

INTERREG IV B Projekt Urb.Energy Kick-off Conference – 15 June 2009



Statement at the Kick-off Conference of INTERREG IV B project Urb.Energy on 15 June 2009

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Role of BMVBS in the BEEN und Urb.Energy project



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und Stadtentwicklung

BEEN – Baltic Energy Efficiency Network for the Building Stock

- BMVBS as project partner
- Focus on energy efficient refurbishment of residential buildings
- Policy Paper: Recommendations to overcome organisational, legal and financial barriers

Urb.Energy – extension of thematic focus on the base of BEEN

- Different partner structure
- Thematic focus on urban development, energy supply and innovative financial instruments

Role of BMVBS

- Associated Organisation of the Urb.Energy project
- Input from national and European policy experiences for project conferences, thematic workshops or seminars as well as for the elaboration of specific project documentation
- Feedback on politically relevant project results and outputs

Thematic focus of Urb.Energy and policy of BMVBS



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Energy Efficiency

- Legal framework
- Support programme
- Competition on large housing estates

Integrated urban development

- Leipzig Charta
- National urban development policy
- Projects on energetic urban regeneration

Innovative Financial Instruments

- EU JESSICA AG with BMVBS as chair
- Support programme to enhance implementation of urban development funds in Germany

Energy efficiency of buildings -- legal framework

Energy Conservation Act - 2009

- **Tightening Energy Conservation Act by Ø 30 %** for new buildings and building stock undergoing large modernisation
- **Entry into force** in October 2009

Recast planned for 2012

- **Further tightening** of energetic requirements planned
- Considering measures which are technically possible and economically justifiable



Programme to reduce CO2 emissions from buildings

Programme to reduce CO2 emissions from buildings

- **Low-interest loans** (if applicable complemented by grants towards repayment of the loan) or **grants** for one- & two-family houses, condominiums
- Loan financing of up to 100% of investment costs or proportional grant based on same investment costs
- Increase of eligible maximum amount: 75.000,- €
- **Basic principle:** increasing energy conservation – increased interest subsidies / increased grants

Volume:

- 1.5 billion € p. a. for 2009, 2010, 2011



Results of financial assistance programmes for energy-efficient building and refurbishment



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- Since 2006 **energy-efficient construction or refurbishment** of a total of around **950,000 dwellings**
- **Subsidy volume: 5.25 bn. € budget funds** (2006-2009)
- Total **heating cost savings** for occupants since 2006 amount to around **€ 900 Mio**
- Measures funded between 2006 and today result in an annual emission reduction of almost **2.8 Mio. t of CO2**
- Between **180,000 und 220,000 jobs** were created or safeguarded annually in the small and medium-sized construction industry



Competition: Energetic refurbishment of large housing estates on the base of integrated urban development concepts



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Aims of the competition

- General reflection of the prospects and the demand for enhancements of large housing estates (> ca. 1.000 flats)
- Incentives to support solutions for a whole urban area, e.g. with respect to the support of energetic measures

Integrated urban development concepts

- **Energy efficiency – energy conservation**, sustainable energy supply including renewable energy
- **Housing companies** – the urban area in the context of the regional housing supply
- **Demography** – the urban area in the context of an ageing population
- **Urban development** – the urban area in the context of the living environment and the development of the whole residential area



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Leipzig Charter and German National Urban Development policy

Aim:

Strengthening of the European city – compact, miscellaneous, manifold

Request of Leipzig Charter:

- Integrated solutions
- Specific attention to disadvantaged urban areas

Consideration on national level – National urban development policy

- **Implementation** of Leipzig Charter in Germany
- Close **Co-operation with the Federal States and municipalities** and completion of their activities



Project on energetic urban regeneration - example in Stuttgart



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A new urban area will be constructed on an inner-city brown-field area.

Plans will be based on a sustainable energy concept using

- thermal solar energy
- geothermal energy
- Heat recovery from waste water

High level of public participation in order to enhance acceptance and learning effects.



Nutzungskonzept, Grundlage des städtebaulichen Gutachterverfahrens; Quelle: Stadt Stuttgart

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Key Note of JESSICA



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Transformation of grants from Operational Programs
into

- (soft) loans,
- equity, risk capital
- guarantees

in order to finance

- projects / investments with revenues by
- (revolving) urban development funds on the base of
- integrated urban development plans

also in combination with grants



Advantages of JESSICA Instruments

Increase in finance efficiency

- through bigger range of financial instruments, including grants
- optimal instruments for risk bearing (equity, guarantees)

Increased motivation for economic use of resources

- by repayment obligation of loans, equity, etc.

Mobilisation of private capital

Long term availability of funds for urban investments

Promotion of integrated planning

- prerequisite for JESSICA funding



Case Studies Financial Instruments

Usually mix of instruments

Often including grants

Equity and loans in all case studies

Biggest share of project investment is
financed by loans



Fields of Applications

JESSICA instruments can only be used to finance projects that are capable to produce revenues

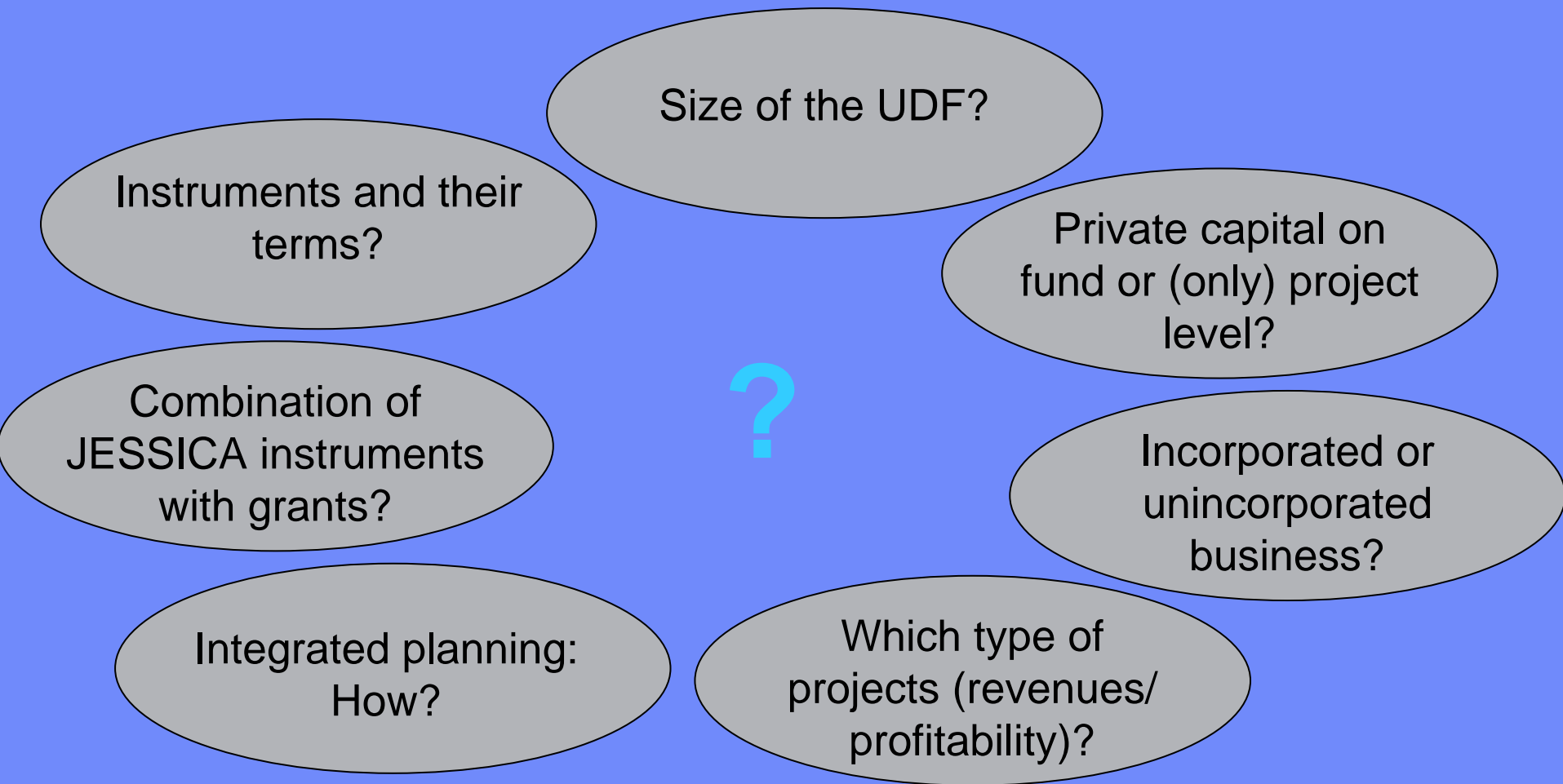
Possible fields of application:

- Brownfield regeneration, construction of buildings e.g. business parks, technology centres for SME
- Upgrading deprived neighbourhoods, e.g. by office/commercial space, hotels, public transport, etc.
- Use of renewable energies
- Social infrastructure (hospitals, institutions for professional training)



ERDF/ESF eligibility must be verified case by case

(Pilot) UDF's: Fundamental Questions





Thank you for your attention!