



Renovation Wave

The European
Green Deal

#EUGreenDeal



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I want the NextGeneration EU to kick start a European renovation wave and make our Union a leader in the circular economy.

*President von der Leyen
State of the Union speech, 2020*

#EUGreenDeal



COVID-19

Buildings: in the centre for our lives

For millions of Europeans, the home has been the focal point of daily life: an office for those teleworking, a classroom for children and pupils, a hub for online shopping or entertainment



- Investing in buildings can **inject a much-needed stimulus** into the construction sector and the macro-economy
- The Renovation Wave can **trigger a large-scale transformation** of our cities and built environment

The Renovation wave

Greening our buildings faster, Creating jobs, Improving lives

On 14 October 2020, the European Commission presented its Renovation Wave Strategy. The Commission aims to at least:

- **double renovation rates** in the next ten years;
- make sure renovations lead to **higher energy and resource efficiency**.

This will enhance the quality of life for people living in and using the buildings, reduce Europe's greenhouse gas emissions, foster digitalisation and improve the reuse and recycling of materials.



<https://audiovisual.ec.europa.eu/en/video/I-195844>

Building Renovation for Climate Neutrality and Recovery



The building sector is one of the **largest energy consumers** in Europe, responsible for more than one third of the EU's energy-related emissions.



Effective actions are crucial to make Europe climate-neutral as:

- Only 1% of buildings undergo energy efficient renovation every year
- Roughly 75% of the building stock is energy inefficient
- Almost 85-95% of today's buildings will still be in use in 2050



Therefore, by 2030:

- 35 million buildings could be renovated
- A significant number of additional green jobs created in the construction and related sectors
- 12-18 local jobs per million euro invested

Making Europe's Buildings Remarkably Different



Decarbonisation of heating and cooling



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



Renovation of public buildings and social infrastructure
such as schools, hospitals and administrative buildings



A set of policy measures, funding tools and technical assistance instruments to break down of existing barriers throughout the renovation chain – from the conception of a project to its funding and completion

7 lead intervention areas

Information, legal
certainty and
regulation

Accessible and
well-targeted
funding

Project and
technical assistance
One-stop shops

Integrated
interventions for
smart buildings

Construction sector
for the sustainable
future

Addressing energy
poverty and healthy
housing

Decarbonisation of
heating and cooling



Focus areas



Heating and cooling

- efficient and low-CO2 tech
- target for renewable energy supply
- minimum threshold of renewable energy

Public buildings

- renovation requirements
- minimum energy performance standards + milestones for 2030, 2040 and 2050
- guidance on Energy Efficiency First principle
- public procurement (life-cycle and climate resilience)
- Recovery and Resilience Facility and Multi-Annual Financial Framework Funds

Energy poverty

- a recommendation on energy poverty
- long-term renovation strategies: developing effective strategies to combat energy poverty through renovation
- mandatory minimum energy performance standards
- one-stop shops, standardised solutions (financing, technology)
- Affordable Housing Initiative

Fast and Accessible Renovation for Better Buildings



Stronger regulations, standards and information on the energy performance of buildings, for example:

- A phased introduction of mandatory minimum energy performance standards for existing buildings
- Updated rules for Energy Performance Certificates
- Possible extension of building renovation requirements for the public sector



Accessible and well-targeted funding, for example:

- 'Renovate' and 'Power Up' Flagships in the Recovery and Resilience Facility under NextGenerationEU
- Simplified rules for combining different funding streams
- Multiple incentives for private financing

Sustainable Products, Services and Assistance



Increasing capacity to prepare and implement renovation projects:

- from technical assistance to national and local authorities through training and skills development for workers in **new green jobs**



Expanding the market for **sustainable construction products and services**, for example:

- integration of new sustainable materials and nature-based solutions
- revised legislation on marketing of construction products
- material reuse and recycling platforms, and recovery targets

Districts approaches uniting people and communities



Developing **neighborhood-based approaches** for local communities to integrate renewable and digital solutions and create zero-energy districts, where consumers become prosumers selling energy to the grid



The strategy also includes an **Affordable Housing Initiative** for 100 districts



EPBD revision

Key steps

- Part of “**Fit for 55 package**” (the revision of EED, RED, ETS and ESR is expected in June/July 2021)
- Stakeholders consultation in the first half of 2021
- Adoption of the EPBD revision foreseen in **Q4 2021**
- Submission of the **Impact Assessment** of the EPBD revision to the Regulatory scrutiny board by 20 July 2021

Stakeholders consultation

- **Inception Impact Assessment:** consultation From **22 February to 22 March 2021**; **243** stakeholders from 20 EU Member States + from outside the EU
- **Open public consultation questionnaire:** feedback from 30 March until 22 June (available in all languages in the “[Have your Say](#)” portal)
- **Targeted stakeholder’s consultation workshops**
 - Setting a vision for buildings and a decarbonised buildings stock; 31 March
 - Minimum energy performance standards for existing buildings; 15 April
 - Strengthening buildings information tools (with focus on EPC); 29 April
 - Digitalisation & data management in buildings; 19 May,
 - Financing and energy poverty; 06 June

Policy measures being considered and goals

- **Minimum Energy Performance Standards (MEPS)**
 - *New instrument to be introduced, several design options possible*
- **Deep Renovation Standards**
 - *Establish a definition revisiting the - 60% energy savings*
- **Building Renovation Passport (BRP)**
 - *Gradual steps, link with other instruments*
- **Strengthening of energy Performance Certificates (EPC)**
 - *Improve quality and comparability*
 - *Improve accessibility for users (digital tool, national databases)*
 - *Improve information role of EPCs by enlarging the set of information*
- **Decarbonisation of buildings**
 - *New buildings from NZEB to “net zero emissions buildings”*
 - *GHG metric in EPCs*
- **Smart Readiness Indicator (SRI)**
 - *Accelerate next steps and create synergies with other tools*
- **Electro-mobility**
 - *Strengthen requirements for recharging*
 - *New requirements for e-bikes and e-scooters?*



Increase renovation rate and depth



Enable the decarbonisation of buildings



Accelerate the modernisation of buildings and of their systems with digitalisation as key enabler

Policy measures considered: Minimum energy performance standards (MEPS)

Key elements for MEPS design:

- **Learn from national experiences**
- **Start from existing EPBD tools:** EPC (to be strengthened) and LTRS
- **Building types to be targeted:**
 - the focus on worst performing buildings ensure that highest savings (energy, GHG) can be achieved
 - Exploit existing trigger points for renovations (rent, sales)
 - Leave flexibility to adapt to national specificities
- **Level of ambition:** set a clear progressive pathway compatible with decarbonisation in the long term
- **Address critical social impacts** such as rents increase, split-incentives and housing affordability
- **Accompany MEPS with earmarked financial support and technical assistance**

New European Bauhaus – Matching Style with Sustainability

“The New Bauhaus is about bringing the European Green Deal closer to people's minds and homes. And making tangible the comfort and attractiveness of sustainable living” – President von der Leyen



What?

an interdisciplinary project
a forum for discussion
a space for art and culture
an experimentation lab
an accelerator
a hub for global networks
and experts
a contact point for citizens
interested in the topic



Who?

Architects
Artists
Students
Scientists
Engineers
designers and others
who wish to contribute



When?

First wave: 2021 onwards - For example five Bauhaus projects, all focused on sustainability, art and culture

Second wave 2023 - Bauhaus projects and network in and outside Europe:

- Platform and creative spaces
- Bauhaus knowledge hub
 - identifying technologies and materials
 - using big data and artificial intelligence
 - engaging with stakeholders and citizens

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

Next steps- a shared project across Europe



The Renovation Strategy is being **discussed by the Council, the European Parliament, other EU institutions, the European Investment Bank, civil society and stakeholders** with a view to contributing to the necessary actions, and deploying them on the ground



The discussions will cover **concrete legislative and non-legislative measures and enabling tools, financing and non-financing aspects**, and take into account different levels of action at EU, national and local or regional level, to make faster and deeper renovation



Thank you

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