

The World Business Council for Sustainable Development (WBCSD) believes that the issue of “sustainable buildings” should be high on the agenda at the Copenhagen climate summit. The end of the world property crisis could create a favourable environment for it.



‘Buildings ought to be part of post-Kyoto’

| by *Yves de Saint Jacob*

It is reasonable to expect a 60% reduction of energy consumption by 2050. We can, and indeed should do so if we want to achieve the aim of the Intergovernmental Panel on Climate Change (IPCC) in the fight against global warming.

These are the major conclusions of a new report (“Transforming the Market”) of the World Business Council for Sustainable Development, a global organisation

which brings together the world’s largest companies concerned with various aspects of sustainable development. All the major European, American and Asian energy providers are members, as are companies involved in chemicals, communication, food production and car manufacturing.

Begun two years ago, the Energy Efficiency in Building (EEB) project culminated in

a report last spring, which, according to its authors, should now lead to action. According to the EEB, the building sector should become part of the “post-Kyoto” agreement that is expected to be negotiated at the UN climate summit in Copenhagen in December.

“The texts for the Copenhagen summit are currently being written and it is now, from

June to September, that everything will be settled,' one of the authors of the report, Constant van Aerschot, who works for the cement company Lafarge, tells European Energy Review. Lafarge were joint sponsors of the project with United Technologies Corporation, the aeronautics and building group.

'The timing is crucial. We will be represented in Copenhagen and we will press very hard for buildings to be an integral part of the fight against climate change', says Van Aerschot. 'The sector represents 38% of global energy consumption and a similar figure for all carbon dioxide emissions. So it is essential that buildings are on the negotiating table as a major success story.'

It is not a question of the negotiators in Copenhagen imposing global standards or instigating examples of supra-national rules. It is at national government level – or at a regional level where the European Union is concerned – that more measures to make buildings more economically viable should be taken. But as far as the WBCSD is concerned, there is no question: the market alone will not be able to instigate the necessary reforms, it will need strong public action and state political intervention.

The WBCSD anticipates two major initiatives from Copenhagen. The first is a strong signal to the markets that

the governments of the world will coordinate their efforts for buildings to be more economical in energy consumption and that, as time goes by, directives and restrictions will not be relaxed but will, on the contrary, be tightened. The second is a statement that a global approach is necessary in property policies, financial incentives, standards, technical innovations and changes in social behaviour. Sustainable buildings are

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Hot and cold |

'In particular, we are now going to try to give the market a sign of a very pragmatic initiative. We have a manifesto to be signed by all the companies in the world to commit to an audit of their buildings in terms of energy consumption and, when they move into new offices or renovate existing ones, to insist on a defined level of energy efficiency,' van Aerschot explains. 'If we succeed in getting a large number of companies to sign, it will create a market demand. If when they move into new premises, companies say "I'm only moving in here if the energy consumption

is half the current level", developers and investors will get the message. At the moment, they're blowing hot and cold, they aren't very advanced in the matter of energy efficiency and that is because they don't see any market demand. But if a lot of people sign our manifesto, it will send a clear signal to everyone involved.'

The severe property crisis the world has just experienced was not necessarily a

setback. It is true that some people in the property business are in survival mode and, at a time of recovery, still behave as they always have done to avoid excess costs. But others, van Aerschot thinks, will tell themselves it is time to prepare for the future and that future is buildings which are energy efficient as they will be easier to re-sell. 'The depreciation in property values is due in part to poor construction. If buildings need a lot of maintenance, then they're going to lose value,' he adds.

According to a study by the Peterson Institute for International Economics, cutting building emissions by 8.2 billion tons annually by 2050 (this is more than total US emissions) will require an additional \$1 trillion per year in investment globally between now and 2050. Of this sum, \$209 billion per year would be spent in the US, \$158 billion in the European Union and \$114 billion in China. This seems an astronomical figure, but the Institute notes that some 83 percent of the investment required for this transformation would be recovered over a 20 year period by saving in energy costs. This results in a net cost of \$180 billion per year worldwide. The average abatement cost would be about \$25 per ton of CO₂. This is cheaper than most other ways or reducing emissions, for example in the power sector, in industry and transportation. ■

Transforming the market

The core group of the EEB (Energy Efficiency in Building) project consists of 14 companies: Actelios, ArcelorMittal, Bosch, Cemex, DuPont, EDF, GDF Suez, Kansai Electric Power Company, Philips, Skanska, Sonae Sierra and Tepco, with Lafarge and United Technologies Corporation taking a leading role. More than 40 other global companies are also participating. The report "transforming the market" is available on the WBCSD website www.wbcd.org.

The EEB offers six proposals to improve energy efficiency: strengthen codes and labelling for increased transparency, incentivise energy-efficient investments, encourage integrated design approaches and innovations, develop and use advanced technology to enable energy-saving behaviours, develop workforce capacity for energy saving, and mobilise for an energy-aware culture.