

PROJECT DEVELOPMENT ASSISTANCE

Lessons learnt from the
Covenant of Mayors Community



Covenant of Mayors
for Climate & Energy
EUROPE



Many of the Signatories to the Covenant of Mayors for Climate & Energy have used Technical Assistance (TA) facilities to develop projects in the framework of their Sustainable Energy and Climate Action Plans (SECAP). In this booklet, you will find lessons learnt by cities and regions all across Europe which benefited from, or are currently using one of the TAs with the aim to help future beneficiaries in the application process.

This booklet focuses mainly on the H2020 Project Development Assistance (PDA), previously funded under the Intelligent Energy Europe (IEE) programme as MLEI (Mobilizing Local Energy Investments) instrument. The PDA helps to build capacity to deliver investment projects, it also brings energy efficiency and renewable energy up on the radar of politicians. Moreover, it enhances cross-collaboration across departments in one public authority and it builds trust and coordination between different governance levels, e.g. regions and municipalities. The European Local Energy Assistance (ELENA) is described in the second section. Finally the third section elaborates further on the European Energy Efficiency Fund Technical Assistance Facility (eeef TAF).

TECHNICAL ASSISTANCE FACILITIES



Description	Horizon 2020 PDA	ELENA – European Local Energy Assistance	EEEF – European Energy Efficiency Fund eeef Technical Assistance Facility (TAF)
Expected investment in million €	7,5 – 50	> 30	5 – 25
Leverage factor ratio	1:15	1:20 (or 1:10 for transport and for 100% residential investments)	1:20
Eligible costs	Staff Subcontracting Overheads (travel, events, workshops, publications, promotion)	Staff Consultants	Staff Consultants
Application process	Competitive process Annual Call for proposals with a deadline	1 contact person Interactive process No deadline	1 contact person Interactive process No deadline
Grant	100%	90%	90%
Other obligations	Communication of results	Comply with minimum leverage factor	Loan through EEEF

Table 1. Comparison of 3 Technical Assistance Facilities

(Source: Covenant of Mayors Webinar:

“European Technical assistance facilities: What do they offer to public authorities?”)

HORIZON 2020 PDA



HOW DOES THE H2020 PROJECT DEVELOPMENT ASSISTANCE WORK?

The Project Development Assistance is a technical assistance facility managed by the Executive Agency for SMEs (EASME) under the Horizon 2020 Energy Efficiency Call and is aimed at public authorities and their groupings, energy service companies, public-private infrastructure operators and bodies, retail chains and large property owners and services/ industry. The PDA supports building technical, economic and legal expertise needed for project development and leading to the launch of concrete sustainable energy investments, which are the final aim and deliverable of the projects.



FOR WHICH SECTORS IS THE SCHEME RELEVANT?

The relevant sectors include public or private buildings, infrastructure such as street lighting, district heating and cooling or water/ wastewater systems, urban transport, industry and services.



WHICH PUBLIC AUTHORITIES ALREADY USE IT?

Graz (Austria); Sofia (Bulgaria); Limburg province, Brussels, Antwerp (Belgium); Solrød, Sønderborg (Denmark); Girona province, Navarra, Pamplona, Extremadura, Basque country (Spain); Grand Est region, Ile de France region, Alsace region, (France); Athens, Alimos (Greece); Zagreb (Croatia); Marche region, Padova, Piedmont region, Matera province, Liguria region, Emilia Romagna region, Friuli Venezia Giulia region, Parma, Turin, Teramo province, Rome (Italy); Cork (Ireland); Ādaži county, Bauska county, Jūrmala, Tukums county, Riga (Latvia); South Østerdal Region (Norway); Hengelo (Netherlands); Lisbon (Portugal); Cambridgeshire county, Oxfordshire (United Kingdom)...



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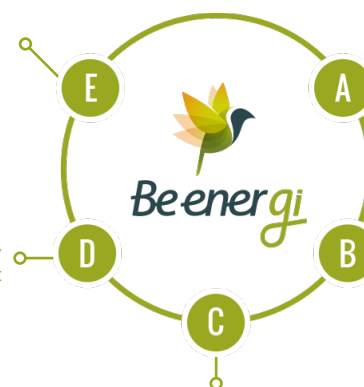
LESSONS LEARNT FROM ...

Girona province (Spain) – Beenergi project

The Girona Provincial Council's H2020 Beenergi programme provides technical, financial and legal assistance for Covenant of Mayors signatories. The aim of the project is to mobilise investments in sustainable energy, promote energy efficiency in public lighting and in municipal buildings. The Beenergi programme promotes new organisational models through innovative funding systems and aims to simplify the legal and technical aspects of administrative procedures. One of the objectives of the programme is reinforcing the capacities of the key stakeholders (SMEs, public administration staff, financial entities) and the municipalities. In addition, Beenergi also provides access to data on local energy consumption of municipal buildings and public lighting. The data and results generated from the programme are disclosed and shared with interested entities so that these new schemes can be replicated in other regions and municipalities.

Technical assistance for creating planning instruments for producing and distributing forest biomass.

Legal and technical advice regarding the process of improving energy efficiency in public lighting and public buildings by signing contracts with ESCOs or through other financing schemes.



Technical assistance needed to improve energy efficiency in public exterior lighting, by signing contracts with energy service companies (ESCO) or through other financing schemes.

Technical assistance needed to improve energy efficiency in public buildings, by signing contracts with ESCOs or through other financing schemes.

Technical assistance needed to install forest biomass boilers or heating networks or boilers that combine the use of other sources of renewable energy, and carry out other installations to obtain greater energy efficiency in buildings, by signing contracts with ESCOs or through other financing schemes.

Diagram 1. Technical Assistance provided by Beenergi

(source: [Beenergi website, technical assistance page](#))

[Find out here](#) which municipalities have received technical assistance from the Beenergi programme.



Solrød municipality (Denmark) – [Solrød Biogas Plant](#)

In 2014, Solrød Municipality worked together with industry partners, suppliers, outlets and research institutions to develop the [Solrød Biogas Plant](#) which produces green energy from seaweed and other by-products such as organic waste and manure from local farms. This innovative public-private partnership catalysed multiple benefits to the wider community of Solrød and local stakeholders by providing new sources of renewable energy. Financing from the MLEI (Mobilizing Local Energy Investments) instrument of the IEE, ensured the following support: financing for the final preparation phase, project and communications management and help with tendering techniques. The overall success of the project is reflected in the investment of €12.7m in a turnkey contract for the construction of a CHP biogas plant and the purchase of a biogas engine, approximate reductions of CO₂ by 40.100 tons CO₂/year and the production of 60 GWh/ year of renewable energy from sustainable sources.

Limburg province (Belgium) – [Ecolimburg2020](#)

In 2013 the Province of Limburg (Belgium) teamed up with Infrax, the local Energy Service Company (now: Fluvius), and DuboLimburg, a provincial support center to boost its ambitions to become a climate neutral region. [ESCOLimburg2020](#) was an IEE-MLEI project that focused on large scale energy-efficient and sustainable refurbishment of public buildings. Infrax provided ample assistance with regard to energy accounting, energy audits, feasibility studies and the tendering process, and developed a number of tailor-made ESCO services for the Limburg municipalities. DuboLimburg, previously having aided the Province in preparing individual climate action plans and baseline emission inventories for the municipalities, was engaged to help translate these plans and data into concrete projects within the ESCOLimburg framework. Together these three partners contributed substantially to the provincial climate ambition and to lowering public energy costs.

Ādaži county; Bauska county; Jūrmala; Tukums county (Latvia) – [SUNShINE & Accelerate SUNShINE](#)

In Latvia several municipalities are committed to renovate, renew and modernize multi-family buildings which originate from the Soviet period, in order to reduce energy consumption and extend the lifespan of apartment buildings. To turn these plans into action the SUNShINE project supports Energy Performance Contracting (EPC) where the ESCOs provide the energy efficiency services. These include the energy audit of the house, technical documentation, analysis and monitoring of the results. Until now 4 municipalities Ādaži county, Bauska county, Jūrmala and Tukums county benefited from this framework. As a result the [EPC documentation](#) for public buildings renovation projects in Latvia has been developed largely based on the SUNShINE experience. The Accelerate SUNShINE is the continuation of the project with the main focus on municipalities and their public buildings and multi-family buildings.

Ecopower (Belgium); Courant d’Air (Belgium); Enercoop (France); Energy4all (UK); Som Energia (Spain) – [REScoop MECISE](#)

To unlock the energy saving potential from energy renovations the REScoop MECISE (Mobilizing European Citizens to Invest in Sustainable Energy) project brings together 5 renewable energy cooperatives (REScoops). The objective of REScoop MECISE is to develop innovative approaches to launch concrete investments by European citizens and local authorities into renewable energy and energy efficiency projects. Through REScoop MECISE citizens and local authorities now have direct personal assistance and technical expertise available to initiate deep energy renovation projects. The success of the project is also reflected in the establishment of new cooperatives as a result of setting up innovative financing solutions, and by facilitating collaborations between citizens and municipalities.



Torino province (Italy) – 2020Together

In order to respond to the needs of municipalities and overcome economic-financial concerns at local level and start energy efficiency refurbishments of public assets: buildings and street lighting, the Metropolitan City of Turin teamed up with the Piedmont Region, the City of Turin and the Environment Park to develop the 2020Together project. Special focus was given for innovative finance measures of Energy Performance Contracts (EPC) and the implementation of new forms of financial partnerships between local public administrations and private investors – ESCO (Energy Service Company). During the project 11 municipalities from the metropolitan area benefited from the innovative model of the energy efficiency tender developed, while another 10 municipalities have started a similar project. In addition to promote the replicability of the project a [“Guide for drawing up EPC contracts – The 2020Together experience”](#) (IT) has been developed.



LESSONS LEARNT & RECOMMENDATIONS FROM LOCAL AUTHORITIES THAT USED THE TECHNICAL ASSISTANCE H2020 PDA / IEE MLEI

BENEFICIARIES' INSIGHTS

- **Skills and expertise:** In order to have a successful application and delivery of the project, highly skilled professionals are essential. The team should be comprised of people with technical skills, local language knowledge, legal expertise and previous hands on experience in similar projects.
- **Time and expenses:** Depending on the size of the consortium and previous experience, the application process can last between 1-4 months. Additional expenses during the preparatory phase can be expected due to a number of datasets that need to be included in the application form. The time frame from submission to grant signature is usually > 8 months.
- **Uniform data documentation:** In order to prepare a successful application as well as delivery of the projects, reliable historical data documentation is essential. One of the solutions could be to hire a permanent staff responsible for the update, control and quality assurance of the data.
- **Knowledge transfer:** Given the complexity and multi-annual nature of the projects, technical and administrative skills transfer should be prioritized between individuals involved throughout the whole period. This is important especially between two political cycles, which tend to last 4-5 years.



FUNDING AUTHORITIES' INSIGHTS

- **Replication:** Organisational innovation means also replicating successful practices in different territories and market segments.
- **Don't underestimate the procurement process:** e.g. if you like to procure an ESCO, it takes time to first collect input from market actors, develop sound tender specifications, plan the selection process etc. Build this process properly into your proposal.
- **Investment financing:** Explain how you are going to finance the investment. PDA will help you with the engineering of the financial scheme, but some preliminary talks with finance actors will be useful to understand the options and put forward sound proposals.



MORE INFO

- [National Contact Points for Horizon 2020](#)
- [Frequently asked questions – PDA](#)
- [Financing Building Renovation – Webinar recording](#)
- [Call 2020 Info Day](#)
- [2014 PDA projects \(EE-11-2014\)](#)
- [2015 PDA projects \(EE-11-2015\)](#)
- [2016 & 2017 PDA projects \(EE-22-2016-2017\)](#)
- [2018 PDA projects \(EE-11-2018\)](#)
- [Projects supported under Intelligent Energy Europe from 2011-2013](#)





HOW DOES ELENA WORK?

ELENA is a joint initiative by the EIB and the European Commission under the Horizon 2020 programme. ELENA provides grants for technical assistance focused on the implementation of energy efficiency, building integrated-renewable energy, innovative transport and mobility projects. The ELENA TA can be used to finance costs related to feasibility and market studies, energy audits, financial and programme structuring, business plans, as well as to the preparation of tendering procedures, contractual arrangements and project implementation units.



FOR WHICH SECTORS IS THE SCHEME RELEVANT?

The relevant sectors include buildings, transportation, renewable energy.



WHICH PUBLIC AUTHORITIES ALREADY USE IT?

Leuven, Limburg (Belgium); Central Bohemian region (Czech Republic); Copenhagen, Aarhus, Aalborg (Denmark); Barcelona (Spain); Picardy region, Paris, Bordeaux, Lyon (France); South Aegean region, Epirus region (Greece); Kaposvá, Paks (Hungary); Zagreb (Croatia); Campi Salentina, Genoa, Venice, Bergamo province (Italy); Tipperary county (Ireland); Klaipėda (Lithuania); Amsterdam, Purmerend, Rotterdam, Overijssel province (Netherlands); Bucharest (Romania); Gothenburg (Sweden); Bratislava (Slovakia); Ljubljana (Slovenia); Bristol, West Yorkshire Combined Authority, Cheshire East Borough Council, The Welsh Government, Greater Manchester Combined Authority (United Kingdom)...



LESSONS LEARNT & RECOMMENDATIONS FROM LOCAL AUTHORITIES THAT USED THE ELENA TECHNICAL ASSISTANCE

BENEFICIARIES' INSIGHTS

- **Starting early:** It is highly encouraged to initiate the conversation with the EIB as soon as the ideation phase of the project. By doing so both partners will save time and resources during the application.
- **Level of preparation:** Before applying for a technical assistance make sure to be clear on the activities and investments that ELENA is being asked to support. There should also be clear plans on how the project will be financed.

- **Direct assistance:** The EIB's ELENA technical assistance team is available to guide applicants through the application phase and also support the beneficiaries throughout the duration of the ELENA contract.
- **Main obstacles:** Below you will find some of the main challenges and barriers that ELENA project beneficiaries have identified during the implementation of energy efficiency and renewable energy investments. These should align with the types of barriers that ELENA can help remove.

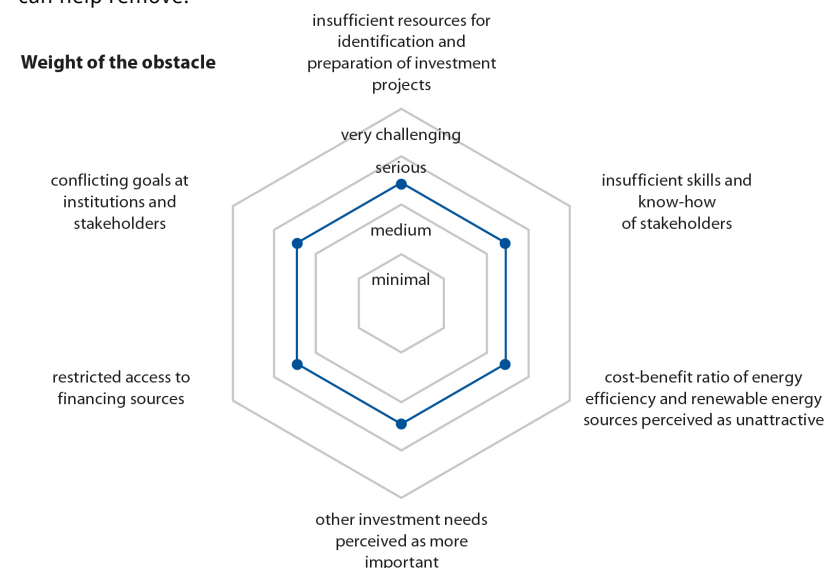


Diagram 2. Obstacles occurring during the implementation of ELENA projects, according to respondents

(source: [ELENA 10-year anniversary publication](#))



MORE INFO

Recently the ELENA facility celebrated its 10-years anniversary. To highlight some of the success stories and examples the EIB published an evaluation study.

In this study you will find results from an assessment of data and documents from all ELENA projects, an online survey from beneficiaries and 15 in-depth interviews. In addition 8 successful flagship projects are described from France, Ireland, Slovenia, Denmark, Spain and the Netherlands.

Learn more about the [ELENA 10-year anniversary publications](#)

EEEF

EUROPEAN ENERGY EFFICIENCY FUND EEEF
TECHNICAL ASSISTANCE FACILITY (TAF)



HOW DOES EEEF TECHNICAL ASSISTANCE FACILITY WORK?

The eef TA aims to bridge the gap between sustainable energy plans and real investments through supporting all activities necessary to prepare investments into sustainable energy projects. To help the TA beneficiaries as well as to insure a higher project implementation rate, eef provides TA support by providing consultancy services.

The eef selects appropriate experts with the required know-how and expertise via a public tender process, completed entirely by the eef, and assigns them to the relevant investment programmes and municipalities. The TA beneficiaries (public authorities) can use the consultant services to carry out for example feasibility studies, energy audits and evaluate the economic viability of their investments. Legal support for the investment programmes on the other hand, will be mandated by the TA beneficiary directly, while costs to be covered by the eef. A request for eef TAF has to meet a few eligibility criteria (i) the beneficiary should be a public authority or a public-owned company; (ii) the annual primary energy savings should reach at least 20% and, for renewables energy technologies, reduce CO₂ emissions by 20%; (iii) achieve minimum leverage factor of 20, i.e. the final investment volume of the project divided by TAF support amount; and (iv) the financing of the investment volume by the Fund should range between € 5 – 25million.

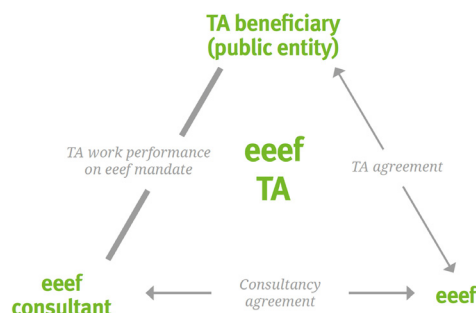


Diagram 3. eef TAF triangulation structure to help the public beneficiary.

Courtesy: [European Energy Efficiency Fund: Annual Report 2018](#)



FOR WHICH SECTORS IS THE SCHEME RELEVANT?

The relevant sectors include energy efficiency, small-scale renewable energy and/or urban public transport.



WHICH PUBLIC AUTHORITIES ALREADY USE IT?

Gijón (Spain); Ferrara province, Bolzano province, Modena, Italian Ministry of Defense (Italy); Kaunas, Ukmergė District Municipality (Lithuania).

Ferrara Province (Italy)

In the Emilia Romagna region (Italy) 4 municipalities Ferrara, Cento, Mesola and Voghiera are directly benefiting from the TA with planned measures to upgrade street lighting and deep retrofit of 12 buildings (offices, town halls, sport facilities and schools). The eef project development services include technical support in the project development, to perform the initial studies and energy audits. Regarding the ESCO selection, legal advice has been given to structure the public procurement process and set up the legal framework. Moreover, to monitor the achieved savings during the project implementation phase, measurements and a verification system were defined. The total expected project volume of the Ferrara Province TA is €30.8m.



LESSONS LEARNT & RECOMMENDATIONS FROM LOCAL AUTHORITIES THAT USED THE ELENA TECHNICAL ASSISTANCE

BENEFICIARIES' INSIGHTS

- **Direct assistance:** The eef technical assistance facility provides an interactive session, direct feedback and monthly guidance during the application phase which has proven to be useful for local authorities.
- **Achieving success:** When initiating the conversation with the politicians it is important to have the top of the municipality (Mayor) on board for a successful project cycle delivery.
- **Clustering municipalities:** To better estimate the financial risks associated with the fragmentation of the contracts and lower the administrative barriers, it is useful to aggregate multiple small towns and municipalities when applying for the funds.
- **Accurate baseline:** Before applying for the technical assistance make sure to have all the relevant baseline data calculated for the energy consumption of the building that will be retrofitted. This will help to better understand the feasibility of the application.
- **Benefits of the eef TA** – External advisors and experts are already provided from the time of the signature of the contract which makes the process much faster in comparison to other TAFs. In 5-6 months the EPC tenders are delivered together with the technical administrative documents, followed by a longer period of internal document screening and approval which might take between 10 months and up to 1 year.



MORE INFO

Learn more about the eef TA Facility projects on the website:

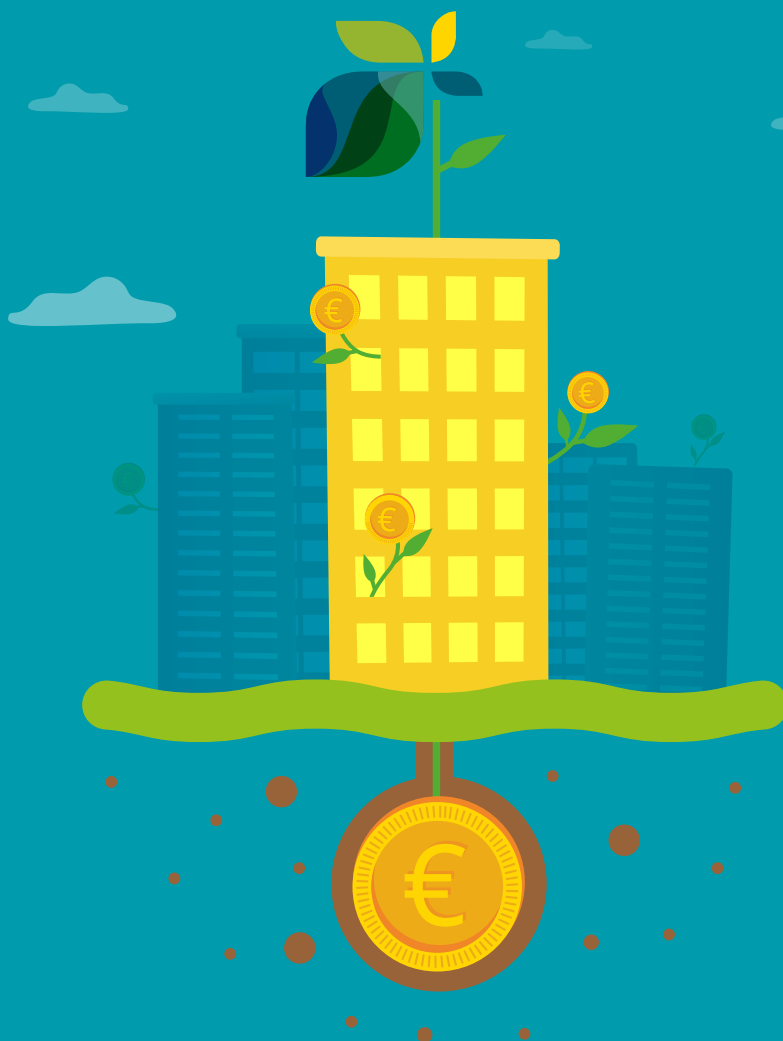
www.eeef.lu/eeef-ta-facility.html

Read the latest annual and quarterly reports:

www.eeef.lu/all-publications.html

New applications can be submitted to:

technical_assistance@eeef.eu



Learn more about financing opportunities for your Sustainable Energy & Climate Action Plans on the [Covenant of Mayors – Europe website!](#)

Published by the Covenant of Mayors – Europe Office in November 2019
Designed by unger+, www.ungerplus.de



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