

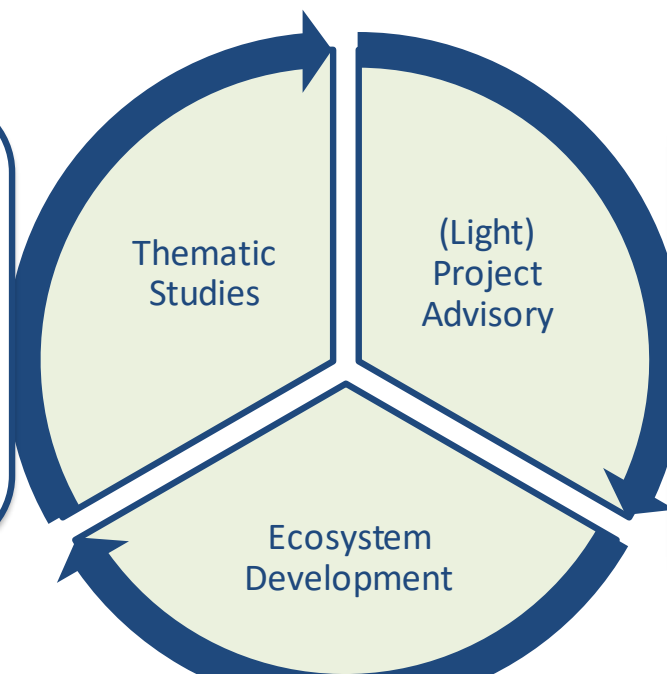
EIB, MEEMA and the EU Commission: Energy Financing Workshop

SESSION 2: Renewable Energy Generation

July 15th

Overview on Innovation Finance Advisory (IFA)


- Improve framework conditions for financing.
- Develop “business case” for new financing mechanisms in RDI sectors.
- Prepare studies to identify market barriers and funding gaps (e.g. access-to-finance studies for CE, Bioeconomy, Agri-food).



- Support project pipeline development.
- Review projects, identification of gaps/ weaknesses, advise on improvements.
- Advise on other critical business areas (e.g. RDI governance & strategy, etc).
- Advise on financing options within and outside the EIB Group.
- Facilitate contacts to relevant market actors.

- Targeted market consultations
- Pro-active participation in targeted fora and workshops
- Mobilisation of industry, investors and a wider ecosystem of actors to develop new financing solutions, best practice dissemination, bridging gaps and asymmetries between demand and supply of finance

EIB can help promoters prepare for financing through advisory support

Advisory tools	Type of support	For which projects
 <p>European Investment <i>Advisory Hub</i> Europe's gateway to investment support</p>	<ul style="list-style-type: none">▪ Advice toward financial structuring, business planning, financial modelling, investor materials, etc. <p data-bbox="562 676 1072 789">EIB advisory + External consultants</p>	<ul style="list-style-type: none">▪ Particularly helpful for large-scale complex projects▪ Requirement: potential for EIB / EFSI financing▪ Can also support development of funding platforms▪ Free of charge for public promoters
 <p>InnovFin Advisory & NER 300</p>	<ul style="list-style-type: none">▪ Advice toward financial structuring, business planning, financial modelling, investor materials, etc. <p data-bbox="562 1029 1072 1142">EIB advisory + External consultants</p>	<ul style="list-style-type: none">▪ Acceleration of innovative projects (e.g., small innovative companies)▪ Free of charge for eligible companies

NER300 PDA – examples of issues to be addressed

Company Description:

- Early stage clean tech company that designs, develops and supplies a **unique patented platform for wind and wave energy**. The design ensures that the platform passively vanes to face the primary wave direction thereby increasing wave power production and creating a lee effect for a safe offshore access point for O&M

Project Overview:

- The Company is currently developing the **commercial demonstrator project for a floating wind and wave device with 3MW wind and 800 KW wave power in the Canary Islands**. The concept consists of a floating power plant that transforms wave energy into electricity and serves as a floating foundation for an offshore wind turbine,



NER300 PDA – examples of issues to be addressed

Revenue

- Existence of off-take agreements / power price purchase agreements
- Tenor and tariff levels from such agreements
- Understanding of potential market and commercial pipeline
- Regulatory approval / constraints

Capex / opex

- Minimum expense thresholds
- Degree of certainty on project costs
- Eligibility of project expenses
- Development leadtimes and outlook for cash draws

Structuring

- Project (most likely) vs. corporate recourse
- Co-financing requirements (50%) either through own cash flow generation, through grants or other sources
- IRR outlook for co-investors (equity, mezzanine, etc.)
- Legal and tax issues impacting business plan (e.g., R&D tax credits, form of SPV)
- Loan tenor vs. operating outlook

EIB financing tools include specific mandates with particular features that can be useful for clean energy projects

InnovFin
Energy Demo Projects

For commercial demonstration of innovative energy projects

Instrument	Loans / guarantees / quasi-equity
Loan size	EUR 7.5m – EUR 75m
Tenor	Up to 15 years
Covenants & security	Transaction-specific
Jurisdiction	Transaction-specific

CEF Future
Mobility Facility

To finance deployment of alternative fuel infrastructure

Instrument	Loans / guarantees / quasi-equity
Loan size	> EUR 7.5m
Covenants & security	Transaction-specific

CEF Transport
Blending Facility

- Grant + Loans approach **to promote the participation of private sector investors** and financial institutions in innovative and sustainable transport projects in Europe
- Support European Railway Traffic Management System (ERTMS) and Alternative Fuels (Infrastructure and mobile assets but no light duty and no coaches)
- Minimum CEF grant EUR 1 m; minimum size of the loan: EUR 5m (for EIB recommended min EUR 25m)
- Project implementation must be completed by 2023

Get in touch with us!

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