



IMEA - Integrated Measures for an Energy Efficiency Approach

Position paper

This document reflects the opinions of the IMEA partners regarding energy efficiency policy formulation, financing and implementation at all stages of the policy process and at different territorial scales (EU, national or subnational). The views expressed herein are based on IMEA partners' experiences implementing the IMEA project and change case strategies, documenting international best practices. The views expressed should serve as guidance for all those involved in energy efficiency project development, programming and strategy formulation.

What is IMEA?

Over the past 3 years, we all realized that IMEA is not only a concrete INTERREGIONAL cooperation project, but also a viable and value added approach of multinational and multilevel cooperation involving different actors with various competences in the field of energy efficiency.

The international experience with IMEA has inspired us to formulate new perspectives on energy efficiency policies, financing models and specific implementation tools and approaches. In essence, our position reflects a mind set and a set of values which we believe should be streamlined into policy making practices.

These values are relevant not only for institutions from the EU level, but also for stakeholders from national, regional and other territorial scales aiming towards a better implementation of EE practices into the policy stream.

The purpose of the IMEA project is to promote energy efficiency in the built environment by sharing and developing innovative knowledge on integrated energy efficiency measures. The main objective is to support local and regional authorities in their efforts to take on a proactive role in enhancing the energy efficiency of the built environment. 10 partners from The Netherlands, Romania, Portugal, Hungary and Denmark have collaborated in IMEA in the period from 2012 to 2014 (www.savingenergytogether.eu).

The implementation of energy efficiency measures is a key European challenge in the transition towards sustainable communities, especially in Eastern Europe and in deprived urban areas, where a high percentage of the housing stock has a very poor energy performance. Working with a joint Change Case Framework, the IMEA-partners have developed proactive urban governance practices in collaboration with multiple stakeholders. The Change Case Approach makes the abstract EE-challenge tangible and tests various approaches, allowing for dialogue about institutional, strategic and practical steps.

IMEA is funded by the programme INTERREG IVC. The Interregional Cooperation Programme INTERREG IVC, financed by the European Union's Regional Development Fund, helps Regions of Europe work together to share experience and good practice in the areas of innovation, the knowledge economy, the environment and risk prevention.

This position paper outlines the key IMEA values and drivers which partners consider to be critical in all stages of policy making related to energy efficiency.

Defining the core IMEA value was a process in 2 stages. At first stage, partners engaged in a constructive debate where ideas were exchanged based on topics such as: Experience with the IMEA projects; identification of added values produced by IMEA; reflection on change case strategies developed, as well as on the best practices identified. This group discussion took place at the last project meeting from Hague (The Netherlands), December 2014.

At a second stage, a survey among IMEA-partners was conducted. The results of the survey were listed and clustered according to 3 key dimensions:

- The strategic dimension - capturing all values which should guide the strategy formulation process;
- The operational dimension – capturing all values which should guide the operationalization of the strategy into concrete EE-actions and programs;
- The implementation dimension – capturing all values which underpin the EE-project implementation process.

This structuring of the process sets up a framework for filtering as well as particularizing the core values captured by IMEA partners. This is also highly relevant for practitioners who found themselves at different stages in the policy chain.

The change case approach

IMEA has created a Change Case approach that works; it provides a framework for creative institutional learning and 'critical friends' dialogues to empower participants to better implement integrated energy efficiency measures in practice, to actually deliver results on this agenda. See www.savingenergytogether.eu

IMEA has documented the positive effects of international cooperation focused on ways to enhance strategic thinking and action in relation to the promotion of integrated EE-measures locally, regionally, and nationally. Transnational partnerships and networking is beneficial for knowledge exchange, and it can be streamlined into policy processes.

IMEA has delivered in terms of integrated solutions to the EE-challenge. Recognizing that the complexity of the EE challenge requires flexible, smart, tailored and multi-level approaches, IMEA has paved the way for smart, integrated solutions in practice. With energy efficiency as the common denominator, integration between policy fields and governance levels works!

IMEA has integrated energy policy and regional reform showing how energy is a transversal issue, deeply rooted in territorial assets and behaviors and central to cohesion, competitiveness, sustainable development and the quality of life.

Further IMEA results

Working in different contexts, the IMEA-partners have proven the success of a number of tools and approaches to integrated energy efficiency in practice, namely:

- They have shown that the *area-based approach* involving residents in joint actions about energy retrofitting is a key mechanism to implement EE-measures in buildings (Assen, Copenhagen, Oradea);
- Developed the concept of ‘the customer journey’. The customer journey is an efficient and appealing way that municipality and construction firms communicate with customers about energy benefits (Assen);
- Developed ‘energy partnerships’ between builders, contractors and construction firms who collaborate on energy efficiency in order to (better advise home-owners), improve the quality of their services and to give guarantees on the whole EE-package (Assen, Copenhagen);
- They have documented the positive outcomes of a ‘The Fun Lab’, a playful laboratory where children can learn about energy issues (Lisbon);
- They have developed new and better ways for local governments to reach residents and local enterprises when communicating about energy issues (Székesfehérvár);
- Developed mapping methods to register and analyze buildings in terms of refurbishment needs, in combination with social maps of the socio-economic profile of residents in different districts (Oradea, Assen);
- Developed the ‘Energy Matrix’, a knowledge, information and analysis tool specifically developed for the sub-regional levels energy sustainability diagnostic (Lisbon, Lezíria do Tejo);
- The Good Practice Shuttle (see www.savingenergytogether.eu) collects national and international good practice projects on the field of EE, energy management, and smart planning;
- Developed a local strategy for EE retrofitting of the historical centre of Oradea;
- Developed a national policy framework for implementing EE interventions on historical centres.

Energy efficiency and policy formulation

Why integrated strategies do overcome barriers to energy efficiency?

All IMEA-partners faced different problems during the elaboration phase of their change cases, although problems were rooted in common similarities. Housing markets, building regulation frameworks and energy systems are very different between the participating countries. Yet, each partner confronted similar barriers, making the transition towards energy efficiency in the built environment a slow process.

The typical barriers are economic in nature: A lack of EE-funding opportunities, a lack of market demand for EE-measures, a lack of funding mechanisms to balance present costs of EE-measures with medium and long-term benefits.

Others are organizational: A lack of inter-agency coordination, a lack of stakeholder involvement, an insufficient legal and administrative framework for integration of EE-measures.

A common barrier relates to a lack of knowledge: often there is a lack of technical and practical knowledge related to EE, and a lack of information about energy efficiency potentials amongst end-consumers.

The integrated approach needs to overcome barriers to joint decision-making or consensus amongst end-users with respect to energy measures in building renovations. When an apartment block is renovated it is necessary to convince a high percentage (sometimes all) owners or renters to invest in energy efficiency measures.

Also, the integrated perspective on energy efficiency was particularly hard to achieve at national level, even accounting only for sectors and agencies with direct responsibility within the low carbon agenda (Energy, Mobility and Transport, Environment).

Coordination between national and local level is also challenging since territorial governance architecture faces a very uncertain scenario and energy agency responsibilities and resources have yet to be harmonized.

Essentially, it is a challenge to promote energy efficiency in the built environment. It entails involvement of multiple stakeholders (individual citizens, companies) in combination with high investments costs. On top of this, end-users and citizens in general are reluctant to opt for EE, experience shows that there is a low sense of urgency surrounding the EE-issue.

To overcome barriers, IMEA-partners focused their strategic approach on the implementation of integrated EE-measures in the various domains that partners work with. The strategic approach has four key elements:

- A focused problem-analysis of key barriers and potentials;
- Concrete actions to meet the basic implementation challenges at different levels to push for actual solutions (a change strategy);
- Different tools and approaches to mobilize and involve stakeholders at different levels to support and engage actively in the EE-agenda;
- The creation of positive outputs in terms of improved EE in buildings or in energy systems.

Our experience is that the integrated EE-agenda is a critical test to the innovative capacities of all political and administrative systems in European countries: Can we mobilize both market and civil society in the deep transition towards energy efficient or nearly energy neutral buildings and renewable energy systems.

IMEA partners recognize that energy efficiency is an intrinsic value in all fields of policy making, at either national, regional or local level.

Therefore, partners are committed to promote energy efficiency in all stages of policy making as well as to create sustainable communities.

In this regard, in terms of policy formulation, based on IMEA experience, the following policy recommendations are highlighted:

1. EU should encourage a stronger national commitment to EE-objectives when integrating this aspects in policies and programs, namely:

- Specific energy efficiency targets should be assumed in all national, regional and local programs;
- National governments should create clear legal frameworks in order to simplify program implementation;
- The European EE-policy recommendations should be more result-oriented and more demanding in terms of national commitments;
- National policies need to offer tools and approaches for local communities to promote EE-interventions;
- More focus on promoting awareness raising and communication about EE in local, regional and national policies;
- Participatory planning schemes and efficient information campaigns are essential in order to stimulate owners' and renters' commitment to the EE-agenda;
- Policy mechanisms should be implemented comprehensively to overcome barriers, not individually or in isolation;
- Soft policy mechanisms (awareness raising, communication etc.) at the level of buildings, in schools etc. should be prioritized as well as hard policy mechanisms (investments, subsidies etc.)

2. EU should support more aggressive green growth strategies targeting EE-potentials in the built environment, namely:

- Energy efficiency measures have an interesting potential as economic development boosters, providing that true efficiency value chains can be built around an effective green growth strategy;
- EU should support national and European energy partnerships between public authorities, private contractors, energy providers and end-users to stimulate product innovation, capacity building and the implementation of integrated solutions;
- We recommend an explicit use of urban innovation labs to harness the innovation potential of the energy and climate agenda in urban programs

3. EU should increase commitment in comprehensive urban regeneration programs in promoting EE-measures, namely:

- IMEA has shown that the area-based approach to urban regeneration and green retrofitting works in practice, and EU should emphasize this in future urban programs and funding decisions;

- The area-based approach stimulates participatory planning practices and involves citizens as owners and renters in regeneration decisions that include EE-measures. EU has a tradition of urban programs that combine principles of multidimensionality, public-private partnerships and citizens' participation, and this tradition is invigorated by the energy and climate agenda;
- Funding bodies should contextualize territorial specificities when elaborating programs. Spatial planning is fundamental in the implementation of integrated and place-based approaches (by exploring geographical and territorial disparities). Based on the spatial analysis and identification of area types, tailor-made interventions can be developed;
- In the 2014-2020 programming period, investments in energy efficiency must be integrated into every types of developments and investments where possible, and on obligatory level
- Participatory planning programs and schemes that integrate all recommendations above shall be emphasized as a smarter way of involving stakeholders.

4. There should be a stronger operational focus on the link between the built environment and energy system improvements in urban programs, namely:

- Investments in green retrofitting in buildings needs to be balanced off and integrated with investments in sustainable energy systems and renewal energy sources;
- Active energy policies can mediate the risk that the energy cost structure becomes a further disadvantage factor for local and regional economies.

5. EU should address the issues of energy poverty and social inequality relating to the energy and climate agenda, namely:

- Increasing energy prices has an impact first and foremost on socially vulnerable populations, while energy access and energy poverty issues become more frequent. This requires a dedicated and sensitive approach, even more critical within an energy free market;
- Due to the influence of behaviours in energy consumption choices and trends, social awareness regarding energy efficiency is a critical factor for its policy's success. Therefore, persistent communication efforts both to wide and targeted audiences need to be undertaken.

6. R&D efforts need to be closer linked to operational urban regeneration programs, namely:

- Research and education on the topic of energy efficiency technologies must be encouraged by supporting the creation of linkages between academia, public authorities and companies aiming at developing new products;
- The development of adequate EE-financing and -investment mechanisms in a tight market is a key barrier. Public bodies should invest in R&D about 'smart' financing mechanisms and funding models (e.g. ESCOs, green revolving funds, green loans, one shop solutions, dedicated financial institutions etc.) to push for viable business cases regarding EE-measures in retrofitting and urban regeneration.

7. EE-measures should allow for the protection and renovation of our architectural and cultural heritage in the built environment while strengthening market activity, namely:

- Architectural and cultural values should be preserved in all EE-retrofitting projects;
- Urban programs and EE-projects should incorporate vocational capacity building and training activities for craftsmen and contractors;
- New synthesis between green retrofitting and safe-guarding of architectural values need to be tailored to specific buildings and urban structures, a fact to be considered in funding decisions;
- The careful rehabilitation of the beautiful building heritage in European cities is a key to improving the quality of life of residents and a cornerstone in revitalization and green growth strategies.

8. Monitoring and knowledge exchange in terms of energy efficiency should be a focus in all funding programs, namely:

- Energy efficiency should be monitored and reported at various scales (local, regional, national and EU);
- Clear monitoring indicators, related to energy efficiency, should be develop for program implementation;
- Energy efficiency best practices should be critically analyzed prior to importing models into policy streams. Therefore, the GPS matrix developed by IMEA-partners is a highly valuable tool in selecting EE practices.
- ‘Critical friend’ meetings were excellent tools to strengthen the implementation of local EE-agendas, and they contributed to the facilitation of transferability of knowledge between cities and regions. We recommend that EU-resources are made available for more ‘critical friends’ dialogues between practitioners pushing for a sustainable future in our European cities.