

# JUST TRANSITION MECHANISM



## Public Sector Loan Facility

2<sup>nd</sup> Joint Monitoring Committee  
for ERDF/CF/JTF/ESF+  
Programmes

27 April 2023



#EUinmyregion #CohesionPolicy



European  
Commission

*Regional and  
urban Policy*

”



“The European Green Deal is our strategy to achieve a climate-neutral economy and Cohesion Policy will help delivering our green objectives in a fair way. Thanks to this agreement with the EIB, the Public Sector Loan Facility will offer public authorities in the regions and territories that most need support preferential lending conditions for projects that do not generate sufficient revenue to be financially viable. The European Commission and the EIB will keep working together to support a fair transition that will leave no one behind.”



#EUinmyregion #CohesionPolicy

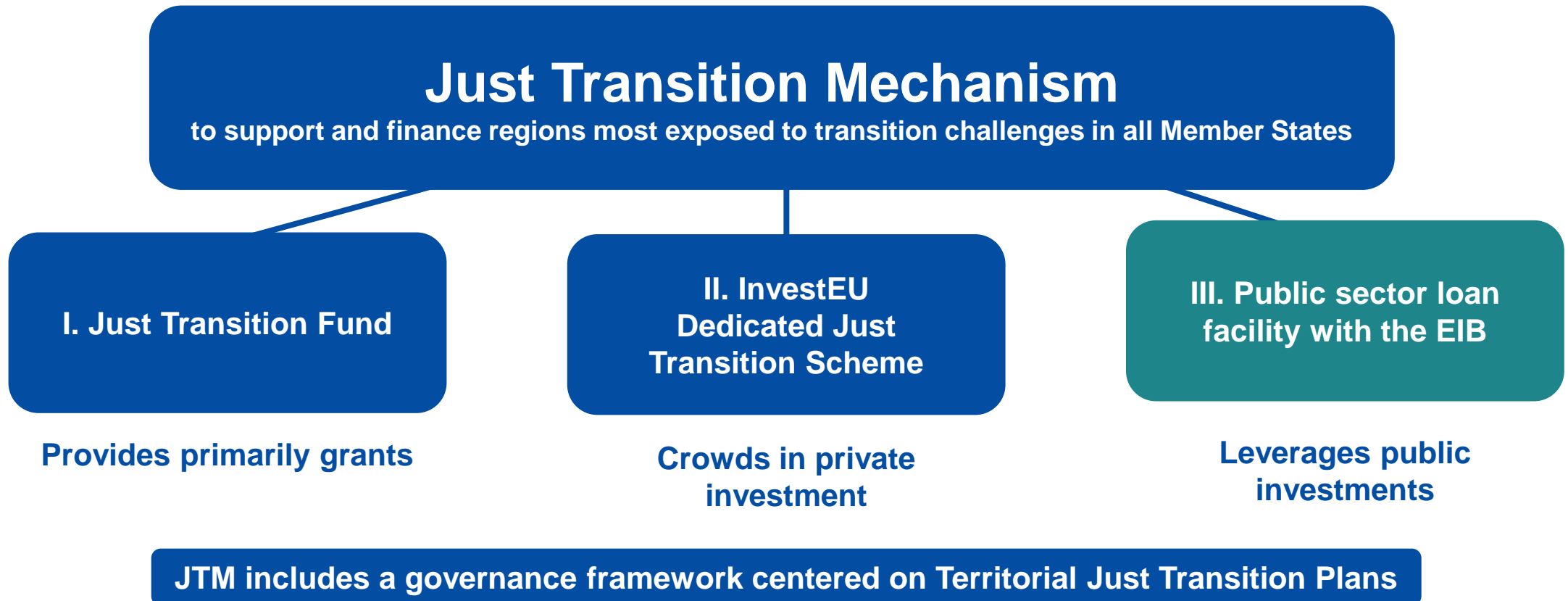


European  
Commission



# Main features of the public sector loan facility

# Just Transition Mechanism



# JUST TRANSITION MECHANISM



The public sector loan facility (PSLF) is the third pillar of the Just Transition Mechanism (JTM) – a key tool of the European Green Deal Investment Plan to make sure that no one and no region is left behind in the transition to a climate-neutral economy

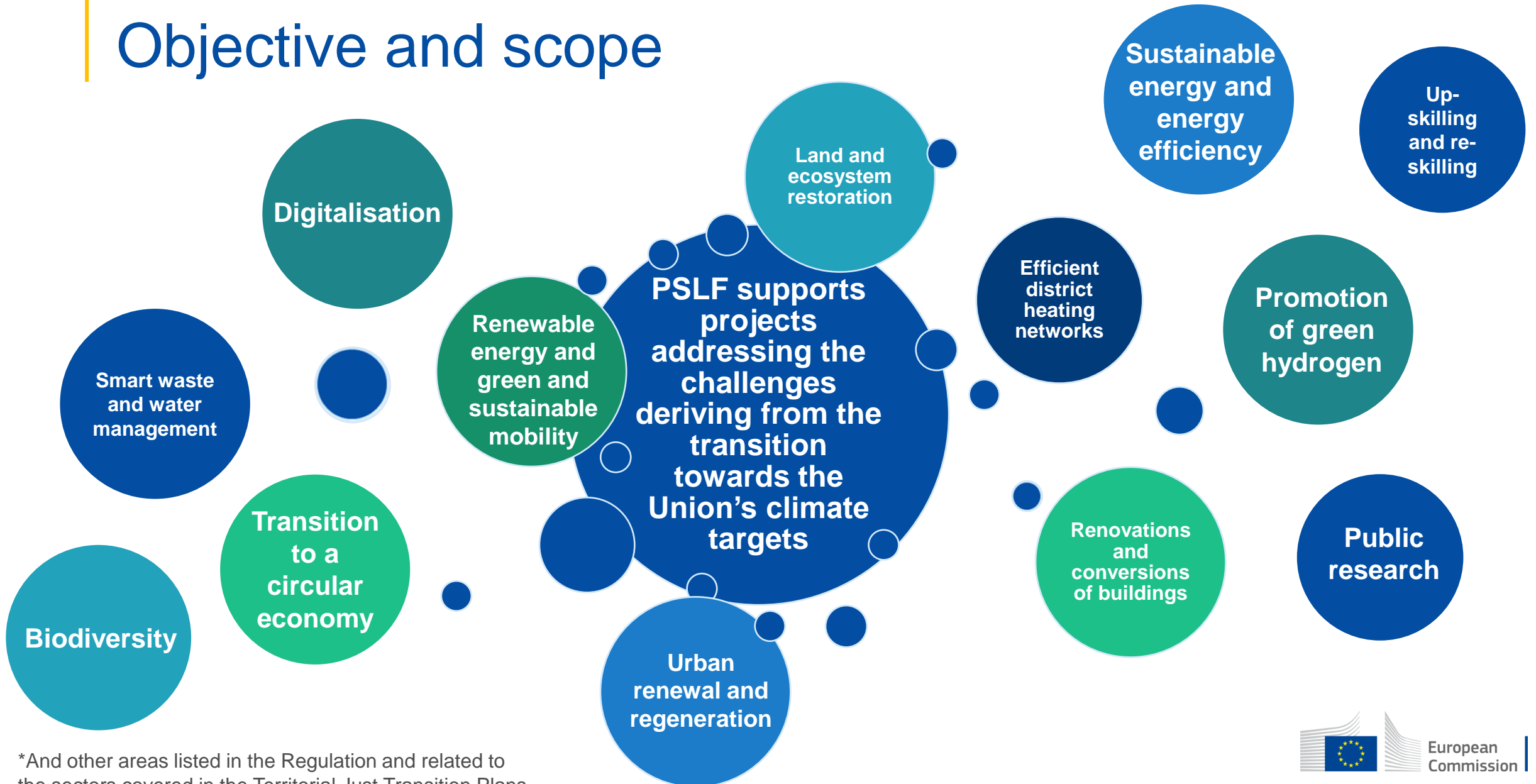


The Facility's objective is to support projects addressing serious social, economic, and environmental challenges deriving from the transition towards the EU's climate and energy targets.



The facility will mobilise up to €18,5 billion of investments for helping territories and regions most affected by the transition to a climate-neutral economy. The Facility will support projects that do not generate sufficient streams of revenues to cover their investment costs.

# Objective and scope



\*And other areas listed in the Regulation and related to the sectors covered in the Territorial Just Transition Plans

# PSLF is a blending facility

GRANT (up to EUR 1.5 bln)	LOAN (up to EUR 10 bln)
<b>DG REGIO</b>	<b>EIB</b>
<ul style="list-style-type: none"> <li>Adopts financing decisions/work programmes</li> <li>Evaluates proposals in respect of the grant (jointly with CINEA) and chairs the evaluation committee</li> <li>Provides policy guidance</li> </ul>	<ul style="list-style-type: none"> <li>Evaluates the applications in respect of the loan</li> <li>Prepares and manages the financing agreements</li> <li>Monitors the loan</li> </ul>
<b>CINEA</b>	
<ul style="list-style-type: none"> <li>Organises the call and evaluates proposals in respect of the grant (jointly with DG REGIO)</li> <li>Adopts the award decision and signs grant agreements</li> <li>Monitors technical/financial implementation of projects</li> <li>Manages communication actions (jointly with DG REGIO)</li> </ul>	

Up to EUR **10** billion of loans by the European Investment Bank

Approx. EUR **7** billion of additional mobilised resources

10

7

Up to EUR 1.5 billion of grants by the European Commission

1.5

18.5

To mobilise EUR **18.5** billion of public investments

# Main features of the public sector loan facility

## Beneficiaries

Public sector entities  
(including private law bodies  
with a public service mission)



## Financing not linked to costs

The grant is a percentage of the loan -  
15% or 25% in less developed regions  
\*Grants cannot be disbursed before the EIB  
financing agreement is signed



## Budget

National shares until end of 2025  
**EUR 1,77 mln for MT**  
\*Follow on [CINEA webpage](#)



## Geographical scope

Projects must benefit a territory  
identified in an adopted TJTP  
(even if not located in such  
territory)  
\*Consult [Inforegio - Just Transition  
Fund \(europa.eu\)](#)



## Advisory support

EUR 35 million

\*Apply for advisory support here: [InvestEU Advisory Hub](#) website





# Project budget – an example

## Minimum EIB loan amount:

- EUR 12.5 million

## Minimum grant:

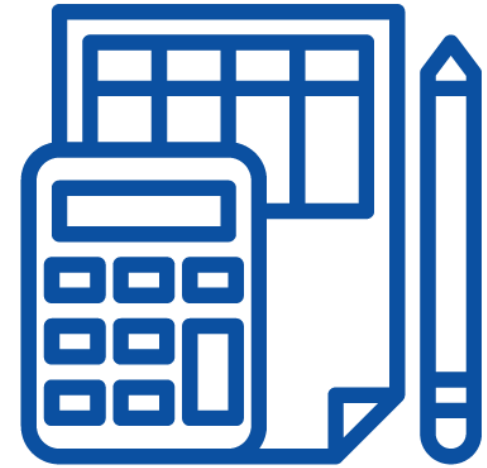
- The grant is a percentage of the loan - 15%, or 25% in less developed regions
- EUR 1.8, or 3.1 million in less developed regions

## Effective grant rate / investment cost:

- 5-6% on average

## Minimum budget of individual projects:

- EUR 25 million – loan schemes needed for smaller projects



Eligible projects must not generate sufficient streams of revenues to cover their investment costs

Projects should not receive support from other Union programmes



# How to apply for an EU grant?

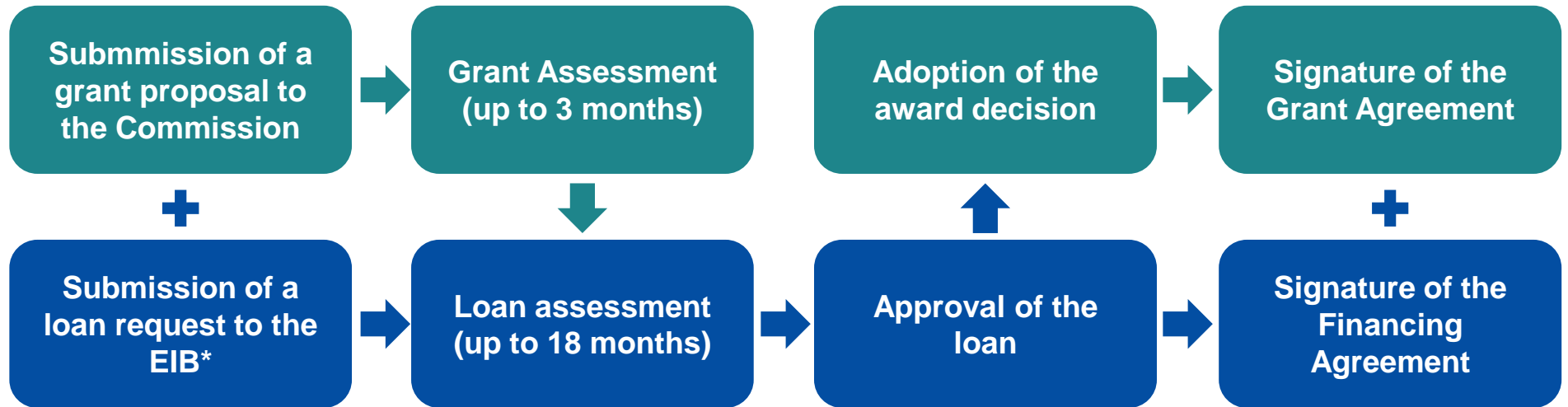
# Call for proposals

Multi-annual call for proposals was published in 2022 with 3 submission deadlines per year until end 2025

Submission deadlines				
<del>1st cut-off date</del>	<del>2nd cut-off date</del>	<del>3rd cut-off date</del>	4th cut-off date	5th cut-off date
<del>19 October 2022 17:00 CET (Brussels)</del>	<del>19 January 2023 17:00 CET (Brussels)</del>	<del>19 April 2023 17:00 CET (Brussels)</del>	20 September 2023 17:00 CET (Brussels)	17 January 2024 17:00 CET (Brussels)
6th cut-off date	7th cut-off date	8th cut-off date	9th cut-off date	10th cut-off date
17 April 2024 17:00 CET (Brussels)	19 September 2024 17:00 CET (Brussels)	16 January 2025 17:00 CET (Brussels)	15 April 2025 17:00 CET (Brussels)	11 September 2025 17:00 CET (Brussels)

\*The requests for loans can be submitted at any time.

# Application process



\*Before or in parallel to the submission of the grant proposal

# Application process

1. Launch of the call for proposals by the Commission (with regular submission deadlines)
2. **If framework loan:** preparation of an EIB framework loan before submission
3. Submission of the proposals by the project promoters
4. **Submission + 15 days:** Assessment of the proposals by the Commission against the admissibility and eligibility requirements
5. **Submission + 3 months:** Assessment of the proposals by the Commission against the selection, exclusion, award and prioritisation criteria (including the compliance with the relevant TJTP)
6. **Submission + maximum 18 months:** Assessment of the proposals by the EIB
7. Award decisions and finalisation of the grant agreements by the Commission
8. Finalisation and signature of the financing agreements by the EIB

# Grant assessment

Admissibility and eligibility	Award criteria	Prioritisation criteria
<ul style="list-style-type: none"><li>Proposals must be complete and submitted before the call deadline.</li><li>Applicants must be public law bodies (or private law bodies with a public mission) established in the EU.</li><li>Projects must benefit a territory covered by a TJTP and not generate sufficient revenues to cover the investment costs.</li><li>Applicants must secure an EIB loan.</li></ul>	<ol style="list-style-type: none"><li><b>1. Relevance and impact</b> The proposed project should match the themes, priorities and objectives of the call, and contribute to the development needs and priorities described in the relevant TJTP.</li><li><b>2. Quality</b> The soundness and readiness of the proposed project as well as the financial capacity of the applicant will be assessed under this criterion.</li></ol>	<p>Bonus points will be given to:</p> <ol style="list-style-type: none"><li>Projects located in <b>less developed regions</b>, as per CPR Regulation</li><li>Projects contributing directly to the achievement of the <b>EU's climate and energy targets and the objective of climate neutrality</b></li><li>Projects promoted by applicants that have adopted <b>decarbonisation plans</b></li></ol>

**Successful applicants will be invited for the preparation of the Grant Agreement.**

\*For more details, please read carefully the [Call Document](#) or watch the recording of our [Info Days](#).

# Examples of project proposals

- Investments for the socioeconomic transition of the target territory in the following sectors: Renewable Energy Sources (RES) , Energy Efficiency, Health Services, Road Safety, Culture, Tourism
- Sustainable and affordable housing for the workforce of new green industries
- Heating and cooling grids to support energy transition and fight energy poverty
- Infrastructure dedicated to culture and tourism to favor the economic diversification of the target territory

# Useful information

## For general information

- [PSLF Regulation 2021/1229](#)
- [Just Transition Platform](#)
- [CINEA website](#)
- Recording of PSLF [Info Days](#)

## EIB

- [Regional development & cohesion \(eib.org\)](#)
- [EIB helpdesk](#)

## Call for proposals

- [CINEA-JTM-PSLF@ec.europa.eu](mailto:CINEA-JTM-PSLF@ec.europa.eu)
- [Funding & Tender Opportunities Portal](#)
- [Call FAQ](#)

## Advisory support

- [InvestEU Advisory Hub](#)





# Questions and Answers

# Thank you



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