



DOSSIER

1st Interregional Event of the Additional Phase



European Union
European Regional
Development Fund

FINANCIAL INSTRUMENTS IN ENERGY EFFICIENCY FIELD

Online from Prague, December 3, 2021



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Introduction

After FINERPOL project's additional activities were approved by Interreg Europe to continue sharing good practices among six partners of the consortium, the City of Prague organised on the 3 December 2021 the first online interregional event of this additional one-year phase. Special emphasis was put on coping with the COVID-19 pandemics when implementing financial instruments (FIs) in energy efficiency field. Partners presented their effort to handle the COVID crisis and its negative impacts as many planned actions were brought to a standstill. On the other hand, some opportunities were found in the crisis, such as adjusting already launched financial instruments to more urgent needs of the pandemic-ridden society.

33 participants took part on the event. Four stakeholders and two persons from the project team were present on the spot of the broadcasting, other 27 people from the Czech Republic, Spain, Greece, and the United Kingdom joined the event online. The event started at 10 am and ended before 2 pm.¹



¹ The video recording from this event can be watched [here](#), password: Finerpol1Event



Agenda

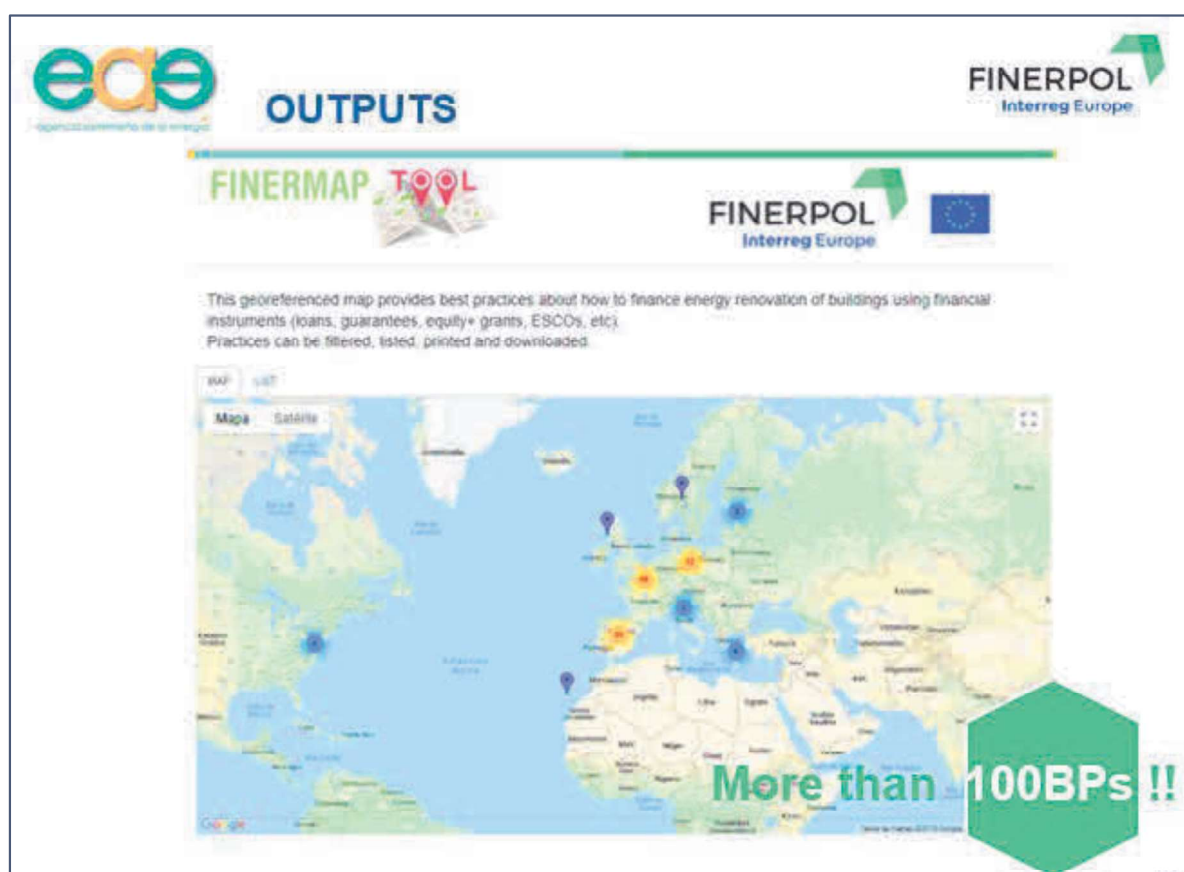
TIME	TOPIC	SPEAKER
10.00 – 10.10	Opening speech and welcoming of participants	Štěpán Kyjovský City of Prague Head of Environment Protection Department
10.10 – 10.20	Introduction to the FINERPOL project	Ana Martínez Pinilla AGENEX (Lead partner)
10.20 – 10.50	Examples of financial instruments in Prague <ul style="list-style-type: none">- ENER programme- INFIN programme and its transformation into COVID Prague programme	Ondřej Ptáček City of Prague Expert on financial instruments
10.50 – 11.10	Partners' experiences — surviving COVID-19	Interactive part
11.10 – 11.20	COFFEE BREAK	
11.20 – 12.00	Climate Plan of the City of Prague <ul style="list-style-type: none">- Introduction to Prague's Climate Plan- Prague's ELENA Project- Prague's experience with launching Prague's Renewable Energy Community	Jaroslav Klusák City of Prague Prague's Energy Manager
12.00 – 12.10	COFFEE BREAK	
12.10 – 12.30	The future of financial instruments in the programming period 2021 - 2027	Ondřej Ptáček City of Prague Expert on financial instruments
12.30 – 13.15	Interactive workshop: Partners' contribution – examples of good practices	Interactive part moderated by Ana Martínez Pinilla AGENEX (Lead Partner)
13.30 – 14.00	CLOSURE OF THE EVENT	



Summary of the presentations

First speaker, Mr. Štěpán Kyjovský (head of the City of Prague's Environment Protection Department) welcomed in the name of the city and the Deputy Mayor for the Environment Petr Hlubeček all project partners and present stakeholders with an inspiring speech about Prague's comprehensive commitment to reduce carbon emissions. Mr. Kyjovský quoted London's mayor Sadiq Khan who said during the recent UN Climate Change Conference in Glasgow that cities are "doers" in tackling climate change in comparison with national governments who are "delayers".

Ana Martínez Pinilla (Lead partner - Extremadura Energy Agency) then took the stage to present FINERPOL project, its results (e.g. [Finermap tool](#), a georeferenced map providing best practices how to finance energy renovation of buildings) and success stories in form of financial instruments already implemented in the previous phase (e.g. Extremadura's Guarantee Fund for wide-scale residential buildings renovations or Prague's INFIN programme).



Ondřej Ptáček (the City of Prague's expert on financial instruments) continued with presenting good practices of financial instruments implemented in Prague (ENERG, INFIN, COVID Prague). Interesting was the speed of transformation of the financial instrument from INFIN into COVID Prague in the spring 2020 - the product change was realized within two weeks. As many businesses were in doldrums during the lockdown in Czechia, the new financial instrument was launched to help Prague's SMEs cover their operational costs. Surprising was also the



time in which the SMEs used up all the COVID Prague guarantee programme's allocation (just 10 minutes after the opening of call, applications fulfilled the allocation of 24 million euros). This experience demonstrates the crucial role of a right set-up of financial instrument: When it really covers the needs of society, companies do not hesitate to use it.

COVID PRAHA – current status

Final state of implementation

- No. of supported projects: 311
- Total loan amount: CZK 1.6 B (EUR 62.7 M)

Lessons learnt

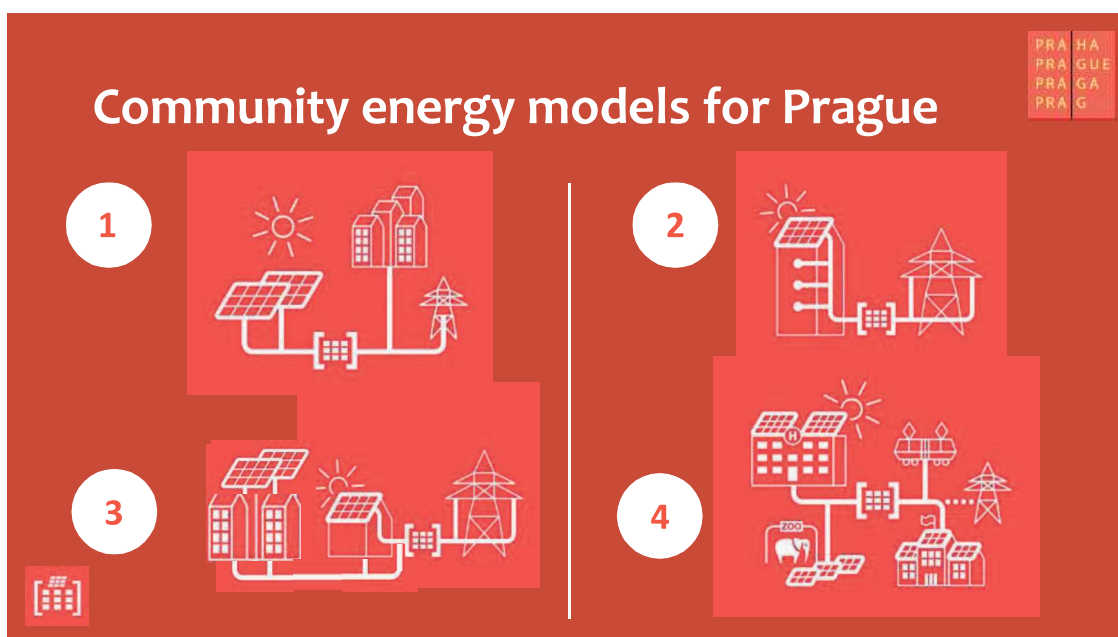
- **Advantages:**
 - Very fast reaction of the Prague City Hall and National Development Bank on the COVID situation – product change was done in 2 weeks
 - Very favourable conditions for SMEs with their financial situation at risk caused by lockdown
- **Pitfalls:**
 - Emergency of COVID situation caused the call was oversubscribed within the first day

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Then four other partners presented their experience during COVID-19 crisis. The participants could hear about the steps of the Extremadura Energy Agency, Plymouth City Council, the University of Western Macedonia and the University Centre for Energy Efficient Buildings, Czech Technical University in Prague. The partners did very well and despite the pandemics managed to push through some reforms, contributing to their regions' fight against climate change.

Jaroslav Klusák, the City of Prague's energy manager then presented the Prague City Climate Plan to 2030 (SECAP), its main areas (Sustainable energetics and buildings, Sustainable mobility, Adaptation to climate change and Circular economics) and priority projects (e.g. biogas station for municipal bio-waste utilization or utilization of wastewater heat from the Prague central treatment plant etc.). Mr. Klusák also presented Prague's ELENA project with external financing of 1.9 million euros for project preparation of energy renovation and renewable energy sources for 100 municipal buildings. In his second contribution, Mr. Klusák described launching of Prague Renewable Energy Community and its ambition to install 20 000 PV plants on the city's buildings and to enable its members to address electricity flows between generation/supply and transmission points more efficiently (and more easily integrated into central purchasing).



After this presentation, Mr. Ptáček took the floor for his second part - presenting financial instruments in 2021+ and main changes for FIs according to the General Regulation for 2021-2027 in comparison with the previous programming period. He stressed the possible combination of grants and FIs in a single operation or a new form of capital rebate support depending on performance of the beneficiary e.g. in the case of achieving energy savings or another determined goal, the final beneficiary may be forgiven part of the instalments.

Rules for combination of support and blending



- **Support for final recipients may be combined with any form of EU contribution**, including a contribution from the same fund, and may cover the same item of expenditure.
- **Financial instruments can be combined with complementary support from the program in the form of grants** as a single operation of a financial instrument under a single financing agreement
- **Both of these different forms of support may be provided by the entity implementing the financial instrument.**
- In such cases, the **rules applicable to financial instruments shall also apply to the grant component.**
- **The sum of all forms of combined support shall not exceed the total amount of the expenditure item concerned**
- Grants will not be used to reimburse support received from financial instruments. Financial instruments will not be used to pre-finance grants.



Interactive workshop

After all speakers ended their presentations, an interactive workshop moderated by Ana Martínez Pinilla took place, with all partners participating and making their contributions on themes such as main energy renovation barriers, covid-19 challenges, financial instruments' benefits, or possible ways to boost energy efficiency and renewable energy sources in buildings. Among barriers for energy renovation, a long payback period, administrative obstacles, a variety of homeowners in private buildings or a lack of interest in the private sector were mentioned. As covid-19 challenges partners saw e.g. a lack of qualified staff, strained supply chain that could not deliver in timescales or the release of national funds at the same time, causing peaks in demand and undeliverable services. Among benefits of FIs energy communities, bigger flexibility, soft loan conditions or distribution by financial intermediary were named. There were also some ideas flowing about possible boost of EE & RES in buildings such as digitalisation, involvement of energy communities, and the usage of power purchase agreements, integrated home renovation services, combination of FIs and grants in a single package or reducing taxes for homeowners.

Conclusions of the workshop

