



NATIONAL ROUNDTABLE ON FINANCING ENERGY EFFICIENCY IN LATVIA 10 APRIL 2019, RIGA

Organised by the European Commission in partnership with the Ministry of Economics of the Republic of Latvia and the UN Environment Finance Initiative

Venue: The Grand Poet Hotel, Raiņa bulvāris 5/6

Organised by the European Commission in partnership with the Ministry of Economics of the Republic of Latvia and the UN Environment Finance Initiative.

Form: introductory plenary session, three thematic parallel sessions, summarizing plenary session

Participants: 40-50 persons, representatives of the European Commission, public bodies, public and commercial banks, regional and local authorities, energy agencies, business support organisations, energy advisors and researchers.

Objective and background: The objective of the second national roundtable is to continue the dialogue between key Latvian stakeholders on how to improve access to finance for energy efficiency investments and to identify common objectives and potential improvements to be made in the current policy framework and business practices. The event is a follow-up of the first roundtable that took place on 26 April 2018 which gathered stakeholders from both the energy efficiency and finance sector. Proceedings including presentations and the outcome of the discussions of that event can be found via this [link](#). An initial regional conference on Financing Energy Renovation of buildings in Lithuania, Latvia and Estonia took place in Riga on 11 November 2016. The presentations and proceedings from that event can be found [here](#). These previous events make useful background reading in preparation for the next national roundtable.

The national roundtable is organised as part of the "Smart Finance for Smart Buildings" initiative, under which 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 in energy efficiency. The SEI Forums are aimed to consist of more than 30 events in up to 15 Member States from 2016-to 2019, and information on past and upcoming events can be found on the SEI Forums' [webpage](#).

Agenda

- 9:00** **Registration**
- 9:30** **Introductory plenary**
Moderated by Reinis Aboltins
- Welcome by the host and state of play of financing energy efficiency in Latvia**
- Mr Dzintars Kaulins, Deputy State Secretary of the Ministry of Economics
- Introductory Remarks**
- Mr Reinis Berzins, Chairman at Altum
- Mr Rinalds Mucins, State Secretary for Environmental Protection and Regional Development
- Ms Lelde Kiela-Vilumsone, Directorate-General Energy, European Commission
- Ms Sanda Liepina, Chairman of the Management Board at Finance Latvia Association
- Q&A session
- Introduction to the roundtables by moderator**
- 10:30** **Coffee break**
- 11:00** **Parallel sessions on energy efficiency financing:**
- Topic 1) Energy performance contracting for public sector**
Moderated by Reinis Aboltins
- Topic 2) Renovations of residential buildings**
Moderated by Ansis Bogustovs
- Topic 3) Attracting private investments for energy efficiency**
Moderated by Ivars Golsts
- 13:00** **Lunch**
- 14:00** **Parallel sessions on energy efficiency financing continue**
- 15:30** **Debriefing from the discussions in parallel sessions and discussion on ideas / solutions relevant for the NECP**
- 15:45** **Presentation of the draft Latvian National Energy and Climate Plan for 2021-2030, Representative of the Ministry of Economics**



Ministry of Economics
Republic of Latvia



16:00 Closing plenary

16:20 Closing panel discussion

Dzintars Kauliņš, Deputy State Secretary, Ministry of Economy

Alda Ozola, Deputy State Secretary, Ministry of Environmental Protection and Regional Development

Karīna Miķelsone, Head of Development Department of Adazi Municipality

Kaspars Osis, Chairman of the Energy Committee of the Latvian Chamber of Commerce and Industry

17:00 Networking Cocktail

THEMATIC SESSION I: Energy performance contracting for public sector

The intention is to identify the most important needs and opportunities in terms of introducing EPC in the public sector and to explore possible actors, solutions and concrete financial instruments that could facilitate the faster uptake. This session will build on and interact with current initiatives to stimulate the use of the EPC concept in the public building sector. This also includes the updated Eurostat Accounting Rules on EPCs and capacity building of state institutions as well as seeking innovative ways of programming of structural funds. The intended outcome is to get to an understanding how can the further process of promoting EPC in the public building sector be shaped according to the learning of presentations and discussion at the session

Moderator: Reinis Aboltins Rapporteur: Kristaps Zvaigznītis

Presentations

1. Robert Pernetta, European Investment Bank – Guidance of EPC development, incl. use of off-balance accounting via Practitioners Guide for EPC statistical treatment under Eurostat and how to facilitate EPC under structural funds (ESIF).
2. Miguel Casas, EnerInvest – example of structured approaches to renovations of public buildings via EPC in Belgium.
3. Gunta Cekule, presentation of experience from the project Accelerate SUNSHINE, incl. limitations in form of legal and market barriers.
4. Karīna Miķelsone, Head of Development Unit at Ādaži municipality – current investigations of introducing EPC for public buildings under the H2020 Sunshine project.

Questions

1. What does the Practitioners Guide for EPC statistical treatment entail of implications for the update of EPC in the public building sector and what accompanying measures could be done to promote the concept (in terms of regulatory and market practice)?
2. What are the possibilities for programming structural funds in order to pave way for EPC in the public sector and eventually attracting private capital?
3. What are the key lessons to be made of the example from Belgium that could inspire the EPC development and what elements could be adopted in the Latvian context?
4. What are the barriers and opportunities seen from the Accelerate SUNSHINE project?
5. What does the investigations in Ādaži municipality show and what are the prospects of the Accelerate SUNSHINE experiences in terms of spreading the EPC concept national-wide?
6. How to facilitate EPC under structural funds (ESIF)?

Group discussion on how to promote EPC in the public building sector

7. How can the further process of promoting EPC in the public building sector be shaped according to the learning of presentations and discussion at the session, incl. the financial aspects of such development such as combining public and private capital?

Summary of the steps ahead: Regulatory aspects and specific initiatives on the ground

THEMATIC SESSION II: Renovations of residential buildings

The objective of the session is to discuss concrete solutions to accelerate uptake of energy efficiency renovations in the residential sector. Part of this is to explore how to put in place integrated home renovation services by trustful market operators and thereby ensure better motivation from homeowners. The developed services are to cover the whole "customer journey" from technical and social diagnosis, contracting of works, provision of finance, to the monitoring of works and quality assurance. An idea raised at the first roundtable that could be followed up is to create a one-stop-shop agency to facilitate such uptake, incl. ensuring needed long-term support for the renovation of multi-apartment residential buildings and/or private family houses. First part of the session will explore how municipalities-municipal companies can serve facilitators of building renovations, whilst the second part is dedicated to a discussion on what it takes to introduce one-stop-shop concept and whether there is basis to initiate an ELENA project to support the process in Latvia

Moderator: Ansis Bogustovs Rapporteur: Antra Pētersone

Presentations

1. The example of Salaspils Siltums. Speaker: project manager Renāte Bražinska.
2. The example of Valka – starting the renovation process in Valka city. Speaker: Board Member Ivo Melkis.
3. The example of Liepāja maintenance company “Liepājas namsaimnieks” by Toms Cirulis, project manager – and the dimension of engaging apartment owners, financing approach.
4. The experiences of coordinating the EE building renovation program and prospects for the further efforts. Speaker: Ingus Salmiņš, Altum
5. The one-stop-shop concept and the prospects for the ELENA programme to support the initiation of such project in Latvia. Speaker: Reinhard Six, EIB

Questions

1. The first key question (around the first three presentations) is how municipalities-municipal companies can serve facilitators of building renovations, incl. legal and financial aspects?
2. The second key question (around the fourth and fifth presentations) is what it takes to introduce one-stop-shop concept in Latvia, incl. the organisational and financial requirements, and whether there is basis to initiate an ELENA project to support the process?

Summary of the steps ahead: Regulatory aspects and specific initiatives on the ground

THEMATIC SESSION III: Financing instruments for energy efficiency investments, incl.
attracting private investors

The objective is to seek solutions how to optimize the framework conditions for energy efficiency finance, incl. attraction of private investors. First part of the session will explore Nordic experience on finance institutions for the municipal sector, followed by exploring ways to tackle private and public investments for short-term and long-term energy efficiency projects. This also includes a follow-up on ideas from the first roundtable to put in place a single "flag bearer" to communicate with the stakeholders and international financial institutions, initiate changes in regulatory instruments and pilot projects as well as facilitating a standardised approach to contracts and de-risking in the sector. The intention is to end up defining what practical steps can be taken onwards to facilitate enhanced dialogue between the energy efficiency and financing sector, incl. dialogue on specific financing instruments across the energy efficiency sector.

Moderator: Ivars Golsts Rapporteur: Evelīna Matisone

Presentations

1. Presentation of Mr. Henrik Andersen, Director at KommuneKredit, a financial institution specialised in the financing of the municipal sector and non-profit housing sector in Denmark.
2. Intervention by Sanda Liepiņa, Chairman of the Management Board at Finance Latvia Association. Tackling private and public investments for short-term and long-term energy efficiency projects.
3. Intervention by Nicholas Stancioff, Executive Director at Funding for Future. Challenges to setting up private investment financing mechanism for large scale EPC project implementation.

Questions

1. The Nordic concept of municipal credit institution for financing of public energy efficiency investments is a potential inspiration for Latvia. The first key question is what can be learned from the experiences of KommuneKredit in Denmark and discuss how that could be adopted in the Latvian context
2. How to tackle private and public investments for short-term and long-term energy efficiency projects.
3. How to overcome challenges to setting up private investment financing mechanism for large scale EPC project implementation.

Summary of the steps ahead: division of tasks among stakeholders, implementation schedule.



The closing session - The National Energy and Climate Plan (NECP) for 2030:

The draft NECP outlines Latvia's goals for energy and climate policy for 2030 and gives directions for the policy development, including how to improve energy efficiency in Latvia. The aim of this session is to try to explore what elements identified in the parallel sessions could be relevant for the future strategy on energy efficiency financing described in the Plan, including exploring financial aspects of achieving the energy efficiency goals for 2030 and receive feedback from stakeholders in this regard.