

KfW Kommunalbank

New Funding for Integrated Urban Development and Energetic Refurbishment:

“Urban Energy Efficiency Rehabilitation – Grant”

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1 Concept of the "Urban Energy Efficiency Rehabilitation" programme

2 Key features of the grant programme

3 Conclusion

A bank with a wide array of functions



Domestic promotion

We promote Germany

Business Area Mittelstandsbank

Promotion SMEs,
business founders,
start-ups

Business Area Privatkundenbank

Promotion
construction
of new housing
and modernisation
as well as education

Business Area Kommunalbank

Financing municipal
infrastructure
projects and
global loans
Germany/Europe
agency business for
Federal Government

International business

We ensure internationalisation

Business Area Export and Project Finance

International
project and
export finance

We promote development

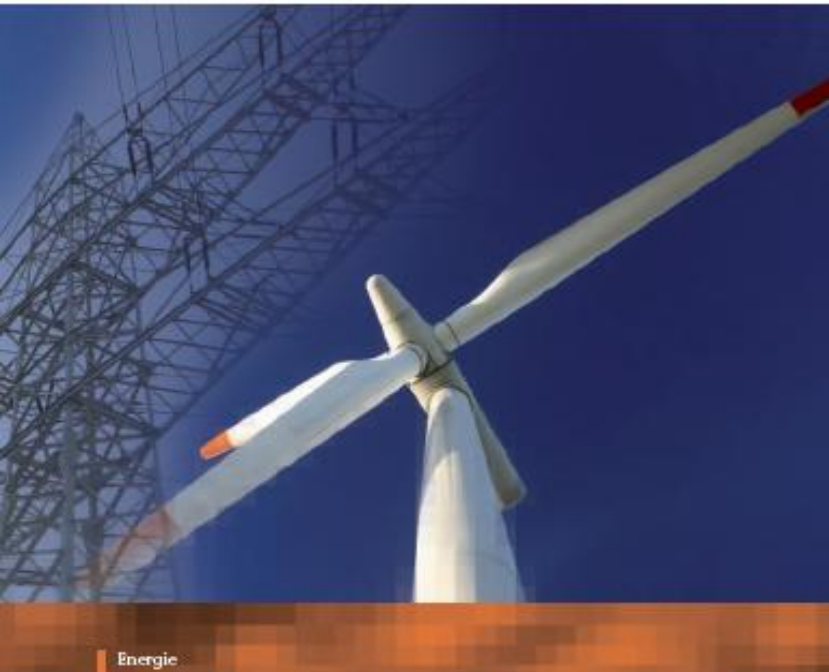
Business Area Promotion of Developing and Transition Countries

Promotion of
developing and
transition countries

Promotion of environmental and climate protection



Starting point: The energy concept of the German Federal Government



Energy and climate-policy objectives

- Until 2020:
 - Reducing greenhouse gas emissions by 40% (compared with 1990)
 - Reducing primary energy consumption by 20% (compared with 2008)

- Until 2050:
 - Reducing greenhouse gas emissions by at least 80%
 - Reducing primary energy consumption by 50%

- ...by improving energy efficiency and encouraging the use of renewable energies

Energie

Energiekonzept

für eine umweltschonende, zuverlässige und bezahlbare Energieversorgung

28. September 2010

www.bmwi.de
www.bmu.de

New KfW promotional programme: "Urban energy efficiency rehabilitation"

Target: Unbureaucratically launching comprehensive and locally adjusted investments in energy efficiency and renewable energy

Urban energy efficiency rehabilitation

KfW proposal: Promotional concept based on modules

Module 1: Development of integrated neighbourhood-related energy-efficient rehabilitation concepts: grants for concept development and coordination

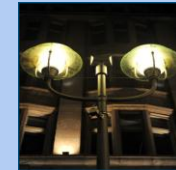


Module 2: Investment loans for focussed energy efficiency measures

Reduced-interest loans for

- Energy-efficient construction and renovation at the municipal and social level
- Energy-efficient municipal supply (electricity, heat, water)
- Energy-efficient urban lighting
- Energy-efficient and low-emission local public transport

to start in 2012



Module 3: Establishment of a consulting task force to support energy-efficient urban development



Promotional potential

Commitments of up to EUR 1 billion per annum

Investments of up to EUR 1.4 billion per annum



Promotional grants in the phase of conception and initial implementation

- Grants for the development of integrated concepts for urban energy-efficient rehabilitation
- Grants for refurbishment managers



- Integrated energy concepts as a key factor for an investment planning that is focused on achieving overall energy efficiency
- The task of refurbishment managers is to coordinate planning and launch the implementation (no concepts "for the drawer")
- Focus on the neighbourhood will ensure rapid implementation
- The municipal authority plays a key role (initiator, coordinator and investor)
- Financing from special "Energy and Climate Fund"

Urban energy efficiency rehabilitation - grants for integrated neighbourhood concepts and refurbishment managers

Key features



	A. Integrated neighbourhood concepts	B. Refurbishment managers
Applicants	<p><i>Directly:</i></p> <ul style="list-style-type: none"> ▪ Municipal authorities <p><i>through the respective municipal authority:</i></p> <ul style="list-style-type: none"> ▪ Enterprises in which municipalities are the majority shareholders (e.g. public utilities) ▪ Housing companies, housing cooperatives, ▪ Private owners of buildings or community associations of private owners (“Eigentümer-Standortgemeinschaften”) 	
What may be financed?	Expenses for drawing up an integrated concept for energy-efficient rehabilitation at the neighbourhood level (material and personnel expenditure for professional third parties)	Expenses for the refurbishment manager (personnel and in part also material expenses)
For how long?	1 year	not more than 2 years
Grant amount	<ul style="list-style-type: none"> ▪ 65% of the eligible costs 	<ul style="list-style-type: none"> ▪ 65% of the eligible costs ▪ up to EUR 120,000



Promotional approach offers new opportunities for intelligent rehabilitation

- Increasing the profitability of rehabilitation measures by using an integrated approach
- Activating further investor groups (in particular by means of refurbishment managers)
- Improving the quality of energy advice and consulting
- Inclusion of further sectors where energy is consumed (besides buildings also supply networks, urban lighting, traffic)
- Tapping further energy-saving potentials

Thank you very much for listening.



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Back-up

Urban energy efficiency rehabilitation - grants for integrated neighbourhood concepts and refurbishment managers

Key features

A. Integrated neighbourhood concepts

B. Refurbishment managers

Requirements on integrated neighbourhood concepts and refurbishment managers

Orientation on existing guidelines (e.g. of research institute like BBSR, Difu or guidelines of the federal states)

Aspects to be dealt with:

- Analysis of main sectors where energy is consumed (municipality, trade and commerce, households) and their energy-saving potentials
- Existing integrated urban development and housing concepts must be observed.
- Concrete energy-efficient rehabilitation measures and their implementation have to be specified (chain of impacts in the neighbourhood have to be observed)
- Cost effectiveness of the measures
- Performance review
- Time schedule and responsibilities
- Information and advice, public relations

Possible refurbishment managers may be:

- Persons employed with the municipal authority or a municipal enterprise
- Executing agency of the urban rehabilitation measures
- Planning companies (e.g. town planning, engineering and architecture firms)

Requirement:

At least 2 years of experience in energy management, energy-efficient building rehabilitation, urban development, urban renewal or neighbourhood management, the real estate and housing sector

Municipal authority has to confirm the Managers qualification.

Combination with other funds

- Grants for integrated concepts and for refurbishment managers may be applied for separately.
- Combination with public promotional funds is possible (however overfinancing is not permitted!)
- Financing from budget funds and/or fund provided by the federal states must not exceed 85% of total costs.