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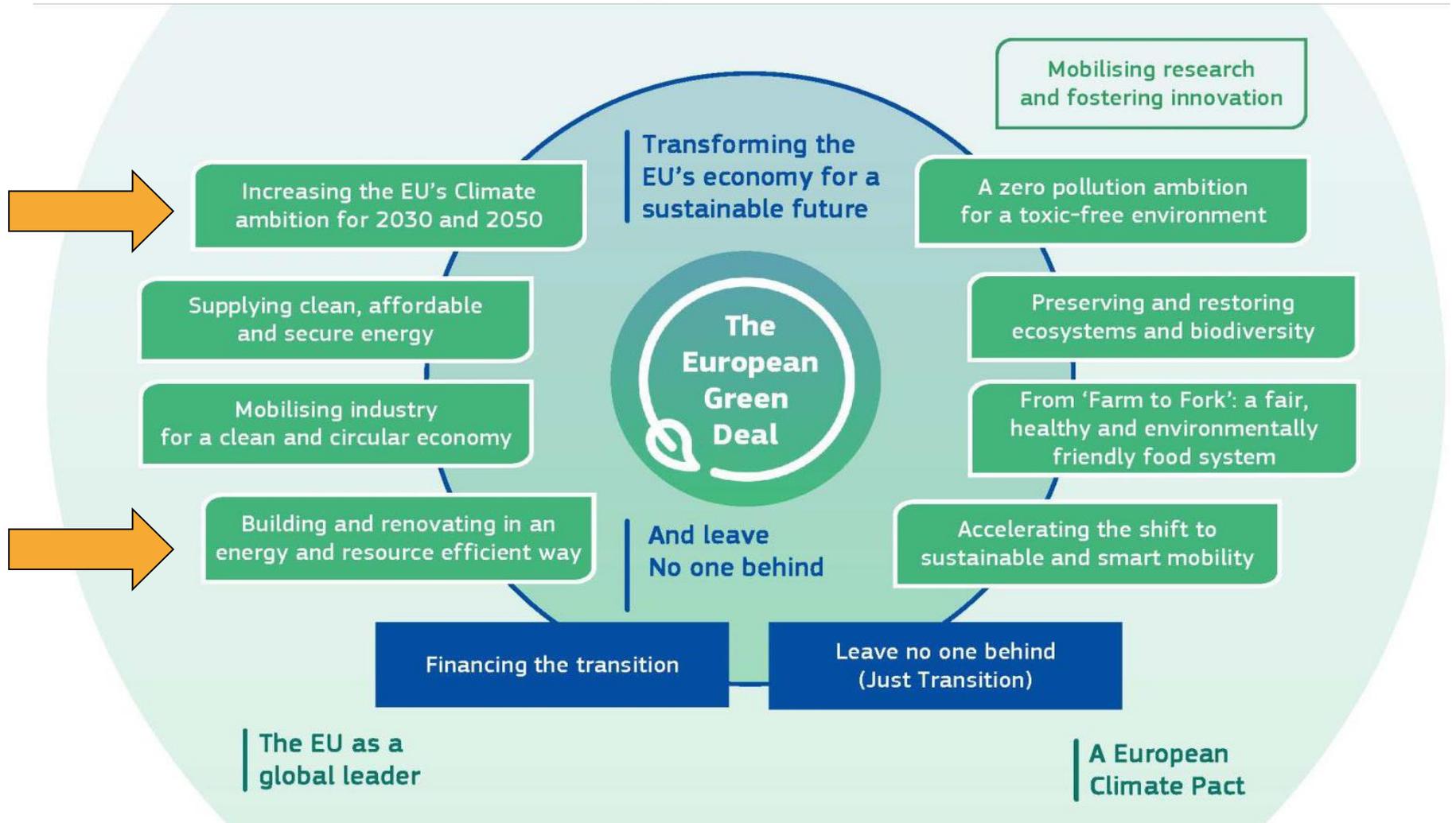
The ‘Renovation Wave’ initiative and how to finance it

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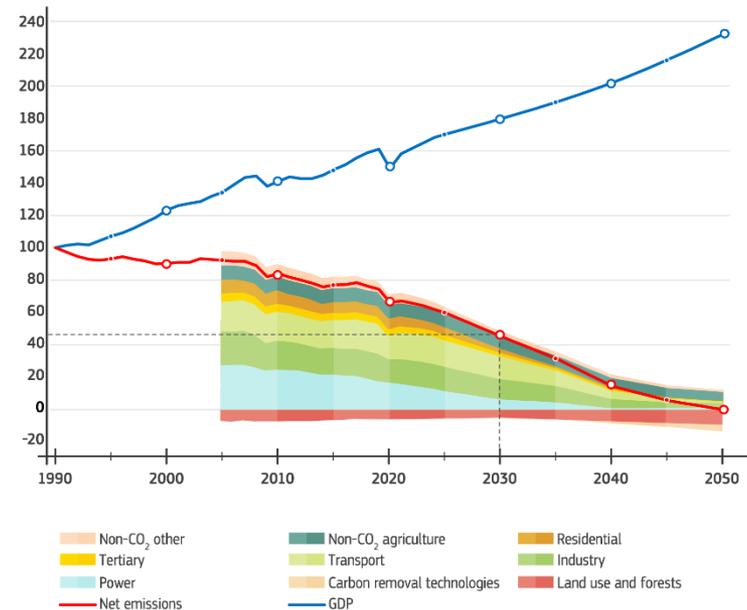


The European Green Deal



The 2030 Climate Target Plan

- EU-wide, economy-wide greenhouse gas emissions reduction target of **at least 55%**, including emissions and removals, by 2030 compared to 1990
- **Actions required across all sectors** of the economy and launch of revisions of the key legislative instruments
- Public debate in autumn 2020 to increase the EU's contribution to the Paris Agreement before the end of the year and set the stage for the Commission to make detailed legislative proposals by June 2021



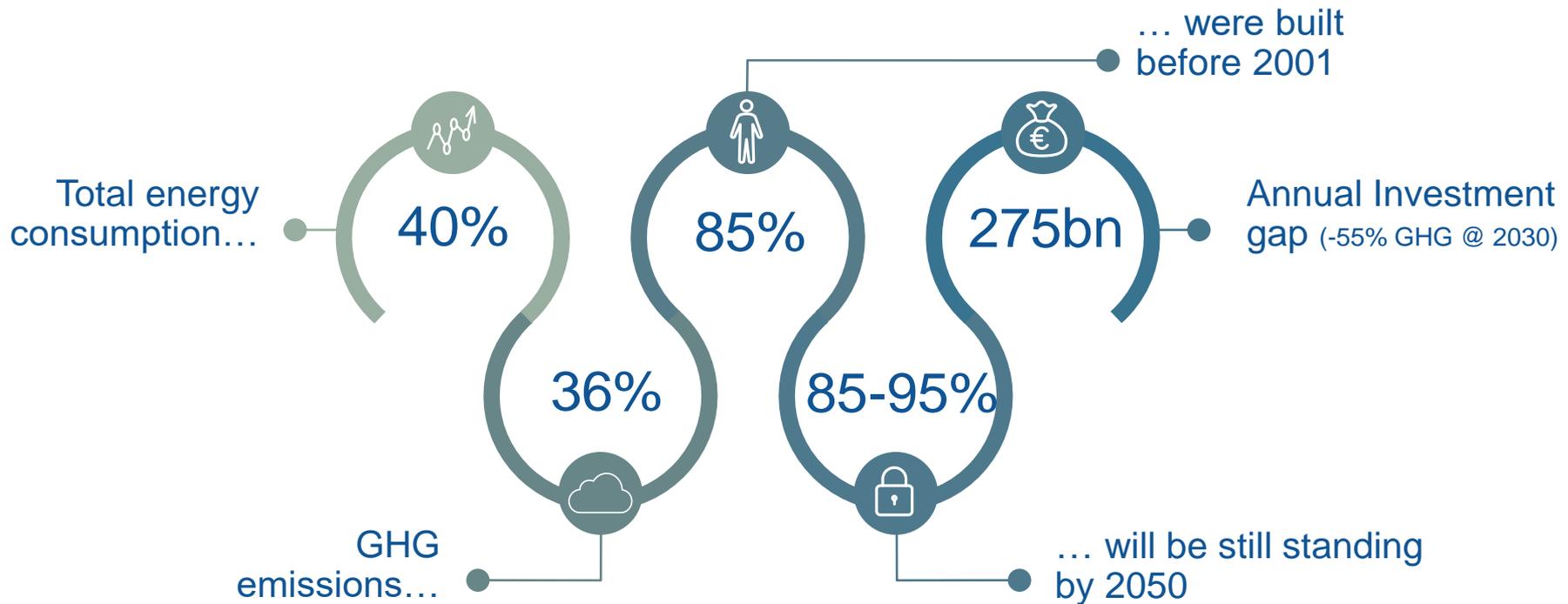
https://ec.europa.eu/clima/policies/eu-climate-action/2030_ctp_en

Updating the legislative framework

The Proposal for the Climate Law describes the process to get to the new 2030 target.

- Increasing role for emissions trading. **EU Emissions Trading System's** to be strengthened. Possibility to extend its scope to construction and transport.
- **Renewable Energy Directive** will be reinforced. Use of renewable energy would increase to reach 38% to 40% of gross final consumption.
- **Energy Efficiency Directive** should incorporate more ambitious final and primary energy targets. Consumption would further reduce in 2030, achieving savings of 36-37% (FEC) and 39-41% (PEC).
- Better enforcement of the **Energy Performance of Buildings Directive**, identify targeted revisions as a follow up of the Renovation Wave initiative

Why renovation: buildings in numbers



The current renovation rate (~1% per year) will need at least to double to reach the EU's energy efficiency, renewables and climate objectives

Where are we now?

An established framework ...

- Clean Energy for All Europeans Package 2018 and 2019
- A solid basis for energy market integration, renewables deployment and energy efficiency promotion
- Existing regulatory framework and funding instruments to promote energy efficiency, building renovation and renewables deployment at building, neighbourhood and district level

Crucial role of national long-term renovation strategies

... but not enough impact

- Only 11% of existing building stock undergoes renovation each year
- Renovation works only rarely address energy performance of buildings
- Currently, renovation reduces energy consumption by 1% and uptake of renewable energy remains low
- Renovation is held back by barriers throughout the value chain

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**.
- Concerted action at all levels, from the local to the regional, national and European



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

Key principles of the 'Renovation Wave'?

- Energy efficiency first principle
 - Affordability, energy poverty
 - Decarbonisation and integration of renewables
 - Life-cycle thinking and circularity
 - High health and environmental standards
 - Tackling the twin challenges of the green and digital transitions
- Aesthetics and architectural quality



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EUROPEAN COMMISSION

Brussels, 14.10.2020
COM(2020) 662 final

COMMUNICATION FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT, THE COUNCIL, THE EUROPEAN ECONOMIC AND SOCIAL COMMITTEE AND THE COMMITTEE OF THE REGIONS

A Renovation Wave for Europe - greening our buildings, creating jobs, improving lives
(SWD(2020) 550 final)

EN

Renovation Wave:
Communication
Action Plan
EU budget support

Annex: The Renovation Wave Policy Commission objectives and indicative timelines

Strengthening information, legal certainty and incentives for renovation	
Revision of Energy Performance Certificates and proposal to introduce mandatory minimum energy performance standards for all types of buildings in the EPBD	2021
Revision of requirements on energy audits in the EED	2021
Proposal on Building Renovation Passports and introduction of a single digital tool unifying them with Digital Building Logbooks	2023
Developing a 2050 whole life-cycle performance roadmap to reduce carbon emissions from buildings and advancing national benchmarking with Member States	2023
Reinforced, accessible and more targeted funding supported by technical assistance	
Proposed strengthened financing for the ELENA facility from the InvestEU advisory hub and possibly from other European programmes	2021
Consider the introduction of a 'deep renovation' standard as part of the EPBD revision	2021
Revising the climate-proofing guidelines for projects supported by the EU	2021
Supporting de-risking energy efficiency investments, and proposing to incorporate environmental, social and governance (ESG) risks into the Capital Requirements law and the Solvency II Directive	2021
Reviewing the General Block Exemption Regulation and Energy and Environmental Aid Guidelines	2021
Creating green jobs, upskilling workers and attracting new talent	
Supporting Member States to update their national roadmaps for the training of the construction workforce through the Build Up Skills Initiative and helping implement the 2020 European Skills Agenda	2020
Sustainable built environment	
Reviewing material recovery targets and supporting the internal market for	2024

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SWD(2020) 550 final

COMMISSION STAFF WORKING DOCUMENT

EU budget to unlock investment into building renovation under the Renovation Wave

Accompanying the

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(COM(2020) 662 final)

EUROPEAN COMMISSION

Brussels, 14.10.2020
C(2020) 6929 final

COMMISSION IMPLEMENTING REGULATION (EU) .../...
of 14.10.2020

detailing the technical modalities for the effective implementation of an optional common Union scheme for rating the smart readiness of buildings
(Text with EEA relevance)

EN

EUROPEAN COMMISSION

Brussels, 14.10.2020
C(2020) 6930 final

COMMISSION IMPLEMENTING REGULATION (EU) .../...
of 14.10.2020

detailing the technical modalities for the effective implementation of an optional common Union scheme for rating the smart readiness of buildings
(Text with EEA relevance)

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Smart Readiness Indicator

EUROPEAN COMMISSION

Brussels, 14.10.2020
C(2020) 9400 final

COMMISSION RECOMMENDATION
of 14.10.2020

on the subject of

(SWD(2020) 9400 final)

Energy Poverty recommendation

EN

Actions to boost quality renovations

- Strengthen information, legal certainty and incentives
mandatory requirements, update Energy Performance Certificates, role of public buildings, digital logbooks, building renovation passports, etc.
- Reinforce funding solutions
- Provide technical assistance
- Improve skills in the construction sector
- Expanding the market for sustainable construction products and services

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

COVID-19

Buildings: in the centre for our lives

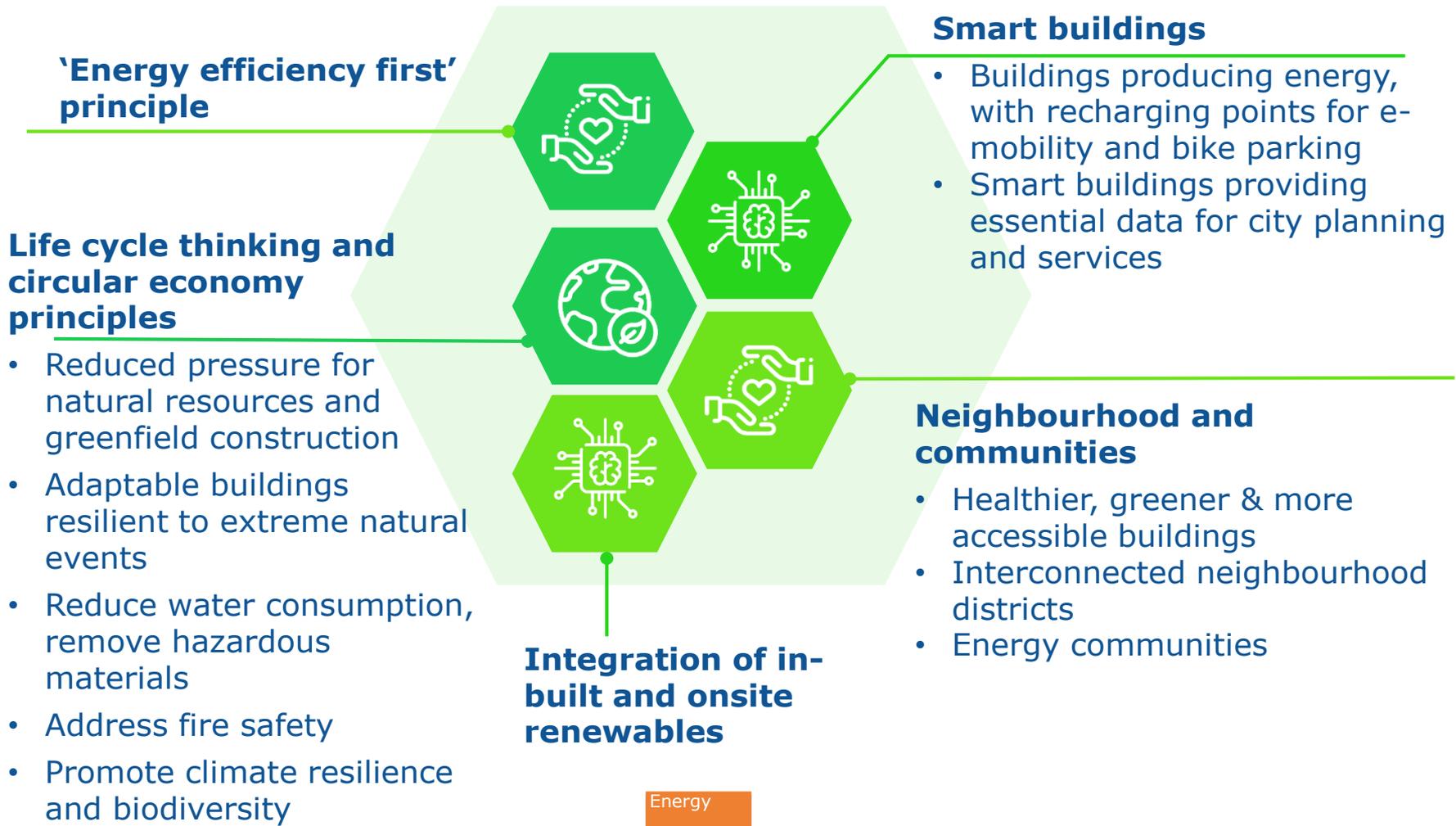
For millions of Europeans, the home has been the focal point of daily life: an office for those teleworking, a classroom for children and pupils, a hub for online shopping or entertainment

*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*



A comprehensive vision on building renovation



The Renovation Wave - Four focus areas

1. Tackling worst-performing buildings and energy poverty
 - ✓ Mandatory minimum energy performance requirements
2. Public buildings showing the way: focus on schools, hospitals and care facilities
3. Decarbonising heating and cooling
4. Mobilising neighbourhood approaches

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



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Thank you!

Have your say

**Revision of the Energy Performance of
Buildings Directive 2010/31/EU**

<https://ec.europa.eu/info/law/better-regulation/have-your-say/initiatives/12910-Revision-of-the-Energy-Performance-of-Buildings-Directive-2010-31-EU>