

# ***Energy Renovation The Trump Card for the New Start for Europe***

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*Serving society  
Stimulating innovation  
Supporting legislation*



# Would Energy renovation address Juncker's priorities?



**1. A New Boost for Jobs, growth and investment**

**2. ....**

**3. A Resilient Energy Union with a Forward-looking Climate Change Policy**

**1. Energy Union (energy security)**

**2. Energy prices**

**3. Number one in Renewables**

**4. Enhance energy efficiency beyond 2020 objective**

**"...when it comes to buildings, and I am in favour of an ambitious, binding target to this end..."**

**4. ...**

**5. ...**

**6. ...**

**7. ...**

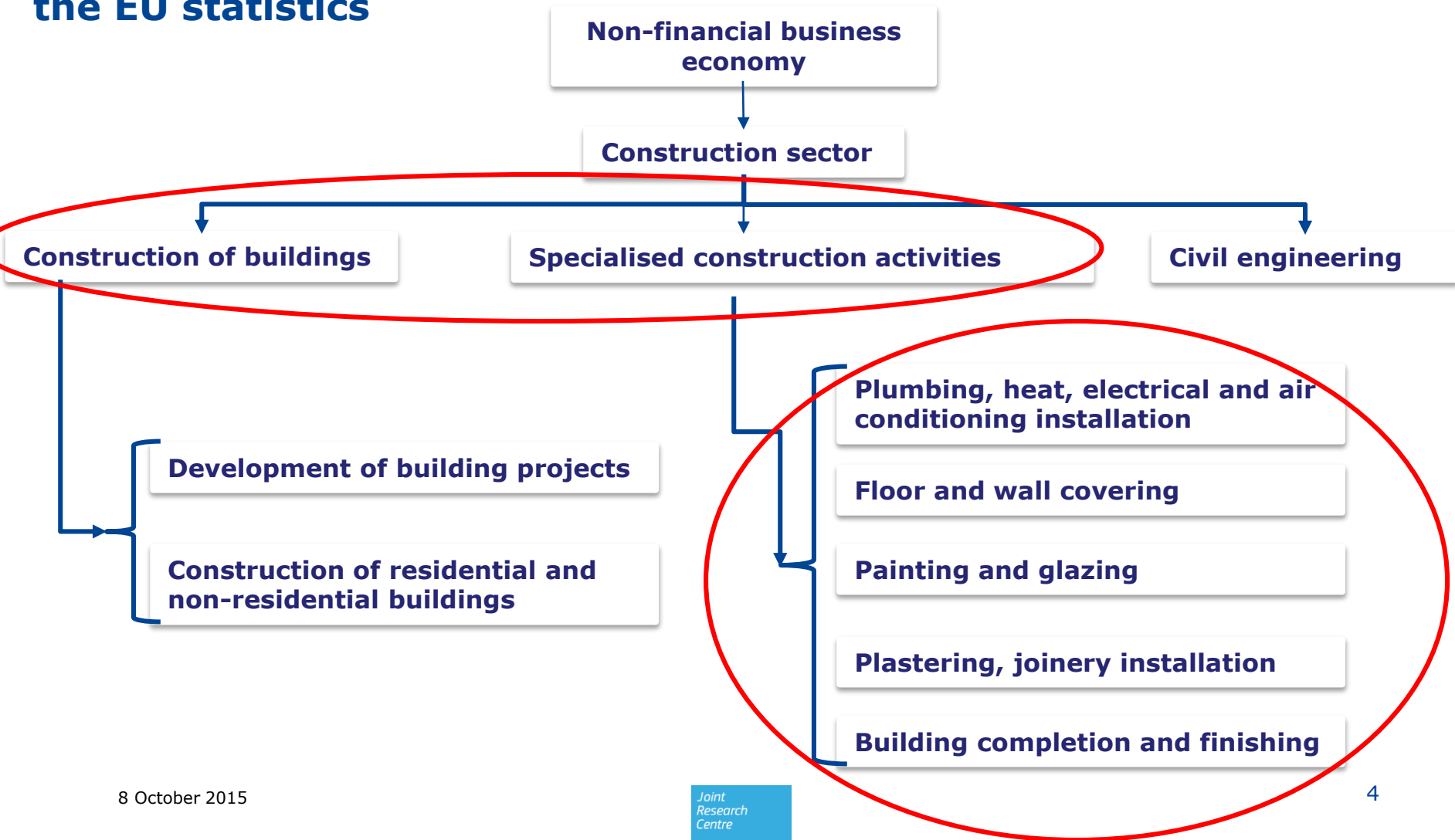
**8. ...**

**9. ...**

**10....**

# **The building sector is the stabiliser of the EU economy**

# Renovation work is included in specialised construction activities in the EU statistics



**Specialised construction activities** that include renovation work and energy retrofits add almost twice value than the construction of new buildings and employ three times more people than the supply of energy for the same value added

2011/ EU 28	Value added (EUR billion)	Share of the value added of the non-financial business economy	Number of persons employed (million)	Share of employment in the non-financial business economy
Total construction	501	8%	13.1	10%
Construction of buildings	144	2.3%	3.7	2.8
Specialised construction activities	283	4.7%	7.8	6%
<i>Total building sector</i>	<i>427</i>	<i>7%</i>	<i>11.5</i>	<i>8.8%</i>
Energy supply to buildings	215	3.5%	2.13	1.6%

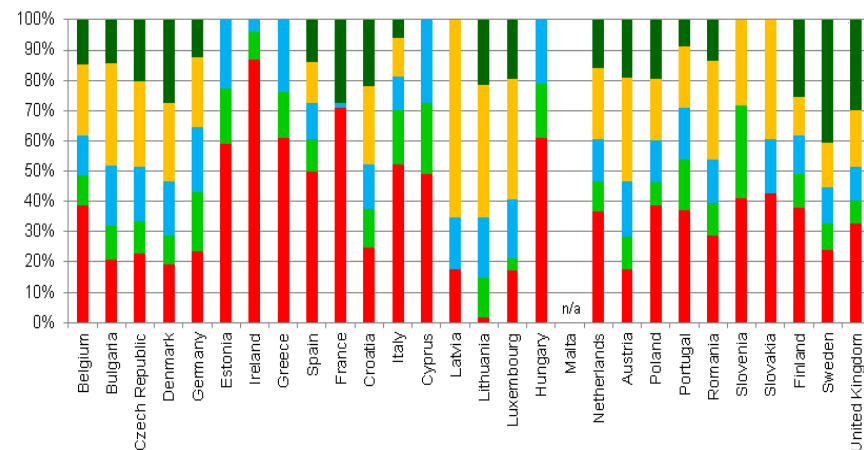
Source: Eurostat

# 94% of enterprises in the building sector were enterprises with less than 9 persons employed

Share of value added of the building sector by enterprise size (2011)

Number of persons employed: ■ 1 - 9 ■ 10 - 19 ■ 20 - 49 ■ 50 - 249 ■ > 250

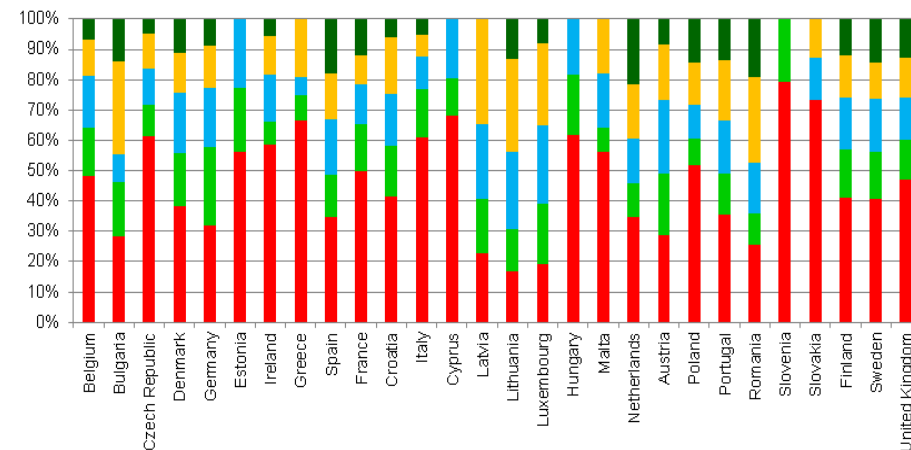
## Construction of buildings



Share of value added of the building sector by enterprise size (2011)

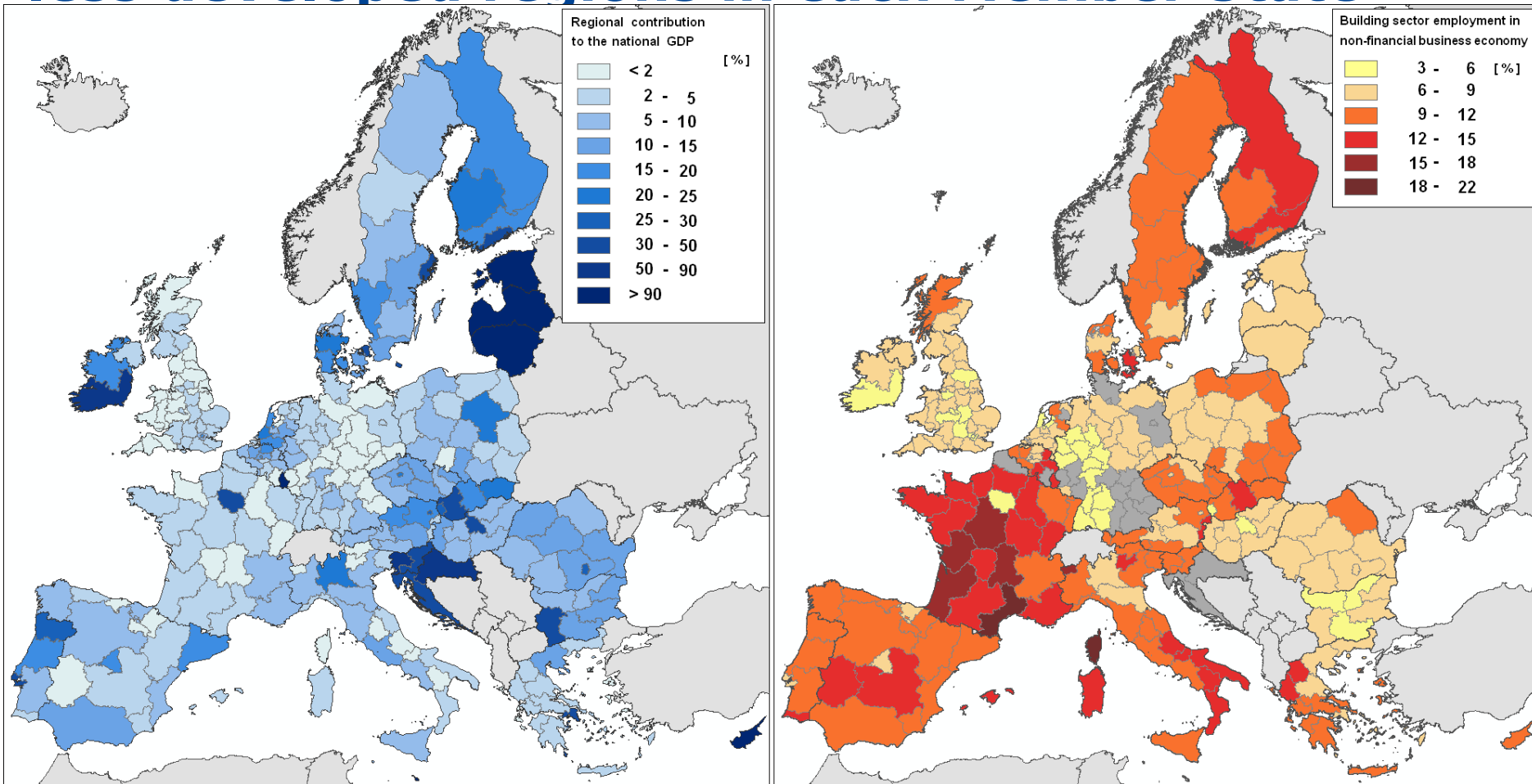
Number of persons employed: ■ 1 - 9 ■ 10 - 19 ■ 20 - 49 ■ 50 - 249 ■ > 250

## Specialised construction activities

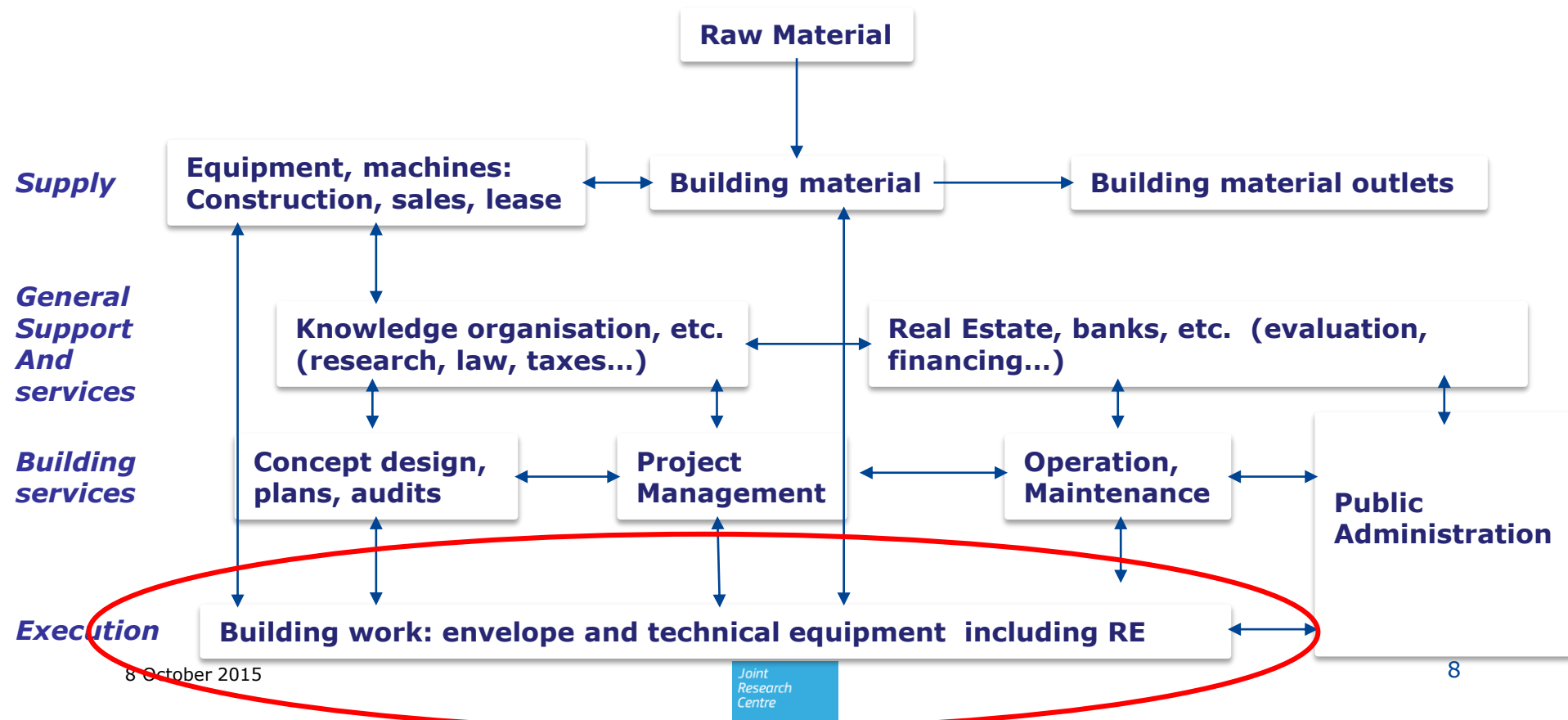


Source: Eurostat

# The building sector employs more people in the less developed regions in each Member State



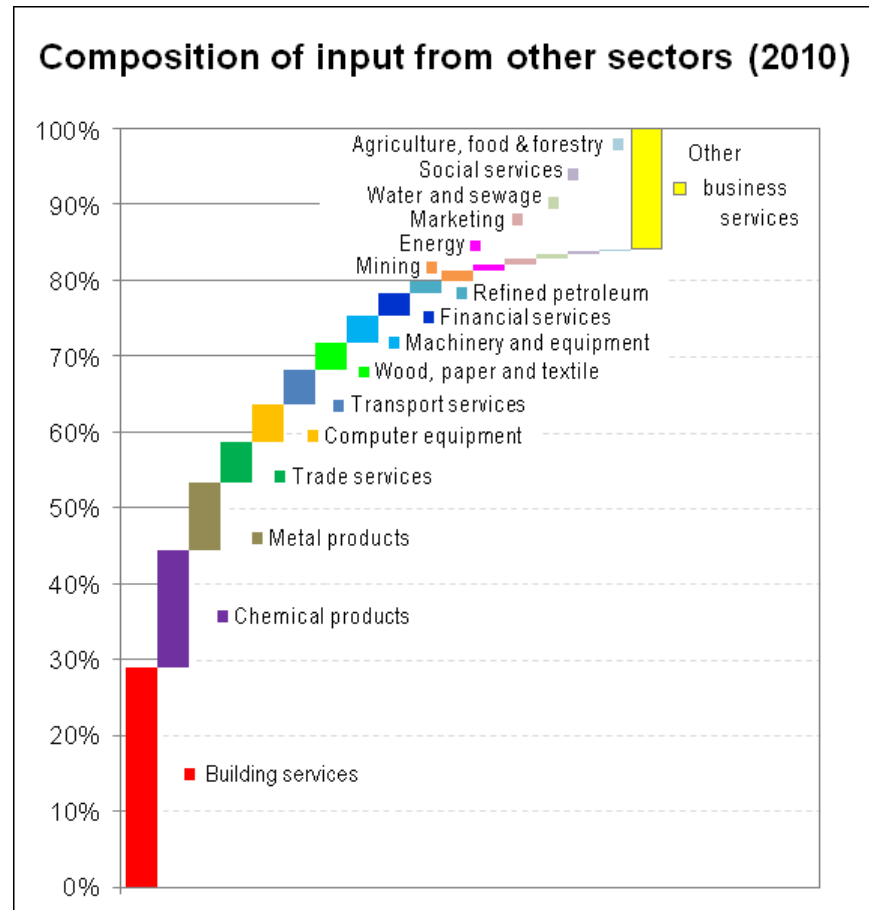
# The economic role of the building sector goes beyond the building work itself





# Quand le bâtiment va, tout va!\*

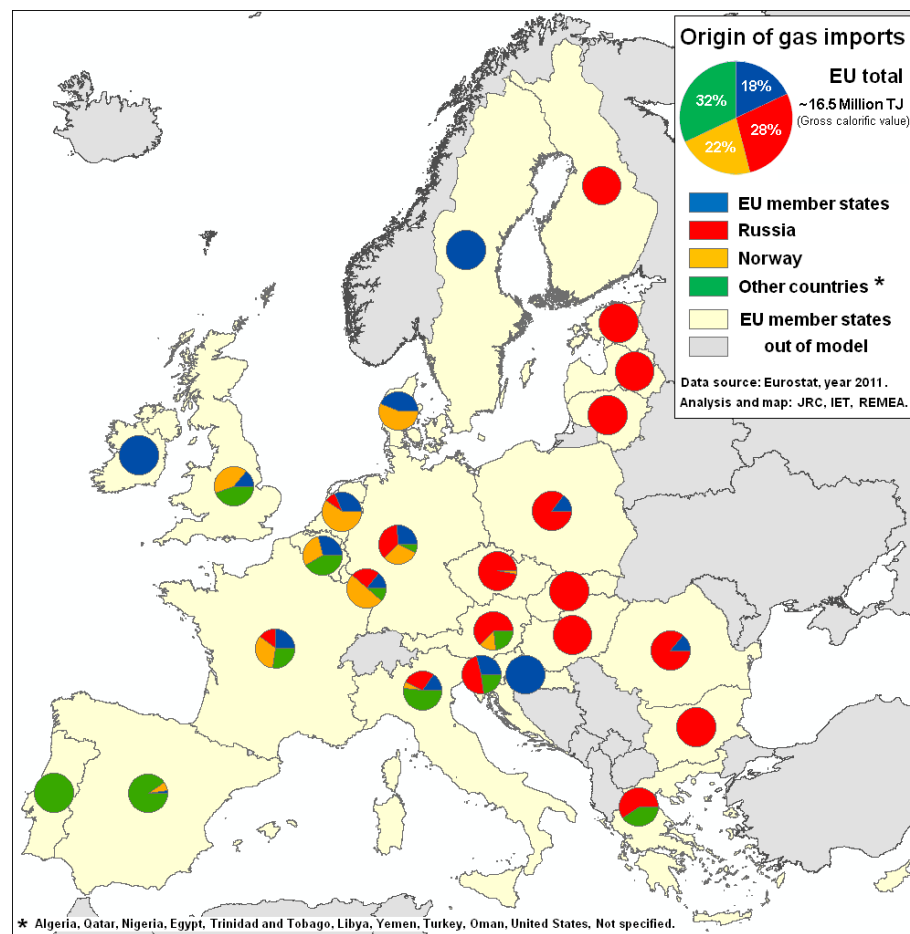
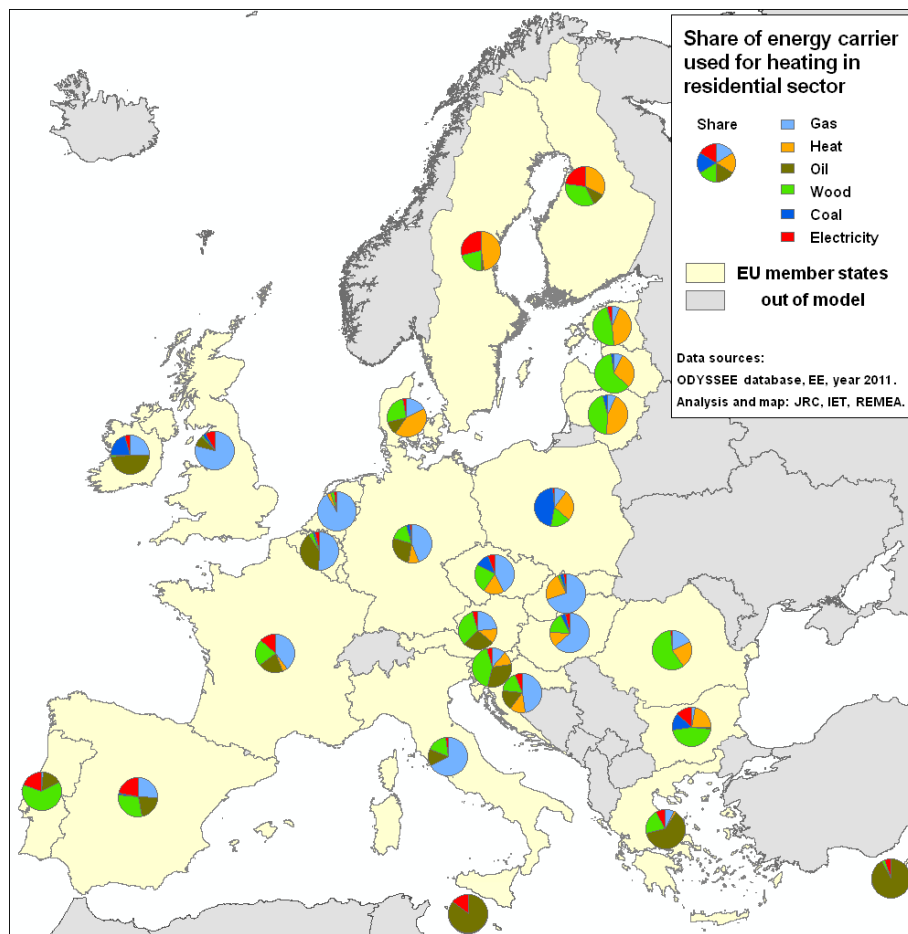
*"The health of the economy is tied to the activity in the building sector"*



Source: Eurostat

\* Martin Nadaud at the French Parliament in 1850

# Reducing heating needs would reduce the EU dependency on gas imports

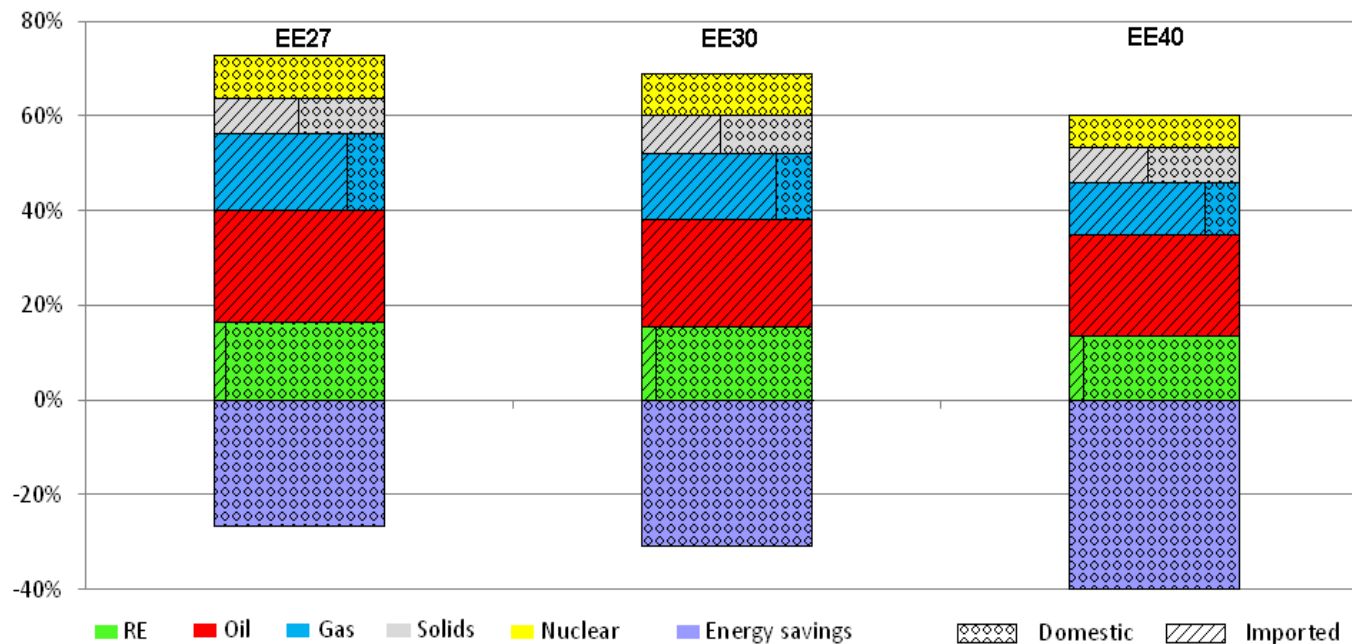


# **The building sector is the driver of the EU decarbonisation scenarios**

# EU decarbonisation scenarios in the road to COP21 in Paris

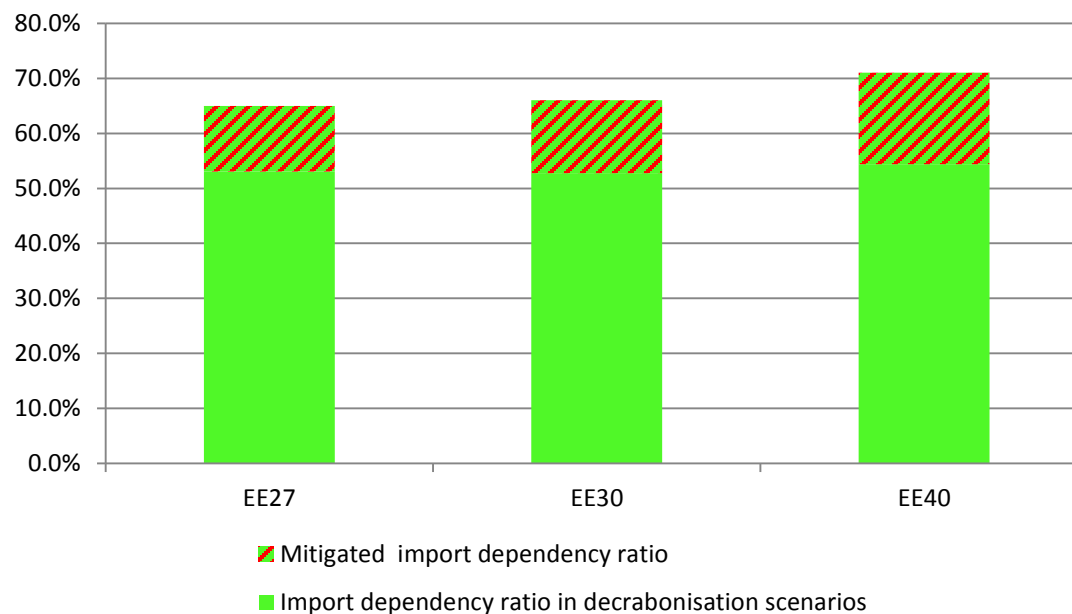
- EE27: Current energy savings target set by the European Council for 2030
- EE 30: the possible energy savings target to consider when the 2030 climate and energy policy framework is reviewed in 2020
- EE40: Energy savings target as called by the European Parliament for 2030

# Energy savings are projected to be the first fuel of Europe in 2030 in the EU decarbonisation scenarios

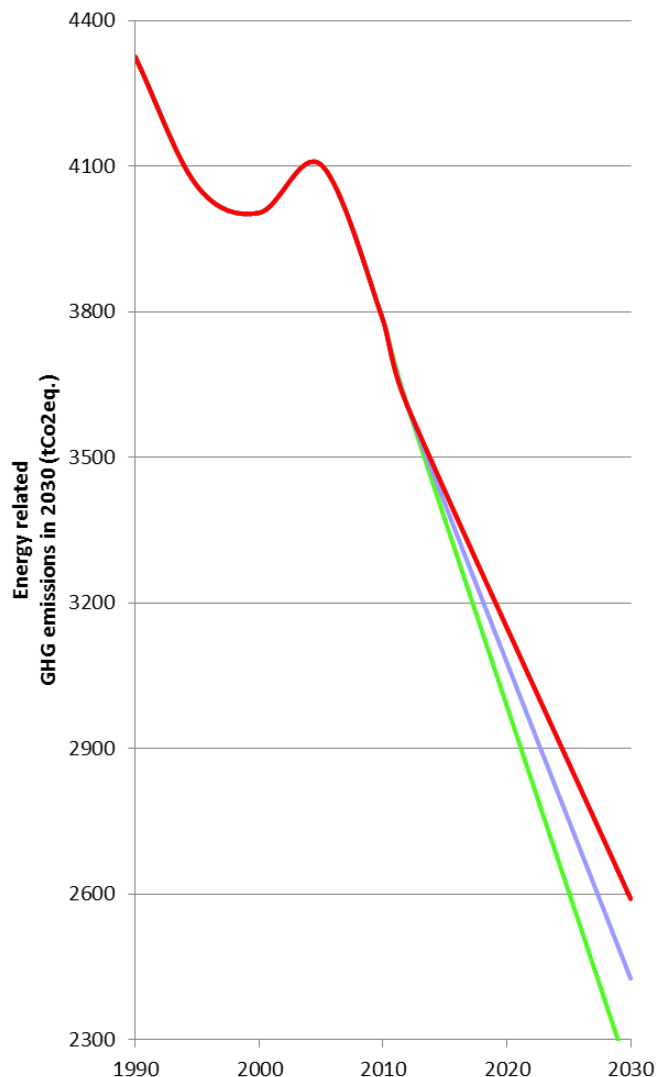


Source: PRIMES 2014

## Decarbonisation scenarios mitigate the EU import dependency



Source: PRIMES 2014



**Reduction of GHG emissions  
is 6% higher in the EE 40  
compared to EE27 and EE30**

**EU decarbonisation scenarios are  
in the same order of magnitude  
than the IEA 2 degrees scenarios  
for Europe**

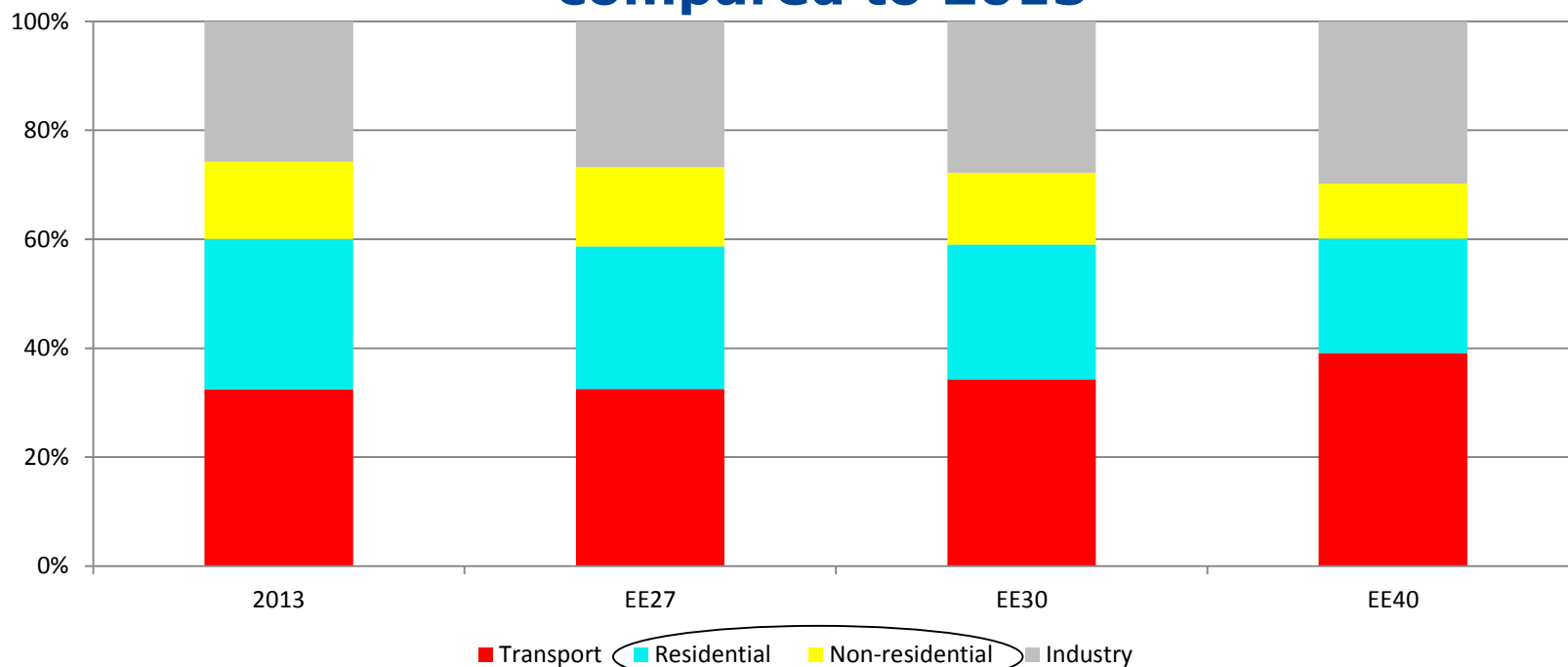
**EE 27 and EE 30**

**EE 40**

**IEA 2DS**

Source: PRIMES 2014

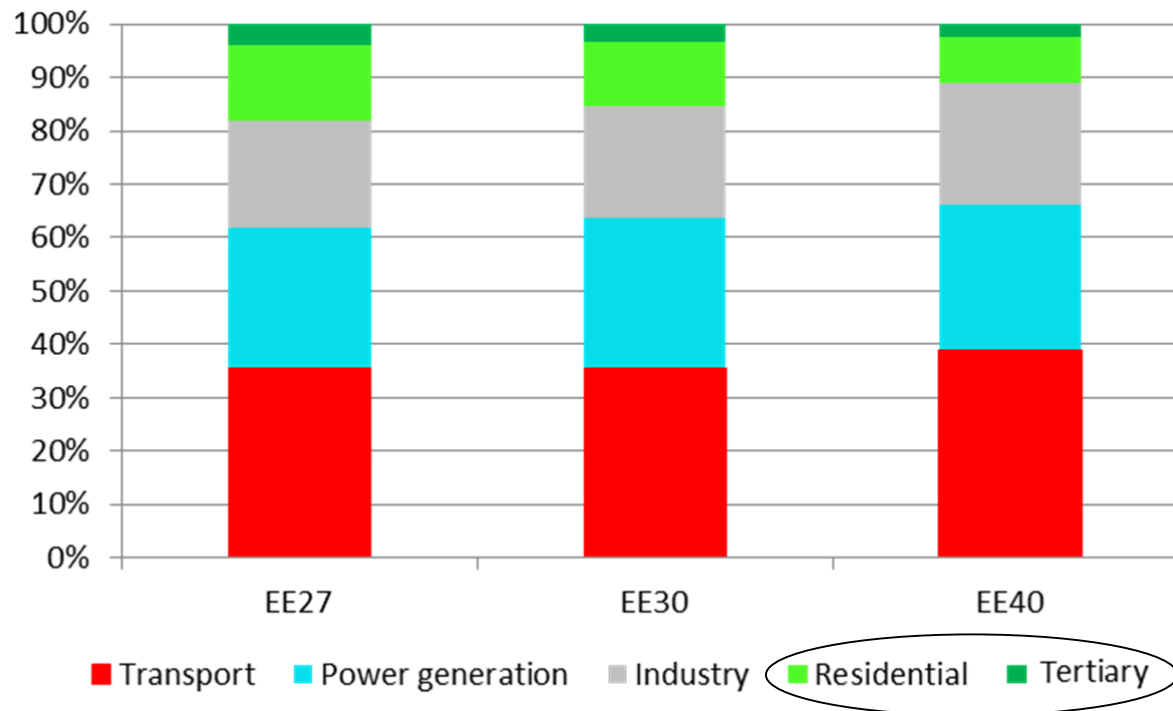
## The building sector is projected to have lower share of the EU final energy consumption in 2030 compared to 2013



Source:  
PRIMES 2014 for EE scenarios  
Eurostat for 2013

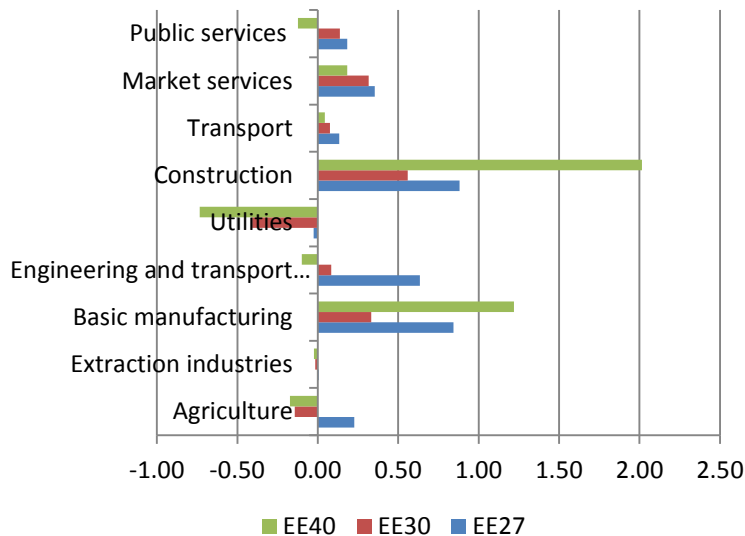


## The building sector is projected to be the least emitting sector in 2030



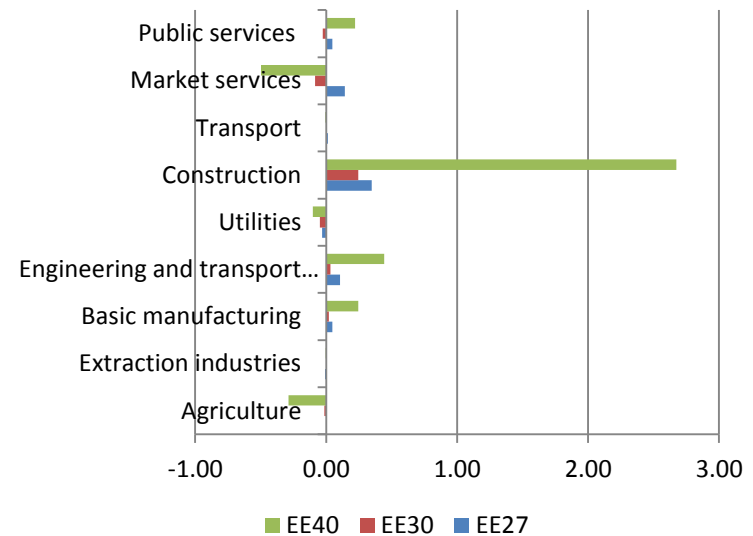
Source: PRIMES 2014

# The EU decarbonisation scenarios will boost job creations in the building sector



Changes in number of persons employed  
compared to the reference scenario

GEM-E3 (Neo-classic model)



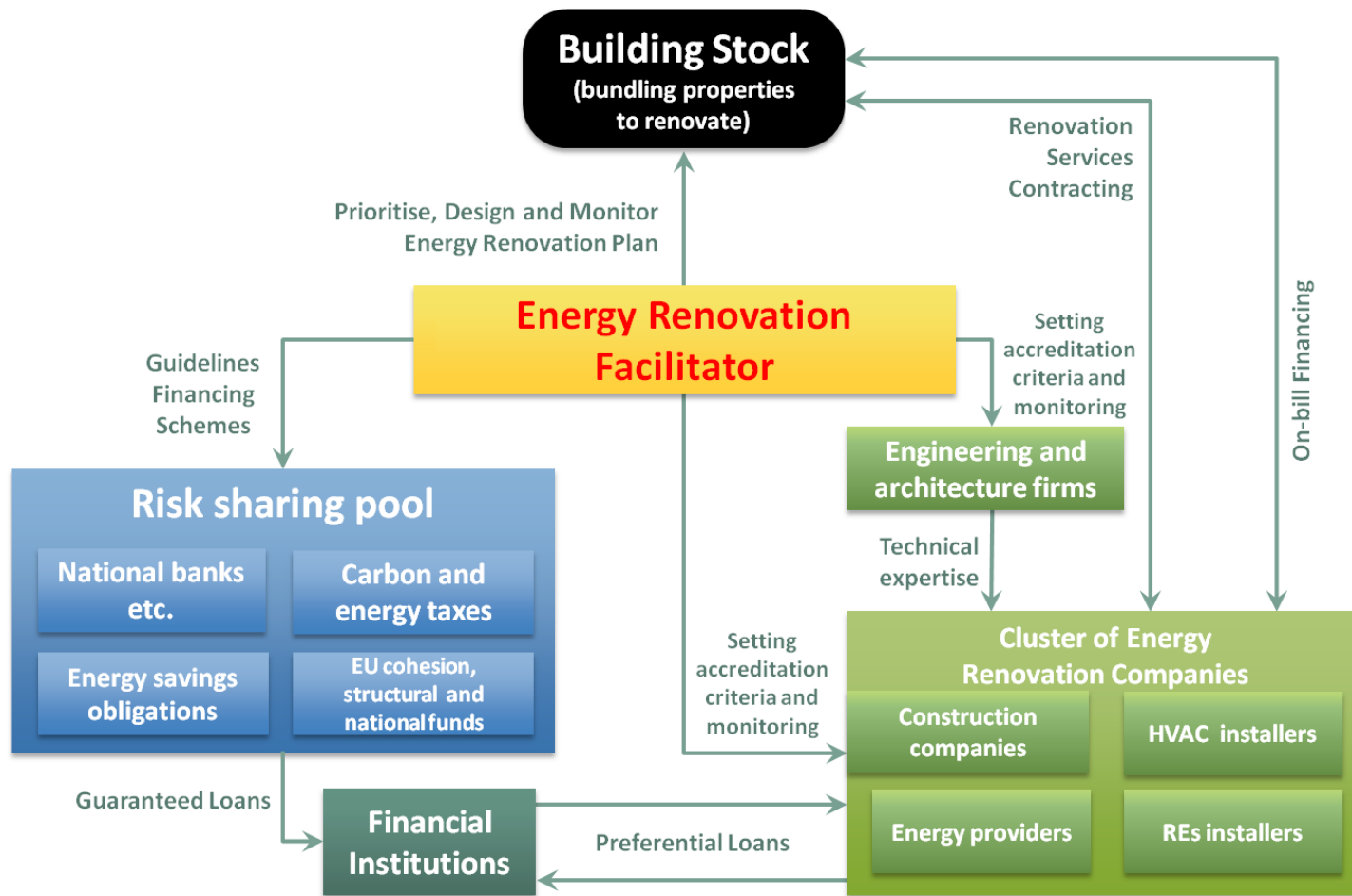
Changes in number of persons employed  
compared to the reference scenario

E3ME (post-Keynesian model)

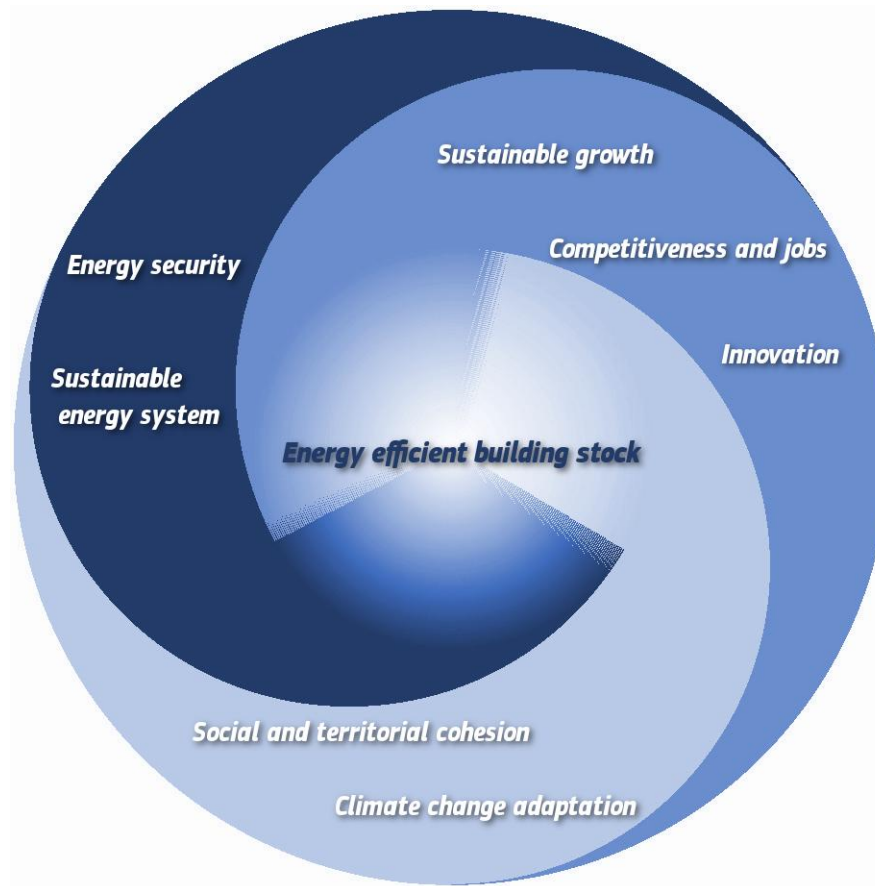
# The road to phasing out inefficient buildings is bumpy

- Setting baselines is difficult because energy consumption data are locked.
- Energy renovation costs are not transparent.
- Accreditation of energy renovation companies is scarce
- Market actors are fragmented and building clusters of companies is not obvious.
- 70% of the EU population is owner-occupier but bundling projects is still not a common practice
- Deepness of the renovation is undefined which doesn't push for technological innovation.
- Post monitoring and evaluation is not always a requirement of financing energy renovation.

# An Energy Renovation Facilitator & a Risk Sharing Pool are needed to create an energy renovation market



# The EU Energy renovation plan involves combining existing EU 2020 policy frameworks



# Thank you for your attention

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