



Funding possibilities

- in Denmark, Norway, Latvia, Estonia,
Finland and Sweden

EFFECT4buildings Toolbox:
Funding; Annex 1



The project “Effective Financing Tools for implementing Energy Efficiency in Buildings” (EFFECT4buildings) develops in collaboration with public building managers a comprehensive decision-making support toolbox with a set of financial instruments: **Financial calculation tools; Bundling; Funding; Convincing decision makers; Energy Performance Contract; Multi Service Contract; Green Lease Contract; Prosumerism**. The tools and instruments chosen by the project has the biggest potential to help building managers to overcome financial barriers, based on nearly 40 interviews with the target group. The project improves these tools through different real cases.

To make sure building managers invest in the best available solutions, more knowledge on different possibilities is needed as well as confirmation from colleagues that the solutions performs well. EFFECT4buildings mapped **technological solutions** for energy efficiency in buildings with the aim to share knowledge and experiences of energy efficiency solutions among building managers in the Baltic Sea Region.

This document includes lists of funding possibilities in public sector (for EU funds and national from: Denmark, Norway, Estonia, Latvia) and sources and mechanisms for financing non-investment projects (in Sweden and Latvia)

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EFFECT4buildings project is implemented with the support from the EU funding Programme Interreg Baltic Sea Region (European Regional Development Fund) and Norwegian national funding. The aim of the project is to improve the capacity of public building managers in the Baltic Sea Region by providing them a comprehensive decision-making support toolbox with a set of financial instruments to unlock the investments and lower the risks of implementing energy efficiency measures in buildings owned by public stakeholders. More information:

<http://www.effect4buildings.se/>



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1. PUBLIC SOURCES AND MECHANISMS FOR FINANCING INVESTMENT PROJECTS

1.1. EUROPEAN FUNDS

At the time the present report is being developed, there are no sources or mechanisms for financing from European Funds that could be applied for by public sector / public administration entities whose registered office is within the territory of Sweden, Finland, Norway, Latvia, Denmark or Estonia.



1.2.NATIONAL FUNDS

1.2.1. Denmark

National funds – national level

Name of the entity to apply to for funding	KommuneKredit – The Credit Institution For Local And Regional Authorities In Denmark
Intended use	The principal objective of KommuneKredit is to support all kinds of initiatives involving construction work like for instance thermal insulation upgrading projects.
The form of aid	loan guarantees, loans
The principles for an award of financing	<p>KommuneKredit is a Danish self-government financing agency. KommuneKredit was established in 1899 as a member organisation. Membership in KommuneKredit is limited to Danish self-governments (communes/municipalities and regions). At present, KommuneKredit associates all local government entities from the territory of Denmark.</p> <p>KommuneKredit grants its support only to its members. It offers its loans and loan guarantees on preferential terms.</p> <p>KommuneKredit's ongoing administrative activity is financed from the contributions paid by borrowers (members).</p>
Terms of funding	<p>Loans granted by KommuneKredit require no collaterals. The Fund grants its loans for periods up to 40 years.</p> <p>Loans may be repaid in instalments or by their due dates. Interest is payable based on fixed or variable interest rates, at the borrower's option.</p> <p>KommuneKredit charges no margin for granting its loans.</p>
Type of beneficiary	Only local government entities of various levels (members of KommuneKredit) may apply for loans/loan guarantees.



1.2.2. Norway

National fundus – national level

Name of the entity to apply to for funding	Enova SF, The Norwegian energy agency
Intended use	<p>The programme offers financing for organizational activities in terms of energy and climate.</p> <p>The programme is to contribute to promoting energy efficiency (EE) and the development of new EE technologies and solutions that could not be implemented or completed without financing.</p> <p>Projects that apply for funding must be implemented within the territory of Norway or in the Norwegian Economic Zone.</p> <p>The programme grants funds to projects that include the following types of cost:</p> <p>Developing concepts of innovative energy and climate solutions in buildings, areas, and energy systems,</p> <p>Introducing new technologies in buildings and areas,</p> <p>Commercial testing of innovative construction technologies,</p> <p>Introducing best available technologies in existing buildings (usually EE and EPC)</p> <p>Holistic mapping / analysis of buildings,</p> <p>Introducing innovative solutions into the market of energy services for buildings,</p> <p>Completing projects that involve heating systems.</p>
The form of aid	Subsidy
Dates of calls	from 1 to 4 times a year



Terms of funding	<p>Applicants may apply for financing subject to the following conditions:</p> <p>maximum funding: NOK 1 million,</p> <p>maximum level of funding: from 30 to 60% of eligible cost, depending on the size of the organization,</p> <p>investment support will be granted where:</p> <p>the level of energy efficiency guaranteed by the project concerned guaranteed is by 10% better than the level that is currently required in construction industry - the level of funding 100 NOK / m²,</p> <p>the level of energy efficiency guaranteed by the project concerned guaranteed is by 25% better than the level that is currently required in construction industry - the level of funding 150 NOK / m²,</p> <p>the level of energy efficiency guaranteed by the project concerned guaranteed is by 50% better than the level that is currently required in construction industry - the level of funding 250 NOK / m²,</p> <p>2 NOK / m² for introducing energy management (EM) and energy monitoring (EMS) systems, 4 NOK / m², where contracts for the improvement of energy efficiency are signed. The maximum support amounts to 50% of eligible cost, however not more than NOK 500 000.</p>
Type of beneficiary	<p>Beneficiaries of the programme may include owners of buildings, tenants, developers, providers of energy services.</p> <p>The programme is only dedicated to entities that have their registered offices within the territory of Norway.</p>
Name of the entity to apply to for funding	Kommunalbanken, the Norwegian Municipal Bank (NMB)



Intended use	<p>Financing investment projects from but not limited to the sectors of renewable sources or energy, and energy efficiency of buildings.</p> <p>Financing environmental protection projects, i.e. measures that promote reduction of greenhouse gases into the atmosphere, including financing projects that involve renewable sources of energy, as well as energy efficiency projects.</p> <p>The Norwegian government holds 100% of shares in the Norwegian Municipal Bank.</p> <p>Loans may be granted for the implementation and completion of the following projects (involving buildings):</p> <ul style="list-style-type: none"> New green buildings, Renewable energy, Improving Energy efficiency (EE) performance, Water supply and sewerage systems, Adaptation measures in terms of climate. <p>Projects financed from loans must have greater values than the minimum requirements stipulated in the relevant regulations, and they must refer explicitly to the issues of climate or environment. They should be anchored in municipal / regional climate roadmaps and energy plans, or otherwise form integral parts of the environmental protection and climate protection systems drafted by applicants.</p> <p>On its way to low-carbon society, Norway will limit emissions and create new values.</p> <p>Combined efforts by the Norwegian Municipal Bank that grants green loans, by the Norwegian energy agency Enova, and by the Norwegian Environmental Protection Agency that grant their financial contributions, are important support programmes in helping the Norwegian communal sector pursue Norwegian green future more promptly and powerfully.</p>
Form of aid:	Loan
Dates of calls	Continuous calls



Terms of funding:	<p>NMB offers its loans on favourable terms to Norwegian local government entities, communal/municipal partnerships, inter-communal and inter-municipal organisations, intergovernmental partnerships, as well as other enterprises or organization that have been granted communal/municipal guarantees.</p> <p>As regards green loans, territorial government entities / state entities are granted 0.1% discount on current margins, with interest rate involving either fixed or variable rates connected with 3-month Nibor.</p> <p>Projects that qualify for funding from the Norwegian energy agency, Enova or from the Norwegian Environmental Protection Agency, qualify automatically for green loans from NMB.</p>
Type of beneficiary	<p>Territorial government entities and other public / state entities are invited to apply.</p>



1.2.3. LATVIA

National funds – national level

Name of the entity to apply to for funding	Central Financial Contracting Agency
Intended use	<p>Improving energy efficiency and the use of renewable sources of energy in communal buildings within the programme called “Moving towards energy” 4.2.2.</p> <p>The programme provides for subsidising investment projects that contribute to the improvement of energy efficiency and to the use of renewable sources of energy in buildings belonging to territorial self-government units.</p> <p>Financing is provided for projects that involve the following types of cost:</p> <p>Construction work involving reconstruction/modernisation of structures, which contributes to the improvement of energy efficiency,</p> <p>Construction work involving urban modernization projects,</p> <p>Delivery and installation of renewable sources of energy.</p> <p>The subsidised investment projects include only the buildings that are owned by territorial self-government entities (communes/municipalities) or by other entities from the public sector.</p>
Form of aid:	Subsidy
Dates of calls	2019-2020
Terms of funding:	<p>Applicants may apply for financing subject to the following terms and conditions:</p> <p>the maximum level of financing is up to 90% of the total cost of the investment concerned</p>
Type of beneficiary:	<p>Territorial self-government entities (communes/municipalities) are invited to benefit from the programme.</p>



Name of the entity to apply to for funding	Central Financial Contracting Agency
Intended use	<p>Improving energy efficiency of buildings and the use of local renewable sources of energy in heating systems within the programme called "Growth and employment" 4.3.1.</p> <p>The programme provides for subsidising investment projects that contribute to the improvement of energy efficiency and to the use of local renewable sources of energy in heating systems.</p> <p>Financing is provided for projects that involve the following types of cost:</p> <p>Building/rebuilding of boiler houses/rooms, Building/rebuilding of heating networks and systems, Modernisation/conversion of heat and power stations into heat only plants.</p> <p>The investments concerned must not combine the construction / reconstruction of a boiler house/room with the modernisation / conversion of heating networks and/or systems.</p>
Form of aid:	Subsidy
Dates of calls	2019-2020
Terms of funding:	<p>Applicants may apply for financing subject to the following terms and conditions:</p> <p>the maximum level of financing is up to 40% of the total cost of the investment concerned.</p>
Type of beneficiary:	Entities from the sector connected with the generation and distribution of power are invited to benefit from the programme.



1.2.4. Estonia

National funds – national level

Name of the entity to apply to for funding	Kredex Foundation
Intended use	<p>The objective of the programme called “Subsidising energy efficiency solutions” is to improve the energy efficiency of buildings and infrastructures.</p> <p>Financing is provided for projects that involve the following types of cost:</p> <p>Installing photovoltaic systems in existing buildings.</p> <p>The aforesaid buildings must be of at least “C” energy class.</p> <p>The programme is being implemented in Estonia only.</p>
Form of aid:	Subsidy
Dates of calls	From 2018 until the available allocations are exhausted
Terms of funding:	<p>Applicants may apply for financing subject to the following terms and conditions:</p> <p>maximum financing: up to 30% of total cost,</p> <p>maximum support: EUR 30 000.</p>
Type of beneficiary:	All legal entities operating in specified fields may benefit from the programme (EMTAK C, O, P, Q, I codes).



Name of the entity to apply to for funding	State Shared Service Centre
Intended use	<p>The objective of the programme called “Social infrastructure” is to improve the energy effectiveness performance in buildings occupied by public social aid institutions.</p> <p>Financing is provided for projects that involve the following types of cost:</p> <p>conversion of existing buildings, erecting new buildings with nearly zero energy consumption.</p> <p>The basic document required at the stage of application assessment is an energy audit for the building concerned.</p> <p>The programme is being implemented in Estonia only.</p>
Form of aid:	Subsidy
Dates of calls	From 16.10.2018 to 30.04.2019
Terms of funding:	<p>Applicants may apply for financing subject to the following terms and conditions:</p> <p>minimum financing: up to 30% of total cost, maximum financing: up to 70% of total cost.</p>
Type of beneficiary:	Local authorities, i.e. territorial self-government entities are invited to benefit from the programme.



Name of the entity to apply to for funding	State Shared Service Centre
Intended use	<p>The objective of the programme called “Administrative capacity” is to improve the energy efficiency performance in public buildings.</p> <p>Financing is provided for projects that involve the following types of cost:</p> <p>conversion of existing buildings, erecting new buildings with nearly zero energy consumption.</p> <p>The basic document required at the stage of application assessment is an energy audit for the building concerned (for existing buildings that do not meet the criteria for the minimum energy class before their modernisation).</p> <p>The programme is being implemented in Estonia only.</p>
Form of aid:	Subsidy
Dates of calls	Planned for 2019
Terms of funding:	<p>Applicants may apply for financing subject to the following terms and conditions:</p> <p>The maximum funding is 700 Euro / m² for all types of work that ensures improved energy efficiency performance.</p>
Type of beneficiary:	All public entities at the central government level, or owners of buildings that are used by the central government, are invited to benefit from the programme.



1.2.5. Finland

Name of the entity to apply to for funding	MuniFin – “Kuntarahoitus”
Intended use	MuniFin is one of Finland’s largest credit institutions and the only one specialising in municipal sector and non-profit housing production. Lending is offered exclusively to Finnish municipalities, their majority-owned companies, and non-profit housing companies. MuniFin is 100-percent owned by the Finnish public sector; the municipalities, the government of Finland and Keva, a public sector pension fund.
Form of aid:	Green bonds. MuniFin started to offer green finance – loans and leasing – for the environmentally friendly projects of its customers in the beginning of 2016.
Dates of calls	Continuous calls
Terms of funding:	<p>Green finance projects are selected using MuniFin’s Green Framework and finally approved by the Green Evaluation Team. Every project is analysed independently and only approved if there is a high likelihood of achieving long-term positive environmental effects. MuniFin’s Green Framework divides projects into seven categories</p> <ul style="list-style-type: none"> Renewable energy Energy efficiency Sustainable public transportation Waste management Water and waste water management Sustainable buildings Environmental management incl. nature conservation
Type of beneficiary:	All green projects are financed and located in Finland. Green finance is offered to selected projects that promote the transition to low-carbon and climate resilient growth. These projects seek to mitigate or adapt to climate change.



Name of the entity to apply to for funding	Energy aid – “Energiatuki”
Intended use	<p>Energy aid is available for:</p> <p>companies of all sizes, including self-employed persons, traders and sole traders communities and organisations, such as municipalities, parishes and foundations</p> <p>Energy aid can be granted to investment projects and studies that:</p> <ul style="list-style-type: none"> -promote the production or use of renewable energy; -promote energy savings or increase the efficiency of energy generation or use; or -otherwise promote the transition towards a low-carbon energy system. <p>Investments in renewable energy use that are eligible for support:</p> <ul style="list-style-type: none"> small-scale electricity and heat production projects; projects producing biofuels for transportation; demonstration projects for new technology. <p>Investments in energy savings and energy efficiency that are eligible for support:</p> <ul style="list-style-type: none"> projects involving conventional technology for beneficiaries that have signed an energy efficiency agreement; demonstration projects for new technology. <p>ESCO projects.</p> <p>Aid can also be granted to the following types of studies concerning energy saving, more efficient energy use and the use of renewable energy:</p> <ul style="list-style-type: none"> energy audits; energy analyses. <p>Projects that are not eligible for aid are conventional studies and investigations on the establishment, expansion, profitability, development, planning, marketing or testing of business activities. As a rule, energy aid will not be granted to projects that fall under the Emissions Trading Act (311/2011).</p> <p>Energy aid can be granted if:</p> <ul style="list-style-type: none"> the project or the new technology included in the project would not be implemented without the aid; and before the decision on granting the aid is made: <ul style="list-style-type: none"> in the case of investment project, the beneficiary has not made any binding investment decision, ordered main equipment or made decision to commence construction work or any other agreement that would make it impossible to withdraw from the project without substantial economic loss; or in a case of study, the beneficiary has not made any binding acquisition or any other agreement that would make it impossible to withdraw from the project without substantial economic loss. <p>Energy aid may be granted to companies, municipalities and other organisations. Aid will not be granted to:</p> <ul style="list-style-type: none"> organisations whose activities are funded by from the state budget; agencies, institutions and other public bodies included in the Accounting and Payment Services referred to in the State Budget Act (423/1988); housing companies, residential properties or farms or projects implemented in connection to them, with the exception of projects implemented in connection to farms where the energy produced is not used in agricultural production; undertakings in difficulty referred to in the EU state aid rules.
Form of aid:	Subsidy
Dates of calls	Continuous calls



<p>Terms of funding:</p>	<p>All energy aid applications should be submitted using the online services of Business Finland. As a rule, Business Finland will process all the aid applications. The Ministry of Economic Affairs and Employment will decide on the grant of aid to investment projects where the expenditure eligible for aid exceeds EUR 5,000,000 or to projects related to new technology where the expenditure eligible for aid exceeds EUR 1,000,000.</p> <p>INVESTMENTS PROMOTING ENERGY SAVINGS AND ENERGY EFFICIENCY IN 2019 (CONVENTIONAL TECHNOLOGY)</p> <p>Investigation projects: energy audits in the municipal sector, micro-enterprises and SMEs related to energy efficiency agreements, 50% other energy audits, analyses and investigation projects, 40%</p> <p>Investment projects: 20% for companies and communities that have entered into energy efficiency agreements 25% when the ESCO service is used in the above 15% for companies and communities other than those that have entered into energy efficiency agreements when the ESCO service is used Increased support (20–40%) will be granted for projects containing new technology, including companies and municipalities that have not entered into energy efficiency agreements</p> <p>PROJECTS INVOLVING NEW TECHNOLOGY: investments in renewable energy sources and energy efficiency, new technology, maximum 40%</p>
<p>Type of beneficiary:</p>	<p>Energy aid is available for: companies of all sizes, including self-employed persons, traders and sole traders communities and organisations, such as municipalities, parishes and foundations</p>



Name of the entity to apply to for funding	Structural funds in Finland / The European agricultural fund for rural development – “EAKR / Maaseutuohjelma”
Intended use	<p>Structuralfunds.fi is an online service for parties applying for financing from the European Regional Development Fund (ERDF) and the European Social Fund (ESF), for the authorities and for all those interested in EU funding.</p> <p>Evaluation of the ‘Sustainable Growth and Jobs’ structural funds programme is under way. The evaluation will examine the effectiveness of EU-supported projects. The following are among the areas being evaluated: EU-supported promotion of SME growth and scope for internationalisation, diversification of economic activity, and employment. Low-carbon approaches serve as a cross-cutting theme of the structural funds programme and the evaluation.</p> <p>In the programming period 2014-2020, a total of 25 per cent of the ERDF funding will be directed at low-carbon activities. A low-carbon society can only become reality if there are structural changes, new operating approaches and models, product development, investments and development of multi-sectoral expertise. There is new business potential, particularly in energy and material efficiency. New and expanding business opportunities offer the chance to create new jobs.</p> <p>In order to reduce energy consumption and greenhouse emissions, the programme aims to increase the share of renewable energy and local energy sources and improve energy and material efficiency.</p>
Form of aid:	Subsidy
Dates of calls	Programming period 2014-2020



Terms of funding:	<p>Projects are required to promote equality, equity, sustainable development or low carbon. Furthermore a good project and project application shall have the following features:</p> <ul style="list-style-type: none">• There is a clear rationale for the need for the project• The objective and measures are clear and well defined• The target group is clearly defined and delimited• The partners required for the project are committed• The cost estimate is justified and reasonable in relation to the objectives and actions of the project• The project has a plan for the continuation and consolidation of activities and the dissemination of results• The project promoter has agreed on other funding for the project and committed to its own contribution• Sufficient and competent human resources are allocated to the project
Type of beneficiary:	<p>Educational institutions, various organizations, research institutes, municipalities, companies and other legal entities may apply for funding.</p>



2.SOURCES AND MECHANISMS FOR FINANCING NON-INVESTMENT PROJECTS

2.1.SWEDEN

Name of the entity to apply to for funding	National Energy Agency (Energimyndigheten)
Intended use	Subsidy to finance work involved in the preparation of investment projects that can be financed from EU funds. Financing is provided for work that involves though is not limited to the development of application documentation in respect of European programmes that support energy efficiency like Horion 2020 or LIFE.
Form of aid:	subsidy
Dates of calls	2018-2019
Terms of funding:	Subsidy may amount up to 50% of eligible cost. Where applicant is a project partner, the amount of subsidy may amount up to SEK 75 000. Where applicant is a project coordinator, the amount of subsidy may amount up to SEK 150 000. Unless the project is to be implemented within a partnership formula, the subsidy may amount up to SEK 50 000.
Type of beneficiary:	All entities that are allowed to apply for financing from European funds for investment projects involving the improvement of energy efficiency in buildings are invited to apply for subsidy. Beneficiaries may include universities, scientific institutes, MSEs, territorial self-government entities, and NGOs.



Name of the entity to apply to for funding	Swedish Institute (Svenska institutet)
Intended use	<p>The programme aims at strengthening the relationships and cooperation between Sweden and the countries from the Baltic Sea Region.</p> <p>Swedish organisations may apply for financing for their projects from the Swedish Institute in order to cooperate with organisations located in the countries from the Baltic Sea Region, and with organisations located in the EU Eastern Partnership countries.</p> <p>Projects may last up to 18 months.</p> <p>Project measures supported by the Swedish Institute through its seed funding must be explicitly linked to one or more challenges specified in the EU strategy for the Baltic Sea region. Projects involving countries from within the EU Eastern Partnership must also refer to those frameworks. Moreover, the projects concerned should contribute to creating conditions for long-term, sustainable relationships in the region.</p>
Form of aid:	Subsidy from the seed funds
Dates of calls	2019
Terms of funding:	Applicants may apply for funding from SEK 100 000 up to SEK 500 000.
Type of beneficiary:	<p>Applications must involve at least three entities in three various countries that qualify for funding, one of which being Sweden (as the principal applicant).</p> <p>Countries that qualify for funding include Armenia, Azerbaijan, Belarus, Denmark, Estonia, Finland, Georgia, Germany, Latvia, Lithuania, Moldova, Poland, the Russian Federation, Sweden, and Ukraine.</p>



1.1.LATVIA

Name of the entity to apply to for funding	Central Financial Contracting Agency
Intended use	<p>Implementation of educational tasks in respect of rising the environmental and environmental protection awareness among students of secondary schools within the programme called “Growth and employment” 8.1.2. Financing may only be granted to educational entities that occupy buildings owned by territorial self-government entities.</p> <p>The financing will be granted for projects that involve the following types of cost:</p> <p>Educational activity as regards rising the environmental and environmental protection awareness,</p> <p>Building new Energy-efficient buildings.</p> <p>Erection of a new building may only be regarded to form an eligible cost, where there is a shortage of vacancies in educational institutions (and where forecasts imply growing numbers of students).</p>
Form of aid:	Subsidy
Dates of calls	2019-2020
Terms of funding:	<p>Applicants may apply for financing subject to the following terms and conditions:</p> <p>the maximum level of financing is up to 85% of the total cost of the investment concerned.</p>
Type of beneficiary:	Educational institutions / secondary schools may benefit from the programme.

