

Financial incentives for RES linked to energy performance

Main barriers and solution pathways

Implementation map

Please find detailed information on the policy approach in the ENEFIRST report [“Priority areas for implementing Efficiency First”](#)

<https://enefirst.eu/reports-findings/>



Short introduction to the policy approach

Financial incentives for RES linked to energy performance

Financial support schemes for distributed renewable energy installations should be **subject to predefined energy performance levels of the related building** or energy efficiency requirements for the renewable energy system to perform most efficiently and be sized adequately thereby limiting its impact in front of the meter, use trigger points and/or **to avoid lock-in effect** (e.g., about roof insulation when installing PV panels).

Business as usual	E1st scenario
Financial incentives for renewable energy systems are available without energy requirements	Financial schemes (grants, feed-in tariffs etc.) require a certain heat loss/ energy performance level before investing in the RES system
No legal requirements when installing e.g. a heat pump or PV panels	Energy efficiency requirements (e.g. roof/ wall insulation) linked to RES systems (use of trigger points)

Overcoming the main barriers to the design and implementation of E1st

Financial incentives for RES linked to energy performance

I. Policy design

Main barriers

Main *barriers* to policy design

Stakeholders
required to act

Solutions to overcome the barrier

Possible legislative and other changes

Lack of a reliable framework to monitor minimum energy performance requirements

EU

National
authorities

EU EPC framework enabling high-qualitative and comparable monitoring of buildings' performance

Reformed EPC framework with EPBD revision in 2021

No legal requirements for financial support schemes from EU-level in line with long-term targets

EU

National
authorities

Implement E1st in EU funding streams

Revision of eligibility / selection criteria or guidelines in EU funding schemes

Demanding eligibility criteria of a subsidy scheme decreasing the number of applications

National
authorities

Provide technical assistance (in the application phase) and information campaigns for building owners

Include resources for technical assistance and informational measures in the policy design

Lack of awareness about the benefits of an integrated approach of energy efficiency and RES measures

National
authorities

Regional
authorities

Alleviate silo-thinking in policy making and pool resources on specific topics

Restructure responsibilities in ministries and related agencies to achieve integrated policy making

Overcoming the main barriers to the design and implementation of E1st

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II. Policy implementation

*Main **barriers** to policy implementation*

Stakeholders
required to act

Solutions to overcome the barrier

Main barriers

Possible legislative and other changes

Complex and long approval process due to the requirement of the buildings' energy performance

National authorities

Build institutional capacity (financial, human resources) in implementing organisations

Enable capacity building in implementing organization by national authorities

Low quality of the national EPC scheme or other monitoring framework

National authorities

Implement high-quality, comparable EPC framework

Implement reformed EPC framework with transposition of revised EPBD

Additional costs for pre-assessment/ EPC issuing and possible required energy efficiency improvements

National authorities

Local authorities

Offer additional financial support for the required pre-assessment of the energy performance

Offer dedicated (national or local) financial support for the issuing of EPCs or energy audits

Lack of sufficient energy auditors for assessment of buildings' energy performance

National authorities

Local authorities

Capacity building activities and widespread training/ secondary education for energy efficiency experts

Implement capacity building activities & training/ secondary education in line with national/local policy cycles

Insufficient information/advice and lack of expertise/ willingness to inform about integrated renovations

Local authorities

Information campaigns and cultural change among contractors/ in the industry

Implement information campaigns and enable cultural change within industries (local contractors)

Further reading

- ENEFIRST report [“Priority areas for implementing Efficiency First”](#)
 - Chapter 3.1.3 Identified policy approaches in the buildings sector
 - Chapter 3.7 EU funding mechanisms
- ENEFIRST international examples:
 - Case study 1: [Building energy performance requirements of the Irish heat pump system grant](#)
 - Case study 16: [Linking renewable support to building energy performance](#)