

Germany's Energy Efficiency Drive Accelerates

State bank figures show large increase in energy efficiency funding

Berlin (GTAI) - Germany's state development bank has recorded a strong 2016 in terms of funding promotion for domestic projects, particularly noting the uptick in demand for domestic energy efficiency projects. The environment and energy sector achieved particularly positive growth in 2016 with a volume of €10.7 billion (up from €9.3 billion in 2015), largely due to the energy efficiency programme, which was restructured and significantly improved in 2015 and through which a total of € 5.2 billion was disbursed.

Since May 2016 the promotion of systems aimed at avoiding or using exhaust heat has tapped into additional potential for reducing energy consumption. At €4.7 billion, the high volume achieved in the previous year by KfW's renewable energies programme (€4.5 billion) was also exceeded again. Overall, the KfW reported a business promotional funding volume of €81 billion for 2016, up €1.7 billion on 2015. €55.1 billion was to domestic promotional business, a key spur for the continued steady growth of the German economy. 44 per cent of all commitments were to environmental and climate change projects.

Growth was very strong in the housing priority area in particular. Commitments reached a volume of €20.8 billion, up from €16.5 billion in 2015, with more than €11 billion disbursed in the energy-efficient construction programme alone. "This is a welcome insight into the way a crucial area of the energy transition project is working," said Rob Compton, Manager of Energy Efficiency and Smart Cities at Germany Trade & Invest, Germany's federal economic development agency. "Energy efficiency is a core element of the Energiewende. Much of the media focus to date has been on Germany's remarkable expansion of renewable electricity, but these new figures show that the state is serious about delivering incentives to meet its ambitious energy efficiency targets as well.

"By supporting and incentivizing growth in the energy efficiency sector in both buildings and industry, Germany has created a thriving business ecosystem and a world-leading market. The positive investment funding and promotion figures from the KfW show that investors, businesses, communities, and homeowners alike see the real added value in making their buildings and processes more energy efficient. In Germany, energy efficiency is not merely an environmental business consideration; it creates a clear competitive advantage that can be reflected on all three bottom lines."



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