



# Summary of National Roundtables

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.

The aim of the roundtables within RoundBaltic is to bring together stakeholders in the field of sustainable energy financing, notably with a view to bridge the gap between the financial and energy efficiency sector and to define specific ideas and recommendations to boost the momentum. Hence the intention is to explore ways to improve the energy efficiency investment framework and identify specific energy efficiency finance initiatives and sharing good practice experiences on the national scale (road maps for the intervention) as well as exploring how the financial sector can be best engaged in the Energy Efficiency finance activities with focus on financing institutions operating on both national and regional scale.

Beyond national-level roundtables, RoundBaltic has implemented regional roundtables. serving a dual purpose: first, to bolster on-the-ground initiatives in energy efficiency finance, and second, to foster essential related interaction between the national and regional levels. This concerted effort is geared towards strengthening the implementation of energy efficiency actions, ensuring smooth coordination and collaboration between the national and regional levels.

In each of the three target countries, three national roundtables were held as indicated below. These were complemented by 2 regional roundtables in 3 Danish regions, seven Polish regions and 2 Latvian regions, culminating in a total of 33 roundtables within the project.

This report delves into the specifics of each national roundtable, summarizing participant demographics, proceedings, and satisfaction survey results. Additionally, a separate report offers summaries of the regional roundtables. All comprehensive details, including proceedings and related presentations from the 33 roundtables, are readily accessible on the RoundBaltic website under Events – Roundbaltic section.

Country / Region	No.	Roundtables and links	Date	Format
<b>Denmark – National level</b>	1	<a href="#">Entry Roundtable</a>	17-18 March 2021	Online
	1	<a href="#">Roundtable on Social Housing</a>	11 May 2022	Physical
	2	<a href="#">Follow up RT1</a>	22 September 2022	Physical
	3	<a href="#">Follow up RT2</a>	22 May 2023	Physical
<b>Central Denmark</b>	1	<a href="#">Entry Roundtable</a>	3 November 2021	Physical
	2	<a href="#">Follow up RT</a>	13 April 2023	Physical
<b>Southern Denmark</b>	1	<a href="#">Entry Roundtable</a>	21 September 2021	Online
	2	<a href="#">Follow up RT, Social Housing</a>	7 June 2023	Physical
	2	<a href="#">Follow up RT, Private Homes</a>	21 August 2023	Physical

<b>East Denmark – Copenhagen and Zealand</b>	1	<a href="#">Entry Roundtable</a>	13 October 2021	Physical
	2	<a href="#">Follow up RT, Thermonet</a>	31 October 2022	Physical
	2	<a href="#">Follow up RT, Private Homes</a>	25 May 2023	Physical
	2	<a href="#">Follow up RT, Social Housing</a>	1 June 2023	Physical
<b>Poland – National level</b>	1	<a href="#">Entry Roundtable</a>	23 – 24 March 2021	Online
	2	<a href="#">Follow up RT1</a>	25 May 2022	Physical
	3	<a href="#">Follow up RT2</a>	29 June 2023	Physical
<b>Poland – Kuyavian Pomerania Region / Kujawsko-Pomorskie</b>	1	<a href="#">Entry Roundtable</a>	4 November 2021	Physical
	2	<a href="#">Follow up RT</a>	30 March 2023	Physical
<b>Poland – Podlaskie Region</b>	1	<a href="#">Entry Roundtable</a>	22 January 2022	Online
	2	<a href="#">Follow up RT</a>	24 May 2023	Hybrid
<b>Poland – Pomorskie Region / (Pomerania)</b>	1	<a href="#">Entry Roundtable</a>	2 February 2022	Online
	2	<a href="#">Follow up RT</a>	10 May 2023	Physical
<b>Poland – Lodzkie Region</b>	1	<a href="#">Entry Roundtable</a>	17 November 2021	Online
	2	<a href="#">Follow up RT</a>	15 March 2023	Physical
<b>Poland – Dolnośląskie Region / Lower Silesia</b>	1	<a href="#">Entry Roundtable</a>	17 June 2021	Online
	2	<a href="#">Follow up RT Part 1</a>	16 November 2022	Physical
	2	<a href="#">Follow up RT Part 2</a>	8 March 2023	Physical
<b>Poland – Masovian Region</b>	1	<a href="#">Entry Roundtable</a>	8 June 2022	Hybrid
	2	<a href="#">Follow up RT</a>	22 March 2023	Hybrid
<b>Poland - Slaskie Region</b>	1	<a href="#">Entry Roundtable</a>	18 May 2022	Hybrid
	2	<a href="#">Follow up RT</a>	2 March 2023	Physical

<b>Latvia – National level</b>	1	<a href="#"><u>Entry Roundtable</u></a>	6 – 7 May 2021	Online
	2	<a href="#"><u>Follow up RT1</u></a>	25 May 2022	Physical
	3	<a href="#"><u>Follow up RT2</u></a>	1 June 2023	Physical
<b>Latvia – Kurzeme Region</b>	1	<a href="#"><u>Entry Roundtable</u></a>	29 September 2021	Online
	2	<a href="#"><u>Follow up RT</u></a>	12 January 2023	Online
<b>Latvia – Vidzeme Region</b>	1	<a href="#"><u>Entry Roundtable</u></a>	8 December 2021	Online
	2	<a href="#"><u>Follow up RT</u></a>	2 March 2023	Online

## 2 Danish National Roundtables

### 2.1 First National Roundtable in Denmark

#### 2.1.1 Date, venue and attendance

The Roundtable was held as an online event on 17-18 March 2021. A plenary session was held on 17 March and two topic sessions on private homes and SMEs respectively on 18 March 2021. Please refer to the agenda below.

The event was attended by 51 participants, including 18 from the financial sector (36%).

Total	Financial sector	Government	Regions and Municipalities	SMEs	Consultants	Branch organisations	NGOs	Service Suppliers	Others <i>EU office + Social Housing</i>
51	18	4	13	2	5	2	2	3	2

Governmental organisations represented:

- Danish Energy Agency
- The Danish Climate Council

#### 2.1.2 Agenda

The roundtable was a virtual / online event taking place on 17-18 March 2021.

##### Plenary

*Moderated by Nils Daugaard and Kaj Leonhart Petersen, EC Network*

Part 1: Political and administrative investment framework

What is happening at EU level of relevance to the Danish energy saving sector

*by Claus Bugge Garn, Vice President, Rockwool International*

What is happening on the Danish scene, with the climate plan and the promotion of investments?

*by Helle Agerdal Olsen, Office Manager in the Center for Energy Efficiency, The Danish Energy Agency*

*by Per Heiselberg, Council member, Climate Council*

Debate, including how to create the best possible connection between what is happening at European and national level in terms of investment frameworks

##### Plenary Part 2: Engagement of the Financial Sector

Initiatives from the financial sector, including Forum for Sustainable Finance, climate partnership, taxonomy / common and transparent rules of the game for sustainability - by Peter Jayaswal, Director of Real Estate Financing, Finance Denmark

Views and needs / development in the energy saving market - by Katrine Bjerre M. Eriksen, Director, SYNERGI

Debate on how to optimize the interaction between the financial sector and the energy efficiency market

##### Topic Sessions Part 1: Private Homes

One-stop-shop (OSS) organisation in Eastern Denmark

Presentation by [Gate 21](#)

Motivation of homeowners

Presentation by [iNudgeyou](#) via the Interreg project Stronghouse and other project experiences

Attractive financing

Organized as short presentations from the participating financial institutions.

### Topic Sessions Part 2: SMEs

National framework for promotion of energy efficiency in SMVs – The new subsidy scheme for energy efficiency in industries and SMVs

*Jon Trap Jespersen, Team Leader, Danish Energy Agency*

Challenges in relation to optimising the energy saving efforts in SMEs

*Peter Rosenkrands, CEO, Knudsen Extrusion Aps – a SMV from the Municipality of Præstø*

Development of green business models for SMEs - examples inter-municipal cooperation

*Henrik Westerby, Project Manager, the ECSMV project in Central Denmark Region*

Development of green business models for SMEs - examples of inter-municipal cooperation

Presentation by *Lise Lotte Schmidt-Kallesø, Project Manager, Sustainable Bottomline 2.0 in East Denmark*

Use of ESCO / EPC Models for the SMV segment

Thomas Brændgaard initially presented various advantages of the EPC model

Wrap up and follow-up activities

*Moderated by Nils Daugaard and Kaj Leonhart Petersen, EC Network*

## 2.1.3 Main findings and recommendations

### Private Homes

- Organization of one-stop-shops (OSS)
  - RoundBaltic will aim at establishing one-stop-shops in the regions of Central Denmark, Southern Denmark and Eastern Denmark and will in this connection use ideas and recommendations from the session.
  - The focal point of one-stop-shops is to be able to accommodate the diversity among homeowners and the challenge is to create momentum taking the various barriers into account. An OSS must thus create an appropriate interface for homeowners and ensure the connection of the actors and tools that can ensure the desired volume and quality of energy renovations.
  - The further course under RoundBaltic will seek to uncover these aspects in interaction with other projects and initiatives.
- Motivation of homeowners
  - A common viewpoint in presentations and discussions is that there is a need to make it as visible as possible to the homeowner what gains can be achieved and that they are 'hand-held' in the energy renovation process.
  - What it takes to motivate can be differentiated geographically and in relation to housing segments, so for instance there can be offers dedicated to housing with families, just as there can be differentiation between an individual and common approach. Likewise, joint campaign material can be made with the possibility of local adjustments.



- Advice for homeowners
  - There is often a need for personal advice and to make it simple and safe for homeowners to find the right renovation solution.
  - There are currently effective tools available, such as [Totalcredit's calculator](#) that can support the process. Nevertheless, there remains a crucial requirement to enhance the quality of advice, which involves adequately preparing bank advisers for interactions with various stakeholders in the advisory process.
  - A related discussion point was around the energy label (Energy Performance Certificate). There lies a task in getting the energy label more widespread and activated for the homeowner. A one-pager version of the energy label could be a good complement to the established energy labeling scheme. At the same time, it is important to make it clear to homeowners what they are getting for their money, which can be linked to efforts to improve building data and at the same time ensure that these figures are updated.
- Financial aspects
  - A key point of discussion was that the customer meeting at the bank is an obvious touchpoint where the homeowner can be made aware of the possibility of energy renovation in a motivating way.
  - A boost is needed to develop this area. Speaker contributions and discussions show that a personal and proactive effort is needed, which requires resources. The EU ELENA program has proven effective in generating investment in other areas and could be applied for, including within the framework of one-stop-shops. Likewise, a good opportunity could be to opt for establishing a Danish scheme according to the same principles as ELENA, i.e. based on Danish recovery funds (cf. yesterday's plenary session).

#### Interaction with the financial sector

- Representatives from the financial sector demonstrated keen interest in escalating their commitment, presenting numerous tangible initiatives.
- Moving forward, the challenge lies in optimizing the integration of the financial sector's offerings for homeowners within the framework of campaigns, energy assessments, and other essential elements required to promote energy-efficient renovations, alongside advocating for the adoption of heat pumps. RoundBaltic stands poised to assist in testing models, particularly in the establishment of a one-stop-shop, collaboratively coordinated with other ongoing initiatives and projects.
- A pressing need exists to diversify models for financing home renovations. The proposal of a subscription scheme was introduced as an option warranting further development. Additionally, injecting risk capital is imperative to stimulate this market, prompting consideration of whether the national Green Investment Fund can play a role in supporting this initiative.

#### Framework conditions and energy labelling

- The imperative for governmental regulation and supportive schemes is evident to catalyze the desired growth in the private home energy renovation market. This session underscored the banking sector's willingness to actively engage in supporting schemes through advising and lending to homeowners. Enhancing structures, particularly through the establishment of a one-stop-shop, can amplify the momentum in this domain.
- A critical component of fortifying the regulatory framework is ensuring the most efficient and action-oriented energy label possible. An ongoing dialogue between the Danish Energy Agency

and Finance Denmark is already in progress, providing a foundation for continued collaboration in the ongoing efforts of RoundBaltic and related initiatives and projects.

#### SME Session:

- Organization of one-stop-shops (OSS)
  - RoundBaltic will work to promote and strengthen inter-municipal collaborations on financing energy efficiency measures. In this context, ideas and recommendations from the session will be used in relation to the regional and local needs.
  - Ideally, this collaboration will function as one-stop-shops that assist SMEs throughout the value chain and through a permanent local process consultant who regularly visits and guides companies throughout the process (referred to as boots on the ground). An OSS set-up must create an appropriate interface for SMEs that can motivate and facilitate the implementation of measures, including ensuring the connection of all relevant actors, as well as the use of the necessary tools and documentation that can ensure implementation and quality of energy efficiency measures in SMEs.
  - A cooperation between municipalities will be an essential starting point, but overall, it is important to ensure effective coordination between all relevant actors and throughout the value chain.
  - There will also be a need to coordinate national efforts with regional initiatives. This can be in relation to strategic considerations, but also in relation to documentation and standardization.
  - Furthermore, there is a need for coordination with initiatives in relation to the district heating sector and the strategic municipal energy planning, including the ongoing expansion of the district heating network and utilization of surplus heat from industrial processes.
  - It is also important to focus on how inter-municipal cooperation, including one-stop shops, can be continuously financed.
  - The further course under RoundBaltic will seek to uncover these aspects in interaction with other projects and initiatives.
- Motivation and advice of SMEs
  - Overall, there is a need to make it as visible as possible to SMEs what benefits and gains, they can achieve. There is a need for a more holistic approach, which also includes side benefits of energy savings, including business drivers, as well as the increasing demand for sustainability.
  - There is a general need for competence building among the SMEs and their financial auditors as well as with the local municipalities and the advisers and banks that are to assist the SMEs.
  - SMEs are most effectively advised by a consultant who continuously visits the companies from start to finish in a project process.
  - The inter-municipal cooperation provides a good opportunity for reduction of transaction costs via standardization of procedures and documentation, etc. It may be possible to synchronize with the standard assumptions and methods used nationally in connection with the Danish business grant scheme.
- Financial aspects

- Involvement of the banks in the process, in cases where additional funding is needed, was a key point of discussion, including their general requirements for documentation and creditworthiness. In general, there is a need to define the role of banks in relation to the guidance to SMEs on project opportunities, and in interaction with both national and regional initiatives (including one-stop-shops). This should also be seen in relation to their general requirements for energy efficiency projects and how the projects can influence the overall credit rating.

#### **Interaction with the financial sector**

- Representatives from the financial sector showed general interest in increasing their commitment to financing energy efficiency measures in the SME segment.
- The challenge from this is to optimize how the financial sector's offers can come into play for SMEs in interaction with national, regional and local initiatives, including grant pools. This applies both in relation to motivating the SMEs and in relation to the documentation needed to activate energy efficiency measures. RoundBaltic can help test models in the context of establishing one-stop-shops in coordination with other initiatives and projects.
- There is a need to develop more models for financing energy efficiency measures in SMEs. Mention was made here of the possibility of EPC models based on bundling of projects across SMEs, leasing models and a guarantee scheme via, for example, the Green Investment Fund.

#### **Framework conditions**

- Government regulation and support schemes are needed to ensure the necessary boost to the market for energy efficiency measures in the SME segment. The banking sector is on its way to backing up the process. Closer coordination between the national level and initiatives at the regional level around e.g., one-stop-shop concepts, as well as with the financial sector, can help strengthen the dynamism in the field.
- There is a need to assess the possible use of government guarantee schemes, especially for smaller companies that need supplementary financing.
- Support schemes can also support the operation of inter-municipal collaborations, including project development assistance to SMEs.
- Coordination in relation to standardization and the integration of business drivers in the decision basis may also be needed. The latter possibly through industry-specific analyzes.

#### **2.1.4 Survey results**

The event gathered 51 participants for the plenary and the two parallel sessions. 12 participants (24%) replied to the satisfaction survey.

Replies with score:	How would you rate the event overall?	How well was the event organized?	How did you find the preparation of the event	Did you have enough opportunity to participate/interact in the thematic sessions	Did you find the presentations relevant to promote financing of energy efficiency	Did you like the format of the event?
<b>1</b>	0	0	0	0	0	0
<b>2</b>	1	1	1	1	1	1
<b>3</b>	3	3	3	7	4	5
<b>4</b>	8	8	8	4	7	6
<b>Satisfaction rate</b>	<b>90%</b>	<b>90%</b>	<b>90%</b>	<b>81%</b>	<b>88%</b>	<b>85%</b>

### 2.1.5 Sources

<https://roundbaltic.eu/first-danish-national-roundtable/>

<https://roundbaltic.eu/da/nationalt-roundtable-no-1-dk/>

### 2.1.6 Annexes

1. Attendance list
2. Proceedings
3. Presentations

## 2.2 First National Roundtable in Denmark – Social Housing

### 2.2.1 Date, venue and attendance

The Roundtable was held as a physical event on 11<sup>th</sup> May 2022 at Scandic Sluseholmen, Copenhagen.

It was held as a join event with the parallel H2020 Project [SUPER-i](#) that aims to help increase investment and data collection on energy efficiency in the social housing sector. In alignment with the objectives of RoundBaltic, the project aims to facilitate the funding of energy renovations by establishing a direct and constructive dialogue among financial institutions, private investors, and social housing associations. This is done in relation to three pilot projects in Denmark, Italy and Slovenia. The project includes the key stakeholder Danish Federation of Non-Profit Housing Providers with whom a collaborative effort has been underway since the SEI Forums events, focusing on advancing discussions and actions in this important sector.

Total	Financial sector	Government	Regions and Municipalities	SMEs	Consultants	Branch organisations	NGOs	Service Suppliers	Social Housing Associations
33	9	2	4	0	7	1	0	1	9

Governmental organisations represented:

- Danish National Building Fund

### 2.2.2 Agenda

The roundtable was an online event taking place on 11<sup>th</sup> May 2022.

<p><b>Welcome and Introduction</b></p> <p><i>Danish Federation of Non-Profit Housing Providers, SUPER-I and RoundBaltic</i></p> <p><b>Plenary Part 1: Preparation for discussion</b></p> <p>Update on the Green Guarantee Scheme and energy screenings according to the Green Housing Agreement 2020 <i>Bente Helberg, Functional Manager, National Building Fund</i></p> <p>Mortgage financing in the social housing sector <i>Maibritt Larsen, Customer Director, Realkredit Danmark</i></p> <p>Questions and Answers</p>
<p><b>Discussion in two parallel groups</b></p> <p><b>Group 1:</b> How can ESCO 2.0 be integrated into the green renovation of the building stock within the social housing sector, and in relation to an interaction with the National Building Fund and the Green Guarantee Scheme? <i>Based on the pilot project in the Housing Association of Fruehøjgaard, Herning</i></p> <p><b>Group 2:</b> How can the interaction with the financial sector be optimized to get more funds in play, and as an independent supplement to the National Building Fund. <i>Based on the pilot project in the Housing Association of Himmerland, Aalborg</i></p>
<p><b>Presentations from the two groups (in plenary)</b></p>
<p><b>Continued discussion and conclusions</b></p>

### 2.2.3 Main findings and recommendations

The Danish political “Green Housing Agreement of 2020” allocated extra funds to finance a queue of projects within the social housing sector applying to the National Building Fund (2,5 billion EUR).

These projects include renovations work in general, including energy renovation where applicable. However, at the same time, the agreement put additional requirements to carry out screening and reassessment of the projects on the waiting list to ensure a higher emphasis on green investments.

A total of DKK 30 billion (4 billion EUR) has been set aside for renovations until 2026 in the national budget, but there will be a need for more funds, if not just to create a new queue. In this connection there is a desire and a need to attract more financial players in the market like pension funds, credit institutions etc.

The agreement also contains a new green guarantee fund, which will run under the auspices of the National Building Fund. The fund, being in operation from October 2021, is expected to be able to support up to 0,8 billion EUR in energy-efficiency initiatives in the social housing sector.

### **Introducing ESCO solutions**

At the national RoundBaltic roundtable held on 11 May most participants expressed their support for introducing ESCO schemes under the right conditions. It is basically considered a good idea, but complex and bureaucratic aspects can be an obstacle. It would need further guidance, as there are many rules to interpret, and flexibility is needed in how funding is handled.

To make ESCO solutions work in the social housing sector upscaling is needed e.g., by bundling investments across municipalities and social housing companies. This should be supported by a guide – a tender model for ESCO – which is simple and clear.

### **Increasing the engagement from the private financial sector**

The private financial sector is generally interested in supporting energy renovations in the social housing sector, because the sector is legally governed making investments in the sector less risky compared with other sectors. Currently ordinary mortgage loans are offered that can supplement the National Building Fund and the pension funds.

Green bonds are not yet a fully developed product in relation to Social Housing. This requires a certain amount of leverage in the financial sector in relation to, among other things, the EU's green taxonomy.

Questions were raised as to how attractive the interest rate advantage of green bonds is for the Sector, and whether it is in fact more advantageous to extend the term of a mortgage loan from 30 to 50 years, and particularly in connection with the renovation of the climate screen (roof and walls).

It was further pointed out that green bonds in the sector may require some government guarantees, and specific policy demands for developing attractive green loans to the social housing sector. Such requirements may only come into play if there is further focus on the large backlog in the sector in relation to energy renovations. There was also a suggestion to enable the use of national building funds for definite energy projects, but this is also a political decision.

The roundtable further discussed whether there is a need in the bond market for special green bonds that support the green transition in the social housing sector. This may be a prerequisite for the pension sector to take effective action in relation to energy renovation of social housing.

There was consensus that it is not difficult to raise cheap capital, as the times are now, but that interest rates is now rising, and therefore there may be a need to develop special green loans with a reasonable interest rate. If cheap capital is not available, it can be difficult to carry out renovations in social housing and thus counteract energy poverty.

### **Aggregation of projects / Up-scaling**

Many housing associations are relatively small, so it is worth considering to pool/aggregate projects, across housing associations to optimize project development and the interface with the financial sector. However, the advantages and disadvantages of this should be carefully weighed.

This can, among other things, enable:

1. Collaboration in line with the “Energi Spring” initiatives in Aarhus and Copenhagen, that promotes energy renovations via benchmarking, knowledge sharing and education, and where there is a great focus on Social Housing, especially in Aarhus (anchored in Aarhus Municipality and administered by the local heating supplier Kredsløb).
2. Expanded collaboration on facilitation, documentation and development of projects, including resident involvement, etc. This can help reduce transaction costs through resource sharing and ensure a recognizable project basis for all parties and a common interface to the financing side.
3. Joint tenders e.g., in line with the dedicated builder model, which gives private builders the opportunity to enter collaboration with social housing companies to build a mixed construction with both private and social housing, and in relation to large project portfolios.

In relation to aggregation, it was suggested that municipalities should be considered as possible facilitators and in relation to the strategic energy planning process, where energy efficiency in Social Housing can be considered a specific track.

### **De-risking, project documentation**

Regarding documentation of renovation projects, a collaboration was proposed between the National Building Fund and the financial sector regarding the new Green guarantee scheme. Particularly, the financial sector is interested in getting insights into the required evaluation by an independent adviser in connection with applications for Green Guarantee, as this is considered an important document for risk assessment.

### **Resident democracy as a continuing challenge**

Some of the major challenges remain creating trust in the resident democracy in relation to project facilitation, project documentation and construction processes. Particularly increase in rent levels are a sore point. At the same time there is generally a lack of holistic thinking and therefore not much focus on deep renovation. Overall, there is a need to ensure better transparency in relation to the total costs, the full set of needs and the total effects of energy renovations, including non-energy benefits. However, the social aspect is of high importance, and one should not expect the social housing sector, which in part represents some of the most vulnerable groups, to be frontrunners in the green transition. It requires national support ensuring that the necessary renovations are also carried out in a socially sound manner.

In the housing association “Fruehøjgaard”, a resident survey was made indicating that 75% of the residents sees green sustainability as a major focus point for the housing association, but at the same time there is a lack of knowledge about opportunities and consequences.

It was further pointed out that generally there is also a lack of capacity in the housing companies to plan and carry out energy renovation projects.

### **Coordination with new EU Initiatives**

The upcoming revision of the EU building directive was shortly discussed and the importance of taking this into account in future strategies was emphasized. It will include a range of measures which will be important in relation to project development, documentation and financing, where i.e., the following measures currently are proposed and discussed:

- Implementation of a common European energy performance certificate.
- A new energy rating scale and new minimum energy requirements for energy performance certification
- A new common European goal requiring all existing buildings to be climate neutral by 2050

- Making a “building renovation passport” mandatory for all member states in 2024 (plan for step-by-step deep renovation – with logbook etc.).

### 2.2.4 Survey results

The event gathered 33 participants for the plenary and the two parallel sessions. 10 participants (30%) replied to the satisfaction survey.

Replies with score:	How would you rate the event overall?	How well was the event organized?	How did you find the preparation of the event	Did you have enough opportunity to participate/interact in the thematic sessions	Did you find the presentations relevant to promote financing of energy efficiency	Did you like the format of the event?
1	0	0	0	0	0	0
2	0	0	0	0	0	0
3	3	3	2	2	3	3
4	7	7	8	8	7	7
<b>Satisfaction rate</b>	<b>93%</b>	<b>93%</b>	<b>95%</b>	<b>95%</b>	<b>93%</b>	<b>93%</b>

### 2.2.5 Sources

<https://roundbaltic.eu/national-roundtable-on-financing-of-energy-efficiency-in-social-housing-in-denmark/>

<https://roundbaltic.eu/da/roundtable-om-finansiering-af-energieeffektivitet-i-den-almene-sektor/>

### 2.2.6 Annexes

1. Attendance list
2. Proceedings
3. Presentations

## 2.3 Second National Round Table in Denmark

### 2.3.1 Date, venue and attendance

The Roundtable was held as a physical event on 22<sup>nd</sup> September 2022, 10:00 – 15:00, at Radisson Collection Royal Hotel, Copenhagen.



It was attended by 28 participants for the two parallel session, hereof 9 from the financing sector (32%). 40% of the participants represented top management level, the remaining mainly representing project management level.

Total	Financial sector	Government	Regions and Municipalities	Regional SME Council	Consultants	Branch organisations	NGOs	Others EEFIG
28	9	2	7	1	3	3	1	2

Governmental organisations represented:

- Green Investment Fund of Denmark
- Danish Energy Agency

### 2.3.2 Agenda

The roundtable was a physical event taking place on 22 September 2022, 10:00 – 15:00.

#### **Plenary session on Investment Framework**

- Welcome and Introduction - by EC Network
- Status of the RoundBaltic project - by EC Network
- Introduction to the EU initiative EEFIG - The Energy Efficiency Financial Institutions Group - by Carsten Glentning, Viegand Maagøe & EEFIG

#### **Session 1: Private Housing**

##### **Welcome and intro**

- Welcome and tour de table among the participants
- Brief summary of the conclusions from recent roundtables
- Introduction to today's session

##### **One-stop-shop (OSS) organization and future plans**

- Southern Denmark,  
*by the Region of Southern Denmark and Broager Sparekasse*
- East-DK presentation  
*by Gate 21*

Presentation on how a one-stop shop construction is approached in each region. Discussed how to reach out to homeowners in collaboration with municipalities and other actors and the financial challenges in the process.

##### **Involving the financial sector**

- Finance Denmark: 'Fire Your Boiler' campaign and other initiatives  
*by Finance Denmark*

- Tour de table among the participating banks  
Update on how the financial world is currently increasing its focus on green investments, including home renovations aimed at energy savings. Including what actions can be taken to make loans more attractive and find the best possible financing solutions given the situation of homeowners.
- Debate on how to best involve the financial sector in one-stop-shops

#### **Framework for action**

- Facilitation of green heating and energy renovations in a municipal perspective  
*by Morten Westergaard, Middelfart Municipality*
- Coordination of offers for homeowners (subsidies, campaigns, etc.),  
*by Project Zero*
- Debate on how to ensure the best possible framework that can lead to recommendations

#### **Wrap-up and follow-up activities**

#### **Session 2: SME**

#### **Welcome and intro**

*Presentation by EC Network*

- Welcome and tour de table among the participants
- Summary of the conclusions from recent roundtables
- Introduction to today's session

#### **ECSMV Project in Central Region**

*by Henrik Westerby, Project Manager ECSMV Project*

#### **Denmark's Green Investment Fund - opportunities in relation to the SME segment**

*by Line Lundbye, Investment Director, Danish Green Investment Fund*

#### **Short presentations from other participating financial players**

*by Sustain, Finance Denmark and participating banks*

#### **Warm-up for today's discussion**

*See key questions below*

#### **Wrap-up and follow-up activities**

### **2.3.3 Main findings and recommendations**

#### **Session 1: Private Homes**

At the latest SEI Forums Roundtable, May 2019, a main conclusion was that the 'one-stop-shop' concept, where homeowners are offered a complete package for financing and quality in execution, can be a leading driver in creating dynamics in energy renovations of private homes in Denmark. RoundBaltic's goal is to take up the thread and support the concrete establishment of one-stop-shops as a focal point for the effort.

A primary goal of the session was to explore and discuss how to create the best possible set-up for one-stop-shops, which RoundBaltic will subsequently work to implement in the Central Denmark Region, Region of

Southern Denmark and East Denmark. Crucial aspects of this are how to ensure the right motivation among homeowners and how to optimize the financial aspects of energy renovations. The session thus included presentations that can provide knowledge and inspiration on these aspects, including financial institutions were represented and gave their examples and views on the possibilities. The discussion focused on related models that can help scale up the effort by reducing transaction costs while ensuring dynamism and proximity to involve homeowners.

*Key questions:*

- How do the ongoing initiatives around heat planning and incentives for green heat and energy renovations set the framework for a regional/local effort and how can it be optimized going forward?
- What can be learned from the experience so far with one-stop-shops, including the role of municipalities, interaction with stakeholders and how to motivate homeowners to make energy efficiency these investments?
- How to ensure the best possible conditions for financing these Measures, including both the financing of setting up and running 'one-stop-shops' as well as the desired measures in the homes. What does this mean for the investment framework and the involvement of the financial sector?

The discussion centered on what are the important aspects of establishing and running well-functioning one-stop-shops, where the following were discussed:

- It should be easy and simple for homeowners to go through the process of energy renovations.
- Efforts must be made at a local level and preferably with the municipalities in a key role as facilitators
- Relevant/new information must be communicated quickly to local partners, e.g. if new funding pools are launched
- On the one hand, it can be complicated to make cooperation work between the municipality and stakeholders such as banks and craftsmen. On the other hand, it is encouraging how the financial institutions in Sønderborg have come together on this task and thus increased the volume of energy renovations for mutual benefit.

*Discussions*

In conjunction with and following the presentations, there was a discussion with the following main points:

- The energy crisis creates ambiguous implications in that on the one hand there is a strong incentive to save energy and on the other hand there is less financial leeway to carry out energy renovations
- Henrik Dahlerup from Bolius reported from a dialogue with the Danish Energy Agency where an investment need of around DKK 30 billion has been estimated
- It was discussed about how the tool "Housing Analysis" (Boliganalysen) can help sort out the homeowners and that further digitalization is needed

*Conclusions and forward-looking recommendations*

- Organizing one-stop-shops (OSS)
  - RoundBaltic will continue to work on establishing one-stop-shops in the Central Denmark Region, Region of Southern Denmark and Eastern Denmark and will use the ideas and recommendations from the session. This has now reached a phase where concrete initiatives are underway in each region and will draw on the experience gained so far.

- Financial aspects
  - It is encouraging to see how the financial sector is increasingly engaging in sustainable financing. The case of Sønderborg, Denmark, stands out as an excellent illustration of successful collaboration between the financial sector and a municipality. This partnership effectively promotes energy renovations throughout the stakeholder chain, setting a positive example for similar endeavors.
- Framework conditions and energy label
  - The framework for energy renovations is being reshaped as a result of the current energy crisis. Consequently, Danish municipalities are developing heating plans to deal with the challenges and the ambition of the RoundBaltic project is to prioritize energy savings in this process and make the achievement of the goals dynamic through the establishment of one-stop-shops.
  - The revised EPBD Directive will have an impact on the development depending on how it will look in its final form and how it is implemented in the Danish context. The energy label is an important tool for creating a basis for green heating and energy renovations and is currently being developed to better interact with the financial sector. These aspects must also be integrated into the process of establishing one-stop-shops

## Session 2: SME-segment

- The previous roundtables under SEI Forums and RoundBaltic have highlighted **inter-municipal/regional collaborations** as advantageous structures to assist SMEs in planning and implementing energy efficiency measures. Ideally, these can act as "one-stop-shops" that guide SMEs through the entire value chain from screening to commissioning and monitoring.
- There is a pressing requirement to enhance the competencies of advisors, banks, and municipalities. This pertains to assisting companies with a holistic approach that extends beyond merely achieving energy savings. It involves incorporating principles of circularity and recognizing the ancillary benefits associated with energy savings, including business drivers.
- In this connection, there is a need for the involvement of a wider range of actors around the projects, both in terms of advice and guidance, but also in terms of knowledge gathering, exchange of experiences, etc. that can help SMEs through the project processes in the most appropriate way.
- As also emphasized at previous roundtables there is a clear need for an improved **national coordination** around prerequisites, methods and competence building and which forms the framework for concrete actions and initiatives at the regional / inter-municipal level.
- As has been experienced at the previous roundtables and in the various projects, there are reportedly a larger number and especially smaller companies that have difficulty obtaining **financing in the private financial sector**. Therefore, there may be a need to use government funds and foundations to supplement private sector loans with government guarantees. This could be combined with standardization of solutions and procedures for financial instruments such as guarantee funds.
- It was further pointed out that the **general requirements for green transition will increasingly influence the banks' lending policy** in connection with financing energy efficiency measures in SMEs. It is important that companies generally have well-developed strategic plans that also incorporate sustainability.
- The **green taxonomy scheme** introduced by the EU takes a decisive step towards sustainability across Europe, which may also be relevant for SMEs to adapt to if they are part of a value chain

### *Key question 1*

*How to best organize and coordinate cooperation structures at the inter-municipal/regional level to promote the implementation and financing of green business models?*

The discussion focused on the effect of establishing **cross-municipal structures** that basically function as **one-stop-shops** that assist SMEs throughout the entire value chain and via a permanent local process consultant who continuously visits and guides companies throughout the process (referred to as boots on the ground). This will be a good basis for creating a contact interface for SMEs that can motivate and facilitate the implementation of initiatives, including ensuring the involvement of all relevant actors. Furthermore, ensure implementation and quality using necessary tools and documentation.

The ECSMV project has shown a way forward through an effective locally anchored 1 to 1 dialogue, and they see a greater potential compared to many other companies that have not participated in the scheme in the Central Denmark Region.

In relation to the **expansion of the circle of actors**, it is important to clarify the role between municipal initiatives and the new regional business advisory centres, including creating a win-win situation for all parties. In general, more continuity should be created in relation to current and previous initiatives, partly by supporting and continuing what works and partly through more effective knowledge and experience gathering.

A prior impactful initiative is the energy efficiency obligation scheme, which successfully identified significant savings owing to the mandatory requirements associated with the program. Notably, this was evident in the facilitation of energy-efficient initiatives for small and medium-sized enterprises (SMEs) through previously operational inter-municipal one-stop-shops. The Roundtable proposed a similar obligation scheme as a catalyst for optimizing the utilization of existing business pools more efficiently. This might involve implementing small tenders that local consultants could bid on, targeting specific goals such as achieving a 10 million kWh reduction.

**Pooling projects** can be an advantage in terms of standardization and resource sharing. In principle, this can be done in two ways 1. Standardization of approach and prerequisites in relation to the development and implementation of initiatives. 2. Pooling of investments in relation to funds / funding sources (joint tenders). The latter was highlighted as an option for micro-SMEs such as bakeries, where a certain volume can be created through, for example, 20 bakers. It was highlighted that someone needs to step in and take responsibility for the very small ones.

According to Denmark's Green Investment Fund, pooling is immediately illogical unless it is done under the auspices of a fund. This would require an intermediary organization in the form of an aggregator/mediator that can validate the investments.

As concluded at previous roundtables and as pointed out in the evaluation of the ECSMV project, it is important that the green business model is actively used in the dialogue with banks in order to secure access to finance. The EU taxonomy and its classification system should be included in the business models to the extent relevant. As already mentioned above, it may be relevant for SMEs to adapt to the taxonomy if they are part of the value chain of other larger companies covered by the scheme. Furthermore, a "green" profile can be an asset in terms of their overall competitive position and financing green investments that lead to CO<sub>2</sub> and energy savings.

For smaller companies that have difficulty obtaining **financing from the private financial sector**, there are currently no government guarantee schemes. A guarantee product could be developed by the Danish Green Investment Fund, depending on the need.

### *Key question 2*

#### *How to best coordinate the need for standardization and methodology development at the national level*

The need for standardization in relation to the holistic green business model proposed at the previous roundtables was discussed. There was again a broad consensus that a common language and something recognizable is needed. Something that creates trust on both the SME side and the financial side. At the same time, there is a need for further qualification among advisors around a common understanding of the process and the holistic approach. Reducing transaction costs require specialization.

It is important for banks that the documentation does not become too complex. A standardized approach could help to make it less complex, also for SMEs. However, it was also pointed out that a standard model can take a long time to develop, and perhaps a guide based on a checklist for the different actors to follow would be better.

#### *Conclusions and forward-looking recommendations*

- RoundBaltic will continue to support inter-municipal cooperation in the SME area and will use the ideas and recommendations from the session, especially in relation to the promotion of private financing.
- In relation to the national framework, continuity should be ensured in relation to initiatives that work or have worked. We should avoid the classic case of something that has worked well closing again. ECSMV and the former energy efficiency obligation scheme are examples of successful and effective solutions for both identifying and implementing projects. The lessons learned from these should be better utilized and integrated into future solutions and initiatives. In this connection, there may be a need for closer coordination between the Danish Business Authority and the Danish Energy Agency (coordinate what works well in relation to both business promotion and climate goals).
- In this context, it should be considered how an initiative such as ECSMV can be continued and supported in interaction with the new initiatives under the new business promotion reform.
- In relation to the current business subsidy schemes, it should be considered to include the possibility for independent consultants to take on energy saving obligations in relation to a pool of projects, for example via tenders from the Danish Energy Agency.
- The need for standardization should be constantly assessed, and there is a need for a closer dialogue with the financial sector on how to most appropriately, among other things in relation to complexity, include the green business models in the dialogue with the banks, including in relation to the necessary documentation for borrowing. This also relates to taxonomy and ESG reporting.
- In relation to the further necessary capacity building among the various players, there is a need for coordination at a national level as well as in the various industry branches. Finance Denmark has a coordinated training program, and there is also a potential for coordinating standardization and documentation across banks.
- As a follow-up to this national roundtable, it was suggested to hold a regional roundtable in the Central Denmark Region, focusing on how the inter-municipal cooperation in the region can be further strengthened in relation to a one-stop-shop structure. And in this connection, investigate the possibility of establishing a fund structure in collaboration with the Danish Investment Fund and a mediator in the form of e.g. SUSTAIN/PKA (possibly launching a pilot project). Focus should also be placed on expanding the circle of actors, including regional business centers, and strengthening cooperation with local and national financial institutions.

- For SMEs that are not immediately able to take out loans due to low credit ratings, it should be considered to establish an insurance/guarantee scheme under the Danish Investment Fund (possibly as part of the above-mentioned pilot project).

### 2.3.4 Survey results

The event gathered 28 participants for the plenary and the two parallel sessions. 10 participants (36%) replied to the satisfaction survey.

Replies with score:	How would you rate the event overall?	How well was the event organized?	How did you find the preparation of the event	Did you have enough opportunity to participate/interact in the thematic sessions	Did you find the presentations relevant to promote financing of energy efficiency	Did you like the format of the event?
<b>1</b>	0	0	0	0	0	0
<b>2</b>	0	0	0	0	0	0
<b>3</b>	3	4	2	4	3	3
<b>4</b>	7	6	8	6	7	7
<b>Satisfaction rate</b>	<b>93%</b>	<b>90%</b>	<b>95%</b>	<b>90%</b>	<b>93%</b>	<b>93%</b>

### 2.3.5 Sources

<https://roundbaltic.eu/second-national-roundtable-in-denmark/>

<https://roundbaltic.eu/da/andet-nationale-roundbaltic-roundtable-i-danmark/>

### 2.3.6 Annexes

1. Attendance list
2. Proceedings
3. Presentations

## 2.4 Third National Roundtable in Denmark

### 2.4.1 Date, venue and attendance

The roundtable was held as a physical event on Vartov in Copenhagen on 22 May 2023, 10.00 – 14.45. The event gathered 27 participants, including 12 from the financial sector (44%).

Total	Financial sector	Government	Regions and Municipalities	Consultants	Branch organisations
27	12	1	8	4	2

Governmental organisations represented:

- Danish Energy Agency

## 2.4.2 Agenda

### **Plenary Session on Investment Framework**

- Welcome and Introduction, incl. status of the RoundBaltic project - by EC Network
- The National Energy Efficiency Framework - by Vincent Rudnický, Danish Energy Agency
- Briefing from the financial sector - by Lars Ravn Knudsen, Finance Denmark
- Industry views - by Katrine Bjerre M. Eriksen, Synergi
- Proposal for future opportunities - Support structure for investments in green solutions, including the possibility of a Danish ELENA programme - by Lea Munkholm, Central Denmark Region

### **Session 1: Private Homes**

#### **Welcome and intro**

- Welcome and tour de table among the participants
- Pitches from regions on current related activities
- Summary of the conclusions from recent roundtables
- Introduction to today's session - key questions

#### **One-stop-shop (OSS) organisation and future plans**

- Presentation on the initiative in Southern Denmark with one-stop-shop for three geographies, representing seven municipalities, in the Region of Southern Denmark as part of the COHEAT project
- Presentation on the one-stop-shop initiative in Eastern Denmark across a number of municipalities

Presentations focused on how to reach out to homeowners in collaboration with municipalities and other stakeholders and the financial challenges in the process.

#### **Involving the financial sector**

- Tour de table among the participating banks

Update on how the financial world is currently increasing its focus on green investments, including home renovations for energy savings, and what goals and plans the represented banks have in this regard.

- Debate on how to best involve the financial sector in one-stop shops in general and specifically in the represented one-stop shops.

#### **Summarising**



### **Session 2: Financing the Green Transition in Areas Outside the District Heating Network**

#### **Welcome and intro**

- Welcome and tour de table among the participants
- Pitches from regions on current related activities
- Summary of the conclusions from recent roundtables
- Introduction to today's session - key questions

#### **Challenges and opportunities in Area 4**

Presentation by Henrik Bielefeldt, Head of Project Development, SUSTAIN

*Inspirational post on the challenges of developing and financing the green transition in current areas outside the district heating network.*

#### **Debate on how to overcome challenges**

Debate on how to best address the challenges of implementing the green transition in Area 4 in

#### **Summarising**

### **2.4.3 Main findings and recommendations**

The event was divided into a plenary session and two topic sessions:

- Session 1: Private Housing
- Session 2: Financing the green transition in areas outside district heating supply, including in relation to Thermonet systems (5GDHC)

Each session included a presentation of the status of the progress in each region (Central Denmark Region, Region of Southern Denmark, and Eastern Denmark) and the further intentions, including in relation to the conclusions from the previously held regional roundtables. This was followed by presentations of common interest and discussion along the way.

An additional discussion delved into the exchange of ideas and recommendations concerning the essential requirements for investment frameworks and financial instruments. This encompassed considerations regarding the interaction dynamics between the regional and state levels, with a specific focus on establishing robust structures for the effective implementation of future solutions.

#### **Highlights from the Plenary**

In their introduction EC Network mentioned that key focus of both the SEI Forums and RoundBaltic have been to bring into play the EU's three pillars of financing (cf. the EU's "Smart Finance for Smart Buildings" Initiative), which include better use of public funds to leverage private investment, aggregation/merging of projects as a basis for standardised Project Development Assistance (PDA) and de-risking, i.e. uncovering risks associated with financing.

According to the current EPBD Directive, article 2A, EU member states must implement measures related to the three pillars, including promoting one-stop-shops (OSS) to provide better advice in the market. One-stop-shops can help homes and businesses with technical, legal, and financial issues throughout the entire journey of the renovation process and facilitate access to financial mechanisms and institutions. Currently, a number of initiatives are taking place across Europe to bring OSS to the forefront working on national, regional and decentralised structures.

**Vincent Rudnicky, Head of Section Danish Energy Agency**, reviewed some of the most important regulatory initiatives that Denmark will face in the coming years, based on the EU's commitment to reduce its CO2 emissions by 55% by 2030 and in relation to initiatives such as REPowerEU.

A preliminary political agreement has been reached on a revised Energy Efficiency Directive (EED), which will introduce an 'energy efficiency first' principle and pave the way for a new increased energy saving obligation of 1.49 per cent on average in the period 2024-2030. In the public sector, **there is a** requirement for annual renovation of 3 per cent of the public building stock and that the buildings must be renovated to at least energy label B.

The revision of the Energy Performance of Buildings Directive (EPBD) is less advanced in the process. Among other things, there are proposals from the Commission for a harmonised energy label scale and for buildings with energy labels G and F to be raised to a minimum energy label E in 2030 for public and commercial buildings and in 2033 for households. The EU Parliament has more far-reaching proposals. Negotiations are expected to be concluded in autumn/winter 2023, after which member states will typically have a period of 1.5-2 years after final adoption for implementation, which can take the form of measures such as national plans for building renovation, minimum energy performance standards for buildings (MEPS), climate requirements for buildings via life cycle assessments, harmonisation of the energy labelling scale across member states and the introduction of a standard for zero-emission buildings.

Both the revised EED and EPBD mean that significantly more effort will need to be put into promoting financial mechanisms. Under the EED, measures such as project assistance schemes, green loan products and loan guarantees for energy efficiency investments will be put in place. Under the EPBD, technical assistance facilities such as one-stop-shops, pools targeting deep renovations, increased administrative, technical and financial support and aggregation of projects will be implemented.

Vincent further reviewed the 2023 heat subsidy schemes derived in the political agreements from 2022. Also mentioned was the National Energy Crisis Task Force (NEKST), which aims to accelerate the phasing out of gas in Danish homes. This effort aims to streamline and shorten the time to roll out district heating projects as well as individual and shared local heating solutions.

**Lars Knudsen, Head of Section Finance Denmark**, mentioned Sustainability as a key part of Finance Denmark's strategy and in December 2019 they released 20 recommendations for the financial sector, of which the following are relevant to today's roundtable:

- #1 Integrate sustainability into the business model
- #2 More sustainable products on the shelves
- #4: Clear and credible sustainability documentation and communication
- #10: Focus on training in the financial sector
- #13: Increased focus on financing sustainable properties

The sector has produced several results, e.g. 9 out of 10 employees in the sector has increased their capacity on sustainability; and 691 billion DKK has been used to finance sustainable activities.

Finance Denmark is involved in a Climate Partnership with the Government, which has focus areas within energy-efficient buildings and production facilities and aims to improve dialogue, advice and implementation of green solutions. Furthermore, it participates in the 'Fyr dit Fyr' campaign, which aims to phase out Russian oil and gas, and where homeowners are given the opportunity for low-interest loans and avoid fees.

**Katrine Bjerre, Director of Synergy** (representing several energy efficiency companies) stated that Denmark is looking forward to a large increase in electricity consumption by 2023, driven by the installation of heat

pumps, electric boilers, electricity in transport, data centres and not least the expected Power-to-X installations. In this context, energy efficiency can help reduce energy consumption, including the important peak loads, ensure energy flexibility, reduce costs and resource consumption for green infrastructure, including the not insignificant point of reducing land use in the landscape for renewable energy. There is plenty to do, with 7 out of 10 public buildings and 3 out of 5 private homes being inefficient.

Katrine Bjerre added some remarks on the status of the Energy Efficiency Directive (EED) and the Energy Performance of Buildings Directive (EPBD). The EED is the most advanced and includes a requirement for Member States to reduce energy consumption by 11.7% by 2030 and a new, more comprehensive energy audit. The revised EPBD plans to tighten the energy label and there will be an increased focus on indoor climate as well as on control, automation, and digitalisation. The exact outcome will depend on the upcoming negotiations between the EP, the Council of Ministers, and the European Commission.

Since the energy crisis, European countries have spent large sums of money on short-term aid packages in response to the energy crisis. There should also be funds to create lasting solutions. In a Danish context, this could mean that existing pools (the energy renovation pool, the heat pump pool, the scrapping scheme and the district heating pool) are reserved for buildings where renovation is required and for homeowners who do not have access to reasonable financing. It could also include state-guaranteed loan schemes that can support the mortgage credit system, as well as strengthening advisory and information for homeowners

Synergy's wider perspective is:

- Support schemes must be targeted to those who are financially most in need. There is a need to boost the schemes as part of investing in the green transition and our energy independence
- The financial sector must help drive the market towards greener homes and buildings.

In some places, the risk will be too great. Here, the state should contribute, for example with state-guaranteed loans or invest some risk capital that can take the top of the risk for financial institutions.

Lea Munkholm's, **Special Consultant Central Denmark Region**, made a presentation about the EU's ELENA scheme.

10 EU ELENA projects have been completed in Denmark with a total funding of DKK 160.5 million, generating investments of DKK 6.7 billion and CO<sub>2</sub> savings of 190,500 t/y, i.e. a significant boost to compliance with the Danish climate targets.

Lea advocated the establishment of a Danish ELENA programme as a supplement to the European one. This could help meet the great need for start-up support for energy projects, including screenings, as part of accelerating the green transition. The administration of the individual projects can be handled by the regions, which have the experience and local knowledge, and the projects can be in areas such as building renovation, and conversion of heat systems into sustainable systems, including district heating systems.

This can be considered a cost-effective contribution as part of meeting Danish energy and climate goals. Among other things, it can help realise the increased requirements for public investments (revised EPBD directive), just as it has the potential to boost private investments, including private housing, in collaboration with Danish financial institutions. The EIB has expressed a willingness to support the start-up of a Danish ELENA scheme if Danish authorities are supportive and a good plan can be put in place.

### **Highlights from Session 1: Private Homes**

Previous roundtables have made it clear that the 'one-stop-shop' concept, where homeowners are offered a comprehensive package for financing and quality of execution, can be a primary driver to create dynamics in energy renovations of private homes in Denmark. It has also been made clear that it is appropriate to link

energy renovations with the need for green heating in private homes, and not least in relation to efforts to reduce dependence on Russian gas by phasing out fossil fuels for heating.

Several initiatives are underway politically and in the central administration in parallel with regional and local initiatives. RoundBaltic supports the establishment of 'one-stop-shops' as a focal point for reaching out to homeowners with coordinated offers and guidance on green heating and energy renovations.

The status of initiatives in this direction is:

#### *Region of Southern Denmark*

RoundBaltic has been the birthplace of a new EU project COHEAT2, which started on 1 November 2022. Here, seven municipalities in the region work together to create 'one-stop-shops' and thereby generate investments of at least 32 MEUR, of which the conversion of homes from oil and gas to heat pumps and energy renovations make up a good share.

#### *Central Denmark Region*

The region is working towards establishing a regional set-up that coordinates efforts and resources across municipalities in relation to energy renovations and green transition. The initial focus is on areas outside the district heating area. This is supported by regional grants for a number of projects aimed at exploring and creating a common and solid decision-making basis for choosing common alternative energy sources. In addition, several municipalities have received support from the EUCF (European City Facility) to develop investment concepts for Thermonet systems (5GDHC).

#### *East Denmark*

Kalundborg has received a grant from the EU City Facility programme to create an investment concept for energy renovations of private homes and RoundBaltic is assisting via Gate 21 in scaling up this initiative into an ELENA project with a significant investment scope.

### **Discussion**

The purpose of the national roundtable was to support the further development of these one-stop-shops, including how to best involve the financial sector and create the best possible framework for the effort.

In connection with the above-mentioned presentations, there was a debate with the participation of representatives of financial institutions and the other participants in the session. The discussion focused on what are important aspects of establishing and running one-stop-shops and how to involve the financial sector in the most appropriate way. From the debate, the following can be mentioned:

- The bank called for the possibility of scaling up the effort to a national level so that it can be as cost-effective as possible. It is desirable to create a national overview of the needs around the country and bring local energy plans and the energy label into play in an appropriate way. At the same time, the complexity of reaching out to homeowners must be considered.
- Sønderborg commented that the ongoing efforts are handheld in the sense that the efforts are, as far as possible, targeted to the interests and needs of individual homeowners. The challenge going forward is to create a link between such locally targeted efforts and at the same time establish a national facilitating framework that matches.
- It was mentioned that there are already many initiatives, including that the banks have many offers for homeowners and an initiative such as Fyr dit Fyr that needs to go beyond the ramp. It is therefore important that the various initiatives support each other, including that the represented one-stop-

shops will function as a rewarding supplement to the existing initiatives, including the initiatives that the banks themselves undertake.

- At the same time, it was urged that it should be made clear what the one-stop-shop looks like from the homeowner's point of view, so that it does not appear confusing, but customer-focused. In addition, it was encouraged to activate market forces as far as possible and to take into account that banks are not energy advisors.
- As a benefit of the presented one-stop-shops in Southern and Eastern Denmark, it was mentioned that they are strengthened by having municipalities as the sender, which generally appear as a credible messenger to citizens/homeowners. The advantage for financial institutions by allying themselves with these OSS is thus to benefit from this situation. At the same time, there was talk of a common interest in creating awareness among homeowners, i.e. creating the desired motivation to invest.
- The data aspects were discussed, including the fact that a lack of updates in BBR (Building and Dwelling Register) provides a weaker basis for organising efforts. The "Housing Analysing Tool" (Boliganalysen) was mentioned as one of the initiatives that can help municipalities obtain a better data basis.
- There was a consensus on the necessity for a comprehensive initiative to advocate for green heating and energy renovations, balancing energy efficiency while taking into account the circumstances of homeowners. Municipal planning, already underway in most municipalities, can play an important role by tailoring its efforts to the specific needs of this domain. Additionally, it is crucial to steer clear of undesired stop-and-go effects within subsidy programs to maintain a consistent and effective approach.

### Conclusions and recommendations for the future

- Organisation of one-stop-shops (OSS)
  - RoundBaltic will continue to work on establishing one-stop-shops in the Central Denmark Region, Southern Denmark and Eastern Denmark and will use ideas and recommendations from the session.
- Financial aspects
  - An important conclusion is that the establishment of one-stop-shops must consider the initiatives that the financial sector and individual financial institutions themselves are taking in the field of green heating and energy renovations. The goal is therefore to make these OSS a rewarding supplement rather than seeking to replace what financial institutions themselves are doing. The example from Sønderborg shows that it is possible to pull together and thus achieve good gains in the form of increased initiatives within green heating and energy renovations.
- Framework conditions and energy labelling
  - The framework for energy renovations is being reshaped because of the current energy crisis. Consequently, Danish municipalities are developing heating plans to deal with the challenges and the ambition of the RoundBaltic project is to prioritise energy savings in this process and make the fulfilment of the targets dynamic through the establishment of one-stop-shops. The aim is to continue this process and involve the financial sector to increase the volume of green investments.
  - The upcoming changes in the regulation of the area, including the revised Buildings Directive, will have an impact on the development, depending on how it will look in its final form and how it is implemented in the Danish context. The energy label is an important tool for creating a basis for green heating and energy renovations and is currently being developed to better interact with

the financial sector. These aspects must also be integrated into the process of establishing one-stop-shops.

### **Highlights from Session 2: Financing the Green Transition in Areas outside the District Heating Network**

RoundBaltic has a general focus on possible collaborations across municipalities, including in relation to the current need for energy efficiency and alternative energy supply in areas outside the district heating network. This also concerns rural areas where home equity is low and far from covering loans for new heat sources and energy renovations.

Conversion to individual heat pumps is a possible alternative energy source in rural areas, but the collective alternative "Thermonet" (5GDHC system), based on a common primary circuit for heat pumps, is generally considered a more economical and technically favorable solution and is not associated with noise nuisance.

The Thermonet can be supplemented with electricity-generating renewable energy systems in the form of solar cells and possibly wind turbines and contribute to balance the collective electricity supply grid.

The joint solutions are expected to be realised in cooperation with district heating companies that establish and/or operate the joint plants within the framework of the Danish Heat Supply Act (plants over 250 kW). However, this is still unresolved, and this uncertainty is currently a significant barrier to creating momentum around Thermonet concepts.

Another option is energy communities, i.e. an association of energy consumers such as citizens, housing associations, businesses and municipal institutions in a non-commercial, legally registered association or cooperative.

If, as expected, Thermonet systems above 250 kW are covered by the Heating Act, they can generally be financed with a municipality-guaranteed loan, while smaller systems below 250 kW, which can be financed via energy communities, for example, have a challenge finding financing on the private market. At the same time, these areas face a particular challenge in financing energy renovations.

Finance Denmark and the Danish Rural Council have called for action via a recent proposal in January 2023. It sets out a total of 13 proposals aimed at giving homeowners in rural areas better opportunities to finance new heat sources and energy renovations.

All regions involved in RoundBaltic have, through various projects, focused on these issues, and in particular the spread of Thermonet systems as a possible alternative. Through the above-mentioned EU project COHEAT, the Southern Region is in the process of screening potentials and developing offers for homeowners regarding project development.

GATE 21 has been involved in several Thermonet projects, including screenings and public meetings. A regional RoundBaltic Roundtable was held on 31 October 2021, focusing on the common issues surrounding the problems in rural areas. Here it was emphasised that it is important to get the utilities on board, but the Heat Supply Act is still a stumbling block.

Central Denmark Region actively supports villages in the energy transition to sustainable forms of energy. Rural areas are an important part of the regional development work to create life and growth in outskirts areas. The region has offered two pools where villages/clusters have received funding for the development of energy communities around district heating, Thermonet and locally owned renewable energy plants.

Almost 34% of buildings in the region are heated with heat sources that must be replaced with a more sustainable and CO<sub>2</sub> neutral solution - natural gas, oil, electric heating - within a few years. This is especially true in rural areas and requires partnerships to achieve this goal.



The region is working actively to develop a regional advisory structure that can support this development. It is important to bring together players from the financial sector, the energy sector and the municipalities to offer suggestions on how to jointly break down the barriers that exist to accelerate development. Rural areas were the focus of the regional RoundBaltic Roundtable on 13 April 2023, followed by a Village Day on 15 October 2023 and a workshop for the villages/clusters that have received support from the region.

### **Discussion**

The subsequent discussion focused on the current challenges in rural areas, including the lack of clarification around ownership and operation of Thermonet systems and how to secure funding for both project maturation and establishment.

The following suggestions/considerations came out of the discussion:

- There is still a general problem with getting the projects started, and especially in relation to the lack of clarification about the extent to which the projects can be carried out by heat supply companies operating under the Heat Supply Act. The decision on this has been postponed until end of 2023.
- This uncertainty is a stumbling block for further development. On the one hand, the district heating companies are hesitant to engage in the market where systems can be financed via municipality-guaranteed loans, as this requires legal authorisation via the Heat Supply Act. On the other hand, the banks are hesitant to develop alternative financing products, as the market is expected to be different if the Heat Supply Act closes for the district heating companies' involvement.
- When it comes to establishing other companies to operate the facilities, it is important to realise that many villagers do not want to be owners. This needs to be addressed in discussions with the various citizen groups.
- Another problem is raising sufficient funds for screenings and project maturation, which on average amounts to approximately 150,000 DKK.
- There is also a challenge in developing calculation models and guidelines for Thermonet systems, which should be based on common guidelines.
- EU programs and Danish funds should focus more on support for project maturation and concretisation.

### **Recommendations**

The regions have generally supported the initiation of projects in rural areas, especially related to Thermonet systems. The aim is to mobilise citizens, utilities and decision-makers and help them identify and implement the right solutions locally.

The experiences from these projects and RoundBaltic can be included in the establishment of regional support structures and as part of the regional strategies for rural development and the implementation of DK2020 plans (like SECAPs). The Central Denmark Region is actively working on developing a project that can support this process, among other things in relation to the possibilities within EU programs and combined with own funds.

All municipalities have developed DK2020 plans (strategic energy and climate plans), and a new cross-regional project will start up at the end of 2023 with a focus on monitoring and implementation. It is important that the regional activities around Thermonet concepts are coordinated with this.

At the national level, it is considered important to develop a suitable framework for municipal heating planning in relation to the ongoing conversion of gas areas to district heating, the use of surplus heat and the conversion of area 4 (outside DH) to other forms of supply than fossil fuels (heat pumps, etc.).

Consideration should also be given to allocating public funds for project development assistance (e.g. ELENA-style technical assistance). In relation to a regional one-stop-shop structure, coordination with national campaigns is needed, including with available tools and harmonisation of prerequisites.

As highlighted in the proposal from Finance Denmark and the Danish Rural Council, there is a need for clear national political prioritisation in relation to the problems in rural areas. It should be a social responsibility to lend a hand to those homeowners for whom a thorough energy renovation is not necessarily profitable, possibly through national guarantee schemes.

A pressing issue for further development is the lack of clarification on whether Thermonet is considered a district heating system thus covered by the Heat Act. This is currently a main barrier to project progress, as it is unclear who will own and operate the systems (district heating companies or private entities, e.g. energy communities). This also affects the extent to which private financing will be available, with various options being considered, including the blending of pension funds and loans from private banks.

Thermonet systems below 250kW will generally not be covered by the Heat Supply Act and thus cannot obtain municipal credit loans, but municipal guarantees may be available in connection with private financing. Solutions were also proposed where villages are pooled and liable for each other and with a standardised project approach.

#### 2.4.4 Survey results

The event gathered 27 participants for the plenary and the two parallel sessions. 11 participants (41%) replied to the satisfaction survey.

Replies with score:	How would you rate the event overall?	How well was the event organized?	How did you find the preparation of the event	Did you have enough opportunity to participate/interact in the thematic sessions	Did you find the presentations relevant to promote financing of energy efficiency	Did you like the format of the event?
1	0	0	0	0	0	0
2	0	0	1	0	0	0
3	9	8	9	2	6	3
4	2	3	1	9	5	8
<b>Satisfaction Rate</b>	<b>80%</b>	<b>82%</b>	<b>75%</b>	<b>95%</b>	<b>86%</b>	<b>93%</b>

#### 2.4.5 Sources

<https://roundbaltic.eu/third-national-roundtable-in-denmark/>

<https://roundbaltic.eu/da/tredje-nationale-roundbaltic-roundtable-i-danmark/>



### 2.4.6 Annexes

1. Attendance list
2. Proceedings
3. Presentations

### 3 Polish National Roundtables

#### 3.1 First National Roundtable in Poland

##### 3.1.1 Date, venue and attendance

23-24 March 2021, online

Total	Financial sector	Government	Local government's	Experts
100	23	14	21	47

Government stakeholders representing:

- Bank Gospodarstwa Krajowego
- Ministry of Labor Development and Technology
- Ministry of Climate and Environment
- National Fund for Environmental Protection and Water Management

##### 3.1.2 Agenda

<b>DAY ONE 23 March 2021 9:00 am - 1:30 pm</b>
<p><b>Opening:</b></p> <p><b>Mr. Szymon Liszka</b>, President of the Management Board of SAPE / Foundation for Energy Efficient Use  <b>Ms. Anna Kornecka</b>, Undersecretary of State in the Ministry of Development, Labor and Technology  <b>Mr. Krzysztof Pietraszkiewicz</b>, President of the Polish Bank Association</p> <ul style="list-style-type: none"> <li>• Presentation of the assumptions of the Round Baltic project  <b>Mr. Zbigniew Michniowski</b>, Member of the Management Board of SAPE</li> <li>• Conclusions from the diagnosis made in the first phase of the project  <b>Mr. Andrzej Rajkiewicz</b>, Vice President of the Management Board of SAPE / FPE</li> <li>• Main assumptions of the <i>Long-Term Building Renovation Strategy</i>  <b>Mr. Przemysław Hofman</b>, Director of the Low-Emission Economy Department at the Ministry of Development, Labor and Technology</li> </ul>
<b>11:30 – 13:30</b> Parallel thematic sessions - presentations and introduction to discussion
<p><b>1. Thematic session: Financing the renovation of multi-family residential buildings</b></p> <p>Moderator: <b>Mr. Andrzej Wiszniewski</b>, ZAE</p> <p>Rapporteur: <b>Mr. Szymon Firląg</b>, Warsaw University of Technology/ The Union of Employers of Producers of Materials for the Construction Industry</p> <p><b>Presentations:</b></p> <ul style="list-style-type: none"> <li>• Effects of changes to the Act on supporting thermo-modernization and renovation introduced in 2020 and 2021</li> </ul>

**Ms. Zuzanna Lulińska**, Senior Specialist, Department of Housing Support and Analysis, Department of Housing at the Ministry of Development, Labor and Technology

- Clean Air Program, participation of banks and local governments, guarantee instrument

**Mr. Paweł Bartoszewski**, Advisor, Clean Air Department, National Fund for Environmental Protection and Water Management (NFOŚiGW)

- Limiting the intersection of financial instruments to improve energy efficiency in multi-family housing

## 2. Thematic session: One-stop-shop how to implement in Poland?

Moderator: **Mr. Arkadiusz Węglarz**, KAPE S.A.

Rapporteur: **Mr. Jerzy Bagiński**, FPE

### Presentations:

- One-stop-shop model at the regional level - EU experiences, possibilities of implementation in Poland

**Mr. Andrzej Rajkiewicz**, Vice President of the Management Board at SAPE/FPE & **Mr. Andreas Piontek**, Energy Specialist, European Investment Bank

- The Energy Efficiency Act as an element motivating investors to prepare and implement energy efficiency improvement projects

- Project „LIFE EKOMAŁOPOLSKA – Implementation of the Regional Action Plan for Climate and Energy”  
**Mr. Piotr Łyczko**, Deputy director of the Department of Environment, Marshal's Office of Lesser Poland

## 3. Thematic session: Support for development of the ESCO Market

Moderator: **Mr. Marcin Jamiołkowski**, NFOŚiGW

Rapporteur: **Mr. Marek Amrozy**, NAPE S.A.

### Presentations:

- Amendment of the Energy Efficiency Act - changes in the scope of contracts for the improvement of energy efficiency

**Ms. Ewa Kossak**, Head of the Department of Energy Efficiency, Department of Heating, Ministry of Climate and Environment

- Risk mitigation instruments in financing investments by EPC - examples of good foreign practice

**Mr. Robert Pernetta**, Financial Instruments Advisory, European Investment Bank

- Project of purchase of receivables from ESCO companies by the National Fund for Environmental Protection and Water Management (NFOŚiGW). The initiative of the NFOŚiGW to support the thermal modernization of buildings carried out by ESCOs

**Mr. Marcin Jamiołkowski**, Deputy Director of the External Funds Department, NFOŚiGW

## DAY TWO, 24th March 2021, 9:00 – 13:30

**9:00 – 11:30** Discussions in parallel thematic sessions

**11:30 – 12:00** Break

**12:00 – 13:00** Plenary session – summary of work during thematic sessions

### 3.1.3 Main findings and recommendations

#### 1. Session: Financing the renovation of multi-family residential buildings

- Programs financing the thermo-modernization of residential buildings should implement the provisions of the Renovation Wave, that is:
  - support deep thermo-modernization,
  - allow for a twofold increase in the number of buildings undergoing thermo-modernization by 2030.
- Programs created under the National Reconstruction Plan and the new financial perspective of the European Union should not intersect with existing programs such as the Thermomodernization and Renovation Fund, Clean Air and thermo-modernization relief. Required actions:
  - Make sure that different programs are complementary,
  - Introduce uniform rules for granting support,
  - Introduce solutions allowing for combining complementary financial instruments,
  - Allocate public funds to technical support for potential beneficiaries.
- It is necessary to organize effective information and education campaigns, increasing the awareness of beneficiaries and encouraging them to take advantage of support programs. Campaigns should be dedicated to the right audience and use channels such as, for example: energy auditors, banks. The group of beneficiaries that requires special support are still inactive housing communities.

#### 2. Session: One-stop-shop - how to implement in Poland?

- Session participants agreed that the OSS models most relevant to the situation in Poland are in the following order: public on the basis of local government units, and then public / private.
- The representative of the Lesser Poland Marshal's Office declared great interest and readiness to run a pilot project of establishing the CIS structure as part of the LIFE EKOMAŁOPOLSKA project.
- It was agreed to investigate in more detail the incentives for public authorities in France to create OSS structures, obtain grants and distribute them to local communities.
- It was recommended that external entities should cooperate with the National Fund for Environmental Protection and Water Management (NFOŚiGW) to promote organizational and technical solutions for the Clean Air program with the possibility of creating CIS structures.
- The role and the possibility of banks to act as OSS for the Clean Air program and more broadly for other EE programs were recommended.
- Attention was drawn to the starting project of creating the OSS structure based on ELENA support, which will be implemented by housing cooperatives in the Silesian Voivodeship, it was recommended to be interested in the implementation stage and the effects of this project as a potential model to follow.
- The representative of the Marshal's Office of the Mazovian Voivodeship declared a great interest and readiness to obtain practical information and experience related to the creation of CIS structures and running a pilot project of creating such a structure in Mazovia.
- It has been pointed out that **when creating CIS structures and providing services by entities in the OSS model, the most important issues** are the selection of the scope of services provided by OOS and the selection of the area of operation for OOS. These elements directly determine both

the size of the entity that will provide OSS services, its structure and operating costs. It was recommended as a principle for the operation of OSS entities to evaluate from the supported entity in the first phase of operation to the self-financing entity in the target perspective.

- Attention was drawn **to the need** to coordinate information in the municipality regarding the energy efficiency potential (buildings, sources of financing, entrepreneurs).
- **Concern** was expressed about **the assumptions of the Long-term Building Renovation Strategy** presented during the first day of the Round Table, **which focuses on the process of shallow thermal modernization in the first 5 years**, which, according to some session participants, may be even lethal for the implementation and financing of energy efficiency solutions and the success of creating structures and CIS entities in Poland. The opinion was expressed that as a solution to this problem, phased thermal modernization and the building energy passport mechanism could be considered.
- Attention was drawn to the unaddressed problem of energy poverty in Poland.
- The opinion was expressed that the emerging and already operating energy cooperatives can play the role of OOS entities.
- Attention was drawn to the fact that the amendment to the Energy Efficiency Act, extending prosumer to a housing community, may be an opportunity for the provision of services in the OSS model.
- The participant of the session, having experience of good practice in implementing EE in Sweden, recommended thermal modernization of multi-family buildings with the use of a superstructure system and installation of mechanical ventilation.
- The participants agreed that in order to significantly stimulate public entities in Poland to take advantage of the experience and additional funds from the EU in order to establish a one-stop-shop at various levels, proper information, appropriate regulations and additional incentives in this regard are needed.
- **An initiative was submitted to organize a conference under the patronage of the Ministry of Development and the Ministry of Climate for all Marshal Offices with a representative of the ELENA program for a detailed discussion of the possibility of using the ELENA program funds and the creation of OOS entities. Additionally, the organization of the Round Baltic sub-table in this thematic area was reported.**
- The opinion was expressed that currently the Marshal's Offices are afraid of taking the risk of using funds from the ELENA program due to the lack of available attractive funds for investments.
- It was recommended to start talks with the National Fund for Environmental Protection and Water Management (NFOŚIGW) to provide funds from subsidies to obtain 10% of own contribution from national funds supplementing 90% of funding from the ELENA program for the process of preparing EE investments.
- The representatives of the ELENA program informed about the great interest and the talks held for the implementation of the **National ELENA program in Poland** and the co-financing of the preparation of EE investments from the funds of the operational programs of the new EU financing perspective.
- Opinions were expressed about the need to introduce greater requirements for entities selected as operators in municipalities / poviats for the intensification and professionalization of the process of identification and preparation of EE investments by municipalities.

- The National Fund for Environmental Protection and Water Management (NFOŚiGW) announced **an initiative to finance information points in municipalities for the "Clean Air" program** (a model of 30,000 PLN of co-financing, a bonus for each submitted application and a bonus for the bests).

### 3. Session: Support for the development of the ESCO market

- The panel participants agreed that in the context of the development of the ESCO market, we are at a critical moment: the amendment to the EE Act guarantees non-budgetary EPC for local government units with the PPP application regime, which has a good chance of intensifying the use of ESCO solutions by local government units.
- The financial instrument created by NFOŚiGW and PFR seems to be a very promising solution addressing one of the most important barriers for ESCO companies, i.e. unblocking their financial liquidity in long-term projects.
- The participants pointed to the critical role of energy advisors at the stage of helping to identify investments and assisting in the selection of ESCOs, as well as independent and reliable verification of the generated energy savings (which, in addition, according to bank representatives, means reducing the risk for financing institutions). It was emphasized that support for local government units is currently needed at every stage of the ESCO contract implementation, from the selection of an ESCO partner to the monitoring of the modernization effects.
- When defining the role of an independent verifier of achieving savings, the need to carefully balance the impact of such an institution on increasing the total transaction costs and extending the process was identified. It is proposed that the participation of the independent arbitrator should be voluntary so as not to involve him in cases where the market forces are sufficient according to the ESCO contract. If an independent verifier is to have added value, its participation must not generate excessive additional costs. If the ESCO were to bear the costs of the verifier, there should be a symmetrical additional benefit - e.g. a better credit score lowering the cost of capital. According to representatives of the banking sector, an independent verification of the effect would be of great importance when assessing the credit. Nevertheless, at the present stage of development of the ESCO market, there are a number of barriers, e.g. a different way of conducting tender procedures and a common understanding of the often complicated methodology of settling savings. The participants confirmed that an independent and credible arbitrator could play a positive role especially in the area of building investor confidence.
- The currently observed quality and accuracy levels of energy audits were assessed as most often insufficient to conclude a commitment in the ESCO formula on their basis. In the current situation, and ultimately, only the ESCO company can perform an audit that will be the basis for undertaking obligations in the ESCO formula. But the audit can be performed in two stages: at the initial stage, by another entity, the type of pre-audit needed to select an ESCO partner can be performed, and then a thorough audit which is the basis for the settlement of the effects. The pre-audit for ESCO purposes should necessarily be based on actual energy consumption and costs, which is not always the case with energy audits carried out in the general market.
- When defining the methodology for audits and settlements of ESCO contracts for the purposes of subsidy programs, participants suggest not to develop new solutions, but to incorporate existing methodologies - e.g. the IPMVP protocol (International Performance Measurement and Verification Protocol), which could be a reliable and comprehensive basis for estimating the baseline consumption energy, which is crucial in the context of the correct estimation of the

potential to reduce energy demand and the calculation of energy effects. At the same time, it is suggested to use the IEEFP (International Energy Efficiency Financing Protocol) when determining the rules for constructing ESCO contracts and their financing mechanisms. It was emphasized that contracts should be formulated in such a way that the implemented ESCO project does not block new undertakings, independent of the ESCO and introduced by the ESCO-recipient.

- It was indicated as a significant link between the settlement of the effects on heat and electricity at the same time, as it is crucial for newer buildings equipped with extensive building automation or HVAC and for facilities equipped with modern heat sources (e.g., heat pumps). It is also suggested to consider using PE (primary energy) as an effect indicator in support programs instead of only FE (final energy).
- It was formulated and assessed as an interesting idea of the percentage gradation of debt purchases as the generated savings are confirmed in the subsequent years of the contract. This is important in view of the longer time needed to verify the delivery of actual savings. Additionally, it may take more than one heating season / billing period to achieve the targeted savings. Carrying out further optimization procedures on a commissioned installation is most often possible only on the basis of conclusions from the monitoring. Often the operator of the installation (ESCO) is able to identify additional optimization opportunities based on observation of the actual parameters of the operating system and should be properly motivated to use them for the benefit of the beneficiary and his own. Additionally, it is worth considering insuring the long-term impact of price volatility of various energy carriers (guarantee of a minimum break-even point). In the case of modernizations involving the replacement of energy carriers (e.g., a gas boiler is replaced by an electric heat pump), there is a risk that the proportions of the prices of individual carriers will change irrespective of the ESCO company (e.g. electricity will become more expensive and gas will become cheaper). In this case, the savings generated may decrease without the ESCO fault.
- The preferred idea for ESCO and the natural demarcation with FTIR indicates that thermo-modernization investments could be financed from FTIR funds, and then the ESCO formula would cover investments in the modernization of the heat source and implementation of energy management systems.
- Participants signalled that there should be a distinction between different types of investors (private and public) - in terms of model contracts and procurement procedures. Local government representatives signalled the need to disseminate knowledge about ESCO contracts. A comprehensive information brochure, guidebook or roadmap would be valuable. An information / advice point would be valuable, where one could get answers to legal dilemmas, find out what financing options are currently available, etc.
- Expensive investments with long payback periods have been identified as currently unattractive for the development of ESCOs. ESCO works very well in the implementation of modern energy management systems (ICT systems monitoring and optimizing in real time the operation of HVAC systems and other energy-consuming systems) and the modernization of heat sources for facilities that have already undergone typical thermo-modernization. Currently, attractive clients for ESCOs are hospitals, swimming pools, military units, hotels and public utility buildings. Participants found that an ESCO for manufacturing companies does not currently require dedicated support.
- When implementing ESCO, a barrier was identified related to the access to the readout communication links of heat and gas meters. In the present state, heating and gas companies in

an arbitrary manner do not provide access to remote reading of existing meters. As a result, ESCOs are forced to install duplicate meters, which unnecessarily increase the costs of implementing an energy management system. It is postulated that the supplier of all energy carriers should be motivated to provide non-discriminatory access to data on energy consumption in real time. In addition, it seems justified to motivate heating companies to take actions in the ESCO formula as a natural evolution of their business model, which in the traditional form is becoming more and more unprofitable.

### 3.1.4 Survey results

The questionnaire was sent out to all participants, 30 responses were received which is 33%.

The survey contained six closed questions on a scale of 1 to 4, and one open question.

Average score:

Question	Average Assessment
1. How would you rate the event overall?	3,83
2. How would you rate the organisation of the event?	3,93
3. How would you rate the registration and communication prior to the event?	3,86
4. Did you like the on-line format of this type of event?	3,66
5. How do you assess the subject matter of the presentation and the scope of the discussion?	3,76
6. How would you rate the level of the discussions?	3,66

What topics do you consider to be most relevant to the next Round Tables?

- Visitors from abroad. Comprehensive Investor Service - interesting presentations.
- ESCO/EPC, increasing the quality of energy audits in the market - verification/accreditation
- Expanding the discussion on countering barriers to the uptake of the ESCO model.
- Ways of promoting the benefits of implementing measures to improve EE and RES and of informing about funding sources in order to reach the widest possible audience interested in the above-mentioned measures.
- Energy sandboxes - implementation of innovative RES solutions in the form of tests
- New ways of financing ee and ose in the next budget perspective, cooperation of energy agencies with advisors
- Promoting ESCO - excellent solutions for property and energy management
- It is worth extending the topic of crossover of financial instruments - an in-depth discussion on this topic may have an impact on stopping this practice.
- A continuation of all the themes undertaken.
- I believe that more topics related to the ESCO market should be covered.
- Conditions for creating a network of energy and financial advisers for investors
- Long-term Restoration Strategy and its effects
- Energy efficiency of the housing sector, RES in housing
- Financing of modernisation projects - sources of funding, rules for the use of subsidies by housing associations, housing cooperatives.
- ESCO



- It is worth considering the possibility of an online evaluation of individual instruments for the implementation of EE projects

### 3.1.5 Sources

<https://sape.org.pl/roundbaltic/>

<https://sape.org.pl/roundbaltic-pierwszy-okragly-stol/>

<https://roundbaltic.eu/first-national-roundtable-in-poland/>

### 3.1.6 Annexes

1. Attendance list
2. Proceedings
3. Survey results

## 3.2 Second National Roundtable in Poland

### 3.2.1 Date, venue and attendance

25<sup>th</sup> of May 2022, Warsaw Marriott Hotel (physical event).

Total	Financial sector	Government	Local governments	Experts
90	30	27	4	29

Government stakeholders representing:

- Bank Gospodarstwa Krajowego
- Ministry of Development and Technology
- Ministry of Climate and Environment
- National Fund for Environmental Protection and Water Management

### 3.2.2 Agenda

<p><b>9:15 – 10:45</b> Plenary session</p> <p><b>Opening:</b></p> <ul style="list-style-type: none"> <li>• <b>Polish Bank Association</b> - Mr. Krzysztof Pietraszkiewicz, President</li> <li>• <b>Embassy of the Kingdom of Denmark</b> - Mr. Ole Toft, Ambassador</li> <li>• <b>NFOŚiGW</b> - Mr. Przemysław Ligenza - President of the Management Board <i>Programs for financing energy efficiency by the National Fund for Environmental Protection and Water Management</i></li> </ul> <p><b>Introduction:</b></p> <ul style="list-style-type: none"> <li>• How REPowerEU will operationally affect support schemes related to the recognition that the principle: "energy efficiency first is becoming more important than ever and should be applied in all sectors and policies on the energy demand side as complementary to energy supply activities"?</li> </ul>
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- ("The energy efficiency first principle is more relevant than ever and should be applied across all sectors and policies, with demand response measures complementing those on the supply-side")
- Current European Union policy on financing energy efficiency - **Ms Małgorzata Pinault, European Commission, DG Energy**
  - The role of financial institutions in the implementation of the EE1 programme. The impact of using the GAR taxonomy on banks and other financial institutions - **Mr Bolesław Meluch, Polish Bank Association**
  - Summary of recommendations from the 1st Round Table and regional Round Tables and the status of their implementation - **Mr Andrzej Rajkiewicz, SAPE**

**11:00 – 12:30** Thematic sessions – presentations and introduction to the discussion

### **1. Integrated services for improving energy efficiency - "one-stop-shop-services"**

Moderator: Andrzej Rajkiewicz SAPE/NAPE

Rapporteur: Piotr Kazimierczyk FPE

- Development of integrated building renovation services in the EU. Models and support options – **Mr. Adrien Bullier, European Commission, Agency for Small and Medium-sized Enterprises (EASME)**
- An example of a multi-directional OSS involving financial institutions in Denmark - **Gate 21 (RoundBaltic project partner)**
- OSS initiatives in Poland supported by EU funds:
  - Bank Ochrony Środowiska - ELENA project at BOŚ - support for the preparation of investments improving energy efficiency, **Mr. Marek Szczepański, Director of the Department of Public Programs and EU Projects, BOŚ Bank**
  - BNP Paribas - Elena Fund for the modernization of multi-family buildings
  - KAPE/NFOŚiGW - EPC+ program, Modernization Fund
  - KAPE/NFOŚiGW – support for the modernization of the heating sector by the Elena Fund
  - KAPE - National Integrator of local government initiatives for the development of zero-emission hydrogen-powered public collective transport

### **2. Improvement of energy efficiency in SMEs**

Moderator: Marek Amrozy , NAPE SA

Rapporteur: Wojciech Stańczyk, KAPE SA

- Support for SMEs in improving energy efficiency with the use of EU funds - BGK
- Experience of a regional financial intermediary in supporting SMEs in the field of energy efficiency improvement - **Mr. Artur Piotrowski, President of the Management Board, Wschodni Fund**
- Banking experience in supporting SMEs using EU Elena funds - **BNP Paribas Bank**

### **3. Energy self-sufficiency - a response to the needs of citizens, municipalities, the country and Europe**

Moderator: Zbigniew Michniowski – SAPE, Association of Polish Cities

Rapporteur: Katarzyna Grecka - BAPE

- Possible scenarios of operation of a collective, virtual prosumer and support for the creation of civic energy communities - **dr inż. Andrzej Wiszniewski NAPE SA Polish representative of the H2020 Renaissance project**
- Energy clusters, how to strengthen them financially, how to reduce the costs of distribution of energy generated in clusters and delivered to cluster members on a local scale - **dr Sławomir Kopeć, AGH University of Science and Technology**, representative of the KlastER project implemented by AGH and financed by the National Center for Research and Development
- Financing the energy transformation of cities - solutions from Denmark

**15:15 – 16:00** Plenary session: summary of group work, conclusion and recommendations for the future

### 3.2.3 Main findings and recommendations

#### Session 1: Integrated services for improving energy efficiency - "one-stop-shop-services"

Most of the voices in the discussion pointed out that in the case of creditworthy investors, the financial offer, both commercial and containing elements of support, including subsidy and repayable, is relatively rich, as it seems sufficient, and there were even voices that it would be advisable to communicate the method of demarcation between individual sources in an accessible and transparent way, in order to avoid channelling leading to a lower use of available funds.

However, even in the case of this group of potential investors who, compared to residents who are socially, financially or energetically excluded, have relatively easier access to sources of financing, it was repeatedly emphasized in the discussion that, in accordance with the identification recorded in the presentation discussed in point 2.1, the effectiveness of activating its members to undertaking the difficult process of thermal modernization depends to a large extent on the proactive conduct of information, popularization and acquisition processes. Although information on possible and available sources of financing seems to be readily available, this impression may concern a small group of people involved in the discussed processes daily. However, from the point of view of most residents and even owners or managers of buildings, this information is sometimes difficult to find and use, and even its multitude may lead to difficulties deciding to abandon the investment.

With much more difficulty, this information reaches the second group of residents: those who can be included in one of the following categories:

- non-bankable - without creditworthiness,
- socially excluded,
- subject to energy exclusion.

Not only are there definitely fewer instruments for this social group, but also communication with this group requires even more direct forms, allowing them to be interested in energy efficiency. Without dedicated support instruments available for this group of residents, as well as without a direct message that they can improve the energy efficiency of their places of residence, which will result in an improvement in their living situation, it is difficult to imagine the effectiveness of even the best program addressed to them.

Both in the case of the presentation and the discussion, although attention was paid to the need to integrate advice and support at various stages of the energy modernization process, none of the presented models covered the entire process, and therefore was not really a one stop shop, but at most "almost one stop shop". Most of the models can be included in the category named in Mr. Adam Bullier's presentation "Advisory model". Relatively the least discussed models devoted attention to the issues of availability and internal organization of sufficiently integrated and organized executive teams in thermomodernization processes.

Many voices in the discussion formulated recommendations and postulates, which are summarized below:

- According to the observation constituting the "clue" of Mr. Adam Bullier's presentation, it is strongly recommended to support initiatives enabling, in the case of energy modernization of the housing stock, to cover residents at all stages of this process with integrated support that makes up a truly one stop shop.
- In the above context, in order for an individual resident to be effectively motivated to take advantage of the created offer, it seems indispensable to implement the requirement that when creating any solution, a test such as "user experience" – whether this solution is friendly, understandable, achievable for the entity/beneficiary of the project. In particular, this applies to:
  - Burden with formalities,
  - pre-financing charges,
  - The burden of coordinating many organizational aspects, including those related to execution.
- It seems necessary to increase financial outlays (and thus also support systems) for personnel training systems, both in information and consulting, as well as in performance.
- It has been repeatedly recommended to base aid schemes on the certification of contractors.
- The pool of funds to support thermomodernization projects, although large in relation to customers with access to commercial financing, seems insufficient compared to the planned scale of necessary investments - therefore it is recommended to supplement them.
- Instruments aimed at the segment of "non-bankable" residents require urgent remodelling, supplementing and expanding, which determines the inclusion of a significant part of the domestic stock of residential buildings used by representatives of this segment in the thermal modernization plan.
- In order to increase the effectiveness of information systems on available support measures, the costs related to proactively reaching out to residents and entities responsible for their housing resources should be included in the catalogue of eligible costs to a greater extent than before.
- In order to increase the interest of financial institutions, implementing institutions, local government units in programs addressed to residents of single-family houses, especially those with low financial capabilities, these programs should include systemic incentive mechanisms, perhaps related to the creation of structures grouping exposures or umbrella structures, because for most of the discussed institutions, individual projects with their small amounts of co-financing and total expenditures are not financially attractive enough by themselves to be prioritized compared to other larger-scale projects. Smaller programs (with smaller expected allocations) similarly: as they do not involve a sufficiently large turnover, they will be treated as strategically unimportant, and therefore displaced from operational plans at all levels - therefore, for their effective implementation, additional incentives are needed (perhaps "packing together" with other, larger programmes, as an element conditioning participation in profits from the latter; for example, banks supporting "clean air" could be obliged to actively participate also in "stop-smog").
- There is an unsatisfied demand for news that could familiarize potential investors and organizers of local support systems with both the potential contained in the KPO and the rules for the implementation of projects financed from public funds in the period 2021-2027.
- There is a need to correlate/scale the forms and intensity of aid to a greater extent in relation to communes, with their needs and capabilities – this is a condition for social cohesion (equalizing opportunities).

- Efficiency First' principle, apart from being repeated as a valid slogan, should also become an operational decision-making criterion at all levels of project planning and financing, otherwise it will only remain a slogan.
- In particular, the above-mentioned EE1 principle should, as in the previous programming period, be linked to the exclusion of projects leading to energy savings from the category of projects generating income (or savings) excluded from support schemes for this reason.
- Since the price criteria often lead to choices related to the reduction of environmental effects and the reduction of quality resulting in an increase in the level of risk and/or a decrease in the durability of results, it is necessary to create mechanisms enabling the selection of projects more expensive than others in the cases of:
  - justified by increased social requirements, such as the requirements of monument conservators or requirements related to the social function of the building,
  - characterized by a particularly high level of quality/professionalism guarantees (e.g. based on energy audits, in the OSS formula with the participation of certified control teams, or by professional ESCO companies operating in EPC schemes).

## Session 2: Improvement of energy efficiency in SMEs

During the discussion, an attempt was made to respond to the challenges and barriers appearing at three stages of the process of increasing energy efficiency in SMEs, i.e.: 1 identification of modernization needs 2. investment financing 3. technical implementation of the project.

In the first part, the participants considered whether the market serving energy efficiency (hereinafter referred to as EE) is adapted to the scale of SMEs? What are the barriers and solutions in identifying and preparing EE investments in the area of SMEs?

(the result of a statistical survey was quoted: only 30% of SMEs see areas of energy efficiency improvement and only 11% declare that they have carried out an audit in recent years)

As a result of the discussion, the following conclusions were formulated:

- Education is needed for enterprises in the field of energy efficiency - there is a need to popularize basic concepts such as "energy service", MWh, energy carriers, etc. necessary for more efficient communication with market participants
- It is also necessary to simplify the language for common communication (levelling the differences between the technical language of energy auditors and the language of entrepreneurs
- It has been noticed that audit companies from the SME environment are also SMEs, often with low financial liquidity and are not able to develop complex technical concepts free of charge in the sales process - subsidized energy audits can be a good protection of the interests of engineers-auditors and reducing the entry barrier for SMEs-customers
- Companies often do not want to pay for the audit because they do not believe in the final effect - there is a need to popularize good examples, which should build the conviction that ordering audits is justified. Nevertheless, it should be noted that simple mechanisms to subsidize "free" audits can be a trap - auditors may concentrate on "producing" audits instead of preparing real investments. This risk should be carefully considered when designing the audit funding mechanism, e.g., through verification mechanisms.
- Intermediation of banks in reaching SMEs is very useful (as public trust institutions that already have relations with companies)

- When designing support mechanisms encouraging the implementation of energy audits, care should be taken to ensure their universality, to minimize their diversity and make them understandable to a group of advisors (financial or technical), who, having learned new products, will in fact be both sellers and popularizers of the idea of energy efficiency energy. That is, a situation in which, for example, one type of unified co-financing would be the basis for an offer of a wide range of institutions on similar terms, would be preferable. In such a situation, the promotional activities of all participants could have a synergistic effect on the market. An important factor is also the stability of support mechanisms, so that the institutions involved in market service have enough time to consolidate knowledge among the network of advisers.
- Engineering (i.e., energy and economic analyses) of repetitive EE projects can be centrally automated and constantly developed within financing institutions - similarly to the list of pre-qualified LEME energy-efficient devices in the PolSEFF program, so as to reduce transaction costs and increase their popularity and availability.
- There is a need to standardize the rules for performing energy audits between various financing institutions. Currently, there is too much variation in requirements across regions and programmes.
- Financial institutions do not see the need to introduce excessive restrictions on the verification of energy audits - this may hinder the popularization of EE support programs. Nevertheless, in order to maintain the qualitative component of modernization, it is necessary to verify energy audits, but it is preferable to verify the percentage (e.g. 10%) of the investment, in a possibly simplified way, e.g. as it was implemented in PolSEFF. It is also important that the verification is carried out on a continuous basis and not at the end of the program, so that it is possible to react on an ongoing basis, correct any irregularities and avoid the accumulation of risk after spending a large pool of funds.

In the second part, participants considered what support mechanisms are most appropriate for SMEs? What current forms of financial support for the ee market in SMEs are the most effective?

(the result of a statistical survey was quoted: 84% of SMEs have not heard of energy efficiency support programs and only about 1% declare that they have benefited from such a program)

- Problems with the currently popularized rules of support mechanisms have been noticed, consisting in calculating co-financing in relation to eligible investment costs, while a more effective and transparent method is the "energy effect purchase" applicable, for example, in the "white certificates" system. Calculating the amount of co-financing on the basis of the energy effect would naturally promote investments bringing high energy savings at low investment costs, which should be considered beneficial for the overall efficiency of the economy. While calculating the amount of co-financing based on the amount of the investment cost may generate impulses to unjustified increase of the cost of the investment covered by co-financing, and consequently requires greater efforts at the stage of controlling the correctness of spending the funds. However, it was noted that at the moment it is impossible to change the rules of the programs planned for the nearest financial perspective.
- PolSEFF program - a simplified procedure with a low level of co-financing turned out to be a recipe for high popularity of the program for 3 years, which is not always achieved with a complicated procedure despite higher levels of co-financing.
- The problem of restrictions on the subject of investment in individual programs was noticed (e.g., only thermal modernization, only PV, etc.). Not imposing the types of subsidized modernization can increase the innovativeness of ways to achieve energy efficiency.
- It was noted that in a number of financial instruments, combining the possibility of obtaining "white certificates" with loan mechanisms gave an opportunity to popularize the program. In the case of

combining support, however, verification of double financing is needed, which can be helped by CROEF (Central Register of Final Energy Savings)

- It has been noticed that the lack of unified performance indicators for financial institutions (POIS, Regional Funds) causes an increase in risks and difficulties for applicants
- Fragmentation of programs on a regional, local, etc. scale. makes it difficult to reach customers. As a result, entrepreneurs do not know what products are available. Remedy - standardization of financial products dedicated to SMEs - e.g., one nationwide product (recognizable) - different distributors (many channels to reach the customer)
- It is recommended to engage various types of financing entities - e.g., banks have more restrictive requirements regarding risk, so they will not serve some SMEs or the cost of securing capital will be unattractive, but this gap can be filled by loan funds.
- Sustainability of financial programs is crucial with the support of SMEs, as most programs require market adjustment in the first years and the effects achieved are usually lower in the initial period (in the first 2-3 years)

In the third part, the participants considered methods to facilitate the technical implementation of investments on an SME scale - that is, how to prepare the market for the implementation of many projects on a smaller scale.

(the result of a statistical survey was quoted:  $\frac{2}{3}$  of enterprises declare that energy costs are a significant item in the company's costs (as of 2019, before significant increases in energy prices), but only 6% declare that they have reduced consumption in recent years due to the investments made)

- Representatives of the financial sector have noticed that it is not what is "good" that sells well, but what is "well sold" - therefore, it is necessary to offer products and solutions that are easy to use, understandable, beneficial and safe for financial institutions.
- To increase confidence in the achieved effects, it is worth considering the aggregation of various EE programs and solution providers in one place - i.e., in a "one-stop-shop" formula. In addition, in this model, as in the case of the previously mentioned audit support instruments, verification should be based on the achieved implementation results.
- Since representatives of SMEs are usually unable to devote much time to analyzing the unknown details of modernization projects, possibly comprehensive services are preferred (e.g., construction and subsequent operation of the installation and guarantee of the results obtained). This means the need to develop the ESCO market on a scale suitable for SMEs.
- High fragmentation and a large number of SME entities require an adequately developed market of energy auditors and solution providers. This means the need for an evolutionary and systematic "market building" - e.g., in a manner similar to the main national mechanism supporting the thermal modernization of residential buildings, i.e. starting from intensive training of auditors, through a stable and standardized (statutory) financial support mechanism. So as to create unchanging market incentives for the largest possible group of business entities to expand their services with energy auditing and implementation of modernization in the SME sector. Maintaining the stability of the "white certificates" mechanism is conducive to such a defined strategy.

### **Session 3: Energy self-sufficiency - a response to the needs of citizens, municipalities, the country and Europe**

The introduction to the discussion was introduced by Mr. Zbigniew Michniowski.



Energy self-sufficiency should ensure energy security, sustainable development and innovative solutions. Activities within the broadly understood energy transformation aimed at self-sufficiency should cover the supply, demand and transmission sides. The essence here is to reduce losses, especially in the field of thermal modernization and optimization of the energy mix - qualitatively and quantitatively. The very focus on energy production to meet the needs of a household (e.g., as part of the prosumer concept), a community, a district of a commune or a district significantly reduces the transmission and thus reduces the associated losses.

We can also talk about energy self-sufficiency on a national or continental scale, but political and economic considerations are decisive here. Satisfying energy needs, specifically the supply of heat, light or kinetic energy, must be considered in the context of meeting material needs, including energy carriers such as fuels. This is included in the energy law, specifically the "Assumptions to the supply plan ....", as well as the "Supply plan ...." itself, imposing obligations on local self-government authorities. Thus, the dependence and optimization of the supply of materials and emissions is recognized by local management based on a set of normative acts constituting information that also takes into account the principle of sustainable development. In the face of the existing economic and political situation, focusing on innovation is an absolute necessity to dynamise activities in the field of local needs. Accelerating the transformation is required by the climate protection acts approved under the European Union and global programs - a significant reduction in greenhouse gas emissions.

The degree of energy self-sufficiency should be considered in the area balancing supply and demand, considering the use of local biofuels - biomass and biogas, especially waste, as well as solar energy, waterfall, wind and geothermal energy. The motto should be: "Let's make the useless useful."

Energy storage should be an extremely important element of the energy self-sufficiency model. The transformation must be supported by climate policy programs at European level. Implementation projects based on funding sources are the essence of the RoundBaltic project,

1. During the discussion, the participants discussed the aspects of creating and functioning of energy clusters as a very effective way of managing the production and use of energy in each area. It was emphasized that the current legislation does not regulate the issue of clusters in detail. On the one hand, it allows for greater freedom of action and marketization of solutions, and on the other hand, it raises several doubts.
2. It was pointed out that distributed energy sources should not be understood only as micro-installations on the roofs of buildings, but above all, larger-capacity installations - e.g., a 28 MW PV farm.
3. The issue of the cluster initiator was discussed. For example, the initiator may be, for example, an investor who builds and will be the owner of the installation, who will replace the existing electricity supplier and will earn money on this installation; it may be a separate company that is the creator of the cluster.
4. In general, the idea is for clusters to contribute to the reform of the energy system.
5. The added value should be not only energy, but also a social revolution.
6. What are the benefits of joining clusters for municipalities? These are:
  - Higher land taxes
  - Attracting investors who want to use "green energy" to the commune
  - Discouraging bad investment touts from the commune, as potential investors are directed to contacts with the cluster
7. In the planning documents, do not make provisions excluding the construction of RES (e.g. prohibiting the construction of PV farms). Withdrawal from such provisions is a difficult, time-



- consuming and costly process. On the other hand, records should be made about the technologies of the future - e.g., hydrogen ones. An argument attracting potential investors would be clear provisions in the commune's strategy and local development plan. indications for the use of RES.
8. From the list of registered energy clusters, about 40 remain on the market, and 10 of them are implementing the so-called Zgorzelec model.
  9. During the discussion, the aspect of the impact of the war in Ukraine on the energy transformation process was also discussed. The availability of materials for the construction of RES and the increase in the prices of materials and equipment have become a problem. Another problem is the outflow of workers from Ukraine from the construction and installation sector.
  10. Residents are concerned about the replacement of solid fuel boilers and withdraw from contracts for the replacement of old-type coal-fired boilers and switching to gas, heat pumps and PV installations.
  11. The issue of building low-energy model houses was also raised to encourage society to invest in deep modernization and ecological energy sources.
  12. The current situation of destabilization of energy transformation programs related to a significant change in energy and fuel costs requires a new approach to optimizing the energy mix, differentiated by local conditions. The basis must be a new energy and climate strategy on a national and European scale, but the concept of energy self-sufficiency is gaining even more importance.
  13. So far, our country's asset is well-developed heating networks, with more than 80% of them being supplied from coal-fired heating plants or combined heat and power plants. In view of the adopted programs of reducing and then eliminating coal in the coming years, we must prepare projects of deep restructuring of the domestic heating sector today.

### 3.2.4 Survey results

The questionnaire was sent out to all participants, 17 responses were received which is 18%.

The survey contained six closed questions on a scale of 1 to 5, and one open question.

Average score:

Question	Average Assessment
1. How would you rate the event overall?	4,8
2. How would you rate the organisation of the event?	4,8
3. How would you rate the location (Marriott Hotel)?	3,7
4. How do you rate presentations in plenary session?	4,8
5. How do you rate presentations in thematic session?	4,8
6. How would you rate the level of the discussions?	4,5
7. How do you rate the moderator and rapporteur role?	4,5

What topics do you consider to be most relevant to the next Round Tables?

- Continuation of these topics
- Energy efficiency of buildings - good examples of financing, concrete benefits and financing.
- Energy self-sufficiency of communes, housing communities and housing cooperatives
- greenwashing and how to evaluate a project in terms of its "greenness"

- Analysis of case studies and implementations. Relationship with the energy and climate policy of the country and Europe
- Possibilities of using available financial resources in practice, examples.
- Energy transformation, energy self-sufficiency of municipalities
- Innovative systems for financing energy efficiency and developing standards and guidelines for financing institutions at the national level

### 3.2.5 Sources

<https://sape.org.pl/roundbaltic/>

<https://sape.org.pl/roundbaltic-drugi-okragly-stol/>

<https://roundbaltic.eu/second-national-roundtable-in-poland/>

### 3.2.6 Annexes

1. Attendance list
2. Proceedings
3. Survey results

## 3.3 Third National Roundtable in Poland

### 3.3.1 Date, venue and attendance

29<sup>th</sup> of June 2023, Warsaw, Hotel InterContinental, Warsaw Marriott Hotel (stationary)

Total	Financial sector	Government	Local government's	Experts
95	33	12	10	40

Government stakeholders representing:

- Bank Gospodarstwa Krajowego
- Ministry of Development and Technology
- Ministry of Climate and Environment
- Ministry of Finance and Regional Policy
- National Fund for Environmental Protection and Water Management

### 3.3.2 Agenda

**9:15 – 10:45** Plenary session

**Moderator** Mr. Szymon Liszka – President of the Management Board of SAPE, President of the Management Board of FEWE

Opening:

- **Mr. Szymon Liszka** - President of the Management Board of SAPE,
- **Mr. Włodzimierz Kiciński** – Vice-President of the Management Board, Polish Bank Association

## Introduction:

1. **Barriers in reaching beneficiaries of support for EE projects in buildings, SMEs and local governments**  
Mr. Szymon Liszka - national level, Mr. Andrzej Rajkiewicz - regional level
2. **Advancement of the introduction of energy classes to EMS in the context of RePower EU, (15% of buildings are to be upgraded from class G to a higher one), use of ECHE in investment financing processes**  
Mr. Andrzej Kaźmierski Director of the Department of Low-Emission Economy, Ministry of Development and Technology
3. **EEFiG 14B Working Group "Energy efficiency first" - Application of energy efficiency principles primarily in sustainable financing**  
Mr. Bolesław Meluch, Expert Team for Public Programs and Economic Environments, Polish Bank Association
4. **Data, information and disclosures related to sustainable development from the perspective of financial institutions information standard for financial institutions**  
Mr. Norbert Jeziolowicz , Director of the Retail Banking and Financial Markets Team, Polish Bank Association
5. **KPO funds for transformation energy**  
Ms. Monika Dołowiec, Deputy Director of the Strategy Department, Ministry of Development Funds and Regional Policy
6. **Conditions facilitating the mobilization of private and public funds at the local level to improve and increase the share of RES (energy clusters, tenant prosumer)**  
Mr. Łukasz Tomaszewski, Director of the Department of Renewable Energy Sources, Ministry of Climate and Environment

**11:00 – 12:30 Parallel thematic sessions: presentations and introduction to the discussion****Session 1: Sustainable Finance - the impact of the EU environmental taxonomy on financial institutions and businesses**

1. **Energy shock - business reaction and transformation support for banks on the example of ING Bank Śląski SA**  
Mr. Leszek Kąsek, Senior Economist, Sustainable Development, Macroeconomic Analysis Office, ING Bank Śląski SA
2. **Sustainable development reporting in accordance with the CSRD Directive and ESRS standards - will financial institutions be provided with complete information on the energy efficiency of enterprises?**  
Piotr Biernacki, ESG Reporting Partner - MATERIALITY, Member of Sustainability Reporting TEG - EFRAG, Chairman of the Sustainable Development Committee - Association of Listed Companies
3. **Verification of data disclosed under non-financial reporting**  
Mr. Mikołaj Potocki, Bureau Veritas
4. **The role of financial institutions in standardizing data generated by bank customers on an example Bank Santander SA**

Mrs. Zofia Piwowarek , ESG Chapter Leader, Tribe ESG & Home Solutions, Santander Bank Poland

#### **Session 2: One-Stop-Shop (OSS) as a new instrument for the implementation of the EPBD**

1. **Czech experience with the purchase of receivables from energy efficiency improvement contracts** Mr. Robert Pernetta , Climate Finance Advisor, European Investment Bank
2. **The need to introduce a guarantee and debt purchase scheme for ESCO companies in the context of the results of the FinEERGo Dom project - advisory function** - Mr. Marek Tobiacelli , National Energy Conservation Agency SA
3. **The results of the pilot of the EPC+ Program and its prospects** - Mr. Piotr Obłąkowski, NFOŚiGW
4. **Experiences and perspectives of financing energy efficiency with the support of ELENA** - Mrs. Anna Nikodemka-Minota, BOŚ Bank
5. **Key challenges related to the implementation of OSS in Poland** - Mrs. Justyna Glusman, Fala Renowacji

#### **Session 3: How to effectively use support instruments for energy transformation**

1. **The new version of the TERMO program - support instruments and current effects**  
Ms Magdalena Czerska, Director, Office of the Thermomodernization and Renovation Fund, Department of Housing Funds, Bank Gospodarstwa Krajowego
2. **InvestEU Financial Instruments for Energy Transition**  
Mr. Arkadiusz Lewicki, Director of the National Contact Point for EU Financial Instruments, Polish Bank Association
3. **Social Climate Fund - perspectives of use**  
Mr. Aleksander Śniegocki, Institute of Reforms
4. **International initiatives supporting local government units in energy transformation and cooperation with investors**  
Ms. Sylwia Słomiak, expert on projects and partnerships in the energy and climate sector; representative of the European City Facility and Eurocities
5. **The role of civil society in shaping funds for the energy transition**  
Mr. Cezary Czamplik , Polish Green Network

### **3.3.3 Main findings and recommendations**

#### **Session 1: Sustainable Finance - the impact of the EU environmental taxonomy on financial institutions and businesses**

Awareness and competence in the disclosure of data necessary to establish “greenness” / taxonomy compliance currently exists mainly among large, listed companies. The expected problem will be a huge competence gap in the SME segment. However, some banks are already starting to require taxonomy compliance information from their customers, also from the SME sector, to assess the loan application. However, this type of evolutionary process may turn out to be inadequate to the pace of necessary changes. For example - during the discussion, BNP Paribas was identified as one of the banks that already determine the level of interest rates on the impact on the environment. Also Bank Millennium has an internal procedure for identifying "green" investments. In the light of this type of procedure, the company's strategy and the

client's commitment to achieving ESG goals are taken into account for working capital financing. For project financing, the type of specific investment and its impact on the environment are assessed.

Various tools and guides are available to assist with taxonomy compliance assessment. For example, there is the "Klimada 2.0" website (<https://klimada2.ios.gov.pl/>) where data on types of climate risk are compiled, which can be helpful in estimating the risk related to, for example, adaptation to climate change. For example, on the BGK website under the RES grant tab (<https://www.bgk.pl/krajowy-plan-odbudowy/grant-oznaczenie/#c26363>) there is a guide on the standard for assessing buildings in terms of requirements for compliance with the investment taxonomy. They are described in: "[Guide for investors implementing housing investments financed with KPO funds](#)". At the EU and national level, there is a Sustainable Finance Platform, which is to develop sectoral requirements for compliance with the taxonomy for various types of economic activity (<https://www.gov.pl/web/rozwoju-technologie/zrownowazone-financing>).

Banks, as stronger entities, may be entities that will prepare models for determining the scope and form of information obtained from borrowers needed to determine compliance with the taxonomy. Currently, banks independently and individually develop such rules. It would be reasonable to act together and define standardized rules so that, among others, maintain comparability of results and competitiveness of different loan offers. On the other hand, the development of common standards will make it easier for borrowers (especially SMEs) to use financial products of different institutions, as it will avoid the need to prepare different sets of information (surveys) from different banks. BIK (Credit Information Bureau) has been raising the initiative to develop a joint ESG survey for several months. Nevertheless, some banks that already have their own customer survey procedures to obtain general information express the opinion that it may be difficult to integrate the result of their work so far into a universal survey concerning only ESG issues. Due to the dynamics of regulatory changes and the multitude of indicators, companies tend to simplify the scope of information, which raises the risk of losing some important data that may prove necessary in the future, e.g., as a result of further regulations. It is recommended not to limit the scope of information when creating customer survey procedures. The Polish Bank Association should undertake work in this area.

It was decided that banks should shoulder some of the new obligations related to taxonomy, i.e., market education, building tools for calculating emissivity - especially for the SME sector, and above all, effective financing of the transformation of the dominant part of the economy.

There is a need to build a database of information on the fulfilment of taxonomy criteria by different types of activities. ZBP seems to be a natural candidate to run such a database. During the discussion, a concept was put forward to enter data on facilities co-financed by, for example, the National Fund for Environmental Protection and Water Management in the database managed by the Polish Bank Association in order to facilitate credit assessment by banks. It was also noted that there are currently various other databases - e.g., Central Register of Emissions of Buildings, Central Register of Energy Performance of Buildings, etc., which are not functionally connected with each other, so they do not give the opportunity to use natural synergies. It is recommended to undertake works aimed at functional connection of the existing and newly created databases in this scope.

Reliable information is needed to maintain the correctness of the risk assessment. This is an even more crucial aspect as some of the available information, e.g. contained in energy performance certificates for buildings, may be of varying quality. Perhaps the financial/insurance sector should take a more active part in quality control of the information provided as part of the so-called "derisking".

It is worth considering the implementation and popularization of standardized "microproject" solutions that facilitate and reduce the transaction costs of financing typical investments - e.g., in the form of a predefined list of "green devices", which could be financed, for example, from preferential leasing. Such solutions have

already been developed on the domestic market as part of projects such as PoSEFF or Green Initiative organized by the EBRD and EIB.

It is worth considering defining standardized carbon footprint levels for buildings, so that such an indicator could become the basis for assessing mortgage loans in terms of ESG. The developer should be responsible for determining compliance with the taxonomy, who should provide the end customer with information whether the building is compliant with the taxonomy or not.

At the moment, there is a fear that the market will not be able to cope with reporting new duties in the first period, because a gap is being identified in the availability of staff with appropriate competences, so there is an urgent need to train a lot of new specialists. It is recommended to urgently inspire the educational market in this regard.

The carbon footprint and taxonomy compliance impulses are becoming more visible, both from younger customers of credit products, from corporations to their supply chain, from the financial sector (GAR co.) to institutional customers, from investment funds, and a number of other directions - so the trend seems to be unambiguous and irreversible. In addition, it was indicated that, for example, in the field of consumer products, an amendment to the eco - design regulation is at the stage of consultations, introducing the obligation to label products with a code, after scanning which the customer will be able to read, among others, with the carbon footprint of the product. This will be another element of the megatrend affecting enterprises and, consequently, the financial sector.

## **Session 2: One-Stop-Shop (OSS) as a new instrument for the implementation of the EPBD**

The most important issues raised during the discussion:

1. No central coordinating center, no coordination of different centres:
2. The owner of the process is the Ministry of Development and Technology (energy efficiency within the meaning of the implementation of the directive is the Ministry of Culture and Environment). However, even there, different aspects are under different departments (different responsible persons).
3. Fragmentation of public support programmes
4. Different rules and requirements make it difficult to submit the same investment to different support schemes. The need for cooperation between various groups of market actors, e.g. architects, construction designers.
5. No energy class system
6. Energy classes should be introduced by law. The level of subsidies for thermomodernisation should depend on the upgrade to a higher class.
7. Weakness of public-private partnership
8. Debt purchase. Local governments are not interested in EPC because it is included in public debt just like a loan. If debt is purchased, it is included in the debt limit.
9. In the case of public-private partnership, the public party considers only CAPEX costs, there is no awareness of financial and operating costs (in local governments the operating budget is separated from the operating budget).
10. EPC must be accompanied by energy management.
11. Certification of companies under the OSS
12. Such light certification is in the case of ELENA BOŚ - the initial selection of companies that implement documentation for investments.

13. Create artist lists? It depends on the scale of the market; at the commune or private level everyone is known and knows how they work at this level we are rather talking about identifying companies implementing investments.

#### **Summary of the main recommendations**

1. The need to appoint one center - the owner of the project and the person responsible, strengthening the function of, for example, the president Mirowski from the National Fund for Environmental Protection and Water Management (currently the energy efficiency representative) in the rank of secretary of state; creation of an inter-ministerial committee for energy efficiency).
2. Standardization of technical requirements and standardization of documents for various support programs, e.g., energy audit.
3. The need to improve the qualifications of employees as well as cooperation between various groups of professions.
4. The need to introduce energy classes of buildings and make the level of support dependent on the achievement of the next class.
5. One database on the energy efficiency of buildings: integration of CEEB, the database of energy performance certificates for buildings, so that information related to the topic is generally available in one place.
6. Intervention of the Ministry of Finance needed - change of regulations that will exclude EPC contracts from the debt limit.

#### **Session 3: How to effectively use support instruments for energy transformation**

1. Despite the increase in the amount of available funds under support programs caused by the increase in investment costs, to achieve the climate and energy goals by 2030, it will be necessary, first of all, to engage private capital and become independent from financial support instruments.
2. The use of support for the renovation of municipal buildings by local government units is difficult due to the condition that the commune has 100% of the housing stock. Usually, some apartments belong to the resources of communities and are private property, thus making it impossible to receive financial support (in accordance with current requirements).
3. Polish local governments can take advantage of the opportunities created by participation in international competitions and effectively implement such projects. It is indicated that one of the biggest challenges for local governments is the lack of suitably qualified staff who could obtain funds and implement an international project. Another challenge for local governments is the lack of appropriate adjustment of the structure and objectives of the project, which should primarily bring international value. Currently, most Polish local governments act as partners, thanks to which they gain experience that is crucial for taking further initiatives. The importance of understanding and using basic concepts used in European competitions, as well as skillfully integrating them into the structure of the grant application (e.g. indicators, theory of change) is also emphasized.
4. In order to build and maintain public awareness of available forms of support, it is worth supporting and adapting existing programs in the long term to maintain coherence and continuity of activities (e.g. using new sources of financing to support existing programs).
5. There are many instruments dedicated to financing projects implemented by small, micro and medium-sized enterprises. At the same time, the energy transformation also poses a significant challenge for large companies that struggle with the lack of available aid programs in this area.



### Summary of main recommendations

1. For the effective implementation of energy transformation projects, the most important thing is to educate the public and create platforms for exchanging knowledge and experience in the field of implemented projects.
2. At the same time, in order to maintain the recognition and consistency of support programs, it is worth considering using permanent program names in subsequent editions and revisions.
3. It may also be helpful to launch pilot projects to check their suitability for a wider group of investors and entities cooperating in this area.
4. Promoting international projects and encouraging national entities (e.g. local government units and companies) to participate in pan-European consortiums should also play an important role. Moreover, an important step in using the potential of entities and their participation in transnational projects may be investing in the development of individuals' competences, especially in the context of obtaining grants. Additionally, employing a person qualified in the field of energy may also be valuable for the implementation of a number of design processes related to transformation.
5. A key step related to the Social Climate Fund is the early start of work on the Social Climate Plan consistent with other strategic documents (e.g. NECP, PEP2040).

### 3.3.4 Survey results

The questionnaire was sent out to all participants, 25 responses were received which is 26%.

The survey contained nine closed questions on a scale of 1 to 5, and one open question.

Average score:

Question	Average Assessment
1. How would you rate the event overall?	4,9
2. How would you rate the organisation of the event?	4,8
3. How would you rate the location (Marriott Hotel)?	4,9
4. How do you rate presentations in plenary session?	4,5
5. How do you rate presentations in thematic session?	4,5
6. How would you rate the level of the discussions?	4,3
7. To what extent do meetings at the Round Table have a real substantive value in your work?	4,1
8. To what extent do you think that the Round Tables are useful as a form of dialogue between the stakeholders of the energy efficiency financing market?	4,4
9. Would you be willing to take part in the Round Table if it was a paid event? If so, what fee would be appropriate?	3,7

### 3.3.5 Sources

<https://sape.org.pl/roundbaltic/>

<https://sape.org.pl/roundbaltic-trzeci-okragly-stol/>

<https://roundbaltic.eu/third-national-roundtable-in-poland/>



### **3.3.6 Annexes**

1. Attendance list
2. Proceedings
3. Presentations

## 4 Latvian National Roundtables

### 4.1 First National Roundtable in Latvia

#### 4.1.1 Date, venue and attendance

The first National Roundtable was held on-line over two days: **on May 6 and May 7, 2021**. On the first day, there were parallel workshop sessions open to anyone interested, but they were not public and were not broadcasted on any social media. The intention was to make the participants feel more free and secure to speak out and discuss important issues. The discussions took place in the following parallel workgroups:

**Workgroup 1:** May 6, 2021, 10:00 a.m.–01: 00 p.m. The public sector

**Workgroup 2:** May 6, 2021, 10:00 a.m.–01: 00 p.m. The housing sector

**Workgroup 3:** May 6, 2021, 10:00 a.m.–01: 00 p.m. The SME sector

Given the COVID-19 pandemic, all the events had to be organized remotely in virtual space. The organizers, therefore, had to consider the structure and format of the event itself, so that it would be as effective as possible and held with an emphasis on the discussion itself rather than speeches or presentations, keeping in mind that the exact goal of RoundBaltic was to hold discussions between equals and come up with recommendations and ideas that could be discussed further. The event took place over two days, and it was decided to have parallel workgroup discussions on specific topics on the first day, so that the recommendations and proposals from the parallel sessions could be presented on the second day to an audience of policymakers, industry experts and officials responsible for the specific area on a national scale and their respective views and responses heard out. There were **118** participants from **70** organisations registered for the event.

Total	Financial sector	Government	Other
118	29	66	23

Governmental organisations represented:

- Ministry of Economics
- Ministry of Finance
- Procurement Bureau
- Central Finance and Contracting Agency
- Ministry of Regional Development and Local Governments
- Vidzeme planning region
- Kurzeme planning region

## 4.1.2 Agenda

<b>Roundtable discussions: May 6, 2021</b>	
<b>09:30 a.m.</b>	Registration of participants and their assignment to sessions.
<b>10:00 a.m.</b>	<p><b>Presentations and roundtable discussions on attracting private funding for financing energy efficiency in Latvia</b></p> <p><b>1. The public sector</b></p> <p>The purpose of the Roundtable: Recommendations on addressing specific factors that are still missing or cause disruption for promoting and applying the ESCO model in the public sector. <i>Moderator: Gundars Rēders, journalist</i></p> <p><b>Introductory presentations for the discussion:</b></p> <ul style="list-style-type: none"> <li>• <b><i>Opportunities and challenges of the PPP and ESCO model for energy efficiency.</i></b> Central Finance and Contracting Agency. Mārtiņš Brencis, Deputy Director for Development of the European Union Funds' System</li> <li>• <b><i>Experience with ESCO implementation in Latvia: the tasks to be accomplished</i></b> RCG LightHouse, Kaspars Osis, Chairman of the Board</li> </ul> <p><b>2. The housing sector</b></p> <p>The purpose of the Roundtable: Recommendations on introducing specific motivational factors for homeowners in energy efficiency policies <i>Moderator: Armands Gūtmanis, Meta Advisory</i></p> <p><b>Introductory presentations for the discussion:</b></p> <ul style="list-style-type: none"> <li>• <b><i>A breakthrough in the energy efficiency of apartment buildings in Riga.</i></b> Riga Energy Agency, Jānis Ikaunieks, Director</li> <li>• <b><i>An alternative model for the renovation of apartment buildings.</i></b> Liepāja City Municipality Administration, Mārtiņš Tidens, Deputy Executive Director (for property issues)</li> </ul> <p><b>3. The SME sector</b></p> <p>The purpose of the Roundtable: Recommendations on how to attract private investors for energy efficiency projects in SMEs <i>Moderator: Eddie Bosch, journalist</i></p> <p><b>Introductory presentations for the discussion:</b></p> <ul style="list-style-type: none"> <li>• Edijs Kupčs, <i>Head of Industrial Companies' Customer Service Unit, Swedbank AS</i></li> </ul>
<b>11:30 a.m.</b>	<b>Short break</b>
<b>12:00 a.m.</b>	<b>Continuation of the discussion and summary of the conclusions from the parallel sessions</b>
<b>13:00 a.m.</b>	<b>Final remarks</b>

<b>Panel Discussions: May 7, 2021</b>	
<b>10:00 a.m.</b>	<p><b>Opening remarks: moderator Armands Gūtmanis, Director of Meta Advisory</b></p> <p>Welcome to the participants and overview of the current situation regarding financing of energy efficiency in Latvia</p> <p><i>Sanita Bajāre, President of the Finance Industry Association</i></p> <p><i>Mārtiņš Zemītis, European Commission Representation in Latvia, economist</i></p> <p><i>Alda Ozola, Deputy State Secretary of the Ministry of Environmental Protection and Regional Development</i></p> <p><i>Edijs Šaicāns, Deputy State Secretary of the Ministry of Economics</i></p> <p><i>Reinis Bērziņš, Chairman of the Board, Altum</i></p> <p>Q&amp;A session</p>
<b>11:30 a.m.</b>	Short break
<b>12:00 a.m.</b>	<p>Briefing of the participants regarding the discussions at each of the parallel sessions</p> <p>Panel Discussions:</p> <p><b>PUBLIC SECTOR DISCUSSION PANEL</b></p> <ul style="list-style-type: none"> <li>• <i>Raimonds Kašs, Ministry of Environmental Protection and Regional Development, LOCUS Director of the Climate Change Department</i></li> <li>• <i>Artis Lapiņš, Procurement Monitoring Bureau, Manager</i></li> <li>• <i>Kaspars Osis, RCG LightHouse, Chairman of the Board</i></li> <li>• <i>Jānis Ikaunieks, Riga Energy Agency, Director</i></li> <li>• <i>Gatis Kalniņš, AS Swedbank, Project Finance Manager</i></li> </ul> <p><b>HOUSING SECTOR DISCUSSION PANEL</b></p> <ul style="list-style-type: none"> <li>• <i>Gatis Silovs, Ministry of Economics, Head of the Energy Financial Instruments' Unit</i></li> <li>• <i>Selina Vancāne, Riga City Council, elected member</i></li> <li>• <i>Ilze Kukute, AS Swedbank, Head of the State and Municipal Customers' Service Unit</i></li> <li>• <i>Mārtiņš Tīdens, Liepāja City Municipality Administration, Deputy Executive Director</i></li> <li>• <i>Gints Miķelsons, Latvian Construction Contractors Partnership, manager</i></li> </ul> <p><b>SME SECTOR DISCUSSION PANEL</b></p> <ul style="list-style-type: none"> <li>• <i>Edijs Kupčs, Swedbank AS, Head of Industrial Companies' Customer Service Unit</i></li> <li>• <i>Katrīna Zariņa, Latvian Chamber for Commerce and Industry, Board Member</i></li> <li>• <i>Edgars Kudurs, Development Finance Institution Altum, Head of the Energy Efficiency Division for Enterprises</i></li> </ul>
<b>14:00 a.m.</b>	Closing of the event

#### 4.1.3 Main findings and recommendations

From the list of recommendations and proposals collected over both days of the first National Roundtable it follows with clarity that the conditions for attracting large-scale private funding to finance energy efficiency in Latvia is not mature yet and there is much to be done!

**Recommendations as regards the urgent tasks to be done are as follows:**

1. Establish a national sustainable energy efficiency competence center that collects and coordinates all energy efficiency related processes in the country, as well as educates and advises and provides the necessary information, clients, funders, and contractors for decision making and project implementation. Establish a national publicly reliable database of energy efficiency projects in the framework of that organization.
2. Introduce regular informative/educational/motivational events/campaigns for the public (involving the media: TV, Radio) to explain Latvia's long-term energy efficiency goals and promote public awareness and linkage with the national sustainability goals.
3. Targeted information and education to the public about the ESCO approach to the implementation of energy efficiency improvement projects: nature, process, benefits, and disadvantages.
4. Standardize the documentation of energy efficiency implementation projects and develop practice-tested, standardized, free, readily accessible solutions and technical drawings of insulated structural nodes specifically for sustainable insulation of standard Soviet-era apartment buildings.
5. Make mandatory the requirement of a guarantee on energy efficiency performance for all projects co-financed by the EU Structural Funds.
6. Policy makers, i. e., MoE, MoF and MoEPRD, will actively engage with public institutions, Altum, LCCI, etc., municipalities and, in close cooperation with the financial institutions' sector, will coordinate and implement harmonized activities aimed at developing promotional instruments for attracting private funding intended for energy efficiency improvement projects (the preconditions for attracting private funding must be established).
7. The "low-hanging fruit" have already been picked, so it is critical to elaborate solutions for raising "long" money.
8. The Government shall require from industry associations a much stronger role and involvement in energy efficiency related processes.

**4.1.4 Survey**

The survey conducted after the event received less than 10% answers therefore, we believe that this amount is not representative to show the results.

Nevertheless, the event was well received and with many views of the video on Youtube.

**4.1.5 Sources**

[http://www.lvif.gov.lv/?object\\_id=33774](http://www.lvif.gov.lv/?object_id=33774)

<https://roundbaltic.eu/first-national-latvian-roundtable/>

**4.1.6 Annexes**

1. Attendance list
2. Presentations
3. Proceedings

## 4.2 Second National Roundtable in Latvia

### 4.2.1 Date, venue and attendance

The second National Roundtable was held in person on **May 25, 2022**, and was split into 2 parts according to the *RoundBaltic* concept: a plenary followed by 3 break-out sessions. The break-out sessions were open for all the interested parties that wished to apply, but, as before, some guest participants, representing the field and experts, were also invited. All three break-out session discussions were organized within a closed working group, hosting only invited guests. The discussions were not public and were not broadcast on any of the social media, such as *Facebook*, *YouTube*, etc. The intention was to give the participants more freedom and a sense of security when sharing and discussing issues.

To encourage openness, the event will follow the Chatham House rule, which means that none of the opinions expressed during the discussion will be attributed to a particular person or organization. Our purpose does not presume arriving at a single consensus opinion but generating as many ideas as possible on how to proceed with investments in sustainable energy in Latvia.

Since the event was held in person, the emphasis was made both on speeches and presentations, keeping in mind that the exact goal of RoundBaltic was to hold discussions between equals and come up with recommendations and ideas that could be discussed further. The recommendations and proposals from the parallel sessions could be presented later to an audience of policymakers, industry experts and officials responsible for the specific area on a national scale and their respective views and responses heard out. There were **72** registered participants from **34** organizations. Around 20% of them were representatives of the finance sector and organizations.

Total	Financial sector	Government	Other
72	17	45	13

Governmental organisations represented:

- Ministry of Economics
- Ministry of Finance
- Procurement Bureau
- State Construction Control Bureau
- Central Finance and Contracting Agency
- Ministry of Regional Development and Local Governments
- Vidzeme planning region
- Kurzeme planning region

## 4.2.2 Agenda



**2nd National roundtable - development of sustainable financing framework for energy efficiency**

**25th of May, 2022**

Location: Pullman Riga Old Town Hotel, Jekaba street 24, Riga

Registration open until 24th May [HERE](#)

Objective: recommendations for policy makers, state institutions and municipalities for attracting private funding to finance and promote sustainable energy efficiency in Latvia

### Panel discussion

09:00 **Arrival, registration, coffee**

09:30 **Current situation and perspectives in attracting private funding to finance energy efficiency**

Welcome and opening remarks, objectives of the event, short recap on project findings and overview of the current situation by moderator: **Reinis Aboltins**, energy policy expert

Describing current achievements and future plans in the field of sustainable financing framework, taxonomy and financing energy efficiency:

- **Martins Zemitis**, European Commission, Deputy Head at the Representation of the EC in Latvia, Policy unit manager
- **Irina Kuzmina**, Finance Latvia Association, AS Swedbank Baltics, Sustainability Area Manager
- **Atis Zakatistovs**, Ministry of Finance, Parliamentary Secretary
- **Raimonds Lapins**, Ministry of Economics, Deputy State Secretary on Economic Issues
- **Jekabs Krievins**, ALTUM Member of the Management Board

**Questions – 15-20 min**

11:00 **Coffee break**

RoundBaltic, H2020 contract no 957051





## Parallel roundtable discussions

- 1.** 11:20 **Implementation of sustainable financing framework in Latvia**  
(for public and housing sector) (working language: Latvian)  
**Moderator: Viktors Toropovs**, SEB bank, Sustainability area manager in Latvia

  - **Aleksejs Kanejevs**, ALTUM, Aleksejs Kanejevs
  - **Janis Ikaunieks**, Riga Energy Agency
  - **Edvards Kušners**, Bank of Latvia
  - **Imants Tiesnieks**, Ministry of Finance
  - **Martins Tidens**, Liepaja city municipality

**Moderated discussion – 1,5 h**

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- 2.** 11:20 **Best practices of implementing sustainable financing framework in Europe**  
(for public and housing sector) (working language: English)  
**Moderator: Reinis Aboltins**, energy policy expert

  - **Tatyana Panova**, European Commission, DG FISMA (remotely)
  - **Junona Bumelyte**, European Investment Bank
  - **Lauri Suu**, Ministry of Economic Affairs and Communications of Estonia, LIFE IP Buildest project manager
  - **Matiss Paegle**, BaltCap Private Infrastructure Fund
  - **Igors Kasjanovs**, Nordic Investment bank

**Moderated discussion – 1,5 h**

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- 3.** 11:20 **Practical aspects of the sustainable financing framework and necessary preparations - DATA** (for SME's) (working language: Latvian)  
**Moderator: Dace Helmane**, Board member of Institute of corporate social responsibility

  - **Edijs Kupcs**, Swedbank Baltics
  - **Edgars Kudurs**, ALTUM - ESCO unit manager
  - **Ilona Kalnina**, Valmiera county municipality
  - **Edite Biseniece**, State Construction Control Bureau of Latvia

**Moderated discussion – 1,5 h**

13:30 Lunch break

14:15 Summary of roundtable sessions, the main outcomes, discussion and the next steps

14:45 Closure

The RoundBaltic project aims to find new ways of attracting private funding to finance energy efficiency in these 3 main sectors - public, housing and SME's. The event is a continuation of the RoundBaltic Roundtable held on December 8, 2021 and brought together around 94 participants from 54 organisations. The topic of 2nd National roundtable has been developed as a follow up to the previous events and Sustainable Energy Investment Forum events. All in all, the 2nd National roundtable is going to focus on discussing the implementation of the sustainable financing framework in Latvia - implementation and best practices for improvement. We see the development of a sustainable financing framework as one of the key instruments for developing financing of energy efficiency, therefore it is important to bring key stakeholders together and pursue fruitful discussions among them to create valuable results.



RoundBaltic, H2020 contract no 957051

### 4.2.3 Main findings and recommendations

From the list of recommendations and proposals collected over both days of the first National Roundtable it follows with clarity that the conditions for attracting large-scale private funding to finance energy efficiency in Latvia is not mature yet and there is much to be done!

**Recommendations as regards the urgent tasks to be done are as follows:**

1. There is a need for greater explanation by banks on why data is needed. At present, this level of explanation is insufficient, but it is essential to meet several requirements and to be able to finance the greenest possible projects, thus measuring future benefits (energy efficiency, CO<sub>2</sub>, longer loan terms, better interest rates, etc.).



2. There is a need to share responsibilities and set goals, and public policy makers need to work even more closely together to set a positive example.
3. The availability of data enables banks to know and understand what they are financing and what they want them to finance.
4. The various aid elements must be combined and varied: loan / grant / own contribution (EE currently 55% loan / 40% grant / 5% self-financing).
5. A clear signal from the state is needed, such as "no gas", indicating that the market for fossil fuel solutions will shrink, while the market for RES and energy efficiency will grow.
6. Data tracking and availability is critical for both simple consumptions recording and comparison and decision making.

#### 4.2.4 Survey

The survey conducted after the event received less than 10% answers therefore, we believe that this amount is not representative to show the results.

Nevertheless, the event was well received as the video shortly after the event has more than 10,000 views on Facebook.

#### 4.2.5 Sources

[http://www.lvif.gov.lv/?object\\_id=136680](http://www.lvif.gov.lv/?object_id=136680)

<https://roundbaltic.eu/second-national-roundtable-in-latvia/>

#### 4.2.6 Annexes

1. Attendance list
2. Proceedings
3. Presentations

### 4.3 Third National Roundtable in Latvia

#### 4.3.1 Date, venue and attendance

The third National Roundtable was held in person **on June 1, 2023**, and was split into 2 parts according to the *RoundBaltic* concept: there was a main part followed by 3 break-out sessions. The working group break-out sessions were open for all the interested parties that wished to apply, but, as before, some guest participants, representing the field and experts, were also invited. All three break-out session discussions in this event were organized within a closed working group, hosting only invited guests. The discussions were not public and were not broadcast on any of the social media, such as *Facebook*, *YouTube*, etc. The intention was to give the participants more freedom and a sense of security when sharing and discussing issues.

Since it is the event is in person the emphasis is made both on speeches and presentations, keeping in mind that the exact goal of RoundBaltic was to hold discussions between equals and come up with recommendations and ideas that could be discussed further. The recommendations and proposals from the parallel sessions could be presented later to an audience of policymakers, industry experts and officials responsible for the specific area on a national scale and their respective views and responses heard out. There were **52** registered participants from **24** organizations. Around 20% of them were representatives of the finance sector and organizations.

Total	Financial sector	Government	Other
52	10	23	19

Governmental organisations represented:

- Ministry of Economics
- Ministry of Finance
- Procurement Bureau
- State Construction Control Bureau
- Public Utilities Commission
- Central Finance and Contracting Agency
- Ministry of Regional Development and Local Governments
- Vidzeme planning region
- Kurzeme planning region

## 4.3.2 Agenda



## 3. nacionālā apaļā galda diskusija

1. jūnijā, 2023

Norises vieta:

Pullman Riga Old Town Hotel,  
Jēkaba iela 24, Rīga

**Turpmākie soļi privātā  
finansējuma piesaistes  
attīstībā energoefektivitātes  
finansēšanai**



### Reģistrējies šeit

#### Pasākuma mērķis

Pasākuma mērķis: Konstruktīvi ieteikumi politikas veidotājiem, valsts institūcijām un pašvaldībām privātā finansējuma piesaistes veicināšanai Latvijas ilgtspējīgas energoefektivitātes finansēšanā

#### Atklāšana un paneldiskusija

09:30 Dalībnieku ierašanās un reģistrēšanās, kafija un uzkodas

10:00 Aktuālais ilgtspējīgas finansēšanas ietvara jomā un perspektīvas privātā finansējuma piesaistē energoefektivitātei

**Reinis Āboltiņš**, pasākuma moderators, enerģētikas politikas eksperts

Pasākuma mērķi un atskats uz līdzšinējās RoundBaltic diskusijās (2021. - 2023. gadā) secināto kā pamatu tālākai diskusijai (10 min)

**Atklāšanas diskusija un key-notes, kurā piedalās:**

- **Andris Kužnieks**, Eiropas Komisijas pārstāvniecības Latvijā vadītājas vietnieks un politikas nodaļas vadītājs
- **Sanita Bajāre**, Finanšu nozares asociācija valdes priekšsēdētāja
- **Ieva Jansone-Buka**, Attīstības finanšu institūcijas ALTUM valdes locekle
- **Ģirts Beikmanis**, Latvijas Namu pārvaldītāju un apsaimniekotāju asociācijas valdes priekšsēdētājs
- **Ina Bērziņa-Veita**, SIA "Salaspils siltums" valdes locekle, Latvijas Klimata un Enerģētikas Ministra padomniece enerģētikas jautājumos
- **Gatis Silovs**, Ekonomikas ministrijas Enerģētikas finanšu instrumentu departamenta direktors
- **Ints Dālderis**, Finanšu ministrija, Ministra padomnieks budžeta jautājumos

Paneldiskusijas mērķis ir pulcēt galvenos politikas veidotājus un energoefektivitātes finansēšanas jomā iesaistītās puses, pārrunāt un lemt par turpmākajiem soļiem, kā tieši turpināt šīs tēmas attīstību pēc RoundBaltic projekta beigām. Viens no šīs sesijas uzdevumiem būtu tuvākajā laikā izskatīt galveno ceļveža (road-map) priekšlikumu un sniegt savas idejas attīstībai.

12:00 Pārtraukums – pusdienu (tiek nodrošinātas visiem dalībniekiem)

RoundBaltic, H2020 contract no 957051





## 13:00 Apaļā galda diskusijas (notiek paralēli)

### 1. Turpmākie soļi pastāvīgu struktūru izveidei un uzturēšanai, energoefektivitātes ieviešanas atbalstam

Moderators: **Gundars Rēders**, žurnālists

- **Eva Meijere**, Vidzemes plānošanas reģions
- **Edgars Augustiņš**, SIA "Renesco" direktors
- **Kristiāns Kronbergs Virsnieks**, SIA "RCG LightHouse" Publiskā sektora klientu vadītājs
- Rīgas enerģētikas aģentūras pārstāvis
- VARAM pārstāvis

Šīs sesijas mērķis ir nākt klajā ar konkrētām idejām un soļiem, kā izveidot pastāvīgas struktūras (konkrēti – vienas pieturas aģentūras), kas palīdzētu mājokļu sektoram ātrāk pieņemt lēmumus, finansēt un īstenot energoefektivitātes projektus.

### 2. Priekšlikumi valsts politikas izmaiņām energoefektivitātes finansēšanā un energoefektivitātes sasniegumu mērķi līdz 2030. gadam

Moderators: **Reinis Āboliņš**, enerģētikas politikas eksperts

- **Gatis Silovs**, Ekonomikas ministrija
- **Jānis Ikaunieks**, Rīgas enerģētikas aģentūra
- **Ilze Kukute**, Finanšu nozares asociācija
- **Kārlis Beihmanis**, Liepāja
- **Kristaps Kauliņš**, Olaines novada pašvaldības domes deputāts
- **Vigants Lesausks**, SIA "RCG LightHouse" vadītājs

Šīs sesijas mērķis ir nākt klajā ar konkrētiem priekšlikumiem izmaiņām valsts energoefektivitātes pasākumu ieviešanas politikā attiecībā uz energoefektivitātes finansēšanu. Diskusijas otrajā daļā paredzēts pārskatīt valsts politikas mērķus energoefektivitātē līdz 2030. gadam.

### 3. MVU ilgtspējība un attīstība – ja finansējums energoefektivitātei ir pieejams, ko vēl mēs varam uzlabot?

Moderators: **Māris Saulājs**, SEB banka

- **Edgars Kudurs**, ilgtspējīgas attīstības projektu eksperts
- **Līga Mellēna**, ALTUM Uzņēmumu energoefektivitātes daļas vadītāja
- **Reinis Freimanis**, Rīgas pilsētas pašvaldības projektu vadītājs Finanšu departamentā
- **Andris Kaņeps**, IUB Tiesību aktu piemērošanas departamenta direktora vietnieks
- **Raits Bebris**, SIA "RCG LightHouse" Valdes loceklis
- **Jānis Bethers**, AS "Virši" biznesa attīstības vadītājs, Latvijas Tirdzniecības un rūpniecības kameras biedrs

Šīs sesijas mērķis ir atrast vairāk veidu, kā uzlabot Latvijas MVU ilgtspēju un attīstību, aktīvāk īstenojot energoefektivitātes projektus. Šobrīd uzņēmumiem ir vislabākie ALTUM finansējuma avoti.

14:15 Kafijas pauze, atgriešanās kopīgajā telpā

14:30 Paralēlo diskusiju kopsavilkums, galvenie secinājumi un idejas nākamajiem soļiem

15:00 Pasākuma noslēgums

Pasākuma darba valoda - latviešu.

**Reģistrējies šeit**

RoundBaltic, H2020 contract no 957051



#### 4.3.3 Main findings and recommendations

From the list of recommendations and proposals collected over both days of the National Roundtable it follows with clarity that the conditions for attracting large-scale private funding to finance energy efficiency in Latvia is not mature yet and there is much to be done!

**Recommendations as regards the urgent tasks to be done are as follows:**

1. Continue work on the creation of a one-stop shop to reduce administrative barriers and reduce the bureaucratic burden, create a unified approach and regulations

2. Greater involvement of ESCO in energy efficiency processes
3. It is necessary to change the legislation so that the investment and obligations are made in the property and are not attached to a specific person.
4. It is necessary to increase the pace of building renovation
5. It is worth talking about carrying out a technical inspection of the houses in order to notice damages and imperfections in time and to carry out repairs in a timely manner, thus reducing costs.
6. Mandatory savings from the heat tariff
7. The minimum price of energy resources must be determined, otherwise investments may not pay off
8. The ESCO pilot project for public and more public buildings should be implemented in order to promote interest and awareness.

#### 4.3.4 Survey

The post-event survey yielded responses from less than 10% of participants. Consequently, we contend that this limited response rate does not adequately represent the overall results.

Nevertheless, the event was well received as the video of it has several views on Facebook.

#### 4.3.5 Sources

[http://lvif.gov.lv/?object\\_id=136778](http://lvif.gov.lv/?object_id=136778)

<https://roundbaltic.eu/third-national-roundtable-in-latvia/>

#### 4.3.6 Annexes

1. Attendance list
2. Proceedings

There were no presentations at this event.