Building Policy Innovation Exchange

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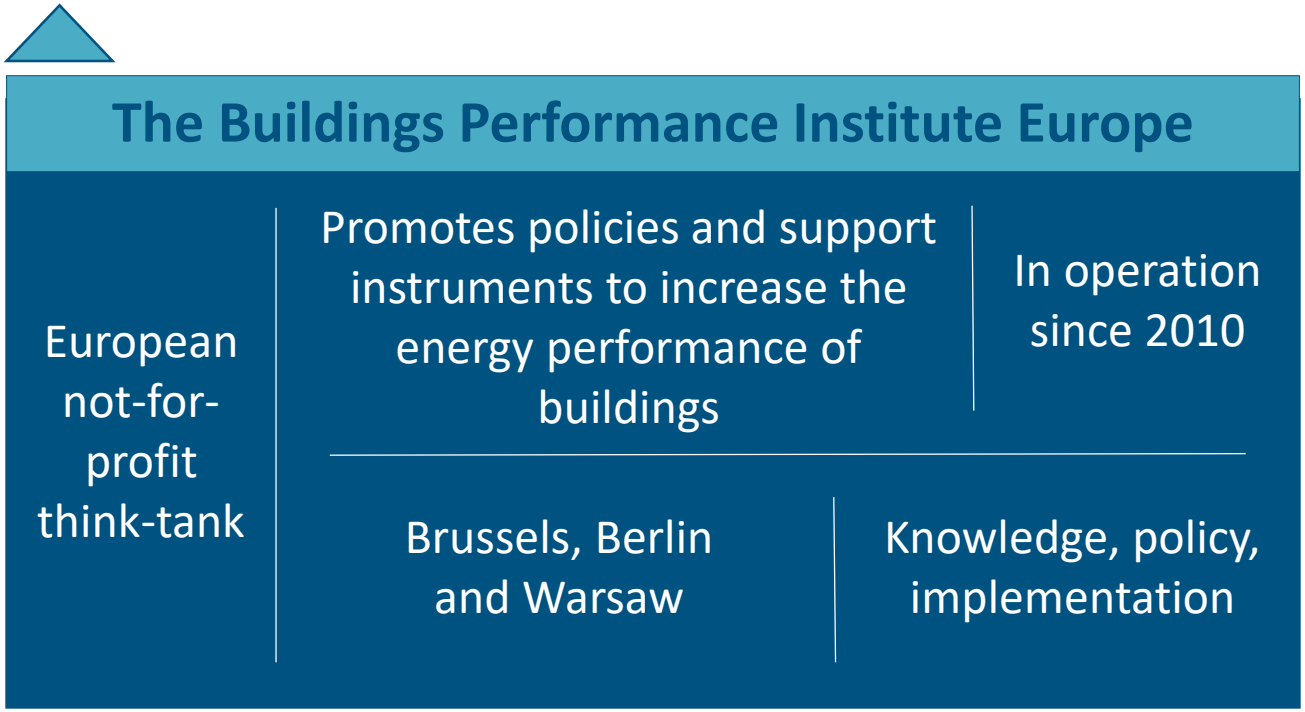

The Buildings Performance Institute Europe
European not-for-profit think-tank
Promotes policies and support instruments to increase the energy performance of buildings
In operation since 2010
Brussels, Berlin and Warsaw
Knowledge, policy, implementation

Background

- The building sector causes the **highest share** of CO_2 emissions in Europe
- The **cost-effective potential** of deep renovation is proven, but the market remains subdued
- **Broad dissemination** and **replication** of innovative policies is low

Challenges in the renovation market

- **Not enough innovative policies** for deep renovation in place or being developed
- Limited assistance and **know-how** regarding energy efficiency in buildings
- **Limited** exchange of experiences and expertise across borders
- **Insufficient understanding** of what constitutes a good renovation policy
- **Shortage of information** on how to design, implement, finance and evaluate innovative policies

Objectives

Target group: cities and local authorities

1

Define innovative policy making for deep renovation

2

Explore ways to "**harvest**" successful policy innovations for deep renovation

3

Design and develop a **structured approach** to replicate them and scale up their implementation

A 3-step approach

Define policy innovation for building renovation

Create a group of knowledge curators to support the innovation process

Assess the feasibility and outline the main actions needed to scale up innovation

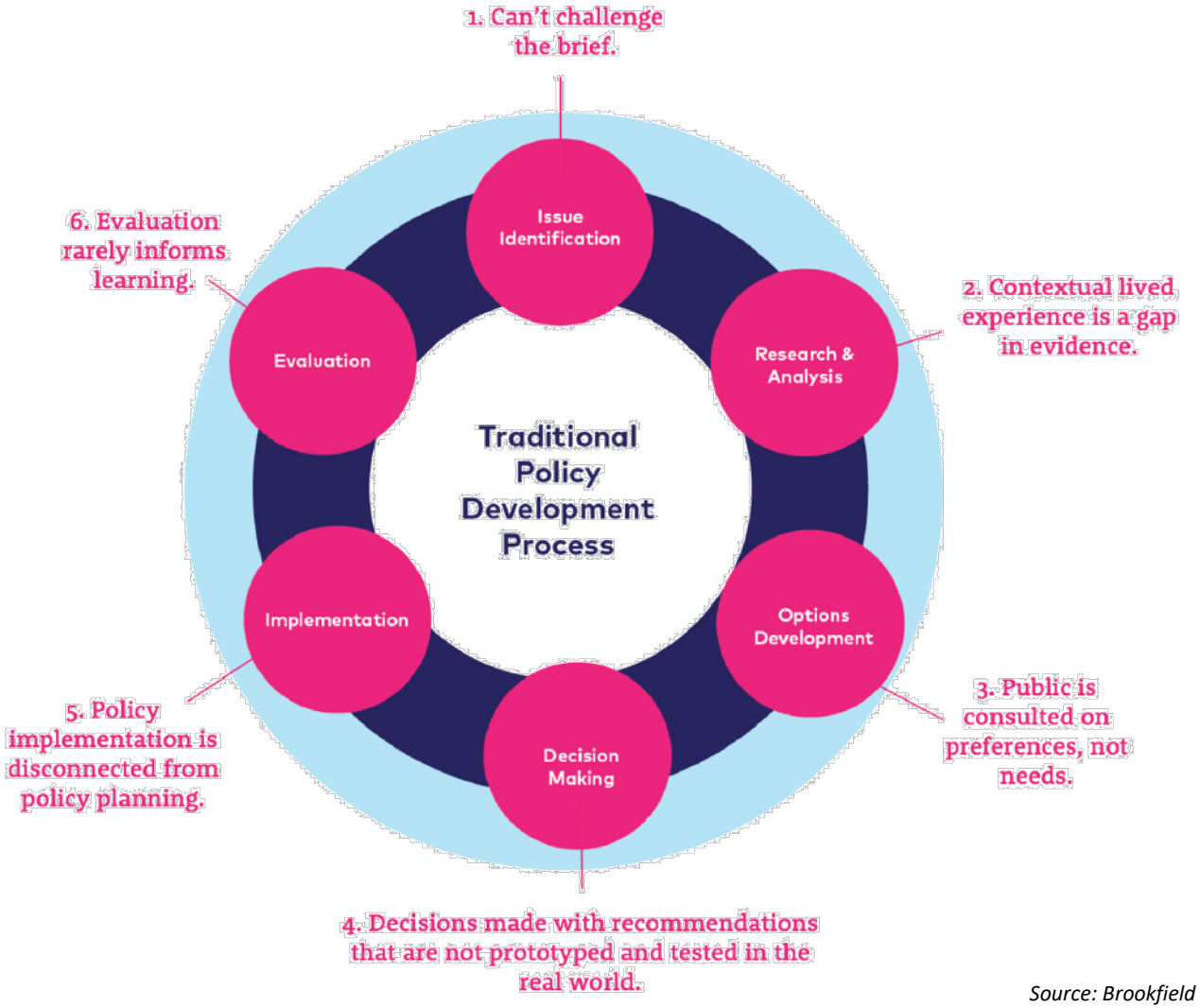
What is policy innovation for renovation?

DEFINITION

Policy innovation for building renovation is a new policy, regulation, support scheme, programme or service that intends to increase the renovation rate (number of renovations undertaken) and/or renovation depth (magnitude of the energy saved).

The policy can be either small and incremental or large and radical, but it should involve the realisation of ideas, processes and practices that break with the past.

Traditional policy process – Little room for innovation



Source: Brookfield Institute, 2018

The main drivers of policy innovation

1. **Political leadership** to nurture and promote (push forward) an idea
2. **Competition** among policy-makers encourages the exploration for new ideas. Competition among cities is often a driver for action
3. **Collaboration** to exchange views and learn, as well as to gather support (early involvement of stakeholders favours support and perceived "ownership" of the policy outcome)

The design of innovative policies

New policies are rare: Innovation occurs through

(1) Incremental improvements or

(2) Replication of an existing policy from another region

https://www.differencebtw.com/difference-between-art-and-design/

Innovative features

- New ways of engaging the public (e.g. user-centred approach)
- Developing & testing new ideas at early stage (e.g. iterative prototyping)
- Considering new funding methods (e.g. crowdsourcing social finance)
- New methods for evaluating the efficiency of existing policy (e.g. behavioural science)
- Innovation in governance (e.g. structure of internal processes)
- New communication tactics

The implementation of innovative policies

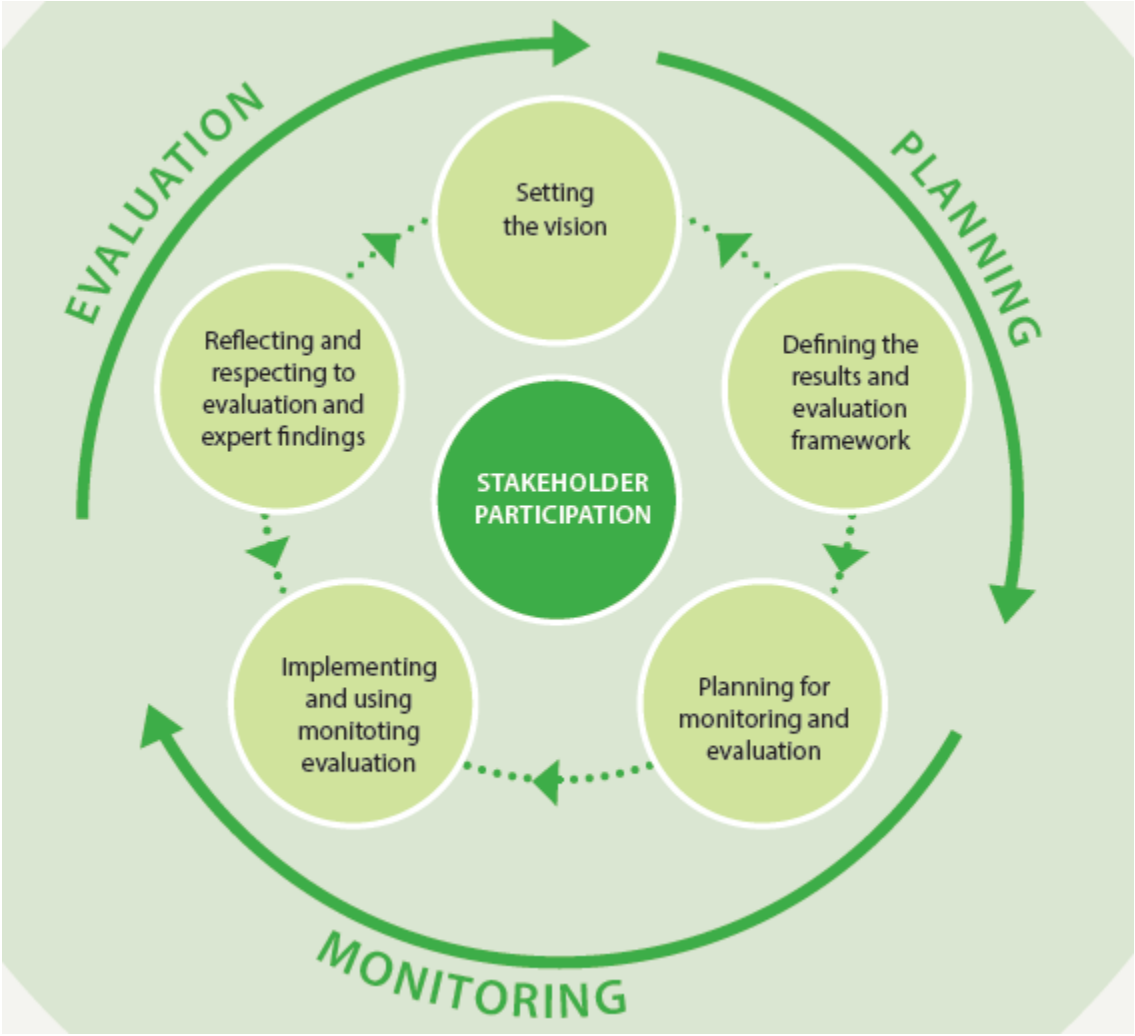
Goals & objectives transformed into action

https://multichannelmerchant.com/blog/will-project-manage-system-implementation/

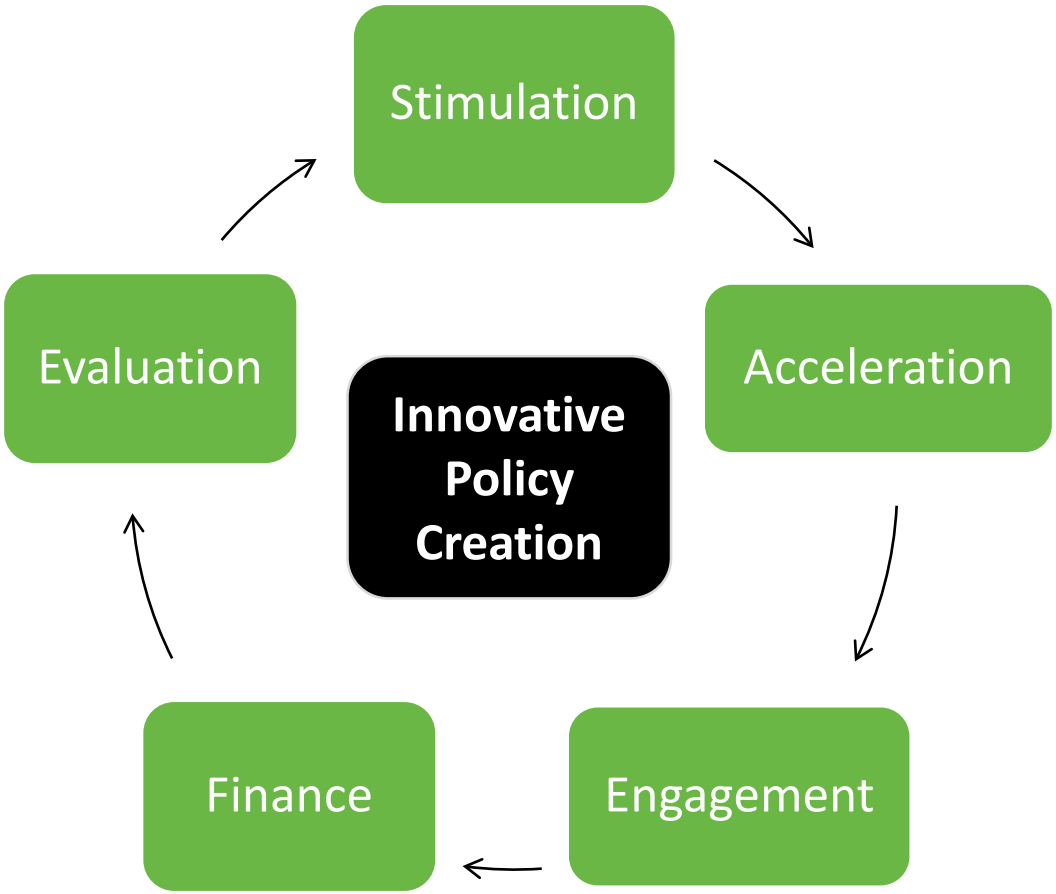
- **Involvement of stakeholders** as co-producer and engaging actors in the process, will enhance implementation success
- **Test** the new policy on a small scale **before a wider roll-out**
- **Lack of acceptance** and recognition of the policy can be a significant **barrier** to implementation: **Early involvement of citizens** in the design and testing of a policy will increase acceptability and the chances of successful implementation
- The implementation process ought to include enough **flexibility** to be able to **adjust** to relevant **feedback**, connecting both the design process and the people affected by the policy

The evaluation of innovative policies

- What does the policy add to the existing policy mix?
- Who are the winners and losers from the policy?
- How well does it contribute to the solution of the long-term problem?



Ingredients of success for innovative policies



Ingredients of success for innovative policies

Stimulation

- City commitment and clear targets
- Political leadership and dedication
- Replication of an existing idea
- Need to address a specific problem
- Financial opportunities

Ingredients of success for innovative policies

Acceleration

- Accessible funding
- Political and stakeholder support
- Strong community support
- Network of social entrepreneurs
- **Opportunity to collaborate** with other actors to achieve change

Ingredients of success for innovative policies

Engagement

- **Establish new relations** within the cities to exchange experience and build alliances
- **Early engage** those who will benefit from the new policy to get their input, ensure a proper design and gain social acceptance
- **Promote exchange and feedback** within the city and with other cities

Ingredients of success for innovative policies

Finance

- **Access to new sources** of funds
- **Creation of new actors/entity**
- **Blending of funds** to optimise the renovation offer in terms of grants and advantageous loans, or to make EPC financing viable
- **Simplification of financial procedures**

Ingredients of success for innovative policies

Evaluation

- **Structured and regular evaluation** is necessary from a learning perspective
- **Set initial goals and regularly monitor** and assess results
- **Open feedback from users/stakeholders**

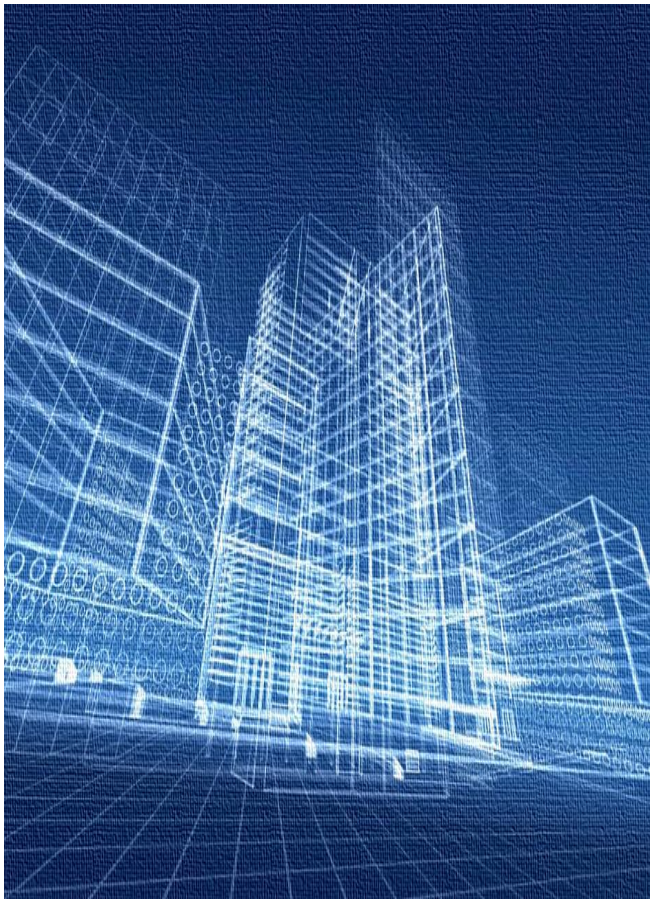
BPIX further development

Identified needs

- Increase awareness and exchange about policies in other regions
- Increase local capacity to conduct research and learn from others
- Systematic monitoring & evaluation of policies is rare
- Fragmented governance, including different goals & budgets

Ways to overcome the needs

- Create a virtual collaboration and resource space (web-based solution) that could include:
  - A clear concept description of the policies
  - Technical data
  - Financial information
  - Inspirational cases/storylines
  - Guidelines on how to implement a new policy
  - Information on potential EU funds
  - Contact details of entity responsible for the policy
- Couple web-platform with other initiatives:
  - Face-to-face community exchange: a real space for local communities where policy makers can share experience, find guidance and information, etc.
  - Face-to-face experience facilitating exchange across regions and countries
  - Promotion by reliable ambassadors



Thank you…

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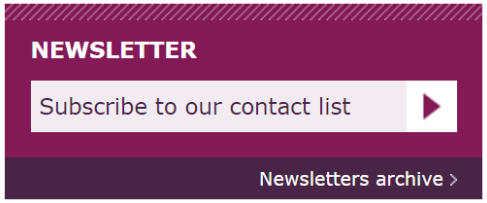

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- GRELiege
- KFast
- Landeshauptstadt Innsbruck
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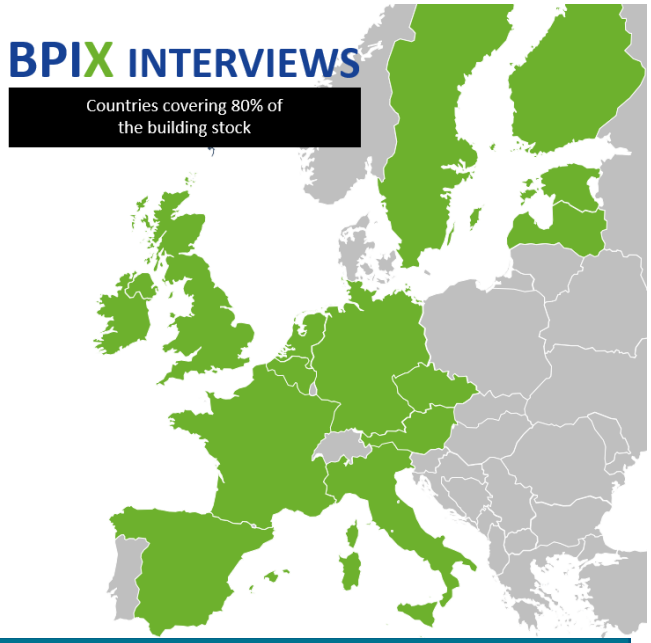
- Tipperary Energy
- VEA

Create a group of knowledge curators

- Over 50 initiatives across the EU
- 34 innovative projects were selected for further scrutiny – 25 of which were covered by 27 interviews
- The cases were mapped based on 5 innovative traits:



Innovative domains

1. **Finance**: Innovative financial model - either how to finance the organisation or an innovative solution for end-users
2. **Governance**: Innovative governance to reach a better service: either internal (e.g. cooperation between ministries) or external (e.g. collaboration between cities). It also includes how to offer integrated services (such in a one-stop-shop)
3. **Engagement**: Innovative ways of involving stakeholders throughout the process
4. **Evaluation**: Innovative ways of systematically retrieve information and use it to evaluate the effectiveness of the model and improve it
5. **Communication**: Innovative methods of how to gather support and reach the end-users

Knowledge curators workshop

- Stakeholders represented a wide range of organisations (i.e. manufacturers, NGOs, trade associations, city associations, universities, etc.)
- Used open innovation techniques
- The discussion confirmed the findings from the literature study and the interviews

Mapping of innovative policies and programmes

- 34 innovative policies and programmes across the EU
- Most frequent innovation features: finance, governance and communication

Project	Country	Finance	Governance	Engagement	Evaluation	Communication
7Vents	FR		☆	☆		
ACE-Retrofitting	EU		☆			
BEBO	SE		☆			
BEREEL!	BE			☆		
BetterHome	DK			☆		☆
DOReMI	FR	☆	☆			
Energies POSIT'IF	FR	☆	☆			
Energiesprong	NL	☆	☆			☆
ENERGISE Project	IRE					☆
EPC+	BE					☆
EUGUGLE	EU		☆			
EuroPACE	EU	☆				
Green Lagerberg	SE		☆			
Hallbar Malmo	SE		☆	☆		
Home Energy Efficiency Programmes of Scotland (HEEPS)	SCT					☆
Individueller Sanierungsfahrplan	DE			☆	☆	☆
INNOVATE Project	EU	☆				☆
KfW	DE	☆				
Kommuninvest	SE	☆				
KredEX	EE	☆				
Let's live warmer!	LV					☆
Mobistyle	EU					☆
Nová zelená úsporám	CZ	☆				
Nouvelle Aquitaine	FR	☆				
Oktave	FR	☆				
Passeport Efficacité Energétique	FR	☆		☆	☆	
Picardie Pass Renovation	FR	☆	☆			
Project Zero	DK		☆			☆
RenoWatt	BE		☆			
Riga revolving fund	LV	☆				
SPL OSER	FR	☆	☆			
SUPERHOMES	IRE	☆				
Woningpas	BE				☆	☆
Zero Energy Building Catalyst	ENG					☆