

# NEWSLETTER



December 2020 - Third Issue

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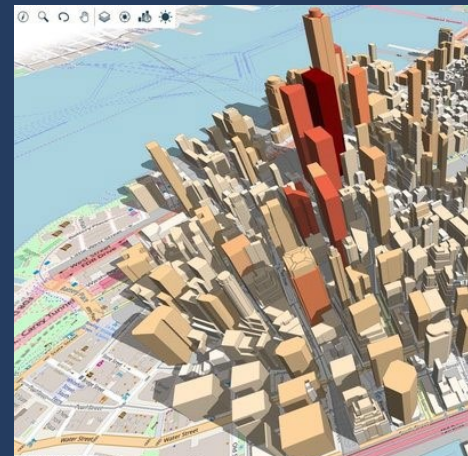
## Dear Readers,

EInvest project has reached month 18 and a lot of developments and accomplishments which have been shared during the 3<sup>rd</sup> Project Meeting in December 2020.

Among these accomplishments, the risk calculation process has been tested, the structure of the financial risk model based on the Monte Carlo simulation and the financial risk evaluation framework have been defined.

This issue of EInvest newsletter will give you an overview of what is happening within the project. If you want to be updated on some of the latest news, including insights from project partners, participation in events, communication and dissemination materials, go on reading and enjoy!

**Promotional material** - Brochure and poster are available on EInvest website [here!](#)



# Interview with Miguel Casas, Energinvest

## **Tell us about Energinvest. What is your core business and role within the project?**

Energinvest is a strategic, financial and operational consulting firm specializing in the design, implementation and evaluation of investment programs and energy efficiency projects for private and public clients. We have extensive expertise of innovative financing in the energy efficiency sector. In the EEnvest project Energinvest will be contributing to the case studies and sensitivity analysis to be performed in order to get better understanding on what business models and related financing schemes are suited for energy efficiency and energy renovation projects. We are also responsible for performing a desktop due diligence on the two demo-case buildings to assess the overall quality of their energy efficiency project. We are as well contributing to the investment evaluation to be performed based on the EEnvest methodology.



**Miguel Casas**

Owner and  
Senior Partner  
**Energinvest**

[www.energinvest.be](http://www.energinvest.be)

## **What are the best financial solutions to speed up energy efficiency investments in building renovations?**

There is no one best financial solution as the best financial solution depends on the financing needs of the energy efficiency project owner and the type of EE renovation.

Most of the EE renovations, especially those related to buildings, not only require considerable upfront investments, but they come with longer payback terms or they don't offer attractive returns. The financing of these investments requires financial products with longer terms and lower interest rates whereby the credit risk is being assessed based on the project owner's solvency and, more and more, taking into consideration the environmental, social and sustainability impact of the investment. We see classic lending (loans, mortgages, leasing,..) from financial institutions, investment funds, crowdfunding platforms, investment platforms, but also more innovative financing such as Energy Performance Contracting, on-tax financing and citizen funding (Citizen co-operatives).

## **Can you explain the Desktop Due Diligence questionnaire that you are developing within the EEnvest project?**

With the development of the Desktop Due Diligence questionnaire we intend to provide the energy efficiency project owners using the EEnvest platform with an indication of the quality of set-up, implementation and ongoing operation of their envisaged EE project by means of a scoring and colour label. The time to fill-out the questionnaire is limited to less than 1 hour.

The concept of this questionnaire is that almost all questions require a "Yes", "No" or "Not Applicable" answer and, based on these answers, feedback is provided on risk and quality. There will be no control, verification nor testing or physical assessment of the answers as this desktop due-diligence is there to the benefit of the project owners and is not intended to provide any official certification.

# Interview with Dimitris Ntimos, IES

## **Tell us about IES. What is your core business and role within the project?**

IES is a leading global innovator of sustainable analysis technology for improving energy efficiency and indoor health and comfort in the built environment. Our technology provides decision makers with the information required to form intelligent solutions, by identifying the most effective and resource efficient ways in which they can dramatically reduce the use of energy and fossil fuels within a community. In EEnvest, IES is leading the development of the online software platform that will act as a marketplace, where building owners seeking to renovate their building can register and calculate their retrofit project' details, enabling investors to easily assess potential investment risks.

## **What is the role of performance analysis technology in renovating buildings to become energy efficient and sustainable?**



**Dimitris Ntimos**

*Project Manager*  
**IES**

[www.iesve.com](http://www.iesve.com)

Renovations of existing buildings for energy efficiency are key to the decarbonisation targets, but often very complex. For example, a building that has been built more than 30 years ago, it is likely that all documentation is poor or lost, leading the renovation designers to make a lot of assumptions. Therefore, the risk of the renovation to fail is very high. Luckily, performance analysis technology nowadays is well advanced and can give access to a very powerful and accurate digital replica of a building. This is what we call the Digital Twin. It is an exact digital representation of the building, developed using real-life data from the actual building. In the hands of its users, the digital twin behaves exactly like its real-world counterpart and can predict its operational future. It can be used to quickly evaluate thousands of different renovation scenarios and allows making informed renovation decisions tailored and optimised to the needs of buildings and occupants.

## **Can you explain how the investment evaluation platform, that you are developing and testing within the EEnvest project, works and what outcomes do you expect?**

In EEnvest, IES will create an easy, user-friendly web platform for building owners, or their representatives, to collect and upload all the information required for the evaluation of potential retrofit opportunities for their buildings and attract investors. The information will be stored on the cloud and used by the EEnvest risk evaluation model as input. This risk evaluation model, manually developed by Eurac and SINLOC, will be converted to a fully automated algorithm, and will be integrated to operate on the cloud upon user request. Investors will in turn be able to access, filter and evaluate all the available investment opportunities and associated risks calculated by the evaluation model, through dashboards tailored to their needs. To ensure distributed consensus and trust in data exchange and validation, blockchain technology will be used.

# Workshop on De-risking energy efficiency investments



October 27-30, 2020  
DIGITAL EVENT

SUSTAINABLE PLACES 2020

Horizon 2020  
European Union funding  
for Research & Innovation

Workshop  
De-risking Energy Efficiency Investments

EEnvest TRIPLE-A QUEST

Source: [www.sustainableplaces.eu](http://www.sustainableplaces.eu)

During the digital edition of Sustainable Places 2020 the EEnvest, TripleA-reno and QUEST projects jointly organized and participated in “**De-risking energy efficiency investments**” workshop on 29th October. The aim of the workshop was to shed light on how to enhance investments on energy efficiency and make them attractive for the financial sector. All three projects are developing innovative solutions to respond to those challenges.

In particular, EEnvest had the opportunity to present the **EEnvest platform** which would help investors and building owners to evaluate the risks of investing in energy efficiency of buildings. This platform is based on three pillars: **technical risk evaluation (i)** to assess the risk of energy efficient renovation of buildings, **financial risk evaluation (ii)** to convert technical risk evaluation into economic indicators, and **technical/financial due diligence (iii)** which is a standardized framework to evaluate energy efficiency investments for the renovation of buildings. The main goal of EEnvest evaluation platform is to create a user-friendly online platform to promote investments in energy efficiency building retrofits and to connect building

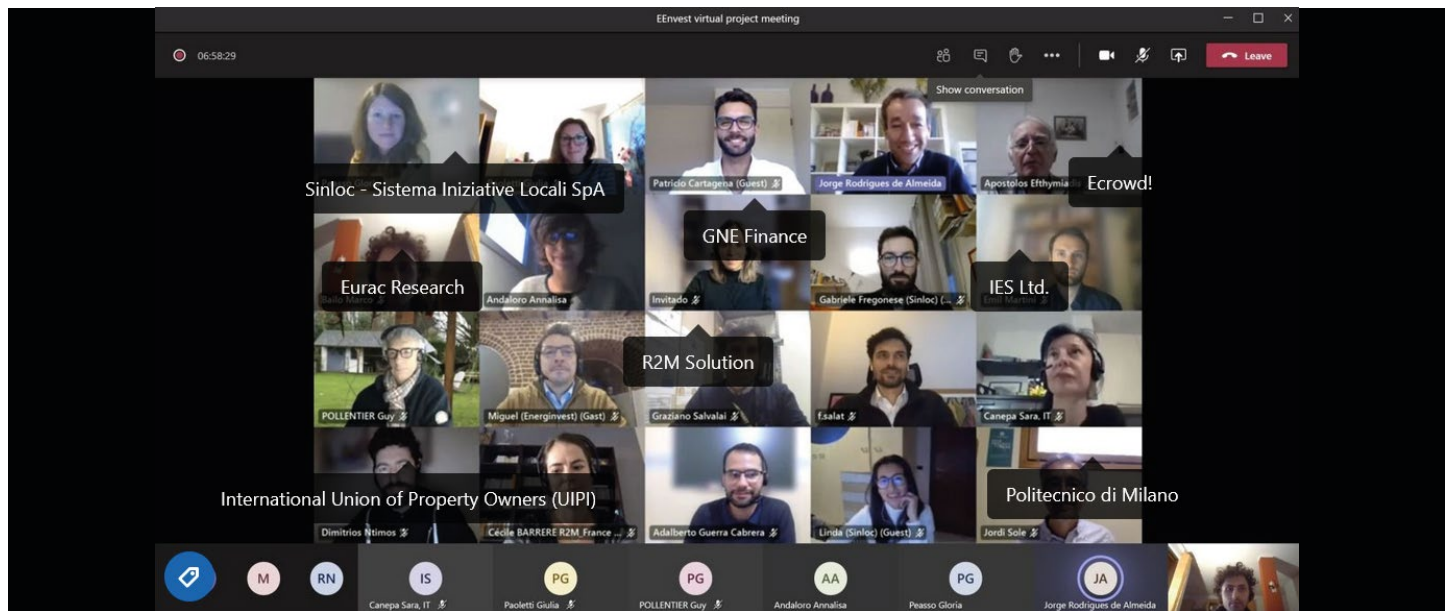
owners with investors, using a risk probability calculation model which assesses potential outcomes for both sides.

EEnvest also presented its multi-disciplinary group of 9 European partners from the technical and financial fields and the support of the Advisory Board which is an external body composed by experts in the sectors of real estate, investments, ESCOs. Its mission is to provide advices and feedbacks to the consortium partners on the project's strategic vision and main achievements. The project is also supported by 37 stakeholders within the fields of ESCOs, banks, certification bodies, energy agencies, investment managers and advisors, owners' associations, professional associations, research centres.

One of the most important outcome of the workshop was the fact that the three projects showed synergies in order to achieve the 2030 targets set by the European Union through the European Green Deal and the Renovation Wave in terms of investments on energy efficiency renovations and sustainable finance.

**For more information, presentation and video recording click here.**

# 3<sup>rd</sup> General Assembly (Month 18)



*Project Partners during the online project meeting*

The 3<sup>rd</sup> General Assembly took place virtually on **2<sup>nd</sup> and 3<sup>rd</sup> December 2020** gathering all consortium members and with the special invitation of the Advisory Board. During the discussion all project partners could present **updates** on the deliverables and receive **feedback** from the consortium and the Advisory Board members.

After an initial overview of the project, each WPs' status was presented and discussed by each WP leader. Sinloc have accomplished a deliverable defining the financial risk evaluation framework, whereas next steps include the integration of the final technical risk analysis in the financial model, first testing of a real case study and testing the model on the IT platform.

IES have developed the Graphical User Interface and is working on the blockchain validation, implementation and testing of the EEnvest platform, back-end calculations and developing realistic prototypes. GNE Finance shared updates on the Multi-Benefits Model. Concerning the next steps, Energinvest will develop the business models of energy efficiency investments and rank them, then GNE Finance will define the ultimate valuation methodology for energy

efficiency investments including multiple-benefits. From Energinvest side, demo-cases IES working groups have been established (one is an office building in Italy, the other is a residential building in Spain), whereas the energy efficient renovation strategy and technical/financial due diligent still are in the process to be developed and executed. This will be followed by an investment evaluation report and replicability potential.

The **Advisory Board** participated in part of the discussion and gave feedback on the Platform new prototype testing workshop and technical risk workshop. Among the comments, Guy Pollentier (Head of Sustainable Business Competence Centre and Film Finance - BNP Paribas Fortis) suggested that the EEnvest platform would consider also non-financial aspects, such as ESDGs, impact on the environment, governance, and he stressed about the importance for investors nowadays on these sustainable assets.

Next General Assembly will take place online in June 2021.

## Activities 2020/2021

2020

### October

De-risking Energy Efficiency workshop at Sustainable Places 2020

### December

- Online project meeting
- Follow-up to Sustainable Places: B2B meeting with Triple-A project
- EEnvest methodology presented at Colloqui.AT Conference 2020

2021

### January

EEnvest platform testing with investor experts and banks

### March

Technical risk model publication

### April/May

1<sup>st</sup> dissemination workshop with real estate and financial stakeholders

### June

Next Online project meeting and review meeting

# CONSORTIUM



**Eurac Research**  
(Italy)



**GNE Finance**  
(Spain)



**Sinloc**  
(Italy)



**Energinvest**  
(Belgium)



**IES**  
(United Kingdom)



**R2M Solution**  
(France)



**Politecnico di Milano**  
(Italy)



**UIPI**  
(Belgium)



**Ecrowd!**  
(Spain)

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