



Energy efficiency in housing: EU tools to unlock the potential

9 December 2008, from 9:00 to 17:00

***John Hontelez, EEB - The European Environmental Bureau
- Conclusions -***

Background

Mr. Rifkin - Foundation on Economic Trends: climate change accelerating, our ecosystems are less resilient than expected some time ago. Planet will survive, has survived 5 earlier extinctions of species. But will mankind?

So dramatic changes needed, focusing on distributed energy system, rather than fossil fuel based centralized systems.

Buildings are key – should become power plants.

Mr. Henningsen - EPC - The European Policy Centre: gave us convincing analysis of EU policies as not being ambitious. Reminded us that the EU should and could go for 30% reduction target, but focus is on 20% only, which is really modest, if one adds up the reductions already achieved, the massive use of CDM, the renewables objective and the energy efficiency potential. His summary was that we now focus on real reductions of 0,5% a year, while 3-4% is necessary.

He called for seeing CO₂ as a pollutant, finally, so that it also becomes more natural to try to reduce emissions by law.

He rose what is probably one of the main stumbling blocks for massive improvements of energy efficiency of houses: the extreme short payback periods that companies and consumers require: three years or less. That even governments think this way, example Denmark (5 years).

Mr. Elsberger - European Commission - DG TREN: confirmed this bottleneck of the pay-back period. The recast Directive has a definition of “cost-optimal level” linked to life-cycle of a building. This is what it should be of course. But he was concerned this will be attacked and that the Commission has to compromise. Also important was his message that it does not make sense to invest in renewable energy on houses if they are not made energy efficient first.

We then discussed the issue of fuel poverty, as a driver for action by social housing corporations, with several examples. I learnt the concept of "Warmmiete" and "second rent". But it is not enough to prioritize housing investments for environmental and social reasons; it is also important HOW to do it: tenants have to be fully involved, understand/agree, and they need to be stimulated to change behaviour so not to undo the effects. This can be done with smart meters, and in particular, when the owner in the end pays the energy bill, the tenants could get the bill forwarded in two parts: basic consumption and excessive consumption.

We also learnt that not all environmental innovations, such as district heating, are necessarily leading to lower costs.

We learnt that partial action is in the end more expensive than an integrated approach. And that it is clever to work out partnerships, including tenants, of course, but also with authorities and environmental organizations.

My conclusions

- Climate Change obliges us to see the housing sector as an action area of common interest, beyond the interest of the individual.
- The energy saving potential is enormous. The 25% efficiency increase target of the old and new Directive together can be seen as just the start. Grenelle sets target of 38% for existing buildings! And we need longer term targets, example: in 30 years from now a zero-fossil fuels target for the housing stock as a whole. This also means that on the longer run we need to oblige renovation for all houses that are not energy efficient yet.
- Financing is essential: the commercial pay-back period of 3 years or less cannot be accepted: we may need to OBLIGE owners to invest on a longer time scale, and help where this is appropriate. I understand we should not only focus on one-off investment costs, but also maintenance. Social Housing seems to be the right answer in these times, used as you are to think in terms of "forestry" rather than "agriculture" as mr. Fuerst said.
- Need to tackle fuel poverty! Means that public funding needs to make investing in energy efficiency more affordable for houses where low income groups live, and EU Structural Funds should be massively mobilized for that. Also, idea of varying rent to tell the "ecological truth", lowering rent for badly insulated houses is a good one.
- But also the energy price should reflect the ecologic truth; we need stable, high energy prices which gave a stable incentive for investing in energy efficiency. Several speakers said so. For lower incomes the revenues need to be used to increase their purchasing power.

- Like WWF: Directive should be adopted without weakening, including on the definition of “cost-optimal level”. For new buildings we need to ask for zero-energy housing as soon as possible, we think by 2015 this should be possible. And definition of “major renovation” should be adapted to widen the scope.
- Information to the public and training of entrepreneurs and workers is essential. National tasks, but with EU encouragement.
- And the EU initiative should not be undermined by too much demand for subsidiarity. We are convinced that not only Hungary is waiting for a “kiss” from Brussels.

We are pleased with the interest of Cecodhas to work with us. We do believe that working together we can combine the fight against climate change with socially sustainable development. We can become more effective because the social housing sector is a vanguard which experiences and develops the practical solutions and learns the practical problems. As EEB we want to move beyond the social housing sector and move into the other sectors, commercial buildings, commercial stock owners, private individual house owners.

We will discuss with our members how we can build upon the current concerns about climate change, the changing attitude of governments towards public investments and the growing and growing evidence of effective and affordable refurbishment actions. We will discuss how the environmental movement can give a major boost to energy efficiency policies in the building sector, cooperating, also on the national and local levels, with house owners, tenants, architects, public authorities.

With regards to the role of the EU, we would like to integrate this issue in the work we will start next month, with a wide range of EU civil society organization on an EU Sustainability Agenda for the next decade. EEB will start this together with the ETUC and the Social Platform, with Cecodhas as one of the key members. We intend to work amongst NGOs till June and discuss the results then with the Council, via the Swedish Presidency, members of the new EP and the members of the new Commission. We will campaign for our points to be integrated in the political agenda for the next decade, in particular for the next commission.

Rest me to thank the European Commission, the Economic and Social Committee, Eurima and Husbanken for their support to this meeting, the speakers, and you all for your participation.

John Hontelez, EEB - The European Environmental Bureau