

## The European Green Deal needs to lead to concrete actions for integrated building renovations

Dear Executive Vice President Timmermans, Dear Commissioner, Kadri Simson, Dear Secretary General, Ilze Juhansone,

We have come together as stakeholders representing clean energy technologies and industries, civil society, cities, professionals, and workers delivering the energy transition to call on the European Union to put forward an action plan for the integrated renovation of all existing buildings in order to ensure that they are powered by renewable energy, highly energy efficient and smart.

**Buildings must be central to actions for a climate neutral Europe.** In this light, we welcome news of a dedicated initiative for building renovations in the European Green Deal, and stress that both concrete and ambitious actions as well as a robust implementation of the existing policy framework must be part of it. This is paramount in order to achieve and exceed the EU's 2030 climate and energy objectives, serving as the bedrock to deliver a climate neutral economy by 2050.

The EU building stock accounts for 36% of the region's CO<sub>2</sub> emissions and approximately half of the total EU energy demand. Beginning in 2021, all new buildings must reach nearly zero energy performance. Given that 97% of buildings in the EU will need to be renovated by 2050, we will not tackle the climate emergency unless we take bold steps to ensure that all our buildings – existing, residential, industrial, and commercial – are renovated.

This will help make the European Green Deal a reality for all.

- Better buildings improve citizen well-being and support a just and inclusive societal transition. The building sector in Europe today represents over 20 million jobs. An ambitious strategy for energy renovations can help to secure these, and unlock new opportunities, for local and qualified jobs. It will also lead to increased savings on citizens' energy bills, improved comfort and health, cleaner air in our cities, increased system efficiency, and will contribute to the fight against energy poverty.
- Better buildings are a critical pillar of Europe's Industrial Strategy. Improving our buildings will lower energy system costs and support the competitiveness of EU businesses. At the same time, the modernisation of buildings will accelerate the

deployment of innovative clean energy solutions, notably in the heating and cooling, onsite renewable, demand response, and smart appliances sectors. This will allow Europe to strengthen its global industrial leadership.

• Better buildings support the security of supply for European regions, cities, and citizens. We envision buildings that are efficient, powered by on-site renewables, and that consume energy in a flexible way. This will guarantee a clean energy supply to our homes and industries, as well as to the transport sector, enabling the increased uptake of electric vehicles, which are normally charged in buildings. Increased electrification, digitalisation, and sector-integration of buildings will be key drivers in achieving climate neutrality, procuring valuable flexibility services to the energy system, and ensuring a reliable energy supply.

We already have the solutions to make our buildings better. High performance envelopes, energy efficient products and services, on-site renewables, demand response, energy storage facilities, and digitally enabled energy management systems are cost-effective and mature solutions. Their deployment in all European buildings must be accelerated through significant investments facilitated by innovative financial mechanisms.

We need concrete actions to roll-out these solutions across Europe's existing building stock. We call on the European Commission to propose ambitious policies and initiatives within the European Green Deal to:

- Develop a multi-level implementation platform for integrated building renovation strategies, engaging local, regional, national, and EU players across all sectors. The Climate Pact could be used as a vehicle for this initiative;
- Revamp blended financing mechanisms accessible to all citizens, building owners, energy managers, energy communities, cities, and SMEs;
- Address the urgent need for a skilled and knowledgeable workforce in all trades and specialised crafts of the building sector;
- Develop tools that raise awareness of the benefits of energy renovations amongst EU citizens and businesses, accompanying citizens and building owners in their renovation journey;
- Promote renovation strategies that overcome decision-making fragmentation and adapt to the particularities of the built environment in order to address challenges posed by building stock fragmentation and heterogeneity.

The buildings we live, work, and study in must be part of the solution.

Sincerely yours,

The Coalition for Energy Savings Energy Cities The European Alliance of Companies for Energy Efficiency in Buildings (EuroACE) The European Alliance to Save Energy (EU-ASE) The European Association for Electrical Contractors (EuropeOn) The European Builders Confederation (EBC) The European Building Automation and Controls Association (eu.bac) The European Climate Foundation (ECF) The European Heat Pump Association (EHPA) smartEn SolarPower Europe E3G