



# Renovation Wave

The European  
Green Deal

*#EUGreenDeal*



”

*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



European  
Commission



# 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)

# 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 adopted on 14 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 on 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

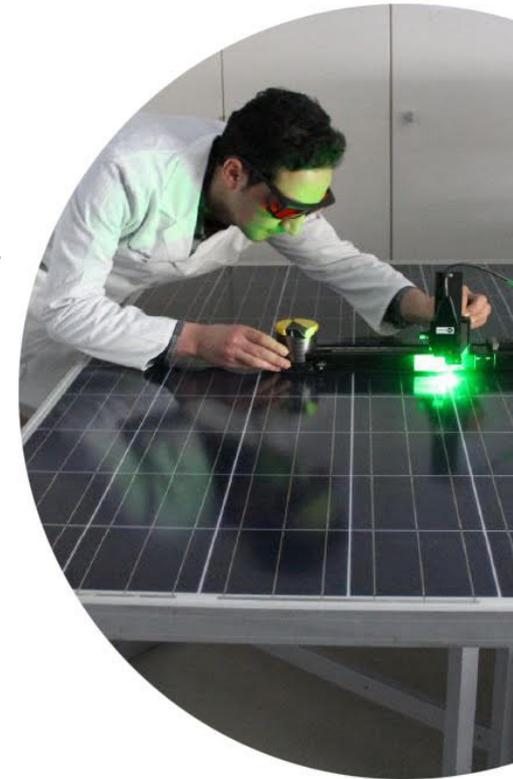
## Next steps- a shared project across Europe



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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