Renovate Europe Day 2014 centred on a high priority theme for politicians and citizens alike: how to reduce EU’s energy dependence on foreign imports, in light of rising energy prices and instability on the EU’s eastern border. Held on 5th November in Brussels, with national events also taking place in several European capitals, REDay2014 placed the Ambitious Renovation of Buildings as the key solution to Securing our Energy Future.

REDay2014 sought expert analysis and input from European, national and local actors about how to drive the renovation agenda across the EU in the aftermath of a disappointing 2030 climate and energy package where the agreed indicative target of 27% for energy efficiency combined with the absence of a clear way forward for the building sector, will not drive the market for buildings efficiency. Renovate Europe aims for an 80% cut in buildings’ energy use across the EU by 2050.

Speaking at the event, Dominique Ristori, Director-General of the Commission’s Energy Directorate, pointed to a 2017 energy efficiency review which could increase the target to 30%, emphasising that efficiency would remain important for the relaunch of the EU’s economy. Regarding the priority sectors that the Commission committed to addressing in its Council Conclusions in order to achieve energy savings, “There is no doubt housing sector will be number one, because as you know 40% of energy consumption is in the housing sector, and developing a lot of initiatives regarding the renovation of buildings, and in particular the oldest buildings, will allow to reduce not only the energy bill and to increase the comfort of life of the population concerned, but also this will allow to reduce the energy bill and the energy import”.

Ristori’s commitment to address Europe’s leaky buildings comes against a backdrop of new research indicating that we have been “dramatically underestimating the benefits of energy efficiency”. Those were the words of Nina Campbell from the International Energy Agency, who recently published a report on the Multiple Benefits of Energy Efficiency showing that the cumulative global benefit of energy efficiency was higher than that of any other fuel source – including coal, oil or gas. Campbell estimated that it was worth at least $18 trillion and referenced a 0.25%-1.25% improvement that efficiency measures could make to GDP, provided more is done to tap the potential. Nina also called the EU to integrate multiple benefits into the target setting exercise, in order for the strategic value creation linked to energy efficiency to be better reflected.

Yamina Saheb from the European Commission’s Joint Research Centre shared key outcomes of her ongoing research: “When the building sector works, everything works”. Her new work clearly shows that shows that extensive renovation programmes are a no-regret option for the EU economy indicating the positive knock-on effect that efficiency improvements would have for sectors including metal, chemicals, wood, paper, transport, computers and more. Saheb ascertained that buildings added 7% to the value of Europe’s economy, and 8.8% to employment in its non-financial sector. The building and construction sector accounted for up to two thirds of jobs lost in some countries since the financial crisis, with Spain particularly badly hit. Renovation programmes is also a no-regret option for the EU’s job creation as the building sector employs 5 times more than the energy supply sector for the same value added.

The majority of the EU’s 28 National Governments however are failing to grasp these economic opportunities and design ambitious holistic National Renovation Strategies for their building stock. The first Renovation Roadmaps were to be submitted in April 2014. However BPIE analysis presented at REDay2014 paints a rather dismal picture of Roadmap compliance with the Energy Efficiency Directive and implementation so far. “Unfortunately, it looks like the guidance documents have largely been ignored,” said BPIE’s Oliver Rapf. This was the first time that member states had had to assemble such strategies and he added a qualifier that the exercise would be a learning process for all concerned. Gaetano Fassano, Representative of the Italian Presidency at REDay2014, explained the strong challenge that Italy is facing in submitting a coherent Renovation Roadmap, with coordination needed between 4 Ministries.
A strong case was made at REDay2014 for combining top-down regulation from the European and National level in the renovation field simultaneously with bottom-up local initiatives. Polish MEP Jan Olbrycht (EPP), a signatory of the Renovate Europe Manifesto, and Bo Frank, Mayor of Vaxjo in Sweden and striving to be "the greenest city in the EU", advocated the strong role that city authorities could play in boosting the ambition of renovation programmes. MEP Olbrycht highlighted the progress made over the past decade to recognise the buildings sector as a policy area in its own right, and recalled the success of the Covenant of Mayors, which brings together over 6000 cities and regions, representing almost a third of the EU population.

The power of local actors was demonstrated through project examples in Hungary, the UK, The Netherlands and Italy, all 4 seeing value in operating based on a ‘one-stop shop’ concept. Adrian Balaci from Global Environmental Social Business has successfully implemented a revolving retrofit guarantee fund in Hungary, facilitated by rising energy prices and a 92% owner occupied building stock in the country. Unresponsive commercial banks, mesmerized by the flagship Green Deal, however presented a stumbling block to successful roll-out of this guarantee fund in the UK. Catrin Maby, Chief Executive of Severn Wye Energy Agency, talked about coordinating energy efficiency improvements through the Maintenance, Repair and Improvements market, which involved 200,000 small firms in the UK with an estimated turnover of £28bn. From the Netherlands, Ron Van Erck talked about Energiesprong providing a wave of 10-day makeovers to 111,000 homes on estates mostly built in the 1960s and 70s via housing associations, using pre-fabricated insulated facades and funding based on savings from the energy bills. Also convinced about the power of local actors, Pierfrancesco Maran, a Mobility Counsellor for Milan City Council, explained how Milan is setting up energy help desks to work with companies to favour the market.

As successful projects at local level demonstrate the economic viability and multiple benefits of enacting ambitious renovation programs, Agostino Renna, President and CEO of GE Lighting EMEA, pointed out at REDay2014 that one of the drawbacks for selling renovations is that “Their biggest success is when no one notices that they have actually taken place”. Nevertheless, the benefits of building renovations are becoming increasingly visible, substantiated by more research showing the causal link between health improvements and reduced energy use, which IEA’s Nina Campbell referred to as “warmth as medicine”. Reducing the energy demand of the EU’s building stock by 80% by 2050 would significantly reduce EU dependence on foreign imports, in addition to cutting CO2 emissions, creating local jobs, boosting the EU economy and delivering warming healthier homes. In a time of competing priorities between economic growth, energy dependence and climate change, Adrian Joyce, Renovate Europe Campaign Director, highlighted the ability of building renovation to address all three EU priorities, and emphasised the value of the Renovate Europe Campaign in raising awareness and maintaining political pressure to deliver on commitments. REDay2014 contributed valuable research and successful workable project solutions to motivate EU and national actors to better understand the benefits of renovation and to ambitiously take up the Renovation challenge as an urgent priority.

Written by Arthur Neslen, The Guardian, and Caroline Simpson, REC Secretariat

Download Speaker PPT presentations on Renovate Europe website

www.renovate-europe.eu