and Investment Funds	European Funding Programmes	Project Development Assistance	EU Financial Instruments
ERDF	LIFE	ELENA EIB	EEEF
Cohesion Fund	CLLD	ELENA CEB	PF4EE
ESF	URBACT III	ELENA EBRD	EFSI
EAFRD	Territorial Cooperation	ELENA KfW	Alternative Financing Schemes
EMFF	Horizon 2020	Horizon 2020 Call EE20	
	CIVITAS (part of H2020 – Mobility for Growth)		On Bill Financing
			TPI - EPC
			Soft Loans, guarantees
			Revolving loan funds
			Crowd-funding
			Green Municipal Bonds

European Structural and Investment Funds

	European Regional and Development Fund (ERDF)	Cohesion Fund (CF)	European Social Fund (ESF)	European Agricultural Fund for Rural Development (EAFRD)	European Maritime and Fisheries Fund (EMFF)
Beneficiaries	<ul style="list-style-type: none"> - Local, regional and national authorities - Social, cultural and educational institutions - NGOs - Companies, SMEs and associations 	Local and regional authorities	<ul style="list-style-type: none"> - Local, regional and national authorities - Workers and employers org. - NGOs - Companies 	<ul style="list-style-type: none"> - Local authorities and administrative bodies - Social, cultural and educational institutions - NGOs - Companies, SMEs and associations 	<ul style="list-style-type: none"> - Local authorities - Social, cultural and education institutions - NGOs - Companies, SMEs and associations
Participating countries	EU- 28	BG, HR, CY, CZ, EE, EL, HU, LV, LT, MT, PL, PT, RO, SK and SL	EU-28	EU-28	EU-28, but the allocation depends on the fishing industry
Focus areas <i>(depending on the Operational programmes)</i>	<ul style="list-style-type: none"> - Research, Innovation and ICT - Competitiveness of SMEs - Low carbon economy - Climate change adaptation and risk management - Environmental protection and resource efficiency - Sustainable transport 	<ul style="list-style-type: none"> - Low carbon economy - Climate change adaptation and risk prevention and management - Environment protection and resource efficiency - Sustainable transport - Institutional capacity 	<ul style="list-style-type: none"> - Sustainability, quality and mobility of labour - Social inclusion, combating poverty and discrimination - Education - Institutional capacity 	<ul style="list-style-type: none"> - Innovation in agriculture, forestry and rural areas - Sustainable farming, forest management and resource efficiency - Low carbon economy - Poverty and social inclusion 	<ul style="list-style-type: none"> - Smart, green fisheries (mitigation of climate change and energy efficiency) - Innovative aquaculture (eco-management) - Community led local development strategies (CLLD see p.3) - Sustainable and inclusive territorial development of communities relying on fishing industries
Type of funding	<ul style="list-style-type: none"> - Grants (co-financing) - Indirect funding (e.g. loans, risk capital and seed funding) - European Territorial Cooperation Programmes (see INTERREG) 	<ul style="list-style-type: none"> - Grants - Indirect funding (e.g. loans, risk capital and seed funding) 	<ul style="list-style-type: none"> - Grants - Indirect funding (e.g. loans, risk capital and seed funding) 	Grants	Grants
Managing structure and Coordination	<ul style="list-style-type: none"> - National or Regional managing authorities - DG REGIO 	<ul style="list-style-type: none"> - National or Regional managing authorities - DG REGIO 	<ul style="list-style-type: none"> - National or Regional managing authorities - DG REGIO - DG EMPL 	<ul style="list-style-type: none"> - National or Regional managing authorities - DG REGIO - DG AGRI 	<ul style="list-style-type: none"> - National or Regional managing authorities - DG MARE
Further information	Guide to operational programmes Project examples Contact of Managing authorities Common provisions regulations	Guide to operational programmes Project examples Technical guidance energy renovation of buildings with Cohesion funding Contact of Managing authorities Common provisions regulations	Project examples List of beneficiaries Contacts Common provisions regulations	Project examples National Ministries for Agriculture Common provisions regulations	Main webpage Contact of Managing authorities List of contacts as from 08/05/14 Common provisions regulations

	LIFE Environment and Climate Action	Community-led Local Development (CLLD)	CIVITAS projects Sustainable Mobility
Beneficiaries	<ul style="list-style-type: none"> - Public authorities - SME - Private non-commercial organisations (inc. NGOs) 	<ul style="list-style-type: none"> - Local action groups composed of public and private local socio-economic interests, in which, at the decision-making level any represents more than 49 % of the voting rights. 	<ul style="list-style-type: none"> - Local authorities - Organisations such as transport operators, SMEs, universities and NGOs - under H2020 this is now Call 5.5 of Mobility for Growth
Participating countries	EU-28	Depends on the Operational Programme of the ESI Funds	EU-28, AL, MK, IS, IL, KV, ME, NO, RS, CH, TR
Focus areas	<ul style="list-style-type: none"> - Environment & Resource Efficiency - Nature & Biodiversity - Environmental Governance & Information - Climate Change Mitigation - Climate Change Adaptation - Climate Change Governance & Information 	<ul style="list-style-type: none"> - Capacity building, training and networking related to the Community-led local development strategies (climate change and the transition to a low carbon society) 	<ul style="list-style-type: none"> - Sustainable Urban Mobility - Integrated planning (Sustainable Urban Mobility Plans) - Urban freight logistics - Demand management strategies (e.g. access restrictions, road pricing) - Transport telematics - Safety and security - Clean fuels and vehicles
Average project size	EU contribution: €500,000-€1.5 million; Beneficiaries : 1-5 (Traditional projects) EU contribution: €8 million - €15 million; Beneficiaries: 2-10 (Integrated projects)	Minimum of €3 million for the full funding period (7 years)	CIVITAS contribution: €5,000 (being inspired); €5,000 (structural dialogue); €7,500 (studies); €10,000 (systematic transfer)
Co-funding rate	2014-2017: 60% 2017-2020: 55% Capacity building projects 2014-2020: 100%	Between 50-90% depending on ESI funds and regions.	Up to 50% (for amounts between €1,000 and €10,000)
Project period average	Traditional projects: 1-5 years Integrated projects: 6 years or more	Depends on the operational programmes and local contexts (max. 7 years)	Up to 6 months
Types of projects	<ul style="list-style-type: none"> - Demonstration and pilot - Best practice - Information, awareness and dissemination - Technical assistance - Capacity building - Preparatory projects 	<ul style="list-style-type: none"> - Capacity building - Participatory processes to build community ownership - Building inter-sectoral and inter-disciplinary linkages between local development actors 	<ul style="list-style-type: none"> - Workshops, study tours, awards, dissemination and communication - Staff exchange, training - Evaluation and feasibility studies - Systematic transfer of measures from a pioneer city to a take-up city
Type of Funding	Grants	Grants	Grants
Managing structure and Coordination	<ul style="list-style-type: none"> - EASME, EIB & National contact points - DG ENV, DG CLIMA 	<ul style="list-style-type: none"> - Managing authorities - DG REGIO, DG AGRI, DG MARE, DG EMPL 	<ul style="list-style-type: none"> - CIVITAS Secretariat - DG MOVE
Further information	Call information Submit proposal Guidelines for applicants 2014 Project examples National contact points	Guidance on Community-Led Local Development for Local Actors Guidance on Community-led Local Development in European Structural and Investment Funds Local development initiatives in rural areas	Call information Project examples Catalogue of Pioneer cities and measures FAQs

Focus on European Territorial Cooperation Programmes

Cross-border cooperation		Transnational cooperation		Interregional programmes	
				INTERREG EUROPE	
				URBACT III	
Beneficiaries	<ul style="list-style-type: none"> - Municipal institutions and administrative bodies - Social, cultural and educational institutions - NGOs - Companies, SMEs and associations 	<ul style="list-style-type: none"> - Municipal institutions and administrative bodies - Social, cultural and educational institutions - NGOs - Companies, SMEs and associations 	<ul style="list-style-type: none"> - Municipal institutions and administrative bodies - Social, cultural and educational institutions - NGOs - Companies, SMEs and associations 	<ul style="list-style-type: none"> - Local authorities - Local agencies (city's stakeholders) - NGOs 	
Participating countries	EU-28	EU-28	EU-28, NO and CH	EU-28, NO and CH	
Number and geographical distribution of beneficiaries	Neighbouring land and maritime border regions on NUTS-2 in two or more Member States or between neighbouring border regions in at least one Member State and one third country (separated by 150 km max.)	NUTS-3 regions and takes (account of macro-regional and sea-basin strategies where appropriate) from at least two participating countries, at least one a Member State.	At least three countries, at least two of which Member States.	At least three Member States, but more Member States included are an asset.	
Focus areas	Research & innovation, ICT, Competitiveness of SMEs, Low carbon economy, Climate change adaptation and risk management, Environmental protection, resource efficiency and transport, Institutional capacity of public authorities and quality employment	<ul style="list-style-type: none"> - Research & innovation, ICT - Competitiveness of SMEs - Low carbon economy - Climate change adaptation and risk management - Environmental protection, resource efficiency and transport - Institutional capacity of public authorities 	<ul style="list-style-type: none"> - Research & innovation, ICT - Competitiveness of SMEs - Low carbon economy - Climate change adaptation and risk management - Environmental protection and resource efficiency - Transport 	<ul style="list-style-type: none"> - Integrated sustainable urban development regarding: - Smart and inclusive growth - Low-carbon economy - Resource efficiency, environment protection - Labour mobility, social inclusion, poverty reduction - Policy design and implementation 	
Specific types of projects	<ul style="list-style-type: none"> - Promotion of sustainable employment, efficient use of natural resources, infrastructure, urban-rural links, labour mobility, joint training, entrepreneurship, social inclusion, community, culture, fight against poverty and discrimination 	<ul style="list-style-type: none"> - Efficient public administration by developing and coordinating macro-regional sea basin strategies - Flood management, transport, communication, international business and urban development 	<ul style="list-style-type: none"> - Dissemination of good practices and expertise in sustainable urban development, incl. urban-rural linkages - Reinforcements of the European Territorial Cooperation Programme and the effectiveness of the cohesion policy 	<ul style="list-style-type: none"> - Transnational exchange - Capacity building - Capitalisation & dissemination <p>Via the creation of different types of networks between cities on strategies, implementations and best practice exchanges</p>	
Average project size and period	Depends on the cross-border cooperation of your region. This can be found here .	Depends on the transnational cooperation of your territory. This can be found here .	Depends on the interregional cooperation of your region. This can be found here .	Project sizes of different types of network: between €400,000 - €750,000. Period: between 6 and 24 months (in 2 phases) (Note: URBACTIII will be finalized in Jan. 2015)	
Co-funding rate	Programme-specific (between 50% and 85%)	Programme-specific (between 50% and 85%)	85% for all the priority topics 74.52% for the 'technical assistance' axis	70% for partners in more developed regions 85% for partners of less developed regions	
Type of Funding	Grants	Grants	Grants	Grants	
Managing structure and Coordination	<ul style="list-style-type: none"> - Managing authority or a European Grouping of Territorial Coordination (EGTC) - DG REGIO 			<ul style="list-style-type: none"> - The URBACT Secretariat - DG REGIO 	
Further information	Project examples Contact of managing authorities	Project examples Contact of managing authorities	Project examples Contact of managing authorities	Call information and Contacts National info days Project examples	

Focus on Horizon 2020

	Secure, Clean and Efficient Energy		Smart, Green and Integrated Transport	
	Energy Efficiency	Competitive Low-Carbon Energy	Smart Cities and Communities	Mobility for Growth
Calls for Proposals for local authorities	Call 2015: EE5, EE7 , EE9, EE10, EE14, EE17, EE19, EE20, EE21	LCE4, LCE14	SCC1, SCC4	MG5.4, MG5.5, MG8.4, MG9.1
Types of projects	Coordination & support actions	Coordination & support actions	Innovation actions: SCC1 Coordination & support actions: SCC4	Research & Innovation actions:MG5.4 Innovation actions: MG5.5, MG8.4 Coordination & support actions: MG8.4, MG9.1
Participating countries	EU-28 and its Overseas Countries and Territories List of associated countries List of other non-EU countries	EU-28 and its Overseas Countries and Territories List of associated countries List of other non-EU countries	EU-28 and its Overseas Countries and Territories List of associated countries List of other non-EU countries	EU-28 and its Overseas Countries and Territories List of associated countries List of other non-EU countries
Number and geographical distribution of beneficiaries	EE5, EE7, EE8, EE9, EE10, EE14, EE 21: At least three legal entities from a different Member State or Associated Country EE20, national platforms of EE 19: At least one legal entity from a Member state or Associated Country	At least one legal entity	SCC1: At least three legal entities, each located in a different country (Each project to be realised in 2-3 cities, co-involve 2-3 follower cities and include industry, cities, academia and SMEs) SCC4: At least one legal entity	MG5.4, MG5.5, MG8.4: At least three legal entities, each located in a different country MG9.1: At least 10 legal entities from different countries
Focus areas	EE5, EE7*, EE9, EE10: Buildings and consumers, EE14: Heating and cooling, EE17: Industry and products EE19, EE21: Finance for sustainable energy EE20: Project Development Assistance (Focus of former MLEI PDA) * Capacity building/integrated sustainable energy planning	LCE4: Renewable electricity and heating/cooling LCE14: Sustainable biofuels	SCC1: Energy, Transport and ICT integrated solutions SCC4: Networks of public procurers	MG5.4*, MG5.5: Urban mobility MG8.4: Infrastructure MG9.1: Socio-economic and behavioural research and forward looking activities for policy making *Sustainable Urban Mobility Plans
Recommended project size	EE7, EE9, EE10, EE21: €1-1.5 million EE5, EE14, EE 17: €1.5-2 million EE19, EE20: €0.5-2million	€1-2 million	SCC1: €18-25 million SCC4: €0.1-0.15 million	MG5.4: €2-4 million MG5.5: €12-18 million MG9.1: €3 million Maximum <i>n.a. MG8.1</i>
Co-funding rate	100%	100%	Innovation actions: 70% (except for non-profit legal entities, where a rate of 100% applies) Coordination & Support actions: 100%	Research & Innovation actions: 100% Innovation actions: 70% (except for non-profit legal entities, where a rate of 100% applies) Coordination & Support actions: 100%
Further information	Calls information, On-line Manual Work Programme Secure, Clean and Efficient Energy General annexes (eligibility criteria) EASME – Enquiries: EASME-energy@ec.europa.eu	Calls information, On-line Manual Work Programme Secure, Clean and Efficient Energy General annexes (eligibility criteria)	Calls information, On-line Manual Work Programme Secure, Clean and Efficient Energy General annexes (eligibility criteria)	Calls information, On-line Manual Work Programme Smart Green and Integrated Transport General annexes (eligibility criteria)

European Project Development Assistance Facilities

	ELENA EIB	ELENA KfW	ELENA CEB	ELENA EBRD	Horizon 2020 Call EE20 - PDA
Beneficiaries	- Public authorities	- Local/regional authorities (small and medium inc. those under the Covenant of Mayors) - Public bodies	- National/regional/local authorities - Public bodies (projects that benefit disadvantaged regions or populations)	- Local/regional authorities - Public bodies	- Local/regional authorities - Public bodies - Public/private Infrastructure Operators - ESCOs and SMEs
Participating countries	EU-28, NO, IS, LI and MK	EU-28, NO, IS, LI and MK Current Financial Beneficiaries: FR, DE, AT and DK	BE, BG, HR, CY, CZ, DK, EE, FI, FR, DE, EL, HU, IE, IS, IT, LV, LI, LT, LU, MT, NL, NO, PL, PT, RO, SK, SL, ES, SE and MK	BG, HR, EE, MK, HU, LV, LT, PL, RO, SK and SL	EU-28 and its Overseas Countries and Territories List of associated countries List of other non-EU countries
Focus areas	- Energy efficiency in buildings or street lighting - Integrated renewables in buildings - Renovation of district heating systems - Energy efficiency and integrated renewables in urban transport	- Energy efficiency in public and private buildings - Renewable energy sources - Environment friendly transport - Smart and energy efficient local infrastructure	- Energy efficiency and integrated renewables in public and private buildings (social housing, etc.), public local transport and public utilities infrastructure - Renovation, extension or construction of district heating/cooling networks	- Energy efficiency and integrated renewables in municipal buildings - District heating/cooling networks - Energy efficiency and integrated renewables in urban transport - Local infrastructure, inc. smart grids, ICT, etc. - Utilities infrastructure, inc. municipal waste-to-energy, efficient appliances in SMEs and households, etc.	-Public/private building stocks -Retail Energy Market Infrastructure, including smart grids, -mobility charging points, public lighting, district heating networks, distributed renewables and demand response infrastructure -Commercial and logistic properties and sites
Project's average investment size	> €30 million	< €50 million	€6 - €50 million	< €50 million	€6 million - €50 million
Co-funding rate Technical Assistance	Up to 90% of eligible costs	Up to 90% of eligible costs	Up to 90% of eligible costs	Up to 90% of eligible costs	Up to 100% of eligible costs
Leverage factor	1:20	1:20	1:20	1:20	1:15
Managing structure and Coordination	- EIB - DG Energy	- KfW Banking Group - DG Energy	- Development Bank (CEB) - DG Energy/ Council of Europe	- EBRD - DG Energy	- EASME - DG Energy
Further information	Webpage Contact	Webpage Contact Final beneficiaries apply to the ELENA via Partnering Financial Intermediaries.	Webpage FAQs Contact	Webpage Factsheet Contact	Forthcoming call (Opening date: 10-12-2014) Manual

EU Financial Instruments

	EEEF	PF4EE	EFSI
Beneficiaries	<ul style="list-style-type: none"> - local/regional public authorities - private entities acting on their behalf 	<ul style="list-style-type: none"> - private commercial banks and other financial intermediaries - final beneficiaries: SMEs, private, small municipalities or other public sector bodies 	European Fund for Strategic Investment Information not yet available
Participating countries	EU-28	EU-28	
Focus areas	<ul style="list-style-type: none"> - Energy Saving and Energy Efficiency investments - Investments in Renewable Energy sources - Investments in Clean Urban transport 	<ul style="list-style-type: none"> - Encourage private commercial banks to address the energy efficiency sector as a distinct market segment - Increase lending for energy efficiency in response to priorities identified by Member States' National Energy Efficiency Action Plans. 	
Average project size	minimum project size is EUR 5mn	EE loans provided to the Final Recipients ranges from €40 000 to €5M (and in exceptional cases up to €15M)	
Co-funding rate		Leverage: 6 fold (loan portfolio / LIFE contribution) and 8 fold (total investment cost / LIFE contribution)	
Project period average			
Types of projects	eeef provides financing for projects on municipal, local and regional level. The instruments, which the Fund can provide include senior and junior debt, mezzanine instruments, guarantees, and equity as well as leasing structures and forfeiting loans.	<ul style="list-style-type: none"> - portfolio-based credit risk protection - long-term financing from the EIB - expert support services for the Financial Intermediaries 	
Type of Funding	Senior/junior loans, convertible debt, equity participation, forfeiting loans	Debt Financing	
Managing structure and Coordination	<ul style="list-style-type: none"> - Deutsche Bank as the Investment Manager of the Fund - European Commission 	<ul style="list-style-type: none"> - EIB - DG CLIMA 	
Further information	General information FAQ	General information Request for proposals	

Alternative financing schemes

Scheme	Description	Examples	Useful links
On Bill Financing	Energy suppliers collect the repayment of a loan through energy bills. It leverages the relationship, which exists between a utility and its customer in order to facilitate access to funding for sustainable energy investments.	UK Green Deal (loan facility that can last for 25 years and can be repaid on via a charge on an energy bill. It is a standardization of measures and loan contracts, which several UK local authorities set up in collaboration with private delivery partners).	Example of UK
Third Party Investment (TPI) example of Energy Performance Contracting (EPC)	EPC is a contractual arrangement between a beneficiary and an Energy Service Company (ESCO) about energy efficiency improvements or renewables installations. Normally an ESCO implements the measures and offers the know-how and monitoring during the whole term of the contract. Essentially the ESCO will not receive its payment unless the project delivers energy savings/production as expected.	MLEI Accelerate project (Province of Huelva, Andalusia) Street lighting in the Province of Teramo (IT) Climate Fund (ESCO model Province of Limburg) RE:FIT London REDIBA (Barcelona-ES) Energy Efficiency in the province of Milan (ELENA)	Info EPC EU EPC campaign ManagEnergy
Soft loans, loan guarantees and portfolio guarantees	<ul style="list-style-type: none"> - Soft loan schemes (below market rates and longer payback periods) and loan guarantees (buffer by first losses of non-payment) are mechanisms whereby public funding facilitates/triggers investments in EPC. - Portfolio guarantees for ESCOs reduces the risks of payment delays, so reduces the overall costs of financing (solid protection from later payments). 	BgEEF (Bulgarian Energy Efficiency Fund) KfW bank in Germany Jessica Holding Fund in Lithuania http://www.kredex.ee/en/	Innovative energy efficiency financing in Bulgaria
Revolving Loan funds	A revolving loan fund is a source of money from which loans are made for multiple sustainable energy projects. Revolving funds can provide loans for projects that do not have access to other types of loans from financial institutions, or can provide loans at a below-market rate of interest (soft loans).	Fred & Ed funds of the Hague The London Green Fund	More info and examples on Revolving Loan Funds
Crowd-funding / Community funding	Pooling resources of different actors, utilizing most of the time an internet-based platform. This can happen in combination with energy cooperatives.	Solar Schools , Abundance Generation , Sun Funder and Solar Mosaic . GreenCrowding BetterVest (DE)	ManagEnergy Article
Green Municipal Bonds	Local government (or their agencies) can issue green bonds to fund their sustainable energy projects. A green bond can operate as a normal bond, which is a debt that will be paid back, depending on the characteristics of the bond, with interest. These can be made attractive via tax-exemptions.	Gothenburg (SE) green bonds Varna (BG) municipal bonds Birmingham (UK) Municipal Bonds Agency	Further information Economist article