Maximising the energy efficiency potential of the EU building stock

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The Committee on Industry, Research and Energy adopted an own-initiative report by Ciarán CUFFE (Greens/EFA, IE) on maximising the energy efficiency potential of the EU building stock.

Buildings account for approximately 40% of the EU's energy consumption and 36% of its CO2 emissions. Their thorough renovation is of major importance for achieving the EU's objective of achieving zero net greenhouse gas emissions by 2050.

Members believe that the following aspects are key to successfully generating a ‘renovation wave’ that would improve the lives of citizens, contribute to the quality of buildings and help achieve the EU’s climate ambitions.

Neighbourhoods and communities

The report stressed the important role that citizens play in the renovation of the residential building stock and the importance of developing effective tools, best practices and making all possible information and knowledge available at local level, including the opportunities offered by technology (including smart meters).

As fuel poverty in the EU affects almost 50 million households, Members believe that energy-efficient buildings should benefit all citizens, especially the most vulnerable.

The report called for the creation of one-stop-shops for building renovation that would serve as advisory tools in a transparent and accessible way, fostering the aggregation of projects and replicable models, providing information on third-party financing, coordinating and accompanying renovations, and offering capacity building for municipalities.

Members highlighted the active involvement throughout the process of local actors such as energy communities, consumer organisations, local business associations, including in the construction sector, and housing cooperatives.

The Commission is invited to adopt a strategy to facilitate integrated renovation programmes at EU level and to set up platforms, as foreseen in the communication on the European Green Deal, and to make them a key priority of the integrated renovation programmes.

Funding

The report says that at least EUR 75 billion a year in EU financial incentives alone is needed to ensure that Europe's buildings are sufficiently energy-efficient by 2050.

In this context, Members called for energy efficiency renovations to be prioritised in each of the relevant EU funds and ask the co-legislators to provide the necessary funding for the European Economic Recovery Plan. They called on the EU institutions to ensure that the respective funds of the new MFF prioritise dedicated amounts for energy efficiency and building renovations, with clear conditions and timeframes, including technical assistance, to ensure adequate absorption rates.

The Commission is invited, *inter alia*, to study the feasibility of dedicating revenues from the Emissions Trading Scheme (ETS) to energy efficiency actions and to amend EU state aid rules, including for SME investments, in order to create a favourable framework to encourage integrated renovation programmes.

Construction technologies and building materials

Members called on the Commission to support research and development programmes to create efficient construction materials. The report called for new approaches to prefabrication and serial renovation to be developed and by neighbourhood in order to reduce costs and create jobs. It also stressed the importance of flexibility in the choice of technologies used for renovation and construction.

The Commission and Member States are invited to promote the integration of renewable energy in the construction sector. The recovery and recycling of construction materials, life-cycle assessment and consideration of embodied energy must therefore be streamlined into EU legislation.

Standards, skills and healthy buildings

Given the low rate of deep renovation, estimated at 0.2%, Members suggested that priority should be given to deep renovation, including staged renovation of the worst performing buildings, including setting minimum energy performance standards. They called for the introduction of a building renovation passport to track continuous improvements and monitor the extent of renovation. They also stressed that building renovation projects should always result in healthy buildings.

The report stressed the potential of the Just Transition Fund within the context of the COVID-19 post-crisis recovery plan for training and qualification of workers in the construction and renovation sectors. The Commission is invited (i) to launch an EU skills and information initiative in the renovation and construction sector; (ii) to develop a legislative framework for the introduction of minimum energy performance standards (MEPS) for existing buildings, to be progressively tightened over time.

Digitalisation

The report highlighted the role of digitalisation and data in accelerating the planning, implementation, control and monitoring of the renovation plans' results, as well as for a more efficient planning and management of energy. Members considered that smart meters and online applications increase energy efficiency and empower consumers, but regulatory safeguards are needed to protect housing and consumer rights.

Renovation wave

Members are convinced that the renovation wave offers an opportunity to achieve energy-efficiency and climate-neutral building stock by 2050 and that it may mitigate the impact of the COVID-19 crisis by stimulating national and local economies by promoting quality and essential jobs in the construction and renewable energy sectors.

The Commission is invited to: (i) ensure the implementation of the measures foreseen in the revised Energy Performance of Buildings Directive; (ii) place the principle of the primacy of energy efficiency at the centre of the renovation process of the Union's building stock; (iii) enshrine the renovation's wave into new and revised EU legislation and to review the climate and energy targets for 2030 to put the legislation on a trajectory towards climate neutrality.