Recently, 17 Member States, but also more than 180 politicians and organisations (including EuroACE) called for making the Green Deal the core of the economic recovery which we have to plan now. How should this Green Recovery look like? Well, in the current crisis due to the COVID-19 outbreak, as billions of people self-isolate at home for weeks — and potentially months — the importance of well-performing and comfortable buildings has never been more acutely understood.

Buildings have always been central to our lives — after all we spend 90% of our time indoors — but the current situation of confinement has highlighted more than ever the vital role building renovation must play in the future of Europe. When the health crisis ends, a European wide renovation initiative must kick-start the economy, provide the means to achieve the European Union’s climate ambition and ultimately protect the well-being of its people.

The first priorities now are issues of health. COVID-19 has revealed unacceptable housing inequalities. For vulnerable low-income Europeans confined to poor quality homes, the lockdown has meant more time exposed to cold and damp conditions, which inevitably has had serious consequences for their physical and mental health. Add to this devastating picture, the challenge of those households that struggle to pay their energy bills — and almost 50 million Europeans cannot — and renovation becomes an urgent moral responsibility. This crisis must lead us to rethink the direction of our policies over the long term. Better housing through renovation has to be top of that agenda.

Renovation also holds the key to a successful European Green Deal. When the European Commission unveiled its proposals to create the world’s first carbon neutral continent by 2050, it underlined the importance of a ‘renovation wave’. Renovating Europe’s building stock to make it more energy efficient is an obvious core pillar of the Green Deal. Buildings are responsible for more than 36% of Europe’s CO₂ emissions and devour almost half of Europe’s energy. European wide renovation is a win-win way of achieving climate neutrality.

Renovation should also be used to create a new long-lasting economic legacy in a post-COVID-19 world. An EU commitment to ambitious renovation programmes up to 2050 would be a clear signal to investors and the construction industry to unlock more money for renovation against a 30-year future of policy certainty. In turn, this would create millions of new jobs and provide the GDP benefit every country will need after the crisis.
Unfortunately, despite the enormous potential benefits of energy efficient building renovation, the average EU energy renovation rate is only at around 1% a year, of which just 12% are deep energy renovations. This has to change. The European Commission has said the annual rate has to “at least double” with a focus on many millions who live in fuel poverty. To achieve such an ambition will require the European Union to ensure rapid and significant progress in delivering renovation projects across the continent. It is good news to know that the Commission sticks with its initial planning of releasing its Strategic Communication on the Renovation Wave at the end of September or beginning of October, and that it remains politically engaged at the highest level to put energy renovation of buildings a key piece of the Green Deal delivery.

As part of planning the EU economic recovery strategy, it will be vital to prioritise the financial stimulus packages for renovation and to ensure the creation of large-scale projects focused on the delivery of high quality energy efficiency. Assessing the use of available resources such as the Innovation Fund of the EU Emissions Trading System and unspent reserves from the current European Structural and Investment Funds to renovation might be helpful to provide a quick stimulus to investments in building renovation. More short and long-term measures such as adapting state aid rules for energy renovation programmes should follow. The continued leadership of the European Commission will be crucial to ensure these steps are taken. We also know that Members of the European Parliament are already working on an own-initiative report by Ciaran CUFFE (Greens, Ireland) on ‘maximising the energy efficiency potential of the EU Building Stock’. Next week, the Energy Ministers will discuss next steps for the Green Deal...

There is a momentum. We call on the European Parliament and Member States to make the Renovation Wave a truly inclusive project for a productive and rapid EU Green Recovery with the well-being and health of its people at its heart!

END
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About EuroACE
EuroACE represents Europe’s leading companies involved with the manufacture, distribution and installation of energy saving goods and services for buildings. EuroACE members employ around 200,000 people in these activities in Europe and have around 900 production facilities and office locations. The mission of EuroACE is to work together with the EU institutions to help Europe move towards a more efficient use of energy in buildings, thereby contributing to Europe’s commitments on climate change, energy security and economic growth.

EuroACE Members (2020)