Best practices in the field of building renovation

Examples from the Horizon 2020 Energy Efficiency programme

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Senior Project Adviser, CINEA
Committee of the Regions, 10 March 2022
Next call for proposals LIFE CET to be published on 17 May 2022
Bringing down costs through prefabrication and economies of scale
The Energiesprong model
Make Net Zero Energy refurbishments for houses a mass market reality

• Dutch Energiesprong model for mass, standardised, affordable, net zero energy retrofit of social housing

• 111,000 social homes refurbished

• Industrialised and prefabricated solutions for shorter intervention times, drop in cost, and high and predictable performance levels.

• Collaboration between social housing associations, suppliers and financiers.

Transition Zero adapted and piloted Energiesprong in the UK and France
https://cordis.europa.eu/project/id/696186
Home owner support
What does it take for 35 million households to (deep) renovate their homes in the next 8 years?

- Public grants available but often not disbursed
- Home renovation is usually a painful journey… and energy renovation can make it worse
- No lack of market participants … but absence of coordination … and diverging interests
- Lack of interest for home renovation: how can we make it simple, easy, and attractive?

Source: YouTube.com
How to reduce the burden on homeowners? “Integrated home renovation services”

• Start from the homeowner’s point of view: what is the customer journey of home renovation?
• Coordinate / combine / integrate the services provided by private and public players
• Take on tasks for which homeowners are not equipped
• Indispensable to upscale deep renovation
WHO IS OKTAVE?

- One-stop shop for efficient renovation of housing
- Semi-public company
- Created in June 2018

Shareholders:

Local authorities of Grand Est

Source: Oktave
OKTAVE TEAM

26 employees

Head office (Strasbourg)
- General, operational and technical management
- Financing advisor

12 individual housing renovation advisors (hosted by local authorities)

8 condominium building renovation advisors (by sept. 2021)

Source: Oktave
INDIVIDUAL HOUSING

DEEP RENOVATION ALL IN ONE

TECHNICAL SUPPORT

ADMINISTRATIVE AND FINANCING SUPPORT

Source: Oktave
INDIVIDUAL HOUSING

TRUSTED THIRD PARTY

INTERFACE BETWEEN STAKEHOLDERS

FLAT-RATE PRICING INDEPENDENT OF THE COST OF THE WORK

Source: Oktave
FOR THERMAL WORK PACKAGES

• Definition of the renovation project (work packages, cost estimate, energy assessment)

• Administrative work authorization

• Consultation of craftsmen and construction companies (quotes)

• Works monitoring and management

* Management of non thermal work packages also possible (specific pricing)

Source: Oktave
INDIVIDUAL HOUSING

ADMINISTRATIVE AND FINANCING SUPPORT

- Optimization of the financing plan
- Production of grant files
- Interest-free grant prefinancing
- Banking intermediation for financing of the remainder to be paid (*several banking partners and brokers*)

Source: Oktave
Developing integrated home renovation services

- Support the homeowner throughout the renovation journey
- Combine existing services under 1 interlocutor – ‘one stop-shop’
- Over 20 projects supported under the H2020 and IEE programmes

More info: Towards large-scale roll out of “integrated home renovation services” in the EU, Christophe Milin and Adrien Bullier, CINEA, ECEE Summer Study
Financing home renovation
COMFORT. HEALTH. VALUE.

- No defaults in 15 buildings/359 apartments since implementation in 2009
- Buildings will last >30 years
- Deep renovation including new ventilation systems
- No increased affordability risk
- Energy savings exceed 50%

Source: Sunshine project
• **Deep renovations** of Public Buildings and Multi-Family buildings using long term Energy Performance Contracting in Latvia

• **EUR 20.1 million of energy investments** in public buildings and multi-family buildings, savings of up to 60%

• Proofed **smarter ways** of financing energy efficiency investments compared to the (predominant) approach of using public grants

• **First Energy Performance contracts (EPC)** for municipalities in Latvia

• **Rollout** of a forfaiting instrument LABEEF (Latvian Building EE Facility)

Source: Sunshine project
Energy Efficient Mortgages Initiative

• Core assumption: energy efficient homes => increased value of property and better solvency of owner => reduced financial risk

• EE mortgages fund the whole property value (≠ renovation loan) for an energy efficient home

• The European Mortgage Federation is working since 2016 to involve banks in energy renovation of homes
  
  • 70 banks committed to integrate energy efficiency in their lending processes (>50% of EU mortgages);
  
  • 25 banks fully engaged in the Energy Efficient Mortgage Label: EE mortgage products for consumers and EE covered bonds for institutional investors
  
  • national hubs for EE mortgages in Italy, Spain, Netherlands, Nordics, Belgium…
La customer journey

- Banks
- Suppliers / Services

- PLATFORM
  - SIMULATORE GREEN
  - ON BOARDING CLIENTE

- Finanziamento
- Monitoraggio KPI
  - EEM Label
- Cessione del credito

- GESTIONE DOCUMENTALE DI PROCESSO

- Analisi preliminare (ape pre, check superbonus, dichiarazione conformità, computo metrico, altro)

- Progettazione, esecuzione e validazione (APE post, Asseverazione tecnica, Allineamento tassonomico / Label)

- Cessione del credito
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Thank you