



Europe fails to act on energy waste in Recovery and Resilience Plans

Press Release on Study Launch:

Renovate2Recover: How Transformational are the National Recovery Plans for Buildings Renovation?

14th of October 2021

A major Study by E3G for the Renovate Europe Campaign (REC) analysed the share devoted to energy renovation of the building stock in the National Recovery and Resilience Plans (NRRPs), showing that ambition remains low and that Member States lack foresight for planning beyond 2026. In a moment when increasing energy efficiency is made more urgent than ever because of skyrocketing energy prices, the Plans represent a huge, missed opportunity to significantly lower energy demand.

On its 10th Anniversary, Renovate Europe launched Renovate2Recover, a study undertaken by E3G with input from the Campaign's National Partners, that shows that the massive funding being made available under the Recovery and Resilience Facility (RRF) is not being used to its full potential. The study sets out 9 recommendations that would allow Member States to implement transformative Plans and meet the Renovation Wave objectives.

With a view to boosting the green transition, Member States were mandated to spend at least 37% of the RRF on climate-related action, with energy renovation encouraged as a flagship component. Among the 18 Member States assessed, the Study found that an average of **only 8% is allocated to energy renovation**, achieving in most cases only a 30% energy savings, the bare minimum required by the RRF guidelines.

*"This unprecedented additional injection of public funds is a **golden opportunity to set the EU building stock firmly on the path to achieving its Renovation Wave goals to 2030 and meeting the 2050 climate targets**", said Adrian Joyce, Campaign Director. "But these renovations must be done properly, and the money must be spent well. And for this, we need deep (or staged deep) renovations, **going well beyond 30% energy saving**".*

In addition to raising the level of expected energy savings, the Study also emphasises the need to invest in the enabling framework to create sustainable renovation markets.

*"In the delivery phase, the planned investments must be linked to reforms so that it creates a **fertile ground for the renovation market to grow and 'deepen' beyond 2026**" commented Vilislava Ivanova, the lead researcher at E3G for the Study. "Otherwise, the NRRP investment efforts risk 'falling off a cliff' after 2026. Attracting private finance should be prioritised, alongside efforts to build delivery capacity and create synergies with other EU and national funding sources."*

Unfortunately, Member States displayed limited foresight to set up an enabling infrastructure that can coordinate the renovation sector beyond the implementation of the individual measures in the NRRPs.

The Study also highlights the importance of an ambitious regulatory framework at EU-level to complement and drive action from the NRRPs on the ground. The outcome of the **Fit-for-55 legislative proposals**, all of which would enter into force while NRRP funding is being invested, will be crucial in this respect. For example, the introduction of **mandatory Minimum Energy Performance Standards (MEPS)** under the EPBD would send a strong signal to the whole renovation value chain, from institutional investors to building users.

The Study covers 18 of the 27 Member States and finds that the total amount they plan to invest in energy renovation is €39.9bn, or 8.4% of the total funding allocation. This percentage varies from a low of just over 3% in Austria to a high of over 16% in Belgium. Looking at the numbers in per capita terms, we see that there is huge variation across the EU with Greece planning to spend €384 per capita on energy renovation and Austria planning to spend just €11

The Renovate Europe Campaign is an initiative of EuroACE, the European Alliance of Companies for Energy Efficiency in Buildings. Its aim is to lead the EU and its Member States from planning the transformation of our building stock to taking action on the ground.

The Campaign Office is located at Rond Point Schuman, 6, 8th Floor, 1040 Brussels, Belgium



per capita. Proposed investments in energy renovation are concentrated in the residential sector, which receives over €23bn (58%) of funding, with the public sector buildings appearing as the second largest target for investment with close to €13bn (34%).

*“Although in their current form, the NRRPS will not be transformational for building renovation, there is still room for Member States to course-correct during the implementation phase”, added Caroline Simpson, Renovate Europe Campaign Manager. “This Study should be seen as a **starting point for Member States** to put their building stock on the right path to 2030 and 2050, by raising the depth of renovation and planning ahead to create a sustainable renovation ecosystem for the benefit of citizens, businesses and the environment beyond 2026.”*

The National Partners of the Renovate Europe Campaign will be vigilant in monitoring the efforts of the Member States and will be involved in reacting to the successive assessments and recommendations that the European Commission will issue on the NRRPs over the period to 2026.

The full Study and all 18 individual Country Profiles can be downloaded [here](#).

END

For more information on the content of the Study, contact:

Caroline Simpson caroline.simpson@euroace.org
Vilislava Ivanova vilislava.ivanova@e3g.org



About the Renovate Europe Campaign:

Renovate Europe is a political communications campaign with the ambition to reduce the energy demand of the EU building stock by 80% by 2050 through legislation and ambitious renovation programmes. Accelerating the rate of renovation is a key tool in the fight against climate change, and will deliver major benefits for people, their quality of life, and the economy. www.renovate-europe.eu

#PrioritisePeople

#AccelerateRenovation

#Renovate2Recover

REC Partners (October 2021)

There are currently 49 partner companies and associations actively engaged in the work of the REC, of which 18 are National Partners based in Member States of the EU.



The Renovate Europe Campaign is an initiative of EuroACE, the European Alliance of Companies for Energy Efficiency in Buildings. Its aim is to lead the EU and its Member States from planning the transformation of our building stock to taking action on the ground.

The Campaign Office is located at Rond Point Schuman, 6, 8th Floor, 1040 Brussels, Belgium