



## Energy efficiency in housing: EU tools to unlock the potential

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

### *Conclusions*

Ladies and gentlemen,

To conclude this very intensive day, as we have completed a journey from a Global Vision to concrete step forward proposed by the Commission and constructive reactions from the housing sector and green NGOs, I would like to come back on the sector I am representing here: the social housing sector.

In CECODHAS, we believe that we are facing “green challenges” that we need to answer, and it will be my first point. Then I would like to take stock of EU policies supporting us in delivering good answers as in this field, everyday new proposals are on the negotiation table. Finally, I will come back on some stumbling blocks that need to be removed soon.

### **What are the “green challenges” to social housing sector in Europe ?**

- **First challenge:** refurbishment of the stock of housing CECODHAS members manage: 90 billions of Euro are needed to be invested into 6 millions of dwellings part of CECODHAS stock that urgently need refurbishments it will save 8 millions tons of CO<sub>2</sub> which will not be generated: we have estimated that it would save as much as the entire aviation sector in Italy each year;
- **Second challenge:** the eradication of fuel poverty: it is a major challenge for social housing providers providing homes to the most vulnerable that in all their tenants are not facing energy bill worth more than 10% of their income, which is the more commonly used definition for fuel poverty. Housing quality is proportionate to households' income and the households with low income are then facing the highest energy bills. Therefore good quality homes for all is a major challenge, and any new construction should be done to the highest

standard possible. And I will come back on to the obstacle our members are encountering to deliver this goal.

- **Third challenge:** social housing actors can be leaders in applying sustainable urban development principles: integrated urban development planning, taking in account all environmental impacts and specially trying to reduce cars dependency is today a challenge.

To effectively apply these principles with land/time/resources/institutional constraints, it requires strong local leadership. Social housing providers have an interesting position in these processes for two reasons: they can play a coordination role between urban development actors, mainly between public and private partners but they also have a particular approach to urban planning by fighting urban sprawl and proposing collective housing, not in the sense of high-rise building only, against individual detached houses.

- Finally, **the fourth challenge** to which social housing organisation can actively contribute to is to get the tenants on board: the promotion of a “living green” attitude is the work of all of us here today; social housing organisation are already key players but they are also seeing themselves as real partners of tenants and developing new energy services to answer their growing demands.

For the energy revolution to happen in housing sector: conventional boundaries must be passed, partnerships between public , NGOs, Individuals, industry are essential. Short sighted protection of stake holder interest is no longer an option - new partnerships , new models of cooperation are needed :The social housing sector is unusual in that it brings together many different types of organisations and it is the interface between public policy, social economy and individuals, citizens, therefore we are equipped to provide adequate answers to these challenges.

## **How can EU policies help the sector and vice-versa to answer these challenges?**

- EPBD directive is one very importance piece in the puzzle, and I will not come back to it as we have devoted a session to debate on the Commission proposal this morning.

- On financing tools available to make the energy transition in our sector: we have observed very good progress in the last weeks: the recovery plan is proposing a European energy-efficient buildings initiative worth €1 billion and to reopen the structural funds for energy efficiency in housing for low-income families;

The funds could be used, for example, to install double-glazing, insulate walls and erect solar panels, Dennis Abbott, the Commission's spokesman for regional policy said.

The Commission believes that its proposal could lead to a 6% reduction in energy consumption and a 5% drop in carbon emissions by 2020. It could also boost jobs in the construction sector significantly, it contends. The Commission's own estimate is that as many as 450,000 jobs could be created across the EU as a result.

Andris Piebalgs, the European commissioner for energy, underlined the potential significance of the move by pointing out that “the residential sector is responsible for a quarter of energy consumption in Europe”.

we are also expected a lot of the green VAT proposal which should be released soon; in a crisis time, the investment in the refurbishment to transform housing, thus increasing substantially the quality of homes of the most vulnerable, reducing their energy bills and the green gaz emissions, is an answer to the global crisis we called for and we are welcoming. Now, we need to make sure, all Member States support the approach and finally that actors are using the possibility offered.

- On trained employees to apply new construction methods and products: from our members, it seems that it is still a major obstacle to apply the latest technology. CECODHAS EEB and trade-unions will organise another joint conference on this issue on the 9<sup>th</sup> of February in the framework of the Sustainable Energy week supported by the European Commission

CECODHAS also received EU support for a project which has just begun entitled POWER HOUSE EUROPE which will improve the way housing providers work across the EU. Through the local dissemination of information on the best way to save energy we will eventually ensure that none of us work without wearing green glasses! That no decision on tenant relations, refurbishment, new builds, and urban development is made without consideration of the environmental impact

### **And finally to conclude, I would like to come back to what are the stumbling blocks at EU level?**

If on the other issues I have listed before, work is in progress, and we believe it goes fast in the good direction.

But there is one major field which is not addressed correctly yet by the EU institution. Nothing has been done yet to develop a right to affordable energy in Europe and a right to energy (efficiency) advices. The liberalisation of gaz and electricity markets currently in discussion should have offered the possibility to introduce both, and show to EU citizen how effectively the EU can protect them from abusive energy price rises/ cuts. Regulation must be in place to ensure that the potential benefits gained from liberalisation do not simply result in higher profits for energy suppliers but that benefits are passed on to citizens. For social housing providers, fighting for the right to decent and affordable housing for all encompass the right to affordable energy and our members are strongly active at each level to propose brokering, thus buying energy at a large scale to sale it back to tenants and/or non-for profit sector at a better price. They are also active in providing energy advices.

But both should be rights accessible for all. Rights are evolving with the society. Today in Europe, energy rights needs to be developed and adequately protected.

Finally, it is time to think about buildings as power plants as Jeremy Rifkin was calling this morning, it is not only a revolution in mind, but a industrial revolution of decentralisation of the energy production. It means that investments are needed into connecting buildings; it is CECODHAS call for future policies.

I thank you very much for your attention and I wish to invite you to our next conference on the 9<sup>th</sup> of February to monitor if progress has been made in our road to Copenhagen.

I wish you a good journey back home and I thank all speakers and participants for their active contribution to the success of this conference.

Paul-Louis Marty - CECODHAS