



# Renovation Wave

*Greening our buildings - Creating jobs - Improving lives*

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## *Delivering the EGD*

*July 2020:* **Energy system integration & Hydrogen strategy**

*Sept 2020:* **Climate target plan & IA;  
EU assessment of the National Energy and Climate Plans**

*Oct 2020*

- **State of the Energy Union**
- **Renovation wave and Energy poverty Recommendation**
- **Methane Strategy**



# Adoption on 14 October

## Renovation Wave

- **Communication:** Greening our buildings, creating jobs, improving lives
- **Staff Working Document:** Support from the EU budget to unlock investment into building renovation under the Renovation Wave

## Recommendation on energy poverty

- **Staff Working Document EU guidance on energy poverty** accompanying the Commission Recommendation on energy poverty

## SRI

- **Delegated Regulation** establishing an optional common European Union scheme for rating the smart readiness of buildings
- **Implementing Regulation** detailing the technical modalities for the effective implementation of an optional common Union scheme for rating the smart readiness of buildings

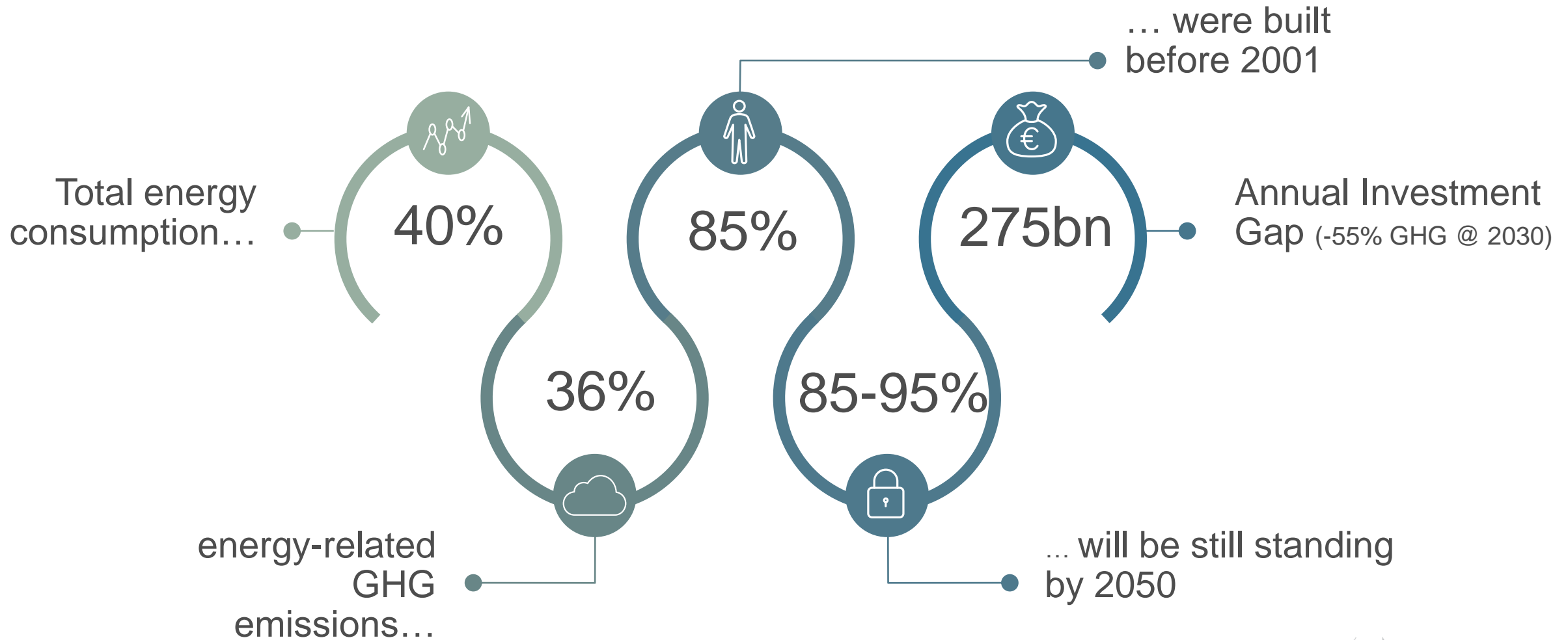
## Ambition

At least **double the annual energy renovation rate**

Make **deeper energy renovations** happen

Concerted efforts at all levels to deliver renovation to  
**35 million building units**  
by 2030

# Buildings in numbers



# Why is it the right momentum?

NextGeneration  
EU & new MFF  
offers an  
**unprecedented  
volume of  
resources**

The building  
sector consist of  
more than **90%**  
**SMEs**, hit hard  
by the economic  
impact of the  
COVID 19

Early estimates:  
energy  
efficiency  
investments  
have **dropped  
by 12% in 2020**

**Renovation** is a  
**win-win** for  
climate  
neutrality and  
recovery

# In the view of Climate Target Plan 2030

The Climate Target Plan 2030 sets a new **55%** emission reduction target and points to a need to tie together **renewable energy generation** and **energy efficiency** as essential component for action.

## Status quo

- ❖ Very rarely, renovation works address energy performance of buildings.
- ❖ Currently, annual weighted average renovation reduces **energy consumption by 1%** and **uptake of RE remains low.**
- ❖ At this pace, reaching net-zero would require centuries.

## What is needed by 2030

- **Reduce GHG by 60%**
- Reduce buildings' FEC by **14%**
- Reduce energy consumption for heating and cooling by **18%**

# COVID-19 Crisis & opportunity for buildings

Our second homes turned into our homes:  
an opportunity to **rethink**, **redesign** and **modernise** our buildings

## A renovation wave can help to:

**Reinvigorate**  
Europe's construction  
ecosystem

**Unite** the construction  
value chain across  
innovation, manufacture,  
distribution and  
installation of renewable,  
efficient technologies and  
services

**Strengthen** jobs and  
Europe's leadership in  
green construction

**Tackle** energy  
poverty



# Benefits

Healthier, greener & more accessible buildings, interconnected within a neighbourhood district



Sustainably renovated buildings reducing pressure for natural resources and greenfield construction, helping to preserve nature, biodiversity & fertile agricultural land



More adaptable buildings that are resilient to extreme natural events



Buildings ready for sustainable future - producers of energy, with recharging points for e-mobility and bike parking



# Major barriers remain



Insufficient Information on the current energy-profile of buildings and the potential benefits of renovation



Lack of trust in the actual energy savings



Split incentives between owners and tenants



Cumbersome procedures/ regulatory constraints



Lack of information & low awareness of available funding



Public procurement does not ensure necessary Climate performance

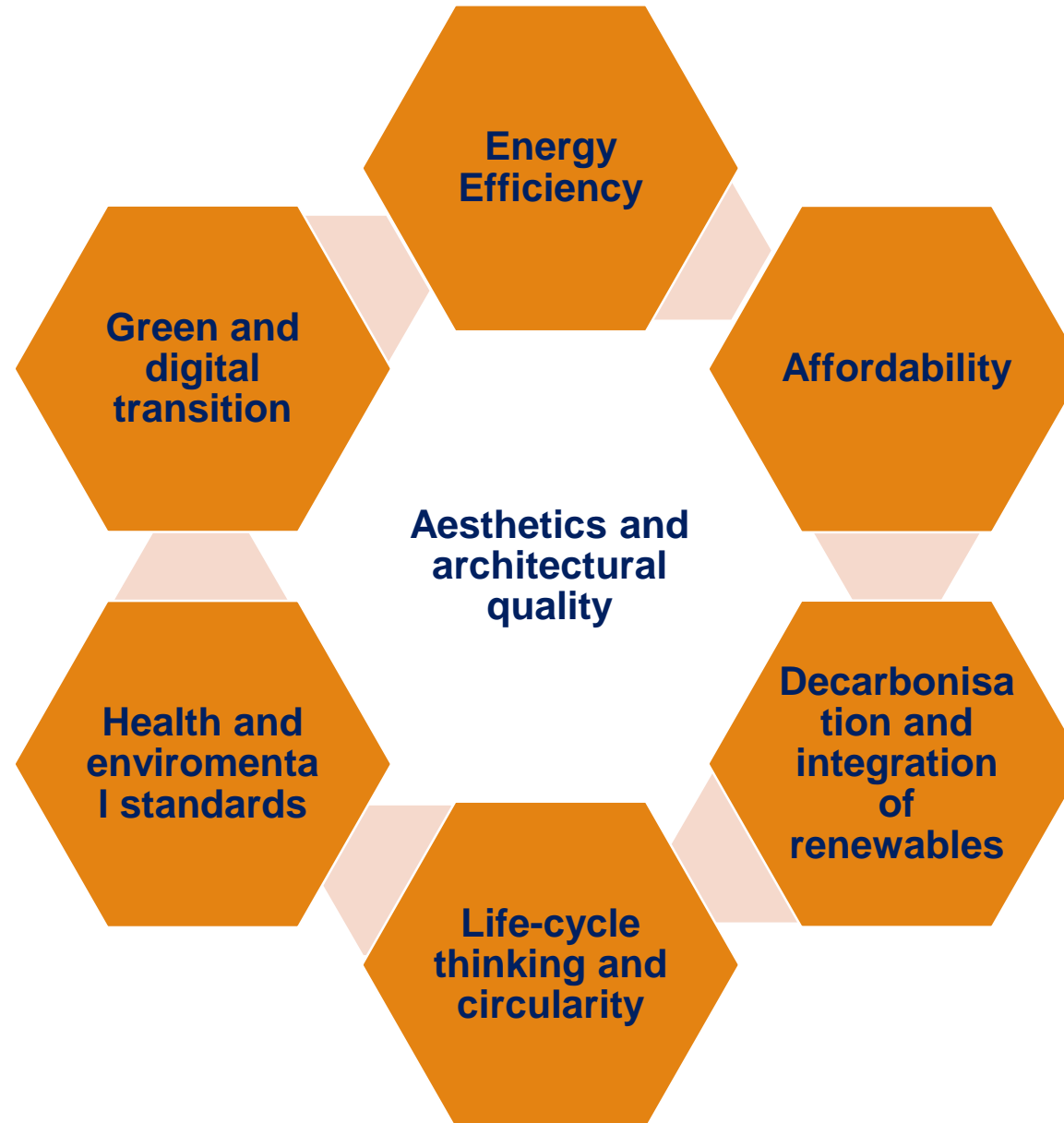


Lack of suitable financial incentives for commercial buildings



Lack of mainstream financing products

# Building renovation towards 2030 and 2050



## 7 lead intervention areas

Information,  
legal certainty  
and regulation

Accessible and  
well-targeted  
funding

Project and  
technical  
assistance

Green jobs,  
upskilling &  
attracting new  
talents

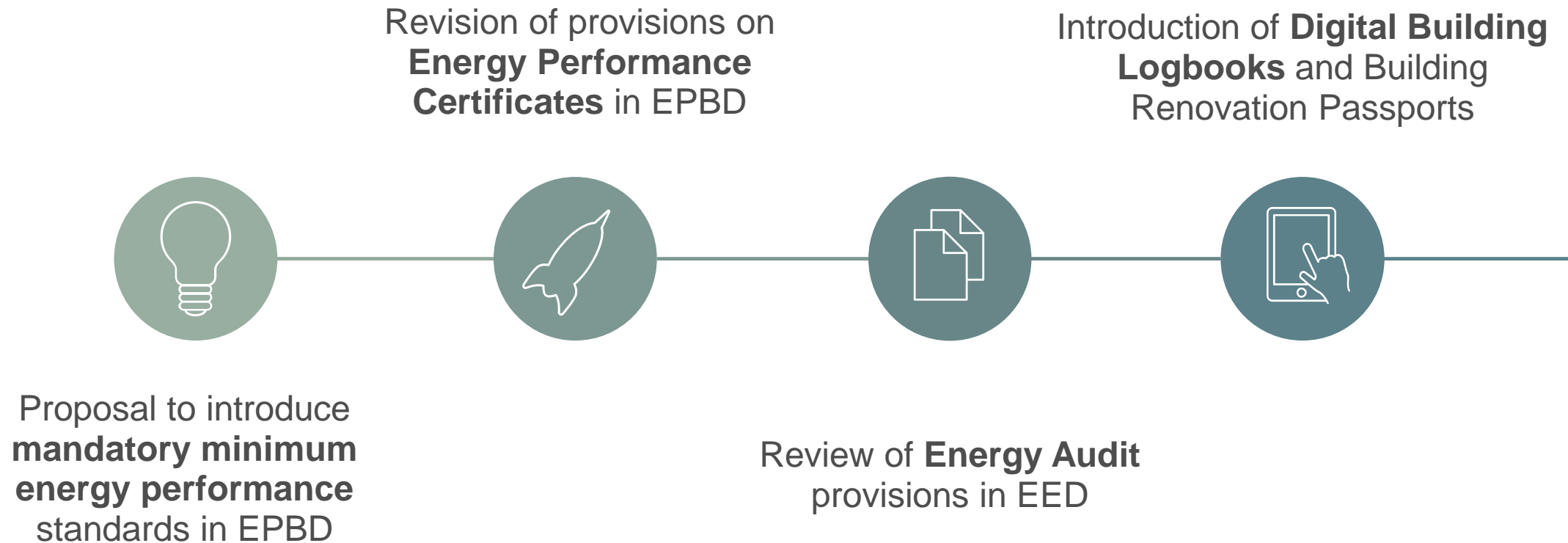
Construction  
sector for the  
sustainable  
future

A participatory  
neighborhood  
approach

European  
Bauhaus



# Strengthening information, legal certainty and incentivess



# Reinforced accessible and more targeted funding supported by technical assistance

Consideration of introducing a “**deep renovation**” standard

Support of **de-risking** energy efficiency investments



Promotion of one-stop-shops and help to replicate the **ELENA model** at national, regional and local level

Revision of the **climate-proofing guidelines**

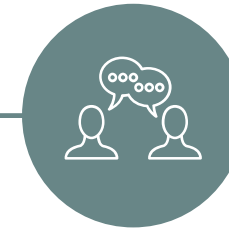
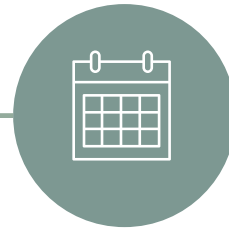
Simplification of the **General Block Exemption Regulation** and Energy and **Environmental Aid Guidelines**

# Creating green jobs, upskilling workers and attracting new talent

Help Member States to  
implement **2020 European  
Skills Agenda**



Support Member States to  
update their national  
roadmaps for trainings  
through **Build Up Skills**  
initiative

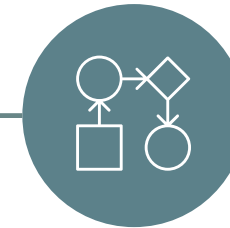
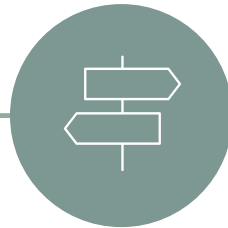


Launch the **Pact for Skills**

# Creating a sustainable built environment

Launching a **Mission on Climate-Neutral and Smart Cities** to showcase 100 European cities in transformation

Review of **material recovery targets** for construction and demolition waste & support of the internal market for secondary raw materials



Presenting a **unified EU Framework for digital permitting** and recommending **Building Information Modelling** in public procurement

Supporting **digitalisation in the construction sector** through Horizon Europe, Digital Innovation Hubs and Testing and Experimentation Facilities

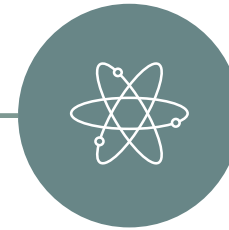
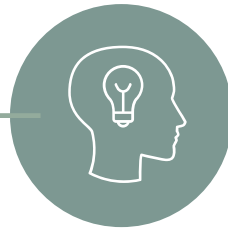


# A participatory neighbourhood approach for smart decarbonised buildings

Horizon Europe and R&I co-creation space

Supporting the development of **climate-resilient building standards**

**European Bauhaus** platform to combine sustainability with art and design



Engagement of stakeholders through the European Climate Pact

Facilitating the development of **energy communities** and **local action** through the European Smart Cities Marketplace

# Three focus areas

**Tackling energy  
poverty and worst-  
performing  
buildings**

**Public buildings  
and social  
infrastructure**

**Decarbonising  
heating and  
cooling**

# Three focus areas

## Tackling energy poverty and worst-performing buildings

- Recommendation on Energy Poverty  
Promote the use of standardised industrial solutions
- Launch of the Affordable Housing Initiative

## Public buildings and social infrastructure

- Extension of renovation requirements in EED to all public buildings
- Introduction of minimum energy performance standards for public buildings in the context of the review of the EPBD
- Develop green public procurement criteria related to life cycle and climate resilience, for certain public buildings, based on Level(s)

## Decarbonising heating and cooling

- Consider strengthening the renewable heating and cooling target and introducing a requirement of using minimum levels of renewables in buildings in the REDII revision
- Assess the possibility to integrate all emissions from fossil fuel combustion from buildings in the EU ETS
- Strengthen the capacities of public authorities to prepare, finance and implement comprehensive heating and cooling planning in the EED revision
- Continue developing the eco-design and energy labelling measures

# EU budget to kick-off the Renovation Wave

## for Direct Investments

- Recovery and Resilient Facility
- Cohesion Policy Funds (ERDF, ESF, EU-REACT)
- Just Transition Mechanism - JTF

## To leverage private investments

- InvestEU
- Private Financing 4 Energy Efficiency
- European Energy Efficiency Fund

## for Research & Innovation

- Horizon Europe
- Built 4 people
- EGD Calls
- Smart Cities

## To address Market Barriers

- LIFE – Clean Energy Transition
- LIFE – Circular Economy & Quality of Life

## For Technical Assistance and Advisory

- ELENA Facility
- Technical Support Instrument
- Technical Support – Cohesion Policy

Further details on:

[https://ec.europa.eu/commission/presscorner/detail/en/ip\\_20\\_1835](https://ec.europa.eu/commission/presscorner/detail/en/ip_20_1835)

[https://ec.europa.eu/energy/topics/energy-efficiency/energy-efficient-buildings/renovation-wave\\_en](https://ec.europa.eu/energy/topics/energy-efficiency/energy-efficient-buildings/renovation-wave_en)



**Thank you**