Understanding the financial ecosystem and EU funding opportunities

European Urban Initiative

EIB Financing and Advisory

4th December 2025

European Investment Bank | Group

EIB Group 2024-2027 Strategic Roadmap link

1. The role of the EIB Group as "The Climate Bank"
2. Digitalization & deployment of the whole value chain of new technologies
3. Support to Europe´s security and defence industry
4. Contribute to a modern cohesion policy
5. Support agriculture and the bio-economy
6. Reinforce Europe´s social infrastructures
7. Focus on high impact investments outside the EU
8. Pioneer the Capital Markets Union

Key role for cities

NEW flagship initiatives:

- **SME energy efficiency** programme
- Strategic Tech-EU, incl. extension of European **Tech Champions** initiative
- **NEW water** programme
- Pan-European **agriculture** programme
- **Pan-European investment platform for affordable and sustainable housing**

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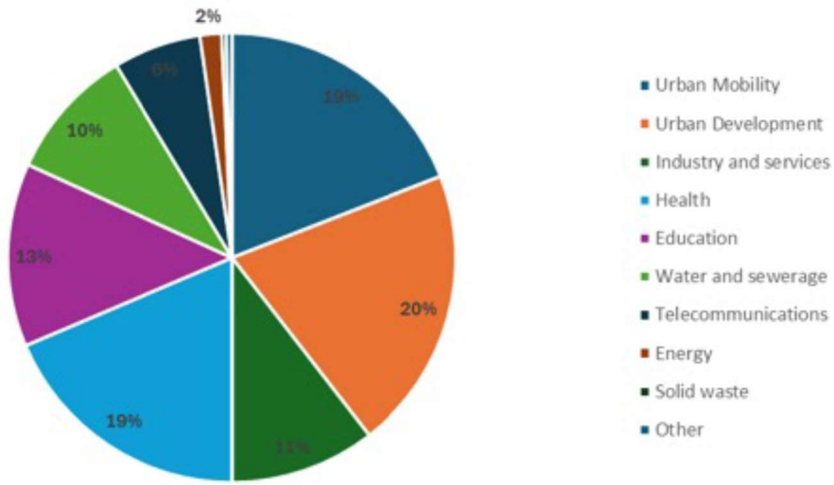
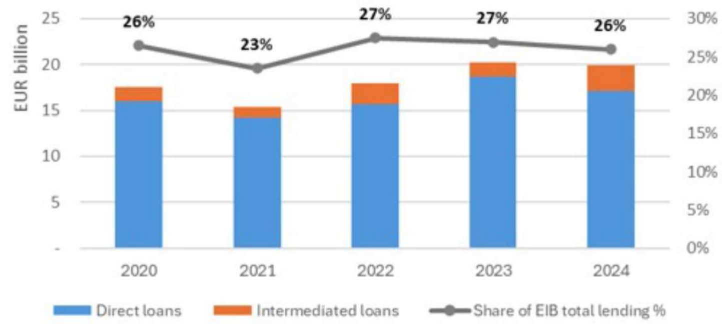
The EIB: Urban lending in 2024

- EUR **19.9 billion** in urban lending – supporting 304 operations
- EIB urban lending represented **26%** of total EIB lending signed in 2024 (EUR 76.6 bn).
- In 2024, **86%** of the EIB urban lending volume was signed directly with project promoters and cities, while 14% was channelled to investments through intermediaries (e.g. commercial or promotional banks).

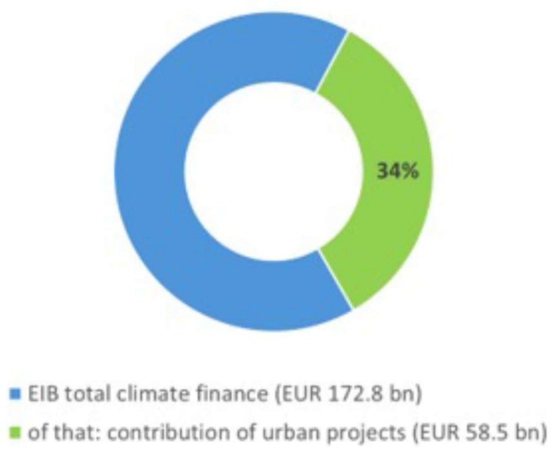
EIB Urban lending by sector, 2020-2024, EUR 90.9 bn in total



EIB urban lending (direct and intermediated), total in 2020-2024: EUR 90.9 bn

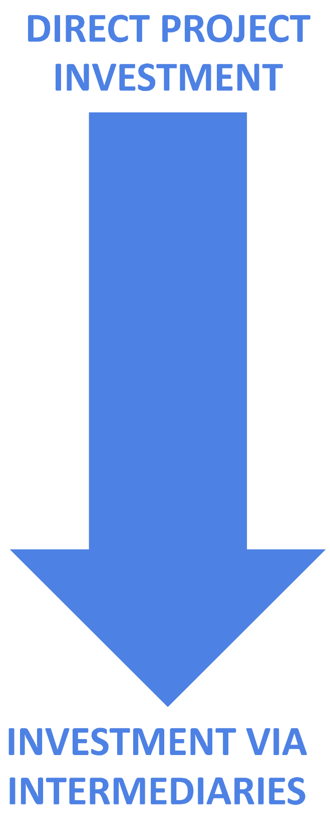


EIB climate finance in 2020-2024



- **Over 79%** of EIB direct urban lending contributed to the EIB Climate Action and Environmental Sustainability.
- EIB urban lending in 2024 was dedicated primarily to **EU countries (92%,** EUR 18.3 bn)

EIB Financing Tools for the Urban Sector



Instrument	Key Features
Investment Loans	• Direct loan for a specific investment project or programme • Usually with an equal or larger than EUR 100m project cost • All investment components identified / appraised up front
Framework Loans (FL) direct to a City	• Loan to a city, usually > 75,000 people, > EUR 100m • Finances a 3-5 year investment programme • Multi-sector iinvestments (> EUR 1-2 million) meeting defined criteria but not finally prepared at time of signing
FL via an Intermediary	• Facility for financing smaller municipalities • Relies on a good intermediary which applies financing criteria agreed with EIB
Equity Funds	• Investment into an urban development, infrastructure fund or brownfield fund • Targeted investment criteria leading to new investment

EIB ADVISORY SUPPORT THROUGHOUT THE PROJECT CYCLE

From an enabling environment...

UPSTREAM

- Policy & programme development support
- Preliminary project assessment

...through preparation and planning...

PREPARATION

- Technical advice
- Financial advice incl. structuring and PPPs
- Selection & supervision of consultants

... to high quality (large / smaller) projects on the ground

IMPLEMENTATION

- Advice on project implementation
- Enhanced monitoring

CAPACITY BUILDING

Knowledge-sharing on technical / financial issues – Practitioner communities and resources - Dissemination of best practices & case studies

INVESTEU ADVISORY HUB

ELENA European Local Energy Assistance

Jaspers

European Investment Bank

EIB ADVICE HELPS CITIES LEVERAGE INVESTMENT:

1) EIB urban investment

- Project investment loans for cities, private/public service providers
- Framework loans to finance multi-project & multi-sector urban investment programmes
- Intermediated loans via NPBs, commercial banks, or urban agencies
- Investment funds for urban regeneration

2) Co-financing with EU funding

- EU infrastructure grant funding via ESIF
- EU funding via financial instruments
- Investments under the InvestEU framework
- Specific EU facilities (eg. under the Just Transition Fund)

3) Co-financing by other MDBs and banks

- Financing alongside or via NPBs, municipal banks, commercial banks active in municipal finance
- Co-financing with other IFIs, MDBs – especially outside EU

4) National public and private co-financing

- Investment by municipalities
- Co-investment into loan or equity investment funds
- Financing under project finance / PPP structures

AND SOMETIMES… A MIX OF ALL TYPES OF CO-FINANCING

European Union
European Structural
and Investment Funds

CITIES FORUM 2023

BGK
BANK GOSPODARSTWA KRAJOWEGO

IFRRU2020
instrumento financeiro
reabilitação e revitalização urbanas

ginkgo

EIB ADVISORY - URBAN– KEY PROGRAMS AND DONORS

Advisory Programme	Key Features	Funding / Partners
InvestEU Advisory Hub	• Support for sustainable infrastructure, social infrastructure • Targets support for projects linked to potential EIB lending • Includes ADAPT+, EMBRACE, C3, Fi compass advisory platforms • Website: https://advisory.eib.org/about/the-hub	• EC – DG ECFIN • EC – DG REGIO, DG MOVE, DG ENERGY, DG RTD
Fi-compass	• Support set up financial instruments • Dissemination and training for financial instruments • fi-compass | Financial instruments under EU shared management	• EC – DG REGIO, AGRI, EMPLOYMENT…
ELENA	• Dedicated instrument to support energy efficiency and cleaner transport • Support repaid if investment fails to meet the applicable leverage • Website: https://www.eib.org/en/products/advisory-services/elena/index	• DG ENERGY, DG MOVE, DG RTD
JASPERS	• Support for projects, tackling investment barriers and capacity building • Organized via country programs • Advisory must be linked to potential or ongoing EU investment • Website: http://jaspers.eib.org/	• EC – DG REGIO, DG MOVE, DG NEAR

WHO → ARE OUR TYPICAL COUNTERPARTS?

- National governments (Ministries, National level entities)
- Regions
- **Cities / Municipalities**
- **Promotional banks**
- **Public entities/companies** (Transport, Water, Solid Waste)
- **Social and Affordable Housing Associations**
- **Well-established Funds**
- Private Corporations (mainly with public policy goals)

Note: the listed are examples of EIB typical counterparts but do not constitute an exhaustive list

EIBG Action Plan for Affordable & Sustainable Housing

Summary of Key Components

Increased EIBG Financing

- Increase financing from current EUR 3bn per year to **4.3bn** in 2025
- Expand lending into new countries
- Lending Envelope for innovative construction
- **75% EIB co-financing** for affordable housing where combined with existing 75% for energy efficiency
- case by case cumulation of **EIB+EU funding to 100%**
- **EIBG Definition & Criteria** for Affordable Housing: Regulatory framework, Paris Alignment, integrated urban development, rental preference.

EIBG Advisory Services

- Develop **affordable housing policy frameworks**
- Prepare **scalable financing models**

Strong Partnerships and Additionality

- Contribute to **EU Affordable and Sustainable Housing Action Plan**
- Collaborate with and complement **EC, NPBIs, Member States, cities and regions, housing networks**

EIBG Permanent Task Force & Web Platform

- Dedicated support for **housing clients**
- **Disseminate** via Roadshow to Member States, events

Unlocking Critical dependencies

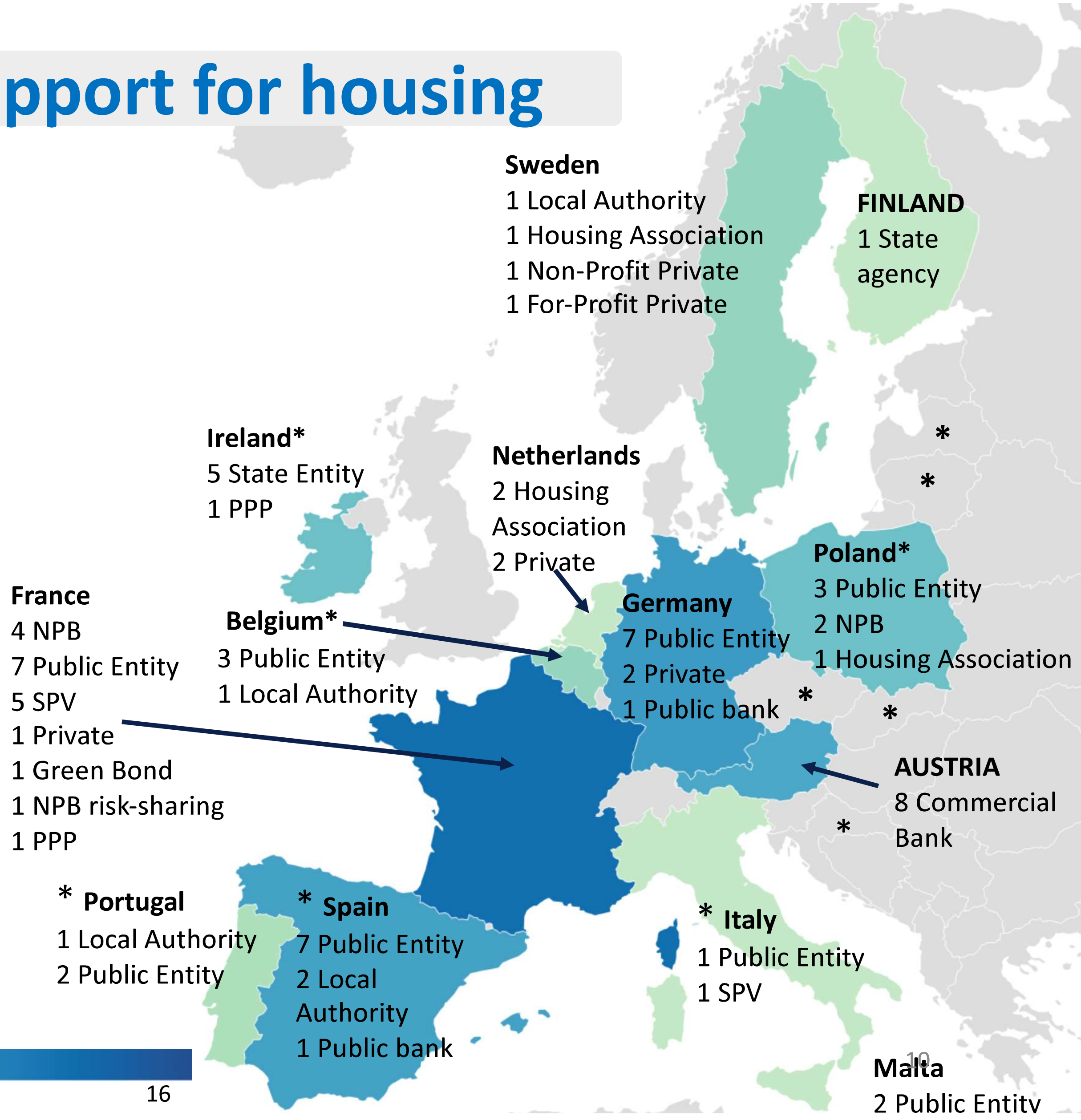
- **EC Model Financial Instrument** (cooperation with DG REGIO)
- **InvestEU – Social Infrastructure & Skills Window** (additional funds to be allocated)
- **State Aid Review** (exempt affordable housing schemes from notification)
- **Public Debt for Housing** (exemptions from deficit criteria)

EIB financing & advising support for housing

Sustained and substantial support to affordable and sustainable housing across the EU, with **financing of over EUR 13.4 bn between 2019 and 2023**

A comprehensive set of financial products:

- ***Direct lending*** to local authorities, public entities, housing associations, private promoters, SPVs, PPPs
- ***Indirect lending*** through NPBs, agencies, public and commercial banks (incl. NPB risk-sharing)
- ***Risk sharing*** *(banks, NPBs)* **:** guarantees and contingent loans
- ***Capital markets instruments*** : Green bonds, Covered Bonds, RMBS/ABS
- ***Equity*** infrastructure funds
- ***Advisory**** on policy, regulatory, technical and financial matters



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The EU Climate Neutral Cities Advisory support & Lending Envelope

- Partnership with the EC to support 112 Climate Neutral and Smart Cities – Advisory and Financing support
- EUR 2 billion "umbrella" facility to support EU CNC Cities striving to achieve climate neutrality by 2030.
- Priority sectors are **sustainable urban renewal and regeneration**, **sustainable mobility** and **energy efficiency**.
- Sub-operations will also be addressing **social Infrastructure** (schools, social and affordable housing, health facilities, etc.), **waste management**, **water**, **wastewater** and **flood management**, **energy transition/energy networks**, **modernization of urban roads** and **ICT systems** (digitalisation, etc).

- Approved operations with **LEUVEN (EIB loan of MEUR 150), PORTO (loan of MEUR 200) and BARCELONA (loan of MEUR 275).**
- Operations under appraisal with **Lyon (FR), Thessaloniki (GR), Nantes (FR) and Tampere (FI) and Barcelona (ES).**

Financing through Municipal Banks and/or National Promotional Banks

Belfius → **Smart Cities in Belgium**
Innovative projects to promote smarter, more sustainable cities across Belgium

Investitionsbank des Landes Brandenburg ILB → **Urban Development Programmes in Brandenburg**
Local authorities and Social Housing Associations are Eligible Applicants

BGK Bank Gospodarstwa Krajowego → **Investment Platform**
Social and Affordable Housing Investments in Poland

CDLF Consignment Deposits and Loan Fund → **Greek Local Authorities**
Municipal Infrastructure Projects with Several Municipalities in Greece

Example: Multi-sector advisory support to facilitating EU, EIB and City own investment - Gdańsk, Poland

EIB has provided advice and financial support across the full spectrum of city investments

- **Urban transport:** tramway system improvement, metropolitan railways and light rail, railway connection to ports, urban roads.
- **Ports:** modernization of breakwaters in the North Harbour in Gdańsk.
- **Culture:** European Solidarity Center.
- **Water and wastewater:** ensuring compliance with the EU environmental acquis and the connection of new users to the sanitary sewage system and storm water protection system in the Bay of Gdańsk.
- **Waste-to-Energy:** construction of a Waste-to-Energy facility.
- **Energy:** Gdańsk-Żydowo-Słupsk power transmission line.
- **Climate Change Adaptation Action plans:** contributing to the screening and identification of priority investments (water and biodiversity sectors).
- **Social Housing:** Supporting priorization of investment.

European Solidarity Centre

Port of Gdańsk

Pomeranian Metropolitan Railways

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