

FINANCING ENERGY EFFICIENCY IN CENTRAL EUROPE



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European
Commission

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As part of the "Smart Finance for Smart Buildings" initiative, the European Commission is organising a series of "Sustainable Energy Investment Forums" to enhance the capacity of and co-operation between public and private stakeholders to develop large-scale investment programmes and financing schemes. The SEI Forums will consist of more than 30 events in up to 15 Member States in 2016-2019; information on past and upcoming events can be found on the [SEI Forums webpage](#).

Some of the projects presented at this event were selected under the Horizon 2020 Energy Efficiency call for proposals managed by the European Commission's Executive Agency for Small and Medium-sized Enterprises (EASME). More information about those funding opportunities are regularly summarized and updated on the [EASME webpage](#) dedicated to energy efficiency finance.

EXECUTIVE SUMMARY

This event gathered 103 participants working on energy efficiency finance from the financial sector, national Governments, project developers, the renovation supply chain and local and regional agencies. Taking place over one day, the event had opening and closing plenaries and a series of six breakout sessions in the following thematic tracks: home renovation loans, supporting the development of the ESCo market, financing energy efficiency in industry and SMEs , making energy efficiency investible , renovation of public buildings and organizing policy dialogue on sustainable energy investments.

The conference hosted speakers from across Europe. Through the presentations and discussion, the following key points emerged:

- New forms of financial instruments are starting to emerge, but there is much greater scope for their deployment. Public funds should be used to draw in private investment, but appropriate risk and reward sharing mechanisms are needed.
- Funding schemes to support the retrofit of multi-family buildings are more prevalent and better developed than those for individual private housing in many Member States. If we are to meet 2030 carbon reduction and energy efficiency targets, then further development work on this topic will be required.
- Engagement between those delivering renovation schemes on the ground and policy makers can be improved – and should be oriented towards understanding and meeting the needs of end-users. This holds true in the domestic as well as commercial sectors.

BACKGROUND TO THE EVENT

The Energy Union Framework Strategy puts energy efficiency as one of its five dimensions and states it is to be treated as an energy source in its own right. The ambitious Paris climate agreement also underlines the importance of energy efficiency. Investments in energy efficiency have proven to be one of the most cost-effective ways to support the transition to a low-carbon economy. Not only does it help the EU in turning its climate ambition into climate action, it also brings a number of significant benefits for European citizens and companies in terms of environment, health, security of supply, lower energy bills, more jobs and sustainable growth.

To realise the full potential of energy efficiency, public funds will not suffice and private financing will have to be unlocked at scale. In that context, energy policy should create more favourable investment conditions, encourage demand for energy efficiency and help consumers undertake energy efficiency investments more easily.

This event shared best practice from across Central and Eastern Europe and farther afield on how energy efficiency investments can be financed. This included presentations and discussion on the use of private funds and innovative financing instruments, notably in the building and industry sectors. Speakers focused on practical experience in developing and structuring investment programmes.

Copies of all presentations from the event can be found at:

<https://ec.europa.eu/energy/en/events/financing-energy-efficiency-central-europe>

PLENARY SESSION 1 – EUROPEAN AND NATIONAL OVERVIEWS

Moderation: Petr Holub, Chance for Buildings

Opening speech



Eduard Muřický – Ministry of Industry and Trade of the Czech Republic

The Government of the Czech Republic recognise that there is much work to do and that now is the time to make maximum use of available public funds. The state sector should support available opportunities by setting up the appropriate framework, but without private investors coming on board, our collective energy saving goals will not be

reached. The Czech Republic Government are keen to share experience and hear new ideas, in particular on the role of private investments and how they can help to improve energy efficiency.

European policy in support to energy efficiency investments



Paul Hodson – Head of Unit Energy Efficiency, European Commission

Increasing energy efficiency delivers a number of co-benefits, not least an increase in jobs and improved energy security. Since the year 2006, the EU has decoupled energy consumption and GDP and the EU is on track to deliver against targets set for 2020. These improvements are being driven by policy and product policy has been an important driver (including in the transport sector).

That will see us reach 2020 targets, but to deliver against our 2030 ambitions we will need to deliver the same efficiency savings again as the current decade. Products policy will remain important, but won't deliver the same benefits in the next decade as this. Policy on the buildings sector will be more critical in next decade and because of the different nature of the assets, finance policy will be more critical too.

Technology will also play its role too, in directly enabling improved controls to reduce consumption for example, but also in demonstrating more readily how performance contracting and third party finance are linked. ICT will allow buildings to play their full part in enabling the energy system to function.

Three key messages can help to inform discussions during the conference: There is a need to focus on building renovation, we need a financial market that will deliver the investment needed and we need to capitalise on available energy savings potential.

European Structural and Investment Funds



Radoslav Liptak – European Commission, DG REGIO

Support for energy efficiency under structural funds has trebled from the 2007-2013 to 2014-2020 period. Smart energy infrastructure spending has also doubled. In the 2014-2020 period, the European Commission is focusing on increasing leverage and is trying to see that more funding is provided through financial instruments. The use of more financial instruments is in itself not an objective, but the Commission are keen to help establish a long-term sustainable finance stream for energy efficiency.

In the Czech Republic, concentration on grants still prevails across the €2.2. billion investment programme. This is divided between several Operational Programmes, including work at regional level, on municipal buildings and in multi-family apartment buildings. There has so far been a low level of interest in loans from public beneficiaries.

Now is the time to move beyond business as usual and improve the financing of energy efficiency. We should move on from grants to something more sustainable from an investment policy point of view. There is interest in revamping markets for energy efficiency and we should concentrate on the future, not on the past.

Mobilisation of the financial sector on energy efficiency



Annie Degen-Neuville – Special Advisor Energy Efficiency Finance, UN Environment Finance Initiative

The [UN Environmental Finance Initiative](#) is a partnership between the UN and the finance sector in which most members are banks. Through the partnership there is increasing focus on positive impacts through finance and on long-term value creation. The mandate of the initiative is to change finance to be able to finance change.

Unless we mobilise on energy efficiency, we will mobilise capital to produce clean energy, but will then waste it. Second to China, the EU is the place where energy efficiency must play its role in meeting emissions reductions agreed as part of the Paris agreement (INDCs). Globally this figure has a 50% average, but is two thirds for the EU.

The initiative has been working with the EU for the past four years. Unless the energy efficiency sector is working with policy makers, then we will not be truly transformative. Banks need to be conscious of what they can do and where to start and they should be working on energy efficiency wherever they can, not just through dedicated products. Having recognised the issue, there is then a need to scale up investment. Banks don't currently track what they are doing on energy efficiency - this needs to improve in particular for refinancing of lending portfolios. The

European Investment Bank and others are motivating partner banks to work with their clients. Experience sharing and knowledge transfer is needed to enable more organisations to be on that journey to a fuller business strategy.

Those financial institutions who have real estate holdings in their portfolios that are not energy efficient, risk losing value over time. Investors are bringing questions on energy efficiency to the annual general meetings of companies. Lots of investors delegate their asset management and we need energy efficiency included through the whole value chain and at portfolio level as well as individual asset management. Insurers are starting to play an important role too.

Ideally, policy stability and visibility are needed over long time horizons, 2020, 2030 and out to 2050. Trust is also important, in particular for energy efficiency, which is not always visible. Energy saving insurance may be available to guarantee the project and this can result in upgrading the rating of a counterparty and help to makes projects bankable

A change of scale and pace is needed. Building renovation should be a topic of importance for energy security at country level and it can enhance competitiveness and bring job creation locally. Our message is an inspiring one.

Support provided by the European Investment Bank



Berna Topaloğlu – Energy Efficiency and Small-scale Energy Projects Division, Projects Directorate, European Investment Bank

The [European Investment Bank](#) is the largest multilateral lender and borrower in the world and is aiming to act as a catalyst to mobilise private finance and to match public and private finance. Over the last five years, energy lending has trebled overall, with most of this investment supporting the building sector. EIB eligibility criteria give clear

guidance on financial support for both existing buildings and new construction and the Bank are keen to see how the EU's Clean Energy for All Europeans package develops.

Given the low rates of new build construction in western Europe, we can't wait for efficient new build to deliver energy saving targets, we need to retrofit existing building stock. There are well recognized barriers to energy efficiency investment. When taken individually, projects may be small and fragmented and there are often long payback periods. Another problem is the split of incentives between landlords who invest in energy efficiency measures and tenants who benefit from them. The capacity of beneficiaries to define and implement projects is also critical.

There are a number of EIB tools and programmes that aim to provide support to overcome these barriers. These include [Project Development Assistance](#) to help build project pipelines and aggregate smaller opportunities, the [Pf4EE](#) initiative described in the parallel sessions of this event that is helping to develop private sector lending on energy efficiency and the [European Fund for Strategic Investments](#) that for example is helping to fund grid upgrade

investment.

EIB works through intermediaries and is helping banks on-lend to SMEs and private individuals. Through a broad range of financial instruments and the provision of technical assistance, investment is being unlocked. A good regulatory context and framework is needed to be able to tackle the needs in energy efficiency financing.

State of play of energy efficiency investments and financing schemes



Vladimir Sochor, Director of Department of Energy Efficiency and Savings, Ministry of Industry and Trade, Czech Republic

In 2015 a new Department for energy efficiency and savings was established within the Ministry of Industry and Trade.

Good progress is being made, with the Czech Republic performing above the EU average for its change in energy intensity and an improving situation on final energy consumption.

The [National Energy Efficiency Action Plan](#) produced in 2014 sets the framework for action. A target of 50.67 PJ indicative national energy savings was set, but savings delivered by 2020 look to be as high as 52 PJ according to actual estimation.

The implementation of financial instruments such as loans and guarantees has been rather slow in the Czech Republic, grants and subsidy programmes continue to be the main tools for achieving energy efficiency targets. The level of fragmentation between structural fund Operational Programmes has not helped and it can be difficult to make changes to these programmes. More than 90 billion Czech crowns was allocated to energy efficiency in the 2014-2020 structural fund programme, but there are issues with the rate of draw-down of these funds, in particular for the business sector, where only 20% of available funding has been allocated.

There is a cooperation activity on energy efficiency investment with the Ministry for Regional Development. Besides that, a Coordination committee was established to support coordination on energy efficiency. This has more than more than 50 representatives on it, from state institutions as well as business associations etc. This committee is gathering as many ideas as possible from stakeholders and is seeking to support the use of financial instruments for energy efficiency and trying to remove barriers to the application of Energy Performance Contracting.

The Ministry of Industry and Trade is developing instruments to support energy management in multiple sectors of the economy. Calls for financial instruments are being set up under the Operational Programme on Enterprise and innovations. Outside of structural funds, the ENER

programme is established and financial source was incomes from the sale of emissions trading allowances, under which a €5 million fund has been implemented with the Czech-Moravian Guarantee and Development bank. The initial programme will offer low interest loans and repayment grace periods for energy saving by SMEs in Prague. The Ministry of Industry and Trade's ENER program is supporting energy savings in the commercial and corporate spheres and is offering loans with favourable terms.



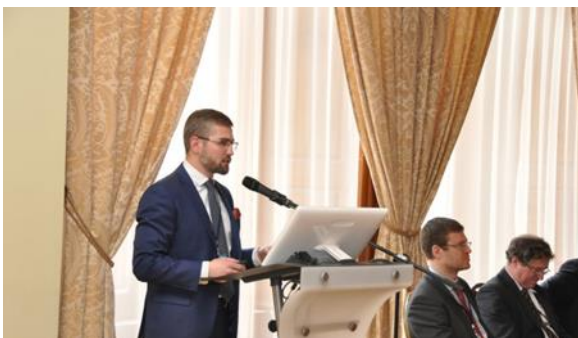
Miroslav Mariaš – Principal State Advisor of Department of International Energy Relations of Ministry of Economy, Slovakia

Slovakia has one of the highest targets in Europe for energy saving by 2020. Indicative targets for primary energy consumption and final energy consumption are already being met. A new National Energy Efficiency Action Plan has been produced, this shows that 10 PJ of energy savings were delivered from 2014-2016, with 50% of this being delivered from buildings.

€5.6 billion of funding were deployed over the same period, including EU structural funds. Additional support is needed, from both the private sector and from the state, in particular in the buildings sector. There is a state fund for the redevelopment of housing, which allows for the combination of funds from national budgets and structural funds through one of three Operational Programmes. Almost 50% of residential buildings across the country have been renovated in some way. This is evidenced by heat use data. Importantly, each multi-family residential building must have a renovation fund. This used to leverage other sources of funds and can help guarantee that the building owners are involved in decision making on energy efficiency renovations.

Support for industry has been made available through two funds - SLOVSEFF II and SLOVSEFFIII, which includes sources of funds from the phase out of Slovakian nuclear plant and the sale of ETS permits in addition to structural funds. Loans are offered to business and industry via EBRD and through intermediary banks.

A Government backed Guaranteed Energy Service has also been established, which comprises of a list of 39 Energy Performance Contracting services providers. Savings through EPC have doubled as a result.



Marcin Janiak – Head of EU Funds Unit, Ministry of Energy, Poland

Three main sources of funding are supporting energy efficiency; structural funds, other EC, EEA and Swiss funds and internal resources.

Poland is the biggest recipient of structural funds in

the 2014-2020 period, €77.6 billion. In the previous programme period, grants were the main mechanism used to disburse funds, but in the current period, some financial instruments, plus repayable assistance (blended loans and grants) are being deployed. There have been other significant changes in the rules applied to the use of the funding, housing projects are now eligible under cohesion policy and the energy sector had been excluded from regional aid.

Examples of how structural funds have been used include the development of Low Emission Action Plans in the 2007-13 period. Interest in the scheme was high, with one third of Polish municipalities applying for the available funding. In the 2014-2020 period, a new national financial advisory system has been established for energy efficiency and renewables, which includes work to help municipalities prepare projects for investment.

On industry, an energy efficiency in enterprise programme was launched in 2011. This took place over two stages, with initial energy audits (for which enterprises could apply for grants to cover 70% of audit costs) and a second phase offering loans to support implementation of audit recommendations.

PARALLEL SESSIONS

SESSION 1.1 HOME RENOVATION LOANS

Moderator: Ondřej Pohanka – Czech Saving Bank

Lithuanian experience on financing instruments for energy efficiency



Vaida Lauruševičienė – VIPA

VIPA provides financial services, implementation and administration of financial instruments for public sector investment in public infrastructure and public service modernisation. During the 2014-2020 structural fund period, VIPA developing administrative systems to reach this aim. It manages several types of financial instruments, such as an energy efficiency fund, refundable assistance for public building renovations and special grants for municipalities.

Home renovation loans in Slovakia



Peter Gergely – Housing Policy and Urban Development Division, Ministry of Transport and Construction

In this session, Peter Gergely explained the characteristics of home renovation loans in Slovakia (the scope of state subsidies as well as loans provided by the State Housing Development Fund). The State Housing Development Fund is oriented for individuals, households and associations of flat owners and can be used in the form of favourable loans in order to improve the thermal insulation of residential buildings and apartments.

Czech experience at home renovations under Green Savings Programme



Jan Kříž – Ministry of Environment

The **New Green Savings Programme (NGS)** aims to increase the energy efficiency of buildings (supporting energy saving measures, heating system upgrades and providing support for the use of renewable energy sources). Funding for the programme is covered by a share of auctioned EU Emission Trading Scheme allowances, with additional support in recent years from the national state budget.

SESSION 1.2 – SUPPORTING THE DEVELOPMENT OF THE ESCO MARKET

Moderator: Ivo Slavotínek – Czech Association of Energy Services Providers

Czech experience with energy performance contracts



Jaroslav Maroušek – Czech Association of Energy Services Providers (SEVEN)

There have been several positive recent developments in the Czech Republic ESCo market. These include: The development of standard procedures for competitive bidding, which increases the quality of EPC projects for clients; The provision of facilitation as a key part of EPC projects in the public sector; Projects comprising both technology improvements and insulation of the building envelope are financed from two different sources, which can be combined into one competitive bidding procedure, the European Code of conduct for Energy Performance Contracting has been widely deployed.

The experience of the Bulgarian Energy Efficiency Fund



Marko Markov – Econoler

The Energy Efficiency and Renewable Sources Fund was established to support the Bulgarian Energy Efficiency Act and has financial support from the Global Environment Facility (through the World Bank), the Government of Austria and the Government of Bulgaria. The Fund is the only specialised institution in Bulgaria for financing energy efficiency investment projects. Bulgarian companies,

municipalities and private individuals can access a range of financial products including credit at below market interest rates, partial credit guarantees and portfolio guarantees.

Standardisation and forgoing of energy performance contracts in multifamily buildings in Latvia



Nicholas Stancioff – Latvian Baltic Energy Efficiency Facility

SUNShINE was designed and is executed by a multidisciplinary team which includes investors from several European Union (EU) countries who want to address a serious housing issue in Eastern Europe: namely that multifamily buildings built during the Soviet era are deteriorating due to wear and tear, climatic conditions and a lack of funding for renovation.

Their Dutch management company, F3 created the Latvian Baltic Energy Efficiency Facility (LABEEF) to refinance the long term investments necessary in multifamily building renovation.

LABEEF purchases receivables of Energy Performance Contracting (EPC) from service companies to scale the EPC market. Additionally, thanks to the EU funded SUNSHINE project, LABEEF has developed guidelines and an online platform to process proprietary standardized contracts and transparent monitoring. Both public and private investors including the European Bank for Reconstruction and Development have invested in LABEEF.

SESSION 1.3 – FINANCING ENERGY EFFICIENCY IN INDUSTRY AND SMEs

Moderator: Bohuslav Čížek – Director of Confederation of Industry of Czech Republic

Guarantees and other financial instruments by state bank



Jiří Jirásek – Czech-Moravian Guarantee and Development Bank

The Czech Moravian Guarantee and Development Bank is a national promotional bank implementing governmental policies through financial instruments, mainly towards SMEs. This includes interest free loan support for SME energy savings and an EU structural fund backed scheme for heating system upgrades. Further information about the range of support available can be found [here](#).

EBRD's experience on energy efficiency in Slovakia



Lukas Kuzmiak – European Bank for Reconstruction and Development

EBRD has provided € 5.1 billion in green financing for projects in EU Member States between 2006 and 2016, supporting 270 green projects and delivering 16 million tonnes of CO₂ equivalent savings. The [SlovSEFF](#) (Slovak Sustainable Energy Financing Facility) facility is working through partner banks to lend to SMEs, larger business and residential borrowers for sustainable energy investment and renewable energy project, while [MunSEFF](#) (Municipal Sustainable Energy Financing Facility) seeks to stimulate commercial bank financing to municipalities, municipal owned companies and private companies delivering municipal services for sustainable energy investments and renewable energy projects in Slovakia, Hungary and Romania.

Energy Efficiency – Industry Savings (PF4EE)



Petr Gross – Komerční banka (Czech Republic)

The [PF4EE](#) instrument will combine lending from the EIB to financial intermediaries with protection against losses associated with making loans for energy efficiency projects. €75 million worth of energy efficiency-focused loans to corporates (mostly SMEs) will be supported and managed locally by Komerční Banka.

SESSION 2.1 – MAKING ENERGY EFFICIENCY INVESTIBLE

Moderator: Adrien Bullier – European Commission, EASME

Financing energy efficiency, JESSICA and the PF4EE guarantee



Petr Gross – Komerční banka (Czech Republic)

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The Investor Confidence Project Europe

Andreas Lindinger – Denkstatt (Austria)



[Investor Confidence Project \(ICP\)](#) Europe has forged strategic alliances with the financial, real estate, and energy efficiency sectors to develop project origination and underwriting standardisation through its protocols which help to reduce transaction costs for building renovation projects. The ICP Europe framework and its Investor Ready Energy Efficiency (IREE) certification enable the acceleration of energy efficiency investments and the emergence of a robust

and thriving commercial renovation sector by increasing confidence in the engineering fundamentals and financial returns of projects.

The DEEP database and EEFIG value and risk appraisal framework

Katarzyna Działamara-Rzucidło – Regional Development Financing Institute (Poland), EEFIG member



DEEP is a direct response to the [EEFIG](#) recommendation from its report “*Energy Efficiency – the first fuel for the EU Economy: How to drive new finance for energy efficiency investments*” of the need to better understand the real risks and benefits of energy efficiency investments based on market evidence and track record. By disclosing thousands of data points showing the real technical and financial data from a large number of implemented energy efficiency projects

across the economy, the [DEEP platform](#) is a new source of operational risk management information, which will help project developers, financiers, and investors better assess the risks and benefits of energy efficiency investments across Europe.

The Green Mortgage Initiative in Romania

Steven Borncamp – Romania Green Building Council



Romania Green Building Council (RoGBC) has co-developed with a leading regional bank an innovative Green Mortgage product that rewards energy efficiency and environmental responsibility. The preferential financing allows the project developer to invest early in essential green design and other solutions and rewards the homeowner with a better quality home and a lower monthly total cost of ownership. The Green Mortgage applies only for buildings certified by RoGBC within the Green Homes program. The Green Mortgage provides discounted mortgage pricing available to suitably-qualified, prospective home buyers interested in buying a home or apartment subject to guidelines established by the Romania Green Building Council related to superior energy efficiency and environmental considerations.

SESSION 2.2 – RENOVATION OF PUBLIC BUILDINGS

Moderator: Petr Vogel – Czech Green Building Council



Energy Efficiency Renovation by EPC in Public Buildings in Czech Republic

Vladimir Sochor – Ministry of Industry and Trade of the Czech Republic

This session provided an overview of the development of the market and typical characteristics of Energy Performance Contracts (duration of the contract, volume of investment, energy savings, etc.) from projects in the Czech Republic. It also gave information on legal amendments implemented in the Czech Republic to embrace the opportunities offered by EPCs.

Energy Performance contracting on public buildings in Austria



Christine Öhlinger – Upper Austrian Energy Agency

The regional government of Upper Austria started its first programme to support Energy Performance Contracting market development more than 10 years ago. The approach is two-fold – the provision of financial support for contracting projects and a set of facilitation services provided by the

regional energy agency. So far, more than 200 EPC projects have been supported, around 100 in municipalities, 50 in companies and 50 in institutions. The portfolio of projects is varied and includes street lighting, buildings and industry and renewable heat. There are now more than 30 ESCOs offering services in the region and more than €60 million of investment has been triggered. Further information is available at: www.esv.or.at, www.streetlight-epc.eu.

Role of Energy Services in renovation of public buildings in Slovakia

Marcel Lauko – Association of Energy Services Providers



This presentation stressed the large potential for energy savings from public buildings in Slovakia. Three key obstacles need to overcome in order to unlock this potential: A lack of “pure“ EPC opportunities; The use of future energy savings for partial financing of investments in combination with budget and loan resources; Combining performance guarantee savings with subsidy schemes planned in the new NEEAP.

SESSION 2.3 – ORGANISING POLICY DIALOGUE ON SUSTAINABLE ENERGY INVESTMENTS

Moderator: Andrew Deacon – Climate Alliance

Enabling policy finance dialogue: learnings from the works of EEFIG



Annie Degen-Neuville – Special Advisor Energy Efficiency Finance, UN Environment Finance Initiative

The [Energy Efficiency Financial Institutions Group](#) has been co-convened since 2013 by European Commission DG Energy and the UN Environment Finance Initiative. The Group is made up of over 120 members, with more than 40% coming from financial institutions. The Group has a mandate to determine how to overcome well identified barriers to financing energy efficiency and to identify who is best placed to overcome them. Their 2015 report “Energy Efficiency – the first fuel of the EU Economy: How to drive new finance for energy efficiency investments” set the agenda on this topic and will be followed by guidance on risk and underwriting in June 2017.

Sustainable Energy Financing Platform in Austria



Oliver Percl – Energy Changes

SEFIPA, the [Sustainable Energy Financing Platform in Austria](#), intends to deliver a number of work packages designed to overcome challenges to the financing of energy efficiency. This includes a series of Finance Labs, which are

facilitated dialogue forums, including engagement of institutional investors, addressing investment in solar PV in multi-family apartment buildings and increasing the attractiveness of energy performance contracting. The work has shown the need for detailed face to face meetings and the need to keep material relevant to national circumstances and evolving policy frameworks.

The role of financial instruments in Czech renovation strategy

Ondřej Šrámek – Knauf Insulation and Czech Green Building Council



The [Czech Green Building Council](#) have identified that there is a large investment need in order to develop the Czech Republic building stock in line with energy efficiency and carbon reduction targets at national level, this amounts to CZK 40-50 billion (~ €2bn) per annum for 30-40 years. While this seems a lot, Ondřej pointed out that the volume of existing finance in the residential sector (mortgages and building saving banks) is almost CZK 300 bn per annum. In

other words, the money is there, but meaningful financial instruments need to be developed and better, more meaningful dialogue is needed between banks and those in Ministries responsible for existing renovation programmes.

CLOSING PLENARY SESSION

Short report of the session by moderators

Each of the session moderators were asked to provide three key message from their respective sessions – these are given below.

Session 1.1 Home Renovation Loans

1. Predictability and stability in the policy environment and subsidy schemes is important.
2. A good combination/mix of support instruments is needed. Without additional support, loan based programmes can have low rates of uptake.
3. The process of applying for support for home renovations should be as simple as possible.

Session 1.2 – Supporting the Development of the ESCo Market

1. Energy services transactions are long-term business based on long-term partnership, this needs trust to be established and maintained.
2. The sale of receivables should be a smooth and transparent process. This will help banks to be able to take that business, supported by standard contracts and procedures.
3. The Bulgarian Energy Efficiency Fund was able to help bridge the financial crisis.
4. In the domestic sector, standard documentation can help make negotiation with householders easier.

Session 1.3 - Financing Energy Efficiency in Industry and SMEs

1. Increased awareness and understanding of end-users needs is required in order to expand the use of financial instruments
2. Support and technical assistance is available to support structuring of lending to industry and SMEs.
3. The state should be supportive and financial instruments should be easy to understand, apply for and use.

Session 2.1 - Making Energy Efficiency Investible

1. At present, energy efficiency investments are specialised and bespoke. How do we make energy efficiency loans as standardised as a car loan?
2. Standardization, underwriting and certification have a key role to play in developing the energy efficiency financing market. The EEFIG standardisation and underwriting guide will be released soon, the DEEP database is already providing data.
3. As the green mortgage presentation had shown, greener homes have better market value and the banks have better market finance conditions.
4. We can make bankers heroes in the future in energy efficiency. Initiatives being developed now can be scaled in future.

Session 2.2 – Renovation of Public Buildings

1. The market in this area is booming, there is a hunger from banks and financial providers to lend, but the connection to projects on the ground is lacking. How do we motivate project originators on the Government side?
2. Markets can be disrupted by subsidy programmes. We should learn from existing experience here.
3. How can other financing sources be combined with Energy Performance Contracts?

Session 2.3 - Organizing Policy Dialogue on Sustainable Energy Investments

1. Alignment is important – of different stakeholders and towards end-users needs.
2. Informal networks can be just as important as formal ones – decisions can come down to changing one person's views.
3. Local context and information is important. National level examples can be developed, which can then be shared, but developing projects across Member States with different policy regimes may not always work.

Panel discussion



Diana Barglazan – European Commission

A legislative process is underway, the Energy Efficiency and Energy Performance of Buildings

Directives are being discussed, as is Smart Finance for Smart Buildings implementation. The conference has picked up a number of themes related to that. National specificities are important, there may not be an answer that works for all Member States. There are though, some common points at regional level and the SEI Forums programme of events will pick these up. Further support is also coming, to help with engaging the financial sector. This includes for example the [Energy Efficiency Financial Institutions Group De-risking Energy Efficiency Platform](#) and their risk and underwriting guide, which will be launched during EU Sustainable Energy Week in June 2017. There are also financing opportunities for those with new ideas. The Commission are working with EASME and there are [calls for proposals](#) with a deadline of 7 June under Horizon 2020 for engagement of public authorities, provision of Project Development Assistance to help build project pipelines. For Central and Eastern Europe it is also expected that there will be a benchmarking study for multi-family buildings, for which a call for proposals will be launched.

Vladimir Sochor - Ministry of Industry and Trade of the Czech Republic

The event heard a lot about the important role of information and communication and the Czech Republic are preparing two such projects, which have been described. There is a gap in the preparation of energy efficiency projects – while building owners may be approached about individual improvement measures, they often do not get detailed support on packages of measures and available finance facilities and overall estimates of operational cost and payback for renovation work. There should be greater support for feasibility studies on energy saving, providing detailed information on cost and savings for packages of improvement measures. This should be suitably consumer facing. This could then act as a business case for energy service companies who can then offer implementation of that type of work. (support from the EFEKT program to support preparation of the feasibility studies).

Also – EE evidence system for projects not under EE subsidy. Free rider problem – more than 50% in the CZ EE market. Want market access for companies who can make good quality estimate of EE savings – will come in a few months. Web application will open shortly and the program is titled “Energy savings with the common sense”.

Ondřej Šrámek – Czech Green Building Council

Took away three key messages:

Stakeholders need to step out of their silos. The construction industry and the banks for example have some history of complaining about one another. “When you talk to yourself – it’s not a dialogue”.

We are no longer talking in the hypothetical – projects are progressing and energy efficiency investments are growing.

Individuals need to realise that they are not alone. Informal meetings can help to overcome barriers.

Václav Franče – Confederation of Industry of Czech Republic

Public funds must be combined with financial instruments to reach our ambitious energy efficiency goals. Without this, there could be serious consequences for Czech consumers. The potential for financial instruments has not yet been fully realised in the Czech Republic. There is more that can be done and having financial managers with experience and personal capacity in place across the country would be good. The Czech-Moravian guarantee bank has a key role to play. It holds a banking licence and has personal capacity. The Confederation would welcome greater Government work with the Guarantee Bank and a strengthening of its capital base. It could become the centre for financial instruments in the Czech Republic.

Petr Gross – Czech Banking Association

Banks increasingly want to support energy efficiency projects and want to give advice, to industry and SMEs. They would like to be involved in the early stages of energy renovation projects and to cooperate through the whole process, from project preparation to loan preparation and monitoring of performance. Czech Republic banks have increasing experience of working with financial instruments and are cooperating with international financial institutions. The most popular type of support is guarantee programmes, end users are not just interested in interest rate savings. Smooth and quick access to funds is important too.