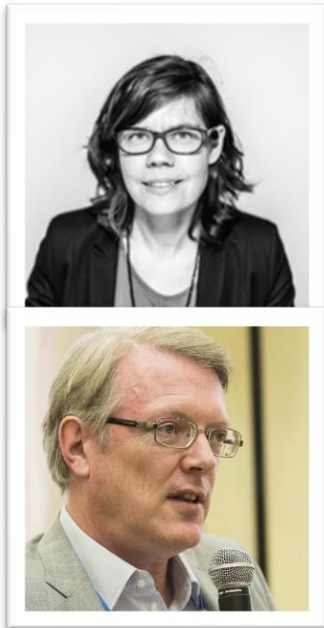


***Oped: Renovating the EU building stock
Ensuring the Renovation Wave does not become a ripple***

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If there is one thing most of us have learned first-hand in 2020, it is the importance of a good home – one that is comfortable to live and work in, a healthy climate, that responds reliably to our needs in terms of comfort and cost. And ‘home’ is more than just the building we live in. It is our districts, our cities, our countries, the entire European Union. And it’s all due a big renovation where we don’t just paint over a few cracks, change the kitchen handles, and install a new painting to make it all look a bit fresher, but actually sit down, look at the floor plans, and decide once and for all what kind of European energy ‘house’ we want and need for the future. One that is stable, sustainable, with a clear and well-structured layout, space for everyone, where we can live within our means but also expand as a family without having to clear the whole garden to fit.

That is what the EU Green Deal ultimately sets out to achieve: **a climate-neutral EU by 2050. And the Renovation Wave is a hugely important part of getting there.** Because most of Europe’s existing building stock is not energy efficient. And most of the buildings – 94% according to the EU’s own figures - will still be standing by 2050. Add to this that Europe’s buildings are responsible for about 40% of the total energy consumption, and for 36% of the carbon emissions in the EU, and that the current renovation rate is less than 1% per year (and includes non-energy efficient renovations) and the challenge is clear: **we must significantly increase the quantity and quality of renovations, now.**

So much for the challenge. Now for the opportunity. **The buildings sector has the biggest potential in terms of efficiency gains**, equating to half of the decarbonisation measures needed to achieve our Paris Agreement goal. Which means that if we do introduce those **swift, strong, and sustainable actions on energy efficient renovations** to at least double or even triple the current annual renovation rate then **there are many gains to be made, quickly.**

And the benefits of energy efficient renovation are manifold and extend way beyond efficiency gains: they create healthier indoor environments that cost less to heat/cool, freeing up money for other investments. They contribute towards mitigating climate change. **They create jobs – for those who are undertaking the renovation work, and those who manufacture the solutions.**

A recent [study from the BPIE for Renovate Europe](#) indicate that **an average of 18 jobs can be created the EU per million € invested in energy efficiency**. And they help raise the value of the overall ‘European house’, creating and sustaining growth, and increasing our exports to other parts of the world.

There is much to like in the Commission’s new Renovation Wave proposal. The proposed 20-fold increase in **public buildings** that fall under the scope of Article 5 of the Energy Efficiency Directive, for a start. And the upcoming introduction of **Minimum Energy Performance Standards. The Affordable Housing initiative** with 100 lighthouse districts across the EU could become a really interesting exercise in stakeholders coming together to roll out industrial solutions and innovation that can then be applied elsewhere, creating scale, so that **100 lighthouse projects transform into thousands of renovated districts**. Taking a district approach that looks both at the individual buildings but also at the options to **decarbonize the heating supply of a neighbourhood** (e.g. district heating) can ensure that energy efficiency improvements happen at scale and that the optimal (including from a cost perspective) solutions are chosen for the entire district.

The **focus on existing solutions AND innovation** is important here: we need to keep going in terms of innovation, to constantly push for progress. But we must do so while already running, because we have a lot of what it takes already – in terms of knowledge of the size of the challenge and opportunity ahead, and many of the technical solutions to tackle those in the most efficient way. More than a Renovation Wave, **it is about taking the sea for a multitude of rolling waves**. Tools like the Recovery Package even go quite some way in terms of making sure that we have the right financial resources allocated to begin. **What we still need now is a firm way forward, strong currents to bring us to new shores.**

The Renovation Wave sets out a lot of good and inspiring ideas. For the first time, the Commission has put substantial time and thought behind a plan that focuses on tackling Europe’s existing building stock and we are fully on board! **To see it executed, we need to navigate the revisions of the Energy Efficiency, Energy Performance of Buildings, and Renewables Directives together** and also move forward on the energy system integration strategy because what we are doing here is not just about buildings, but about creating an integrated energy approach where efficient, renewable-based and flexible buildings become the pillar of our overall energy system.



The forecast is promising. We have all the elements to make this a success. Now, let us work together to ensure Europe will ride a big Renovation Wave, rather than a Renovation Ripple, in the years to come.

