

TRUST EPC SOUTH

BUILDING TRUST IN ENERGY PERFORMANCE CONTRACTING SUSTAINABLE ENERGY
PROJECTS IN SOUTHERN EUROPEAN COUNTRIES

BACKGROUND

The Energy Performance Contract (EPC) market is working relatively well in several European countries (e.g.: Germany, Sweden and Austria), but is still embryonic in southern and Mediterranean countries. In particular, small size energy efficiency EPC projects are rare in the tertiary sector (hospitality, tourism, healthcare, services, etc.) of southern European countries.

The following key market development barriers can be identified:

- **Difficult access to financing** for EPC providers due to limited investor's confidence;
- **Scarce demand** due to insufficient knowledge of the EPC model and scarcity of flagship projects;
- **Lack of alternative certification and financing mechanisms** for EPC projects;
- **Insufficient support** from national policy and regulation.

Due to their local capillarity, SME energy efficiency EPC providers are well suited to rapidly ramp-up the market and their role is fundamental to stimulate the economy, especially in the current difficult context. However, such organisations often do not meet the evaluation criteria currently adopted by financing institutions, and the above mentioned barriers result in a particularly unproductive situation.



PROJECT OBJECTIVES & OUTLINE

The overall objective of TRUST EPC SOUTH is to **scale up investments** on Energy Efficiency (EE) and other Renewable Energy (RES) technologies in the **private tertiary sector** of Southern European countries, with particular focus on **Energy Performance Contracts (EPC)** projects.

Geographically, the project is carried out in the following 6 countries: **Croatia, France, Greece, Italy, Portugal and Spain**. The common climate characteristics of these countries allow for the implementation of similar sustainable energy and energy efficiency solutions for cooling and heating.

During the final phase, project results will be extended to the **Balkans region**, thanks to the collaboration with the Association of the Balkan Chambers.

TRUST EPC SOUTH GOALS

- **Promoting dialogue and synergies** between the EPC offer side, the tertiary sector demand side and the financing side.
- Developing, in strict cooperation with financing institutions and certification bodies, a **concrete investment standardisation and benchmarking framework** based on the existing Green Rating Alliance methodology and tools.
- **Providing training on financing solutions and EPC basics** for financing institutions, potential investor groups, certification bodies, the energy efficiency services sector, energy managers/consultants, public authorities and policy makers.

PROJECT MILESTONES

1. **Setting up national discussion platforms** involving financing institutions, EPC providers, energy efficiency specialists, ESCOs, national policy-makers, regulatory authorities and tertiary sector demand side, thus allowing for a detailed comprehension **of the financial and other practical barriers** for EPC projects in each country, leading to the discussion of **national roadmaps** addressing regulatory and financial barriers.
2. **Developing the solutions:**
 - Analysing the tertiary sector in each country and identifying the **most interesting sub-sectors** presenting **an higher potential** for sustainable energy investments;
 - **Identifying the suitable financial mechanisms and solutions** addressing the EPC barriers and requirements and adapting them on each national level;
 - **Setting up an investment standardisation and ben-**

3. **Testing and fine-tuning the designed solutions** in several pilot projects, supporting the realisation of sustainable energy projects across the participating countries.
4. **Implementing differentiated and targeted capacity building and matchmaking activities at national level** in the participating countries, especially directed at:
 - Demand side actors from the tertiary sector: hotels, hospitals, commercial centres, etc.;
 - EPC offer side: ESCOs, energy efficiency specialists, etc.;
 - Financing side actors: public and private funds, institutional investors, etc.;
5. Ensuring the **international dissemination and exploitation of project results** after the project's conclusion: an **exploitation plan** and a **pipeline of new projects** will be identified at the end of the project.

PROJECT CONSORTIUM STRUCTURE

The project consortium consists of the following organisations:

- **CREARA (ES)**, a firm specialised in consulting services, engineering services, training and management in the sectors of energy efficiency and sustainability, coordinator of the project and leader of national activities in Spain;
 - **Ambiente Italia (IT)**, a research and consulting company operating in the field of energy and environmental sustainability.
- It is project leader and technical partner for analysis activities related to the energy efficiency market in the Italian tertiary sector;
- **Bureau Veritas (ES)**, a certification body active in all participating countries that has developed the Green Rating™ methodology and that will coordinate its adaptation to become a standardisation and financial evaluation tool;
 - **Green Rating Alliance (FR)**, a non-profit association that connects leading real estate owners & investors, banks, auditing companies, industry bodies, measurement organisations and technology solution providers from across Europe. Leader in optimising the process of learning from the project's results;
 - **LifeGate (IT)**, specialist in consultancy on sustainability and communications, leader in the diffusion and communication of the project;
 - **Technical University of Crete (GR)**, one of the prominent academic and research institutions in Greece, which places emphasis to turn knowledge to mature solutions and practices as advisor to policy actors and productive units, experts on Sustainable Energy, leader in Capacity Building activities in the

principle project and national activities in Greece;

- **Self Energy Engineering & Innovation S.A. (PT)**, as an ESCO in Portugal, provides the engineering, financial and implementation services of renewable energies and energy efficiency projects for all type of buildings. The complement of the company skills in research, innovation, development of new technologies, energy audit and certification give the capability to act successfully in all the areas. In the project SELF ENERGY ENGINEERING & INNOVATION is the leader for the creation of standardized EE/SE project models as well the National activities leader in Portugal;
- **Energies 2050 (FR)**, a private non-profit organisation based in France and active internationally that aims to drive environmental and societal change and implement and scale up replicable, concrete projects, leader of national activities in France;
- **Energy Institute Hrvoje Požar - EIHP (HR)**, a Croatian public institute built upon half a century of tradition in scientific research in energy, leader of national activities in Croatia;
- **Officinae Verdi (IT)**, is the Energy Efficiency Group borne of the Joint Venture UniCredit-WWF. OV works in the energy efficiency sector as "System Integrator" combining services, technologies and finance to reduce company energetic costs and CO₂ emissions. Within the consortium, OV evaluates the economic-financial sustainability of energy investments.

