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UFE's key recommendations underlined in the answer to the EC Open Public Consultation on the initiative of the Renovation Wave in private and public buildings

UFE welcomes and supports the EC Renovation Wave initiative as it will play a **key role in the EU recovery from the COVID 19 crisis** by providing quality jobs and bringing healthy and safe housings, essential for a sanitary environment. Building renovation **contributes also to the green and digital transitions** by sheltering emobility infrastructure and smart meter solutions as well as **to alleviate energy poverty** by reinforcing aid devices.

UFE's key recommendations on the Renovation Wave initiative:

Identify key policies necessary to mobilise building renovation and decarbonise the sector

To mobilise building renovation and achieve carbon neutrality by 2050, the EC should adopt a more climate-centric approach and strengthen the focus on energy efficiency. Depending on the energy used, energy efficiency savings do not systematically correspond to the reduction in GHG emission. Thus, to align fully with the EU Green Deal, all EU tools and financial instruments need to be associated with complementary carbon requirement for all buildings and to set mandatory targets reducing GHG emissions and energy consumption of all buildings.

In addition, low-carbon and efficient technologies such as heat pumps over mobile air conditioning should be prioritised in particular in public buildings. The phasing-out of fossil energies towards low-carbon energies for the renovation of residential and non-residential buildings should also be encouraged to improve energy efficiency performance and achieve carbon neutrality.



Tackle the issue of financing to create dedicated and accessible funds for building renovation

Funding is a key enabler to stimulate a renovation, reduce gaps in access to funds and test new uses in buildings (H2020). UFE believes the quality of the renovation should be targeted via funds by improving the selection and cost-effectiveness of the supporting funds to increase the energy and GHG emission savings per euro invested. Member States should carry out post-work diagnosis to assess the effectiveness of the renovation financed projects.

To ensure the longevity of the supports to building renovations and to bring more awareness among eligible beneficiaries, it is key to strengthen the visibility of the funds. Synergies should be also created between the EPC and the EU funds allocated to building renovation (e.g. European Structural and Investment Funds).

The EU Structural and Investment Funds can support energy efficiency in buildings via loan and guarantee products allocated at preferential conditions and standardised contracts. Aid devices, e.g. "energy cheques" in France, should be encouraged in the Member States to create incentives to renovate buildings and to bring relief to the energy bills of the households.

Enhance the use of digital solutions in the buildings which provide long-term benefits

Digitalisation is key for the renovation of buildings. The use of data can provide lower energy expenses and improve the living conditions of the European households. UFE thinks standardised package solutions should be promoted to ease and speed up the number of projects. Public authorities need to give more information to households on the opportunities of smart meters which can offer detailed consumption data and an access to energy efficiency and demand response services.

It is essential to take into consideration **the growing need of digital experts to process data related to renovation work**. Multi-energy platforms should be eased to enhance and enlarge energy performance services.

Fight energy poverty and integrate renewable energies

UFE calls the EC to give a special attention to lower-income households by **pushing the** development and reinforcement of aid devices in the MS to fight energy poverty.



Taking France as an example, "energy cheques" could be given to the low-income households depending on their mean-testing and composition to bring relief to their energy bills. In addition, the integration of renewables should also not be seen only through a self-consumption approach but rather reflect the new role of citizens as prosumers.

Prioritise the renovation of public buildings

The EC should prioritise in the Renovation Wave the renovation of public buildings. To set the example, administration should be renovated to be energy-efficient, sustainable and carbon-neutral. The EC should improve the transparency and awareness on the EU funds for which administrations are eligible to assist them in their renovation works. Local authorities are notably key to target the buildings which need renovation, to draft energy and climate efficiency maps in the MS, and to identify the right financial tools to support the renovation works. A specific attention should be paid to the proper technical assistance given to local authorities that have a role to play in collecting and using energy data.

In the context of the COVID-19 crisis, the EC should ensure the EU health infrastructure are sustainable, and energy and cost-efficient. This issue is particularly essential to enhance the building resilience to climate change and ensure thermal comfort in summer and winter as well as air quality to all hospitals hosting vulnerable populations.

The EC should also encourage the development of EPCs for all public buildings as it would ensure a reduction of energy consumption for several years and provide cost-savings for the MS. To enhance climate resilience, a special attention should be given to thermal comfort (in summer and winter) and to air quality in all educational buildings hosting young pupils and students. Indeed, a study led by Uniclima in 2019 established a correlation between air quality and learning capacities.

Push for the deployment of charging infrastructure in the existent EU building stock

The Renovation Wave offers opportunities to support the roll-out of charging infrastructure. Local authorities should be further consulted to assess the deployment of charging infrastructure in residential buildings considering the importance of the specificities of territories (density and geography). Local authorities play also a key role in incentivising the renovation of residential buildings and supporting the role of prosumers in the integration of renewable energies.



Provide consumers with better information

Raising knowledge among consumers is key to reach carbon neutrality in the EU building stock. First it should be mandatory to indicate the GHG emissions produced in the energy performance diagnosis and the final energy should be mentioned to increase the understanding of consumers' energy bills.

To provide consumers a personalised assessment of consumption or evaluate the need for renovation, **digital and smart meter solutions** should be enhanced to provide information and assist decision making.

UFE's additional remarks to the consultation

A 2020 study led in France by PwC on electricity sector's behalf shows that, to achieve EU climate and energy objectives, the deployment of energy measuring systems, active management and high-performance energy equipment needs to be strengthened. Seven federations/associations (including UFE) representing the whole electricity sector have contributed to the study which assessed the different levers to use for accelerating the transformation and renovation of (non-)residential and tertiary buildings.

Study [in French]

Regarding the energy diagnosis performance, the carbon component in the diagnosis should be strengthened and the final energy should be mentioned to increase the understanding of consumers' energy bills.

<u>UFE/French consultation</u> [in French]