

Unlocking the energy efficiency potential in the rental & multifamily sectors

WORKSHOP

Brussels, 20 January 2016

Background

While the rental and multifamily sectors are associated with a significant energy efficiency potential, it is widely recognised that these are difficult sectors to tap into. Asymmetric information and split incentives are typically regarded as major barriers to fostering energy efficiency upgrades in rented and multi-unit properties both in the private and public as well as residential and commercial sectors. As Article 19 of the Directive 2012/27/EU on energy efficiency calls for Member States to take appropriate measures addressing this barrier, increased interest is drawn on how to design policies and measures that unlock the energy efficiency potential in these difficult-to-access sectors. Current solutions vary in nature, ranging from revised rent acts, green leases, on-bill finance mechanisms, minimum energy performance standards, use of inclusive rents and others.

On-going policy dialogue needs to address the following questions:

- Can regulations offer a silver bullet solution (e.g. by setting minimum energy performance standards in the rental sector)?
- Do we need energy rating schemes for occupancy use?
- What can be the role of smart meters in overcoming relationship asymmetries associated with traditional lease structures?
- Can innovative financial mechanisms such as on-bill finance mechanisms work in the EU?

Agenda

08.45-09.00 Registration of participants
09.00-09.20 Welcome note by DG JRC and introduction by DG ENER

Session 1 The role of rent structures in scaling-up energy renovations

09.20-09.40 The economics of capitalising efficiency investments
Erdal Aydin, Maastricht University, Netherlands

09.40-10.00 Monetary value of energy efficiency and its impact on the value of the building
Risto Kosonen, Aalto University, Finland

10.00-10.20 Willingness to pay for energy efficiency in the rental sector
Adan Leobardo Martinez Cruz, ETH Zurich, Switzerland

10.20-10.40 How to avoid the poverty trap for tenants and prevent “renovictions”
Pasquale Davide Lanzillotti, International Union of Tenants

10.40-11.00 Q&A session

11.00-11.20 Coffee break

Session 2 Engaging commercial tenants in energy efficiency

11.20-11.40 Tenancy ratings under the Australian Built Environment Rating System

- 11.40-12.00 *Chris Bloofield, Energy Action, Australia*
From Energy Star to Tenant Star: the US experience
Adam Sledd, Institute for Market Transformation US
- 12.00-12.20 Latest developments on the use of green leases in Europe
Bruno Duquesne, Lawyer at the Brussels Bar Partner CMS DeBacke, Belgium
- 12.20-12.40 Overcoming barriers to energy upgrades in multi-owned properties: (1) lessons from the WICKED retail project and (2) residential issues
Susan Bright, Oxford University, UK
- 12.40-13.00 Q&A session**

13.00-14.00 Lunch break

Session 3 **Legislations as an energy efficiency driver**

- 14.00-14.20 Study on Tenancy Law and Energy Efficiency
Christoph U. Schmid, Universität Bremen, Germany
- 14.20-14.40 Energy efficiency and tenancy law – the German experience
Thomas Wöfl, KPMG Rechtsanwaltsgesellschaft, Germany
- 14.40-15.00 Energy efficiency friendly tenancy & condominium laws – the French experience
Catherine Guermont, ADEME, France
- 15.00-15.20 Roof insulation requirements in the rental sector in Flanders
Dorien Van Cauwenberge, Flemish Housing Agency, Belgium
- 15.20-15.40 Q&A session**

15:40-16:00 Coffee break

Session 4 **Aligning multi-actor incentives through innovative financial instruments**

- 16.00-16.20 Success stories of on-bill finance programmes from the US and lessons for reaching rented properties
Philip Henderson, Natural Resources Defense Council, USA
- 16.20-16.40 The Dutch experience with the revolving fund for landlords
Kees Jan Hoogelander, Netherlands Enterprise Agency, The Netherlands
- 16.40-17.00 Addressing the barriers to energy efficiency - split incentives
Katarzyna Wardal, The Coalition for Energy Savings
- 17.00-17.20 Q&A session**

Session 5 **Roundtable**

- 17.20-17.50 Discussion among MS representatives on the EED Article 19 implementation progress, remaining challenges and possible improvements in case of a future revision of the article

17.50 Wrap-up and conclusions

18.00 End of the workshop