

# KEEPING ENERGY EFFICIENCY AT THE HEART OF THE DEBATE

THE WORLD'S POLITICAL POWER PLATES MAY BE CONSTANTLY SHIFTING, BUT THE OBJECTIVE OF OUR PUBLIC AFFAIRS TEAMS HAS ALWAYS REMAINED THE SAME — ENERGY EFFICIENCY SHOULD BE THE FOUNDATION OF ANY ENERGY POLICY.

"May you live in interesting times," goes the well-worn quote. And during 2016 and 2017, it has felt that 'interesting times' could be interpreted as either a blessing or a curse — depending on your view.

The fall out from the UK's decision to leave the European Union and the impact of nail-biting elections in the US and across Europe reverberated around the globe as populist movements and political earthquakes became the hallmarks of current times.

But, of course, politicians and their policies come and go. At Knauf Insulation we have always maintained that consistency is the key to real progress. Especially when it comes to those policies that matter most.

Our focus on energy efficiency has never been stronger. Energy efficiency improves living conditions, cuts emissions, creates jobs, boosts economies and ends fuel poverty.

NO MATTER HOW THE POLITICAL POWER PLATES SHIFT, OUR VISION FOR THE FUTURE HAS ALWAYS FOCUSED ON MAKING BUILDINGS ENERGY EFFICIENT. THAT IS WHY OUR PUBLIC AFFAIRS CAMPAIGNERS ARE WORKING RELENTLESSLY TO PUT ENERGY EFFICIENT BUILDINGS AT THE HEART OF EVERY POLICY DISCUSSION.

## USA

### STRENGTHENING ENERGY CODES

The US Department of Energy states that energy codes for residential and commercial buildings over a 30-year period from 2010 to 2040 should save the USA \$126 billion in energy cost savings and the annual emissions equivalent of 177 million passenger vehicles. Our aim in the US is to ensure these codes significantly enhance energy efficiency and are practical to implement when applied to residential and commercial construction.

We also want to increase International Energy Conservation Code (IECC) compliance across the entire country. According to data from the Building Codes Assistance Project, nine states do not have a state-wide code; one is less energy efficient than 2009; 16 have a code equivalent to 2009 and 23 states are between 2102/5 codes and just one is more energy efficient than the 2012/5 code.

### OUR WORK

We have consistently — and successfully — campaigned for higher R-values during revisions of the IECC. Under the latest code update for 2018 we along with our trade allies successfully established minimum envelope levels which were 15% more efficient than proposed changes. Critically, we also ensured these values were the basic minimum even if a builder installed solar panels.

## UK

### TAKING ON THE PERFORMANCE CHALLENGE

We are building on the evidence base around the importance of more efficient building stock and providing government with solutions that will drive building efficiency. In 2017 we analysed data collected from 70 homes — both insulated and uninsulated — in the Energy Performance Challenge project over two heating seasons.

### OUR WORK

It is vital that renovation is carried out to a high standard and that means incentivising good 'whole house' solutions where walls, roofs and floors are insulated where appropriate. Knauf Insulation also piloted a project training a multi-skilled team outside of the traditional supply chain to deliver its core domestic home renovation products along with complimentary ventilation solutions. Thanks to our data from both this project and the Energy Performance Challenge the government has the opportunity to revisit the benefits it would receive from a new building energy efficiency initiative.

## GERMANY

### AIMING HIGHER FOR HOUSING

Germany's housing market is under increasing pressure as a result of soaring prices, a lack of affordable property and the unique challenge of finding homes for hundreds of thousands of refugees. Estimations of the German government suggest that 350,000 to 400,000 new homes need to be built every year until 2025 to meet demand. The country is falling short of that annual target by 130,000.

### OUR WORK

The Knauf Group and Knauf Insulation are committed to finding innovative inner-city solutions to the crisis particularly the possibilities of creating new homes through vertical extensions to existing buildings.

A study by Technische Universität Darmstadt and Pestel-Institut in Hanover found that across Germany's major cities an additional 1.1 million new lightweight apartments could be added to the top of 580,000 existing buildings built between 1950 and 1990. The initiative would not require expensive new building plots and would provide affordable, low-energy homes that could be easily integrated into residential blocks, providing new jobs for thousands. Our public affairs teams are working to encourage policy makers to find the financial incentives to make this roof-top initiative a future reality.

## CZECH REPUBLIC

### UNLOCKING FINANCE FOR BUILDINGS

We are campaigning to increase renovation rates across the Czech Republic and supporting the government's introduction of subsidies that pave the way for more energy efficient buildings.

### OUR WORK

We are working hard to ensure that a multi-million-euro government programme for the renovation of single-family homes is a success. And progress is promising. Already the scheme is recognised as an exemplary programme for the entire Central and Eastern European region. Now we are setting our sights on unlocking renovation finance for other building types as well.

We have also helped find new sources of finance for the installation of green roofs. A campaign by Chance for Buildings, which we supported, resulted in the government introducing a new subsidy which cuts green roof costs by half.

Additionally, we have been working with the Mineral Insulation Manufacturers Association (AVMI) to showcase the acoustic and financial benefits of using lightweight partitions with Mineral Wool.

## SLOVAKIA

### REMOVING BARRIERS TO RENOVATION

In 2016 we set out to overturn a 2015 law that effectively added a 'development' tax of up to €35 per square floor-metre on renovation work and new buildings; improve building fire safety; help drive subsidy schemes for the renovation of single-family buildings and support new norms that will allow fire-safe timber buildings of up to five storeys.

### OUR WORK

After six months of campaigning parliament, we were able to demonstrate how the tax would add 30% to the cost of energy efficient improvement work as well as act as a disincentive to renovation. The law was overturned.

Intense campaigning also resulted in the introduction of compulsory 20 cm fire barriers in insulation of all existing buildings under 22.5 metres.

Another renovation breakthrough has been new guidance by the European Commission which now unlocks the renovation of public buildings using private funding via Energy Performance Contracting. The new rules have removed the negative impact of such funding on public deficit for Europe's local authorities. The breakthrough follows an initiative by several governments heavily supported by a campaign led by our Slovak and EU public affairs team.

### TESTIMONY

*"Knauf Insulation is among the leading promoters and supporters of sustainable buildings in Slovakia. Our Council benefits from their active participation in our Board and from the advocacy work of the Buildings for the Future platform initiated by Knauf Insulation. I appreciate their approach based on building alliances and promoting constant development."*

Pavol Kukura, Chairman of the Board, Slovak Green Building Council.

**KNAUFINSULATION**