

JUST TRANSITION MECHANISM



Public Sector Loan Facility

20 November 2024



#EUinmyregion #CohesionPolicy



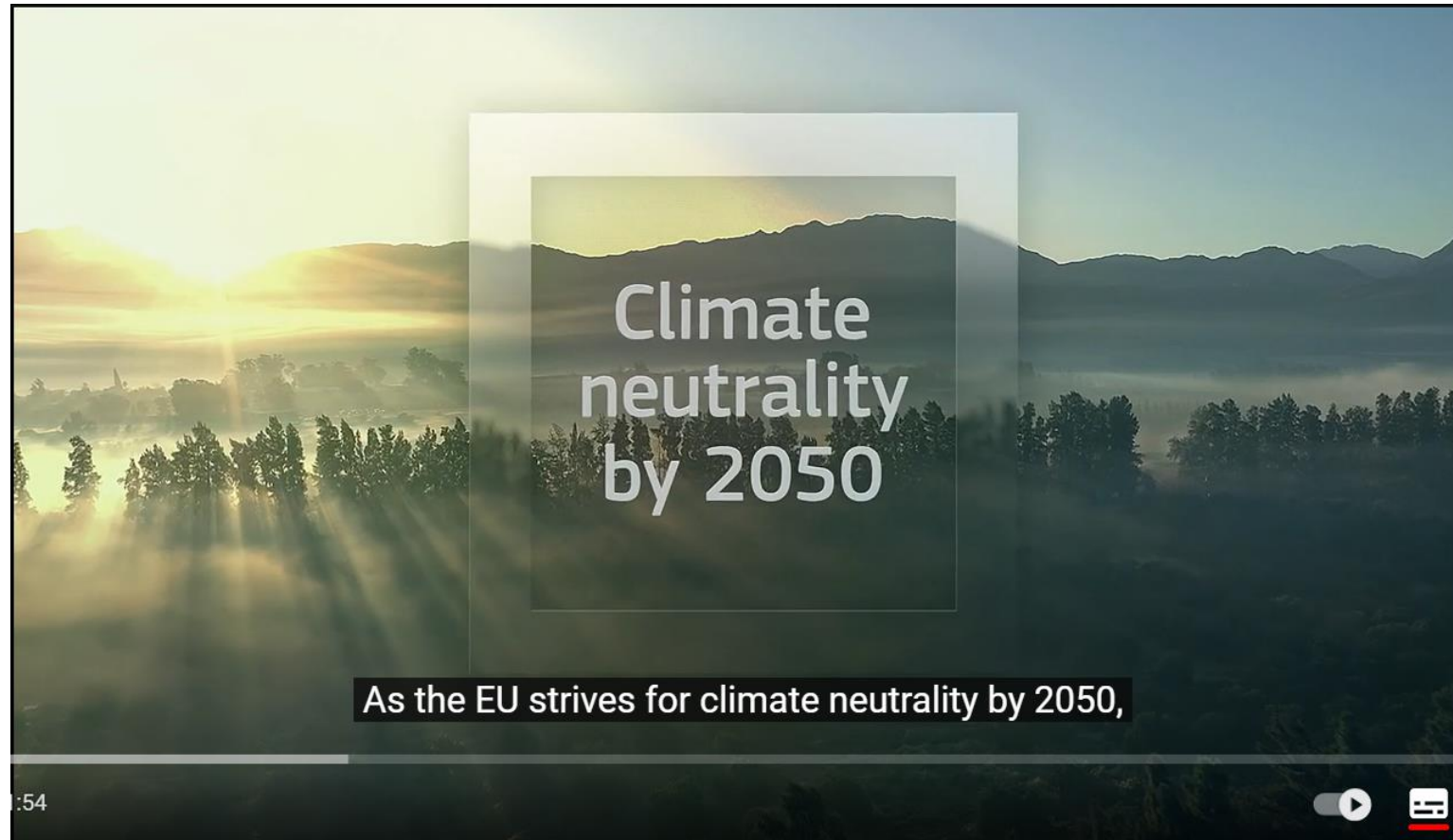
European
Commission

*Regional and
urban Policy*

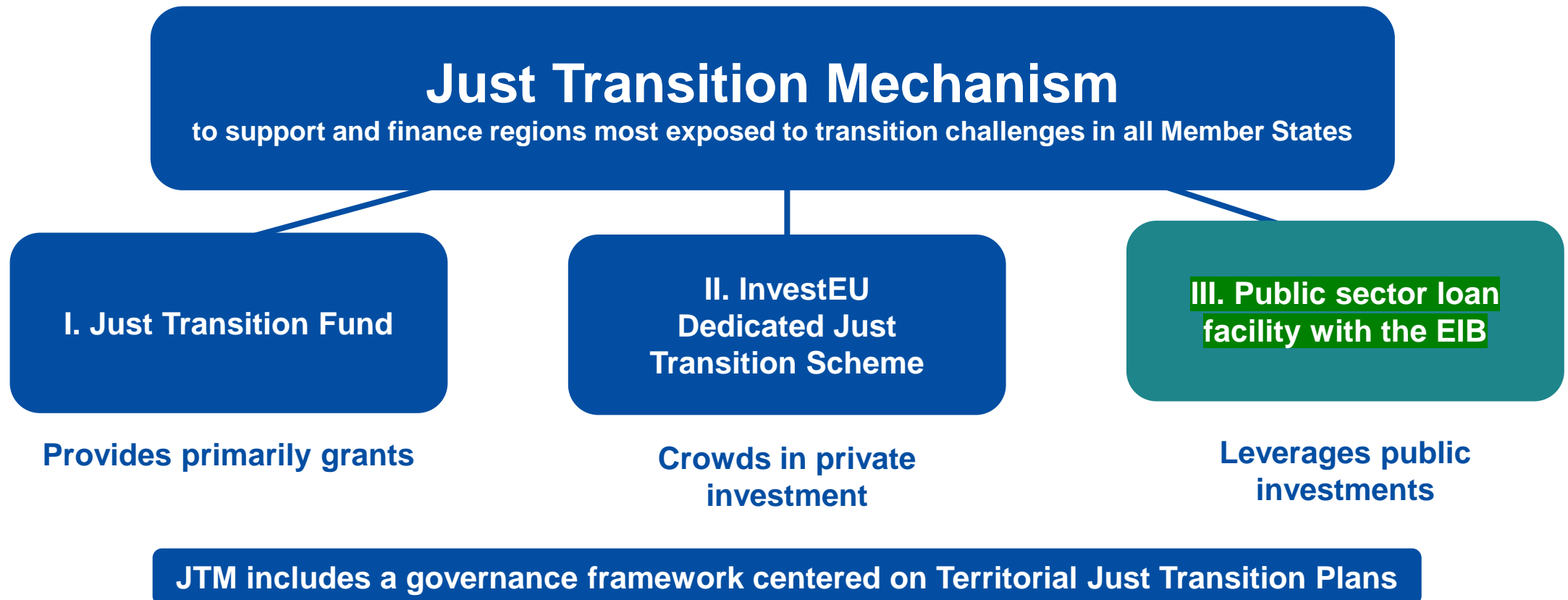
Main features of the public sector loan facility

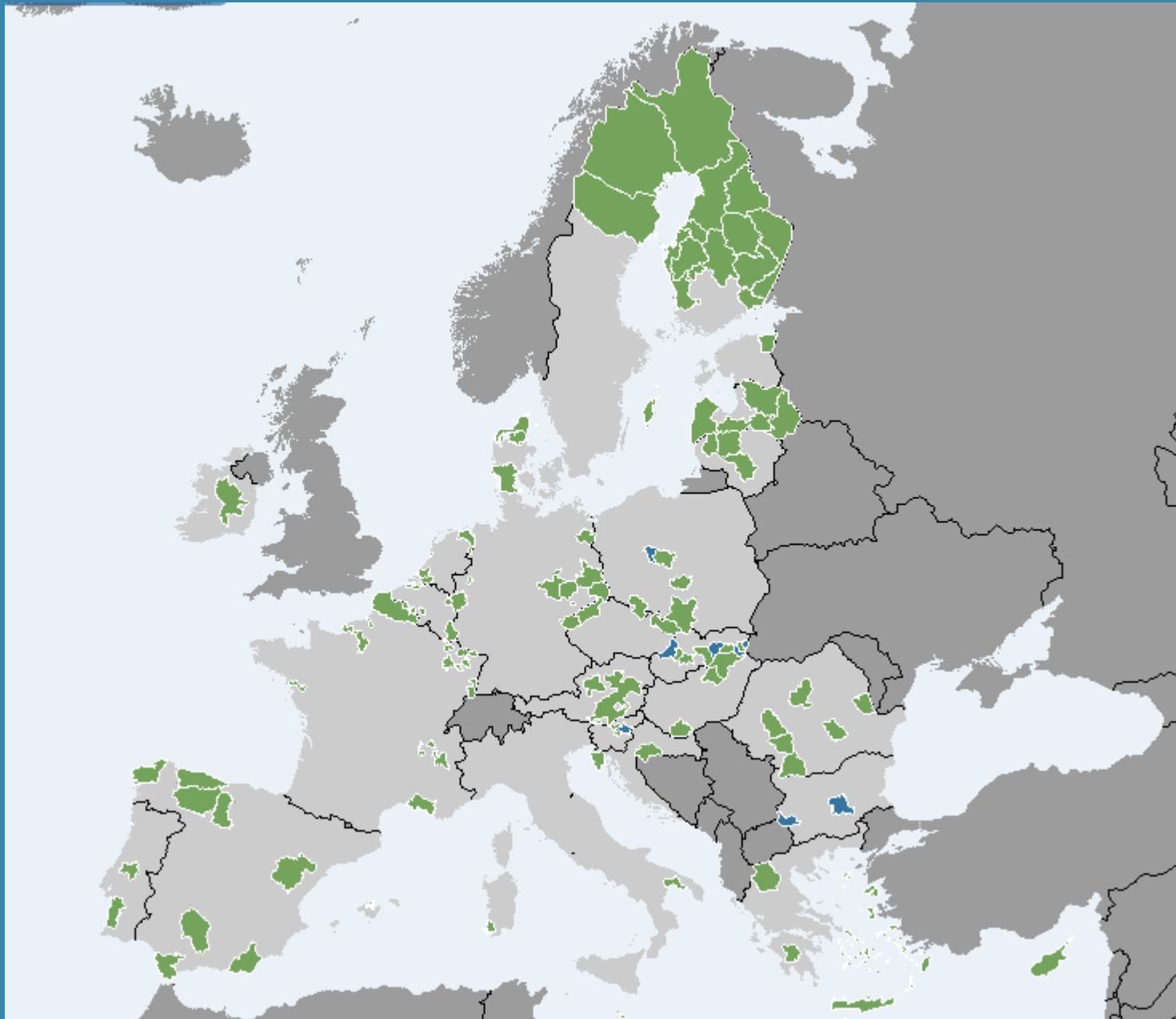


[The Public Sector Loan Facility under the Just Transition Mechanism \(youtube.com\)](#)

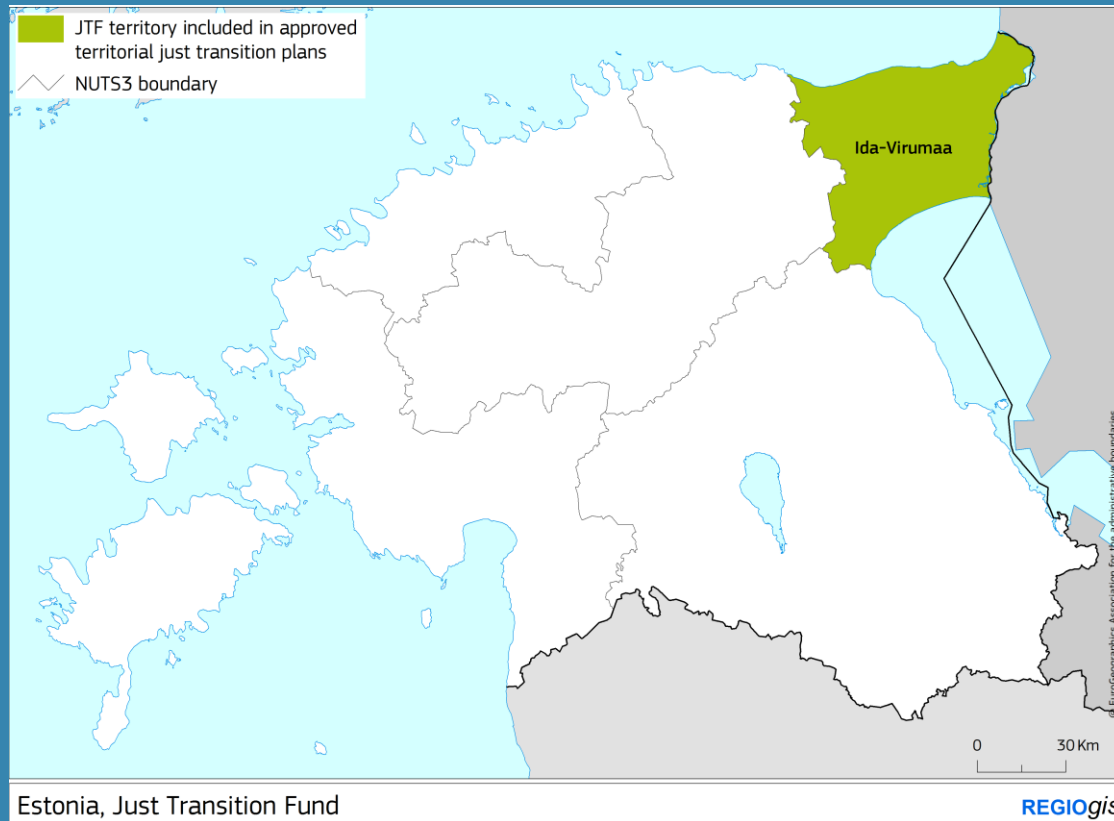


Just Transition Mechanism





Link to map [here](#)



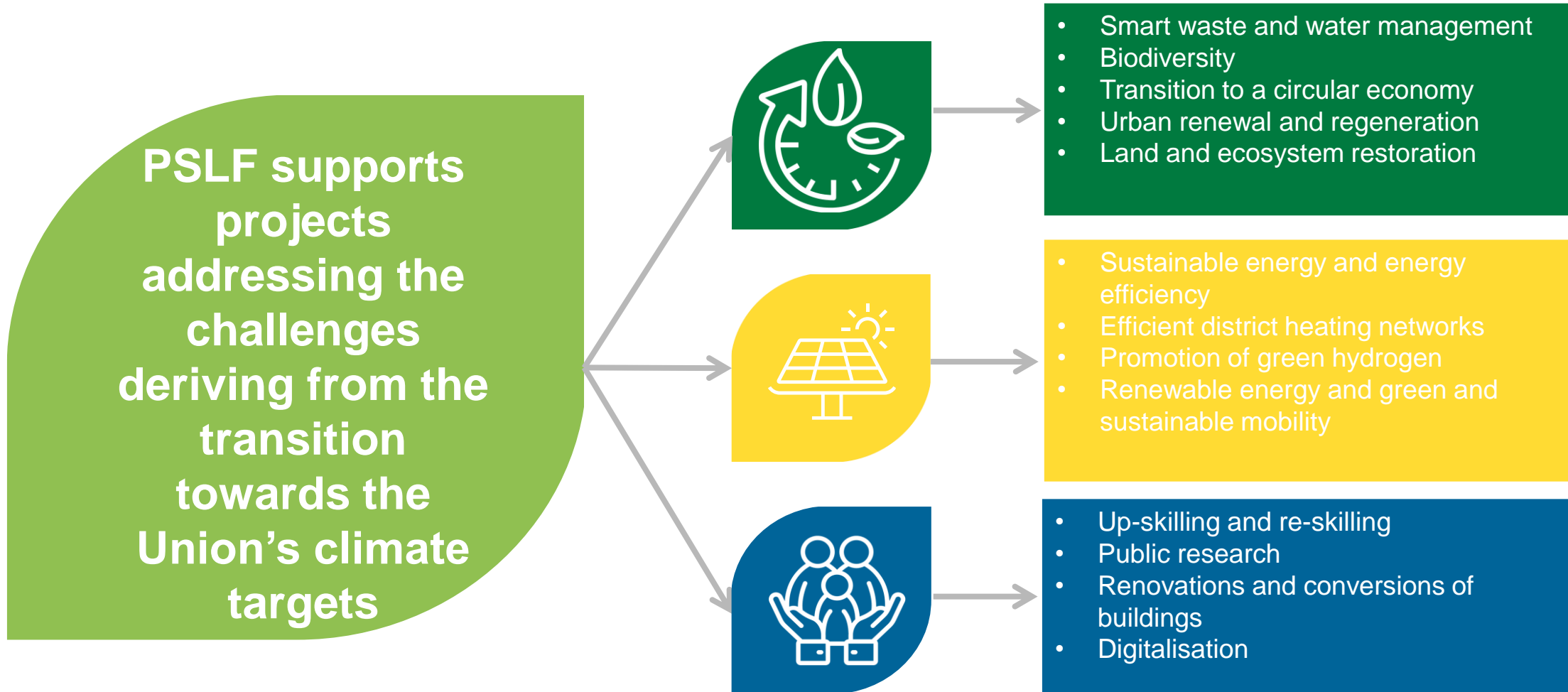
Eligible sectors* for PSLF – Pillar 3

**“The use of the Public Sector Loan Facility (Pillar III of the JTM) will be considered in particular for the implementation of housing development and revitalisation projects...”*

“Support should be considered for all sectors eligible under pillars II and III of the JTM (including sustainable infrastructure, tourism infrastructure, research, innovation and digitalisation, etc.). There are currently no restrictions on sectors or sectors...”

*Machine translated**

Objective and scope



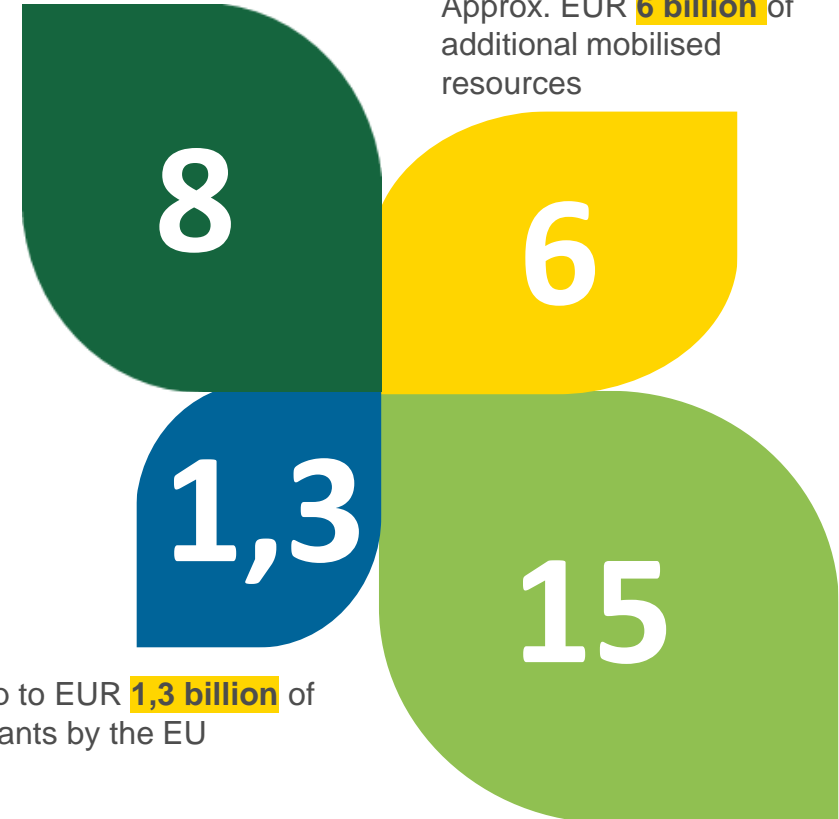
*And other areas listed in the Regulation and related to the sectors covered in the Territorial Just Transition Plans

PSLF is a blending facility



Up to EUR **6-8 billion** of loans by the European Investment Bank

Approx. EUR **6 billion** of additional mobilised resources



Up to EUR **1,3 billion** of grants by the EU

To mobilise EUR **15 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



Geographical scope

Projects must benefit a territory
identified in an adopted TJTP
(even if not located in such
territory)



*Consult [Inforegio - Just Transition Fund \(europa.eu\)](https://inforegio.eu)

Budget

National shares until end of 2025

*Follow on [CINEA webpage](https://www.cinea.eu)

*EE: 24.1 mln



Advisory support

*Apply for advisory support here: [InvestEU Advisory Hub](https://investeu.advisoryhub.eu) website

Project budget

Minimum EIB loan amount:

- The loan percentage is on average 50% (or above)
- EUR 12.5 million

Minimum grant:

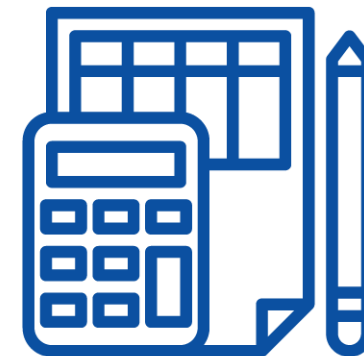
- The grant is a percentage of the loan - 15%, or 25% in less developed regions
- EUR 1.8, or 3.1 million in less developed regions

Effective grant rate / investment cost:

- 5-18% on average

Minimum budget of individual projects:

- EUR 25 million – loan schemes needed for smaller projects



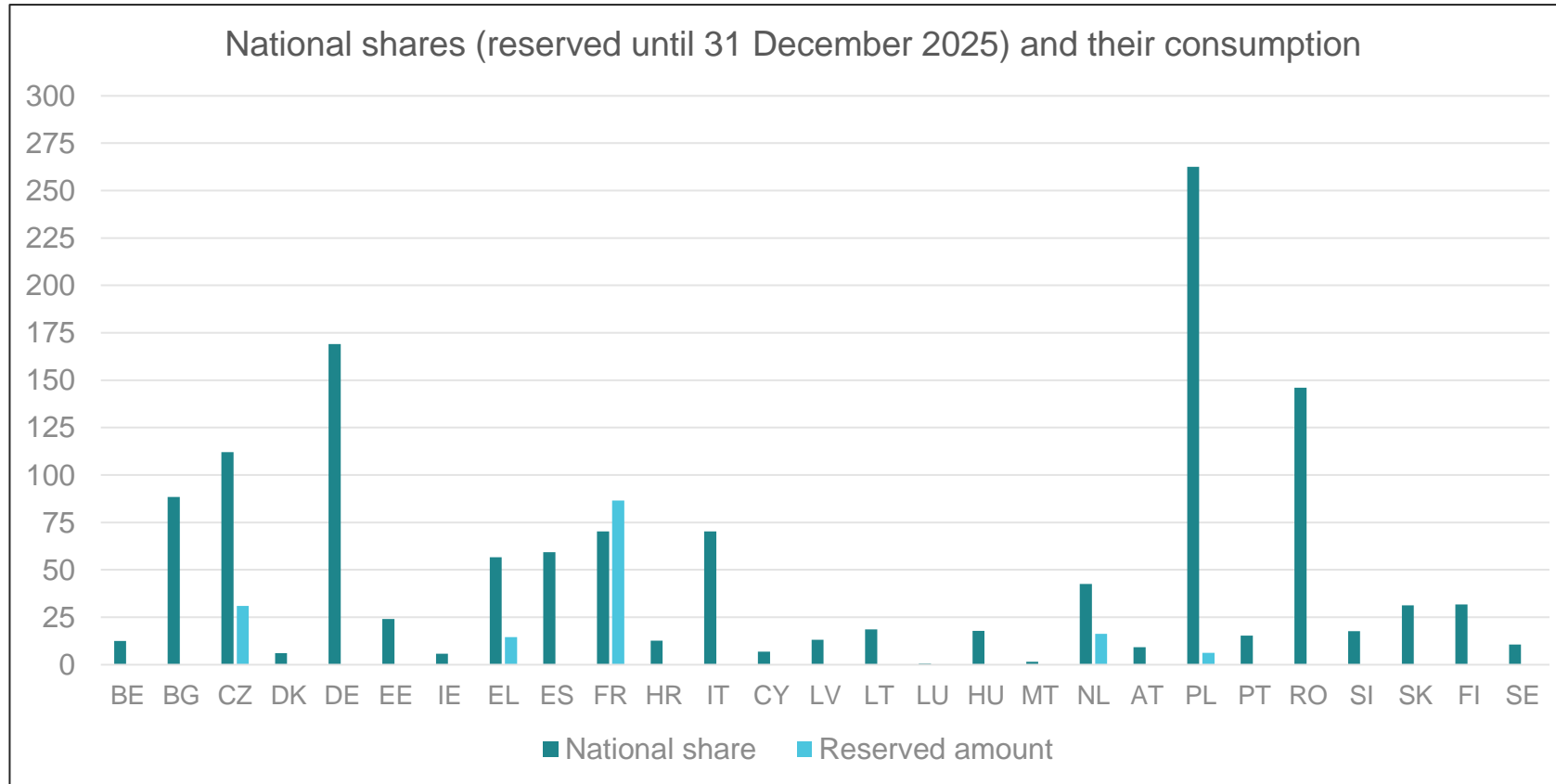
Eligible projects must not generate **sufficient streams of revenues**

Projects cannot receive support from **other Union programmes**

State of play (1/3)

Public sector loan facility in numbers	
Submitted proposals	37
Selected for funding	15
Signed grant agreements	5 (representing above EUR 100 mln in grants)

State of play (2/3)

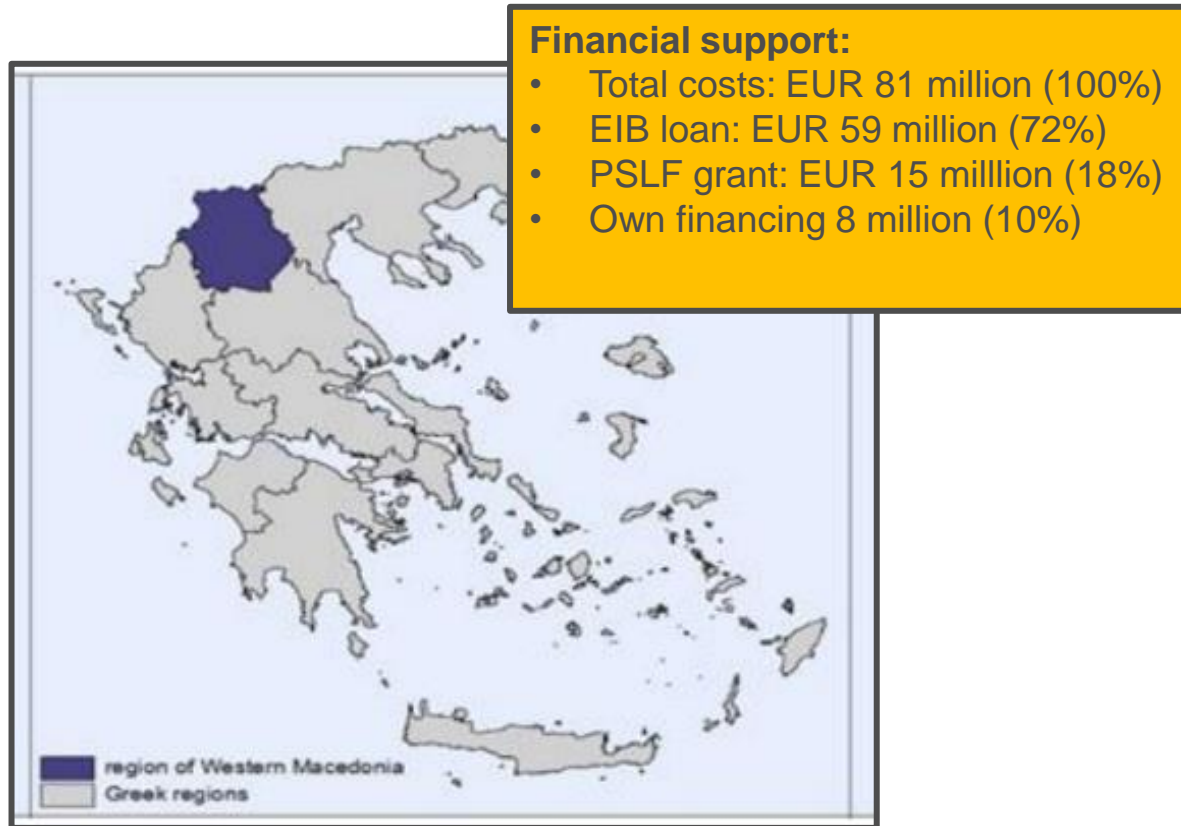


The progress in the use of national shares can be consulted on [PSLF's website](#)

State of play (3/3)

social housing
district heating
urban renewal
sustainable mobility
energy efficiency
social infrastructure
cultural
facilities

Project example: Transition in Western Macedonia (EL)



- 1st project approved under the **PSLF**
- A **lignite region** in northern Greece
- Projects implementation: **2023-2025**
- A loan scheme for a set of 15 projects:
 - **8 - energy efficiency**
 - **1 - road infrastructure**
 - **2 - health care**
 - **1 - culture**
 - **1 - tourism**

More information: [The transition towards a greener future of Western Macedonia \(europa.eu\)](https://europa.eu)

Project example: Sustainable and Affordable Housing for the New Green Industry and Society (SE)

- Mining and high intensive industry region in the northern Sweden (**Västerbotten County**)
- Project implementation:
- Construction of around **750** energy-efficient affordable **housing units**
- Project will address growing housing needs of the city of Skellefteå coming from development of **new green industry**

More information: [Sustainable and affordable housing to support green growth in Sweden - European Commission \(europa.eu\)](https://ec.europa.eu/eip/eip-se/en/sustainable-and-affordable-housing-to-support-green-growth-in-sweden)

Financial support:

- Total costs: EUR 142 million (100%)
- EIB loan: EUR 71 million (50%)
- PSLF grant: EUR 11 million (8%)
- Own financing 60 million (42%)



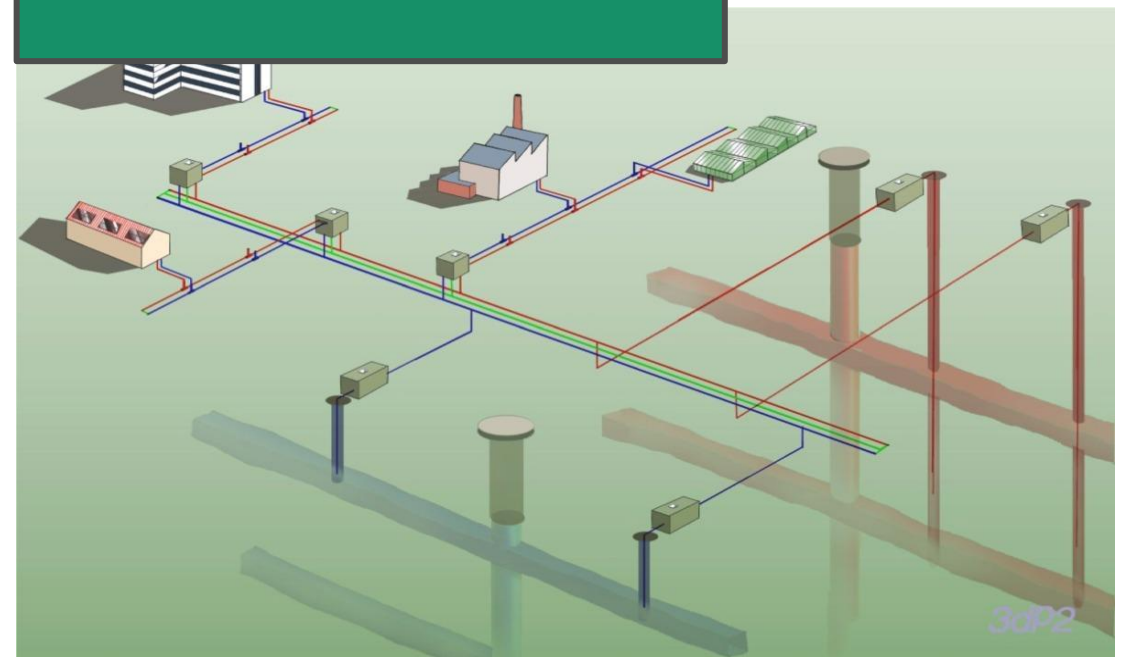
Project example: 'Mijnwater' Sustainable Heating and Cooling (NL)

- Project selected for funding, GA under way
- Extension of the existing '**Mijnwater**' **district heating and cooling network** in the Limburg Province, Netherlands (Municipality of Heerlen)
- The network is considered as one of the **most advanced 5th generation heating and cooling network** in Europe (with heat and cool supplied by underground waters from closed coal mines)
- Project implementation:
- Connection of around **1000 (social) household units** to the network
- Project is expected to reduce **the intensity of CO2 emissions** and contribute to **higher energy efficiency**

More information: <https://mijnwater.com/>

Financial support:

- Total costs: EUR 164 million (100%)
- EIB loan: EUR 90 million (55%)
- PSLF grant: EUR 13,5 million (8%)
- Own financing 60,5 million (37%)



Useful information

For general information

- [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
- [Funding & Tender Opportunities Portal](#)
- [Call FAQ](#)

Advisory support

- [InvestEU Advisory Hub](#)



Questions and Answers

Thank you



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