

Energy Performance of Buildings Hungarian Cinderella is waiting for Brussels' kiss

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1. HUNGARICUM: Characteristics of the housing stock
2. Financial sources for energy efficiency improvements
3. Adaptation of the 2002/91/EC
4. Challenge of the Global crisis – EC proposal for funding (3 December 2008)
5. The right to fair living

 MAGYAR KÖZTERÜLETI REKLÁM SZÖVETSÉG

Emma is worried of the climate
change
And You?

Emmát már foglalkoztatja
a klímaváltozás problémája
És téged?

Magyar Közterületi Reklám Szövetség
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Hungaricum: owners vs. tenants

- 4,1 million flats for 10 million people
- 29 m²/person
- 94% of the flats are owner occupied
- 3% of the flats are municipal property
- 35 Thousand homeless people (8 Thousand beds total)
- 500 Thousand substandard dwellings

Costs of dwelling

- Rents do not cover the costs (capital + maintenance)
- 6-7 year's earning costs a flat
- Steadily growing public service costs above the inflation (mostly for profit firms)
- High district heating fees – no individual metering (heat cost of DH Vienna/Budapest: 1/2,2)

Insufficient or no
urban regeneration
since the World War II.



Expensive but inefficient social security

- GINI index 1:8!
- 56% activity rate
- No right to social housing (it is not in the Constitution)
- 300 000 flats needed for social renting
- 3-400 000 flats to improve the mobility of the work force

Flats waiting for improvements

- 2,2 million (55%) still do not comply with the energy efficiency standards of 1991
- 1:3 regional price differences depending from the job opportunities (low mobility, renovation too expensive)
- 4,4 billion EUR needed for the housing stock to 20% lower energy demand



Renovation is the stepdaughter of the budget

- Subsidy for bankloans : extraprofit for the banks while burden for the budget
- **70:1**

New building's interest's rate subsidy versus renovation

No additional environmental or energy efficiency requirement for subsidised new buildings

Phase out harmful subsidies and distortions

- **1/100**
Energy efficiency improvements /Gas subsidy;
- **100:1** (State Budget 2006)
EUR 440 million subsidy for residential gas tariffs
EUR 4,8 million for energy efficiency



**Highest rate of decentralised gas heating
Instead of competitive district heating**

Where should come the money for energy efficiency from?

Aviation tax EUR 0,2 billion;
Hauliers road pricing EUR 0,4 billion;
Selling CO2 (hot air) EUR 60(?) million;

For what?

Tax breaks;
Improvement of public institutions;
R+D; Craftsmen's education;
Awareness raising;

Additional taxes for commercial ads to finance infos for public benefit ;

Energy Policy Concept (Resolution 2399/1995)

The major objectives include:

least-cost planning and demand-side management;

cost-based energy pricing to motivate energy efficiency;

development of a new energy statistics and information system;

introduction of individual metering and regulation in new apartment blocks with district heating supply;

implementation of minimum standards for the insulation of new buildings;

energy efficiency labelling of household appliances;

energy savings awareness raising and education;

improving energy efficiency in municipalities via the Energy Saving Credit Programme;

increasing the use of renewable energy;

and prioritising energy efficiency in state financed R&D programmes.
(IEA)

First Period of the National Development Plan 2004-2006

The Environment Protection and Infrastructure Operative Programme EPIO **EUR 81 million**

The EPIO provided **EUR 1,15 million** to promote energy efficiency and renewable energy sources.

Funds to three types of energy efficiency projects:

- modernisation of buildings and institutions,
- development of district heating systems,
- promotion of cogeneration.

Second Period of the National Development Plan 2007-2013

Approximately **EUR 36 billion**
available for 2007-13 (85% EU funded)
EUR 600 million dedicated to energy efficiency
and RES (EU Energy and Environment OP
Action Plan 2007)

Financial Assistance from the State Budget for Energy Conservation in Residential Buildings





Grants for Renovation of Prefabricated-Panel Residences

- The "Panel Program" grant funds the renovation of residential buildings built with prefabricated panels; these are large, 10 storey buildings with low thermal U value.
- The Hungarian state will refund renovation expenses to a maximum of one third of the total investment, an amount not to exceed EUR 2000 per residence. The remaining two-thirds of the investment can come from the local municipality and from the dweller (own contribution).

Eligible energy conservation actions include change of doors and windows, thermal insulation of walls and ceilings, modernisation of HVAC systems.

- 500-550.000 prefabricated flats have to be renovated

National Energy Saving Programme

- The Hungarian government offers grants for the improvement and modernisation of residential buildings in terms of energy efficiency and greenhouse gas emissions. Amount **EUR 3,52 million for 3300 flats built before 1994**
- NEP programmes commanded also a budget of **EUR 0,73 million for renewable energy projects.**

Subsidised bankloan for energy efficiency improvements

From the German Coal Aid Fund

Energy Efficiency Action Plan

- In accordance with EU Directive 2006/32/EC, Hungary submitted its National Energy Efficiency Action Plan in July 2007. The objectives are:
 1. alignment of Hungary's energy policy initiatives with those of the EU;
 2. finding the most cost-effective solutions for utilising energy-saving potential;
 3. shaping consumer awareness and influencing the market in order to achieve long-term energy efficiency;
 4. informing market players of the structure and time frame of the plans;
 5. realisation of the EU's energy efficiency expectations of member states;
 6. consideration of climate protection aspects.

The scope and time frame of the Action Plan covers 2007 to 2013, which is consistent with the period covered by the New Hungary Development Plan ('NHDP').

Implementation of the EU Directive on the Energy Performance of Buildings

- In 2006, Hungary passed Decree No. 7/2006. (V. 24.) TNM on the establishment of energy characteristics of buildings, thereby transposing portions of the EU Directive on the Energy Performance of Buildings.
- This decree covers the first three of the five main areas contained in the directive.
 - elaborated a national methodology for calculating the integrated energy efficiency of buildings;
 - established minimum requirements for the energy efficiency of new buildings;
 - established minimum requirements for large existing buildings (with a surface area of more than 1000 m²) regarding their energy performance in case they are subject to major renovation.

Start in 2009 for new buildings and equipments and 2011 for existing buildings

Hungary has officially requested a temporary derogation of three years for performing the other two tasks:

- introducing the certification process
- starting the assessment of furnaces, boilers and air-conditioning installations.

Will our heritage be saved?



The Commission proposes measures to boost energy efficiency and renewable energy in low-income households

- ***The European Commission adopted a proposal on December 3 which will, for the first time, enable all Member States and regions in the European Union to invest in energy-efficiency and renewable energy measures in housing, with the support of European Cohesion Policy funding. The measure, foreseen in the European Economic Recovery Plan presented last week, will be targeted at low-income households. In practice, this means the EU will be able to co-finance national, regional or local authority schemes to install double-glazing, wall insulation and solar panels in housing.***

Protests to save the historical quarters



The EC proposal from 3 December
2008 could help to save
the cultural heritage
jobs and
energy







Thank's for your attention!
www.levego.hu

