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LIMITE

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CLIMA 1
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NOTE

From:	General Secretariat of the Council
To:	Delegations
Subject:	A Renovation Wave for Europe - Exchange of views on the Presidency questions

Delegations will find in the annex questions by the Presidency on the Renovation Wave for Europe in view of the Energy Working Party on 14 January and possible submission of written replies by 15 January.

ANNEX

Energy Working Party – 14th January

Renovation Wave

Issues paper in view of the preparation of Council conclusions

In its recent Communication 'A Renovation Wave for Europe- greening our buildings, creating jobs, improving lives', the European Commission identifies building renovation as a key priority to achieve the European Green Deal, and an essential contributor to climate neutrality and economic recovery. In the context of the more ambitious decarbonisation and emission reduction targets agreed by the European Council of 10-11 December 2020, energy efficiency and renewable energy are essential components for action, with the building sector as one of the areas where efforts must be ramped up. Buildings renovation in line with the Energy Efficiency First Principle is also an important starting point for better energy sector integration.

In addition to the increased climate ambition, the European Council conclusions of 10-11 December 2020 also formulates clear expectations: ''We will raise our climate ambition in a manner that will spur sustainable economic growth, create jobs, deliver health and environmental benefits for EU citizens, and contribute to the long-term global competitiveness of the EU economy by promoting innovation in green technologies''.

The Renovation Wave responds to these expectations, with a solid economic rationale and clear benefits for the citizens.

The Renovation Wave Communication emphasises that most existing buildings are not energy–efficient, with more than two thirds relying on fossil fuels for heating and cooling and using old technologies and inefficient appliances. The Communication also points to the link between renovation and affordability of energy services. Public policies to promote quality building renovations reducing energy needs and integrating renewables are also complementary to social policies, supporting the health and wellbeing of people, improving air quality and helping to reduce energy expenditure. Identifying buildings with worst performance and reaching the significant number of energy inefficient and underperforming households should be a priority focus area in Member States.

Against this framework, the Renovation Wave underlines the need to prioritise action in three areas: **(1)** decarbonisation of heating and cooling; **(2)** tackling the basic energy needs and worst-performing buildings; and **(3)** renovation of public buildings and social infrastructure. The Commission also proposes to break down existing barriers throughout the renovation chain – from the conception of a project to its funding and completion - with a set of policy measures, funding tools and technical assistance instruments. In addition, the New European Bauhaus is announced in the action plan accompanying the Renovation wave strategy. This initiative will bring the European Green Deal closer to citizens and create a bridge between science and technology, and art and culture.

To facilitate the first exchange on the topic, we kindly ask you to offer your input by answering the following questions regarding the role of building renovation in reaching climate objectives and synergies with other public policies' objectives:

1. What role do you see for building renovation in reaching climate neutrality and in supporting the ambition indicated in the European Green Deal and the Climate Target Plan?
2. In your opinion, what is the complementary emission reduction contribution that can be achieved by:

   - introducing improvements in the design of the building so that they increase the durability and recyclability of its components; and

   -incorporating waste or recycled materials in place of virgin raw materials in the renovation processes? What is the expected impact of this substitution on increased material self-sufficiency?
3. What are the main synergies between building renovation and other public policy objectives?

We will **discuss these questions in the Energy Working Party on the 14th January**. Member States are welcome to submit any written answers by 15th of January (cob).