Anseo chun gnó a fhorbairt
Corparáid Baincéireachta Straitéiseach na hÉireann
Here to build business
Strategic Banking Corporation of Ireland

Growth and Sustainability Loan Scheme

Green Enterprise Eligibility Criteria (Use Case Document)

Contents

1. Definition of Green Businesses

Introduction:

To be considered a Green SME under the Growth and Susatainability Loan Scheme, the Borrower's main activity must fall into one or more of the below specified "green" activities. Activity will be conisdered the main activity provided that the Borrower's revenues from such activities represent at least 90% of its turnover.

How is Eligibility Confirmed?

The assessment of the Borrower Transaction eligibility is based on:

- ✓ The Borrower's external accountant confirmation of the percentage of "green" activities revenues in the most recent 12 month period for which financial information is available.

When should the assessment be made?

- ✓ The Borrower will be required to upload a letter confirming the percentage of "green" activities revenues the time of eligibility application on the SBCI Hub, and any documentation underpinning such letter shall be maintained by the Borrower for the relevant time period.

WHO is eligible:

Target Borrowers demostrating that at least 90% of their revenues in the most recent 12 month period for which financial information is available are originated from one or more activities that fall within the following:

(A) Renewable energy as per criteria number 2.1 of this document;
(B) Energy Efficiency as per criteria numbers 2.2 and/or 2.3 of this document;
(C) Zero and low emission mobility as per criteria number 2.4 of this document;
(D) Green ICT as per criteria number 2.5 of this document;
(E) Circular Economy, Waste Prevention and Recycling as per any sub-criteria numbers 4.1 to 4.4 of this document;
(F) Water resources and Pollution Prevention as per criteria number 5.1 and/or 5.2 of this document;
(G) Nature based solutions as per criteria number 6.1 of this document;
(H) Agricultural and forestry activities as per criteria 7.1 and/or 7.2 of this document;
(I) Professional/technical services enabling any of the above (A) – (H)

2. Investments for Climate Change Mitigation

2.1 Renewable energy (RE)

Description:
Investments in RE projects, production and/or transmission of RE, RE electricity storage solutions, RE heating and/or cooling systems, manufacturing of products, components and machinery for RE.

WHAT is eligible:	
Investments in the purchase, storage, distribution, transmission, installation of equipment, systems, processes and/or RE components utilising renewable energy resources as described below. Eligible renewable energy type:	
Solar energy • **Energy generated through solar photovoltaics panels (PV)** • **Energy generated through concentrated solar power (CSP) technology** • **Heating and cooling solar thermal systems**	Eligible investments examples: ✓ Solar panels and components; ✓ Solar thermal heating (space and water) systems and components; ✓ Solar thermal cooling systems and components ✓ All ancillary components (except investments for their production), such as: AC/DC convertors, transformers, inverters, power meters, batteries, installation expenses and grid connection costs ✓ Manufacture of electrical equipment for electricity from solar;
Ocean Energy **Energy generated from wave or tidal conversion systems**	Eligible investments examples: ✓ Wave or tidal turbines or components; ✓ All ancillary components (except investments for their production) such as AC/DC convertors, transformers, inverters, power meters, batteries, installation expenses and grid connection costs;

Wind energy **Energy generated through wind turbines or wind energy conversion systems**	Eligible investments examples: ✓ Wind turbines and components; ✓ All ancillary components (except investment for their production) such as AC/DC convertors; transformers, inverters, power meters, batteries, installation expenses and grid connection costs;
Geothermal **Energy or heating generated from geothermal source**	Eligible investments examples: ✓ Geothermal heat pumps; ✓ Geothermal plants operating at life cycle emissions lower than 100 CO2e/kWh; ✓ All ancillary components (except investments for their production) such as AC/DC convertors, transformers, inverters, power meters, batteries, installation expenses and grid connection costs;
Renewable energy (RE) transmission, distribution and storage solutions	vestments in: ✓ Transmission, distribution, direct connection, equipment or expansion of an existing direct connection of renewable electricity generation; ✓ Equipment and infrastructure where the main objective is to increase the generation or introduce renewable electricity generation; ✓ Mini-grids, smart grids and components; ✓ Equipment to increase the controllability and observability of the electricity system and enable the development and integration of renewable energy sources, this includes: ○ Sensors and measurement tools (including meteorological sensors for forecasting renewable production); ○ Communication and control (including advanced software and control rooms, automation of substations or feeders, and voltage control capabilities to adapt to more decentralised renewable infeed); ○ Equipment to carry information to users for remotely acting on consumption; ○ Equipment to allow for exchange of renewable electricity between users;

	○ Interconnectors between transmission systems, provided that one of the systems is eligible; ○ Thermal energy storage equipment; ○ Electricity storage equipments/Batteries for the use of renewable energy resources;
Manufacturing of RE products: key components and machinery	Any investment related to production, installation/assembly, increased capacity of manufacturing RE key components and machinery. Any investment related to the production of ancillary components for renewable energies is not eligible. NB: this criterion does not apply to Borrowers that are Natural Persons and/or Housing Associations.

2.2 Green and energy efficient certified buildings-commercial

Description:
Investment in the construction or renovation of commercial buildings, resulting in minimum qualifying energy performance, or meeting minimum thresholds.

WHAT is eligible:

2.2.1 Investment(s) in renovation of commercial buildings:

(A) Where savings in Primary Energy Demand (PED) are of at least 30% in comparison to the baseline performance of the building before the renovation, where the reductions in net primary energy demand through renewable energy sources are not taken into account.

2.2.2 Investment(s) in renovation of commercial buildings from a pre-defined list of standardized building renovation measures/eligible equipment, concretely:

(A) Installation of individual measures:

- Insulation;
- window and door replacements;
- heating, ventilation and air conditioning equipment (HVAC); heating equipment based on fossil fuels are not eligible;
- replacement of boilers or stoves, except when based on fossil fuels;

Which comply with the minimum requirements set in the applicable national regulations transposing the Energy Performance Building Directive (EPBD) and also, in the case of products, comply with any applicable Commission implementing regulation under the eco-design Directive 2009/125/EC[1].

(B) In addition to the above, the following individual measures are always considered eligible:

B.1. INSULATION MEASURES

i. Insulation like external walls, roofs, green roofs and walls, lofts, basements, ground floors with low thermal conductivity, external cladding and roofing systems with U-value lower or equal to 0.3 W/(m^2K). Energy efficient windows (U-value lower or equal than 1 W/(m^2K). This includes measures to ensure air-tightness, measures to reduce the effects of thermal bridges adhesive, etc;

ii. In the case of of replacement of external doors with new energy efficient doors, they shall meet the minimum requirements set for doors in the applicable national regulations transposing the Energy Performance Building Directive (EPBD);

B.2 HEATING/COOLING MEASURES

i. Heating, ventilation, and air conditioning (HVAC) and domestic hot water products or packages subject to an EU Energy Label requirement and rated in the highest two significantly populated classes of energy efficiency, or in higher classes as laid down in a delegated act under Regulation (EU) 2017/1369 or Directive 2010/30/EU. Heating equipments based on fossil fuels are not eligible;

ii. Zoned thermostats, smart thermostat systems (hardware, communication systems and programming software applications) and sensoring equipment, e.g. motion and day light control;

iii. Products for heat metering and thermostatic controls for individual homes connected to district heating systems and individual flats connected to central heating systems serving a whole building;

B.3 BUILDING MEASURES

i. Energy-efficient building automation and control systems for commercial buildings as defined according to the EN 15232 standard. E.g. Building Automation and Control Systems (BACS), Building Management Systems (BMS) and Energy Management Systems (EMS) e.g. All hardware, meters or sub meters, communication systems and software/programming needed for the supervision of the technical systems of the building and for the monitoring and improvement of the energy consumption of the buildings;

[1] See overview of products groups regulated here: *https://ec.europa.eu/info/energy-climate-change-environment/standards-tools-and-labels/products-labelling-rules-and-requirements/energy-label-and-ecodesign/energy-efficient-products_en*

ii. Façade and roofing elements with a solar shading or solar control function, including those that support the growing of vegetation, passive systems (for example thermal zoning, passive solar gains and daylighting through the glazed façade and natural ventilation strategies) and any other measures that reduce the energy demand of the building not covered elsewhere;

B.4. OTHER MEASURES

i. Light sources subject to EU energy labelling rules[2] and rated in the highest two significantly populated classes of energy efficiency, or at higher classes and its associated equipment (Cabling, transformers, control systems, etc.);

2.2.3 Investment(s) in construction for commercial buildings: Buildings below 5000 m2 upon completion, where the Primary Energy Demand (PED) defining the energy performance of the building is at least 10% lower than the threshold set for the nearly zero-energy building (NZEB).

2.2.A Additionally, the following ancillary, type of activities related to any of the eligibility sub-criteria under eligibility criteria number 2.2 are eligible:

- Technical consultations (architects, energy consultants, energy simulation, project management, production of energy performance certificates (EPC), dedicated training, etc.);
- For SMES, accredited energy audits; for Small Mid-Caps, accredited energy auditsexcluding mandatory energy audits carried out to comply with Directive 2012/27/EU[3];
- Building performance assessments;
- Energy management services;
- Energy performance contracts;
- Investments of energy service companies (ESCOs) in equipment to deliver on the energy saving contracts;

[2] Commission Delegated Regulation (EU) 2019/2015 of 11 March 2019 supplementing Regulation (EU) 2017/1369 of the European Parliament and of the Council with regard to energy labelling of light sources *https://eur-lex.europa.eu/legal-content/EN/TXT/?qid=1575537561243&uri=CELEX:32019R2015*

[3] To be noted that Directive 2012/27/EU excludes SMEs from its scope.

2.3 Industrial energy efficiency

Eligibility Criteria no 2.3

2.3.1. Investments in standardized energy efficiency measures from a pre-defined list
2.3.2 Investment in technology, equipment or machinery that reduce significantly energy consumption/GHG emissions (including replacements).

WHAT is eligible:

2.3.1 Investments in standardized energy efficiency measures from a pre-defined list

(A) Investment in the purchase/installation of any of the items from the list of pre-defined energy efficiency standardised measures/eligible equipment as described in eligibility criteria number 2.2.2

(B) Investments related with the manufacturing of the following:

- Household appliances (e.g. washing machines, dishwashers) and of space or water heating appliances rated in highest two significantly populated classes of energy efficiency, or in higher classes as laid down in a delegated act under Regulation (EU) 2017/1369 or Directive 2010/30/EU;
- Energy efficient windows (U-value lower or equal to 1.0W/m2K);
- Doors with U-value lower or equal to 1.2 W/m2K;
- External wall systems (with U-value lower or equal to 0.5 W/m2K);
- Insulating products with a lambda value lower or equal to 0.06 W/mK;
- Light sources rated in the highest two populated classes of energy efficiency in accordance with Regulation (EU) 2017/1369 and delegated acts adopted under that Regulation;
- Space heating and domestic hot water systems;
- Cooling and ventilation systems rated in the highest two populated classes of energy efficiency in accordance with Regulation (EU) 2017/1369 and delegated acts adopted under that Regulation;
- Presence and daylight controls for lighting systems;
- Heat pumps compliant with the technical screening criteria ((a) refrigerant; threshold: GWP does not exceed 675; (b) energy efficiency requirements laid down in the implementing regulations under Directive 2009/125/EC are met.);
- Energy-efficient building automation and control systems for residential and non-residential buildings;
- Products for heat metering and thermostatic controls for individual homes connected to district heating systems, for individual flats connected to central heating systems serving a whole building, and for central heating systems;
- District heating exchangers and substations compliant with the district heating/cooling distribution activity, except those using natural gas;

- Products for smart monitoring and regulating of heating system, and sensoring equipment;

(C) Additionally, the following ancillary type of activities related to eligibility criteria number 2.3.1 are eligible:

- Technical consultations (architects, energy consultants, energy simulation, project management, production of energy performance certificates (EPC), dedicated training, etc.);
- For SMES, accredited energy audits; for Small Mid-Caps, accredited energy audits excluding mandatory energy audits carried out to comply with Directive 2012/27/EU[4];
- Building performance assessments;
- Energy management services;
- Energy performance contracts;
- Investments of energy service companies (ESCOs), in equipment to deliver on the energy saving contracts;

2.3.2. Production, installation of products or application of technology that reduce significantly energy consumption/GHG emissions, incl. investment in replacing existing technology, equipment, machines providing at least a decrease in energy use (kWh) of at least 30% or GHG emission reduction of minimum 30%.

(A) In the case of industrial EE, - decrease in energy use (kWh) or GHG emission reduction. Such investments may include:

- Electrical equipment;
- Electric motors with VSDs (variable speed drives);
- VSDs;
- Machines, compressors, cranes;
- Investments in upgrades or modernization of processing equipment;
- Investments in upgrades or modernization of production lines;

(B) Examples of investments in the case of Borrowers operating in agriculture:

- The replacement of self-propelled or traction agricultural (farm/forest) machinery (heavy and light duty) if they can demonstrate a substantial reduction (min 10%) in GHG emissions reduction. Until 2025, no restrictions on type of fuel applies;
- Modernization of existing irrigation networks/systems involving energy savings (min 10%) including equipment coupled to such investment;

NB: New irrigation and/or expansion of existing irrigation systems are eligible only if the Borrower can demonstrate through relevant documentation, compliance with national rules/prior authorisations regarding the abstraction of fresh surface water and groundwater/ good status of the water bodies:

[4] To be noted that Directive 2012/27/EU excludes SMEs from its scope.

- Investments in upgrades or modernization of processing equipment delivering a reduction of GHG emissions or energy consumption;

2.3.A. RDI activities that support Energy Efficiency.

In all cases, activities should aim to promote substantially lower GHG emissions compared with current practices, except where the current practice is already low in carbon and activities focus on development of equally low- or lower-emission technologies, services or solutions with new advantages, such as lower cost or better usability.
Activities that directly support exploration, extraction, processing or transportation of fossil fuels, or fossil fuel power generation (with the exception of technologies for carbon capture and storage), cannot be considered. For demonstration plants, a life-cycle GHG emissions assessment must be undertaken by the entity carrying out the RDI calculated using Commission Recommendation 2013/179/EU or, alternatively, using ISO 14067:2018 or ISO 14064-1:2018.

2.4 Zero and low emission mobility

Eligibility Criteria no 2.4
Investments in low and/or zero emission transport assets, in renewal and retrofitting of transport assets and infrastructure for zero-emission and clean energy vehicles and vessels.

WHAT is eligible:

For Target Borrowers, which are SMEs or Small Mid-caps

(A) Vehicles

Passenger cars (category M), light commercial vehicles (N1 such as vans)

- Until 31 December 2025, vehicles with tailpipe emission intensity of max 50 g CO2/km (WLTP), or zero tailpipe emission vehicles (e.g. electric, hydrogen).

-From 1 January 2026, only zero tailpipe emission vehicles (e.g. electric, hydrogen).

In the case of vehicles under category M1, the cost of the vehicle – TVA excluded- must be up to EUR 60,000.

(B) Motorbikes (L)

For category L vehicles:

Zero tailpipe emission vehicles (incl. hydrogen, fuel cell, electric).

(C) Heavy duty vehicles (N2 and N3)

For category N2 and N3 vehicles:

C.1. Heavy Duty Vehicles: N2 vehicles, as defined by (Heavy duty CO2 Regulation (EU) 2019/1242), maximum loaded weight < 7.5 tonnes:

i. Zero direct emission heavy-duty vehicles that emits less than 1g CO2/kWh (or 1g CO2/km for certain N2 vehicles);

C.2. Heavy Duty Vehicles: N2 and N3 vehicles, as defined by (Heavy duty CO2 Regulation (EU) 2019/1242), maximum loaded weight > 7.5 tonnes:

i. Zero direct emission heavy-duty vehicles that emits less than 1g CO2/kWh (or 1g CO2/km for certain N2 vehicles);

ii. Low-emission heavy-duty vehicles with specific direct CO2 emissions of less than 50% of the reference CO2 emissions of all vehicles in the same sub-group.

(D) Waterborne

D.1 Inland passenger water transport:

i. Zero direct (tailpipe) CO2 emissions;
ii. Until 31 December 2025, hybrid and dual fuel vessels derive at least 50% of their energy from zero direct (tailpipe) CO2 emission fuels or plug-in power for their normal operation;

D.2 Inland freight water transport:

i. Zero direct (tailpipe) CO2 emissions;
ii. Other inland waterway vessels are eligible if direct emissions are below 28.30 gCO2/tkm;

D.3 Sea and coastal freight transport:

i. Zero direct (tailpipe) CO2 emissions;
ii. Until 31 December 2025, hybrid and dual power vessels deriving at least 25% of their energy form zero direct (tailpipe) CO2 emission fuels or plug-in power for their normal operation at sea and in ports;
iii. Where technologically and economically not feasible to comply with the criterion of zero direct tailpipe, until 31 December 2025, and only where it can be proved that the vessels are used exclusively for the provision of coastal and short sea services designed to enable the modal shift of freight currently transported by land to sea, the vessels have direct (tailpipe) CO2 emissions below 28.30 gCO2/tkm;
iv. Or until 31 December 2025, if the vessels have an attained Energy Efficiency Design Index (EEDI) value 10 % below the EEDI requirements applicable on 1 April 2022 if the vessels are able to run on zero direct (tailpipe) CO2 emission fuels or on fuels from renewable sources meeting green hydrogen and biofuels/biogas criteria as defined by the EU taxonomy (Fuels that meet the technical screening criteria specified in sections 3.10 and

4.13 of Climate DA Annex. - 3.10 - being manufacture of hydrogen, 4.13 being Manufacture of biogas and biofuels for use in transport and of bioliquid);

D.4 Sea and coastal passenger transport:

i. Zero direct (tailpipe) CO2 emissions;
ii. Where technologically and economically not feasible to comply with the criterion of zero direct tailpipe, until 31 December 2025, hybrid and dual fuel vessels deriving at least 25% of their energy form zero direct (tailpipe) CO2 emission fuels or plug-in power for their normal operation at sea and in ports;
iii. Where technologically and economically not feasible to comply with the criterion of zero direct tailpipe, until 31 December 2025 if the vessels have an attained an EEDI value 10% below the EEDI requirements applicable on 1 April 2022, if the vessels are able to run on zero direct (tailpipe) emission fuels or on fuels from renewable sources meeting green hydrogen and biofules/biogas criteria as defined by the EU taxonomy. (Fuels that meet the technical screening criteria specified in sections 3.10 and 4.13 of Climate DA Annex. - 3.10 - being manufacture of hydrogen, 4.13 being Manufacture of biogas and biofuels for use in transport and of bioliquid);

D.5 Retrofitting inland water freight and passenger transport vessels:

i.until 31 December 2025, the retrofitting activity reduces fuel consumption of the vessel by at least 10 % expressed in litre of fuel per tonne kilometre, as demonstrated by a comparative calculation for the representative navigation areas (including representative load profiles) in which the vessel is to operate or by means of the results of model tests or simulations.

D.6 Retrofitting Sea and costal freight and passenger transport vessels:

i. until 31 December 2025, the retrofitting activity reduces fuel consumption of the vessel by at least 10 % expressed in grams of fuel per deadweight tons per nautical mile, as demonstrated by computational fluid dynamics (CFD), tank tests or similar engineering calculations.

In any case, Vessels are not built, retrofitted and acquired with the explicit intention to predominantly transport or store fossil fuels over the life of the project.

(E) Rail

E.1.Rail infrastructure and related subsystems (infrastructure, energy, on-board control-command and signalling, and trackside control-command and signalling subsystems);

E.2. Freight and passenger terminals linking other transport modes to rail;

E.3. Zero-emission (electric, hydrogen) rolling stock for rail, including bi-mode (hybrid propulsion) and freight wagons and passenger coaches that do not have traction of their own

In any case, no support shall be provided to infrastructure and rolling stock with the explicit intention to predominantly transport or store fossil fuels over the life of the project.

(F) Aviation

F.1. Ground- and cargo handling, including:

i. Zero carbon emission (e.g. electric, hydrogen) groundhandling vehicles and equipment e.g. cars, buses, push back tugs, belt loaders, baggage tractors, de-icing vehicles, snow plows, passenger airstairs, airport pallet trucks, main and lower deck loaders, power tractors, ground power units, cool container dollies and other;

ii. Provision of fixed electrical ground power and preconditioned air to stationary aircraft;

F.2. Zero-emission small aircraft (e.g. electric, hydrogen powered aeroplane, helicopter, drone for transport purposes; below 20 seats – manned and unmanned);

In the area of sustainable aviation fuels : manufacture of biofuels[5] and hydrogen (including hydrogen-based synthetic fuels)[6], including the equipment, infrastructures and services for the production of such biofuels and hydrogen[7], as well as the manufacture of equipment for the use of hydrogen[8].

(G) Personal mobility devices

Personal mobility devices where the propulsion comes from the physical activity of the user (e.g. bikes), from a zero-emission motor (e.g. electric trottinettes), or a mix of zero-emissions motor and physical activity (e.g. e-bikes); only devices that are allowed to be operated on the same public infrastructure as bikes or pedestrians are eligible.

(H) Infrastructure

Infrastructure that is dedicated to the operation of vehicles, aircraft, vessels or personal mobility devices with zero tailpipe CO2 emissions: electric charging points, electricity grid connection upgrades, hydrogen fuelling stations or electric road systems. Infrastructure and

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[5] Subject to complying with the following characteristics:

• Biofuels are produced from the sustainable feedstock listed in Parts A & B of Annex IX of Directive (EU) 2018/200135 (exceptions can be made for innovative processes development and demonstration purposes, on a case by case basis).

• Production of biofuels for transport comply with the GHG saving targets outlined in Article 29 of Directive (EU) 2018/2001 (par. 1 and par. 10) – i.e. 65%. Electricity/heat/cool production from bioenergy, as outlined in activities 14, 15 and 16 of the energy section of this guidance, are compliant with the GHG saving targets outlined in Article 29 of Directive (EU) 2018/2001 (par. 1 and par. 10) – i.e. 80%. Calculation methods should take into consideration EU taxonomy DA and RED II provisions with regards to CO2 capture where and if applicable.

• The biomass feedstock, when sourced from inside the EU, is compliant with the sustainability criteria of EU Directive 2018/2001 (and article 29 in particular) and EU Timber Regulation No. 995/2010.

• The biomass feedstock, when sourced from outside the EU, is aligned with the principles of the sustainability criteria of the EU Directive 2018/2001. The forest biomass shall, at a minimum, be certified or aligned (e.g. roadmap) with international sustainable forest certification standards (e.g. FSC/PEFC), and shall be aligned with the EU Timber Regulation No. 995/2010

[6] Subject to complying with the following criteria: life-cycle GHG emissions savings requirement of 73.4% for hydrogen [resulting in life-cycle GHG emissions lower than 3t CO2e/tH2] and 70% for hydrogen-based synthetic fuels relative to a fossil fuel comparator of 94g CO2e/MJ in analogy to the approach set out in Article 25(2) of and Annex V to Directive (EU) 2018/2001

[7] Equipment covered includes: 1) electrolisers for hydrogen production; 2) carbon capture equipment..

[8] Equipment covered includes hydrogen fuel cells

installations that are dedicated to transhipping freight between the modes: terminal infrastructure and superstructures for loading, unloading and transhipment of goods.

2.5 Green ICT for climate mitigation

Eligibility Criteria no 2.5

Developing or adopting green Information Communication Technology (ICT) and digital solutions, tools, equipment, applications that enable a decrease in energy consumption/pollutant emissions, or contribute to climate mitigation objectives.

WHAT is eligible:

(A) Greening the ICT sector

A.1. Green data centers
Data processing, hosting and related activities that meet the following conditions:

i. The activity has introduced all relevant practices listed as 'expected practices' in the most recent version of the European Code of Conduct on Data Centre Energy Efficiency[9], or in CEN-CENELEC document CLC TR50600-99-1 'Data centre facilities and infrastructures - Part 99-1: Recommended practices for energy management'. The implementation of those practices is verified by an independent third-party and audited at least every 3 years.

ii. Where an expected practice is not considered relevant due to physical, logistical, planning or other constraints, an explanation as to why the expected practice is not applicable or practical is provided. Alternative best practices from the European Code of Conduct on Data Centre Energy Efficiency or other equivalent sources may be identified as direct replacements if they result in similar energy savings.

iii. The global warming potential (GWP) of refrigerants used in the data centre cooling system does not exceed 675.

(B) Sustainability linked ICT solutions:

B.1) ICT solutions for decarbonised energy networks, where such solutions are used for the provision of enabling GHG emissions savings or energy reductions of at least 30%, such as:

[9] *2021 Best Practice Guidelines for the EU Code of Conduct on Data Centre Energy Efficiency | E3P (europa.eu)*

1) Energy efficient data platforms and data flows;
2) Energy efficient super computing, energy efficient AI and blockchain algorithms;
3) Digitalisation of decarbonised grids;
4) Big data solutions for energy;
5) Semi-conductors;

B.2) Smart grids and related ICT solutions:

Smart technologies (incl. IoT, AI) for:
1) Smart grid automation;
2) Flexible energy distribution;
3) Smart metering;
4) Real-time smart grid software suite;

3. Investments related to transition to circular economy, waste prevention and recycling

3.1 Sustainable use of materials

Eligibility Criteria no 3.1

1) Investments that contribute to the circular economy transition, by allowing reduction of primary raw material use and/or higher use of secondary materials compared to existing practice;
2) Investments in activities that are key to net resource saving through reuse, repair, refurbish, remanufacturing, repurpose or recycling activities;

WHAT is eligible:
3.1.1 Investments that contribute to the circular economy transition, by allowing reduction of primary raw material use and/or higher use of secondary materials compared to existing practice **Projects/investments:**

i. **That allow for a reduction of primary raw material use of min. 20%, including substituting virgin materials with secondary/recycled materials or with the waste or by products from other industrial process;**
ii. **That allow for a higher use of secondary raw materials, waste or by-product from other industrial process of min. 20% compared to current practice, in any case, not below 20% overall use;**
iii. **Investments in manufacturing of product(s) with demonstrated superior recyclability – product recyclability of above 80%;**
iv. **Development and sustainable production of new materials (including bio-based materials) that are reusable, recyclable or compostable;**

3.1.2 Investments in activities that are key to net resource saving through reuse, repair, refurbish, remanufacturing, repurpose or recycling activities

Projects/investments such as:

i. **Refurbishment, retrofitting and remanufacturing of end-of-life or redundant products/movable assets;**
ii. **Businesses with main activity/investing in the reuse and repair of consumer products (e.g. clothing, furniture, bicycles, household appliances);**

3.2 Waste reduction, collection, recovery

Eligibility Criteria no 3.2
Investments in the segregated collection of waste, redundant products, parts, materials and residues in order to enable high quality recycling, reuse, recovery and/or valorisation.

WHAT is eligible:

Projects/investments:

(A) Equipment, transport and building infrastructure needed to organise the take back and reverse flow of products and materials to relevant facilities for repair, refurbishing, remanufacturing recycling or dismantling;
(B) Movable equipment (bins, containers);
(C) Waste collection and transport vehicles allowing high quality waste collection and management, meeting at least EURO V standard;
(D) Equipment for waste collection and waste management (including segregated collection or sorting);
(E) Reuse, repair, refurbishing, repurposing and remanufacturing of end-of-life or redundant products, movable assets and their components that would otherwise be discarded;

Investments concerning disposal listed in Annex I of Directive 2008/9810 (e.g. landfilling, permanent storage, incineration) will not be supported.

3.3 Product as a service, reuse and sharing models that enable circular economy strategies

Eligibility Criteria no 3.3
Product-as-a-service, reuse and sharing models based on, inter alia, leasing, pay-per-use, subscription or deposit return schemes, that enable circular economy.

WHAT is eligible:

This category can be based on, inter alia, leasing, pay-per-use, subscription or deposit return schemes. This includes:

(A) leasing products with circular design (e.g. increased durability, modularity, easy disassembly and repair);
(B) provisions for product/asset return at the end of the first lease lifecycle with subsequent refurbishment/repair to enable re-lease for additional lease lifecycles in 'as new' quality condition;
(C) investments that substitute or lead to a substantial reduction of substances of concern in materials, products and assets;

[10] *https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A02008L0098-20180705*

3.4 Green ICT enabling circular economy business models

Eligibility Criteria no 3.4
Development/deployment of tools, applications, and services enabling circular economy business models.

WHAT is eligible:

(A) ICT tools for predictive maintenance and repair with the predominant aim to extend the life of products;
(B) Digital solutions for traceability of materials to support future recycling;
(C) Digital tools and applications to facilitate reverse logistics (tracking, take-back of products for reuse, repair or recycling), improve circular resource efficiency and avoidance of waste production (e.g. food waste in restaurants, shops);
(D) Virtual marketplaces for secondary raw materials or second hand/repaired/upgraded products;
(E) Digital solutions that support the creation of new recycling systems;
(F) Digital tools and applications for consumer and industries´awareness raising/education on the application and benefits of different circular economy strategies;
(G) Advisory services to companies for strategising, preparing and implementing circular economy transitions;
(H) Transition to energy and material efficient mobile and fixed telecommunication services by adopting circular economy principles in the telecommunication equipment and consumer electronic (improving durability, reuse, update, reparability, refurbishment, recycling;

4. Investments in environmental impact and sustainable management of natural resources

4.1 Water resources

Eligibility Criteria no 4.1
Investments in water resource management and efficiency and related technologies.

WHAT is eligible:

Investments in:

(A) Modernisation of infrastructures if designed to improve water conservation, efficiency, reuse and discharge reduction:

i. Water-saving systems and their components (incl. technologies) that will lead to at least a 10% decrease in water use;
ii. Installation of water-saving new modern machines, equipment and fittings (e.g. irrigation machines, pumps, filters, pipelines, fittings, remote control systems, meteorological station, ground probes, water meters);
iii. Water treatment technology for water reuse;
iv. Implementation of measures resulting from compliance with a certification scheme, such as: EWS Standard, http://www.ewp.eu/ews-standard, Sustainability Certification Program https://www.wqa.org/Sustainability
v. Water efficiency of buildings;
vi. Water savings technologies (smart water meters, pressure control technologies);
vii. Water flow and level measurement and monitoring and water quality monitoring;
viii. Improvement and digitisation on water monitoring networks;

(B) Reduction of runoff, increment of percolation and retention measures:

i. Collection of run-off water for later use;
ii. Runoff control measures for improving infiltration;
iii. Investment in enhancing infiltration of rainwater;
iv. Drainage systems, combination of drainage with water retention;
v. Improving watershed management;
vi. Water storage (including insulation) and harvesting (e.g. design and construction of a reservoir, for the retention and storage of precipitation and accumulated inland water falling on the area);
vii. Shift from combined to separated sewer/storm water systems;

(C) Support for more precise management of irrigation that results in water savings and efficiency:

- Irrigation that leads to water savings of at least a 10% decrease in water use;
- Precision irrigation technologies (e.g. variable rate irrigation, micro-irrigation, combination with liquid fertilisation);
- Development and reconstruction of irrigation infrastructure and related structures;

NB: New irrigation and/or expansion of existing irrigation systems are eligibile only if the beneficiary can demonstrate through relevant documentation, compliance with national rules/prior authorisations regarding the abstraction of fresh surface water and groundwater/ good status of the water bodies.

(D) ICT applications and solutions that are dedicated to:

i. Hydrological modelling and forecasting;
ii. Smart water management, including advanced metering and monitoring technologies;
iii. Increasing water savings, conservation and efficiency, or improving water quality;

4.2 Pollution prevention and control

Eligibility Criteria no 4.2
Investments in reduction, control and prevention of pollutant emissions into air and noise reduction.

WHAT is eligible:

Investment in cleaner production technologies or end of pipe mitigation technologies including manufacture of essential products, key components and new tech that reduce emissions of pollutants into the air and investment in noise reduction.

This includes:

(A) Investments in equipment that will substantially reduce air pollution (PM 2.5, PM 10 particles, NH3 (ammonia), CH4 (methane)) such as: boilers, scrubbers, multiclones dust collectors, manure storage, biogas installations (NH3 and CH4 emissions);
(B) End of-pipe solutions to reduce particulate emissions to air such as filters;
(C) Low-emission techniques to incorporate manure in the soil and nitrogen inorganic fertilisers, the measure with the greatest potential to reduce NH3 emissions;
(D) Investments in industrial noise abatement such as: acousting enclosures (machine guards), acrylic glass, noise barriers;
(E) In aviation, centralised de-icing pads to avoid contamination of groundwater;

5. Protection and restoration of biodiversity and ecosystems-Nature-based solutions

Eligibility Criteria no 5.1
Investments in nature-based solutions or financing of enterprises operating in sectors providing nature-based solutions.

WHAT is eligible:

(A) Investments in nature-based solutions or Borrowers operating in sectors providing nature-based solutions

(B) Investments or enterprises operating or providing services in:

i. Landscape/green spaces restoration and management. This action includes protection, restoration and effective management of areas of significant ecological value on land or sea, such as Natura 2000 sites, protected areas (e.g. national parks, nature reserves, ecological sites, landscape parks, wetland or seagrass restoration), protection of species of EU interest, habitats of pollinators, functional areas (e.g. ecological corridors) and areas protected under the Marine and Water Framework Directives;
ii. Green buildings: Living green roofs, facades, living green indoor/outdoor walls;
iii. Sustainable biomaterials for construction (e.g. timber frames) or food preservation (e.g. edible coatings);
iv. Sustainable tourism and NBS for health & wellbeing, solutions that improve the environmental performance or reduce the environmental impacts, including agritourism, eco-tourism and nature-based or forestry tourism, as well as projects that promote the conservation of natural and cultural heritage and landscape;
v. Advisory services such as urban greening design & planning, landscape architecture, water management;
vi. ICT solutions that explicitly aim to contribute to the conservation and protection of biodiversity, ecosystems and the services they provide, such as:

- monitoring and sensor technology;
- data analysis and processing;
- assessment and decision making, communication and networking;
- biodiversity information and education;

6. Agricultural and forestry activities

6.1 Sustainable forests and other climate change adaptation investments

Eligibility Criteria no 6.1

/estments in afforestation, reforestation, forest rehabilitation/restoration including related equipment as well as sustainable forest management (SFM).

WHAT is eligible:
Investments include: (A) Investments in reforestation and/or afforestation[11], such as nurseries, urban or roadside mini-forests, green "infrastructure" with the purpose of protecting against soil erosion and/or torrential flow prevention and mitigation measures, including expenses in forest site preparations for planting; (B) Investments in forest protection and/or restoration/rehabilitation[12] and deployment of Sustainable Forest Management (SFM) practices, including pruning and tending, fire prevention and fire-fighting measures, protection from pests and/or wildlife, etc; (C) Investments in equipment and technologies to support SFM as well as reforestation or afforestation efforts, e.g. drones for early fire detection or seeding (i.e. firing seed-pods);

6.2 Sustainable and organic agricultural or aquacultural practices

Eligibility Criteria no 6.2

Investments in new or existing sustainable and/or organic primary crop and/or existing sustainable animal (incl. livestock and aquaculture) production activities conducted by certified operators or in supporting business to convert to organic and/or sustainable certified production, which do not lead to the conversion, fragmentation or intensification of use of natural habitats (particularly areas of high-biodiversity value).

[11] The use of non-native habitats and species should be excluded, unless this is justified by ecosystem and climatic conditions

[12] Idem

WHAT is eligible:

Investments include:

(A) Conversion/maintenance to/of organic farming;
(B) Pest management practices- including buffer strips without pesticides, resilient pest-resistant crops, mechanical weed control, etc;
(C) Agro-ecology practices, practices and standards as set under organic farming rules, including crop rotation, mixed/multi cropping;
(D) Precision farming including nutrients management plan, use of innovative approaches to minimise nutrient release, optimal pH for nutrient uptake, circular agriculture, precision crop farming to reduce inputs (e.g. fertilisers, water, plant protection products), improving irrigation efficiency;
(E) Any other agricultural practice included in the list of Agricultural practices that Eco-schemes could support, as listed in factsheet-agri-practices-under-ecoscheme_en.pdf (europa.eu);
(F) Non traditional crops,including, among others, algae, proteins from insects used for fish and animal nutrition etc;