Italian Energy Efficiency Fund II (IEEF II) – Private-Equity Platform for the Energy Transition

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Background, objectives and key features

IEEF II is the second closed-end alternative investment fund promoted and managed by **Fondo Italiano per l'Efficienza Energetica SGR (FIEE SGR).** Launched in July 2020 and closed in January 2022 at **€201 million** (target €175 million), it was conceived to mobilise large-scale private capital for energy-efficiency and distributed-energy businesses that are otherwise underserved by conventional bank lending (source: fieesgr.com).

The fund's mission is to:

- support Italy's 2030 National Energy & Climate Plan (NECP) by scaling **ESCO** (Energy Services Companies) and "energy-as-a-service" business models;
- catalyse investment in **energy communities, innovative HVACR** (Heating, Ventilation, Air Conditioning and Refrigeration) **technologies, building-scale storage and renewables**;
- deliver a target net IRR (Internal Rate of Return) of **10–12 % over 12 years** while avoiding > 1 Mt CO_2.

Implementation

- **Management company:** FIEE SGR (licensed AIFM, Rome).
- **Governance:** an **Advisory Board** representing investors vets deals above thresholds and conflict-of-interest cases (source: fieesgr.com)
- **Pipeline origination:** proprietary sourcing from ESCO networks, utilities and technology vendors; co-investment with founders retained for operational continuity.
- **Investment process (≤ 20 weeks):** screening ↠ technical/market due-diligence (with ENEA benchmarks) ↠ ESG (Environmental, Social, and Governance) assessment ↠ Investment Committee ↠ closing.
- **Technical assistance:** the fund covers up-front audit/design costs (recoverable at financial close) and offers post-investment engineering support to accelerate project roll-out—crucial for small municipal or condominium markets.
- **Public-policy interface:** MASE recognises IEEF II as a complementary instrument to the National Energy-Efficiency Fund, facilitating blending where grants/subsidies are available (e.g. Conto Termico for public lighting).

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Budget (or other cost data)

Item	Amount / share	Notes
Committed capital	**€201.4 m** (100 %)	1/2022 final close(fieesgr.com)
· EIB anchor stake	€40 m (19.9 %)	InvestEU/EFSI window(eib.org)
· Italian institutional investors	€157 m (78 %)	Pension & insurance
Capital deployed (Dec 2024)	**€143 m** (71 %) across 6 platforms	(fieesgr.com)
Average equity ticket	€23.8 m	range €12–35 m
Management & impact fees	1.8 % p.a. + 20 % carry above 8 % hurdle	Fund rules

Results and impacts

Indicator	Cumulative	Comment	Source
Investments closed	6 portfolio companies (energy services, storage, energy communities, HVACR)	first exit in 2022 (PLT Energia → Plenitude)	(fieesgr.com)
Energy saved	**7,593 MWh/year** verified operational savings	early stage; ramps up with project roll-out	(fieesgr.com)
Renewable electricity generated	7,663 MWh/year	from PV/wind assets inside portfolio	(fieesgr.com)
CO_2 avoided	**154,528 t CO_2eq** (lifetime to date)	scope 1+2 avoidance	(fieesgr.com)
Employment	> 870 FTEs (Full Time Equivalent) across subsidiaries	incl. 210 new green jobs	(fieesgr.com)

Indicator	Cumulative	Comment	Source
Financial performance	First exit multiple > 3× MOIC (Multiple of Invested Capital); net IRR tracking at 11.4 %	internal estimate, EY-limited assurance	Manager data

* Full impact verification is published annually in the **FIEE SGR Impact Report**.

Lessons learnt

- **Patient equity unlocks fragmented markets.** Traditional debt shies away from small-ticket, multi-site efficiency projects; a specialised PE (Private Equity) vehicle can aggregate and professionalise them.
- **Anchor public capital de-risks private commitments.** The EIB's €40 m anchor share was pivotal for attracting domestic pension funds.
- **Platform logic beats single-asset finance.** By buying controlling stakes in ESCOs or community-energy developers, the fund gains pipeline optionality and operational synergies.
- **Early ESG integration pays off.** Transparent SFDR (Sustainable Finance Disclosure Regulation) reporting and third-party assurance shortened LP (Limited Partners) due-diligence cycles and broadened the investor base.
- **Exit pathway proven.** The 2022 divestment of PLT Energia to ENI-Plenitude demonstrated liquidity and high returns in the Italian energy-transition space, boosting confidence for Fund III (launch expected Q4-2025).

Sources

FIEE SGR – Fund II page, accessed 12 Jun 2025. fieesgr.com

EIB press release "FIEE SGR gets EU backing to close its second fund", 6 Aug 2020. eib.org

FIEE SGR Impact Report 2023, published Mar 2024. fieesgr.com

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FIEE press release, "Fundraising completed at €201 m – first five investments finalised", 8 Feb 2022.