

**Oped: EU Renovation Wave – At risk of being stillborn?
Adrian JOYCE, Secretary General, EuroACE**

Breathing life into an EU-initiative is always a challenging undertaking as it requires Member States, their populations, and businesses to be ready and willing to play their part. The added value of any EU initiative must be readily perceived by those affected and putting the initiative in place at national level must not undermine subsidiarity and the latitude for governments to reflect national conditions in the way EU initiatives are transposed.

It feels that in recent years the challenge of creating vibrant, relevant initiatives at EU level has become more daunting and more difficult as various external forces break on the shores of the EU. The latest public health crisis caused by the global COVID-19 pandemic is just one example whose negative impacts are not yet fully clear.

It is in this context that we must look back at the announcement by the European Commission of the *European Green Deal* in December 2019. It was a landmark moment in the life of the EU as the *European Green Deal* intends to put the EU on the path towards the creation of a climate-neutral economy by 2050, in what looked like a direct response to the groundswell of public concern best articulated by Greta THUNBERG and the *Fridays for Future* movement. Announced at that time as a flagship initiative of the *European Green Deal* was the Renovation Wave that is set to be published in mid-October 2020. Despite all the changes that have occurred in society in the intervening months, the European Commission has only slightly changed the timetable for the publication of the Renovation Wave Initiative, something that EuroACE and many stakeholders welcome. We know that succeeding to implement the Renovation Wave initiative across all Member States of the EU will bring tangible benefits at all levels of society from individuals, through to communities, cities, regions, and whole nations. Those benefits will flow as the rate and depth of energy renovations increase, bringing jobs, economic prosperity, and better indoor environmental quality in our buildings. The results should be increased well-being, productivity, and income for all.

But is there a fatal flaw in the aspirations of the Renovation Wave Initiative that will see it being stillborn? As a long-time observer of the engagement of Member States towards the implementation of the Energy Performance of Buildings Directive (EPBD), I am concerned that the fatal flaw might be the high reliance that the EU must place on its individual (and too often *individualistic*) Member States.

To take just one example, the revised EPBD from 2018 requires that all Member States prepare Long-Term Renovation Strategies (LTRS) that set out how each Member State will transform its building stock to being highly energy efficient and decarbonised by 2050, thus making a significant contribution to the long-term goal of creating a climate-neutral economy. The deadline for the submission of those plans

was the 10th March 2020, but today, exactly six months on, less than half of the Member States have submitted their LTRS.

Additionally, the European Commission, as the midwife for the Renovation Wave Initiative, planned to heavily rely on the content of the LTRS in drawing up the measures and actions that should be included in the EU Communication. This plan is full of good sense as the Commission would have detailed insights into what is needed to renovate the building stock and into what is already done in some Member States, which could easily be replicated in others. However, in the absence of so many of the LTRS, the Commission and its services have been handicapped in the trojan task of preparing the Renovation Wave initiative. It has been starved of the information and political insights that were most needed during the gestation of the Renovation Wave.

Some may say that the Member States have not submitted their LTRS because of lack of capacity or because of a wish to get it right first time. However, to those of us that have seen many earlier provisions of the EPBD (such as energy performance certification schemes or preparedness for ensuring all new buildings are nearly zero-energy buildings by end of 2020) being implemented with very long delays, it looks much more like a lack of interest or political courage on the part of the Member States to enact the legal measures that are needed to comply with the EPBD.

In this context, there is an increasing wariness that one of the most promising initiatives in recent decades will be stillborn because the conditions during the gestation of the initiative were not right and the Member States for whom the Renovation Wave initiative was conceived are not ready to nurture it with care and attention in the early days after its publication.

But we still hope that some of the following elements will be integrated in the Communication, leading to something more than a *drop in the ocean* of the renovation market that our companies are striving to boost, especially in the current times of economic recovery. The Renovation Wave should:

- ≈ Target all segments of the building stock, whether public or private, residential, or non-residential
- ≈ Prioritise the increase of both the rate and the depth of renovation, hand in hand with the decarbonisation of heating & cooling, to make buildings compatible with the EPBD 2050 vision
- ≈ Lead to legislative proposals in 2021, including by reviewing the EPBD before the set revision date (2026)
- ≈ Propose the introduction of Minimum Energy Performance Standards (MEPS) in all Member States
- ≈ Boost one-stop-shops as they act as simultaneous supply chain structuration strategy & tool to increase demand for quality renovation works
- ≈ Create a joint Commission-EIB Renovation Management Facility to help put building renovation centre stage of the economic recovery plans
- ≈ Continue strong enforcement of EPBD implementation by Member States

END