



Environmental Action Germany's (Deutsche Umwelthilfe e.V.) response to the EC Public Consultation on the 'Renovation Wave' initiative for the building sector

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Improving the energy performance of buildings is crucial to reach climate neutrality by 2050. We warmly welcome the Renovation Wave as it will support achieving the EU's climate and energy targets while delivering a significant contribution to economic recovery in the context of the Covid-19 pandemic. According to a recent forecast, up to 280,000 jobs could be created by 2050 in Germany alone by realizing a climate-neutral building stock. The Renovation Wave must be based on ambitious targets and concrete, adequately funded measures. The European Recovery Fund offers a unique opportunity to kickstart the initiative, but we also need a sustained rise in energy renovation. The following points should be considered in particular:

- **Consistently implementing and applying the "Energy Efficiency First" principle** in the building sector is fundamental to reducing the EU's energy dependency and CO₂ emissions. Renovation rates in Member States are chronically too low. The landlord-tenant dilemma still remains unsolved as well as the problems of low-income and aged home owners. This will need to be addressed by legal reforms as well as incentives and support schemes to tackle specific issues of these groups. **The barriers mentioned in the roadmap are key issues to resolve, including by reforms in the Member States.**
- The Commission (EC) should **rigorously enforce the legislation** related to the energy performance of buildings. Ensuring the ambitious implementation of the Energy Performance of Buildings Directive (EPBD) is a very important first step. Germany, for instance, still does not meet the EPBD requirement that new buildings be nearly zero-energy buildings. Due to long investment cycles, buildings constructed in Germany today will thus have to be renovated again before 2050, with unnecessary additional costs. The EC should also rigorously enforce of the obligation to renovate public buildings in line with the Energy Efficiency Directive (EED). The objectives and milestones in the long-term renovation strategies should be assessed at an early stage in order to ensure that the Member States are on the right trajectories towards the EU climate neutrality objective and fully implement EED and EPBD requirements.
- **The public sector needs to be a role model** for increased energy efficiency. All buildings owned and/or occupied by public authorities should be covered in the 3 % renovation target, regardless of their size including schools and hospitals. The loophole allowing governments to choose alternative measures should be closed.
- The consultation is mainly focused on removing barriers, reducing costs and incentivising investment. However, **social aspects have to be clearly embedded**. The renovation of buildings must make also a contribution to affordable

housing. Energy-poor households must be able to benefit from energy savings rather than being disadvantaged by higher rents. **Direct subsidies and grants** should be favored as key financial instruments and it should be ensured that access is as unbureaucratic as possible. The design of Energy Performance Certificates (EPC) should be improved and their comparability across MemberStates strengthened. Accompanying information measures (e.g. free advice on renovation) are necessary to stimulate the volume and depth of renovation needed.

- The focus should shift from efficiency in operation towards **a full life cycle perspective of buildings**. With increasing energy efficiency, the importance of energy used for the production, construction and disposal ("embodied energy") of buildings and construction materials is growing. This accounts for around 8 % of GHG emissions in Germany. The design of new and renovated buildings should also meet the requirements of the circular economy. **Special attention must be therefore paid to embodied energy of construction materials**. Timber construction and ecological building materials in particular should be promoted over conventional approaches.

Contact:

Constantin Zerger

Head Energy and Climate Change

Tel.: 0049 (0) 30-2400867-91

Email: zerger@duh.de

www.duh.de

Deutsche Umwelthilfe e.V. Bundesgeschäftsstelle Berlin | Hackescher Markt 4 | 10178 Berlin