



EUROPEAN CITY FACILITY

Investment Concept Template



[Name of municipality/local authority   
 or its groupings]

[Investment concept title]

Prepared: [Date prepared]

Quality assurance: [e.g. appraisal, peer review, etc.]

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| --- | --- | --- | --- | --- | --- | --- |
| 1. Summary of the planned investment[[1]](#footnote-1) | | | | | | |
| **Total investment planned** | EUR | | | | | |
| **Funding sources** | *Requested funding* | | EUR/…% | | | |
| *Own funding* | | EUR/…% | | | |
| *Other sources [please specify]* | | EUR/…% | | | |
| **Location of the planned investment** |  | | | | | |
| **Municipality/local authority (or its groupings) and other organisations involved** | Please provide the name of the organisation(s) involved as well as the LAU and NUTS 3 code[[2]](#footnote-2) of the municipality/local authority or of each municipality/local authority in case of a grouping. | | | | | |
| **Sector(s) targeted** | |  |  |  |  | | --- | --- | --- | --- | | Public Buildings | ☐ | Building integrated renewables | ☐ | | Residential buildings | ☐ | District heating | ☐ | | Smart grids | ☐ | Sustainable urban mobility | ☐ | | Innovative energy infrastructure | ☐ | Others | ☐ | | For others, please specify …………………………………… | | |  | | | | | | |
| **Overview and objectives of the planned investment** | Please briefly describe the planned investment, indicating the main goals, the main measures planned and who should benefit from them and how.  [max. one paragraph] | | | | | |
| **Estimated costs and revenues** | *Total operating cost (year)* | | | EUR | | |
| *Total revenues (year)* | | | EUR | | |
| **Economic viability** | *Simple payback period* | *Net Present Value[[3]](#footnote-3)* | | | *Internal rate of return* | |
|  |  | | |  | |
| **Expected impacts** | *Energy savings* | | |  | | GWh/y |
| *Renewable energy production* | | |  | | GWh/y |
| *Avoided CO2 emissions* | | |  | | tCO2eq/y |
| *Other impacts* | | |  | | [unit] |

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| 1. Contact | |
| **Contact person** |  |
| **Organisation** | Legal entity in charge and its VAT number |
| **Department** |  |
| **Street, No.** |  |
| **Postal Code, City** |  |
| **Country** |  |
| **Telephone** |  |
| **E-Mail** |  |
| **Consultancy Support** | If applicable, please provide the contact details (name, company, e-mail) of the consultant that supported the development of the Investment Concept. |

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| 1. Detailed description of planned investment project | | |
| **1.1. Objectives of the investment project** | | |
| Please summarise the general and specific project objectives. | | |
| **1.2. General project background, context and rationale** | | |
| Please describe the general context and rationale of the planned investment project, referring to e.g.:   * General framework conditions, incl. relevant (local, national, Eurostat etc.) statistics regarding the investment territory, population etc.; and a social perspective on the context of implementation of the project; * Relevant (enabling) policy framework, including political objectives and/or commitments (incl. SEAPs, SECAPs etc.); * Social context in which the investment project is going to be developed (e.g. neighbourhood with particular social connotations), if relevant; * Other relevant municipal infrastructure projects by the project promoter(s) that would be running in parallel to the planned investment project, if any.   Please attach any supporting documents, e.g. SEAP, SECAP etc., in the Annex. | | |
| **1.3. Description of the investment project** | | |
| Please describe the envisaged investment project, incl. the technical measures planned.[[4]](#footnote-4)  In this context, please provide details of the underlying technical analysis (e.g. results from energy audits conducted for the project, assessment of suitable technology options etc.), and refer, for instance, to:   * For public buildings: number of buildings, surface areas managed, current energy consumption, technology options proposed, etc. * For improved efficiency of energy distribution: foreseen energy efficiency improvement, ownership of installations, etc. * For renewable energy production: renewable energy source used, foreseen energy production, technology options proposed.   Please also describe the approach for aggregation/bundling of small-scale projects, if relevant.  Please attach any supporting documents, e.g. (sample) energy audits, (summary) assessments of technology options, etc., in the Annex. | | |
| **1.4. Market analysis and barriers** | | |
| Please describe the:   * Relevant market conditions and potential competitors; and * General barriers and obstacles identified for the project and ways how to bridge these gaps.   Please attach any supporting documents in the Annex. | | |
| **1.5. Summary of expected impacts** | | |
| Please fill the table below with the results expected from the implementation of the investment project.  Please provide details of the calculation, including relevant assumptions, baselines, conversion factors, etc., in the Annex. | | |
| *Energy savings* |  | GWh/y |
| *Renewable energy production* |  | GWh/y |
| *Avoided CO2 emissions* |  | tCO2eq/y |
| *Other (social, climate) impacts* | e.g. improved living/working conditions of citizens, reduced pollution, adaptation measures, etc. | |
| **1.6. Replication and/or up-scaling potential** | | |
| Please explain how the project can be replicated in other contexts and/or has the potential to be up-scaled (in the region), highlighting potential partners needed, and referring to:   * Internal replication/upscaling within current associated organisation; * Expansion, associating further organisations; and/or * Replication by others. | | |
| **1.7. Summary of investment component(s)** | | |
| Please briefly summarise the investment component(s) in table A. | | |

Table A – *[1.7]* **Summary of investment component(s)[[5]](#footnote-5)**

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Investment sector(s): (please specify)** | | | | | | | | |
| **#[[6]](#footnote-6)** | **Investment component[[7]](#footnote-7)** | **Description of investment component** | **Unit[[8]](#footnote-8)** | **Current energy consumption (GWh/year)** | **Energy  savings (%)** | **Renewable energy production  (GWh/year)[[9]](#footnote-9)** | **Payback time** | **Total investment costs (EUR)** |
| **1** |  |  |  |  |  |  |  |  |
| **2** |  |  |  |  |  |  |  |  |
| **3** |  |  |  |  |  |  |  |  |
| **4** |  |  |  |  |  |  |  |  |
| **5** |  |  |  |  |  |  |  |  |
| **6** |  |  |  |  |  |  |  |  |
| **…** |  |  |  |  |  |  |  |  |
| **TOTAL** | |  |  |  |  |  |  |  |

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| 1. **Promoter(s) and (local) stakeholders** | | | |
| **2.1. Overview of project promoter(s)** | | | |
| Please describe briefly:   * The project promoter(s) and their interest in the project, differentiating between * the organisation leading the investment project, and * further organisations associated to it. * Whether they have previous investment programme experience; * The level of commitment of promoter(s) to the planned investment project.   Please attach any supporting documents, e.g. letters of commitment/support from associated partners etc., in the Annex. | | | |
| **2.2. Ownership of assets and management structure** | | | |
| Please describe briefly:   * The ownership structure of project promoter(s) over the assets concerned; * The (legal) relations between the leading and associated organisations regarding the whole investment; * The organisational structure and decision-making processes for the implementation of the investment project, explaining how decisions are made and who makes them. | | | |
| **2.3. Risk profile for the entity(ies) that will be financially liable** | | | |
| Please provide any information that can help establishing your financial risk profile, e.g. financial appraisal, securities/guarantees, credit rating, if available. | | | |
| **2.4. (Local) stakeholder analysis** | | | |
| Please:   * describe further stakeholders (civil society, economic stakeholders, etc.) and their possible role for the success of the investment project; * highlight their needs and expectations from the proposed investment project; * indicate their current level of support; and * describe the future envisaged engagement strategy, using the following table.   Please attach any supporting documents, e.g. proof of support, etc., in the Annex. | | | |
| Type of  stakeholder | Current status of engagement | Future engagement activities | Instruments/channels for dissemination and interaction |
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| 1. **Legal analysis** |
| **3.1. Legal feasibility of the planned investment** |
| Please:   * Describe the (local, national and potentially international) legal requirements applicable to the planned investment, e.g. regulations concerning   + available investment types and framework conditions,   + the actual investment approach, or   + the structuring and timeline of the single investment steps (incl. public procurement or debt accounting rules) etc. * Clarify possible legal/regulatory incentives and how they will be used to benefit the project; and * Clarify possible legal/regulatory obstacles and how they will be tackled.   Please describe the preparatory assessments and studies carried out in the course of the investment concept development and attach any (summaries of the) performed analyses to the investment concept. Please also state if an Environmental Impact Assessment (EIA)[[10]](#footnote-10) is required; if yes and if already conducted, briefly highlight the outcomes. |

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| 1. **Economic and financial analysis** | | | |
| **4.1. Estimated costs and revenues** | | | |
| Please specify:   * The estimated costs per cost category, differentiating between CAPEX and OPEX (equipment and installation cost, staff costs, external subcontracting, maintenance costs, etc.); * Cost savings and other revenues.   Please summarise these costs and revenues[[11]](#footnote-11) in the table below. Please provide a more detailed forecast (depicting the costs per investment component) on the cash flow development over the lifetime of the investment project in the Annex. | | | |
| **CAPEX** | | | |
| *Estimated cost of planning processes* | | EUR | |
| *Estimated cost of installation* | | EUR | |
| *Estimated equipment cost* | | EUR | |
| *Other(s) [please specify]* | | EUR | |
| **Total investment cost** | | **EUR** | |
| **OPEX** | | | |
| *Estimated maintenance cost (year)* | | EUR | |
| *Estimated staff cost (year)* | | EUR | |
| *Estimated external sub-contracting (year)* | | EUR | |
| *Other(s) [please specify]* | | EUR | |
| **Total operating cost (year)** | | EUR | |
| **Revenues** | | | |
| *Energy savings (year)* | | EUR | |
| *Operation and Maintenance (O&M) fee (year)* | | EUR | |
| *Energy supply (year)* | | EUR | |
| *Other revenues (year) [please specify]* | | EUR | |
| **Total revenues (year)** | | **EUR** | |
|  | | | |
| **4.2. Economic viability** | | | |
| Please complete the table below with the indicators for the investment. | | | |
| **Simple payback period** | **Net Present Value[[12]](#footnote-12)** | | **Internal Rate of Return** |
|  |  | |  |
| Please attach related calculations in the Annex, justifying the discount rate applied and explaining the project/technology specifics (e.g. lifetime, maintenance, etc.). | | | |
| **4.3. Risk and mitigation measures** | | | |
| Please outline the critical risks that can affect the project implementation, their likelihood to occur and potential impact on the project as well as corresponding mitigation measures planned to meet the investment objectives, e.g. by using the table below. Examples of risks include legislative changes, regulatory issues, upcoming elections, financing risks, demand risks, approval risks, unavailability of necessary expertise etc. | | | |

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| --- | --- | --- | --- |
| **Risk** | **Likelihood** | **Impact** | **Mitigation measures** |
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| **4.4. Financing approach and funding sources** | |
| Please describe in detail the envisaged financing approach, including the different funding sources (e.g. own funds, grants, soft loans, (bank) loans, guarantees, external investments, etc.) and the stage of commitment (i.e. consulted, ongoing, negotiations, contracted).  Please indicate the planned funding sources for the investment in the table below[[13]](#footnote-13), including requested funding. | |
| *Total investment cost* | EUR/100% |
| *Requested funding* | EUR/…% |
| *Own funding* | EUR/…% |
| *Other sources [please specify]* | EUR/…% |

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| 1. **Investment roadmap** |
| **5.1. Technical assistance activities** |
| Please describe if any additional type(s) of support are required in the preparation or will be needed during the implementation of the investment project (e.g. technical expertise, legal advice, procurement preparation, financial structuring, energy audits, business plans, etc.). |
| **5.2. Work plan** |
| Please clearly state the project/investment status to date (e.g. status of approvals and permissions, any missing activities to be able to start the project).  Use the table below to present the next steps in the process to launch the planned investments, including work planning and resource allocation.  Please attach a Gantt Chart to the investment concept. |

**Table B** – *[5.1]* Work plan

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **#[[14]](#footnote-14)** | **Investment step** | **Description of  investment step** | **Expected  start date** | **Expected  end date** | **Main outcome** | **Responsible actor (incl. level of commitment)** |
| **1** |  |  |  |  |  |  |
| **2** |  |  |  |  |  |  |
| **3** |  |  |  |  |  |  |
| **4** |  |  |  |  |  |  |
| **5** |  |  |  |  |  |  |
| **6** |  |  |  |  |  |  |
| **7** |  |  |  |  |  |  |
| **8** |  |  |  |  |  |  |
| **9** |  |  |  |  |  |  |
| **10** |  |  |  |  |  |  |
| **…** |  |  |  |  |  |  |

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| **Annexes** | |
| **1.2.** | **General project background, context and rationale**  Supporting documents, e.g. SEAP/SECAP. |
| **1.3.** | **Description of the investment project**  Supporting documents, e.g. (sample) energy audits; assessment of suitable technology options, etc. |
| **1.4.** | **Market analysis and barriers**  Supporting documents for the market analysis conducted for the project. |
| **1.5.** | **Summary of the expected impacts**  Details of the calculation, including relevant assumptions, baselines, conversion factors, etc. |
| **2.1.** | **Overview of project promoter(s)**  Supporting documents, e.g. letters of commitment/support, etc. |
| **2.4.** | **(Local) stakeholder analysis**  Supporting documents, e.g. proof of support, etc. |
| **3.1.** | **Legal feasibility**  Summaries of the performed analyses on the legal feasibility and supporting documents, if applicable. |
| **4.1.** | **Estimated costs and revenues**  Cash flow plan. |
| **4.2.** | **Economic viability**  Calculations, clarifying/justifying the discount rate applied and explaining the project/technology specifics (e.g. lifetime, maintenance etc.). |
| **5.2.** | **Work plan**  Gantt Chart on the work plan. |

1. All values incl. VAT, if not reclaimable. [↑](#footnote-ref-1)
2. Local administrative units (LAUs) are used to categorise the municipalities and communes of the European Union (local level). They are sub-divisions of the Nomenclature of Territorial Units for Statistics (NUTS) 3 regions (regional level). Eurostat publishes an [updated list of LAUs together with the corresponding NUTS](https://ec.europa.eu/eurostat/web/nuts/local-administrative-units) towards the end of each year. [↑](#footnote-ref-2)
3. Incl. Information on the discount rate used. [↑](#footnote-ref-3)
4. Non-eligible technology measures under the EUCF are aligned with the [new European Investment Bank (EIB) energy lending policy](https://www.eib.org/en/publications/eib-energy-lending-policy.htm), adopted on 14 November 2019. Thus, the EUCF has a clear position not to support investments in energy projects reliant on unabated fossil fuels. [↑](#footnote-ref-4)
5. All values incl. VAT, if not reclaimable. [↑](#footnote-ref-5)
6. The number of rows can be adjusted as required. [↑](#footnote-ref-6)
7. Specify the investment component, e.g. investment in renewable energy production, lamps, smart metering, different types of buildings etc. Use a separate row in the table for each investment component. [↑](#footnote-ref-7)
8. Specify the number of investments and an appropriate unit, e.g. x number of buildings, lamps, etc. [↑](#footnote-ref-8)
9. Only if applicable. [↑](#footnote-ref-9)
10. The [EIA Directive (85/337/EEC)](https://ec.europa.eu/environment/eia/eia-legalcontext.htm) applies to a wide range of public and private projects in Europe, which are defined in Annexes I and II of the document. [↑](#footnote-ref-10)
11. All values incl. VAT, if not reclaimable. [↑](#footnote-ref-11)
12. Incl. Information on the discount rate used. [↑](#footnote-ref-12)
13. All values incl. VAT, if not reclaimable. [↑](#footnote-ref-13)
14. The number of rows can be adjusted as required. [↑](#footnote-ref-14)