



PRESS RELEASE

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Energy Efficient Mortgages initiative seeks market views to shape forthcoming pilot scheme with banks

Today, the [Energy Efficient Mortgages Action Plan](#) (EeMAP) Consortium has launched a major [market consultation on guidelines for a pan-European 'energy efficient mortgage' pilot scheme](#). EeMAP is aimed at delivering a standardised European framework and data collection process for energy efficient mortgages, with favourable financing conditions for energy efficient buildings and energy saving renovations.

EeMAP not only offers a concrete response to the call for immediate market action on climate, particularly in relation to finance, at December 2017's 'One Planet Summit' in Paris, but will also provide a solid evidence base to support the European Commission's analysis of the risk profile of energy efficient mortgages, as recently highlighted in the [Final Report](#) of the High-Level Expert Group on Sustainable Finance.

In the context of the ongoing work of the EU to create a Capital Markets Union, EeMAP will create a solid, new asset class, which can be used for the purpose of energy efficient bond or covered bond funding. The innovation of the initiative is the delivery of a win-win process, with a mechanism to incentivise property owners to improve the energy performance of their buildings and a focus specifically on those aspects of the energy performance of buildings that correlate with key risks metrics used by banks, such as probability of default and loss given default.

Today's consultation aims at collecting market views on three sets of [high-level EeMAP guidelines](#) which set out a European blueprint for the forthcoming **pilot scheme at national level**:

1. Implementation Guidelines for Lending Institutions
2. Building Performance Assessment Criteria
3. Valuation and Energy Efficiency Checklist

The [consultation](#) will run until 12 March 2018. The input collected during the public consultation will help to shape the final energy efficient mortgage framework, as will feedback collected during a [series of national expert events](#) across the EU to



examine and strengthen the proposed guidelines. The final guidelines will be formally presented on 14 June 2018 at an [Energy Efficient Mortgages event](#) in Windsor, UK, which will also mark the official start of the pilot scheme.

The objective of the pilot scheme is to test the energy efficient mortgage product blueprint at [national level](#) with key stakeholders such as banks, property valuers, Green Building Councils and energy utilities. Crucially the pilot will also involve collecting and analysing loan data over time to substantiate the correlation between energy efficiency and reduced levels of risk. A large group of pioneer lenders, including major banks, medium size players and local, specialised lenders in Europe have already signalled their interest in being involved in the pilot.

Luca Bertalot, EeMAP Coordinator & EMF-ECBC Secretary General, said: *“This is an ambitious and exciting initiative with a long-term horizon and a scope of action with the potential to reach 500 million citizens living in different climatic, social and market conditions. We recognise the complexity of the process but at the same time understand the urgent need to provide immediate market solutions to accelerate energy efficiency investment. We are determined to design a market infrastructure which will be adaptable over time, will respond to market and climate conditions and will deliver financial support for citizens to futureproof their houses. At the heart of our project is also a desire which speaks to each and everyone one of us: a desire to ensure the house we raise our families in is a home and the best one it can be.”*

Notes to Editors

For more information about the EeMAP Initiative, please visit the EeMAP website: www.energyefficientmortgages.eu

The public consultation is accompanied by a [series of national roundtables](#) and by the launch of [national market briefing publications](#) by national Green Building Councils across Europe, aimed at helping lenders and actors in the building sector understand the technical building assessment landscape in these countries.

The design of the draft energy efficient mortgage guidelines build on leading research by the EeMAP initiative published in late 2017, including:

- [White Paper: Creating a Green Mortgage for Europe](#)
- [Review of the State of Play of Green Finance](#)
- [Review of the State of Play on Building Performance Indicators that Impact Mortgage Credit Risk](#)
- [Review of the State of Play on Mortgage Lending Valuation and the Impact of Energy Efficiency Value](#)
- [Review of the Impact of Energy Efficiency on the Probability of Default](#)

Consultation: <https://www.surveymonkey.com/r/W69XRPQeEeMAPPilotPhase>

Pilot Scheme Guidelines: <http://energyefficientmortgages.eu/wp-content/uploads/2018/02/EeMAP-Energy-Efficiency-Mortgage-Pilot-Scheme-Implementation-Guidelines-Draft-for-Consultation.pdf>



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