

SHELTER Final Conference

European Wide Renovation Market Trends Implications for Social Housing Providers

Malahide, Dublin

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Context & Opportunity

Stability, Jobs and Growth

Irish Presidency Focus as Response to Economic and Financial Crisis

European Commission Roadmaps

Energy Roadmap 2050, Low-Carbon Economy 2050, Resource Efficiency 2050

Energy Efficiency Directive

A Directive for Growth and Jobs!

Most Advanced Regional Legislation in the World



EU Energy Use Characteristics

EU Relies on Energy Imports

25 of 27 Member States are Net Energy Importers

Source: IEA

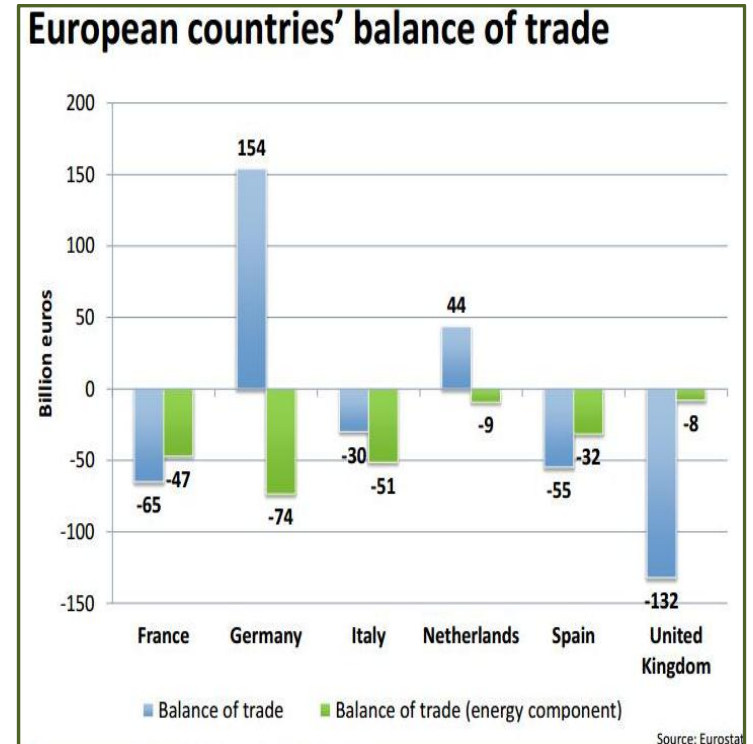
Negative Effect on Trade Balances

€450 billion Spent on Energy Imports in 2011

Source: Eurostat

Energy Efficiency - Untapped

Avoided Energy Use is the Cheapest “Source” of Energy and it Increases Energy Independence



EU Buildings Sector

Scale of the Opportunity

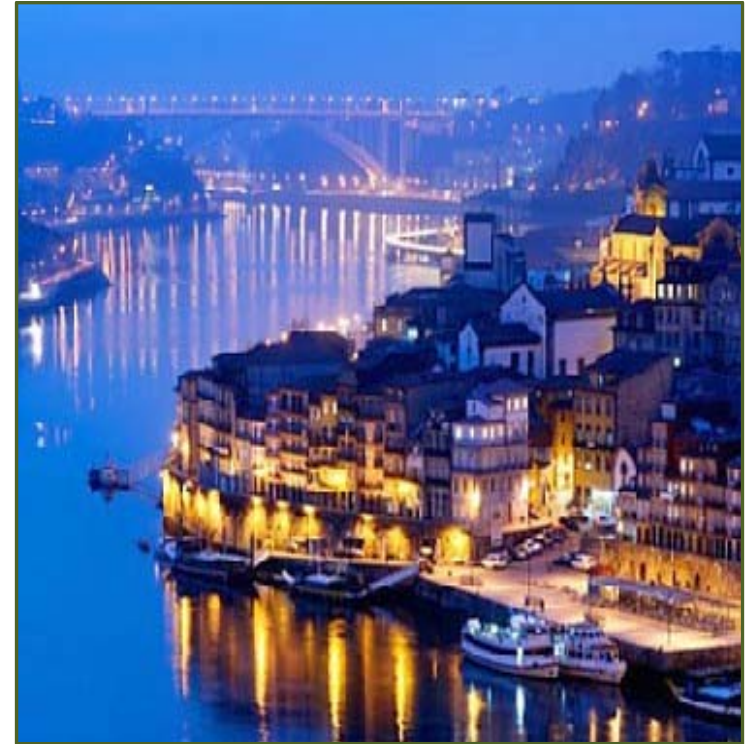
210 Million Buildings; Area of Occupied Space
Equivalent to Size of Belgium; 90% Still Used in 2050

Impact on Energy Use

40% of EU Primary Energy Use
36% of Energy-Related CO₂ Emissions

Technologies Exist Today

Reduction of 80% in Energy Use is Possible With
Current Technologies and Processes



Multiple Benefits of EE Renovation

Public Finances: €39bn per year

Boost to Public Finances in 2020
Rising to €78bn per year by 2030

New Direct Net Jobs: 1.1 million

Local, Permanent Jobs in Construction;
This Leads to over 2 million Total New Jobs

Boost to EU GDP: 0.7% per year

Estimate Increase in Construction Output is in the
Range €670 to €830bn per year (from 2020)



Releasing the Potential

Binding EE Target for 2030

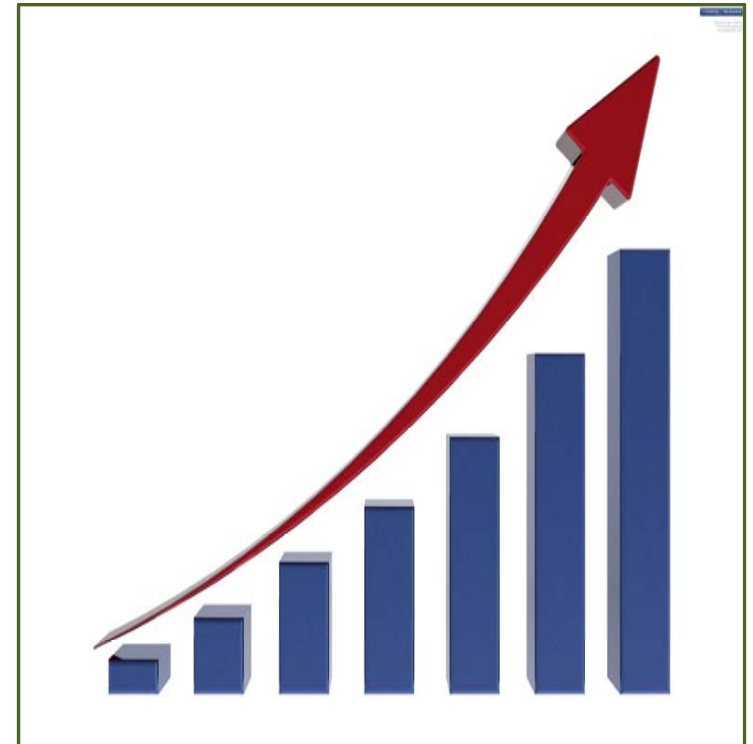
Provides Policy Predictability and Investor Confidence; Construction Sector Needs Certainty

Building Sector Contribution

Achievable Target: 36% Reduction in Energy Demand in 2030 as Compared to 2005

Innovative Financing Models

Banking and Pensions Sectors; Energy Performance Contracting; EU Structural Funds



Implementing the EED

Governments as Exemplars

Renovation of Central Government Buildings
Assistance to Local and Regional Authorities

Long-Term Strategies

Inventory of Existing Building Stock; Quantification of Potential; Calculation of Multiple Benefits

National Energy Efficiency Funds

Arising From Energy Suppliers Obligation Schemes
Address Worst Performing Buildings First



Social Housing Providers – What Role?

Already Motivated

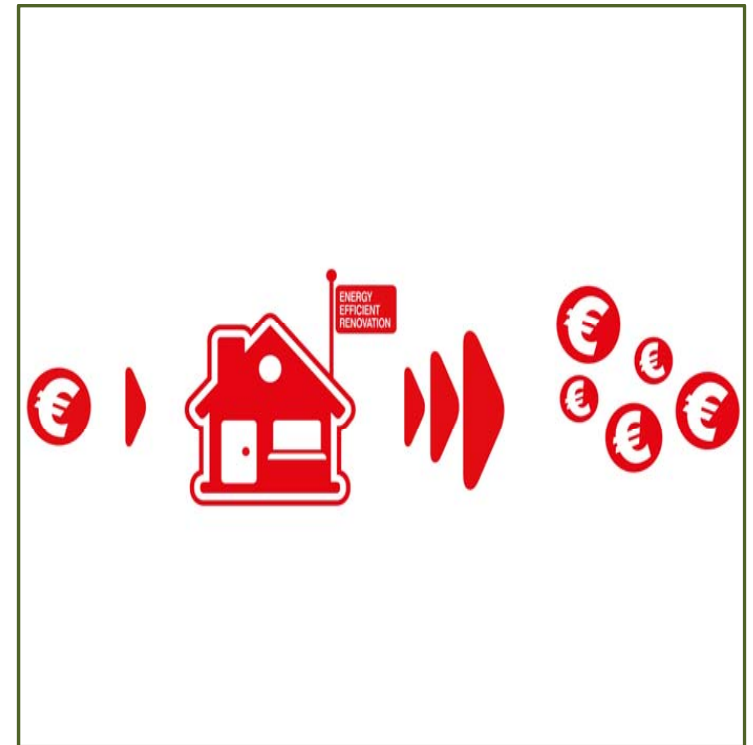
Average 1.8% Renovation Rate
Significant Exchanges on Best Practice

Already Engaged

With National Governments on Development of
Renovation Roadmaps

Front-Runners

Assisting Market Roll-Out and Encouraging Early
Uptake of Innovative Approaches



Recommendations

Financing

Use Innovative Approaches Based on Bank Guarantee Funds – Exploit the EU Structural Funds

Structural Barriers

Rent Regulation; Public Accounting Rules; Subsidies for Fossil Fuels; Risk Management for Investors

Ambitious EE Renovation Schemes

Now is the Best Moment; Construction Industry Has the Capacity; Medium and Long-Term Schemes Only



Conclusion

Energy Efficiency is a **MUST-DO** Option

*Avoiding dangerous climate change is impossible – dangerous climate change is already here. The question is, can we avoid **catastrophic** climate change?*

David King, UK Chief Scientist, 2007

Thank You for Your Attention!

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