



# Preparatory Report Capacity Building Program

## Focus Country Austria

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## Preface

The underlying report forms the basis for the organisation of a national workshop in Austria which aims on capacity building in respect to financing energy efficiency retrofitting of public buildings. It is meant to provide guidance for all interested parties that are affected by the topic. The report also serves as the first step in regards to the long-term strategy for Austria that is to be formulated by the CITYinvest project.

The national workshop will address all parties involved in the value chain in respect to the energy efficiency market in Austria. Main audience will be Local Authorities, ESCO´s as well as financial institutions. The goal is to discuss on innovative financing instruments that could enable Austria to achieve its targets in respect to energy efficiency.

Additionally further debates amongst stakeholders after the CITYinvest national workshop are to be encouraged. Therefore this report provides an opportunity to remain active and in contact with peers and experts. For further information how to get involved please visit [www.CITYinvest.eu](http://www.CITYinvest.eu) or contact [info@cityinvest.eu](mailto:info@cityinvest.eu).

# Summary of strategy in Austria

## Legislative framework

Common for all European member states are the long-term climate and energy frameworks. Concerning the building sector, at least 88%-91% of CO<sub>2</sub> emissions should be reduced in residential and service (collectively buildings) sectors to achieve the *2050 Roadmap moving to a low-carbon competitive economy*. Furthermore, the building sector positions itself in the top 3 of sectors with the biggest potential (environmental impact of 70-80%) to contribute to reaching the *Roadmap for a Resource Efficient Europe*. Europe is developing slowly but steadily a policy framework to encourage Members States legislative processes: notably the EPBD and EED. The EPBD (European Energy Performance of Buildings Directive) includes e.g. the energy performance certificates and nearly zero energy standards for new buildings. The EED (Energy Efficiency directive) requires e.g. member states to renovate at least 3% of their public building stock each year and develop [National Energy Efficiency Action Plans](#) (NEEAPs, art.4).

### National context

- Austria is a federal republic and consists of 9 federal states which include 99 political districts; capital city is Vienna; Head of state is the president; Political system is a parliamentary democracy
- Increase in energy costs is incentive to decrease energy demand
- Development of Gross Domestic Product has become independent from development of energy demand

Austria's third NEEAP<sup>1</sup> was completed in April 2014. It shows that even though domestic final energy consumption increased compared to 2005 it stabilized since 2011 and currently keeps on a level of about 1.100 PJ per year. Since Gross Domestic Product (GDP) constantly increased during the last years it demonstrates that the domestic final energy consumption can be detached from GDP growth. Energy intensity shows an overall decrease since 2004. The level of intensity in 2012 was 6% below the level of 1995.

According to the yearly report in 2013, the 2020 target for final energy consumption was set at 1.100 PJ which represented an energy saving of 200 PJ compared to Business as usual scenario. The 2020 target for primary energy consumption was set at 1.320 PJ. These targets are still relevant for the current NEEAP and an ambitious target since population growth is now estimated at a higher number than in previous prognosis.

The target of energy savings of 80,4 PJ in the year 2016 is still valid, based on an estimated primary energy consumption of 1.314 PJ and a final energy consumption of 1.098 PJ in that year.

<sup>1</sup> NEEAP 2014 – Erster Nationaler Energieeffizienzaktionsplan der Republik Österreich 2014 gemäß Energieeffizienzrichtlinie 2012/27/EU; Bundesministerium für Wissenschaft, Forschung und Wirtschaft; April 2014; <https://ec.europa.eu/energy/en/topics/energy-efficiency/energy-efficiency-directive/national-energy-efficiency-action-plans>

According to estimations as a result of analysing the information in the national energy consumption database that has been set up, the energy savings target for 2016 might even be over fulfilled. Driving force for the savings are energy efficiency measures in buildings of which largest contribution comes from improvements related to the building envelope.

Energy Audits have to be performed by all companies that are not SME, SME companies have the right to request for energy counselling. Analysis has shown that voluntary energy audits by SME companies are mostly done when the cost for the audit is covered by public funding. The Austrian Energy Agency is in charge of monitoring the results of energy efficiency measures in the country. Access to information and the monitoring database is available via <http://www.monitoringstelle.at/>.

Referring to Article 7 (9) of the EED, Austria chose the option of implementing strategic measures as well as binding commitments by sectors. As this might potentially lead to double counting of achieved savings it is strongly monitored that energy savings are not accounted for twice in calculations presenting the overall national achievements of the country.

Energy bills have to be transparent and state clearly the energy consumption for which the consumer is charged for. Information on data gathered related to energy consumption has to be provided free of charge. First projects related to the installation of smart meters have been implemented; testing phase is still on-going. Until 2019 95% of all households are supposed to be using this type of equipment.

According to the Federal law on energy efficiency (EEffG<sup>2</sup>), final energy consumption in Austria is supposed to be decreased by 1,5% per year from 2015 to 2020. One component to reach this target is that energy providers are obliged to undertake a certain amount of implementations of energy efficiency measures, depending on the amount of energy they provide on the market to end-user. The measures have to be implemented either at their own company or at their clients or at other energy users whereby at least 40% of the implemented measures have to be done at the level of private households. The implementation can be done by the energy provider itself or by subcontractors. If the energy provider cannot or doesn't want to fulfil the target that is set for it, it has to make compensation payments to the state. According to Annex 5 of the EEffG, Energy Performance Contracting contracts in Austria have to be done according to DIN 8930-5.

National regulations in regard to energy efficiency include the following (selection):

Bundes-Energieeffizienzgesetz (EEffG)	BGBl. I Nr. 72/2014 Federal law regarding energy efficiency in order to reach energy savings target of 20% by 2020. Published on 11 <sup>th</sup> of August 2014.
Klimaschutzgesetz (KSG)	BGBl. I Nr. 106/2011 BGBl. I Nr. 94/2013 BGBl. I Nr. 128/2015 Federal law regarding climate protection. Published on 21 <sup>st</sup> November 2011 with

<sup>2</sup>Bundes-Energieeffizienzgesetz; BGBl. 72/2014; 11.8.2014;  
[https://www.ris.bka.gv.at/Dokument.wxe?Abfrage=BgblAuth&Dokumentnummer=BGBLA\\_2014\\_I\\_72](https://www.ris.bka.gv.at/Dokument.wxe?Abfrage=BgblAuth&Dokumentnummer=BGBLA_2014_I_72)

	amendment on 17 <sup>th</sup> of June 2013 and 6 <sup>th</sup> of November 2015.
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## Financial framework

Financial support schemes available in the Austrian context relevant for Local Authorities:

E-GEM – Kommunale Energiekonzepte in Ober Österreich	Programme for transition to energy efficient municipalities. Funding available for concepts from applicants from the federal state of Upper Austria. (regional programme funding via the energy savings association OÖEnergiesparverband) <a href="http://www.esv.or.at/gemeinden/energiespargemeinde/">http://www.esv.or.at/gemeinden/energiespargemeinde/</a>
e <sup>5</sup> -Programme	Programme for energy efficient and climate friendly municipalities. State funding available. (federal programme being part of the European Energy Award) <a href="http://www.e5-gemeinden.at/">http://www.e5-gemeinden.at/</a>
Klima- und Energie-Modellregionen	Programme for energy efficient regions. Projects to be best practice examples for other Austrian regions. State funding available via the Climate and Energy fund. (federal programme) <a href="http://www.klimaundenergiemodellregionen.at/">http://www.klimaundenergiemodellregionen.at/</a>
ECP – Energie Contracting Programm Oberösterreich	Funding for the contracting municipality for Energy Performance Contracting. Funding available for applicants from the federal state of Upper Austria. (regional programme) <a href="http://www.land-oberoesterreich.gv.at/22833.htm">http://www.land-oberoesterreich.gv.at/22833.htm</a>
Zukunft Burgenland	Funding for renovation / retrofitting of public buildings in the context of village renewals. Funding available for applicants from the federal state of Burgenland. (regional programme) <a href="http://www.zukunftburgenland.at/front_content.php">http://www.zukunftburgenland.at/front_content.php</a>
Landesfinanzsonderaktion - Allgemein	Funding for renovation / retrofitting of public buildings. Funding available for applicants from the federal state of Lower Austria. (regional programme) <a href="http://www.no.e.gv.at/Gemeindeservice/Gemeindeservice/Bedarfszuweisungen-Landesfinanzsonderaktion/LFSA_allg.html">http://www.no.e.gv.at/Gemeindeservice/Gemeindeservice/Bedarfszuweisungen-Landesfinanzsonderaktion/LFSA_allg.html</a>

Financial support schemes on European level relevant for Austrian local authorities:

Horizon2020	Horizon2020 – The EU Framework Programme for Research and Innovation
ESIF	European Structural and Investment Fund
EIB	European Investment Bank

## Energy Efficiency market

The Energy Efficiency market in Austria is not yet very deep but the implementation of the EEEffG and the resulting Energy Savings Obligations gave many additional incentives to the energy sector as well as other industries. There is huge potential for the growth of that market especially in the area of SME and private households which currently is nearly not being served at all.<sup>3</sup> The government is trying to encourage the development in that sector for example by offering funding for EPC for smaller scale investments as well as private housing but also encourages municipalities to consider bundling of projects in order to reach a certain investment volume necessary for an EPC to be of interest for an EPC contractor.<sup>4</sup>

The Energy Efficiency market including Energy Performance Contracting is an important opportunity for energy service providers to benefit from the trend of improving energy efficiency while at the same time the decrease in energy demand causes losses in turnover. It is a good technique for compensation of financial losses and at the same time being an active player in the energy efficiency sector showing environmental awareness is good for the image perceived by the customer<sup>5</sup>.

## Relevant best practices

Within the Covenant of Mayors Initiative<sup>6</sup>, 13 Austrian Local Authorities signed the commitment. 12 SEAPs from Austrian Signatories have been handed in of which 4 have been approved (status as of 10.12.2015). Hereby Saalfeld and Judenburg are being described as Best Practice Examples.

In the context of the e<sup>5</sup>-Programme additional best practice examples<sup>7</sup> are mentioned where projects have been funded by sources other than public funding. Especially when it comes to the usage of renewable energy sources, citizen involvement can be witnessed. 161 municipalities from 7 federal states are currently participating in this programme (status as of 14.12.2015)

Within the Energy Contracting Programme of the federal state of Upper Austria, the OÖ Energiesparverband<sup>8</sup> gives the example of a nursing home receiving an upgrade of the technical equipment in the building with an investment volume of 400.000€ with a retention period of 6 years resulting in CO<sub>2</sub> savings of 120t/year which represents savings of 46.800€/year for the congregation owning the property. Another project where the Red Cross invested 520.000€ for the thermal renovation of their district office in Wels within a 15 year EPC, the organization was enabled to make savings of 14.700€/year meaning CO<sub>2</sub> savings of 54t/year. Enns is mentioned as a good example for a municipality with excellent experience in EPCs, starting in 2006 with retrofitting of 9 public buildings as well as connecting 6 public buildings to biomass district heating and since then using this financing method for further projects which currently enables Enns to make CO<sub>2</sub> savings of 802t/year which represents savings of 131.500€/year for the municipality.

For specific types of contracting, klima:aktiv also offers the platform [www.contracting-portal.at](http://www.contracting-portal.at) where interested parties can look for Austrian examples with a basic description of the related projects.

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<sup>3</sup> [http://eeg.tuwien.ac.at/eeg.tuwien.ac.at\\_pages/events/iewt/iewt2013/uploads/presentation/Pr\\_32\\_Moser\\_Simon.pdf](http://eeg.tuwien.ac.at/eeg.tuwien.ac.at_pages/events/iewt/iewt2013/uploads/presentation/Pr_32_Moser_Simon.pdf)

<sup>4</sup> <http://www.energiesparverband.at/gemeinden/energie-contracting/>

<sup>5</sup> <http://www.trendresearch.de/studie.php?s=633>

<sup>6</sup> [http://www.covenantofmayors.eu/index\\_en.html](http://www.covenantofmayors.eu/index_en.html)

<sup>7</sup> <http://www.e5-gemeinden.at/index.php?id=100>

<sup>8</sup> [http://www.energiesparverband.at/fileadmin/redakteure/ESV/Info\\_und\\_Service/Publikationen/Energie\\_Contracting\\_Broschuere.pdf](http://www.energiesparverband.at/fileadmin/redakteure/ESV/Info_und_Service/Publikationen/Energie_Contracting_Broschuere.pdf)

## Long-term recommendations

*Additional input to this chapter is expected from results of the national workshop that will take place in 2016.*

Further awareness raising regarding stakeholders involved in energy efficiency market is needed so that they are better informed about options available to them. Groundwork seems to be done in order to enable the implementation of energy efficiency measures on large-scale in private as well as public sector but people need to act on it in order to make use of the available potential.

## National Workshop

### Format

As one of the 10 focus countries of the CITYinvest project, the national workshop in Austria aims on capacity building in respect to financing energy efficiency retrofitting of public buildings. It is meant to provide guidance for all interested parties that are affected by the topic. Even though the focus is set on public buildings, housing associations or other building owners representing the private building sector are also welcome to join the event and learn about innovative financing instruments that could be the answer for their retrofitting strategies as well.

The national workshop will address all parties involved in the value chain in respect to the energy efficiency market in Austria. Main audience will be Local Authorities, ESCO's as well as financial institutions. The goal is to discuss on innovative financing instruments that could enable the country to achieve its 2020 targets in respect to energy efficiency.

Additionally further debates amongst stakeholders after the CITYinvest national workshop are to be encouraged. Therefore the workshop should have the character of a networking event where not only different stakeholders can come together but also potential synergies can be explored and cooperations can be formed.

Goal of the event: Increase awareness of the topic of retrofitting in public buildings. Why retrofitting is so important and how can it be financed. Why is it not happening in Austria on the scale that is needed to reach sufficient energy efficiency in the country? What are the changes that need to happen?

After introductory welcoming speech by CITYinvest and its Co-host, 4 Speakers will be addressing the audience with descriptions of their work / best practice examples (European and Austrian context). A Panel debate involving Financial Institution, ESCO and local politicians will take place that is open for discussion with the audience. The afternoon session will be including workshops / round table discussion to enable detailed knowledge sharing and networking related to various topics. Closing speech will include wrap up of the day and further recommendations for project implementation / next steps for target audience. Feedback from participants will be integrated into the long-term strategy recommendations for Austria.

## Schedule

30 min	Registration
20 min	Introduction (CITYinvest 10 min; Co-host 10 min)
1 hour	3-4 Speeches
15 min	Coffee Break
45 min	Panel Debate
1 hour	Lunch break
2 hour	Round tables / afternoon session
15 min	Closing speech ; wrap up of day

## Expert & stakeholder mobilisation

### Central Government

- Federal Ministry of Science, Research and Economy  
<http://www.bmwf.at>

### Local Government Groups

- Association of Austrian Cities and Towns  
<http://www.staedtebund.gv.at/>
- Association of Austrian Municipalities  
<http://www.gemeindebund.at>

### Financial service providers/financial institutions

- Private banks and financial institutions that provide funding for Renovation and Development
- European Investment Bank  
<http://www.eib.org/projects/regions/european-union/austria/index.htm>

### Building owners

- Austrian Association of Housing and Property Owners (Österreichischer Haus- und Grundbesitzerbund)  
<http://www.oehgb.at/>

### Energy Sector

- Energy Performance Contractors, Energy Service Companies, Energy Providers
- DECA (Dachverband Energie-Contracting Austria)  
[www.deca.at](http://www.deca.at)

#### Research & Academia

- Austrian Energy Agency  
<http://www.energyagency.at/>

#### NGOs

- Austria Sustainable Building Council  
<https://www.oegnb.net/en/home.htm>
- Austria Green Building Council  
<http://www.ogni.at/>
- Passivhaus Austria  
<http://www.passivhaus-austria.org/>

#### Other

- OÖ Energiesparverband (Energy Savings Association of Upper Austria)  
<http://www.energiesparverband.at/startseite/>

#### **Invitees, target audiences:**

- Main target group: Local and regional authorities
- Local ESCOs and other businesses
- Energy distributors and local energy agencies
- National authorities, Austrian Energy Agency

#### Local Authorities representatives:

- Covenant of Mayors signatory with best practice for retrofitting of buildings
- Representative from a municipality participating in the e5-Programme with Gold status

#### Other potential speakers

- Representative from Klima-und Energiefonds