



ENERGY SECTOR INNOVATION-FINANCIAL NETWORK (EIFN) Supported by the European Commission (VI Framework Program)

OBJECTIVE. The objective of the EIFN project is to develop a Web platform for European entrepreneurs in the renewable energy sector and financiers, to match their interests. The project aims to facilitate the access of the innovative energy SMEs to financing and the access of the investors (banks, venture capital funds, business angels, etc.) to innovative energy projects (renewable energy, biodiesel, etc.)

Innovation in the energy sector is a key goal for the EU Energy Policy that aims to improve energy efficiency, reduce energy dependence and achieve sustainable environmental development. Nevertheless, it has been recognized the difficulties of the innovation energy sector (mainly based on SMEs) to access financing.

- On one hand, some project promoters needs more knowledge about: Innovation financing alternatives, access to financial resources procedures, structured finance, project evaluation methodologies, economic valuation of the project environmental impact, business plan elaboration, risk management,...
- On the other hand, the investors (banks, venture capital funds, private equity, business angels, etc.) need a deeper knowledge of the features of these projects and innovations in the energy sector.

**Financial
Institutions**

**Energy
entrepreneurs**



DELIVERABLE. The final deliverable of the project will be an online platform (WEB) with contents and tools to which the promoters of innovative energy projects and investors or other organizations interested in the promotion of energy SME, will have access. The Web will be equipped with the necessary documents, procedures and tools to guide the entrepreneurs to fill in their business plans, to carry out the valuation of their projects and to advise them in the search of funds. In the same way, investors will have access to all these tools, allowing them to choose among a broad range of projects in the energy sector (wind power, biomass, ...). The Web will include a knowledge repository about innovations in the energy sector and innovations in the financial sector. We foresee to reach about 300-400 participants in the WEB.

PHASES. The project is structured around different phases which results will be published in the project Web and in the monthly Project's newsletter. The break down of the phases is as follows:

1. The analysis of the state of the art of the innovative energy sector and financial innovations.
2. The building of the Network of participants that will be allowed to access to the online platform in the Web (innovative energy SMEs, energy firms, banks, venture capital funds, government agencies, etc.). The building of this Network is started at the beginning of the project to profit from the feedback that the members of the Network can give about the development of the project (the procedures and tools carried out, the knowledge repository, etc.)
3. Identification of funding sources (solutions) in accordance with the specific features of the energy sector (European map linking needs of innovative energy sector and funding sources) taking into account variables as.
 - Financial variables: Equity (ordinary capital, venture capital, preferred shares); Debt; Guaranties to access to financing; Grants and incentives.
 - Risk management variables: derivatives to hedge commodity risk price or currency risk; Insurances to hedge technology and regulatory risks.
 - Financing period (according to the energy innovation projects): Short term, medium term, long term, very long term.
 - Project technology maturity.
 - Credit quality of the entrepreneur: Energy companies (o companies that provide services to energy companies); SMEs.; Research Institutes and Universities; Public agents; Consortiums.
4. The design and development of methodologies and tools to prepare the business plans and to analyse financially the innovation energy projects. The standardization of this analysis will facilitate, for the promoters, the preparation of documents and for the investors, the decision making process will be easier allowing the comparison of the different projects.
5. The design and implementation of the IT platform to give access to the innovative energy firms and the investors and other institutions. The platform will include procedures for the management of financial support, financial guaranties, risk, access to public funds, etc. The Website will also offer information about new trends in the energy and financial sector.
6. The evaluation and testing of the IT platform and the attainment of the project's objectives. Evaluation and control in real time of the tools, methodologies and procedures developed in the project.

PROMOTERS. The Project's shareholders are 12 institutions from seven European Countries: (Spain, Germany, Italy, Lithuania, Slovenia, Romania and Poland):

- ✓ Deloitte (Coordinator)
- ✓ Ente Vasco de la Energía
- ✓ Instituto de Empresa Business School
- ✓ Instituto Tecnológico de Canarias
- ✓ Korona Power Engineering d.d.
- ✓ Institut für Solare Energieversorgungstechnik
- ✓ ZAB Zukunfts Agentur Brandenburg
- ✓ SC IPA SA
- ✓ CIFATT craiova
- ✓ Innovation NCP
- ✓ Lietuvos energetikos institutas
- ✓ Consorzio Catania Ricerche, and Institute of Power Engineering.