



# Enabling SME's in the Built Environment

Mary Teehan,  
Head of Research & Projects  
ENACT Lead  
Irish Green Buildings Council

10<sup>th</sup> May 2023

## Overview:

1. Who is IGBC?
2. What it Does?
3. ENACT
  - Enabling National Action on Commercial Retrofit
4. Call to Action

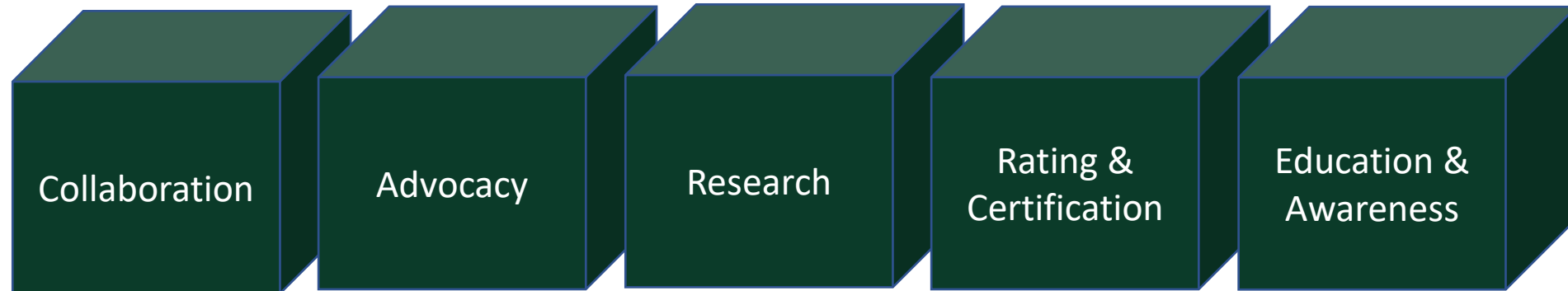


# IGBC

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*



---

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

Platinum Partners



Gold Partners



Silver Partners



# Ireland's National Research Centre for **Construction Technology and Innovation**

Making Ireland a global research and innovation leader for sustainable construction  
and built environment technology



# Our Green Building Councils



WORLD  
GREEN  
BUILDING  
COUNCIL

## Europe

Austria	Germany	Latvia	Norway	Sweden
Bulgaria	Greece	Luxembourg	Poland	Switzerland
Croatia	Hungary	Macedonia	Serbia	Turkey
Finland	Ireland	Montenegro	Slovenia	Ukraine
France	Italy	Netherlands	Spain	United Kingdom

## MENA

Bahrain	Kuwait	Palestine
Egypt	Lebanon	Qatar
Jordan	Morocco	United Arab Emirates

## Americas

Argentina	Guatemala
Bolivia	Mexico
Brazil	Nicaragua
Canada	Panama
Chile	Paraguay
Colombia	Peru
Costa Rica	United States
El Salvador	Uruguay

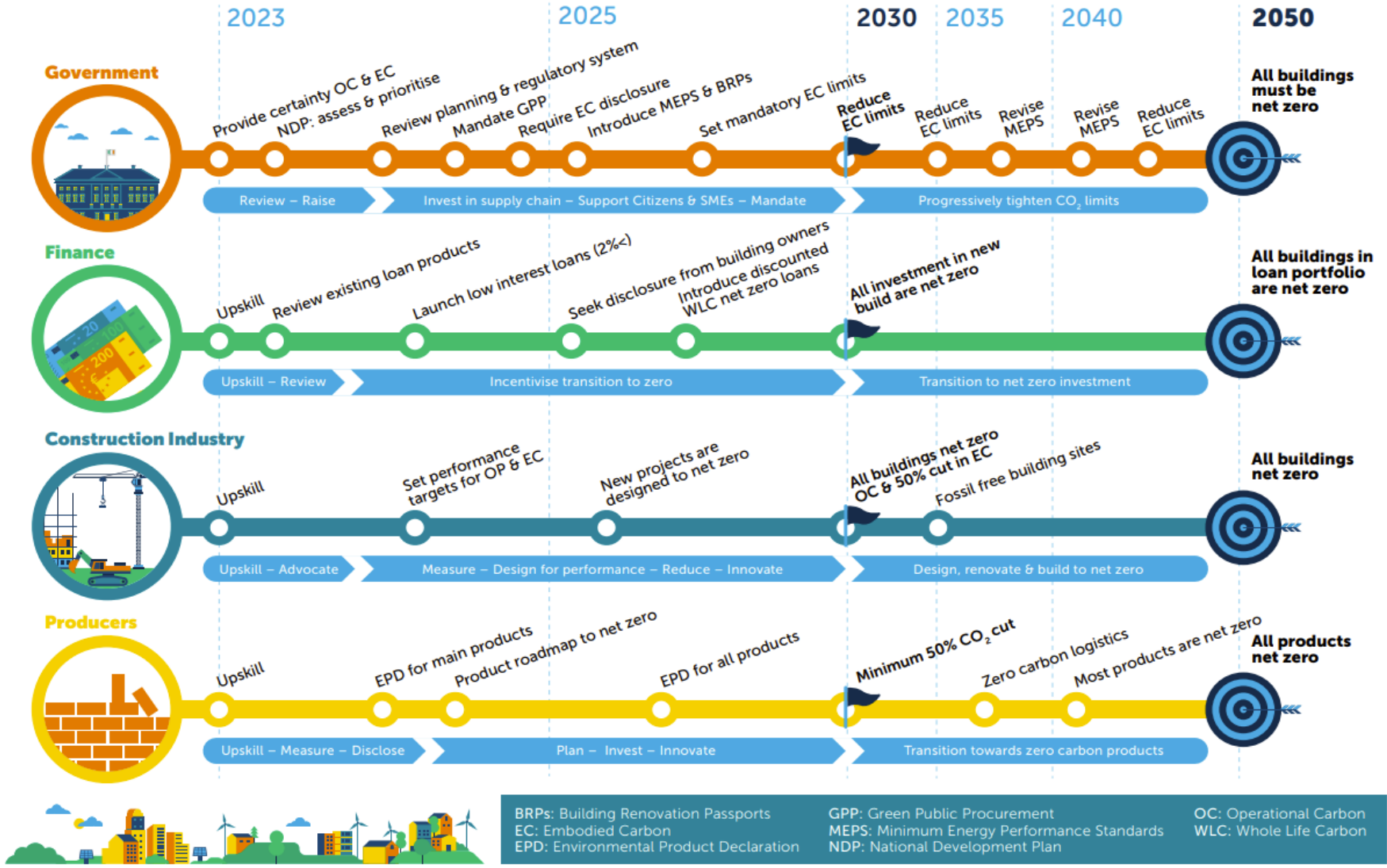
## Africa

Ghana
Kenya
Mauritius
Namibia
Rwanda
South Africa
Tanzania
Zambia

## Asia Pacific

Australia	Kazakhstan	Philippines
Hong Kong	Korea	Singapore
India	Malaysia	Sri Lanka
Indonesia	New Zealand	Taiwan
Japan	Pakistan	Vietnam

Advocacy





THE ENVIRONMENTAL PRODUCT DECLARATION PROGRAMME



Rate & Certification



Gain competitive advantage



Support your Environmental Management Systems



Become the best supplier



Benchmark your product



Implement a green marketing strategy



Visibility on International Markets



Improve your supply chain management



Less expenditure every month on top of discounted mortgage payment



Less health issues, less medical costs



Lower utility bills



Less repairs as homes are more durable



Brighter and quieter home  
Better mental health

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



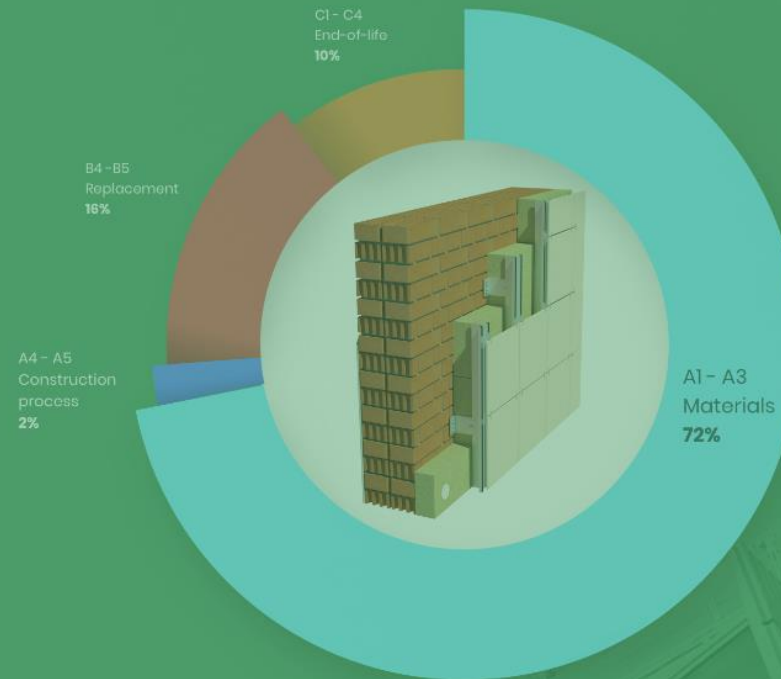
# Calculate your environmental impacts in minutes

One Click LCA is the #1 easy and automated life cycle assessment software that helps you calculate and reduce the environmental impacts of your building & infra projects, products and portfolio.

[BOOK A DEMO](#)

[WATCH A VIDEO](#) ▶

[UPCOMING WEBINARS](#) »

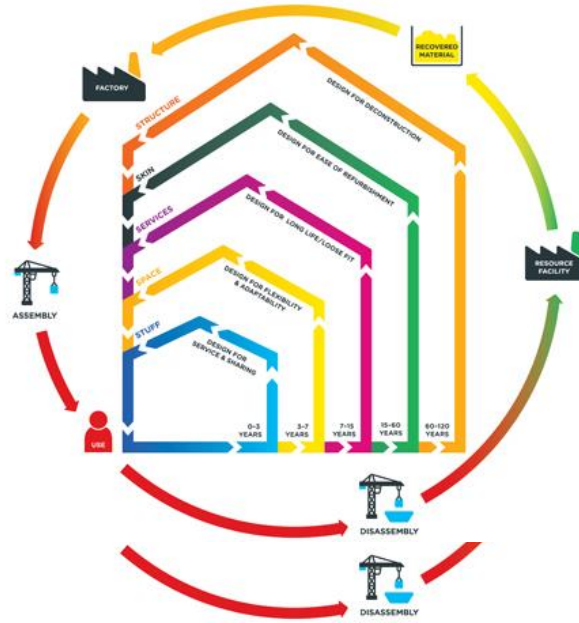


Tools & Training



- Carbon
- Circularity
- Net Zero
- LEED/ BREEAM
- Level(s)
- Biodiversity
- Energy Efficiency

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



#netzero #circularity #carbon #waste #biodiversity #sustainablecommunities #innovationinsustainability

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



**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?

- 3 Year Initiative – Enabling Commercial Retrofit
- 2022 - 2025
- SEAI Funded
- Direct implementation of actions recommended under the EU 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

## WHO IS INVOLVED?

- Project Team – IGBC, SW, SCSi, Dublin Chambers, UG
- Working Groups – e.g. Split Incentives, BRP, Behavioural Occupancy
- 20 representatives on Steering Committee from commercial sector, policy/ decision makers, government, financial and professional sectors



**Enabling Commercial Retrofit**

## 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

IMPACT & IMPLEMENTATION OF SOLUTIONS  
ACROSS THE RENOVATION JOURNEY FOR SME'S

# STEERING COMMITTEE – 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



# Current Cycle H1 – 2023 – Dates for the Diary

2022	2023		2024		2025	
1.	2.	3.	4.	5.	6.	7.
	 <ol style="list-style-type: none"> <li>1. <b>+++</b> May/ June/ July/ x / Sept/ Oct/ Nov/ Dec – ENACT webinars 2<sup>nd</sup> Tues @ 1pm</li> <li>2. June '23 - Stakeholder Engagement Workshops x 10</li> <li>3. July 2023 – Advisory Report on Split Incentives</li> <li>4. July 2023 – Exemplars of Renovation: Financial &amp; Technical Analysis</li> </ol>					
	 <ol style="list-style-type: none"> <li>5. July 2023 – Financial Mechanisms for Commercial Renovation Report</li> <li>6. July 2023 – SEAI Reporting &amp; Comms Reporting</li> <li>7. July 2023 – Buildings Renovation Passport pilot development</li> <li>8. Sept 2023 – Occupancy Training – training &amp; awareness study</li> </ol>					
	 <ol style="list-style-type: none"> <li>9. Sept 2023 – Steering Committee meeting - onsite</li> <li>10. Sept 2023- 2024 – Lit Review and Journal Paper on Behavioural (UG)</li> </ol>					



# FINDINGS SO FAR...



# High-Level Overview - Targets

1/3 commercial  
B2+ by 2030  
= 35,970 \*LTRS

Floor area in EU



□ Residential    ■ Commercial

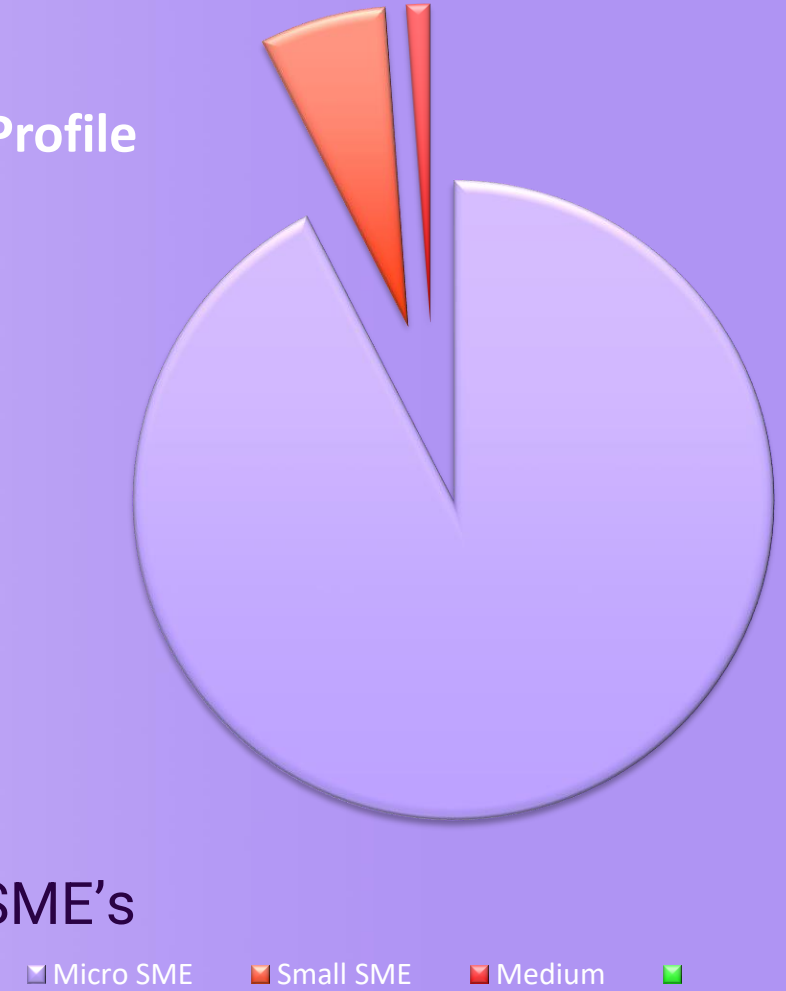
45% Non-domestic sectoral ceiling versus 40% resi reduction  
\*CAP23

“...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

## 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 – Drivers

<b>Influencing Factors:</b>	
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 – Where is the Gap?

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

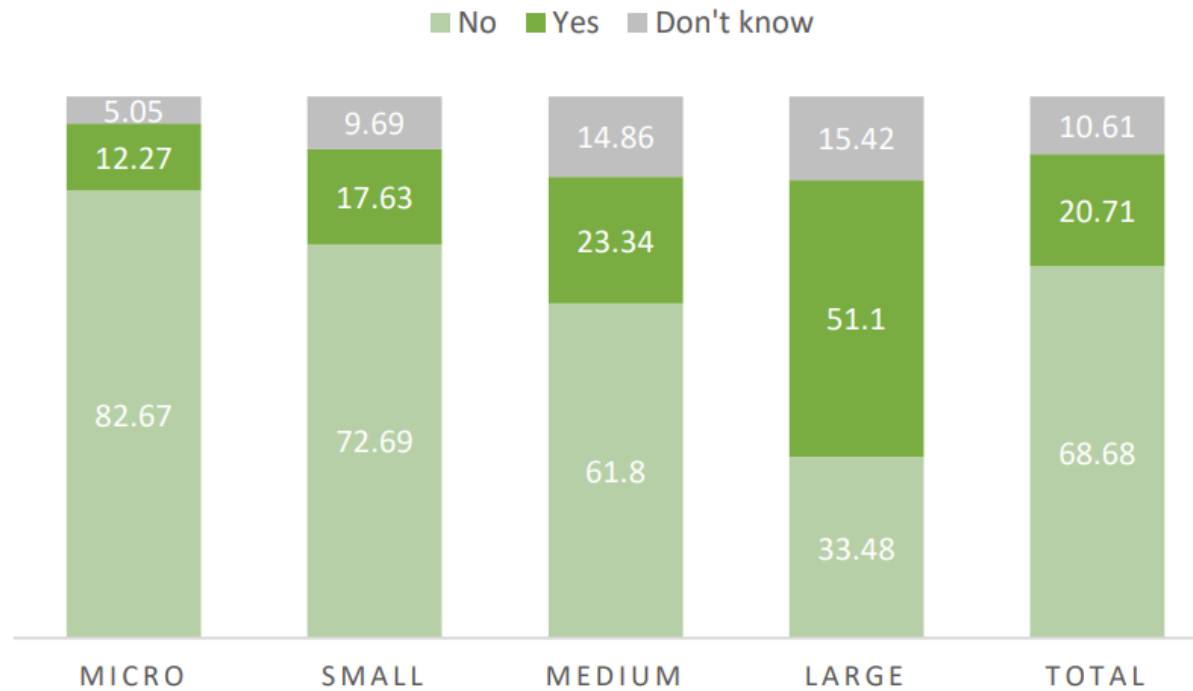
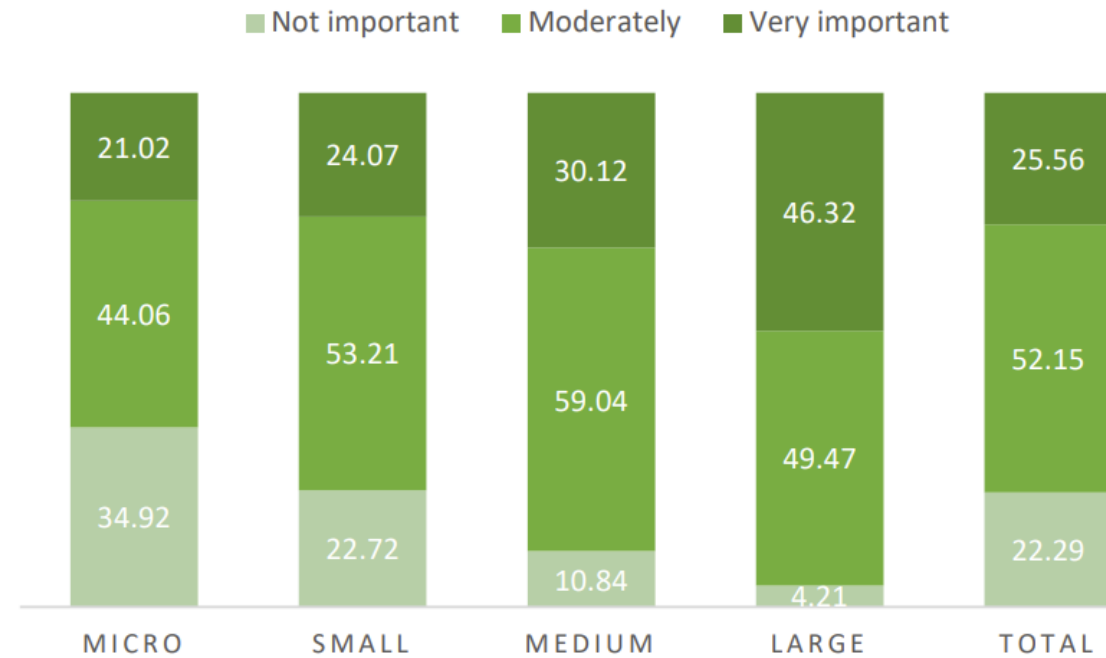


Figure 5: Importance of a climate action response (% of responses)





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

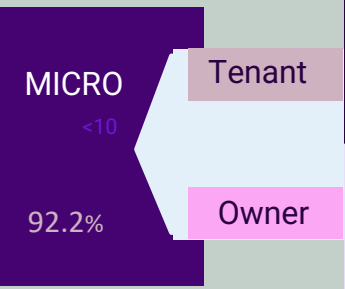
### Owners' Barriers:

- 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 regs – Part B & Part L
- Tenant time poor to share data
- Tenant's 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

# Journey : Renovating Commercial Premises



### AWARENESS

**Owner**

- Online Search engine
- SEAI Website
- Word of Mouth
- Impact on Operational Costs
- Contractor

- No internal resources
- Short-med term motivation + thinking around operations
- Put off by bureaucracy of finance + grants

### DECISION

- Agreement of tenant & potential compensation
- Planning
- Cost Benefit Analysis CBA
- Reliant on Finance Providers Grants

### RENOVATION

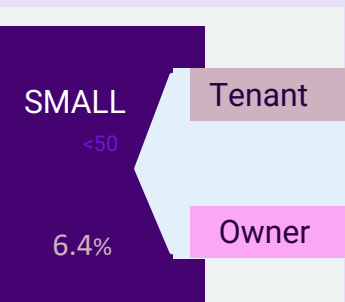
- Harder to facilitate break in operations
- Reliant on Ext expertise
- Building Professional [sub] Contractors, Suppliers

- More likely to do phased works to minimise impacts
- Less likely to use building professionals

### MONITORING

- Decrease in energy bills
- Increase in staff wellness
- BER Assessment where grant is drawn down

- Absence of consistent Quality Assurance on renovation works



### AWARENESS

**Owner**

- Impact on Operational Costs
- Property / Facilities manager
- Building Professionals

- More likely to have longer term thinking & be connected to knowledge networks
- More likely to have access to buildings professionals + resources

### DECISION

- Agreement of tenant & potential compensation
- Planning
- CBA
- Reliant on Finance Providers & Grants
- Internal Capital budget
- Potential Investor approval

- Short-med term around operations
- Limited resources

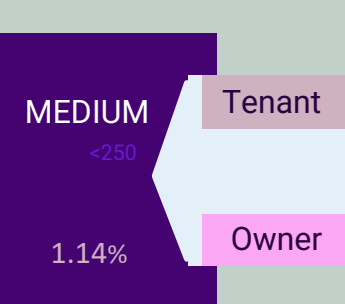
### RENOVATION

- Hard to facilitate break in operations
- Reliant on Ext expertise
- Building Professional [sub] Contractors, Suppliers

### MONITORING

- Decrease in energy bills
- Increase in staff wellness
- BER Assessment where grant is drawn down

- Absence of consistent Quality Assurance on renovation works



### AWARENESS

**Owner**

- Impact on Operational Costs
- Internal strategies & resources
- Softly driven by employees
- Building Professionals
- Investment policy for Asset Managers

- More likely to be driven by employees
- Connected to knowledge networks
- Internal resources available

### DECISION

- Agreement of tenant & potential compensation
- More people involved in decision
- Planning
- CBA
- Reliant on Finance Providers & Grants
- Internal Capital budget
- Potential Investor approval
- Internal experts available

- Access to int + ext resources
- Longer term asset thinking + operation
- Decision taken by owner
- Most owners tend to be professional building asset managers for majority of SMEs

### RENOVATION

- Hard to facilitate break in operations
- Resources to plan phased renovation
- Building Professionals, [sub] Contractors, Suppliers

### MONITORING

- Decrease in energy bills
- Increase in staff wellness
- ESG reporting & monitoring
- BER Assessment - Short term monitoring for Grant

- Absence of consistent Quality Assurance on renovation works
- Lack of monitoring capacity & databases and standardised language



# CALL TO ACTION....



It's time to take the next step in your **#CommercialRenovation** journey....

PLEASE REGISTER & CIRCULATE

@ IGBC #ENACT