



# **EIB and cities: supporting green investment in urban environments**

Virtual event – 30 March 2021

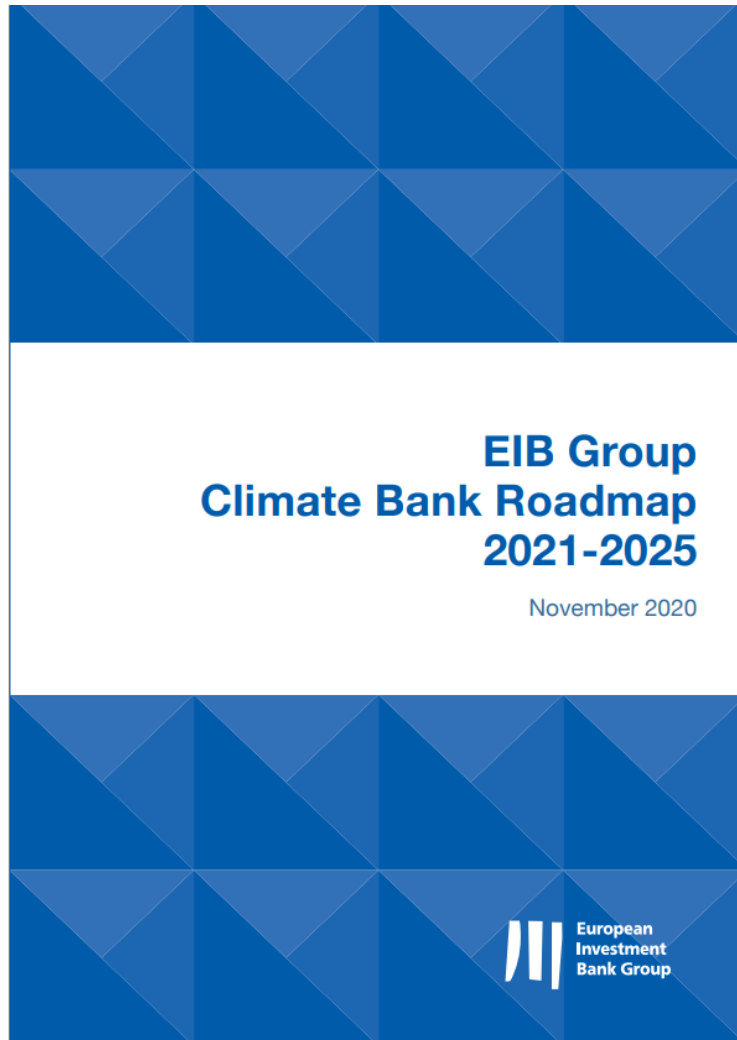
# Agenda

1. Context of the EIB green ambition
2. Implementing the ambition
3. EIB tool kit
4. Examples

# The EU Climate Bank's ambition for the critical decade

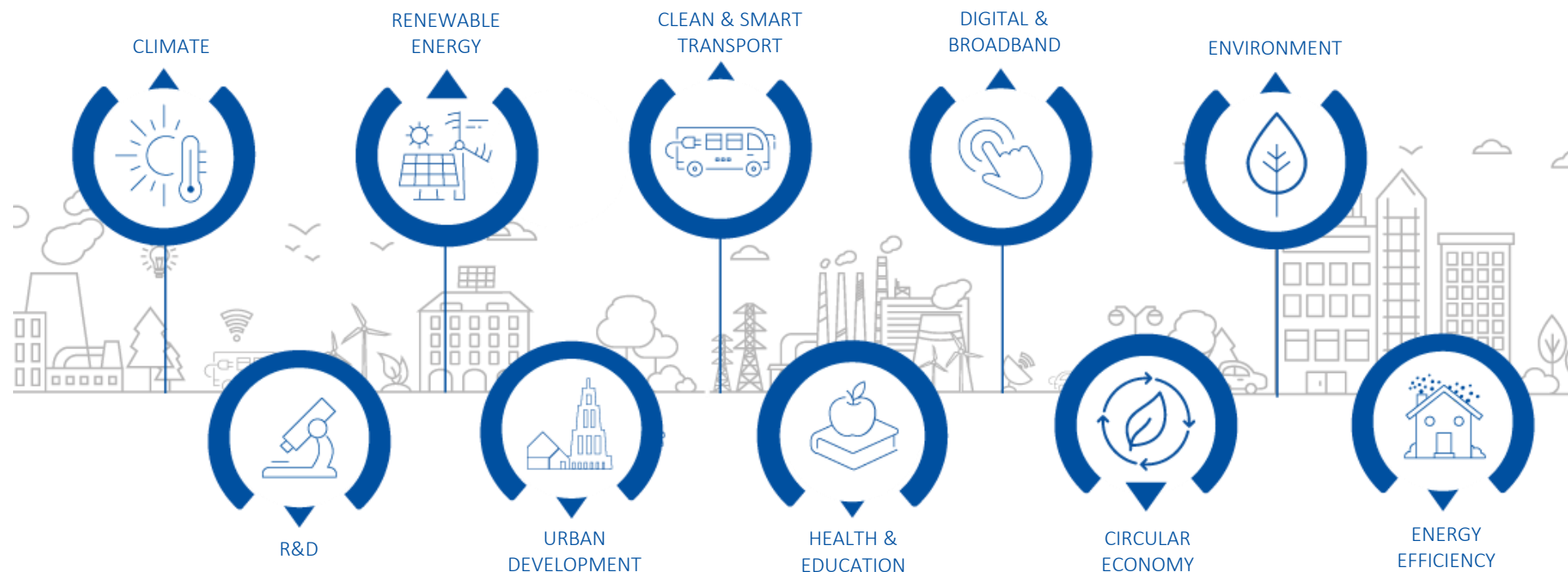
- Support **€1trillion** in climate action and environmental sustainability by the EIB Group **from 2021 to 2030**
- Climate action and environmental sustainability to reach **50%** of EIB financing annually **by 2025 and beyond**
- **Align** all EIB Group financing with the Paris Agreement **by end of 2020**
- **Stop** supporting **traditional fossil fuel investments** by **end of 2021**, **increase** financing for climate change **adaptation** and support a **just and socially fair transition**

# The Climate Bank Roadmap 2021-2025



1. Accelerating the “green transition” and facilitating widespread participation from the private sector
2. Recognises the importance of urban ecosystems in the green transition
3. Aligning all new operations with the objectives of the Paris agreement by the end of 2020
4. Building strategic coherence and accountability

# Advisory interventions in key sectors



## Who can contact the Advisory Hub for support?

Managing Authorities

Private companies

Public companies

Member States

Municipalities

Public authorities

National Promotional  
Banks & Institutions

Financial  
Intermediaries

# URBIS: A thematic advisory initiative

- A joint initiative



- Three types of support:



Awareness raising



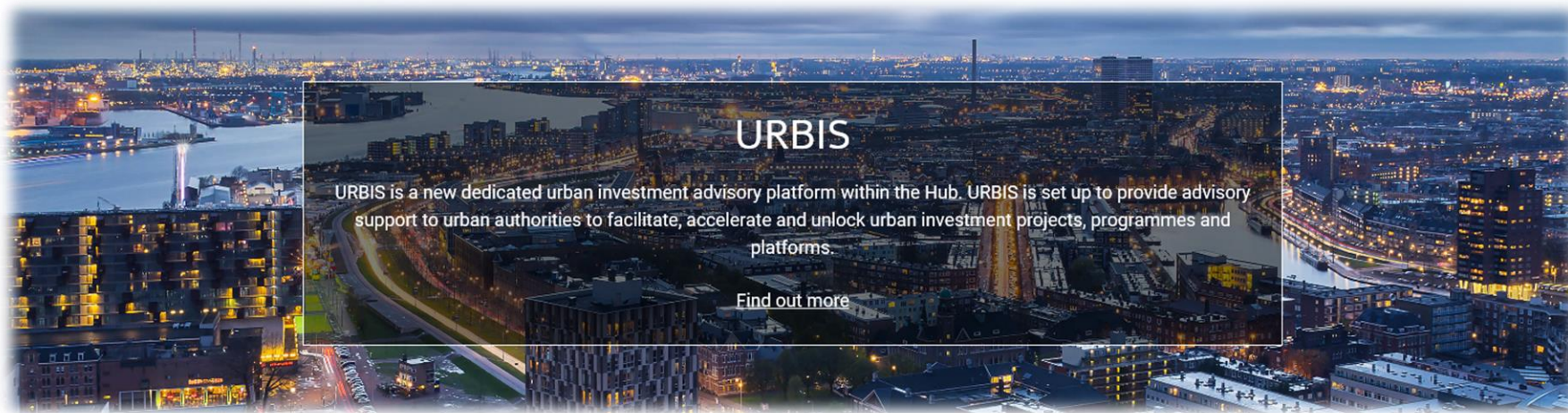
Tailor made advice



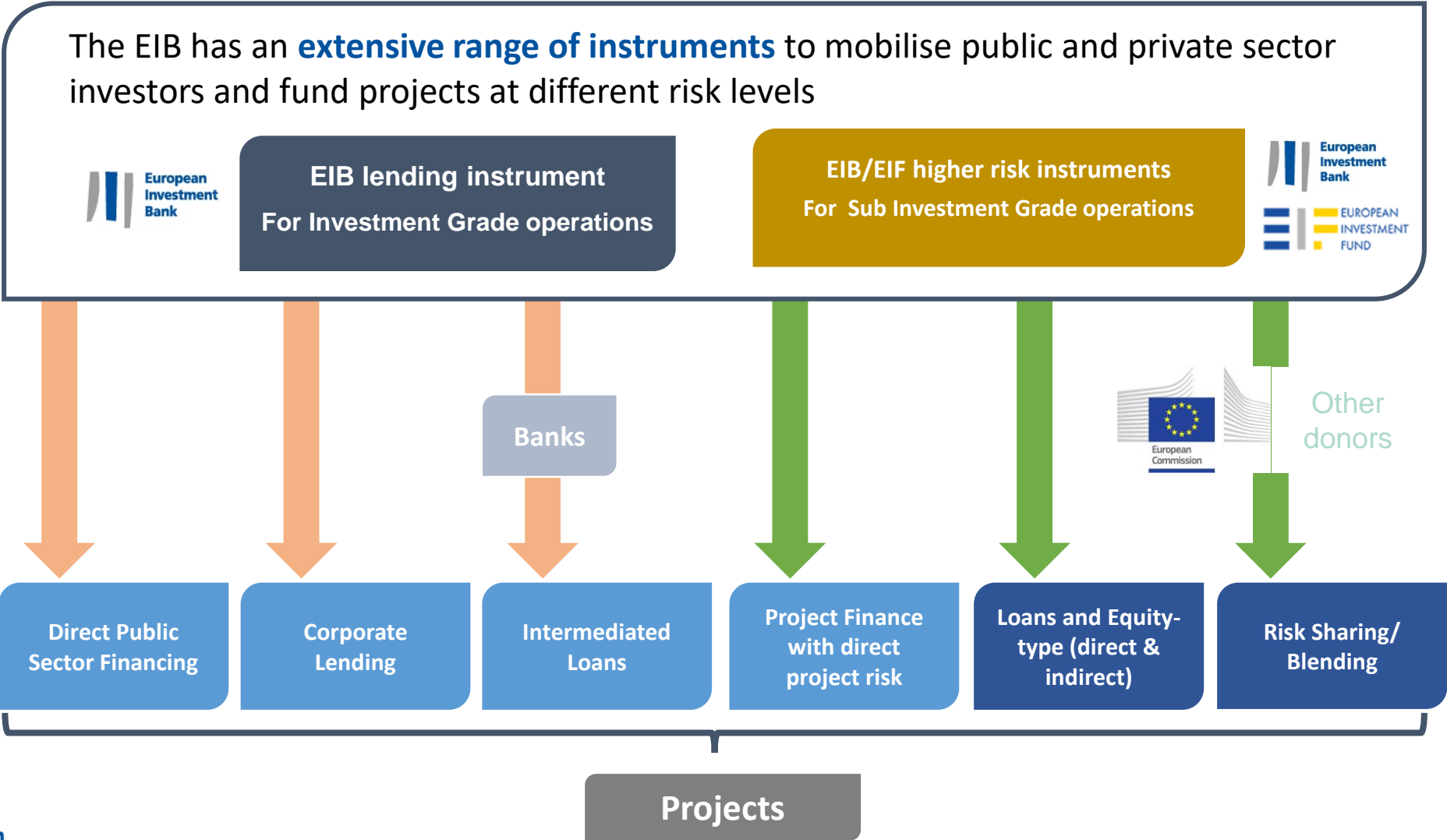
Innovative financing solutions

- Available to cities from all sizes and regions of the EU
- More information available on the EIAH website:

<http://eiah.eib.org/about/initiative-urbis.htm>



# Overview of EIB Group products



# Conclusions

- The Climate Bank Roadmap is an ambitious programme to consolidate our position as the EU Climate Bank
- It fully recognizes the importance of urban ecosystems (focus area “sustainable cities and regions”)
- Whilst basing “green” finance based on EU Taxonomy definitions and applying our alignment framework to the Paris Agreement for new operations...
- ...our tool kit for cities enables a wide space for cooperation up- and down-stream to tackle the green challenge.





# Examples

# Advice to cities - case studies



## Market demand study for social housing in Poland

The assignment assessed the demand and its structure for inclusive social and affordable housing in Poland in relation to existing and potential future lending activity. Work examined in particular how “rent to buy” mechanisms are compatible with social inclusion objectives, particularly with regard to promoting socially mixed neighbourhoods. Recommendations were considering best EU practice.

## Smart cities investment platform in Slovakia

The Advisory Hub supported NPB of Slovakia to explore viability of a smart cities investment platform. A review of smart cities strategies was undertaken, a pipeline of projects in several sectors was identified and the financing gap was analysed. This served as a basis to structure a suitable financing mechanism to address identified gaps.



# Example Urban Framework Loan: Athens Resilient City and Natural Capital 2018

Description: The project financed through an EIB Framework loan supports the implementation of nature-based adaptation solutions outlined in the Athens Resilience Strategy for 2030 to enhance the city's climate resilience.

Objectives: The framework loan (FL) supported by NCFF targets to contribute to the realization of Athens' Resilience Strategy for 2030 and in particular its 'Green Pillar', with the objective to realise nature-based solutions for adaptation to climate change. The investments include Green and Blue infrastructure projects (e.g. parks, greening public spaces, green corridors, roofs) and other measures improving the functioning of urban ecosystems. In addition to improving resilience to the impact of climate change, these projects are expected to deliver air quality benefits, positive impacts on biodiversity, positive economic impacts on neighbourhoods and local real estate as well as to enhance social inclusion.

EIB Finance: related urban development loan of EUR 50m supported by EUR 5m NCFF financing and combined Technical Assistance component (project preparation, implementation and monitoring of the NCFF's objectives and the Green Pillar of 2030 Athens Resilience Strategy). **The project benefitted from advisory support from the Advisory Hub, under the URBIS initiative, helping to integrate climate mitigation and earthquake resilience measures in public and listed buildings.**

The Natural Capital Finance Facility (NCFF) is a financial instrument set up by the European Commission and the EIB to finance projects expected to have a positive impact on biodiversity and use nature-based solutions for adaptation to climate change. The NCFF also offers Technical Assistance to support project preparation, design, implementation and monitoring.





# Example: Investment Loan Poland/Posejdon Nearly Zero Energy Building



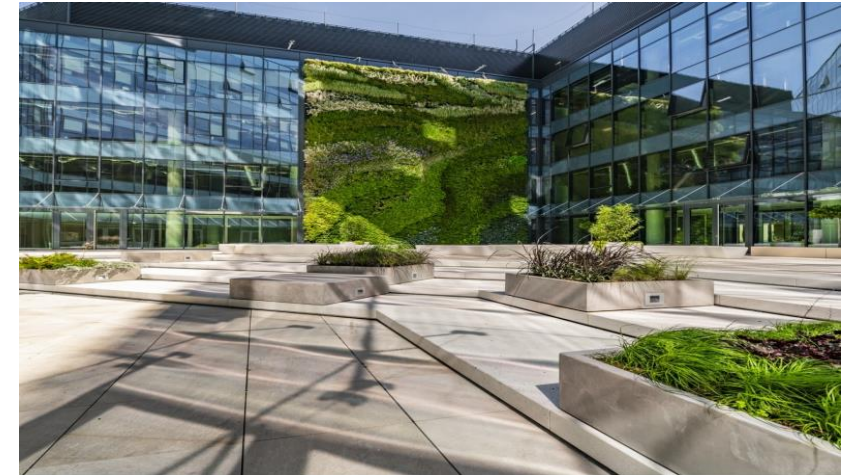
Posejdon multi-use building was the first EIB-financed Near-Zero Energy Building in Poland. The loan to a SPV established by local Polish businesses was intermediated by Polish national promotional bank BGK. Appraised by the Bank in 2017, the project met energy efficiency requirements entering into force in 2021.

The mix-use project with total gross area of 49,000 sqm comprises of 18,000 sqm of office space, 12,000 sqm of hotel and 5,000 sqm of retail (with balance being garages and technical premises). Primary energy consumption of the building was estimated at 40.7 kWh/sqm/year (49% below Polish NZEB threshold).

Achievement of these parameters was due to use of heat pumps, rooftop PV system, high performance insulation and highly efficient HVAC system.

The project assumed renovation of a centrally-located former department store, restoration of the original 1929 façade and expansion, by complementing the original building with new parts, forming a high quality streetscape on all 4 adjacent streets.

The original project budget was EUR 54 million, during implementation it was increased to 70 million (mainly due to increased technical specification required in the hotel part, but also due to increase of general construction staff and material costs).





[eib.org/climate](https://eib.org/climate)



**European  
Investment  
Bank**

*The EU bank*

A circular arrangement of twelve five-pointed stars, colored in a light blue-grey, surrounding the text "The EU bank".

**Thank you very much for your attention!**