

OECD Centre for Entrepreneurship, SMEs, Regions and Cities (CFE)
Ministry of the Interior and Kingdom Relations (BZK), Government of the Netherlands

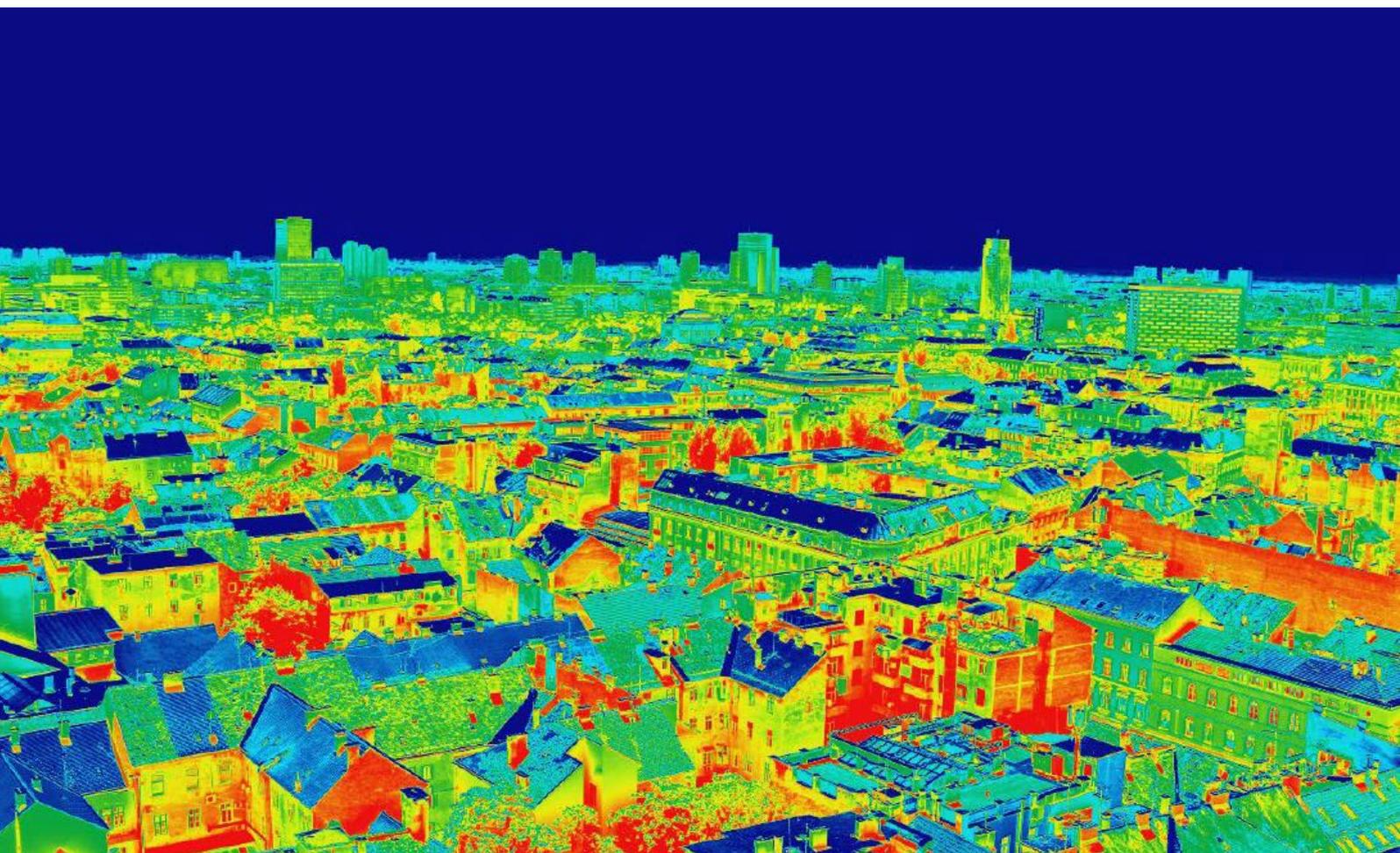
AGENDA

9 December | 13:30-16:30 CET | Virtual event (Zoom)

10 December | 13:30-16:30 CET | Virtual event (Zoom)

Deep Dive Seminar: Unleashing the potential of public policies for building decarbonisation

How to engage and support cities and regions in enhancing energy efficiency in buildings?



Ministry of the Interior and
Kingdom Relations

What's the issue?

Buildings are the key component of the zero-carbon transition. Buildings account for nearly a third of energy-related greenhouse gas emissions globally, and these percentages reach roughly 70% in cities like London, Tokyo and New York. Energy efficient buildings generate a variety of co-benefits, such as job creation, health improvements, and reduced household energy expenditure – all key factors for a green recovery from COVID-19. In particular, energy efficiency renovations are essential to achieve a zero-carbon building stock and are gaining a lot of attention, as underscored by the European Renovation Wave.

There are four major bottlenecks to driving building decarbonisation; 1) regulations; 2) financing and business model; 3) planning and coordination; and 4) policy implementation. First, current regulations do not effectively address existing building stock. Second, dispersed fiscal instruments do not provide impactful incentives for property owners. Third, national plans do not fully integrate subnational policy actions. Finally, policy implementation efforts need to be upscaled.

Cities and regions have a unique ability to address these bottlenecks and promote decarbonisation of the building stock further. This includes taking advantage of public building procurement, fostering innovative local actions, and factoring in local elements (e.g. building stock characteristics, skill level of local construction firms, energy affordability). On the other hand, national governments also play a vital role in setting policy frameworks and enabling subnational actions through territorial considerations and capacity building support. Subnational policies and perspectives should be fully integrated into national planning. A whole-of-government approach is required to unlock the potential for energy efficiency in buildings.

About the event

This seminar will bring together public officials in charge of energy efficiency in buildings from selected countries and discuss around four major potential bottlenecks to building decarbonisation; 1) regulations; 2) financing and business model; 3) planning and coordination; and 4) policy implementation. The purpose of this seminar is to:

- **Identify** major bottlenecks and obstacles to driving energy efficiency measures in buildings and achieving net-zero carbon building stock.
- **Learn** from respective national and subnational policy experiences on energy efficiency in buildings and lessons learned.
- **Explore** the frontiers in policy making on building decarbonisation and effective whole-of-government approach.

The seminar is co-organised by the **OECD Centre for Entrepreneurship, SMEs, Regions and Cities** and the **Ministry of the Interior and Kingdom Relations, Government of the Netherlands**, as a part of the **OECD Programme on Building Energy Efficiency in Cities and Regions**. This programme aims to support countries, regions and cities to enhance their implementation of energy efficiency measures in buildings. Past activities include the webinar on decarbonizing buildings in cities and regions and the OECD survey to cities and regions. The programme continues to provide localized data and analysis, international policy dialogue and tailored case studies based on the request from countries, regions and cities.

Contact

Questions? Email us at atsuhito.oshima@oecd.org

For more information, visit our website: <https://www.oecd.org/cfe/cities/energy-efficiency-cities.htm>

Join the conversation on Twitter  [@OECD_local](https://twitter.com/OECD_local)

List of Participants

Canada

- **Jerome Bilodeau**, Director of the Buildings and Industry Division, Office of Energy Efficiency, Natural Resources Canada
- **Katie Hicks**, Chief of Policy, Buildings and Industry Division, Office of Energy Efficiency, Natural Resources Canada
- **Jamie Hulan**, Director of the Homes and Community Division, Office of Energy Efficiency, Natural Resources Canada

Finland

- **Matti Kuittinen**, Senior Specialist, Department of the Built Environment, Ministry of the Environment

Germany

- **Eva Kasparek**, Section BW I 3, Energy and construction matters, Building and system technology, energy and construction matters, The Federal Ministry of the Interior, Building and Community

Japan

- **Takashi Imamura**, Director for Building Policy Development, Housing Bureau, Ministry of Land, Infrastructure, Transport and Tourism

Netherlands

- **Ferdi Licher**, Director Energy & Construction, Ministry of the Interior and Kingdom Relations
- **Joram Snijders**, Senior Policy Officer, Department of Construction and Energy, Ministry of the Interior and Kingdom Relations
- **Bente Vedder**, Policy Officer Energy Transition, Department of Construction and Energy, Ministry of the Interior and Kingdom Relations
- **Jurgen de Jong**, Policy Advisor, Department of Construction and Energy, Ministry of the Interior and Kingdom Relations

United States

- **Alastair McFarlane**, Director of the Public Finance and Regulatory Analysis Division, Office of Policy Development & Research, U.S. Department of Housing and Urban Development
- **Michael Blanford**, Research Engineer, Affordable Housing Research and Technology Division in the Office of Policy Development & Research, U.S. Department of Housing and Urban Development
- **B. Aaron Weaver**, Program Analyst, International & Philanthropic Affairs Division, U.S. Department of Housing and Urban Development

IEA

- **Ksenia Petrichenko**, Policy Analyst, Energy Efficiency Division, Directorate of Energy Markets and Security, IEA

OECD

- **Aziza Akhmouch**, Head of Cities, Urban Policies and Sustainable Development Division, Centre for Entrepreneurship, SMEs, Regions and Cities, OECD
- **Tadashi Matsumoto**, Head of Unit, Sustainable Development and Global Relations, Cities, Urban Policies and Sustainable Development Division, Centre for Entrepreneurship, SMEs, Regions and Cities, OECD
- **Atsuhito Oshima**, Senior Policy Analyst, Cities, Urban Policies and Sustainable Development Division, Centre for Entrepreneurship, SMEs, Regions and Cities, OECD

DAY 1: 9 December

13.30-13.45 Welcome / introduction of participants

SPEAKER **Tadashi Matsumoto**, OECD
Joram Snijders, Ministry of the Interior and Kingdom Relations, Netherlands

13.45-14.55 Session 1: Regulatory measures for building decarbonisation

DESCRIPTION Regulations are the most fundamental policy tools to improve energy efficiency in buildings. There are a wide array of regulations including mandatory building energy codes, strict requirements for public buildings or buildings on public land, restrictions on sale and rent of worst performing buildings and carbon emission caps for large buildings. The main challenge is how to develop ambitious and effective regulatory measures to drive energy efficiency improvements in existing buildings in order to achieve net-zero carbon building stock, while ensuring affordability and effective enforcement of these regulations.

Effective engagement of and support to cities and regions are the key, as they are familiar with local building stock and in most cases in charge of zoning and code enforcement. Some cities are even introducing their original ambitious regulations. In addition, subnational governments own a large number of public buildings, such as public housing, government offices, public schools and community centres. Cities and regions can impose higher level of energy efficiency requirements for public buildings and foster new technologies and business models for further renovations in private buildings.

Participating countries share background information, current regulatory policy measures, best practices and major challenges and discuss how to engage and support subnational governments.

Key questions for discussion:

- What are major obstacles to applying stricter and broader regulations on buildings, especially on existing buildings?
- What types of regulations are effective for decarbonisation of existing building stock? What are the best practices, including subnational policy actions?
- How can the national government support more ambitious subnational regulations, while ensuring broader and effective enforcement of regulations in small municipalities?
- How can the government utilize public building procurement to drive energy efficiency improvements in buildings?

SCENE-SETTER **Atsuhito Oshima**, OECD

SPEAKER **Michael Blanford**, U.S. Department of Housing and Urban Development, US
Takashi Imamura, Ministry of Land, Infrastructure, Transport and Tourism, Japan
Matti Kuittinen, Ministry of the Environment, Finland

MODERATOR **Tadashi Matsumoto**, OECD

14.55-15.05 Break

DAY 1: 9 December

15.05-16.15 Session 2: Financing and business model for energy renovation

DESCRIPTION Financing is another key element in upscaling energy efficiency investment in buildings, as it requires a significant amount of upfront costs. In fact, recognizing the importance of financing, there already exist a variety of financial incentives, such as tax breaks, low-interest rate mortgages and grants. However, it seems these incentives are not strong enough to persuade individual property owners to invest in energy efficiency renovations in the pace to achieve net-zero carbon building stock by 2050. It is urgently required to find effective financing schemes to fully incentivize property owners to invest in deep energy retrofits with upcoming stricter regulations as well as to reduce the burden from these regulations, especially on vulnerable households.

In the context of green recovery from COVID-19, many cities and regions plan to invest in energy efficiency in both new and existing buildings, which will generate local jobs. National and supranational recovery packages, including European Renovation Wave, will present vast opportunities for subnational governments to promote decarbonisation of their own public buildings as well as private building stock in their areas. Cities and regions can take lead in deep energy renovations of public buildings, promote and aggregate local renovation needs and bring in key stakeholders to develop financing scheme and business models.

Participating countries share background information, current financial schemes (economic incentives, financing mechanisms, business models), best practices and major challenges, and discuss how to engage and support subnational governments.

Key questions for discussion:

- What are major challenges to fully incentivize both public and private property owners to conduct energy efficiency renovations?
- What types of financing schemes or business models (e.g. ESCO, on-bill/on-tax financing, performance-based contracting, energy company obligation) have worked effectively in your country? What are the best practices, including subnational policy actions?
- How can national governments better support and foster innovative and ambitious local/regional actions?
- How can we connect public investment to broader strategic goals and increase the effectiveness and financial accountability of these programmes?

SCENE-SETTER **Atsuhito Oshima**, OECD

SPEAKER **Katie Hicks**, Natural Resources Canada, Canada

MODERATOR **Ksenia Petrichenko**, IEA

16.15-16.30 Wrap-up for Day 1

DAY 2: 10 December

13.30-13.45 Opening remarks

SPEAKER **Aziza Akhmouch**, Head of Cities, Urban Policies and Sustainable Development Division, Centre for Entrepreneurship, SMEs, Regions and Cities (CFE), OECD

Ferdi Licher, Director Energy & Construction, Ministry of the Interior and Kingdom Relations, Netherlands

13.45-14.55 Session 3: Spotlight on Dutch experience: District-based approach

DESCRIPTION Planning and coordination of energy efficiency policies in buildings are critical, as it requires comprehensive set of policy tools, engagement of a broad array of stakeholders and consideration of local building stock. National governments usually provide country-wide vision and targets in national climate and energy plans or building specific plans such as national long-term renovation strategies in EU countries.

However, the degree of which these national plans consider territorial disparities and subnational policy actions vary across countries. Considering locally varying building stock and policy environments and strengths of subnational governments in factoring in local elements and engaging citizens and local businesses, it is critical to engage subnational governments and integrate their policy actions in national plans.

The Netherlands will share their recent policy experiences (e.g. Dutch Climate Agreement, Regional Energy Strategy, Heat Transition Vision and Plans and District-oriented Approach) focusing on how it is trying to pursue place-based approach to energy efficiency policies in buildings and what are the lessons learnt.

Participating countries share corresponding policy experiences and challenges related to Dutch experience, including background information, current planning and coordination framework (national and subnational plan, coordination mechanisms, etc.), best practices and major challenges, and discuss how to engage and support subnational governments.

Key questions for discussion:

- What are the role of cities and regions vis-à-vis national governments in energy efficiency policies in buildings? What are the challenges in policy alignment and coordination?
- How can the national government incorporate subnational policy actions into the national policy framework? What are the local/regional factors that should be considered?
- How can better policy alignment and collaborative action between national and subnational governments be fostered for effective energy efficiency policies in buildings?
- How can we learn from experiments and how can such learning be shared?

SCENE-SETTER **Joram Snidjers**, Ministry of the Interior and Kingdom Relations, Netherlands

MODERATOR **Aziza Akhmouch**, OECD

14.55-15.05 Break

DAY 2: 10 December

15.05-16.15 Session 4: Engagement and skill development of local actors

DESCRIPTION Energy efficient buildings generate multiple benefits including job creation, improved health and energy affordability. While experts and policy makers recognize these benefits, a variety of policy tools provided, and funding will be expanded under COVID-19 recovery packages, there remains a problem of policy implementation. This includes three key issues: 1) stakeholder engagement; 2) skill development and capacity building; and 3) monitoring and evaluation of policy progress.

First, individual and corporate property owners need to recognize the benefits of energy efficient buildings as well as supporting schemes. Subnational actions will help further engagement. Second, energy efficiency renovations require skill training and development such as insulation, energy calculation, and performance contracts, in a broad array of workers across building value chain. It also requires capacity building in subnational governments. Third, both national and subnational governments need to monitor and evaluate policy progress against their targets to improve effectiveness of their policies.

Participating countries share background information, current policy implementation practices, best practices and major challenges including stakeholder engagement, skill development and capacity building, and monitoring and evaluation, and discuss how to engage and support subnational governments.

Key questions for discussion:

- What are major challenges in policy implementation, including stakeholder engagement, skill development and capacity building and monitoring and evaluation framework?
- What types of businesses need skill training or development to upscale building decarbonisation? What roles can cities and regions play?
- How can national governments support capacity building in subnational governments?
- How can we monitor and evaluate policy progress on energy efficiency in buildings? How can we measure subnational disparities and policy progress?

SCENE-SETTER **Atsuhito Oshima**, OECD

SPEAKER **Jamie Hulan**, Natural Resources Canada, Canada

Bente Vedder, Ministry of the Interior and Kingdom Relations, Netherlands

MODERATOR **Tadashi Matsumoto**, OECD

16.15-16.30

Wrap-up and next steps

About the OECD Centre for Entrepreneurship, SMEs, Regions and Cities (CFE)

The OECD Centre for Entrepreneurship, SMEs, Regions and Cities provides comparative statistics, analysis and capacity building for local and national actors to work together to unleash the potential of entrepreneurs and small and medium-sized enterprises, promote inclusive and sustainable regions and cities, boost local job creation, and support sound tourism policies.

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