



**European
Investment
Bank**

The EU bank



EIB update – NER300 sales

5th Annual European Emissions Markets Conference

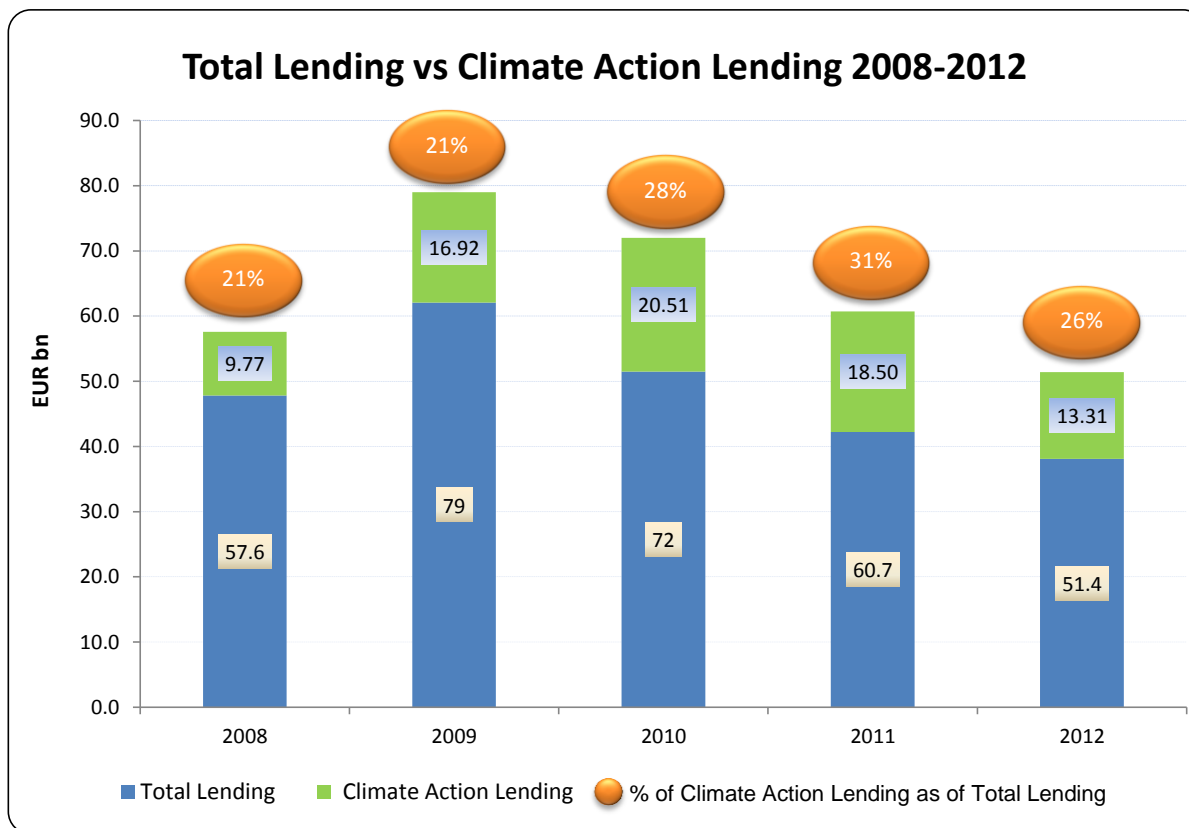
Martin Berg



- ❖ The European Investment Bank is the bank of the European Union
- ❖ Our shareholders are the 28 member of the EU
- ❖ We provide finance and expertise for sound and sustainable investment projects
- ❖ We are the world's largest multilateral lender by volume, with loans totaling EUR 52bn in 2012



- Climate action is a key priority for the EU and between 2008 and 2012 the EIB lent almost EUR 80bn in favour of climate change mitigation and adaptation projects



We lent almost **EUR 80bn** for climate action projects 2008-2012

Finance at work for climate action

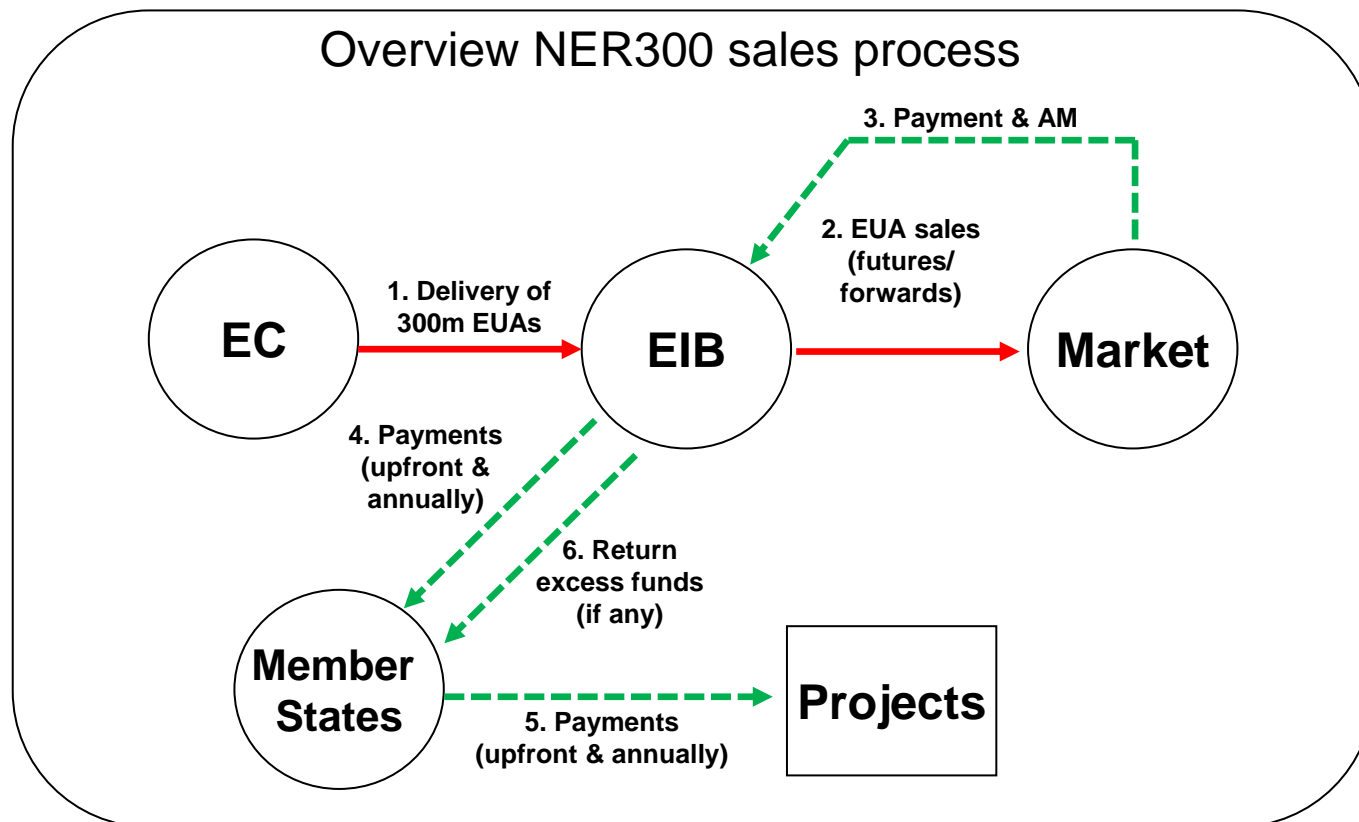


- ❖ We support low-carbon and climate resilient growth in Europe and in the emerging countries outside Europe
- ❖ Our funding acts as a catalyst for mobilising finance for climate action, encouraging others to match our long-term investment
- ❖ We complement our innovative financing instruments with a range of technical assistance tools with the aim of providing rounded solutions for commercially promising climate initiatives

NER300 – overview

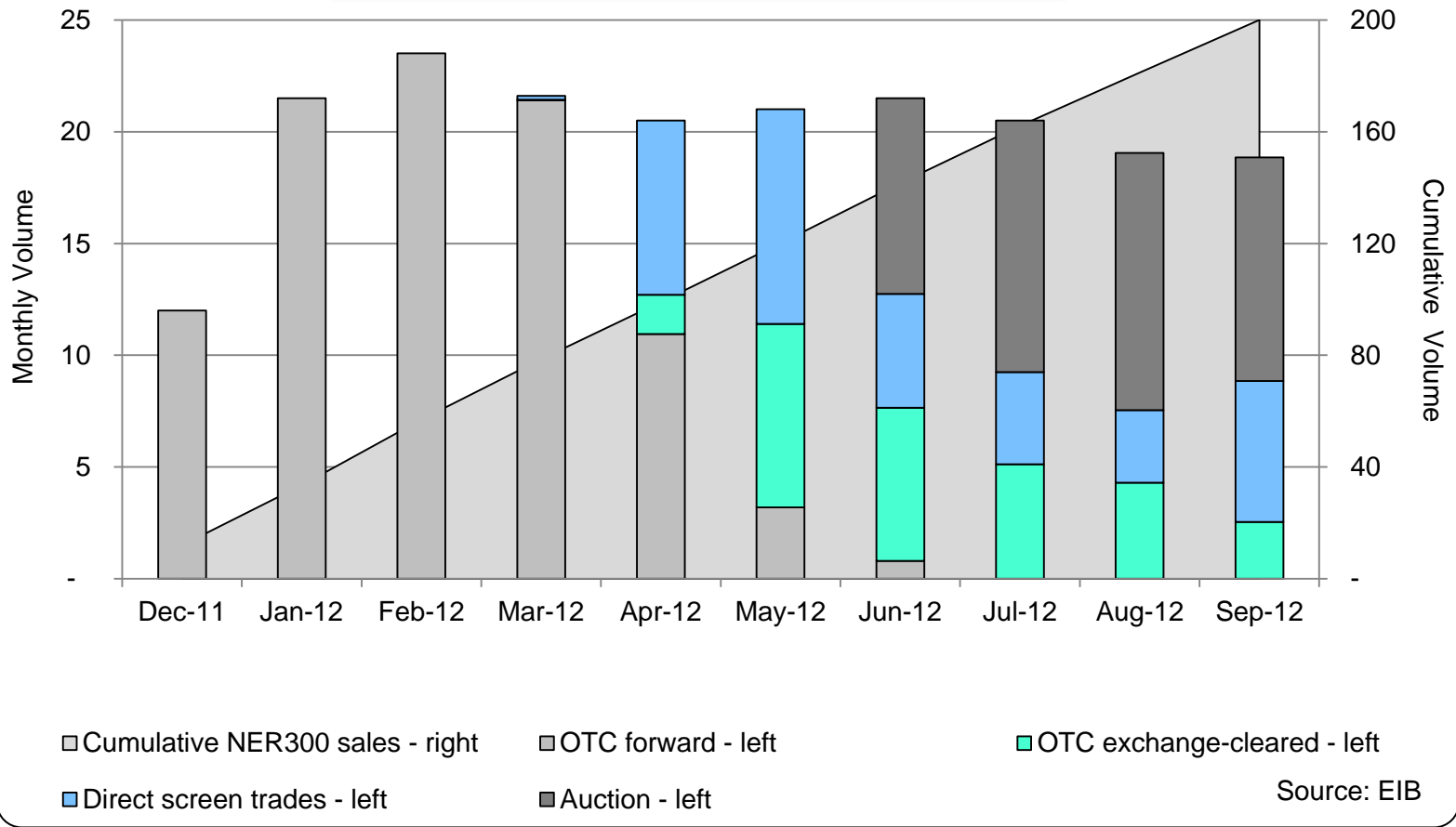


- EIB acts as an agent of the European Commission in the implementation of the NER300 initiative
- EIB roles: appraisal of projects and monetisation of 300 million EUAs
- NER300 sales programme is divided into two phases linked to two separated calls for proposals





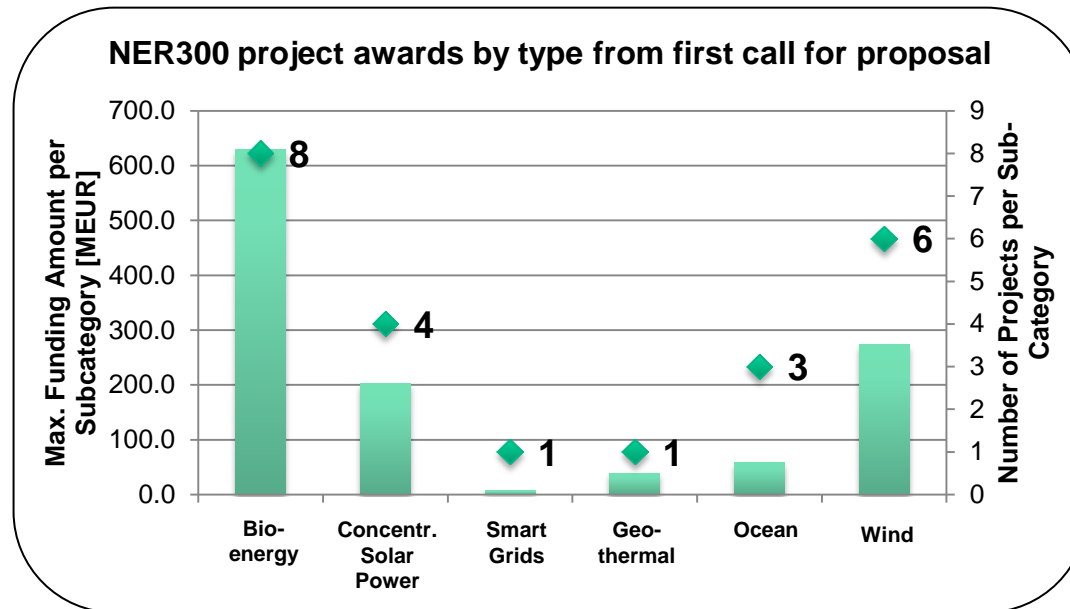
NER300 sales by instrument
(December 2011- September 2012, in million EUAs)



NER300 – first call for proposal



- ❖ EIB appraised on behalf of the European Commission 76 project proposals submitted by Members States
- ❖ EIB raised in excess of EUR 1.5 billion available for projects
- ❖ The European Commission and Member States awarded ~EUR 1.2 billion in December 2012 to 23 renewable energy projects



NER300 - current state of play



- ❖ European Commission announced 2nd call for proposal on 3 April 2013
- ❖ Member States submitted 33 project proposal in response to the call for proposal on 3 July 2013
- ❖ Appraisals are on-going and the European Commission aims to adopt the award decision by mid-2014
- ❖ Awards will be made from funds remaining from the first tranche (nearly EUR 300 million) and additional funds to be raised through the sale of the remaining 100 million EUAs from the second round of sales

NER300 – details of the second round sales (1)

- ❖ Sales of the remaining 100 million EU Allowances will resume from mid-November onwards
- ❖ The timing allows for an alignment of NER300 sales with the second call for project proposals. The sales will have to be completed in advance of the award decision, which the European Commission aims to adopt in mid-2014
- ❖ The sales are envisaged to take place over a five months period with an expected average sales volume of 20 million EU Allowances per month (depending on liquidity)
- ❖ The Bank aims to spread the volume as evenly as possible and exact monthly volumes will depend on available trading days and other factors such as general and seasonal liquidity

NER300 – details of the second round sales (2)

- All remaining 100 million EU Allowances will be sold as futures
- Sales will be conducted on ICE Futures Europe and the European Energy Exchange, which were selected through a call for proposal in 2011
- No dedicated NER300 auctions are anticipated on either exchange
- EIB will publish monthly reports on its sales activities on its dedicated website. The first report is expected for 11 December 2013 covering November sale



Further resources

- For more information on the NER300 sales, please visit: <http://www.eib.org/ner300>
- Press release: <http://www.eib.org/about/press/2013/2013-160-eib-confirms-details-of-second-round-of-ner300-sales.htm>
- NER300 monetisation reports: <http://www.eib.org/products/ner-300/reports/index.htm>
- For an NER300 sales or trading inquiries, please contact NER300Quotations@eib.org
- For press inquiries, please contact Richard Willis at r.willis@eib.org