

New financial advisory support to innovative projects

Accelerated deployment of NER 300 Financial Advisory

▪ **What is the NER 300 Financial Advisory Support?**

The NER 300 Financial Advisory Support programme is a joint initiative of the EIB Group and the European Commission to support innovative low carbon energy demonstration projects.

The NER 300 Financial Advisory Support facility provides free of charge financial advisory support to project developers in order to strengthen the financial structure and overall soundness of their projects.

To benefit from this facility, projects must be eligible with NER 300 eligibility criteria. The program supports the demonstration of environmentally safe carbon capture and storage (CCS) and innovative renewable energy (RES) technologies, aiming to reach a commercial scale within the European Union. Such projects must demonstrate significant potential for CO2 reduction.

This Advisory Support complements the Innovation Fund PDA.

▪ **Who could benefit from the NER 300 Advisory Support?**

Any NER 300 eligible project (CC(U)S / RES / energy storage / smart energy systems) could potentially benefit from such support. Projects should promote innovative, replicable and scalable use of additional renewable energy¹.

Beneficiaries of this facility must be based in an EU Member State, or in a European Economic Area country.

Pre-screening and eligibility checklist

Eligible counterparties must comply with the following criteria:

○ **Field:**

The project must be in the field of innovative renewable energy (RES), carbon capture (use) and storage (CCUS), smart energy systems and energy storage.

Technologies / sectors covered by the NER 300 programme:

- ✓ Wind
 - ✓ Photovoltaics
 - ✓ Concentrated solar power / solar thermal electricity
 - ✓ Geothermal
 - ✓ Ocean
 - ✓ Hydropower
 - ✓ Energy storage, including batteries, however only in relation to using additional renewable energy
 - ✓ Smart energy systems, including smart grids, however only smart grid activities in relation to enabling the installation of additional renewable energy capacity
 - ✓ Renewable heating and cooling
 - ✓ Bioenergy
 - ✓ Renewable fuels
 - ✓ Renewable hydrogen and fuel cells
 - ✓ Carbon Capture and Storage (CCS)
 - ✓ Carbon Capture, Utilisation and Storage (CCUS), however only in combination with installation of additional renewable energy generation
- ##### ○ **Type of demonstration:**
- ✓ Energy generation
 - ✓ Energy transmission
 - ✓ Storage technology

For the potential promoters

○ **Innovativeness:**

The technologies demonstrated in the project shall be innovative in relation to others in the market. Innovation may relate to a specific technology, processes, products or services. The innovative aspect may consist of the innovative combination or innovative application of existing technologies.

○ **Readiness for demonstration at scale:**

Technologies should be at pre-commercial level or early commercialisation stages. The demonstration technology should be at the scale of future commercial applications or be such that no significant additional up-scaling problems are to be expected. The project/investment should be sufficiently mature for demonstration at the proposed scale (technologies validated and demonstrated through previous testing) with reasonable prospects of successful demonstration. Innovation Fund small scale projects with strong scalability potential are also eligible to apply¹.

○ **Readiness for bankability:**

Projects must have prospects for short/medium term bankability. The following documents shall be available, even if at draft stage:

- A sound business plan & initial financial model
- Some financial outlook for the coming years, including visibility on equity investors
- A technical & financial feasibility study
- An off-take contracting strategy / agreements as applicable

▪ **Type of support provided:**

Financial advisory will be targeted to the promoter's needs, depending on the projects' maturity and shall cover:

- Assessing the present situation on the projects
- Reviewing and developing the business plan and financial plans of the projects
- Providing recommendations on the financial structuring of the projects
- Providing any other support deemed necessary for the implementation of proposed recommendations in support of the bankability of the projects

Depending on the size and maturity of the project, EIB's Innovation Finance Advisory may offer to work on a **pre-due diligence for an EIB financing** that would potentially lead to an appraisal/due diligence work by an EIB's project team in its line of duty of appraising of the Financing Operation, and a potential financing with the adequate EIB instrument (Invest-EU, others).

▪ **When will the advisory support be available?**

Advisory support is available immediately, until end 2022.
Project beneficiaries will be supported on a first-come first-served basis.

▪ **Who shall I contact to get further guidance?**

Innovation Finance Advisory Team

NER 300 Taskforce ; Catherine Bender c.bender@eib.org

¹ CCU, smart energy system and energy storage projects must use energy from additional renewable energy generation.