



EuroPACE: Integrated Home Renovation Programme

Brussels, Belgium: June 19, 2019

The importance of home and apartment building renovation

90%

Of our time is spent indoors. ¹ Homes can impact our health, wellbeing and productivity.

97%

Of all European buildings need to be upgraded by 2050.²

75%

Of the total buildings stock is residential (rest is commercial).⁴

<1%

Rate of building renovation in Europe – it must increase to 3% to reach climate and energy goals.⁵



The burden of unhealthy, inefficient buildings

- “Inadequate” housing costs EU countries nearly **€200 billion a year**, through direct costs like healthcare and indirect costs like lost productivity.⁶
- **2/3** of Europe’s residential buildings are more than 40 years old, while only 10% of have A or B class energy performance certificates.⁷
- **15% of the existing building** stock in parts of Europe with a cold climate, suffers from dampness and **5% from mold content**.⁸
- Environmental noise affects **22% of European homes**, mostly in urban areas.⁹



What Motivates People to Act?



2 Germany

Saving money is the greatest motivation but investment costs is a key barrier



3 France

The French are motivated by saving money and thermal comfort, but held back by the investments needed and the hassle



4 Spain

In Spain there are three big motivators, but only one barrier: money



5 Bulgaria

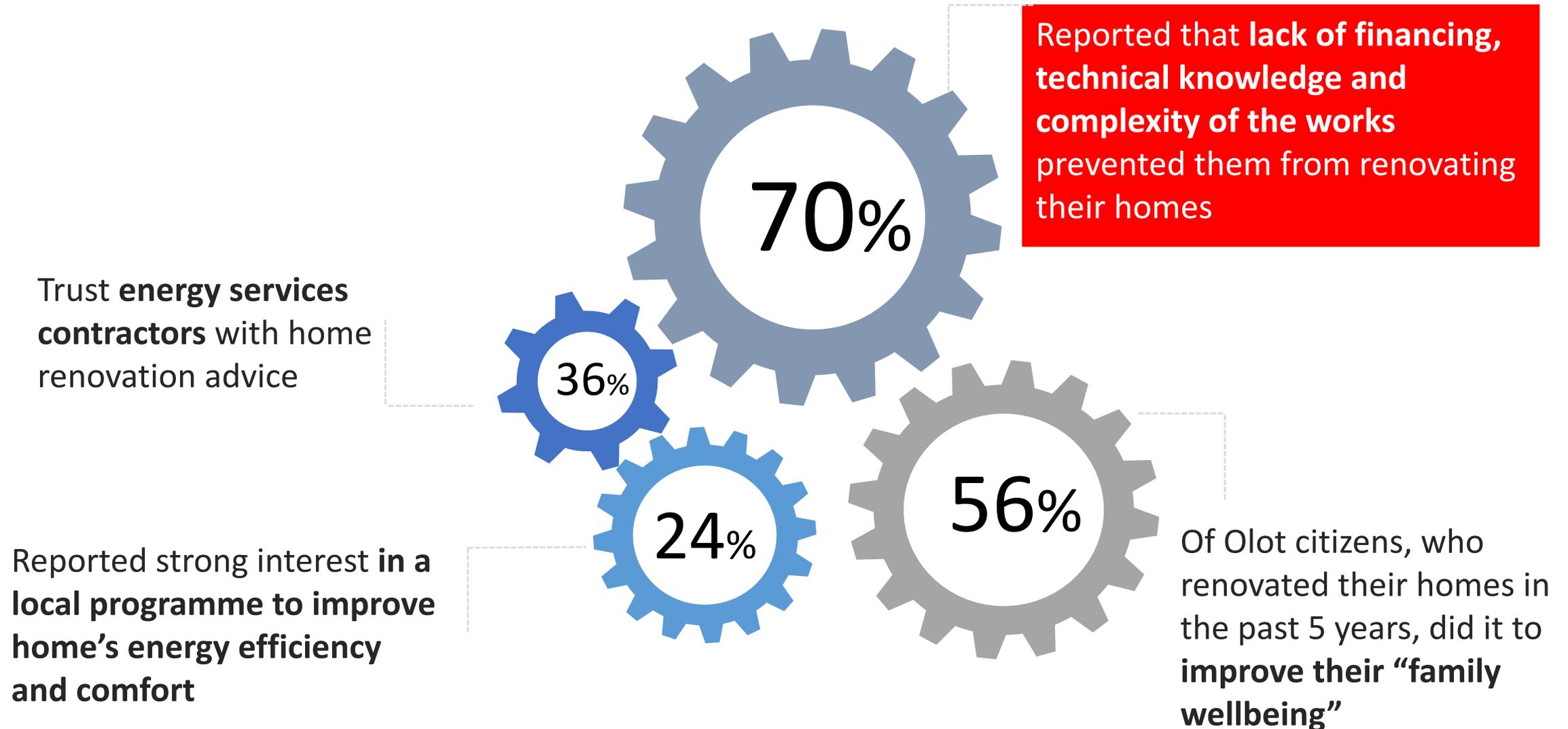
Almost all Bulgarians are willing to renovate if it improves their thermal comfort and save money, but are held back by costs



6 Poland

Most are motivated by improving thermal comfort and saving money, but can't or won't make the investment

Zooming in on home renovation attitudes: Olot, Spain



Home renovation is not just private business but a public priority.

Home renovation can be **stressful, expensive, uncertain and difficult**. We need **effective solutions** to make it **simpler, faster, more affordable and of higher quality for all**.



Project in a Nutshell

8 partners from 4 countries:



Conduct market analysis and identify EuroPACE-ready countries

Report can be downloaded on: www.europace2020.eu



Design and run the first residential EuroPACE pilot in the city of Olot, Spain.



Facilitate and support 4 Leader Cities/Regions to set up EuroPACE programs.



CASE – Centrum Analiz Społeczno-Ekonomicznych
CASE – Center for Social and Economic Research

GNE FINANCE

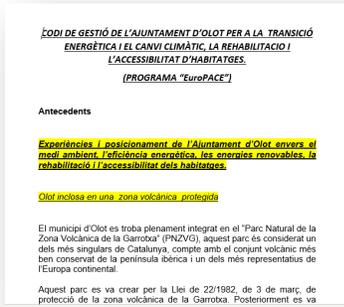
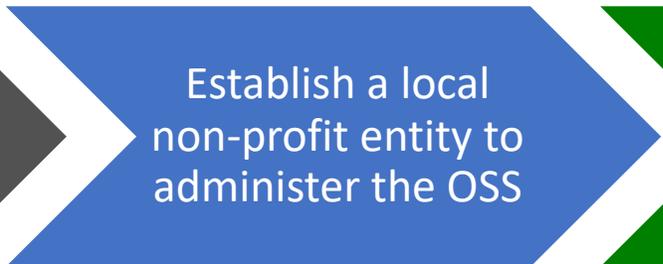


EuroPACE Platform: Pilot in Olot, Spain



Olot adopts local ordinance

Olot and GNE Finance establish a Foundation



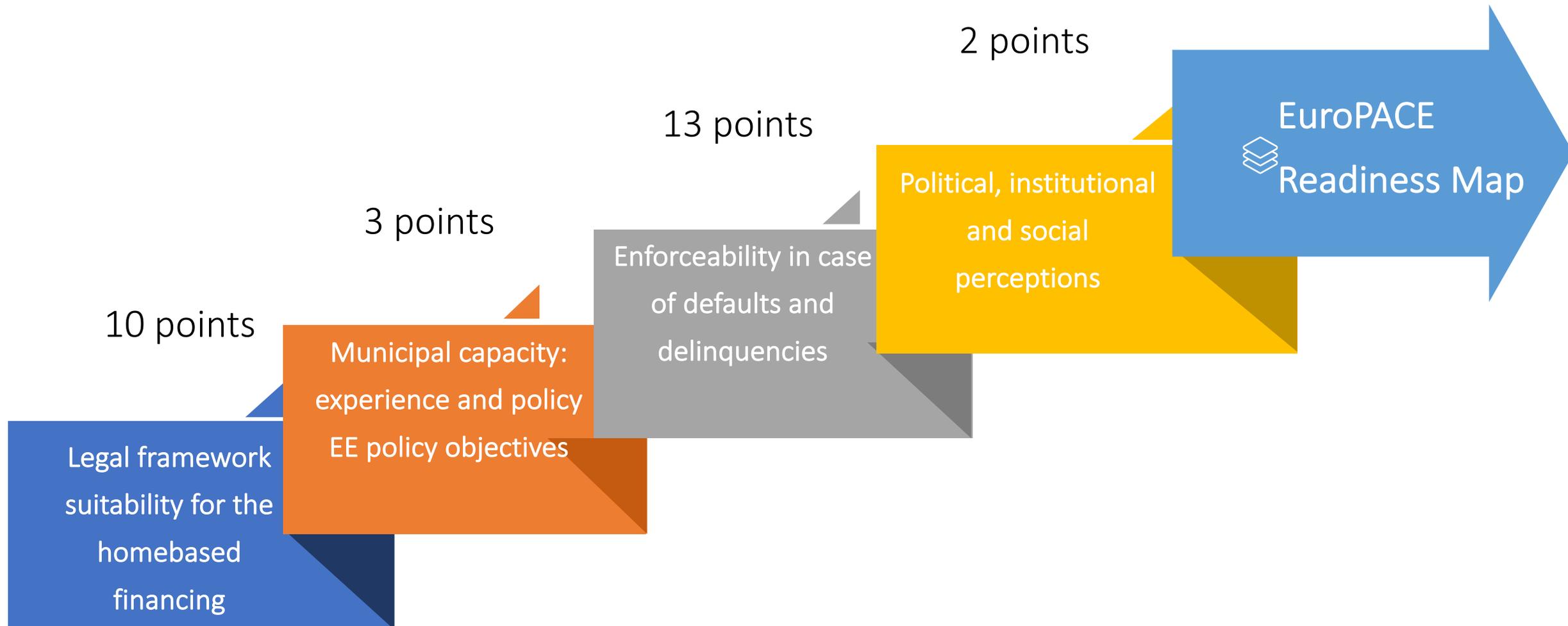
EuroPACE Fund

Public Subsidies

Private Capital

De-risking with public funds (loan guarantee)

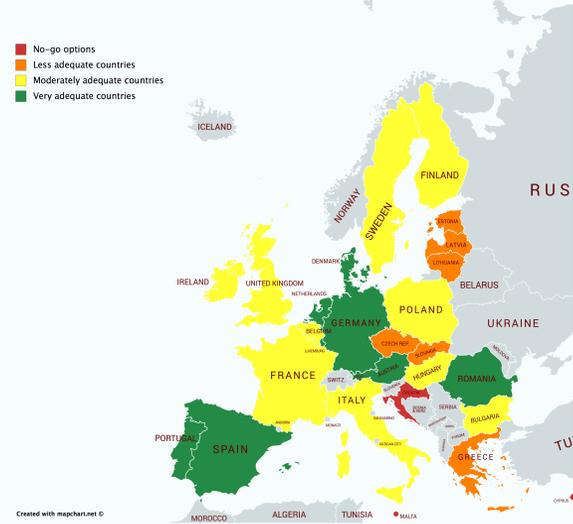
Assess Market Readiness: Methodology



- No-go options
- Less adequate countries
- Moderately adequate countries
- Very adequate countries



EuroPACE platform can be available across Europe



Based on our legal, fiscal and market readiness research covering the EU-28, 4 Leader Cities or Regions will be selected from:

Facilitate and support 4 Leader Cities/Regions to set up EuroPACE programs.



Key elements of successful programmes

The studies consistently demonstrate 2 key factors to stimulate demand for energy efficiency:

- **Technical assistance:** coordination and advice to support customers throughout the renovation journey, including training and verifying energy experts and contractors.
- **Access to financing:** affordable, long-term financing, including subsidies and rebates.

Together, these elements create **trust and result in a quality renovation.**



GNE Finance works with cities and regions to provide financial solutions to home and building renovation programs.



Our Services

Advisory:
renovation program design and advice

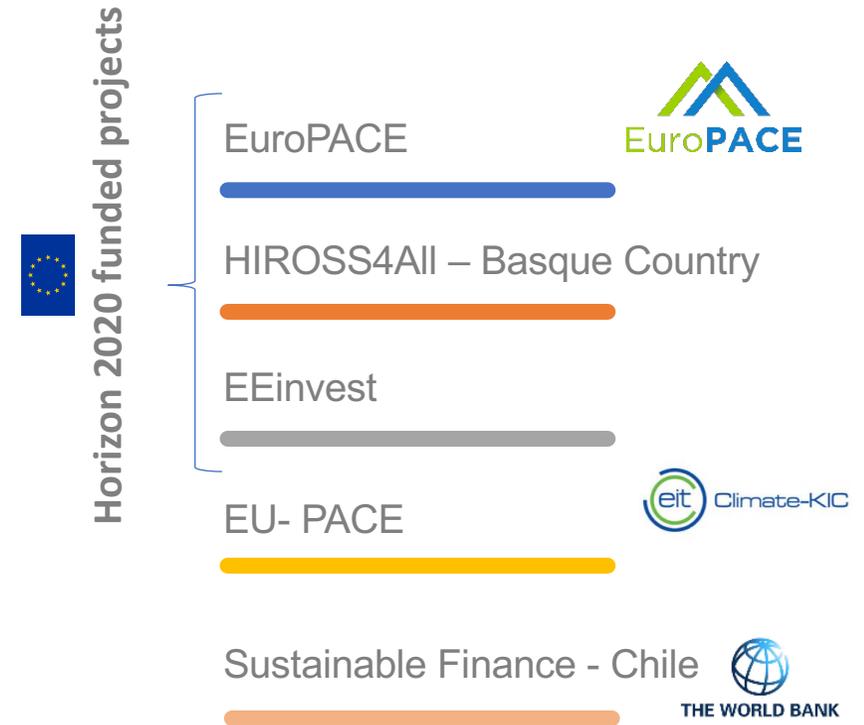
Financing:
structuring and funds management

We support cities and regions by structuring and managing **financing platforms dedicated to serve local home renovation programs.**



GNE Finance is based in Barcelona and Amsterdam.

Our Projects



EuroPACE: Integrated Home Renovation Platform

Making home renovation simple, affordable and reliable

**Technical
Assistance**

**Access to
Financing**

*Inspired by the
U.S. experience
with PACE
Financing



This project has received funding from the European Union's Horizon 2020 research and innovation programme under grant agreement No 785057

Technical Assistance

- **Technical support** throughout the process
- **Trained and qualified** contractors follow our guidelines, which includes consumer protection policies.
- Home improvement **packages** to speak directly to people's needs
- **Quality control** after project completion
- **Energy experts** advise and support homeowners and monitor the quality of work



Access to Financing

- **100% financing** through private capital
- **Long term** - up to 25 years – cash flow positive projects
- Lien secured by the on the property
- Simple re-payment
- Can fund **EE, DPG**, and more.
- Homes, apartments, and multifamily buildings are eligible.



Financing Innovation

Home-Based Financing

f(x) = Country Legal framework

- Attached to the property via a lien
- Secure repayment and collection
- Remedies in case of non-payment

EuroPACE platform can be available across Europe

EuroPACE enabling policies can be adopted at national level making EuroPACE a powerful new instrument for **clean energy transition resulting in economic, environmental and social benefits** for all Europeans.

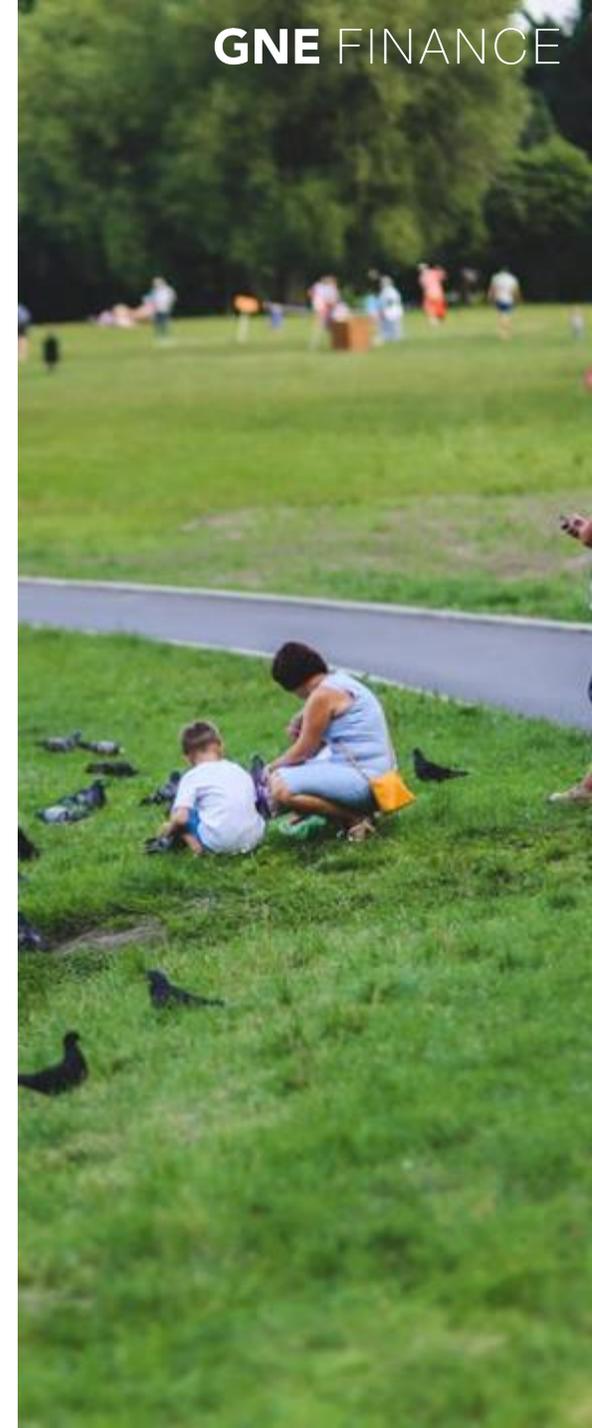
- ❑ Public administration must recognise that sustainable and energy-efficient home renovation is in **the public benefit** and enable collection and security mechanism.
- ❑ Most of EU countries already have some form of administrative collection mechanisms. National or regional legal amendments can enable EuroPACE.



EuroPACE Leader Cities and Regions— Preliminary Selection Criteria

1. **Strong political commitment** to climate and energy goals, specifically related to the built environment
2. **Clean energy transition plan** showing the need for home and building renovation
3. Identified **pipeline of specific projects and measures** that can be implemented locally
4. **Proof of concept** pilot or an existing home and building renovation initiative
5. Local and regional **subsidies & incentives** to be used in the programme
6. **Technical assistance** or support provided locally or regionally
7. Home renovation **laws** that allow for **lien** placement and **default treatment** to provide security to investors
8. Other benefits (e.g. grid flexibility, demand response, other externalities).

** These criteria may be amended or changed by the EuroPACE project.*





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Annex



According to the IEA, the estimated value of fossil fuel subsidies is more than \$400 billion, globally.¹⁰

“Fossil fuel subsidies in the EU have not decreased and are estimated to be EUR 55 bn, remaining roughly stable across sectors and implying that EU and national policies might need to be reinforced to phase out such subsidies.” European Commission, 2019¹¹.



Fossil fuel subsidies racking up trillions in health costs

Health costs related to fossil fuel use outweigh taxpayer-funded subsidies by 600%, according to a new study that insists governments should stop pumping money into dirty energy sources.

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