European Commission

Support to the Renovation Wave

The flagship technical support

This flagship technical support is targeted at Member States wishing to design and implement reforms supporting building renovation and the EU Renovation Wave. A refurbished and improved building stock in the EU will help pave the way for a decarbonised and clean energy system. To this end, the flagship offers activity packages to help Member States address some of the key barriers to building renovation.

Renovation benefits at a glance

People

- Lower energy bills
- Reduced energy poverty
- Improved quality of life for residents

Economy

- Increased investment in local construction and supply chains
- Creation of local green jobs

Climate

- Reduced greenhouse gas emissions
- Lower energy consumption and increased climate resilience
- Smarter buildings enabling e-mobility and energy system integration

Renovating public and private buildings - a key initiative under the European Green Deal

Fact 1: Buildings account for 40% of energy consumed, and 36% of energy-related greenhouse gas emissions

Fact 2: Renovation is labour intensive and can play a crucial role in the economic recovery after the COVID-19 pandemic

Fact 3: Roughly 75% of buildings in the EU are not energy efficient, yet only 1% of buildings undergo energy efficiency renovation each year

The flagship technical support facilitates

- ✓ Implementing the **EU Renovation Wave** and **national long-term renovation strategies**
- ✓ Deploying **cohesion policy funding**, one of the main EU funding instruments for renovation

IMPACT OBJECTIVES

- ✓ **Overcoming barriers to building renovation,** including administrative capacity constraints
- ✓ **Making the most of cohesion policy funding for renovation:** tapping this large source of funding to boost building renovation
- ✓ **Contributing to job creation, to EU's climate objectives, and to reducing energy poverty** through effective renovation policies

HOW CAN WE BOOST BUILDING RENOVATION?

This flagship identifies **technical support measures** focused on design and implementation of policies enabling faster and deeper renovation. This will contribute to the milestones under the national long-term renovation strategies and the recovery and resilience plans. The flagship suggests **three activity packages** tailored to the national and local contexts. As relevant and requested, different types of support could be combined in the same support package.

BUILDING RENOVATION POLICIES

Support to policies in areas such as energy poverty, public buildings, and sustainable renovation (circular economy, skills, lifecycle emissions, climate resilience, digitalisation, etc.)

- Analysis of administrative, financial and regulatory barriers
- Design of measures and action plans, including for attracting financing and project pipeline development
- Capacity building

COORDINATION MECHANISMS

Support to an effective governance of the long-term renovation strategies.

- Stakeholders map
- Analysis of capacity constraints and existing coordination mechanisms
- Recommendations for an effective and inclusive coordination mechanism, including possible e-government solutions
- Capacity building

COHESION POLICY FUNDING FOR BUILDING RENOVATION

Support to successful implementation of the 2021-2027 cohesion policy programmes on building renovation.

- Analysis of barriers and needs
- Action plans for relevant authorities and other actors
- Advice for implementation of the action plan, including support in developing methodologies

FOCUS AREAS

The flagship aims to support reforms to overcome barriers to renovation and to build administrative capacity to scale up renovation. It focuses on **five focus areas** linked to the EU Renovation Wave.

Snapshot: Energy poverty

- Nearly 34 million Europeans are unable to afford keeping their home adequately warm
- Inefficient buildings cause a vicious circle of high energy bills, arrears and problems with wellbeing and health
- Low income households may not be able to afford building renovation or may be asked to pay higher rents

➡ *Targeted financial solutions, stakeholder engagement and cooperation across public administration levels to boost building renovation for energy poor households*

Snapshot: Cohesion policy funding

- Cohesion policy is one of the main EU sources of investments in energy efficient building renovation: EUR 13 billion in 2014-2020 programming period
- Multiple barriers hold back deployment and effectiveness of cohesion funding for building renovation
- 2021-2027 programmes should increase both the speed of implementation and the ambition for building renovation

➡ *Concrete guidance to managing authorities and their partners to address barriers and improve deployment of funding*