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Building System Performance
Ministry of Business, Innovation and Employment

13th October 2020

Dear Building System Performance Team

Thank you for the opportunity to provide comment on the proposed *Transforming operational efficiency* and *Whole-of-life embodied carbon emissions reduction* frameworks.

Established in 2006, the New Zealand Green Building Council (NZGBC) believes all New Zealanders deserve to be safe, healthy and happy – at home, at school, at work. Everywhere.

The NZGBC has more than 520 companies and organisations as members, including government departments, engineers, banks, energy companies, insurers, property and construction companies, architects, developers, designers and tertiary education institutions. This includes many of the NZX50. These members have a combined market turnover of \$20 billion. We also work with local government members, representing over 60% of New Zealand's population.

The NZGBC are passionate advocates for better buildings, because we know that better buildings mean healthier, happier Kiwis. We run trusted, robust authentication schemes, such as Green Star and Homestar, that highlight the many buildings that have proven their healthy, safe credentials. And we provide education for hundreds of New Zealanders every year keen to learn about the technical aspects behind better buildings.

The New Zealand Green Building Council (NZGBC) has always been a leading advocate for encouraging sustainable building practices and for policies and regulations to decarbonise Aotearoa's built environment. We commend the NZ Government on the Building for Climate Change programme of work that will assist NZ's property and construction sector to play its part in achieving our national goal of zero carbon by 2050.

The NZGBC supports the proposed frameworks as vital to our joint efforts to achieve decarbonisation, but there are several points on which we are calling for greater ambition.

The NZGBC has made detailed comments in response to the questions posed by the consultation. Please see the submission form attached.

We also take this opportunity to highlight four key priorities that align with the objectives of the Building for Climate Change programme while further accelerating Aotearoa's progress towards a zero carbon future:

1. Achieve zero carbon

In 2019, the NZGBC launched the *Net zero carbon roadmap for Aotearoa*¹ (Roadmap) This Roadmap sets out the steps NZ needs to take to make all our buildings zero carbon by 2050 and all new buildings zero carbon by 2030. The Roadmap aligns with the World Green Building Council's *Advancing Net Zero*², a global project working towards total sector decarbonisation by 2050.

The Intergovernmental Panel on Climate Change (IPCC) has set out that we have only a short window to radically reduce emissions if we want to keep warming to 1.5 degrees. That window closes at 2030. The IPCC state that holding temperature rises to 1.5 degrees, requires slashing emissions by 45 percent from 2010 levels by 2030.

The NZGBC calls on the NZ Government to:

- Shorten the proposed stepped timeframe for change and implement a 10-year trajectory to ensure new buildings are zero carbon by 2030.
- Enshrine the proposed stepped plan (once finalised) in the Building Code to ensure complete commitment to the changes and to ensure each stage is achieved on time.
- Commit to developing a framework with a clear timeframe for introducing new measures for existing buildings. This framework should be developed alongside the implementation of the proposed measures for new buildings.

2. Go beyond minimum requirements

BRANZ research shows that most people only build to the absolute minimum standards. Government and industry must do all it can to remove barriers to achieving results above minimum requirements. The NZGBC calls on the NZ Government to:

- Amend the Building Act 2004 which currently restricts local councils from requiring outcomes beyond the minimum set out in the Building Code. To ensure that every opportunity for better outcomes and leadership is optimised, local councils should be able to require higher compliance as part of their negotiation with developers on resource consent for larger subdivisions, or larger commercial projects. For example, a new, 20,000m² office tower in downtown Auckland would be able to meet – and should be required to meet – higher standards than the basic Building Code requirements.

¹ NZGBC. 2019. Net zero carbon roadmap for Aotearoa.

https://www.nzgbc.org.nz/Attachment?Action=Download&Attachment_id=3000

² <https://www.worldgbc.org/advancing-net-zero>

- Commit to always building and/or procuring beyond the minimum requirements of the Building Code and commit to using recognised best practice rating systems such as Green Star, Homestar, Living Building Challenge and Passivhaus. Government leadership and setting high standards for government procurement can have a powerful influence on accelerating change in the sector and helps industry see examples of higher standards before they are regulated.

3. Introduce energy labels

NZ is one of the few OECD countries that does not require buildings to have an Energy Performance Certificate at point of sale. Energy and health performance certificates for buildings can drive change and deliver benefits in many ways:

- They create a tool for other policy levers. For example, in the UK, a subsidy was provided for solar PV but only on homes that could demonstrate they were energy efficient, therefore ensuring this low carbon energy was not wasted.
- They raise awareness amongst home buyers/owners and renters about energy efficient and healthier homes and drive demand for better performing, 'above code' homes. Evidence also shows that energy labels influence people to take action to improve the energy efficiency of their home.³
- They significantly drive awareness and demand for more efficient commercial buildings and tenancies, propelling improved energy performance.

The NZGBC calls on the NZ Government to:

- Introduce energy/health labels for both new and existing buildings and homes at point of sale or lease.

4. Make it easier to deliver high performance buildings

It is important that government finds ways to encourage those in the industry considering or already delivering projects that go beyond minimum standards. In Australia, the use of a NABERS commitment and/or Green Star certification is permitted to form part of a submission for the Building Code. This approach:

- Makes it easier for clients/project stakeholders to achieve both compliance with code and a higher voluntary benchmark. Ensuring such projects do not need to spend time and resources on twice the calculations/documentation will assist greater uptake and gain better outcomes.

³ The American Council for an Energy-Efficient Economy (ACEEE) research paper.
https://aceee.org/files/proceedings/2016/data/papers/7_218.pdf

- Encourages above Building Code performance by showing industry the higher standards that could be achieved and creating more demand from buyers and tenants.

The NZGBC calls on the NZ Government to:

- Commit to exploring pathways for compliance that allows clients/project stakeholders to use recognised, industry-agreed rating systems such as NABERSNZ and Green Star.

The NZGBC welcomes the opportunity for discussion of the points made above and our detailed response in the attached submission form. Please do not hesitate to contact Sam Archer, Director of Market Transformation, [contact details] if there is further information we can provide, or to arrange further consultation.

We look forward to working with MBIE towards healthy, zero carbon homes and buildings for all New Zealanders.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'Andrew Eagles'.

Andrew Eagles
Chief Executive Officer