

WEBINAR SERIES #1 ON THE RENOVATION WAVE - SUMMARY REPORT

This Summary Report sets out the main learning from the EuroACE Webinar Series #1 on the Renovation Wave, which took place between 26th March and 3rd April. For each webinar, the main presentation is summarised, and responses to the questions from the audience are integrated where relevant.

Webinar 1: the Renovation Wave, where to start and how to spread it?

Segments vs. area-based approach



Online Mini Workshops on the Renovation Wave

Renovation Wave(s):
where to start and how to
spread it? Segments vs. area-
based approach

26th of March 2020
9:30-10:15



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Before considering which approach to adopt for the Renovation Wave, one must recall that its objective should be to **increase both the rate and the depth of renovation in the EU**, in order to transform our buildings into a highly energy efficient and decarbonised stock by 2050, whereby contributing to reaching the objective of climate neutrality. Besides, the work on the **Renovation Wave should be based on the national Long-Term Renovation Strategies**, which have been developed by Member States already in 2014, 2017 and 2020. Those strategies should have laid the ground for a thorough overview of the building stock, notably gathering sufficient data on its energy performance and other characteristics. Now the Renovation Wave should take the work further and use the work done by Member States in their LTRS to devise impactful renovation policies.

A Segment-Based Approach for the Renovation Wave

The European Green Deal, published by the European Commission in December 2019, announced a Renovation Wave initiative and referred to three specific segments of the building stock (social housing, schools, and hospitals). However, we know that there are **many other segments in the EU**: commercial buildings (including offices), public buildings (which are covered by the Article 5 of the Energy Efficiency Directive), private rented homes, owner occupied homes, etc. The Renovation Wave needs to keep a wide approach to the segments it tackles, as **social housing, schools and hospitals**, although very relevant and could be a **good starting point**, do not represent the bulk of the buildings in Europe. Besides, while 'social

housing’ does not exist in all Member States, all countries have a part of their population living in ‘energy poverty’ –this characteristic has to be taken into account in designing a segment-based Renovation Wave.

When it comes to the **ownership model**, the picture is also very heterogeneous as buildings can be owned by a public body, by a private person or a company, or can also be owned collectively (e.g. cooperatives). Finally, a third layer to consider is the **consumer segments**, i.e. the characteristics of the different occupiers (age, occupation, family structure, etc.) as it will influence their motivations and barriers to renovate. Therefore, renovation programmes should be **tailored to address each segment in its three layers (building typology, ownership model, and consumer segment)** in an appropriate manner.

To base the Renovation Wave on a Segment-Based Approach, it is necessary to **work in logical steps**. First, we have to identify what has worked before and why (this could be in the country but also in another Member State). Then, we have to choose a segment where the building typology is suitable, and the ownership model as well as consumer motivation is receptive for scaling up the identified good renovation practice. Then, a **successful renovation programme** will make sure that all *enabling measures* are in place, as well as a thorough measurement & evaluation framework. A continuous supporting communication but also a clearly identified responsible body are also key features for success.

When it comes to *enabling measures*¹, those include: a coherent long-term renovation strategy, targets for the energy demand reduction for each building segment, binding minimum energy performance standards, independent technical assistance at all stages of the process, and financial support tailored to each ownership model and consumer segment.

[An Area-Based Approach for the Renovation Wave](#)

On the other side, we could also think of an Area-Based Approach for the Renovation Wave to be deployed. This kind of approach relies on defining a **group of buildings closely located to each other, based on a ratio of worst-performing buildings**. The plan is then to renovate all those buildings in the pre-defined area, at the same time, while ensuring that, as for the Segment-Based Approach, enabling measures are in place. We could also think about linking the Area-Based Approach to some **more binding measures**, such as Trigger Points or minimum energy performance standards, in order trigger the ‘en masse’ renovation in the specified area.

There are **clear advantages** in adopting an Area-Based Approach for the Renovation Wave. It enables to reach **economies of scale** (notably when it is done with an industrial approach, such as in the *Energiesprong* project), it leads to improvements in all parts of an area (which helps avoiding feelings of discrimination but consolidates communities) and therefore, can be the basis of an **urban regeneration** or **just transition** project at regional or local level. Why would it be interesting to adopt an Area-Based Approach in the framework of an EU-wide Renovation Wave? In the construction sector, we know that **trust is built close to home**, and that many **regions and cities are quite ambitious** in their renovation plans. All in all, the Renovation Wave could build on those positive elements, as well as on some existing experiences of area-based programmes, such as the one in Scotland.

¹ For more information on ‘enabling measures’, see report on webinar 3 below

Conclusion

At EuroACE, we believe that the Renovation Wave at EU level should make use of both a Segment-Based and an Area-Based Approach to Renovation in a coherent manner.

3 Top Questions asked during Webinar 1

- Multi-family housing offer the biggest opportunity, yet, is the most challenging sector. Do you think the EU should require each Member State to prioritise the segment, where the impact will be most significant?
- Are they not fit for purpose if they don't follow either a segment or an area-based approach?
- Obligations to renovate can't work without costs reduction. What do you think the EU can do to help?

Concrete Recommendations for the Renovation Wave

- Building on the work done for the national Long-Term Renovation Strategies on mapping the building stock in each Member States
- Keeping an open approach to which segment to consider first in the Renovation Wave, and working in parallel on an area-based approach
- Considering ownership model and consumer segmentation when designing renovation policies
- Identifying success factors for renovation programmes and their scalability potential to other Member States, segments or areas
- Putting in place all the necessary enabling measures

END

For further information

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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)

