

# PROSPECT+

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**Capacity building for cities and regions - from learning to action!**

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**WEBINAR:**

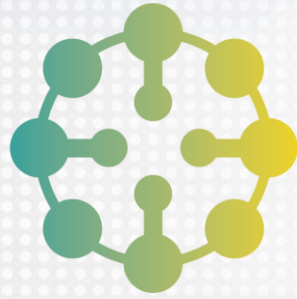
**How your city and region can act faster on climate and energy with limited subsidies: support through PROSPECT+**

**8 September 2022**



The PROSPECT+ project has received funding from the European Union's Horizon 2020 research and innovation programme under grant agreement No 101023271





# PROSPECT+

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**Capacity building for cities and regions - from learning to action!**

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**How can PROSPECT+ help local and regional authorities mitigate growing energy costs and accelerate achieving climate targets?**

**Sylwia Slomiak**



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# Who are we?

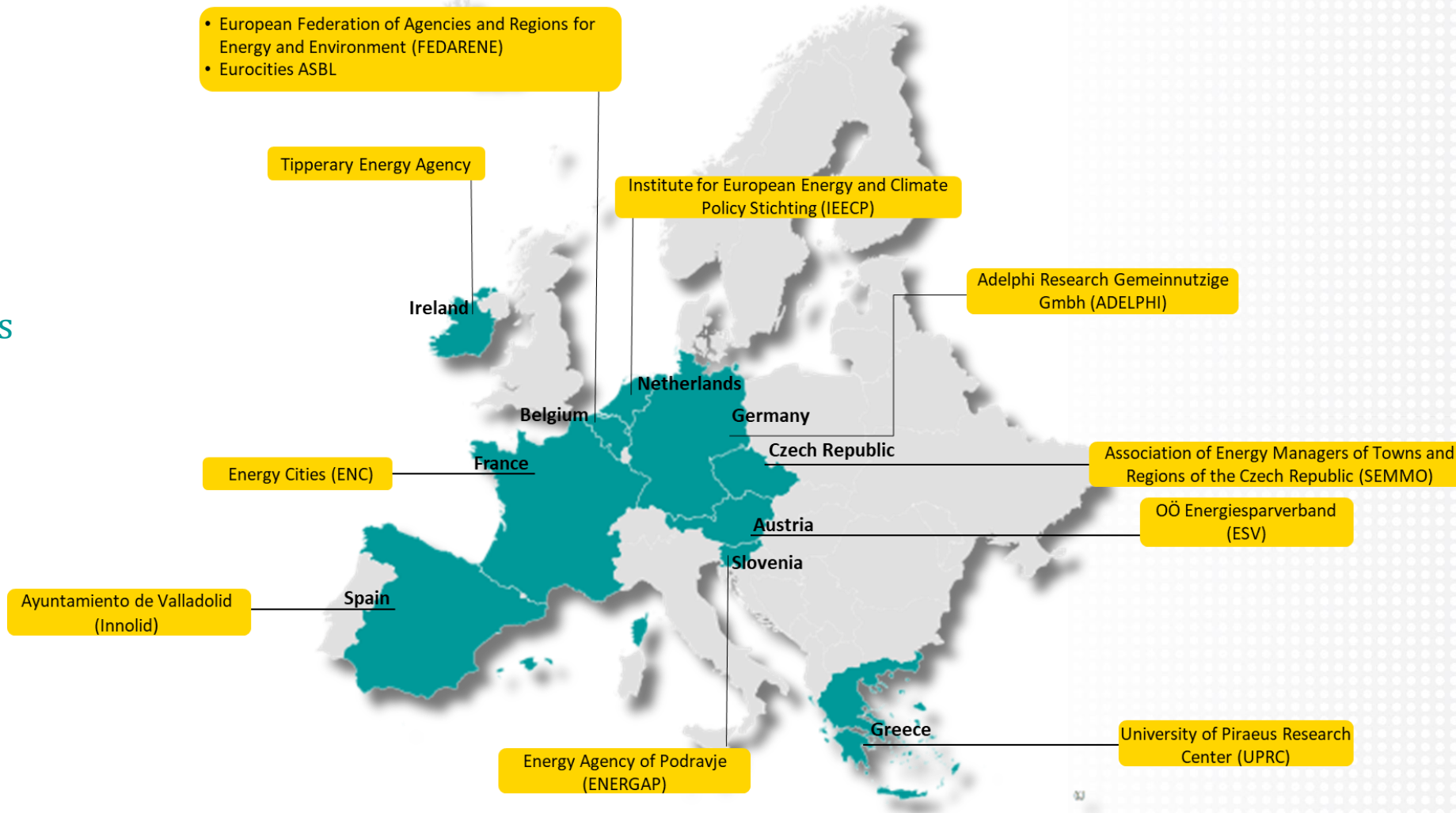
## ❖ Knowledge hubs



## ❖ Networks of cities and regions



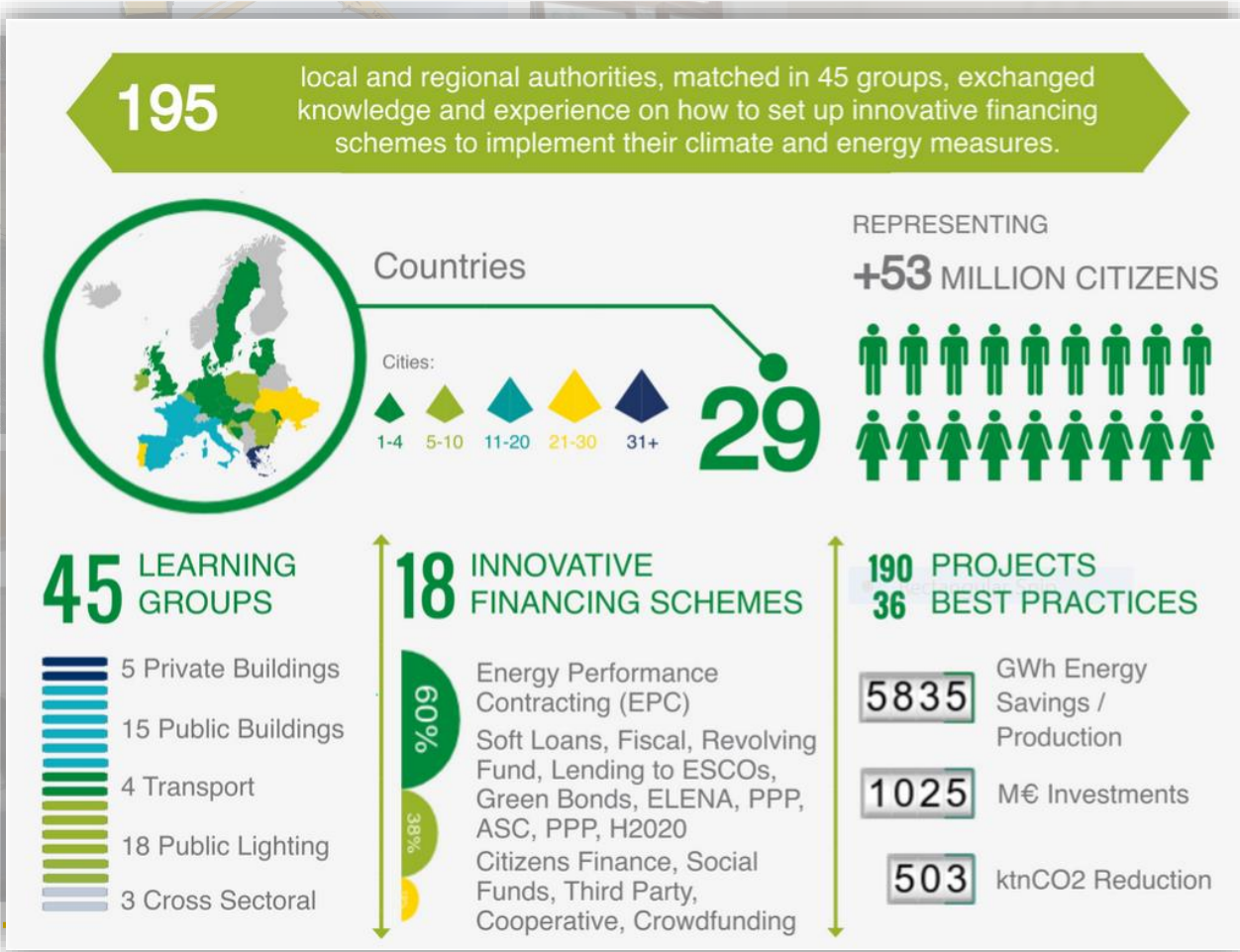
## ❖ Regional Agencies (Mentors)



# What is PROSPECT+?

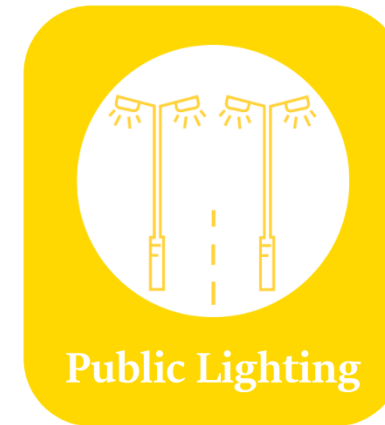


**FIRST EDITION: 45 GROUPS, 149 LOCAL AND REGIONAL AUTHORITIES AND 46 ENERGY AGENCIES**



# What projects do we support?

## 5 THEMATIC AREAS (PROJECTS FOCUSED ON SUSTAINABLE ENERGY AND LOW EMISSION TRANSPORT)



e.g. energy efficiency measures, renewable energy sources, public transport, low-emission mobility, etc.

# What is the scale?

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**300 public authorities**

**Almost 500 individuals**

**incl. 200 mentors and mentees in 64 groups**

# What do PROSPECT+ participants do?



**ONLINE & OFFLINE MEETINGS, DISCUSSIONS, STUDY VISITS, SITE VISITS (plus local groups and CoP)**



# What can you expect?

**LOCAL & REGIONAL AUTHORITIES AND ENERGY AGENCIES CAN JOIN THE FULL CAPACITY BUILDING CYCLE:**





# Our Learning Cycles



**64 groups** will go through all the learning activities of the **Capacity-Building Cycle** (16 in each of the 4 cycles).  
Each cycle will last for up to **8 months**.



February  
2022

September  
2022

November  
2022

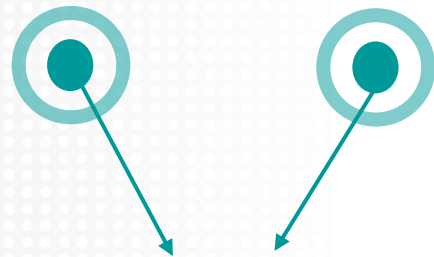
June  
2023

August  
2023

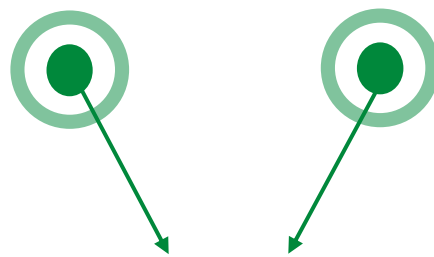
March  
2024

May  
2024

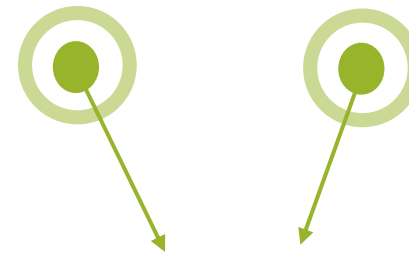
December  
2024



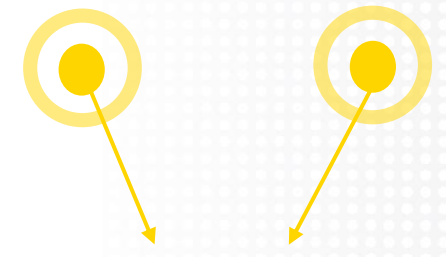
Start and end of Cycle 1



Start and end of Cycle 2



Start and end of Cycle 3



Start and end of Cycle 4

# Who do we work with?

PARTICIPANTS OF THE **COMMUNITY OF PRACTICE (CoP)**

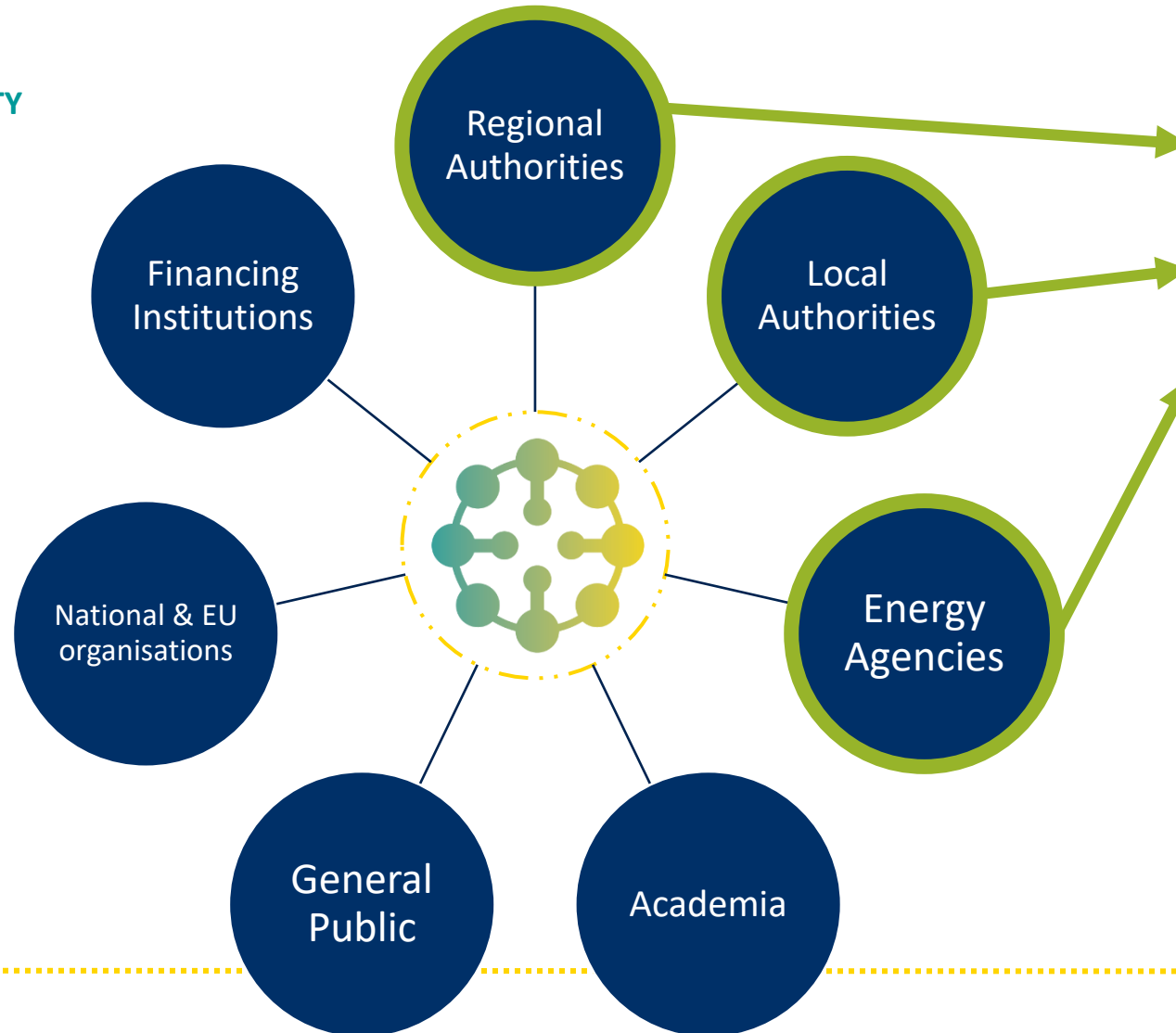
**INVITED GUESTS IN STEPS 1, 2, 3, 4**

CONTRIBUTORS TO AND GUESTS AT **POLICY DIALOGUE**

PARTICIPANTS OF THE **POLICY DIALOGUE WEBINARS**

RECEIPIENTS OF **POLICY BRIEFS**

PARTICIPANTS OF **REPLICATION WEBINARS**



**MENTORS**  
**MENTEES**

PARTICIPANTS OF THE **COMMUNITY OF PRACTICE (CoP)**

**CHAIRS OF THE CoP**

CONTRIBUTORS TO **POLICY DIALOGUE**

PARTICIPANTS OF THE **POLICY DIALOGUE WEBINARS**

RECEIPIENTS OF AND CONTRIBUTORS TO **POLICY BRIEFS**

PARTICIPANTS OF AND PRESENTERS AT **REPLICATION WEBINARS**

**AMBASSADORS**

# What have we prepared for you?



Choose a thematic area to explore relevant replicable practices documentation.

Discover [here](#) the meaning behind the different badges in the replicable practices.



**Replicable Practices**  
The Green PB: Lisbon, PORTUGAL

**Bike lanes through a participatory budget**

The city of Lisbon launched the Lisbon Climate Green Commitment, a local government-led initiative that put together climate projects into its Participatory Budget, via a "Green Seal". The Green Seal was a platform that made Lisbon's Commitment for Resilience to Climate Change material and associated new private funding sources.

In order to implement commitments, Lisbon launched its Green Participatory Budget (PB) as a new variant on its traditional PB, doubling its value from 2.5 million in 2019 to 5 million in 2020. The Green PB follows the same out-citizen engagement process as the traditional PB, with the main difference that, throughout its annual cycle, participants can propose projects which have measurable and achievable climate mitigation and/or adaptation goals and targets. All the selected projects related to environment and climate change were awarded Lisbon's "Green Seal", including two projects related to mobility with bike lanes and green spaces.

**Results:**

- A "Green Seal" in Minimum Budget (Budget 100 Euro Investment) EUR 1 million
- Bike lanes and a city-wide "Green Seal" network within Green Spaces (Total Investment) EUR 2.8 million

**More information on Lisbon:**  
<https://e8.unaepic.com/realizations/2020/09/09/20>


PROSPECT+ fosters capacity building in regional and local authorities in



Public Buildings




Private Buildings



Transport



Public Lighting



Cross Sectoral



**Replicable Practices**  
LEMON Project: ITALY

**Fighting energy poverty with EPCs**

The LEMON project was developed to reduce greenhouse gas emissions and fight energy poverty through the energy conversion of existing social housing. It focuses on increasing the energy efficiency of buildings while looking to improve housing quality. LEMON works on a portion of the social housing building stock of the Emilia-Romagna region, with the ambition to become a replicable best case for the entire region and other European countries.

Energy audits of the social building stock for the project revealed that **422 houses were highly inefficient** (averaging a G rating according to the EU energy labelling scheme). LEMON aims to bring these dwellings up to a C rating by different actions: insulation, building automation and control, and integration between building and equipment.

The objectives of the contract are therefore the redevelopment of the existing building stock, the improvement of living comfort and the achievement of a guaranteed level of energy efficiency of the buildings of at least **40%**.

**LEMON's Financing approach**

The Energy Performance Contract (EPC) is an agreement between beneficiary and supplier guaranteeing the latter to be repaid through the savings generated by increasing the energy efficiency of the housing.

The EPC was an already existing instrument, but hardly used due to the poor regulation and the difficulty of applying it for local authorities. LEMON helped it spread through public events and workshops.

The second instrument, the Energy Performance Tenancy Agreement (EPTA), is a lease with the rent reflecting the improvements made to the housing and the consequent reduction in energy costs. This contract allows the tenants and owner to share the benefits from efficiency gains. While the tenant benefits from a cost reduction of **10% to 30%**, the owner benefits from the additional savings generated by the retrofitting intervention.

Tenants play a crucial role in the sustainability and the results of the project. LEMON has provided training and awareness campaigns to help future tenants to understand their energy consumption.

**193 retrofitted dwellings** in the provinces of Reggio Emilia and Parma

- 247 t CO<sub>2</sub> year emission reduction
- 1,106 MWh/year energy saving

**More information on LEMON:**  
<https://www.emuenergy.eu/node/743>

PROSPECT+ fosters capacity building in regional and local authorities in

[Replicable Practices](#) | [PROSPECT+ \(h2020prospect.eu\)](https://h2020prospect.eu)

# Our Community of Practice



## CONNECTING YOU WITH PEERS AND STRENGTHENING HOW YOUR VOICE IS HEARD AMONG THE KEY PLAYERS!

An infographic titled "PROSPECT+ Community of Practice" with a background image of a city with solar panels on rooftops. The infographic is divided into several sections: a yellow box with a question about energy performance contracts, a "What is the PROSPECT+ Community of Practice?" section, a "THE AMBITION:" section, a "What can you expect when you join?" section, and three activity sections: "Online Meetings", "Replication Webinars", and "Policy Dialogue".

**PROSPECT+ Community of Practice**

How can you save money and energy with an energy performance contract?  
Does a revolving loan have anything in common with a revolving door?  
To help cities get to grips with innovative financing for energy efficiency, we're working in the EU-funded PROSPECT+ project. This project pairs mentor and mentee cities to spread the word about financial tools and structures that get the best out of limited budgets, reduce the cost of green.

**What is the PROSPECT+ Community of Practice?**  
The Community of Practice (CoP) will establish a group of like-minded local and regional authorities willing to support each other through exchange of best practices and consultations.  
Members of the CoP will help each other face the challenges brought by climate change and the increasingly demanding reduction targets requiring accelerated efforts towards energy transformation.  
The topics discussed under the Community of Practice will take into account the priorities, best practices and barriers identified by its members.  
The CoP will trigger cooperation between local and regional authorities that will continue after the project ends.

**THE AMBITION:**  
PROSPECT+ wants to allow any public body (incl. municipalities, cities, regions, energy agencies) to access recommendations and best practices identified as part of the project's main activities.  
It also wants to allow local and regional authorities to contribute to discussions with key players through policy dialogue aimed at optimising conditions for broader use of innovative implementation models by cities, municipalities and regions across the EU.

**What can you expect when you join?**

**Online Meetings**  
**ONLINE MEETINGS (FOR REGISTERED MEMBERS ONLY)**  
Registered CoP members may be invited as guest presenters or observers at project meetings on the 5 thematic areas: Public Buildings, Private Buildings, Transport, Public Lighting, and Cross Sectoral.  
The meetings will respond to identified needs, feedback and best practices discussed across all learning groups and capacity building cycles, based on feedback from the mentors, mentees and our facilitators.

**Replication Webinars**  
**REPLICATION WEBINARS**  
These will promote the most relevant best practices across all thematic areas identified towards the final stages of the four capacity building cycles. Compared to the online meetings, the replication webinars will allow for a bigger number and variety of attendees. They will also focus on knowledge sharing rather than discussion, making them less interactive.

**Policy Dialogue**  
**POLICY DIALOGUE**  
To ensure that public authorities' recommendations and concerns reach decision-makers and contribute to further improvement of policy incentives and relevant conditions needed to increase interest in other-than-subsidies financing instruments for climate and energy, CoP members will connect with various groups of stakeholders (e.g., representatives of the EU institutions, national governments, the private sector including investors).  
They will participate in policy dialogue webinars with the EU and national organisations where the project will showcase that local and regional authorities can successfully carry out climate action if they can count on effective incentives that support shifting municipal budgets to the areas where private funding is not available.  
The CoP will also contribute to policy briefs that will be shared with decision-makers.

# Is our Community of Practice for you?

## What are the options to participate in our Community of Practice?



### Active

for those members who would like to take an active part in discussions, share their organisation's experience and provide input to policy feedback.



### Observer

for those who would like to participate in webinars and receive information on best-practices.



### Expert

for those who would like to provide expert input on the application of innovative financing instruments or policy context.

## Interested in joining our Community of Practice?

Everyone who would like to learn more about the innovative financing instruments and examples of successful projects at their own pace can join our Community of Practice!

More information on [www.h2020prospect.eu/community-practice](http://www.h2020prospect.eu/community-practice)

JOIN



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# Overview of innovative financing instruments for public authorities' investments in sustainable energy

# If not subsidies – then what?



- **Citizens Finance** (crowdfunding and cooperatives)
- **Energy Performance Contracting** (EPC)
- **Internal Contracting**
- **Green Bonds**
- **Guarantee Funds**
- **Soft Loans**
- **Revolving Funds**
- **Third Party Financing**

# How can you learn more?



**Public Buildings**

**Learning Handbook  
Public Buildings Module**

**Private Buildings**

**Learning Handbook  
Private Buildings Module**

**Transport**

**Learning Handbook  
Transport Module**

**Public Lighting**

**Learning Handbook  
Public Lighting Module**

**Cross Sectoral**

**Learning Handbook  
Cross Sectoral Module**

**Citizen Finance**

**Learning Handbook  
Citizen Financing Module**

### Typical Projects

Typical projects under the sector of public buildings, can be drawn from the [PROSPECT+ Reliable Practices](#) and the following examples:

**Table 1: Example of projects under public buildings**

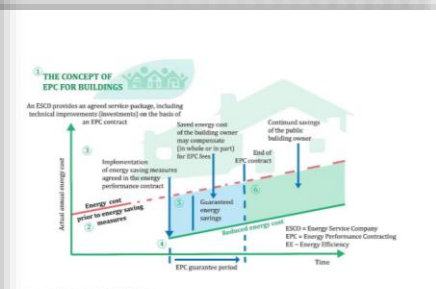
Action	CO2-saving potential	Estimated costs for the municipality	Cost-benefit ratio	Implementation time frame	Target group	Key actors
Energy management for municipal buildings	Medium	Savings about expenses	Very high	2-3 years	Municipality	The municipality, External experts
Energy-saving contracting	High	Very little to none or negative cost	High	1 year, the contract will last for 7-20 years	Municipality	Municipality and ESCO (contractor)
Improvement of municipal indoor lighting	High	Medium	High	1 month	Municipality	Municipality and ESCOs specializing in lighting
Energy check for municipal buildings	Medium	1000 euros (average per building)	High	1 month	Municipality	The municipality, Energy expert
Building standards in new construction of municipal buildings	Medium	About 10-15% higher than conventional buildings	Medium	1-2 years	Municipality	The municipality, External experts
Implementation of renewable energy sources in municipal buildings	Medium	<10 cents /kWh	Medium	3 months	Municipality	The municipality, External experts

Adapted from the [SRAP ALPS Project](#)

**Energy management for municipal buildings**  
Energy management for municipal buildings helps municipalities towards the transition to sustainable fuels. It requires four actions to be implemented:

- Energy accounting (a monthly monitoring of electricity, heat and water consumption)
- Education of caretakers
- Regular adjustments to existing technical facilities such as heating, cooling and ventilation systems
- Annual report

Source: Solar Power Europe 2016



Source: GZ in EnPC - INTRANS (2015)

**Figure 2: EPC in Summary**

**What are the advantages of EPC?**

- The investment risks are transferred from the public building owner to the ESCO
- Usually no investment or up-front capital required from the business owner
- ESCO provides the required energy services which the public building owner benefits from
- ESCO guarantees EE improvements which serve as the basis for their payments
- Maintenance costs are transferred from the building owner to ESCO during the contract duration
- The value and productivity of public buildings are optimized through ESCO's professional services

**What are the common incentives for EPC?**

The development of EPC is facilitated by the following:

- EPC guidelines, tools, and sample contracts available in the country (or under preparation)
- National or regional databases of ESCOs and facilitators
- National and regional competence centres promoting EPC
- Promotion of inter-municipal cooperation and/or pooling of public buildings in EPC projects
- Trade associations of ESCOs promoting EPC as a business model

[Learning Handbooks | PROSPECT+ \(h2020prospect.eu\)](#)



# How can you learn more?

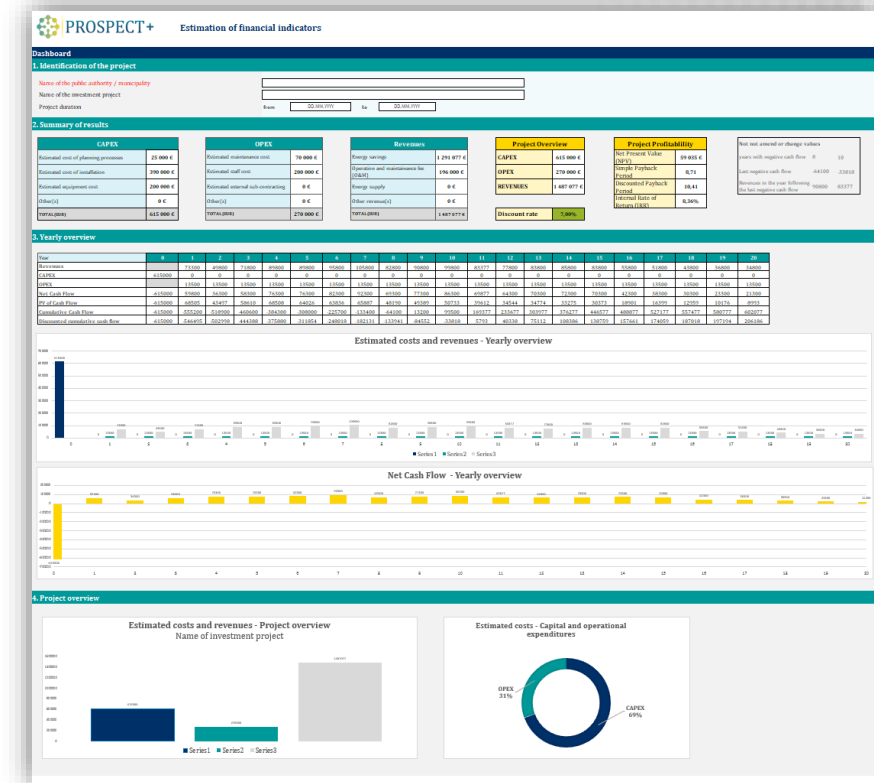


ABCDEFGHIJKLMNOPQRSTUVWXYZ

- ^ Asset
- ^ Bankability
- ^ Bond
- ^ Capital Expenditures (CAPEX)
- ^ Cash flow
- ^ Citizen Finance
- ^ Commercial loan

[Glossary of Financial Terms | PROSPECT+ \(h2020prospect.eu\)](https://h2020prospect.eu)

## Template for calculating financial indicators



[Financial Indicators Calculator | PROSPECT+ \(h2020prospect.eu\)](https://h2020prospect.eu)

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**Innovative financing instruments in practice:**

**Meet our mentors!**

# Meet PROSPECT+ mentors

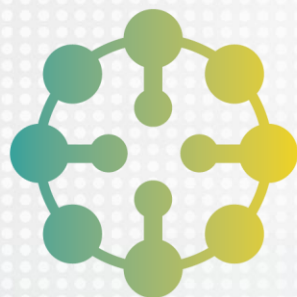


- SEMMO: Revolving fund
- ENERGAP: Energy Performance contracting
- INNOLID: incentives for e-mobility
- ESV: Energy Performance contracting
- KLIK energy cooperative: crowdlending
- City of Albertville: intracting
- Regional Energy and Environment Agency– OesteSustentável: Energy Performance contracting



## Mentors' pitch:

- Who are you and what organisation do you represent?
- What was the aim and scope of the project you'll showcase?
- What financing instrument did you choose?
- Why did you want to use this instrument?
- What results did you achieve?



# PROSPECT+

## Thank you!

Sylwia Slomiak



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 [h2020prospect.eu](https://h2020prospect.eu)

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