

NEWSLETTER



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Dear Readers,

EInvest project is about to face the last semester. These months have been very intensive for all project's partners and for many external advisors and contributors who allowed us to reach several valuable results. Thank you all!

As a complement to the technical and financial performance analysis, which provides quantitative financial indicators including de-risking measures for investments in energy efficiency projects, a project quality self-assessment tool has been developed to provide project quality rating, without the need to run costly due-diligence processes.

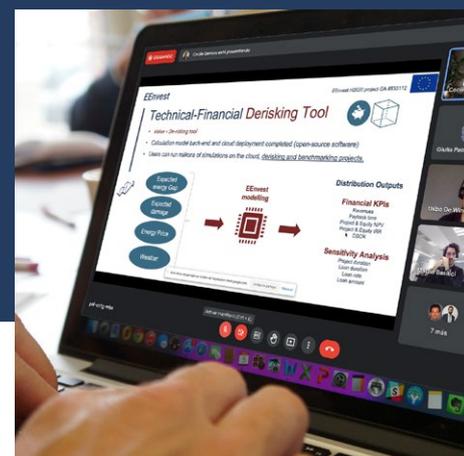
The development of EInvest methodology is progressing further by including Multiple-Benefits assessment with contribution to SDG goals and EU taxonomy compliance, and a multicriteria analysis to support decision-making on the investment.

Investment performances are summarized in a report for the investor, also available as a digital content validated by blockchain.

The next months will see most of the efforts to boost early adopters' engagement among investors and building developers.

Enjoy your reading!

Cristian Pozza,
EInvest project coordinator (Eurac Research)



Interview with Cécile Barrère and Rachel Desmaris, R2M Solution France and Tatiana Loureiro, R2M Solution Spain



Cécile Barrère



Rachel Desmaris

Innovation Project Managers
R2M Solution France

1. What is the role of R2M Solution in this project?

R2M is the Innovation Manager in EInvest, making sure to maximize the impacts of the project through the exploitation, dissemination and communication of EInvest's results.

On one hand, R2M supports the technical partners in identifying and maturing exploitable results. We also develop business models for the key exploitable results of the project and propose an exploitation plan that will lead to increase the project impact and put on track post project results exploitation. Concretely, we encourage the partners to think about the exploitation potential of their project's results. We work with them on the path to market and we propose IP solutions adapted to the exploitation scenarios.

On the other hand, R2M manages communication of the project targeted to different stakeholders, and plans dissemination activities to promote the developments accomplished in EInvest.



Tatiana Loureiro

Managing Partner
R2M Solution Spain

www.r2msolution.com

2. What do you consider to be the key to reach investors and professionals with EEnvest outputs (e.g. usage of the platform and business models)?

EEnvest tools are for both project developers and for investors. Early onboarding of future customers as pioneer users is key to tune the tools in order to make possible its integration into the organization's workflows. It is also important that our communications use the right wording of the recent Energy Efficiency market. To get early onboarding **we have kick-offed a pioneer user campaign** during our last dissemination event held on the 10th of December. This workshop was organized as an interactive session collecting investors' feedback on the innovative technical and financial de-risking modelling developed by our partner SINLOC.

3. Can you describe your exploitation strategy?

During the last 6 months of the project, our strategy is to **work on two main exploitation scenarios** in parallel. On the one end, we will work on a **brick approach** in which efforts are focusing on identifying standalone value propositions derived from the project results. The marketing strategy will integrate the feedback of the pioneer users to maximize our chance to be identified as providers of innovative products of added value. On the other hand, we will continue working on the potential exploitation of the **whole EEnvest Platform** by an EEnvest partner or an external partner, increasing our effort to collect project data which is key to create the offer and to trigger demand.

Interview with Jordi Solé Muntada, Ecrowd!

1. What is the role of Ecrowd! in this project?

Ecrowd! is a Barcelona-based crowdlending platform that since 2014 is putting in contact sustainable project owners looking for finance and investors looking for lending their money to positive impact assets, both environmental and social related, in a fair trade. Ecrowd! has more than 5,500 investors registered that have funded more than 150 collective loans for a total amount over €7,5 million.

Ecrowd! is very interested in the EEnvest project since doing due diligence on energy efficiency projects is an important part of analysing a project's viability and decision to publish in the crowdlending platform.



**Jordi Solé
Muntada**

CEO
Ecrowd!

Ecrowd!'s main task in the project is to bring practical experience in project due diligence and financing of energy efficiency projects.

Then, the wide practical experience of Ecrowd! in raising funds for energy efficiency investments is contributing to EEnvest platform evaluation models and the testing of the EEnvest web platform.

2. What are the main opportunities and barriers to crowdfunding of energy efficiency projects in the building sector?

Public policies for energy efficient renovation of commercial and residential buildings are increasing all around Europe, as they are one of the key tools for the fight against the climate change. Next Generation funds should be impacting this sector soon, but not all the money needed will come from public subsidies.

There are an increasing number of success cases in this matter from crowdfunding platforms around Europe, even though funding this kind of investments are still just an emerging option.

The challenge now is achieving an effective integration of citizen financing by crowdfunding platforms with public financing instruments in a real and scalable way all across Europe.

Regarding barriers, the average amount of loan that can be raised only from retail investors is still low, so it is important to reach agreements with institutional investors.

Moreover, many commercial buildings are owned by a big corporation or an investment fund and are usually not interested in crowdlending, as they have easy access to cheap private loans or long-term public subsidized loans.

All the projects that ask for being published in a crowdfunding or crowdlending platform must surpass a Due Diligence process, no matter the destination of the funds.

3. How do you see the regulation and implementation of crowdfunding and crowdlending in the next years in Europe?

There is a brand-new regulation (ECSPR) for the European financial crowdfunding platforms, since November 10th 2021. Now the platforms are called ECSP (European Crowdfunding Service Providers). All 27 member countries of the EU must adapt their national law by 10th November 2022.

The European Securities and Markets Authority (ESMA) recently published clarifications on the use of Special Purpose Vehicles (SPV) under ECSPR in a newly published Questions and Answers document on the European crowdfunding service providers for business Regulation.

The ESMA has also published their Final Report on technical standards (RTS) under ECSPR. The publication concludes an intense process in developing a professional regulation for pan-European crowdfunding. The European Banking Authorities (EBA) also published its Final Report on draft Regulatory Technical Standards (RTS).

Cross-border investments in crowdfunding campaigns for energy efficiency projects in the building sector are expected to be easier and faster when this new regulation will be fully implemented.

Participation to Sustainable Places 2021



**SUSTAINABLE
PLACES 2021**

SEP. 28/ OCT. 1, 2021
ROME, ITALY

Integrating **finance** in energy efficiency



CITIZEE

Moderated by:
Tatiana Loureiro



Sustainable Places 2021 took place in **Rome** from **28th September to 1st October 2021**.

The EEnvest project participated for the second year in a row and presented **two short papers**:

1. **“Framework for evaluating financial impacts of technical risks related to energy efficient renovation of commercial office buildings”** by *Annalisa Andoloro, Graziano Salvalai, Gabriele Fregonese, Linda Tso and Giulia Paoletti*
2. **“Integration of Finance in energy efficiency”** by *Tatiana Loureiro, Cristian Pozza, Filippos Dimitrios Mexis, Sergio Olivero, Csaba de Csiky and Andrea Bogi*

The first paper presents the **EEnvest calculation method for evaluating financial impacts of technical risks** related to energy efficient renovation of **commercial office buildings**.

Technical and financial risks are evaluated through specific Key Performance Indicators (KPIs).

This assessment represents an innovative approach to support private investors and building developers during the decision-making process for investments in energy efficiency.

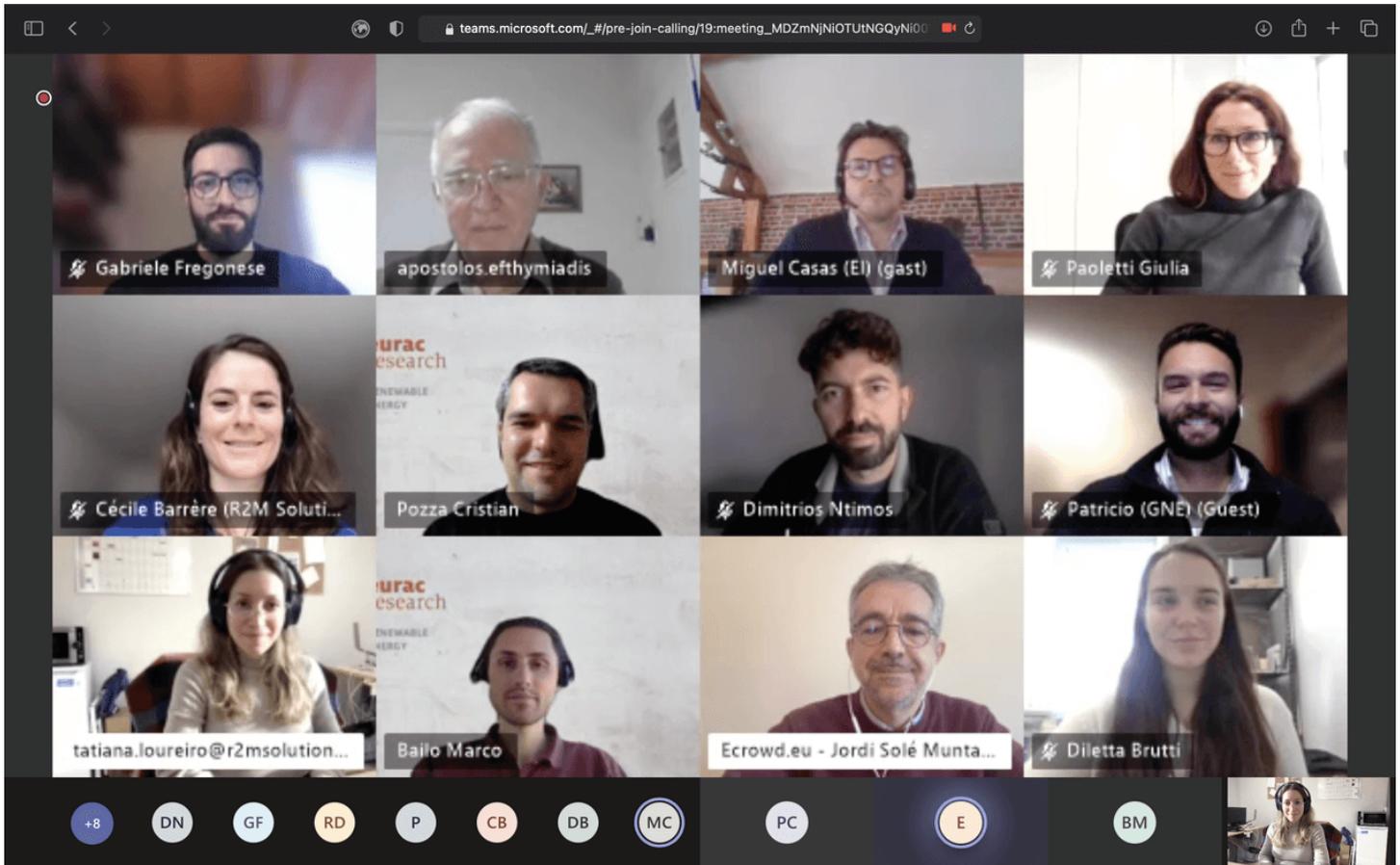
The second Proceeding paper brings together the result of a clustering workshop which EEnvest has participated together with sister projects, such as Triple-A, Quest, LAUNCH, and CitizEE.

All these projects are developing innovative solutions to de-risk energy efficiency investments and discussed their approaches and strategies during the Sustainable Places workshop. The paper thus presents the aim and results of the projects and highlight the innovative approaches identified. Some of them include labelling schemes, risk assessment tools, engaging key stakeholders, disclosing large-scale data on the actual financial performance of energy efficiency investments, etc.

The full video recording of the workshop is available here:

www.sustainableplaces.eu/finance-for-energy-efficiency/

5th General Assembly, Month 30



The **5th Project Meeting** took place on **2nd and 3rd December 2021** aiming at presenting the latest achievements from each partner and the next steps leading to the end of the project.

Among the next steps there is the development of the EEnvest Methodology, including its application and replication potential, and dissemination events and workshops to spread the use of the platform and attract early-adopter customers.

During the first day, the presentations were those of the status of the EEnvest platform and of the EEnvest Methodology.

First, IES recalled that the first prototype of the “**EEnvest Search & Match Platform**” was released some months ago and it is currently possible for the users to run many MonteCarlo simulations on the cloud through a specific Python tool (after registration).

The user interface should be ready with all features by the end of February. Concerning the final release of the platform, it is expected in June 2022. Next steps to implement are the demo to demonstrate the new features of the user interface and start entering realistic data on the platform for testing.

GNE Finance then presented the status of the **EEnvest Methodology**, which comprises four elements: financial assessment, technical assessment, multiple-benefit assessment and EEnvest platform. GNE Finance stressed how the **EEnvest Investment Evaluation Framework** fits into the investors' decision making process: the EEnvest platform works as a place where investors can start defining the type of investments in energy efficiency and where investors can also benchmark for investments opportunities.

The challenge is to make the EEnvest platform an asset for investors. The EEnvest Methodology provides 10 quantitative KPIs, 10 qualitative indicators and 3 impact dimensions coming from the financial, technical and multiple-benefits assessments. In order to implement these KPIs and indicators, the **EEnvest Benchmarking Methodology**, through a **Multi Criteria Decision Analysis (MCDA) Approach**, has to be developed. This allows to rank the indicators and create a score system. The goal at the end, is for EEnvest to deliver a methodology that de-risks DER investment opportunities with jargon-free KPIs and benchmarking tool and thus responding to building owners' and investors' needs.

Following the discussion on these topics, **Politecnico di Milano** gave an update of the **report data structure** and content and the **EEnvest risk assessment report**.

R2M Solution then presented the state of **progress of exploitation activities** which aim at maximizing economic, social and environmental impact of the EEnvest project results. The plan will be to establish a pool of pioneer users to test the platform and give feedback, then to upload a critical number of real projects, and once the EEnvest platform is tested, validated and has a portfolio of real projects, EE or sustainable investors (e.g. banks, ESCOs, etc.) will be contacted for projects to finance.

State of **progress of dissemination activities**, such as workshops and webinars were also presented by R2M Solution. For a detailed list of the next dissemination activities, you can find the list below (upcoming activities 2022).

The presentations were then followed by a **workshop on project impacts**, and monitoring of progress against expected project impacts. It was highlighted that more stakeholders should be reached and engaged, focusing on specific investors, and that data evidence and market acceptance should be tested.

Towards the end of the project meeting, there was a discussion by **UIPI** of the adaptation of the platform and models to the **residential sector**.

The idea is to maintain the general structure and methodology already developed for the commercial sector, simplify and classify building typologies and EE technological applications on the basis of the De-risking Energy Efficiency Platform (DEEP), and develop typical Risk Curves for Energy gaps and damages and financial parameters.

Ecrowd! made a presentation about **crowdfunding** in the energy efficiency sector: new trends and opportunities have been highlighted. More information about this can be found in the interview above.

To summarise, some of **next steps** are as follows:

- *To develop the EEnvest Benchmarking tool (MCDA) and discuss platform integration and replication potential*
- *Interviews with investors to fine tune EEnvest methodology*
- *Prepare the platform to testing and final release on Month 36*
- *Demo-case technical/financial due diligence, demo-case investment evaluation report and replication potential report*
- *Establish a pool of pioneer customers to test the platform and based on their feedback and develop a brick approach*
- *Upload real data of projects on the platform*
- *Dissemination workshops, citizen engagement activities and publications*

Workshop by SINLOC

“A new innovative de-risking tool to support the financing of energy efficiency projects”

The screenshot shows a Zoom meeting interface. On the left, a presentation slide titled "EEnvest project, values for investors" is displayed. The slide includes the EEnvest logo and the text "EEnvest H2020 project GA #833112" with the European Union flag. The slide content is as follows:

- Technical-financial performance analysis**
Value = De-risking tool
- Multiple-Benefits Assessment**
Value = Contribution to SDG goals and ESG
- Project Self Assessment Tool**
Value = Project quality ratina
- Multiple Criteria Analysis**
- EEnvest Platform**
Value = Automated derisking report using blockchain

The slide also features a flow diagram with icons for a piggy bank, a house, a computer monitor, and a checklist, connected by arrows. A note at the bottom of the slide reads: "Votre écran est partagé par le biais de l'application meet.google.com. Arrêter le partage Masquer".

On the right side of the Zoom window, a grid of participants is visible, including:

- Cecile Barrere
- Tatiana Loureiro
- Giulia Paoletti
- Alessandro Asmundo
- thibo De Windt
- Cristian Pozza
- Gabriele Fregonese
- Sara Sara

At the bottom of the Zoom window, there are standard meeting controls (mute, video, chat, etc.) and a participant count of 16.

The scope of the workshop was to present the current state of the art of the **development of the EEnvest technical and financial risk model** and to **collect valuable feedbacks from potential future users** of the platform. At this stage, as remarked by R2M Solution in the introduction of the workshop, since the Consortium partners are developing the web-platform, it's very important to involve external stakeholders as **Pioneer users** for preliminary testing of its functions and features.

This first workshop, addressing financial institutions, aimed at showing the backend calculations that the platform will perform. So, the Consortium partners in charge of the development of the technical risk model (Eurac Research) and the financial risk model (SINLOC) provided a full and in-depth view of the whole process: starting from the inputs provided by the user, passing through the calculations and elaborations, and finally getting to the outputs and KPIs. Since the

participants belong to the financial sector, a particular attention was paid to the **economic and financial outputs of the models**. As an innovative and distinctive factor, SINLOC highlighted the importance and usefulness of the probability distribution of the KPIs that the financial risk model can calculate. This core feature of the model has, in fact, a strong potential in supporting the evaluation of an energy efficiency investment, providing the financiers with a clearer view and knowledge of the risks underneath the project.

The workshop has created interest among the participants, with many questions rising and willingness to see the further steps and evolution of the platform. In order to do so, the participants were offered to become Pioneer users of the platform, meaning that they will be further involved in its fine tuning as well as for its early testing as soon as a first beta release will be available.

Upcoming Activities in 2022

February

3rd dissemination workshop for investors, organised by Energinvest and GNE Finance

April

4th dissemination workshop for building owners and investors, organised by UIPI

June

Final conference

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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