

APPENDIX 5
**Investment proposal submission
form for non-priority investments**

MODERNISATION FUND
Accelerating the transition to climate neutrality

**Investment proposal submission
form for non-priority investments**

16/07/2021

Revision 1

MODERNISATION FUND – Accelerating the transition to climate neutrality

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<https://modernisationfund.eu/>

Appendix 5 Investment proposal submission form for non-priority investments

for submission of the information on non-priority investments not falling under Article 10d(2) of ETS Directive¹

1. Submission information		
1.1. Targeted Investment Committee ²	Sx/202x	
1.2. Priority order for assessment of non-priority investments ³	By Submission Date - Yes <input type="checkbox"/> No <input type="checkbox"/> If NO or for proposals submitted in batches: Please specify Priority Order	
1.3. Is the proposal a scheme? If yes, please fill in Annex 1 of this Form. If no, please fill in Annex 2 of this Form.	Yes <input type="checkbox"/>	No <input type="checkbox"/>

¹ Directive 2003/87/EC of the European Parliament and of the Council of 13 October 2003 establishing a system for greenhouse gas emission allowance trading within the Union and amending Council Directive 96/61/EC with amendments (ETS Directive)

² Please provide the targeted Investment Committee date in form of semester Sx and year.

³ As per article 4.3 of the Implementing Regulation (EU) 2020/1001

2. Authority responsible for the implementation of the Modernisation Fund

2.1. Name	
2.2. Address	
2.3. Website	
2.4. Main contact:	
Name	
Position in the Organisation	
Email	
Telephone Number	
Mobile Number (optional)	

3. General information

3.1. Title of the investment	
3.2. Project proponent / Scheme managing authority	
3.3. Beneficiary Member State	
3.4. Total investment costs / total volume of the Scheme (with and without VAT) (EUR)	
3.5. Total support from the Modernisation Fund for a project / a scheme (EUR)	
3.6. Requested amount for the first disbursement from the Modernisation Fund (EUR)	

3.7. Please provide a NACE ⁴ code for the economic activity (More than one code may be relevant in some cases).	Code	Pro-rata share of overall investment (%)

Please provide enough detail in this Form to enable the EIB to clearly understand what the project will do, how the project will be delivered, the impact it will have and how it will meet the requirements set out in Directive 2003/87/EC and Implementing Regulation (EU) 2020/1001.

Please be as concise as possible. Please note any supplementary information you provide will not be reviewed⁵.

⁴ Revision 2 classification system of economic activities established by Regulation (EC) No 1893/2006 of the European Parliament and of the Council

⁵ Except information explicitly requested by this Proposal Form, or additionally by the EIB during the investment appraisal process.

4. General description of the investment (Annex I, points 1.1, 1.2 and 1.10 of the IR⁶)

4.1. Please describe what investment objectives are, including the impact it will have in the area and/or on project participants. Describe the short, medium and long-term results/impacts that the investment will deliver and how this will be measured.

Please link to SMART (specific, measurable, achievable and time-constrained) objectives. Please demonstrate how the investment will contribute to 2030 climate and energy framework objectives of the Member State and the long-term objectives as expressed in the Paris Agreement as required by the BMS National Energy and Climate Plans (NECP). Please also elaborate as to whether the proposal supports the national Just Transition Plan (JTP) and/or national RRP (Recovery and Resilience Plans).

4.2. Please provide description of the beneficiary⁷ / beneficiaries. Please provide sufficient information to understand legal status, technical, financial and administrative capacity of the Beneficiary. Please provide information on relevant institutional arrangements with third parties for the implementation of the proposed investment and successful operation of the resulting investments. Please include a description of the responsibilities and competences for implementation and commissioning of the investment as well as for the operational phase.

4.3. Please describe existing background situation. Please provide only relevant information.

4.4. Please demonstrate the need for the investment.

⁶ IR – Implementing Regulation (EU) 2020/1001

⁷ Beneficiary - an operator, body or firm, whether public or private, responsible for initiating and implementing operations.

When the investment contributes to implementation of a territorial just transition plan, please provide information about the expected contribution of the investment to that plan.

4.5. Please explain what options were analysed to achieve investment objectives. Please explain why the chosen investment is the most cost effective in achieving investment objectives.

4.6. Please briefly describe the scope of the investment proposal (technologies, main parameters, capacities, mass and energy balances, scope of works/supplies), related infrastructure.
Please provide evidence that the proposed technology/ies are mature (actual system proven in operational environment under comparable conditions and scale and with available references).

4.7. Please indicate direct employment created by the proposed investment (separately for the implementation period, in person x years, and operation period, in number of permanent jobs created).

4.8. Please provide investment implementation schedule.

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5. Justification for the Modernisation Fund (Articles 7(7)(a), 7(7)(b), 7(7)(d) and Annex I, point 1.3 of the IR)

5.1. Please provide detailed justification for the Modernisation Fund support, including the confirmation of the compliance of an investment with Article 10d(1) of Directive 2003/87/EC.

For energy generation facilities that use solid fossil fuels relating to efficient and sustainable district heating in Member States Bulgaria and Romania, and that will receive support from the Modernisation Fund, please provide details of the investments under ETS Directive Article 10c that do not involve solid fossil fuels, including the equivalent value of allowances of to be used.

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5.2. Please provide detailed demonstration of GHG emissions reductions achieved by the investments calculated in accordance with GHG inventory reporting requirements in the MS.⁸

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5.3. In case the investment is in district heating sector, please provide detailed demonstration of the improvement of the energy efficiency as well as of the GHG emission reduction achieved by the investments calculated in accordance with GHG inventory reporting requirements in the MS.

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⁸ Governance Regulation (EU) 2018/19990, in particular Art 26(3),(4) and Annex V, and the Commission Implementing Regulation (EU) 2020/1208 on climate reporting (Chapter III – Arts 8-23 including annexes) and Commission Delegated Regulation (EU) 2020/1044 (Arts 2 and 3 and the annex).

6. Environmental aspects (Annex I, point 4.4 of the IR)

6.1. Please provide information on the environmental impacts, including information on the expected emission reductions and mitigation measures for air, water and solid waste emissions.

6.2. Please provide a description of the status of the environmental permitting (environmental permitting processes carried out or to be carried out with expected dates.

6.3. Application of Directive 2001/42/EC of the European Parliament and of the Council on the assessment of the effects of certain plans and programmes on the environment (the 'SEA Directive').

6.3.a) Is the project implemented as a result of a plan or programme?

- Yes, please provide the title:
- No

6.3.b) If the reply to question 6.3.a) is 'Yes', please specify if the plan or programme was made subject to a strategic environmental assessment in accordance with the SEA Directive.

If no, please provide a short explanation.

If yes, please provide the SEA references

6.4. Environmental Impact Assessment (EIA) screening as per the Directive 2014/52/EU amending the EIA Directive 2011/92/EU:

- a) Does the investment fall under Annex I or Annex II of the Directive 2014/52/EU? Please explain the rationale and in case of schemes detail which components fall either under Annex I or Annex II
- b) For investments falling under Annex II of the Directive 2014/52/EU, has a screening being carried out by the Competent Authority?

<p>6.5. EIA process</p> <ul style="list-style-type: none"> a) Has an EIA been carried out? Please provide the status and timeline b) Has the EIA consent been granted? When, for which component? c) Has a public consultation or public hearings been carried out? Please provide the timeline and a summary of the main issues d) Are there any complaints or court cases against the EIA consent? Please provide context and details
<p>6.6. Biodiversity screening (as per the Habitats Directive 92/43/EEC)</p> <ul style="list-style-type: none"> a) Has the investment been screened in by the Competent Authority under article 6.3 of the Habitats Directive? Please provide details with names and references of the related Natura 2000 sites. b) Has an Appropriate Assessment been carried out as per article 6.3 of the Habitats Directive? Please provide a summary of the conclusion from the Competent Authority whether investment adversely affect the integrity of the sites concerned as well as a summary of the mitigation measures required. c) Does the investment fall under article 6.4 of the Habitats Directive? If yes, please provide a summary of the impact and compensatory measures as well as a confirmation of the corresponding notification to the Commission d) Are there any complaints or court cases against the conclusions of the biodiversity assessment? Please provide context and details
<p>6.7. Water Framework Directive (Directive 2000/60/EC)</p> <ul style="list-style-type: none"> a) Is the investment subject to an article 4.7 assessment carried out under the Water Framework Directive? Please provide the timeline, conclusions and main impacts. b) Are there any complaints or court cases against the conclusions of the article 4.7 assessment? Please provide context and details

<p>6.8. Climate Risk:</p> <ul style="list-style-type: none">a) Are there any climate risks associated with the project?b) Have the appropriate climate risk resilience measures been incorporated into the project? Please describe the measures.

7. Market/regulatory framework (Annex I, point 4.4 of the IR)

7.1. Please provide a description of the market environment and market conditions related to the investment (sector analysis, historical and forecast trends in terms of volumes, as well as prices when relevant, current situation, historical and market share). Please describe the market demand for products/services offered by the investment, and related expected revenues.

7.2. Please provide a description of the market risks related to the investment (e.g. Demand related, Revenue/Tariff related).

7.3. For regulated activities, please provide a detail description of the regulatory framework and associated tariffs and remuneration

8. Operational Indicators (Annex I, points 4.1, 4.3 of the IR)

8.1. Please provide quantitative data on the construction phase that are relevant for technical illustration of the investment and construction monitoring

8.2. Please provide quantitative data on the operation phase that are relevant for technical illustration and monitoring of the investment. Please link to SMART (specific, measurable, achievable and time-constrained) objectives.

8.3. Please provide a description of any other relevant targeted performance indicator considered for the investment. Please include, when applicable, information on: (a) the expected energy saved in MWh (for a typical full year of the investment operation); (b) the greenhouse gas emissions to be saved in equivalent tCO₂ (for a typical full year of the investment operation); (c) the additional renewable energy capacity installed;

9. Costs (Annex I, point 1.4 of the IR)

9.1. Please provide total investment cost breakdown for individual investment projects. The following is an example of a breakdown of investment categories:

- Planning/design fees
- Land purchase
- Building and construction
- Plant and machinery or equipment
- Publicity
- Supervision

In the case of schemes, please provide total investment cost breakdown by components/measures covered by the scheme as described in section 4.6⁹.

Where it is required by the nature of the investment, please provide units costs (i.e. in case of supply contracts, etc) and/or costs of major components / modules.

9.2. With respect to the cost breakdown provided in section 9.1 above, please identify the cost components/categories/types which will be funded by the Modernisation Fund (Amount and/or percentage for each component/category/type) and/or the cost eligibility criteria to be applied to MF funding.

9.3. Explain how you have estimated the investment budget.

- Please provide the year of the preparation of the project budget.
- Please indicate whether the costs are based on basic/detailed design, or pre/post tendering estimates, or contractual estimate. The most recent cost information should be used.
- If costs are based on finalised public procurement procedures, please provide list of; finalised procedures, resulting contracts - their scope and price.

⁹ e.g. if a scheme comprises heat only boilers, heat pumps, etc. then provide the cost separately for all heat boilers and all heat pumps.

- Please provide justification of all investment costs - benchmark construction cost against similar projects (adjusted for differences in cost levels and year of cost estimate). Benchmark design and supervision cost items (as a percentage of overall costs) against 'normally' expected levels for the type of project.

10. Funding and Financial Details (Articles 4(5) and Article 7(7)(g) and Annex I, points 1.5, 1.6, 1.7, 4.2 of the IR)				
10.1.	Proposed MF Expenditure Start Date		Proposed MF Expenditure Completion Date	
10.2. Is investment supported with other EU/National funds/support mechanisms?			Yes <input type="checkbox"/>	No <input type="checkbox"/>
10.3. If Yes, please provide detail (which funds, measures, support value , type of costs covered and other relevant information) <i>Please note, that provided information about contributions from other Union and national instruments shall allow to assess whether the amounts requested from the Modernisation Fund are not intended to cover the same costs of the investment as those financed by another Union or national instrument (double funding of the same costs is not allowed (art. 7.7(g) of the Implementing Regulation).</i>				
10.4. Please specify requested amount of the financing from the Modernisation Fund (in EUR), maximum co-financing rate and a form of financing (grant, loan, etc.).				
10.5. Please provide the overall financing plan and financing structure for the investment proposal.				
<i>Please confirm that the financing complies with the fourth sentence of the second subparagraph of Article 10d(6) of Directive 2003/87/EC (Up to 70 % of the relevant costs of an may be supported with resources from the Modernisation Fund provided that the remaining costs are financed by private legal entities”).</i>				
10.6. Please specify types and nature of entities financing the remaining costs of the investment and the share of the relevant costs financed by each of them (Article 10d(6) of Directive 2003/87/EC: “Up to 70 % of the relevant costs of an investment may be supported with resources from the Modernisation Fund provided that the remaining costs are financed by private legal entities”)				

10.7. If all the match funding is not secure, when will it be confirmed?
10.8. Please provide certified financial forecasts. <ul style="list-style-type: none">• Please provide adequate financial forecasts that would allow assessing the financial performance, financial viability and sustainability of the investment proposal.• Please provide the methodology for projections (like reference period, macroeconomic indicators used, etc.) and explain the assumptions and its basis; in particular for costs and revenues calculations. It is recommended to attach the model with active formulas.

11. State aid (Article 7(7)(e) and Annex I, point 1.8 of the IR)		
11.1. Does the investment involve granting State aid? (in the meaning of Article 107(1) of the Treaty on the Functioning of the European Union)	Yes <input type="checkbox"/>	No <input type="checkbox"/>
<p>11.2. If Yes, please provide evidence as applicable:</p> <ul style="list-style-type: none"> a) the Commission decision clearing national aid measure (no objection decision); b) reference under which the block-exempted measure has been registered (State aid number attributed by the Commission's electronic notification system referred to in Article 11 of Regulation (EU) No 651/2014) (GBER) or in case of new measure, the expected date of transmission of summary information on the measure as per. Article 11 of GBER. <p>Please specify total eligible costs as well as the aid intensities and any other relevant condition, based on the State aid decision/applicable GBER provisions.</p> <p>Please confirm that the total amount requested from the Modernisation Fund and other Union and national instruments (total State aid) does not exceed the amount and percentage allowed by the State aid decision/GBER.</p>		
<p>11.3. If No, please attach a statement evidencing that support for the investment proposal does not constitute State aid within the meaning of Article 107(1) of the Treaty. The statement should be signed either by the national authority responsible for the implementation of the Modernisation Fund or by the national competent authority responsible for State aid and should include either a reference to a Commission decision or <u>detailed</u> reasoning why the support does not constitute State aid.</p>		

12. Declaration of compliance (Article 7(7)(f) and Annex 1, point 1.9 of the IR)

Please attach a declaration of investment compliance with the applicable requirements of Union and national laws. The declaration should be signed by the national authority responsible for the Modernisation Fund.

13. Endorsement of Authority Submitting the Investment Proposal

Name:	
Signature:	
Date:	

Annex 1. Information required under Annex 1 point 2 of the IR

Additional information about schemes

1. Managing authority (Annex 1, point 2.1 of the IR)	
1.1. Name of the managing authority	
1.2. Address	
1.3. Website	
1.4. Main contact:	
Name	
Position in the Organisation	
Email	
Telephone Number	
Mobile Number (optional)	

2. Information about the scheme (Article 4(2) and Annex 1, points 2.2-2.3 of the IR)			
2.1. Please provide a general description of the entities in charge of initiating or initiating and implementing projects under the scheme.			
2.2. Please indicate whether the proposal concerns:			
<ul style="list-style-type: none"> - an existing scheme¹⁰ <input type="checkbox"/> - a new scheme <input type="checkbox"/> 			
2.3. Please specify total volume of the scheme.			
2.4. Please specify the amount requested as the first disbursement for the scheme.			
2.5. Please provide location of the investment activity and provide the list of NUTS 2 locations concerned by the scheme.			
2.6.	Financial Start Date		Financial Completion Date

¹⁰ In the meaning of recital 3 of the Implementing Regulation (2020/1001).

Annex 2. Information required under Annex 1 point 3 of the IR

Additional information about proposals other than schemes

1. Project Proponent (Annex 1, point 3.1 of the IR)	
1.1. Name of the project proponent	
1.2. Address	
1.3. Website	
1.4. Main contact:	
Name	
Position in the Organisation	
Email	
Telephone Number	
Mobile Number (optional)	

2. Information about the project (Annex 1, points 3.2-3.5 of the IR)				
2.1. Please specify location of the project. Please include geographic coordinates of the investment activity and provide the list of NUTS 2 locations concerned by the proposal.				
2.2. Please indicate the development stage of the project.				
2.3. Please provide information about key supply and off-take agreements (status, scope, duration, value).				
2.4. Please list mandatory permits obtained or to be obtained.				
2.5.	Financial Start Date		Financial Completion Date	