HOW CAN ISLANDS MOBILISE FINANCE FOR THEIR ENERGY TRANSITION?

New Energy Solutions Optimised for Islands
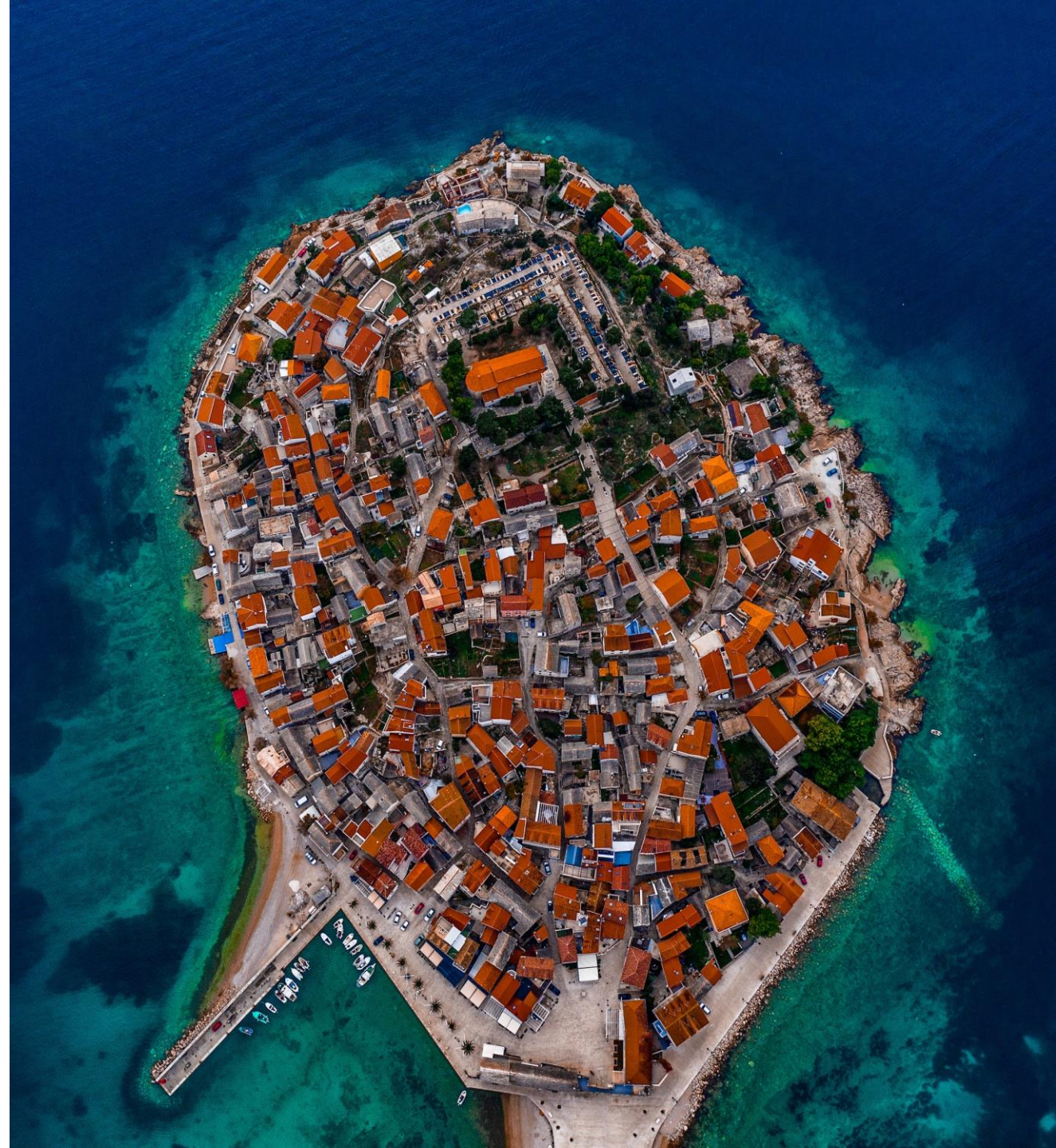
NESOI
EUROPEAN ISLANDS FACILITY

CRISTINA BOARETTO
AUGUSTA CLÉRISSE

NESOI AT A GLANCE

NESOI supports **EU islands energy transition process**, facilitating the decentralisation of energy systems and contributing to **EU policy** in achieving 2030 targets

The European Islands Facility NESOI was kicked off in October 2019 and will **end in 2023**

NESOI will **select**, via **two competitive calls**, **energy transition projects for direct support**

NESOI will deploy **technical assistance activities** supporting **feasible projects** towards their **implementation** and facilitating **access to finance**

60 selected islands will benefit from:
- specific project structuring **Technical Assistance** provided directly by NESOI's professionals
- local contractors financed thanks to NESOI's **cascade mechanism – grant funding (€6,2 mln)**

Capacity building information and **toolkits** will be provided EU-wide via a **digital platform** and **training workshops**

OUR CONSORTIUM

LEVELS OF INTERVENTION

EU Level

Mapping needs through **questionnaires**

Creation of a platform to exchange best practices and communication and dissemination activities

Coaching and capacity building for Local Entities

Island Level

€ 3,1 mln to be allocated to Local Entities to finance first-step technical assistance

(max grant € 60k)

+

€ 3,1 mln - Technical assistance on-site provided by the Consortium (€ 60k equivalent)

NESOI
EU ISLANDS FACILITY

NESOI PROCESS

1/
Survey
Survey deployment
Mapping of islands projects and needs

2/
Call for proposals
Local entity participation
Selection of beneficiaries 30+30

3/
Technical assistance
Provision of financial resources and technical support

TARGET PROJECTS

Nesoi will support projects in the development and financing phase: the main goal of the Facility is to activate investments and support the access to exisisting financing instruments

Figure: Renewable energy projects, implementation phases, value creation and risk profile. Adapted from : Jovičić, 2015
Green Finance,2019,1(2) http://dx.doi.org/10.3934/GF.2019.2.94

NESOI AT A GLANCE

OUR CONSORTIUM

LEVELS OF INTERVENTION

NESOI PROCESS

TARGET PROJECTS

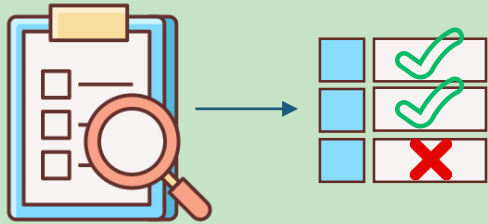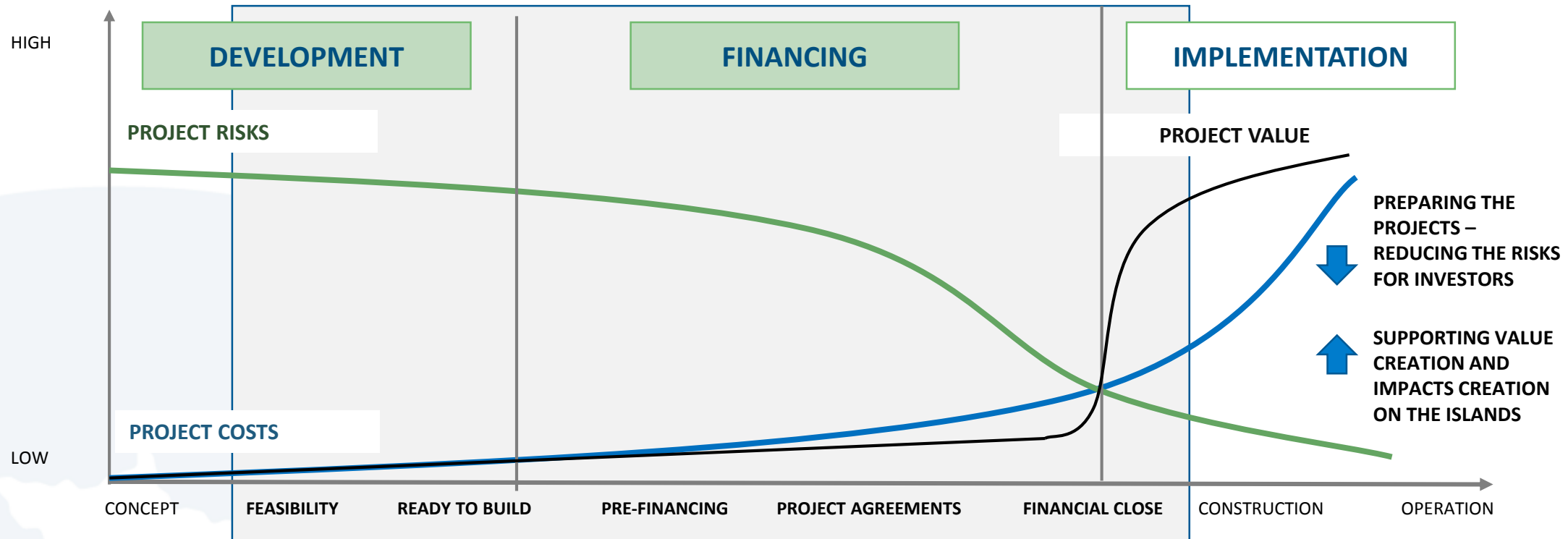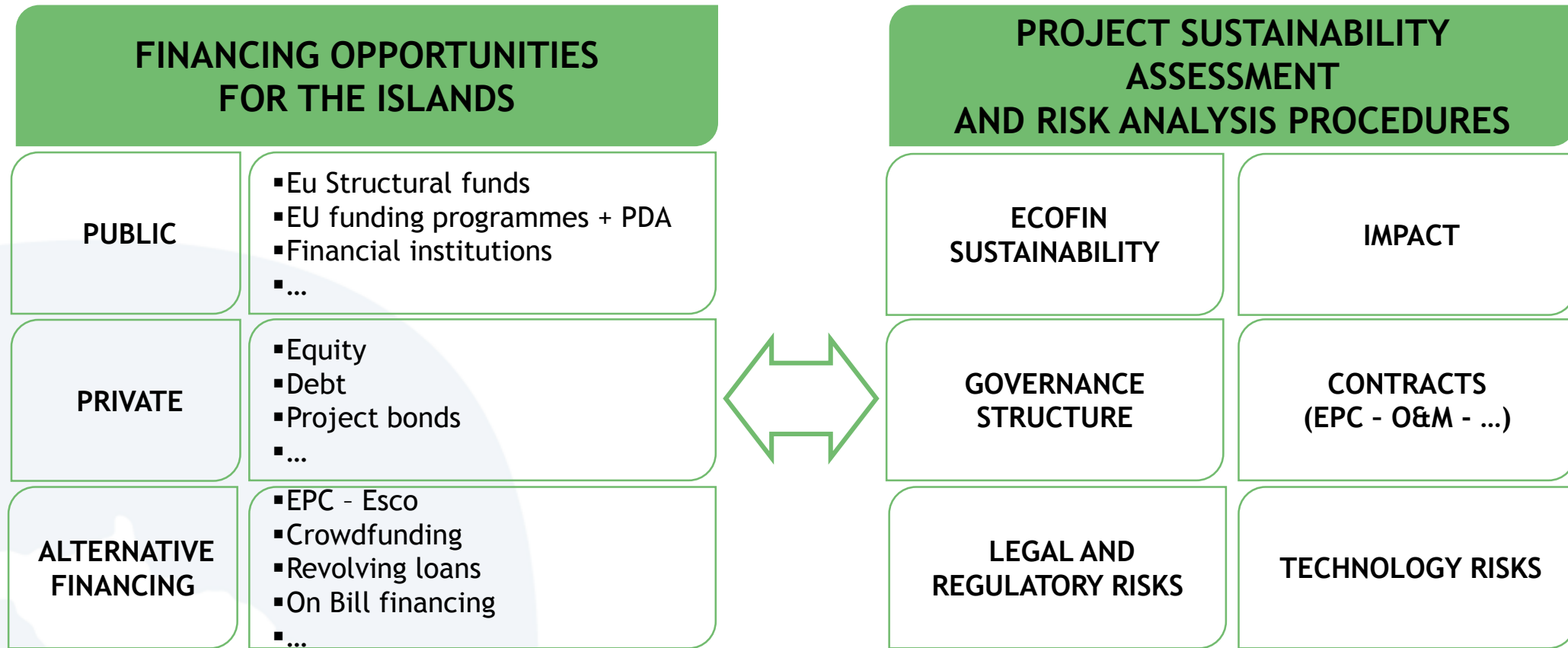RISKS AND FINANCING OPPORTUNITIES

NESOI SUPPORT

NESOI SURVEY

NEXT STEPS

RISKS AND FINANCING OPPORTUNITIES

Each project, and each funding opportunity will be different: a specific match should be found between financing opportunities, financing assessment, risk analysis procedures and projects

FINANCING OPPORTUNITIES FOR THE ISLANDS	
PUBLIC	▪Eu Structural funds ▪EU funding programmes + PDA ▪Financial institutions ▪…
PRIVATE	▪Equity ▪Debt ▪Project bonds ▪…
ALTERNATIVE FINANCING	▪EPC – Esco ▪Crowdfunding ▪Revolving loans ▪On Bill financing ▪…

PROJECT SUSTAINABILITY ASSESSMENT AND RISK ANALYSIS PROCEDURES	
ECOFIN SUSTAINABILITY	IMPACT
GOVERNANCE STRUCTURE	CONTRACTS (EPC – O&M - …)
LEGAL AND REGULATORY RISKS	TECHNOLOGY RISKS

NESOI AT A GLANCE

OUR CONSORTIUM

LEVELS OF INTERVENTION

NESOI PROCESS
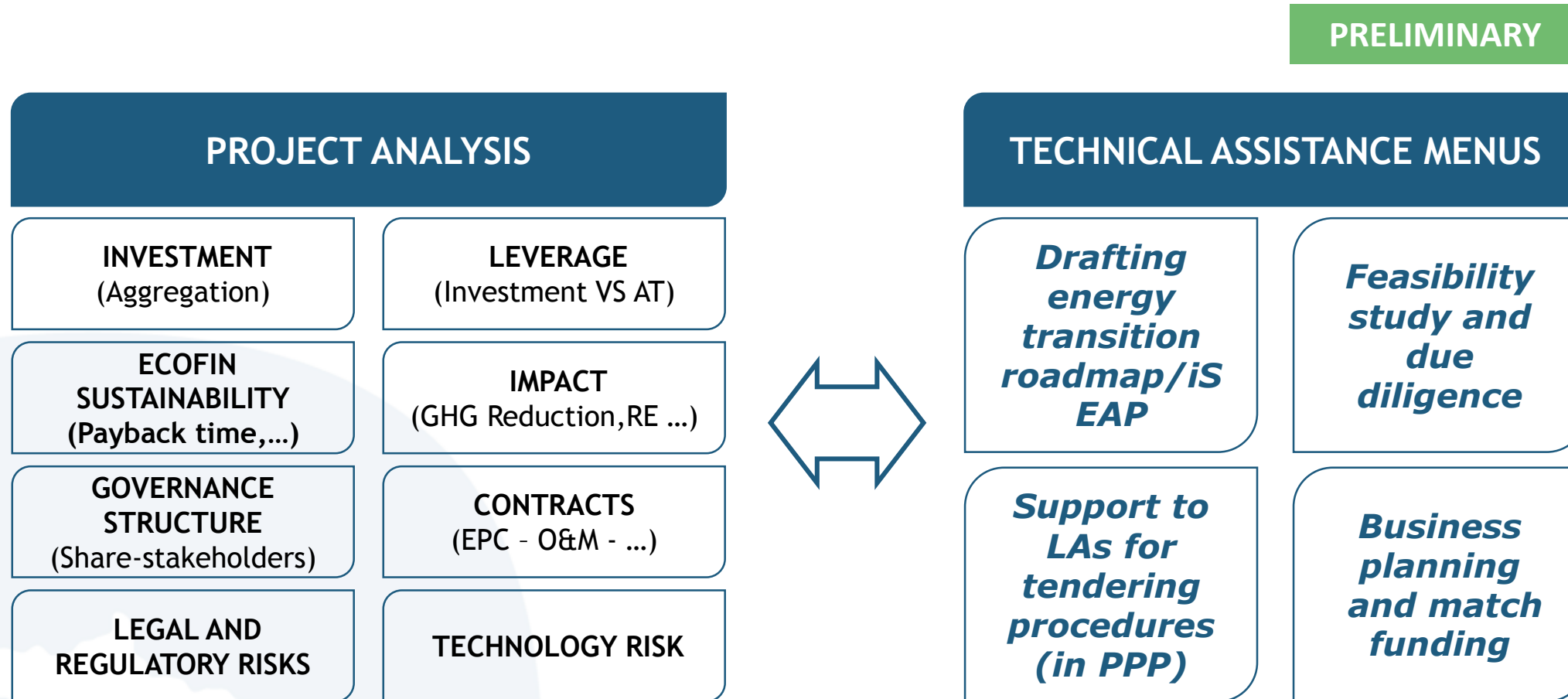
TARGET PROJECTS

RISKS AND FINANCING OPPORTUNITIES

NESOI SUPPORT

NESOI SURVEY

NEXT STEPS

NESOI SUPPORT

NESOI will support the projects in improving some of these conditions in order to facilitate the access to finance

PRELIMINARY

PROJECT ANALYSIS

INVESTMENT (Aggregation)	**LEVERAGE** (Investment VS AT)
ECOFIN SUSTAINABILITY (Payback time,…)	**IMPACT** (GHG Reduction,RE …)
GOVERNANCE STRUCTURE (Share-stakeholders)	**CONTRACTS** (EPC – O&M - …)
LEGAL AND REGULATORY RISKS	**TECHNOLOGY RISK**

TECHNICAL ASSISTANCE MENUS

Drafting energy transition roadmap/iSEAP	*Feasibility study and due diligence*
Support to LAs for tendering procedures (in PPP)	*Business planning and match funding*

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NESOI SURVEY

Investing efforts on the quality and completeness of data received.

NESOI AT A GLANCE

OUR CONSORTIUM

LEVELS OF INTERVENTION

NESOI PROCESS

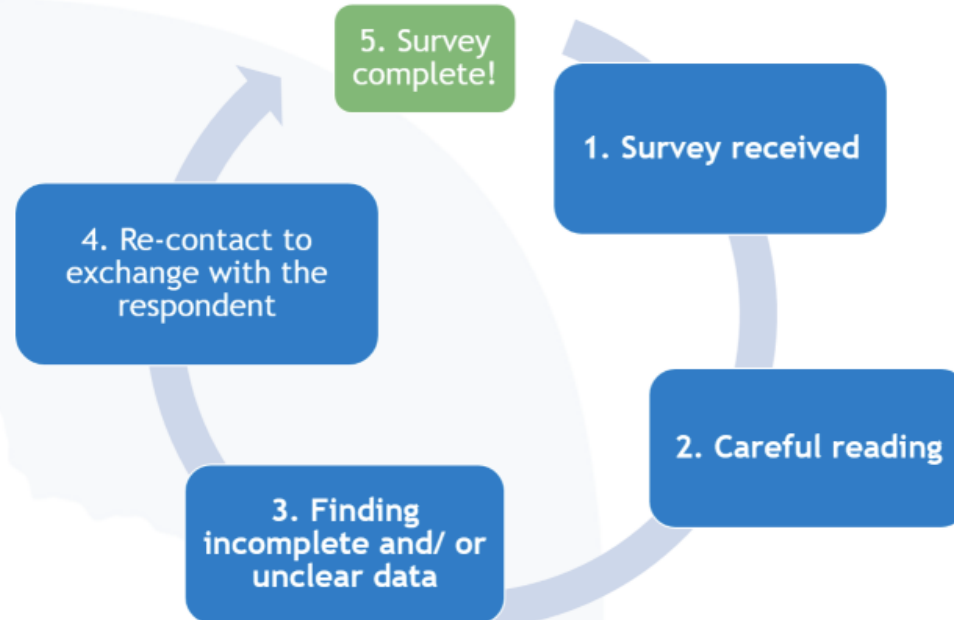TARGET PROJECTS

RISKS AND FINANCING OPPORTUNITIES

NESOI SUPPORT

NESOI SURVEY

NEXT STEPS

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PRELIMINARY

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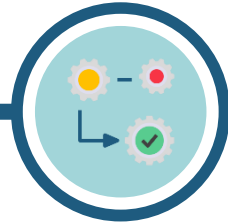
NESOI SUPPORT

NESOI SURVEY

NEXT STEPS

NEXT STEPS

MAY- OCTOBER 2020

OCTOBER 2020

SURVEY + WEBINARS

- Sharing the results with the Islands !
- A dedicated webinar will be organised to communicate and discuss the survey results
- Some webinars will be organised to explain the call, its eligibility and evaluation criteria

MAPPING & PLATFORM

Mapping of:
- Available technologies
- Viable sources of finance
- Legal and procedural framework
- Grid connection regulation

CALL FOR PROPOSAL

Drafting tenders and definition of selection pre-requisites starting from established evidence

1° call – October 2020
2° call – January 2022

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Thank you!

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