

November 2011

## EU Energy Policy

Dear Reader,

This issue of the Urb.Energy newsletter deals with ongoing efforts at European level about the implementation of energy efficiency. The fields of actions of Urb.Energy - integrated urban development approaches with integral energy efficiency measures and the usage of innovative financing schemes - are getting more important as instruments in European energy and urban development policies. These developments encourage the activities of the more than two years ongoing EU project, which works on implementing energy efficiency measures at the local level by utilising energy efficiency as a cross cutting issue.

First results and findings of the project work were brought into political processes in an Urb.Energy information event in Brussels in May this year.

Enjoy reading

The Urb.Energy Team

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# EUROPE 2020

A European strategy for smart, sustainable and inclusive growth

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## The energy efficient modernisation of the housing stock in the context of the European energy policies

The European Union has to find answers for their crucial challenges in the field of energy: Safety of energy supply, stable energy prices and climate change.

Therefore the European Council adopted the European Energy and Climate objectives 'EU 20-20-20' in 2007: reducing CO<sub>2</sub> gas emissions by 20%, reaching a share of 20% of renewable energy and to increase energy efficiency by 20% until the year 2020. This presents a core aim within the new Post Lisbon Strategy Europe 2020 which builds the framework for European policies until 2020.

The building stock accounts for around 40% of the EU's total final energy use, of which two thirds are consumed in the residential sector. Therefore, buildings offer the largest single potential for energy efficiency.

The EU has responded to this fact with various regulations and initiatives where building infrastructures, urban and regional structures play an important role, not only within the European energy policy but also within research and regional policy. Inter alia to mention are here the re-casted Energy Performance of Buildings Directive (EPBD), the strategy 'Energy 2020' and the 'Energy Efficiency Plan 2011'.

In June 2011 the European Commission proposed a new directive on energy efficiency that brings forward measures to step up Member States efforts to use energy more efficiently at all stages of the energy chain - from the transformation of energy and its distribution to its final

consumption. The public sectors should play an important role to reach the energy aims.

### ***Tackling European energy challenges on a local level***

Beside the European strategies and regulations also questions on financing, exchange of experiences and knowledge are of major importance. The most important initiatives and instruments are

- JESSICA (e.g. revolving integrated urban development funds, co-financed by the European Regional Development Fund),
- CONCERTO (energy efficiency and use of renewable energies within the built urban context, co-financed by the framework research programmes),
- the Covenant of the Mayors (development of strategic energy action plans in cities)
- ELENA (European Local Energy Assistance, co-funded by the Intelligent Energy Europe Program within the Competitiveness and innovation Program),
- Smart Cities and Communities Initiative (for more sustainable and efficient cities rely on the organisational framework of the EU's Strategic Energy Technology (SET)-Plan within the 7th framework research program).

In the Leipzig Charta on sustainable European Cities the member states' ministers responsible for urban development declared 2007 that energy efficiency of buildings must be improved, both existing

but also new buildings. The renovation of housing stock can have an important impact on energy efficiency and the improvement of resident's quality of life.

### ***Discussion on the next period of structural funds***

Regional spending for 2007-13 accounts for over one third of the EU budget - or some €350 billion. Depending on what is being funded, and in which country or region, the money comes from three difference sources:

- The European Regional Development Fund (ERDF) - general infrastructure, innovation, and investments.
- The European Social Fund (ESF) - vocational training projects, other kinds of employment assistance, and job-creation programmes.
- The Cohesion Fund - environmental and transport infrastructure projects and the development of renewable energy.

Against the background of the economic crisis since 2009 in all member states the European Regional Development Funds can be used for energy efficiency and renewable energy investments in housing with an available amount of up to 4% of the total ERDF allocation.

For the period after 2013 the discussion gets more and more detailed. In summer 2011 the European Commission proposed a new financial framework for the European policies. Energy efficiency will play a crucial role and the support for energy related activities and investments will probably be rising.

On 5 October 2011 the European Commission presented their proposals for the new regulations of the structural funds.

For more information:

[http://ec.europa.eu/regional\\_policy/what/future/proposals\\_2014\\_2020\\_en.cfm#2](http://ec.europa.eu/regional_policy/what/future/proposals_2014_2020_en.cfm#2)

### ***European Energy Efficiency Fund EEEF launched***

The Council of Ministers and the European Parliament agreed in December 2010 to allocate subventions from the European Energy Programme for Recovery (EEPR) towards a new financial facility dedicated to sustainable energy.

The fund has an initial volume of 265 million Euros, consisting of: 125 million Euros from the EEPR, 75 million Euros from the European Investment Bank, 60 million Euros from Cassa Depositi e Prestiti SpA and 5 million Euros from the investment manager, Deutsche Bank.

The EEEF will invest in energy saving, energy efficiency and renewable energy projects, particularly in urban settings, achieving at least 20% energy saving or [GHG/CO<sub>2</sub>] emission reduction.

For more information:

<http://www.eib.org/about/press/2011/011-098-european-energy-efficiency-fund-eeef-launched.htm?lang=en&t>

## ***Launch of the Smart Cities and Communities Initiative***

In July 2011 the European Commission launched an Industrial Initiative on 'energy saving solutions in cities'. From 20 July until December 2011 teams of cities and industry partners can apply for EU-funding in the fields of integrative management of urban energy flows that also include transport, water and waste solutions. Further calls under the initiative address buildings, heating and cooling, networks and energy supply technologies. The indicative budget is about 40 million Euros.

For more information about the initiative:  
[http://ec.europa.eu/energy/technology/initiatives/smart\\_cities\\_en.htm](http://ec.europa.eu/energy/technology/initiatives/smart_cities_en.htm).

Information about the Call for proposals:  
<http://ec.europa.eu/research/participants/portal/page/cooperation?callIdentifier=FP7-ENERGY-SMARTCITIES-2012>

## ***ELENA - New program to assist local investments in sustainable energy***

With the new technical assistance facility ELENA (European Local ENergy Assistance), the European Commission and the European Investment Bank (EIB) facilitate the mobilisation of funds for investments in sustainable energy at local level.

Within the Intelligent Energy Europe Program the facility co-finances the technical support that is necessary to prepare, implement and finance the investment programme, such as feasibility and market studies, structuring of programmes, business plans, energy audits, preparation for tendering procedures - in short, everything necessary to make cities' and regions' sustainable energy projects ready for EIB funding.

For more information about the program and good examples:  
[http://www.eib.org/products/technical\\_assistance/elena/index.htm?lang=en&](http://www.eib.org/products/technical_assistance/elena/index.htm?lang=en&)

## Report on Integrated Action for Energy Efficiency in the Land Brandenburg

The report “Energy Efficiency in Integrated Urban Development - Perspectives” is the second report to be published by the Ministry for Infrastructure and Agriculture of the State of Brandenburg (MIL) as part of the Urb.Energy INTERREG project.

The report presents knowledge gained in the Federal State of Brandenburg and derives concrete recommendations for action and strategy approaches for energy-efficient and climate-friendly urban development. The recommendations build on the experience gained in the context of projects in Brandenburg, which were carried out as part of the National Urban Development Policy, the ExWoSt-research field “Pilot Projects on Energetic Urban Renewal” and the findings of the “Energy in the City” report. Particular emphasis is placed on international comparison, which is a central element of the Urb.Energy project. Strategy and action recommendations are derived and the transferability of the Brandenburg experience to the Urb.Energy project partners is highlighted.

The extensive experience gained in the Federal State of Brandenburg over the past two decades prompted a shift from reactive urban planning to sustainable integrated urban development. The challenges posed by climate change for cities, particularly in terms of increasing energy efficiency, were gradually recognised and translated into practical action. Even if conditions differ from one country to the next, some suggestions may be derived

from practice in Brandenburg for the partner projects.

The decision to not only consider energy efficiency on the level of the individual building but also develop integrated energy and climate protection concepts at both city and neighbourhood level proved to be productive.

With the energy plausibility check, a tool was developed in the Federal State of Brandenburg, with which the substantive links between settlement structures, energy supply systems and building-related measures can be appraised with relatively little effort.

Participatory culture emerged as a crucial factor to the success of planning processes. The involvement of local stakeholders, e. g. in the form of “round tables”, and the formation of networks are suitable measures for guaranteeing that concepts are suitable for practical application and implementation.



Picture: Ernst Basler + Partner GmbH

It is not enough to focus on complex renovation measures on the level of buildings. If they are carefully prepared, low-investment measures offer a favourable cost-benefit ratio and often prove suitable for implementation in situations characterised by serious economic and legal restrictions.

The municipalities should develop into centres of energy efficiency and focus on consultancy, information and training.

The implementation of measures for increasing energy efficiency is not self-financing and requires funding. A combination of revolving funds and demand-based subsidies is recommended.

The experience gained in the Federal State of Brandenburg clearly shows that, although desirable, excellence solutions cannot be implemented on a large-scale regional or national basis. As opposed to this, step-by-step solutions, which form part of a comprehensive concept, enable extensive energy savings, the reduction of climate-harmful emissions and the sustainable enhancement of the quality of neighbourhoods and homes at a low investment cost.



LAND  
BRANDENBURG  
für gemeinsame  
Leistung



URB Energy

WP 3 Urban Development

**REPORT 2**

Energy efficiency in integrated urban development  
**Perspectives**

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Development of  
Energy Efficient  
and Integrated  
Urban Areas

The report is available at:

[http://www.urbenergy.eu/fileadmin/urb\\_energy/medias/partners\\_section/Partner\\_Outputs/PO-WP3/Report\\_MIL\\_WP3\\_EN.pdf](http://www.urbenergy.eu/fileadmin/urb_energy/medias/partners_section/Partner_Outputs/PO-WP3/Report_MIL_WP3_EN.pdf)

## Urb.Energy Informational Event in Brussels

On March 25th 2011, the information event of Urb.Energy on „Sustainable energy solutions in the urban and regional context - reflection on EU support“ was organized in the Representation of the Land Brandenburg to the EU in Brussels, Belgium.

More than 35 participants took part in the event, which was opened by the hosts of the event Ms. Dr. Gundula Herwig of the Representation of the Land Brandenburg to the EU and Mr. Christian Hüttenloher, the secretary general of the German Association for Housing, Urban and Spatial Development.



Afterwards, Mr. Hüttenloher introduced the event with a view on sustainable energy solutions in the urban context. As key note speaker Mr. Lars Porsche from the German Federal Institute for Research on Building, Urban Affairs and Spatial Development (BBSR) stressed in his presentation the potentials and fields of activities of energy related urban renewal.

In the second part of the event practical experiences from the transnational cooperation projects INTERREG IVB were presented. Mr. Hüttenloher presented the experiences of the project Urb.Energy and Mr. René Daszenies spoke about experiences of promotion of renewable energy sources within the project PEA.



The panel discussion was moderated by Mr. Hans-Jörg Duvigneau from the Competence Center for Major Housing Estates. They two representatives of the EU Commission Ms. Michaela Holl and Ms. Maud Skäringer discussed with Mr. Andrzej Rakiewicz and Mr. Peter Busch what can be learned from the findings of the presented projects for the EU support policy.

The minutes, presentations and agenda of the event are available at:

<http://urbenergy.eu/198.0.html>



## Partners Recent Developments

### **Awareness Campaign for Financing Energy Efficiency**

**March, April 2011, Estonia**

In the context of Urb.Energy an awareness campaign was done by KredEx this year. Diverse media channels were used like TV and radio spots, internet banners, information leaflets, posters in public transport and information roll-ups in shopping centres with a trained team to give suitable informations.



The aim was to inform people of the financial measures offered by KredEx that help to increase energy saving in apartment buildings.

An evaluation of the information campaign showed that inter alia half of the so informed people knew of KredEx, however, most people were not aware of the terms of application for grants. Also people were interested but mostly stated that it is difficult to reach agreements in meetings of associations due to contradictory opinions.

According to different feedbacks the message of the awareness campaign has reached the target group through various channels so that people are more informed on the topic and the awareness of key words and financing possibilities offered by KredEx have increased.

### **Public Information Days in Rakvere**

**May 2011, Rakvere, Estonia**

The information days in Rakvere offered a lot of knowledge about the results of the energy efficient renovation and the possibilities of using KredEx support for financing the works. The main aim was to inform the residents of the target area about their possibilities of energy efficiency because educated and informed residents are able to make a decision on the general meeting of the housing association. These special days were organised in collaboration of Rakvere City Government, several experts and local enterprises which sponsored the events offering snacks and beverages. More than 100 residents were present at the information days.

In addition to the information days a consultant has continuously been attending the general and extraordinary meetings of the housing associations and the boards of the housing associations. He explained the possibilities for reconstruction works as well as the importance of it, sharing information and explaining the results of the energy audits made on the houses.



## Upcoming Events

### ***Urb.Energy Final Conference “Energy Efficiency and Urban Future”***

**1./2. December 2011, Riga, Latvia**

Host of the Final Conference is the City of Riga. The Urb.Energy target area in Riga Jugla and its integrated urban development concept will be topic of a project workshop a day ahead of the conference. In close combination with the results insights of financing issues regarding integrated urban development and energy efficiency of high interest will be discussed.

The Final Conference will present the results and findings of the Project Urb.Energy. The project work and findings will be reflected by the views of European, national and local stakeholders on integrated urban development and energy efficiency.



### ***EU research and innovation: What role for regions and cities after 2013?***

**13. December 2011, Brussels, Belgium**

In the Europe 2020 strategy as well as in long-term policy programmes of regional and local authorities, great importance is given to research and innovation. The EU is currently putting this priority into an ambitious ‘common strategic framework’. Its budget for 2014-2020 for research and innovation has increased around 46 % compared to the current budget. By December 2011, the European Commission will have adopted its legal proposals for the future EU funding of research and innovation, namely through the structural funds, and Horizon 2020 (the new framework programme for Research and innovation and the new programme replacing the former CIP).



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## The Urb.Energy Project Partners:

### GERMANY:

- German Association for Housing, Urban and Spatial Development (Berlin)
- Housing Initiative for Eastern Europe (Berlin)
- Center of Competence for Major Housing Estates (Berlin)
- Ministry for Infrastructure and Agriculture, Brandenburg (Potsdam)
- Chamber of Commerce and Industry, Potsdam
- Ministry of Science, Economics and Transport, Schleswig-Holstein (Kiel)

### POLAND:

- City and County Piaseczno

### LITHUANIA:

- Housing and Urban Development Agency (Vilnius)
- Siauliai City Municipality Administration

### LATVIA:

- City of Riga
- City of Jelgava

### ESTONIA:

- Credit and Export Guarantee Fund KredEx (Tallinn)
- City of Rakvere
- Baltic Union of Cooperative Housing Associations (Tallinn)

### BELARUS:

- Grodno Oblast Executive Committee, Housing Department

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