

The logo for the SET PLAN Conference 2015 is contained within a white right-angled triangle. The text 'SET PLAN' is in a large, bold, black sans-serif font. Below it, 'Conference' is in a smaller, regular black sans-serif font, and '2015' is in the same size as 'Conference'. The triangle is outlined in a thin blue line. The background of the slide features a diagonal split between a white area on the left and a blue-to-red gradient on the right.

**SET  
PLAN**  
Conference  
2015

Research, innovation  
and competitiveness  
for the Energy Union

**STEPPING UP THE ROLE OF THE EIB IN FINANCING  
ENERGY INNOVATION: ENERGY DEMONSTRATION PROJECTS  
AND EUROPEAN FUND FOR STRATEGIC INVESTMENTS**

Nicholas Jennett, European Investment Bank,

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**SESSION 7**

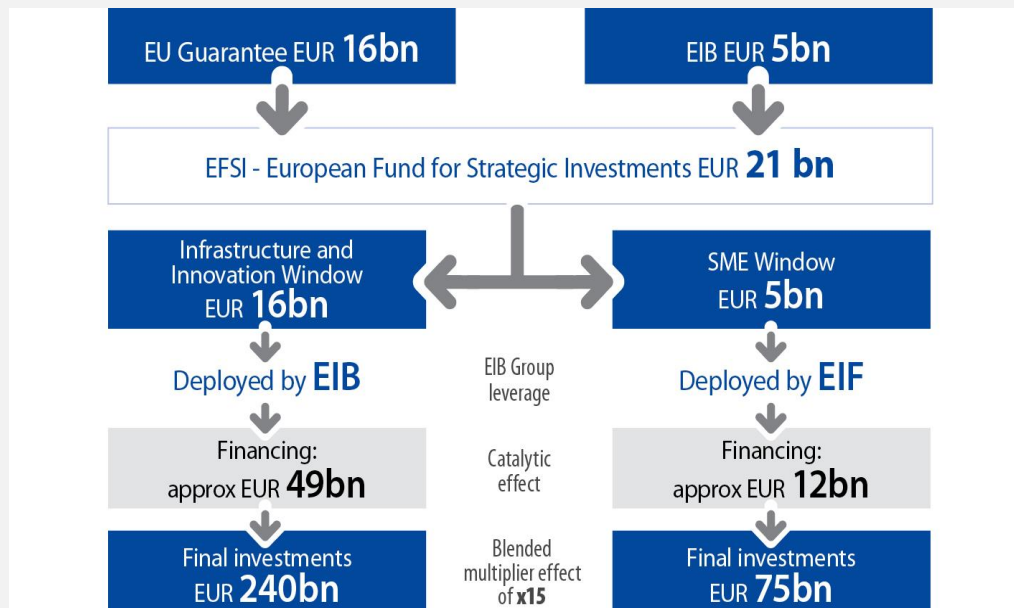
Financing challenges, possibilities and synergies  
between financing instruments

Tuesday 22 September 2015

Risk sharing  
mandates in the  
European Union

- Connecting Europe Facility and Project Bond Initiative
- Natural Capital Facility
- Private Finance for Energy Efficiency
- European Energy Efficiency Fund (First loss layered fund)
- InnovFin
- European Fund for Strategic Investments

## European Fund for Strategic Investments (EFSI)



## How will the EFSI operate?

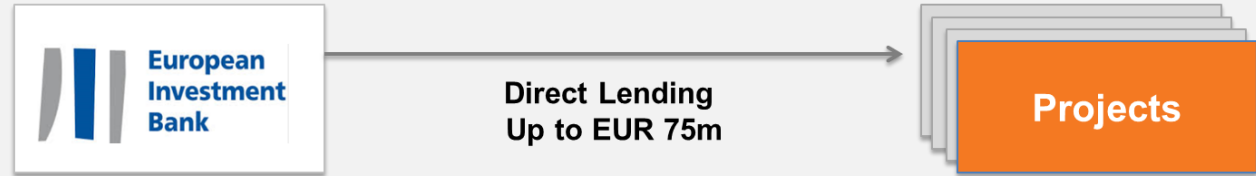
- EFSI is a guarantee facility to enable EIB to finance new, higher risk operations
- All operations are EIB or EIF operations
- EIB and EIF normal appraisal and processes apply
- EIB governing bodies approve every operation
- Various options for third parties, including pension funds, National Promotional Institutions and others, to participate
- Pricing commensurate with the risk - no subsidy element

## InnovFin Product Overview

EUROPEAN INVESTMENT FUND		European Investment Bank <i>The Ed. bank.</i>		
SMEs	Midcaps	Large Caps	Thematic Finance	Advisory
InnovFin SME Guarantee	InnovFin MidCap Guarantee	InnovFin Large Projects	<b>InnovFin Energy Demo Projects</b>	InnovFin Advisory
InnovFin SME Venture Capital	InnovFin MidCap Growth Finance		InnovFin Infectious Diseases	
SMEs and small Mid-Caps < 500 Employees	Mid-Caps < 3,000 Employees	Large Caps Typically > 3,000 Employees	SPV, Mid-Caps and Large Caps	Public and Private Sector Promoters
Intermediated SME/Mid-Cap Financing	Intermediated and/or direct Corporate lending	Direct Corporate Lending	Project Finance and/or Direct Corporate Lending	Financial Advisory

direct products
  indirect products

## How does InnovFin Energy Demo Projects work?



- Broad range of instruments
- EIB can only finance 50% of project costs
- Comprehensive due diligence (legal, financial, technical, etc.)
- EIB standard documentation under English or Luxembourgish law

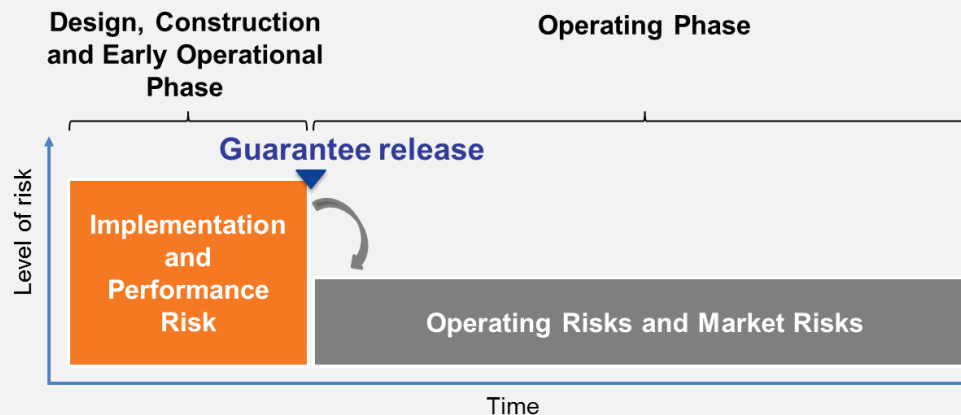
Which projects  
can be  
supported?

**Renewable energy**

**Fuel Cells, Hydrogen**

- Pre-commercial stage
- Loan amount: min EUR 7.5m, max EUR 75m
- Loan maturity: max 15 years
- Currency: EUR and local currency

## Risk and pricing



EU 95% FLP risk  
EIB 5% RRT risk

EIB 100% risk

FLP – First loss piece  
RRT – Residual risk tranche