



Sustainable finance: developments, trends, and expectations for the coming years

An Innovation bites webinar

27th of February | 10:00 - 12:00 CET

In cooperation with:



Sustainable
plus energy
neighbourhoods

Part of the series: *For a Green Deal driving Decent Housing for All*

Moderated by



Dara Turnbull
Housing Europe

Part of the series: *For a Green Deal driving Decent Housing for All*

Draft Agenda

10.00–10.05 **Welcome and introduction**

(5 min) Dara Turnbull – Research Coordinator, Housing Europe

10.05–10.15 **Green finance to scale-up Positive Energy Neighbourhoods**

(10 min) Clara Mafé – Innovation Officer, Housing Europe

Zooming-out: Regulatory and investment landscape of ESG Finance

Moderated by Dara Turnbull, Housing Europe

- **Pitch by European Financial Reporting Advisory Group (EFRAG)**

Paolo Mazzeo, EFRAG Senior Technical Manager

10.15–10.55

(40min)

- **Pitch by European Association of Public Banks**

Lidwin van Velden, President of the EAPB and CEO of NWB Bank

- **Chat with Delphis on opportunities and constraints for social housing providers**

Charlotte Limousin – DELPHIS

10.55–11.00

(5 min)

Comfort break

11.00–11.10 **Impact of green finance on the social housing sector**

(10 min) Alex Fernandez – TU Delft

Zooming-in: Experiences from the social and affordable housing sector

Moderated by Dara Turnbull, Housing Europe

11.10–11.40

(30 min)

- **Valloire Habitat's impact loan**

- **ÖrebroBostäder's Sustainability evaluation process & social obligations**

Oliver Hagvall – CFO ÖrebroBostäder AB, Sweden

- **Norwegian cooperatives at the forefront of taxonomy aligned finance**

Christian-Marius Stryken, The Co-operative Housing Federation of Norway (NBBL)

11.40–11.50 **EU Policy implications**

(10 min) Julien Dijol, Housing Europe



This project has received funding from the European Union's Horizon 2020 Research and Innovation programme under Grant Agreement N 869918.



Green finance to scale-up Positive Energy Neighbourhoods



Clara Mafé
Housing Europe

Part of the series: *For a Green Deal driving Decent Housing for All*

Realising zero-emission cities will require more than standalone technological solutions on an individual building level.

Successful decarbonisation of the EU building stock calls for an integrated, participatory and **NEIGHBOURHOOD-BASED APPROACH**



syn.ikia

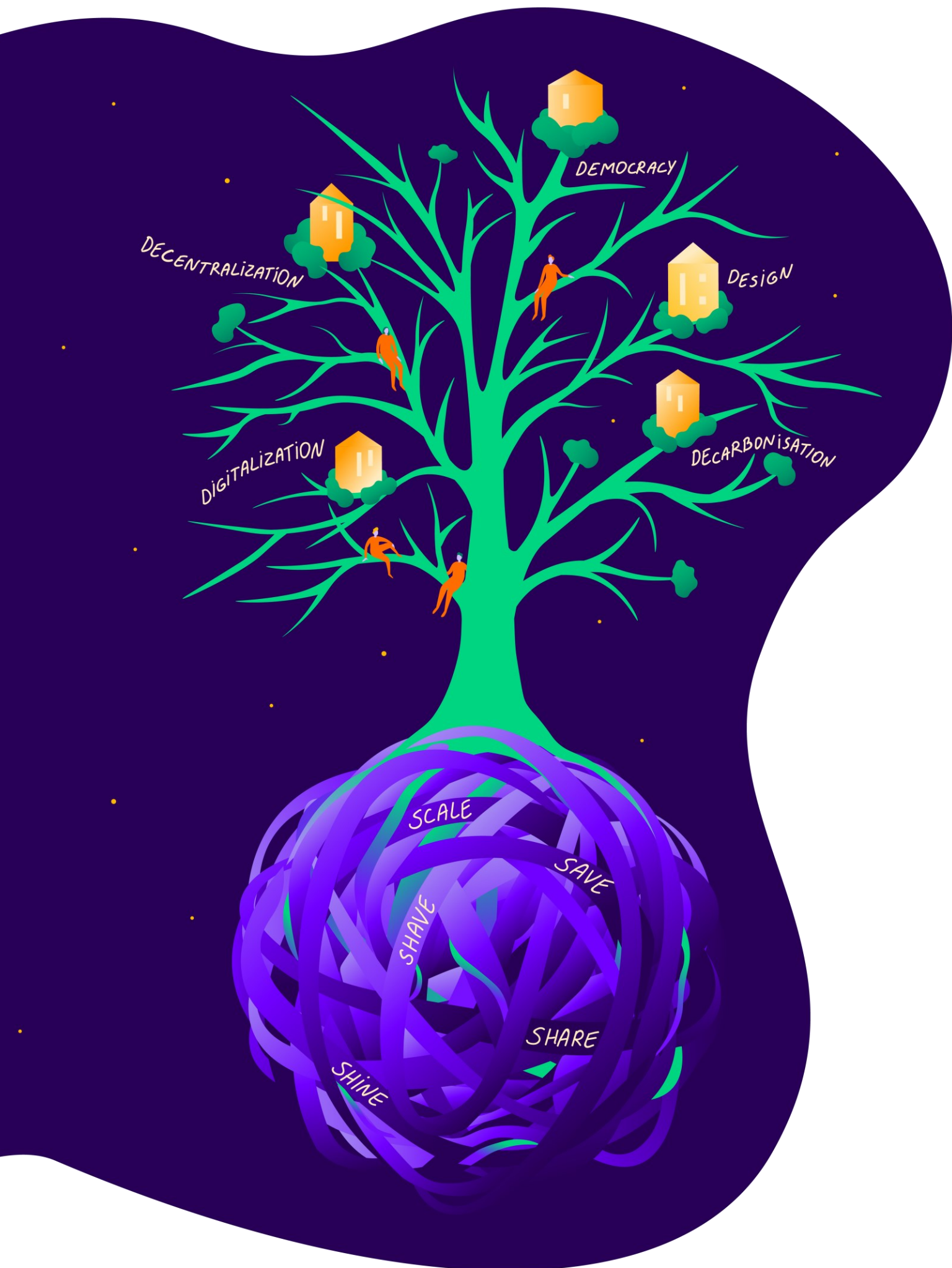


Sustainable
plus energy
neighbourhoods

- **Horizon2020 programme**
- **Duration 2020-2024**
- **Budget 7 435 279 €**



This project has received funding from the European Union's Horizon 2020 Research and Innovation programme under Grant Agreement N 869918.



Mission

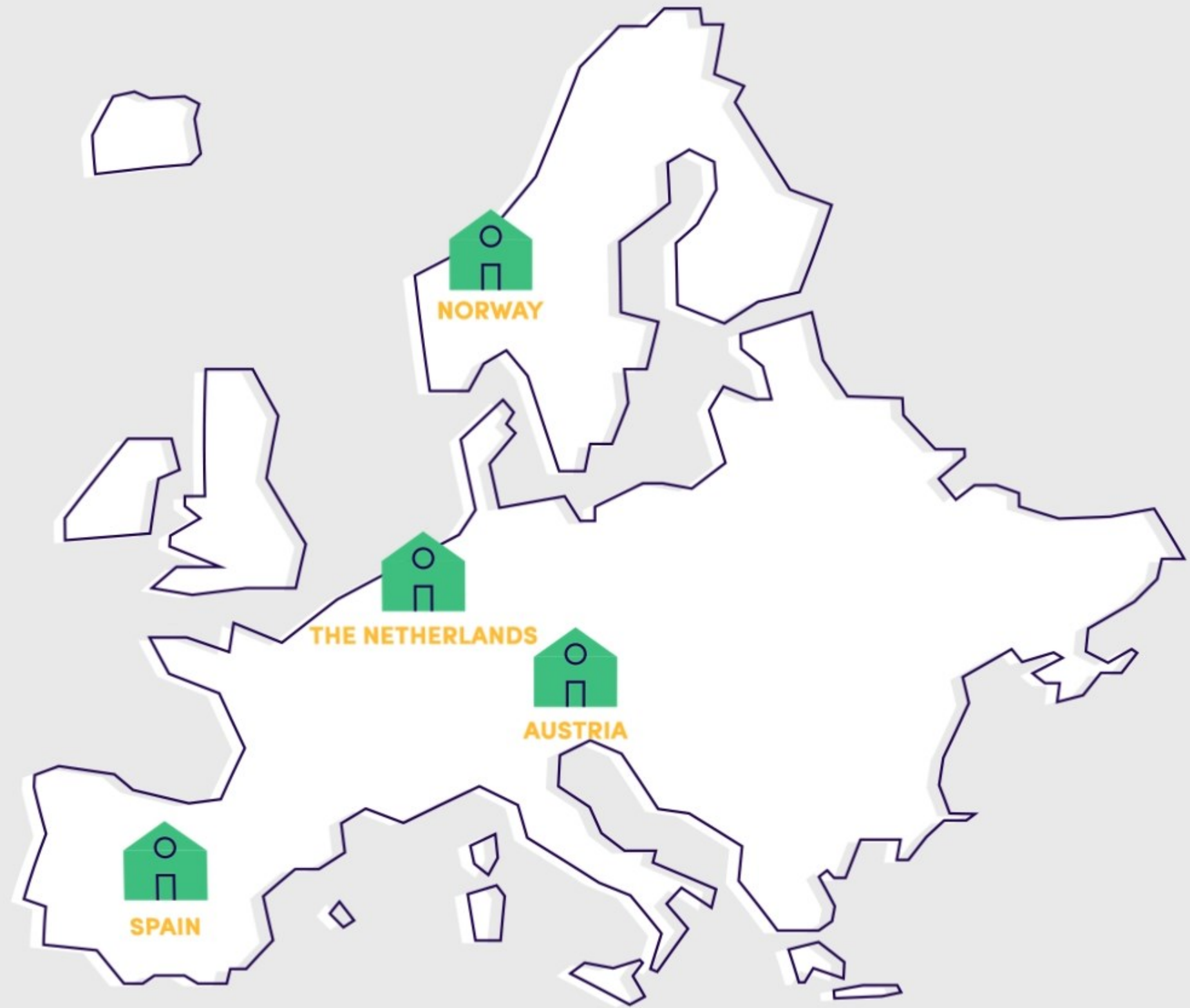
Increase the share of sustainable neighbourhoods with surplus renewable energy in different contexts, climates and markets in Europe.



Sustainable
plus energy
neighbourhoods

Consortium

1. **COORDINATION** NTNU, Norway
2. DTU, Denmark
3. BPIE, Belgium
4. SINTEF, Norway
5. **DISSEMINATION** HOUSING EUROPE, Belgium
6. IREC, Catalonia Institute for Energy Research, Spain
7. **DEMO** ARCANOVA, Norway
8. **DEMO** AREA WONEN, Netherlands
9. **DEMO** INCASOL, Spain
10. TNO, Netherlands
11. ENFOR, Denmark
12. ABUD, Hungary
13. **DEMO** HEIMAT OSTERRICH, Austria



Goals

**OVER 100%
ENERGY SAVINGS**

**10% LIFE CYCLE
COSTS REDUCTION**

**100% GHG
EMISSION
REDUCTION**

**90% RENEWABLE ENERGY
GENERATION TRIGGERED**



* COMPARED TO THE 2020 NEARLY ZERO-ENERGY BUILDINGS (NZEB).

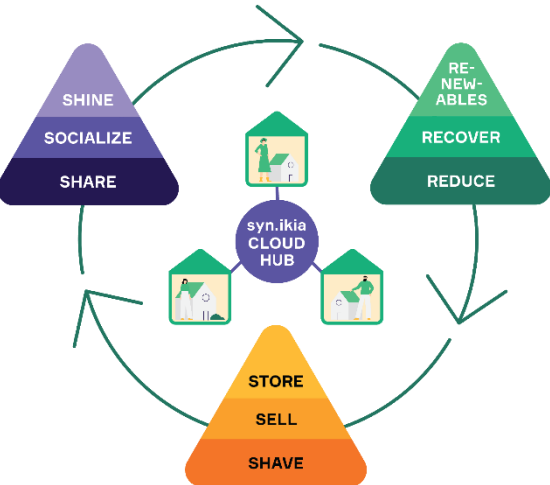


**SPENs ARE AN INTEGRAL APPROACH TO REACH CLIMATE TARGETS
AND REDUCE EU ENERGY DEMAND**



syn.ikia

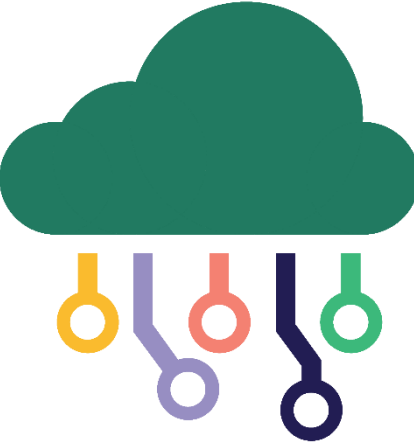
SPEN INNOVATIONS



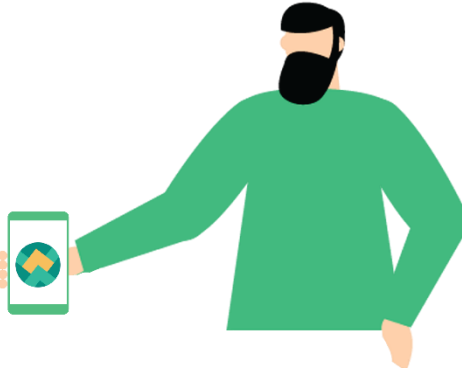
Integrated Energy Design Process at Neighbourhood Scale



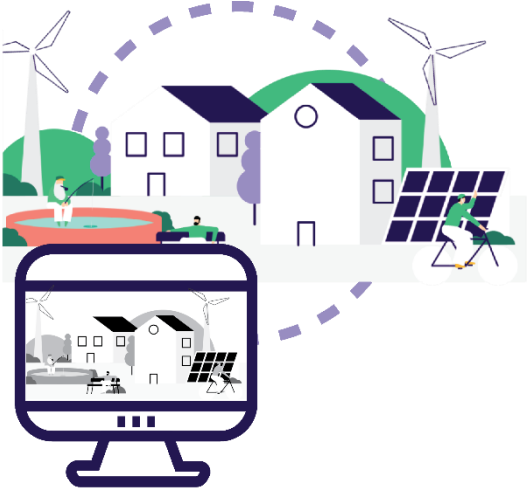
Business Models for Sustainable Plus Energy Neighbourhoods



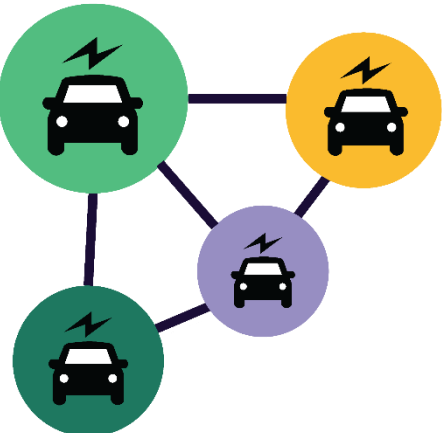
Syn.ikia Digital Cloud Hub



Neighbourhood Scale User Engagement Process



Digital Twin^N Neighbourhood Scale Digital Twin



Smart Charging of Vehicles at Neighbourhood Level



Innovative Policy Development Tools



Syn.ikia Flexibility Functions



New built – 39 social housing dwellings (16 for people with special needs)

UDEN

area



Renovation of 75 social housing dwellings

SALZBURG

HEIMAT ÖSTERREICH



New built – 38 public housing dwellings

SANTA COLOMA DE GRAMENET

 **INCASÒL**
Institut Català del Sòl

New built – 56 private dwellings for sale

FREDRIKSTAD

 **ARCA NOVA GROUP**




NORWAY

THE NETHERLANDS


AUSTRIA


SPAIN

 **syn.ikia**

Sustainable plus energy neighbourhoods

MORE INVESTMENT FOR SPENs



- **SPENs are associated with large investment costs (€400 K – €1M extra vs conventional projects) which represent an important financial burden for the social and affordable housing sector.**
- **Without extensive public or private investment, SPENs projects are not possible.**
- **Most small-scale European and federal financial schemes are designed at the building level rather than at the neighbourhood level.**
- **SPENs in social and affordable housing represent a unique opportunity to better align with all three ESG dimensions and EU taxonomy requirements.**

Reference:

Kerstens, A., & Greco, A. (2023). From Buildings to Communities: Exploring the Role of Financial Schemes for Sustainable Plus Energy Neighborhoods. *Energies*, 16(14), 5453. <https://doi.org/10.3390/en16145453>



syn.ikia





syn.ikia

Sustainable
plus energy
neighbourhoods



@syn_ikiaEU



@syn_ikiaEU



synikia.eu

**Zooming-out:
Regulatory and investment landscape of ESG Finance**

Pitch by the European
Financial Reporting
Advisory Group



**Paolo Mazzeo,
EFRAG**

Pitch by European
Association of Public
Banks



**Lidwin van Velden
EAPB, NWB Bank**

Chat with Delphis on
opportunities and
constraints for social
housing providers



**Charlotte Limousin
DELPHIS**

Part of the series: *For a Green Deal driving Decent Housing for All*

Sustainability reporting in the EU

Housing Europe-Eurhonet Webinar

Brussels, 27 February 2024

Paolo Mazzeo

Senior Technical Manager



TABLE OF CONTENTS

1. EFRAG role and organisation
2. European Sustainability Reporting: Key principles
3. ESRS Set 1: The foundational first layer (sector agnostic)
4. Interoperability with ISSB and GRI
5. EFRAG implementation activities
6. EFRAG work programme

Disclaimer: The views expressed in this presentation are those of the presenters, except where indicated otherwise.



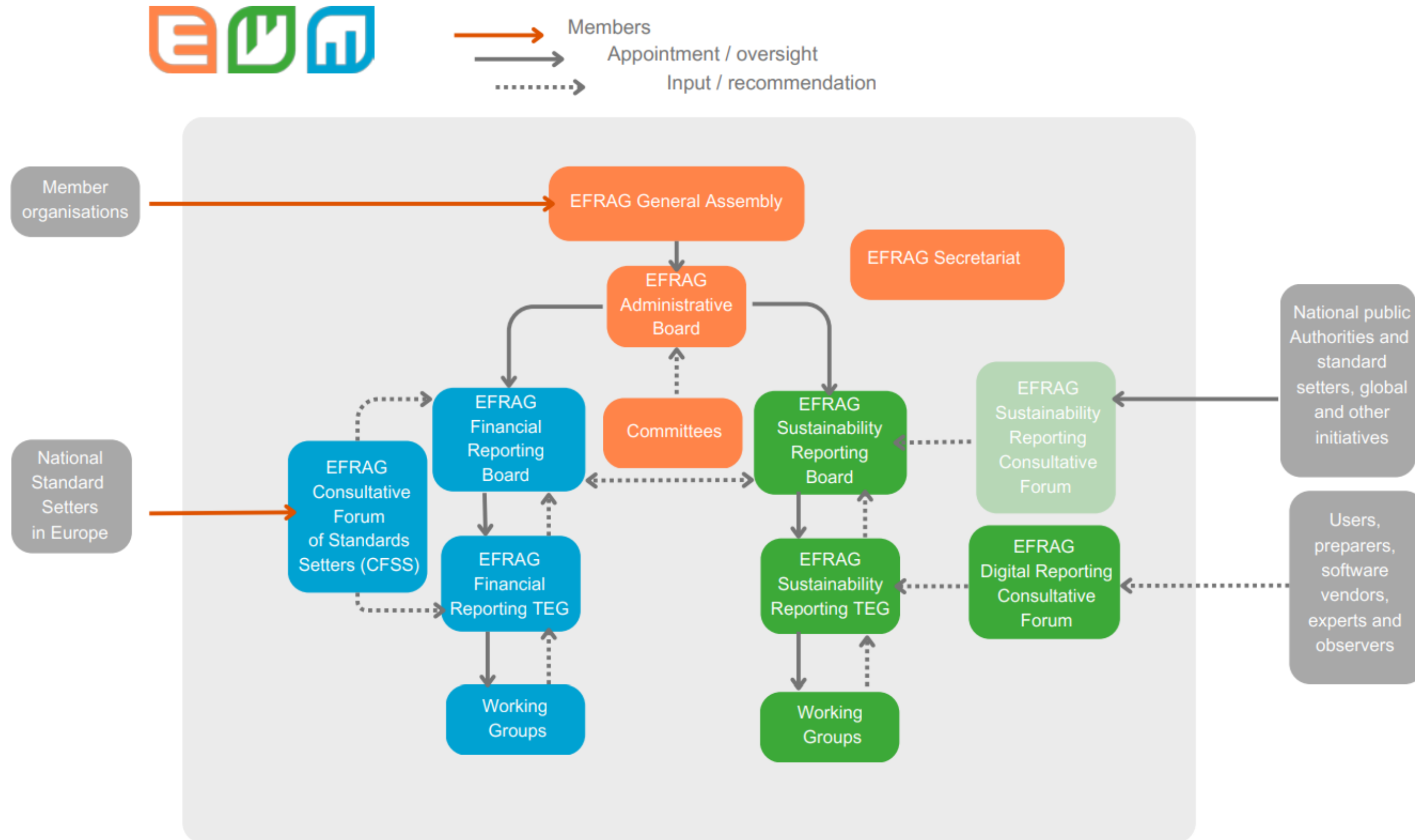
1. EFRAG: Role and organisation

Introduction

- Private not-for-profit established in 2001
- Encouraged by the EC to serve the public interest
- Since 2010 over 50% funded by the European Union
- 2018 European Corporate Reporting Lab@EFRAG following EC Action Plan: *Financing Sustainable growth*
- 2020: Project Task Force on European Sustainability Reporting Standards: preparatory work, then elaboration of Exposure Drafts Standards
- 2022: Governance reform with new Sustainability Reporting Pillar
- Previously *European Financial Reporting Advisory Group*



Institutional Set-up

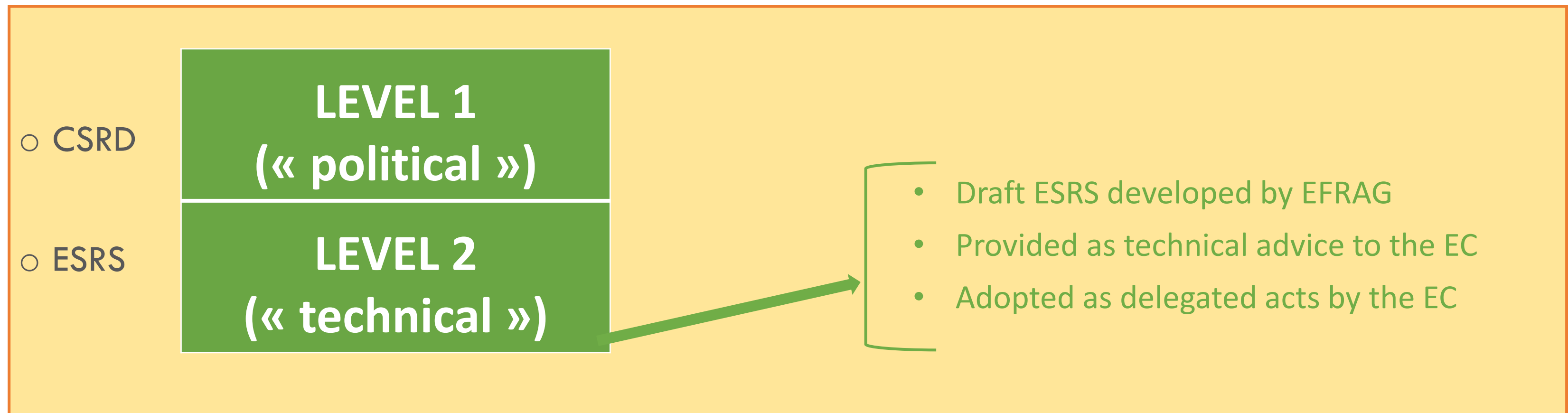




2. European Sustainability Reporting: Key principles

Sustainability Reporting in the EU: in a nutshell (1 / 2)

- A robust **legal mandatory regime** of sustainability reporting: Corporate Sustainability Reporting Directive (CSRD = law) + European Sustainability Reporting Standards (ESRS = regulation)



- With **distinctive fundamentals:**



- ✓ Comprehensive coverage of ESG
- ✓ Three layers: sector agnostic (“ESRS Set 1”), sector specific, entity specific
- ✓ A key concept: double materiality (impacts and financial risks/opportunities)
- ✓ Report located in a separate section of the management report: sustainability statement
- ✓ Human and machine readability (XBRL Taxonomy developed by EFRAG)
- ✓ Mandatory assurance: limited to start with, moving to reasonable assurance by the end of the decade

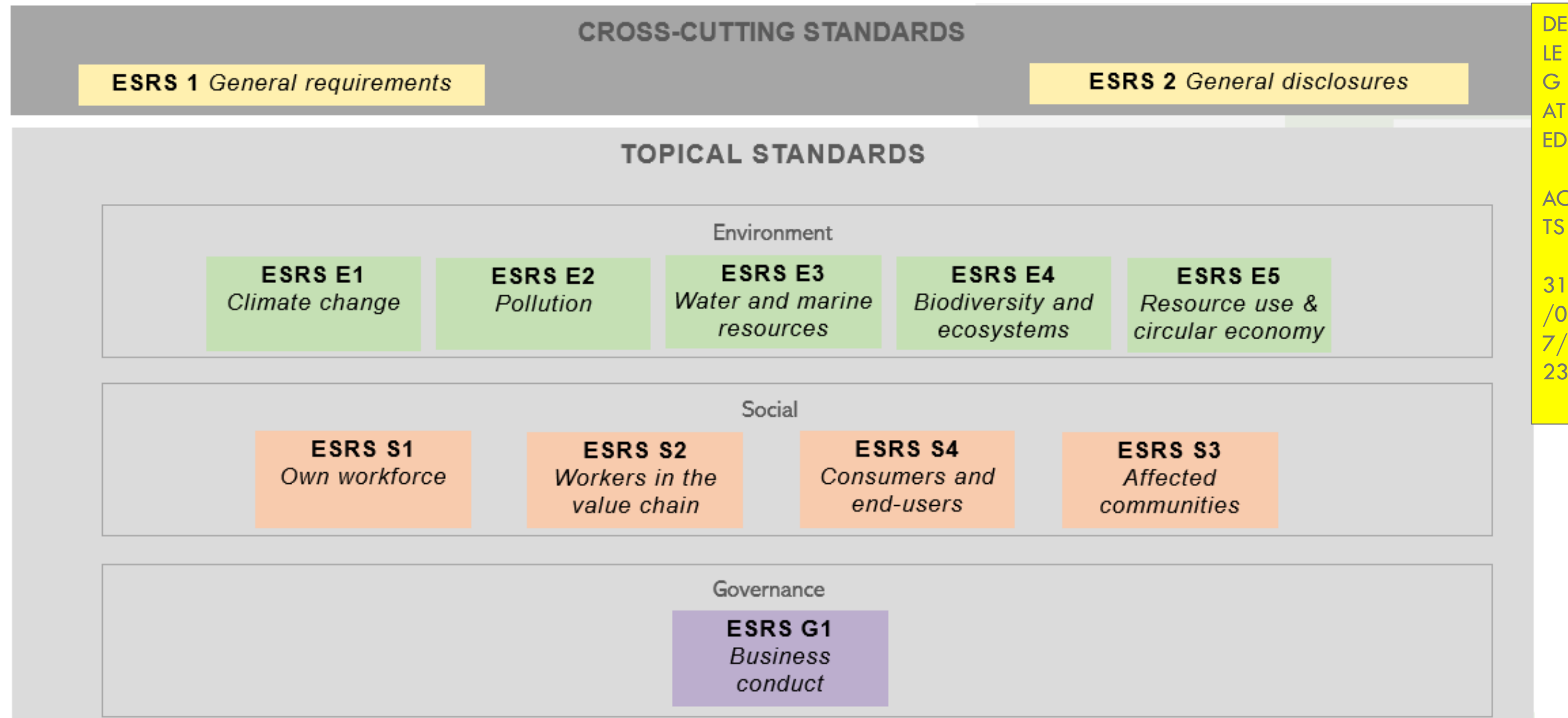
A large scope targeted to address the sustainability challenges of all economic entities

- Broad scope of mandatory application: all large entities (250+ employees) and listed SMEs
- A progressive phase-in: 2024 reporting year for NFRD reporters, 2025 for the other large entities, 2026 for listed SMEs (with opt-out option until 2028), 2028 for Non-EU companies with branches/subsidiaries
- Other SMEs encouraged to adopt a simplified voluntary reporting – possibly also micro-entities



3. ESRS Set 1: The foundational first layer (sector agnostic)

Two cross-cutting standards + ten topical standards



DE
LE
G
AT
ED

AC
TS

31
/0
7/
23

82 Disclosure Requirements (DR)
Qualitative or quantitative

Double materiality

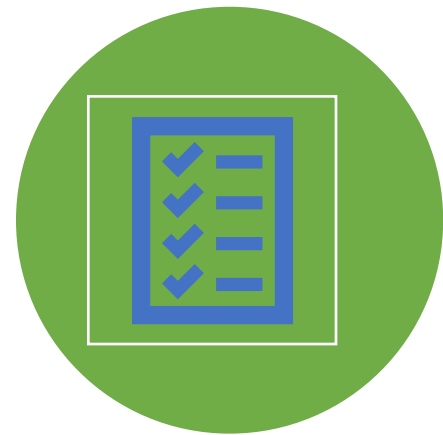
- Financial materiality
- Impact materiality

4 pillars

- Governance
- Strategy
- Impact, risk and opportunity management
- Metrics and targets

... to be complemented by sector specific standards + SME standards

The pivotal role of the materiality assessment



Sustainability statements shall reflect **all material** impacts, risks and opportunities (IROs): under an objective approach with thresholds. Thus, not all sector agnostic standards may be applicable to an undertaking.



Reporting entity to implement a **rigorous materiality assessment process** to determine material IROs (incl. understanding of its value chain). This will be subject to audit.



4. Interoperability with ISSB and GRI

Key interoperability steps achieved in practice: ISSB

International Sustainability Standards Board (ISSB)

 IFRS®

- Meetings of the JWG, bilateral meetings at management level and bilateral meetings of climate experts: continued dialogue and cooperation
- Comments received: great desire for interoperability ESRS and IFRS S
- Final decisions (delegated act):
 - Alignment of concepts: financial materiality and value chain in ESRS 1
 - Alignment of content of disclosure objectives in ESRS 2
 - Confirmation of additions to IFRS S2 in ESRS E1
 - Changes to the Architecture
- Differences in timeline and scope at this stage

EFRAG assesses a very high degree of interoperability between the two sets of standards:

ESRS preparers will to a very large extent report the same information as companies that use ISSB standards; and

This significantly reduces the risk that ESRS reporters will have to report the same information twice.

EFRAG has published on 31 July 2023 a mapping table working document which illustrates the above. EFRAG and ISSB are currently working on a joint more detailed interoperability mapping document

Key interoperability steps achieved in practice: GRI

Global Reporting Initiative (GRI)

GRI

- Technical cooperation from the beginning to seek alignment on key concepts: impact materiality, due diligence approach ...
- Reconciliation of ESRS disclosures with GRI disclosures underway
- Digital taxonomy coordination underway

A high level of interoperability has been achieved in respect to impact reporting

Entities complying with ESRS considered reporting *with reference* to GRI Standard (as defined by GRI 1)

EFRAG and GRI issued on 4 September 2023 a joint statement of interoperability. EFRAG and GRI put together an Interoperability Index on 30 November 2023 illustrating the above.

5. Implementation activities

ESRS Implementation Support

ESRS Q&A Platform and Clarifications and Rejections

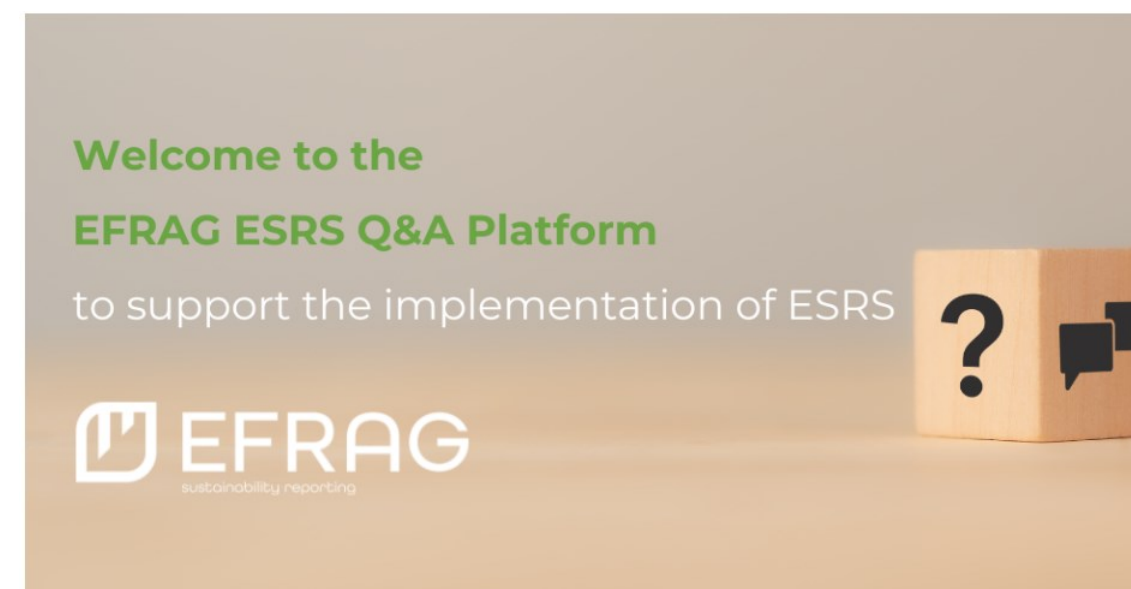
In **mid-October 2023**, EFRAG launched the ESRS implementation Q&A Platform, a centralised access point to systematically address stakeholders' questions and provide answers.

Explanations

Rejections

Implementation Guidance

Possible amendments



[EFRAG ESRS Q&A Platform - EFRAG](#)

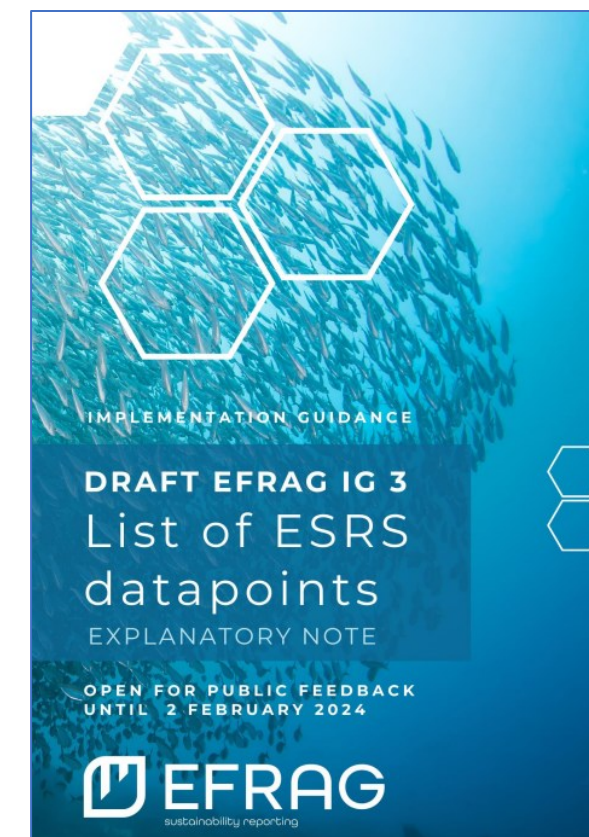
ESRS Implementation Support

ESRS Implementation Guidelines

...to illustrate how the ESRS requirements may be implemented, without introducing new provisions and without amending the requirements in ESRS.

Guidelines are issued as non-authoritative material.

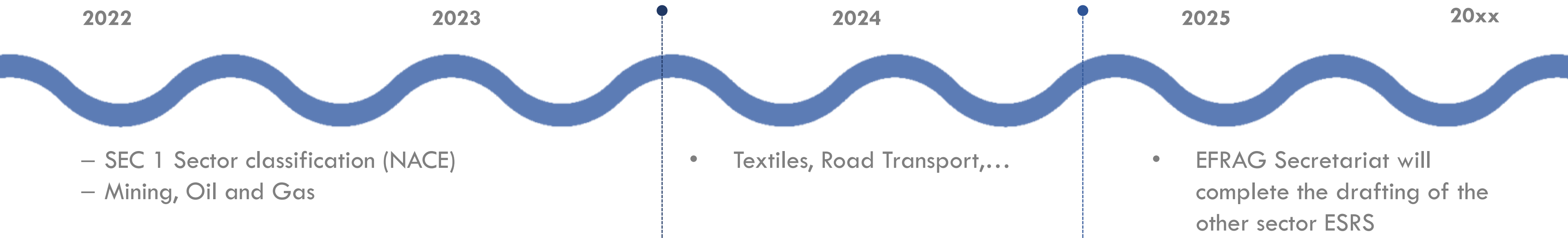
Approved drafts versions of Materiality Assessment (EFRAG IG 1-MA), Value Chain (EFRAG IG 2 – VC) and List of data points (EFRAG IG 3 – DR XLS) have been issued end of 2023, opening a 30-day public feedback period.





6. Work programme

Sector update – 39 Exposure Drafts in the coming years



Financial institutions (banking, insurance, asset management) to address also value chain specificities

Sector standards are being developed over a period of 4/5 years and are **complementary to sector-agnostic**

Illustrative timeline – timetable to be confirmed



Transitional period (i.e., before the issuance of the relevant sector specific standards): development of sector-specific reporting best practices under characteristics of quality that will inform the standard setting process

ESRS for listed SMEs - LSME

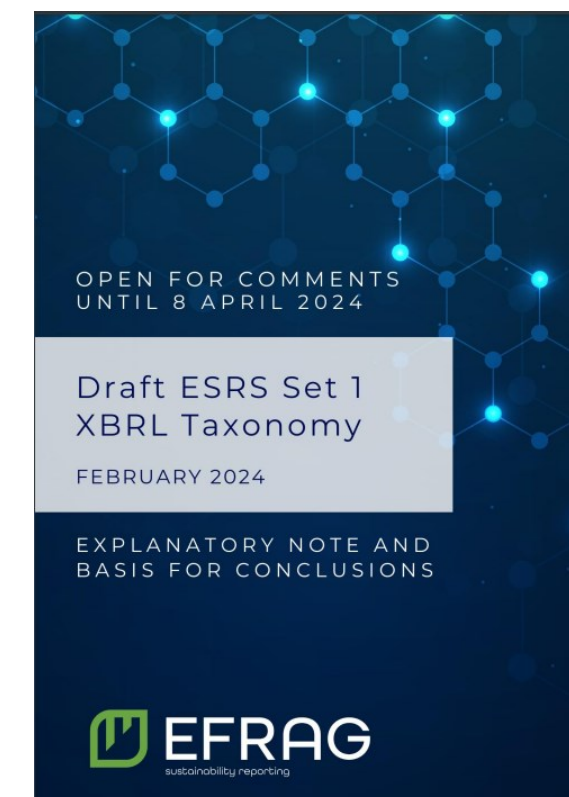
- Part of EFRAG mandate in CSRD, delegated act, effective 01/01/26 (two-year opt out)
- **Public-interest relevance:**
 - SMEs with bonds, shares and other securities traded in regulated market in the EU
 - small and non-complex institutions (SNCl)s
 - captive insurers/ reinsurers
- To set requirements proportionate and relevant to the scale and complexity of the activities and to the capacities and characteristics of LSMEs.
- Expected to support LSMEs in better access to finance and avoid discrimination against them on the part of financial market participants

Voluntary standard for non listed SMEs - VSME

- Outside the CSRD mandate: [EC SME Relief Package](#) of September 2023: to support SMEs in accessing sustainable finance.
- Non-listed micro- + SMEs
- Simple reporting tool to assist in responding to requests for sustainability information from business counterparts in an efficient and proportionate manner
- Facilitate SMEs transition to sustainable economy
- To standardise the current multiple ESG data requests by reducing the number of uncoordinated requests they receive.

Public consultations

- [Public consultation](#) on the Exposure Draft ESRS for listed SMEs (ESRS LSME ED) and the Exposure Draft for the voluntary reporting standard for non-listed SMEs (VSME ED) ->21 May 2024. public consultation on the Draft XBRL Taxonomy for ESRS Set 1
- [Public consultation](#) on the Draft XBRL Taxonomy for ESRS Set 1 -> 8 April 2024



Become a Friend of EFRAG

Entities can support EFRAG's mission and activities in the development of draft ESRS!

Advantages:

- Visibility on website
- Private meetings with the EFRAG high-level representatives
- Mention in Annual report
- Reserved seats at physical events
- Access to documents prior to publication
- A possible panellist position in EFRAG's events
- A possible EFRAG representation in the entities' events
- Use of “**Friend of EFRAG**” logo



Who to apply?

Send to nominations@efrag.org a description of your entity's mission and activities and a motivation statement in support of EFRAG's mission in its sustainability reporting activities.

Access more info [here](#).

Follow us



35 Square de Meeûs, B-1000 Brussels
info@efrag.org - www.efrag.org



EFRAG is funded by the European Union through the Single Market Programme in which the EEA-EFTA countries (Norway, Iceland and Liechtenstein), as well as Kosovo participate. Any views and opinions expressed are, however, those of the author(s) only and do not necessarily reflect those of the European Union, the European Commission or of countries that participate in the Single Market Programme. Neither the European Union, the European Commission nor countries participating in the Single market Programme can be held responsible for them.



Housing Europe Innovation bites

5th episode, 27-02-2024





Who we are

The EAPB is the voice of the European public banking sector.

We represent the interests of over **30** public banks, funding agencies and associations of public banks throughout Europe...

...representing indirectly the interests of about **90** financial institutions towards the EU and other European stakeholders.

We represent about **83,000** employees.



The European Association of Public Banks (EAPB) was founded on **4 May 2000**



EAPB gathers member organisations from **15** European member states and **2** non member states.



The combined balance sheet total of all EAPB-members is around EUR **3,4 trillion**



EAPB-members constitute an essential part of the European financial sector with a market share of around **15%**



- 36% of EAPB members provide funding directly to social housing projects
- In 2020, 15.6% of the total EAPB funding went directly to social housing, so about EUR 87,6bn
- Public banks attract funding from the capital markets including by issuing social and sustainable bonds
- Public bank funding also takes into consideration the green objectives and the needs for affordable housing

Public sector banks are perfectly suited to operate the co-investment between the State and the Market to address the challenges to social housing. In order to play our role, we need fit-for-purpose financial rules



Challenges and opportunities for social and public housing providers

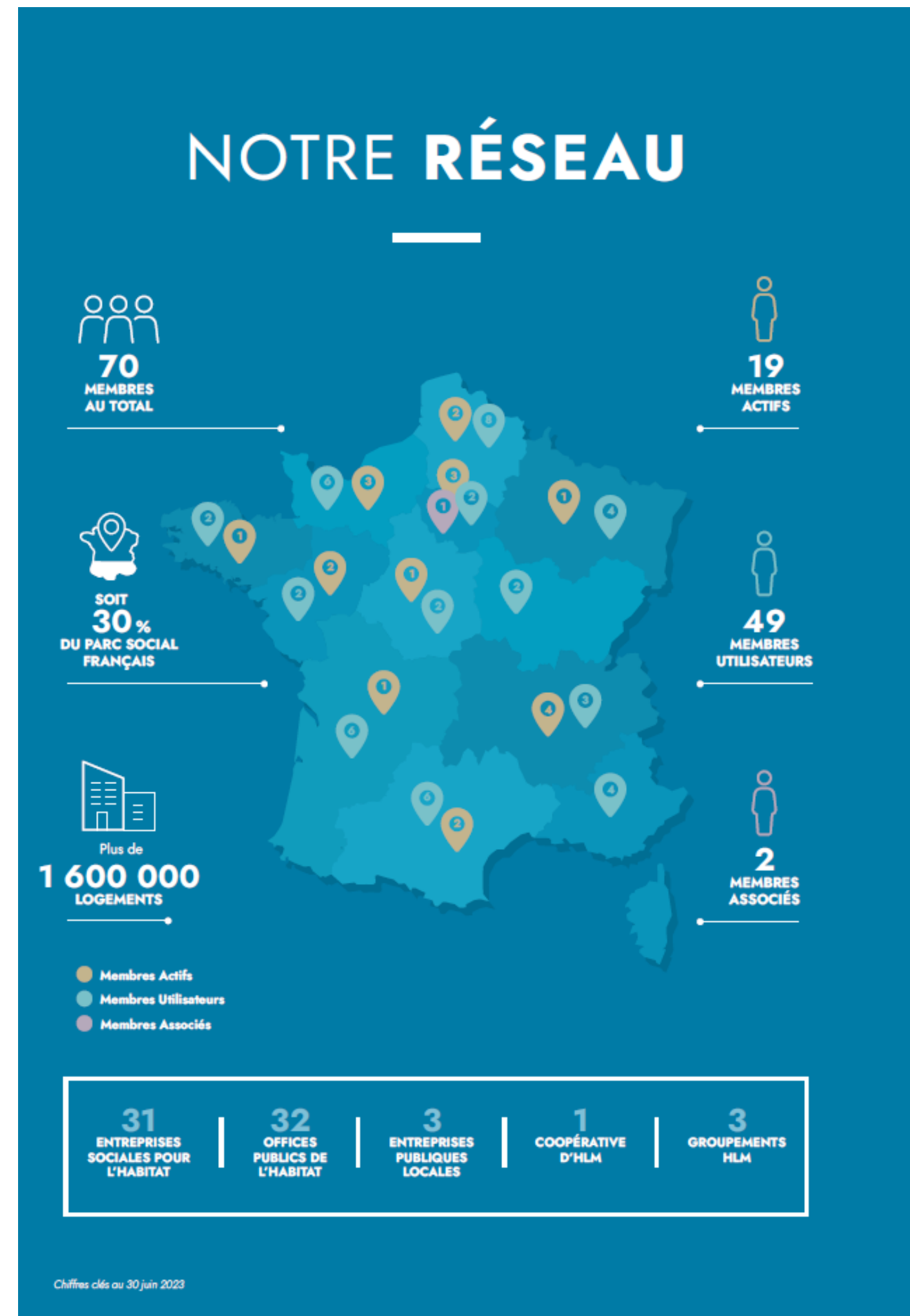
EURHONET Council of Administration Meeting

Thursday 23rd February 2023

DELPHIS and its network

Who are we?

- Non-profit, professional organisation
- A network of social housing providers
 - ➔ 70 members
 - ➔ representing 30% of the social housing stock in France
- Our mission:
 - To foster « best practices » sharing among housing providers
 - To promote innovation within the social housing sector



DELPHIS: 3 main fields of innovation



ethis-habitat.org



habitatseniorservices.fr

CSR

Quality management

Ageing PwD

- Standards, labels
- Methods & Tools
- R&D, innovation projects
- Meetings, webinars, conferences...

Challenges

- **Awareness and understanding**
 - Context, regulatory framework
 - Partners / finance sector's expectations
- **Data management and reporting**
 - Data availability
 - Data management
 - Tools and processes
- **Setting objectives and targets**
- **Knowledge, skills development on sustainability, ESG issues**

Opportunities

- **Defining a sustainability/sustainable strategy**
 - a framework to help providers identify their key “sustainability issues” and question / define their strategy, how these issues are managed and dealt with internally, and improve practices
- **An opportunity to explain and demonstrate providers’ environmental and social impact, and their contribution to local, national and European sustainability objectives**
 - towards their partners, stakeholders... including public/private investors, banks, funding partners
- **New funding opportunities?**

COFFEE BREAK



**Chat with Alex Fernandez (TU Delft) on the impact of green
finance on the social housing sector**



Alex Fernandez
TU DELFT

Part of the series: *For a Green Deal driving Decent Housing for All*



Zooming-in:
Experiences from the social and affordable housing sector

Valloire Habitat's
impact loan

ÖrebroBostäder's
Sustainability evaluation
process & social obligations

Norwegian cooperatives at
the forefront of taxonomy
aligned finance



Charlotte Limousin
DELPHIS



Oliver Hagvall
ÖrebroBostäder AB, Sweden



Christian-Marius Stryke
*The Co-operative Housing
Federation of Norway*

Part of the series: *For a Green Deal driving Decent Housing for All*

Valloire Habitat

Webinar on Sustainable Finance in collaboration with Housing Europe

27 Février 2024

Valloire Habitat 

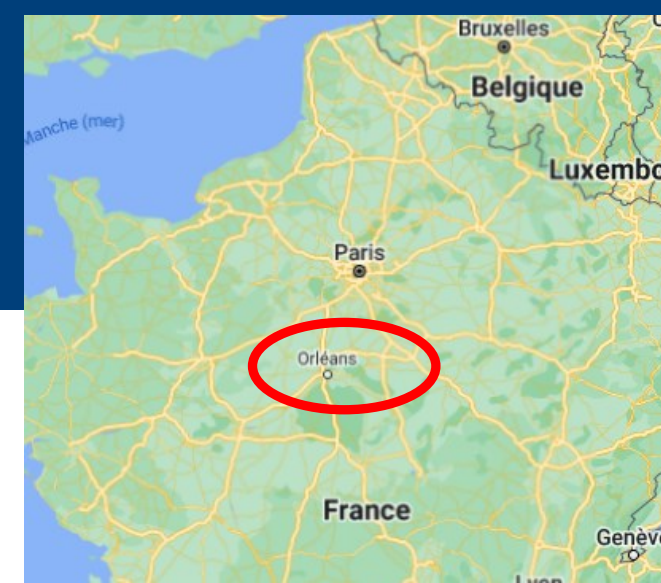
Groupe ActionLogement



1.The project

1. The project: « Les Chaises »

An « Urban renewal » project in Orleans



Objectives:

- to increase the neighborhood's attractiveness (services, schools, commodities, public spaces...)
- to improve urban mobility through better connexions with other neighborhoods

4 dimensions:

- opening the neighborhood
- deconstruction and renovation of social housing blocks → **Valloire Habitat**
- improving the shopping center
- reinforcing local equipment and services

→ a « Sustainable urban planning » approach



1. The project: « Les Chaises »

The renovation of social housing blocks (280 housing units)

- **Architectural attractiveness, image**
 - « Open residentialisation »: clearer delimitation private / public spaces through landscaping (→ increased vegetation)
 - Balconies, terraces, gardens
 - Renovation of entrance halls...
- **Energy:**
 - Comprehensive Energy renovation (« BBC Renovation » Label)
 - Target: 104 kWh/sq m/year (highest Label level)
 - Connection to urban heating
 - Decreased energy costs for tenants
- **Improved comfort and quality** for residents
 - Increased natural light
 - Combined with sun protection shutters...



→ Overall cost: 23 Million €

citat.com





2. Funding

2. Funding

A Commercial Bank Loan, based on EIB funding

- **Background**

- A partnership between a Commercial Bank and the EIB to support « sustainable activities »
- 2021: part of this funding is dedicated to energy transition in housing
- ➔ Part of the project financed through a loan based on this specific funding scheme



- **Criteria**

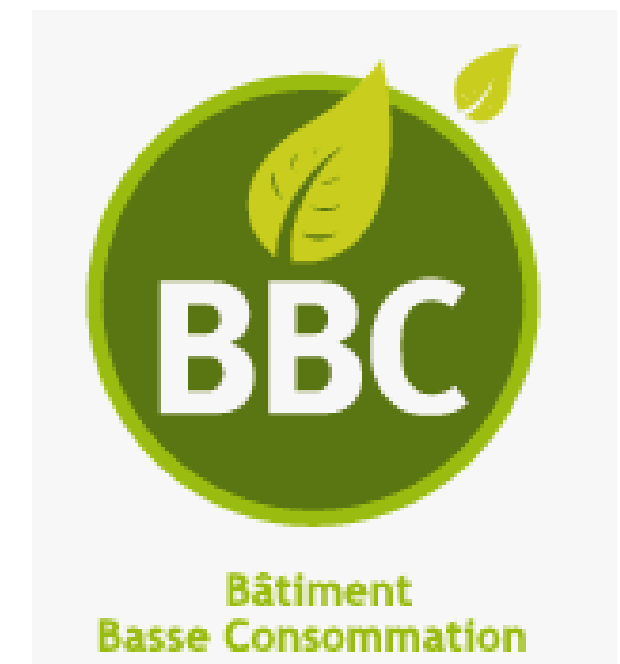
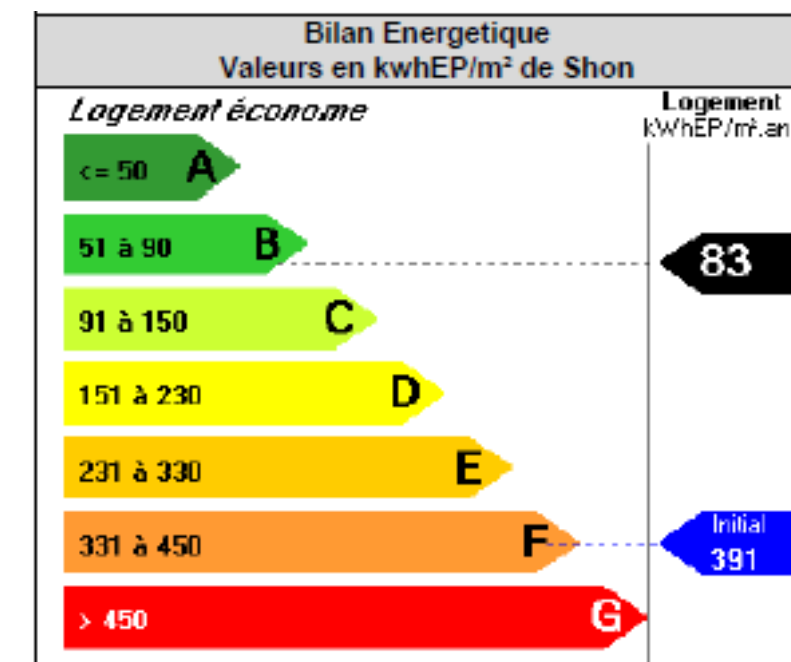
- Criteria 1: renovation
- Criteria 2: 50% decrease of energy consumption
- Criteria 3: aligned with the « technical regulation »

In addition: commitment of Valloire Habitat: **no rent increase**

➔ **Major funding constraint!**

- **Conditions**

- 2 loans, for a total amount of 11M€
- Duration: 5 years / 30 years
- Fixed interest rate



Alternative funding option – not selected

- « **Impact loan** »

→ A discounted interest rate if pre-defined social or environmental targets are met

Exemples of criteria:

- % of housing units for elderly people
- % of housing units rented to homeless people
- % of energy consumption reduction....

Why not selected?

- Similar financial conditions for both loans
- Interest rate discount of the « impact loan » quite limited (5000€ / year max.)
- Criteria of the « impact loan »:
 - complex to manage: demonstration needed each year, through certified documents
 - lack of flexibility: same criteria/targets over the whole duration of the loan (→ no further « discount » once the target is met)





3. Perspectives: what challenges ahead for social housing providers, in terms of access to funding and dialogue with banking partners?

3. Challenges ahead

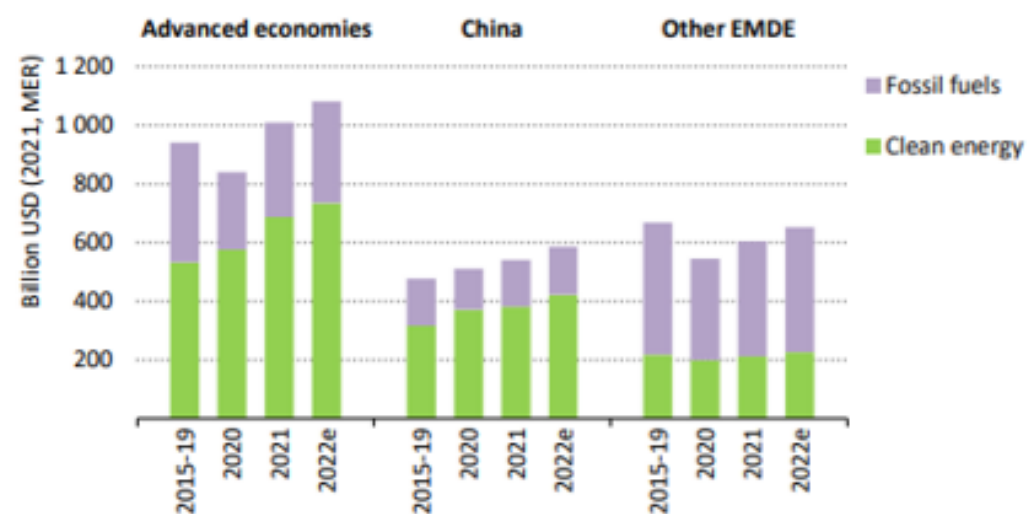
Huge funding needs

Des besoins de financements vertigineux

Des financements en hausse pour les énergies propres...

Source Rapport annuel AIE 2022

Figure 2.7 ▶ Global energy investment by region



IEA, CC BY 4.0.

Emerging market and developing economies, other than China, account for two-thirds of the global population, but their share of clean energy investment is both low and declining

Note: EMDE = emerging market and developing economies; MER = market exchange rate; 2015-19 indicates average annual figure; 2022e = estimated values for 2022.

1 400 MdsUSD investis dans les énergies propres en 2021

... mais très insuffisants face aux investissements nécessaires pour le scénario Net Zero mondial

Source Rapport annuel AIE 2022 & ADEME



4 200Mds USD/an
d'ici 2030 dans le monde



1 115Mds EUR/an
d'ici 2030 en Europe



100 Mds EUR/an
d'ici 2030 en France

Increased funding in « climate transition » projects and activities (for example to support « clean energy »)...

... but still not sufficient to achieve Global, European and national goals

➔ A need to better understand investors' and financiers' drivers and constraints



3. Challenges ahead

Understanding the new « landscape »

- **Regulatory framework**

- Taxonomy
- CSRD
- SFDR

- **Increasing innovation in the field of « Sustainable finance »**

- **More and more specific « sustainable finance » products:**

- Green / Social Bonds (targeting specific projects)
- Green / Social Loans (for specific projects)
- Sustainability Linked Bond / Loans : based on ESG performance criteria of the operator, to finance its general needs (not linked to specific projects)...

- **New commitments (and constraints) for banks**

- ➔ increased competition among banks on « green » / social commitments and products
- ➔ competition among projects/operators/activities likely to be financed

3. Challenges ahead

How to attract / access these new funding opportunities?

- **Standardization of criteria and reporting through regulation**
 - ➔ Competition across sectors
 - ➔ A « differentiation » challenge
- **How?**
 - Integrate « Taxonomy » criteria in its strategy and practices: to aim at a higher « alignment » rate of projects
 - Build a robust and « differentiating » CSR strategy, which:
 - highlights the operator's specificity, identity
 - demonstrates how the operator tackles and manages ESG issues (in particular « risks and negative impacts management »)
 - shows the operator's performance and impact (positive impact, contribution to sustainable development goals)

Beyond « compulsory reporting » ➔ « what for »?



3. Challenges ahead

Challenges and needs for housing providers' CFOs

- **Increased cooperation between finance and CSR teams**, to help manage both financial and « non-financial » data and strategy
- **New skills and knowledge to develop**
 - Regulation (CSRD, Taxonomy)
 - Corporate Social Responsibility / ESG and sustainability issues
 - Work on a « project mode » with the CSR team
- **Objective: find the adequate funding schemes to support environmental / social transition**



Öbo's sustainability evaluation process & social bonds strategy

Oliver Hagvall, CFO
Örebro Bostäder

Öbo's sustainability evaluation process & social bonds strategy

- Örebro and Örebro Bostäder AB
- Our sustainability initiatives
- Our project sustainability evaluation process
- Social loan and framework for social bonds
- Öbos historical approach to renovations
- Refinancing older projects with social bonds

Örebro

Sixth-largest city in Sweden
Population, 157.000

ÖBO – ÖrebroBostäder

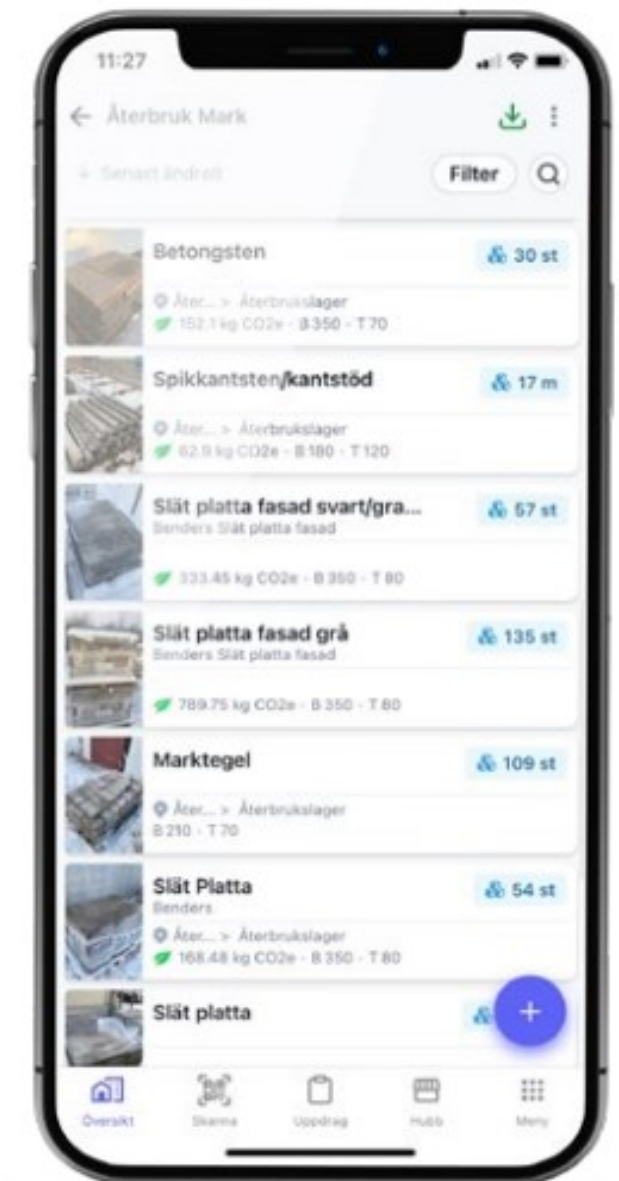
Fourth largest municipality
owned company in Sweden.

172 m EUR in revenue
23 000 apartments
41 500 tenants



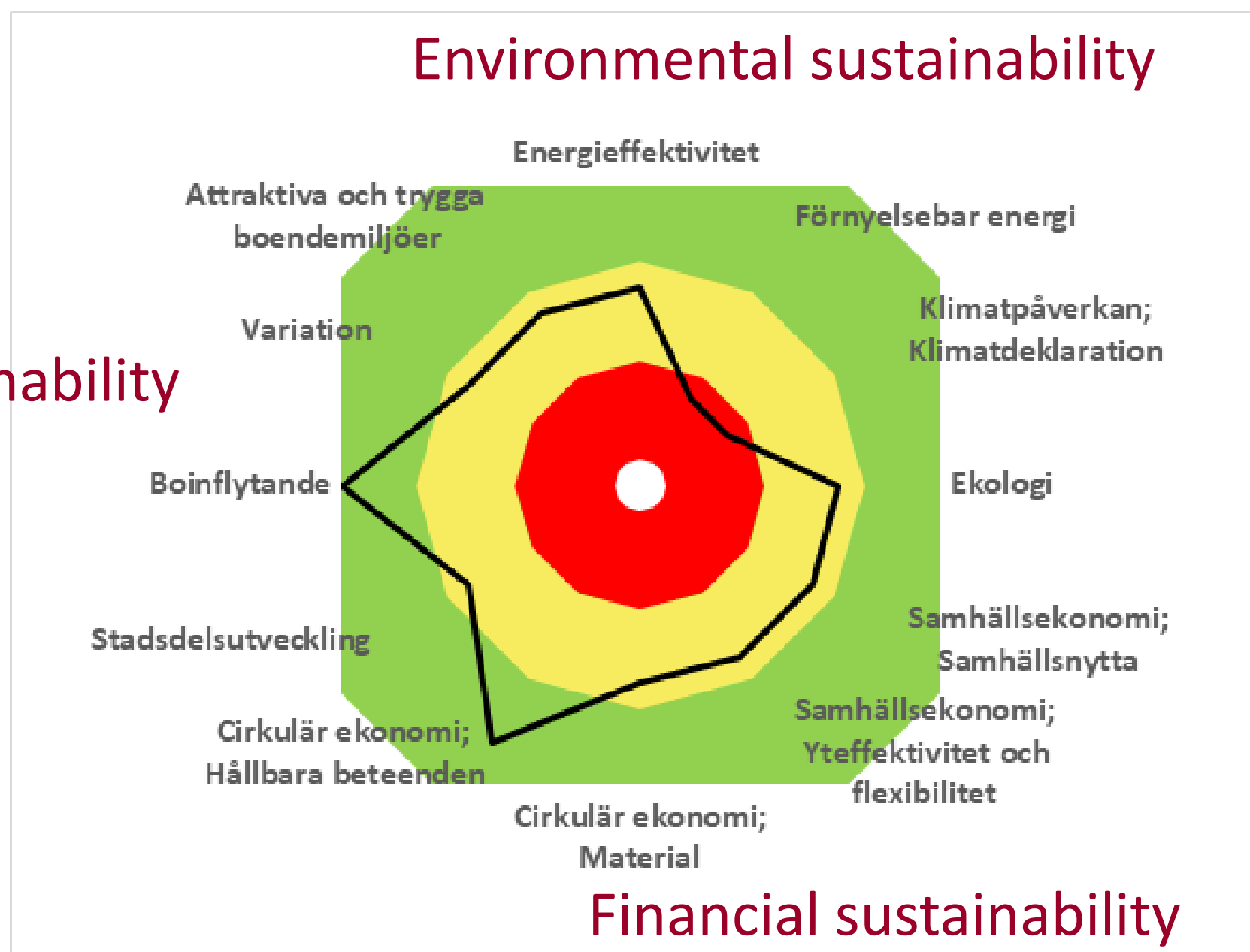
Our sustainability initiatives

- Energy use reduced by 50 % in the past 10 years
- AI in energy and heating
- Reusability app
- Reusability center, 2023
- We own part of a wind energy company that produces our total need of energy
- Social sustainability city district transformations
- Green bonds since 2014
- 33% of our emitted bonds are green, 215 m EUR.



Our project sustainability evaluation process

Social sustainability



Hållbarhetskalkyl 2022-10-05

	Förklaring	Mätning
Ekologisk hållbarhet:		
1. Energieffektivitet eller energibesparing	Fasigheten har en ganska låg energiförbrukning: 102 kWh/år. Refererade liknande byggnader 130 kWh/år ggr boverkets referenstal. OBQs medel 136 kWh/år Vi kommer kanske att hamna på mindre än 30%, men det är viktigt att ha med sig att göra energieffektiverande val. Ny energibalansberäkning kommer längre fram i projekteringskedan 2011-10-05 Teoretiska beräkningar säger en besparing på 39% Fokusområde i projektet	Gul: 30%-49%
2. Förnyelsebar energi	Ej klart ännu: Pengar finns avsatta i separata solcellis pengar. Om beräkningar håller så ska solceller vara med i projektet. 2022-10-05 Nej, konstruktionen håller inte.	Röd
3. Klimatpåverkan; Livscykelanalys (LCA)/Klimatdeklaration	Standardprojekt vi låter delta vara så länge	Röd: LCA eller klimatdeklaration ej genomförd
4. Ekologi	Ej klart ännu: Analysen ska göras. 5/10 2022 Kolla upp om hela analysen är gjord. Trädanalys är gjord, ritning med träd som ska skyddas finns	Gul
Ekonomisk hållbarhet:		
1. Samhällsekonomi; Samhällsnytta	Enl. social upphandling	Gul: Ja, delvis
2. Samhällsekonomi; Yteffektivitet och flexibilitet	Inget extra finns, men svårt att säga att det finns kraftiga brister.	Gul
3. Cirkulär ekonomi; Material	Armeraturler ska återanvändas. Kommer att utredas vidare längre fram, presenterat för bgr redan. Utgår för detta projektjust nu men vi håller det öppet Standardrenovering istället för hel vi river ut mindre väggar osv. 5/10 2022 Garderober återanvänds. Golven behålls. Utreda vad som kan lämnas till arkitektbyrå (ggr) Återbruksdepå Fokusområde i projektet	Gul: Ja, delvis
4. Cirkulär ekonomi; Hållbara beteenden	IMD Renoverar kök m sopsortering ggr avtal Ej om synpunkter kommer i boinflytande. Separat eblsladdningsprojekt i området Kolla upp!	Grön: Ja
Social Hållbarhet:		
1. Stadsdelsutveckling	Ingen utvecklingsplan för stadsdelen ännu. Men projektet har heller inget fokus på detta	Gul
2. Boinflytande	Hg enkät, gårdsträff	Grön
3. Variation	Bra variation idag. Mix på storlekar, både med o utan hiss	Gul: Variationen är redan på en bra nivå
4. Attraktiva och trygga boendemiljöer	Attraktivt område Passersystem o skalskydd finns redan beställt Ny trapphusbelysning iokj vid ingången Gård mot söder o park i direkt anslutning Vad händer m gården? Kan vi anse att denna får bli grön?	Gul: Detta är redan på en bra nivå

Social loan and framework for social bonds

- Social loan, Kommun Invest
- Small apartments with one-sided demographic.
- Citycenter building, add more restaurants area and a roof top bar to attract more diverse demographic.
- Access to evaluations tools and framework for social bonds.
- Access to the team at Kommun Invest.



Öbos historical approach to renovations

High focus on remodeling real estate and surrounding areas as part of social transformation of city districts.

As a consequence, the projects social sustainability costs have been high.



Refinancing older projects with social bonds

- Use experience and the process from the current social loan application to develop our own framework for social bonds, to compliment our green bonds program.
- Use our sustainability evaluation process to assess older projects, city district transformations, and identify the social effects that have been achieved.
- Refinance the projects with social bonds. Gives a better insight in the amount of work we've put in to social sustainability and hopefully somewhat lower interest rates.
- Strive to emit **sustainable bonds** (combined green and social bonds)



Krokkelva housing association, Tromsø, Norway:

First housing association in Europe to be granted a green loan to finance rehabilitation?

Christian-Marius Stryken

Director of political and legal affairs

February 27, 2024



Why? Energy and the climate

- 80 percent of the homes that will be occupied in 2050 are already built today.
- Rehabilitation of existing housing stock results in a significantly lower environmental footprint than building a new house.
- By extending the lifetime through upgrading and reuse of building materials, the total amount of emissions can be significantly reduced.





Winter Oktober-May

- 149 units in detached buildings consisting of 2-room and 4-room apartments.
- In 2019, the housing association approved a loan with a limit of NOK 130 million/11 million Euro.
- Replacement of all windows, post-insulation, and balanced ventilation.
- In addition, new storage rooms and entrances have been built, and the 4-room apartments have got new, large balconies.



Presentation of the project for banks

- Material with a long service life and a low degree of maintenance requirements.
- Reuse and reuse.
- Energy memo – document a minimum 30% reduction in energy consumption.
- Selected contractors
- Project Management – Construction management – SHA Coordinator – Financial Management

**BYGG
MESTEREN**

Les mer om
kvalitetsinnhold

Fagpressen



DNB har gitt Norges første grønne lån til Krokelva borettslag og rehabiliteringsprosjektet som Bonord leder der. Fra venstre: Tone Soleng Wilsgaard, Bjørnar Høgtun, Rune Wara og Anita Engen. (Foto: Rune Stoltz Bertinussen/Krysspress)

Borettslag i Tromsø fikk Norges første grønne rehabiliteringslån



Krokelva vs. Musk


- Total heated area: 11,582 m²
- Reduction in energy demand overall: 1,378,258 kWh/year
- Reduction of 39.8% per year

- Electric cars have an average mileage of 11,288 km per year in Norway.
- Tesla Model 3 has a consumption of 1400 kWh with a mileage of 11,288 km.
- Krokelva reduction in energy demand = 984 Tesla 3/year.



Largest Norwegian private bank



- To qualify for green financing, all the **technical screening criteria** must be met and compliance with the taxonomy must be assessed and **validated by an independent third party.**
- For rehabilitation, the requirement is a **minimum of 30 per cent energy improvement** in existing buildings, but other measures are also being considered.
- A green loan provides **better terms and a longer maturity** than a similar loan that is not green.
- DNB has chosen **close harmonisation, and not full compliance**, with the criteria in the EU taxonomy.
- Due to a combination of factors that include, but are not limited to, **uncertainty in the market about how to implement the criteria** for not inflicting significant harm (do no significant harm) and for minimum safeguards, it is **primarily harmonized with the criteria for substantial contributions.**
- It also covers **only the two taxonomy targets where technical screening criteria** have been implemented: measures to **mitigate climate change and adaptation to climate change.** 

Say «hei» to Bjørn, chairman of Krokkelva housing association

"For us in Krokkelva, this has been a very good journey. Not least related to **predictability in the financial, and close follow-up** from project management and the contractor. Now that we have **qualified for green financing** this means a further **improvement in the economy** for our residents."

"Our housing association appears today as **brand new**, and with completely **different lifespan** than before. When I talk to our residents, I think everyone is satisfied with the decision we made to think about **comprehensive rehabilitation** of the housing company."





EU Policy Implications



Julien Dijol
Housing Europe

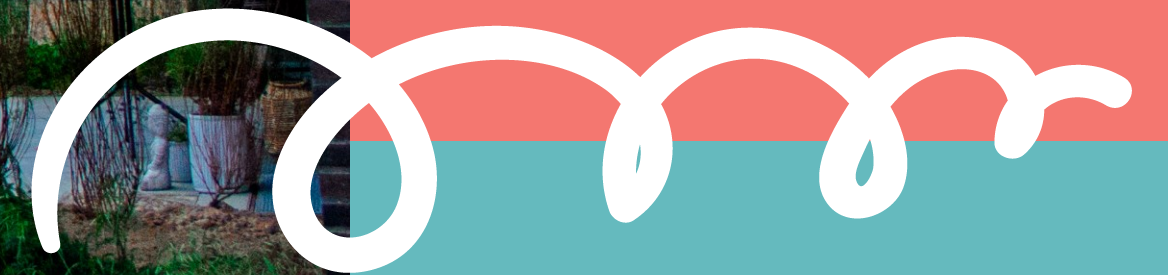
Part of the series: *For a Green Deal driving Decent Housing for All*



Sustainable finance for social, cooperative and public housing — limits and prospects — Julien Dijol, Housing Europe



27 February 2024



In 2018 we looked at the financing of renovation in 6 countries



The study's main findings can be summarized as follows:

■ Renovations have almost always energy and non-energy related component. The non-energy component usually makes most of the cost of renovation. It might come from the fact that from the housing providers point of view, there is not (yet) a specific approach for energy efficiency but rather an approach of building modernization and increased comfort for tenants

■ The total cost of renovation per dwelling varies from 20,000€ (in England) to 46,000€ (in the Netherlands). This variation comes from many factors, including labour cost, the competitiveness of the construction/renovation sector, the building typology (semi-detached homes which are more common in the Netherlands) and the nature of works carried out

■ The cost of the energy related part of renovation makes on average below 50% of the total cost of renovation. In several countries, typical energetic renovation works cost around 10K€, meaning large scale intervention can be contemplated

■ Renovations are financed via a mix of own funding, soft loans related to the energy part of the renovation, bank loans, bonds issue, non-repayable grants, and contribution of tenants in the form of rent increase or rent provision in Austria

■ Favourable fiscal treatment is also in place in several countries (mostly in the form of reduced VAT rate) but there are exceptions to this rule

■ Soft loans related to the energy part of the renovation are conditioned to the attainment of specific levels of energy efficiency and they are all the more favourable as this level is high

■ Subsidies are also conditioned to the realisation of energy efficiency objectives

■ In most of the cases, major renovations and the related rent increase need the agreement of the tenants, however this is not always the case

■ Some countries involve tenants' choice more than others regarding nature of works and improvements

“The countries also have different funding measures although all of them (except England and Netherlands) rely heavily on soft loans or banking loans. In general, combining different sources of funding with an important public support either in the form of grants or soft loans, and a contribution of tenants remain the most widespread business model of energy efficiency in the social housing sector. Other tools (third party, green bonds, certificates, European subsidies and loans) are marginally used. For instance, in only one of the countries, market finance in the form of green bonds play an important role: it is only really used in Sweden and lightly so far. It maybe shows that social housing providers need a stable and known financial framework in order to mitigate the financial risk. As we have seen in several countries, the economic case for renovation of social housing remains fragile and dependent upon public support in one way or another. Market finance does not seem to be a major element so far, probably due to the low rate of return in the sector.”

In 2024, what is the situation ?

Challenging context for finance



What happened with the energy performance contracts ?

- **Different types of contract:**

- the energy performance contract for supplies and services, which allows work to be carried out concerning the management and equipment of buildings (boilers, heat pumps, etc.);

- the energy performance contract for works and services, which allows design, operation and maintenance of buildings to be carried out; Examples: waterproofing or insulation work (insulation), waterproofing, etc.

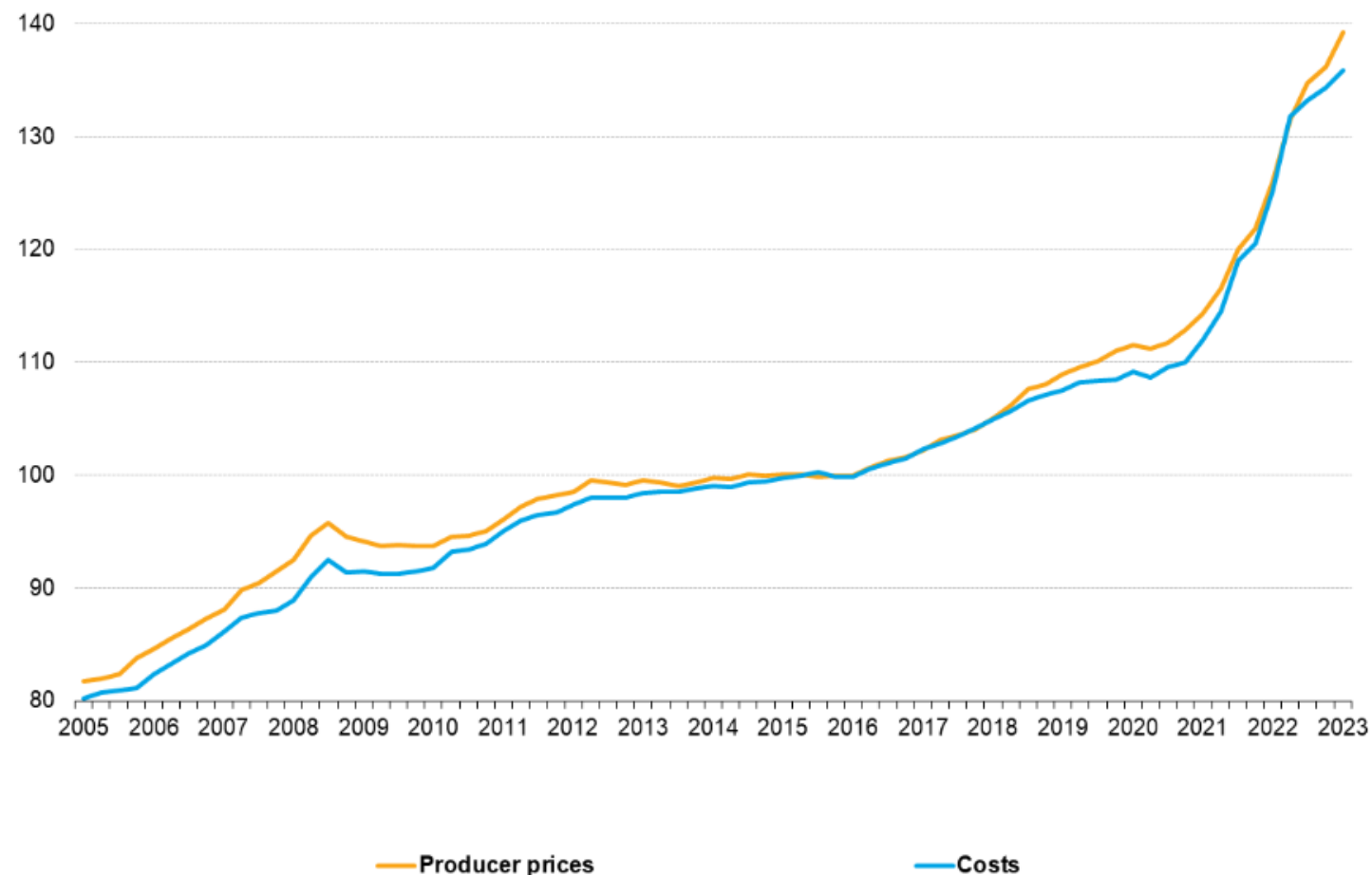
- the overall energy performance contract, which includes works, supplies and services. It represents a greater investment for the client than the two previous forms

- **Interesting for local authorities** → guarantee of end results on public buildings, maintenance, potentially easier procurement and in theory opportunity of third party financing: <https://luminus-business-blog.be/fr/actualites/saint-nicolas-ameliore-son-efficacite-energetique-avec-luminus/>

- **Very few have been used in the residential sector** (as compared to public buildings) and in particular in the social/public housing sector

- **Feedback from the US:** The results show that smaller PHAs that used EPCs experienced greater reductions in energy and water consumption than PHAs that did not use EPCs. Such PHAs often undertook efficiency improvements using alternative financing means such as capital and operating funds, grants, or subsidies : <https://www.huduser.gov/portal/publications/Review-of-Energy-Performance-Contracts.html>

EU, Construction producer prices and costs 2005 - 2023, quarterly data, undadjusted (2015 = 100)



Source: Eurostat (online data code: sts_copi_q)

eurostat

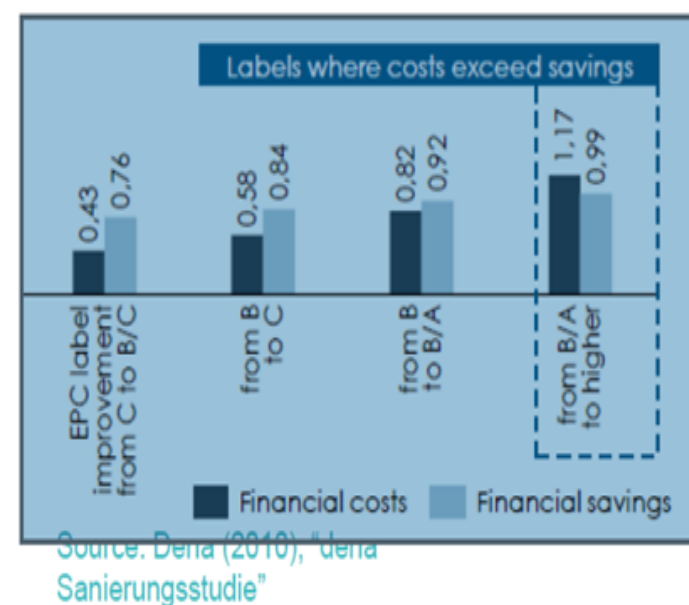
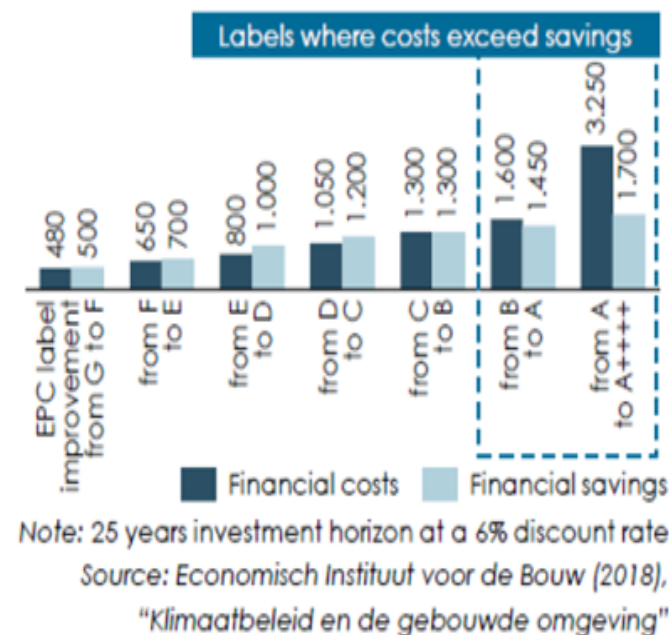
Several possible options for social, cooperative and public housing



Micro economics of NZEBs : Declining energy returns

Copenhagen Economics study : <https://www.housingeurope.eu/resource-1648/does-one-size-fit-all-impact-of-minimum-energy-performance-standards-in-the-revision-of-the-energy-performance-building-directive>

- Energy renovations have declining returns to the point where they do not pay for themselves anymore
- For high EPC labels, the emission reduction per Euro investment is lower than for low EPC labels
- Hence, there is overall a strong case for supporting policy measures that reduce barriers to investment that can lift energy performance standards, but not for enforcing the highest EPC labels."



- collective/public guarantee + private loans (attracted by the ESG requirements) → InvestEU?
- Energy performance contracting (if the issue of reliability of data is solved) → Energiesprong ? Opengela?
- National building funds based on tenants'/residents contributions → DK building fund
- Refinancing of public scheme → Kommuninvest in SE



~~~~~

# THANK YOU

~~~~~

www.housingeurope.eu



@HousingEurope