Die Wohnungswirtschaft
Deutschland

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Impact of European energy policy on the housing sector

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GdW & Housing Europe

Supply structure in building stock Germany

Housing stock in Germany
40.545 thousand dwellings

add. 15 thousand housing units in residential homes

Professional-commercial suppliers – 20 %
8.273 thousand dwellings

- Cooperatives – 2.145 thousand dwellings
- Municipal housing companies – 2.347 thousand dwellings
- Public housing companies – 305 thousand dwellings
- Private professional-commercial owners* – 3.152 thousand dwellings
- Church and others – 324 thousand dwellings

Private small suppliers – 37 %
14.980 thousand dwellings

- One- and two-family houses – 4.451 thousand dwellings
- Apartments – 10.529 thousand. dwellings

Owner-occupied – 43 %
17.292 thousand dwellings

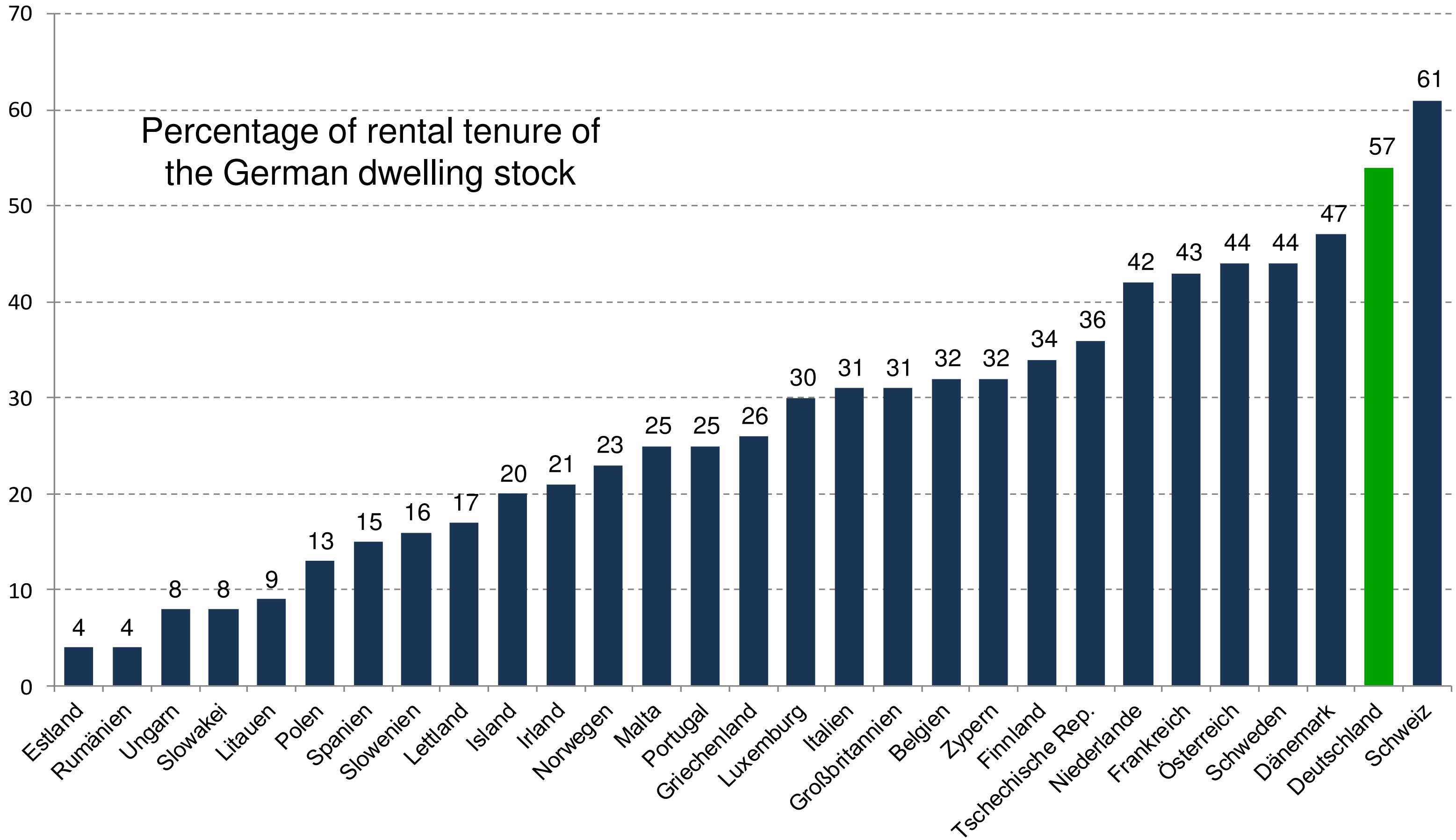
- One- and two-family houses – 13.757 thousand dwellings
- Apartments – 3.535 thousand. dwellings

*private sector housing companies, credit institutions, insurance companies, real estate funds, other companies and non-profit organizations

Quelle: Zensus 2011 Sonderauswertung - Wohnungen in Gebäuden mit Wohnraum inkl. Wohnheime und sonst. Gebäude mit Wohnraum; Datenbasis Zensusenddatenstand von Mai 2014, ohne Diplomatenwohnungen

Percentage of rental tenure in Europe 2009

EU/EFTA rental dwellings in % of entire residential property



Sources: Eurostat and Ministry of the Interior and Kingdom Relations (2010): Housing Statistics in the European Union 2010, The Hague ; Daten zur Mieterquote aus 2008 bis auf Östereich, Belgien, Dänemark, Niederlanden = 2009; Frankreich = 2006; Malta = 2005, Polen = 2007, Griechenland = 2004, Tschechische Republik, Zypern, Litauen, Italien = 2000 ; Anmerkung: "genossenschaftlicher Sektor " von Dänemark, Polen und Schweden wurde dem Eigentumssektor zugeschlagen;

Legal framework of the rental market
Why does it play such an important role?

The German rental market offers an attractive and diverse supply with high quality standards and plays a key role in the provision of housing.

The legal framework

- protects the **tenant,** e.g.:
  - Protection against eviction
  - Limited rent increase according to comparative rent principle.
  - Landlords are obliged to carry out maintenance work to keep the dwelling in proper state.

- allows the landlord to **rent profitably**, e.g.:
  - The landlord is, in general, free to choose the future tenant.
  - It is possible to pass on costs of refurbishment.
  - The tenant’s obligation is to pay the rent regularly and to take care of the dwelling.
  - The landlord may cancel the contract in case of serious violations of the tenant’s duties.

Housing Europe: Short profile

The European association of public, cooperative and social housing

A network of:

- *46 national and regional federations*
- which comprise about 43.000 *housing providers*
- in *24 countries* (20 EU member states).

110 million people live in Housing Europe members' residential properties.

This accounts for more than *26 million households, which is about 11% of all existing dwellings in the* EU.

OUR MEMBERS

ASSOCIATE MEMBERS

ARMENIA
ASBA
www.asba.am

NORWAY
NBBL
www.nbbl.no

SWITZERLAND
SVW
www.svw.ch

Stock owned as rental or cooperatives by CECODHAS members as % of the total housing stock in each country.

NHF
www.housing.org.uk

SFHA
www.sfha.co.uk

NIHE
www.nihe.gov.uk

NIFHA
www.nifha.org

BSHF
www.bshf.org

CHCYMRU
www.chcymru.org.uk

ICSH
www.icsh.ie

NABCO Sector(s) represented: Co-operative
www.nabco.ie

FLCM
www.fondsdulogement.lu

SNHBM
www.snhbm.lu

USH
www.union-habitat.org

ESH
www.esh-fr.org

Les Offices de l'Habitat
www.offices-habitat.org

FNARHLM
www.offices-habitat.org/fnar

PROCIVIS
www.procivis.fr

FNCOOPHLM
www.union-habitat.org/coop

CECODHASPORTUGAL
www.cecodhasp.org

FESOCOLAB

FLW
www.flw.be

SLRB
www.slrb.irisnet.be

SWL
www.swl.be

VMSW
www.vmsw.be

BL
www.bl.dk

AEDES
www.aedesnet.nl

GdW
www.gdw.de

AVS
www.promotorespublicos.org

CONCOVI
www.concovi.es

Federcasa
www.federcasa.it

FEDERABITAZIONE
www.federabitazione.confcooperative.it

Legacoop Abitanti
www.legacoopabitanti.coop

AGCI-ABITAZIONE
www.agci.it

EKB
www.ekb.gov.al

Kunta-Asunnot Oy
www.kunta-asunnot.fi

SABO
www.sabo.se

HSB
www.hsb.se

RIKSBYGGEN
www.riksbyggen.se

EKÜL
www.ekyl.ee

ZRSM RP
www.zrsmrp.com.pl

TBS
www.izbatbs.pl

SCMBD
www.scmbd.cz

GBV
www.gbv.at

LOSZ
www.losz.hu

TÜRKKENT
www.turkkent.coop

Legislation and topics affecting the housing sector
A selection

Technology, standardization, environmental, energy and climate policy

- Energy market liberalisation
- Climate goals
- Energy Union
- Standardisation
- Digital agenda and multimedia
- Smart metering
- Asbestos
- Circular economy
- Indicators for green buildings
- Water
- Environmental impact assessment

Legal and social issues

- Internal market and competition
- European Company law
- European cooperatives
- Contract rules
- Working Time Directive
- Freedom to provide services
- Data protection
- Combat discrimination
- Professional Qualifications Directive

Economy, taxes, financing

- Services of public interest and SGEI
- State aid and social housing
- Macroeconomic monitoring
- Public procurement
- Banking Union and Basel III
- Mortgage loan
- Solvency II
- Capital markets union
- Accounting and auditing
- CSR and non-financial information
- Money laundering
- Corporate tax base
- VAT
- Single Euro Payment Area (SEPA)
- EFSI

Regional policy and urban development

- ESIF
- Urban Agenda
- Pact of Amsterdam
- Broadband infrastructure
- Demography

European Energy Policy

Overview of legislative process for EPBD / EED / RED (Status: 21.06.2018)

„Winter Package“ Clean Energy
Commission proposal from 30th November 2016 – including numerous regulations and directives

Essential for the housing sector:
- Energy Performance of Buildings Directive (EPBD)
- Energy Efficiency Directive (EED)
- Renewable Energy Directive (RED)

Directive	EED	RED	EPBD
Status	Trilogue Agreement (Council/ Parliament/ Commission) on 20.06.18 Ratification in Parliament and Council is pending	Trilogue Agreement (Council/ Parliament/ Commission) on 14.06.2018 Ratification in Parliament and Council is pending	Completed and published in the Official Journal on 19.06.2018
Taking effect	20 days after publication in the Official Journal	20 days after publication in the Official Journal	20 days after publication in the Official Journal
Transposition into national law	18 months after its entry into force	18 months after its entry into force	10.03.2020

EPBD (Energy Performance of Buildings Directive)
Overview

Cost efficiency

- Considerations: „Member States should seek a cost-efficient equilibrium between decarbonising energy supplies and reducing final energy consumption."
- The set target „optimal performance of the building envelope" is a crucial demand of GdW for a cost-benefit analysis

Primary energy factor remains benchmark for energy performance

- The option has explicitly been included, to take into account supplied renewable energy sources and energy sources generated on-site – despite the efforts of the insulation industry;
- Member States are explicitly allowed to additionally use the indicators for final energy and carbon emissions.

EPBD (Energy Performance of Buildings Directive)
Overview

Electromobility in residential buildings
- Initial proposal of the Commission: pre-cabling of all parking places of residential buildings for new constructions or modernisations without differentiation;
- The installation of ducting infrastructure is now mandatory:
  - For residential buildings with more than 10 parking spaces in buildings or directly adjacent;
  - For major renovations, if it includes the parking or electrical infrastructure;
- It is applicable for building applications, which are made one year after the end of the implementation period, that is approximately from 2020 onwards.

Smart readiness indicator
- Development of a common indicator – the application is voluntarily;
- The originally envisaged compulsory energy performance data base has been deleted;
- Requirements in case of an existing data base. German data base with registered numbers of energy performance certificates (for sampling/compliance checking).

Usage of ICT and renewable energy
- Adaption and reduction of energy consumption coming from energy management systems and automation technology;
- Automation systems are replaceable by alternatives (for example consultation);
- Member States receive the competence to carry out inspections of the heating and air-conditioning systems.

EED (Energy Efficiency Directive)

Status of directive

Increase of energy efficiency

- Parliament called for an energy efficiency target of 35% until 2030 (originally they demanded 40%);
- Council demanded only 30% (originally 27%);
- Result: 32.5%

3% renovation rate

- The proposition to extend the renovation rate (3% each year) for central government buildings to all publicly owned buildings was rejected by the Parliament.

EED (Energy Efficiency Directive)

3% rate: Consequences for the housing industry

*"Each Member State shall ensure that from 1 January 2021 **3%** of the total floor area of buildings owned and occupied by public authorities **is renovated each year** to meet at least the minimum energy performance requirements.*

*'Public authority building' means buildings owned and occupied by any public authority, at national, regional or local level, **including social housing**."*

The implementation…	**Number of individual housing units**	**Additional investment ***
…for the housing stock of all municipal housing companies	2.3 million	1.38 billion EUR p.a.
…for the entire stock of subsidised housing in Germany („social housing")	1.4 million (of which 0.84 million for housing companies and 0.56 million for the rest)	0.84 billion EUR p.a.
…for the housing stock of all municipal housing companies including all subsidised housing units	2.86 million	1.72 billion EUR p.a.

For comparison: The investments of all municipal and public housing companies for renovation in Germany in 2016 amounted to 1.27 billion EUR.

* Calculation: Additional 2 % renovation rate (additive to 1% status quo), 30,000 EUR per housing unit

RED (Renewable Energy Directive)
Status

Share of renewable energy in the overall energy mix
- Commission and Council stipulate a share of renewable energy of 27% until 2030;
- Parliament asks for 35% renewable energy;
- Member States should set national goals and report to the EU – only in a second step the intervention of the Commission is foreseen to set higher goals;
- Annual growth of 2% renewable energy for district heating and cooling.

Outcome: 32% of renewable energy in the overall energy mix until 2030

- **Art. 15 Abs. 5: Technical feasibility**

Member States shall, in their building regulations and codes or by other means with equivalent effect, **require the use of minimum levels of energy from renewable sources in new buildings and in existing buildings that are subject to major renovation <u>in so far as this is technically, functionally and economically feasible</u>**, and reflecting the results of the cost-optimal calculation carried out pursuant to Article 5(2) of Directive …

- **Art. 21 Abs. 3: Personal use without charges, fees or taxes**

If subject to the instructions of the renewable self-consumer, the renewable self-consumer's installation may be owned by a third party or it may be managed by a third party for installation, operation, including metering, and maintenance. The **third party shall not be considered a renewable self-consumer** itself.

However…

Important trends for German housing providers
Future developments

Energy and Climate

- Energy efficiency and decarbonisation measures in general
- Support for renewable energy sources in buildings
- Water management, use and reuse

Demographic change

- Barrier-free buildings for the elderly
- Housing with additional services
- Decreasing population with a growing number of single-person households

Regional imbalances & migration

- Internal migration within Germany: people leave rural areas to move to urban areas (job opportunities, higher quality of life…) which increase the demand for housing.
- External migration in 2015: +1.14 Mio. people
- Supply of new construction < demand for housing = prices go up

Digitalisation

- New technologies and more features (e.g. e-mobility, smart home/devices etc.)
- Different types of housing