

EuroPACE: Exploring the viability of on-tax financing for home and commercial building renovation in Switzerland and Norway



About the Project

This project explores the viability of an on-tax financing mechanism called PACE (Property Assessed Clean Energy) to fund energy efficiency, renewable energy and water conservation improvements to residential and commercial buildings in Switzerland and Norway. It identifies challenges and opportunities for the financial sector and public authorities to develop initiatives that provide up-front, long-term renovation financing that is attached to a property. The project entails the following activities:

- Market research on Swiss and Norwegian building renovation market and fiscal instruments to identify opportunities and challenges for EuroPACE implementation
- Interviews with experts, investors and public authority representatives in Norway and Switzerland
- Two half-day workshops with investors and public authorities in Norway and Switzerland
- Market Briefs assessing market readiness for EuroPACE

The project is led by South Pole, in partnership with GNE Finance, Climate-Kic and Norwegian University of Science and Technology. It is a six-months project, funded by a Pathfinder grant from Climate-Kic in 2018.

About PACE and EuroPACE financing

The concept of EuroPACE is inspired by the success of an on-tax financing model called PACE, launched in California in 2008. In the US, in the past four years, the PACE market reached over \$5 billion in funded projects, including the retrofit of over 200,000 homes, which resulted in more than 42,000 new local jobs and the creation of hundreds of new companies.

PACE can be used to pay for energy efficiency, renewable energy, and water conservation upgrades to homes and commercial buildings. PACE financing covers up to 100% of a project's costs and is repaid as a special charge added to a property tax bill over a term of up to 20 years. PACE financing is attached to a property, not an individual, thus it stays with a building upon sale. This feature of PACE financing provides investors with an enhanced repayment security.

EuroPACE is uniquely positioned to boost energy efficiency investment in existing buildings, ranging from homes to offices, hotels, multi-family and mixed-use properties. The impact of EuroPACE can go far beyond energy savings and each Swiss Franc or Norwegian Krone invested in building renovations results in societal and economic benefits, including job creation and climate change abatement.

Get Involved and Contact Us

This is an opportunity for investors, public authorities, energy efficiency experts and policy makers to get involved in the project. We invite you to:

- **Support our market research effort by participating in targeted interviews**
- **Join us for two workshops to learn more about EuroPACE and explore its implementation in Norway and Switzerland**

If you have any questions or would like to participate in the project, please reach out to Marius Schneider, South Pole, via email: m.schneider@southpole.com, or to Lea Fränkl, South Pole, via email: l.fraenkl@southpole.com.

About Project Partners



South Pole is a global sustainability solutions provider, working with clients in the public and private space to build solutions for a sustainable society and economy. South Pole has screened over USD 4 trillion of investments for their climate impact and has developed over 500 emission reduction projects in renewable energy, energy efficiency, forestry, agriculture, industry and households.

GNE FINANCE

GNE Finance (Global New Energy Finance) is leading the development of EuroPACE financing platform. GNE is an Advisory and Investment Manager for Sustainable Infrastructure and Climate-Aligned Projects that brings the expertise, track-record and network to promote, structure, and finance clean energy projects.



Climate-KIC, launched in 2010 by the European Institute of Innovation & Technology, is a Knowledge and Innovation Community (KICs) working towards a zero carbon economy and climate resilient society. Climate-KICs priorities activities around sector areas, or systems, where developing climate innovation along impact pathways has the most potential for environmental gain and continued prosperity (urban transitions, sustainable production systems, sustainable land use and decision metrics & finance).



Norwegian University of Science and Technology (NTNU) is the largest university in Norway today, and is the country's premier institution for the education of engineers. NTNU's strategic commitment to enabling technologies involves interdisciplinary research that contributes to developing new industries, products and solutions in most sectors of society. NTNU provides expertise in the realms of Smart Sustainable Cities and Urban Intelligence, and climate change abatement.