



ROUNDTABLE ON FINANCE FOR ENERGY EFFICIENCY IN DENMARK

14th May 2019, Copenhagen

Location: Eigtveds Pakhus, Strandgade 25G, Copenhagen

**Organised by the European Commission in partnership with the Danish Energy Saving Council
Finance Denmark and the UN Environment Finance Initiative**

The objective of the follow-up Roundtable is to run a dialogue on energy efficiency finance with key stakeholders in Denmark, in order to identify common objectives and potential improvements to be made in the policy framework. In this document you can find a draft agenda and the intended topics. Later will be distributed a background paper with further information on these topics incl. key questions for discussion.

It serves follow-up of a first roundtable that took place on 16 November 2017 and gathered stakeholders from both the energy efficiency and financing sector. Issues discussed and ideas created at that event can be found via this [link](#). An initial public conference on Financing Energy Efficiency in Denmark, Sweden and Finland took place in Copenhagen on 19 May 2017 and material from that event can be found [here](#). These previous events make useful background reading in preparation for the follow-up National Roundtable.

The national roundtable is organised 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 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](#).

AGENDA

09:30 Welcome and registration

10:00 Introductory plenary: State of play of financing energy efficiency in Denmark

- Welcome and objectives of the roundtable
- Meeting the challenge of bridging the energy efficiency and financing sector
 - The Energy- and Climate challenge
Jacob Krog Søbysgaard, Head of Secretariat, The Danish Council on Climate Change
 - Policy development at the EU level
Niels Ladefoged, Policy Officer, EU Commission, DG ENER
 - Perspectives seen from the financing sector
Peter Jayaswal, Executive Director, Property and Finance, Finance Denmark
 - Perspectives seen from the energy efficiency sector
Claus Bugge Garn, Chairman of the National Energy Saving Council

11:00 Topic groups – 1st session

- Topic 1: Home renovation
- Topic 2: Social housing
- Topic 3: Energy Efficiency in SMEs
- Topic 4: Municipalities as facilitators

12:30 Lunch

13:30 Topic groups – 2nd session (same topics, continued)

15:00 Closing plenary

- Report back from Topic Group Rapporteurs
- Discussion on selected issues

16:15 Concluding remarks

16:30 Networking Cocktail

During the follow-up national roundtable, participants will be divided into four workgroups (parallel sessions) around the above four topics. These sessions aim to identify concrete actions and follow-up opportunities within each topic.

Each session will begin with presentations from invited speakers and will have a moderator to facilitate an interactive discussion. In addition, a rapporteur will be appointed to present the main conclusions of each working group.

In the attached, you can find the agenda and key questions to be discussed in each working group.

The discussions will take place in Danish with translation into English where necessary.



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Session 1: Private home renovations

The intention is to explore how to put in place integrated home renovation services towards by trustful market operators and thereby ensure better awareness 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. The session can build on the discussion at the first roundtable, incl. pioneer examples from outside and inside Denmark. The banks can help to motivate the house-owners and follow the process all way through and the intention is to seek to optimise this dimension.

Moderator Claus Bugge Garn, Chairman of the National Energy Saving Council

Session agenda:

Kl. 11-13.00

- Intro: why is no more happening? The broad picture by Claus Bugge Garn, followed by contributions from Torben Liborius, Dansk Byggeri and Kim Tobiasen from Sparekassen Kronjylland.
- Experiences from Refurb: Claus Garn presents the main findings of this EU project
- Presentation by Bahram Dehghan, Energy City Frederikshavn, about experiences from activities in Frederikshavn including the "one-stop-shop" under the EU Innovate project. Carsten Schiødte, Jyske Bank, supplements with their experiences, among other things. based on the project in Frederikshavn. This is followed by reflection from Niels Kjær Hansen, Ringkjøbing Landbobank.

Kl. 14-15.15

- Presentations on experiences with sustainable renovation projects, Balder Johansen, Logik and Co. Followed by comment from Jyske Bank and intervention by Tommy Olsen, Gate 21
- Presentation of existing nationwide scheme - both by Niels Kåre Bruun, Better Home and Katrine Havemann Olsen, Nykredit
- Presentation of EU funding opportunities under different schemes - are there untapped opportunities? By Niels Ladefoged, DG ENER
- Discussion, summary - conclusions

Key questions:

1. What is the general situation in terms of speeding up more energy renovations of the private homes – what are the main challenges to be addressed?
2. What are the most important experiences from the local initiatives in Frederikshavn and Sønderborg with a view to making an upscale approach to home renovations in Denmark, including ensuring the possibility of deep renovations?
3. What is the learning of existing sustainable renovation projects and nationwide schemes that can be part of a forward-looking effort?
4. What EU support schemes can be used to support such forward-looking efforts?
5. How can an upscale approach be taken to energy renovations in private homes - broken down by regulatory issues, support schemes and project initiatives and what the sector itself can do

Session 2: Social housing

The session will follow up on the discussion at the first roundtable which focused on how to create sufficient initiatives for tenants, including tackling economic uncertainties relating to comprehensive energy renovation projects. In this context how to ensure financing for projects that are not eligible for financing from e.g. the National Building Fund. The National Building Fund does not possess broad potential to support energy renovations, which through the fund can only be supported as part of an overall building renovation process. The energy efficiency initiatives must therefore primarily come from the sector itself. Energy renovations are to be approved through the housing democracy and in relation to the consequences for the rent (often creating split incentives between the housing association and the tenants).

The first roundtable concluded needs to prove visualization of potentials and savings and to focus on indoor climate (wellbeing and health): Comfort could be capitalised / visualised through an extended energy rating. It is necessary to define new financing models for the energy part of the building renovations, e.g. through guarantee schemes. The National Building Fund highlighted a current initiative being developed and supported by the fund, and which was intensively discussed: "Model for the insurance/guarantee of energy savings in social housing. The model assumes a "deep renovation" and use of "Dynamic Heat Accounting" as the settlement method. Rather than distributing the cost according to consumed heat the costs are distributed according to the measured indoor climate in each apartment. Residents obtain a low heat bill if they can keep the indoor temperature and moisture and CO2 levels within the intervals that provide a good indoor climate. Conversely, residents will pay more if they want a different indoor temperature or fail to adequately ventilate the housing area.

Moderator: Henrik Bielefeldt, Department Manager, Project Zero

Session agenda:

11-13.00

- Energy renovations require residents' confidence in choosing a financing solution
– presentation by Henrik Bielefeldt, Department Manager, Project Zero
- Dynamic Heat Accounting as performance documentation
– presentation by Anton Ahnfelt-Rønne, Project Manager, Domea.dk
- Residents as decision makers - the concept of value when renovating – presentation by Torsten Jepsen, Consultant, Better building Processes
- Model for insurance of energy savings
 - Mads Gudmand-Høyer, The National Building Fund - principles of the insurance model
 - Anne Stougaard, Chief Consultant, Municipality of Gladsaxe – briefly about the prospects for the municipality

- Jesper Loose Smith, Director, Arbejdernes Boligselskab Gladsaxe (Social Housing Association), - briefly about the potential for renovation of approx. 377 dwellings
- Open discussion based on participants views and ideas (responses/ideas to the key questions) – open round
- Summing up – draft conclusions

14-15.15

- Continued discussion
- Summing Up - Moderator/Rapporteur agrees with the group the key messages to feed back in plenary

Key Questions:

1. How important is data documentation and involvement of residents for the choice of financing solution in the social housing associations?
2. How does the building owner / developer create a sufficient overview of potential profitable energy savings in connection with a renovation?
3. How can profitable activities / measures be adopted in the resident democracy and implemented?
4. How can the residents' baseline costs be quantified? How is the reduction in consumption 1: 1 guaranteed (without significant rent increase)?
5. Discussion of the “Model for the insurance/guarantee of energy savings in social housing” (introduced by the National Building Fund): How can the dynamic heat accounting contribute to graduate the risk that energy savings does not occur, and particularly seen in relation to user behavior? Is this model potentially attractive for e.g pension funds, municipalities, the state or others who, as an alternative to grants for energy projects, could establish a guarantee fund for energy renovations?.

Session 3: Energy efficiency in SMEs

The first Roundtable focused on both industries and SMEs, including opportunities needed to ensure that industrial enterprises and SMVs priorities long term energy efficiency investments. Initially the roundtable discussed the possible establishment of a Business guarantee fund, which could be adapted for both large and small businesses (industries and SMEs). Further that financing institutions should be geared to work with both industries and SMEs either through in-house capacity or outsourcing.

The discussion was rather quickly turned towards the particular needs of the SMEs, where energy efficiency improvements is lagging most behind, because of a lack of information, resources, technical expertise and funding. This follow-up session will therefore concentrate on the SME segment. The first Roundtable acknowledged a need to create a one-stop-shop facility to boost EE investments in SMEs. Particularly for SMEs there's a need to visit them regularly and guide them through the process of identifying, deciding, implementing and monitoring EE. It was further concluded that the major problem related to financing of EE measures is a need to bring forward well-documented business cases to the financing institutions enabling them to evaluate the projects and assess the risks. The Non-Energy Benefits were acknowledged as important factors to consider when developing business cases for EE investments, and would be most difficult to introduce for SMEs.

On this background, the session will focus on how to create one-stop-shop facilities to boost EE investments in SMEs, and how such facilities combined with standardisation measures, risk assessment methodologies and various financing options e.g. guarantee funds can facilitate de-risking of EE investments in the sector, thereby making the investments more attractive for the financial sector. In this context the session will also explore how energy audits and energy management approaches could contribute to increase the knowledge level within SMEs and how Non-energy benefits can be integrated when developing business cases for EE investments for SMEs.

Moderator: Erik Gudbjerg, Direktør, Your Energy

Session agenda:

Kl. 11-13.00

- Do we have the right "investment climate" to realise energy efficiency in SMEs?
 - presentation by Erik Gudbjerg, Director, Your Energy
- Energy savings are other than kilowatt-hours - Presentation of the Danish Energy Agency's new theme booklets about Non-Energy Benefits and methodologies for assessing energy savings
 - presentation by Emil Reenberg, Advisor, Danish Energy Agency

- Efficient Energy – a cross municipal cooperation on energy efficiency in SMEs
- presentation by Mogens Michael Møller, Business Manager, MiljøForum Fyn
- Open discussion based on participants views and ideas (responses/ideas to the key questions) – open round
- Summing up – draft conclusions

Kl. 14-15.15

- Continued discussion
- Summing Up - Moderator/Rapporteur agrees with the group the key messages to feed back in plenary

Key Questions:

1. How can business models be created that document investments in energy efficiency in SMEs at a sufficiently high level and that can help to highlight how attractive these investments are to both SMEs and financial institutions?
2. How can Non-Energy Benefits be integrated into these business models, and contribute to create incentives at both SMEs and financing institutions?
3. What needs to be done for SMEs to gain their interest in energy efficiency? Do they have other challenges that hinder their interest in energy efficiency?
4. Is a one-stop-shop service needed to support the process? How can this be financed and organized and at what level (e.g. state, private, sector-based, municipal, cross-municipal, etc.). Which service components should be included, and which actors can provide the different services?
5. Which types of financial instruments can be used in relation to the risky investments in the SME Sector? Could it, for example, be a guarantee fund combined with bundling and standardization of procedures and solutions?

Session 4: Municipalities as facilitators

The municipalities have an important role in ensuring energy savings, including complying with the new policies on renovation strategies and upscaling in interaction with the municipal energy and climate action plans. The session will focus on the financing aspects of this challenge as well as implementation concepts such as ESCO (EPC) that can help to realize the goals. Examples will be presented and discussed of the efforts within municipal own buildings as well as on initiatives where the municipalities help to facilitate energy savings in private homes. The session will result in a discussion on how to promote Danish municipalities' motivation and ability to implement energy-saving investments and how the organization of the efforts can be optimized.

Moderator: Pelle Bournonville, RealDania

Session agenda:

11-13.00

- Intro: Renovation strategy / Upscaling - how can it be done in practice?
- Financing of energy efficiency in municipal buildings – status and pointing ahead
Guri Weihe, KommuneKredit
- ESCO - implementation concepts
Lars Nielsen, Siemens
- Presentations from the House of Energy – overcoming barriers and optimization of EE investments across municipalities
Michael Stie Laugesen, House of Energy
- Summary by moderator

14-15.15

- The municipality as facilitator of energy savings of private homes and SME sector
Johan Vedel, Fredensborg Municipality
- Komforten i Hus project
Claus McKinney-Valenti, Bolius
- Discussion (around half hour)
- Summary - Conclusions

Key questions:

1. What is the current status of financing energy savings in the municipal sphere and what are the main challenges and opportunities going forward?
2. What are the current and future prospects for optimising the ESCO model?
3. How can municipalities be motivated to undertaking efforts in the municipal buildings, followed by a broader discussion on how to promote Danish municipalities' motivation and ability to implement EE investments?
4. How can municipalities' efforts as a facilitator for energy savings in private homes be optimized?
5. How can the implementation / financing of energy savings in Danish municipalities be optimised, including:
 - Organization of efforts, including possible need for aggregators and use of implementation concepts
 - Providing support / standards and exchange of knowledge and experience across the country
 - Relations with the international / EU, including the use of European funds and experiences from other countries