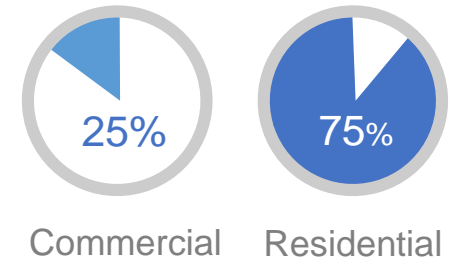




**Conference on Financing Energy
Efficiency in Italy, Croatia and Slovenia**

November 16th
Milan, ITA

European Buildings



Renovation Gap

- 80% of existing buildings in the EU were built before 1990
- 75-90% of existing building stock is will be in use in 2050
- The current renovation rate of 1.2% needs to increase to 3% to reach EU and member state targets

Investment Gap

- \$1.3 trillion needs to be invested in building efficiency from 2014-2035 to meet EU goals
- €177 billion investment in needed annually from public and private investment sources from 2021 to 2030
- Nearly half - € 87 billion of annual investment challenge is stemming from the private households

It Is Time to Act

European Citizens



Health, Comfort, and Energy Savings

- 90 % of time is spent indoors
- 11 % live in fuel and energy poverty
- 91% of European citizens see climate change as a serious problem and 92% of support national action on improving energy efficiency by 2030
- More and more people work part-time and from home (e.g. in the NL up to 47% work part-time and more than 4 million Britons work from home)

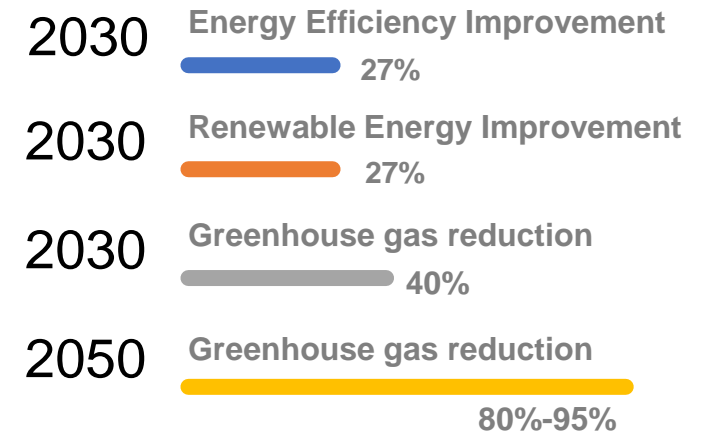
EU Policy



In a Nutshell

- **Top-down Approach**
- **Strong Policy Commitment**
- **Grants and Subsidies**
- **Lack of Market-Based Initiatives**

Goals and Targets



EuroPACE Project

GNE FINANCE

European
Commission
Horizon 2020
Grant
€2.4 million

8 Organizations
from 4 Countries

City-Wide
Pilot in Spain

Support and
Best Practices
from the US

Financial Institutions embrace EuroPACE

Solutions & Opportunities



Investor gets paid first

1

High security of repayment



Increased value of the asset

2

Proven energy savings



Aggregation and Securitization as Green Bonds

3

Standardized projects

Increasing Investment Impact

Benefits for Investors

1

Secure Payback Mechanism

EuroPACE is an on-tax financing tool – investors enjoy similar repayment security as with property taxes

2

Highly Scalable

EuroPACE will develop a Toolkit to foster adoption across Europe

3

Standardized Projects

Building upon the US experience, EuroPACE will implement standardization protocols

6

Investment De-Risking

EuroPACE leverages on Asset-Finance model thus de-risking the investment

7

Complementary to EU Funds

EuroPACE can be combined with existing grants, subsidies and credit enhancements

8

Securitization as Green Bonds

EuroPACE can be securitized as ABS Green Bonds as demonstrated by the US Market

Smart Financing For Sustainable Cities



Improving Homes

EuroPACE Offers Comfort, Efficiency and Savings.



Creating Jobs, Locally

EuroPACE is a Tool for Job Creation. In the US, Each \$1M of PACE Spending Resulted in 15 New Jobs.



Empowering Cities

EuroPACE Empowers Cities to Meet Specific Climate & Energy Goals.

GLOBAL **NEW ENERGY FINANCE**

Barcelona



Amsterdam



*“PACE Leverages a **Divest Approach** to Achieve **Climate Goals**”*

Davide Cannarozzi

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