



News bulletins of the thematic learning events

August 2023



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1 Introduction

The overarching objective of the RoundBaltic project is to support the implementation of the Smart Finance for Smart Buildings initiative in the Baltic Sea Region, notably the project's direct target countries Poland, Latvia and Denmark. Moreover, RoundBaltic refer to the same objectives as Sustainable Energy Investment Forums (SEI Forums) to build momentum for energy efficiency (EE) finance.

SEI Forums bring together representatives of the financial and energy efficiency sectors to discuss and find solutions to the challenge of energy efficiency finance. Key focus areas are how to ensure an investment friendly framework along designing of financing instruments in accordance with the financial pillars more effective use of public funds, aggregation and project development assistance, and de-risking. A third focus area is to showcase specific initiatives as well as triggering new investment initiatives within existing private and public buildings, industry and SME's, street lighting, district heating, transport infrastructures and integrated renewable energy sources. At the stakeholder level a key intention is to engage the financial sector in conjunction with building capacities of project developers, incl. public authorities, on how to develop EE investments according to the policies.

The RoundBaltic project aims to provide framework and momentum for energy efficiency investments in the direct target countries Poland, Latvia and Denmark, building on the activities of the SEI Forums initiative.

This document concerns News bulletins for national and EU wide dissemination as follow up of the Learning events organized by the project partners EC Network, LEIF, SAPE and Gate 21. This represents the project's deliverable 5.4, which is related to Task 5.4 Thematic learning events on how to accelerate energy efficiency investments.

2 Overview of the News bulletins

RoundBaltic has produced six news bulletins, all with focus on the linked learning events plus they provided updates on other developments in the project.

News Bulletin No. 1

Came around the project's first learning event with focus on how to engage the financial sector in energy efficiency investments, incl. how to put in place national strategies, what specific initiatives can be taken and associated instruments to foster energy efficiency finance actions.

News Bulletin No. 2

Came around the second learning event organised as an online event 10th February 2022, managed by the RoundBaltic partner Latvian Environmental Investment Fund. The event focused on how to assist public authorities in making clever decisions by unlocking the potential of energy efficiency investments in public sector.

News Bulletin No. 3

Came around the third learning event organised as a physical event 23rd June 2022, managed by the Polish RoundBaltic partner SAPE. The event focused on examination of how the certification of buildings is combined with the intention to accelerate the financing of their renovation, with particular emphasis on activities undertaken in Poland and Denmark.

News Bulletin No. 4

Came around the fourth learning event, organised by Latvian Environmental Investment Fund, with focus on how to promote awareness for implementation of deep renovation in multi-apartment and public buildings as well as better understanding of using sustainable materials, implementing national incentives, be aware of legislative changes and standardized energy efficiency standards.

News Bulletin No. 5

Came around the fifth learning event organised as an online event on 16th March 2023, managed by the Polish RoundBaltic partner SAPE in cooperation with the parallel H2020 project GREEN Home. The scope of the event was to assist public authorities and other stakeholders in making clever decisions by unlocking the potential of energy efficiency investments with focus on the multifamily housing stock in Germany and Poland.

News Bulletin No. 6

This news bulletin came around the sixth and final learning event on 29th August 2023, managed by EC Network, aiming to display achievements and experience gained under RoundBaltic, incl. sharing the good practice and experience gained under the project intervention and how to ensure sustainability of future actions. It further presented the achievements of the sister project SMAFIN operating in the Balkan region.

3 Details of the News bulletins

3.1 News bulletin of the 1st Learning event

News bulletin #1

February 2022

The project's **First Learning event** focused on how to engage the financial sector in energy efficiency investments, incl. how to put in place national strategies, what specific initiatives can be taken and associated instruments to foster energy efficiency finance actions.

Mr. Hadrien Michel, Energy Efficiency Finance team, EU Commission, gave an update on the Green Deal and the new regulations, support schemes on green financing and initiatives.

Key message

Mr. Hadrien Michel started to explain EU's Climate Target Plan under the heading of 'fit for 55' including a package to help EU delivering the transformational change needed in a fair, cost-efficient and competitive manner. It is a complex challenge because it goes across numerous sectors and there has been a need to strengthen the regulations. Part of this is to strengthen the Building Directive (EPBD) and Energy Efficiency Directives (EED) and the 'Renovation Wave' initiative is to help the transition towards the doubling of the renovation rate by 2030 and support the renovation of 35 million buildings in the EU.

The financial support to the development can be divided in 1) direct co-financing of investments like under Recovery and Cohesion Funds, 2) to mobilise and leverage investments like under the InvestEU and ELENA Facility, 3) to support technology development, research & innovation like under Horizon Europe and the Innovation Fund and 4) To address market barriers and provide capacity building, as it will be done under the Clean Energy Transition sub-programme of the new LIFE programme.

Among the key initiatives are the Energy Efficiency Financial Institutions Group/EEFIG that was established in 2013 by the European Commission and UNEP FI. Since 2018 EEFIG work is based on working groups covering different aspects in terms of sustainable energy finance and there has been elaborated important material like the Underwriting toolkit. Another initiative is the De-risking Energy Efficiency Platform/DEEP that serve an open-source database for energy efficiency investments performance monitoring and benchmarking by providing an improved understanding of the real risks and benefits of energy efficiency investments. It includes 17,000+ energy efficiency projects in buildings and industry from 30 data providers. deep.eefig.eu

[Link to presentation](#)

What's the learning and follow-up prospects

RoundBaltic draws the following observations:

- The RoundBaltic intervention takes point of departure in transforming the EU and associated national policies into actions on the ground. This includes that the project's interaction can give feedback to the decision-making level as how the investment framework is to be designed as well as paving way for specific sustainable energy finance initiatives.

Mr Adam Hirny, Director of the Office for Sustainable Development Programs, followed with a presentation of how BNP Paribas helps finance energy renovation of buildings in Poland

Key message

BNP Paribas Bank Poland has taken initiative to improve its capabilities in energy efficiency finance. Via a grant from the EU ELENA Facility it has built a concept of integrated home renovation services to reach out to multi-family buildings (housing associations) in Poland as part of the initiative Energy Efficiency Finance Facility for Residential Buildings/EEFFRB. The housing associations often have limited awareness concerning possible EE savings and EEFFRB help them getting aware of the potential benefits and to prepare the energy audit and investment plan that are required to succeed with energy renovation of the buildings. The type of investments to be supported comprise comprehensive energy refurbishment like thermal insulation of the building envelope as well as integration of renewable energy sources like solar PV installations into the buildings. The ELENA grant has allowed BNP Paribas Bank to increase its internal capacity, incl. energy experts to operate in all regions of Poland. It has also allowed to build an external capacity in form of a team of energy engineers to provide support to housing associations like energy audits and complex technical design documentation.

The financial scheme consists of dedicated investment loans for the housing associations in combination with a grant support from the Polish Development Bank/BGK (grant up to 21% of the investment). To this has been added a risk sharing instrument/PF4EE, an instrument provided by EIB and the European Commission under the Programme for Environment and Climate Action (LIFE Programme) that imply supplementary benefits for the housing associations in form of reduced requirements for own contribution and decreased cost of funding.

The level of energy renovations under EEFFRB has seen a steady growth since its start in 2019 despite COVID-19 lock-down, though the pandemic has affected its dynamics. Mr. Hirny showed a case study where a multifamily building with 100 apartments and 269 inhabitants had installed energy renovation measures like roof isolation, exchange of windows and thermal insulation of the building envelope. It is expected that the facility will help mobilising minimum 800 projects worth 78 MEUR until September

2022 that correspond to annual total CO2 emission reductions of 47 900 t CO2 eq. The expertises gained by BNP Paribas Bank will enable it to further expand green financing after EEFRRB expires.

[Link to presentation](#)

What's the learning and follow-up prospects

RoundBaltic draws the following observations:

- First of all, it is interesting to see the merits when a bank gets directly engaged in energy renovations of buildings in the sense that it both upgrades the bank internally to deal with these type of investments as well as involving internal staff on the core energy aspects. In this connection the ELENA Programme has proved its value to support such development.
- As part of the follow-up it can be explored how BNP Paribas Bank established a national network of inhouse and external experts and what can be learned from that process. There can also be made an assessment of the risk sharing instrument PF4EE and its impact in terms of helping through the investments.
- The proactive approach of BNP Paribas Bank with setting up and running EEFRRB is an example worth following. Of the 92 participants in the learning event were 37 from the financial sector who were introduced to the example. Through its interventions RoundBaltic aims to inspire banks to get entrepreneurs or in other ways get actively engaged in energy renovations of buildings.

Cláudia Monteiro, ADENE, representing the H2020 X-tendo project, presented tools for energy performance of building certificates developed in a financial perspective. This was supplemented by Casper Thielsen from the Danish Energy Agency to bring the Danish perspective of the project.

Key message

X-Tendo intends to develop a toolbox with 10 functionalities for updating the next generation of energy performance certificates, to provide public authorities with compliance, reliability, usability and convergence in the assessment and certification of energy performance of next generation buildings.

Cláudia Monteiro presented the tool of X-tendo on methodology in terms of financing options, encompassing learning from previous cases, how to link energy performance of building certificates (EPC) to financing as well as how to communicate the financial aspects. IFRRU 2020 is a financial instrument operating in Portugal designed to support investments in building renovations all around the country. The associated financial products are loans with maturities of up to 20 years and low interest rates as well as guarantees where required. Cláudia explained the flow of activity among actors in the IFRRU 2020.

The presentation also came around how X-tendo builds modules to fit EPC into operations of one-stop-shops. In Portugal is running the one-stop-shop initiative casA+ that provide information about public funding and calls/applications and where financing institutions have access to owner needs & contacts and can promote their financial products within energy efficiency and rehabilitation. Casper Thielsen from the Danish Energy Agency supplemented with information on the Danish public subsidy programme. The sub-program for all residential buildings support measures like insulation, windows and doors, conversion to heat pump and building operation and where the application is to be based on EPC data.

[Link to presentation](#)

What's the learning and follow-up prospects

RoundBaltic draws the following observations:

- As said in the take-away EPC data is key to evaluate needs, support application process and monitor financing programs. Moreover, linking the buildings performance and “traditional” renovation is a win-win situation due to the role of the EPC. This is in accordance with the experiences under RoundBaltic, where we had sessions on how to motivate the homeowners and where is required more incentives than the energy savings alone.
- One-stop-shop can serve aggregator of energy renovations by addressing both owner and financing institutions’ needs, namely helping promoting green financing (e.g. access to information, close the gap between demand and supply, etc.). The tools developed under X-tendo can be used in the efforts of establishing one-stop-shop under RoundBaltic and in other fora.

Session for the bank associations. Ms. Sandie Wrona, Economic Consultant, Finance Denmark, Mr. Boleslaw Meluch, Expert, Polish Bank Association and Mr. Jānis Ozoliņš, Sustainable Finance working group, Finance Latvia Association, each gave a pitch on their key activities to support green funding.

Key message

It was an important part of the learning event to let the bank associations in Denmark, Poland and Denmark share their experiences within the field of green funding.

Ms. Sandie Wrona from Finance Denmark said that in 2020 the Danish financial sector's contribution to the green transition passed the EUR 60 bn mark, aiming at EUR 90 bn in 2030. Finance Denmark has taken a range of initiatives in recent years to support the development, as reviewed in its Sustainability Report 2020. One initiative has been the establishment of a Forum for Sustainable Finance. This Forum published 20 recommendations, incl. intensifying efforts to develop and offer loans that incentivise homeowners and business property owners to improve energy efficiency in their properties.

Danish homeowners overestimate the energy performance of their houses, meaning there is needed more awareness, where the financial sector plays an important role. In 2020 Finance Denmark launched a home energy renovation campaign with the Danish Energy Agency under the slogan “Build it better – renovate for the climate”. This was linked with developing a series of tools to be used by financial advisers when engaging in dialogue with customers on energy improvements and capacity building of financial advisers.

[Link to presentation](#)

Mr. Boleslaw Meluch from the Polish Bank Association said the Polish Bank Association, on behalf of the banking community, officially joined the Partnership for the implementation of the Sustainable Development Goals. The banking sector sees the goals of sustainable development as an opportunity to create a new economic reality, opening new development paths for business, including banks, based on the principles of transparency and building the image of Poland as a reliable economic partner.

The Polish Bank Association has declared its interest to participate in the Green Investments Plan (GIP). GIP is a package of programs for the development of clean heat, energy, water, transport and innovation in the energy sector and energy efficiency that also require the mobilization of private funds and capital from financial markets. Hence, the involvement of the banking sector in Poland is a key success factor for both the Green Investments Plan and the horizontal transformation process of the Polish economy. One component of the GIP is the Clean Air Program system that provide support to

sustainable energy housing and where the Polish Bank Association work together with 30 public and private institutions.

Moreover, the Polish Bank Association represents the banking sector in consultative bodies for the distribution of EU funds or co-financing of clients' EU projects for low-carbon purposes. Banks will be able to participate in the new programs as systemic financial intermediaries or co-financing projects commercially. This includes the Private Finance for Energy Efficiency (PF4EE) instrument as implemented from the LIFE Program by BNP Paribas Bank Polska SA (cf. presentation of Mr. Hirny).

[Link to presentation](#)

Mr. Jānis Ozoliņš from the Finance Latvia Association started by stressing the importance of sustainable finance due to the investment needs in the public and private sector and a market in growth, but with need for further stimulation.

The Finance Latvia Association follows a 15-point plan to promote green financing 2021-2022. One group of actions concern lending, incl. launching of new products to finance the green transition and enhancement of state aid programmes. Another group is about development of capital markets, incl. enabling regulations and guidelines for broader investments of pension fund assets. A third group concerns financial literacy that comprises the creation of a sustainable financing platform in cooperation with the Financial and Capital Market Commission. A fourth group has the heading of sustainable finance and comprises actions like a coordinated public and private sector policy for assessing sustainability.

Finance Latvia Association has, together with the Financial and Capital Market Commission, the Bank of Latvia, Nasdaq Riga, the Latvian Leasing Association and the Latvian Insurers Association, agreed to collaborate to promote public understanding of the meaning and principles behind sustainability and sustainable finances, as well as to promote the implementation of this in business and daily life. This entails the establishment of a sustainability financing platform to support the process.

[Link to presentation](#)

What's the learning and follow-up prospects

RoundBaltic draws the following observations:

- The presentations of the bank associations in Denmark, Poland and Latvia shows the transition the financial sector is undergoing towards sustainable finance. All three associations have made clear commitments on how to lead the respective financial sectors in that direction.
- Part of these commitments - the ones associated with the building and SME sector - match the objectives of the RoundBaltic project and hence the intention is to interact with a view to transform the intentions into real actions on the ground. Good examples of this are where Finance Denmark aim to promote home energy renovations, where the Polish Bank Association support sustainable energy housing and where the Finance Latvia Association aim to strengthen the sustainability financing framework.

3.2 News bulletin of the 2nd Learning event

News bulletin #2

March 2022

The project's **Second Learning event** focused on how to assist public authorities in making clever decisions by unlocking the potential of energy efficiency investments in public sector as well as to enhance a constructive exchange of views and recommendations between policy makers, state institutions and local governments to promote the attraction of private funding for sustainable energy efficiency.

Mr. Martins Zemitis, European Commission Representation, Latvia, gave an EU update on a need to set up innovative financing schemes at regional or national level to create the conditions for adequate supply of private finance for energy efficiency investments.

Key message

Mr. Martins Zemitis started his update describing the need to set up innovative financing schemes at regional or national level to create the conditions for adequate supply of private finance for energy efficiency investments. The EU “fit for 55” package is one of the mechanisms to deliver transformational change needed in a fair, cost-efficient and competitive way to meet climate changing goals by 2050.

The policy framework describes EPC as mechanism for increasing the uptake of energy efficiency projects. A major advantage of this mechanism is its capacity to mobilize the private sector to provide finance, performance guarantees and share risks. EPC are also suitable and relevant for the renovation of public lighting. Increased potential could develop in the use of EPC for renovating district heating systems, the adoption of renewables, and for the smartification of infrastructures. Moreover, this commitment is the key because the public sector plays an exemplary role in the development of building renovation and energy efficiency markets and in the adoption of sustainable support mechanisms for the private sector to improve the energy performance in this sector.

Financing framework addresses the wide range of the EU funding programs to support energy efficiency: 1) to directly co-finance investments (Recovery and Resilient Facility, Cohesion Policy Funds (ERDF, ESF) and Just Transition Fund and Modernization Fund); 2) to mobilize and leverage investments (Financial instruments and technical assistance under InvestEU EIB including the ELENA Facility); 3) to support technology development, research & innovation (Horizon Europe and Innovation Fund); 4) to address market barriers and provide capacity building (LIFE and specifically: the Clean Energy Transition sub-program).

Stronger provisions on the removal of obstacles and barriers to renovation, and on the mobilisation of financial incentives with one-stop-shops accessible to all building ecosystem's stakeholders, so that all barriers to building renovation, not only the costs, are addressed and Member States promote appropriate training. Higher financial incentives and technical support measures are directed to deep renovation projects and those targeting a sizeable number of buildings and leading to considerable overall energy savings. Although the concept of 'deep renovation' has not yet been defined in the legislation, it should be defined as a renovation that transforms buildings into zero-emission buildings. First step to this goal is the renovation that transforms buildings into nearly zero-energy buildings. This definition serves the purpose of increasing the energy performance of buildings.

[Link to presentation](#)What's the learning and follow-up prospects

- Political commitment and designating EPC to coordinate and push the process
- Need for a financing mechanism allowing for forfeiting/refinancing of EPC
- Combination of EPC with EU grants for comprehensive renovation while remaining off-balance

Mr. Raimonds Svanks, Latvian Environmental Investment Fund, presented current RoundBaltic findings in Latvia, government outlook regarding private EPC involvement in financing energy efficiency.

Key message

Mr. Raimonds Svanks pointed out that in Latvia RoundBaltic acts as organizer, coordinator and facilitator of productive interaction between the EE practitioners and policymakers in order to minimize the obstacles and find alternative financial sources to create new financial instruments. This can be best achieved by gathering stakeholders in a dynamic forum and stimulating their constant and continuous further cooperation. One of the main problems is that available EU and public funds alone will not be sufficient to cover the investments necessary to reach the energy and climate objectives in 2030 and 2050. One of the possible solutions is to present a framework for attraction of private financing. EPC is a form of financing for capital improvement which allows funding energy upgrades from cost reductions. At the same time Member States should continue supporting the public sector in the uptake of energy performance contracting by providing model contracts that take into account the available European or international standards.

On the European level the campaign has been launched to promote and build capacity for EPC and ESCO. The aim of the campaign is to enable country-specific discussion and capacity building of the core stakeholders, which should enable better understanding of the business model, its challenges and opportunities, increase confidence regarding its reliability and effectiveness, and help Member States in establishing a legal and financial framework for the market with energy services.

Latvia needs to be more active in supporting the ESCO system and overcome the problem that the public sector has no experience in preparing and implementing ESCO procurement and no guidelines are available for preparing ESCO projects and organizing procurement. Given the lack of experience in the public sector in the preparation and implementation of ESCO procurement, it is necessary to develop guidelines for the preparation of public sector ESCO projects and the organization of procurement as well as to ensure that local governments and public authorities can make long-term commitments (up to 20 years) if an ESCO project is implemented.

[Link to presentation](#)What's the learning and follow-up prospects

- EPC requires some challenges in approval process for every single ESCO contract to be undertaken by public sector
- It is important to master EU grant money and consider ESCO services only after this option has been used up
- Current Latvia's energy efficiency target (improve energy efficiency in 3% buildings per year) is met

- Current human capacity and skill level to undertake the implementation and control of active ESCO market can be changed by highest level political decision on what is important for economy and fiscal space of Latvia in the next 10-year period

Mr. Rolandas Marcinkevicius, ViPa, Lithuania, followed with the presentation on EPC in public buildings and shared the Lithuanian experience.

Key message

Mr. Rolandas Marcinkevicius said that the main problem on EPC in public buildings is that public institutions are reluctant to borrow grants, because there are challenges to achieve real savings (economic viability) on the one hand and high cost of deep renovation on the other hand. Another aspect is the need for additional subsidies in modernization projects, especially in cultural heritage buildings. Sometimes there is lack energy data available about public buildings, as well as poor maintenance.

Some measures have been already made to make this process more appealing. Facilitation and promotion of financial instruments includes appointing of centralized public real estate manager, improving building ownerships related obligation system and discussion and promotion of ESCO model at the state level. Standardizations and simplification of a process using ELENA support is also a key element in achieving positive results on EPC in public buildings.

Analyzing EPC situation status in Lithuania it is important to increase documentation quality to avoid implementation delays and decrease costs and the need for further improvement of EPC procedures and documentation. Additional aspects that can be done are to increase expertise in municipalities to be able to prepare complex projects and lower grant element increases chance of EPC interest. Demonstrating added value over regular procurement can also help to involve ESCOs' at earlier stages. The importance to see the big picture can involve early consultation with stakeholders, consistent and transparent political support, facilitation and promotion as well as simplification and standardization of financial instruments. All that must result in good planning and offering clear milestones and steps to achieve them.

[Link to presentation](#)

What's the learning and follow-up prospects

- Integrated planning and monitoring
- Availability of financing
- Effective and timely communication
- Application of one-stop-shop approach

Mr. Wojciech Stańczyk, The Polish National Energy Conservation Agency (KAPE S.A.) continued with the presentation on renovation with EPC Plus savings guarantee and described the scope of the program and first observations.

Key message

Mr. Wojciech Stańczyk started by stressing out the initial idea to create financial instrument that will support the deep renovation of the buildings through the use of EPC contract. The idea is to establish long term fund that will purchase the receivables from ESCOs and allow them to engage in new projects without freezing their assets. There is a need for additional element to be integrated in this scope – the need to be more competitive to current available models for financing the renovation processes.

As for beneficiaries – the program was offered to local authorities, housing cooperatives, housing associations and companies owned by local authorities.

Creation of standardized EPC contract that is used within the project helps to lower costs. The program as such is split in two phases (currently it is pilot phase), but it is already turning into main phase with available budget ten time more than in pilot phase. Current focus is on multifamily buildings but as the program evolves focus will also include not only multifamily buildings but there is interest in public buildings. Offered subsidy is in range from 10% to 30% depending on the scope of the renovation and savings achieved. Some additional elements of the program include minimal value of the investment; inclusion of the energy management system as mandatory; up to 20% of the investment value can cover non-Energy measures and all buildings need to reach a dedicated standard of efficiency.

The application process consists of pre-application to clarify to which standard to apply for, later after simplified calculator of the investment are made and there is a guarantee of subsidy the important part of choosing the ESCO can come into place. That includes audit by ESCO and evaluation of optimal scope and costs. Later one year after implementation there is a monitoring to be sure that the project meets all the standards. Despite the transparent and clear application process the main barriers and challenges are the increasing costs of energy; ambition of building owners and available funding programs; lack of understanding of the EPC and complexity of the contract; technical condition of the building and poor quality of energy audits.

[Link to presentation](#)

Mr. Robert Pernetta, European Investment Bank, concluded with clarification, guidance, and recommendations on EPC involvement in achieving energy efficiency in public sector.

Key message

Mr. Robert Pernetta pointed out to some barriers and challenges in the government sector. Latvia's policymakers participating in roundtable discussions have clearly indicated their resistance to developing playing field for ESCO services by characterizing ESCO model as complex and burdensome. That is why EIB with the support from EU Commission programs have provided advisory services in Latvia by consulting ESCOs, Altum and other institutions. Additionally there was a renovation strategy presented that maps the possibilities of EPC, EPC+grant, EPC+ own resources or Energy Efficiency-PPP. In general the report was well received but there were some administrative difficulties that didn't allow it to take forward and implement fully at some point.

There are misconceptions that providing easy pathway to borrowing for ESCOs is a threat to Latvia's fiscal space as well as opening the gates for ESCOs might cause inflation of construction costs, which needs to be avoided. It should be stated that if all the guidance and recommendations are followed there is no risk for the fiscal space. Also off-balance sheet EPC has an inbuilt protection against inflation. When the price for labor and material rises faster than the energy price the scope of off-balance sheet EPC is reduced.

Current government does not have a human capacity and skill level to undertake the implementation and control of active ESCO market. It can be changed by highest level political decision on what is important for economy and fiscal space of Latvia in the next 10-year period. Evaluating current situation it is not necessary for municipalities to build up the capacity for EPC procurement. It is useful to build up facilitation services in the private sector that help municipalities in project scoping, design and during the procurement process. There are some successful examples from other EU countries to

follow. To use private facilitators is also good because then the knowledge can be transferred from project to project, which is not the case if each municipality act independently.

[Link to presentation](#)

Final part of the Learning event was dedicated to discussions, summing-up the results and pointing out next steps.

Conclusions

To finalize the discussion and to sum up the learning event there are some main points to be emphasized:

- There is an insufficient role of EPCs and ESCOs so far but it should be kept in mind that the market in every country is different and consisting of various factors and problems to be solved. That is why it is hard to present and adopt one universal solution that fits every situation
- One of the common issues still to be stressed out is the role of bundling of EPC projects. It is necessary to find some formal ways to make it work in the case when there are bigger projects and also smaller projects. The last ones though might not be of interest for big ESCO companies. The question is how countries can create marketplace when contracting will be available for small/medium/big ESCOs, so that everybody can find the projects they can handle
- It is advised by many experts to avoid the situation when there are only big ESCOs in the market because it can cause the situation when it can be limitation to the competition and thus it might not meet the goals for implementation of as much energy efficient projects as possible. Small companies simply might not have the accounts ready for big scale operations
- From the point of view of public institutions it is hard to say what is the best institution to address but the understanding from the government side is important that public institutions in practice are no different from private enterprises when it comes to the need to achieve some energy efficiency levels. There are certain requirements to be met and achieved that our governments and the European Commission has set to the member states. There are still many things to continue working on simultaneously on different channels

3.3 News bulletin of the 3rd Learning event

News bulletin #3

August 2022

The project's **Third Learning event** focused on examination of how the certification of buildings is combined with the intention to accelerate the financing of their renovation, with particular emphasis on activities undertaken in Poland and Denmark. Knowledge from the event will be used in dialogue with RoundBaltic project stakeholders and to identify and support measures to improve financing of energy efficiency.

Mr Andrzej Rajkiewicz

The situation regarding the implementation of energy performance certificates in Poland.

5 years ago, they were carried out as part of the Zebra 2020 project, with the Technical University of Vienna playing an important role. How are these energy performance certificates used in practice?

The survey of real estate agents shows the influencing factors when selecting a property. The main elements considered when choosing, buying/renting a property are, in order: location (99%), price (98%) and property size (96%). The cost of energy is in 10th place among all factors (57%) ranked as "rather important" and "definitely important".

The survey of estate agents - rent over price, shows that the link between a high energy performance rating of a property and a higher price of a property exists, but is not very common.

Survey of real estate agents - problems in implementing energy efficiency improvements in buildings: The main problems identified were a lack of financial incentives for property owners (57% of responses), insufficient information about the benefits (39% of responses) and low public involvement in energy transition issues (38% of responses);

It is recommended (in relation to the regression analysis carried out of the price surpluses arising from EPCs) that a key objective of the EPC policy should be to increase the degree to which energy efficiency is taken into account in decision-making in the housing market, the success of this objective can be measured by periodic regression analyses which, like this report, measure the level of capitalisation of energy efficiency in the market.

Recommendations in relation to the survey of real estate agents, proposals to improve the main objective of the EPC policy to enforce the mandatory presentation of EPCs during sale/lease procedures, to introduce better national standards or to put more emphasis on the presentation of the most relevant sustainability data for property owners that can influence property choice.

Obstacles to the use of EPCs may be less significant if the cost of improvements and the cost of displaying EPCs are reduced by state policies accompanied by awareness campaigns and a more equitable distribution of the benefits of energy savings among stakeholders (owners, tenants). Economic incentives for those who undertake energy saving measures, linked to well-designed awareness campaigns, are expected.

[Link to presentation](#)

Mr Jerzy Kwiatkowski

Energy Performance Certificates (EPCs) in Poland - current status. Helping consumers to make informed choices about saving both energy and money in buildings.

The presentation discussed the state of implementation of EPBD requirements. Issues that should be implemented in Poland were highlighted, such as the energy performance of a building in the form of a primary energy consumption indicator or recommendations for cost-optimal or cost-effective improvement of energy performance. The recommendations contained in the energy performance certificate are technically feasible for a specific building and may include an estimate of the range of payback periods or costs and benefits during the economic life cycle of the building. It is indicated where the owner or tenant can obtain more detailed information, including on the economic viability of the recommendations included. A methodology for assessing the energy performance of a building in line with the national annexes to ISO 52003-1:2017.

Barriers to the implementation of an EPC in Poland - ZEBRA2020 were presented, where the main ones identified were the additional costs for owners (56% of indications), the practice of making unreliable energy performance certificates (52% of indications) and the incomprehensible form of the message for the client/not knowing what the result on the certificate means (51%). Additionally, deficiencies or insufficient knowledge of the purchaser ('customer awareness') (49% of indications) and unnecessary bureaucracy or additional procedure (45% of indications) were indicated.

Evaluation and future of the CHP system in Poland.

The main one is considered the lack of energy classes - the slider does not allow to determine the energy class of the building. As a second, the slider is not an unambiguous indicator - which does not allow comparison with other buildings. Illegible graphic design and too much additional information, as well as the lack of estimated costs for the use of the building were listed as the next.

CHP in Poland - Formal requirements.

A certificate is made in the case of a building or part of a building disposed of based on a contract of sale of a co-operative ownership, right to rented premises or whose usable area occupied by the judiciary, prosecutor's office and public administration authorities exceeds 250 m² and in which services are provided to the public.

Register of CHEs in Poland.

The Minister for Construction maintains a central register of the energy performance of buildings, which includes lists of persons authorised to draw up energy performance certificates or persons authorised to inspect the heating system or air-conditioning system. It also holds energy performance certificates and inspection protocols for the heating system or air-conditioning system.

Verification of EPCs in Poland.

The Minister for Construction verifies the energy performance certificates and the protocols from the inspection of the heating system or the air-conditioning system, regarding the correctness and reliability of their preparation and considering technical and construction regulations and the principles of technical knowledge.

Unfortunately, the data about the EPC of buildings from the register is not publicly available!

In summary, the implementation of CHE in Poland is only partial. There is no public awareness of the importance of CE and no understanding of CE by the end user. There is no proper verification of the correctness of the CE performance, which requires a thorough change not only at the level of the CE system, but also of the end-user awareness of the importance of CE.

[Link to presentation](#)

Mr Jerzy Kwiatkowski, NAPE S.A.

X-Tendo - a summary of the new ŚChE functionalities developed in the project.

The X-tendo project, is an extension of energy performance assessment and certification through a modular approach. Its implementation is set for the period 2019-2022. Funding is to be handled by the European Commission (Horizon 2020 Programme) and the Vienna University of Technology is to be the main coordinator. The X-tendo team consists of 13 partners in 10 countries and nine test countries (e.g. Austria, Denmark, Estonia, Greece or Poland).

The main objective of the X-tendo project is to support public authorities in improving the compliance, reliability and usability of energy performance certificates (EPCs) for buildings. As a second objective, it has been set to demonstrate and encourage the introduction of 10 innovative functionalities within

the CHE system. Not forgetting to improve the reliability, usability of practices and tools related to the next generation of CHEs.

The pillars of the X-tendo project are stakeholder involvement (understanding of CHE end users, understanding of needs, awareness development), tool development (modular approach with 10 functionalities, good practice examples, instructions for calculation methods, calculation tools) and tool testing (tests in different European countries, different types of tests: building, system, utility).

Innovative indicators were presented, which include smart readiness indication, real energy consumption, outdoor air pollution and district energy systems. EPC databases, building logbooks, tailored recommendations and financing options are presented as innovative data processing approaches.

[Link to presentation](#)

Karolina Junak – KAPE S.A. and Kaj Leonhart Petersen – EC Net

Cross evaluation of energy performance certificates in Europe

Developed on 140 buildings, the project aims to create an EPC community forum with an online knowledge exchange centre, a collection of building data, certificate results and, where possible, measured building performance results. Introduce guidelines for the design of people centred EPCs, a tool for the use of data and the marketing of new EPCs. In doing so, collect technical data for the next generation of EPCs (to reduce the performance gap, implement new KPIs, present renovation measures to the building owner and verify and control the quality of EPCs).

The study is to have three rounds in which the first one is based on existing EPC procedures: Each team in each country will use their existing EPC procedures to assess buildings in other countries (accuracy, gaps, robustness, etc.). The second and third rounds will use EPC procedures available from recent initiatives: QualDeEPC, U-CERT, X-tendo, ePANACEA, E-DYCE, D²EPC and EPC-RECAST.

In the study, the alignment of EPCs with the needs of users and investors can make a difference to energy efficiency financing. Increasing the value of EPCs for potential investors - establishing a dialogue with stakeholders to understand the information needed to decide on a potential investment or standardised guidelines and instructions on how to implement the data needed for investors in next-generation EPCs - are just some of them.

Testing in phase 1:

The data entry of the first building is currently underway, both in Denmark and Poland. The main challenges are:

- Difference in software,
- Data entry methods,
- Drawing documentation,
- Climatic data,
- Time.

Importantly DK tests 4 Polish buildings and 3 Croatian buildings (in Danish national software), Poland tests 5 Danish buildings, 3 British buildings and 1 Austrian building. Croatia is testing 2 Danish buildings. UK and Austria are each testing 1 Polish building.

[Link to presentation](#)

Gry Klitmose Holm, State of Green

State of the green -Energy renovation of buildings

Learning event Polish-Danish experience with energy performance certificates. Thematic areas covered in the discussion are the regulatory framework from a Danish and EU perspective, primarily case-based with a public and private perspective. Holistic approaches to energy retrofits and smart energy systems. Partnership and financing models were discussed as well as the digitalisation of the whole project. The main objective was to focus on both the supply and demand side of energy renovation encouraging local investment.

[Link to presentation](#)

Anne Svendsen, Danish Energy Agency

How has Denmark increased energy efficiency in buildings?

Above all, testing the efficiency of installations before they are used, funding energy renovation of private homes, funding renovation of public buildings or information for homeowners, craftsmen and consultants on EE renovation have helped. EE in buildings, the future is the new building code in 2023, LCA or energy renovation of buildings. Energy renovation of state and municipal buildings (financial pool for municipalities and regions), flexibility, a subsidy programme for heat pumps or subscription heat pumps are just some of the solutions proposed.

The new Building Code would apply to all new (heated) buildings and to major renovations in existing buildings. It would allow for more efficient heating, hot water, ventilation and cooling systems (pumps, fans, ventilation systems, gas boilers, etc.). Individual temperature control in all rooms (thermostatic valves) and functional testing of technical installations (building management system, heating systems including hydraulic balancing of the heating system, ventilation systems and lighting systems in commercial buildings) are just some of the solutions proposed.

A further amendment to the Danish Building Code would take into account life cycle assessment (LCA), the recording and documentation of resource (energy) use on site, life cycle costs (LCC) or the development of an operation and maintenance plan to maintain the indoor climate. A Subsidy Scheme would also be introduced.

Renovating affordable housing will help reduce energy costs, improve living conditions and create jobs. Funding for energy renovation of affordable housing, also with a focus on recycling building materials. Energy Renewal 2020-2030 specifies that all state-owned buildings must achieve a specific savings target by 2030. Funded but non-state-owned buildings (e.g. secondary schools, universities and museums), the requirement is to reduce energy demand by 10 per cent between 2020 and 2030. The government provides subsidised financing and low-cost loans for energy-saving measures in regional and municipal buildings.

[Link to presentation](#)

Jerzy Kwiatkowski, NAPE

Amendments to the EPBD.

The scope of the Directive is mainly a common general framework for the calculation methodology of the integrated energy performance of buildings and building units. The application of minimum energy performance requirements to new buildings and new building modules. But also the application of minimum energy performance standards to existing buildings and existing building modules, or

renovation passports. It is also worth bearing in mind national plans for the renovation of buildings or sustainable mobility infrastructures in and around buildings.

Important new concepts in the directive such as zero-emission building, near-zero energy building or minimum energy performance standards are presented.

EPBD - New buildings.

Member States shall ensure that new buildings are zero-emission buildings in accordance with Annex III according to the following timetable. Thus, from 1 January 2027. - new buildings occupied or owned by public authorities; and from 1 January 2030. - all new buildings. So that they are all at least near-zero energy buildings and meet minimum energy performance requirements. Member States shall ensure that the life cycle global warming potential is calculated in accordance with Annex 3.

EPBD - Existing buildings.

Supplement the energy performance requirements for buildings undergoing major renovation (in Polish terms, this concept should be equated with reconstruction or construction work involving insulation of the building, covering more than 25% of the surface of the building envelope of that building), with new ones on ensuring an appropriate energy standard (minimum energy performance standards) for individual building types in subsequent years.

EPBD - Existing buildings - Renovation passports.

By 31 December 2024, Member States shall introduce a system of renovation passports based on a common framework established by 31 December 2023. The passport shall be issued by a qualified expert after an on-site inspection of the building. It shall contain a plan of renovation steps to transform the building into a zero-carbon building in 2050. It shall indicate the expected benefits in terms of energy savings, greenhouse gas emissions and related cost savings and health and comfort benefits. In addition, it provides information on possible financial and technical support.

EPBD - Technical schemes.

Member States require zero-emission buildings to be equipped with measurement and control devices to monitor and regulate indoor air quality. In existing buildings, the installation of such equipment is required where technically and economically feasible in case the building undergoes major renovation.

EPBD - Infrastructure for sustainable electromobility.

For new non-residential buildings and non-residential buildings undergoing major renovation with more than five parking spaces, Member States shall ensure the installation of at least one charging point, the installation of embedded cabling for each parking space and at least one bicycle parking space for each car parking space.

EPBD - CHP.

By 31 December 2025 at the latest, the energy performance certificate must comply with the model. The certificate shall specify the energy performance class of the building on a closed scale. Member States shall ensure a common visual identification of certificates, ensure the quality, reliability and affordability of energy performance certificates. Member States shall make available simplified procedures for updating the certificate in the case of retrofitting of single elements only. The obligation to have digital certificates is extended (in addition to newly constructed buildings) to buildings undergoing major renovation.

EPBD - CHP databases.

Creation of a national publicly accessible database on the energy performance of buildings, which

enables the collection of data and the overall energy performance of the national building stock. The scope of the database should include data on certificates, inspections, building renovation passports, smart grid readiness rate of buildings and calculated or metered energy consumption of certified buildings. The database is intended to provide building owners, tenants and managers as well as financial institutions with access to the full certificate for the buildings in their investment portfolio. In summary, there is a need to accelerate changes to the legislation on the energy efficiency of buildings and some of the changes may be difficult to implement. The proposed changes may increase the cost of producing an energy performance certificate, but may not necessarily improve the reliability and usefulness of energy performance certificates.

[Link to presentation](#)

Prof Michał Pomianowski (AALBORG UNIVERSITET)

Energy-efficient building

The aim is to provide a methodology for dynamic building certification based on publicly available resources and tools, to develop an integration framework and provide accurate and clear feedback to the user, to increase user awareness of building performance; the user needs to receive information in a clear and concise way, in time for interventions (tenants, owners, authorities).

Applying this methodology to buildings will produce key results, but all monitoring activities have been more demanding than anticipated:

- EPC's move from static to dynamic tools leads to a disaggregation of KPIs,
- Simplification of the models (zoning) seems to be more reliable for energy calculations than for comfort calculations,
- The use of smart meters (heat meters) can contribute to a better understanding and performance of the building,
- Evaluation of heat consumption (domestic hot water / space heating).

[Link to presentation](#)

Final part of the learning event was the discussion Moderated by Szymon Firląg on EPC status, plans and further development in Poland and Denmark.

Discussion

Moderator: Szymon Firląg

Participants:

Jerzy Kwiatkowski, NAPE

Piotr Krysik, KAPE

Kaj Leonhart Petersen, ECNet

Nils Daugaard, ECNet

Michał Pomianowski, Aalborg Universitet

Anne Svendsen, Danish Energy Agency

The discussion was guided by main questions:

- *How EPC support/enhance the financing of energy efficiency in Denmark and in Poland?*

Denmark: It has been a long way to develop EPCs in the form that is user friendly and be integrated and used by financial sector.

Digitalization of EPC database is a useful tool for planning and guidance for renovation programmes i.e. in municipalities.

What is the most important, since 2020 EPC is a requirement to receive funding?

Poland: EPCs in Poland shows recommendations but in practice those are general description, not detailed what is not so helpful. There is no financial support programme which uses EPC in its scheme. Financial programmes that already exists could use EPCs in order to check if the given measure is feasible from economic point of view. Poland should follow Danish example which is also the path to implement EPBD recommendations.

- *Which features developed under XTendo project are/can be implemented in Denmark/Poland?*

Denmark: XTendo features are already integrated to some extent. EPC has been modified in consultation with building owners to be more understandable. Additionally, the financial sector was also engaged in this consultation to obtain a better understanding of the information in EPCs and to use it in practice. Within RB we want to enhance usage of EPCs in financial instruments. Standardized and stronger approach is needed as for now there are different incentives used by banks.

Poland: Xtendo project started before the proposed changes of EPBD. As for now, a lot of features are in line with proposed new EPBD. Most of the features can be implemented in Polish system. For example, Ministry of Development and Technology was considering including the emission of particular 2,5 or 10 in order to have indicators of smog development. Now we can see it in EPBD, and such feature is in XTendo project, and its methodology could be used in Poland.

- *Which changes in EPBD will affect EPC in Denmark/Poland?*

Poland:

Implementation of EPBD changes will affect both way of presenting and methodology of calculation. Currently it is presented by energy bars – this way is not easy to interpret. In future EPC will have to be presented by energy performance classes – in Poland we know them from household appliances and electronics, but the building classes will be linked to non-renewable primary energy which can be confusing without connecting those with energy costs. It will be an unofficial requirement, but we hope in future it will change for better.

In EU, EPBD for member states:

Draft version of EPBD focuses more on gas emission (CO₂) and new version of visual identity on scale from A to G – where A is zero emission building, and G should represent 15/20% of worst performing building with respect to whole national stock. More focus is put on using EPC to monitor what is the energy performance of national building stock. From 2025 EU states are expected to present national renovation programmes. Those should be connected to current situation of building stock which is connected to an EPC database.

Assessment of building stock based on EPC for buildings that are being sold or rented and are valid for 10 years. There is a recommendation to decrease it to track changes in the building stock what will provide more up to date data.

Implementation of Building Renovation Passports will help to track and motivate the users for deep energy renovation. It can be a useful monitoring tool that will help strategic planning and measures that have to be implemented according to 2050 requirements in EU.

- What are the possibilities and barriers to implement the new functionalities/features (XTendo and EPBD) into national certification systems?

Denmark:

main barriers is to create trust for EPC among it's. There are still challenges how EPC can be used within the financial sector, when the building owner is applying for financial support. Denmark need to combine it with ongoing the gas crises, and exclude gas and oil boilers from building stock. Usage of fossil fuels 2030 all out in Denmark. Good strategy is needed and it should be in connection with renovation strategies.

Poland:

education of building experts and energy experts is needed in order to transform such number of buildings. New indicators of EPC might increase its prices. New indicators are not easy to calculate f.e. global warming potential. In Poland there are no official government data on greenhouse gasses (besides CO₂). If the global warming potential factor is required, the regulations will have to refer to some official database that will need to be developed.

QUESTIONS FROM THE AUDIENCE

- *What are the profits from an open EPC database in Denmark?*
Customers can see the condition of the building before purchase, municipalities can use it for planning tools and financial sector can use it to adjust or create financial schemes.
More detailed information on EPC's which are available on request are used for research purposes and clustering information data from different sources.
- *How are EPCs useful in financing in Denmark? If it is used for de-risking investments?*
It is going to be exploited further in CrossCert Project to make it more useful and attractive for the financial sector – e.g. building renovation passports could be part of the basis for de-risking the investments.
Danish banks are observing and analysing the usage and potential of that in EPCs.

3.4 News bulletin of the 4th Learning event

News bulletin #4

November 2022

The project's **Fourth Learning event** focused on how to promote awareness of implementation of deep renovation in multi-apartment and public buildings as well as better understanding of using sustainable materials, implementing national incentives, be aware of legislative changes and standardized energy efficiency standards.

Ms Serena Pontoglio, European Commission, DG Energy, Team leader, The EU Renovation Wave strategy and the revision of the Energy Performance of Buildings Directive.

Key message

Ms Serena Pontoglio started her update describing the EU building stock. The overall situation is that from 24 billion m² floor area, around 28 % non-residential and 75 % has poor energy performance. Unfortunately, only 11 % of existing buildings undergo some level of renovation each year and this number is very low in order to meet energy efficiency goals in the future. 85 % of existing EU dwellings were built before 2000, of which more than 85 % will still be in place in 2050. Since the building sector is one of the largest energy consumers in Europe, responsible for more than one third of the EU's energy-related emissions it is important to maximize the renovation to see the effect.

Regarding the European Green Deal there is an increased climate ambition with buildings and their renovation. The main key focuses are:

- Big energy consumers -40% of energy consumed
- Very slow rate of renovation, exposing citizens and businesses to spikes in energy prices and to volatility
- At the same time, many citizens struggle to keep their homes warm
- Building renovation creates jobs, reduces green-house gas emission and improves quality of lives
- Need to step up/double the rate energy renovations, to increase investments and make available dedicated financial instruments at large scale

In this regard, most relevant buildings-related documents are REPowerEU Communication, EU Save Energy Communication, Amendments to Renewable Energy, Energy Performance of Buildings and Energy Efficiency Directives and Regulation establishing the Recovery and Resilience Facility / Proposal for a Regulation on REPowerEU chapters in recovery and resilience plans / Guidance on recovery and resilience plans in the context of REPowerEU.

EPBD legislative proposal has following focus areas:

- Renovation, that includes national Building Renovation Plans, minimum Energy Performance Standards, Energy Performance Certificates and renovation passports for individual buildings
- Modernization & system integration with the emphasis on infrastructure for sustainable mobility, EPC digitalization and databases availability and smart readiness indicator
- Decarbonization with zero-emission buildings approach as new standard for new buildings and 2050 vision for building stock, consideration of whole life cycle carbon, phasing out of incentives for fossil fuels and new legal basis for national bans

- Financing of public and private projects with technical assistance, deep renovation standard, priority to vulnerable households and people affected by energy poverty

National building renovation plans main objectives are replacing and strengthening long-term renovation strategies, Comprehensive planning, and implementation tool for building renovation. That includes overview of national building sector, as well as roadmap with nationally established targets for 2030, 2040, 2050. Another important aspect is review of implemented and planned policies and measures, investment needs, financing sources and measures and administrative resources. It is intended that plans are to be submitted every five years; first draft by 30 June 2024, then aligned with NECP cycle with later assessment and country-specific recommendations provided by the Commission.

Minimum energy performance standards require minimum energy performance standards for example public and other non-residential buildings: at least EPC class F by 2027 & EPC class E by 2030 and residential buildings and at least EPC class F by 2030 & EPC class E by 2033. It is after each member states to set up timelines for further improvement of their building stock in their building renovation plans and supporting framework with a focus on financing and monitoring of social impact.

Additional notes

Finance for energy efficiency as seen from EU-funding landscape perspective

- Direct investments: Recovery and Resilience Facility (EEF), Cohesion Policy Funds (ERDF/CF), Just Transition Fund (JTF), ETS Revenues, Modernization Fund.
- Leverage private capitals, project development assistance and advisory: InvestEU, ELENA Facility, Technical Support Instrument (TSI).
- Market uptake, policy enhancement activities, technological development, research and innovation: Horizon Europe, Built4People Partnership, LIFE Clean Energy Transition, Innovation Fund.

[Link to presentation](#)

Ms Karina Truhanova, Deputy Director of the Housing Policy Department, Ministry of Economic of Latvia presented Effective approach for decision making in multi-apartment buildings in Latvia

Key message

Ms Truhanova presented the ministry's position on decision making process. The decision making is the most important process before even renovation in multiapartment buildings. Mains aspects will be regarding the topic of the decision making, optimization and the concept of minority protection vote.

Renovation in Latvia cannot be carried out without the proper decision making from the apartment owners. During last 2 years there were important amendments made in regulations to make decision making process convenient and faster. In Latvia it is necessary to gather certain votes in favor to proceed with the process. In our case it is 50+1 vote needed. Moreover, it is common sometimes physically divided but legally combined buildings can make separate decisions. In addition, house owners can decide by the electronic tool – BIS (building information system).

The concept of minority protection vote prescribes that requirement regarding energy efficiency of buildings must reach at certain point the exact class, for example "B" and in that case there are more possibilities by law to proceed with the building renovation even if the majority if apartment owners are against it. In case there was not a needed majority of participants in the apartment owner's

meeting in this case by law it is allowed to call another meeting in a month. In that case the decision is made by the majority of those representatives who attended this meeting. The same applies for the surveys among apartment owners. This concept also exists in other countries, for example in Austria and Estonia and main idea to protect the minority rights for better living conditions against majority inaction.

[Link to presentation](#)

Mr Andrzej Rajkiewicz, National Energy Conservation Agency of Poland followed with the presentation about Thermomodernization Fund and other support instruments for building renovation in Poland

Key message

Mr Rajkiewicz started with the overall description of the financial scheme and the main outcomes. That includes the perspective of reduction of heating cost covered by households by 30%-40%, improvement of technical standard of 50 000-100 000 buildings, reduction of energy intensity of budgetary sector (schools, hospital offices), increase of Energy security through saving of 7-14 million Mg of coal, reduction of green-house gases emission and other negative environmental impact creation of several dozen of thousands of work places and facilitation social acceptance for marketization of energy prices.

Thermal refurbishment Fund that was presented for the period of 1988-2008 provided a 25% subsidy to the loan extended for owners of buildings (condominiums, co-operatives, private ones, public – municipally owned, special social purposes with not limited ownership) and for owners of local district heating systems up to 11,6 MW - for up to 80% of total cost of thermal refurbishment measures (now the bonus is 16% of total cost, by >50% financing by loan). The precondition is still to achieve at least 25% energy savings through measures to be financed, confirmed by the energy audit. Later with some adjustments the program had a special attention to old buildings owned mostly by condominiums, which are in bad technical condition, facilitation of financing through elimination of own equity requirement, thermal refurbishment will be implemented in 6 million m² of residential multifamily buildings, renovation of buildings will be implemented during 2008-2012 respective of 150, 300, 900, 1400 and 1900 buildings, filling in the renovation gap estimated to 42 billion PLZ (approx. 10 billion €) and thermal refurbishment gap estimated to approx. 43 billion PLZ (approx. 10,2 billion €).

The subsidy will be neutral for the budget in short term perspective, because of tax recovery. The next step of the program provided 16% subsidy+5% p.p. for PV, to the total cost of thermal refurbishment financed by >50% loan for owners of buildings (condominiums, co-operatives, private ones, public – municipally owned, special social purposes with not limited ownership). The precondition is to achieve energy savings through measures to be financed, at least 25% confirmed by the energy audit and in the case of renovation of multifamily buildings constructed before 1961 the subsidy accounts to 15% of total renovation cost, by minimum of 10% of energy savings, confirmed by renovation audit.

The main outcome of the program and the lesson learned is that the total number of applications for the thermal modernization bonus (PT) and for the renovation bonus (PT) (red line) has shown a downward trend since 2014. It is conditioned by the gradual depletion of the market potential in large towns, the implementation of thermal modernization and renovation in a less comprehensive manner without using the Fund's resources by at least half of the building owners, as observed by BPIE.

Also, it was because of the appearance from 2018 of competing financial products based on bank loans with reduced interest rates thanks to EU grants used in 6 out of 16 Polish regions. There is small (maximum 3%) percentage of applications for bonuses rejected during their verification (black line), which means a good understanding of the Fund's operation by applicants and high quality of energy audits. Since 2007, the number of accepted applications for a thermo-modernization bonus has been convergent with the number of bonuses granted (green lines), which means that the process of thermo-modernization of the building is closed during the calendar year, starting from the decision by the owner of the building to the completion of works. More detailed information can be found here: <https://www.bpie.eu/publication/financing-building-energy-performance-improvement-in-poland-status-report/>.

As for the current development 2022 for multifamily and social buildings there is an increase of the thermomodernisation bonus to 26% TIC, special incentive for achieving the nZEB standard – 10% TIC, increase of renovation bonus to 25% TIC, separate grant for PV installation – 50% TIC and special grant for municipally owned social houses – up to 90% TIC. In general, there is a minimum 30% savings required. Thermomodernisation Fund served 2000 buildings, the EU funds used in form of grants for governmental public buildings within OP I&E, municipal public buildings within 16 ROPs and support of ESCO model (starting 2022). Additional there is EAA/Norway grants for municipal buildings. The cost of thermomodernisation for multifamily building is 250€/sqm and for public building about 500€/sqm. Now there are 12 banks operating with Thermomodernisation Fund. Long SPBT which is more than 20years is not attractive for ESCOs, that means the new scheme should reduce SPBT to 10 years, what makes it interesting for banks keen to finance ESCOs. Combination of loans with EU ELENA is very successful – 4 banks are doing this, and other FI are looking for this opportunity. In addition, One-stop-shops for building of projects in municipalities in development.

[Link to presentation](#)

Ms Gry Klitmose Holm, Senior Project Manager, Danish government agency “State of Green” continued with the presentation on Danish White Paper on Energy Renovation in Buildings.

Key message

Ms Gry Klitmose Holm started by introducing the key aspects of renovation which included the concept and understand of the Danish governance system for green buildings, the necessity to explore world class energy efficiency solutions for buildings. Additional there is a dive into the holistic approach to energy renovation as well as inspiration by perspectives on smart energy systems, data usage, public-private partnerships, financing and much more.

The DGNB is a systematised approach to sustainability that consists of several steps:

- Planning, DGNB pre-certificate for new constructions
- Construction, DGNB certificate for new constructions
- Operation, DGNB certificate for buildings in use
- Inventory/conversion/renovation, DGNB certificate for existing buildings and for renovated buildings
- Operation, DGNB certificate for buildings in use (recertification)
- End of life, DGNB certificate for dismantling

The main focus is on the supply and demand side of energy renovations that encourages local investments in energy efficient projects. The impact of holistic energy renovation of office buildings is

that the approx.. 80 mil. people working in offices in Europe can benefit from healthier and better work environment and resulted in 12% increase in employee productivity. In general, it results in Eur 500 bil. gross value added across the EU.

[Link to presentation](#)

Ms Ilze Kukute, Finance Latvia association, European Investment Bank, concluded with guidance, recommendations Future plans of Sustainable financing framework.

Ms Ilze Kukute pointed out to the main aspects of the renovation wave:

- Energy performance as the priority in renovation of buildings
- Financing – integrated support starting from the renovation idea
- Energy performance certificate – mandatory
- Standardized certificate in the machine reading format, digitally available, information system integrated within EU
- Mandatory minimum energy performance standards, energy renovation passports, digital tool to link the passports with building digital registers
- European new BAUHAUS – building ecosystem, sustainability of buildings (design, environment, human, materials, renewable energy resources etc.) Skills on sustainable building - how we will get such skills?
- 160 000 new jobs – possible to create
- Coupe with energy poverty – support to socially vulnerable

In a climate-neutral Europe, buildings will be more healthy and foster well-being, be part of the energy system infrastructure with high energy efficiency indicators. Also, buildings will be more circular in relation to their material as well as fossil fuels free that means that there are resilient to climate risks.

The average renovation process takes 3-4 years which is considered to be a long period to achieve effective results. The main aspects that have the biggest impact on the process is knowledge of the process itself – responsibility, initiative and capacity. Decision making process requires apartment owner meetings, dialogue with the bank and payment discipline for utilities services. Another issue is the documentation, including technical documentation, building company procurement, signing of agreements and project management. The last step is the financing Idea of renovation of the project, that include application for loan, decision of the bank and grant/loan issuance. The most important issues to be addressed in this process applies to information as it should be focused on minimization of energy consumption, ability to pay – payment discipline and building sector capacity/quality on how to get most simple and effective way of renovation with project management capacity and quality.

To sum up the topic there are few basic instructions to follow regarding long term building renovation strategy, that is to focus to reach measurable targets, using digital tools, public access of data – energy performance certificates, energy passports; National support scheme – to be worked out earlier then 2029, potential of tax system as motivation to be discussed (real estate tax, personal income tax,...), Integrated support, flexibility of instruments Capacity building for apartment owners. Apartment owners should focus on energy passports, energy performance, how to minimize the consumption, integrated support from state, municipalities. Renovation process should be supported by simple schemes, mobilized support from housing maintenance companies on procurement, agreement signing, building process supervision, project management. New Bauhaus principles foresees

information, dialogue on how Bauhaus principles can be applied in building renovation, prefabricate materials, sustainable building.

[Link to presentation](#)

Final part of the Learning event was dedicated to discussions, summing-up the results and pointing out next steps.

Conclusions

To finalize the discussion and to sum up the learning event there are some main points to be emphasized:

- Energy cost will be rising so there is a need to invest in energy efficient projects
- Since the construction prices rise it is as well important not to be lagging in decision making scalability of project solution to make it more effective
- 3% of apartment buildings in Riga have been renovated, so there is huge potential for investment in this segment
- The importance of One-stop-shop is becoming more important that provide wide variety of service, starting with advice and consultation and the ability to receive step by step explanation and providing solutions to different kind of problems
- The biggest challenge is to achieve the mass scale of successfully implemented projects that resulted in better environment for building owners
- The digitalization of certificates system and actual implementation of EPC system can also be a good stimulus in favor of more profound investment in energy efficiency projects especially in multiapartment buildings. Otherwise the value of these real estates will decrease.

3.5 News bulletin of the 5th Learning event

News bulletin #5

April 2023

The scope of the **Fifth learning event** was to assist public authorities and other stakeholders in making clever decisions by unlocking the potential of energy efficiency investments in the multifamily housing stock in Germany and Poland.

The learning of the event will feed into the stakeholder dialogue of RoundBaltic and GREEN Home and the project's efforts on identifying and enabling energy efficiency finance actions.

RoundBaltic project and the Sustainable Energy Investment Forums (SEI Forums), aim to create a dialogue on energy efficiency finance and bridge the gap between the energy efficiency and financial sectors. The SEI Forums organize events and roundtables across Europe to bring stakeholders together and create ideas and recommendations for energy efficiency finance actions. RoundBaltic is a follow-up project of the SEI Forums that targets three countries - Poland, Latvia, and Denmark - and focuses on accelerating energy-efficient investments in the multi-family housing sector, public buildings, SMEs, and industries. The project involves diagnosing the situation in each country, developing intervention strategies, organizing national and regional roundtables, and evaluating the efforts to improve.

GREEN Home is a project aimed at developing financing instruments for energy-efficient refurbishments in homeowners associations (HOAs) in Germany. The project involves a consortium of organizations: The German Association of Property Managers (VDIV Deutschland), the German Business Initiative for Energy Efficiency (DENEFF), the Initiative Wohnungswirtschaft Osteuropa e. V. (IWO) and Funding for Future B. V. (F3). The project's core challenge is to provide HOAs with financing tools and practical instruments to help them protect the value of their properties, become carbon-neutral, and adopt and implement comprehensive energy efficiency measures. The project aims to support property managers, who are key actors in the implementation of deep renovations in HOAs, and establish a sustainable stakeholder network. The project also aims to raise awareness of future challenges and develop concrete policy recommendations for action. The ultimate goal is to trigger ten HOA renovation pilot projects and make them "HOA ready."

To develop the financing and business models, GREEN Home conducted expert interviews, surveys, and regional roundtables to understand the needs and barriers of HOAs and property managers. Hereby, GREEN Home focuses on three German federal states: Berlin and Brandenburg, North Rhine–Westphalia and Baden–Württemberg. The round tables are conducted in these three regions.

The German-Polish Duet

Kristina Eisfeld (VDIV Deutschland- Germany) and Andrzej Rajkiewicz (SAPE – Poland) prepared 5 short presentations covering the same topics in Germany and Poland:

1. Setting the scene – context and status quo
2. Financing energy efficient investments in HOAs
3. Structure of a HOA loan
4. Best practice examples for subsidies
5. What criteria are needed to make energy efficient investments more feasible for HOA

Kristina Eisfeld, VDIV Deutschland

Regulatory Level: Increasing Political Demands on the Building Stock

Kirstina pointed out that the currently discussed EPBD (trilogue) with its energy efficiency certificates' harmonization and the minimum energy performance standards will have a strong impact on homeowners (value). The Energy Efficiency rates in Germany are quite low, with 30% of the German building stock in Class G,E and below, indicating a high demand for refurbishment. The speaker explains the building energy act of 2020, which introduced new buildings standards (to energy efficiency house 55) and an obligation to all newly installed heating systems in Germany to be operated with 65% renewable energy (from 2024). The speaker also mentions the statistical details of the housing stock in Germany: Germany has a housing stock of 19.4 million residential buildings, containing 40.5 million apartments as of 2023. More than 10 million of these apartments are organized as HOAs, and approximately over 15 million people in Germany live in HOA apartments. Kristina highlights that buildings built before 1978 need repairment, and the rate of refurbishment for these buildings is lower than the national average. There is a lack of certified BAFA- energy consultants, massive shortage of materials and skilled workers and the increase in construction prices has made it difficult to provide the required three offers for energy efficiency upgrades to HOAs. During Corona, many HOA meetings have not taken place for over two years, which has aggravated the problem.

The survey conducted in 2022 examines the perspective of property managers and homeowners in Germany on long-term renovation planning and financing of energy-efficient investments. Property managers have doubts about the feasibility of the measurement's economic value, and there is a lack of information about renovation needs and legal requirements. While HOAs may have a keen interest in necessary renovation options, they often lack information about the need for renovations. Property managers may not prioritize long-term renovation planning in HOA meetings, as they believe that owners are not interested in it. This suggests a potential communication gap between HOAs and property managers regarding the importance of renovation planning.

Since 2007, HOAs in Germany are entitled to borrow HOA loans. The application and contract is uncomplicated, fast and signed by the property manager who serves as a direct contact. Currently, German banks such as Hausbank München, DKB, BfW, and TEN31 provide HOA loans, and the rejection rate is very low. HOA loans offer the following advantages: no collateral, credit checks and no guarantess or securities are required, personalized support, and fast payout. HOA loans are usually for five to eight years, with a preference for step-by-step renovation due to a lack of long-term planning.

Kristina discusses challenges associated with HOA loans, particularly with joint liability and lack of knowledge among property managers which created a mistrust in this financing instrument. The suggestion is to create attractive conditions and incentives for longer-term financing of deep renovations and implementing state or federal guarantees for housing loans. Additionally, property managers need further training, exchange with other best practices that took out a HOA loan to take out the fear of these loans.

The speaker also mentions Germany as an example of subsidy support for energy efficiency in buildings, with various departments, ministries and state development banks offering their own programs and subsidies. Further on, Kristina presents current developments in energy-efficient renovation and refurbishment in Germany. A reform was implemented in 2022, which shifted funds towards renovation instead of new building subsidies. It abolished subsidies for fossil heating and instead it introduced a worst performing buildings bonus. Although, several subsidies and financing instrument are in place in Germany, they have not yet reached HOAs as the uptake of funds remains very low (>1%). The speaker suggests criteria to make energy investments more feasible, such as targeted information campaigns, incentivizing property managers to place energy efficiency topic at the board meetings, and default guarantees by federal states. One-stop shops for energy refurbishments and how-to guides are also useful. Preliminary results indicate the need for funding options, long-term financing options, compliance with current legal minimum standards, and informative leaflets for different types of buildings.

[Link to presentation](#)

Mr Andrzej Rajkiewicz, SAPE

The speaker discussed the importance of energy efficiency measures in multifamily buildings in Europe, focusing on Poland.

He emphasized the need for long-term renovation strategies and improvements in legal, financial, and technical frameworks. Andrzej notes that there is a high potential for energy efficiency improvements in older buildings, with reduction potentials of 62% for those built up to 1945 and 40% for those built after 2008. The speaker also highlights the decrease in energy intensity of GDP and energy consumption in households in Poland since 2008. However, they note that property management challenges related to renovation of Homeowners Association buildings remain, and that property

managers need better preparation in technical, financial, and legal aspects of implementing energy efficiency measures. The speaker also mentions barriers to implementation, including awareness, financial support, and uncertainty about economic benefits.

The speaker discusses the financing of energy efficiency measures in Poland through subsidies and loans. The process involves the approval of a yearly maintenance plan by a simple majority of the common ownership, which calculates the charges to be collected monthly. The financing principle is that the total maintenance cost before and after modernization is equal, even when using subsidized loans. The program has evolved over the years, with subsidies ranging from 25% to 41% of total costs, depending on the type of building and energy savings achieved. Energy audits and technical modernization concepts are required to qualify for subsidies, and there is no collateral required by banks for the loans. The homeowner association collects charges and repays the loan to the bank, not individual dwelling owners. Finally, the speaker gives an example of a multi-family building that implemented energy efficiency measures and achieved nearly Zero Energy building standard.

Further on, Andrzej discusses the use of subsidies in Poland for building renovation and energy efficiency measures. He mentions the success of the subsidized loan program, which has been used by over 48,000 owners of multifamily buildings and 35,000 homeowners' associations due to its affordability, availability, and standardized procedures. However, the speaker notes that there are challenges in providing creditworthiness in small municipalities. Other subsidies, such as white certificates scheme and EU funds, exist but are directed towards different situations and cannot be combined with the thermal modernization subsidy. The speaker concludes that there is no cannibalization of instruments, and the various subsidies can be used in conjunction with each other to support building renovation and energy efficiency efforts.

Andrzej presents the use of subsidized loans for multifamily buildings and homeowners associations in Poland - its affordability, availability, and standardized procedures as benefits. There is a lack of research on other programs that exist to support buildings in Poland. On the other hand, there are over 20,000 housing managers in Poland who have been certified, but the profession is not licensed. Professional energy auditors are also needed for preparation of energy audits. The speaker stresses out the need for sufficient intensive public support and new forms of investment project management in order to achieve zero energy standards. Andrzej invites participants to take part in a training program for climate managers: <https://e-learning.fpe.org.pl/>

[Link to presentation](#)

Mr Knut Hoeller, IWO e.V.

EU ELENA project in Latvian municipality Jelgava

Knut focuses on IWO experiences in Latvia and gives an insight into the EEB Elena project in the city of Jagova. The city has a large number of multi-family buildings that were mainly constructed during the Soviet times, and less than 10 percent of these buildings have been completely refurbished in the 30 years since Latvia gained independence. Green Home has been working on a pilot project to demonstrate deep refurbishment of multi-family buildings since 2010-12, and this led to the idea of applying for Elena funding. The project was approved by the European commission and started at the end of 2020. The main target of the project is to increase the refurbishment rate in the city, which is currently quite low, and there is a high potential for the Elena facility to be repeated in other cities in Latvia. The speech also talks about the difficulties in the refurbishment process and the need to deal with the old housing stock.

[Link to presentation](#)

Ms Lina Bubulyte, Project Manager at Vilnius City Building Renovation Company

Multi-apartment building renovation in Vilnius

Lena, a project manager for International Affairs at Vilnius City Building Renovation Company, gave a speech on the multi-apartment building foundation in Vilnius, Lithuania. She discussed the One-Stop Shop model, which provides homeowners with all the information they need to implement renovation projects from a single source. She talked about the process, which involves meeting with residents, voting, submitting applications to the state agency and credit institutions, selecting contractors, and implementing the renovation project. The process takes a long time and requires effective communication. Lena emphasized the importance of effective communication with homeowners and highlighted the benefits of renovation, including improved quality of life, a sense of community, and increased property value. The main challenge is the lack of knowledge from residents, as they became responsible for their own apartments and the common areas of the building after the 1990s privatization of multi-apartment buildings in Lithuania.

[Link to presentation](#)

Discussion

Moderator: Nicholas Stancioff, Funding for Future

Participants:

Andrzej Rajkiewicz, SAPE

Kristina Eisfeld, VDiV

Knut Höller, IWO e.V.

Lina Bubulyte, Vilnius City Building Renovation Company

The speakers discussed the issues surrounding deep renovations in Germany and Poland. Christina draws parallels between Germany and Poland in terms of the high rate of funding available for deep renovations, and the low percentage of homeowners who agree to renovations. They also discussed the reasons for this, including the complex structure of the subsidy system, heterogeneous demand, and lack of enthusiasm from managers. They also discuss the difference between deep renovations and other types of measures in Poland and the lack of clear definitions. They clarify that loans in Poland are assigned to the whole Homeowner Association, not individually, and everyone is liable for them. The group also discusses cannibalization and the competition between support schemes, which can improve the overall system.

Further on, the discussion centers around the issue of building renovation, which is a common challenge for many countries in Europe. A One-Stop Shop model has been developed to provide a comprehensive solution for homeowners in need of renovation. The support mechanism in Lithuania is more transparent and more supportive than that of Latvia. However, the lack of capacities in the owner-dominated countries of Lithuania, Latvia, Estonia, and others need to be addressed to increase the refurbishment rate. The Elena facility can be very helpful if it is more transparent and focused on intermediaries caring for homeowners. The issue of the commons, or communal spaces, is a significant challenge throughout Europe, especially in owner-dominated countries. It is the responsibility of the building manager, but building managers are often not concerned. Catalysts are needed to initiate dialogue with homeowners, convince them that they need renovation, and initiate a comprehensive

renovation plan. The One-Stop Shop provides services from A to Z, and homeowners take the loan, but the One-Stop Shop deals with all the paperwork and banks on their behalf.

The discussion then moved onto the topic of energy efficiency and renewable energy. In Poland, thermal modernization is a prerequisite for receiving subsidies for renewable energy projects. The group also discussed how to ensure energy efficiency is prioritized before the implementation of renewables. The Green Home team is currently working on a pilot project that combines renovation with renewable energy. Eduardo from Italy shared his experience with the Green Road Project, which aims to promote energy efficiency measures and investments in Italy. Eduardo emphasized the importance of One-Stop Shops, which he believes can enable building owners to engage in energy efficiency interventions. However, he also raised concerns about the need for a high level of skills and expertise to ensure the reliability of One-Stop Shops. The group also discussed the issue of owners' reluctance to invest in energy efficiency measures and how to address this issue. Finally, the group highlighted the need for a common framework for One-Stop Shops and the development of a network across Europe.

Full discussion is available in the recording of the event on the [event website](#) or directly on [youtube](#)

3.6 News bulletin of the 6th Learning event

News bulletin #6

August 2023

The scope of the Sixth learning event was to display achievements and experience gained under RoundBaltic, incl. sharing the good practice and experience gained under the project intervention and how to ensure sustainability of future actions. It further presented the achievements of the sister project SMAFIN operating in the Balkan region.

Kaj Leonhart Petersen, EC Network, presented the achievements of the RoundBaltic intervention in Denmark.

The RoundBaltic intervention in Denmark has aimed to support the national goal of 70% CO₂ reduction by 2030 and full CO₂ neutrality by 2050, due to this role:

- Helping to implement national policies on regional/local level
- Facilitating/Enabling actions in interaction with stakeholders, incl. the financial sector
- Instrumental for making financial tools work in practice

The intervention has targeted the regions Central, South and East Denmark with a view to trigger specific sustainable energy investments within private homes, social housing and SME sectors.

Within each sector has been done efforts both to improve the investment framework and to launch specific investments, incl. upscaling of the project volume and initiation of standardised project development assistance.

Across all sectors RoundBaltic has helped to develop one-stop-shop concepts in interaction with national initiatives, tools and subsidy schemes and in conjunction with efforts to engage the financial sector. At the same time, the intervention has been suited the specific challenges and opportunities per sector, entailing for instance promotion of ESCO related solutions in combination with a new Green

Guarantee Scheme and the possibility of using green loans in the social housing sector. As result of the intervention RoundBaltic triggered the initiation of considerable investments per target sector, adding up to an investment level of more than 150 MEUR.

Moreover, RoundBaltic paved way for sustaining future structures for energy efficiency finance. This has been done in tandem with the national DK2020 initiative involving all 98 Danish municipalities to develop climate and energy action plans in line with European SECAP standard. Further to this, RoundBaltic has established dialogue with the European Investment Bank and the Danish Energy Agency on the prospect of creating a national ELENA for Denmark, possibly integrated into a national OSS coordinated with regional advisory structures and considering the revised EPBD and Building directives.

[Link to presentation](#)

Tommy Olsen from Gate 21 added explanations on the RoundBaltic intervention in East Denmark that has targeted multifamily buildings, single family houses and the promising Thermonet solution.

Within multifamily buildings the intervention helped to raise momentum for engagement of new financiers like pension funds and for the development of a new cross border project (involving Sweden) on financing of holistic energy renovations. Within single family houses many municipalities have been mobilised and a one-stop-shop concept has been developed involving a value chain of stakeholders and interaction with existing initiatives.

Thermonet is a collective heat form that is suitable of serving areas above a certain heating density and where conventional district heating is not feasible. The intervention comprised meetings with 15 municipalities and energy utilities and 20 citizen meetings. This has been accompanied by a video and easy to understand handbook for villages (Gate21.dk/Thermonet) as well as an assessment tool (Thermonetcalc.eu). As a result, 5 – 10 Thermonet investment projects are under planning and the first energy utility has implemented a Thermonet project.

[Link to presentation](#)

Lars Ravn Knudsen, Finance Denmark, followed with a presentation of how the Danish financial sector has increased its involvement in sustainable energy finance.

Finance Denmark (FIDA) is business association for Danish banks, mortgage institutions, asset management, securities trading and investment funds. Sustainable finance has become a key element of FIDA since year 2019, where it launched a Sustainable Forum in conjunction with 20 recommendations. Moreover, FIDA is engaged in a climate partnership with the Danish Government that include focus areas such as energy efficient buildings and production facilities.

Lars Ravn Knudsen presented 10 sustainable results of banks and mortgage institutions, incl. that nine out of ten employees have received a competence boost in sustainability and 691 billion DKK worth of loans for financing climate-friendly activities. As a recent initiative FIDA launched, in coordination with the Danish Government, a campaign aiming to replace existing oil and gas fired boilers with green heating, thereby helping with the sustainable transition of society and at the same time removing the independence of fossil fuels from Russia.

Lars ended his presentation by declaring FIDA's appreciation of the interaction with RoundBaltic. This has helped FIDA to get useful insights of the energy efficiency market and getting to know about stakeholders and initiatives, incl. the specific actions enabled by RoundBaltic.

[Link to presentation](#)

Katrine Bjerre, CEO of the energy efficiency branch organization SYNERGI, on the involvement of the energy efficiency sector

SYNERGI is branch organisation of Danish companies within the energy efficiency sector, incl. big ones like Danfoss, Grundfos, Velux and Rockwool. Katrine Bjerre started to declare the importance of energy efficiency, not only regarding climate aspects, but also in terms of economy, health/welfare and security of supply. Said in another way, the world will not reach the Paris agreement without better use of energy.

In Denmark a big share of buildings is effective. Digitalisation and energy management is important to save energy as well as to help stabilising a fluctuating green energy system. A lot is already happening on the market, incl. that last year more than 20,000 households got subsidies for a heat pump and energy renovation and 300,000 got a tax reduction for energy renovation. Anyway, SYNERGI appreciate the new EU legislation under development that will imply additional incentives for energy renovations.

Katrine ended the presentation by stating SYNERGI's perspective is that more finance is needed – from both the state and private sector, if we are to reach the climate goals – and that the financial sector has a special obligation to help drive the market in a greener direction. She also appreciated the interaction with RoundBaltic, incl. the roundtables bringing stakeholders across the energy efficiency sector together and the enabling of specific investment actions.

[Link to presentation](#)

Session 2 of the sixth learning event had its focus on achievements of green finance in the Baltic and Balkan region

Sergejs Gomzjakovs, Latvian Environmental Investment Fund, started session 2 with a presentation of RoundBaltic achievements in Latvia.

The intervention in Latvia has linked up to the national goal for 65% CO₂ reduction by 2030 and CO₂ neutrality by 2050.

A main focus has been on the regions Kurzeme and Vidzeme where RoundBaltic has helped to improve the data level of energy efficiency related processes and to standardize the documentation of energy efficiency implementation projects. At the national level, the intervention looked for ways to address the cyclical nature of financial support for energy efficiency in interaction with the financial sector.

The target sectors have been private, multiapartment buildings and SME sector, where enabling actions helped on issues like ESCO development and to promote uninterrupted flow of investments.

Part of the intervention has been to promote one-stop-shop (OSS) development at regional level as a key aspect in development of sustainable long-term approach for EE projects. In this regard municipalities/agencies should become more proactive, as they have a good profile in view of citizens. It is important that long-term investment commitments and money go into the building property, which also contributes to the market value.

As for future, permanent structures for energy efficiency finance the intervention has resulted in road maps for regions to lead the way for a structured approach to project development, optimising use of public funds incl. involvement of private capital and ESCO and to make use of funds and finances more flexible, simple and understandable.

[Link to presentation](#)

Andrzej Rajkiewicz from SAPE, an association of regional energy agencies in Poland, followed by explaining the RoundBaltic achievements in Poland.

The intervention in Poland has supported fulfilment of the national policy goals, incl. a goal for increase in energy efficiency by 23%. Of overall actions performed, RoundBaltic facilitated dialogue between private and public parties with assistance of the Polish Bank Association and Ministry of Development and provided input to the Long-Term Renovation Strategy 2050 (chapter on financing EE measures).

It targeted seven regions - Lower Silesia, Kuyavian-Pomerania, Lodzkie, Masovia, Podlasie, Pomerania Region and Slaskie Region – and among actions supported has been support to creation of one-stop-shops for municipal projects, multi-family housing and for energy poor households.

The target sectors have been public buildings, home renovations and SME/industry sector. Key issues to address have differed from sector to sector due to an overall intention of aiming for better use of public funds, standardisation and capacity building along engagement of the financial sector.

In its interventions SAPE has experienced that the „Energy Efficiency First” principle is gradually breaking through the barrier of lack of knowledge about the benefits in every environment and sector of the economy. Yet there are still bottle-necks to be resolved, like the guarantees for banks offering financing of energy efficiency projects to vulnerable clients and efficient forgoing scheme of liabilities form Energy Performance Contracts. This calls for continued dialogue/interaction with stakeholders organisations like the [Polish Bank Association](#), [Polish Renovation Wave](#) and various branch oriented associations, incl. aiming to transform the mosaic of funds in a structured approach via one-stop-shops.

[Link to presentation](#)

Kiki Papadopoulou from CRES in Greece has been coordinator of the parallel H2020 project SMAFIN operating in the Balkan region and shared its achievements.

[SMAFIN](#) is a three-year project that has run in the 4 countries Greece (CRES & INZEB), Bulgaria (EnEffect), Croatia (REGEA), and Romania (ENERO & PRONZEB), with the aim of supporting financing for energy investments mainly in private and public buildings, but also in SMEs and industry.

A key outcome has been an online platform with news, a Toolbox (10 technical reports, 55 financing tools, 19 best practices to support stakeholders in capitalising on energy efficiency projects) and an E-Forum for the exchange of views and communication material. Moreover, SMAFIN organized roundtables on key topics for the region like the implications of taxonomy and energy poor households.

The target sectors have been residential buildings, public buildings and tertiary sector and Kiki Papadopoulou reviewed the key issues and enabled actions per country and sector. SMAFIN also contributed to energy policy development, incl. providing feedback deriving from the roundtables and the Working Groups’ discussions to European and national policy makers, development of new policy measures/financing tools and facilitating dialogue between the financial sector, public authorities, and all stakeholders involved in energy sustainable investments.

Lastly, Kiki invited participants to visit the project website (www.smafin.eu) and follow SMAFIN on social media - twitter.com/smafin_eu, www.linkedin.com/company/smafin-h2020-project, www.facebook.com/smafinproject)

[Link to presentation](#)