



Agencia Andaluza de la Energía
CONSEJERÍA DE EMPLEO, EMPRESA Y COMERCIO



BUILD2LC

Interreg Europe



European Union
European Regional
Development Fund

ACTION PLAN

Andalusia/Spain

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12 September 2018. Málaga | Partners meeting

Action Plan Summary (I)

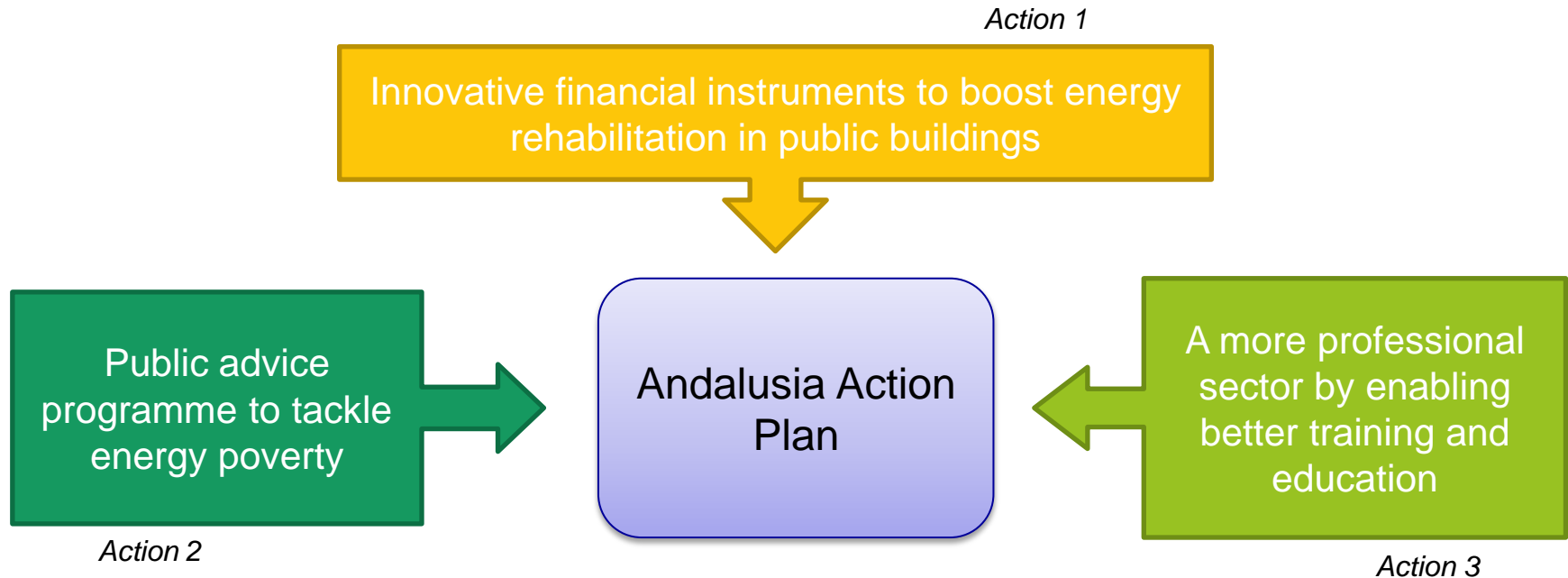
Policy context:

The Action Plan aims to impact:

- ETC Programme
- ERDF Regional Operational Programme for Andalusia 2014-2020

Action Plan Summary (II)

General View of the Action Plan



Action 1

Innovative FI to boost energy rehabilitation in public buildings

Action 1:

Innovative financial instruments to boost energy rehabilitation in public buildings

- **Background: Good practices learnt / identified.**

CURRENT SITUATION IN ANDALUSIA

- Public building stock of the Regional Administration c.a 4,500 buildings – the majority are **not** energy efficient
- + public building stock at local level (estimation) c.a **20,000 buildings to be potentially rehabilitated to improve energy efficiency performance**



Action 1 (II):

Innovative financial instruments to boost energy rehabilitation in public buildings

- **Background: Good practices learnt / identified.**

CURRENT SITUATION (II)

High level of information on public building's low performance in terms of energy efficiency through **REDEJA (Energy management network of the Andalusian Government)**, integrated into AEA:

- Billing of 62 regional bodies
- Conducted several energy optimisation programs and energy retrofiting experiences
- Public buildings energy audits



Action 1 (III):

Innovative financial instruments to boost energy rehabilitation in public buildings



- **Background: Good practices learnt / identified.**

CURRENT SITUATION (III)

Constraints found:

- Retrofitting and energy rehabilitation rate in Andalusian public buildings is **very low** due to the lack of leverage on existing public funds and other factors.
- Projects undertaken by REDEJA **too dependent on pure public funding** : private financing participation is null .
- AEA **large experience in incentive schemes based on subsidies** and lump sums to support sustainable energy initiatives (has worked well in some cases)
- EC recommendations to **reorient this model**

Therefore, we have concluded that:

There is a need to urgently increase the renovation and rehabilitation rates to meet the Directive Targets (annual 3%) in a different way, shifting from a subsidies-based culture towards innovative financial schemes

Action 1 (IV):

Innovative financial instruments to boost energy rehabilitation in public buildings

- **Background: Good practices learnt / identified.**

FINANCING ALTERNATIVES:

Lithuania

- Multi apartment building renovation programme
- A long term aspiration

Croatia

- ZagEE experience
- Different financial choices identification
- How to deal with conservative/traditional commercial banks

Croatia

- Croenergy.eu
- The opportunity to use alternative funding sources

Action 1(V):

Innovative financial instruments to boost energy rehabilitation in public buildings

- Adaptation of the described GPs / Lessons learnt to the territory

FINANCING THE PLANS

Barrier: Limited financial schemes to leverage the available public funds

Lessons learnt: we have closely looked at the possibilities used in....

Lithuania

- Elena

Croatia: ZagEE

- MLEI PDA

Lithuanian experience on innovative FI explained in Vilnius, January 2018

Action 1(VI):

Innovative financial instruments to boost energy rehabilitation in public buildings

- **Adaptation of the described GPs / Lesson learnt to the territory**

In terms of alignment with existing policies and political commitment:

Barrier: limited collaboration capacity between different public bodies

Strength: existing strategies and previous initiatives set a positive framework and pave the path:

S3 (Smart Specialization Strategy for Andalusia) + PICSA (Sustainable Construction Programme in Andalusia)

Lessons learnt that can be transferred in this context:

Croatia: ZagEE

- How to improve cooperation among administrations
- Key success factor: **political leadership**

A bi-lateral meeting to be held in Zagreb on the 15th March to in depth explore those features

Action 1 (VII):

Innovative financial instruments to boost energy rehabilitation in public buildings

- With all the following elements that were on the table:

Financing

- **Funding sources** availability
- Public **guarantees**
- Alternative financing (eg. crowdfunding)
- Financial structure (**FI**)
- Best available **PDA**

Scope

- Buildings from **local authorities**?
- **Segmentation** to prioritise
- Timely structure of such an ambitious (pilot projects, demonstration projects?)

Stakeholders engagement

- Tackle **public bodies fragmented cohesion**
- **Involve** private and public **stakeholders** defining appropriate roles
- Others....

Action 1 (VIII):

Innovative financial instruments to boost energy rehabilitation in public buildings

- And taking into account the Project's best potentially adaptable experiences:

CROACIA - LITUANIA:

ELENA - MLEI PDA

ACTION PLAN-FINANCIAL INNOVATIVE LINE WITH TWO SIDES:

- A) ELENA PDA to support retrofitting within REDEJA'S Investments Plan
- B) Development of an IF scheme to support energy efficiency in Andalusian municipalities

- **A) ELENA PDA TO SUPPORT BUILDINGS RETROFITTING WITHIN REDEJA'S INVESTMENTS PLAN**

A1:

Innovative financial instruments to boost energy rehabilitation in public buildings

- PDA ELENA



 **ELENA – European Local
ENergy Assistance**

Joint Initiative in the framework of the H2020 Programme



Technical Assistance for the implementation of projects and programs of energy efficiency and sustainable urban transport

A2:

Innovative financial instruments to boost energy rehabilitation in public buildings



ELENA – European Local Energy Assistance

- Projects above EUR 30M with implementation period of 3 years
- Financing up to 90% of AT costs (around 5% of total investment amount)
- Minimum leverage factor: Program Investment costs supported must be at least 20 times the total amount of ELENA contribution

A3:

Innovative financial instruments to boost energy rehabilitation in public buildings



Project Types:



ELENA – European Local
ENergy Assistance

Energy Efficiency Area

Public or private buildings retrofitting to reduce energy consumption, thermal insulation, air conditioning, efficient ventilation, efficient lighting etc.

Integration of renewable energy sources in the built environment

Investments to renovate, extend, build new heating / cooling, networks, cogeneration systems, local infrastructure etc

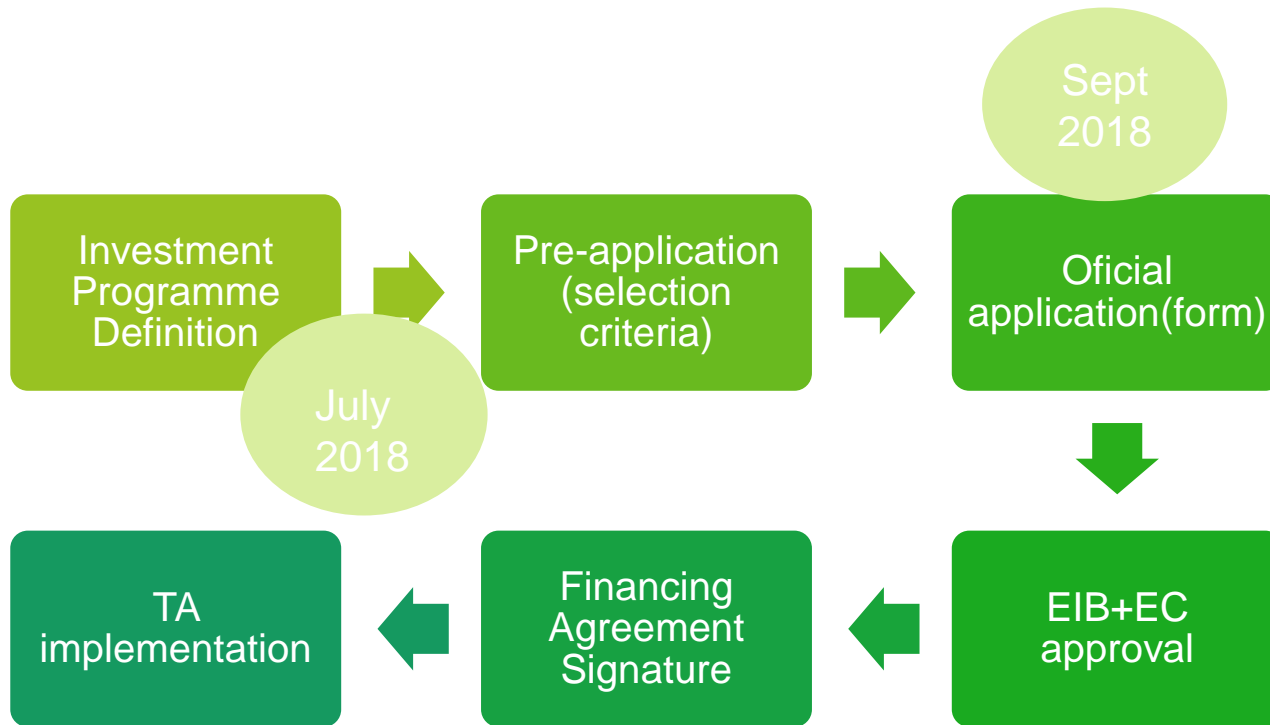
Building Stock of the Andalusian Government within REDEJA's Investment Plan

A4:

Innovative financial instruments to boost energy rehabilitation in public buildings



ELENA – European Local ENergy Assistance



- **B) DEVELOPMENT OF AN IF SCHEME TO SUPPORT ENERGY EFFICIENCY IN ANDALUSIAN MUNICIPALITIES**

B1:

Innovative financial instruments to boost energy rehabilitation in public buildings



PPP scheme to finance energy efficiency projects at municipal level in Andalusia



SPV formation

2 options: private or mixture public-private capital



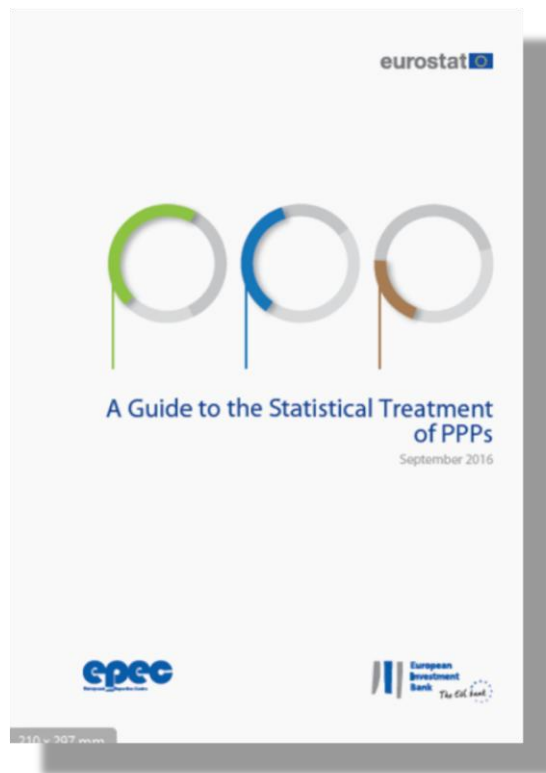
Operating under the principles of:

- **service concession of the public lighting network**
- **provision of electricity in general**

B2:

Innovative financial instruments to boost energy rehabilitation in public buildings

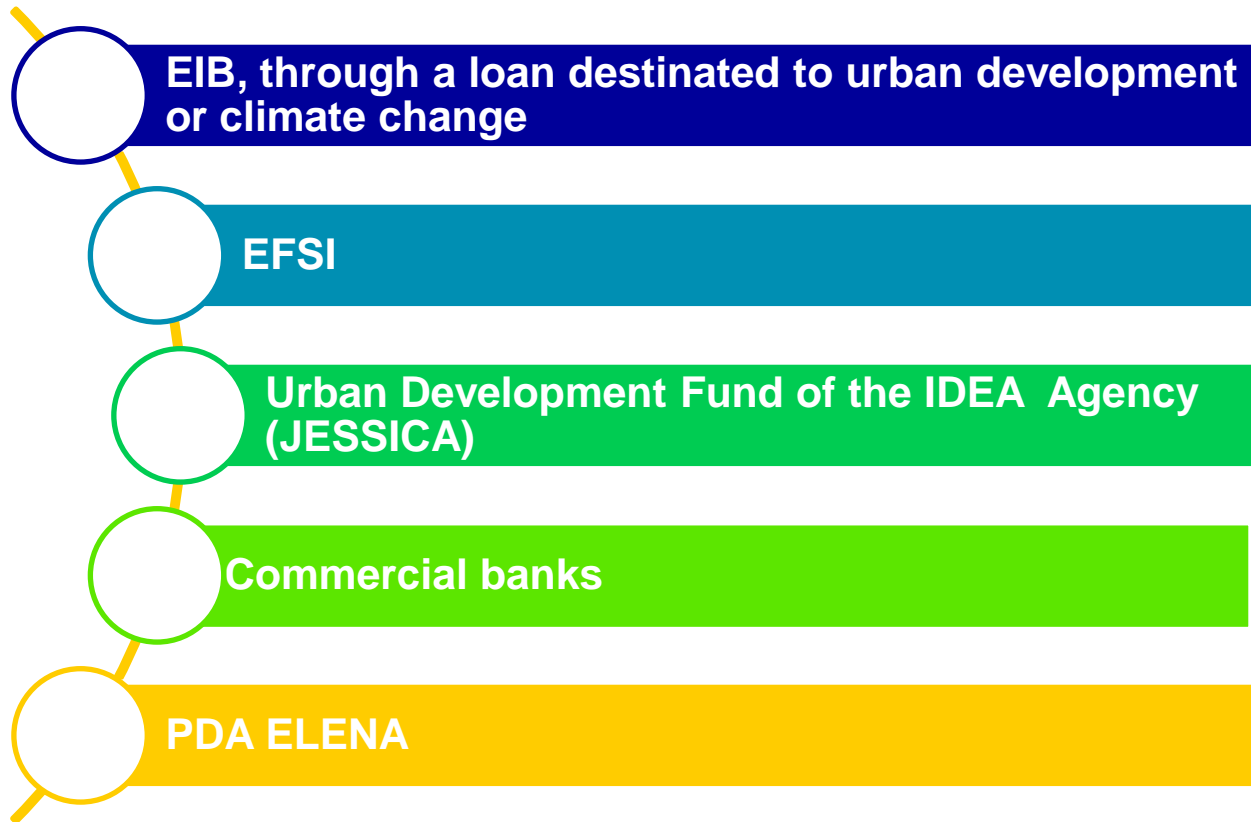
Accounting conditions for public deficit effects: effects on the rule of expenditure of the operation: we will take into account



B3:

Innovative financial instruments to boost energy rehabilitation in public buildings

Financing possibilities:



B4:

Innovative financial instruments to boost energy rehabilitation in public buildings

- **Players involved**



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- **REDEJA** network
- **AVRA** (dwelling and rehabilitation agency of Andalusia) (present)
- Private actors: **FEDECO** (Federation of promoters and builders of Andalusia) and the **Sustainable Construction Cluster of Andalusia (present)**
- **National ESCOs Association**
- **Ministry of Public Finance and Civil Service- Directorate General of European Funds** (ROP Managing Authority)
- **Andalusian Regional Government**
- **General Regional Administration**
- **Municipalities**
- **Private banking**

Action 2

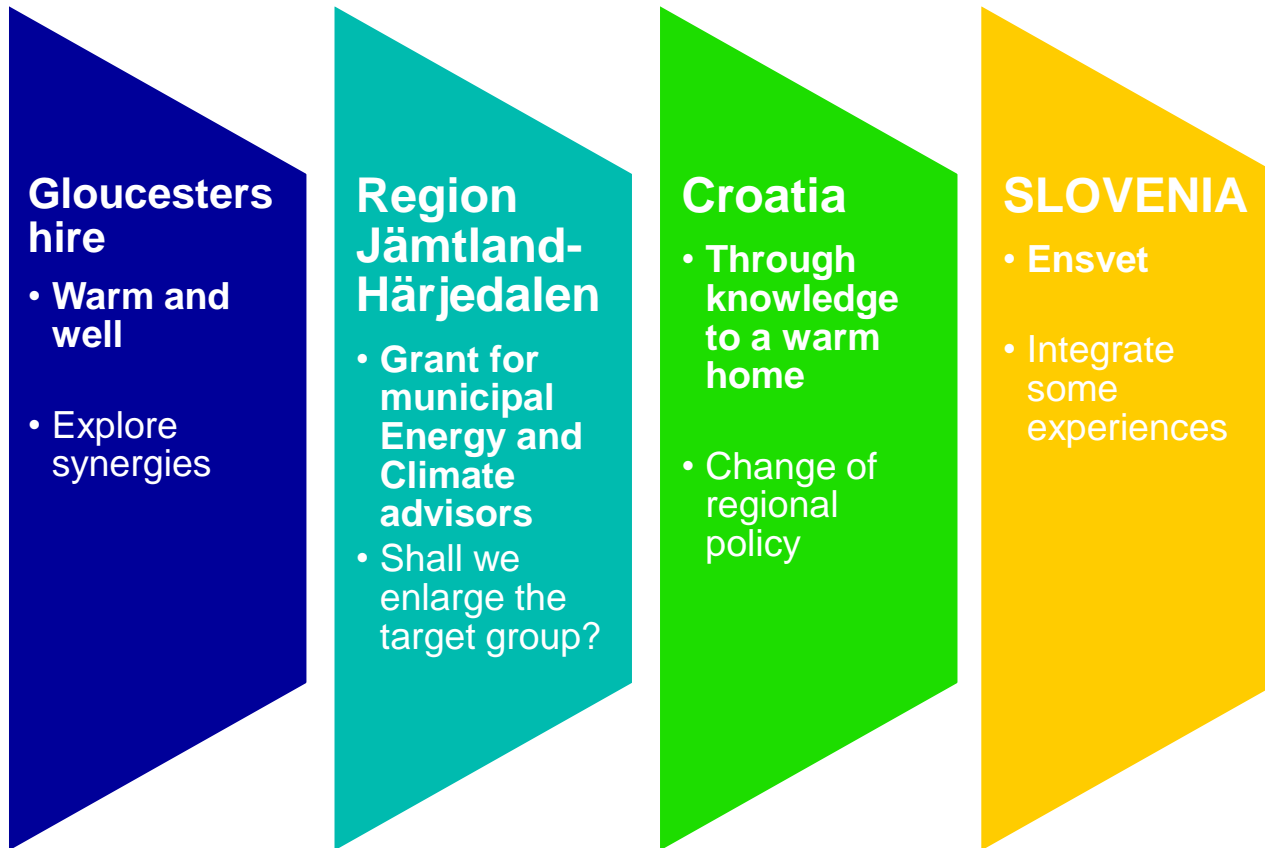
PUBLIC ADVICE PROGRAMME TO TACKLE ENERGY POVERTY

Action 2 :

Public advice
programme to tackle
energy poverty

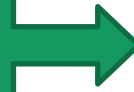


- **Background: Good practices from which we have learnt:**



Action 2 (II):

Public advice
programme to tackle
energy poverty



- **Co-financing possibilities:**

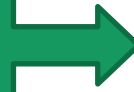
Regional Plan for the Fight against Energy Poverty co-financed with the ROP ERDF 2014-2020

ADVANTAGES: AEA active role within the ROP: responsible for the whole management of funds for energy in close collaboration with Managing Authority. Already participating in ROP monitoring committees and experience in monitoring and evaluation.



Action 2 (III):

Public advice
programme to tackle
energy poverty



- **Players involved**



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- **AVRA** (dwelling and rehabilitation agency of Andalusia)
- Civil society, organizations concerned about energy poverty
- **Public services**

Action 3

A MORE PROFESSIONAL SECTOR BY ENABLING BETTER TRAINING AND EDUCATION

Action 3:

A more professional sector by enabling better training and education

Good practices from which we have learnt

Gloucestershire
Your Green future
Young Energy
People

Slovenia

- Combating energy poverty

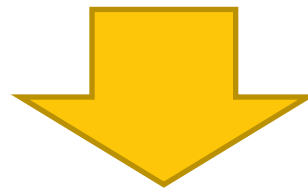
Action 3 (II):

A more professional sector by
enabling better training and
education

Grassroots initiatives:

- Sustainable Construction Programme in Andalusia

CONSTRUCCIÓN
SOSTENIBLE
en Andalucía



Towards a specific program of Dual Vocational Training in sustainable construction for training and qualification of personnel

Action 3 (III):

A more professional sector by enabling better training and education

Players involved:

- **Regional Ministry of Education (Directorate General for Vocational Training and Education)**





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Thank you very much for your
attention!

Ana de la Fuente

