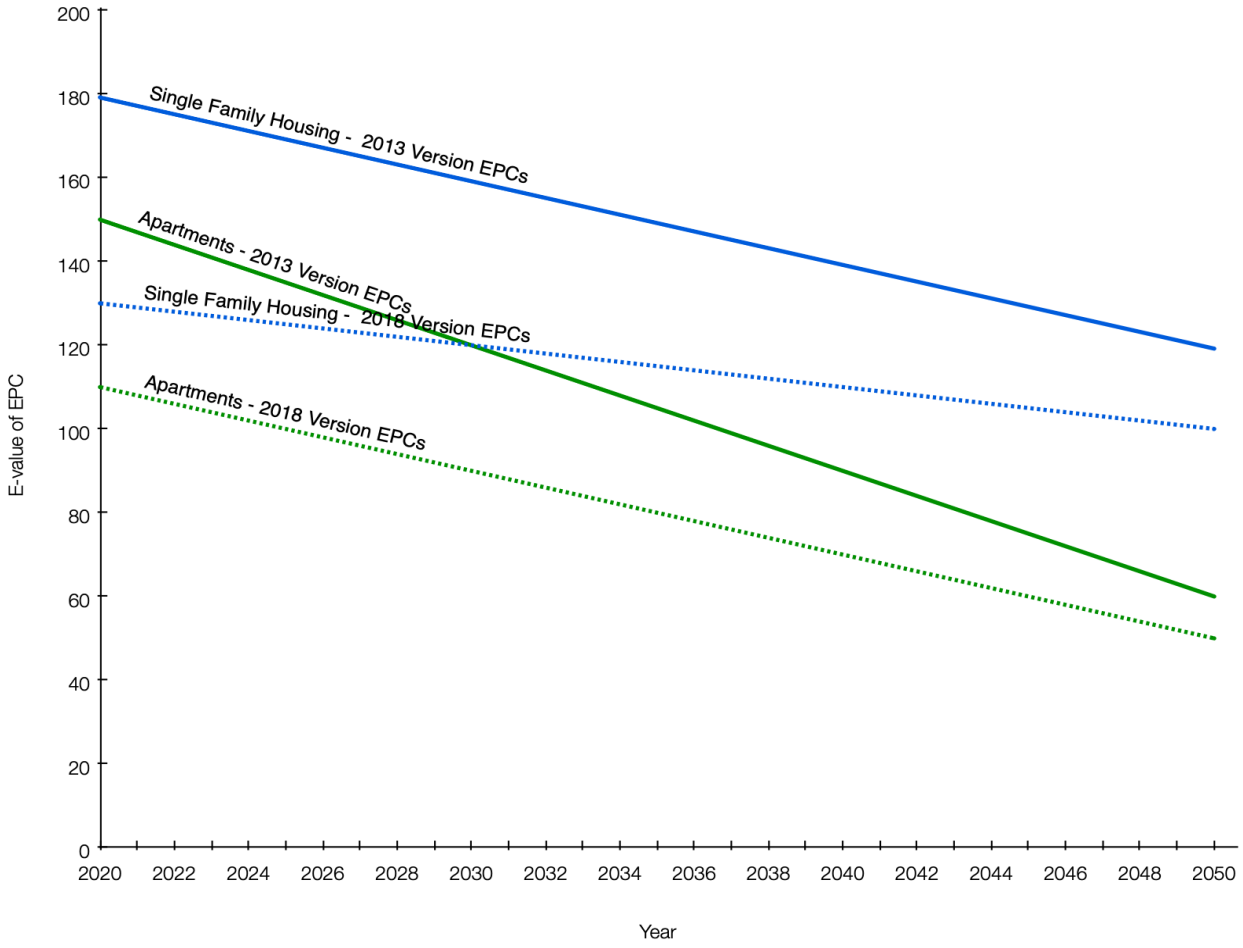
ELIGIBLE RESIDENTIAL BUILDING - FINLAND

Trajectory

Residential buildings in Finland are eligible for certification if their E-Value, published on an Energy Performance Certificate (EPC), lies below the hurdle rate established for the midpoint of the term of the bond. Separate hurdle rates are provided for different versions of EPCs to reflect changes made in the calculation procedures for the E-Value.



The trajectories used to establish the hurdle rates for Single Family Housing and Multi Family Apartments in Finland are shown in the diagram above. It can be seen that the hurdle rate starts at the 2020 baseline of calculated E-value fall over time. The rate of fall is determined to achieve net zero emission in 2050, with the proportion of district heating use being the primary influence on the change required in E-value to achieve the net zero emissions outcome. Assumptions for the decarbonisation of the district heating in Finland are sourced from the Finnish Energy – Low carbon roadmap[1].

For **2018 versions EPCs**, the hurdle rates are established from a trajectory defined by the 2020 baseline of PE ≤ 130 and a 2050 target of PE ≤ 100 for single family houses, and 2020 baseline of PE ≤ 110 and a 2050 target of for multifamily apartments and 2050 target of PE ≤ 50.

For **2013 versions EPCs,** the hurdle rates are established by a 2020 base of PE ≤ 180 and a 2050 target of PE ≤ 120 for single family houses, and a 2020 base of PE ≤ 150 with a 2050 target of PE ≤ 60 for multifamily apartments.

Alternatively, any type of residential buildings, which are completed in 2015 or later are eligible. This is appropriate for bond tenors of up to 10 years.

Residential property upgrades

Residential property upgrades can be eligible through the building Upgrades Criteria of the Climate Bonds Standard.

Eligible properties shall have achieved a minimum E-Value reduction of 30% for a 5-year bond, rising to a minimum of 50% reduction for a 30-year bond. E-Value reductions shall be demonstrated through comparison of the E-Value indicator in the Energy Performance Certificates undertaken before and after the upgrade works. The before and after certificates are required to be of the same version.

Additional Information

These criteria for Finland are subject to periodic review and may change.

Climate Bonds would like to acknowledge the work undertaken by Multiconsult and Technology Research Centre VTT in supporting the development of the criteria for residential buildings in Finland.

[1] Finnish Energy – Low carbon roadmap Final Report, AFRY 1 June 2020