

## **“Exchange on Policy Frameworks that support the Transition to a Carbon Neutral Building Sector in Japan and Germany”**

### **Summary of the Stakeholder Dialogue in Tokyo, March 3rd 2023**

The promotion of energy and resource efficiency in existing and new buildings is gaining importance in Germany and Japan, as the decarbonization of the building sector is lagging behind the targets in both countries. The question is how the gap can be closed and what policies and measures can speed up decarbonization processes in the building sector.

In the current phase of the Council’s work, one of the GJETCs major study topics has been the policies for decarbonization of the building sector. In the Stakeholder dialogue on March 3, 2023 in Tokyo, the council gave an insight into the ongoing study and obtained feedback from experts, especially from the industries concerned. 26 experts followed the invitation and participated actively in the dialogue onsite or online. Including the GJETC Council and secretariat members, 55 persons participated in the event.

The Event opened with inputs from industry associations: Hayato Sunaga introduced the “Carbon Neutrality Action Plan” of Keidanren (Japan Business Federation), while Council Member Carsten Rolle explained the current challenges in Germany and the EU in regard to decarbonization of the building sector. He explained the approach of the BDI (Federation of German Industries) to master the challenges through its “Energy-Efficient Buildings Initiative”. These two opening statements were followed by Manfred Rauschen from Oeko-Zentrum NRW and Toshiyuko Kudo from the IEEJ presenting preliminary results from the council’s ongoing study on strategies, concepts and measures for decarbonizing the building stock by 2045/50.

After these opening remarks, the first dialogue on decarbonizing the building stock was set up by inputs from German and Japanese speakers agreeing on the importance of energy efficiency renovation. Recent innovations in the field from both countries such as the “Energiesprong Project” for serial refurbishment in Germany, or thin insulation material for walls in Japan were introduced, and concepts and issues such as a circular building economy, heat recovery ventilation, and the need in Japan for easy tools for calculating energy demands and savings were brought up. The following discussion revealed some interesting differences and challenges for the two countries, especially the introduction of Energy Performance Certificates (EPC) and corresponding tools was set out as a clear policy goal for Japan.

The second dialogue then focused on decarbonizing new construction. Again, representatives from construction industry, related associations and academia of both countries described the status quo and challenges from their perspectives. It became clear that there is not one single way to achieve the common goal, but a few points emerged. Most importantly, everybody could agree on the need for measurability of embedded carbon, addressing scope 3 (including databases for climate-relevant indicators of building materials and products). Stakeholders from both countries also found common ground in asking governments to produce clear decarbonization pathways and reliable subsidies, when necessary, to provide investment security. Also, technical aspects such as district heating/cooling and the need for buildings to provide demand response for smart grids and electricity markets were highlighted. It became clear that barriers to a speedy decarbonization of buildings are different, and that a close dialogue with industry, politics and science continues to be important.