

easyCOPRO Open book EPC for
Brussels' condominiums
Final Report

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Introduction

This final report describes the evolution of eayCOPRO project which initial objective was **to develop a fully-fledged renovation package for Brussels based condominiums.**

This project intended to offer the best solution to significantly simplify the decision-making process of co-owners and property managers to engage into heavy refurbishment procedures through an open book Energy Performance Contract.

This project was launched by:

- *Watt Matters* the project developer and third-party investor, with expertise in installation and maintenance of cogenerations, heating systems, photovoltaic panels and insulation,
- *Bureau Deplasse* the engineering company with technical expertise to develop audits and action plans, but also to control maintenance of technical installations and to follow energy performance indicators, in particular by using the IPMVP protocol,
- *Bruxelles Environnement* the Brussels public authority developing a large range of actions including global solutions to cover each user's needs and financial incentives to accelerate transition. In parallel to easyCOPRO, *Bruxelles Environnement* was also a partner in the European project INNOVATE, as such it has a double experience of projects with European H2020 co-funding relative to Energy performance renovation works in condominiums from the smallest ones (INNOVATE) to the biggest ones (easyCOPRO),
- *Energiris* the citizens cooperative aiming to accelerate energy transition thanks to their funding, on top of usual banking funding, of transition projects, acting as coordinator of the easyCOPRO project,
- *Managimm* a Brussels syndic encouraging condominiums renovation works with positive impact on energy consumption and bringing all its knowledge of condominiums organization to the project.

All 5 members of easyCOPRO consortium – which became 4 end of 2019 when *Managimm* decided to leave the team - were, and still are, willing **to support the housing renovation required to reach Brussels 2050 decarbonization objectives**, by helping Brussels condominiums to start their renovation works.

The easyCOPRO partners wanted in fact to **resolve the complex challenges faced by condominiums when retrofitting their building** to improve global energy efficiency of their home and potentially generate renewable energy production. The easyCOPRO project therefore offers innovation in financial engineering, in overcoming administrative, legal and financial barriers and a **high degree of replicability**.

The project is based on a **multi-dimensional approach from technical to financial perspectives including global coordination**:

- It goes into detailed multi-annual budget calculations of all works, available energy premiums, and third-party investment where appropriate,
- It includes a fair open-book energy performance contract between the partners and the beneficiary, in which it uses IPMVP recognized measurement and calculation methods in its energy performance model,
- It takes the financial positive impact of the retained renovation measures and the foreseen minimum guaranteed return by the easyCOPRO partner (EPC contract – see Deliverables 1.1 and 1.4) into account to calculate the financing needs,
- It considers the condominium own funding capacity, additional funding by banks and financial insurance solutions,
- And more importantly, the **project offers an adequate and full accompaniment** to the condominium as final beneficiary throughout the process.

This final report includes specific experience encountered during the development of the project.

It testifies the specific situations relative to working with associations of co-owners (the « condominiums ») and managing agents (the « syndics »).

It provides information about the consequences of the covid crisis, which occurred in the middle of the project life.

And eventually, it summarizes the most important lessons learned from this project in order to help the best replicability possible in the future.

1. Project development from scratch

A project developed with co-financing by a European subsidy starts long before it gets approved at European level.

The European subsidy grant agreement can only be signed based on the project description and its detailed budget.

The easyCOPRO project development occurred based on each partner's knowledge and experience of the market and of the services to be offered. In practice this is the reason why this new solution got started as a project with multiple partners, it allowed to answer the foreseen needs to be filled in from a global point of view.

Assumptions were made by the partners on the renovations to be achieved in priority. At start, easyCOPRO partners wished the considered renovations to be the most complete and important ones to increase the energy savings.

Because of the long and complex process, **only middle to big condominiums buildings** were considered where it was possible to implement **renovation with higher energy efficiency improvement potentials** (e.g. old boilers especially fuel boilers to be replaced by new condensing ones, CHP - combined heat and power production - with general heating delivery, regulation).

The easyCOPRO project has been very ambitious in terms of renovation expectations.

This practical project development started soon after EC approval juggling three interfering priorities:

- the selection of candidates - full audit –action plan (see Deliverables 2.1 to 2.4 & 4.1)
- the communication support (see Deliverables 3.1, 3.2 and 3.4)
- the technical documentation (see Deliverables 1.1 to 1.5)

2. The selection of 20 candidates – the full audit – the action plan

The selection of 20 condominiums for which the project was applicable was one of the first big steps to start with.

After the selection of a potential candidate among the incoming registrations on easyCOPRO website (see point 3 below), taking into account its specific data's, a detailed energy audit offer could be proposed to the concerned condominium/syndic.

Soon after the launch of the website, several potential candidates completed the easyCOPRO form online in order to be contacted. However many of them did not satisfy the easyCOPRO framework, mostly due to their small sizes and/or individual heating systems.

After receiving around 100 applications from condominiums on the website, the easyCOPRO communication has been kept intentionally limited in order to decrease the rhythm of applications (see point 3 below).

20 potential candidates have been selected in line with easyCOPRO project objectives. Keeping control between full audits, action plans and project implementation was challenging. It was necessary to **avoid overpassing the set-up of effective projects with too many full audits** sent over, which could create follow-up expectations at the level of condominiums/syndics that would in practice not be possible to handle in a timely manner.

It has been an ongoing process with new candidates getting in, quick audits to be managed, offers for full audit to be sent over and full audits to be conducted if offers are signed. (see Deliverables 1.5 and 2.4)

For this reason, at the end of the easyCOPRO project, 11 out of 20 selected candidates have been offered a full audit within the easyCOPRO framework. All 11 candidates signed their offer and received their full audit made by the engineering company and easyCOPRO partner *Bureau Deplasse*. (see Deliverables 2.1 and 2.2)

The **detailed energy audit is the basis of all the following steps**. If the property owners or managers were interested to go on, *Watt Matters* partner would build up an adequate dedicated action plan. Those action plans had to be presented to the condominiums, in order to convince them to continue the project. The following step was to handle the adequate decision process specific to condominiums (see 5.1 below) and potentially signing the Energy Performance Contract with easyCOPRO partners. (see Deliverables 4.1 and 4.2)

Building up quick scans, audits and action plans have been time consuming and complex tasks. Apart from a fixed price for the full audits, the rest was not billable to the condominium and remained at cost of easyCOPRO partners less the partial intervention of H2020 subsidy.

This process occurred in parallel with the set-up of all documents which would constitute easyCOPRO « toolbox ». (see Deliverables 1.1 to 1.5)

3. Communication management and selection of candidates

One of the priorities for the easyCOPRO partners was to make this project known by the target audience. A complete communication plan was established soon after the launch of the project.

The **first press release of June 2018** was followed by different press articles in Le Soir, L’Echo, Le Cri (publication for property owners or managers) and in *Energiris* own newsletter. More articles about easyCOPRO projects were published in Le Soir in September and December 2018. (see Deliverables 3.2, 6.1 and 3.4). The estimated number of persons reached through these different articles in Le Soir and L’Echo, 2 of the main Belgian newspapers in French are of up to 200.000. The global communication, including through informal discussions and/or meetings in presence of easyCOPRO partners around all housing and environment topics is supposed to have made up to 250 persons of the civil society and 50 policy makers aware of the easyCOPRO project.

Presentations of the project were made at the “Salon de la Copropriété” in November 2018 and 2019, the website was launched end of 2018 and the **easyCOPRO inaugural day** was held in February 2019. (see Deliverable 6.2). Through web radio interviews at these occasions and the article in Le Cri, easyCOPRO partners have reached up to 250 syndics and building companies

Communication through flyers, newsletters and information dedicated to easyCOPRO on Energiris facebook page has reached around 500 persons.

Soon after easyCOPRO communication package and website were ready (see Deliverable 6.3), property owners or managers have started to fill in registration forms on easyCOPRO webpage for their condominium. (see point 2 above)

The **website page has been developed** adequately including a form to be completed by the candidate in order to register technical data’s on their building size and their energy consumptions, the most recent and the projected works, etc.

- 98 first expressions of interest by condominiums or syndics through easyCOPRO website
 - o 49 of those 98 registrations have filled in the requested form.
 - From those 49 complete files for analysis, 29 were not receivable for easyCOPRO project. They were either too small condominiums of less than 20 apartments or had individual heating installations which prevent easyCOPRO project to be executed because of too many different utility meters data’s to be collected individually every year and because of RGDP.

Solution: All those 29 condominiums have been re-oriented by easyCOPRO to *Bruxelles Environnement* adequate internal service offering a free quick audit to condominiums.

- 20 have been selected for easyCOPRO project and have received an offer to continue including the full audit as a starting point, among which 11 audits have been ordered by the condominiums and fully achieved by easyCOPRO.
- 49 condominiums have never filled in the required form.

4. The creation of the project documentation: the toolbox

This project would not be working without **the contracts' preparation: the toolbox.**

Developing the template “open book energy performance contract” (“Open Book EPC”) has been one of the main activities of the consortium during the first 18 months of the project and has taken more time than expected due to its complexity.

The first version of the open book EPC was shared with the chosen pilot condominium (and its syndic) as soon as ready. This pilot condominium was the first one to have received a full audit and for which a complete action plan had been prepared. (see point 2 above and Deliverables 1.1 and 4.1)

However, the consortium partners had to admit that converting this Open Book EPC in a real signed contract with the condominium was hardly feasible because of the following constraints:

- the complexity of the EPC contract itself. After the first meetings held with the syndic and long discussions with the condominium and its external lawyer, the consortium concluded that **the complexity would be even more difficult to apprehend when shared with several other condominiums who have, by experience, each their own analysis** and specific legal request which are brought by their own lawyer;
- The number of considered measures were the largest possible, including heating renovation, led lighting, roof, basements and façade insulation, **hence including works needing urbanistic planning permits;**
- The need for longer funding maturity (up to 14-15 years) which would **increase the funding risks hence the interest rate to pay** for it;
- The necessity to decrease the funding cost at the same time in order to reach condominiums with the best financial conditions in view of the renovation scope;

- The need for the condominium to commit itself and to start financial payments from the start of contract implementation for both phases of work¹ although Phase 2 works were linked to architectural and permits developments that would last a few years before being confirmed, hence before Phase 2 works would start.

Consequently, in order to answer encountered constraints linked to the first version of the Energy Performance Contract as developed, **the easyCOPRO partners needed to react, to adapt, to change to get the Open Book EPC developed differently.**

The development of a new version of the Energy Performance Contract started after having already set-up and tested the first one.

Although this new development was facilitated by the experience with the pilot case, it clearly delayed the full project as this new Energy Performance Contract development only began mid-2019 and could only be achieved at the end of Oct 2019. (See Deliverable 1.4)

This new Energy Performance Contract writing represented **a risk for the partners to spend more time to development, while the first Energy Performance Contract already cost more time than expected and only a small part of the real development costs is subsidized by Horizon 2020.** Despite these timing and cost constraints, all partners decided to continue easyCOPRO project because they were still convinced of the need of implementing global solutions for condominiums to encourage adequate renovations in order to decrease energetic consumptions in Brussels region housing.

In this second EPC version, condominiums were accompanied to **realize full energy renovation on a step-by-step basis.** The condominiums would engage themselves to achieve the same works through the signature of the contract but not be contractually bound for all works and/or all lifetime from start:

- they would first realize quick wins energy efficiency works (phase 1);
- keep the savings from these quick wins aside (mechanism contractually foreseen); and
- only after a few years, when all architectural and urbanism permits works have been achieved and/or obtained, they would be realizing the longer return works such as façade, roof, basements insulation (phase 2). When starting phase 2 works, they would be using the financial savings kept aside from the energy performance of phase 1 works and/or from the guaranteed minimum savings. (See EPC conditions in Deliverable 1.4)

¹ This was needed in order to hedge the easyCOPRO partner for the forward funding conditions negotiated with banks for the full phase 2 works and not to engage « alone » in all phase 2 works preparation.

5. The management of low interest with condominiums/syndics

An important challenge for easyCOPRO partners was the commercial approach of both syndics and condominiums, and to manage successfully the very specific situation of condominiums. **Convincing one condominium means in reality convincing each and all co-owner(s)** since those types of works require a majority of two thirds of the votes. Many reaction(s), sometimes negative, of co-owners have to be diplomatically handled.

Any syndic who supported easyCOPRO project was greatly helping the process. These syndics were participating by conviction because they would not get paid anything for this before implementation (see point 5.1.)².

5.1. A very long lasting decision process and the implications for the syndic

Decisions related to easyCOPRO project must be validated in minimum 3 important steps:

- 1) The syndic has to be motivated at supporting the proposed project. At start of the project, only the syndic, in name of the condominium, is eligible to confirm the relevant measures needed to put the project in place (action plans are built on real figures of the condominium building, co-owners, consumptions) and it will be the absolutely needed intermediary to follow the project during its lifetime. Although remuneration is foreseen in the project for the syndic, it will only become applicable when the project is signed and put in place. There is **no remuneration for the syndic in the study phase**, the syndic organizes information transfer and various meetings and/or feedback on a best effort basis without any compensation. **The consortium would like to take this opportunity to thank Syndics who have actively collaborated to easyCOPRO project.**
- 2) The condominium council is the second point of contact for the consortium team. They represent the condominium; **the condominium council decides whether the proposed project is to be presented to the condominium general assembly.** They spend more time with the consortium in order to understand the project and raise all their questions. After long meetings with them, they have the decision power and responsibility for confirming the proposal of the easyCOPRO project to the condominium general assembly or not.
- 3) Lastly, and if presented to it, the condominium **annual general assembly, the resolution to sign the Energy Performance Contract must be passed with a majority of two thirds** of the votes.

² The action plans include syndic remuneration based on additional administrative works linked to the EPC.

When no decision is taken at the annual general assembly, it is a long process to convoke another general assembly with quorum minimum to be respected, mostly followed by a second convocation for another one with no quorum minimum.

5.2. Lack of knowledge of condominiums and syndics

It was expected that syndics and condominiums would be lacking technical expertise in term of energy efficiency performance, the reality has been even more important than foreseen.

This means that more time was needed in order to adequately communicate with the parties.

Moreover, the financing solutions were not so much known by many condominiums. They mostly try to finance almost exclusively the necessary renovation and as much as possible with existing reserves. In most cases, co-owners are very afraid of taking collective financial risk. Only a few condominiums know one insurance company is providing financial insurance to the co-owners in order to hedge one of them defaulting.

5.3. Lack of interest of condominiums

The lack of interest by condominiums was actually due to multiple reasons:

- the upcoming climate regulations are not yet known or understood
- there is no understanding of most building technics proposed
- there is no priority on costly green renovation
- there is often no long-term perspective. Many declare they will not be resident of their apartment long enough to justify the investment (older co-owners or co-owners thinking to move)
- Co-owners have to face the most urgent works in priority (for instance replacement of hot-water plumbing, lifts,...)
- Co-owners are worrying about the consequences of important renovation works such as:
 - o the duration of heat and warm water interruption
 - o the impact of the external envelop insulation like protecting sheeting on their windows preventing them to external natural light and fresh air
 - o the need to change the existing façade appearance after insulation and/or the difficulty to agree on the new façade cladding, texture, color,...
- Co-owners are worrying to increase their financial charge, which they say is already at the maximum they are able to support – although, easyCOPRO partners felt the mechanism of guaranteed savings on first phase works as foreseen in the EPC gives the co-owners some comfort because they realize this moderates the cost impact

- Co-owners do not really want to increase their debt, they prefer to make investments based on their own capital capacities
- Co-owners refuse to be at financial risk because of their neighbors, they definitely need the loan charge insurance (Atradius is the only actor in Belgium)

The answers to all different raised questions have not been sufficient to convince them to start the project.

Moreover, **the condominium decision process is so heavy** (see point 5.1) that only a few concerned co-owners are not sufficient to get any global project such as easyCOPRO to be achieved.

When presenting the easyCOPRO project to any condominium, partners argued the timeframe was the best one because:

- Energy efficiency renovation would become mandatory in Brussels in the context of Europe de-carbonization objectives. **In most cases, easyCOPRO team was the first external partner to inform the condominiums of the upcoming regulation** (there was no communication yet on Brussels Region RENOLUTION strategy at the time we contacted syndics and condominiums and the existing Brussels Region climate strategy was not yet clear, nor sufficiently communicated)
- Material prices were less expensive at the time easyCOPRO was set-up and the demand on insulation companies was not as high, allowing better financial conditions in EPC.
 - > The expected much higher prices in material and labor costs when green renovation would become mandatory by law or equivalent were highlighted with insistence. This was in 2019 and beginning 2020, long before the current crisis...

The condominiums were unfortunately not convinced that achieving renovation sooner than later was much better.

Unfortunately for easyCOPRO partners, condominiums decided in most cases to compare a simple renovation process with the full easyCOPRO proposal, meaning they have compared two different solutions. The explanation given by them, when communicated to us, was that easyCOPRO solution was above their needs, **although the flexibility of the second version of easyCOPRO Energy Performance Contract was leaving the choice to the condominium to continue or not with the second phase of works later in the process.**

5.4. Situations of conflicts between syndics and condominiums

Syndics and condominiums are often running confrontational relations, it is very difficult in those circumstances to get a syndic on-board (see point 5.1) for « not yet legally or regulatory obliged » full energy efficiency renovation works.

Even when one of the syndic or some co-owners of the condominium is/are motivated by accelerating energy renovation, this positive energy to invest time in it and support the proposed project gets lost when both parties (syndic and condominium) are also dealing with different conflicts.

Although it is a must, it is definitely challenging to get a syndic, mostly over busy, to be motivated to go beyond its existing contract with the condominium.

6. The impact of the covid crisis

When the covid crisis emerged in March 2020, **all planed general assemblies were cancelled and rescheduled** at the end of 2020, they were all held virtually. **Even in 2021 most general assemblies have been cancelled and replaced by virtual ones.**

That was also the case of all other preparation meetings with condominiums and syndics which could not happen physically anymore for a very long time.

In this situation and in this context in which priorities for condominiums and co-owners in general were displaced to other subjects and other urgencies to be managed, there has been no time anymore to be spent by the syndics to innovative projects such as easyCOPRO.

Organizing physical meetings when needed has moreover become very difficult since the covid crisis occurred. Booking a room big enough to respect social distances was already difficult and the risk that the meeting had to be cancelled has remained important throughout almost 2 years.

Nevertheless, the project is relatively complex because of its technical and financial aspects. Therefore presenting it virtually to the considered public has not been possible.

7. The management of risks in the easyCOPRO model

easyCOPRO fully renovation package for the condominiums is a model built on costs and gains or savings from the renovation works.

Thanks to better building insulation or global heating improvements for instance, savings are coming from lower energy consumptions, which are by far the most ecological ones.

However, holding business plans hypothesis fixed although some of them, and not the least, are potentially moving significantly within the regulation context was therefore

tough and sometimes not possible if decisions were not rapidly taken by condominiums. This need to adapt the action plan/economic model is less clear to the condominiums who do not know the regulations, nor its changing situation. This is a very important constraint even stronger because of the duration of decision process of condominiums. (see 5.1 above)

Changing Subsidy mechanism

A significant number of gains or savings taken into account in easyCOPRO global model are coming from Brussels Region incentives mechanism to support these renovation works. These incentives are mainly Energy premiums (see 7.1.1) and green certificates allocations to renewable energy production. (See point 7.1.2)

7.1.1. Bruxelles Environnement Energy premiums & Homegrade Renovation premiums

During the period of the program, the energy premiums given by *Bruxelles Environnement* for different types of renovation works improving energy efficiency were mainly stable but have been unfavorable to condominiums in comparison to residential houses.³

The main unequal treatment between collective and residential individual housings was relative to the heating installation (fixed advantageous premium + 5eur/kW) and the chimney lining for which premium was limited to 10 meters⁴.

easyCOPRO partners have been actively arguing in favor of more adequate premium mechanism for collective housing heating installations in favor of co-owners which were not treated equally to private house owners.

Moreover, easyCOPRO partners have been supporting the classification of condominiums regarding energy premiums to be maintained at level **C, the category with the highest intervention in terms of premium amount.**

easyCOPRO partners also testified the impossible access by condominiums to renovation premiums given by the housing administration Homegrade for housing renovation including works improving the energy efficiency⁵. This also put the condominiums at disadvantage in comparison to residential house owners.

³ See the different premiums in 2020 for instance and more details on <https://environnement.brussels/thematiques/batiment-et-energie/primes-et-incidentants/les-primes-energie-2021/les-primes-energie-2020>

⁴ 10 meters was much too small for collective chimney lining

⁵ See for more details https://homegrade.brussels/wp-content/uploads/Publications_internes/Homegrade_SynthesePrime_2020_FR_web.pdf

Under the new RENOLUTION premium mechanism ⁶, in application since 2022, condominiums are now unfortunately classified in the middle category in terms of premium amount (category II)⁷.

On the other hand, the new set of premiums in Brussels now combines both old energy and renovation premiums. Because the condominiums did not access the old renovation premium mechanism, this has become more favorable to condominiums in addition to improved premiums in terms of heating installations under Brussels RENOLUTION.

7.1.2 Regulation risk – BRUGEL green certificates mechanism

The easyCOPRO project relies on specific hypothesis in the various projects business plans, one of which is the green certificates allocation rate for the CHP installation. If this parameter moves negatively, the financial situation moves negatively for easyCOPRO partner being engaged to a certain level of financial savings that could not be maintained anymore without a loss.

Since 2019, the allocation rate for small to middle cogeneration systems has been put into question following market rumors that it would be decreased as from mid-2020. The highest expected decrease related to smallest installations, which are the supposed cogeneration sizes of the predominant condominiums category of the project.

At start of the covid crisis, most of ongoing processes like adapting green certificates allocations to renewable energy installations were suspended (allocation rates of renewable energy production can only be adapted by Brussels government decision).

However, this drove the consortium to a high level of uncertainty from mid-2020 as it was expected that it would be adopted in 2021 with potential negative consequences on the global economic equilibrium of the offered easyCOPRO solutions, all other parameters remaining the same.

This new allocation rate for CHP has eventually been adopted after a long delay as from May 2022 and less negatively than expected.

7.1 Increasing construction and financial risks

Since the covid crisis and much more importantly since the global geo-political crisis, the following risks have highly increased and have jeopardized the easyCOPRO solution at short-term:

- cost and lack of construction materials

⁶ See the new RENOLUTION premium details on <https://environnement.brussels/thematiques/batiment-et-energie/primes-et-incitants/les-primes-renolution-2022>

⁷ Classification has changed from A (higher revenues category and lower premiums) to C (lower revenues category and higher premium) under old Energy Premium definitions to Category I (higher revenues category and lower premiums) to III (lower revenues category and higher premium) with the introduction of RENOLUTION

- labor costs
- lack of companies / specialists in the considered renovation works
- higher energy costs for co-owners which decrease their financial capacity to support new renovation expenses
- difficult financing conditions: higher volatility may endanger the capacity to finance works with banks. Moreover banks will increase
 - o the minimum own funds requirements of condominiums and
 - o the interest rates (in line with markets and condominium risk premium)
- capacity limit for the unique active insurance company to hedge all condominiums funding risk in Belgium on the long run.

8. Lessons learnt

- The simplest and the most flexible solution is key → **easyCOPRO partners have developed a second Energy Performance Contract**
- The lack of knowledge of upcoming needs to perform renovation by condominiums → **easyCOPRO has developed knowledge in the upcoming requirements of a range of syndics and condominiums**
- easyCOPRO project arrives too early before energy performance renovation works have become mandatory by law → **easyCOPRO Energy Performance Contract is replicable for future use**
- The need of increasing subsidies to condominiums for energy renovation → **easyCOPRO has been a very strong lobby force for a better premium mechanism in favor of the condominiums**
- Condominiums need to be accompanied for the renovation process → **easyCOPRO is one of the parties at the origin of a facilitator in *Bruxelles Environnement* fully dedicated to condominiums renovation process**
- The need to finance the renovation works of condominiums at low cost → **easyCOPRO partners share their experience in the development of a subsidized credit to condominiums** whenever banking funding is not possible
- Condominiums' **decision process is long and does not occur frequently**
- Condominiums decisions regarding the renovation works are only **legally valid if passed with a minimum of two thirds of the votes**

- Although the developed easyCOPRO Energy Performance Contract is supposed to be unique, most condominium will appoint a lawyer to review it, in practice each contract will also have to be negotiated with a lawyer → **easyCOPRO partners recommend not to underestimate the required flexibility on the legal aspects of the contract**
- Condominiums are difficult parties to work with, each co-owner has its own priorities, and many individual problems **emerge** → **easyCOPRO partners recommend other projects not to minimize the individual worries of owners** or occupants, the most informed they will be of the consequences of works for instance, the easier it will be to have them doing the needed works.

9. Achievements

In view of reporting on easyCOPRO concrete achievements, we have investigated about the realization of the recommended works in the easyCOPRO full audits.

7 of the 11 easyCOPRO-audited beneficiaries accepted to answer our short survey and without surprise, confirmed they have achieved quick wins investments (mostly heating renovation, CHP investments, led lighting). One has answered that no energy performance work had been achieved yet, two have not been able or willing to answer (and might not have the information) because they are not syndic anymore of the condominiums. For the remaining one who did not answer, we have estimated that no work had yet been achieved. (See Deliverable 4.5).

We have estimated the partial investments that have been made by these 7 condominiums at 2018-2019 audit price estimates plus one additional renovation coordinated by *Bureau Deplasse* which was a similar energy renovation with the implementation of an Energy Performance Contract inspired by easyCOPRO model.

In total around 4.5 million euros of investments have been made on the basis of confirmations, on which, 1.1 tCO₂ are economized per year (31% less than initial emission) and 2.7 gWh of primary energy are saved per year (15% less than initial primary energy).

Conclusion

easyCOPRO project began beginning of 2018 and ended beginning of 2022.

The first developed Energy Performance Contract, which contained all types of works in one contract, has been impossible to implement. The number of considered measures was the largest possible, it included heating renovation, led lighting, roof, basements and façade insulation.

The partners took the decision to restart from the beginning taking the lessons learnt from the first version into account to develop the second one.

Their enthusiasm was supported by the number of registrations onto easyCOPRO website and shared by some syndics that were considering that an innovative global solution taking into account the financing aspects in addition to the technical ones in order to accompany the condominiums in renovation works was definitely needed on the market.

The second version of Energy Performance Contract still binds the different parties by financial incentives linked to the savings of energy consumptions which are contractually guaranteed. These savings on the quick wins works to be done at start will partly finance the less profitable works to be achieved later after all technical and urbanistic preconditions have been addressed. (see Deliverable 1.4)

Presentations to syndics and condominiums of developed actions plans (see Deliverable 4.1) started end of 2019.

In these actions plans, all lines of costs and minimum energy savings are taken into account for minimum 10 years after the second phase works begin.

Actions plans also determine the funding needs of the global project, which are impacted (decreased) by:

- the Brussels Region subsidy mechanism, and
- the savings realized on first phase works.

Achieving works in two phases in the second Energy Performance Contract allowed to decrease the funding needs and to start financing the second phase of works only when they started.

Nevertheless, important renovation works drive to longer funding needs. On the other hand, co-owners are relatively reluctant at being engaged in a financing contract. They highly prefer the use of their build up reserve fund, but this fund is never sufficient to finance all second phase works.

The insurance mechanism permits to hedge themselves and partially resolves this risk apprehension, but insurance has a cost which increases the funding charge already impacted by:

- The funding duration: ten years which is the usual maximum bank funding length (depending on condominium risk qualification) is insufficient to decrease the financial charge for the condominiums. It should be reminded that extending the funding duration was needed to decrease the quarterly charge for the condominiums.
- The funding interest rate: longer funding increases the interest charge. Moreover, interest rates are linked to interest rates on financial market conditions. Funding conditions have worsened recently and will continue to increase in the coming future.

easyCOPRO consortium only offered **full renovation solution**, and as explained in this report, the condominiums, not yet “legally” or “regulatory” obliged to do so, preferred to separate the different work phases in different renovation contracts.

It was not sufficient for the met consortiums by easyCOPRO team to be convinced those works needed to be implemented sooner rather than later and to have them consequently signing easyCOPRO Energy performance contracts.

At the time of easyCOPRO project promotion to condominiums between 2018 and early 2020, Brussels Region climate strategy and objectives were not sufficiently clear to most condominiums. They were thus not convinced of easyCOPRO team pitch and the declared threats of upcoming regulatory obligations, higher competition between building specialized companies, meaning price increases and works to be potentially reported because of future potential lack of skilled labor on the market. Price increases and lack of materials have grown even more with the covid crisis followed by the most recent geopolitical crisis and have worsened with additional lack of essential building materials.

The project development has been strongly affected when the covid crisis has suspended all relations with syndics and condominiums, just a few months after the first condominiums had been met with the second version of Energy Performance Contract.

Condominiums and all their building and administrative management by syndics have been deeply affected by the covid crisis. This has not simplified the listed hurdles in developing the global project for condominiums.

Being partners in easyCOPRO project hinders the active project and engineering companies *Bureau Deplasse* and *Watt Matters* to participate in partial works contracts eventually achieved by the 11 condominiums which had received the full easyCOPRO audits.

Although no full easyCOPRO contract has been signed, this project has however positively, even if partially, driven 11 condominiums to undertake renovation works. Those renovation works have permitted to decrease energy consumption and emission of greenhouse gases. (see point 9 above)