



**Enabling Commercial Retrofit**

# Enabling National Action on Commercial Retrofit

Mary Teehan, Head of Research & Projects

ENACT Lead

Irish Green Buildings Council

[mary@igbc.ie](mailto:mary@igbc.ie)

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NUI Galway  
OÉ Gaillimh

SustainabilityWorks.



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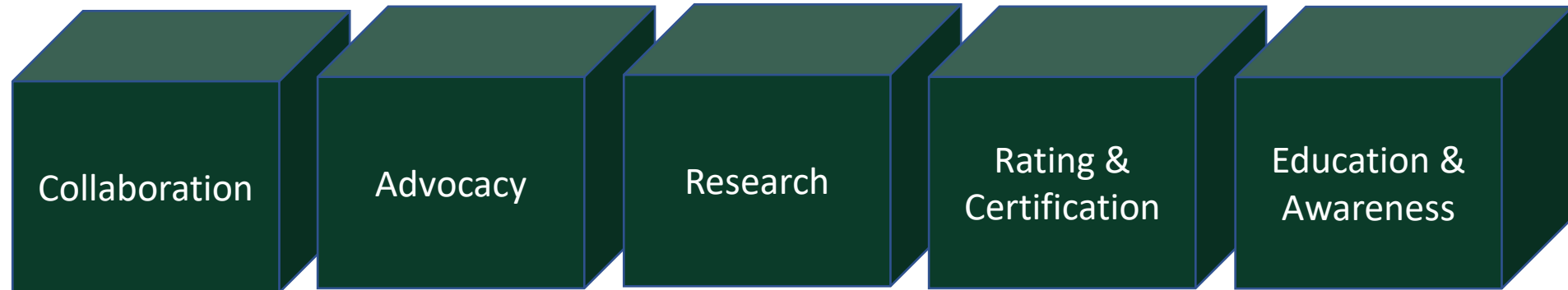


# IGBC

IRISH GREEN BUILDING COUNCIL

***Core Mission:***

*Accelerating sustainable change across the built environment  
through collaboration, education, research, rating and  
advocacy to live within our planetary boundaries*



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Contact: [tom@igbc.ie](mailto:tom@igbc.ie)

# Our Green Building Councils



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**Mary Teehan**  
IGBC



**Irene Rondini**  
IGBC



**Linda Onzule**  
IGBC



**Jamie Goggins**  
University of Galway



**Vincent Carragher**  
University of Galway



**Charles Muiruri Kagiri**  
University of Galway



**Laura Heuston**  
SustainabilityWorks



**Paddy Molony**  
SustainabilityWorks



**Miriam Tuomey**  
Dublin Chamber



**Maria Deady**  
Dublin Chamber



**Aravindh Krishnan Ramesh**  
SCSI



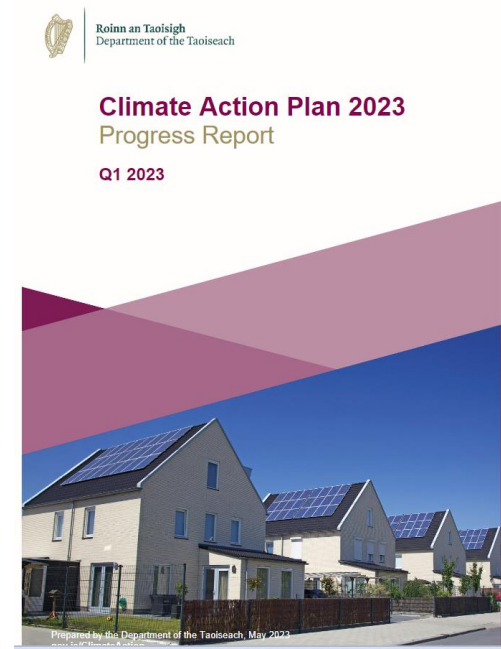
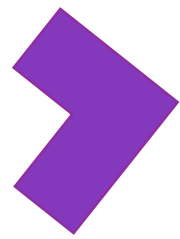
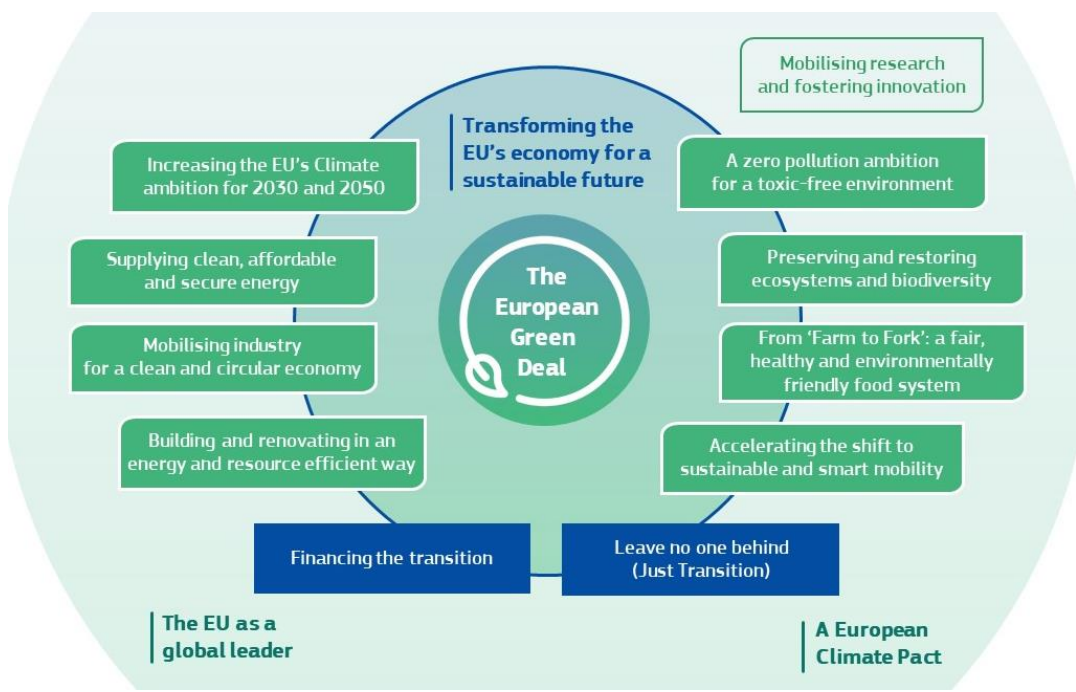
**Eloise Heron**  
SCSI



Enabling Commercial Retrofit

WHAT IS ENACT?

- Enabling National Action on Commercial Retrofit
- 2022 - 2025
- National SEAI Funded – state funding
- Direct implementation of actions recommended under the EU Green Deal, 2030 Climate & Energy Framework, National Climate Action Plan, National Long-term Renovation Strategy and the Programme for Government.



## WHO WILL ENACT BENEFIT?

- SME's
- Buildings & Financial professionals
- Decision makers – government policy, regulators and legislators

## WHAT WILL OUTCOMES LOOK LIKE?

Clustered under:

- Appetite
- Accessibility
- Affordability

1. **Research to develop solutions** for market failures
2. **Research to inform holistic decision & policy making** in achieving national targets in attitudes, behavioural economic, technical & financial areas
3. **Software tools** for individuals in commercial sector to aid decision making & monitoring
4. **Professional training & awareness** roll out, with guidance documents to build capacity and appetite



# STEERING COMMITTEE 'BRAIN BANK' – 20 x MEMBERS



An Roinn Comhshaoil,  
Aeráide agus Cumarsáide  
Department of the Environment,  
Climate and Communications



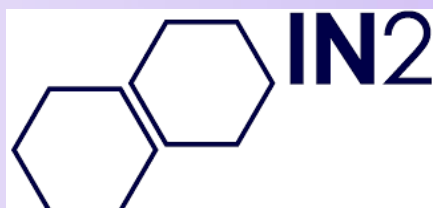
An Roinn Fiontar,  
Trádála agus Fostaíochta  
Department of Enterprise,  
Trade and Employment



An Roinn Tithíochta,  
Rialtais Áitiúil agus Oidhreachta  
Department of Housing,  
Local Government and Heritage



An Chomhairle Oidhreachta  
The Heritage Council



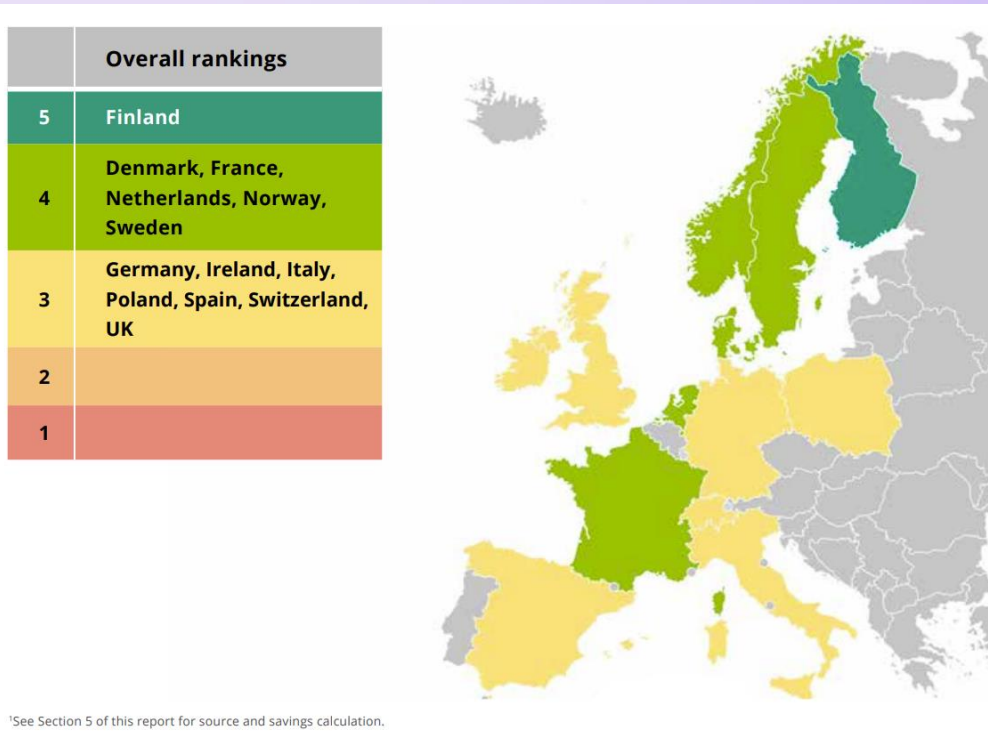
Bank of  
Ireland



CBRE  
Ireland



# Energy Transition Readiness Index – Ireland 2022



<sup>1</sup>See Section 5 of this report for source and savings calculation.

## The main barriers in Ireland include:

- **Reduced confidence** in the timely development and deployment of policies to implement the transition.
- **Weakened political and public consensus** for the energy transition owing to affordability/current energy crisis
- **Delays in the deployment of renewable generation** owing to the current energy crisis
- **Grid accessibility** constraints
- Slow electric vehicle and charging **infrastructure** rollout



# Current Cycle H1 – 2023 – Dates for the Diary

2022	2023		2024		2025	
1.	2.	3.	4.	5.	6.	7.
		1. <b>Monthly +++ June/ July/ x / Sept/ Oct/ Nov/ Dec – ENACT webinars 2<sup>nd</sup> Tues @ 1pm</b> 2. June '23 – <b>Stakeholder Engagement Workshops x 10</b> 3. July 2023 – <b>Advisory Report on Split Incentives</b> 4. July 2023 – <b>Exemplars of Renovation: Financial &amp; Technical Analysis</b>				
		5. July 2023 – <b>Financial Mechanisms for Commercial Renovation Report</b> 6. July 2023 – <b>SEAI Reporting &amp; Comms</b> 7. July 2023 – <b>Buildings Renovation Passport</b> pilot development 8. Sept 2023 – <b>Occupancy Training</b> – training & awareness study				
		9. Sept 2023 – <b>Steering Committee meeting</b> 10. Sept 2023- 2024 – <b>Journal Paper on Behavioural (UG)</b>				



# FINDINGS SO FAR...

## High-Level Overview - Targets

“...deep retrofits are 0.2% on average in the EU. If the EU is to achieve both its 2030 climate target and climate neutrality by 2050, this figure must drastically (by a factor of 15) increase to reach 3% by 2030 and be maintained up to 2050.” - BPIE

45% Non-domestic sectoral GHG ceiling versus 40% resi reduction

\*Ireland's Climate Action Plan 23

1/3 commercial B2+ by 2030 = 35,970  
\*National Long Term Renovation Strategy

Floor area in EU

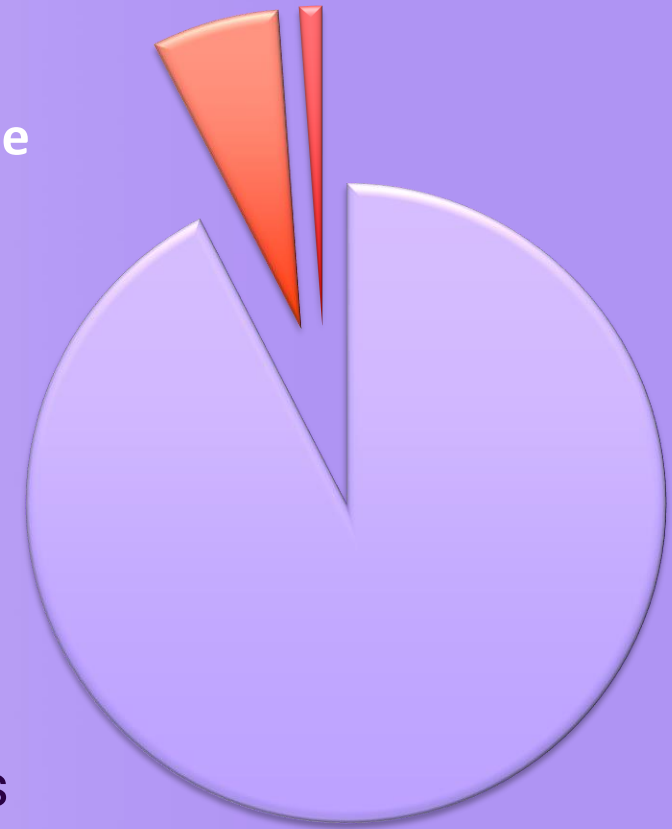


□ Residential    ■ Commercial

## High-Level Overview – Profile Data

- 109,000 Commercial Premises (2015 figure)
- Sectoral nuances
- 83% - lease or rent premises (ENACT profile survey)
- National awareness of commercial premises profiling challenged by poor BER data
- Lack of Buildings Stock Management approach
- 62% commercial premises NOT BER assessed (profile survey in 2022) versus 45% resi
- 4% annual retrofit + 0.1% deep retrofit - SEAI Stats
- Smart buildings not utilized to full extent
- Increasing brand association drivers for Retail/ Hospitality SME's
- Increasing model of professional property owner for SME's

SME Profile





# High-Level Overview of SME Target Audience – Where is the Gap?

Figure 4: Business climate action plan by firm size group (% of responses)

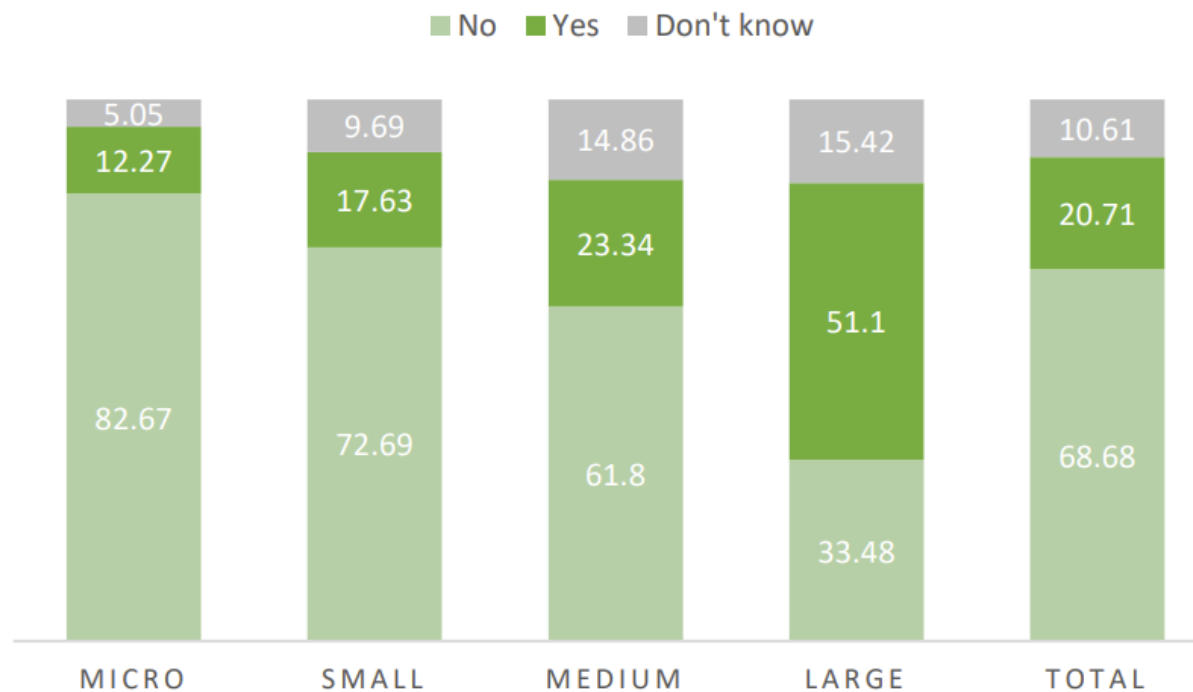
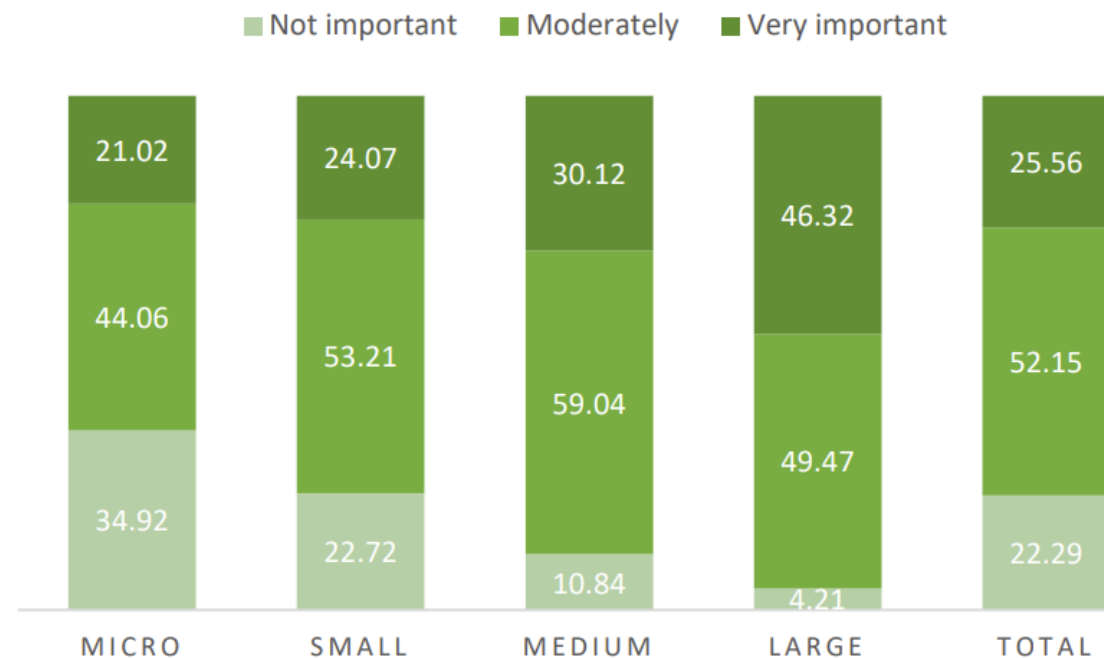


Figure 5: Importance of a climate action response (% of responses)



## High-Level Overview of SME Target Audience – Drivers

Influencing Factors:	
Energy cost savings	19%
Regulatory compliance	14%
Concern about climate change	14%
Contributing to your brand identity on sustainability	13%
Corporate decarbonisation strategy	13%
Future-proofing your property	9%
Wellbeing of occupants	8%
Pressure from customers to set a decarbonisation strategy	4%
Concern about stranded assets	2%
Pressure from finance provider to set a decarbonisation strategy	2%
None of the above	0%
Other (please specify)	0%

Figure 7 – Top factors influencing decisions favour of energy renovation



## High-Level Overview of SME Target Audience – Barriers to Renovation

### Owners' Barriers:

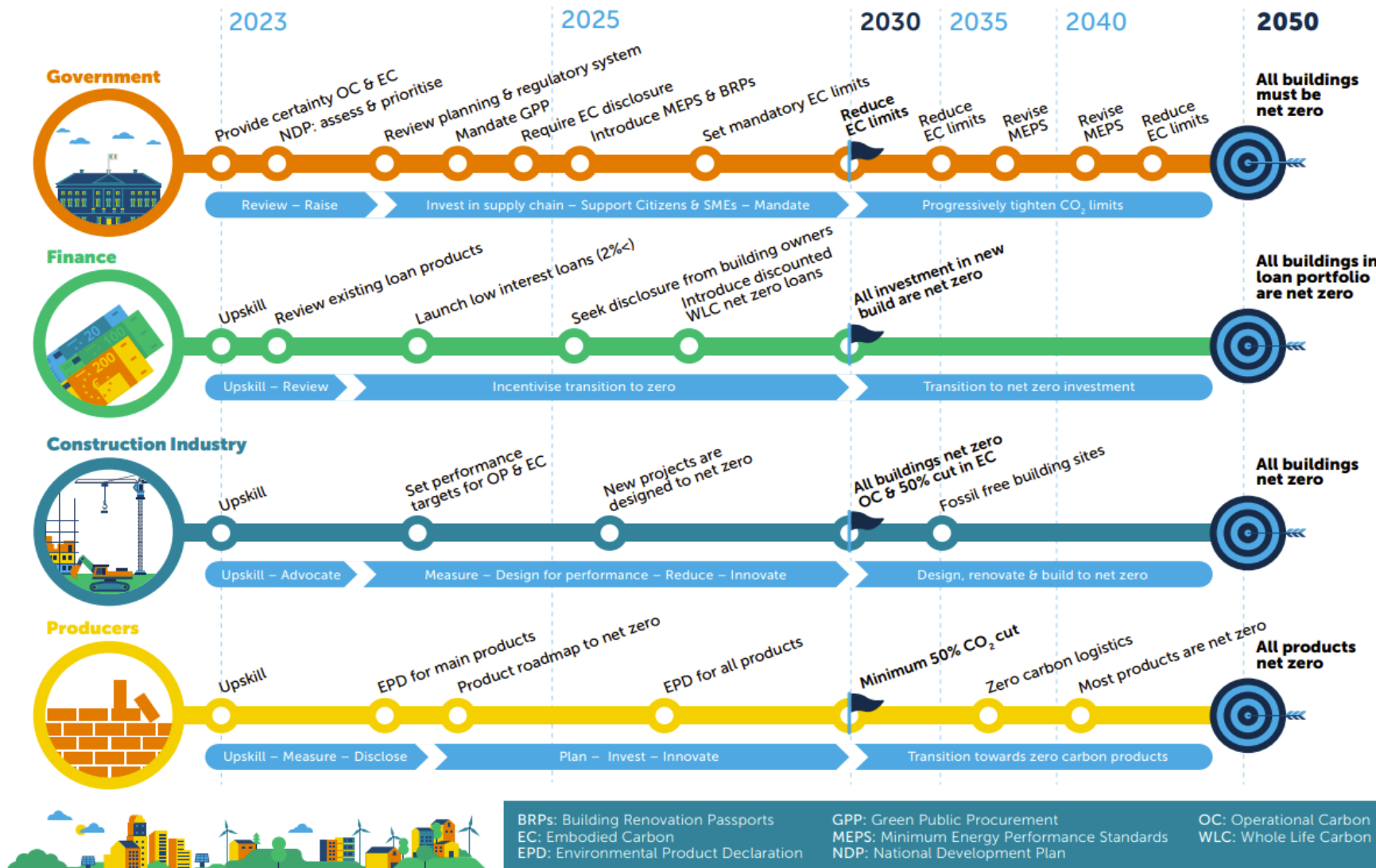
- No proper benchmarking of buildings
- Valuations not reflecting sustainability
- Fast pace of climate law change slows cap-ex
- Slow pace of planning if decision taken
- Inefficient regulations – Part B & Part L
- Tenant time poor to share data
- Tenant reluctance to stop operations
- EU Taxonomy doesn't properly incentivise 'brown to green' refurb
- Insufficient tax incentives
- Cost

### Tenants' Barriers:

- Lack of motivation
- Lack of awareness and ownership
- 'Increase in rent' potential
- Timing
- Payback period issue
- Allocation of costs
- Tenants' in older buildings/ protected structures have bigger barriers







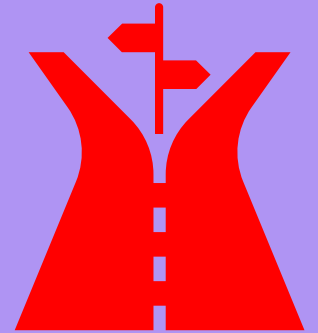
## Recommendations – Awareness & Knowledge:

- **SEAI Technical Advisor scheme** to be extended to all projects (especially for traditionally built buildings)
- **Renovation Clustering** - May need to consider ways to support **aggregation of projects in commercial buildings** (e.g., supermarket) to reduce costs (economy of scale, etc)



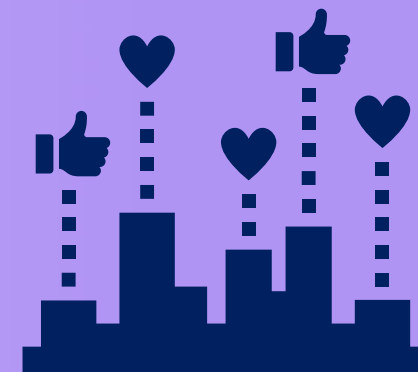
## Recommendations – Decision Stage:

- **Review existing retrofit grants and tax incentives to ensure they are fully aligned with overall carbon reduction goals**, including regeneration objectives. This would involve taking into account operational emissions, embodied carbon and location-based indicators that impact transport emissions.
- **ESG Compliance** - Encourage all larger building portfolios to disclose the **operational energy and carbon performance** of all held properties (at asset level) across their portfolios (funds) in annual reporting



## Recommendations – Renovation Stage:

- Need to better support quality **phased retrofit** through the introduction of **Building Renovation Passport & National Renovation Roadmap**
- **Skills & Capacity** - upskill at scale & incentivize e.g. through a Green Pass similar to Safe Pass or Green Public Procurement to attract new people to the industry

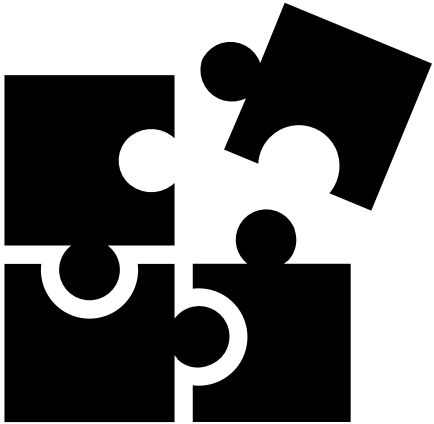




## Recommendations – Post - Renovation:

- **Occupant Upskilling** - Liaise with building users from the very beginning of any renovation works and **ensure the handover process forms an integral part of all retrofits**, with users receiving clear and reliable information about the building, particularly for new, less familiar technologies
- **Review the Long-Term Renovation Roadmap**
- **Review the BER capture of commercial renovation – data needs**
- **Digitisation of the built environment**
- **2025 Onwards:** As part of non-residential retrofit project funding, lenders should require and verify that all property owners evaluate and minimise embodied carbon in retrofit and renovation works through WLC assessment





### IMPACT & IMPLEMENTATION: Overview of Insights

- Optimising **Energy Efficiency** is core to ZEB 2050 Targets
- Energy crisis has been a **‘eureka’ moment** for national sustainability awareness
- **Innovations for old issues** – Smart Buildings addressing historic structures
- Created a **common language of understanding** between owners/ occupiers
- **Communications** of targets, eco-labelling, rating and certifications is key
- **Centralisation of info** to navigate renovation landscape
- Irish residential energy issues have **delayed commercial sector supports**
- **EPBD Recast roll-out** – bodies awaiting delivery of criteria for BRP, MEPS etc
- Commercial portfolios now have **compliance**, not just energy savings as a driver to change
- **Banking sector** moving away from EPC ratings as an award criteria, towards decarbonisation criteria
- Creating the **enabling infrastructure from micro to macro** is biggest issues



CALL TO ACTION....



It's time to take the next step in your #CommercialRenovation journey....  
PLEASE REGISTER & CIRCULATE  
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