Relevance of the Energy Performance Certificate for Purchasing Decisions – Hermann Amecke
Climate Policy Initiative (CPI)

- CPI assesses, diagnoses, and supports efforts to achieve low carbon growth
- Focus is on implemented policy rather than policy design
- International organisation: German office in Berlin at DIW
- CPI is an independent, not-for-profit organization with long-term funding from George Soros
Topic and Methodology
Energy Performance Certificate (EPC)

- Comparison label – semi mandatory for existing buildings
- Aim: Bridge information gap
  - influence purchasing decisions
  - influence renovation decisions
- Relevant policy design
  - does it work?

(Source: Dena/BMVBS)
Focus of Study

• **Current Knowledge:** Little knowledge about impact of EPC, esp. on purchasing decision

• **Study Focus:** Private purchasing decisions of residential dwellings in Germany

• **How:** Survey among private purchasers of dwellings since January 2009
Methodology

60,000 e-mails to former Immobilienscout24 customer in July 2010

- Lower response because of selecting question in mail
- Avoidance of self-selection bias → e.g. neutral framing of survey

- 25% opened mail
- 2100 started survey
- 1200 completed survey
- 662 final sample
Study Results
• High awareness of EPC among purchasers
• High understanding what EPC is
• Most respondents indicated that they used certificate at some point during search
Results: Impact

- EPC: positive but minor role (mean: 4.35 / rank: 7 of 8)
- Moderate absolute and low relative impact of EPC confirmed by other indicators in study

Relevance of info sources for purchasing decision
Explanations
• Why do purchaser pay attention to energy efficiency (if they do)?
Explanations (1)

- Purchasers found EPC less useful for financial information (mean: 4.19 / rank 6 of 6)
  - Preference for energy bills
  - How to improve?
Explanations (2)

- Energy efficiency was minor purchasing criterion
- EPC can only be as important as criterion which it informs
- How to improve?

**Importance of dwelling criteria for purchasing decision (scale 1-7)**

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Conclusion

• EPC has moderate impact in Germany
• Impact of EPC inhibited
  • due to design aspects → understanding financial implications
  • due to relative unimportance of energy efficiency
  • due to legal status/low spread of EPC
• Policy implications: design, policy mix, outlook
• Research implications: cross-country effectiveness study. Which design works best?
Thank you for your attention!

For a more detailed report visit

www.climatepolicyinitiative.org

or contact

hermann.amecke@cpiberlin.org