



CROSS COUNTRY LAB

**SMART FINANCING, ONE-STOP SHOPS & INCLUSIVE RENOVATION
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ABOUT THE CROSS-COUNTRY LAB

The second Cross-Country Lab of the SMAFIN Expanded project was organised as an online thematic event with participation from European institutions, national authorities, financial institutions, energy agencies, technical experts, and project developers from several European countries.

The Lab focused on implementing smart financing solutions for energy efficiency, with particular attention to One-Stop Shops, mobilising private capital, regulatory and policy alignment, and the inclusion of vulnerable groups.

Key challenges related to translating European policy objectives into effective national and local implementation were addressed.



KEY POLICY AND MARKET CHALLENGES IDENTIFIED

OVER-RELIANCE ON GRANT-BASED SCHEMES

Grant-based programmes were recognised as useful for initiating market activity. However, extensive reliance on subsidies was identified as limiting private sector participation and reducing the long-term scalability of financing frameworks.

FRAGMENTED GOVERNANCE AND DELIVERY STRUCTURES

Limited coordination between ministries, financial institutions, municipalities, and technical intermediaries was identified as a recurring challenge.

Unclear roles and responsibilities reduce the effectiveness of financing instruments and their ability to reach end-users.

WEAK DEMAND AND LIMITED PROJECT PIPELINES

Despite the availability of financing instruments, demand for energy renovation remains lower than anticipated.

Participants associated this with uncertainty, lack of trust, and limited access to technical support, particularly in the residential sector.

REGULATORY AND ADMINISTRATIVE COMPLEXITY

Eligibility rules, documentation requirements, and reporting obligations increase transaction costs for both financial institutions and households, thereby reducing the attractiveness of energy-efficiency investments.

CAPACITY GAPS AT THE LOCAL AND INTERMEDIARY LEVELS

Local authorities are increasingly expected to support renovation programmes and vulnerable households.

Limited technical expertise, administrative resources, and stable institutional frameworks were identified as constraints affecting the development of reliable project pipelines.



WHY THIS DISCUSSION MATTERS NOW

Recent EU policy developments are increasing both the ambition and the complexity of energy renovation requirements. These developments include the revised Energy Performance of Buildings Directive, the revised Energy Efficiency Directive, and the establishment of the Social Climate Fund.

At the same time, financial institutions are operating under additional requirements related to sustainability reporting, EU taxonomy alignment, and ESG risk management.

Despite clear policy objectives, implementation outcomes remain uneven across Member States. Persistent barriers continue to affect progress, including fragmented governance structures, limited technical and administrative capacity, weak demand pipelines, administrative and procedural complexity.



SOLUTIONS AND ENABLING MECHANISMS DISCUSSED

BLENDING FINANCE AND RISK-SHARING INSTRUMENTS

Financing models combining grants, loans, and guarantees support improved bankability and the mobilisation of private capital. Their effectiveness depends on coherent policy frameworks, clear eligibility criteria, predictable funding structures, and transparent monitoring of outcomes.

ONE-STOP SHOPS AS DELIVERY AND CAPACITY MECHANISMS

One Stop Shops act as intermediaries supporting households, financial institutions, and public authorities throughout the renovation process. Their functions include project preparation, technical assessment, administrative support, and facilitation of access to finance. Effectiveness depends on institutional recognition, stable funding arrangements, and integration within national policy frameworks.

ROLE OF FINANCIAL INSTITUTIONS

Financial institutions increasingly operate under sustainability-related regulatory and reporting requirements. Standardised financial products, reliable data on energy performance, and technical risk assessment tools support the expansion of energy efficiency portfolios and the management of associated risks.

DATA, MONITORING, AND TRANSPARENCY

Reliable data on energy performance, investment costs, and outcomes is a prerequisite for effective financing. Tools such as renovation passports and digital monitoring systems support transparency and confidence among market participants.

EQUITY, VULNERABLE GROUPS, AND SOCIAL INCLUSION

Addressing energy poverty and social vulnerability requires targeted policy approaches beyond funding availability alone. Effective action depends on coherent policy design and appropriate delivery mechanisms, including clear targeting mechanisms, coordination between energy, housing, and social policies, and involvement of trusted local actors.

Limited technical assistance and complex administrative procedures continue to restrict access to renovation financing for vulnerable households. One-Stop Shops and local intermediaries support access by providing accessible information, decision-making support, and facilitating access to financing.

The Social Climate Fund represents an instrument with the potential to strengthen inclusive renovation policies. Its effectiveness depends on clear definitions of eligible groups, alignment with existing national schemes, and sufficient delivery and administrative capacity.



KEY TAKEAWAYS FROM THE CROSS-COUNTRY LAB

- Long-term renovation strategies require financing frameworks that extend beyond grant-based programmes.
- One-Stop Shops were identified as relevant mechanisms for reducing complexity and supporting access to finance.
- Risk-sharing instruments, guarantees, and standardisation were associated with improved mobilisation of private capital.
- Demand-related challenges were linked primarily to limited technical support, procedural complexity, and trust-related factors.
- Data availability, monitoring, and transparency were considered important for scaling up investment and meeting regulatory requirements.
- Inclusive renovation approaches require targeted instruments and coordination across policy areas.



RELEVANCE FOR POLICY-MAKERS AND STAKEHOLDERS

- Recurring challenges related to governance, capacity, and demand occur across different national contexts.
- Effective implementation depends on coherence among policy objectives, financing instruments, and delivery mechanisms.

The outcomes of the 2nd Cross Country Lab support the objectives of the SMAFIN Expanded project and contribute to scalable, inclusive energy-efficiency financing approaches at the European level.

