

The Renovation Wave is a cornerstone of the Recovery and Resilience Plans



Local and regional leaders, EU institutions and Member States discuss how to maximise the potential for the Renovation Wave to drive Europe's social and economic recovery in the next decade

The COVID-19 crisis has exacerbated the need to improve our buildings from an energy, social and environmental perspective with the objective of reducing energy consumption, improving well-being, putting an end to energy poverty, boosting jobs and relaunching the construction sector in a sustainable way. The [Renovation Wave](#) is key for the EU to deliver on the [European Green Deal](#), the EU's growth strategy to reach climate neutrality by 2050. Currently, only 1% of buildings in the EU undergo energy efficient renovation annually.

The multilevel dialogue was opened by [Vasco Alves Cordeiro](#) (PT/PES), First Vice-President of the European Committee of the Regions and Member of the Azores Regional Parliament, declaring: *"We are at the beginning of our economic recovery but this is not an excuse to ignore the impending climate emergency. The climate targets we are setting in the Climate Law will not be achieved unless we start our climate and energy transition immediately. We also know that we must deliver on our commitment to climate neutrality at all levels of government and that our local communities will play a crucial role in this. Making our buildings energy efficient means saving money, reducing emissions, rethinking our cities and tackling energy poverty. We need to ensure local and regional governments are included in the decision-making, have the capacity and have easy access to the unprecedented EU budget and recovery and resilience funds available. We all need to take responsibility and leadership in these difficult times."*

Francisco Mendes-Palma, Chair of the Energy Working Party of the Portuguese Presidency of the Council of the EU, said: *"In a spirit of cooperation and transparency, the proposal of the Portuguese Presidency for the Council conclusions on the Renovation Wave aims at uniting us all under our common goals: the social, economic and energy improvement of our buildings that brings along a sustainable transformation and recovery of our society."*

[Enrico Rossi](#) (IT/PES), Municipal Councillor of Signa Municipality and rapporteur on the [CoR opinion on the Renovation wave](#), stated: *"Local and regional authorities are aware of the need to seize the opportunities presented by the national Recovery and Resilience Plans. In this context, the Renovation Wave is needed to build a sustainable future, by modernising the existing building stock. But the proposals of the Recovery and Resilience Plans are not enough, we need certainty on timing and, above all, greater involvement of local and regional authorities, as we requested in the opinion I drafted for the European Committee of the Regions, with the idea of opening local One-Stop-Shops. We need concrete results."*

[Markku Markkula](#) (FI/EPP), Chair of the Espoo City Board and President of the Helsinki Region, said: *“On behalf of the EPP, I stress the potential of using the recovery and resilience funds for an extensive business and economic transformation. In each Member State, this requires systemic measures based on a combination of reforms and private industrial investments to support sustainable growth and repair the damage caused by the COVID-19 pandemic. We need public-private partnerships to leverage investments to improve energy systems at the local level, such as the Espoo Clean Heat programme, a cornerstone of our strategy to be amongst the first carbon-neutral cities by 2030.”*

[Mirja Vehkaperä](#) (FI/Renew Europe), Chair of the Oulu City Board, said: *“ We must fully integrate the digital transformation of our buildings if we are to maximise the potential for energy savings. We must also ensure the circularity of the construction sector, and incentivise the use of sustainable materials such as wood and eco-concrete, which benefit healthy indoor air. We encourage the system of electronic renovation cards of the city of Oulu as a method to directly involve citizens and to accelerate the renovation of buildings in local communities.”*

[Bernd Claus Voß](#) (DE/Greens), Co-President of The Greens group in the CoR and Member of the State Parliament of Schleswig-Holstein, said: *“We must act effectively and quickly to give the next generation the freedom it needs to shape its future in a climate-neutral and self-determined way. Now we still have the freedom to make the right decisions on climate protection and the energy transition. Next Generation EU must not entail leaving the burden of poor policies to the next generation.”*

[Andries Gryffroy](#) (BE/EA), member of the Flemish Parliament, declared: *“Investing into the renovation of buildings is key to ensuring a sustainable recovery and create new jobs in our regions and cities. With its long term 2050 renovation strategy, Flanders has committed to renovate almost 3 million homes (96,5 % of the housing stock) and to reduce energy consumption while making sure the transition to a climate neutral Europe is affordable for business and citizens.”*

[Jakub Piotr Chełstowski](#) (PL/ECR), Marshal of the Śląskie Voivodeship, declared: *“The objectives of the Renovation Wave are ambitious and we fully endorse them. However, we need support to implement such an ambitious strategy including technical assistance, training and upskilling employees and strengthening the capabilities of local and regional authorities, which have significant competences in the construction and renovation of buildings. In my hometown in Silesia, we have already modernised a large part of public buildings. We would now like to extend it to our entire region and we count on the EU to support us.”*

From the European Parliament, [MEP Miapetra Kumpula-Natri](#) (FI/S&D), member of the ITRE Committee, said: *“We believe that a fast and efficient implementation of the Renovation Wave strategy can be a real win-win: emissions can be cut, local jobs created and living conditions improved for a huge number of Europeans. To succeed, the strategy must be well implemented across the EU by bringing together all actors involved, with Member States*

and regional and local authorities being able to tackle obstacles at all stages of renovations.”

From the European Commission’s DG ENER, **Paula Rey Garcia** and **Hadrien Michel** stressed the availability of direct grants, loans and innovative financial instruments, in cooperation with the European Investment Bank, including the continuation of the [ELENA](#) facility, put at the disposal of Member States and local and regional authorities to complement public funding with private investments in order to drive forward the Renovation Wave.

The following Permanent Representations to the EU participated in this multilevel climate and energy dialogue: Austria, Belgium, Croatia, Cyprus, Estonia, France, Germany, Greece, Lithuania, Malta, Norway, The Netherlands, Poland and Portugal.

Several Member States gave details on the way they have involved cities and regions in their Recovery and Resilience Plans, going from structured direct consultation to information exchanges. In terms of implementation, participants converged on the need to involve cities and regions to turn the Renovation Wave into concrete benefits for every local community.

Participants recalled the need to develop a skilled workforce and foster capacity building while facilitating the flow of information to project promoters. ‘One-stop-shops’ at the regional and local level could speed up investments, reducing delays for permit granting and directing financial support where it is most needed. Adapting buildings to the risks of earthquakes came out as an important element to consider in several countries like Italy and Croatia. The renovation of buildings must come along with a stronger circularity in the construction sector, incentivising the use of eco-materials and the deployment of digital technologies to maximise energy efficiency and turn buildings into active energy providers.

Today’s third multilevel climate and energy dialogue on the Renovation Wave in Recovery and Resilience Plans, organized together with the Portuguese Presidency of the Council of the EU, is a follow-up to the one organised last October 2020 in cooperation with the Germany Presidency of the Council of the EU. Improving vertical coordination through multi-level dialogues is also the result of the enhanced cooperation agreement between the European Commission and the EU’s assembly of local and regional representatives. The objective is to ensure that the European Green Deal turns into concrete opportunities and benefits for local and regional communities across the EU.

Background:

The European Commission published the [Renovation Wave Strategy](#) on 14 October 2020. The renovation of buildings is one of the nine policy areas included in the [European Green Deal](#) , the EU’s growth strategy to reach climate neutrality by 2050.

With nearly 34 million Europeans unable to afford keeping their homes heated, public policies to deliver energy efficient buildings are crucial to put an end to energy poverty. The Renovation Wave has a huge potential for growth

and jobs. By 2030, 35 million buildings could be renovated and up to 160,000 additional green jobs created in the construction sector.

The CoR recently adopted an [opinion on the Renovation Wave](#) that urged the European Commission and Member States to establish easier, faster and more flexible financing mechanisms for local and regional authorities to undertake projects to renovate existing buildings and to increase the rates of social housing. The CoR opinion, led by rapporteur [Enrico Rossi](#) (IT/PES), Municipal Councillor of Signa Municipality, urged the European Commission and Member States to fully incorporate the Renovation Wave into the Recovery and Resilience Plans as well as in the European Structural and Investment Funds (ESIF).

As part of the CoR's 'Building resilient communities' priority, [Green Deal Going Local](#) (GDGL) is an initiative which aims to place cities and regions at the core of the EU's strategy towards climate neutrality and ensure that the COVID-19 recovery and resilience plans translate into direct funding for cities and regions and tangible benefits for every community in the EU.

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