



Financial Instruments for the low-carbon economy
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Financial Instrument for Urban Rehabilitation and Revitalization IFRRU 2020

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Management Body
IFRRU 2020



**Interreg
Europe**



European Union | European Regional Development Fund



What is the importance of IFRRU 2020?

**REHABILITATE
REGENERATE
REUSE**

**a way forward to a
circular economy**

50% of the world population lives in cities and Portugal is one of the countries who has a larger number of houses per inhabitant

The population is not increasing in Portugal

New construction is more demanding in resources consuming

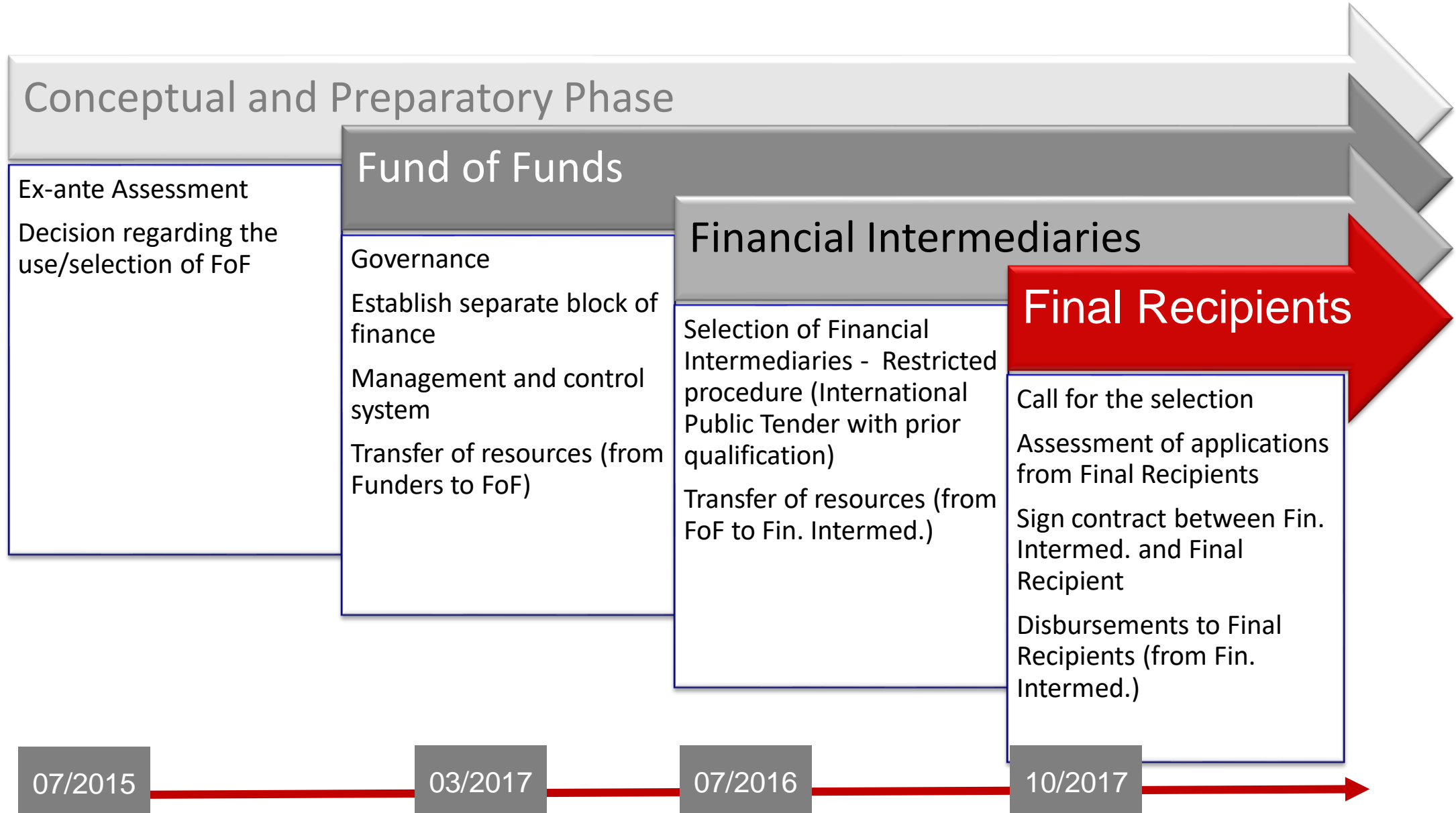
28% of the primary energy consumption comes from housing and services sectors – the most relevant sectors in urban hubs.

Over a million buildings need rehabilitation works

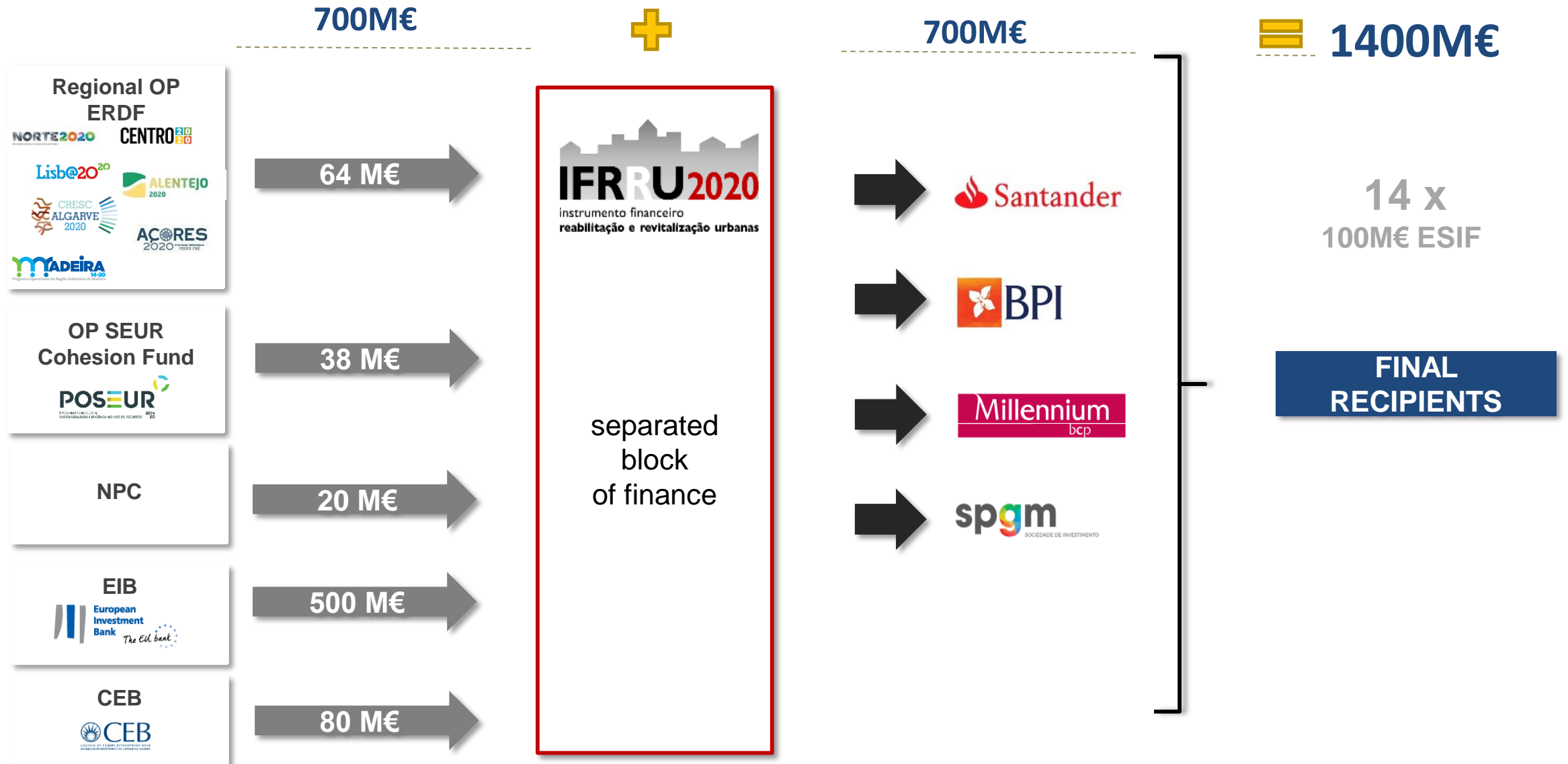
strong focus on energy-efficient urban rehabilitation

IFRRU 2020 is focused on the sustainable development strategy designed by each Municipality for their territory, for both action programs: urban renovation and support to disadvantage communities

Step-by-step - establishing the instrument



Step-by-step - establishing the instrument





How does IFRRU 2020 work in this specific sector?

Overall rehabilitation of buildings aged 30 years or more

Rehabilitation of abandoned industrial spaces or units

Rehabilitation of private units integrated in an overall rehabilitation of a social housing building

The renovated buildings **can be used for any purpose**, such as housing, economic activities and equipment for collective use.

Types of support

Loans:

- 50% public funds + 50% funds from the Bank Maturity Up to 20 years;
- Grace period= Investment period + 6 months (máx. 4 year);
- Interest rates well below market prices.

Guarantees (only for enterprises):

to make possible the granting of loans by selected banks that, due to lack of guarantee, could not access them



How does IFRRU 2020 work in this specific sector?

| | | | | |
|----------------------------|------|-------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------|
| 3 S T E P S | WHO | URBAN AUTHORITY FOCAL POINT | AGENCY FOR ENERGY (ADENE) | SELECTED BANKS |
| | WHAT | BINDING OPINION OF THE MUNICIPALITY Confirms that the project fits into the strategy defined for it's territory | ENERGETIC CERTIFICATION Identifies the better tailed EE measures for the project | APPLICATION FOR FUNDING Loans for all final recipients or guarantees (only for enterprises) |

Promoting partnership

- All projects must be assessed by the Municipality (as Urban Authorities) where the project is located - In each municipality there is a **“focal point”** – a person or department dedicated to IFRRU 2020 that accompanies the projects
- All projects supported by IFRRU 2020 must contribute for **increasing the energy performance** of the renewed building made by an expert qualified by ADENE – National Energy Agency
- The application shall be submitted to the **Bank** (choose by FR) which offers the best conditions for financing the concret project

IFRRU 2020
Implementation –
31/05/2019 –

**In 41 urban
centers**

**50
buildings
for
housing**

**117
Financing
contracts**

**67 enterprises
supported**

**358 M€
Investment**

**25 M €
Investment**
Energy Efficiency

Critical factors



- **Governance and management model**

- Management body fully dedicated to the implementation of the FI
- Management body Expertise – financial, ESIF and State aid
- Working in a network: Municipalities, Banks and Funders
- Procedures with clear rules and daily feedback for all partners
- IT system – for management and monitor tasks

- **Clear information and easy access for potential candidates**

- Simplified procedures for applications
- Webpage refreshed focused in the potential candidate

- **Communication and promotion**

- Roadshow all over the country - spreading information close to the main actors of the sector: every Municipality, main national sectoral associations (engineers,arquitects,etc.)
- International promotion – Protocol with AICEP: spreading information by consulates/embassies and the Portuguese emigrant communities
- Creation of webpages, brochures and films in other languages – english, spanish and french



Discover what we do in this video



Thank you!

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