

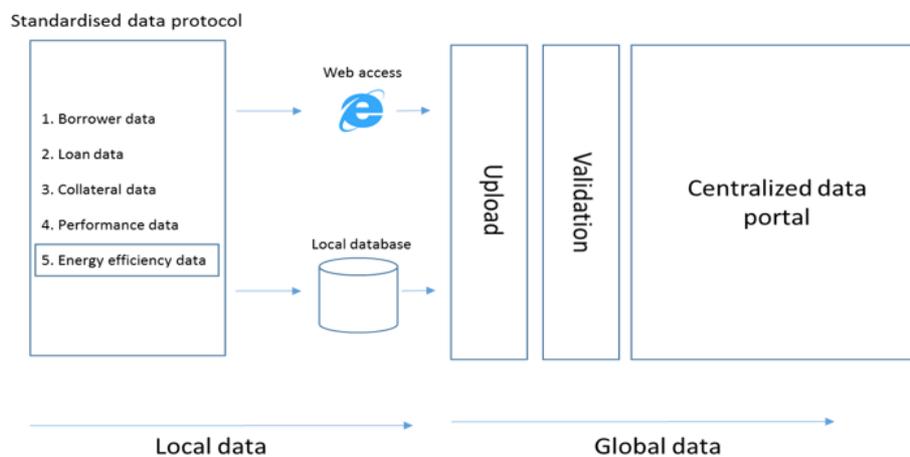
## Energy efficient Data Protocol and Portal (EeDaPP) Initiative

By facilitating the reporting of energy efficiency mortgage data, banks can help address climate related risks going forward and safeguard financial stability. Today's lack of standardised large-scale energy efficient asset datasets hampers the development of a green financial market by hindering transparency, viability and comprehensive risk analysis, which would otherwise act as a driver for further implementation and mobilisation of private bank finance for energy efficient investments. By facilitating the access of banks and other actors to static and dynamic information on the performance of energy efficient mortgages, energy efficiency financing can be further stimulated. Standardised gathered data can be incorporated into risk models, deployed for the purposes of mortgage affordability calculations, used for investor due diligence and accessed by rating agencies and other relevant market participants. In return, this will reduce uncertainty about the financial performance of energy efficient assets and their viability, which, in turn, will mobilise private capital into energy efficient investments, strongly supporting the EU's energy savings targets.

In this way, [EeDaPP](#) will build on and complement the Energy Efficiency Mortgage Initiative, also known as [EeMAP](#), launched by the EMF-ECBC in 2017, with the aim of creating a standardised mortgage product according to which building owners are incentivised to improve the energy efficiency of their buildings by way of preferential financing conditions linked to the mortgage.

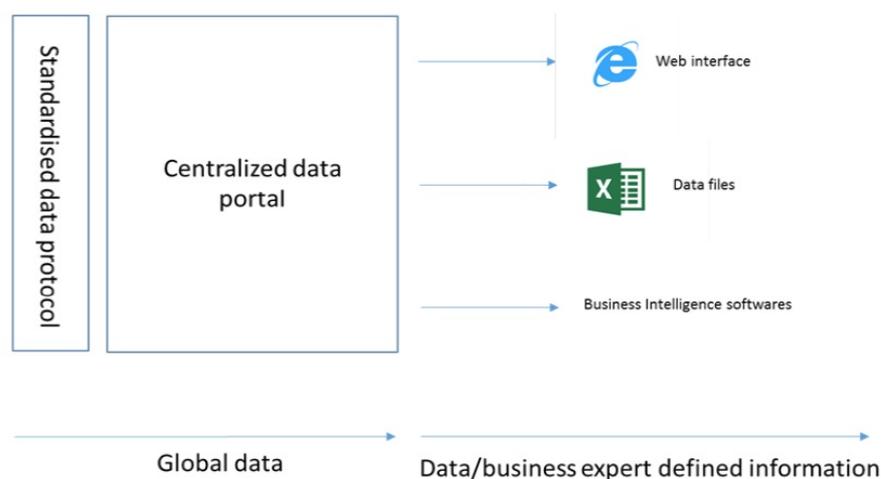
- Only a fraction of bank lending and funding is explicitly classified as green. The lack of standardisation (in terms of reporting definitions and dynamic datasets) hinders transparency, viability and risk assessment and is thus a major obstacle to the development of the market.
- In respect to the EU's building stock, which is responsible for 40% of the total energy consumption in the EU, standardised datasets can help delivery the necessary framework needed to provide the confidence required to mobilise and grow energy efficiency finance for the benefit of increasing energy efficient improvements.
- The EeDaPP Initiative will design and delivery the following key elements:
  - Define standardised **energy efficiency reporting criteria** which will serve as the basis upon which data related to energy efficient mortgages is gathered.
  - Design a standardised approach to granular technical and financial mortgage data gathering in the form of an **energy efficiency data protocol** with an underlying data reporting template.
  - Design a central **common dynamic data portal** through which large-scale present-data energy efficiency data will be collected and disclosed.
- The protocol is intended to be dynamic as well as static and to be integrated into existing data repositories, and then made available through the centralised data portal. In this respect, it will not increase the burden for banks who would simply deliver additional data to their existing data repository.
- The required data will be uploaded and validated on a local basis on the portal, and which will also allow for the recording of relevant national peculiarities. Banks can upload the information either directly or via designated third parties (data providers).
- The data protocol and portal concept will be the subject of a pilot phase as part of the EeDaPP Project.
- By means of the standardised approach to data gathering, EeDaPP will allow for the linking between energy efficient features of a building, its value, energy rating and loan performance so that energy efficient mortgage assets can be identified for preferential capital treatment based on **large-scale standardised data and correlation analysis**.
- Importantly, the gathering of data on the actual financial performance of energy efficient mortgages will allow for an understanding of the impact of energy efficiency on borrowers' PD and on LGD on an ongoing basis, as the EeMAP Initiative stipulates.

- The focus of this Project is both on residential and commercial property lending.
- EeDaPP represents a significant opportunity for overcoming the current data barrier and can be a trigger of financial stability by shedding light on the most effective way of managing sustainable development-related risk.
- In the context of the successful application for Horizon 2020 funding, the EeDaPP Consortium will concretely undertake 5 'operational' Work Packages, each with a clear set of deliverables: **(1) identification and summary of market best practices within data systems, (2) definition of energy efficiency reporting criteria, (3) design and delivery of standardise data protocol & common centralised portal, (4) data and substantiation correlation analysis and (5) roadmap for system integration.**
- EeDaPP is an initiative by the European Mortgage Federation - European Covered Bond Council ([EMF-ECBC](#)), [European DataWarehouse](#), [CRIF](#), [Hypoport](#), [TXS](#), [Ca' Foscari University of Venice](#) and [SAFE Goethe University Frankfurt](#). The project will receive funding from the European Union's Horizon 2020 research and innovation programme under grant agreement No 784979.



The above illustration represent a preliminary draft. At present it is foreseen that the protocol will be based on a high-level, three-step approach to data gathering.

**Figure 1 Preliminary draft standardised data protocol**

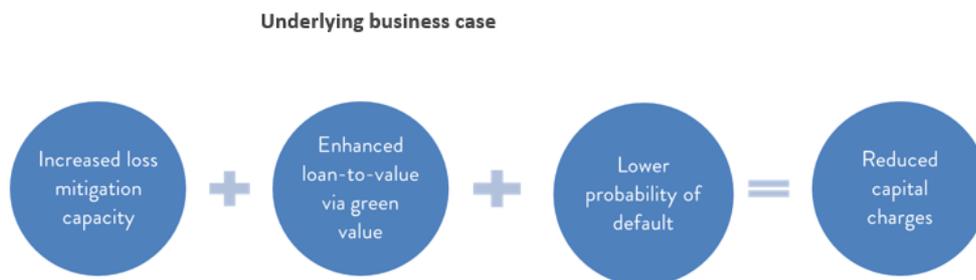


\*The above illustration represent a preliminary draft. At present it is foreseen that the portal will be based around a high-level concept for a European approached to information gathering and processing.

**Figure 2 Centralised Data Portal Concept to be Designed during Project**

## Synergies & Underlying Business Case

The EeDaPP will complement EeMAP in the creation of a pan-European private bank financing mechanism, based on a standardised approach to data gathering, to encourage energy efficient improvement by households of the EU's housing stock by way of financial incentives linked to the mortgage, and in this way support the EU in meeting its energy savings targets.



**Figure 3 Synergies & Business Case**



For additional information

Visit: [www.energyefficientmortgages.eu](http://www.energyefficientmortgages.eu)

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