



# Unlocking Investment for Smaller Energy Efficiency Projects

European Parliament Lunch Debate  
20 October 2016



# SEAF - the Sustainable Energy Asset Framework

*Bridging the Finance Gap*

SEAF is funded by the European Commission

**Budget:** €1.700.000

**Duration:** 24 months



# The Challenges of the Finance Gap

- **Project valuation difficulties:** lack of standardised, independent, project valuation tools, which are needed to assess the return on investment (RoI) easily and at a low cost, and would allow small to mid-sized projects to find easier access to financing;
- **Difficulties in project optimisation:** EU regulations on SEA projects are often highly complex and fragmented across Member States. Many projects miss important revenue streams as a result;
- **A communication gap between contractors and investors leading to a lack of trust:** it is often difficult for SMEs to present projects in a manner, which allows a financier to easily evaluate risks and benefits – in other words the financeability of the project;
- **A lack of standardization in the process** used for underwriting or management of energy **performance risks**, leading to lack of clarity and comparability in the project assessment and therefore to increased costs for all parties involved.



# Project Goal:

*Making Finance Easy*

The project enables the **finance of sustainable energy assets** by deploying independent, standardised project evaluation and project optimisation tool.



# Project Goal: Making Finance Easy

The project combines the following existing functionalities:

1. **Valuation:** (JOULE) Robust independent ex-ante automatic valuation of SEA projects for both SEA contractors and SEA investors in different market environments against current market data;
2. **Risk Assessment:** (HSB) Initial audit of the project's technical risks, including the proposal of risk transfer mechanisms such as insurance of equipment, business interruption or asset performance to increase investors' trust level in a project;
3. **Standardisation:** (ICP, JOULE) SEA project optimisation through e.g. identifying additional revenue streams and providing partnering options;
4. **Final outcome: Finance:** Facilitation of the communication and cooperation between investors (ourselves or others) and contractors, allowing the matchmaking between investors and contractors with search and filter functions.



# Unlocking Investment? We need to get serious

**USA, municipalities spend €5 billion annually on energy efficiency retro-fits**

**Europe the TOTAL spend in 2015 was €150 million**

**This undercuts:** Job growth, public health, energy efficiency objectives, Carbon targets,...

**EUROSTAT1: needs to be changed**

Parliament has the right to ask the Commission why it is maintaining this rule against a significant body of evidence measuring the **direct damage** it creates.



# Thank you!

Jessica Stromback  
Chairman

Joule Assets Europe

Mobile: +358 449 066821

[jstromback@jouleassets.com](mailto:jstromback@jouleassets.com)