

Review of the EIB's Energy Lending Policy

Consultation Report

Background

1. This report outlines the outcome of the public consultation process for the review of the Energy Lending Policy of the European Investment Bank (EIB). It also explains how the submissions from the public were taken into account in the revision of the Policy.
2. The 2013 Energy Lending Criteria¹ (ELC) set out the criteria that the EIB uses to screen and assess energy projects and determine whether they are eligible for EIB financing. They were adopted in 2013, following an in-depth public consultation procedure. Articles 8 and 40 of the Energy Lending Criteria stipulate that they will be subject to periodic review to reflect EU policy developments and market evolution. This is therefore the second time that the EIB is carrying out a formal public consultation on energy financing.
3. The aim of the Policy review was therefore to ensure that the EIB's financing of the energy sector continues to be aligned with the EU and international policy framework. This framework has evolved significantly since the publication in 2013 of the ELC, mainly as a result of the Paris Agreement, the new Clean Energy for All Europeans package and the European Commission's 2050 long-term decarbonisation strategy. It aims to deliver ambitious climate and energy targets, which are to be met against a backdrop of rapid technological change and shifts in the dynamics of global energy markets.

The public consultation process²

4. On 21 December 2018, the EIB announced the upcoming public consultation on its website. The public consultation was launched on 8 January 2019 with the publication of the public consultation document on the EIB's public consultation website³. The document solicited answers to 16 consultation questions. The public had until 29 March 2019 to submit written contributions. A summary of the timeline of the overall process is shown in Annex 1.
5. To ensure better accessibility and outreach, the EIB:
 - sent targeted e-mails to over 4000 stakeholders;
 - made the consultation document available in English, French and German;
 - enhanced the communication strategy by:
 - relaying related information through the EIB's many social media accounts,⁴ including those of local offices;
 - organising an interactive "Twitter live" session with Vice-President Andrew McDowell;
 - issuing a press release;
 - webstreaming the public consultation meeting and taking questions from those connected remotely;
 - organising a telephone conference call for all stakeholders, with Vice-President Andrew McDowell, immediately after the final Board decision.

¹ <https://www.eib.org/en/infocentre/publications/all/eib-energy-lending-criteria.htm>

² The public consultation was conducted in accordance with Articles 7.10 and 7.11 of the EIB Group Transparency Policy: <https://www.eib.org/en/infocentre/publications/all/eib-group-transparency-policy.htm>

³ <https://www.eib.org/en/about/partners/cso/consultations/item/public-consultation-energy-lending-policy.htm>

⁴ Twitter: <https://twitter.com/EIB>; Facebook: <https://www.facebook.com/EuropeanInvestmentBank>; LinkedIn: <https://www.linkedin.com/company/european-investment-bank/>; YouTube: <https://www.youtube.com/user/EIBtheEUBank>; Instagram: <https://www.instagram.com/europeaninvestmentbank/>

6. The EIB held a public consultation meeting on 25 February 2019 in Brussels. This was open to all interested stakeholders. It was attended by 112 participants from 20 countries and 3 continents. Among the 112 participants were representatives from business and industry associations (59), non-governmental organisations (19), EU bodies (16) as well as banks (4), other IFIs (2), academia (4), both local and national governments (6) and interested individuals (2). In addition, 256 people followed the discussions via webstreaming.
7. Opened by EIB Vice-President, Andrew McDowell, the public consultation meeting offered the opportunity to exchange views directly with EIB staff about the Bank's Energy Lending Policy and the key issues at stake under the review. During the meetings, staff from the Energy Department delivered a presentation on the rationale behind the review and the main elements of the consultation document.⁵
8. During the consultation meeting, the EIB invited participants to submit written contributions. It was also emphasised that only contributions received in written form could be formally taken into account as part of the public consultation.
9. In total, the EIB received written contributions from 149 organisations or individuals, totalling 867 pages, providing the Bank with rich and diverse feedback and suggestions for the review of its Energy Lending Policy. Of the 149 contributions received, 79 were from industry and business representatives, 36 from civil society (including non-governmental organisations, think tanks, associations, etc.), 24 from individuals, 7 from public and intergovernmental institutions, including 4 contributions from Member States (France, Spain, Sweden and The Netherlands) and 3 petitions signed by over 30,000 people in total. The detailed list of contributors can be found in Annex 2. All the written contributions received as part of the public consultation are accessible on the public consultation website⁶.

Summary of contributions received

10. The key points raised in the contributions received are summarised below.
11. The consultation questions were generally well received.
12. A large number of stakeholders emphasised the important role that the EIB should play in leading on climate. The alignment of EIB energy lending with the Paris Agreement is often associated with the need to limit the temperature increase to 1.5C, following the publication of the IPCC report in late 2018 and the publication of the EC strategic long-term vision for a carbon neutral economy by 2050. Contributions encouraged the Bank to increase climate action targets, and take a long-term perspective, looking beyond the 2030 EU targets.
13. In all contributions received, there was an understanding that EIB energy lending should contribute to supporting the EU Clean Energy for All Package, in particular the 2030 targets. Many stakeholders considered that the Energy Efficiency First Principle was important and should be applied across the entire value chain, and there was a consensus that energy efficiency will play a crucial role, particularly in building rehabilitation. There was broad agreement concerning the need to further support renewables to meet the 2030 targets, including more expensive technologies, as well as to promote their integration into energy markets and energy systems through increased flexibility and

⁵ The presentation is available, together with the meeting agenda and summary, on the public consultation website: <https://www.eib.org/en/about/partners/cso/consultations/item/public-consultation-energy-lending-policy.htm>

⁶ <https://www.eib.org/en/about/partners/cso/consultations/item/public-consultation-energy-lending-policy.htm>

sector integration. Innovation was another area where many stakeholders stressed the role that the EIB should continue to play.

14. The role of fossil fuels received a lot of attention. The vast majority of civil society organisations, including in the three petitions totalling more than 30,000 signatures, called on the EIB to stop financing fossil fuels. According to this view, fossil fuels are not needed in long-term decarbonisation scenarios. Almost no contribution advocated the Bank supporting the upstream extraction and production of fossil fuels. Conversely, other contributions, mainly from the fossil fuel industry, reminded the Bank of the role that oil and gas infrastructure will continue to play, even in decarbonisation scenarios, thanks to the development of low-carbon fuels such as biogas or hydrogen.
15. As several stakeholders emphasised, security of supply and competitiveness are other important objectives of energy policy (and the Energy Union). Together with technology neutrality, these arguments were brought up mainly by the gas and nuclear industry, while NGOs considered that security of supply should not be an excuse for continuing to support fossil fuels and risk locking in CO₂ emissions. Energy poverty and the concept of just transition were mentioned by a few contributions.
16. Almost all contributions called for the EIB to support energy system flexibility. Stakeholders from the energy industry claimed that their technological solutions could contribute to increasing energy system flexibility, which is needed with a high share of variable renewable energy sources. The role of energy storage, decentralised resources, digitalisation and sector coupling and sector integration – in particular in relation to the electrification of transport – were also often mentioned as important sources of flexibility. While there was a broad consensus on the need to support such new types of infrastructure and new business models, some stakeholders questioned how the Bank would support such sometimes newer and smaller projects.
17. Several stakeholders stressed that some countries have different starting points in terms of decarbonisation. A tailored approach at national level was recommended for countries or regions that need to invest more, and where natural gas is considered to be a cost-competitive resource for reducing emissions in countries dependent on coal.
18. Diverse opinions were expressed about the future role of natural gas in the Energy Union. Part of the stakeholders called for the Bank to stop financing gas projects, including new infrastructure, as gas projects risked becoming stranded assets. However, other stakeholders emphasised the affordability and sustainability of natural gas, and its important role for many Member States including in terms of security of supply. Many contributions highlighted the potential of low-carbon gas, which should be supported by the EIB and can be used by existing infrastructure, mitigating the risk of stranded assets. Several NGOs considered, however, that low-carbon gases are false solutions that should not justify continued investment in gas infrastructure.
19. The potential role of specific technologies for the energy transition were highlighted by many industry stakeholders and industry associations. These include energy efficiency, nuclear, coal, oil, gas power plants, combined heat and power, biofuels, gas networks, electricity networks, storage, power to X technologies.
20. However, contributions received indicated that the different products offered by the EIB are not very well known. This is the case, for instance, with technical assistance in the energy sector or intermediated financing or blending. When products were known, stakeholders tended to ask for simplification and streamlining of EIB procedures.
21. Very few answers were received from stakeholders outside the EU. The contributions from EU stakeholders reflected many different views. Some urged EIB support for the energy

sector and energy access, as an EU climate leader. Others recommended stopping outside-EU financing. Others asked the EIB to focus on the EU neighbourhood.

22. Other relevant, broader environmental and social dimensions were also often mentioned, such as the role that the EIB can play in terms of economic growth, promoting EU industry and creating jobs.

The review process

23. An Inter-Directorate Review Panel, consisting of representatives from all Bank Directorates, examined all contributions as part of the review process. It consolidated the written contributions from the public consultation into an Issues Matrix that identifies the separate issues being raised and provides a reaction from the Bank. This matrix is presented in Annex 3.
24. In revising the Bank's Energy Lending Policy, it was also important to learn lessons from previous exercises. The Bank conducted an ex post evaluation of the Energy Lending Criteria for the period 2013-2017. The recommendations of this report were duly taken into consideration in shaping the draft Energy Lending Policy.
25. The public consultation process was led by the Corporate Responsibility Department of the Secretariat General.

The draft Energy Lending Policy

26. As set out in the Issues Matrix, the comments received have been duly incorporated into the draft Energy Lending Policy.
27. The Bank's Management Committee approved the draft document and the draft consultation report on 9 July 2019. Subsequently, the draft Energy Lending Policy, the Issues Matrix containing the Bank's response to the written contributions and this draft consultation report were posted for information on the EIB website on 26 July 2019, 29 working days prior to the Board of Directors meeting. In parallel, the same documents were made available to Board members, for discussion at the Board of Directors' meeting on 10 September 2019.
28. A second reading of the draft Energy Lending Policy took place on 15 October 2019 and the corresponding draft revised Energy Lending Policy was published on the website on 26 September 2019, 13 working days prior to the Board of Directors meeting.
29. A third reading of the same draft revised Energy Lending Policy presented to the Board of Directors on 15 October 2019 took place on 14 November 2019.
30. Following approval by the Board of Directors, the final Energy Lending Policy will be published on the EIB's website.

Annexes:

- 1 – Timetable of consultation process
- 2 – List of Stakeholders from whom written contributions were received
- 3 – Issues Matrix

Annex 1 - Timetable of the consultation process

Timetable for the consultation process	
21 December 2018	Announcement of consultation on the EIB's website
8 January 2019	Publication of the consultation document 'Public consultation on the EIB Energy Lending Policy'
25 February 2019	Public consultation meeting in Brussels
29 March 2019	Deadline for submitting contributions
9 July 2019	Management committee approval of the draft Energy Lending Policy and consultation report
26 July 2019	Publication of the draft Energy Lending Policy, draft consultation report and draft issues matrix on the EIB's website
10 September 2019	First discussion of the draft Energy Lending Policy by the EIB's Board of Directors
26 September 2019	Publication of the revised draft Energy Lending Policy on the EIB's website
15 October 2019	Second discussion of the revised draft Energy Lending Policy by the EIB's Board of Directors
14 November 2019	Board of Directors approval

Annex 2 - List of Stakeholders from whom written comments were received

EIB ENERGY LENDING POLICY PUBLIC CONSULTATION CONTRIBUTIONS			
ID	Organisation	Sender name	Country
1	zxlidars.com	Matt Smith	UK
2	Electricidade de Moçambique	Rodriguez Laidone	Mozambique
3	Windland Energieezuegungs GmbH	Joachim Falkenhagen	Germany
4	Terna Energy	George Peristeris	Greece
5	EDP Energias de Portugal	Nuno Pina	Portugal
6	Christian Aid	Katherine Kramer	UK
7	Individual	Vicente Parajon Collada	Luxembourg
8	1 216 e-mails	Greenpeace petition	Multi-region
9	Individual	Marie-Jeanne Irles	France
10	Anonymity requested by contributor		
11	Wexam Consulting	Blerina Vila	Belgium
12	PKEE (Polish Electricity Association)	Dariusz Dybka	Belgium
13	EDP Renewables	Celma Joao Batista Pires	Spain
14	Wind Farm Analytics	Theodore Holtom	UK
15	WM Equity Partners	Milos Savic	Serbia
16	Big Shift (118 signatures)	N/A	Multi-region
17	Polden-Puckham Charitable Foundation	Christine Oliver	UK
18	Friends of the Earth Netherlands	Evert Hassink	The Netherlands
19	Individual	Pier Luigi Caffese	Italy
20	Individual	Marie-Claire Tonelotto-Hubert	Luxembourg
21	Individual	Yves O'Reilly	France
22	N/A	Vincent Soubeyran	Luxembourg
23	N/A	Gaelle Tavernier	Unknown
24	N/A	Franck Eloi	Switzerland
25	PROgroup	Romain Poules	Luxembourg
26	Individual	Rene Croci	France

27	Individual	Alison Barkshire	Unknown
28	Individual	Michel Premont	Unknown
29	Individual	Meghann Christen	Unknown
30	Individual	Julien Darnois	Luxembourg
31	Individual	Dennis Fisher	UK
32	Individual	Genevieve Franke	Unknown
33	ETIP Bioenergy	Patrik Klintbom	Germany
34	Sandbag	Dave Jones	UK
35	Energy Cities	David Donnerer	Belgium
36	Individual	Noemi Vargha	Unknown
37	ROMATOM	Gheorghe Lucaciu	Romania
38	Climate action network (CAN)	Rachel Simon	Belgium
39	Individual	Luc Hurt	Luxembourg
40	Holding Slovenske Elektrarne	Sasa Podlogar Znidarsic	Slovenia
41	Habitat for Humanity	Gyorgy Sumeghy	Slovakia
42	Confrontations Europe	Anne Macey	Belgium
43	Eco-Union	Kristian Petrick	Spain
44	Individual	Pascale Gille	Luxembourg
45	Individual	Dimitra Mitsika	Unknown
46	Individual	Esther Schneider	France
47	CEE Bankwatch Network	Anna Roggenbuck	Poland
48	Energy Technologies Europe	Han Grijn	Belgium
49	Sauvons le Climat	Marc Deffrennes	Belgium
50	Individual	Eva Girodon	Unknown
51	Red Electrica de Espana	Tomas Gallego Arjiz	Spain
52	EASE (European Association for Storage of Energy)	Mathilde Arjakovsky	Belgium
53	Association Workshop for All Beings	Radoslaw Slusarczyk	Poland
54	Wirtschaftskammer Österreich	Ralf Kronberger	Austria
55	BP	Rutger Huijgens	Belgium

56	Food&Water Europe	Frida Kieninger	Belgium
57	International Union of Property Owners	Eva Brardinelli	Belgium
58	Fuels Europe	Nicolai Romanowski	Belgium
59	Friends of the Earth Europe	Colin Roche	Belgium
60	Kulturalt Legi Kozlekedesert Egyesulet	Zoltan Frik	Hungary
61	Anonymity requested by contributor		
62	Greenpeace	Piotr Wojcik	Belgium
63	Housing Europe	Julien Dijol	Belgium
64	Oil Change International	Alex Doukas	USA
65	Enagas	Abel Enriquez	Spain
66	COGEN Europe (on behalf of PACE consortium)	Alexandra Tudoroiu-Lakavice	Belgium
67	ENGIE	Philippe Opdenacker	Belgium
68	REScoop.eu	Josh Roberts	Belgium
69	GAZ-SYSTEM	Artur Wozniak	Poland
70	Naturgy	Valencia Serrano	Spain
71	Polska Grupa Energetyczna	Jedrzey Masnicki	Poland
72	ING	Shannon Van der Linden	Belgium
73	Fluxys	Michel Van den Brande	Belgium
74	DESFA	N/A	Greece
75	IBERDROLA	N/A	Spain
76	Wartsila	Marko Vainikka	Finland
77	INDAVER	Catherine Joyce O'Caollai	Ireland
78	Energi Företagen	Cecilia Söder	Sweden
79	Les Amis de la Terre France	Cecile Marchand	France
80	Global CCS Institute	Annya Schneider	Belgium
81	MGFT	Annamaria Feher	Hungary
82	Germanwatch	Sophie Bartosch	Germany
83	Bioenergy Association of Finland	Harri Laurikka	Finland
84	Confederation of European Waste-to-Energy Plants	Marta Gurin	Belgium

85	Anonymity requested by contributor		
86	TAP AG	Ilham Akbarov	Switzerland
87	MAN Energy Solutions SE	Michael Raila	Germany
88	Hydrogen Europe	Nicolas Kraus	Belgium
89	SolarPower Europe	Sonia Dunlop	Belgium
90	SNAM	Roberto Giannetto	Italy
91	Re-Source	Sonia Dunlop	Belgium
92	Public Power Corporation S.A. (Greece)	Konstantinos Chronis	Greece
93	FORATOM	Jessica Johnson	Belgium
94	EDSO	Henning Twickler	Belgium
95	EGEC (European Geothermal Energy Council)	Thomas Garabetian	Belgium
96	Anonymity requested by contributor		
97	LNEG	Ana Picado	Portugal
98	Redexis	Beatriz de Zavala	Spain
99	EuroACE	Adrian Joyce	Belgium
100	Anonymity requested by contributor		
101	Anonymity requested by contributor		
102	CEZ	Lucie Horova	Czech republic
103	Finnish Energy	Katariina Lehtimäki	Finland
104	Energy for Humanity	Kirsty Gogan	UK
105	COGEN Europe	Alexandra Tudoroiu-Lakavice	Belgium
106	GIE (Gas Infrastructure Europe AISBL)	Barbara Jinks	Belgium
107	ZEP (Zero Emissions Platform)	Chris Gent	Belgium
108	Ministry of Finance	Tobias Linde	Sweden
109	EFIEES	Alessia Endellini	Belgium
110	T&D Europe	Diederik Peereboom	Belgium
111	EU Turbines - European Association of Gas and Steam Turbine Manufactures	Sonia Clarena Baron	Belgium
112	Eni SpA	Vincenzo Conforti	Italy

113	Friends of the Earth-CEPA	Juraj Melichar	Slovakia
114	Uniper SE	Kavita Ahluwalia	Belgium
115	Eurogas	Nicolas Jensen	Belgium
116	European Alliance to Save Energy (EU-ASE)	Senta Marenz	Belgium
117	Gas Networks Ireland	Eoghan Mc Carthy	Ireland
118	PGNiG	Krzysztof Fal	Poland
119	Friends of the Earth Hungary	Alexa Botar	Hungary
120	EUGINE	Gaetan Claeys	Belgium
121	IRENA (International Renewable Energy Agency)	Ahmed Abdel-Latif	UAE
122	350.org (29 657 signatures)	Tim Ratcliffe	Germany
123	Ministry of Economic Affairs and Climate Policy	Kim Solberg	The Netherlands
124	Non-disclosure requested by contributor		
125	Euroheat & Power	Gabriele Pesce	Belgium
126	Wind Europe	Guy Brindley	Belgium
127	Veolia	Kamila Waciega	France
128	EDISON	Valeria Palmisano	Belgium
129	World Nuclear Association	David Hess	UK
130	Ministry of Energy/Ecological Transition	Alfonso de las Heras	Spain
131	EDF	Veronika Milewski	France
132	CEE Bankwatch Network	Krista Petersone	Latvia
133	French Government	Lucie Teixeira Marinho	France
134	CEE Bankwatch Network	Izabela Zygmunt	Poland
135	Transgaz	Dan Niculaie	Romania
136	IOGP	Kamila Piotrowska	Belgium
137	E3G	Helena Wright	UK
138	EUROCOAL	Brian Ricketts	Belgium
139	ESB Ireland	Clive Bowers	Ireland
140	ONTRANS Gastransport GmbH	Johannes Stolle	Germany
141	WWF	Sebastien Godinot	Belgium

142	Withdrawn at the request of the contributor		
143	Individual	Florian Dierickx	Unknown
144	Friends of the Earth	Meaghan Carmody	Ireland
145	Windkraft Simonsfeld	Alexander Hochauer	Austria
146	DecarbHeat	Thomas Nowak	Belgium
147	Counter balance - On behalf of 8 NGOs	Xavier Sol	Multi-region
148	Union of the Electricity Industry - Eurelectric	Krzysztof Laskowski	Belgium
149	Birdlife	Noa Steiner	UK

Issues Matrix

Comments from Stakeholders and EIB Response

Annex 3 to the public consultation report
Public consultation on the EIB Energy Lending Policy

December 2019

1: Do paragraphs 15-27 above provide a reasonable characterisation of the long-term energy transformation? Are there additional dimensions that the Bank should consider when reviewing its Energy Lending Policy (ELP)?

	Topic	Summary of comments	Contributions	EIB/review panel response
1.1	Generally agree			
	Yes	The consultation document provides a good, concise description of trends in the energy sector.	2, 4, 6, 15, 33, 42, 54, 75, 76, 93, 94, 95, 111, 121, 124, 126, 129, 148	The Bank takes note. The description of the energy transformation in the ELP has been drafted to reflect missing points in the trends (Chapter 2, Paragraphs 5-11).
	Yes, but some dimensions not emphasised enough	The consultation document provides a reasonable characterisation but some specific points are not emphasised enough. In addition, most answers partly agree with the description but highlight specific points that are in the consultation that could be emphasised (see following points 1.2 to 1.15).	11, 54, 78, 120, 141 (see also points 1.2 to 1.15)	
1.2	Alignment with the Paris Agreement and long-term targets			
	Paris alignment/ European Commission (EC) long-term 2050 strategy	Alignment with the Paris Agreement and limitation of the temperature increase to 1.5°C are important objectives. The target in the EC communication on long-term 2050 strategic vision is to reach a carbon-neutral economy by 2050. The EIB as an EU institution needs to be a climate leader.	8, 6, 18, 34, 36, 38, 43, 44, 45, 46, 47, 53, 56, 59, 62, 79, 80, 93, 99, 104, 123, 126, 133, 137, 141, 143, 144, 145 147, 149	These dimensions are reflected in the ELP. In Chapter 2, Paragraphs 1 and 2 present the Paris Agreement and the IPCC report on 1.5°C. Paragraph 14 presents the EC long-term strategic vision for a carbon-neutral economy. This strategic vision is under discussion by the EU at the time of drafting this report. In addition, the EIB is also undergoing a review of its Climate Strategy, which will also look at the question of the alignment of all EIB activities with the Paris Agreement. New ELP priorities are tackling climate change.
	1.5°C	EU discussions on long-term strategy are still ongoing. A 1.5°C target has not yet been formally adopted in the United Nations Framework Convention on Climate Change (UNFCCC), COP 24, and by EU Member States.	1, 12, 37, 43, 118, 138	
	Long term	A long-term timeline (2050) needs to be taken into account for climate mitigation measures.	47, 56, 59, 79, 123, 133, 144, 148	

	Topic	Summary of comments	Contributions	EIB/review panel response
	Climate urgency	Tackling climate change is urgent (climate urgency).	6, 9, 27, 34, 36, 38, 44, 45, 144	(see previous page)
	NECPs	The National Energy and Climate Plans (NECPs) are a reference and make it possible to observe Member States (MS) who lag behind in achieving targets.	47, 81, 96, 119, 127, 133	Only draft national energy plans in the EU are available at the time of drafting the ELP. The EIB will engage with MS and stakeholders on the basis of these plans. The Bank also takes note of the National Determined Contributions (NDCs).
	Pledges	Current by countries pledges led to 3°C scenario and additional investments needed for 1.5°C.	56, 59	
1.3	Role of fossil fuels			
	Fossil fuels are not needed	Fossil fuels are not needed in a long-term decarbonisation scenario (and therefore the Bank should stop financing fossil fuels).	6, 12, 17, 18, 22, 24, 25, 26, 27, 32, 34, 35, 43, 47, 56, 59, 62, 64, 79, 80, 95, 123, 144, 145	In the ELP, Chapter 3, Paragraph 23, the Bank acknowledges the role that fossil fuels will continue to play within the global energy system up to 2030. However, as discussed in Chapter 3, Paragraph 18, the Bank can add value by focusing on the long-term investment challenge associated with EU targets.
	Fossil fuels are needed	Conversely, for some contributions, oil and gas are still needed, at least in some sectors (transport and heating), and can serve as feedstock or high temperature heat for other industries.	58, 65, 80, 90, 96, 114, 118	
1.4	Scenarios and uncertainties			
	International Energy Agency (IEA) scenarios	IEA New Policies Scenario (NPS) should not be considered as a valid scenario.	141	Several long-term energy scenarios are used, depending on geography and the data available. As far as possible, the EIB aligns with the results of the EC Primes modelling. Other scenarios are used when data are not available in Primes, most notably for outside the EU. The IEA NPS is a projection of existing policies and policies under development. The NPS scenario does not provide a reference compatible with the Paris Agreement, but the diversity of scenarios
	Scenarios	References to several scenarios (IEA Sustainable Development Scenarios or IRENA global REmap analysis) show the importance of renewable energy and energy efficiency, which could be stressed. There is a controversy around the International Energy Agency's (IEA) Sustainable Development Scenario (SDS) (which is leading to increase of temperature above 1.5°C).	53, 62, 71, 99, 112, 116, 121, 136, 137	

	Topic	Summary of comments	Contributions	EIB/review panel response
		Eurelectric decarbonisation pathways can also be used as a reference.		illustrates the inherent uncertainty of climate policies and decarbonisation pathways. The Bank takes note of the controversy surrounding the IEA SDS scenario.
	Uncertainties	The direction of travel for the energy transformation is clear, but the path is more uncertain, implying a critical role for government policy.	126, 137	
	Uncertainties	Uncertainty regarding the transformation of the energy sector is exaggerated; key priorities are known.	3	
1.5	Security of supply			
	Security of supply	Ensuring security of supply is another important objective in the energy sector.	2, 12, 40, 49, 54, 67, 71, 73, 86, 125, 128, 133, 148	Energy security is an important objective of the Energy Union and a necessary condition for the success of the energy transformation. Energy security has been and remains an important objective of EIB lending in the energy sector. The energy security dimension is mentioned in several instances in the new ELP, including in Chapter 2, Paragraph 24, in the context of the decision to phase out lending to energy projects reliant on fossil fuels. The phasing out of support to fossil-fuel projects will avoid the locking-in of fossil-fuel use. The Bank will also support the production of low-carbon gases, including hydrogen, biogas and synthetic gas as well as renewable liquid fuels (Chapter 4, Paragraph 29).
	Electricity security	Electricity security issues resulting in the integration of renewables need to be mentioned.	3, 90, 95, 118	
	Risk of lock-in	Investment justified on the grounds of energy security could lead to the locking-in of fossil-fuel use.	3, 56, 79, 99, 144	
	Energy efficiency (EE) and renewable energy (RE)	Energy efficiency and demand reduction also improve security of supply.	59, 99, 144,	
	Role of different technologies	Other technologies and fuels can also contribute to increasing the security of supply (hydrogen, gas networks, gas, renewable gas).	40, 65, 86, 88, 98, 112, 128	
	Inertia	System inertia is a growing issue in power systems with larger and larger shares of renewable energy sources (RES).	52	As stated in Chapter 4, Paragraph 30, the production of critical raw materials within the EU will be eligible for support by the Bank.
	Dependence on raw materials	Renewables and batteries increase dependence on raw materials and rare earth minerals, creating new issues for security of supply.	93, 99	

	Topic	Summary of comments	Contributions	EIB/review panel response
1.6	Efficiency/competitiveness and affordability			
	Cost	Some contributions emphasised the costs of the energy transformation and its consequences. Investment in renewables can lead to increases in energy prices.	71, 73, 112, 115, 94	The transformation of energy systems requires massive investments in capital-intensive technologies as well as the early deployment of some technologies in order to reduce their cost over time. This strategy was successful for wind and solar power, the cost of which has declined dramatically over the last few years, enabling a substantial increase of their share in the energy mix (Chapter 2, Paragraphs 5-11).
	Competitive-ness	The EIB needs to pay attention to the efficiency and competitiveness of investments.	49, 54, 133,	
	Competitive technologies	The cost of the energy transition can be reduced by using different technologies, including gas or combined heat and power (CHP).	105, 106, 118	
	Renewables expensive	Renewables are still expensive; technologies are not mature and are supported by governments.	71, 86	The choice of technologies being deployed is a matter for European and national policies and depends on the market. As part of its general procedures, the EIB performs an economic assessment of projects in order to ensure that it finances investments that are economically justified. All low-carbon technologies are eligible for EIB financing but need to demonstrate a positive economic case under the Bank’s economic assessment set out in Annex II. Technologies that are at an early stage of deployment are expected to become competitive over time.
	Technological neutrality	Avoid picking winners: the description needs to include all low-cost options and low-carbon technologies (rather than only renewables).	55, 58, 83, 90, 96, 98, 104, 118	
1.7	Decentralised and Digitalised			
	Decentralisation	There is a trend towards more decentralised energy sources and investments.	18, 43, 46, 68, 76, 87, 94, 100, 103, 110, 120, 144	The ELP notes the trend towards more decentralisation and digitalisation (Chapter 2, Paragraph 5).
	Digitalisation	The energy sector is becoming increasingly digitalised and deployment of smart grids and smart meters will enable consumers to participate in energy markets.	40, 65, 85, 96, 100, 110	The Bank has developed financing channels and instruments to address this growing market.

	Topic	Summary of comments	Contributions	EIB/review panel response
	Role of local authorities	Local authorities are expected to play a more important role.	68	The ELP also defines these activities as high priority for the Bank. Please note that the Bank can also work with public and local authorities to develop energy projects, including through the ELENA facility.
	Role of citizens, energy communities and prosumers	Consumers will also become producers (prosumers) and together with citizens and energy communities, they have an important role to play in the energy transition.	40, 46, 65, 68, 85, 100, 110	
1.8	Geographical differences			
	Differences between Member States	Efforts to decarbonise require more investment in less-advanced MS. There are regional differences in the countries’ starting points that need to be taken into account, including in eastern MS and peripheral regions. The economic situation in some MS (central and eastern Europe, Greece).	4, 12, 69, 71, 74, 92, 96, 104	The Bank recognises the fact that different countries have different starting points when it comes to the decarbonisation of energy systems, and that the investment effort to transform the energy system may be more challenging in some regions. In view of this, the Bank established an Energy Transition Package to provide targeted support to these regions (Chapter 3, Paragraphs 25-26).
	Least-advanced countries	In less-advanced countries, gas can help reduce CO ₂ emissions.	65, 70, 71	
	Energy mix is a country decision	The energy mix is a MS decision.	104	
	Sustainable Development Goal 7 (SDG7)	SDG7 can be mentioned as a guiding framework.	6, 123	The Bank is supporting the aims of SDG7 (universal access, accelerating EE and increasing renewable energy by 2030) as well as EU external action on energy and climate – with a view to playing a leading climate action role (see answers to question 16).
	Outside the EU	The decarbonisation of energy systems outside the EU is important and the EU can be a leader in terms of climate action outside the EU.	6, 34, 59, 67, 76, 112	
1.9	Flexibility			
	Flexibility needs	Medium and long-term need for flexibility in order to transform energy system with high share of variable renewables.	3, 87, 111, 126	As reflected in both the public consultation document and the ELP, there is a need to increase energy system flexibility, which can come from different sources including sector coupling between gas, electricity and, potentially, other
	Flexible technologies	Many technologies can increase flexibility of energy system: storage, DR, conventional generation,	3, 40, 51, 64, 65, 74, 76, 86,	

	Topic	Summary of comments	Contributions	EIB/review panel response
		dispatchable renewables, nuclear, district heating, Power-to-X, grids, CHP, etc.	87, 90, 95, 96, 98, 104, 105, 107, 111, 124, 125, 126, 129, 131	sectors (see Chapter 2, Paragraph 5, and Chapter 4, Paragraphs 36-40).
	Grids	Electricity grids are already available to enable the integration of renewable and decentralised resources.	3, 51, 110	
1.10	Sector integration			
	Sector coupling and integration	Sectors need to become more integrated as the energy system is decarbonised, including electricity, gas, (including via the use of hydrogen), heating, cooling, and transport systems.	6, 61, 72, 76, 78, 81, 87, 88, 96, 100, 103, 104, 106, 128	Increasing sector integration is driven by the increased electrification of sectors like heating and transport, as mentioned in Chapter 2, Paragraph 5, bullet point 5, including at local level. In addition, technologies such as power-to-X further link the power sector and other energy carriers like hydrogen and synthetic fuels. Electrification is an important trend associated with decarbonisation, even in scenarios that still rely on other energy carriers like decarbonised gases; deploying the enabling power infrastructure is a no-regret option. The circular economy is an important EU policy that the Bank is supporting across sectors (see the EIB’s circular economy guide here). The ELP does not cover the transport sector, (Chapter 3, Paragraph 20, footnote 7).
	Electrification	Electrification will facilitate decarbonisation of the EU economy and increase energy efficiency.	3, 75, 111, 126, 127, 148	
	Electrification not sufficient	Electrification is not sufficient to achieve decarbonisation objectives. Need to prioritise other objectives.	58, 65, 87, 90, 95, 105, 112, 118, 120	
	System efficiency	The ability to ensure the efficient and optimised balance of energy system demand and supply is not fully achieved (system efficiency).	100, 110, 120	
	Circular economy	The circular economy could be mentioned in the description of energy trends.	124, 133	
	Local dimension	System integration and flexibility should be fostered at local level.	105	
	Transport	The transport sector and the synergies between energy and transport (including electricity and gas) are not sufficiently addressed in the consultation document.	31, 33, 61, 73, 86, 96, 104, 130, 131	
1.11	Energy efficiency (EE)			
	EE First principle	Energy efficiency is a top priority of the EU and Energy Efficiency First is an important principle.	47, 62, 85, 105, 109, 144, 147	The EIB has adopted the Energy Efficiency First principle (Chapter 4, Introductory Paragraph 2)

	Topic	Summary of comments	Contributions	EIB/review panel response
	Value chain EE	Energy efficiency needs to be considered across the entire value chain, including the production and storage of energy.	125	across all its energy activities. This is reflected by placing energy efficiency (which includes building-related renewables as well) as the initial section under core policies in Chapter 4. As presented in Paragraph 2, it also implies that the Bank is making conservative demand forecast assumptions consistent with measures that give priority to energy efficiency. The energy efficiency gains of all technologies are considered, including in heating systems. Increasing investment in building rehabilitation within the EU is one of the main priorities of the ELP See answers to questions 5-7 for more details on EE and building rehabilitation.
	Building renovation	Building renovation is one of the biggest challenges in increasing energy efficiency in the EU.	57	
	Gas energy efficiency	Gas technologies can improve the efficiency of buildings and transport. High-efficiency gas appliances including fuel cells and condensing boilers contribute to increasing energy efficiency.	65, 96	
	EE and RE	Energy efficiency and renewable energy go hand in hand.	109, 121	
1.12	Environmental and Social			
	Social acceptance	Maintaining social acceptance is another objective of the energy transformation.	12, 92, 100, 148	Social acceptance issues are important dimensions for all energy projects. This includes the impact on bills (affordability) and the social impact of new infrastructure, in particular renewables and network infrastructure. The EIB Environmental and Social Standards play an important role in determining the Bank’s support to energy projects. In its project appraisal, the Bank also estimates the number of jobs associated with all the projects it finances.
	Biodiversity	Nature and biodiversity should be taken into consideration at all project stages.	149	
	Environment	Air pollution and environmental requirements (for instance water management) need to be mentioned.	55, 96, 126	
	Jobs	Climate and energy policy can be combined with employment policy.	54	
1.13	Role of Gas			
	Gas and CO ₂ emissions	Natural gas can contribute to reducing CO ₂ emissions, and gas is a transition fuel.	55, 65, 67, 73, 74, 81, 86, 87, 90, 98, 106, 114, 117, 118, 136,	Many MS are still largely dependent on fossil fuels. While the 2030 EU targets can be met by switching from coal to gas in some countries, the use of natural gas is expected to be reduced from today’s

	Topic	Summary of comments	Contributions	EIB/review panel response
	Low-carbon gases	New low-carbon gases including biogases and e-gases, and hydrogen are available and can be developed, making it possible to switch from natural gas to sustainable fuels. Consequently, investment in gas infrastructure is still needed.	65, 67, 69, 73, 75, 100, 90, 96, 98, 101, 112, 114 117, 125	level by 20% by 2030, and by 70-85% by 2050 in EC PRIMES modelling (available here). There is a role to play for low-carbon gases, including renewable gases, hydrogen and synthetic gases. The production of these gases is eligible for Bank support See answers to questions 9, 14 and 15.
	Low-carbon gases false solution	Renewables gases are false solutions.	59, 62	
	Gas terminology	The terminology on renewables should include hydrogen, biomethane and synthetic gas.	96, 106	Noted; the Bank is using the notion of low-carbon gases that includes hydrogen, biomethane and synthetic gas and will seek to adopt EU terminology for them.
	Gas and power sector coupling	Full consideration should be given to sector coupling between electricity and gas, to improve flexibility and seasonal storage thanks to renewable gases.	86, 87, 90, 96, 98, 106, 111 118, 120, 140	The Bank notes the increasing interdependence between gas and electricity.
	Gas and Transport	Gas can play a role in the transport sector.	73, 114, 117, 128	This is noted. However, the ELP does not cover the eligibility for Bank support in the transport sector (Chapter 3, Paragraph 20, footnote 7).
1.14	Role of nuclear energy			
	Role of nuclear energy	Nuclear energy, which is a low-carbon energy playing an important role in long-term (LT) scenarios (EC long-term 2050 strategy and IEA scenario), should also be underlined. MS decide to use nuclear energy.	37, 12, 42, 49, 71, 78, 93, 99, 103, 104, 113, 129, 131, 148	The Bank's support for nuclear power generation and fuel cycle projects has not been addressed in this policy review (Chapter 1, Paragraph 11). Nuclear sector is the largest source of low-carbon generation in Europe and the role of nuclear energy remains important in long-term decarbonisation scenarios to provide energy and contribute to the flexibility of the power system. However, nuclear energy raises safety and security concerns and the role of nuclear energy remains controversial in the EU. The Bank recognises that
	Nuclear energy and flexibility	Nuclear energy is also a low-carbon source that is flexible and reliable, enabling the integration of renewables in a cost-efficient manner.	93, 99, 104, 113, 129 131	
	Nuclear energy, heat and industry	Nuclear energy can contribute to decarbonise heating and industry, including with small modular reactors (SMRs).	93, 129	
	Nuclear energy	Nuclear energy cannot be classified as clean, green or CO ₂ -neutral.	145	

	Topic	Summary of comments	Contributions	EIB/review panel response
	Dismantling	The EIB should exclude support for nuclear energy and finance the dismantling of nuclear plants.	54,9, 62, 79	the energy mix in every Member State is a national matter. The Bank’s eligibility conditions for nuclear power generation and fuel-cycle projects remain unchanged since the previous policy approved by the Board in 2013.
	Level playing field	A level playing field for different technologies should be ensured, including nuclear technology.	37, 93, 99	
1.15	Role of other specific technologies			
	Portfolio	A portfolio of technologies and RDI is needed to meet the goals of the Paris Agreement.	58, 115, 124, 128, 42, 55, 87, 104	Indeed, the EIB mentions this in Chapter 2, Paragraph 5, and in Chapter 4. The Strategic Energy Technology (SET) plan and associated implementation plans provide a useful reference framework.
	Manufacturing	Renewable technology manufacturing is a major priority.	3	Even though the ELP focuses on the energy sector, manufacturing capacity for renewable technologies in Europe is an increasing concern and the Bank is focusing on initial manufacturing lines for innovative technologies in the EU (Chapter 4, Paragraph 33).
	Solar energy	Solar energy should have a higher priority.	7	Solar PV projects are eligible for support by the Bank. In Annex II, utility-scale PV is deemed to be a competitive technology. See answers to question 8 and ELP, Chapter 4.
	Storage	Role of storage needs to be further emphasised. A portfolio of energy storage solutions is needed, including solutions for mid to long-term storage (heat storage, synthetic fuels from power-to-X, etc.).	4, 52, 54, 64, 65, 72, 80, 87, 90, 96, 98, 103, 118, 120	The ELP notes that the increasing frequency of periods with either a surplus or deficiency of RE inputs strengthens the case for storage technologies, including over the mid to long term. Battery storage is a promising and important enabling technology, largely driven by progress in the transport sector. The Bank’s support for storage is described in Chapter 4 under new types of energy infrastructure.

	Topic	Summary of comments	Contributions	EIB/review panel response
	Carbon capture and storage (CCS)	CCS, blue hydrogen with CCS, bioenergy with CCS, and carbon capture, utilisation and storage (CCUS) can play an important role.	55, 73, 80, 83, 86, 90, 100, 103, 104, 107	CCS is part of the portfolio of low-carbon technologies, playing an important role in long-term decarbonisation scenarios, which the Bank will support.
	CCS, false solution	CCS is a false solution – it should not serve as an excuse not to make transformation.	18, 34, 43, 56, 59, 79, 137, 144, 147	
	E-fuels	E-fuels and power-to-X technologies are available.	59, 76, 87, 144	Biofuels have considerable potential and are eligible for Bank support as described in Annex II. The role of “e-fuels” (synthetic fuels and hydrogen) is also expected to increase over time to absorb excess renewable energy. The Bank will support the development of biofuels and low-carbon gases. See answers to questions 9, 14 and 15.
	Biofuels	Biofuels should be given more consideration.	33, 83, 86, 131	
	Biofuels and e-fuels, false solutions	Green gas and renewable gases are false solutions. Synthetic methane is expensive. These solutions should not serve as an excuse not to make transformation.	34, 79, 90, 97, 98, 104, 131	
	Hydrogen and fuel cells	Hydrogen (blue hydrogen with CCS) and fuel cells are central to transition; hydrogen is a versatile energy carrier.	31, 55, 75, 80, 88, 96, 107, 131	
	Bioenergy	Bioenergy should be used by those industries with the greatest difficulties in decarbonising.	62, 83, 103	
	Combined Heat and Power (CHP)	Efficient CHP, small-scale and micro-CHP and use of waste heat can play an important role. CHP can deliver fuel conversion efficiencies of 80%-90%, a policy priority for the EU.	86, 87, 103, 105, 125, 127, 138	CHP, heating and cooling are important in a number of countries, in particular in the EU and the EU eastern neighbourhood.
	Heating and cooling	The importance of the heating and cooling sector, including renewable heating, large-scale heat pumps and district heating, is not emphasised enough.	35, 83, 86, 95, 103, 127	These technologies are all supported by the Bank (Chapter 4, Paragraph 26).
	Hydropower	Hydropower is not sufficiently highlighted.	103	Hydropower is part of the portfolio of renewable technologies. While some opportunities exist in the EU, hydro potential is high outside EU. The Bank has recently published guidelines on hydropower development available here .

	Topic	Summary of comments	Contributions	EIB/review panel response
1.16	Do not agree			
		The description does not reflect the role of certain technologies such as gas and nuclear energy and is too focused on power.	106 131, 138, 140	Comments noted. The answers to similar points raised on gas and nuclear energy are provided above, points 1.13 and 1.14 respectively.

Q2: As set out in Box 1, the Bank believes it has a robust framework to ensure that energy projects being financed are compatible with long-term climate targets. Do you agree? Are there areas where the Bank can improve?

	Topic	Summary	Contributions	EIB/review panel response
2.1	Generally agree			
	Yes	The Bank's current framework is broadly robust.	2, 12, 15, 42, 54, 70, 74, 94, 98, 100, 110, 112	The EIB takes note of these contributions.
2.2	Yes it is robust, but can be improved (see 2.3 to 2.11)			
2.3	Economic assessment			
	Carbon price	The Bank's carbon prices need to be increased in order to align with the temperature targets of the Paris Agreement.	82, 108	The carbon price used by the EIB for its economic appraisal is addressed in Annex V of the ELP.
	Economic and social factors, air pollution	Focus more on broader social and environmental factors, not just CO ₂ . Particular focus on local air pollutants.	50, 73	The EIB economic assessment takes into account the air pollution externalities. Broader social aspects are dealt with in the Bank's Environmental and Social Standards.
	Flexibility	The contribution of flexible power plants needs to be fully evaluated (ramping, fast start-up, etc.), including a possible deviation from high-efficiency cogeneration for plants with large flexibility benefits.	76, 104, 105.	The Bank will continue to support high-efficiency cogeneration plants with large flexibility benefits (see Annex II of the ELP).
	Sector integration	Economic appraisal needs to take account of the broader dimensions of transformation. Greater focus on sector wide-transition, including potential across the electricity, heating and cooling sectors (rather than considering each separately).	38, 105	Projects with cross-sectoral dimensions are assessed taking into account all the different benefits that can be demonstrated. Sector integration and sector coupling is discussed in question 1.
2.4	Emission Performance Standard (EPS) revision			
		The EPS value and the exceptions to the EPS should be adjusted, to allow for flexibility, etc.	53, 87, 93, 100, 111	See response to question 9 on the EPS.

	Topic	Summary	Contributions	EIB/review panel response
2.5	Targets			
		The 2020 climate action (CA) target for developing countries should be increased to above 35% post-2020.	17, 141	The ELP does not address the CA target, which is defined in the Bank’s climate strategy and is currently under review. The Bank does not adopt targets for energy subsectors. Instead, the Corporate Operational Plan (COP) defines broader objectives.
		The share of RES and EE should increase to 80%.	52	
		The share of RES and EE and power grids should increase beyond 70%.	94	
2.6	Adjustments to align with EU legal framework			
		The EIB benchmarks for bioenergy and cogeneration should reflect EU Directives.	33, 105	The Bank requires all projects to meet the relevant EU <i>acquis</i> , while the overall ELP and other sector lending policies ensure close alignment with wider EU policy.
		The EIB framework needs to take account of effort-sharing sectors, which drive decarbonisation in transport.	33	
		Separate contribution to local air pollution from climate change mitigation.	55	
		Water management should be included in the ELP.	55	
2.7	Intermediaries			
		The ELP needs to be extended to cover all intermediaries.	8, 46	The ELP, Chapter 1, Paragraph 13, specifies that the ELP covers all EIB activities regardless of the channel of support (see point 3.3 in answers to question 3).
		When working through intermediaries, the EIB requirements need to provide greater incentives for climate action lending.	47	
2.8	Other dimensions			
	Security of supply	Security of supply should be included among climate action criteria	54	See response to point 1.5 above.
	Other priorities	The EIB criteria need to explicitly refer to all five dimensions of the Energy Union, including affordability and security of supply.	65, 71, 73, 86, 96, 106	
	Innovative projects	Clear criteria required to focus on innovative projects.	52	EIB lending, as explained in Chapter 4, Paragraphs 24-35, supports innovation.

	Topic	Summary	Contributions	EIB/review panel response
2.9	Specific technologies			
	Gas	The EIB should recognise that existing gas infrastructure is less costly than full electrification. Gas assessment should consider short and medium-term benefits, including positive externalities and the wider benefits of gas on employment, air pollution, affordability, social justice, waste management and local community growth.	65, 69, 73, 81, 90, 96, 101, 106, 111, 112	The Bank is aware of this debate and some of the recent studies which have examined the cost of different low-carbon strategies. The Bank will draw on this material in assessing the economic case for investment in production of low-carbon gases. See responses to points 1.14 and 1.15 above. All low-carbon technologies are eligible for EIB financing but need to demonstrate a positive economic case for the Bank’s economic assessment.
	CCS, nuclear energy, hydrogen	The EIB should consider all solutions, including CCUS (also for SMR), hydrogen and nuclear energy.	90, 102, 103, 104, 107	
	Technological neutrality	The EIB criteria should maintain technological neutrality, respecting different energy mixes across MS. As a result, the Bank should not “black-list” certain fuels or technologies.	54, 71, 73, 82, 104.	
2.10	Geographical differences			
	MS	Greater focus required on specific country features.	92, 107	See response to point 1.8 above.
	Resilience	Appraisal should consider the resilience of local energy systems.	105	The resilience to climate change is part of the Bank’s Climate Strategy (available here).
2.11	Methodological considerations			
	Taxonomy	The EIB should take into account EC work on developing a taxonomy for sustainable finance.	12	The work on a taxonomy is ongoing at the time of drafting this report. The EIB will consider the implications of the taxonomy for climate action eligibility once adopted in law.
	Experts	On process: the EIB should consult external experts from the relevant sectors when drafting the more technical chapters of the ELP.	105	The EIB relies on internal expertise and external consultants for specific needs of sectors or projects. The purpose of the public consultation process is also to draw on a wider expertise and all written contributions have been considered.
	Transparency	The EIB should present public data on energy sector investments, related emissions and carbon footprints in	108	The relevant information will be included in the EIB annual reporting that covers these different points, as explained in the ELP, Chapter 1, Paragraph 15.

	Topic	Summary	Contributions	EIB/review panel response
		transparent and consistent way at both aggregate level and per sector, allowing comparison over time.		
2.12	No – it needs fundamental changes (see 2.13 to 2.17)			
2.13	Paris alignment			
	Paris Agreement temperature targets	The EIB needs to align with the Paris Agreement temperature targets.	3, 6, 8, 9, 18, 34, 35, 43, 47, 56, 59, 62, 78, 82, 133	See response to point 1.2 above.
	1.5°C	The EIB should align with 1.5°C target/net-zero emissions globally by 2050, by updating the EIB's Climate Strategy.	5, 8, 18, 20, 34, 56, 59, 62, 79, 133, 141	
	EC 2050 net-zero emission	The EIB should commit to the EC 2050 net-zero target in EU.	34, 59	
	Don't rely on pledges	The EIB should not rely on current pledges to the Paris Agreement, which are not sufficient to meet targets.	59	
	Alignment test	The Bank can introduce a specific "alignment" test based on the year of decommissioning, alignment with the national decarbonisation pathway and idle existing capacity. Particular attention is required on the alignment of supply side investments (DH, industry, etc.).	82	The EIB takes note of this comment and these suggestions.
2.14	Stop fossil fuels			
	Stop fossil fuels	The EIB should stop financing all fossil fuels, including through intermediaries.	6, 8, 17, 18, 19, 34, 35, 43, 47, 49, 56, 59, 62, 64, 68, 78, 82, 108, 126	The ELP, Chapter 3, Paragraphs 18-24, states that the Bank will phase out support for energy infrastructure directly associated with unabated fossil fuels by the end of 2021. This includes gas infrastructure dedicated to natural gas, including networks, storage and LNG terminals. The Bank will finance low-carbon gas projects and power plants with GHG emissions below 250 gCO ₂ per kWh.
	Gas	The EIB should stop financing gas.	3, 6, 8, 17, 47, 62	
	Gas	The EIB should stop financing gas, except under special circumstances.	108	
	CCS	The EIB should not support CCS or renewable gas.	18	See response to questions 1 and 9.

	Topic	Summary	Contributions	EIB/review panel response
	Companies	The EIB should stop financing companies without decarbonisation plans.	8, 17, 18, 35, 47, 56, 59, 62, 108	This is an issue that goes beyond the energy sector. The eligibilities defined in the ELP document are relevant for investments projects. However, when appraising investments projects the bBank enters into a dialogue with promoters about their overall investment plans and their alignment with EU decarbonisation objectives and the EC Action Plan on Financing Sustainable Growth, including with regard to the quantification and disclosure of climate-related risks.
	Companies	The EIB should not lend to companies investing in coal (e.g. decarbonisation plan by 2020 showing phase-out from coal by 2030 and from all fossil fuels by 2040; all companies receiving support from the EIB to disclose publically their coal exposure).	8, 34, 43, 56, 62, 108, 141	
	Companies	The EIB should not introduce a ban on companies, but only work at the level of the project.	102	
2.15	The EIB EPS is not an appropriate safeguard			
	EPS and renewables	The EPS does not help explain whether RES is viable alternative.	3	The the Bank imposes an emissions performance standard for conventional power generation. See response to question 9.
	EPS	It should be so low that all support to fossil-fuel power generation is stopped.	18, 34	
	EPS	An EPS timepath to 2050 should be announced.	82	An emission standard of 250 kgCO ₂ /kWh _e is, however, maintained for all power generation projects (see Annex II of the ELP).
	EPS	The EPS concept should be extended outside the EU to cover all energy assets.	82	
	EPS and ETS	The EPS is not, as a matter of principle, compatible with the EU Emissions Trading System (ETS). Overlaying ETS with additional instruments may create perverse incentives, including not supporting thermal plant required for RE backup.	102	
	EPS heat	The EPS should cover heat as well as power.	105, 141	The Bank has decided to stop supporting heat production from fossil fuels and there is no emission standard safeguard for heat.
2.16	Specific considerations about technologies			
	EE First	The EIB should integrate “Energy Efficiency First” principle across its operations i.e. before financing new infrastructure, including asking clients to demonstrate how this has been factored into project decision-making and/or more finance for EE.	18, 34, 38, 47, 58, 62, 82, 109, 141	See response to point 1.11 above.

	Topic	Summary	Contributions	EIB/review panel response
	CHP	The EIB should prioritise CHP over heat-only boilers, in line with Article 14 of the Energy Efficiency Directive (EED).	105	(see response on previous page)
	Nuclear energy	The EIB should recognise clearly the value of nuclear power.	37	See response to point 1.14 above.
2.17	Methodological consideration to improve the Bank Framework			
	Baseline	Economic appraisal methodology has fundamental flaws. Baseline needs to be best practice rather than business as usual (BAU).	47	Comment noted. The methodology for the economic appraisal of energy projects is reviewed periodically. As set out in the Bank's economic guide, there can be confusion in practice between comparing several different project options against a single "do-nothing" baseline and comparing the actual project with a best practice baseline. The Bank adopts a common approach to ensure consistency in comparing across projects.
	Greenhouse gases (GHG)	Indirect/scope 3 GHG emissions should be included.	47, 51, 64, 67, 141	The EIB carbon footprinting methodology already allows for the inclusion of scope 3 emissions in certain project types. Further work is being undertaken together with other IFIs to explore approaches for indirect emissions.
	Carbon footprinting	Carbon footprinting (CF) methodology should update global warming potential from methane.	47, 141	An update of the EIB CF Methodology (V11) entered into force in 2019. The new version uses the latest Global Warming Potentials (GWPs) provided by the IPCC (AR5), including for CH ₄ . The values used are the 100-year GWPs, which do not include climate-carbon feedbacks.
	Stranded assets	The EIB approach should avoid creating stranded assets.	48, 75, 108	The Bank has decided to phase out support to unabated fossil-fuel projects, as explained in Chapter 3, Paragraphs 18-23.
	Gas lifetime	Appraisal of gas transmissions lines should cover 50-60 years and not an economic life of 15 years.	56	
	Long-term	Project assessment should consider period up to 2050.	59	
	Scenario	The EIB should not rely on IEA SDS.	62	See point 1.4 in answers to question 1.

	Topic	Summary	Contributions	EIB/review panel response
	Assessment	Project level assessment will not ensure the structural transformation of sector.	61	The Bank assesses the projects that it finances taking into account the developments taking place in the energy sector.
	Citizens and energy communities	Assessment does not recognise role of citizen and community-led projects.	68	Comment noted. See point 1.7 in answer to question 1.

Q3: Within the broad areas of renewables, energy efficiency and energy grids, are there particular areas where you feel the Bank could have a higher impact?

	Topic	Summary of comments	Contributions	EIB/review panel response
3.1	High-level principles			
	Climate leadership	The EIB should be a climate leader, prioritise activities that lead to the 1.5°C target, exclude all fossil fuels, and send strong investment signals.	2, 12, 18, 41, 47, 56, 59, 62, 64, 99, 107, 108, 121, 123, 125, 134, 137, 141, 144, 147	The ELP reflects this commitment, reinforcing the role of the EIB in helping to support long-term energy investment. As set out in question 1.3, the Bank will phase out unabated fossil fuels by the end of 2021. The focus on renewables, energy efficiency and grids also reinforces the climate leadership of the .Bank See answers to questions 1 and 16.
	Other EU policies	The EIB should continue to support projects that are aligned with all EU policies, not just climate (SoS, market integration, environment, affordability, etc.)	65, 73, 90, 95, 97, 105, 118, 127, 133	The Bank will focus on meeting long-term investment challenges associated with EU 2030 targets. In addition, Chapter 3, Paragraph 24, states that the Bank will continue to support security of supply (SoS) albeit no longer through fossil fuels.
	Cost-effective energy transition	The EIB should support projects that can achieve the energy transition in the most cost-effective manner.	52, 55, 73, 74, 76, 81, 95, 105, 115, 118, 128	The Bank conducts a thorough economic analysis to make sure that EIB-financed projects constitute a sound contribution to society at large.
	NECPs	The EIB should support projects within the framework of National Energy and Climate Plans (NECPs).	47, 96, 133, 141	The ELP mentions that the EIB will engage with Member States on the basis of the NECPs (Chapter 3, Paragraph 17).
	Energy Efficiency First	The EIB should prioritise integrated energy efficiency investments throughout the energy value chain (production, consumption, storage, etc.) over investments that increase fossil-fuel consumption. This includes prioritising investments that maximise the efficient use of limited resources (such as biomass).	17, 34, 38, 43, 47, 56, 59, 67, 75, 94, 105, 109, 116, 125, 133, 137, 141, 144, 147	See response to 1.11 above. The prioritisation over investments that increase fossil-fuel consumption is partially reflected in the decision to no longer support energy infrastructure directly dependent on unabated fossil fuels. While the Bank can rarely choose between competing projects, projects with a more efficient use of limited resources will – all other things being equal – have a higher economic assessment.

	Topic	Summary of comments	Contributions	EIB/review panel response
	Stranded assets	The EIB should limit the finance it provides to activities that have a high risk of becoming stranded assets in a successful energy transition.	47	See point 2.17 in answers to question 2.
	Technological neutrality - YES	The EIB support should be technology-neutral.	55, 73, 80, 95, 103, 115, 118, 128, 133	See points 1.6 in answers to question 1.
	Technological neutrality – NO	The EIB should choose and clearly communicate the technologies it plans to support or exclude, especially fossil fuels.		
	Gender	The EIB should integrate gender analysis in all its investments, and support projects that deliver gender equality.	11	See point 11.3 in answers to question 11.
3.2	Additionality – financial			
	Longer tenors	The EIB should offer longer loan tenors to support long-term projects and lower energy costs.	4, 13, 145	The EIB offers long tenors in line with the economic life of the assets financed. Financing projects with a long-term perspective is an area where the Bank can generate additionality in the energy sector.
	De-risking	The EIB should develop products to support smaller (<25 MEUR) and more high-risk operations (innovative technologies, new business models, joint or community projects, renovation of buildings, merchant risk for RES without subsidies, riskier countries...) at more attractive conditions than commercial banks.	4, 13, 14, 35, 41, 67, 70, 92, 94, 99, 121, 124, 128	Support of new market-based investments is one of the key areas where the Bank can achieve high additionality in the energy sector (Chapter 4, Paragraphs 39-40). The EIB is already supporting smaller high-risk operations under existing mandates (InnovFin, EFSI) and is seeking to continue to do so in cooperation with the EC within the framework of new mandates such as InvestEU.
	Catalysing private finance and lowering cost of capital	The EIB should prioritise sectors and regions where it can have a high positive impact on attracting private finance and the overall cost of capital.	70, 71, 82, 92, 99, 121, 133, 139, 145	Thanks to its triple A rating, the EIB is able to propose financing at attractive rates and to propose long tenors across sectors and regions. Usually the Bank can only finance up to 50% of the total project cost, the remainder being financed through private or public funds on a case-by-case
	Project Finance	The EIB should be more flexible in project finance operations.	55	

	Topic	Summary of comments	Contributions	EIB/review panel response
				basis. In many cases, the provision of finance by the Bank acts as a catalyst for private finance.
	Lower cost financing	The EIB should offer financing advantages to projects that are clearly aligned with 1.5°C targets.	47, 139	The same financial terms are applicable across sectors.
	Refinancing - YES	The EIB should refinance projects past the commercial operation date (COD) to lower their costs and thereby contribute to the growth of the sector.	67, 128	The EIB generally finances new infrastructure.
	Refinancing – NO	The EIB should avoid financing investments that are past COD to maximise crowding in of private investors.	121	
	Early-phase equity during development	The EIB should take an early-phase equity position in companies with a promising project pipeline, and exit when the portfolio is operational.	121	The European Investment Fund can support enterprises in earlier stages of growth.
	Present products	The EIB should organise dedicated sessions with clients/promoters to present its products and get feedback on how to improve them.	90	Through mandates, providing guarantee schemes, the EIB can participate in early-stage equity or make equity-type investments in project/companies directly or indirectly.
	More TA for EE	The EIB should increase and upscale its technical assistance (TA) for EE, such as the ELENA initiative.	116, 134	Noted. The Bank intends to continuing growing its EE TA programmes (Chapter 4).
3.3	Intermediated financing			
	Intermediated lending should have additionality	The EIB should prioritise intermediated lending and on-lending that is linked with capacity building, and phase it out in markets where liquidity is no longer a market barrier.	121	The ELP (Introduction, Paragraph 13) states that the policy applies regardless of the channel of support, including intermediated operations via commercial banks and funds. Technical assistance is available to support certain intermediaries depending on their capacity-building needs.
	Utility-intermediated operations	The EIB should set up utility-intermediated operations with an ex-post EIB appraisal process, in order to speed things up.	75	
	Apply sustainability standards	The EIB should ensure its standards and sustainability criteria are implemented by intermediaries.	47, 137	
	No fossil fuels through intermediaries	The EIB should not finance fossil fuels through intermediaries.	59, 137	

	Topic	Summary of comments	Contributions	EIB/review panel response
3.4	Geographical focus			
	Cohesion Regions and Eastern Europe	Target RES and EE investments in regions where RES and EE deployment is currently the least-developed, such as Cohesion Regions, Eastern Europe, Western Balkans, etc.	2, 10, 12, 15, 41, 47, 69, 70, 71, 113, 125, 126, 132, 134	The Bank is establishing an Energy Transition Package (ETP) to provide targeted support to lower-income Member States in the form of higher financing and targeted advisory services (Chapter 3, Paragraphs 25 and 27).
	WACC in EU MS	The Weighted Average Cost of Capital (WACC) varies significantly across the EU MS (e.g. range between 3.5%-12%, provided for onshore projects).	92	
	Latin America	The EIB should target projects in Latin America, especially high population countries such as Brazil or Mexico.	75	As set out in the ELP, the priorities of the Bank are the same inside and outside the EU (Chapter 4, Paragraph 3). Outside the EU, the priorities are energy efficiency, renewable energy and electricity grids. One key difference is the focus on energy access in some regions, most notably sub-Saharan Africa (Chapter 3, Paragraphs 28-31).
	Islands and isolated systems	The EIB should support hybrid RES/storage systems and interconnections for island systems.	4, 126	
	Developing countries	The EIB should prioritise RES projects in developing countries outside the EU, including support to governments in the development of appropriate policy and regulatory frameworks.	3, 76, 123, 145	Note that EIB activity outside the EU is driven by lending mandates. At the time of drafting this report, the Neighbourhood, Development and International Cooperation Instrument (NDICI) is still under discussion.
	Large RE projects outside EU	The EIB should prioritise large-scale mature RES generation projects in parts of the world that have very good RES resources (deserts - solar, coastal – wind, etc.), especially in combination with the linked production of green hydrogen.	54	
	Use of local resources	Outside the EU, projects should focus on technologies that maximise the use of locally available or produced fossil-fuel or RES resources.	76	Local resources are reflected in the technical and economic appraisal of projects, insofar as this is in line with the EIB Guide to Procurement.
	Rural areas	The EIB should prioritise investments in rural areas.	68	The Bank takes note of this contribution. Lending to Cohesion Regions is an important objective for the Bank.
3.5	Employment and community			
	Employment creation	The EIB should support decarbonisation projects that result in the creation of local jobs.	97	Jobs created by projects are assessed and already included in the appraisal of projects and reporting.

	Topic	Summary of comments	Contributions	EIB/review panel response
	Coal mining regions	The EIB should support projects that maintain or create employment in the regions most affected by decarbonisation, such as coal mining regions.	12, 64	See comment under point 3.4 about the creation of the ETP.
	Community-driven projects	The EIB should support RES, EE and smart grid projects which are community-driven, including local energy communities.	17, 18, 34, 38, 47, 56, 59, 62, 68, 115, 119, 122, 123, 128, 134, 144, 145, 147	Increasing the role of energy communities is an important energy transformation trend (see point 1.7). The EIB can lend to energy communities, either directly or via intermediaries, and will seek to support lending and advising to develop such initiatives (see Chapter 4, Paragraph 39 and Annex II).
3.6	RES			
	Mature RES	The EIB should continue to support investments in best available technologies and mature RES projects.	1, 2, 3, 7, 9, 47, 71, 75, 102	All renewable energy projects are eligible and the Bank will support their deployment to meet EU 2030 targets, including mature RES and repowering of existing sites. This includes competitive technologies - the ELP categorises utility-scale solar PV as a competitive technology - and technologies at an early stage of deployment. Competitive technologies are increasingly being integrated into markets, or even built without government support and these new developments are supported by the Bank (Chapter 4, Paragraphs 19-22). As explained in Annex II, the Bank will also support technologies at an early stage of deployment, deeming them to provide a high degree of added value.
	Less mature RES	The EIB should prioritise less mature RES (floating offshore wind, concentrated solar power [CSP], etc.).	67, 97, 112, 126, 128	
	Prioritise RES repowering	The EIB should prioritise brownfield RES repowering projects.	8, 115, 126, 128	
	Hydro	The EIB should consider the environmental and social impacts of mature RES projects, especially hydro, and potentially exclude large dams.	47, 79, 141, 147	See answer under point 1.15. Hydropower is part of the portfolio of renewable technologies. Some opportunities exist in the EU and hydro potential is high outside the EU. The Bank has recently published draft guidelines on hydropower development available here .

	Topic	Summary of comments	Contributions	EIB/review panel response
	Distributed RES	The EIB should prioritise support for small-scale, distributed and community-driven RES projects.	17, 18, 34, 38, 47, 56, 59, 62, 79, 90, 119, 122, 132, 145, 147	See responses under point 1.7 and point 3.3.
	Bioenergy, biofuels and biogas	The EIB should increase support for bioenergy, biofuels and biogas projects.	33, 58, 76, 79, 83, 87, 95, 98, 101, 102, 120	Bioenergy, including the production of biofuels and use of biomass are eligible for Bank financing, if they meet the Bank technical and economic criteria provided in Annex II.
	Bioenergy – YES BUT	The EIB should not finance bioenergy projects involving energy crops, and generally consider lifecycle environmental benefits for bioenergy projects.	79, 141, 147	
	No power-only biomass, coal/biomass co-firing or coal-to-biomass conversion	The EIB should exclude the financing of power-only biomass plants, co-firing of coal and biomass and coal-to-biomass conversion.	79	Annex II of the ELP sets out the Bank's requirements with respect to biomass for power generation and heat production. The experience of the Bank is that power-only biomass projects often do not meet the Bank's economic test.
	Flexible gas-fired generation in support of more RES	The EIB should support flexible gas-fired generation, such as gas engines, to complement and support the deep penetration of intermittent RES.	76, 81, 87, 95, 117, 120, 121	The Bank understands the rationale for this type of investment. The Bank will support flexible CHP plants and flexible power generation that meet the GHG emission standard set out in Annex II. In addition, the Bank will focus on other dimensions of flexibility (demand response, batteries, interconnection etc.).
	Retrofitting of gas plant for hydrogen combustion	The EIB should support the retrofitting of gas power plants for hydrogen combustion.	88	
	Nuclear - YES	The EIB should support nuclear energy as a low-carbon source of reliable baseload generation to supplement intermittent RES.	37, 49, 93, 129, 131	See answer to question 1.14. Nuclear energy remains eligible and the Bank's eligibility conditions to support nuclear power generation and fuel-cycle projects remain fully applicable and unchanged compared to the Energy Lending

	Topic	Summary of comments	Contributions	EIB/review panel response
				Criteria approved by the Board in 2013 (Chapter 4, Paragraph 25).
	Nuclear - NO	The EIB should stop all support for nuclear energy, (including research reactors, safety upgrades, fusion and small modular reactors).	62, 79, 147	
3.7	Energy efficiency and heating			
		Most contributions were in favour of continued EIB support for EE in general. No submissions called for a reduction of EIB support for EE.	All	The EIB takes note of the strong support for energy efficiency, which is considered a high priority under the ELP.
	NZEB buildings	The EIB should support the further development of new nearly zero-energy buildings (NZEB).	102, 109, 115, 128	For a building to be considered for EIB financing purely on the grounds of EE, a very high performance should be reached. See Chapter 4, Paragraphs 13-15 and row 5 under point 5.3.
	Deep building renovation	The EIB should support the deep renovation of existing buildings, including developing new products to de-risk such projects.	35, 41, 47, 57, 102, 115, 116, 127, 128, 132, 139	The Bank supports building rehabilitation and is creating a new initiative in that respect (Chapter 4, Paragraph 11).
	Municipal and regional authorities	The EIB should increase its support to municipalities and regional authorities for energy efficiency and other decarbonisation projects, including smaller- scale projects (< 25 MEUR).	35, 99, 100, 110, 123	See responses to point 1.7 and point 3.6.
	New business models, ESCOs, EPCs, PPPs	The EIB should develop new products to support “energy as a service” technologies and business models to deliver energy efficiency, including European skills/competences, qualifications and occupations (ESCOs), energy performance contracts (EPCs) and public-private partnerships (PPPs) for public buildings.	2, 5, 75, 99, 100, 102, 109, 110, 115, 124, 127, 128	The EIB recognises the strong contribution that can come from ESCOs, energy contracting and energy performance contracts. These aspects are supported by the Energy Performance of Buildings Directive (EPBD). The EIB is actively supporting this segment and is open to considering new financing proposals. See Annex I for more information on ESCOs.

	Topic	Summary of comments	Contributions	EIB/review panel response
	Renewable heating and heat pumps	The EIB should increase support for renewable heating and cooling projects, including heat pumps.	35, 85, 103, 105, 121, 125, 126, 127, 132, 134, 141, 145	The EIB takes note of contributions on specific technologies. See answers to questions 8, 10 and 12.
	EE retrofits of existing power, heat and industrial plants	The EIB should support projects that increase efficiency or repower existing power, heat and industrial plants as lower cost alternatives to greenfield plants.	55, 99, 105, 111, 128	
	Cogeneration	The EIB should support cogeneration as a preferable, more efficient alternative to the separate generation of heat and power where possible, including for RES fuels.	83, 103, 105, 118, 125, 138	
	Flexible CHP	The EIB should support more flexible CHP that provides system security benefits, even if it is less efficient.	105, 120	
	Waste-to-energy - YES	The EIB should support waste-to-energy projects that are in line with circular economy considerations.	10, 70, 127	
	Waste-to-energy - NO	The EIB should no longer support the burning of waste in any form.	134	
	District Heating	The EIB should increase its financing of DH projects.	10, 84, 85, 103, 125, 127, 134, 138	
	Heat and cold storage	The EIB should increase its support for heat and cold storage technologies.	87, 103, 120, 121, 134	
	Waste heat recovery	The EIB should support waste heat recovery and heat utilisation projects.	84, 103, 111, 125, 127	
	High up-front CAPEX investments	The EIB should prioritise smaller-scale energy efficiency investments with high up-front CAPEX, such as heat pumps, electric vehicles (EVs), etc.	75, 115, 145	The ELP provides a description of the causes of persistent under-investment in energy efficiency (Chapter 4, Paragraphs 7-8). Energy efficiency can lower energy bills and mitigate energy poverty. For instance, the EIB is financing EE for social housing and in lower-income Member States.
	Low-income households	The EIB should support EE investments for low-income and vulnerable households.	10	

	Topic	Summary of comments	Contributions	EIB/review panel response
3.8	Grids and storage			
	Interconnections and PCIs	The EIB should support interconnection projects, especially projects of common interest (PCIs).	2, 4, 51, 97, 101 106, 110, 126, 132	The EIB is actively supporting investments in electricity grid infrastructure and storage, from European PCIs to off-grid solutions outside the EU, as key enablers of the energy transformation, as explained in Chapter 4, Paragraphs 41-45.
	Critical transmission infrastructure	The EIB should prioritise national critical transmission infrastructure on the same basis as PCIs.	54, 110	
	Transmission and distribution (T&D) to support RES integration	The EIB should prioritise grid infrastructure to support RES integration (and the energy transition in general), including offshore grids.	54, 74, 75, 76, 110, 124, 126, 134 141	
	Off-grid/micro-grid	The EIB should support the development of off-grid and micro-grid solutions where feasible, especially in the developing country context.	2, 110, 134	
	Smart grids, smart buildings and demand-side reduction (DSR)	The EIB should support smart grids and buildings to support the further integration of RES, EE and DSR.	62, 75, 94, 103, 110, 116, 124, 126, 128, 132, 134, 141	
	Storage	The EIB should support all forms of storage, including less proven and innovative forms of storage.	2, 4, 14, 52, 72, 74, 76, 87, 88, 102, 110, 131, 134, 141, 145	
	ICT cybersecurity	The EIB should support grid ICT investments for cybersecurity.	52, 124	Cybersecurity is an increasing concern and a dimension of energy security (Chapter 2, Paragraph 10). The EIB approach on cybersecurity applies across sectors.
3.9	Gas and fossil fuels			

	Topic	Summary of comments	Contributions	EIB/review panel response
	Gas infrastructure and low-carbon gas	The EIB should continue to support gas infrastructure so that that gas will remain part of the energy mix, and/or that the infrastructure will be used by low-carbon alternatives to natural gas in the future (biomethane, hydrogen, etc.), as a lower cost alternative to full electrification.	54, 69, 70, 71, 76, 81, 87, 95, 98, 101, 106, 112, 114, 117, 118, 121, 136, 140	See point 2.14 above. The ELP states that the Bank will phase out lending to unabated fossil-fuel energy projects. As set out in the ELP, Chapter 4, Paragraph 46, the Bank will support gas network projects that are planned to transport low-carbon gases. See also response to question 14 below.
	Gas network leakage and own consumption	The EIB should support efforts to reduce methane leakage and own consumption from natural gas networks.	90, 140	
	Gas as replacement for coal or oil	The EIB should support natural gas as a cost-effective and high impact short-term form of decarbonisation if it replaces coal or oil.	70, 73, 81, 112	
	Conversion of gas infrastructure to hydrogen	The EIB should support the conversion of gas infrastructure for use with low-carbon sources.	105, 136, 140	
	Gas for security of supply – YES	The EIB should support gas investments for security of supply and system reliability.	40, 65, 90, 112, 117, 118	
	Gas for security of supply - NO	The EIB should not support any fossil-fuel investments for security of supply and system reliability, as it is not Paris-compatible.	16, 17, 134	
	Gas and LNG for transport - YES	The EIB should continue to support gas infrastructure that supports the use of natural gas in transport as an alternative to oil.	65, 90, 102	See point 14.14. The ELP does not cover mobility projects. Under the current transport lending policy, alternative fuels are supported by the Bank.
	Gas and LNG for transport - NO	Gas as a fuel for transport is only marginally better than oil.	141	
	Condensing gas boilers	The EIB should continue to support gas-fired condensing boilers and fuel cells as an efficient source of heat.	95, 140	As set out in Chapter 3, Paragraph 20, the Bank will continue to support the purchase of efficient gas

	Topic	Summary of comments	Contributions	EIB/review panel response
				boilers as part of energy efficiency programmes for buildings and SMEs.
	Green hydrogen	The EIB should support the development of green hydrogen production through electrolysis from RES, for use in power, transport and industry.	54, 55, 65, 88, 95, 98, 121, 131, 136, 140	A portfolio of technologies is needed to meet the long-term goals of the energy transformation and reach net-zero emissions in Europe. The EIB will support technologies and projects aligned with the SET Plan (Chapter 4, Paragraph 34).
	Fuel cells	The EIB should support fuel cell technology.	88, 95, 140	
	Sector coupling, power-to-gas, power-to-X	The EIB should support power-to-gas and power-to-X technologies as a way of reducing the cost of decarbonisation.	52, 65, 69, 70, 72, 76, 81, 87, 90, 111, 112, 114, 120, 121, 125, 136, 140	
	CCUS	The EIB should increase its promotion and support of CCUS projects, including blue hydrogen production, and bioenergy with CCS.	55, 80, 83, 90, 103, 106, 136	
	CCS	The EIB should only support fossil-fuel projects if they are abated with CCUS or similar technologies.	80	
	Coal plants EE and security of supply investments	The EIB should relax its rules on lending to coal-related projects which add to energy efficiency and energy security.	138	See point 2.14 above.
	Clean coal	The EIB should support clean coal.	138	CCS and other low-carbon technologies are supported by the Bank.
	Decommissioning of existing coal and nuclear sites	The EIB should support the decommissioning of existing large generation sites, such as coal or nuclear power, including nuclear waste storage.	9, 75, 145	The EIB takes note of the submission. In the case of nuclear energy, decommissioning is eligible for the Bank's financing (see Chapter 4, Paragraph 25 of the ELP and Paragraph 142 of the 2013 Energy Lending Criteria).
3.10	Support to EU companies			
	RDI in EU	The EIB should prioritise RDI activities that further the energy transition, to support a competitive advantage for Europe. This includes the development of new	42, 52, 55, 58, 75, 92, 94, 97, 110, 112, 128, 140	Innovative technologies are given a high priority and the Bank activity is closely aligned with the EU SET Plan in Europe (Chapter 4, Paragraph 37).

	Topic	Summary of comments	Contributions	EIB/review panel response
		technologies, as well as demonstration and upscaling projects.		
	Support to EU manufacturing of RES and EE		93, 97	As mentioned in Chapter 4, Paragraph 33, the Bank will support initial full-scale commercial production lines related to breakthrough technologies.
	EU small national companies	Support smaller national companies that are uncompetitive due to their small size.	40	The EIB is supporting SMEs in general, not specifically for energy but including energy SMEs.

Q4: How can EIB reinforce its impact towards ensuring affordability, addressing social and regional disparities and support a just energy transformation?

	Topic	Summary of comments	Contributions	EIB/review panel response
4.1	Security of supply and social acceptance remain important during energy transformation process			
	Social acceptance objectives	Member States and energy companies have to meet other objectives in addition to decarbonisation, in order to ensure the security of supply, and to maintain social acceptance.	2, 5, 19, 34, 40, 43, 52, 55, 59, 60, 67, 70, 92, 93, 96, 101, 124, 148	The transformation of energy systems cannot take place without the support of citizens and communities. Social acceptance is mentioned in the ELP, in Chapter 2, Paragraph 9. Stakeholder engagement and consultation is one of the cross-cutting EIB Environment, Climate and Social Standards applied during project due diligence. While EIB financing can contribute to reducing the cost of capital of capital-intensive projects, this is not sufficient. The lower cost of capital needs to be passed on to final consumers to have an effect. The project being financed needs to be efficient. The EIB created an Energy Transition Package to focus support on regions relying on coal in some Member States (see below).
	Affordability	The EIB should ensure affordable financing for final consumers.	2, 30, 71, 73, 75, 90, 92, 93, 94, 103, 105, 106, 109, 110, 112, 114, 118	
	Flexibility and resource adequacy	Long-term energy transformation necessitates flexibility and requires strong electricity grids, fuels, technologies such as nuclear and CCS. In the Electricity Market Regulation, gas-fired capacity is recognised as important for maintaining resource adequacy.	48, 54, 71, 73, 80, 81, 82, 87, 90, 96, 103, 105, 112, 115, 118	See point 1.10 and responses to questions 1, 2 and 3.
	Sector coupling	Sector coupling and storage can reduce the cost of decarbonisation while increasing system reliability and adequacy.	55, 81, 87, 90, 96, 103, 107	
	CCS, low-carbon gases	Some stakeholders disagree with the statement that gas, CCS and green or renewable gases (e.g. hydrogen) have a role to play, or merit EIB support.	18, 19, 34, 35, 55, 56, 59, 79, 141, 144, 147	See point 1.15 and 3.9.
	Companies	Financing should be conditional upon company-level decarbonisation plans and compatibility with the Paris Agreement, and not supportive of projects that are	34	See response to point 2.14 in answers to question 2.

	Topic	Summary of comments	Contributions	EIB/review panel response
		socially controversial, or harmful to public health or the environment.		(see response on previous page)
	Resilience	The EIB should promote projects that foster local resilient energy systems.	2, 6, 27, 35, 48, 52, 105, 124	
4.2	Different investment needs in different countries and regions (starting points differ)			
	Country-specific needs	Employment, the European supply chain and differences in infrastructure needs to reach climate targets in specific countries must be considered when defining the ELP.	4, 15, 40, 41, 54, 55, 56, 58, 60, 64, 67, 70, 71, 75, 90, 92, 93, 94, 95, 106, 107, 109, 115, 117, 118, 124, 131, 136, 141, 144, 147, 148	See answer to points 1.8 and 3.4. The Bank is seeking to strengthen its dialogue with Member States on the basis of the final NECPs, in order to identify how its lending activity can better support country-specific needs (Chapter 3, Paragraphs 16-17). The Bank will work with the European Commission on the Just Transition Initiative.
	Population and local jobs	An integrated approach to the transformation is needed. This requires engaging with the local population, thus unlocking the indigenous potential of the concerned region, and focusing on projects that are cost-effective and contribute to local economic development and sharing value with local stakeholders.	2, 18, 34, 35, 47, 59, 90, 113	The impact on local jobs and local value chains are also considered during project appraisal, insofar as this is in line with the EIB Guide to Procurement.
	Geographical interventions	The EIB should target all geographical areas and populations (avoid concentration of EFSI lending in a few countries).	4, 12, 18, 34, 35, 38, 42, 47, 59, 71, 92, 111, 113	
	CEE countries	The EIB should have better local presence in CEE countries that have great EE potential as well as bigger regional disparities.	12, 18, 35, 71, 113, 141	
	Procurement	Ensuring better procurement procedures in countries outside the EU.	46	The EIB Guide to Procurement applies to all countries in and outside the EU (see Introduction, Paragraph 12).

	Topic	Summary of comments	Contributions	EIB/review panel response
	Electric mobility	The EIB should support the deployment of electric mobility charging and smart charging infrastructure.	75	The ELP defines electromobility as a priority area for EIB financing (Chapter 4, Paragraph 44).
	Development strategies outside EU	National development strategies in developing countries.	38, 47	The EU aims to play a global leading role in the fight against climate change, which requires massive investment needs outside the EU. The Bank’s ELP outside the EU is driven by lending mandates as well as the EU external action on energy and climate, and development objectives are part of the UN SDGs (in particular SDG 7 for Energy).
	Reduce lending outside EU	Energy lending should be shifted away from energy projects outside the EU and should focus on projects located in EU Member States.	71	
4.3	Coal intensive regions			
	Just transition	A just transition requires the creation of new jobs and economic alternatives to coal mining as well as reducing air pollution.	4, 6, 12, 15, 18, 35, 40, 42, 47, 48, 52, 64, 65, 71, 90, 123, 126, 131, 134, 141	Regarding local impact, the EIB is creating an Energy Transition Package, a programme designed to support the impact of the transformation in lower-income Member States. The ETP includes a financing rate of up to 75% in some countries, leveraging resources from the ETS modernisation fund and targeted advisory services (see answer to points 1.8 and ELP, Chapter 3, Paragraphs 25-27).
	Energy communities in transition regions	Renewable community energy can provide an alternative for transition regions, combined with the renovation of buildings.	4, 6, 18, 27, 34, 38, 47, 62, 122, 124, 128	
	Tailor-made programme	The EIB should develop tailor-made programmes, innovative financial instruments and loan products for the decommissioning and redevelopment of important former power generation sites (coal plants or nuclear reactors), involving local communities and industrial partners. TA (EIAH) should target re-skilling or up-skilling of workers in communities transitioning away from fossil fuels.	6, 12, 40, 46, 65, 68, 71, 90, 100	
	Modernisation Fund	Design of the Modernisation Fund and Innovation Fund is important and the EIB’s role is expected to grow in the period 2021-2027 and beyond.	12, 40, 41	

	Topic	Summary of comments	Contributions	EIB/review panel response
	R&D	Support for R&D is crucial to ensure affordability while also supporting the competitiveness of the EU economy.	52, 124	(see response on previous page)
4.4	Energy poverty and social impact			
	Social aspects	The social and gender dimension of the energy transition is not limited to developing or emerging economies. The energy transition needs to factor in regional and population developments. EIB products should consider social aspects and provide solutions for the poorer regions and most vulnerable households.	2, 6, 11, 12, 18, 41, 42, 43, 48, 51, 56, 65, 67, 71, 75, 79, 92, 94, 105, 106, 116, 123, 126, 128, 131, 133, 134	Energy poverty is recognised as an important issue in the ELP. The consultation document mentioned that 50 million EU energy consumers are affected. The Bank will endeavour to assist those exposed to structural changes under the energy transformation to maintain solidarity and social justice. See points 1.8 and 3.4.
	Islands	Interconnection of islands should be considered as a possible means of reducing regional disparities.	38, 51, 92	Tackling energy poverty and inequalities between countries or regions and the growing urban/rural divide are broader issues than the question of EIB lending to the energy sector, and are primarily addressed by EU and MS policies. New interconnections with islands can also be financed, as well as the development of biofuels and biogas, under the conditions defined in Annex II regarding costs and sustainability.
	Rural areas	The EIB should also prioritise investing in rural areas (e.g. biomethane projects).	2, 38, 42, 51, 56, 62	

4.5	Energy efficiency, buildings rehabilitation and green mortgages			
	EE First	The EIB should adapt EE First principle to innovative financing, including PPP, ESCO and TA, to support energy efficiency.	10, 34, 35, 38, 41, 42, 47, 63, 78, 84, 95, 96, 99, 115, 116, 124, 131, 134, 141	See answers in point 1.11 and point 5.1.
	Renewable heating	The EIB should finance renewable heating measures in buildings (existing or new), including regional programmes.	10, 47, 95, 141	The EIB notes the link between renewable heating and regional developments.
	Mortgage	The EIB should support the financing and refinancing of innovative third-party mortgage financiers and energy service companies that support individual building owners.	51	The ELP is focusing on building rehabilitation, which can reduce energy bills thanks to better insulation of buildings, in particular social housing. The ELP creates a European Initiative for Building Renovation (EIB-R) to support aggregation of rehabilitation projects and a new source of finance by unlocking a new market in energy efficiency mortgages and dedicated technical assistance under ELENA/SFSB (Chapter 4, points 7-12).
	Building refurbishment	The EIB should prioritise refurbishment of buildings where less well-off households live.	35, 78, 99, 141	
	ELENA	The ELENA threshold of EUR 25 million should be lowered significantly in order to allow projects of medium-sized cities. The ELENA application process should be simplified. Waste-to-Energy - WtE (incineration of non-recyclable waste with energy recovery) is an example of DH sector coupling.	35	
	New buildings	The support for new buildings should focus on climate shell investments to reduce the energy needs in buildings that go beyond NZEB requirements after 2021.	47, 84, 141	New buildings with a public policy goal can be financed by the Bank (residential, urban regeneration, schools, hospitals, social housing). However, to be considered under EE, new buildings must go beyond national mandatory standards after 2021, including for social housing (Chapter 4, Paragraphs 13-15).
4.6	Other topics			
	Taxonomy	The EIB should incorporate the EU Sustainable Finance Taxonomy to disclose the full impact of investments.	12, 60, 75, 94	See point 2.11. The work on taxonomy is ongoing at the time of drafting this report. The EIB will consider the implications of the taxonomy for climate action eligibility once adopted.

Q5: In the case of new buildings, do you have an opinion on the proposed approach to support only buildings that go beyond the mandatory NZEB standard after 2021? What level of ambition should the Bank focus upon, inside and outside the EU?

	Topic	Summary of comments	Contributions	EIB/review panel response
5.1	Importance of EE in buildings			
	Buildings	EE is particularly important in buildings and the EIB should support new construction as well as refurbishment.	54, 67, 99, 128, 131	The EIB recognises the importance of supporting EE improvements in the existing building stock. See point 4.5. See Chapter 4, Paragraphs 7- 12.
	Benefits of EE	Societal benefits of energy renovation of buildings include local high-quality jobs, alleviation of energy poverty and energy security.	99, 128	
	Challenges of renovation	The building renovation segment presents specific challenges and low renovation rates, and there is need to prioritise economically sound EE measures that reduce primary energy consumption.	54, 67, 99, 128	
5.2	Building rehabilitation and refurbishment			
	Building rehabilitation	Rehabilitation of existing buildings should be a priority, given the potentially large impact due to the large existing stock of inefficient buildings.	6, 18, 54, 97, 99, 100, 105, 113, 115, 127, 128, 133	The refurbishment and modernisation of the existing building stock is indeed a priority for the EIB. The EIB is implementing various lending, blending and advisory operations to accelerate the refurbishment of buildings. The ELP creates a European Initiative for Building Renovation (EIB-R) to support aggregation of rehabilitation projects, new sources of finance through unlocking new market in energy efficiency mortgage and dedicated technical assistance under ELENA/SFSB.
	Public buildings	There are specific opportunities to address public buildings.	97, 113, 115, 128	

	Topic	Summary of comments	Contributions	EIB/review panel response
5.3	New buildings			
	Agreement to support buildings going beyond standard	There is an agreement with the EIB's intention to consider only new buildings in the EU as eligible under energy efficiency only if they go beyond the national mandatory minimum threshold, i.e. NZEB after it becomes mandatory in 2021.	3, 6, 7, 15, 18, 35, 43, 70, 74, 75, 128, 130, 139, 141	For a building to be considered for EIB financing purely on the grounds of EE, a very high performance should be reached. Chapter 4, Paragraphs 13-15.
	Criteria	It is important to define clear and practicable criteria for buildings beyond NZEB, if that approach is chosen.	3	
	Buildings complying with standards	The EIB should support new buildings in the EU that just meet the mandatory legal threshold and can be supported <u>under energy efficiency</u> , i.e. NZEB after it becomes mandatory in 2021. The NZEB level can be already quite ambitious and should be supported as part of the transition to a more sustainable building stock.	3, 12, 63, 67, 90, 105, 116, 123, 133, 136, 137	Buildings that are just complying with minimum requirements concerning energy performance are difficult to count under energy efficiency. However, these buildings may still be financed by the EIB, if the building qualifies on other eligibility grounds (e.g. social housing, social infrastructure). The compliance of new building projects with good urban planning is an important point to be considered for each project.
	Urban planning	Other social and environmental criteria, such as good public transport connections could be used to qualify merely compliant buildings as energy efficiency projects.	3, 42, 63, 97, 114, 123	The EIB takes note of this suggestion.
5.4	New buildings outside the EU			
	Criteria outside EU	Adjusted criteria should be used for support to new buildings outside the EU, taking into account local climatic conditions and building practices.	3, 55, 100, 102	The EIB recognises that, outside the EU, adjusted EE criteria need to be used, especially for very different climatic conditions and buildings practices. Also, there is a higher overlap with developmental objectives that may put more focus on affordability. However, for a new building to be considered on EE grounds, very high energy performance is required. This would typically be
	Affordability outside EU	There is often a greater need to ensure affordability outside EU.	42, 55, 97	
	Standard outside EU	Alignment with existing global standards and certifications should be sought.	100	

	Topic	Summary of comments	Contributions	EIB/review panel response
	Same approach outside EU	Supporting new buildings outside the EU should follow the same criteria as inside the EU, notably for more developed countries outside the EU, The EIB should support only such buildings as EE if they comply with EU standards.	3, 137, 141	achieved through established and internationally accepted certification schemes . See Chapter 4, Paragraphs 12 and 15, and Annex I.
5.5	ESCOs, and energy contracting			
	ESCOs	The EIB should place a focus on ESCOs and energy contracting. ESCO models, energy performance contracts and energy contracting can be instruments to accelerate EE uptake in buildings.	67, 100, 115, 116, 127, 128	The EIB recognises the strong contribution that can come from ESCOs, energy contracting and energy performance contracts. These aspects are supported by the EPBD. The EIB is actively supporting this segment and open to consider new financing proposals. See Annex I for more information on ESCOs.
	Energy contracting	Some submissions specifically proposed PPPs in the area of energy contracting.	67, 115	
5.6	Energy management systems (EMS), smart buildings and digitalisation			
	EMS	Smart buildings, energy management systems and digitalisation of buildings are important enablers of energy savings and smart demand management. These aspects should receive EIB support and may be included in the criteria for EE investments in buildings – both new builds and renovation.	10, 54, 67, 100, 115, 126, 128	The EIB agrees that building energy management systems, smart buildings and the use of digital technologies are essential aspects for exploiting the EE potentials of buildings. Such components are therefore typically eligible for EIB support. This is a focal point of the Bank’s appraisal process and a requirement of the EPBD.
5.7	Efficient gas heating and appliances			
	Gas heating	Switching to gas for space and water heating, as well as the replacement of old appliances with new energy-efficient gas appliances can generate significant energy savings and should be supported by the Bank.	65, 67, 106, 114, 128, 136, 139	See point 3.9. Efficient gas boilers are eligible under the ELP (see Annexes I and II).
5.8	Affordability of buildings and other economic, social and environmental criteria			
	EE and affordability	There is a need to balance EE with affordability implications in case of higher construction costs or high refurbishment costs.	10, 12, 42, 97, 114, 123	Affordability is a key concern for the EIB. Support under EE is limited to reasonable construction cost. Kindly note that support for social housing is not covered by the Energy Lending Policy.

	Topic	Summary of comments	Contributions	EIB/review panel response
		Many EU citizens are suffering from energy poverty. EIB should focus on social housing.		See the responses to question 4. All projects are subject to an economic analysis which evaluates the social benefit and ensures the use of economically reasonable measures.
	Urban integration	Other economic criteria or good urban integration should be considered. In such cases, adapted criteria or higher support levels are needed.	10, 12, 90, 97	The EIB takes note of the suggestion.
5.9	Other specific topics			
	Electric Vehicles (EVs) and RE readiness	It is important to ensure readiness for EV charging and for RE integration.	3	The EIB takes note of these topics and suggestions. See answers to question 2.
	Specific buildings	Buildings with very specific energy profiles may follow adapted criteria.	3	
	Lifecycle cost	Full lifecycle cost and emissions of buildings should be considered.	3	
	Conditionality	Using conditionality for access to funding (linking it to the targeted or achieved energy savings).	63	
	LT strategy	Alignment and prioritisation of Long-Term Renovation Strategies (LTRS) included in the EPBD.	99, 100	
	Taxonomy	Align to the taxonomy for financing sustainable growth (notably EC-proposed regulation).	12, 94, 123	
	Waste heat	Address waste heat recovery potential.	124	
	District heating and cooling	The EIB should support district heating and cooling.	3, 126	
	District heating and renewables	District heating and cooling networks play a major role as aggregators and have the potential to increase the use of renewable energies.	109	
	Supply chain	The EIB should support EE in the buildings supply chain.	3	

	Topic	Summary of comments	Contributions	EIB/review panel response
		The EIB should be more specific about sub-segments such as “residential buildings”; “privately owned residential buildings” and “energy poverty”.	41	(see response on previous page)
	Financial intermediaries	Any new EIB standard for buildings must be able to be put into practice, with clear criteria for an FI to know if it is eligible or not.	72	

Q6: The Bank has developed a number of financial and technical assistance products to help promote energy efficiency in private and public buildings. Have you had any experience with these products? If so, do you have a comment or opinion as to how they can be further developed or improved?

	Topic	Summary of comments	Contribution	EIB/review panel response
6.1	Multi-apartment buildings			
	Technical assistance for multi-apartment buildings	Technical Assistance (TA) products need to be adapted to condominiums and multi-apartment buildings (e.g. a decision-support package included in the offering, or training tailored to house managers/administrators).	41, 57, 141	As mentioned in the ELP, Chapter 4, Paragraphs 7-12, the EIB is prioritising building renovation, which is facing persistent under-investment, compared to the level needed to reach the 2030 energy efficiency target of 32.5% in the EU.
	Capacity building	TA could be also offered to Governments to improve regulation (capacity building) or as informational instruments to increase awareness of end-users.		The Bank will establish an EIB-R – a one-stop shop for energy efficiency – to reinforce its activities in this field, including technical assistance activities, aggregation and the possibility of mortgage-based lending or securitisation.
	One-stop shops	One-stop shops could be created by the EIB to offer financing, TA and implementation support. This would increase awareness of the benefits of EE, improve <i>ex-ante</i> assessment of the amount of savings and standardise measures and verification protocols.		
	Fragmentation	The EIB needs more holistic and consumer-centred solutions to address the fragmentation of private owners, which is the biggest challenge.		
6.2	ELENA			
	ELENA works	ELENA is working well and is very useful for municipalities and SMEs.	35, 57, 68, 95, 99, 100, 102, 116, 141	As mentioned in Paragraphs 10 and 11 of Chapter 4 of the ELP, the ELENA facility has been expanded by a further EUR 97 million until 2023.
	Maintain or boost ELENA	Current programmes need to be maintained and boosted.		The EIB and the EC are also discussing future TA activities under the InvestEU initiative, including improving access to and implementation of TA activities.
	Local authorities	Financial and technical assistance provided by the EIB remains inaccessible for many local authorities. Small and medium-sized cities struggle with the application.		Minimum thresholds are set to promote the aggregation of small projects.

	Topic	Summary of comments	Contribution	EIB/review panel response
	EUR 25 million	The investment threshold of EUR 25 million is too high for many projects.		The investment threshold can be reached by aggregating smaller projects. Regarding the financing threshold, the ELP states that the Bank will finance up to 75% of the eligible portfolio capital cost (Chapter 4, Paragraph 6), which could help access to finance.
	Timing	The EIB should also extend the time needed to come up with unconditionally binding contracts under programmes such as ELENA.		Project development assistance, such as ELENA, requires a certain level of maturity at the time of application. The periods for coming up with unconditionally binding contracts are established, considering this required level of maturity and to incentivise the implementation of the projects.
6.3	Energy poverty alleviation through EE			
	EBPD	Newly amended 2018 EBPD emphasises the need to prioritise energy poverty alleviation (Article 2).	41, 97, 113	See answers to question 4. The Bank recognises that energy poverty is an important issue and the role that energy efficiency investment can play to reduce energy bills. The financing of 75% of eligible portfolios will contribute to lowering the cost of capital for some projects, which can be passed on to final consumers. More generally, the issue of energy poverty is dealt with other EU and MS policies, rather than EIB energy financing.
	Low-income groups	The EIB should introduce programmes to support improvements in the housing conditions of low-income groups.		
6.4	Countries			
	Tailored TA	The Bank should develop new approaches to aggregation and TA to better reflect realities on the ground in different countries.	15, 41, 47, 75, 90, 105	As mentioned in the ELP, Chapter 3, Paragraphs 16-17, the Bank will strengthen its dialogue with MS on the basis of the final NECPs and seek to organise energy finance workshops with interested MS to identify country needs.
	NECPs	The EIB should target the implementation of the NECPs by MS.	96	
6.5	TA to private partners			
	Extend TA to private sector	TA should be extended to private counterparts such as professional organisations (i.e. National Associations of	7, 10, 47, 57, 97, 125, 139	Private counter parts are eligible for TA activities. For instance, ELENA focused initially on supporting

	Topic	Summary of comments	Contribution	EIB/review panel response
		Architects or Building Engineers, responsible for the energy performance construction certificates).		public authorities but now includes also private entities such as banks.
	Aggregators	Engaging with private partners will help to build a growing pool of aggregators.		The Bank has considerable experience in working either directly with companies or engaging in the aggregation of small-sized EE projects, in partnership with public entities, housing companies, corporates as well as funds and financial intermediaries (Chapter 4, Paragraphs 8-9).
	TA without intermediaries	The EIB should design instruments that work without intermediary banks, but also directly with energy suppliers to support the delivery of their energy efficiency obligations.		
	Post-project monitoring	TA should cover post-project monitoring and training.		The Bank takes note that there is an interest for TA covering project monitoring and training.
6.6	Energy performance contracting (EPC)			
	PPPs with EPC	The EIB should explore PPP with energy performance contracting. PPPs should also be explored for the renovation of public buildings.	67, 115, 116, 126, 127, 128, 141	EPC and other innovative financing schemes are eligible. They are part of the tailored financial support that the Bank can provide, including the “receivable financing” mentioned under the European Initiative for Building Renovation (Chapter 4, Paragraph 11).
	Public resources	Energy performance contracts ensure the optimal use of public resources.		
	Private schemes	The EIB should focus more on innovative private financing schemes.		
6.7	Financial instruments and green mortgage			
	Low interest green mortgage	EIB should support the development of lower interest green mortgage products, for example through partial guarantees.	75, 137	The EIB-R aims to unlock new markets in energy efficiency mortgage-based lending or securitisation (Chapter 4, Paragraph 11).
	Green labelling	Projects could be promoted through a quick transposition of all new requirements on “green labelling”.		The EIB takes note of the need to transpose requirements on green labelling.
	Coordination with grants	There should be better coordination between EIB financial instruments and competing or complementary grant schemes.	47, 102, 105	EIB support can be provided alongside national or regional support programmes (Chapter 4, Paragraph 11).

	Topic	Summary of comments	Contribution	EIB/review panel response
	Max. financial limit	The EIB should relax the maximum financing limits when projects involve EU structural funds.		The EIB already allows an increase in maximum financing limits for energy efficiency.
	One size fits all	Financial instruments targeted at energy consumers should be sufficiently flexible to finance the appropriate solution, and avoid one-size-fits-all approaches.		The Bank takes note of this point and points out that a wide range of tailored financial support options are already available.
	Instruments outside EU	The EIB should consider developing tools to similar to Private Finance for Energy Efficiency (PF4EE) and Smart Finance for Smart Buildings (SFSB) that are available for countries in Eastern and Southern Europe outside the EU, with a strong focus on scaling up financing for privately owned multi-apartment buildings, capacity building for government operators and co-sharing of risks.		Financing energy efficiency outside the EU is a priority for the Bank, including for building rehabilitation (Chapter 4, Paragraph 12) and for new buildings exceeding current practice in a given country (see Chapter 4, Paragraph 15 and Annex I).
6.8	Improvements to EEQuest	The EIB's EEQuest tool should be available in several languages, with more visibility on calculations and a link to real estate valuations. It should prioritise investments based on IRR, add visual impact results on energy label of the property and be accessible for end-users.	72	EEQuest, an EIB tool developed to assist intermediated financing in the field of energy efficiency, is being expanded in parallel with the origination of new operations.
	Communities, innovation	TA for communities, innovation and public buildings is essential.	3, 70, 90, 97, 99, 103, 113, 115, 131, 133, 134	See answer to points 6.1 and 6.2.
	Smart homes	The EIB should finance major building renovation projects and the installation of digital equipment that can improve building energy performance ("smart home" and "smart living" projects).	10, 18	See answer to point 5.6.
	Investment decisions	TA should be available to help make investment decisions, not just to support investment decisions already taken.		See answer to point 6.5.
	SMEs	TA should be tailored to small beneficiaries. It is essential for SMEs.		In close cooperation with the EC, the EIB is seeking to work on energy efficiency lending to SMEs and to integrate this in the EIB-R (Chapter 4, Paragraph 17).

	Topic	Summary of comments	Contribution	EIB/review panel response
	Equipment and appliances	The EIB should finance subsidised low-cost energy efficiency equipment/appliances, intermediated through municipalities or utilities. TA may help develop such programmes.		The EIB takes note of this suggestion.
	Real data	Reporting on the energy performance of buildings receiving TA is key. It should be based on real data.		As mentioned in Annex I, expected energy savings are monitored after the works on the basis of energy performance certificates or other transparent and proportionate methods acceptable to the Bank.
	Appraisal process	A lighter EIB appraisal process depending on the investment amount would help considerably to accelerate EE projects (less time and less due-diligence costs).		The ELP streamlines the appraisal process as much as possible, relying for instance on lists of eligible EE expenditures for building renovation projects (see Annex I).

Q7: Do you have lessons learnt to share in order to improve the financing of energy efficiency for SMEs? Is technical assistance an important dimension? If so, do you have any views as to which type of technical assistance is the most effective to provide?

	Topic	Summary of comments	Contributions	The EIB/review panel response
7.1	TA lessons learnt			
	Assessment	Technical Assistance (TA) is very important in the field of technical and financial assessment of project.	15, 47, 102, 113, 141	TA has been created and developed primarily to improve project assessment.
	Finding solutions	The EIB should engage in consultations with stakeholders to find solutions whenever "traditional" options (e.g. power grid) are not feasible/pursued.	2, 15, 42, 75	The EIB takes note of this suggestion.
	Capacity building	Capacity building (for governments and technicians) should also be pursued.	2	The EIB's technical assistance can support project development, including all of these dimensions.
	RDI TA	TA should also be used for RDI.	42	
	Distributed sources	The EIB should support TA provided by energy companies to end-customers to facilitate the deployment of distributed resources.	75	
7.2	SMEs			
	Payback time	There are many energy efficiency measures by SMEs with short payback times.	43, 54, 90, 124	SME lending for energy efficiency is being promoted through the use of intermediated operations by the EIB. For this purpose, the eligibility check is being streamlined with tools such as EEQuest.
	Products for SMEs	The EIB should focus on building awareness of its products and making them accessible to SME customers.	105	Marketing activities are supported as part of the TA for EE through programmes such as ELENA or PF4EE.
	Partnership	The EIB should develop creative partnerships: financing solutions integrated in energy efficiency solution, dedicated turnkey solutions and network development.	124	A European Initiative for Building Renovation (EIB-R) is being created to support aggregation of rehabilitation projects and new sources of finance by unlocking a new market in energy efficiency mortgages and providing dedicated technical assistance under ELENA/SFSB.
	Customer's needs	Financial solutions and TA should be tailored to customers' needs. In particular: flexibility with regard to	75, 90, 105, 124	EIB takes note of this suggestion.

		minimum amounts, rapid response, low financial costs, etc.		
7.3	EE subsectors to be targeted			
	ESCOs	The EIB should develop dedicated instruments to support ESCOs.	128	Some instruments such as PF4EE (combining a guarantee, a loan and TA) have been used to support ESCOs. The EIB is expanding the use of risk-sharing instruments to address investment barriers in the field of EE.
	Heating, district heating and CHP	The EIB should finance the construction of new and refurbishment of existing district heating networks. Priority should be given to renewable or highly efficient heat generation – biomass CHP, waste-to-energy (in line with circular economy), waste heat recovery, heat pump, geothermal, solar and hybrid projects.	10, 70, 105, 128	The EIB is supporting all low-carbon technologies and efficient CHP projects – see Annex II on heat and CHP and Annex IV on district heating networks.
	Early deployment technologies	The new Energy Lending Policy should also consider technologies which have not yet reached full market maturity, or for which a market is still forming.	1, 42, 70, 73, 128	See answers to questions 10, 11 and 12 and Chapter 4, Paragraphs 30-35.
	Industry, cogeneration	The EIB should support further EE investments in industry, including the continued shift to more efficient heat supply via condensing boilers and cogeneration.	105	Large industry is eligible for EE financing. Given the existing regulation (mandatory energy audits for large companies, EE obligations) and the progress already achieved by these companies, the Bank is focusing on energy efficiency in SMEs.
	Industrial consumers	The EIB should target lending towards industrial consumers, focusing on cost-effective solutions for industrial heat supply.	105	
	Appliances	The EIB should finance subsidised low-costs EE equipment/appliances, intermediated through municipalities or utilities. TA may help develop such programmes.	3	EIB takes note of this suggestion. Equipment and appliances can be included in a list of eligible EE expenses for building renovation projects.
7.4	EE products			
	Long-term financing	The EIB should provide long-term financing combined with refinancing policies to match the financing term with assets' useful lifetime instead of Power Purchase Agreement (PPA) duration.	70	See answers to point 3.2.

	Guarantee during construction	To attract private finance, the EIB might give green projects specific support through guarantees during the construction phase.	70	The EIB can provide guarantees during construction.
	Large programmes	For large programmes, EIB financing should complement a taxation system based on the “polluter pays” principle.	75	EIB takes note of this point. Support can be provided alongside national support programmes or taxation.
	Dedicated channels	The EIB should develop different dedicated financing channels for different types of clients.	128	The EIB Group can provide financing through different instruments (senior loans, mezzanine and junior loans, guarantees, direct and indirect equity, intermediated loans, etc.) to match the needs of different customers.
	One-stop-shops in each MS	The EIB should create one-stopshops and a local presence in each MS to provide simple access to TA; for SMEs, in particular, is critical.	141	EIB loan officers work according to geographical area and type of customers and act as a contact point in the Bank for all financing needs. EIB has local offices in all MS and JASPERS has offices in a number of countries.
	Energy audit pre-financing	Develop pre-financing of energy audit.	47, 78, 133	Provision of energy audits is already supported by the EIB through TA operations (Chapter 4, Paragraph 9).
7.5	The EIB internal process			
	Climate action	Climate action projects are not really incentivised by EIB terms. Rather, they are often disincentivised through additional reporting and administrative burdens.	47	The ELP does not address the climate action target which is defined in the Bank climate strategy currently under review.
	Energy Efficiency First	The EIB needs to take into account both the supply and demand-side efficiency, applying the Energy Efficiency First principle throughout the entire value chain.	48	See answers to questions 1 and 3 above.
	Due-diligence	The due-diligence (DD) process for small-scale EE projects with a project finance structure should be lighter.	67, 115	See previous point 6.9. The EIB uses a list of eligible measures. For smaller projects, the eligibility check is being streamlined with tools such as EEQuest and monitoring and reporting requirements are simpler.

	Additionality	Additionality constraint should be relaxed to allow recycling of equity in portfolio funding of small projects.	67, 115	The Bank can do “equity recycling” for projects when this leads to the financing of a new portfolio of projects.
	Investments without subsidies	Financing solutions should be available for investments which cannot tap into subsidies (although there is no “one size fits all”).	75	This is already the case: the EIB can finance projects not benefiting from subsidies.
	Energy performance returns	The EIB should balance investment costs and energy savings, and prioritise investments with the largest energy performance returns.	128	Rehabilitation measures complying with national energy performance standards (in line with the cost optimum levels as defined in the EPBD) are eligible for EIB financing.
	Financing conditions	The EIB should ensure that EE improvements identified in energy audits are reflected in its financing conditions.	128	Finance contracts with the EIB include monitoring provisions.

Q8: Declining costs and competitive auctions are transforming a number of renewable markets (e.g. onshore wind, utility-scale PV). How can the Bank best support these relatively mature technologies? In the context of increasing market integration, is there a need for financial instruments to help attract long-term private finance?

	Topic	Summary of comments	Contributions	EIB/review panel response
8.1	Support for RE			
	Support for RE needed	The EIB should continue to support the deployment of renewable capacity globally.	7, 37, 40, 54, 75, 81, 87, 95, 96, 103, 105, 106, 112, 114, 115, 118, 123, 124, 126, 127, 128, 141, 144, 145, 147, 148	The EIB will continue to support the deployment of renewable capacity in Europe and outside Europe, with special attention being given to the integration of renewables into markets and, in the context of the EU, the development of projects without government support (Chapter 4, Paragraphs 20-22). Innovation in low-carbon technologies including renewables will remain a priority (Chapter 4, Paragraphs 30-35).
	Innovation	The EIB should support R&D and pilot projects (including repowering and RE technologies which are less mature).	1, 37, 81	
	Best practices	The EIB should support investment in RE projects using some of the state-of-the-art technologies and best practices in order to promote project quality (e.g. use of lidar to improve wind projects).	1, 42, 73, 128	
	Difficult projects	The EIB should focus on more difficult and costlier projects (e.g. small HPP in protected areas, renewable hydrogen) and less mature markets, i.e. with relatively long payback periods.	3, 4, 18, 31, 40, 67, 73	The Bank sees high additionality in focusing on the long-term development of technologies which are at a relatively early stage of deployment, but which have a strong potential for cost reduction (Chapter 4, Paragraph 24).
	Locations	The EIB should support renewables in more difficult locations (renewables on islands).	4, 12, 18, 40, 73	Support for renewables is available in all regions. The Bank will engage with Member States on the basis of the NECPs to identify areas where its support can be most effective. Under the ETP, the Bank may consider financing up to 75% of the eligible costs for projects in countries that are eligible under the modernisation fund (Chapter 3, Paragraph 26).
	Geographical focus	The EIB's financing of RES projects has been concentrated in a relatively small number of Member States.	4, 12, 18, 42, 47, 71, 89	
	In coal regions	The EIB should support RE in less-developed markets or where coal is the dominant fuel.	12, 15, 71	

	Topic	Summary of comments	Contributions	EIB/review panel response
	Auctions	The EIB should abstain from participating in markets with auctions if the capacity tendered remains the same with or without EIB support.	3, 71, 131	The Bank's approach towards ensuring high additionality for renewables is set out in the ELP (Chapter 4, Paragraphs 19-29). In general, however, the Bank would not agree that a demonstrable increase in auctioned capacity is the only measure of the Bank's value to the sector.
	District heating	The EIB should support renewable energy-based district heating projects.	62, 123, 125	As set out in Chapter 4, Paragraph 25, the Bank will seek to support the promotion of renewable heat, including through district heating systems.
	Hydropower	EIB finance for the development of hydropower in the recipient country should be based on a national energy strategy that has undergone a Strategic Environmental Impact Assessment (SEA), has a river basin-wide cumulative impact, defines NO GO zones, ensures financial viability and meets international standards (e.g. WCD).	4, 40, 147	See point 1.15 above. The Bank has recently published draft guidelines on hydropower development available here .
8.2	Guarantees, insurance, de-risking and specific products			
	Zero subsidy renewables	The EIB should mobilise (and not just "complement") the private sector and help create commercially sustainable markets for renewable energy technologies, which can then compete with conventional power without financial subsidies.	2, 5, 12, 15, 18, 54, 55, 70, 71, 76, 77, 81, 97, 115, 117, 118, 121, 123, 124, 125, 126, 130, 131, 133, 137, 145, 148	The EIB Group can offer a large range of financing products, ranging from quasi-equity, junior and senior debt, as well as guarantee products. However, the Bank operates in accordance with its credit risk principles (Chapter 1). The ELP states that the Bank will seek to enhance its risk-sharing capacity through InvestEU or other sources of risk capital, to be able to increase its support for renewable projects being integrated in electricity markets or developed without government support and with corporate PPAs (Chapter 4, Paragraphs 20-22).
	Energy communities	The EIB should support local energy communities.	47, 68	
	PPA counterparties risk	The EIB should support mitigation of PPA counterpart's credit risk or final client's credit risk. The EIB should develop EU power purchase guarantees, similar to Norway's GIEK for corporate PPAs.	4, 13, 55, 67, 75, 89, 91, 115, 126, 148	

	Topic	Summary of comments	Contributions	EIB/review panel response
	Blending and distortion of competition	The EIB should not do blending to avoid market distortion but should help to decrease WACC in some markets (e.g. SEE).	68, 76, 121	More broadly, the Bank will continue to provide financial advisory services.
	Political risk mitigation	A key benefit of EIB financing is the Bank's experience in helping structure bankable tenders, as well as mitigating political risk.	5, 75, 121	
	Equity investment	Taking an early-phase equity position in renewable energy companies with a promising project pipeline and exiting when the portfolio is operational may be an effective way of crowding in equity funding from private investors.	5, 15, 54	
	Insurance products	The EIB should develop insurance products (e.g. covering resource development risk for geothermal projects) or guarantees (also during construction) for RES projects (also technology-specific, e.g. for biogas) that may be exposed to adverse electricity market prices, political risk, or carbon price risk.	3, 67, 75	
	Long-term tenors	EIB support should be extended to new financing tools (e.g. corporate PPAs, refinancing, capital markets) with long-term tenors and guarantee programmes.	4, 65, 67, 126	
	EU renewable financing mechanism	The EIB should support the EU renewable energy financing mechanism (Recital 35 and Article 27bis of the Governance Regulation).	4, 47, 55, 75, 89, 125	As presented in the ELP (Chapter 4 Paragraph 19), the Bank will continue to work closely with the European Commission on this important initiative.
	PV manufacturing	The EIB should support Europe's industrial PV leadership, with financial instruments and low- interest-rate loans to assist large-scale manufacturing plants.	7, 121	The EIB is supporting the EU battery initiative and, as mentioned in the ELP (Chapter 4, Paragraph 36), can support investment for initial full-scale commercial production lines related to breakthrough technologies under the SET Plan.
8.3	Financing and aggregation of small RE projects			
	Coordination	The EIB could help to coordinate the needs of various stakeholders at local level and originate projects.	3, 18, 47, 65, 67, 68, 100,	The EIB recognises the growing importance of distributed energy sources and the new

	Topic	Summary of comments	Contributions	EIB/review panel response
			113, 131, 133, 145	opportunities they create for energy communities and aggregators developing new business models, as well as some financing challenges associated with the smaller size of individual investments. Such projects can make a large contribution to the Bank’s ELP (see Annex II, section 2). See answers to question 10 for more information.
	Aggregation	The EIB could create a volume effect by aggregating multiple small needs in order to reduce financing costs and create synergies in implementation. Given investment needs, the EIB should focus on small-scale RE and EE (with TA), including integrating the EE First principle across all investment decisions, as well as giving priority to decentralised, small-scale and community-led energy projects.	2, 15, 47, 59, 62, 68, 100, 133	
	TA	ELENA threshold for small RE should be reduced and administrative procedure simplified.	82, 112	
8.4	Managing RE variability and flexibility			
	Pumped hydro	The EIB should support electricity storage projects, particularly those based on large-scale, mature technologies with very high European and local value, like for example hydro-pumped storage.	4, 67, 76, 87, 102, 115, 120, 129, 133, 137, 141, 146, 148	Flexibility and security of supply are important dimensions of the energy transformation and important priorities in the ELP. As mentioned in point 1.9 above, the Bank will support new sources of flexibility.
	Dispatchable renewables	Resource adequacy can be achieved with gas-fired plants burning renewable gases (biogas, hydrogen, synthetic methane). The value of the dispatchable generation is not fully appreciated in levelised cost of energy (LCOE) calculations.	48, 67, 95, 96, 102, 105, 106, 115, 137, 141, 148	
	Grids	Investments to reinforce the network will accelerate RES market integration.	48, 112, 137	
	Capacity markets	Thermal storage and generation (e.g. biomass) will need capacity mechanisms (or similar) to ensure their economic viability.	55, 105	
	Power-to-X	For power-to-X solutions, the focus should be on X=hydrogen or ammonia, rather than oil of methane. Electric cars are readily available.	55, 102, 112, 127	See point 1.15 above.

	Topic	Summary of comments	Contributions	EIB/review panel response
8.5	Other points			
	Technological neutrality	The EIB should support all low-carbon technologies as a whole, not just renewables and acknowledge that CCS and CCU contribute to the circular economy by reusing carbon for other products or fuels. Natural gas is more mature than renewable energy and will displace coal. A fair and non-discriminatory approach between low-carbon technologies is needed.	10, 37 48, 58, 93, 105, 115, 118, 120, 129, 133, 137, 144	The Bank takes note of this point, and confirms that it will support the development of all innovative, low-carbon technologies (see answer to points 1.6 and 1.15 and answers to question 3.
	Gas CHP	Gas CHP technology should be eligible in the EIB's ELP.	55, 86, 87, 118	The Bank's eligibility conditions for gas-fired high-efficiency combined heat and power plants are set out in Annex II.
	Renewables and EE	EIB lending criteria should prioritise primary energy savings, including for renewables. The EIB needs to take into account both the supply and demand-side efficiency, applying the EE First principle across the entire value chain.	18, 48, 62, 105	The EIB explains how it implements the Energy Efficiency First principle in the introduction to Chapter 4. See point 1.11 above and answers to questions 3 and 5.
	Hydrogen and biomethane	The EIB could finance non-electrical renewable energy sources (hydrogen, biomethane) to the same extent as wind and solar.	55, 61, 65, 67, 106	These projects are eligible, with conditions set out in Annex II (see point 1.15).
	Fuel flexibility	The EIB Emission Performance Standard (EPS) should value energy efficiency and flexibility (fuel flexibility and operating flexibility).	55	See answers to question 9.

Q9: Does the EPS for power generation remain an appropriate safeguard? Do you agree that adjustments should be made to support flexibility and adequacy? In light of recent developments in renewables, the Paris Agreement and the Sustainable Development Goals, would an exemption to the EPS for power plants in the least-developed countries continue to be justified?

	Topic	Summary of comments	Contributions	The EIB/review panel response
9.1	EPS level and review			
	Keep at current level 550 gCO ₂ /kWh	The EPS is an appropriate safeguard as it is, and should be kept at current levels, to allow the continued development of gas projects, and/or in line with the EU regulation on capacity mechanisms.	2, 7, 12, 35, 40, 42, 54, 55, 65, 67, 71, 74, 75, 76, 83, 87, 89, 90, 92, 100, 111, 115, 117, 118, 120, 128, 148	As set out in Chapter 4, Paragraph 27, the Bank supports projects resulting in emissions below a certain threshold, which is set at 250 gCO ₂ per kWh of electricity generated. This holds for all its operations globally. This level was proposed on the basis of the Bank's experience with state-of-the-art gas-fired combined heat and power technology.
	Lower than 550 gCO ₂ /kWh	The EPS could be more ambitious and lowered from current levels (to 400-450 gCO ₂ /kWh).	35, 55, 76, 112, 133	This level is above the threshold proposed for climate change mitigation by the Technical Expert Group on Sustainable Finance (TEG WG). If adopted, therefore, not all the projects eligible under the draft ELP will be considered under the proposed taxonomy on sustainable finance.
	Sufficiently lower to exclude all fossil fuels, including gas	The EPS should be lowered to a level that excludes all fossil-fuel-based generation, or should be abandoned and replaced with a commitment to stop fossil-fuel financing.	3, 6, 8, 16, 18, 34, 37, 43, 47, 53, 56, 59, 62, 64, 78, 80, 82, 93, 95, 108, 113, 126, 129, 130, 133, 134, 137, 141, 145, 147	
	100 gCO ₂ /kWh or lower	The EPS should be set at 100 gCO ₂ /kWh (also excluding all fossil fuels).	6, 47, 53, 113, 133, 137, 141	
	Include high-efficiency gas CHPs	The EIB eligibility criteria should allow high-efficiency gas-fired CHPs to be eligible for EIB financing (either through sufficiently high level or through exemption).	3, 71, 87, 105, 115, 120	
	Include high-efficiency coal	The EIB eligibility criteria should allow high-efficiency coal- or lignite-fired CHPs co-fired with biomass (either through sufficiently high level or through exemption).	71	

	Topic	Summary of comments	Contributions	The EIB/review panel response
	CHP co-fired with biomass			(see response on previous page)
	Include fossil-fuel CCS plants	The EIB eligibility criteria should allow fossil power plants with CCS to be eligible for EIB financing (either through sufficiently high level or through exemption).	71, 80, 96, 107, 114	
	Align with EU long-term GHG reduction strategy	Any revision of the EPS should be in line with the Commission's long-term GHG emission reduction strategy, including the EU ETS.	96, 106, 115, 123, 140	
	Explicitly exclude coal-fired generation	The main consequence of the EPS has been to exclude coal-fired generation. It would be simpler to replace the EPS with a blanket exclusion on coal-fired generation, or to at least state this explicitly.	111, 133	
	Abandon EPS completely	Because of the EU ETS, the EPS is redundant, and an unnecessary distortion of energy investments. It should be abandoned completely.	102, 115, 138	
	Separate EPS review process	The EIB should review the EPS level through an open and transparent process with a stakeholder consultation (separately from the ELP).	65, 105	
	Publish full EPS path to 2050	The EIB should publish the full EPS path over time to 2050.	82	
	Long-term reduction of emissions	The EPS should reflect the current fleet and the expected development in future. For any fossil-fuel project, the EIB should require evidence that it will result in a long-term reduction of emissions.	33, 105	
	Apply EPS under ISO conditions	The EPS should be applied on the basis of the design efficiency of the generating unit under ISO conditions.	87	

	Topic	Summary of comments	Contributions	The EIB/review panel response
9.2	Exemptions			
	No exemptions	There should be no exemption to the EPS, including flexibility or least-developed countries (LDCs). System flexibility and adequacy can be provided without fossil fuels; therefore, there is no need for exemptions. Exemptions may lead to the locking-in of fossil-fuel use.	6, 18, 34, 35, 47, 53, 56, 59, 74, 78, 147	As set out in Annex II, this emission standard applies to all technologies. Reaching the 250 gCO ₂ /kWh _e threshold for power plants requires the firing of blends of natural gas and renewable fuels (i.e. hydrogen).
	Exemption for flexible generation (if the threshold is lowered)	The efficiency-based calculation of the EPS disadvantages highly flexible power plants. EIB eligibility criteria should allow the financing of gas-fired plants that provide flexibility or otherwise contribute to system adequacy, including for isolated systems, to promote further and deeper RES penetration. If the current threshold is lowered below 550 gCO ₂ /kWh, then an exemption is needed.	12, 40, 42, 48, 54, 55, 65, 67, 71, 75, 76, 87, 89, 100, 102, 111, 112, 114, 115, 124, 127, 128, 148	This is technically achievable for some existing technologies and will require some innovation in the design of new power plants that the Bank will support.
	Only “last resort” exemption for flexible generation, with strict conditions	Exemptions for flexibility or security of supply should only be granted as a last resort, and/or with extremely limited operating hours (<5%), fast ramp rates <5-10 mins, minimum efficiencies with high flexibility cogeneration, and/or linked to enabling additional RES development.	3, 33, 76, 82, 87, 105, 108, 120, 126, 127, 133, 137, 141	Therefore, scope for reaching this emission standard over the economic lifetime of the plant is included in the revised version of the ELP.
	Keep exemption for islands and isolated systems	The EIB should keep exemptions for small islands and LDC, subject to conditions on emissions and decarbonisation strategies.	87, 133, 148	
	Partial exemption for high flexibility cogeneration	The EIB should consider a partial, case-by-case exemption for highly flexible CHP plants which provide valuable system services at the expense of efficiency, from both the high-efficiency CHP requirement and from the EPS.	120, 127	

	Topic	Summary of comments	Contributions	The EIB/review panel response
	LDC exemption - YES	There should be an exemption to the EPS for LDCs, to support least cost development pathways.	7, 12, 48, 100, 111, 133	(see response on previous page)
	LDC exemption – YES BUT only if aligned with Paris commitments	There should be an exemption to the EPS for LDCs, but only for lower emissions plants (e.g. gas plants), aligned with the Paris Agreement commitments and national decarbonisation plans.	82, 112, 130	
	No different treatment of LDCs	There should be limited exemptions for flexibility or system adequacy (or sufficiently high thresholds), but LDCs should not be treated differently, as the risk of stranded assets or carbon lock-in is too high otherwise.	3, 42, 76, 83, 87, 89, 92, 95, 103, 123, 141	
	EPS limited to fossil-fuel projects, not RES	EPS should only be applied to fossil-fuel projects, not RES projects such as biogas.	87	
	Extend EPS to distribution projects	The EIB should extend the application of the EPS to distribution - not only extraction and generation projects.	108	
	Other exemptions	There should be exemptions to the EPS for countries where RES penetration is low and reliance on fossil-fuel power generation is high (e.g. Western Balkans).	15	
9.3	Other methodologies			
	Adopt a carbon budget alternative to the EPS/kWh - YES	Introduce an annual carbon intensity or carbon budget alternative threshold (tCO ₂ /year) to the production threshold (gCO ₂ /kWh).	127	In the Bank's view, in light of the decision to phase out unabated fossil fuels and set an emission standard at 250 gCO ₂ /kWh, additional safeguards or other methodologies (e.g. carbon budget/portfolio metrics etc.) are no longer relevant.
	Adopt a carbon budget alternative to	Do not adopt the alternative 350 kg CO ₂ /kW carbon budget limitation criterion from the EU regulation, as it	120	

	Topic	Summary of comments	Contributions	The EIB/review panel response
	the EPS/kWh - NO	is designed to keep old and inefficient coal units in the system. Rely only on 550 gCO ₂ /kWh instead.		(see response on previous page)
	Portfolio EPS	The EIB should limit the share of fossil fuels in its overall lending portfolio, and introduce a portfolio-level EPS.	3, 137	
	Test full lifecycle emissions against EPS	Project emissions tested against the EPS should include full lifecycle emissions including construction-related emissions and full physical lifetime emissions, with a comparison of brownfield vs greenfield plants.	95, 105, 115, 128, 131, 137	<p>These topics are discussed in the framework of the carbon footprint methodology of the Bank.</p> <p>The EIB methodology already allows for the inclusion of scope 3 GHG emissions in certain project types.</p> <p>Further work is being undertaken together with other IFIs to explore approaches for indirect emissions.</p>
	Screen construction emissions separately from operating emissions	Project emissions tested against the EPS should include full lifecycle emissions. Lifecycle emissions during construction should be assessed and screened separately from lifecycle emissions during operation; they should not be able to compensate each other.	131	
	Emissions outside ETS	The EPS should factor in that a portion of energy power and heat emissions are outside the ETS.	105	
	EPS for heating and cooling	The EIB should introduce an EPS or equivalent decarbonisation requirement for heating and cooling.	9, 105, 137, 141	In light of the decision to no longer support heat production from fossils fuels, it is no longer relevant to consider an EPS for heating or cooling.
	EPS for heating and cooling – including gas	The EIB should set the level of a heating and cooling EPS so that it allows gas and electric heat pumps.	9	
	EPS for heating and cooling	The EIB should set the level of a heating and cooling EPS so that it excludes gas-fired boilers for heating.	137	
	Fair allocation of emissions between power and heat for CHP	In the event that the EIB introduces an EPS criterion for heat, it needs to review the method of allocating emissions between electricity and heat in CHP plants to allow a fair comparison with the separate production of electricity and heat.	105, 127	Annex I specifies that GHG emissions are allocated between heat and power using the heat bonus approach.

	Topic	Summary of comments	Contributions	The EIB/review panel response
9.4	Other non-EPS suggestions			
	Paris alignment	The EIB should rule out financing projects that are not Paris-aligned, including all fossil fuels.	6, 47, 82, 130, 137, 147	The ELP reflects these comments. See answers to question 2.
	Exclude coal-to-gas conversion	The EIB should exclude financing for coal-to-gas conversion.	103	
	Exclude solid fuels for heat	The EIB should exclude solid fossil fuels for heat generation from its financing eligibility, similar to the modernisation fund of the revised ETS directive.	87, 111	
	Other air pollutants	Limits on air pollutants should be informed by current EU legislation, and not conflated with long-term climate targets. There is a continued role for gas in improving air quality.	55, 96	The externalities associated with local air pollutants are included in the appraisal of eligible projects.
	Priority support to carbon abatement options	EPS is not sufficient to support carbon abatement options such as low-carbon gases, cogeneration or CCS. The EIB should consider carbon abatement potential, and explicitly support carbon abatement investments, including CCS on new fossil-fuel plants.	107, 114, 117	Low-carbon technologies such as CCS are eligible under the ELP.

Q10: Are there ways in which the Bank could provide more targeted support to distributed resources (demand response, small-scale generation and storage projects)? Are new business models or technologies emerging in this context, with specific financing needs? Is the Bank's portfolio of financial products and instruments adequate for supporting this technological transition?

	Topic	Summary of comments	Contributions	EIB / review panel response
10.1	Support for distributed sources and new business models			
	Yes	The EIB should support new technologies and business models, either directly or indirectly.	5, 27, 47, 54, 55, 67, 92, 103, 118, 123	The EIB takes note of the strong support for the development of its activities in this field.
10.2	Possible risks or challenges			
	Premature	It is too early to really know the financing needs of certain technologies (e.g. hydrogen, fuel cells, VPP).	42	The CE4all package provides a clear framework to enable the development of distributed resources, new business models and new types of energy infrastructure. As described in Annex III, the economic assessment of decentralised energy sources takes into account the efficiency of energy systems.
	CE4all	EIB lending should fall within the framework of the Clean Energy for All (CE4all) package - potentially even waiting for CE4all's full implementation before crystallising the lending policy.	42, 68	
	Costs	Decentralised resources should be financed if they are cost-effective: when decentralised resources are more expensive than "central" energy sources, they should clearly demonstrate the benefits for the system.	55, 133, 148	
10.3	Guidelines and approaches to follow			
	Technology-neutral	The EIB should maintain a technology-neutral approach.	118	The Bank takes note of the relevance of these topics for decentralised energy sources. See answers to questions 1-3.
	Local	The EIB should increase engagement, dialogue and interaction with local stakeholders.	2	
	Innovation	The EIB should support process and product innovation and design development.	12, 71, 148	
	Geography	Geographical diversification of EE and RES investments is important.	47	
	NECPs	The National Energy and Climate Plans (NECPs) provide detailed guidance on pathways.	81	
	Breakthrough	The EIB should remain flexible and open to developments and breakthroughs.	68, 114, 125	

	Topic	Summary of comments	Contributions	EIB / review panel response
	Sector integration	Regulatory and legislative frameworks that foster cross-sectoral approaches should be supported.	125	(see response on previous page)
10.4	The definition of "decentralised" resources or technologies			
	Storage	There is a general need to develop storage technologies, including long-term energy storage solutions.	12, 52, 54, 67, 71, 72, 73, 101, 114, 117, 118, 124, 127, 130, 131, 133, 145, 148	The Bank recognises the wide diversity of energy sources that can fall under the category of "decentralised energy sources". In the ELP, the Bank uses the term "new types of energy infrastructure" to refer to investments including storage, demand responses and digitalisation.
	Demand response	Demand-side services and resources are part of decentralised solutions and should be supported.	67, 87, 110, 111, 133	
	Sector coupling	Technologies that spur sector coupling or sector integration, particularly at local level, are important.	100, 105, 106, 127, 140	
	Digitalisation	Digitalisation of the energy sector should be supported.	40, 100, 128	
	Clean mobility	E-mobility, or "clean mobility" more broadly, is an area which the Bank should prioritise - one also singling out ultra-fast chargers (55).	12, 55, 65, 67, 71, 133, 148	
	Hydrogen and P2X	Hydrogen technologies (across the whole supply chain) and power-to-X technologies need to be developed. Hydrogen could be a valid decarbonisation option for hard-to-decarbonise sectors (e.g. industrial heat)	55, 65, 67, 71, 73, 88, 98, 100, 106, 114, 117, 118, 120, 127, 131, 133, 148	The whole portfolio of low-carbon technologies contributing to the energy transformation is eligible for EIB financing. See answers to questions 2, 3 and 8.
	District heating and CHP	Many technologies and solutions are available for district heating: renewable heat, high-efficiency heat generation, renewable CHP, waste heat recovery and use, heat pumps, geothermal, solar and hybrid heat generation, decentralised low-temperature heat sources, small-scale/micro-CHP. In some cases, support for renewable energy CHP has been made conditional upon the use of local fuel.	10, 95, 125, 48, 66, 98, 105, 120, 136	

	Topic	Summary of comments	Contributions	EIB / review panel response
	CCS and CCU	CCS and CCU should be supported.	12, 40, 71, 114, 117, 133, 148	(see response on previous page)
	Green gases	There is a need to foster the development and production of gases from biogenic sources, including the local dimension of some of the technologies in this field.	54, 65, 96, 98, 106, 117, 120, 140	
	Green chemicals	"Green chemicals", including algae-based fuels or other biofuels, should be supported.	19	
	Wind	Wind should be supported subject to the application of best practices and technologies, including for offshore projects.	1, 128	
	Enabling infrastructure	The EIB should support the enabling infrastructure needed for the deployment of new models and technologies (e.g. prosumers, hydrogen, alternative transport).	13, 88	EIB financing of electricity grids is described in the ELP, Chapter 4 and in Annex IV.
	Grid	Innovative grid management technologies (from R&D to commercial roll-out) are important.	13, 54, 71, 87	
	Off grid	Off-grid solutions, including solar kits, need to be supported, subject to the projects being cost-effective compared to grid connections.	2, 42, 55, 64	
	Non-interconnected	Interconnecting isolated or remote areas to enable quick wins in decentralised resources.	4	
	System efficiency	System efficiency refers to energy efficiency, in a wide sense, taking a system perspective.	18, 137	
	Battery recycling	Battery recycling and disposal need to be considered.	124	The Bank takes note of this point.
10.5	New energy business models and new financing approaches			
	Prosumers	Prosumers should be supported (electricity produced and consumed should be valued at different prices).	3, 35, 47, 145	The Bank takes note of the wide range of new business models in the energy sectors mentioned in the contributions to the consultation. The ELP sets out the Bank's high additional value in supporting new market-based investments, in
	Electrolysers	New business models for electrolysers (and power-to-X more broadly).	67, 101	
	Consortia	Consortia of small storage product companies.	85	

	Topic	Summary of comments	Contributions	EIB / review panel response
	Aggregation	More aggregation in general.	121	<p>particular in new technologies, including for the financial aggregation of small EE or RE projects, demand response aggregators, energy communities, storage (Chapter 4, Paragraphs 36-40).</p> <p>As highlighted in Chapter 4, Paragraph 39, the capacity of the Bank to support new business models needs to be consistent with credit risk principles and depends on sources of risk capital, notably under InvestEU.</p>
	Energy communities	Collective self-consumption, cooperatives, crowdfunding and community energy, virtual power plants, smart building packages, solar energy as a service.	89, 147	
		New organisational models, including innovation hubs, spin-offs, universities and companies focusing on R&D.	92	
	Co-ownership	Co-ownership of infrastructure (thus a new type of contractual counterpart).	110	
	Portfolio assessment	Do not assess project-by-project; take a global, strategic, long-term perspective instead.	70, 121	
	Circular economy	Finance all stages in the development process for “sustainable by design”/“circular economy” business models.	54, 72, 124	
	TA	Provide TA to develop new business models and pricing strategies.	125, 134	
10.6	Financial products and instruments that the EIB should offer			
	Portfolio is adequate	The EIB's existing portfolio is already adequate.	42, 51, 98	The EIB takes note of this point.
	Longer tenor	Provide longer tenors - extend the economic life of assets (or review the relation between economic life and loan tenor).	4, 51	See point 3.2 above.
	Ticket size	The EIB should lower the minimum ticket size of direct lending operations.	35	The EIB finances operations directly. For operations below certain thresholds, financing is provided through financial intermediaries.
	Bureaucracy	Reduce administrative overheads and bureaucracy.	87	The EIB takes note of this point.
	Eligible costs	<p>The EIB should review the definition of eligible cost:</p> <ul style="list-style-type: none"> - should also finance working capital. - should finance OPEX - as opposed to CAPEX only – on the grounds that (a) new business models/solutions are OPEX-based (e.g. energy as a service, including O&M); 	72, 100, 105, 110	The Bank finances investment projects comprising all additional elements of a permanent nature. This can include working capital for instance for SMEs. Please note, however, that in general the Bank is required to support the creation of new infrastructure.

	Topic	Summary of comments	Contributions	EIB / review panel response
		and that (b) service-based business models are becoming more common.		
	Blending	Better coordination among instruments can provide simple and coherent blending activity with the MFF.	65	The EIB takes note of this suggestion, but this goes beyond the scope of this ELP.
	Funds	Synergies between different funds can be improved (Connecting Europe Facility, Horizon Europe, Innovation Fund, etc.), notably by simplifying and streamlining application procedures.	101	The EC is in charge of defining the design of funds/facilities and instruments benefiting from EU funds and their related procedures. The Bank seeks to improve coordination and streamline application procedures where possible.
	Risks	The EIB should: - provide guarantees, risk-sharing facilities, pre-financing tools; - take on more risk (i.e. over and beyond commercial banks); - help de-risk innovative technologies/models with quasi-equity or equity.	4, 131, 5, 13, 67, 125, 128	The Bank proposes a variety of products/instruments to meet the needs of different types of customers, in line with its own risk-taking capacity and mandates.
	Citizens	The EIB should improve direct access to financing for citizens and (local) communities.	68, 94	This point is noted. The ELP sets out the Bank's objective to support energy communities.
	Intermediated financing	The EIB should focus on direct lending for large operations only, using intermediaries (utilities) for the rest.	55, 75, 89, 94, 148	These points describe activity today. However, the Bank will work with customers to find the best solutions to their financing needs.
	Specific products	The EIB should develop more tailor-made approaches and instruments for certain areas.	1, 6, 12, 34, 40, 46, 65, 68, 71, 90, 100, 118	
	One-size-fits-all approach	Avoid locking into a "one-size-fits-all" approach because needs and circumstances are specific.	105	
	Programmes	Targeted finance programmes, in particular for small-scale or micro-CHP (e.g. to develop pools of capital to provide finance for innovative applications).	105	The EIB takes note of this suggestion.
	Tailor-made solutions	Tailor-made solutions for storage (from technical assistance to financial products). Each storage project is	52, 124	Noted. In general, the Bank has different products and services available to help storage projects.

	Topic	Summary of comments	Contributions	EIB / review panel response
		likely to be very different from the others, and this needs to be accounted for to maximise effectiveness.		
	Local intermediaries	The EIB should work with local intermediaries more closely in order to understand specific local conditions.	125	The EIB takes note of this suggestion, but this goes beyond the scope of the ELP.
	New financing schemes	Innovative private financing schemes (energy performance contracting, crowdfunding, etc.)	67, 121	Under the ELP, the Bank will continue to support innovative private financing schemes where this provides scale and replicability in the market.
		One contribution underlined the distortion of using EURIBOR as a floor in project finance (which leads to constraints on the borrower from hedging obligations).	73	This point goes beyond the scope of this ELP.

Q11: The Bank has developed a number of products – both financial and advisory – aimed at supporting innovative energy projects. Do you have a view on these instruments? Can the Bank improve or better target the financing needs of the energy demonstration sector?

	Topic	Summary of comments	Contributions	EIB/review panel response
11.1	Type of support of lending to innovative projects			
	Products	EIB financial products supporting innovative energy projects are generally known and recognised.	2, 5, 52, 54, 55, 65, 71, 76, 83, 87, 90, 101, 102, 121, 124, 125, 126, 148	The EIB offers a wide range of financial instruments that can cover all financing needs. For innovation, the Bank is seeking to develop new products in accordance with its overall mandate and in particular under InvestEU.
	Advisory	There is overall less experience with the EIB’s advisory products.	52, 124, 126	
	Risk	EIB lending activity should pursue a different risk profile to commercial banks.	5	
	De-risk	Instruments should be designed to de-risk investments.	52	
	Equity and blending	Innovative energy projects can be financed by a combination of lending with equity or lending combined with advisory.	55, 71, 101, 126	
11.2	Types of innovation			
	Proven concepts	The EIB should promote the demonstration and commercialisation of proven concepts, rather than supporting innovation in new solutions.	2, 5, 40, 42, 55, 65, 70, 83, 100, 101, 106, 110, 115, 118, 124, 125, 126	The EIB recognises that it adds value in supporting innovation at the RDI stage as well as at the demonstration and the pilot stages, and for the development of new production lines of innovative technologies (Chapter 4, Paragraphs 30-35). The support of new business models is also a priority (Chapter 4, Paragraphs 36-40).
	Business models	Supporting demonstration and commercialisation should not focus only on technology but also on developing and testing new business models.		
	Difficult sectors	Financing instrument should be developed for sectors that are recognised as being more difficult to decarbonise.	47, 54, 55, 58, 65, 90, 124, 125	

	Topic	Summary of comments	Contributions	EIB/review panel response
11.3	Technologies			
	Technological neutrality	The EIB should be technology-neutral.	12, 40, 52, 55, 67, 71, 73, 76, 80, 86, 87, 88, 90, 95, 100, 101, 107, 111, 112, 118, 120, 124, 126, 128, 129, 136, 146	The EIB is willing and able to finance these technologies when a robust bankable case can be made.
	Technology-specific	The EIB should support certain technologies, including power-to-gas (P2G), CCS, power grids, SMR, floating wind, PV, pyrogasification, infrastructure projects, hydrogen, etc.		
	Avoid dead ends	Not all innovative technologies provide a pathway to decarbonisation.	79, 141, 147	The ELP clarifies the scope of the EIB's operations to support innovative projects aligned with the SET Plan and in particular the underlying implementation plans (Chapter 4, Paragraph 31).
	CCS, nuclear, low-carbon fuels	CCS, nuclear energy and low-carbon fuels are less promising technologies.	18, 19, 34, 35, 55, 56, 59, 79, 141, 144, 147	
	Long term	The EIB should avoid supporting technologies that are only short-lived.		
	Value chains	The EIB should develop European value chains as well as building capacity and recognise Strategic Value Chains (SVC).	65	The EIB recognises the importance of developing value chains for certain technologies in Europe. See answer to point 8.2 above.
	Gender	More attention needs to be paid to the importance of promoting women's participation in the green labour market and in renewable energy RDI and production.	11	The EIB Group Strategy on Gender Equality and Women's Economic Empowerment is available here . It has a three-pronged approach. One of the areas of intervention is "Invest" – aiming to identify targeted opportunities to invest in women's economic empowerment that increase women's access to employment and support female entrepreneurship across sectors.

	Topic	Summary of comments	Contributions	EIB/review panel response
11.4	Smaller projects			
	EUR 25 million threshold	The most innovative and demonstration projects are quite small and thus fall below the EIB's lower threshold for financing of EUR 25 million.	12, 67, 68, 71, 87, 90, 137, 148	The Bank supports smaller projects through intermediated operations (i.e. commercial banks) or through direct support to aggregators (Chapter 4, Paragraph 36.
	Framework	The EIB should support investment programmes/frameworks allowing promoters to replicate successful demonstrations.	40, 83	
	Community-owned innovation	Community-owned innovation projects should be supported.	68	
11.5	Better coordination and streamlining			
	Coordination	Different instruments should be better coordinated, whether they are provided by the EIB or the European Commission.	47, 55, 73, 88, 90, 102, 111, 124, 128,	The Bank takes note of this point and continuously seeks ways to improve the synergies between instruments. The Bank will continue to work closely with the Commission to improve the design of new funds and new products to support innovation.
	Development stages	Different instruments should better target different stages in the development process.	101, 124 126	The EIB Group can provide financing through different instruments (senior loans, mezzanine and junior loans, guarantees, direct and indirect equity, intermediated loans, etc.) to match the needs of different customers.
	Communication	Communication on financing opportunities and conditions could be improved.	73	The EIB takes note of this comment.
	Complexity	The EIB's appraisal process is complicated and timelines are considered long.	55, 75, 94, 95, 124, 128	The Bank follows EU legislation in terms of environmental and social due diligence or procurement, to ensure the highest standards.
	Reporting	Specific instruments add more complications in the form of additional reporting and screening.		As a public Bank, reporting obligations are important for the EIB. The nature and degree of these obligations can differ for programmes supported directly by the EU budget. The Bank will continue to look for ways to make these obligations as pragmatic and efficient as possible.

Q12: Some renewable technologies or applications remain relatively expensive. Should the Bank continue to finance such projects, even in the absence of an innovative component?

	Topic	Summary of comments	Contributions	EIB/review panel response
12.1	Support to expensive technologies			
	Decarbonise, even at higher costs	Given the necessity to decarbonise, all renewable or low-carbon projects should be eligible for financing even at higher costs.	35, 40, 54, 65, 81, 84, 87, 96, 101, 107, 117	All low-carbon technologies are eligible for Bank financing. The ELP defines the Bank’s approach for renewable technologies at an early stage of deployment in Chapter 4, Paragraph 24 and in Annex II. The Bank will continue to focus its support on the early deployment of these technologies with a view to increasing industrial learning and promoting future cost reductions.
	Early deployment technologies	Technologies, for which a learning curve leading to significant cost reductions through market size or scale-up can be demonstrated, should be promoted	3, 6, 14, 42, 48, 55, 62, 68, 70, 73, 75, 87, 89, 90, 97, 103, 121, 131	
	Don’t spend on expensive technologies	The EIB should not commit resources to expensive trials where commercialisation is still far ahead.	3, 75	
	Technological neutrality	The EIB should remain technology-neutral and apply the same criteria to all loan applicants and technologies. However, the EIB could provide more clarity on these criteria, especially regarding different renewable energy sources.	12, 48, 96, 104, 148	
	Commercial arrangements	Cost reduction can also be the result of commercial arrangements.	3, 33, 42, 73, 141	
	Financial stability	Clear signals and a stable financial framework are needed for the manufacturing industry to make the necessary mass production investments.	107	
12.2	Economic assessment			
	EIB’s economic assessment	The EIB’s economic test, including positive and negative externalities, is seen as a robust and reliable measure for mature technologies.	2, 3, 6, 13, 42, 52, 54, 55, 62, 67, 69, 71, 72, 73, 75, 82, 97, 98, 100, 102, 103, 104, 115,	The Bank’s economic approach towards power generation and heat production is set out in Annex II. In general, this takes into account relevant GHG externalities and other environmental externalities, as well as the local power system baseline. In addition, in the case of variable

	Topic	Summary of comments	Contributions	EIB/review panel response
			121, 124, 126, 127, 131, 133, 137, 148	renewables, adjustments are made for profiling and system adequacy.
	Externalities	All externalities, in particular positive ones, are taken fully into account.	3, 12, 33, 71, 87, 95, 101, 104, 105, 114, 115, 130, 133, 148	As set out in Annex II, a different type of approach is used for technologies which are still at a relatively early stage of deployment.
	Geographic differences	A different benchmark should be used for countries which have less renewables in their energy systems or are further from their decarbonisation targets.	2, 5, 18, 46, 95, 122, 126, 137, 141	See answers to points 3.4 and 3.10.
	Local manufacturing	Similarly, the value of promoting local manufacturing projects reducing energy poverty should be recognised.	97	See answer to point 3.10.
12.3	Specific considerations about renewable technologies			
	Dispatchable technologies	Fully dispatchable renewable technologies like geothermal or bioenergy can provide ancillary services or system benefits in addition to power generation.	95	See answer to point 12.2.
	Particular technologies	A wide range of renewable technologies could be supported and have their own merits, including biomass and biofuels, ocean energy, offshore wind, micro-CHP, gasification from renewable sources, niches of solar photovoltaic energy, and the conversion of fossil-fuel plants to renewable sources.	2, 3, 4, 10, 33, 48, 66, 67, 70, 73, 84, 87, 90, 94, 101, 107, 121, 127, 131, 137,	
	Community-owned projects	Small-scale community-owned projects should be supported.	43	Decentralised energy projects are eligible for EIB financing.
	Environmental concern of some technologies	Particular arguments, mainly on environmental grounds, are made against some technologies: - bioenergy projects without strict sustainability criteria; - deep geothermal; - new hydropower.	3, 62, 141, 147	Annex II sets out the standards required by the Bank in connection with biomass sustainability or geothermal projects. Specific guidelines for the assessment of hydropower plants have been developed (see point 1.15).

Q13: In light of the long-term nature of the network development plans, which types of project should the Bank focus on? In addition to PCIs, should the Bank prioritise newer investment types, for instance in digital technologies?

	Topic	Summary of comments	Contributions	EIB / review panel response
13.1	The Bank should focus on security of supply and efficiency as a general goal to pursue in network investments			
	Climate resilience	The Bank should focus on resilience against climate/weather events (already in project design) and refurbishment.	2	The Bank supports all electricity networks including PCIs. Security of supply remains an important priority for the Bank’s lending activities in general, in line with the objectives of the Energy Union (Chapter 4, Paragraphs 41-48). Regarding gas networks, as set out in Chapter 3, Paragraph 22, until the end of 2021, the Bank will continue to approve gas infrastructure projects already under appraisal on 14 November 2019 and gas infrastructure projects on the 4 th PCI list co-financed with EU budget.
	Security of supply goal	Security of supply could be an independent goal/metric, similar to climate action.	1, 54	
	Reinforcement	Network investments include internal network reinforcements, also nationally-relevant projects.	2, 6, 12, 54, 65, 110, 145, 148	
	Network usage	Use of network capacity needs to be maximised (e.g. through better real-time communication on balancing reserves and activation).	3, 67, 126	
13.2	Access to electricity and network expansion should be priorities for the Bank			
	Off grid	Off-grid electrification investments can be economically viable alternatives to central grids and should be pursued.	2, 4, 94, 131	The Bank promotes off-grid solutions, particularly outside the EU, for access to electricity, in line with SDG 7 (Chapter 4, Paragraphs 35 and 42).
	Backup generators	Network redundancy reduces the incentive for gensets, thus pollution.	2	
13.3	Integration of renewables			
	Renewables connection	Grids can be a tool to tap the RES potential of isolated and remote regions, or to help them decarbonise faster (e.g. by allowing more RES integration).	1, 3, 4, 92	As mentioned in the ELP, Chapter 3, the Bank considers that it can provide high additional value by supporting investments made for the long term. Electricity grids are an example of such long-term investments that will enable the transformation of energy systems, as referred to by the title of Chapter 4 “Enabling infrastructure”.
	RES integration	The Bank should focus on integration of RES.	3, 6, 16, 71, 76, 78, 94, 95, 110, 113, 123, 134, 148	

	Topic	Summary of comments	Contributions	EIB / review panel response
	Decarbonisation potential	The Bank should support technologies that have a great potential for decarbonisation, in a broad sense/scope.	2, 73, 90	The Bank supports the innovation and early-stage deployment of or investment in technologies contributing to increasing the flexibility of the energy system.
	Renewable integration	The EIB should only finance transmission infrastructure if it helps integrate renewables.	1, 3	
	Power-to-X	Power-to-X (also as long-term energy storage solution) needs to be supported.	3, 52, 140, 148	
	Flexibility	The Bank should focus on technologies/investments that boost network flexibility.	6, 51, 134, 145	
13.4	Gas network			
	Capital-intensive	Gas infrastructure is a capital-intensive area and might require EIB financing.	55, 86, 87, 118	As set out in Chapter 3, Paragraphs 18-24, of the ELP, the Bank will phase out support for energy projects directly dependent on unabated fossil fuels, including infrastructure dedicated to natural gas.
	Gas	Gas networks should be put on an equal footing with electricity.	3, 55, 65, 76, 117	
	Gas market	There remain projects to finalise the internal gas market.	1, 136	
	Gas	The Bank should not support fossil-fuel-related assets (i.e. gas grids, including PCIs), or anything which may lead to locking-in on GHG-emitting assets.	13, 16, 34, 47, 59, 68, 79, 95, 123, 144	
	Gas	The Bank should support gas network investments provided that they deliver cost-effective emission reductions.	1, 90	
13.5	PCIs			
	Interconnections	PCIs and more generally interconnectors should be the focus of the Bank.	4, 7, 15, 42, 47, 54, 65, 94, 96, 97, 103, 113, 130, 136, 148	Electricity PCIs are selected by the EC and are important projects for security of supply and the completion of the internal energy market. The EIB will continue to prioritise these projects.
	PCIs	PCIs should not be supported automatically.	5, 6, 56, 141, 144, 147	As explained in Chapter 3, Paragraph 23, all PCIs will need to meet the Bank’s requirements, including a

	Topic	Summary of comments	Contributions	EIB / review panel response
	PCIs	The EIB should perform its own assessment, independently of the European Networks of Transmission System Operators (ENTSOs)/EC before deciding.	7, 18, 34, 35, 56, 59, 144, 147	positive economic case under the Bank’s carbon cost assumption. The Bank will phase out support to energy infrastructure that is directly dependent on unabated fossil fuels by the end of 2021, including natural gas networks, storage and LNG terminals.
	Paris alignment	PCIs should only be supported if they are aligned with the Paris Agreement.	8, 18, 43, 47, 59, 62, 116, 141, 144	
	Security of supply	Security of supply implications should be assessed and included in the appraisal of PCIs.	1, 40	
13.6	Digitalisation			
	Smart grids	Smart grids should be supported to allow long-term efficiency and to tap into the potential of decentralised resources.	14, 15, 51, 67, 70, 75, 110, 115, 124, 125, 130, 148	Digitalisation and the development of smart infrastructure and smart grids are expected to enable the increasing participation of consumers and decentralised energy sources in energy markets and such projects will be encouraged by the Bank. This is mentioned in Chapter 4, Paragraphs 36-40, and in Annex III.
	Digitalisation	Digitalisation, automation, real-time network monitoring and control, predictive modelling and cybersecurity investments are a priority (potentially also as standalone projects and not just when bundled into "traditional" network investments).	7, 42, 70, 71, 75, 76, 90, 94, 96, 115, 123, 124, 128. 133, 136	
	Digital	Digitalisation should ONLY be supported IF consistent with market trends (state of the art?).	1, 7	
	Digital, no	Digital technologies should not be treated as network investments.	1, 12	
	Digital, no	NO: Digital technologies should not be financed since they usually have access to other instruments.	1, 71	
13.7	Other networks			
	District heating cooling	District heating and cooling networks should also be prioritised.	7, 10, 67, 125, 127	The rehabilitation and extension of existing district heating networks, and the construction of new networks are eligible under certain conditions defined in Chapter 4, Paragraphs 47-48, and in Annex IV of the ELP.
	Renewable heating	Renewable heating and cooling need to be supported.	3, 10, 134	

	Topic	Summary of comments	Contributions	EIB / review panel response
	CO ₂ network	Networks to transport CO ₂ could be mentioned.	2, 80, 136	The EIB takes note of the interest in developing CO ₂ networks.
13.8	Storage			
	Storage	The Bank should support medium (at distribution system operator – DSO – level) or large-scale (at transmission system operator – TSO – level) electricity storage.	4, 9, 52, 54, 67, 75, 76, 124, 126, 148	Battery storage projects are considered as a new type of energy infrastructure that will contribute to increasing energy system flexibility and integrating renewables. Such projects are eligible for Bank support. As set out in Annex III, the Bank considers that batteries are at an early stage of deployment and will assume that the long-term economic case can justify higher initial costs under certain conditions.
	Storage	The EIB should work on reducing the cost of capital of storage applications for grids (which are not regulated).	2, 59, 124	
13.9	Sector integration			
	Sector coupling	Investments/technologies can foster sector coupling/integration.	2, 100, 115	See point 1.10 above.
	Cities	Integrated solutions for cities/areas are needed.	4, 67, 75, 125, 148	The Bank recognises the need to support projects that will contribute to increasing the flexibility of energy demand (including heat, transport and industry).
	Transport	Electrification or “hydrogenation” of transport should be a focus of the Bank’s network activities.	2, 4, 61, 75, 88	
13.10	Methodological considerations			
	Local resilience	Network infrastructure supports local resilient energy system.	2, 105, 124	The Bank takes note of these contributions.
	No regret	The Bank should support no-regret investments, of all kinds.	1, 124	
	Technology-neutral	Technological neutrality is important to let the market decide.	2, 90, 96	Answers on technological neutrality are provided in points 1.6 and 3.1.
	CBA	The Bank should use a CBA based on a lifecycle analysis to screen projects (e.g. by using higher CO ₂ prices in CBAs as screening tool).	1, 96	An answer on lifecycle analysis is provided in point 2.17.

	Topic	Summary of comments	Contributions	EIB / review panel response
	Geographical differences	No one-size-fits-all solution: the Bank should have approaches tailored at the national level, or it will risk discriminating against less-developed regions.	1, 34, 118	As mentioned in points 4.2 and 4.3, the Bank will engage with Member States on the basis of the NECPs to discuss how it can best support investments needed for the energy transformation. The Energy Transition Package will also address specific needs in some countries.
	Exclusion	Additional criteria are needed to identify and exclude “bad” or “dirty” projects effectively.	1, 144	The ELP is phasing out support to energy projects reliant on unabated fossil fuels.

Q14: What is your view on the investment needed in gas infrastructure to meet Europe's long-term climate and energy policy goals, while completing the internal energy market and ensuring security of supply? What approach could strike the right balance to prevent the economic risk of stranded assets?

	Topic	Summary of comments	Contributions	EIB / review panel response
14.1	Stop financing gas infrastructure and fossil fuels			
	Gas is not a transition fuel	Gas is incompatible with the EU's climate goals, i.e. net-zero emissions by 2050.	6, 17, 34, 35, 43, 56, 59, 62, 64, 75, 79, 82, 93, 116, 134	<p>As set out in Chapter 3, Paragraphs 18-24, the Bank will phase out lending to energy projects associated with unabated fossil fuels. This is based on a prioritisation of the long-term investment challenge.</p> <p>To manage this change, the Bank will continue to approve gas projects that were already formally under appraisal as of 14 November 2019 until the end of 2021.</p> <p>Moreover, during this period, the Bank will consider any gas infrastructure project on the fourth list of PCIs co-financed with co-financed from the EU budget to be eligible.</p>
	Past EIB gas lending	The 2013 Energy Lending Criteria did not ensure that the EIB transitioned to clean energy finance (e.g. Trans Adriatic Pipeline – TAP – and Trans Anatolian Pipeline – TANAP).	6, 113, 144, 147	Operations already approved are not part of the public consultation process. However, all gas infrastructure projects were eligible under the 2013 Energy Lending Criteria and all projects financed by the Bank have been assessed with regard to the Bank's standards, including requiring a positive CBA.
	Funding through intermediaries	The EIB should stop financing fossil-fuel investments through intermediaries.	39, 59, 144	As set out in Chapter 1, Paragraph 13, the ELP applies to all EIB operations in the energy sector, including when intermediated.
	Funding of companies	Companies with a high share of coal in their power and heat generation portfolios or which plan to develop new	18, 27, 141, 144	See point 2.14 above.

	Topic	Summary of comments	Contributions	EIB / review panel response
	with fossil-fuel activities	coal power capacities should not receive EIB loans. No major oil and gas corporations.		
14.2	Role of a Public Bank			
	No room for public money to support gas infrastructure.	There is no room for public money to support gas infrastructure: gas is incompatible with the Paris Agreement and presents a risk of stranded assets. The Bank has a mandate to provide long-term compatible investments.	34, 59, 43, 62, 64, 68, 79, 116, 134, 137, 144, 147	See the first row of point 14.1 above.
	Do not slow down the transition.	The role of the EIB should be to accelerate and deepen the energy transition, not to slow it down by continued investments in gas infrastructure with long-term lock-in effects.	34, 59, 62, 64, 68, 79, 116, 134, 137, 144, 147	
	Signalling effect	EIB lending policy has a strong signal-setting effect for other banks and financiers, and would reinforce the reputation of the Bank.	59, 68	
	Don't finance detrimental projects	The EIB should focus only on sustainable projects that are not detrimental to the Paris Agreement.	18, 59, 62, 64, 68, 79, 116, 134, 137, 144, 147	
	Finance RE and EE instead of gas	The EIB should avoid investments in unabated fossil fuels that are a source of GHG emissions and are not Paris-aligned. Instead, the EIB should focus on energy efficiency and RES (and maybe CCS).	8, 16, 17, 18, 34, 35, 38, 47, 49, 56, 59, 62, 64, 68, 79, 80, 82, 92, 93, 95, 103, 108, 113, 116, 122, 123, 125, 129, 133, 134, 137, 141, 144, 145, 147	Renewable energy and energy efficiency projects are eligible under the Energy Lending Policy and represent the vast majority of EIB lending in the energy sector.

	Topic	Summary of comments	Contributions	EIB / review panel response
14.3	Issues with new gas infrastructure			
	Lock-in of emissions	Fossil-fuel infrastructure, including PCIs, locks in gas consumption over the long term and is not compatible with fast decarbonisation. The physical lifetime of these investments exceeds the deadline by which the world needs to reach net-zero emissions.	8, 16, 17, 18, 34, 35, 38, 43, 47, 49, 56, 59, 62, 64, 68, 79, 82, 92, 93, 95, 103, 108, 113, 116, 122, 123, 125, 129, 133, 134, 137, 141, 144, 145, 147.	See answers to points 14.1 and 14.2 and Chapter 3, Paragraphs 18-24, of the ELP. As set out in Annexes III and IV, CCS and the production of low-carbon gases are eligible for EIB support.
	Security of supply not a justification	Security of supply should not be used as an excuse to lock in the use of fossil fuels.	17, 59, 62, 141, 147	
	Low-carbon gas and CCS not a justification	The future availability of CCS or renewable gases is not sufficient to justify more investments in fossil-fuel assets. Low-carbon gases will realistically only play a minor role, which is exaggerated by the gas industry. CCS is not a viable alternative.	18, 34, 35, 56, 59, 79, 141, 144, 147	
	Stranded asset risk	Gas projects risk becoming stranded assets.	17, 34, 56, 59, 62, 79, 113, 137, 141	
	Existing gas infrastructure is sufficient	Existing gas infrastructure is sufficient to meet demand and ensure SoS. The EC's long-term vision scenarios show a significantly reduced role for gases of all types compared to current levels. There is no convincing analysis indicating the volumes of gas that will be needed to ensure system adequacy.	34, 82, 116, 134, 144, 147	

	Topic	Summary of comments	Contributions	EIB / review panel response
14.4	Methods to assess new gas infrastructure and PCIs			
	Paris alignment	The EIB needs to test Paris alignment before supporting projects.	47, 144	See point 1.2 above.
	NDCs not Paris-aligned	Alignment with NDCs is not equivalent to alignment with Paris targets.	17, 137	The EIB takes note of this point. See point 16.1.
	EIB economic appraisal	Despite referring to shadow carbon pricing, the EIB's economic appraisal of fossil-fuel projects (mainly gas projects) currently shows weaknesses (e.g. the TAP case): an economic lifetime of only 15 years whereas the technical lifetime is at least 50-60 years.	144, 147	See the first row of point 14.1 above. Please note Annex V presents updated EIB carbon pricing. In general, this range of costs will be applied to appraise EIB energy projects.
	Strengthen EPS and exclude gas boilers	Downstream gas investments should be discouraged through a strengthened EPS and the exclusion of gas-fired boilers for heating.	18, 47, 59, 62, 64, 79, 82, 92, 130, 132, 133, 137, 141, 144, 147	
	CBA and CO ₂ price	The EIB should do a CBA, using the CO ₂ price needed for the 2050 goals, to strike the right balance for the role of gas.	133	
	EIB trade-offs	The EIB approach towards natural gas is not sufficiently clear/robust, in particular with regard to how it trades off energy prices and security of supply against climate impacts.		
	Do not rely on ENTSO-G analysis	PCI projects are not clearly justified and should be scrutinised through the Bank's own analysis, not relying on EC or ENTSO-G.	18, 34, 47, 56, 144, 147	This point is noted in the context of appraising gas operations prior to the deadline of end-2020.
14.5	Limitations and conditions on support to gas infrastructure			
	Conditions	The EIB should only finance natural gas in exceptional cases and if it does not replace less carbon-intensive fuels. Gas investments should only be justified by security of supply if it is demonstrated that there is no zero-	33, 40, 54, 55, 65, 69, 74, 76, 81, 82, 86, 87, 90, 96, 98, 100, 103, 105, 106, 108, 110,	See the first row of point 14.1 above.

	Topic	Summary of comments	Contributions	EIB / review panel response
		emissions alternative, and the project does not increase fossil-fuel demand over the lifetime of the project.	112, 114, 115, 118, 120, 127, 128, 136, 137, 140, 148	(see response on previous page)
	CCS only	Electricity generation from gas should only be possible for plants with CCS.		
	Market appetite	Open seasons as market test, ensuring the most efficient size of the infrastructure. Only under the necessary condition that there is strong market appetite.	75	
	Single gas market and interconnectors	Adding a few missing links would complete the European gas market, allowing all countries to benefit from a more diversified and secure energy supply basis.	55, 65, 69, 96, 112, 135, 136	As set out in Chapter 3, Paragraph 23, the Bank acknowledges the role that fossil fuels will continue to play up to 2030 in general, and the need to complete the internal gas market in particular. However, the ELP focuses the Bank's support on the long-term dimension of the transition towards low-carbon gases.
	CCS	CCS can play a pivotal role in ensuring that gas infrastructure is environmentally and economically viable.	55, 80, 107, 112, 117, 136, 148	As set out in Annex III, CCS projects are eligible for Bank support.
14.6	Don't stop financing gas infrastructure (14.6 general and following)			
	Gas infrastructure must be eligible	<p>The EIB should ensure that energy projects are not only compatible with long-term climate targets, but also with EU energy policy and other EU environmental policies (such as air quality, the circular economy and the bio-economy).</p> <p>The EIB plays a key role in providing financial resources that enable the implementation of key investments in the gas sector.</p>	54, 55, 65, 67, 69, 71, 73, 74, 76, 80, 90, 96, 101, 106, 114, 117, 118, 135, 136, 140	<p>See points 14.1 to 14.5 above.</p> <p>As set out in Annex II, high-efficiency gas-fired combined heat and power production will be eligible for support by the Bank. In addition, the Bank will continue to support efficient gas boilers included in building renovation programmes. In both cases, the Bank considers that these investments support the energy transition path.</p> <p>For power plants progressively increasing the share of low-carbon gases, the emission standard of 250</p>

	Topic	Summary of comments	Contributions	EIB / review panel response
				gCO ₂ per kWh can be met on average over the economic lifetime of the plant (Annex II, Section 3, first row).
	Gas is compatible with climate change	Natural gas will continue to play an important role in the energy transition and the European energy mix and makes the effort less expensive and disruptive.	2, 7, 55, 65, 71, 73, 74, 80, 86, 87, 90, 92, 96, 98, 105,	See answers to questions 1 and 4.
	Gas networks	Gas infrastructure projects contribute to reducing greenhouse gas emissions, improving air quality and supporting the development of renewable energy sources. Access to efficient gas networks lowers the carbon footprint of hard-to-decarbonise sectors. Energy-intensive industry may still need gas as feedstock.	106, 107, 112, 115, 117, 118, 136, 148	
	Coal-to-gas shift	With high carbon prices, gas-fired generation will replace other conventional technologies (coal). The EIB should prioritise the shift to efficient gas-fired generation.	74, 114	See points 14.1 to 14.5 above.
	Cleaner than other fuels	Gas should be supported if it replaces more polluting generation and heating systems. It helps to make the energy transition away from wood, coal and oil linked energy sources.	15, 65, 69, 74, 77, 86, 87, 96, 98, 105, 106, 112, 114, 115, 117, 118, 128, 135	
	Air pollution	Gas investments should be considered if they reduce CO ₂ emissions and other air pollution resulting from burning high-emission and low-quality fuels.	96, 106, 136	See points 14.1 to 14.5 above.
	Gas for power generation	Gas infrastructure will still be used with low-carbon gas. Gas provides greater reliability and competitiveness. Gas projects contribute to the flexibility and reliability of the national electricity system and reduce the specific carbon content of electricity generation.	12, 40, 65, 67, 69, 76, 77, 86, 96, 106, 112, 114, 117, 118, 128, 135, 136, 140	See points 14.1 to 14.5 above.

	Topic	Summary of comments	Contributions	EIB / review panel response
	Affordability	The role of gas is key in ensuring affordability for all consumers within the framework of the energy transition. It is important to take into account affordability and security of supply, and not only sustainability.	69, 96, 106, 114, 140	See answers to question 1 and to question 4.
	Sector coupling	Gas infrastructure is needed for sector coupling. RES needs flexible gas generation for balancing. Natural gas is an ideal complement to RES (e.g. highly flexible and efficient gas engines).	54, 69, 96, 100, 106, 110, 112, 118, 140, 148	
	Gas capacity still needed	Although, gas demand in the EU is expected to decrease in the long term, capacity demand may remain at the same level or even increase.	74	
	Efficiency	Make the existing gas infrastructure more energy-efficient, secure and high-performance through investments, for instance, in reducing methane emissions, refurbishment, digitalisation and cybersecurity.	65	
14.7	Gas security and European gas market			
	Security of supply	Gas infrastructure (incl. storage) as well as gas production facilities contribute to safeguarding the security of supply in Europe.	33, 37, 76, 86, 87, 92, 105, 135	See response concerning interconnectors under point 14.5.
	LNG terminals	LNG terminals make the EU less dependent on pipeline gas imports from neighbouring countries, which increases gas security.	76	
	Gas capacity needed	Gas power plants and gas infrastructure are important for the security of supply, especially PCI projects and projects that aim to bring benefits for the consumers (with market integration, price convergence, competition, renewables integration, security of supply and liquidity).	76, 86, 92, 105, 135	

	Topic	Summary of comments	Contributions	EIB / review panel response
14.8	Technological neutrality			
	Picking winners	The EIB should avoid picking winners and should allow new low-cost options. Efficiency and decarbonisation should be prioritised over electrification in the short term.	12, 55, 65, 73, 76, 90, 94, 96, 101, 105, 106, 112, 117, 118, 136, 140	See answers to question 1.
	Gas vs electricity	It is possible to take advantage of the gas infrastructure already built in order avoid unnecessary costs for consumers arising from the construction of new electricity infrastructure.	101, 106	
	Storage and flexible gas power	A combination of energy storage and flexible gas generation is the most effective and economical solution.	76, 136	
	Gas vs electricity	Transmission of energy in the form of natural gas is quicker, more efficient and cost-competitive than full electrification. Full decarbonisation of power is not viable/feasible. Battery storage is not feasible. Energy transformation requires flexibility in terms of transitional fuels and technologies.	65, 112, 118, 136, 140	
	Different pathways possible	The EIB should include the various pathways where renewable and decarbonised gases can fuel the heat, power, industry and land/marine transport sectors.	96	
14.9	Gas distribution			
	Consumer choice	The EIB should consider the importance of gas distribution grids in terms of both industrial and domestic consumer choice as well as energy costs.	70, 105, 114, 118, 148	See points 14.1 to 14.5 above. The Bank’s approach towards gas infrastructure applies to distribution networks.
	High-quality heat	Gas contributes to high-quality heat supply.	114	
	Reduction of leakages	The EIB can have a role in addressing the fugitive emissions associated with hydrocarbon production, transport, and storage.	82, 90, 96, 106, 107	Gas leakage mainly takes place at the distribution level. The Bank’s approach towards gas infrastructure applies to distribution networks.

14.10	Financing considerations			
	Financing tenors	Reducing financing tenors can have an undesirable impact on the investment framework.	65, 96, 106, 140	For eligible projects, the EIB will maintain current project maturities in line with the underlying economic life of the technology.
	No risk of stranded asset	Gas infrastructure will continue to be used to provide flexibility, ensure security of supply and integrate low-carbon gases and therefore does not risk becoming a stranded asset. Optimisation of assets is ensured in ENTSO-G's ten-year network development plan (TYNDP). Even gas infrastructure with a low utilisation rate might have an economic return and provide social benefits for the consumers.	54, 65, 81, 96, 136, 140,	See points 14.1 to 14.5 above.
14.11	Geographical focus for gas			
	Gas in MS	Meeting the long-term climate objectives may vary across the EU countries depending on local circumstances. Gas is a sustainable and affordable energy source.	12, 55, 69, 71, 96, 101, 106, 118, 134	See answers to questions 1 and 2.
	Gas in MS	Natural gas is a cost-effective climate mitigation option in some MS with high carbon intensity (Central/Eastern EU).	12, 69, 96	
	Gas in MS	Gas markets are well developed in North-West Europe. This situation should be extended to other parts of Europe in order to reach a comparable level of liquidity, diversification, competition and price convergence.	69	
	Gas in MS	Gas can reduce air pollution in MS using high-emission and low-quality fuels, especially in the winter period.	12, 69, 96	
	Gas in MS	In Poland, the EIB can play a special role helping the country to "leapfrog" to the most innovative and clean solutions.	134	
	Gas outside EU	Access to gas in developing markets should be supported if it is cost-competitive and consistent with the Paris Agreement.	2, 15, 82	See answers to questions 4 and 16.

	Gas outside EU	Gas outside the EU is preventing deforestation (i.e. use of wood for cooking).	2	(see response on previous page)
	Gas outside EU	In Serbia, the EIB should focus on developing internal gas infrastructure and interconnecting infrastructure between neighbouring countries.	15	
14.12	Low-carbon gas (biogas, H ₂ , power-to-X): arguments in favour			
	Low-carbon gas	Low-carbon gas, including renewable methane and hydrogen, can help achieve a net-zero-emission energy system in the European Union.	33, 54, 65, 67, 69, 71, 76, 80, 90, 96, 98, 117, 135, 136	As set out in Annex II, projects for the production of low-carbon gases are eligible for Bank support, alongside their connection to gas networks. In addition, the Bank is able to support gas networks projects that are planned to transport low-carbon gases (Chapter 4, Paragraph 46). Low-carbon gases, including bio-methane and green hydrogen will play an increasing role in decarbonising the energy sector. The Bank will monitor closely – and indeed seek actively to support – developments in these low-carbon technologies.
	Hydrogen (blue)	Blue hydrogen with CCS can help accelerate decarbonisation.	48, 65, 67, 69, 73, 74, 80, 86, 87, 88, 90, 96, 98, 101, 105, 107, 112, 114, 115, 117, 118, 145, 148	
	Hydrogen (green)	Green hydrogen can ultimately replace blue hydrogen without the need for extra investment in grid infrastructure.	73	
	Power-to-X	Power-to-X and H ₂ production enable the decarbonisation of several sectors while providing the power system with balancing capabilities.	100, 148	
	Renewable hydrocarbons	Renewable hydrocarbons will contribute to decarbonising the gas grids and to achieving EU energy and climate targets. They are key to providing reliable energy with comparable or better emission levels, efficiency, affordability and reliability.	65	
	Low-carbon gas advantages	Gas plants are capable of operating on renewable or low-carbon fuels.	87	
	Renewable gas vs electricity renewables	Low-carbon gases have a low or neutral impact on total emissions and a positive impact on the circular economy.	101	

		Renewable/low-carbon gases have lower system costs (flexibility and storage) compared to variable renewables.		(see response on previous page)
	Waste management and agricultural benefits	Low-carbon gases have unique positive externalities (e.g. waste management and agricultural benefits; avoided electricity grid reinforcement costs), compared to costs which may otherwise be considered expensive.	101	
	Industries difficult to decarbonise	There is only a small amount of renewable gas available and that should be used by the industries hardest to decarbonise.	62, 126	
	Infrastructure for low-carbon gases	Support is required to repurpose gas networks to accommodate high levels of hydrogen and natural gas blending.	14, 55, 65, 67, 73, 74, 80, 87, 88, 90, 96, 98, 101, 105, 111, 112, 114, 117, 118, 120, 126, 136, 145, 148	See the first row of point 14.12.
	Reverse flows for low-carbon gases	Development of reverse flows from the distribution to the transmission grid will be required in order to maximise biomethane injection/production.	101	
	Electrolysers	Electrolysers can be a competitive solution in some contexts (e.g. significant curtailment of wind). Significant public and private funding will be required to upscale the capacity of electrolysers.	67	
	Synthetic fuels	The EIB should support the infrastructure required for the production of synthetic methane or synthetic methanol, including CCU/CCS.	105	
	European funds	European funds (CEF, EU Regional and Cohesion funds including the European Regional Development Fund) should be fully opened up and utilised to promote green gas projects.	101	These funds are managed by the European Commission and not by the EIB.
	Power to gas	The EIB should focus only on technologies such as power-to-hydrogen or power-to-ammonia (61) and not other power-to-X technologies.	61, 73, 87, 100, 112, 114, 117, 120, 148	As set out in Annex III, the Bank intends to support these projects and innovation in this area.

	Lower risk of stranded assets	Gas infrastructure can be used to transport both hydrogen and biomethane in 2050, mitigating the risk of stranded assets.	12, 55, 65, 67, 70, 71, 73, 74, 76, 77, 86, 96, 98, 107, 114, 135	The EIB takes note of this point.
14.13	Low-carbon gas: arguments against			
	Renewable gases not all cleaner	Not all forms of "renewable" gas are cleaner than fossil-fuel gas. Support for hydrogen or biofuels should be provided only if they do not entail an increase in emissions (e.g. produced with fossil fuels).	43, 56, 59, 75, 79, 131, 137, 141, 147	See the first row of point 14.1. The Bank will apply a consistent framework to assess the economic case for low-carbon gases.
	Potential insufficient	Expected production of clean gas is only a fraction of current gas supplies and will put pressure on animal feedstock supply.	59, 79	The Bank will continue to monitor the development of a regulatory framework for low-carbon gases, including in emission terms.
	Investments required	Low-carbon gases require expensive investment in infrastructure.	131	
	Costs	Production and injection of synthetic methane from hydrogen has a low efficiency and is an expensive solution.	131	
	Gas greenwashing	The EIB should take with caution the emerging narrative of the gas sector on “greening itself” thanks to renewable gas, hydrogen, power-to-X, etc.	141, 147	
	Existing network capacity sufficient	The capacity of existing gas infrastructure is more than sufficient to accommodate low-carbon gases. The EIB should be cautious when considering the repurposing of gas transport infrastructure for lower-carbon gases.	56, 79, 147	
14.14	Gas in transport (CNG and LNG infrastructure for transport, hydrogen)			
	Support gas for transport	The Bank’s Energy Lending Policy must facilitate the development of alternative infrastructure for transport fuels (e.g. hydrogen). Refuelling infrastructure should be a focus of EIB investment.	77, 88, 96, 106, 114, 117, 128	The ELP does not cover mobility projects. Infrastructure dedicated to providing fuel for transportation is covered by the Bank’s transport lending policy.
	Gas in transport	Natural gas and biomethane can reduce emissions in the transport sector, and provide additional benefits in terms of cleaner air, comfort and choice.	114	

	Gas in transport	Gas-driven transport can reduce CO ₂ faster than e-mobility, and heavy-duty vehicles (HDVs)/ships need gas.	96	Under the current policy, alternative transport fuels are supported by the Bank (Chapter 3, Paragraph 20, footnote 7).
	Do not support gas for transport	The benefits of gas in transport are disputable: using natural gas for transport is as bad for the climate as using oil, diesel or conventional marine fuels, given new evidence on lifecycle costs.	18, 34, 56, 61, 79, 147	
	Long-term decarbonisation solutions	Long-term decarbonisation requires a strong shift to electrification in road transport, a shift towards renewable hydrogen/renewable ammonia in shipping (on routes that cannot be electrified) and renewable power-to-liquid fuels in aviation. These technologies may currently be more expensive but offer a clear and realistic pathway to zero-emission transport, when complying with adequate sustainability rules.	61	

Q15: Should the Bank refrain from supporting hydrocarbon production, in addition to exploration? If so, should gas be treated the same as oil? Within and outside the EU?

	Topic	Summary of comments	Contributions	EIB/review panel response
15.1	Stop financing upstream hydrocarbons			
	Fossil fuels are not an option	The EIB should stop financing natural gas. Replacing coal by gas is not an option. Gas is like any other fossil fuel.	2, 6, 8, 9, 14, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 32, 34, 35, 37, 38, 39, 42, 43, 46, 47, 49, 50, 56, 59, 62, 64, 68, 79, 80, 82, 83, 85, 93, 95, 108, 122, 123, 127, 129, 130, 133, 134, 137, 141, 144, 145, 147	As set out in Chapter 3, Paragraphs 18-24, the Bank will phase out support for unabated fossil-fuel energy projects. This includes upstream oil and gas production.
	Lock-in	Security of supply should not be used as an excuse to lock in the use of fossil fuels.	59, 144	
	Focus on EE and RE	The EIB should focus on green energy projects, in particular those related to energy efficiency and renewable energy, including small-scale, community renewable energy projects.	8	
		Minimising the need for negative emissions technologies is more precautionary.	6	

	Topic	Summary of comments	Contributions	EIB/review panel response
	Role of a public bank	As a public bank, the EIB should act in the public interest and do what is needed to protect the climate. The EIB's support could be seen as subsidy for fossil fuels. The public signal (for other banks and financiers) of stopping support for any upstream oil and gas project will be much more important than the added value (if at all) of EIB involvement in such projects. This would reinforce the reputation of the Bank, in line with its mandate to finance long-term investments. Lending for fossil-fuel production creates conflicting support that undermines the Bank's own lending for renewable energies.	16, 59, 62, 134	(see response on previous page)
	Intermediaries	The EIB needs to introduce criteria to guarantee that funds, quasi-equity or R&D projects do not end up being used for fossil energy.	59, 133, 137, 141	As stated in Chapter 1, Paragraph 13, the same eligibility criteria outlined above will apply to intermediated operations, i.e. no fossil-fuel production will be supported.
	Companies	The EIB should stop financing companies which keep using coal or do not prepare a decarbonisation plan. In particular, do not support the major oil and gas corporations.	27, 46, 137	See answers to point 2.14.
	Projects reducing emissions and CCS	Some upstream projects could result in GHG emission reductions. Developments which would, for example, allow the expansion of co-production of biofuels, the expansion of a refinery's hydrogen capacity, the production of additives with a higher biofuel percentage or providing a more suitable basic oxygen blendstock (BOB), could be very consistent with decarbonisation.	31, 33, 64, 87, 88, 96, 107	As set out in Annex II, projects linked with the production of low-carbon gases and CCS are eligible for Bank support.
	Framework for Paris alignment	The IEA SDS is not aligned with the aims of the Paris Agreement. It does not reach the 1.5°C target. The Bank should not rely on this scenario, but use a real decarbonisation scenario.	35, 64, 144	The Bank takes note of this viewpoint, and points out that it does not formally rely on the IEA SDS scenario. See answer to point 1.4.

15.2 Don't stop financing upstream hydrocarbons				
	Import dependence	Indigenous gas production should be preferred, in order to limit import dependency.	65, 74, 118	<p>As set out in Chapter 3, the Bank will focus on meeting the long-term investment challenge associated with 2030 targets.</p> <p>As a consequence, the Bank will no longer support upstream oil or natural gas production.</p> <p>This reflects the prioritisation of the Bank, and not EU energy policy goals, including limiting import dependency.</p>
	EU policy	The EIB's framework should not only ensure that energy projects are compatible with long-term climate targets, but also with EU energy policy.	69	
	Oil investment needed	Significant levels of investment are required to ensure sufficient supplies of oil to meet demand in 2040 and for those sectors where the energy source is hard to replace, such as some industrial processes, maritime transport, aviation and heavy-duty road vehicles.	55, 136	
	Technological neutrality	Technological neutrality is important in targeting climate transition. There is a need for case-by-case analysis, and not the <i>a priori</i> exclusion of fossil fuels. With CCS/CCU, blue and green hydrogen, renewable feedstock and other low-carbon technologies, hydrocarbons can be part of a low-carbon energy mix.	58, 70, 74, 90, 107, 112, 115	
	Lifecycle emissions	The EIB should take into account lifecycle emissions (fuel cell or synthetic methane has lower emissions than battery cars).	67, 96	
	Not viable without fossil fuels	A transition excluding fossil fuels with innovative solutions, an improved environmental performance and more forward-looking R&D will not be viable or will end up preserving the status quo.	37, 55, 58, 67, 114, 115	
	Gas differs from oil	Natural gas (and other gases) can replace heavier-polluting fuels and should remain in the energy mix.	2, 7, 12, 67, 96, 106, 114, 115, 117, 118	

Q16: Where can the Bank most usefully focus its support – either financial or advisory – to meet the Sustainable Development Goals outside the EU and better support the scaling-up of renewables, energy efficiency and electricity grids in a developing country context?

	Topic	Summary of comments	Contributions	EIB/review panel response
16.1	Climate Action			
	EIB Climate action	The EIB should focus its efforts outside the EU more on climate action (CA) and low-carbon transition, by increasing the target CA share for outside the EU from the current 35% and ensuring alignment with the Paris Agreement.	6, 18, 34, 38, 55, 59, 79, 87, 100, 130, 133, 141, 144, 147	The EIB takes note of the view that climate action should be the overarching theme of the Bank's energy activity outside the EU. To a large extent, this is already the case.
	NDCs	The EIB should ensure alignment with NDCs.	112, 124, 136	The Bank intends to support projects that increase the goals of NDCs, which will be updated on a regular basis (every 5 years) as part of the Paris Agreement (Chapter 3, Paragraphs 28-31).
	NDCs	The EIB should not consider alignment with NDCs as equivalent to alignment with Paris targets.	137, 147	
16.2	Access to electricity and off-grid electrification			
	Access to electricity	The EIB should focus on universal access to sustainable electricity, in line with SDG 7.1.	2, 6, 38, 42, 55, 64, 65, 121	Access to energy is a priority area for the Bank's energy activities outside the EU (Chapter 3, Paragraph 29). The Bank sees a need for the provision of sustainable energy through both centralised electricity systems and decentralised systems which are often an immediate and cost-effective means to providing access to clean energy.
	Off-grid electrification	Decentralised off-grid systems, including micro-grids, should be supported by the EIB.	2, 6, 64, 121	
16.3	EE and RE			
	Renewables	The EIB should support further RES including the required network infrastructure.	6, 48, 75, 76, 87, 143	These are indeed the priorities of the Bank outside the EU. In regions with high energy demand growth, new clean energy generation capacities are a priority to reduce carbon emissions from the energy sector.
	EE	The need for EE improvements should be a focal area of the Bank's support.		
	Small-scale RE	The EIB should prioritise small-scale RES.	147	Energy efficiency measures are equally important to reduce existing inefficiencies and slow down demand growth.

	Topic	Summary of comments	Contributions	EIB/review panel response
16.4	Gas infrastructure and fossil fuels			
	Access to gas	Projects that increase access to gas, particularly by allowing the shift from more harmful and polluting fuels, should be supported by the Bank.	2, 65, 76, 90, 96, 106, 112, 117, 136	See point 2.14. The ELP, Chapter 3, Paragraphs 18-22 stipulates that the Bank will phase out support for energy infrastructure associated with unabated fossil fuels by the end of 2021. As mentioned in Chapter 4, Paragraph 3, the criteria apply to all the Bank's operations, both inside and outside the EU.
	Gas infrastructure	Gas supply options could limit the use of coal for baseload and system flexibility.	65, 76, 96	
	Clean gas	Non-EU countries produce and trade clean gaseous fuels.	90	
	Low-carbon fuels	Support for e-fuels and hydrogen.	5, 54, 88	See questions 8 and 15.
	No EPS exception outside Europe	There should be no EPS exception outside the EU.	6, 76, 83, 95, 103, 141	This is addressed in the replies to question 9.
16.5	Support to specific types of projects outside EU			
	Storage	The EIB should support storage investments.	14, 143	Electricity storage projects are eligible for Bank support provided that the technical and economic criteria are met (ELP, Chapter 4, Paragraph 36 and Annex III).
	Nuclear	Nuclear energy has an important role to play.	129	As explained the ELP, Chapter 1, Paragraph 11, the Bank's support for nuclear energy projects was not addressed in the policy review. As set out in the 2013 Energy Lending Criteria, Paragraph 142, the EIB's activities in the field of nuclear energy require a positive opinion from the European Commission in accordance with the EURATOM Treaty, and are <i>de facto</i> excluded outside EU.
	Large-scale projects	Focus on large-scale infrastructure.	112	Outside the EU, the Bank may finance large-scale projects and smaller-scale energy projects, in general via intermediaries.

	Topic	Summary of comments	Contributions	EIB/review panel response
	RE manufacturing	Supporting also other parts of the sustainable energy value chain, the Bank could reach additional development impact and foster local ecosystems.	6, 76	Through various – mostly intermediated – financing instruments, the Bank is supporting EE service providers, roof-top PV installers, off-grid solar home system companies and also equipment and solution providers. However, the Bank adheres to the principles of the EU <i>acquis</i> outside the EU and procurement rules do not permit local content requirements.
16.6	EIB lending volumes outside EU			
	Continue or increase current activity levels	The need for energy projects and climate action impacts can be particularly acute outside the European Union. On that basis, several contributions agreed with the continued current role of EIB outside the EU or asked for a greater focus on lending outside the EU.	40, 70, 75, 83, 97, 100, 110, 148	The EIB recognises the increasing importance of energy consumption and GHG emissions from countries outside the European Union, in particular developing and emerging economies. For this reason, support for a sustainable, low-carbon energy infrastructure trajectory can have a large impact for the achievement of climate goals and for universal energy access (SDG 7). The EIB’s activities outside the EU are to a large extent based on mandates received from the EC and the EU Member States to pursue defined development goals. The EIB does not share the view that its investments are focused on large projects with large environmental and social impacts. In fact, the EIB is supporting various small to medium-scale projects and all projects are vetted against the Bank’s Environmental and Social Standards.
	Reduce EIB financing outside the European Union	Some contributions expressed the view that the Bank should do less energy projects outside of the EU. This was linked to the investments needs inside the EU or to an alleged lack of focus on RE and small-scale projects outside the EU.	12, 147	
16.7	Regional focus			
	Different regional focuses and priorities	The EIB should focus its support on specific regions due to development or climate impacts, the role of European standards, or business potential. The EIB should increase its focus on the following regions/types of countries: - EU Neighbourhood Countries	38, 40, 41, 42, 55, 75, 124, 133, 141, 147, 148	The EIB takes note of the various suggestions for priority regions. Operations are prioritised on the basis of various factors including development impact and the Bank’s mandates.

	Topic	Summary of comments	Contributions	EIB/review panel response
		<ul style="list-style-type: none"> - Western Balkans, with a focus on buildings - least-developed countries; low-income countries - countries with low energy access - island states mostly affected by CC - Latin America - countries that are lagging behind in CA efforts, experiencing strong energy demand growth, or have large EE potential. 		These include support for the EU Neighbourhood and developing countries (Chapter 3, Paragraph 30).
	Regional integration	The EIB should support regional integration projects.	42, 90	The EIB supports regional integration across countries, building on the experience of the EU internal energy market.
16.8	Support to governments and promoters			
	Technical assistance	The EIB should provide TA for policy advice, investment climate and project support. TA and blending activities are needed and play an important role. The EIB should take on a more prominent role to help define and build up proper energy policy in weaker countries, and support the “Paris alignment” process, training for financial institutions, and technology adoption.	55, 67, 82, 100, 112, 121, 137, 143	The Bank recognises the importance of TA and often undertakes TA assignments to support high-quality project development and implementation, as well as compliance with high-quality standards. When developing its TA programmes, the Bank may also consider including relevant policy advice.
	Dissemination of good practices	<p>The EIB’s role should be to disseminate good industry practices in environmental and social matters, technical quality standards and project implementation.</p> <p>In addition, the EIB should play a role to lead efforts to fight climate change and associate with like-minded partners, as well as convincing others to adopt similar standards.</p> <p>The same standards should be applied within and outside of the EU.</p>	54, 75, 83, 87, 92, 110, 121, 141, 145, 147	<p>The EIB is aware of its role to support the development of and compliance with good international standards and practices. These standards are key to the Bank’s operations and lead to collaboration with like-minded partners such as DFIs, project sponsors, other financiers, etc.</p> <p>A special characteristic of the EIB is its strong link with European policies and standards. The Bank ensures that the principles of key European legislation are respected in all its projects (e.g. environmental and social, procurement).</p>

16.9	Specific topics			
	Gender	Important to have a gender-sensitive approach.	11	The Bank takes note of these suggestions.
	United Nations - Economic Commission for Europe (UN ECE)	Suggestion to include a reference to the Energy Union and UN ECE.	41	
	Political risk	The EIB should explore how to provide political risk insurance and credit enhancement for cross-border private sector projects.	112, 117, 124	

Other points

	Topic	Summary of comments	Contributions	EIB/review panel response
	Airports	The EIB should not finance airports because of their negative climate impact. Instead, support for cleaner air transport is needed.	60	See point 14.14. The ELP does not cover mobility projects, which are dealt with in a separate Transport Lending Policy.
	Airports	The carbon footprint of airports should be improved and strengthened.	60	
	Maritime sector	The maritime sector requires support, in particular clean fuels, energy storage and refuelling infrastructure.	88	
	Process	The EIB is too slow and/or bureaucratic.	13, 55, 75, 94	See answers to point 11.5.
	Process	Internal technical due-diligence teams make project approval slower. It's a duplication of the LTA, and increases overall EIB fees.	13	
	Process	The EIB's process is not suitable if a company has to adjust the project's characteristics to the requirements of the EIB.	127	
	Process	Lighter DD is needed for small-scale EE projects with PF structure.	67	
	Risk management	Risk management approach is too conservative/contract clauses are too strict.	13	As mentioned in the ELP, Chapter 1, Paragraph 12, the Bank operates in keeping with its credit risk principles.
	Energy-intensive industries	The EIB should not finance energy-intensive sectors.	3	The ELP does not generally cover the Bank's support for industry.
	EIB policies	Should have lending policies for all sectors.	55, 133	The EIB has separate lending policies for the transport sector and broader social aspects are dealt with in the Environmental and Social Standards of the Bank. The Bank is actively cooperating with other EU institutions and other IFI's.
	EIB policies	Should reinforce gender dimension in its activities.	11	
	EIB policies	Ensure effective cooperation and coordination with EC, other EU institutions and other IFIs.	39, 124, 133	