



IFC's EDGE Green Buildings Market Transformation Program Webinar, February 6, 2014

# **Session Agenda**

- Importance of sustainable urbanization
- Approach of the World Bank Group
- IFC's approach to cities
- IFC's approach to green buildings
- Demo of EDGE Homes Beta Tool

## WBG Mission: To reduce poverty and boost share prosperity









### Main driver of private sector development in the World Bank Group

- Profitable since 1956
- More than half of IFC's 3,763 staff work in field offices
- More than 100 offices in 95 countries
- 3 main businesses

**Investment Services** 

**Advisory Services** 

**IFC Asset Management Co.** 

\$56.5 Bn portfolio

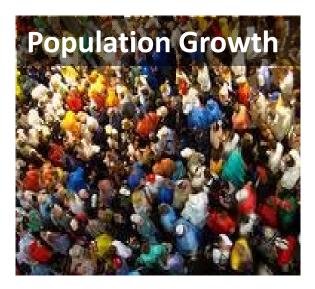
\$200 m per year

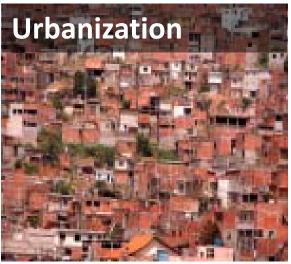
\$4.5 Bn under mgmt





### Reasons for sustainable urbanization









# Sustainable urbanization is one of the World Bank Group's 5 climate change priorities



# **Carbon Pricing**



**Removing Fossil Fuel Subsidies** 



**Sustainable Cities** 

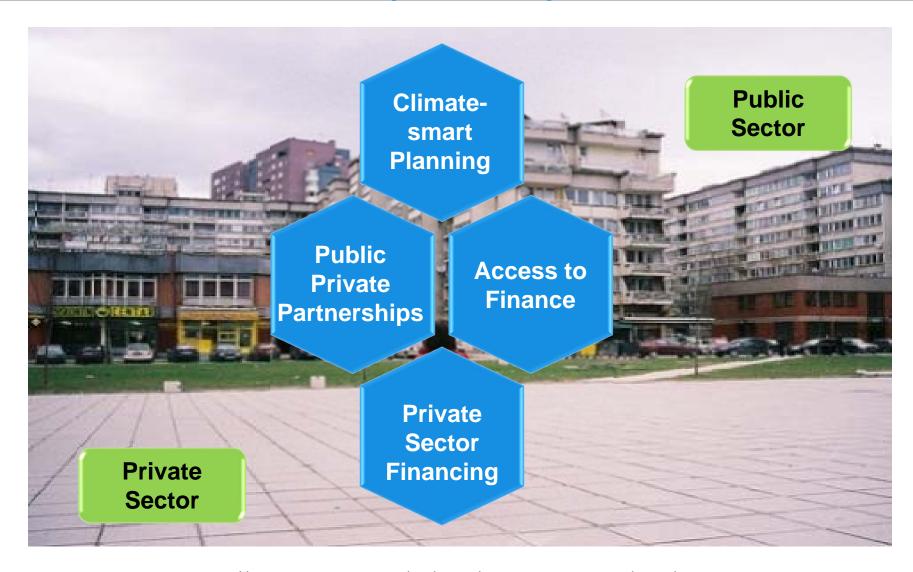


**Sustainable Agriculture** 



**Sustainable Energy for All** 

# World Bank Group's climate-smart solutions for cities include interventions on both public and private sector side



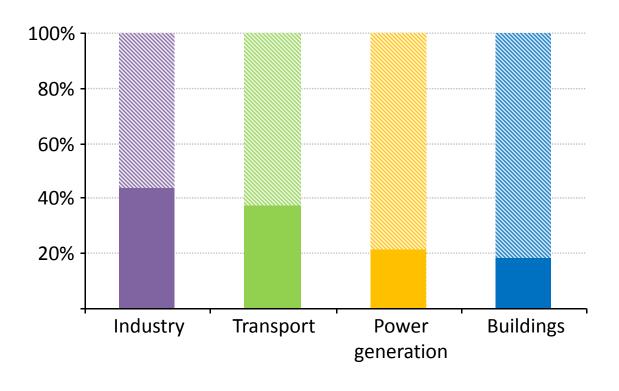
More information at: http://www.worldbank.org/en/topic/urbandevelopment/brief/low-carbon-livable-cities





# Buildings risk being the least exploited potential source of energy efficiency

Energy efficiency potential left unused in the New Policies (4°C path) Scenario



- Unrealised energy efficiency potential
- Realised energy efficiency potential

Two-thirds of the economic potential to improve energy efficiency remains untapped in the period to 2035





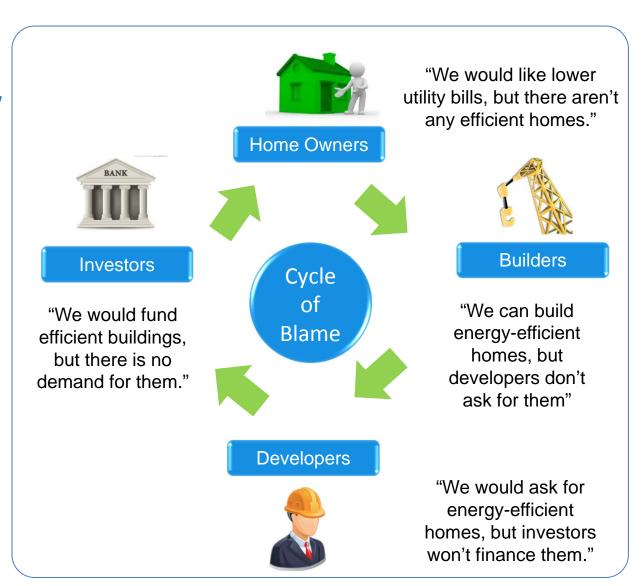
# Unlocking the potential for green building requires a multi-pronged approach

Technologies and know-how are available.

Economic benefits are well documented.

#### **But barriers remain:**

- Marginally higher upfront costs
- High perceived market risk
- Weak enabling environment





# IFC is combining its expertise in regulations and investment to deliver a comprehensive platform for green buildings

# IFC's EDGE Green Building Market Transformation Program

- ☐ A four-pronged approach to incentivize market adoption of green building practices
- ☐ Builds on resources and pipeline of IFC investments and advisory
- ☐ Incorporates a global certification system to define and validate green buildings.





### **Latin America**



Developer for

IFC client

Features: solar hotwater, water efficient fittings, low energy light blubs and smart meters

### **Case Study: City Express**



\$37 M in loans for new hotels; EDGE certification for 5 hotels in MX, CO

Features: smaller windows, double glazing, insulation, HVAC, lighting, concrete construction







### **Asia**





\$70M loan with \$15 M blended finance via IFC-Canada Climate Change Program

Affordable mortgages for green homes

**Case Study: Indonesia Codes** 

Code in effect as of 2013 after IFC advisory engagement; now working on national codes

Features: simple to implement, effective, easy to monitor





## **Africa**

### **Case Study: South Africa**

Focus on low-income housing market

MOU with South Africa Green Building Council, partnership with ESCOM, relationships with banks







# **EDGE** program impacts over 5-7 years

### Target



20% of new construction certified as green in target markets

### **Impacts**



5 million units with lower utility bills for homeowners



Power savings equal current consumption of Costa Rica



1 million cars off the road p.a.



Water savings equal current consumption of Trinidad

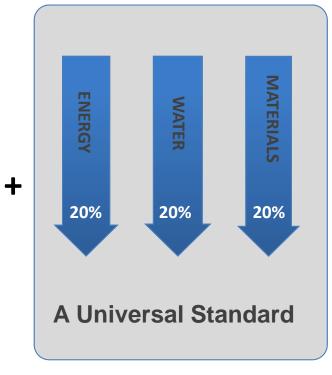


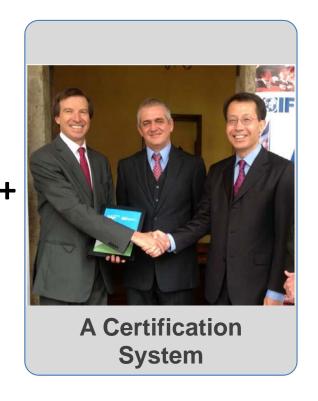
\$300 billion mobilized



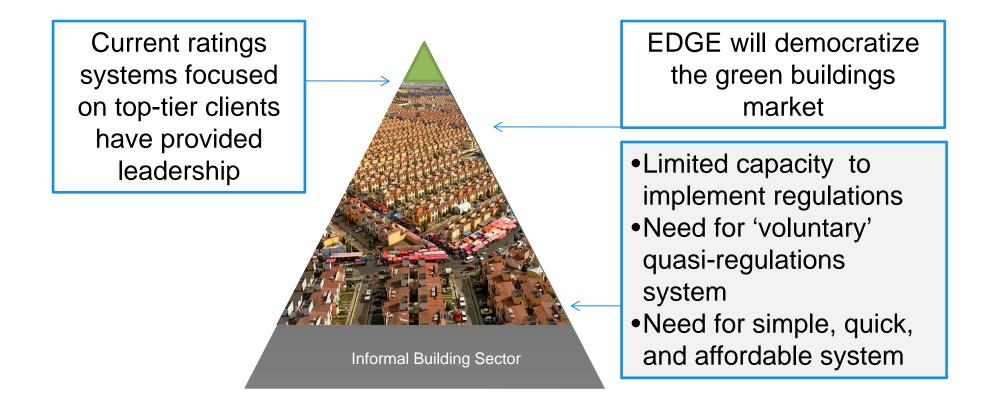
# Excellence in Design for Greater Efficiency







## Making an impact in emerging markets



There is a clear opportunity to engage much more of the market to focus on green buildings.



### **EDGE Tools**

- EDGE has contextual data of utility costs and climate for different cities
- EDGE uses building physic calculations to give designspecific results
- EDGE spells out the most effective technical measures
- EDGE provides an investment planning tool for building owners and developers



### **More Information**

# ifc.org/edge

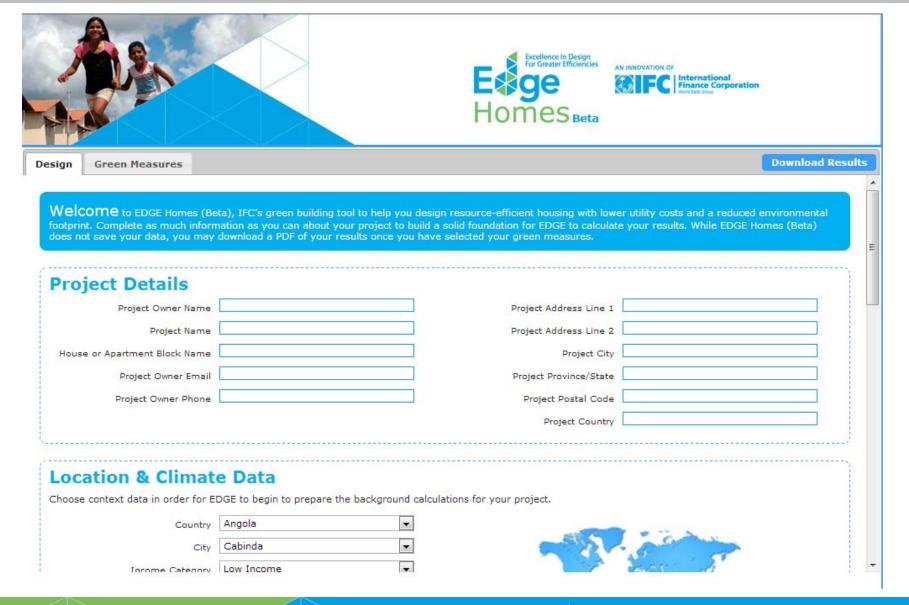


is not yet publicly available.

As a registered attendee to this webinar, you will be notified the moment the application becomes open for public use.



## **Enter Project Details**





### **Select Location & Climate Data**





# **Input Building Data and Area Details**







**Download Results** Design **Green Measures Building Data Area Details** Enter building data so EDGE understands more about your project. Enter area details if available, otherwise you may opt for defaults. Default User Entry Type of Home Flats/Apartments . 100 m2 44.0 Average Unit Area (m2) Bedroom (m2) v no. 12.0 0.0 No. of Bedrooms/Unit 3 Kitchen (m2) 10 no. 0.0 No. of Floors Living/Dining (m2) 20 no. 0.0 No. of Units Toilet (m2) 4 no. Occupancy (People/Unit) Utility, Balcony, Service Shaft (m2) 100.0 100.0 Gross Internal Area (m2) External Wall Length m/Unit % Window to Wall Ratio **Key Assumptions** If you know your fuels, select them from the dropdown menus. You may also fine-tune the costs of utilities and other key assumptions by over-riding the defaults. This will make your EDGE results more accurate. Please provide your data source should you choose to over-ride the temperature fields. Natural Gas Fuel Used for Cooking Natural Gas Fuel Used for Water Heating Monthly Average



# **Change Key Assumptions if necessary**







Design Green Measures Download Results

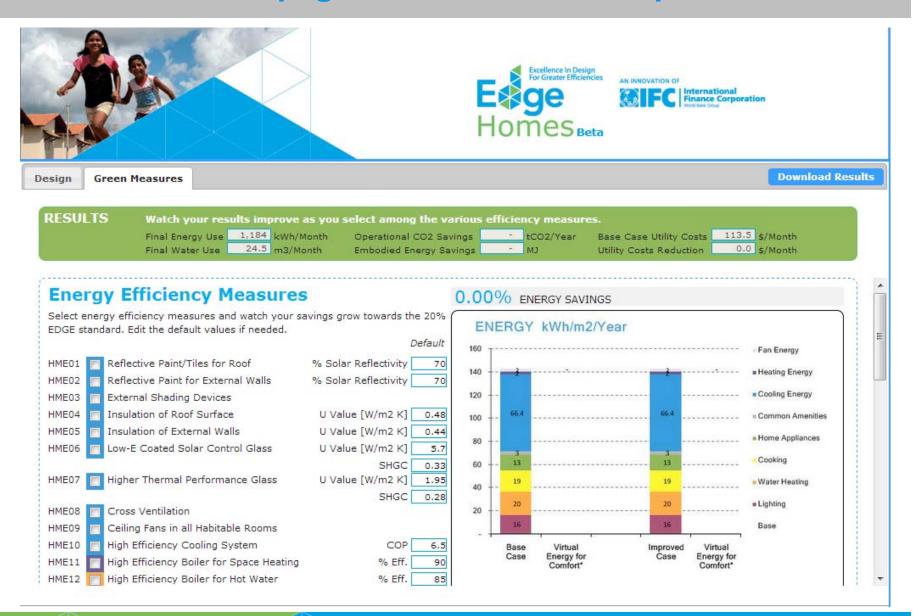
### **Key Assumptions**

If you know your fuels, select them from the dropdown menus. You may also fine-tune the costs of utilities and other key assumptions by over-riding the defaults. This will make your EDGE results more accurate. Please provide your data source should you choose to over-ride the temperature fields.

Fuel Used for Cooking	Natural Gas	•	
Fuel Used for Water Heating	Natural Gas 🔻		
Fuel Used for Space Heating	Natural Gas		
	Default	User Entry	
Cost of Electricity	0.08	0.0	\$/kWh
Cost of Diesel Fuel	0.73	0.0	\$/L
Cost of Natural Gas	0.67	0.0	\$/L
Cost of Water	0.50	0.0	\$/kL
Latitude	32.0	0.0	Deg
CO2 Emissions g/kWh of Electricity	454	0.0	g/kWh
Window to Wall Ratio	30%	0	%
Roof U Value	1.4	0.0	W/m2.k
Wall U Value	1.8	0.0	W/m2.k
Glass U Value	5.9	0.0	W/m2.k
	0.0	0.0	Factor

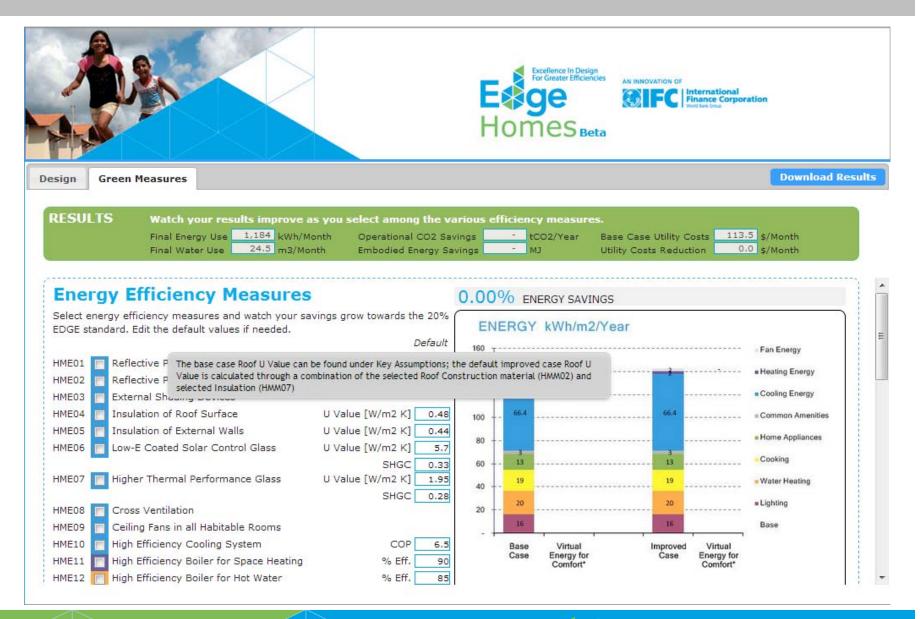
	Monthly Average Outdoor Temperature (deg.C)		
	Default	User Entry	
Jan	13.60	0	
Feb	14.30	0	
Mar	18.90	0	
Apr	23.10	0	
May	26,80	0	
Jun	31.80	0	
Jul	33.50	0	
Aug	33,00	0	
Sep	31.50	0	
Oct	22,90	0	

# Green Measures page shows base and improved case



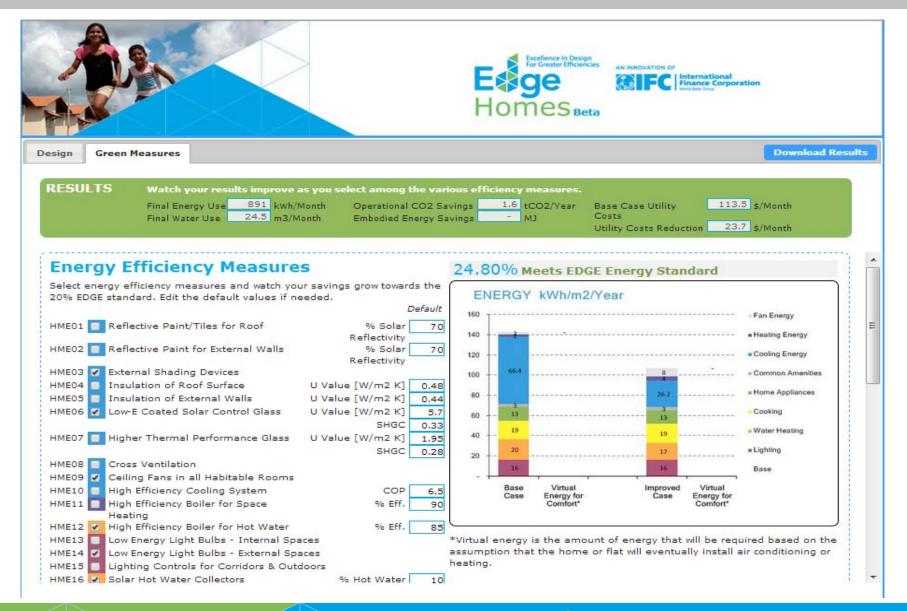


## Mouse-overs provide additional guidance



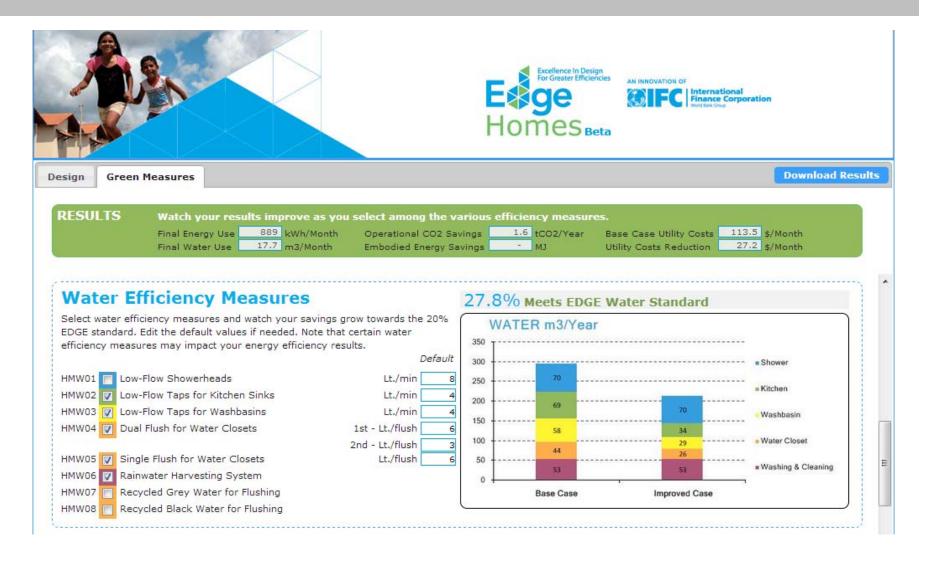


# Improved case results change when measures are ticked



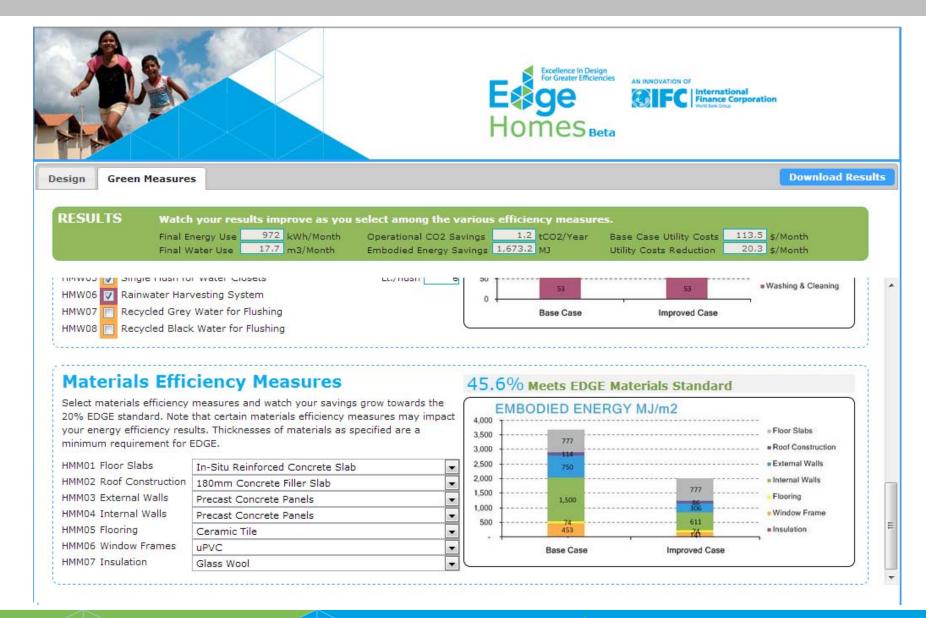


### Water Efficiency Measures are connected to Energy Efficiency



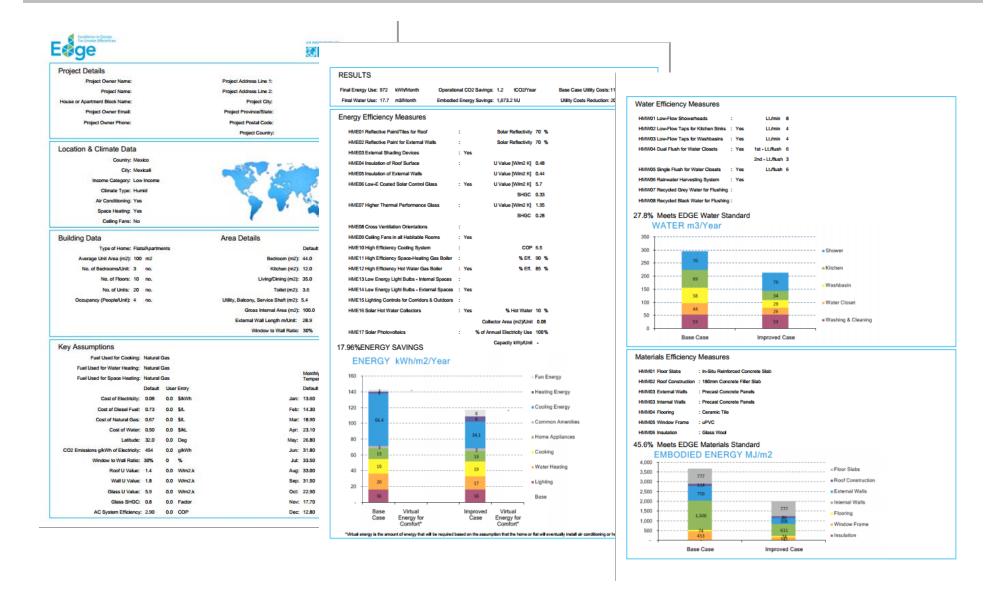


## Materials section measures embodied energy of materials





## Downloadable pdf produces a results report





# Forthcoming resources



- EDGE User Guide
- EDGE Methodology Manual
- Publicly available EDGE Homes tool
- Beta versions of the Hotels, Hospitals, Offices, and Retail tools