



EUROPEAN CITY FACILITY

Letter of support to   
the investment project

Budapest, 18.05.2023.

**Letter of support to the proposed investment project “Financing energy efficient investments through energy saving”**

To whom it may concern,

I, the undersigned, Péter Niedermüller on behalf of the Municipality of the 7th District of Budapest, would like to state our strong support and interest to the implementation of the investment project proposed in the investment concept *Financing energy efficient investments through energy saving,* developed within the scope of the European City Facility (EUCF).

The investment project is aimed at insulating 149 residential buildings in order to reduce their heating energy needs, installing heat pump systems in them in order to utilize the renewable energy in the ambient air and installing solar panels on their roofs (where it is possible) in order to use renewable energy for electric devices (including the heat pumps). These investment will reduce the heating energy needs by 33,1 GWh, utilize 23,2 GWh renewable energy and avoid 14.682 t CO2 emissions annually. The project is consisted of two parts. The first part focuses on the 29 residential buildings majority owned by the municipality. In the case of these buildings the municipality can decide itself on the investments, can provide the financial resources for the investments, and can raise the rental fees according to the saved energy costs in order to pay off at least partly the investment. The second part focuses on 120 privately owned buildings. In the case of these buildings the municipality can encourage the investment through interest free loans, the residents can afford to pay back since their energy costs will be lower due to the investments. The investment project is extremely relevant for the municipality, because without such investment the municipality cannot achieve the goals (40% reduction in its emissions) determined in its SECAP and Climate Strategy.

The following steps are required to implement the project:

* the selection of those majority owned buildings which will be refurbished first
* elaborating the plans for their renovation, insulation and for installing the heat pumps
* lobbying for changing the legislation in order to allow energy communities to operate in the municipality (without sharing energy in energy communities the residential building cannot utilize the solar energy produced in their roofs) and to allow the connection of new solar panel systems
* establishing energy communities in the district
* obtaining the necessary permits for renovation, insulation installing the heat pumps and solar panels
* compiling the technical documentation and conducting the public procurement processes
* extending the energy fund of the municipality in order to encourage more energy-saving investments in privately owned residential buildings
* disseminating information about the energy fund and other potential financial sources, energy saving possibilities and energy communities in order to encourage the privately owned residential buildings to perform energy-saving investments
* encouraging the installation of attic space that can raise capital for covering the costs of energy-saving investments
* operating the energy fund (managing the repayments and the provision of financial sources)

On behalf of the Municipality of the 7th District of Budapest, I hereby declare our willingness to participate in the EUCF capacity building events (e.g. matchmaking events, peer-to-peer learning, Communities of Practice, etc.) for municipalities, local authorities, local/regional public entities and metropolitan areas, and confirm our support to the implementation of the investment project to which the aforementioned investment concept has been developed within the EUCF framework.

Yours sincerely, \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

*Signature and stamp*

Péter Niedermüller

Mayor of the 7th District of Budapest

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