

Irish Green Building Council's
PRE-BUDGET SUBMISSION 2026

July 2025



STRUCTURE

1. Our vision
2. About the Irish Green Building Council
3. About the Process
4. Recommendations



I. OUR VISION

- In times of **climate and biodiversity emergency**, **ALL government's expenditure and fiscal policies must align with the objectives of reaching carbon neutrality by 2050.**
- Urgent need to have an **integrated cross-departmental approach** to climate action, resource efficiency and biodiversity protection/enhancement in the built environment
- This is the **most cost-effective way to deliver the homes and infrastructure we need** while staying within our carbon budget. It is also key in supporting sustainable economic development across the country – E.g., through the development of a biobased construction material industry.



II. ABOUT THE IGBC



The Irish Green Building Council (IGBC) provides leadership for a sustainable built environment.

The IGBC is a registered charity with over 470 corporate members drawn from all parts of the value chain, from **occupiers, design professionals, contractors, suppliers, academics and public authorities**, and, is affiliated with a global network of 70 national councils within the World Green Building Council. This allows us to create workable solutions and tools to deliver transformative change towards a sustainable built environment.

The Irish Green Building Council is also the national partner of the Renovate Europe campaign in Ireland. Renovate Europe is the only EU-wide campaign focusing exclusively on ambitious renovation of the building stock in the EU and is the voice for energy-efficient renovations.

The IGBC is looking to transform the Irish industry to sustainable practices through policy creation, education, and the provision of tools to measure and accelerate progress.

III. ABOUT THE PROCESS

This submission was developed in close cooperation with our members, including through workshops on energy efficiency, addressing vacancy and dereliction in our village, town, and city centres, and transitioning to a more circular built environment.

A **specific pre-budget submission workshop was organised in July 2025**. This was attended by twenty developers, contractors, building professionals, researchers, and construction product manufacturers.


The recommendations included in this document were also informed by a number of research projects the IGBC have been involved in. In particular, the following projects provided a basis for the majority of our recommendations. *A full list of all our relevant research projects is available on the next slide.*

- **Building A Circular Ireland - Roadmap** – (Funded by the EPA)
- **Bridging the gap between Energy poverty and Energy renovation** – (Funded by the European Climate Foundation - ECF)
- **Vacant to Viable buildings initiative** – (Funded by Construct Innovate, in partnership with UCD)
- **Supporting an ambitious transposition of the Energy Performance of Buildings Directive** – (Funded by ECF)
- **Enabling Commercial Energy Renovation - ENACT** – (Funded by SEAI)
- **BIO-Neighbourghs – Making nature-led residential developments the new norm in Ireland** – (Funded by the Housing Agency, in partnership with TCD)

RELEVANT RESEARCH PROJECTS

Transposing the Energy Performance of Buildings Directive (EPBD) into Irish law:

Article 9.1 Minimum Energy Performance Standards (MEPS) in Non-Residential Buildings.



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Vacant to Viable

CALL OUT FOR RENOVATION PROJECTS – Completing this questionnaire will take approximately 5 minutes.

The “Vacant to Viable” project focuses on transforming Ireland’s underutilised building stock by researching perceived and actual regulatory barriers.

This project involves a desktop study and significant engagement with stakeholders to gather robust evidence regarding the impact of the Building Regulations and their associated Technical Guidance Documents (TGDs) on the re-use of buildings.

The aim is to unlock the potential of these underused buildings and support the government’s commitment to sustainable development and decarbonisation with a set of practical and implementable recommendations to be published by the end of 2025. If you are interested in getting involved, please get in touch with [Joselyn](#).





The project is led by the Irish Green Building Council (IGBC) in partnership with University College Dublin (UCD) and funded by Construct Innovate.

10 MEASURES FOR A BETTER, MORE SUSTAINABLE BUILT ENVIRONMENT




ENACT


Enabling Commercial Retrofit

Bridging the Gap Between Energy Poverty and Energy Renovation

Developing Residential Retrofitting as a Tool to Combat Energy Poverty

MARCH 2024



BUILDING A CIRCULAR IRELAND

A Roadmap for a Resource Efficient Circular Built Environment








This project is funded under the EU Research Programme 2014-2020. The 9th Research Programme is a component of research funded by the Department of the Environment, Climate and Communications. The project received co-funding from the Department of Agriculture, Food and the Marine. Grant Agreement Reference: 101017237.

Vacant to Vibrant Building Alliance



Vacant to Vibrant is a cross-sectoral forum that aims to positively influence public policy by bringing together all stakeholders to consider how we address the issues of vacancy, dereliction, and under-used buildings. This will include consideration of aspects that relate to finance, technical support, as well as awareness raising and education.

Guided by a Steering Group of leaders and experts in the field, the Vacant to Vibrant Alliance will meet monthly. The outcomes will be the presentation of evidence-based solutions to government, with an improved understanding among policymakers of key

BIO-NEIGHBOUR

Towards greener, more biodiverse neighbourhoods

1. Understanding why the scale-out of nature-led solutions is low
2. Identifying best practices to address current challenges
3. Evaluating & validating the most promising ideas (co-creation workshops)
4. Developing a comprehensive set of recommendations

IV. RECOMMENDATIONS

1. Create ambitious **REGENERATION POLICIES** to better support vibrant city, town, and village centres
2. Make high-quality **deep ENERGY RENOVATION** more affordable and accessible
3. Support the development of innovative, **LOW-CARBON TECHNOLOGIES and MATERIALS**
4. Ensure all **NEW HOMES** built in Ireland are **TRULY SUSTAINABLE**



1/4 Create **AMBITIOUS**
REGENERATION POLICIES to
better support vibrant city, town,
and village centres

1/4 REGENERATION POLICIES

1.1 Establish and fund the immediate creation of **multi-disciplinary vacant building and adaptive reuse units within each local authority** to:

- I. Drive public acquisition (through CPO or negotiation) and development of vacant and derelict buildings, including project bundling.
- II. Provide comprehensive advice, guidance, and support to the private sector in developing homes from vacant and underused premises taking a city, town, and village centres first approach.
- III. Allocate funding to pilot this approach in at least two local authorities in 2026 to enhance support for property reuse and intensification of use, including project bundling.

1.2 Expand **the Vacant Property Refurbishment Grant** to support **“above the shop”** reuse:

- I. Provide grants based on **the number of residential units** (as opposed to per building).
- II. Make the grant available **for mixed-use properties and to businesses as well as individuals.**
- III. Provide **up front feasibility grants (with potential top-ups per unit based on the complexity of the project).**
- IV. Support the introduction of low-interest finance (e.g., green loans and mortgages) to promote reuse.
- V. Combine and streamline the financial support for vacant grant refurbishment and support from SEAI Energy Efficient Homes Grants to facilitate reuse and intensification of use of these buildings.

1/4 REGENERATION POLICIES

1.3 Tax relief and increases in vacant levy

- I. Introduce **time-limited capital gains tax exemption for owners** (relief to expire within a short number of years after introduction – Use it or lose it!).
- II. Provide **10-year tax relief from rental income on refurbished vacant properties converted to residential** (relief to expire within 5 years of introduction).
- III. **Replace the vacant homes tax by a Vacant Property Tax** and increase it annually by 5% from year 2 (up to 15% over a 3-year timeframe).

1.4 Invest in **developing a national, standardised, high-quality, dynamic, open-source database** and map of Ireland's existing building stock

to get an accurate and up-to-date picture of the number, location, and type of potential homes available, including through intensification of use and adaptative reuse. Repurposing vacant and under-used buildings is a low-hanging fruit that begins with identifying available floor area suitable for use.

1.5 Consider introducing a grant scheme for **converting non-residential buildings to residential** e.g., Offices converted to housing

**2/4 Make high-quality DEEP ENERGY
RENOVATION more affordable and
accessible**

2/5 High-quality deep energy renovation

2.1 Allocate funding for a **well-resourced community energy advice service** in each **local authority (Information Hub** as per requirements of art. 18 of Directive (EU) 2024/1275).

This service would provide a local, tailored service to support people to access the financial advice they need, to install 'quick win' measures, and to apply for appropriate retrofitting grants.

- Task these services to work with communities, anti-poverty groups, etc. to better identify and target vulnerable households on the ground, coordinate support through the renovation journey and support project aggregation

2.2 Set up a **multi-annual strategy** (e.g., 10 years) for the **retrofit of local authorities' social housing stock** so that all local authorities have greater clarity on targets and budget allocation for the next decade and can adequately prepare for it.

2.3 Use local authorities' social housing retrofit programme to pilot the incorporation of broader sustainability considerations as part of energy retrofits (e.g., embodied carbon, circularity, climate resilience, and ecology), aligning it with the requirements of the EU Taxonomy.

2/5 High-quality deep energy renovation

2.4 Extend the **Accelerated Capital Allowance (ACA) to 2030 to be fully aligned with climate targets and simplify the scheme.**

- Widening the scope of the relief beyond EE to vacant buildings that are brought back into use and refurbished to a BER B2 or higher.

2.5 Pilot and introduce **new schemes to support households falling just above the free energy upgrade threshold.**

- Introduce a **sliding scale on the rate of grants** based on income as done in France and the Netherlands, or an equity release scheme (for asset-rich/cash-poor households).
- Fund a pilot project to widen the warmer homes scheme and **open it to tenants receiving HAP**

2.6 Invest in the **development of technical guidance to better support energy renovation of various building types**, including the development of TGDs for existing buildings.

3/4 Support the development
of INNOVATIVE, LOW-
CARBON TECHNOLOGIES and
MATERIALS

3/4 Innovative, low-carbon technologies and materials

3.1 Introduce a **multi-annual fund (€30 million per annum) open to all three parts of supply/production/demand stakeholders** to kickstart support for farmers, the development of production of low-carbon materials, and re-use facilities, as well as the development of pilot projects to build capacity in the industry.

3.2 More specifically, scale up funding for demonstrator projects of innovative low-carbon and sustainable technologies. E.g., projects using measurable low-carbon construction technologies and projects enhancing biodiversity. This would provide useful data and contribute to building capacity in industry.

3.3 Allocate funding and resources to local authorities to better support re-use of construction materials. E.g., storage facilities for large quantities of high-quality construction materials for reuse; grants for SMEs for testing of reclaimed materials from demolition projects.

3/4 Innovative, low-carbon technologies/ Materials

3.4 Increase the level of **funding for the National Standards Authority of Ireland (NSAI), and the Environmental Protection Agency (EPA)**, to scale up resources and expertise required to enable assessment of low carbon-innovative technologies and products for standards, certifications, licensing, and recertification ahead of timely market access.

E.g., Invest in the development of an **updated national performance-based standards process** to enable new innovative products to be assessed and come to market in a timely fashion.

3.5 **Allocate immediate funding to a pilot project** that would offer support and guidance to organisations looking for certification, as done with the Central Bank of Ireland's Innovation Sandbox Programme.

3.6 Consider financial support through **grants/reduction in Value Added Tax (VAT) and/or tax credits** for innovative low-carbon materials, re-used materials, as well as buildings built in mass timber (currently allowed but expensive building typologies, such as warehouses) or designed for circularity.

3.7 Set conditions, such as **tax depreciation and free take-back**, to allow **second-life products/ remanufactured/ refurbished to have a final cost equal to or lower than new equipment**

3/4 Innovative, low-carbon technologies/ Materials



3.8 Invest in **research and laboratory resources in universities and academia for testing** and formal studies of innovative, low embodied carbon products to support the decarbonisation of the industry and ensure Ireland's construction industry remains competitive.

3.9 Invest in the development of **training to further support circularity in the built environment** – aligned with recent developments at EU level, and address the knowledge deficit that exists in this field at all levels of the supply chain.



4/4 Ensure all NEW
HOMES built in Ireland
are TRULY SUSTAINABLE

4/4 New homes

4.1 Where government invests in buildings, including housing, through grant aid or procurement from private sector, ensure that these developments adhere to higher sustainability requirements, including a wider range of objectives such as addressing whole life carbon emissions and reducing transport requirements, climate adaptation, and biodiversity.

- This could be achieved through **a full alignment with the EU taxonomy requirements** (Level(s)), or green building certifications such as the Home Performance Index or equivalent, as it's done in Germany for all KfW funded projects, and first piloted on a programme where subsidies are significant, such as Croí Cónaithe (Cities) Scheme.

4.2 Introduce a 9% VAT rate on construction products which contribute to carbon savings in the operational phase of a building life cycle, ensuring that in 2 years, it will take into consideration embodied carbon emissions*.

*Under the latest version of the EPBD Directive EC 2024/1275, the full life cycle global warming potential of new buildings will need to be disclosed from 2028.

4/4 New homes

4.3 Allocate **funding** to provide **grant assistance to launch a scheme** that would build on the success of the Ava Housing pilot project with a subsidy of up to €70,000 to **create additional rental capacity in lower-occupancy family homes**, coordinated with SEAI grants for energy upgrades.

4.4 Introduce a **lower VAT rate and/or tax credit for buildings developed on brownfields** to address viability issues, and as these buildings can reuse existing infrastructure

4.5 Invest in **researching a new version of commercial BERs** that would take into account **actual operational energy use** (as per the requirements of the latest EPBD and to ensure Ireland reaches its climate targets).