

The Danish Way

How Denmark takes a leading role in Europe to renovate its building stock

The EU requires Member States (MS), through Article 4 of the Energy Efficiency Directive, to establish a long-term strategy to mobilise investment in the national building stock renovation of both residential and non-residential buildings. In light of the deadline to submit national roadmaps to the European Commission, many Member States tried to find their bearing but the EU-funded Energy Efficiency Watch expert study found enormous disparities in national energy efficiency policies across the 28 EU MS. The study also states that there is "*a lack of political will and clear strategy to act*", but at the same time commends Denmark for its strategic planning. Thus, Danes are praised for being top of the class when it comes to energy efficiency. What is behind this success story?

Denmark singles itself out for three key reasons:

- a declared long standing commitment to energy savings and achieving energy independence,
- strong political will and support across the main parties, and
- large scale societal buy-in.

Jens Laustsen, a Danish expert working for the Global Buildings Performance Network (GBPN) finds that: "*For many years the energy policy in Denmark has been based on consensus or agreements among the political parties and involvement of all key stakeholders in the process. This helped building a general understanding among citizens about the need for action regarding climate issues. But it is also important to mention that the population in general is concerned by climate change and that efficiency and mitigation policies have been documented to create economic growth and jobs in the Danish industry.*"

Denmark has been committed to setting ambitious climate targets for a long while. Energy efficiency policies have a long standing tradition with a particular focus on buildings.

The Danish Energy Agreement, formulated in 2012, provides a long-term goal for Danish energy policy: to be fossil-free by 2050. This means the entire energy supply system – spanning buildings, industry and transport – is to be supplied by renewable energy. Reducing energy demand through better energy efficiency in all sectors is key to achieving this goal.

The Danish Government is very ambitious, and wants to be one of the three most energy-efficient countries in the OECD by 2020. This brings us to the next reason why Denmark is a good practice case. The policies pertaining to energy efficiency in buildings have been consistent over several years

in spite of political changes. The political will driving these policies seems to be a constant in spite of changing Governments and party affiliations. Thus, support across the political spectrum translated into a remarkable stability on energy policy. But this cross-party support cannot stand alone as the decisive factor. A large scale societal buy-in, mainly driven by a combination of high energy taxes and information campaigns, goes hand in hand with political commitment.

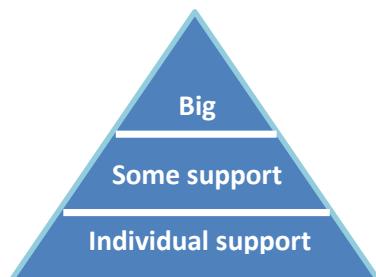
Consultation

Against this political backdrop, how did Denmark set about developing its renovation strategy? Inevitably, a broad range of stakeholders was included in the renovation strategy consultation process and encouraged to engage in drafting initiatives. The stakeholders who participated in the consultation worked on the basis of a common motivation, similar objectives and expectations. As a result, six working groups were created as part of a network with the goal of sharing knowledge and drafting initiatives which could be included in the renovation strategy.

Members of these six working groups were involved in the initial process of formulating initiatives for a renovation strategy alongside other stakeholders in the construction, finance, energy and manufacturing sectors. In total, about 200 participants were involved in the network. Each of the six working groups had specific themes to tackle: single family houses; flats; public buildings; businesses; financing and economic security; and innovation and green business. These cross-cutting themes were chosen by the participants themselves during the kick-off meeting. Each of these groups was headed by coordinators and editors who had the responsibility to facilitate communication and coordination with other groups, respectively to collect information and manage the work flow. Furthermore, an inter-ministerial task force was created with the objective of coordinating efforts and discussing initiatives and issues that went beyond just the prerogatives of one group.

This experience was considered valuable enough by the participants that they agreed to participate in the process without any financial compensation. While there was no funding provided, they had plenty of opportunities to benefit from the networking process, and absorb knowledge, and in this way, influence the final strategy.

Regarding the actual proceedings during the groups' work, there were different consensus reaching rules specific to each of them. Participants decided from the beginning on how they would reach agreement and how they would prioritise the list of proposed initiatives. For instance, one group decided upon a “pyramid of priorities” which dictates the level of agreement needed to pass the proposal depending on where it was placed in the pyramid.





Outcomes of these meetings were compiled in a catalogue of initial proposals later edited in the form of a draft Initiative Catalogue sorted by topics and without repetitions.

With the completion of the consultation process, the Danish Energy Agency (DEA) is currently working on the draft strategy. The ultimate responsibility of developing the renovation strategy belongs to the Danish Ministry of Climate, Energy and Buildings. But the involvement of other stakeholders doesn't necessarily end here because the DEA is considering how to continue the cooperation, maybe by integrating them in the implementation process.

An evaluation confirmed that stakeholders generally appreciated the process and the opportunity to have an open dialogue and work together across interests. The consultation process also gave the participants the chance to understand each other's views.

In light of this entire process one question arises: how ambitious will the Danish renovation strategy actually be? It might be too early to predict in detail how it will turn out, but the emphasis put so far on sharing knowledge and on creating an inclusive network leads us to believe that we will see a good result. Susanne Dyrboel, from Rockwool International, added:

"I am also convinced that the high stakeholder involvement in the process will be useful to ensure a much faster and more efficient implementation than would otherwise have been the case, as all the content in the final strategy has been pre-discussed and brought to the table by the stakeholders who will have to make it work at the end."

This insight into the process and the involvement of stakeholders in designing a renovation strategy might lead to useful learnings for other EU countries and could be a good source of inspiration.

Call to action to learn more about other stakeholders' processes

BPIE aims to compile a knowledge bank on renovation strategies, in order to share experience and facilitate an ongoing process of continual improvement in all aspects of development and implementation of national renovation strategies. Your assistance in providing any information you might have about the process to design a renovation strategy in your country, or how it is being implemented, would be gratefully received.