



National Renovation Strategies: Sending a Strong Signal to Investors

As EU leaders prepare for the Budget summit on 7-8 February, and debate on the future of the EU's carbon market continues, Green Building Councils around Europe wish to highlight a crucial challenge ahead: **Renovating Europe's buildings.**

In accordance with the new Energy Efficiency Directive, by 30 April 2014, each member state must set out a long-term strategy to mobilise investment in renovation of their entire building stock to **radically improve its energy performance.** Buildings account for around 40% of all EU energy use, so the success of these strategies in leveraging the power of private finance will be crucial in achieving our climate and energy goals.

These strategies are a once in a generation opportunity:

- To improve the design of our homes, workplaces, schools and hospitals and reduce EU citizen's fuel bills.
- To unlock the cost-effective carbon reduction potential in our buildings and improve our energy security and independence through a combination of energy efficiency and renewables.
- To drive sustainable growth, and create a new generation of jobs in sustainable construction and renovation.
- To lessen the load on our energy infrastructure and decrease the need for new power plants.

But if we want this renovation revolution to happen, **EU leaders must send a strong signal to the investment community, and ensure that funding is earmarked to help create this leverage.**

We are calling on member states to ensure that:

- **At least 20%** of the Multiannual Financial Framework (MFF) contributes to measures to combat climate change.
- The MFF earmarks **at least 22%** of the European Regional Development Fund for energy efficiency and renewables in more developed and transition regions, and **at least 12%** in less developed regions.
- The use of these funds for building renovation programmes must be maximised, ensuring **deep renovation** of our buildings to high energy performance standards and integrating renewables where both desirable and feasible.
- Existing national financing vehicles are utilised to maximise the benefits of different streams of finance, and the benefits of creating Energy Efficiency National Funds when implementing the Energy Efficiency Directive are assessed.
- Suitable reforms of the EU Emissions Trading System (EU ETS) are agreed as soon as possible, to ensure the price of carbon realistically reflects its true costs, and short term measures (**including back-loading of allowances**) are taken to support the price of carbon.
- EU ETS allowance revenues are fully utilised to drive energy efficient building renovation programmes, following the examples set by France and Germany.

Introducing Our Network

- *Green Building Councils are not-for-profit, member-based organizations that are driven by industry and work with governments in the transformation of buildings, communities and users' behaviour towards sustainability. The World Green Building Council is a coalition of over 90 national Green Building Councils around the world, making it the largest international organisation influencing the Green Building marketplace.*
- *Our Europe Regional Network consists of over 30 national Green Building Councils and works in collaboration with more than 3,500 companies across Europe, which represent the full breadth of stakeholders in the buildings industry. A crucial part of Green Building is bringing the whole value chain in our industry together to provide better solutions, and this is exactly what we are doing through our members.*