

THE PRESIDENT'S EXPORT COUNCIL
WASHINGTON, D.C. 20230

June 10, 2015

President of the United States of America
The White House
Washington, DC 20500

Dear Mr. President,

As private sector members of the President's Export Council (PEC), we welcome your Administration's focus on promoting American exports, expanding domestic infrastructure investment and growing America's leadership in driving sustainable buildings and infrastructure.

As integral members of America's business community, we constantly look for opportunities to increase our product export potential. By increasing exports, we help stimulate the nation's economy, create jobs and facilitate research and development. In particular, we are interested in increasing exports for energy efficient and green building products by improving global performance standards in the building and construction sector.

American companies are world leaders in developing green building designs and technologies – from building insulation, energy efficient windows, solar/renewable energies and green roofs to low-VOC sealants and sustainable paints and coatings. In most cases, U.S. designers, manufacturers and service providers are highly competitive where we have a level playing field. However, specifically in the building and construction sector, slow adoption rates on global building performance standards often disadvantages these same American exporters, investors, design firms and product manufacturers. The International Building and International Conservation Codes are neither widely utilized, nor understood.

Today, over 40 percent of global energy consumption is expended in operating buildings. As countries seek ways to reduce greenhouse gas (GHG) emissions and energy intensity; new, progressive, building performance standards can help lead the way to more energy efficient, greener buildings and provide a viable export market for U.S.-based companies that offer global solutions.

In the United States, these rigorous performance standards have been developed through a consensus process by government, industry and nongovernmental organizations (NGOs). However, these performance standards are not widely adopted in developing countries, where they have the ability to greatly improve the quality of life through a stabilized energy economy, reduced GHG emissions and improved health and environmental building codes. In addition, these standards will create access to high quality, energy efficient products such as roofing, building materials and insulation.

Traditionally, if a U.S.-based business wants to export energy efficient products or services to a country that does not have such standards; it is at an immediate disadvantage. Support for

these low or no performance standards sets a low threshold for product and technology performance, creating an advantage to incumbents and often leading to construction of substandard buildings. As a result, it is the customer who is ultimately disadvantaged, particularly when it comes to more sustainable or efficient products that have the potential to greatly improve quality of life.

In order to fully support this potential export market for American companies, we recommend that the U.S. Government engage more proactively in a “whole of government” approach to promoting the adoption of green building standards with key trading partners and especially with developing economies.

This renewed effort should build and expand upon existing positive efforts to build capacity, such as through the U.S. Department of Energy (DOE)’s Office of Energy Efficiency and Renewable Energy (EERE). As part of your Administration’s Climate Action Plan, DOE is committed to working with other countries to advance greenhouse gas reduction and energy efficiency programs. The Office of EERE has taken a collaborative approach by incorporating the expertise of the private sector to encourage these countries to adopt U.S.-based standards and create more sustainable, competitive commitments to building and infrastructure development around the world. The Department of Energy has successfully developed market opportunities for energy efficient products. For example, in South Africa with reflective cool roofing, recent efforts with private sector partners has resulted in the adoption of high performance cool roof specifications, creating a market for U.S. companies to design and export cool roof products.

Building capacity in energy efficiency and smart green technologies is a mandate across a number of government organizations, including the U.S. Departments of Commerce and State and the Office of the U.S. Trade Representative. Commerce and State are actively working to promote U.S. diplomatic posts as a visible showcase of American innovation, and also as a point-of-entry for American companies into new markets overseas. We encourage a prioritization and focus on promoting green building standards ensuring establishment of markets for U.S. research and technology in high value building and infrastructure projects. American companies can play an integral role in designing and resourcing products and technology to improve the sustainability and energy performance levels with our key trading partners, while lowering global energy consumption, improving water efficiency and enhancing the indoor air quality for workers and residents.

Greater success in promoting strong building codes would result in significant export opportunities for both small and large businesses in the building sector, establish the momentum to help drive lower GHG emissions, and lower the energy consumption in countries around the world.¹

Sincerely,

A handwritten signature in black ink, appearing to read "Jim McNerney". The signature is fluid and cursive, with a large initial "J" and "M".

Jim McNerney

¹ Please note this letter was prepared by the private sector appointed members of the PEC