

BWG-P-09-24

EIB Clean Bus Facility – Update

This paper is provided for information only. It provides an update on the presentation provided by European Investment Bank on potential support for clean low carbon buses..

At the last BWG meeting there was a presentation given by Neri Di Volo from the European Investment Bank (EIB) regarding financial assistance which might be available from the EIB towards the procurement of Clean Low Carbon buses. There was two elements to the support;

1. Funding for development of investment plans
2. Loan facilities to support the procurement of clean low carbon buses

It was initially planned that LowCVP would initiate a meeting between EIB and the DfT to discuss how this initiative could be combined with the Green Bus Fund. However in September LowCVP was informed that the support from the EIB had become linked to a package of support for the Covenant of Mayors. This is awaiting final approval from the European Commission currently.

Covenant of Mayors

The Covenant of Mayors is a commitment by signatory towns and cities to go beyond the objectives of EU energy policy in terms of reduction in CO₂ emissions through enhanced energy efficiency and cleaner energy production and use. It comprises more than 900 local authorities across Europe of which there are 22 in the UK, these are listed below. Any local authority can sign up to the scheme and more information can be obtained from the website www.eumayors.eu.

Funding support for development

The European Commission in cooperation with EIB plan to provide support for technical work through the European Local Energy Assistance (ELENA) facility to be launched in 2009.

ELENA will assist cities and regions in developing their sustainable energy investments projects and mobilising investments. Through the facility, operated by EIB, the Commission will provide funding of €15 million to local authorities for financing their costs associated with development of municipal investment projects or programmes contributing to the overall EU energy targets.

The European Commission and the EIB have yet to approve this. Once approval has been received the evaluation procedures and criteria for assessing eligibility for support will be clarified. Neri Di Volo has offered to update LowCVP once approval has been received which is expected soon.

Loan facility for procurement

EIB have indicated that they would in principle provide support for clean low carbon bus procurement however they have a minimum loan facility of €50 million which would have to be provided through a public body which would disperse loans. This would indicate that DfT would probably be the appropriate body to match funding with the scale required.

United Kingdom – Covenant towns and cities

Aberdeen
Aberdeenshire
Birmingham
Bristol
Coventry
Darlington
Durham
Gateshead
Hartlepool
Lancashire
Leicester
London
Manchester
Middlesbrough
Newcastle upon Tyne
North Tyneside
Northumberland
Nottingham
Redcar and Cleveland
South Tyneside
Stockton
Sunderland