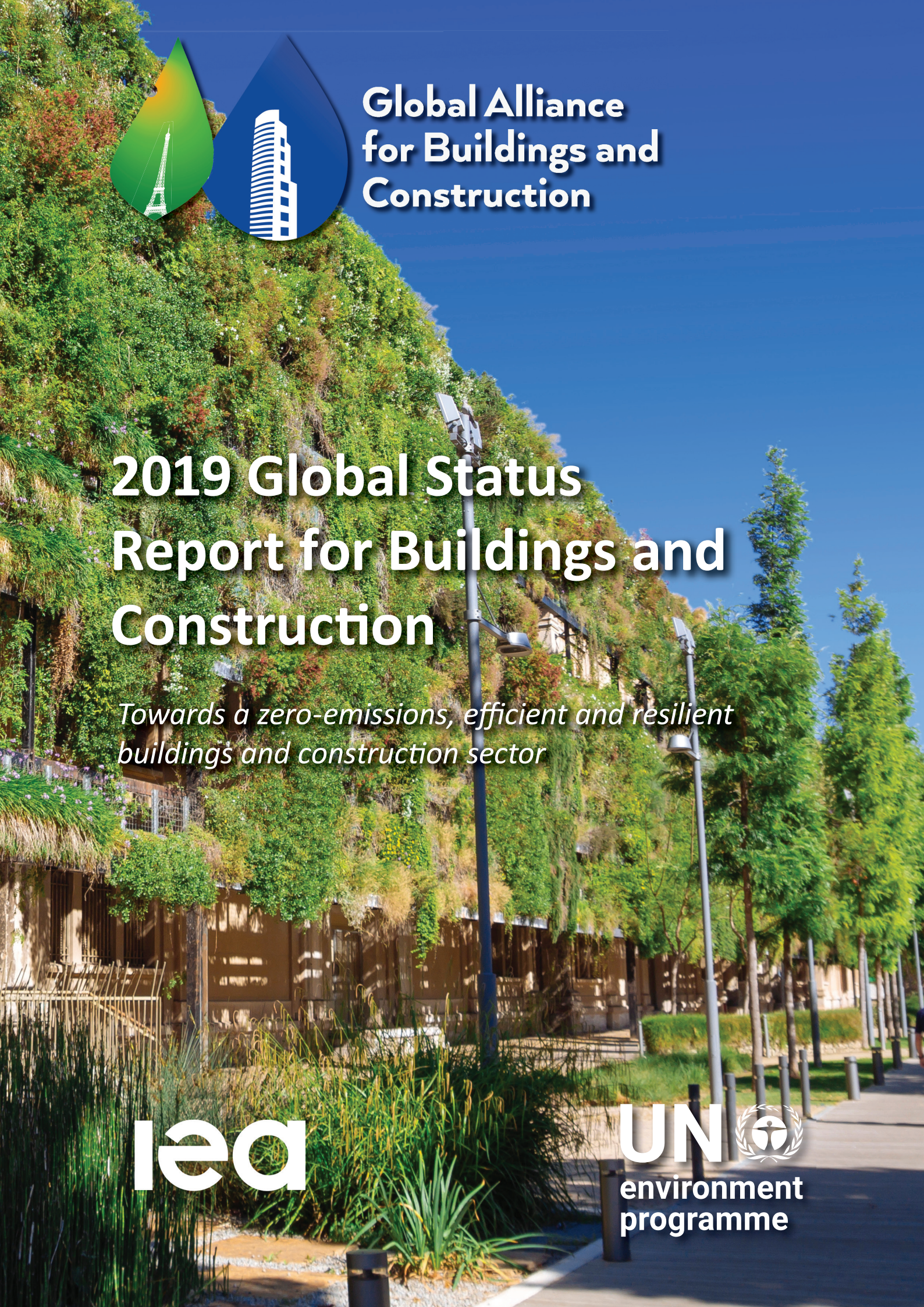

Global Alliance for Buildings and Construction

2019 Global Status Report for Buildings and Construction

Towards a zero-emissions, efficient and resilient buildings and construction sector

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Foreword

Decarbonising the buildings and construction sector is critical to achieve the Paris Agreement commitment and the United Nations (UN) Sustainable Developments Goals (SDGs): responsible for almost 40% of energy- and process-related emissions, taking climate action in buildings and construction is among the most cost-effective. Yet, this *2019 Global Status Report* on buildings and construction tells us that the sector is not on track with the level of climate action necessary. On the contrary, final energy demand in buildings in 2018 rose 1% from 2017, and 7% from 2010.

These findings stand in stark contrast with the 2019 Emissions Gap Report, which states that we will have to cut almost 8% of emissions each year from 2020, and are confirmed by the International Energy Agency (IEA) *World Energy Outlook 2019*, which found that in 2018 the rate of improvement in energy intensity had slowed to 1.2% – less than half the average rate since 2010. Both reports underline the need for urgent action by policy makers and investors. To meet the SDGs and the IEA Sustainable Development Scenario, we need to reverse the trend and make a concerted effort to decarbonise and enhance energy efficiency in buildings at a rate of 3% a year.

In 2020, Nationally Determined Contributions (NDCs) under the Paris Agreement are due for revision – an opportunity that cannot be missed to ramp up ambition in the buildings and construction sector. The *2018 Global Status Report* on buildings and construction found that a total of 136 countries have mentioned buildings in their NDCs, yet few have specified the actions they will use to reduce emissions. Therefore, in their new NDCs, nations must prioritise actions to decarbonise this essential sector. This means switching to renewable energy sources. It means improving building design. It means being more efficient in heating, cooling, ventilation, appliances and equipment. It means using nature-based solutions and approaches that look at buildings within their ecosystem, the city.

The report also tells us that the building stock is set to double by 2050, which presents another important opportunity not to be missed. In making good on SDG 11 with its provision for affordable and adequate housing for all, we need to make sure we promote clean solutions and innovations to make buildings future-proof. In line with SDG 7, we have to double our efforts on energy efficiency to bring gains of at least 3% per year.

Such efforts must be supported through investments in energy efficiency; but here also, the numbers show that we are headed in the wrong direction: investment in buildings sector energy efficiency flattened in 2018 instead of showing the growth needed. In September, at the UN Secretary General's Climate Summit, countries as well as the private sector made commitments to a zero-carbon buildings sector, and the goal of mobilising USD 1 trillion in "Paris-compliant" building investments in developing countries by 2030 was set. At the same time, the Net-Zero Asset Owner Alliance was founded with the world's largest pension funds and insurers – responsible for directing more than USD 2.4 trillion in investments – committed to carbon-neutral investment portfolios by 2050.

These are signs of hope. And change is in the works. This report provides examples of country, city and private sector actions, of how the buildings and construction sector is reforming. Through this *Global Status Report* series, we are keeping an eye on progress made. And through another joint product – a series of regional roadmaps – we are working with experts and policy makers in defining their regionally appropriate actions across eight priority action areas to put the sector on track: urban planning; new buildings; retrofits for existing buildings; building operations; appliances, lighting, cooking and systems; materials; resilience of buildings; and clean energy. These roadmaps and actions can then be further adapted nationally.

It is well within the realm of possibility for the buildings and construction sector to deliver its full mitigation potential and help the world achieve its climate and sustainable development goals. Together, we can build for the future.

Dr. Fatih Birol
Executive Director
International Energy Agency

Inger Andersen
Executive Director of the UN Environment Programme and Under-Secretary-General
United Nations

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Jordan Parnass, Jordan Parnass Digital Architecture, Brooklyn, United States

Usha Iyer-Raniga, RMIT University, Melbourne, Australia

Sophia Krietenbrink, BMWi, Germany

Hernàn Baulo, Architect-Consultant, Buenos Aires, Argentina

Michael Scharpf, LafargeHolcim, Switzerland

Cristina Gamboa, CEO, World Green Building Council, London

Georgina Eldridge, World Green Building Council, London

Celia Martinez, UNEP, Paris

Margaux Barrett, Buildings Performance Institute Europe (BPIE), Brussels

Katie Hicks, Natural Resources Canada, Ottawa, Ontario, Canada

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