Call for Expressions of Interest: ref. VP-959

Title: JESSICA Holding Fund Greece
Selection of Urban Development Funds

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Call for Expressions of Interest: Ref. VP-959

Title: JESSICA Holding Fund Greece

Selection of Urban Development Funds

The European Investment Bank ("EIB") is launching a Call for Expressions of Interest with the aim of selecting Urban Development Fund(s) ("UDF(s)") that will receive resources from the JESSICA Holding Fund for Greece (JHFG) to facilitate the disbursement of EU structural funds through financial engineering instruments in the form of actions which make repayable investments in public-private partnerships or other urban regeneration projects included in Integrated Plans for Sustainable Urban Development ("Urban Projects").

If you wish to participate in this Call for Expressions of Interest, please forward your Expression of Interest ("EoI") enclosed in two sealed envelopes, the outer envelope bearing instructions not to open the inner envelope, which should be marked:

DO NOT OPEN:
Ref.: VP-959
Subject: JESSICA Urban Development Fund Greece
Deadline for receipt of expression of interest: 30.05.2011

and delivered:

(a) either by registered post, to the following address:

EUROPEAN INVESTMENT BANK
For the attention of Véronique Paulon
Ref.: VP-959
Purchasing and Administrative Services Division
98-100 boulevard Konrad Adenauer
L-2950 LUXEMBOURG

by midnight on 30 May 2011 at the latest, as evidenced by the postmark,

(b) or by handing it in (by messenger or courier) at the reception desk of the

EUROPEAN INVESTMENT BANK
For the attention of Véronique Paulon
Ref.: VP-959
Purchasing and Administrative Services Division
98-100 boulevard Konrad Adenauer
L-2950 LUXEMBOURG

EoI must be posted or handed in by 30 May 2011 at the latest (up to midnight in the case of delivery as described in (b) above).

The receipt dated and signed by the employee at the reception desk who receives the EoI (reception desk open 24 hours a day) shall form the evidence of the EoI having been handed in.

Applications which:

a) are not sent in two sealed envelopes;
b) are not sent or delivered by hand to the EIB before the specified deadline (as evidenced by the postmark or receipt signed and dated by the officer at the reception desk);
c) do not conform to the provisions of this Call for Expressions of Interest,

will not be accepted.

Applicants are directed to the important notices below. Unless expressly stated otherwise, the terms and expressions used in this document shall have the meanings set out in Appendix E. Any references in this Call for EoI to Annexes and Appendices are, save if explicitly stipulated otherwise, references respectively to annexes and appendices to this Call for EoI.

The applicants must take account of the following provisions:

1. The selection of UDFs will proceed in one stage as follows:

   a. ***Applying the Exclusion, Selection and Award Criteria*:** EoIs will first be assessed against the Exclusion Criteria (as outlined in section VI.1 of the Terms of Reference). EoIs which are not excluded in accordance with the Exclusion Criteria will be assessed on the basis of the Selection Criteria, which are also included in section VI.2 of the Terms of Reference. All applicants that meet the Selection Criteria will be assessed on the basis of their Offers (including detailed Business Plans prepared in line with Annex 3). The Offers will first be assessed against the *Mandatory Limits* detailed in section III of the Terms of Reference and any mandatory specifications established in this Call for EoI or in any other procedural document. The Offers not respecting the above will be excluded from the awarding process at the beginning of the Offers' assessment. The not excluded Offers will be evaluated on the basis of the Award Criteria (detailed in Appendix A).

   b. **Negotiation of the Operational Agreement**: The selected applicant(s) shall be invited to negotiate the final terms and conditions of the Operational Agreement to be signed with the EIB, as further detailed in section VIII of the Terms of Reference. It is expected that Operational Agreements with successful bidders should be in place before end of July 2011. If negotiations with the preferred bidder(s) are unsuccessful the EIB has the discretionary right to proceed to negotiations with the second most successful bidder(s).

   The indicative timetable for this Call for EoI, which may be subject to change, is therefore:

Activity	Timing
Issue of Call for EoI	18 March 2011
Deadline for requests for additional information	19 April 2011
Deadline for submission of EoI (Offers including a Business Plan)	30 May 2011
Investment Board decision on UDF selection and commencing of negotiations on Operational Agreements	End of June 2011
Signature of Operational Agreements	End of July 2011

2. Offers must be firm and non-revisable, quoted in Euros (EUR) and free of taxes and duties, the EIB being exempt there from under the Protocol on the Privileges and Immunities of the European Communities.

3. Each applicant must declare that it has taken note of the terms and conditions of the Call for EoI and has had the opportunity to gauge the scope and quality of the services required, as well as the possible difficulties.

4. The applicant cannot invoke any error, inaccuracy or omission in its application to call any contract into question or to attempt to have any contract amended.

5. The EIB reserves the right to reject any application that fails to comply with the specifications of this Call for EoI.

6. The EIB reserves the right to reject any applicant:

   (i) guilty of material misrepresentation;

   (ii) who contravenes any of the terms of this document; or

   (iii) undergoing a change in identity, control, financial standing or other factor impacting on the selection and/or evaluation process affecting the applicant.

7. Applications must be drawn up in writing in English (applications in other languages will not be accepted). Any official documents in a language other than English must be accompanied by a certified translation.

8. Applicants must correspond to the specifications item by item.

9. The EIB reserves the right to award contract(s) to one or several applicants of its choice, in accordance with the criteria set out in the specifications, or not to award a contract to any applicant. The EIB may cancel the procedure without notice at any time. Applicants should only participate in the tendering process on the understanding that they would not be entitled to any form of compensation, should the EIB decide to interrupt the procurement procedure of any of the lots before the contract is signed.

10. Participation in this Call for EoI involves acceptance of all the terms and conditions mentioned in the present Call for EoI and the conditions of the specifications.

11. The following documents shall form an integral part of this Call for EoI:

    - Annex 1 -“Template for Expression of Interest” ;
    - Annex 2 -“Declaration to be made by the applicant”;
    - Annex 3 -“Technical specifications” (Terms of Reference).

12. Any requests for additional information should be addressed in writing by 19 April 2011 at the latest to Véronique Paulon, fax: +352 4379-83522, e-mail: eib.asa@eib.org. The EIB will send its replies to all applicants before the deadline for submission of applications. Please note that the EIB responses to any queries or clarification requests may be circulated to all applicants at the EIB’s discretion.

13. The EIB may arrange a series of clarification meetings with selected applicants following the completion of the Exclusion and Selection process. During this process, the EIB reserves the right to seek additional details from applicants to clarify any part of an applicant’s submission.

14. EoI must be drawn up on paper in duplicate, i.e. one original and one copy, clearly marked as “Original” and “Copy”. An electronic copy in MSWord or PDF format on a single CD-ROM marked with the name of the applicant shall also be submitted

15. Before the assignment begins, the selected applicant must undertake to comply with all current laws and provisions and to obtain all relevant permits required to provide the services described.

16. Applicants will be informed of the outcome of their submissions by communication sent out to the e-mail address that is indicated by the applicants in the EoI.

17. Applicants that have submitted the most favourable Offer may be invited to a presentation, if the EIB so decides. Applicants will not be permitted to modify the terms and conditions of

their application during their presentation or at any other time after the application has been submitted to the EIB.

18. Any dispute concerning procurement conducted by the EIB falls under the jurisdiction of the European Court of Justice.

DISCLAIMER

The EIB (including any employees, officers, JHFG Investment Board members, employees and officers of the Greek Managing Authorities, advisers and / or contractors of the EIB who contributed to the preparation of this document) make no representation, warranty or undertaking of any kind in relation to the accuracy or completeness of any information provided in, or in connection with, this Call for EoI (for the purposes of this section the "Information").

The EIB will not be liable or responsible to any person in relation to any inaccuracy, error, omission or misleading statements contained in the Information. The EIB will not be liable or responsible to any person in relation to any failure to inform any person of inaccuracy, error, omission or misleading statement contained in such Information of which it becomes aware after the date of release of that Information. The EIB shall not be liable to any person for any damages, losses, costs, liabilities or expenses of any kind which it may suffer as a consequence of relying upon such Information.

Any person considering making a decision to enter into contractual relationships with the EIB, JHFG and/or any other person on the basis of the Information provided to (or otherwise received by) applicants (whether prior to this Call for EoI or at any point during the UDFs selection process) in relation to the selection process should make their own investigations and form their own opinion. In particular, the distribution or receipt of this Call for EoI shall not constitute, or be construed as, the giving of investment advice or a recommendation by the EIB of any kind.

Only the expressed terms of any written contract (as and when it is executed) shall have any contractual effect.

All applicants are solely responsible for their costs and expenses incurred in connection with the UDF selection process including the preparation, submission of proposals and participation in all future stages of this process. Under no circumstances will the EIB be liable for any costs or expenses borne by applicants or any of its supply chain, partners or advisors in this process.

For the purposes of the selection process, all advisors of the EIB are acting exclusively as the advisors to the EIB and will not be responsible or owe any duty of care to anyone other than the EIB in respect of the selection process.

CONFLICTS

The EIB requires all actual or potential conflicts of interest to be resolved to the EIB's satisfaction prior to the delivery of an applicant's submission. Failure to declare such conflicts as set in Annex 2, and/or failure to address such conflicts to the reasonable satisfaction of the EIB, could result in an applicant being disqualified at the sole discretion of the EIB.

CANVASSING AND NON COLLUSION

The EIB reserves the right to disqualify, at any stage of the selection process (without prejudice to any other civil remedies available to the EIB and without prejudice to any criminal liability which such conduct by an applicant or consortium member (as the case maybe) may attract), any applicant or consortium member who, in connection with this document:

I. offers any inducement, fee or reward to any Investment Board member, employee or officer of EIB or any person acting as an adviser for EIB in connection with this document;
II. contacts any Investment Board member, employee or officer of the EIB about any aspect of this document in a manner not permitted by this document;

III. fixes or adjusts the amount of his Offer or submission by or in accordance with any agreement or arrangement with any other applicant or consortium member or supply chain member of any other applicant (other than its own consortium members or supply chain);
IV. enters into any agreement or arrangement with any other applicant or potential applicant or consortium member of any other applicant or potential applicant to the effect that it shall refrain from making a submission or as to the amount of any submission;
V. causes or induces any person to enter such agreement as is mentioned above or to inform the applicant or a consortium member of the applicant of the amount or approximate amount of any rival submission;
VI. canvasses any person connected with this document who is not one of its own consortium members or one of its own team;
VII. offers or agrees to pay or give or does pay or give any sum of money, inducement or valuable consideration directly or indirectly to any person for doing or having done or causing or having caused to be done in relation to any other submission or proposed submission; or
VIII. communicates to any person other than EIB the amount, the approximate amount or any other material matter of his proposed submission (except where such disclosure is made in confidence in order to obtain quotations necessary for the preparation of a submission).

INTELLECTUAL PROPERTY

The copyright in this document is vested in the EIB.

This document may not be reproduced, copied or stored in any medium without the prior written consent of the EIB except in relation to the preparation of a submission.

All documentation supplied by the EIB in relation to this UDFs selection process is and shall remain the property of the EIB and must be returned on demand, without any copies being retained. Applicants are not authorised to copy, reproduce, or distribute such documents at any time except as is necessary to produce a submission.

PUBLICITY

Applicants shall not undertake (or permit to be undertaken) at any time, any publicity activity with any section of the media in relation to the UDFs selection process other than with the prior written agreement of the EIB. Such agreement shall extend to the content of any publicity. In this paragraph the word "media" includes (but without limitation) radio, television, newspapers, trade and specialist press, the internet and email accessible by the public at large and the representatives of such media.

COMMUNICATIONS

Applicants should note that they are expressly prohibited from contacting directly any of the Investment Board members, advisers and / or contractors of the EIB who contributed to the preparation of this document from the date that the Call for EoI has been issued. All clarifications should be through the EIB as set out in the introduction to this Call for EoI.

PRIVACY STATEMENT

The personal data provided by the applicants will be processed in accordance with Regulation (EC) 45/2001 of the European Parliament and of the Council of 18 December 2000 on the protection of individuals with regard to the processing of personal data by the EU institutions and bodies and on the free movement of such data. The information requested for the Call for EoI is necessary in order to assess the EoI, and will be used solely for that purpose under the authority of the EIB purchasing division (ASA), in accordance with the EIB procurement rules, approved by the Management Committee of the EIB. Please note that for the EoI to be considered, it may be mandatory to answer some or all of the questions in the declaration to be made by the applicant. The mandatory/optional nature of these questions is outlined in the specific Call for EoI document.

In order to assess the EoI and if applicable, the subsequent Offer, the personal data provided will be accessed by members of the Selection Panel and the Directorate which requested the Call for EoI. Upon request, access to this data may be granted to the EIB's Office of the Chief Compliance Officer, the legal service or the Inspectorate General. The data of the successful applicant shall be retained for the duration of the contract, plus two years in the central archives, unless these are needed in the context of litigation or claims. The data of unsuccessful applicants shall be retained for four years, unless these are needed in the context of litigation or claims. Applicants have the right to access and rectify or update their data. They can exercise these rights by contacting the Head of the ASA division (eib.asa@eib.org). They also have the right to have recourse at any time to the European Data Protection Supervisor.

ANNEX 1

TEMPLATE FOR EXPRESSION OF INTEREST

_____
(name of an applicant)

EXPRESSION OF INTEREST

_____
(place of conclusion)

_____
(date)

(Stamp of the applicant)

1. Information about the applicant

1.1. General information about the applicant

Expressions of Interest may be submitted by a consortium that, if awarded the right to enter into an Operational Agreement, shall assume a legal form by incorporation, partnership or otherwise which would enable the members of the consortium to contract as a single entity. Where such a consortium exists the applicant shall be responsible towards the EIB and shall act as the interface between the EIB and the members of the consortium.

Name of the applicant	
Address (registered office)	
Registration number (copy of certificate to be attached)	
Telephone No.	
Fax	
Email	
Names and organisation registration numbers of proposed subcontractors / consortium members, if applicable	

1.2. Person authorised to submit the EoI*

Name, surname	
Position	
Contacts: Address Telephone No Fax Email	

* In case of the EoI being submitted by a consortium, a power of attorney or a cooperation agreement authorizing the attorney to submit the EoI and the Offer and to represent the consortium at all stages of the selection procedure on behalf of the partners jointly applying for the contract must be duly provided.

1.3. Person for communications (if different from paragraph 1.2)

Name, surname	
Position	

Contacts: Address Telephone No Fax Email	

1.4. Lot for which the applicant wishes to express interest, as defined in Annex 3. Applicants (including any consortium members and/or subcontractors) may express interest in minimum 3 lots up to maximum 8 lots. The current Call for EoI includes 10 lots as follows:

Lots	**Offer 1**	**Offer 2**	**Offer ...**
Lot 1 - Attica			
Lot 2 - Central Macedonia			
Lot 3 - Mainland Greece			
Lot 4 - Eastern Macedonia & Thrace and North Aegean			
Lot 5 - Western Macedonia and Epirus			
Lot 6 - Western Greece and Ionian Islands			
Lot 7 - Thessaly			
Lot 8 - Peloponnese			
Lot 9 - Crete			
Lot 10 - Operational Program Environment and Sustainable Development			

By submitting this EoI, the undersigned:

- having taken note of this Call for EoI,
- having taken note of the specifications and the documents referred to therein,
- and having completed the requisite declaration (see Annex 2),

hereby:

1. declare(s) that:
    a. there is no Exclusion Criteria preventing its selection under the terms of this Call for EoI;
    b. the applicant is fully aware that resources of the JHFG, whose aim is to finance Urban Projects, are provided by the EU Structural Funds 2007– 2013;
    c. the information contained in this EoI and its Annexes is complete and correct in all its elements; and
    d. the applicant has taken note of conditions of the Call for EoI and the Terms of Reference contained herein and has had the opportunity to gauge the scope and quality of the services required, as well as the possible difficulties.
2. undertakes unconditionally, in accordance with the provisions of the aforementioned documents, to supply the services on the terms set out below, this application being binding upon the organisation, however, only if its acceptance is notified by the EIB within 180 days of the date of opening of applications.
3. declare(s) that is authorised to do so on behalf of any consortium members listed in paragraph 1 above and in doing so commit(s) those consortium members to supply the same services on the terms set out in this Call for EoI, for 180 days from the date of opening of submissions.

ENCLOSED:

1. Declaration to be made by the applicant in Annex 2

2. Supporting documents relating to Annex 2 (to be completed by the applicant):

a) …

b) …

c) …

3. Evidence relating to the Exclusion Criteria as set out in section VI.1 of the Terms of Reference (Exclusion Criteria) below:

a) …

b) …

c) …

4. Offer(s) in the form of a Business Plan

_____	_____	_____
(position)	(name, surname)	(signature)

ANNEX 2

DECLARATION TO BE MADE BY THE APPLICANT

1. Name of the applicant .....

2. Type of business .....

3. Address (registered office) .....

.....

.....

4. Represented by (name and position):

.....

(in case of the EoI being submitted by a consortium, a power of attorney or a cooperation agreement authorizing the attorney to submit the EoI and the Offer and to represent the consortium at all stages of the selection procedure on behalf of the partners jointly applying for the contract).

Questions 5 to 12 should be answered on behalf of the applicant and any proposed subcontractors / consortium members. These questions will be assessed on a pass/fail basis. Responses should be stated in the form of “Yes” / “No” or “Certified” with accompanying details provided where requested, either in the space provided or on separate sheets which should be referenced by the applicant.

5. Number and date of entry in trade register

(if applicable, a copy of a decision of a competent authority granting the license evidencing that the applicant is authorised to carry out business in Greece under the applicable regulatory framework)

.....

6. Are there any liens or charges outstanding against the organisation at a commercial court (or any other relevant authority)?

……
……

7. Is the declarant in receivership or the subject of bankruptcy, recovery or composition proceedings (or the subject of equivalent proceedings)?

.....

If so:

(a) date of the receivership or the bankruptcy order or date of opening of the above mentioned proceedings: .....

(b) on what terms is the declarant authorised to carry on its activity?

Specify in particular:

the name and address of the receiver(s):

.....

the date and period of validity of the authorisation given by the official receiver or the court to continue the business or activity:

.....

8. Is the applicant's organisation or any of the persons authorised to act on its behalf in liquidation?

.....

.....

9. Has the declarant or any of the persons authorised to act on its behalf been the subject of any sentence, disqualification or penalty or is subject to any pending proceedings regarding the proper pursuit of commercial activity or under the rules on unfair competition?

.....

.....

10. Has the declarant or any of the persons authorised to act on its behalf a conflict of interest that may affect the performance of the tasks referred to into this Call for EoI?

.....

.....

11. Has the applicant complied with its tax and social obligations?

.....

.....

12. The declarant certifies relevant experience in the targeted market of Urban Projects. The experience requested from the applicant includes the execution of different types of Urban Projects and different roles held by the applicant in the project, including advisory services, financing of the projects, execution, monitoring, audit and others. An illustrative list of Urban Projects includes:

- Regeneration of post-military and post-industrial areas (eg. for residential, educational, leisure, sport, cultural purposes);
- City regeneration projects, e.g. investments in degraded and deprived districts in cities;
- Urban infrastructure projects, including transport, water, waste, energy, etc;
- Redevelopment of brownfield sites, including site clearance and decontamination;
- Education infrastructure, including specialized facilities;
- Energy efficiency improvement and renewable energy projects located in urban areas;
- Investments in business enhancement institutions in urban areas;
- Other Urban Projects.

Relevant experience may be provided by the applicant, its shareholders or founders, members of the consortium or parties to a cooperation agreement.

Relevant experience

NO.	TITLE OF THE PROJECT	PERIOD OF EXECUTION OF THE PROJECT (MM/YYYY – MM/YYYY)	DESCRIPTION AND ESTIMATED VALUE OF THE PROJECT (INCLUDING INFORMATION ON PRIVATE AND/OR PUBLIC PARTNERS ENGAGED IN THE PROJECT, IF APPLICABLE)	APPLICANT'S ROLE IN THE PROJECT	RELEVANCE OF THE PROJECT TO JESSICA MECHANISM
1					
2					
3					
…					

Explanatory note:

Should the portfolio of the applicant's experience, relevant to JESSICA mechanism, consist of a considerable amount of items, it is possible to present relevant experience in an aggregated form (e.g. projects aggregated by types or by types of the applicant's role). In a case of a consortium the above table should be completed separately by each member of the consortium.

13. The declarant certifies that the information given above is correct.

Done at ..... (date) .....

STAMP NAME(S) SIGNATURE(S)

ANNEX 3

TERMS OF REFERENCE

I. GENERAL INFORMATION

A. Background of JESSICA

JESSICA is an initiative developed by the Commission and the EIB, in collaboration with the Council of Europe Development Bank ("CEB"). Under new procedures, Member States are being given the option of using part of their EU Structural Fund allocation to make repayable investments in projects forming part of relevant Integrated Plans for Sustainable Urban Development.

JESSICA responds to the request by several Member States and the European Parliament to give special attention to the need for urban regeneration and urban investments, and is based on the scarcity of investment funds to finance integrated urban renewal and regeneration projects in pursuit of more sustainable urban communities. JESSICA has therefore been launched with a view to providing new opportunities for managing authorities responsible for the current generation of cohesion policy programmes by:

- ensuring long-term sustainability through the revolving character of the EU Structural Funds contribution to UDFs specialising in investing in Urban Projects;
- creating stronger incentives for successful implementation of Urban Projects by Final Recipients, by combining grants with loans and other financial instruments;
- leveraging additional resources for Urban Projects with a focus on sustainability/recyclability in the regions of the EU;
- contributing financial and managerial expertise from specialist institutions such as EIB, CEB, other IFIs and financial institutions.

The enlargement of the EU to 27 Member States has had important consequences on the dynamics of European urban areas. The establishment of the Single Market, by facilitating the flow of goods, capital and citizens within a common economic space, has already had a significant impact on the process of urban change, facilitating growth in economically buoyant areas but also accelerating contraction and decline in others. The increasing mobility linked to investments in transport infrastructures, new technologies and changes in habits as well as the parallel globalization process, within a European context of ageing population, including sharp increases in the dependency ratios in some Member States, has accelerated this process of demographic change. Henceforth, future population changes in European cities will not be the consequence of natural increase but mostly the result of net migration, the latter a function of productivity, wage and quality of life differentials between different areas as well as the relative competitiveness of individual urban areas, with JESSICA Holding Funds and Urban Development Funds providing a powerful instrument to manage these processes.

In addition, urban dynamics - population growth/decline and economic weight –will be determined by the ability of cities to act as high-productivity service platforms capable of retaining and attracting human capital, firms and more generally economic activities. It is reasonable to assume that a process of accelerated urban change will affect the sustainability- economic, environmental and social - of European cities and of the European settlement pattern. It is therefore important that this process is carefully managed through the introduction of new urban investment vehicles.

B. Establishment and Composition of JESSICA Holding Fund in Greece

The government of the Hellenic Republic, represented by the Ministry of Economy, Competitiveness and Shipping acknowledges that Greek regions are characterised by a considerable demand for urban regeneration projects in both the largest cities as well as small and medium towns. Areas which need

regeneration include degraded parts of towns and cities, insular areas and post-industrial areas. Cities in the country are also interested in the long-term development of urban areas to stimulate their growth.

In this context, the Ministry of Economy, Competitiveness and Shipping decided to implement the JESSICA mechanism. Further to the Memorandum of Understanding which was entered into between the Hellenic Republic and EIB on 12 December 2008, the Hellenic Republic and EIB have agreed to cooperate in the field of JESSICA.

As a result of the Memorandum of Understanding, the Hellenic Republic represented by, the Ministry of Economy, Competitiveness and Shipping, the Ministry of Environment, Energy & Climate Change and the Regional Authorities of:

- Crete;
- North Aegean;
- Peloponnese;
- Western Greece;
- Mainland Greece;
- Thessaly;
- Epirus;
- Attica;
- Ionian Islands;
- Western Macedonia;
- Central Macedonia; and
- Eastern Macedonia & Thrace

and the EIB signed a Funding Agreement on 1 July 2010 ("Funding Agreement"), establishing the JHFG. In accordance with the Funding Agreement, the Hellenic Republic contributed to the JHFG a total amount of EUR 258 million. The allocation of resources among the Operational Programs ("OP") into JHFG is described in the following table:

S/N	Operational Program	Indicative thematic priority	Priority Axis (Title)	Amount (EUR)
1	OP Environment and Sustainable Development	43	Protection of Atmospheric Environment - Managing Climate Change (Priority Axis 6)	10,000,000
2	Regional OP of Macedonia and Thrace	61	Sustainable Development and Quality of Life in the Region of Central Macedonia (Priority Axis 7)	20,000,000
3	Regional OP of Macedonia and Thrace	61	Sustainable Development and Quality of Life in the Region of Western Macedonia (Priority Axis 8)	15,000,000
4	Regional OP of Macedonia and Thrace	44, 59, 61	Sustainable Development and Quality of Life in the Region of Eastern Macedonia and Thrace (Priority Axis 9)	10,000,000
5	Regional OP of Attica	61	Regeneration of Urban Areas (Priority Axis 4)	50,000,000
6	Regional OP of Crete and Aegean Islands	49, 61, 44	Sustainable Development and Quality of Life in the Region of Crete (Priority Axis 7)	15,000,000
7	Regional OP of Crete and Aegean Islands	61	Sustainable Development and Quality of Life in the Region of North Aegean (Priority Axis 8)	10,000,000
8	Regional OP of Thessaly - Mainland Greece - Epirus	61	Sustainable Development and Quality of Life in the Region of Thessaly (Priority Axis 4)	20,000,000
9	Regional OP of Thessaly - Mainland Greece - Epirus	61	Sustainable Development and Quality of Life in the Region of Mainland Greece	40,000,000

S/N	Operational Program	Indicative thematic priority	Priority Axis (Title)	Amount (EUR)
			(Priority Axis 5)	
10	Regional OP of Thessaly - Mainland Greece - Epirus	61	Sustainable Development and Quality of Life in the Region of Epirus (Priority Axis 6)	15,000,000
11	Regional OP of Western Greece - Peloponnese - Ionian Islands	61	Sustainable Development and Quality of Life in the Region of Western Greece (Priority Axis 7)	15,000,000
12	Regional OP of Western Greece - Peloponnese - Ionian Islands	44, 61	Sustainable Development and Quality of Life in the Region of Peloponnese (Priority Axis 8)	28,000,000
13	Regional OP of Western Greece - Peloponnese - Ionian Islands	61	Sustainable Development and Quality of Life in the Region of Ionian Islands (Priority Axis 9)	10,000,000
	Total			**258,000,000**

The JHFG has been established as a separate block of finance within the EIB for the purpose of investing in UDFs that perform investment activities related to Urban Projects, including the rehabilitation potential of deprived urban areas, basic infrastructure works, as well as on water and waste management, energy networks and energy efficiency, etc. Urban Projects within the scope of the EU Structural Funds Regulations are investment initiatives, being part of an Integrated Plan for Sustainable Urban Development, which provide an urban area with, inter alia, the following types of improvements and services:

- improvement of social integration;
- improvement of mobility;
- improvement in energy management and energy efficiency;
- increase of the use of renewable energy;
- re-use of industrial and degraded areas;
- development of high-technology clusters and added value infrastructure;
- improvement of urban waste management;
- provision of premises, installations and equipment for productive activities; and
- social housing, within the limits imposed by EU Structural Funds Regulations.

The purpose of the JHFG is to receive and manage funds provided by the Managing Authorities in order to promote sustainable investment in Urban Projects by investing in UDFs under the JESSICA initiative.

The functioning of JHFG is supervised by its Investment Board, currently consisting of five Members appointed by the Hellenic Republic after consultation with EIB. The Investment Board will broadly be responsible for governing the implementation of the JHFG which includes approving or rejecting recommendations made to it by EIB as the JHFG manager.
In accordance with the Funding Agreement, the JHFG should channel its funds to Urban Projects through UDFs selected in accordance with this Call for EoI.

As to NUTS-2 regions in Greece, in what specifically refers to this Call for EoI, the ERDF and National Match Funding shall be invested in accordance to the EU Structural Funds Regulations and in line with the priorities set forth in six OPs approved by the Commission in 2007, as follows:

i. OP for Environment and Sustainable Development 2007-2013;

ii. Regional OP for Attica 2007-2013 (the “ROP Attica”);

iii. Regional OP for Macedonia and Thrace 2007-2013 (the “ROP Macedonia & Thrace”);

iv. Regional OP for Thessaly - Mainland Greece – Epirus 2007-2013 (the "ROP Thessaly – Mainland Greece - Epirus");

v. Regional OP for Western Greece – Peloponnese – Ionian Islands 2007-2013 (the "ROP Western Greece – Peloponnese – Ionian Islands");

vi. Regional OP for Crete and Aegean Islands 2007-2013 (the "OP Crete and Aegean Islands")[1].

These OPs provide a framework for the investment of the ERDF amounts in the relevant sectors and/or regions in Greece, for the period 2007-2013, identifying the broad priorities for the investment (called 'Priority Axes' in Commission terminology), together with relevant resources from the EU Structural Funds and co-financing requirements.

Within these priorities, the following can be identified as particularly relevant for the purposes of this Call for EoI, (the "Relevant Priorities"):

OP Environment & Sustainable Development

PRIORITY AXIS VI - Protecting Atmospheric Environment - Managing Climate Change

- Protection of atmospheric environment.

ROP Attica

PRIORITY AXIS IV – Regeneration of Urban Areas

- Spatial and socio-economic regeneration of urban areas with a focus on green areas and on the development of cultural, touristic and other business activities.

ROP Macedonia & Thrace

PRIORITY AXIS VII - Sustainable Development and Quality of Life in the Region of Central Macedonia

- Sustainability economic – social – environmental.
- Spatial equilibrium within the region.

PRIORITY AXIS VIII - Sustainable Development and Quality of Life in the Region of Western Macedonia

- Strengthening Urban Centres' contribution in developing social cohesion and improving quality of life. Formulation of a communication grid between urban centres and mountainous and rural areas.
- Improvement of quality of natural environment.
- Improvement of spatial planning and region's extroversion mainly towards Balkans, through mobility improvement and development of multi-theme co-operations.

PRIORITY AXIS IX - Sustainable Development and Quality of Life in the Region of Eastern Macedonia and Thrace

- Protection, improvement and rational management of environment.
- Promotion of health and welfare of the region's population.
- Improvement of educational networks.
- Promotion of cultural heritage as factor of economic development.
- Spatial cohesion.

ROP Crete & Aegean Islands

PRIORITY AXIS 7 - Sustainable Development and Quality of Life in the Region of Crete

- Improvement of education, health and social welfare infrastructures.

[1] All these OPs are available in http://www.espa.gr/en/Pages/default.aspx.

- Sustainable environmental management.
- Promoting cultural heritage.

PRIORITY AXIS 8 - Sustainable Development and Quality of Life in the Region of North Aegean

- Protection of natural and human environment, being the primary factors for touristic development and improvement of quality of life in the region.
- Improvement of social services.
- Modification of the development model of the region, by supporting the expansion and improvement of touristic product and mitigating interregional and insular inequalities.

ROP Thessaly – Mainland Greece - Epirus

PRIORITY AXIS 4 - Sustainable Development and Quality of Life in the Region of Thessaly

- Protection, Improvement and sustainable exploitation of natural and structured urban environment and sustainable exploitation of natural resources.
- Sustainable development of cultural heritage aiming to touristic and economic growth.
- Development of social infrastructures for the improvement of quality of life.
- Improvement of human capital and employment.

PRIORITY AXIS 5 - Sustainable Development and Quality of Life in the Region of Mainland Greece

- Environmental protection, rational environmental management.
- Improving the attractiveness of urban centres.
- Integrated grids of social services.

PRIORITY AXIS 6 - Sustainable Development and Quality of Life in the Region of Epirus

- Environmental protection.
- Improvement of quality of life
- Deployment of the region's comparative advantages.
- Integrated urban regeneration.

ROP Western Greece – Peloponnese – Ionian Islands

PRIORITY AXIS 7 - Sustainable Development and Quality of Life in the Region of Western Greece

- Improvement of quality of life.
- Environmental Protection.
- Protection, promotion and exploitation of cultural heritage.
- Tourism Development.
- Elimination of isolation and fight against social exclusion.
- Boosting employment.

PRIORITY AXIS 8 - Sustainable Development and Quality of Life in the Region of Peloponnese

- Protection of natural and man environment, being the primary factors for regional development and improvement of quality of life.
- Improvement of social services and fighting against unemployment and social exclusion.
- Modification of the development model of the region.

PRIORITY AXIS 9 - Sustainable Development and Quality of Life in the Region of Ionian Islands

- Modification of the development model of the region through sustainable exploitation of natural environment and cultural heritage.
- Achieve high quality of social services.

In the context of the above OPs, and, in particular, envisaging the effective implementation of these relevant Priorities and the promotion of the inherent policies, the Hellenic Republic, through the Ministry of Economy, Competitiveness and Shipping and the Managing Authorities responsible of the aforementioned ERDF OPs have decided to support the financing of Urban Projects in Greece through the JHFG, as further described below.

C. Regulation and preferred investment priorities

Since the amounts contributed to the JHFG by each of the Managing Authorities are allocated to the relevant Priorities in each of the relevant OPs, all the Urban Projects promoting the effective implementation of said priorities, preferably those located in medium/large cities, are eligible projects to be financed by the UDFs to be selected, provided that:

- According to Regulation 1080, the Urban Projects to be financed under the JESSICA initiative are part of an Integrated Plan for Sustainable Urban Development;
- Given the revolving aspect of the investments to be done by the UDFs, the Urban Projects generate sufficient returns;
- The Urban Projects comply with criteria applicable to the relevant OP;
- The project cost financed from ERDF and the National Match Funding is considered as an “Eligible Expenditure” pursuant to EU Structural Funds Regulations and is consistent with OPs requirements;
- “Non-eligible” project costs can be financed from UDFs’ resources other than the JHFG contributions or from private resources (ensuring separate accounting and audit trails);
- Urban Projects contribute to the achievement of objectives (including quantitative outputs as set in Appendix D) of OPs.

Without prejudice to the principles defined above, and as general guidelines to be considered by the applicants when preparing their Offers, following Urban Projects focusing on the following areas:

- improvement of social integration;
- improvement of mobility;
- improvement in energy management and energy efficiency;
- increase of the use of renewable energy;
- re-use of industrial and degraded areas;
- development of high-technology clusters and added value infrastructure;
- improvement of urban waste management;
- provision of premises, installations and equipment for productive activities;

shall be considered as a priority for the purposes of this Call for EoI.

D. The role of the UDFs

a. Legal and ownership form

UDFs can be either independent legal entities governed by agreements between the co-financing partners or shareholders, or be established as a "separate block of finance" within an existing financial institution. The UDFs may be managed and/or co-financed either by private investors (e.g. Greek or international banks, real estate developers, fund managers, private companies, etc.) and/or public financial institutions, as long as such an operation is provided by the institutional framework regulating their establishment and operation.

b. Key Tasks

UDFs will be asked to identify, invest in and manage in a sustainable manner a portfolio of Urban Projects that comply with the Call for EoI objectives. In Greece, the UDFs may only invest through loans or equity in the promotion of new projects.

For these main purposes, the key tasks envisaged for the UDFs will broadly be to:

- Identify, invest in and lead the negotiation and structuring of financial investments in viable Urban Projects which fit within the agreed Business Plan of the UDF, the Investment Strategy of JHFG and eligibility requirements and criteria applicable to the relevant OPs;
- Monitor and control Urban Projects to provide the necessary information in order to comply with the reporting obligations towards the Commission in accordance with the EU Structural Funds Regulations;
- Possibly, secure co-financing at UDF level and/or, project level in identified Urban Projects to ensure that JHFG's investment is sufficiently and appropriately leveraged and that sufficient Eligible Expenditure can be declared in those Urban Projects in accordance with EU Structural Fund Regulations;
- Recommend and manage appropriate exit strategies from Urban Project investments.

II. AMOUNT ALLOCATED FOR THE CALL FOR EOI

In accordance with the Funding Agreement, the JHFG shall channel its funds to Urban Projects through UDFs selected in accordance with this Call for EoI. The amount of the JHFG funds allocated to this Call for EoI is EUR 258,000,000.This amount will be increased by any accrued interest. The aforementioned amount, from which the relevant management costs (as referred to in the Funding Agreement) shall be deducted, will be divided in 10 lots, as follows:

Lots	**Maximum Amount Available (EUR)**	**Contributor**	**Utilisation**	
			Region	Amount (EUR)
Group A				
Lot 1	50,000,000	ROP Attica	Attica	50,000,000
Lot 2	20,000,000	ROP Macedonia and Thrace	Central Macedonia	20,000,000
Lot 3	40,000,000	ROP Thessaly – Mainland Greece - Epirus	Mainland Greece	40,000,000
Group B				
Lot 4	20,000,000	ROP Macedonia & Thrace	Eastern Macedonia & Thrace	10,000,000
		ROP Crete & Aegean Islands	North Aegean	10,000,000
Lot 5	30,000,000	ROP Macedonia and Thrace	Western Macedonia	15,000,000
		ROP Thessaly – Mainland Greece - Epirus	Epirus	15,000,000
Lot 6	25,000,000	ROP Western Greece – Peloponnese – Ionian Islands	Western Greece	15,000,000
			Ionian Islands	10,000,000
Group C				
Lot 7	20,000,000	ROP Thessaly – Mainland Greece - Epirus	Thessaly	20,000,000
Lot 8	28,000,000	ROP Western Greece – Peloponnese – Ionian Islands	Peloponnese	28,000,000
Lot 9	15,000,000	ROP Crete & Aegean Islands	Crete	15,000,000
Lot 10	10,000,000	OP Environment and Sustainable Development	Eastern Macedonia & Thrace North Aegean Epirus Western Greece	10,000,000

Lots	Maximum Amount Available (EUR)	Contributor	Utilisation	
			Region	Amount (EUR)
			Ionian Islands Thessaly Peloponnese Crete	
TOTAL				**258,000,000**

The amounts invested in the UDF(s) may be increased at a later stage, by any returns on investments in UDF(s), additional EU Structural Funds or any other funding that may be held by or become available to the JHFG up to 100% of the initial allocations, under the condition that UDF(s) will have invested the total amount assigned under this Call for EoI until 31 December 2013 at the latest.

III. MANDATORY LIMITS

(a) Lots are allocated in three groups. Each applicant may send an Offer for a minimum of 3 up to a maximum of 8 lots for the full amount of funds available in each lot, as indicated in section II above.

(b) In order to ensure proper allocation of JHFG resources within Greek regions and a proper diversification of the amount allocated to UDFs, applicants will apply for one lot maximum from Group A and for minimum one lot from group B and one lot from group C. Applicants that do not apply for any lot included in Group A may apply for one lot only.

(c) Applicants may submit more than one Offer in the form of a Business Plan. If so, each Applicant should submit one EoI enclosing all Offers.

(d) Should a lot be part of more than one Offer, then its terms as described in section VII should not differ from one Offer to the other.

IV. SELECTION PROCEDURE

The selection of UDFs will proceed as follows:

Expressions of Interest ("EoI")

Applicants which are not excluded in accordance with the Exclusion Criteria will be assessed on the basis of the Selection Criteria. Detailed Exclusion and Selection Criteria are presented in section VI thereof: Evaluation of EoI.

Offers

All applicants that meet the Selection Criteria will be further assessed on the basis of their Offers (including detailed Business Plans). The Offers will be evaluated on the basis of the Award Criteria, as described in Appendix A.

V. SUBMISSION OF EXPRESSIONS OF INTEREST

Each EoI submitted by an applicant shall be prepared in accordance with the template attached as Annex 1 and shall be accompanied by the following annexes:

- A declaration to be made by the applicant in the form included herein as Annex 2;
- Supporting documents.

VI. EVALUATION OF EXPRESSIONS OF INTEREST

1. EXCLUSION CRITERIA

Applicants will be excluded from participating in this Call for EoI if any of the following Exclusion Criteria applies to them or, in case of the EoI being submitted by a consortium, to any of its members:

a) they are bankrupt or are being wound up, are having their affairs administered by the courts, have entered into an arrangement with creditors, have suspended business activities, are the subject of proceedings concerning those matters, or are in any analogous situation arising from a similar procedure provided for under national laws or regulations;

b) they or any of its in office managers, holders of company management, directors or equivalent have been convicted of an offence concerning their professional conduct by a judgment which has the force of *res judicata*;

c) they or any of its in office managers, holders of company management, directors or equivalent have been guilty of grave professional misconduct proven by any means which the EIB can justify;

d) they have not fulfilled their obligations relating to the payment of social security contributions or the payment of taxes in accordance with the legal provisions of the country in which they are established, with those of the country of the contracting authority, and with those of the country where the contract is performed;

e) they or any of its in office managers, holders of company management, directors or equivalent have been the subject of a judgment which has the force of *res judicata* for fraud, corruption, involvement in a criminal organisation or any other illegal activity detrimental to the Community's financial interests;

f) they or any of its in office managers, holders of company management, directors or equivalent are guilty of misrepresentation in supplying the information required by the contracting authority for participation in this Call for EoI or who have not provided such information.

Applicants must show that they are not in one or more of the situations listed above by providing the following evidence in relation to the items mentioned above:

- in relation to items (a), (b) and (e) above, relevant extract(s) from a register maintained by a judicial or any other authority or, failing that, equivalent documentation issued by a competent judicial or administrative authority in the country where they are established, not earlier than 6 months before the deadline for the submission of the EoI. Depending on the national legislation of the country in which they are established, these documents must relate to entities with legal personality, and/or organized entities not being legal persons, but having legal capacity and/or natural persons; in the latter case, they must relate to the person(s) empowered to represent the applicant and sign the Operational Agreement if the tender is successful;

- in relation to item (d) above, the most recent certificates issued by the competent social security and tax authorities of the country where they are established. Where no such certificate is issued in that country, this can be replaced by a declaration on oath or solemn

statement made before a competent judicial or administrative authority, a notary or a competent professional or trade body in that country. The declaration or statement provided must be dated less than 3 months before the final date for submission of applications. Depending on the national legislation of the country in which they are established, these documents must relate to entities with legal personality, and/or organized entities not being legal persons, but having legal capacity and/or natural persons; in the latter case, they shall relate to the person(s) empowered to represent the applicant and sign the contract if the tender is successful.

- In relation to items (c), and (f) above, a declaration stating that the applicant is not guilty of professional misconduct, and is supplying all the information required under this Call for EoI in good faith and without misrepresentation. This declaration should be signed by the person(s) empowered to represent the applicant and sign the contract if the applicant is selected and dated less than 3 months before the final date for submission of applications.

2. SELECTION CRITERIA

Applications not excluded in accordance with the Exclusion Criteria, will be assessed on the basis of the following Selection Criteria approved by the Monitoring Committees of the participating Operational Programmes:

(a) The EoI is prepared in accordance with Annex 1 and all supporting documents are provided;
(b) Experience in the relevant targeted market during the last five years in the management of equivalent or similar projects and/or financial vehicles investing in similar projects to those foreseen in this Call for EoI;
(c) If applicants are non financial institutions: presentation by the applicant of a bank reference, released by a financial institution, confirming that the applicant maintains a regular relationship with said bank and that in accordance to the bank's assessment the applicant has financial capability or suitability to be involved in the management of equivalent or similar projects to those foreseen in this Call for EoI;
(d) Should the applicant be a consortium, the leading party (which should hold more than 50% of participation) and any of the parties undertaking joint and several liability with the other members of the consortium, shall provide the bank reference, as referred in the above paragraph (c);
(e) Declarations indicated in Annex 2 are completed to the satisfaction of the EIB.

VII. SUBMISSION OF OFFERS

Applicants which meet the Selection Criteria will be further assessed based on their Offers (including detailed Business Plans). The Offers will be evaluated on the basis of the Award Criteria agreed by the Monitoring Committees of the OPs, as described in Appendix A.

Applicants are expected to submit a separate business plan for each lot that they compete for. In addition, where a lot is financed by different Priority Axes applicants are expected to demonstrate, in their Business Plan for that lot, how the requirements of each Priority Axis will be met. Separate accounting and monitoring will be required for each priority axis.

The Business Plans for use of resources received from the JHFG shall be completed in the form provided below.

Business Plan

1. Investment Policy

The applicant shall describe its investment policy, targeted market, geographical and sectorial coverage (as described in section I hereof) as well as the criteria, terms and conditions for JESSICA financial products in accordance with the description of the JESSICA financial products as provided in the Terms of Reference (as described in section XII hereof).

The applicant shall indicate that support will be granted only for Urban Projects eligible under the particular Priority Axes of the OPs contributing to the UDFs and EU Structural Funds Regulations.

The presentation of the applicant's investment policy may refer to the best practices and benchmarks in this field as described by the applicant.

2. Financial forecasts and operational budget of the UDF

The applicant shall describe the expected operational budget of the UDF assuming the amount of contribution from JHFG as indicated in sections II & III. The financial forecasts and operational budget of the UDF, including the level of management fees to be charged, together with the assumptions made, should be presented in line with the explanations and according to the template provided in Appendix C.

3. Portfolio of potential Urban Projects

Applicants shall be responsible for the identification and evaluation of Urban Projects. Each applicant should demonstrate the robustness of the project pipeline and compliance of all projects with the objectives as presented in each OP contributing resources to the particular lot. Against this background, applicants should be advised that the description of the typology of Urban Projects required is aimed at testing the applicants' approach to the selection, analysis and financing of Urban Projects.

In addition, applicants that are able to provide evidence of a pipeline of projects and specific details of "early win" projects will provide a greater degree of comfort to EIB that they are in a position to invest in Urban Projects within the relatively tight timescales envisaged for investment. Therefore, when possible, applicants are invited to present in their Offers details of specific projects already identified, even if it is recognised that some project details may be less developed/indicative than others and that the project pipeline/financial plan will need to be subject to flexibility and further development/agreement going forward. Provision for this will be made in the Operational Agreement to be signed with the UDF.

For each of the projects, the applicant should describe the following:

a) General description of the project and the project's timetable, including description of the cofinancing partners or shareholders;

b) Justification for selection for the contribution from the EU Structural Funds;

c) Identification of risks (including technical, market, financial, etc.);

d) Conformity of project's objectives with the objectives set forth in the JESSICA initiative and as described in the relevant OP. This means that selected Urban Projects shall contribute to the achievement of the OP objectives, including quantitative outputs, as stipulated in the relevant Priority Axes of the OP. The extent to which each Urban Project shall contribute to the achievement of quantitative outputs established in the OP will depend on the character of each of the projects;

e) Assess the expected economic rate of return of the projects or other appropriate measure of the socio-economic performance, including a description of the social and environmental benefits resulting from the execution of the Urban Projects' portfolio (the economic rate of return should be presented according to the template provided in Appendix D).

Urban Projects presented by applicants in their Business Plans shall comply with the assumptions and guidelines (as published by the Ministry of Economy, Competitiveness and Shipping) for local authorities as regards Integrated Plans for Sustainable Urban Development. Consequently, it is required that Urban Projects are supported by Integrated Plans for Sustainable Urban Development.

The portfolio of Urban Projects should contain projects that the applicant undertakes to finance, unless circumstances of a nature that could not have been predicted at the time of preparation of the Offer occur. In particular, such circumstances may relate to Integrated Plans for Sustainable Urban Development being approved in their final form, resulting in certain Urban Projects not being eligible for JESSICA financing. In such and potentially other cases, the possibility of substituting projects contained in the Business Plan with other Urban Projects of a similar nature, including similar balance between financial and socio-economic benefits, will be permitted. Therefore, the potential portfolio of projects to be submitted by the applicant will be indicative and not binding.

More information on Urban Projects' objectives and criteria for their selection can be found in section X. hereof: POTENTIAL URBAN PROJECTS.

4. Methodology for the identification and evaluation of Urban Projects

The portfolio of Urban Projects provided by the applicant shall not be interpreted as an exhaustive list. It is expected that UDFs will continue to look for other Urban Projects not identified at the time of presenting the Offer. To this end, the applicant should describe the methodology for the research and evaluation of all Urban Projects, including future ones. The methodology should contain provisions assuring that all Urban Projects will comply with the objectives as presented in the OP (including quantitative outputs) and relevant EU Structural Funds Regulations.

In particular, the methodology shall detail the means and the key steps applied to ensure the selected Urban Projects reach the necessary level of advancement for investment under the JESSICA financing. Such methodology shall cater for the different stages of development of each project, including projects which are only at conceptual stage.

Based on the applicant's knowledge of the local market and local needs, the applicant shall also present rules of cooperation with and support to be provided to local authorities as regards identification and financing of Urban Projects. To this end, applicants shall specify the strategy to ensure adequate local presence in the relevant regions, particularly through local structures, either existing or to be established, in order to develop and maintain appropriate contacts and relationships with relevant authorities (mainly the relevant Managing Authority and local authorities) as well as local stakeholders and project delivery bodies (either public of public-private involved at project level).

Finally, applicants should also include a full description of their internal scoring system used for the credit risk assessment of each Urban Project and for the pricing of the operations, if applicable.

5. The policy of the UDF concerning exit from Urban Projects

The applicant shall describe the policy governing the exit from investments in Urban Projects.

6. Legal and ownership structure of the UDF

The applicant shall provide information on the proposed legal structure of the UDF, which shall be in line with relevant EU Structural Funds Regulations.

Potential UDFs may be established as: joint stock companies, limited liability companies, investment

funds, separate blocks of finance within financial institutions or as other acceptable organisational forms.

The applicant shall present information on the ownership structure of the UDF. Applicants shall identify the manager of the UDF who will be either the applicant itself or a member of its group or a member of the consortium or their respective groups.

7. The by-laws of the UDF

Where applicable, the by-laws and licences provided by the competent Greek authorities to grant loans and provide equity to legal and natural persons, the validity of which should not be limited, should be enclosed. For the avoidance of doubt, signature of the Operational Agreement will be conditioned to EIB having received these documents.

8. Governance structure and key experts

The applicant shall describe the management, administration and accounting procedures, which will be applied in the exercise of the function of the UDF. The applicant should also present the corporate governance provisions for the UDF, including internal control procedures. The applicant shall also describe risk management procedures that will be applied to the operations of the UDF. The governance provisions shall also define the mechanisms to guarantee the compliance of Urban Projects with eligibility criteria under the relevant OP, applicable local and regional legislation, and obtaining all relevant authorisations and licences relevant thereto, as well as the fulfilment of all obligations arising from the ERDF co-financing according to regional, national and EU Rules.

For that reason, applicants should pay particular attention to the procedures to be adopted to ensure the compliance of Urban Projects with Eligibility Rules and technical/economic quality requirements. Applicants shall propose the structure and Operation of the UDF management system, which should ensure a proper appraisal of the Urban Projects.

Applicants should bear in mind that each Priority Axis' contribution to the UDF must be separately monitored and controlled and hold separate accounts.

The applicant shall indicate a team of experts with experience in relevant fields, which shall be established and is available in order to complete the project's objectives. Professionalism, competence and independence of the management should be taken into account. The following persons shall act as key experts of the project team:

NO.	NAME AND SURNAME	SCOPE OF DUTIES ENTRUSTED*	YEARS OF EXPERIENCE AND DESCRIPTION OF THE EXPERT'S EXPERIENCE
1.		Key Manager of the UDF	
2.		Expert on Urban Projects	
3.		Project finance expert	

4.		Team manager for monitoring and reporting	

* The list of roles is not limited.

9. Annual Management Fee

The applicant should indicate the required level of the management fee calculated in accordance with section XIII. thereof: MANAGEMENT FEE.

10. Interest Rate on Available Funds

The applicant should indicate the proposed interest rate applied on available funds (funds transferred to the UDF and not yet invested in Urban Projects). Interest rate should be stated on a Euribor basis plus the spread offered. Applicants not being financial institutions should submit an offer by an acknowledged financial institution validating the proposed interest rate.

11. Co-financing

An important factor in the evaluation of the Offer will be the ability of the UDF to provide co-financing, either in cash terms or in kind and to raise finance from other private or public sources. For that reason, applicants shall present their strategy for obtaining potential financing from non-JESSICA sources with a view to co-financing Urban Projects or the UDF.

Applicants must distinguish whether the co-financing commitment is carried out at the UDF level or at the Urban Projects level.

With reference to co-financing the UDF, it shall be noted that there should be no preference for non-JESSICA funds over JESSICA funds. In other words the terms and conditions of the non-JESSICA co-financing coming to a UDF shall be the same as the terms and conditions of the JESSICA financing ("*pari passu* rule") unless otherwise provided by EU State Aid Rules. In this case, applicants will indicate the subordinatory relationships that may exist between UDF financing and external financing, if any.

The non-JESSICA co-financing of Urban Projects may be provided by a UDF. Urban Projects shall have discretion to decide whether they are willing to accept such co-financing and this decision shall not have any implication on whether they shall receive JESSICA funding from the UDF.

12. Winding-up provisions of the UDF

The applicant should describe the winding-up provisions planned to be applied by the UDF to its investments in Urban Project portfolio, including the reutilisation of resources returned to the UDFs from investments in Urban Projects or return of these resources to the JHFG.

VIII. NEGOTIATIONS AND CONCLUSION OF THE OPERATIONAL AGREEMENT

The applicant(s), whose Offer(s) will be evaluated as the most favourable, shall be invited to negotiations concerning the terms and conditions of the Operational Agreement once its/their Offer(s) have been approved by the Investment Board of the JHFG.

During the period before an Operational Agreement is concluded, it is envisaged that Preferred Bidders will continue to develop Urban Projects included in their Business Plans and to look for other Urban Projects not identified at the time of presenting their Offer(s).

The negotiations with the Preferred Bidder(s) should be limited to a fine-tuning of the Operational Agreement, to the adjustment of the Operational Agreement so as to increase the efficiency of the Business Plan and its coherence with the relevant OP Priority Axis and to discuss new Urban Projects included in the Business Plan in the meantime.

In any case, it must be assured that the adjustments agreed upon would not have changed the result of this procurement process if they had been reflected in any of the Offers submitted by any of the applicants; also, it must be assured that those adjustments do not violate any of the mandatory provisions of this Call for EoI and that they respect all its mandatory specifications.

Once negotiations have been concluded, EIB shall make a proposal on the award of a contract to the Investment Board for approval. Such proposal shall include the key terms and conditions of the Operational Agreement to be signed between EIB and the selected UDFs.

Before signature of the Operational Agreement, the EIB reserves the right to verify any relevant ethical, professional and technical requirements declared by the selected UDFs under this Call for EoI and, in particular, whether the Exclusion Criteria remain fully respected.

IX. OPERATIONAL AGREEMENT

1. Based on the results of the negotiations, EIB shall make proposals to the Investment Board on the award of contracts. Such proposal shall include the key terms and conditions of the Operational Agreement.
2. An outline of the rights and obligations of the UDF with respect to the JHFG is provided in Appendix B (Selected Terms of the Operational Agreement).

X. POTENTIAL URBAN PROJECTS

The investment portfolio of a UDF may consist of PPP's or other Urban Projects that differ in terms of their economic value added, technical description, duration, size, risk and returns, etc.

THE SPECIFIC OBJECTIVES TO BE ACHIEVED BY URBAN PROJECTS SHALL BE TO SUPPORT ONE OR MORE OF THE FOLLOWING:
a) initiatives employing local potential and enhancing local entrepreneurship in those urban areas which lag behind in terms of development;
b) regeneration of degraded town centres in smaller towns as well as selected deprived districts of larger cities;
c) regeneration of large elements of degraded or de-capitalized urban infrastructure;
d) reinforcement of the pre-development potential of post-military and post-industrial areas;
e) creation and development of existing business environment institutions;
f) creation and development of entrepreneurship incubators and industrial parks;
g) initiatives improving environmental conditions in an existing urban area such as waste management venues energy efficiency and utilization of renewable energy;
h) other (to be suggested by the applicant).

1. Parameters of Urban Projects

Although different types of Urban Projects can be distinguished, all projects shall demonstrate the following parameters:

1.1 <u>General</u>

a) Compliance with EU Structural Fund Regulations;

b) Soundness in terms of business model, cash flows, partners, etc.;

c) Urban Projects are supported by the Integrated Plans for Sustainable Urban Development and comply with the objectives and interventions envisaged by the relevant Priority Axes of OPs;

d) Urban Projects shall be structured in such a way so that they generate revenue sufficient to repay any funding received from the UDF, as required by EU Structural Funds Regulations (in the case of PPP-type or similar projects – these revenues shall include all potential payments to be received by an Urban Project from relevant public authorities or other Urban Project's promoters in the form of, e.g. availability payments, shadow tolls, etc); and

e) Urban Projects shall ensure economic and/or social benefits.

1.2 Related to OP

a) Compliance with relevant eligibility criteria as described in Priority Axes of the relevant OP described in the section I.B of Annex 3;

b) Urban Projects shall contribute to the achievement of objectives (including quantitative outputs), as stipulated in the relevant Priority Axes of OPs.

1.3 Financial and economic

a) Financial criteria will differ according to the projects and financial products selected (loans, equity) and shall be established by a UDF on a case by case basis. These criteria may include: internal rate of return, net present value, pay-back period, cash flow profile, availability and form of collateral (if required), other financial indicators typically used in credit analysis, etc. There are no specific requirements imposed on Urban Projects with respect to financial criteria other than those described in the relevant EU Structural Funds Regulation. Each applicant shall present their views on what financial criteria shall be met by Urban Projects in order to achieve the desired objectives. It is acknowledged that for some Urban Projects precise calculation of financial indicators may not be possible at the time of presenting the Offer. In such cases the Offer will still be acceptable;

b) The assessment of Urban Projects as regards their economic sustainability and impact should include the following aspects of the projects: cost/benefit analysis (where possible to prepare), contribution to meeting relevant output indicators of OP, potential to attract additional funding from other public and private sources, potential to attract investors in other projects, which would be complementary or which could create economic or social synergies.

XI. FINANCIAL MODEL

1. In accordance with the JESSICA initiative, UDFs should be active partners for regional and local authorities in stimulating urban development by investing in Urban Projects in a revolving way, with a long-term perspective.

2. UDFs shall not re-finance acquisitions or participations in projects that have already been completed.

3. Urban Projects receiving grant assistance from the EU Structural Funds may be supported by UDFs in line with the relevant regulations.

4. The key implementation parameters of the Financial Model are as follows:

   a) UDFs will receive funds from the JHFG to invest in a revolving way (in the form of loans and/or equity) in public-private partnerships or other Urban Projects included in Integrated Plans for Sustainable Urban Development, according to Regulation 1828/2006, Article 46;

   b) The boundary conditions for financial products to be offered by UDFs to Urban Projects are described in section XII hereof;

   c) The JESSICA funds contributed to the UDF should be fully invested in Urban Projects according to the following scheme:

i. 50% of the funds shall be invested by 31 December 2013
ii. 80% of the funds shall be invested by 31 December 2014
iii. 100% of the funds shall be invested by 30 June 2015

   d) Non-compliance with the above-mentioned terms shall result in a reduction in the level of the management fee to be paid, according to the formula as presented in section XIII.10.e) hereof.

4.1 Transfer of funds to UDFs:

a) Funds committed to the UDFs, in order to be invested in Urban Projects will be advanced by the JHFG in one or more tranches unless otherwise agreed in the Operational Agreement,

b) The size of each tranche shall be based on the Business Plan submitted by the applicant. The JHFG shall, however, have the right to make the final decision as to the size and timing of each tranche in the Operational Agreement following an analysis of the Business Plan;

c) The JHFG funds contributed to the UDF shall be kept as bank deposits unless otherwise indicated by EIB and agreed between the EIB and the UDF in the Operational Agreement. Interest on these deposits, as indicated in the Offer, may increase the amount of the JHFG funds. The exact terms and conditions for the JHFG deposits, and other arrangements as agreed between the parties, shall be defined in the Operational Agreement;

d) The JESSICA funds allocated to the UDF should be fully invested in Urban Projects at least once in line with the milestones indicated in the Business Plan and in section XI.4.c.

4.2 The JHFG will compensate UDFs for administration services provided by them in the form of a management fee (as described in section XIII hereof).

4.3 Detailed procedures for the financial model shall be established in the Operational Agreement.

XII. CONDITIONS FOR THE FINANCIAL PRODUCTS

1. As described in section XI, UDFs will receive funds from the JHFG to invest in a revolving way in Urban Projects.

2. For these purposes, UDFs shall support Urban Projects by means of loans and/or equity.

3. Loans made by UDFs to Urban Projects must comply with EU State Aid Rules[2], including the reference rate framework where appropriate (see http://ec.europa.eu/competition/state_aid/legislation/reference.html for further details). Applicants should take their own advice in this regard.

4. Conditions for the financial products shall be based on the following guidelines:

   a) Only Urban Projects where the sum before discounting of all project cash flows from operating and investing activities (including initial expenditure and – in the case of PPP-type or similar projects - including all potential payments to be received by an Urban Projects from relevant public authorities or other Urban Project's promoters in the form of, e.g. availability payments, shadow tolls, etc) is positive, are consistent with the concept of the JESSICA instrument.

   b) The expected profitability of an Urban Project without JESSICA support should be lower than normally required by the market, so that with typical forms of financing the Urban Project could not have been realized (rates of return for Urban Project's investors would be lower than required under the normal market conditions applicable to such an Urban Project). Hence, a market failure exists.

   c) The terms and conditions of financing from the UDF should be sufficiently more advantageous in relation to market terms, so that:

[2] For information on State aid rules, reference can be found in the State aid Vademecum on the following European Commission's website:
http://ec.europa.eu/competition/state_aid/legislation/compilation/index_en.html

i. due to JESSICA financing, the rate of return for equity investors in a given Urban Project reaches a fair market level ("Normal Equity IRR");

ii. due to JESSICA financing, the rate of return for providers of debt to a given Urban Project reaches a fair market level ("Normal Debt IRR").

d) The intensity of JESSICA financing should not exceed the level sufficient to encourage a project promoter to execute an Urban Project. Following the investment from JESSICA, the rate of return for equity investors and providers of debt shall not exceed the Normal Equity IRR and Normal Debt IRR respectively.

e) In order to achieve the above results, subject to compliance with State Aid Rules, JESSICA financing may come in the form of:

i. loans with terms and conditions (such as interest, maturity, security package) more preferential than in the case of standard market loans;

ii. equity contributions.

f) For the purpose of the Business Plan:

i. Normal Equity IRR shall be established at a fair market level;

ii. Normal Debt IRR shall be established in line with the interest rates normally applicable by banks for the purpose of financing similar projects.

g) Detailed terms and conditions for financing to be provided by a UDF must be determined prior to making an investment for each Urban Project on the basis of financial forecasts prepared for this Urban Project and verified by a UDF.

XIII. MANAGEMENT FEE

1. The JHFG will compensate a UDF for its operations in the form of a management fee.

2. The management fee shall include all fees and expenses to be incurred by the UDF in relation to services and other auxiliary activities provided. If the UDF foresees a combination of its management fee proposal with remuneration received also from Urban Projects this must be clearly stipulated in its Offer. However, should this not be the case, the UDF shall not have the right to request remuneration from Urban Projects with respect to the same.

3. The applicant should provide its proposal in relation to management fees in respect of each lot separately and in respect of all lots together. In case the applicant submits more than one Offer and one or more lots is/are included in more than one Offer, then the applicant should **not** propose a different management fee for that particular lot.

4. The required level of the management fee payable to the UDF by JHFG shall be indicated in the Business Plan submitted by each applicant.

5. The management fee shall be calculated as a percentage of the funds contributed from the JHFG to the UDF.

6. The management fee may comprise both a fixed and a contingent component subject to the absolute cap, as described in section XIII.10 below.

7. Fixed part: it is suggested to applicants to propose a management fee linked to the three following components of its activity:

- project appraisal and structuring;
- "EU Structural Funds monitoring" consisting of monitoring, reporting and other services related to ensuring the compliance with EU Structural Funds Regulations; and

- administration of the investments in Urban Projects.

8. Contingent part: it is suggested that the fixed part of the management fee may be replaced by or integrated in additional performance incentives. In particular, the contingent part should provide the UDF with incentives to invest in Urban Project in a timely and efficient manner. The contingent component may be composed of either one or both of the following elements:

   - a performance incentive fee based on investments in Urban Projects. The rationale of this fee stems from the fact that the industry, both at level of UDF and at revenue generating Urban Projects level, is still immature;
   - an incentive based on the ex-post quality of the portfolio of Urban Projects. Charging fees on committed capital only would in fact encourage the UDF manager to invest too quickly, hence a well constructed performance fee should alleviate the risk of putting money to work too quickly and in unprofitable/risky projects.

9. The management fee shall not be calculated on the interest earned by a UDF on any deposits of funds contributed to the UDF by the JHFG and not yet invested in Urban Projects or returned to the UDF from investments in Urban Projects and not yet re-invested.

10. The management fee shall be payable according to the following mechanism:

    a) The management fee shall be paid quarterly or semi-annually, unless otherwise agreed in the Operational Agreement;

    b) In the initial investment period, i.e. up to 30 June 2014, a UDF shall be entitled to receive a management fee of up to a maximum amount of, on an annual average, 3% of the capital contributed from the JHFG to the UDF, without prejudice to sub-paragraph f) below;

    c) During the period: 1 July 2014 – 31 December 2015, a UDF shall be entitled to receive a management fee of up to a maximum amount of, on an annual average, 2% of the capital contributed from the JHFG to the UDF, without prejudice to sub-paragraph f) below ;

    d) Management fee level for the period from 1 January 2016 until the expiration date of the relevant Operational Agreement or any other specific date agreed by EIB and a UDF in the relevant Operational Agreement shall be based, inter alia, on the policy governing exit from investments in Urban Projects and winding-up provisions of a UDF. A UDF shall be entitled to receive a management fee paid only from moneys returned into the UDF from investments in Urban Projects up to a maximum amount, on an annual average, of 1% of the residual outstanding amounts which are actually repaid to the UDF by Urban Projects, without prejudice to sub-paragraph g) below, unless otherwise agreed in the Operational Agreement. For the avoidance of doubt, the UDF shall bear the risks when returns on investments are not sufficient to pay for the management fee as defined in this paragraph;

    e) Failure to meet investment targets as described in section XI.4.c hereof shall result in the reduction of the level of the management fee in the subsequent period in proportion to the shortfall of investments as compared to the target;

    f) Non-compliance with the provision of section XI.4.c.iii hereof shall result in the cancellation of any amounts available under the Operational Agreement unless otherwise agreed by EIB;

    g) The management fee shall not be calculated on any amount due by any Final Recipient to a UDF and not returned due to a failure by an Urban Project to pay.

11. Subject to the absolute cap as described in section XIII.10. b) and c) above, the management fee may be increased by any additional performance incentives. The EIB is expecting management fees to be well below the percentages mentioned above, as defined by the outcome of the competitive process, and especially for the period post initial identification and investment in Urban Projects. In any case, applicants are expected to propose a management fee that

incentivises them, namely the UDF manager, to invest in Urban Projects in a timely and efficient manner and maximise output targets.

12. The amount equal to the management fee shall be each time debited by a UDF (when due) from the amounts held by a UDF. The detailed provisions concerning the management fee shall be established in the Operational Agreement.

APPENDIX A

AWARD CRITERIA

Award criteria			
Criterion	Sub criterion	Description and assessment rules	Scoring for criterion
1. INVESTMENT POLICY	Understanding of the objectives and clear definition of goals	The applicant shall demonstrate its understanding of the objectives to be achieved through the implementation of JESSICA mechanism in the relevant regions. The applicant shall define the goals of the UDF and objectives of its Investment Policy. The applicant shall prove the compliance of the Investment Policy with OPs' priorities. The applicant shall also prove his understanding of the definition of Integrated Plan for Sustainable Urban Development. This essential concept should have direct implications in the Investment Policy. Assessment rule: level of understanding of JESSICA objectives and OP Priority Axes and manifestation of this comprehension in the Investment Policy. Importance of the Integrated Plan for Sustainable Urban Development in the Investment Policy.	0-15
	Targeted market including geographical coverage	The applicant shall describe the targeted market of the Investment Policy and geographical coverage of the UDF. The applicant shall prove the compliance of the Investment Policy with the geographical allocation requirement, as described in sections I(B) and III(b) of the Terms of Reference. Assessment rule: compliance of the targeted market with the Investment Policy and geographical diversification.	
	Parameters of financial products	The applicant shall present the parameters of JESSICA financial products, including the exit policy from investments in Urban Projects. Assessment rule: the terms and conditions of the JESSICA financing shall ensure optimisation of the utilisation of funds in order to achieve the objectives of the Investment Policy.	
2. FINANCIAL FORECASTS AND OPERATIONAL BUDGET OF THE UDF		In this part the applicant shall justify the robustness of UDF's financial forecasts as implied by the proposed products' offer, project portfolio, management fee, interest rate and the overall Investment Policy Assessment rule: credibility of the financial forecast and its compliance with the Investment Policy and project portfolio.	0-10

Award criteria			
Criterion	Sub criterion	Description and assessment rules	Scoring for criterion
3. PROJECTS PORTFOLIO	Robustness of the project pipeline and contribution to the achievement of OP objectives	The applicant shall prove the conformity of the Urban Projects' objectives with the general objectives set for in the JESSICA initiative as well as in the relevant OPs. This means that selected Urban Projects shall contribute to the OPs objectives, including quantitative outputs, as stipulated in the relevant Priority Axes of OPs. Urban Projects shall comply with the assumptions and guidelines of Ministry of Economy, Competitiveness and Shipping as regards Integrated Plans for Sustainable Urban Development. Consequently, it is required that Urban Projects are supported by the Integrated Plans for Sustainable Urban Development. The applicant shall also describe its policy concerning exit from Urban Projects. Assessment rule: contribution of the projects to OP quantitative outputs, robustness of the projects pipeline, compliance of the projects with the assumptions and guidelines of Ministry of Economy, Competitiveness and Shipping as regards Integrated Plans for Sustainable Urban Development.	0-15
	Level of preparation of the projects for completion and their reliability	The applicant shall describe the level of preparation of selected Urban Projects. Assessment rule: stage of the preparation of indicated Urban Projects and the probability of their execution within a reasonable time frame.	
	Expected economic rate of return on projects pipeline[3]	The applicant shall forecast and describe the expected economic rate of return for the projects (or other appropriate measure of the socio-economic performance), including the social and environmental benefits resulting from the execution of the projects' portfolio. Assessment rule: the level of the economic rate of return on projects pipeline.	
	Identification of risk areas for particular projects / project types	The applicant should identify the risks for particular projects or types of project. The applicant should also describe possible ways of mitigating identified risks. Assessment rule: the comprehensiveness of the risk assessments and the reliability of mitigation actions.	

[3] As explained in Appendix D

Award criteria			
Criterion	Sub criterion	Description and assessment rules	Scoring for criterion
4. METHODOLOGY FOR THE IDENTIFICATION AND EVALUATION OF URBAN PROJECTS	Methodology	The portfolio of projects provided by the applicant shall not be interpreted as an exhaustive list. It is expected that the UDF will continue to seek Urban Projects to be supported with the JESSICA mechanism. The applicant should describe the methodology for identifying and evaluating Urban Projects. The methodology should contain provisions ensuring that the Urban Projects will comply with the assumptions and guidelines of the Ministry of Economy, Competitiveness and Shipping as regards Integrated Plans for Sustainable Urban Development, and contribute to the achievement of the relevant OP objectives. Assessment rule: appropriateness of the methodology to the specificity of Urban Projects (including provisions ensuring that Urban Projects will comply with the objectives as presented in OPs).	0-15
	Rules of cooperation with local authorities	Based on the applicant's knowledge of the local market and local needs the applicant shall present the rules of cooperation and support to be provided to local authorities as regards identification and financing of Urban Projects. Assessment rule: the level of the applicant's readiness to support local authorities together with the applicant's capacity and experience in this respect.	
5. GOVERNANCE STRUCTURE	Ownership structure	The applicant shall present information on the ownership structure of the UDF. The applicant shall prove the credibility of the ownership structure of the UDF, including co-financing partners and/or shareholders. Proposal submitted by applicants should demonstrate diversification of partners' knowledge and ability to engage local operators with proven expertise. Assessment rule: credibility of the ownership structure and its suitability to the objectives set for the UDF, including diversification of partners' knowledge and ability to engage local operators.	0-10
	Winding-up provisions of the UDF	The applicant should describe the winding-up provisions of the UDF, including the reutilisation of resources returned to the UDF from investments in Urban Projects or return of these resources to the JHFG. Assessment rule: the reliability and credibility of the provisions for the exit policy from investments in financial instruments.	
	Management, administration procedures and organisational capacity	The applicant shall describe management and administrative procedures which will be applied in the exercise of the function of an UDF. The applicant shall prove the organisational capacity of the UDF, including the strength of the team proposed for delivering the tasks and the potential to identify Urban Projects, provisions on the professionalism, competence and independence of the management. The applicant shall also describe the proposed decision making procedures regarding investment in Urban Projects and the envisaged role of EIB and Managing Authorities in these procedures. Assessment rule: the reliability and credibility of the management, administrative procedures and organisational capacity of the UDF to deliver tasks.	
	Accounting and internal control procedures	The applicant shall describe the accounting procedures which will be applied in the exercise of the function of a UDF. The applicant should also present the corporate governance provisions for the UDF, including internal control procedures. Applicants should bear in mind that UDFs are financed by different OP Priority Axes, therefore separate accounts and internal control procedures must be applied.	

Award criteria			
Criterion	Sub criterion	Description and assessment rules	Scoring for criterion
		Assessment rule: the strength, reliability and credibility of the accounting and internal control procedures.	
	Monitoring, reporting, controlling	The applicant shall propose assumptions in respect of monitoring, reporting and controlling the process of project execution. Assessment rule: the strength, reliability and credibility of the monitoring, reporting and controlling procedures.	
	Risk management procedures	The applicant shall describe the risk management procedures that will be applied to the operations of the UDF. Assessment rule: the strength, reliability and credibility of the risk management procedures.	
6. KEY EXPERTS		The applicant shall indicate a team of experts with experience in relevant fields. Assessment rule: the experience of Key Experts shall be assessed.	0-5
7. ANNUAL MANAGEMENT FEE		The applicant should present the level of the management fee required, in line with the methodology presented in this Call for EoI. Applicants should provide their proposal in relation to management fees in respect of each lot separately and in respect of all lots together (if different). Assessment rule: the lower the level of management fee indicated by the applicant, the higher the number of points awarded (an applicant requesting the lowest management fee shall receive the maximum number of points available for this criterion).	0-12,5
8. INTEREST RATE		The applicant should present the level of the interest rate offered on available funds, not yet invested. Assessment rule: the higher the interest rate indicated by the applicant, the higher the number of points awarded (the applicant offering the highest interest rate shall receive the maximum number of points available for this criterion).	0-5
9. CO-FINANCING		The applicant shall present the strategy for obtaining potential financing from external sources with a view to co-financing Urban Projects or a UDF. With reference to co-financing at the UDF level, it shall be noted that there should be no preference of external funds over JESSICA funds. Assessment rule: the potential amount of external funds and the probability of acquiring additional funds indicated in the Business Plan will be assessed.	0-12,5
		TOTAL	100

APPENDIX B

SELECTED TERMS OF THE OPERATIONAL AGREEMENT

Form of Agreement

Operational Agreement with limited recourse to UDF. Disbursement and repayment made through ring fenced accounts each charged in favour of EIB as agent for the Investment Board.

Disbursement

In a number of tranches, or otherwise proposed by the UDF applicant or agreed between the parties during Operational Agreement negotiations, directly to a charged disbursement account for direct application to qualifying Urban Projects. Conditions to include:

- provision of external legal opinion in form satisfactory to EIB on due execution and enforceability of the transaction documentation.
- all necessary consents and approvals obtained.
- security documentation executed and perfected.

The UDF will be expected to apply the full amount to Urban Projects in accordance with the Investment Strategy of the JHFG and the Investment Policy and Business Plan of the UDF subject to relevant thresholds.

Failure to apply the amounts available in accordance with minimums set out in milestones will lead to penalties and also return of a proportion of management fees.

Limitation of Liability

Subject to compliance with the Operational Agreement and certain limited exceptions the UDF will not be responsible for loss due to failure of the underlying investments up to a threshold above which limited risk sharing will apply.

UDF Obligations

The UDF will be required to select Urban Projects in accordance with the Investment Strategy of the JHFG and the investment policy and Business Plan of the UDF (which will comply with the contributing OP and EU Rules) and will be required to monitor and report on the progress of such Urban Projects in accordance with standard procedures. The procedures involve quarterly or semi-annually reports being completed in an excel format provided by EIB and sent electronically. It also involves the submission of annual accounts by the UDF. Indeed, the UDF will be required to maintain a separate accounting system or use a separate accounting code for any co-financed expenditure down to the final level of the Urban Project.

The UDF will be required to ensure that receivables under the Investment Agreements are paid directly to a charged reserve account from which EIB will be repaid after deduction of certain fees and expenses of the UDF.

The UDF will be required to maintain a separate accounting system or use a separate accounting code for any co-financed expenditure down to the final level of an Urban Project.

The UDF will be required to carry out adequate information and publicity measures in accordance with EU Structural Funds Regulations and advertise that investments in Urban Projects come in full or in part from EU structural funds.

The UDF will be required to ensure that all Authorisations, which it requires to carry on business, have been obtained or effected and are in full force and effect and no steps have been taken to challenge, revoke, annul or cancel them, together with an obligation to obtain when required and maintain in full force and effect and renew, where necessary, such Authorisations.

The UDF, within a maximum 2-month period following signature of the Operational Agreement, will be required to have initiated the process for selecting Final Recipients/Urban Projects in compliance with relevant procurement laws and applying the following criteria in the selection of UDFs: efficiency, transparency, non discrimination and economy.

The UDF, following signature of the Operational Agreement, will be required to submit to the EIB its updated investment policy and business plan including an updated list of potential Urban Projects on 30 September 2011 at the latest, or in two months after the signature of the Operational Agreement. This Investment Policy and Business Plan and any amendment to it will be subject to the EIB approval (who will submit it to the Investment Board for approval). Thereafter, this process will be repeated each calendar quarter until the exhaustion of UDF's resources.

The UDF will be required to act in accordance with EU Structural Funds Regulations and EU State Aid Rules and comply with all applicable laws and regulations, including procurement and environmental laws and other regulations, where appropriate, and the applicable provisions of Greek law. Furthermore, the UDF will assist the EIB with its obligations under the EU Structural Funds Regulations and its contractual obligations towards the Managing Authority.

Finally, in every agreement providing for a financial contribution between the UDF and an Urban Project, the UDF will be required to ensure that the Urban Project comply with all obligations imposed on it by the EU Rules and any other applicable laws and that the Final Recipient enters into such actions as may be necessary to allow the UDF to comply with its obligations under all relevant laws and regulations and the Operational Agreement.

Investment Agreement

The UDF will be required under the Operational Agreement to include certain particular clauses in the Investment Agreements including compliance by the Final Recipient with EU Rules, account keeping rules, limitations on term and grace periods and provisions requiring prepayment in case of Irregularities and other defaults and access by relevant EU officials and others (including officials of national authorities) in case of audit. The UDF will be required to diligently, whether by negotiation or legal action, enforce its claims against the Final Recipient.

Security

The UDF will be required to assign all of the Investment Agreements to EIB by way of security for its obligations under the Investment Agreement as soon as such Investment Agreements are signed.

Management Fees

The Operational Agreement will provide for the right of the UDF to payment of market standard management costs, which shall not exceed the cap provided in these Terms of References.

Disruption

Provisions will be included to deal with circumstances where payments cannot be made due to systemic problems.

Irregularities

In case of Irregularities the UDF will be required to report immediately to the EIB and use best endeavours to recover the relevant funds from the Final Recipient under the Investment Agreement.

Representations and Warranties

Standard representations and warranties will be required including that all authorisations, which the UDF requires to carry on business have been obtained or effected and are in full force and effect and no steps have been taken to challenge, revoke, annul or cancel them, together with an obligation to obtain when required and maintain in full force and effect and renew, where necessary such authorisations.

Events of Default

Standard events of default will be required including non-payment, cross default, insolvency events and material adverse change.

Indemnity

The UDF will be required to provide an indemnity to EIB for any breach of the Operational Agreement causing loss.

Termination

The UDF shall have the right to terminate subject to conditions including covering the cost of replacement subject to thresholds and limitations.

Miscellaneous

Force majeure and confidentiality provisions shall be included.
Governing law will be Greek Law.
The Operational Agreement will be signed in English and Greek versions and in case of any discrepancy between the two versions the English version shall prevail.

APPENDIX C

FINANCIAL FORECASTS AND OPERATIONAL BUDGET OF THE UDF

General comments:

- The operational budget shall be understood as a presentation of expected future key financial figures describing the functioning of the UDF, based on the assumptions made;
- The results and assumptions should be provided on an annual basis;
- The assumption items listed are a minimum set; if there are any other assumptions with material impact, they should be included. In particular, the applicant may present the operational budget and financial forecast extending beyond the year 2022;
- In the assumptions and results sheet, fill in all fields marked in yellow (grey in case of monochrome printouts).

The attached template consists of the following sections:

1. Assumptions

The information provided by the applicant in this section includes the assumptions on which the financial projections of the applicant are based. This will enable an evaluation of the credibility of the projections and their methodological consistence with other applicants.

1.1. Macroeconomic assumptions:

a) In section 1.1, the applicant should provide all the macroeconomic variables taken into account in the forecast that have an impact on the results;

b) In particular, the applicant must indicate the forecast levels of reference interest rates.

1.2. Project financing assumptions:

a) This section should include assumptions adopted for the purpose of the financial projections;

b) The share of irregular loans (please indicate methodology for calculating this parameter);

c) The assumptions concerning the terms of financing the Urban Projects should be supplemented with other financing parameters if used in the projection, e.g. commission for granting the financing, commitment fees, etc;

d) Average equity IRR required and financing costs are to be in line with the requirements set out in other sections of this EoI.

Assumptions should be in line with the proposed portfolio of projects and the overall proposed Business Plan. EIB expects that applicants will justify, by the assumptions provided, each item of the forecasting financial statements.

2. Results of the projection

2.1 This section should include all the results of the projection, including:

- Pro forma balance sheet statements for each year of the projection;
- Pro forma cash flow statements for each year of the projection.

Financial forecasts and operational budget of the UDF

Parameter	Unit	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
ASSUMPTIONS													
Macroeconomic assumptions													
CPI (price increase)													
Interest rate*													
** show the assumption concerning e.g. 6M WIBOR*													
Assumptions applicable to financing to be provided by a UDF													
Value of loans to be granted, cumulatively													
Assumptions regarding the expected level of irregular loans													
Loan financing terms													
Interest rate used													
Average maturity													
Value of equity financing to be granted, per year													
Average expected returns to be earned from equity investments													
Other assumptions													
Amount of external financing obtained by the UDF (cumulatively, if any)													
Management fee percentage per year													
RESULTS OF THE PROJECTION													
Balance sheet													
Total Assets													
Loans granted													

Parameter	Unit	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Investments In Urban Projects													
Cash													
Other assets													
Liabilities and reserves													
Sums due to JHFG													
Other liabilities and reserves													
Cash flow statement													
Net cash flow from operating activities													
I. Inflows													
1) dividends received													
2) interest received													
3) sale of investment													
4) loans repayment													
5) other (please explain)													
II. Outflows													
1) equity investments													
2) loans issued													
3) management fee													
4) other (please explain)													
Cash flows from other activities													

APPENDIX D

ECONOMIC ANALYSIS

Economic analysis is a determination of the cost effectiveness of a project by comparing the benefits derived and the costs incurred in a Project, including social factors. There are three possible methods depending of the individual project:

- Cost-Benefit analysis: applied to determine whether, or to what extent, that project is worthwhile from a social perspective. Cost-benefit analysis differs from a straightforward financial appraisal in that it considers all gains (benefits) and losses (costs) to social agents. There are two main parameters as the result of the CBA analysis: ERR and ENPV. Economic rate of return: ERR, the internal rate of return calculated using the economic values and expressing the socio-economic profitability of a project.
- Multi-criteria analysis: is an evaluation methodology that considers many objectives by the attribution of a weight to each measurable objective. Multi Criteria Analysis is a tool for dealing with a set of different objectives that cannot be aggregated.
- Simplified multi-criteria analysis: is an evaluation methodology that considers many objectives without the attribution of a weight to each objective. We use this method when objectives are not measurable.

The following economic growth and quality of life improvements shall be considered in case of assessing the entire programme comprising Urban Projects proposed to be funded by the future UDF. Contribution to the achievement of quantitative outputs established in contributing OPs will depend on the character of each of the Urban Projects. It is understood that individual projects will not necessarily address all areas of economic growth and quality of life improvements measures.

Area	Influence
1. General	1.1 No of jobs created in problem areas, including jobs for women
	1.2 Potential to attract investors
	1.3 Creation of new businesses
	1.4 Better environmental standards
	1.5 Increase of income
	1.6 Number of financed Urban Projects
	1.7 Degree of leverage from private investors
	1.8 Increase in revenues from taxes for local authorities
2. Education infrastructure	2.1 Better education
	2.2 Less petty crime (if open in afternoons/evenings)
	2.3 Additional jobs including jobs for women
3. Utility projects (water, wastewater, solid waste, energy)	3.1 Decreased pollution to environment (air, waters, ground)
	3.2 Improved standards of public health
	3.3 Energy saved from energy efficiency interventions
	3.4 Installed Capacity of Renewable Energy Sources facilities
	3.5 Multiplier effect – potential for further development of the area, including no of jobs created in problem areas,
4. Transport	4.1 Decreased time of commute (time saving)
	4.2 Decreased pollution to environment (mainly air, but also ground)
5. Regeneration of the degraded city centres/	5.1 Better urban standards
	5.2 Generation of tourism traffic
	5.3 Potential to attract investors
	5.4 No of additional jobs in shops, restaurants, services to tourists and inhabitants including jobs for women

Area	Influence
	5.5 Increased revenue for employees, additional taxes
	5.6 Decrease in crime
	5.7 Social inclusion including handicapped
6. Sport and leisure	6.1 No of additional jobs including jobs for women
	6.2 Increased revenue for employees
	6.3 Improvement in health standards
	6.4 More beneficial advantageous ways of spending free time (increase in level of education)
7. Information and communication technology dissemination in urban areas, including broadband and wireless infrastructure	7.1 Additional optical fibre networks developed
	7.2 Number of additional inhabitants covered by broadband access

APPENDIX E

DEFINITIONS AND ABBREVIATIONS USED FOR THE PURPOSE OF THIS CALL FOR EXPRESSIONS OF INTEREST

"Business Plan"	means each Business Plan, relating to any UDF, prepared in accordance with the EU Structural Funds Regulations in Article 43 paragraph two of the Implementing Regulation;
"Commission"	means the Commission of the European Communities;
Contributing OPs	means the Operational Programs contributing resources (through the relevant Priority Axes) to JHFG and subsequently to Urban Development Funds;
"EIB UDF Selection Procedures"	means the internal rules adopted by EIB which govern the procedures for the launch of calls for expressions of interest for the procurement of the UDFs under Article 8.1 of the Funding Agreement and which shall respect the principles of equal treatment, proportionality, non-discrimination and transparency;
"Eligible Expenditure"	means expenditure applied in compliance with the Eligibility Rules;
"Eligibility Rules"	means the rules on eligible expenditure contained in articles 48 to 53 of the Implementing Regulation which apply in accordance with article 13 of Regulation 1080 (subject to the list of ineligible expenditure in article 7 of Regulation 1080) and those contained in articles 56 and 78 of Regulation 1083;
"ERDF"	means the European Regional Development Fund;
"EU Rules"	means the EU Structural Funds Regulations and any other applicable EU Regulations, Directives or Guidelines;
"EU State Aid Rules"	means those rules embodied in Articles 107 -109 of section 2, Title VII, of the 'Common Rules on Competition, Taxation and Approximation of Laws-Consolidated versions of the Treaty on European Union and the Treaty on the Functioning of the European Union ("TFEU") (2008/C 115/01) (previously embodied in Articles 87 to 89 of the EC Treaty) including any secondary legislation such as frameworks, guidelines and block exemptions produced by the European Commission, case law of the European Courts and decisions of the European Commission regarding the application of Articles 107 to 109 TFEU;
"EU Structural Funds Regulations"	means Reg. 1080, Reg. 1081, Reg. 1083 and the Implementing Regulation, as well as any other EU legislation from time to time applicable to the EU Structural Funds;
"EU"	means European Union;
"Financial Model"	means an organizational mechanism to channel the JHFG funds to the Urban Projects through UDF;
"Final Recipient"	means the entities that will develop the Urban Projects pursuant to the Investment Agreement;
"Funding Agreement"	means an Agreement establishing the JHFG, signed by the Greek Managing Authorities and the EIB signed on 1 July 2010;
"Implementing Regulation"	means Commission Regulation (EC) No. 1828/2006 of 8 December 2006 setting out rules for the implementation of Council Regulation (EC) No 1083/2006 laying down general provisions on the European Regional Development Fund, the European Social Fund and the Cohesion Fund and of Regulation (EC) No 1080/2006 of the European Parliament and of the Council on the European

	Regional Development Fund, as amended, supplemented or modified from time to time;
“Investment Agreement”	an agreement signed between a UDF and a Final Recipient providing for financing of the Urban Project;
“Investment Board”	means the board, established in accordance with the Funding Agreement, entrusted with responsibilities regarding the JHFG in accordance with Article 5 of the Funding Agreement;
“Integrated Plans for Sustainable Urban Development”	plans specified by the Ministry of Economy, Competitiveness and Shipping from time to time, taking account the specific urban, administrative and legal context of Greece;
“Irregularity/ies”	has the meaning given to it in Article 2 of Regulation 1083;
“JESSICA Funds”	means, from time to time, the aggregate amount of: a) the amounts received in the JHFG Account in accordance with Article 6 of the Funding Agreement, plus b) any other amounts standing to the credit of the JHFG Account from time to time; less c) the aggregate amount paid out under Operational Agreements;
“JHFG”	means the JESSICA Holding Fund for Greece, established pursuant to the Funding Agreement, and in accordance with Council Regulation (EC) No. 1083/2006, as amended by Council Regulation (EC) No. 284/2009 and Commission Regulation (EC) No. 1828/2006;
“JESSICA”	means the initiative “Joint European Support for Sustainable Investment in City Areas” launched by the Commission and EIB in collaboration with the Council of Europe Development Bank, in order to promote sustainable investment, growth and jobs in urban areas;
“Managing Authority”	means the Managing Authority responsible for Operational Program contributing resources to JHFG;
“Member States”	means the Member States of the European Union;
Monitoring Committees	Are the Committees responsible for monitoring the progress and quality of implementation of each Operational Program, according to article 12 of Law 3614/2007;
National Match Funding	Is the National Public Contribution to OPs as illustrated in the budget allocation tables of each OP;
NUTS-2 Regions	NUTS Stands for “Nomenclature des Units Territoriales Statistiques”. According to Eurostat’s classification NUTS-2 regions are the basic regions for the application of regional policies; In the case of Greece, these are the 13 administrative regions;
“Objectives”	means specific objectives to be achieved by Urban Projects according to the Operational Programs;
“OP”	means the Operational Programs developed in accordance with Article 37 Reg. 1083, a part of which shall be administered by the JHFG, in accordance with the provisions of the Funding Agreement;
“Operation”	means each activity connected to investments in a revolving way in public-private partnerships or other projects included in an Integrated Plan for Sustainable Urban Development, according to Reg.1828/2006, Article 46;

“Operational Agreement”	means an agreement providing for Operations;
Preferred Bidder	means an applicant whose Offer is evaluated as the most favourable;
“Priority Axis”	means a set of specific aims within an OP;
“Regulation 1080”	means Regulation (EC) No. 1080/2006 of the European Parliament and of the Council of 05 July 2006 on the European Regional Development Fund and repealing Regulation 1783/1999/EC, as amended, supplemented or modified from time to time;
“Regulation 1081”	means Regulation (EC) No. 1081/2006 of the European Parliament and of the Council of 5 July 2006 on the European Social Fund and repealing Regulation (EC). 1784/1999 as amended, supplemented or modified from time to time;
“Regulation 1083”	means Council Regulation (EC) No. 1083/2006 of 11 July 2006 laying down general provisions on the European Regional Development Fund, the European Social Fund and the Cohesion Fund and repealing Regulation (EC) No 1260/1999 as amended, supplemented or modified from time to time;
“Terms of Reference”	means terms of reference for the selection of the UDFs;
“Urban Development Fund” or “UDF”	means a vehicle investing in one or more Urban Projects as defined in Article 44 Reg. 1083;
“Urban Project”	means a public private partnership or other project included in an Integrated Plan for Sustainable Urban Development as described in Article 44 Reg. 1083.