

18th of May 2012

**European Aluminium Association's answers to the Consultation on
Financial Support for Energy Efficiency in Buildings**

INTRODUCTION

The European Aluminium Association, founded in 1981, represents the European aluminium industry from alumina and primary production to semi-finished and end-use products, through to recycling. The European aluminium industry directly employs about 255,000 people.

The Building Group of the European Aluminium Association (EAA) speaks on behalf of the leading companies developing and producing aluminium building systems¹ and flat aluminium building products².

The European Aluminium Association is Associated Member of CEPMC, the Council of European Producers of Materials for Construction.

Please find below the answers to the questions from the Consultation Paper.

(1) ADDRESSING MARKET FAILURES

(a) Are the barriers identified in this document the most important ones? If not, which barriers are missing and why are they important?

It is not so much the information for consumers, vendors, manufacturers, banks and policy makers that is lacking, but rather the ever growing number of overlapping European, national and regional environmental labelling and certification schemes that is confusing them and furthermore causes substantial additional costs for manufacturers.

NATIONAL & INTERNATIONAL INITIATIVES

At building level, several national & regional standards, rating schemes and ecolabels addressing the sustainability performance of buildings do exist: LEED, BREEAM, DGNB, HQE, DGNB, Nordic Swan for various building categories... Unfortunately, their scope is not homogeneous and they all use different indicators. Some of these systems are in the hands of the private sector and in this case, there is a lack of transparency about the input data and methodology they are using, which makes updating and harmonisation extremely difficult.

¹ Alcoa-Kawneer, Alumil, Elval Colour, Metra, Hydro Building Systems, Reynaers Aluminium, Sapa Building System, Schüco

² 3A Composites, Alcoa Architectural Products, Elval Colour, Hydro Rolled Products, Novelis

The above described problems are also faced at construction product level, where a few national rating schemes and eco-labels do exist (BRE Green Guide, Nordic swan for windows and exterior doors, Minergie ...). Furthermore, these product-related environmental ratings are not accepted by the construction products industry, as product performance can only be assessed at the level of the building.

EUROPEAN REGULATORY TOOLS

Construction products Regulation (CPR), Energy Performance of Buildings Directive (EPBD), Ecodesign Directive, Energy Labelling Directive (ELD), Ecolabel Regulation & Green Public Procurement (GPP) should be better coordinated and prioritized. In some cases like Ecolabels & GPP, the consultation of the construction products sector should be reinforced as today's access to EUEB & GPP Advisory Group is too restricted.

A growing number of EU regulatory instruments (Ecodesign, ELD, Ecolabels & GPP) are used to set minimum performance requirements or to develop criteria at the level of construction products, ignoring that they are intermediate products. The priority should always be given to the optimization of complete buildings, like the EPBD is doing.

(b) Which market failures would be most urgent to address? At what level (i.e. EU, national/regional/local) would these failures be best addressed?

The confusing information for consumers, vendors, manufacturers, banks and policy makers underlined in the previous question should urgently be addressed both at EU and national level.

The lack of adequate training and knowledge in the building sector regarding energy efficiency issues is another urgent issue to address.

(c) How could these failures be best addressed?

As suggested by the study *FWC Sector Competitiveness Studies N° B1/ENTR/06/054 Sustainable Competitiveness of the Construction Sector*³, the European Construction sector requires a governance structure that combines horizontal and vertical management, coordination and monitoring. The same study concludes that there is a need for:

1. A dedicated TASK FORCE to coordinate and monitor the construction specific European policy initiatives;
2. A horizontal commission services coordination group to identify synergies and monitor impacts and effects of different commission services' initiatives aimed at and impacting on the construction sector;
3. Creating country peer learning or cluster networks of Member States that share a focus on specific priorities or problems within the strategy.

³ http://ec.europa.eu/enterprise/sectors/construction/files/compet/sustainable_competitiveness/ecorys-final-report_en.pdf



The European Aluminium Association feels that taking inspiration from the above recommendations made for the sustainable competitiveness of the EU Construction sector would also be very beneficial to improve the financial support for energy efficiency in buildings.

(2) IMPROVING ACCESS TO FINANCING

(a) Are the current EU-level financial tools for energy efficiency in buildings effective? How could the uptake of EU-level funding for energy efficiency (including cohesion policy funding) be improved? As a complement to tailor-made national or regional financial instruments (e.g. set up with a contribution from cohesion policy funds), what could be the future role of centrally-managed financial instruments at EU level in this context?

A detailed EU financial support programme for the energy efficiency upgrade of existing buildings should be developed.

(b) How could more private financing (both from institutional investors as well as building owners) for energy efficiency projects be mobilised? What would be the role of public funding (both at EU and national level) in this context? Is access to (project development) technical assistance an issue and how could it be provided most efficiently at the national, regional and local level? How could both national and EU financing schemes be improved to best cover all segments of the market (residential, commercial, public buildings, etc.)?

No opinion

(c) Is there a need for guarantee systems related to building efficiency investments? If so, what guarantee systems for efficiency investments would be necessary and how should they be designed? Is there a need for other enabling mechanisms (e.g. risk-sharing, investment vehicles)?

No opinion

(d) How could the capacity, knowledge and risk perception regarding energy efficiency investments be improved, both at financial institutions as well as with private investors and administrations at all levels?

No opinion

(e) Are there examples of good practice at national or regional level (with data on costs and benefits) that could be applied more widely?

No

(3) STRENGTHENING THE REGULATORY FRAMEWORK

(a) Is there any need for further EU-level regulation to stimulate energy efficiency investments in buildings beyond the Commission proposal for a new Energy Efficiency Directive? If so, what should these measures entail?

The European Aluminium Association sees the improvement of the coordination of existing EU policy instruments addressing the construction sector as very urgent (see answer to question 1.(c)).

(b) What could be specific measures to be taken at national level to implement and complement most effectively the EU-level regulatory framework for energy efficiency?

The implementation of the Energy Performance of Buildings Directive across all member states based on an EU wide harmonisation of energy performance calculations would be a step in the right direction.

The communication of the performances related to energy-relevant essential characteristics of construction products based on the harmonized technical specifications developed under the Construction Products Regulation should be encouraged in all Members States.

The market surveillance should be drastically reinforced.

(c) What are the specific needs for policy guidance and awareness raising among different stakeholder groups?

No opinion