



Netherlands Enterprise Agency



Dutch initiatives for financing energy efficiency in the rental sector

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Dutch initiatives for financing energy efficiency in the rental sector

- Energy Efficiency in the Property Evaluation System (“Point System”)
- STEP subsidy scheme
- FEH soft loan scheme
- Energy Performance Fee



Residential Buildings in the Netherlands

- 7,3 million residential buildings:
 - owner occupants: 4,4 million
 - (social) housing corporation: 2,2 million
 - Private landlords: 0,7 million
- Energy Agreement for Sustainable Growth (2013): The partners in the rented sector committed themselves to improve the energy efficiency of their building stock to an average of energy label B for the social housing corporations and a minimum of label C for 80% of private landlords, by 2020.



Social housing sector and energy efficiency

Source: Aedes, 24 maart 2015





Energy Efficiency in the Property Evaluation System, or the “Point system”

- Energy efficiency integrated in the rent system for housing corporations
- Rent system applies to over 2 million houses and apartments
- Good Energy Index: higher rent << >> Bad Energy Index: lower rent
- This law came into force in 2012
- The scheme encourages housing corporations to invest in energy efficiency. It solves the problem of split incentive between investments and savings.



Energy Efficiency in the Property Evaluation System, or the "Point system"

Energy Index	Single family house	Apartment / flat
$EI \leq 0,6$	44	40
$0,6 < EI \leq 0,8$	40	36
$0,8 < EI \leq 1,2$	36	32
$1,2 < EI \leq 1,4$	32	28
$1,4 < EI \leq 1,8$	22	15
$1,8 < EI \leq 2,1$	14	11
$2,1 < EI \leq 2,4$	8	5
$2,4 < EI \leq 2,7$	4	1
$EI > 2,7$	0	0



Affordability of rental housing

Government is financially facilitating energy efficiency improvement by:

Subsidy scheme energy performance rental sector (STEP)

- Dutch Energy Agreement 9 september 2013

Revolving Fund Energy Efficiency Rental Sector (FEH)

- Housing Agreement (“Woonakkoord”) 13 februari 2012



Subsidy scheme energy performance (STEP) 1

- Start subsidy scheme at the end of 2014
- Total budget € 400 million
- Amount of subsidy depends on the improvement of the Energy Index
- Apply from => 1 rented house
- Only for existing rental houses
- Rent < € 711,-



Subsidy scheme energy performance (STEP) 2

Energie-Index	Subsidy <i>per home</i>
$\geq 2,11 \rightarrow \leq 1,40$	€ 2.000
$\geq 1,81 \rightarrow \leq 1,20$	€ 2.000
$\geq 2,41 \rightarrow \leq 1,40$	€ 2.600
$\geq 2,11 \rightarrow \leq 1,20$	€ 2.600
$\geq 2,71 \rightarrow \leq 1,40$	€ 3.500
$\geq 2,41 \rightarrow \leq 1,20$	€ 3.500
$\geq 2,71 \rightarrow \leq 1,20$	€ 4.500



Revolving Fund Energy Efficiency (FEH) 2

- Maximum loan 25% of the total investment
- minimum € 75.000,-, maximum € 8 million
- maximum € 15.000,- per home
- FEH interest rate:
 - < € 711,- : 0,5% (WSW-guarantee)
 - > € 711,- : 1,9%
- Term loans: 15 jaar
- Governmental grant € 75 million
- Based on the improvement of the Energy Index
- Loans for private landlords and housing corporations

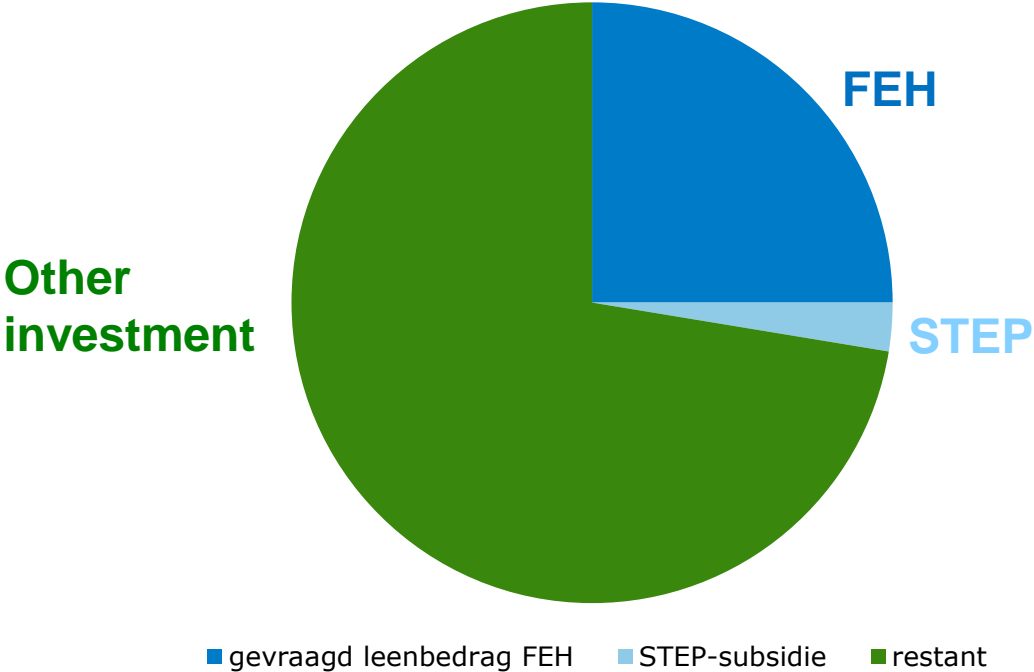


Revolving Fund Energy Efficiency (FEH) 2

	Energie-Index
Housing corporation Rent under the maximum rent of €711,-	$\geq 1,81 \rightarrow \leq 0,80$ $\geq 1,41 \rightarrow \leq 0,60$
Housing corporation Rent over the maximum rent of €711,-	$\geq 1,81 \rightarrow \leq 1,20$ $\geq 1,41 \rightarrow \leq 0,80$ $\geq 1,21 \rightarrow \leq 0,60$
Private landlords No difference in the height of the rent	$\geq 1,81 \rightarrow \leq 1,20$ $\geq 1,41 \rightarrow \leq 0,80$ $\geq 1,21 \rightarrow \leq 0,60$



Total investment related to STEP & FEH





Energy Performance Fee 1

- Energiesprong:
 - Making Net Zero Energy Refurbishments a market reality.
 - Deal between housing corporations and building companies.
 - Planned to refurbish 111.000 houses to Net Zero Energy (E=0).
 - The refurbishments are financed of the energy cost savings.
- Costs:
 - About €75.000,- per house (some 500 already refurbished to E=0)
 - Goal: €45.000,- per house, to be achieved through innovation and scale



Energy Performance Fee 2

- Typical energy performance:
 - Very good insulation, comparable with Dutch regulations for new built houses (mostly 30kWh/m².year)
 - Renewable energy production sufficient for heating, hot water and electricity use of occupant
 - Average use of the occupant: no energy bill, except for the fixed charge
- Technical specifications:
 - A new shell (roof, facade) to be placed over the new house.
 - Typically, but not necessarily: solar cells, heat pump, heat generating ventilation, triple glass. Mostly integrated in the new facade and roof.
- New legislation:
 - Compensation for the energy performance of the dwelling, from tenant to housing corporation
 - Maximum of €1,40 / m² /year
 - Total cost of living about equal to the total cost of living before renovation



Thank you!

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