European Investment Bank Institute

Call for proposals — The European Investment Bank Institute proposes three new EIBURS sponsorships under its Knowledge Programme

The European Investment Bank Institute channels most of its institutional relations with universities through its Knowledge Programme, consisting of three different programmes:

— **EIBURS**, the **EIB University Research Sponsorship Programme**,  
— **STAREBEI (STAges de REcherche BEI)**, a programme for financing young researchers working on joint EIB-university projects, and  
— **EIB University Networks**, a cooperation mechanism for university networks displaying characteristics that are of particular relevance to supporting the objectives of the EIB Group.

**EIBURS** provides grants to university research centres working on research topics and themes of major interest to the Bank. EIB sponsorships, of up to EUR 100 000 per year for a period of 3 years, are awarded through a competitive process to interested university departments or research centres associated with universities in EU, candidate or potential candidate countries, with recognised expertise in EIB-selected areas, so that they can expand their activities in these areas. Successful proposals entail the delivery of a variety of outputs (research, organisation of courses and seminars, networking, dissemination of results, etc.) that will be the subject of a contractual agreement with the Bank.

For the academic year 2014/2015, the **EIBURS** programme has selected three new lines of research:

**Economic analysis of energy efficiency (EE) investments**

Improving the energy efficiency (EE) of an economy is the most obvious way to meet energy and environmental objectives, including security of energy supply. However, current investment levels appear suboptimal from an economic perspective. A better understanding of the economics of EE may provide insight on how to develop the EE investment potential in an economy.

The university research centre receiving support under EIBURS would be expected to set up a research programme to develop a general framework for analysing the welfare impact of EE investments and apply this to perform a cost/benefit analysis of different types of investment (including for new assets and the rehabilitation of existing ones). It should analyse the non-economic barriers to EE (such as split incentives, bundle rational or organisational failure), and ways to overcome them. It should also reflect on the need and scope for public intervention and draw lessons from the different policies to improve EE. In particular, it should analyse the usefulness of policies aiming at facilitating access to finance or developing specific financial instruments to support EE investments.

The project may involve any additional activity that the university centre would be ready to undertake with the sponsorship in the line of research, including:
Demographic change in the EU, the oldest-old and the need for innovative models of more efficient elderly care

Demographic change will be a key challenge in the EU in the next few decades. In some European countries the rapidly increasing old-age dependency ratio will result in only two people working for every pensioner by 2050. Moreover, the cohort of the oldest-old (above 80 years of age) will grow disproportionately. A large part of this increase is projected to materialise up to 2030, when the fastest population ageing process is expected to occur.

The economic burden of an ageing population to society is twofold: strained pension systems and increasing health care costs. Analysis shows demographic developments are expected to push up public spending on health care by almost 2% of GDP on average in most EU Member States between 2007 and 2060.

Consequently, long-term care for older people that is both more efficient and more cost effective has become a key issue in the EU and elsewhere. The university research centre receiving support under EIBURS is expected to set up a research programme focused on reviewing traditional and innovative approaches to addressing the issue. More in-depth research should pursue the following questions of interest to an ageing population:

- Budget requirements for health care in different EU countries in the next two decades to address the needs of an ageing population, and the oldest-old age cohort in particular
- Strategic approach and preparedness of EU countries for addressing the infrastructure and human resources needs
- Organisational models (including private sector participation) and technologies to provide services that will become important
- Cost implications and financial instruments to establish/sustain care infrastructure
- Strategies for the implementation and scaling-up of successful care models in the future

Expected activities and outputs comprise:
- Qualitative and quantitative research (including surveys, interviews, literature review, etc.)
- Reports, in-depth policy studies and models to forecast financing needs
- Organisation of seminars, dissemination events
- Creation of databases
Impact of microfinance on financial and social inclusion in Europe

Financial and social inclusion is an important topic on the political agenda in Europe and one of the objectives of the 2020 strategy of the European Union. Microfinance in its various forms – micro-credit, micro-savings, micro-insurance, etc. – is generally seen as improving livelihoods, reducing vulnerability and fostering social as well as economic empowerment.

In Europe, microfinance also plays an important role in bridging the gap between the mainstream financial sector, often very reluctant to serve those individuals/micro-entrepreneurs perceived as riskier and less attractive from a business point of view, and the regional/national social policymakers, often biased towards supporting weaker groups but without a clear strategy on how to stimulate an active inclusive role. Consequently, microfinance can be considered as an activity which can have a positive impact on inclusive finance and serve as an important policy tool for policymakers.

Examples of EU-wide microfinance schemes include the European Progress Microfinance Facility (EPMF), launched in 2010, and the microfinance window of the subsequent Employment and Social Innovation (EaSI) programme announced in 2013.

The university research centre receiving support under EIBURS would be expected to pursue a research programme focused on the following key questions, building primarily on European experience:

- In which ways can financial inclusion be seen to impact social inclusion and vice versa? How can the impact of microfinance on financial and social inclusion be quantified and measured at micro-economic and macro-economic level (e.g. impact of microfinance in terms of business creation and as a route out of unemployment)?
- What are the links between micro loan pricing, affordable credit and financial / social inclusion?
- How does loan pricing impact on the demand and supply side for micro-credit, particularly for micro-credit provided to vulnerable borrower groups?
- What is the relative contribution of different microfinance products such as credit, savings and insurance on financial and social inclusion?
- What differentiates business-related micro-credits from personal micro-credits in terms of impact on financial and social inclusion?
- How does the degree of financial and social exclusion at regional/national level vary across the EU? How is it related to the development stage of the respective financial markets in general and microfinance markets in particular?

The geographical focus of the proposals would be primarily on the EU-28 countries. The applicants are encouraged to establish cooperation with other universities and research centres with expertise in the field of inclusive finance in general and microfinance in particular.

The project may involve any additional activity that the university research centre would be ready to undertake with the sponsorship in the line of research, including:
• Organisation of courses and seminars
• Creation of databases
• Surveys

Proposals should be submitted in English or French and the deadline for presentation of proposals is 30 September 2014. Proposals submitted after this date will not be considered. Proposals should be sent to:

**Electronic copy:**

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*For more exhaustive information on the EIBURS selection process and on the other programmes and mechanisms, please visit: [http://institute.eib.org/](http://institute.eib.org/).*