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# Strategies, concepts and measures for decarbonising the building stock by 2045/50

Toshiyuki Kudo

Institute of Energy Economics Japan (IEEJ)

Stefan Thomas, Lotte Nawothnig, Fiona Bunge Wuppertal Institute (WI)

Manfred Rauschen, Sascha Kunstmann, Jan Karwatzki, Jonas Rütter, Thomas Rühle Öko-Zentrum NRW (ÖZ)

## Background



- Since the Paris Agreement entered into force in 2015, Japan and Germany have been working on legislation and various initiatives to achieve carbon neutrality.
- In particular, the decarbonization of buildings with their relatively high final energy consumption and CO<sub>2</sub> emissions contribute significantly to achieving the carbon neutral goal of both countries.

■ This study compared the decarbonization policies and issues of buildings in both countries and explored the possibilities of using these policies to support each other's policies. \_\_\_\_\_

	Japan	Germany
Share of final energy consumption for Buildings	32.1%	35.0%
CO <sub>2</sub> Emissions for buildings	36.0%	30.0%
Share of residential building amount whole buildings	74.3%	90.7%



# Japan

## Major policies related to the improvement of the energy performance of buildings: transition of policies



1970s Oil Shock

**1979 Energy Conservation Law** 

**1997 Kyoto Protocol** 

#### **1998 Top Runner Programme**

Starting with 11 items incl. cars, AC. Now 32 items covered

**2015** Paris Agreement

#### **2015 Building Energy Conservation Act**

Obligation to comply with energy conservation standards for large-scale non-residential buildings

2020 Declaration of CN by FY2050 2021 46% reduction by FY2030

#### **2021** Roadmap for buildings

FY 2030: Aim to ensure ZEB/ZEH level energy efficiency for new buildings

FY 2050: Aim to ensure ZEB/ZEH level of energy efficiency and conservation performance on a stock average

#### 2022 Revision of housing-related legislation

- Expansion of obligation to comply with energy conservation standards
- -Expansion of the scope of the Residential Top Runner Program
- -Promotion of renewable energy Expanding the use of wood
- a low-interest loan program for energy-efficient home improvements

## Recommendations for the further improvement of the policies



- Target setting and continuous monitoring by the government for the introduction of renewable energy in building
  - Setting clear reduction targets for the installation of renewables in buildings by 2030 and 2050.
  - Monitoring the progress by each municipality and identifying obstacles for further promotion.
- Reinforcement of retrofit policies for existing buildings
  - Limited private house owners who willingly implement energy-saving measures, due to no evaluation for the retrofit cost which can not be recovered at the time of resale.
  - Encouraging businesses to implement energy-saving retrofits, by regulating the allocation of the number of new construction sales based on the results of energy-saving retrofits.

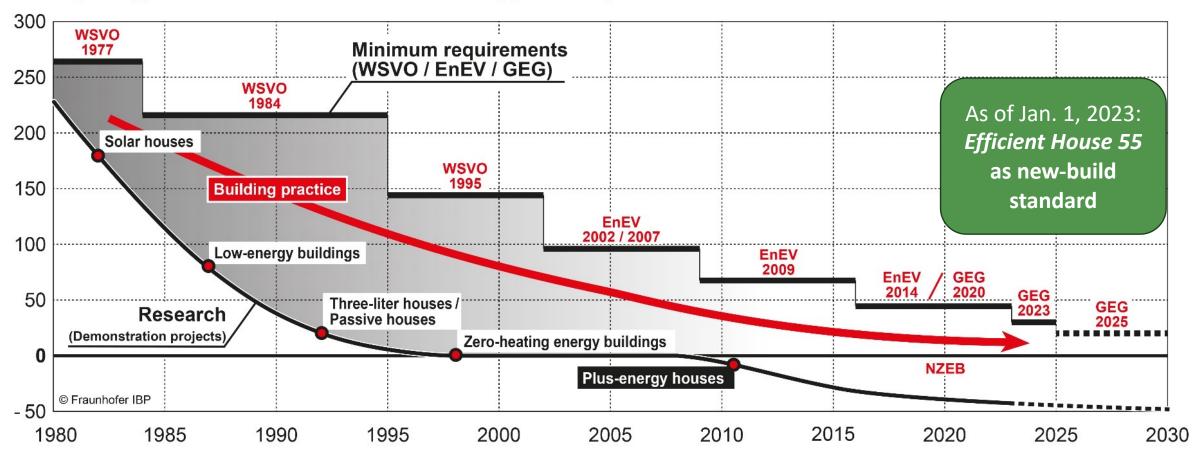


# Germany

## **Development**Of Energy-saving construction in Germany



#### Primary energy need semi-detached house – Heating [kWh/m²a]



Source: Hans Erhorn, Head of Department of Energy Efficiency and Indoor Climate, Fraunhofer IBP

## Building policies to increase energy efficiency standards and renovation



Energy performance requirements  Financial incentives  Energy advice  Financial incentives  Energy advice  Energy advice  Energy advice  Financial incentives  Financial incentives  Energy advice  Financial incentives  Financial incentives  Energy advice  Financial incentives  Energy advice  Financial incentives  Financial i			
obligation to present to interested parties at sale or lease highlights deficiencies of the building and offers recommendations for energy renovation  Performance standards for appliances  necessity to ensure energy efficiency and recyclability inform about possible environmental externalities analyze product lifecycle  Since 2005: loans and grants for energy efficiency renovation and integration of renewable energies federal funding for efficient buildings including renewable energies: in 2022, 5 billion €  → 2023-26 raised to up to 12-14 billion €  Professional energy consulting (subsidized as well) as prerequisite for financial incentives for renovation measures iSFP: individual energy renovation passports to guide stepwise implementation towards nearly-zero energy buildings, subsidized with 80%			for (a) new buildings and (b) existing buildings undergoing major renovation
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Lifecycle assessment Increase the use of wooden material and assessing embedded emissions during constructions.		Energy advice	renovation measures iSFP: individual energy renovation passports to guide stepwise implementation towards nearly-
		Lifecycle assessment	Increase the use of wooden material and assessing embedded emissions during constructions.

#### Recommendations



### For further Improvement of the Policy Package in Germany

- need of clear market signals following the so-called "Putin-shock" to push investments
- increase the numbers and ambition level with regard to energy renovation → ensure use of funds for grants and loans through, e.g.: one-stop-shops, project bundling and serial construction/pre-fabrication, digitalization, municipal heat planning and renovation roadmaps for building types and individual buildings
- enhance requirements for new build (building shell, PV obligation)
- reduce demolition rate by setting clear priority on renovation over new built
- set sustainable constructions as standard (integrate LCA-standards into the Building Energy Act)



# Conclusion and outlook

#### **Conclusion and Outlook**



#### Learnings

## Germany/EU can learn from Japan:

Tighter standards on energy efficiency and labelling for some appliances, particularly heat pumps/air conditioners

#### Japan can learn from Germany:

Tighter standards on insulation, heat recovery ventilation, and renewable energy integration towards ZEH/ZEB.

#### Both countries need improvements:

- The target volume of deployment (annual rate of retrofits, phase out fossil fuel boiler, heat pump...)
- A better retrofit market: a transparent certificate (Energy Passport), One-Stop-Shop service .....
- Management of building floor spaces and embedded carbon emissions

#### Possible further Research Areas

- Connecting German knowledge on building envelope efficiency and Japanese knowledge on heat pumps and BEMS/HEMS
- A cost-effective building retrofit technique by connecting German knowledge on building envelope energy efficiency and Japanese experience in serial refabrication housing
- Combining knowledge from Japan and Germany on the subject of "Building with Wood"



## Thank you for your attention

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