



Local energy efficiency investments. Challenges & opportunities in the Netherlands

Focus country the Netherlands

Workshop – 27 November 2017 – Delft

Event report



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This workshop was organised in the frame of the CITYinvest capacity building programme. CITYinvest focuses on supporting and replicating successful innovative financing models for energy efficiency renovations in buildings.

PARTICIPANTS

In total 13 participants attended the workshop. The participants were selected and invited based on their engagement in the energy transition at the local level and their knowledge of the energy efficiency financing framework in the Netherlands.

Representatives from local authorities included:

- climate and sustainability city officers
- city officers responsible for budget and financing.

A representative from EIB, responsible for the EIB activities in the Netherlands also attended the event, while representatives from local banks and financial institutions although invited could not attend.

OBJECTIVES

The workshop was organised in the form of a brainstorming discussion with key actors from local authorities and financial institutions in the Netherlands to analyse both the barriers and the opportunities to mobilise investments for energy efficiency projects.

The objectives of the workshops were presented at the beginning of the meeting by Donald van den Akker (Klimaatverbond Nederland) and can be summarised as follows:

1. How to mobilise private financial resources for the energy transition in the build environment in order to meet the lack of resources at the local level?
2. How could the 'gap' between EU institutions (policy and financing) and the municipalities be closed?
3. How could the Covenant of Mayors promote a better use of financial resources for energy efficiency investments and better connect local authorities' needs to EU offers?

AGENDA

The workshop was moderated by Ruud Schuurs. At the beginning of the workshop the moderator framed the agenda together with the participants. The workshop included a presentation of the CITYinvest project and the tools that CITYinvest has developed, and a presentation from EIB. The presentations were followed by in depth discussions on some specific issues highlighted by the participants.



The final agenda was as follows:

- Introduction, by Donald van den Akker (Klimaatverbond Nederland)
- Agenda setting & goal of the day, by Ruud Schuurs
- Overview CITYnvest project & CITYnvest tools, presentation by Andy Deacon (Climate Alliance) followed by discussion
- EIB support to local authorities in the Netherlands, presentation by Teun de Jong (EIB) followed by discussion
- CITYnvest and the links with the Covenant of Mayors and the EU energy efficiency & financing landscape, discussion led by Giustino Piccolo (Climate Alliance)
- Discussion based on local examples, moderated by Ruud Schuurs
- Conclusion & follow-up points

WORKSHOP EXPECTATIONS

Based on a round of introductions the following expectations were raised during the workshop intro session answering the question: *When would you be satisfied with today's workshop?*

- Getting some general knowledge and insights in the energy efficiency financing field, also via examples.
- Getting a clear understanding of what are the challenges local authorities are facing in the Netherlands, what could be done and what are the causes of these challenges. Mismatch between supply and demand.
- Understanding how to develop financing solutions for the whole programme vs project by project.
- Understanding how to create coalitions, partnerships with other local authorities and the private sectors to work together in projects.
- Understanding what are the requirements of the EIB for local authorities projects and how to prepare effective applications.

Conclusions

After the presentations and the discussions the workshop was closed with a summary session.

KEY CHALLENGES IN THE NETHERLANDS

Local authorities in the Netherlands are aware of the need to boost energy efficiency renovation projects in order to face the current climate and energy challenges. Almost all cities in the Netherlands have developed detailed plans and city strategies including both mitigation and adaptation actions. Sectorial plans are often combined and comprehensive city plans for the whole urban system are in place. However, when it comes to implementation only few cases are successful, and many actions are still lacking adequate implementation plans.



4 main challenges have been identified during the discussion:

- **Know-how**, capacity and knowledge at the municipal level
- **Admin**, bureaucracy is a problem (for example the creation of a new action plan)
- **Speed**, how quick can you get all the stakeholders around the table
- **Scale**, how big do the projects have to be to be able to get financial support (e.g. via EIB instruments).

WHAT ARE THE FOLLOW-UP ACTIONS NEEDED TO BRING DEMAND & SUPPLY CLOSER TO EACH OTHER?

- In order to address the issue of municipal capacity and knowledge, financial schemes and instruments need to be more flexible and designed in a more flexible way to make sure civil servants understand them. On the other hand, civil servants need to be trained to be better prepared to work with financial institutions.
 - o **Open questions:** How much such capacity building actions are going to cost? Which institution is ready to invest in such programmes (local, national, EU)?
- In order to increase the rate of energy efficiency investments more communication about inspiring examples is needed, especially about those examples where programme financing was applied vs project financing, and where up-scaling of existing structures is being experimented.
- In order to reduce administrative burdens and speed up bureaucracy timing: Special funding for programmes and not only for projects in cities and regions should be developed; In silos approaches at municipal level should be overcome and the communication among the actors both internally as well as externally should be increased; The municipalities should have reliable policies that are carried out by the citizens in order to go beyond the political mandate that provides a better position towards the investors.
- In order to address the issue of project size: the rate of cities participation to EU projects and funding schemes should increase: Inclusion of other municipalities that are not pioneers in EU programmes and funding should be promoted; Risk management of loans and technical solutions should be improved; Pension funds should be better included in the financing landscape for local climate and energy plans, although only bigger projects are usually financed by them.

FOLLOW-UP

Since it will not be possible to organise any follow up activities in the frame of the CITYinvest project duration, the outcomes of the CITYinvest workshop will be fed into some key processes and activities planned in the Netherlands in the coming months/years.



1. **Sustainable Energy Investment Forums (SEI Forums).** An initiative of the European Commission aiming at working with national stakeholders in order to boost large-scale investment and financing for sustainable energy. SEI Forums is organising a series of events across the EU in order to showcase best practices in developing investment projects and programmes in sustainable energy, and engage dialogue with the financial sector, public authorities, and all stakeholders involved in delivering investments in sustainable energy. The SEI Forums event targeting the Netherlands will take place next year (date tbd). The outcome of the CITYnvest workshop will be shared with the responsible of the organisation of this event in order to make sure that the discussions will have a concrete follow up.
2. **Covenant of Mayors for Climate & Energy (CoM).** An initiative funded by the European Commission, the CoM brings together thousands of local and regional authorities voluntarily committed to implementing EU climate and energy objectives on their territory. CoM is currently developing national strategies for each EU Member State to address the specific challenges the initiative is facing in each country. The national strategy for the Netherlands is currently being prepared and the outcome of this workshop will be passed to the CoM Office responsible for the Netherlands.
3. **Klimaatverbond Nederland (KV).** KV is a network of Dutch local authorities working on climate and energy. Via KV the outcomes of the workshop will be further discussed with: on the one hand financial institutions in the Netherlands that, although invited, could not attend the workshop. On the other hand, to the relevant Dutch ministries responsible for climate, energy and financing issues at the local level during the numerous exchanges the network has with the national level in the Netherlands.

