



Making financial instruments work for cities

Energy Fund The Hague

Alternative use of ERDF to support energy efficiency measures

AN URBACT II PROJECT



Ton Overmeire,
Holding Fund manager and ERDF programme manager

Riga 23 February 2016

Connecting cities
Building successes



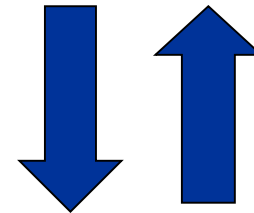
Why JESSICA

Joint European Support for Sustainable Investment in City Areas

Grant



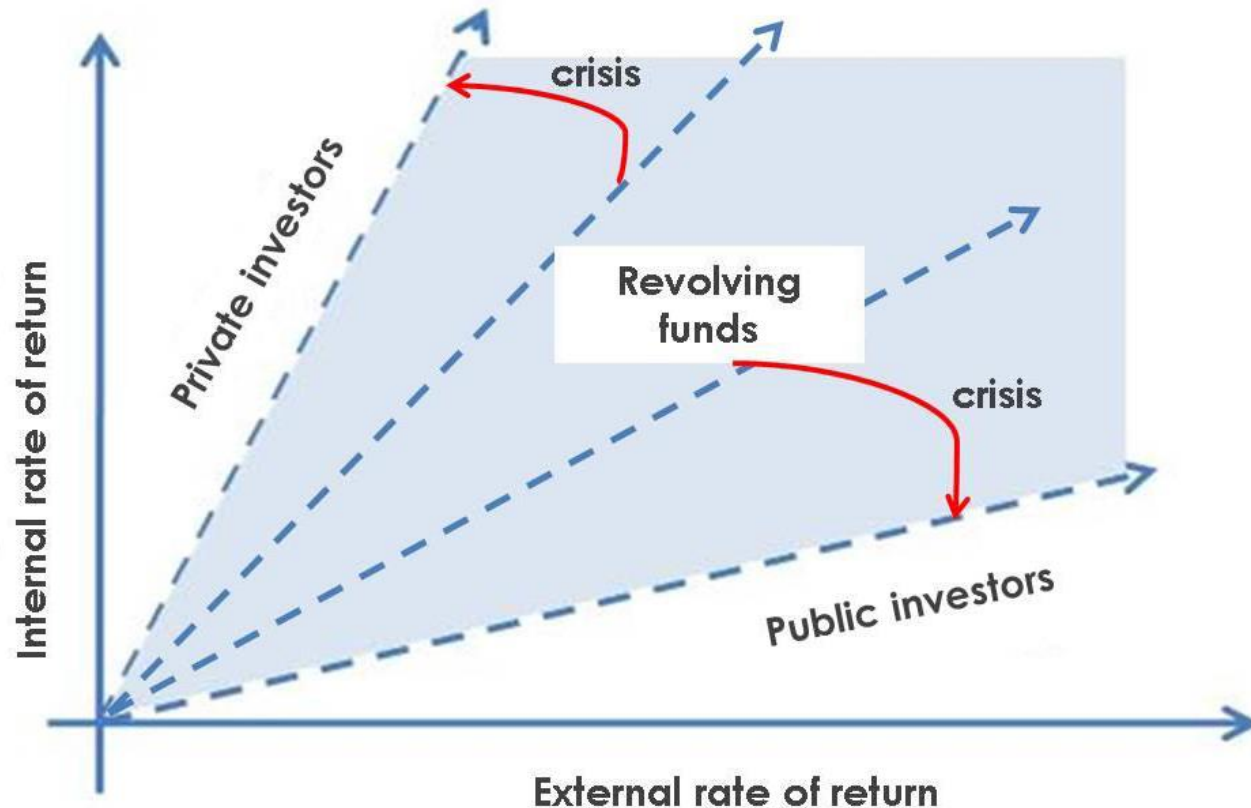
Financial Instrument



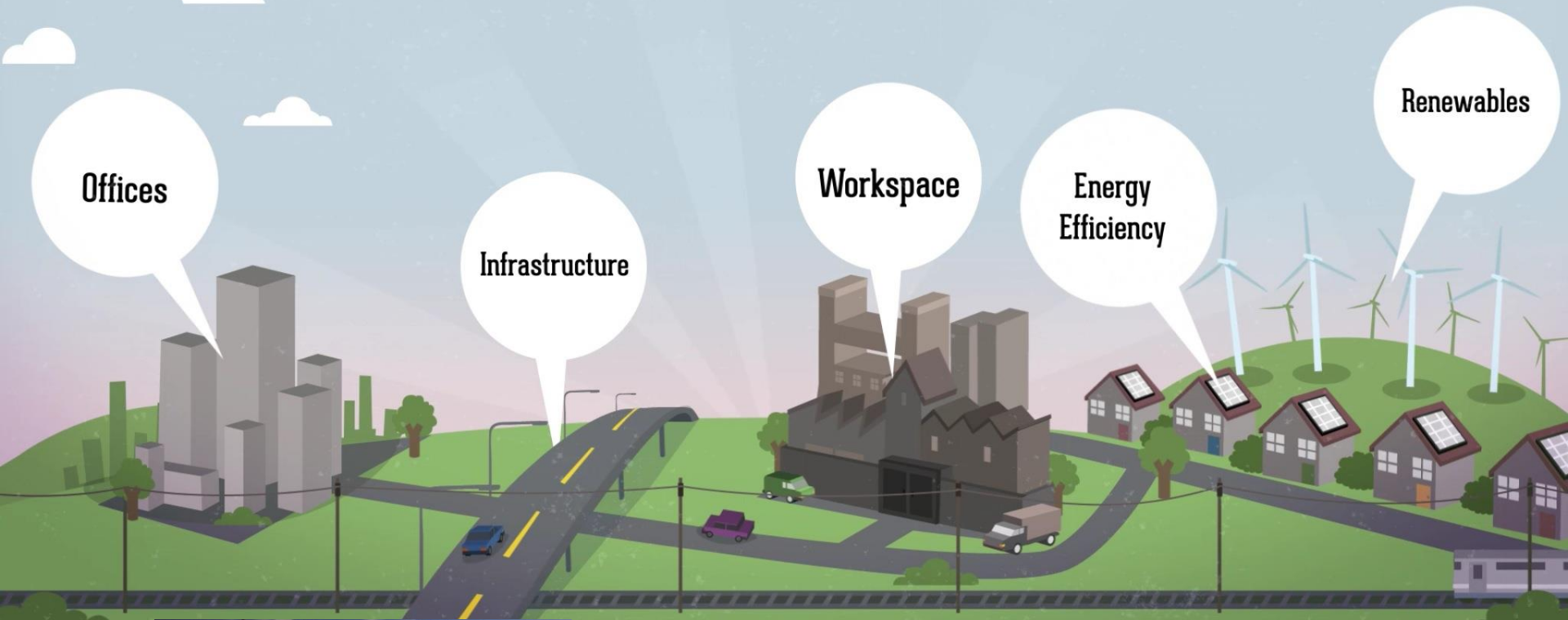
Why Jessica

Joint European Support for Sustainable Investment in City Areas

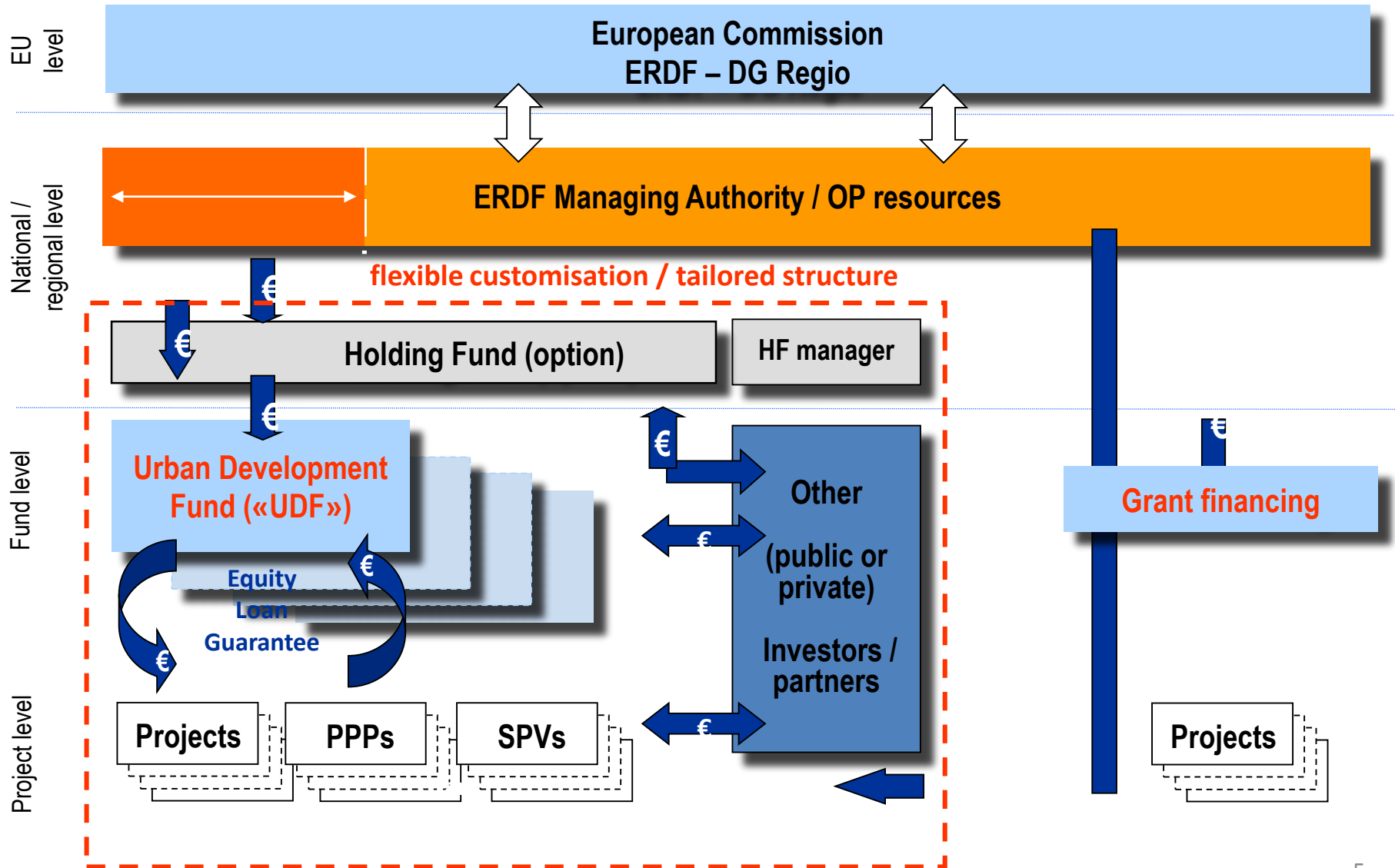
- Increased investment needs while public resources are scarce
- Growing emphasis on the need for an Integrated Urban Development Policy



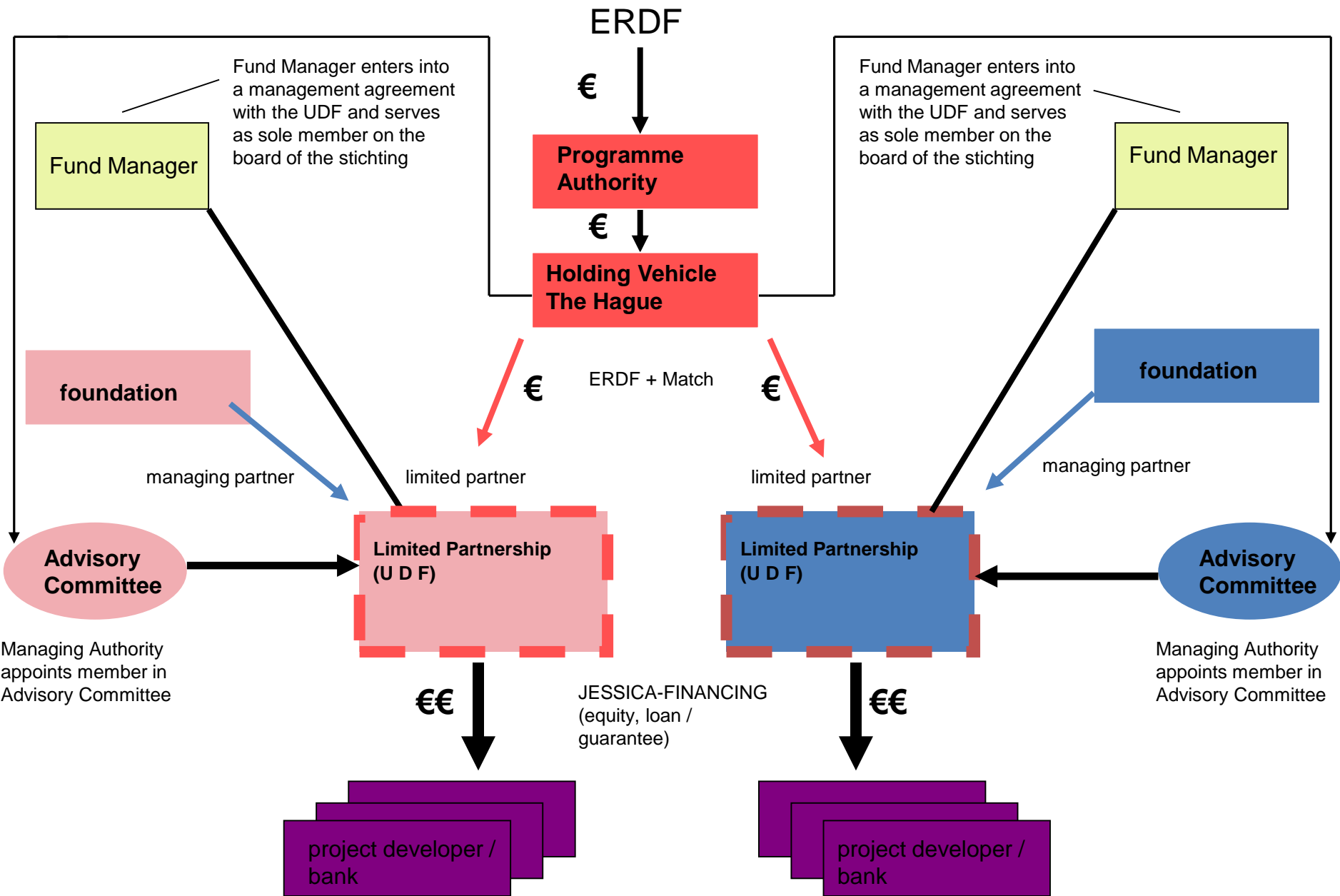
Integrated Sustainable Urban Development



JESSICA key components



Financial Instruments Structure for The Hague



Fund level – Key criteria

- Clear rules for setting up Financial Instruments. Advice EIB
- Independent Fundmanagement
- Public & Private investment
- Public Investmentplan
- Revolving equity investments, loans and guarantees
- Off balance

Project level – Key criteria

- Project to be part of integrated urban development strategy
- (Partial) profitability or revenue generation potential
- Eligibility criteria in accordance with ERDF regulations/OP

Difficulties

- Ex-ante assessment before establishing the fund
- State aid
- Competitive procurement of fund managers
- Let go of control
- Flexibility investment strategy
- Pipeline development
- Phased drawdown of funds into the FI

