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European Insulation Manufacturers Association

BETTER BUILDINGS FOR A BETTER FUTURE

Eurima's action plan for a sustainable building stock by 2050

Buildings are critical to our health and well-being: Most of us spend up to 90 percent of the day in the office, at school, in hospitals, shops and at home, and the way we build and use our buildings directly impacts the quality and sustainability of our living environment.

40%

of the EU's energy consumption and 36 percent of European carbon-dioxide emissions are due to buildings

At the moment, buildings account for 40 percent of the EU's energy bill and are responsible for about 36 percent of European carbon-dioxide emissions. Around 50 million people in Europe still live in energy poverty. Some 50 percent of all extracted materials are used in the building and construction sector.

A **coordinated effort** is needed to ensure that buildings are sustainable, namely energy and resource efficient, healthy and safe, and climate resilient. Moreover, modern buildings must generate energy, be intelligent and flexible in use, support healthy lifestyles and the 24-hour economy. At the same time, they should foster social cohesion, allow for cultural evolution and accommodate changes in population and demography.[1]

In the upcoming legislature, the European Union needs to seize opportunities, address challenges and develop solutions in the fields of urbanisation, demography, climate change, industrial competitiveness, digitalisation and innovation. **No overall climate, energy, circular-economy or health objective will be achievable without tapping the potential of Europe's buildings.** A climate neutral Europe will not be delivered without a transformation of the built environment. The buildings we live and work in are key to bringing greenhouse gas emissions to net zero by 2050.[2]

Realising the EU's long-term policy goals means that up to **97 percent of existing European buildings will need to be renovated** – a renovation rate of at least 3 percent per year, up from a little more than 1 percent today. Investing in building renovation is investing in Europe's population for generations to come.

The societal benefits of investing in building renovation go well beyond energy savings. If, at the same time, we put principles of sustainability and circularity at the core of the building sector's transformation we will maximise its leverage value for society.

To catalyse all of this we need a **coherent, consistent and mutually reinforcing policy framework** to accompany trends, drive investment and align decisions across multiple stakeholders of complex value chains, such as buildings. An inclusive, coordinated, cross-sector approach to policy development and implementation is essential. Along with finance and digital technology, policy and regulation will be key enablers for transforming the building sector to meet our sustainable development objectives.

WHAT WE NEED IS TO:

1. **Make Renovation happen**
2. **Build and Renovate sustainably**

[1] Further information on these trends can be found in the Arcadis report published in June 2019 commissioned by Eurima
[2] Further information can be found in the Climact report published in October 2018 at the request of Eurima

1 | MAKE ENERGY RENOVATION HAPPEN:

" Introducing an Affordable and Comfortable Homes Plan to phase out the worst energy performing buildings."

By acknowledging the role of buildings in delivering an increased EU's 2030 greenhouse-gas reduction target under the Paris Agreement.

By adopting a new roadmap to a **"Climate Neutral Europe by 2050,"** including a Renovation Agenda to facilitate investment in energy-efficient building renovation.

By continuing to apply the **"energy efficiency first"** principle to all EU policies, planning and investment in the energy sector, including proposals for a new legislative Gas Package.

By introducing an **Affordable and Comfortable Homes Plan** and to phase out the worst energy performing buildings deliver quality, energy-efficient housing by prioritizing measures on the building envelope.

By **leveraging additional investments** in order to fill the investment gap in energy-efficient buildings (EUR130 billion/yr[3]), inter alia through the following measures:

- **Earmarking** adequate **funds** under the post-2020 EU budget for energy efficiency to support long-term renovation strategies and transform the existing building stock into nearly zero-energy.
- Setting up a **dedicated EU-wide building renovation programme backed by InvestEU** to trigger additional investments.
- **Using revenues from the EU Emissions Trading System,** including from the Modernisation Fund in lower-income Member States, for renovating the least energy-efficient buildings and for overcoming energy poverty. Equally, energy efficiency measures in buildings should be promoted under the Effort Sharing legislation.
- Expanding and developing innovative financing schemes and products, such as green mortgages, to minimise administration and perceived risk.

By empowering cities and regions to ensure the quality of implementation of the Clean Energy for all Europeans package:

- Monitoring, supporting and evaluating Long-Term Renovation Strategies, alongside National Energy and Climate Plans. This shall include clear progress indicators and targets for 2030, 2040 and 2050 as well as evidence-based estimates of energy savings and wider benefits and target all building segments (homes, schools, offices etc.).
- Facilitating the introduction of **building renovation passports** to stimulate deep renovation in different building sectors and help owners implement cost-effective measures.
- Using EU education and vocational training policies to **improve skills for the renovation of the building stock,** with a focus on SMEs. This should be accompanied by further training on the necessary digitalisation of the EU construction industry.
- Enabling the development of **one-stop-shops for consumers,** providing information on energy efficient renovations and available financing instruments.
- Targeting Energy Savings Obligations to deep renovation in the building sector.

[3] *Source: EU High-Level Expert Group on Sustainable Finance (2018), Financing a Sustainable European Economy*

2 | BUILD AND RENOVATE SUSTAINABLY:

By making sustainability performance an integrated part of the EU buildings' policy. The system developed by the European Commission to measure sustainability of buildings, called Level(s), should be the basis for this. This should include:

- **Mainstreaming sustainability** in buildings as a stepping stone towards a future Sustainable Performance of Buildings Directive.
- Using the **Construction Product Regulation (CPR)** to deliver harmonised product information on environmental and health performance for building level assessments.
- Integrating the **Level(s)** indicators and methodology into **Green Public Procurement** guidelines for buildings, as well as other building related legislation, starting with the energy and carbon indicator.
- Gathering sustainability performance data of buildings to allow for informed decision-making.
- Integrating Level(s) in the EU's **sustainable finance framework** ('taxonomy').
- Addressing the impact of buildings across their **full life cycle,** accounting for embodied and operational carbon together.
- A consistent policy framework on sustainable buildings should encompass also elements as social cohesion, climate change resilience and safety.

By integrating "circular economy" thinking into future buildings policies, meaning:

- Leveraging and further developing EU waste-policy rules to **boost the recycling or reuse of building materials from renovation and deconstruction projects.** Examples can be:
  - Measures such as a ban on landfill for all products that can be recycled.
  - Mandatory separation of waste for collection, including non-weight targets for the recycling of construction products.
  - Mutually supportive policies for chemicals, products and waste-recycling.
- Developing an EU-wide **open standard for information on the content of construction products,** encouraging the use of non-toxic and recyclable materials. The information is to be included in the buildings **material passport.**

" Developing an EU-wide open standard for information on the content of construction products, encouraging the use of non-toxic and recyclable materials. "

" Mineral wool insulation can play a vital role in building a sustainable Europe "

CONCLUSION

Better buildings can play a decisive role in addressing the biggest challenges facing the European Union in the coming years, but this requires **a proper coordination structure at the EU-level** to maximise the societal benefits of sustainable renovation. Policies affecting one of the most important sectors of the EU economy, the building and construction sector, should be coordinated by **one European Commission Vice-President** overseeing the work of all relevant Commission departments. In the European Parliament, the creation of a dedicated discussion platform will allow for a **coordinated exchange on the building and construction sector.**

Finally, all EU legislation and funding must be Paris-compatible and the impacts on the climate emergency need to be incorporated in all impact assessments to make sure Europe meets its climate commitments.

Eurima, the European Insulation Manufacturers Association, supports an EU sustainable building stock by 2050 and is fully committed to realising this vision through positive engagement with all interested policymakers and stakeholders.

Eurima is convinced that under the right regulatory framework and with the right support instruments, energy efficient and healthy buildings with mineral wool insulation will play a vital role in building a sustainable Europe through improving the energy efficiency of buildings, increasing acoustical comfort and lowering resource consumption.

Eurima is the European Insulation Manufacturers Association and represents the interests of all major mineral wool producers throughout Europe. Mineral wool is the most widely used category of building insulation in the EU, insulating new and existing buildings of all types, be they residential, commercial or public. Mineral wool insulation can make a tangible contribution to the improved wellbeing of people by making houses more comfortable, healthy, and affordable places to live.

Interested to learn more about the future of the European built environment?
Please go to **https://www.eurima.org/better-future**, and read the report!

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