



EU energy efficiency policy context

LIFE EU Info days. Clean Energy Transition Programme

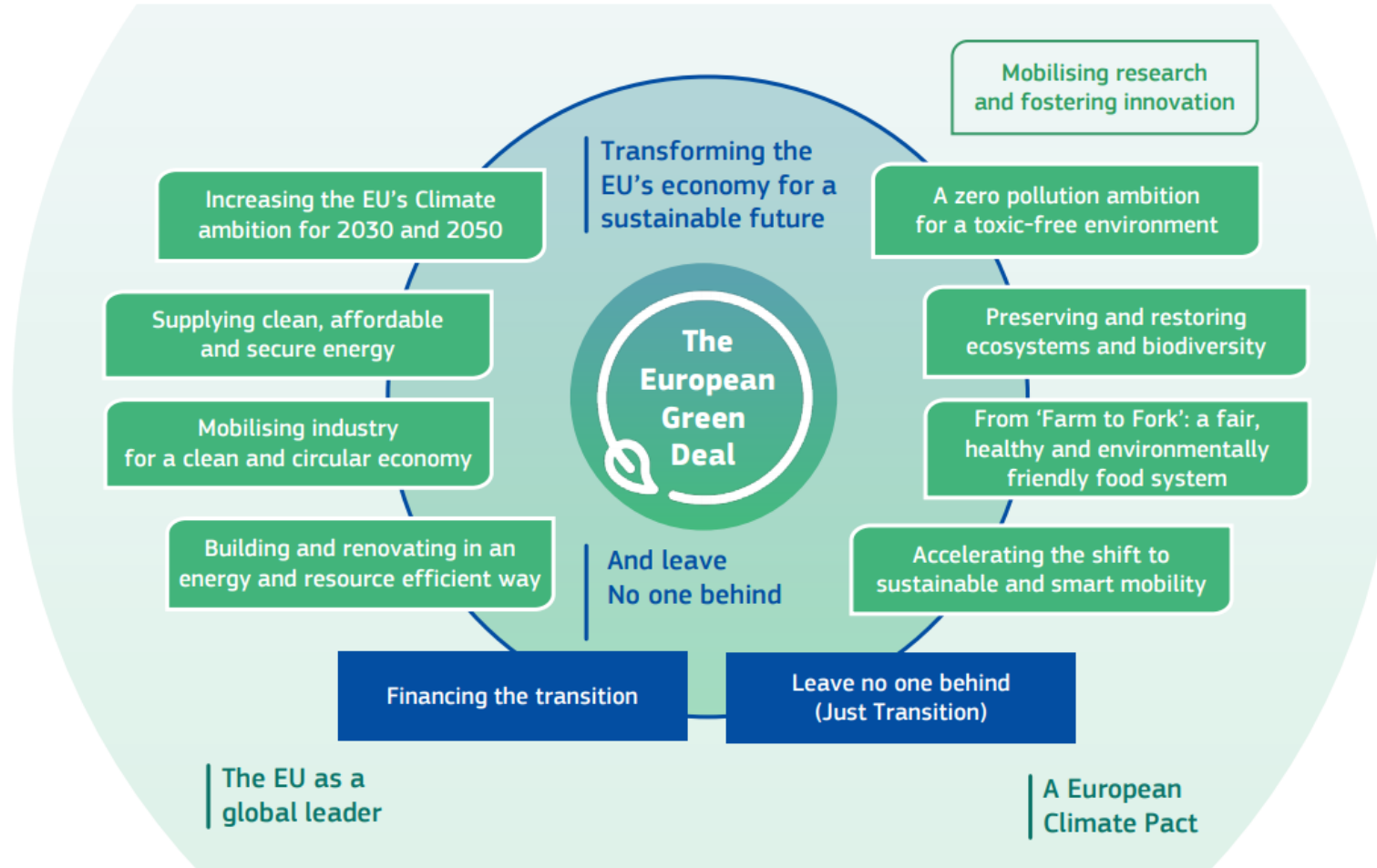
2021

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Team Leader, Financing for Energy Efficiency

Policy context- The European Green Deal

New climate target: -55%



Recovery after COVID-19 crisis

Increasing climate ambition

Increasing the EU's Climate ambition for 2030 and 2050

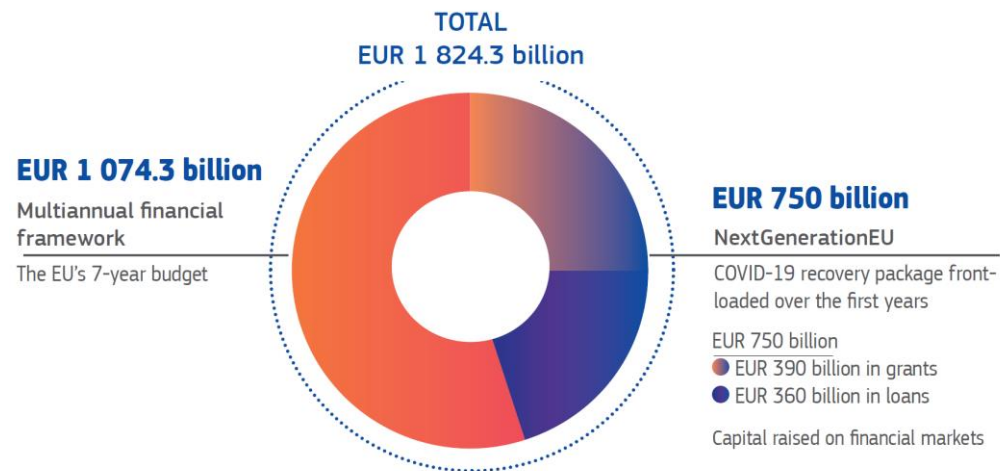
- European '**Climate Law**' enshrining the 2050 climate neutrality objective in legislation by March 2020
- **Comprehensive plan** to increase the EU's climate target for 2030 to at least 50% and towards 55% in a responsible way by October 2020
- Review and revise where needed the **Renewable Energy and Energy Efficiency Directive** by June 2021
- **Carbon border adjustment mechanism** for selected sectors by 2021.
- **Offshore wind** initiative in 2020

EU Recovery package and Next MFF 2021 -2027.

A unique opportunity to scale-up investments in energy efficiency

Additional resources

- Out of the total 1.800 billion euro (NGEU + MFF 2021-2027), 30% of these resources, **around 550 billion euro**, earmarked to **deliver the climate goals** of the European Green Deal.
- Energy efficiency plays a **key role in clean energy transition**.
- **The resources dedicated to climate action have more than doubled** compared with the period 2014-2020.



Multiple benefits

- Creates **local jobs, stimulates local investments, and supports SMEs** (who count for 95% of the construction sector in 2018).
- Strong energy efficiency policies **can contribute between 0.25 and 1.1% to GDP growth**.
- **In industry** generate productivity and operational benefits up to 2.5 times the value of energy savings.
- **Social and affordable housing** is a beneficial countercyclical intervention.

Support from the EU budget to unlock investment into energy efficiency

EU Budget for Direct Investments

- Recovery and Resilient Facility
- Cohesion Policy Funds (ERDF, ESF, EU-REACT)
- Just Transition Mechanism - JTF

To leverage private investments

- InvestEU
- Private Financing 4 Energy Efficiency
- European Energy Efficiency Fund

for Research & Innovation

- Horizon Europe
- Built 4 people
- Innovation Fund
- EGD Calls
- Smart Cities

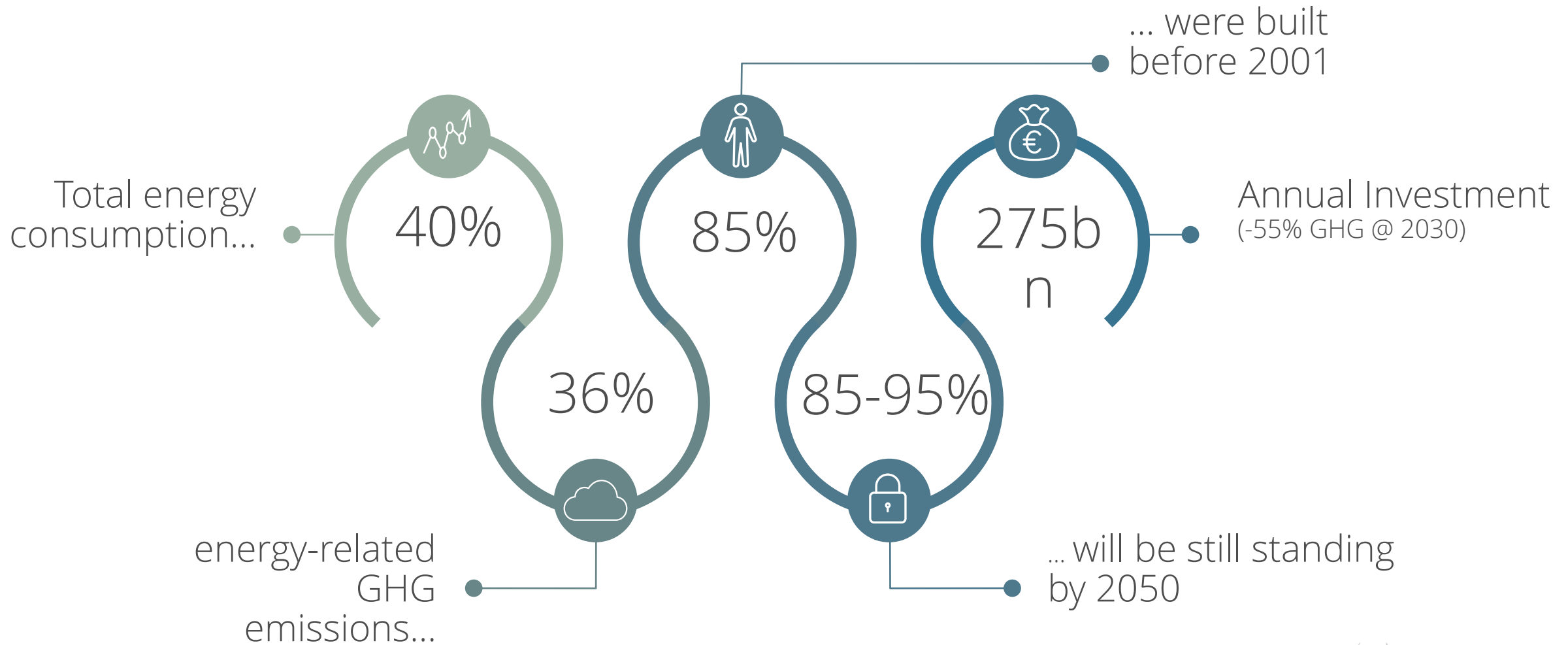
To address Market Barriers

- LIFE – Clean Energy Transition
- LIFE – Circular Economy & Quality of Life

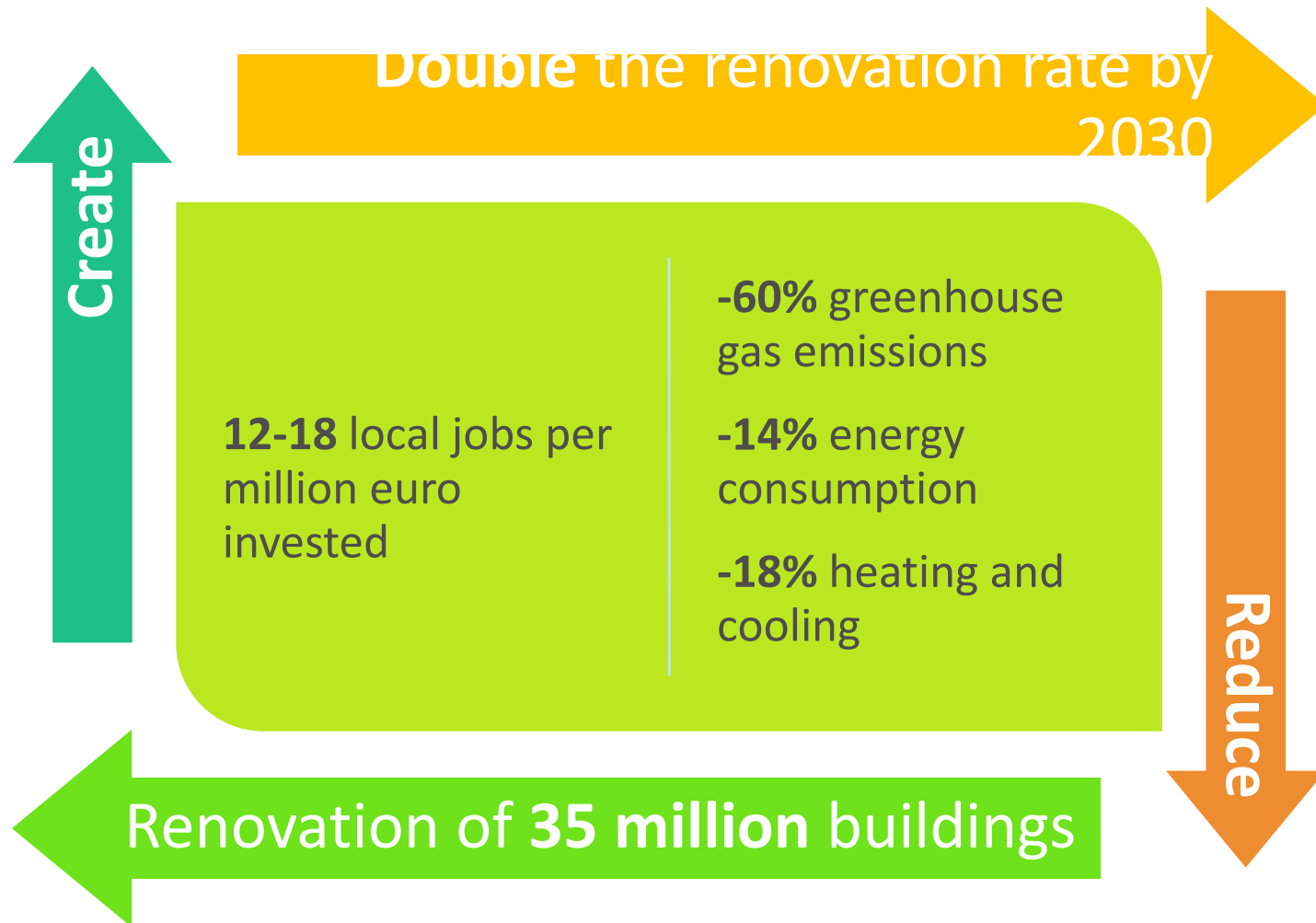
For Technical Assistance and Advisory

- ELENA Facility
- Technical Support Instrument
- Technical Support – Cohesion Policy

Buildings in numbers



Renovation Wave. Objectives



EU funding driving investment for renovations



Recovery and Resilience Facility (EUR 672.5 billion, 37% climate initiatives) and including European Flagships “**Renovate**” and “**Power Up**”.



Cohesion Policy Funds (proposed budget of EUR 330 billion) better targeted on delivering high energy performance, in line with NECPs and LTRSs objectives.



InvestEU dedicated financial products for energy renovation of buildings and **EIB Initiative for Building Renovation** support for the aggregation into portfolios of building renovation projects.



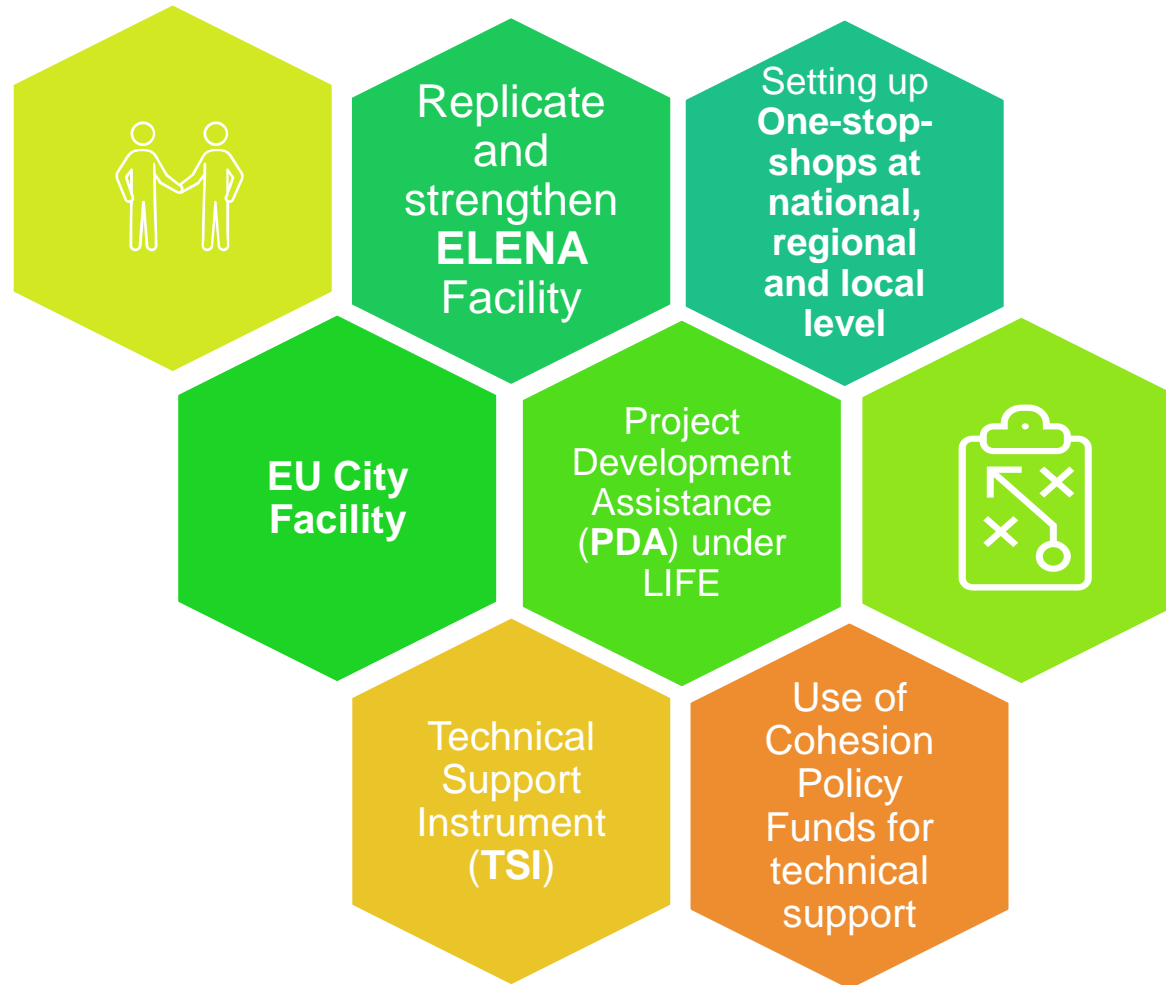
Facilitate **combined solutions** for project promoters, including clearer and easier **State Aid rules** (Ongoing revision of the General Block Exemption Regulation and Energy and Environmental Aid Guidelines)

Attracting private investments and stimulate green loan financing

- Developing financing solutions with high potential to be scaled-up/innovative. Reinforcing the role of main aggregators: financial institutions, utilities, ESCOs.
- Supporting the activation of private-sector investments at national and European level through EEFIG and SEI Forums.
- Spur the development of **green loan and mortgage financing**. standards and labels for sustainable financial products: green mortgages, green loans and green bonds.
- Supporting de-risking energy efficiency investments. Proposal to incorporate environmental, social and governance (ESG) risks into the Capital Requirements law and the Solvency II Directive
- Consider the introduction of a **'deep renovation' standard** as part of the EPBD revision and in line with the development of the **EU Taxonomy**.



Increasing capacity and technical assistance



*“Preparing a good renovation project, matched with the best financing sources available, is difficult and often very complicated for individuals or small local authorities. Thus, **technical assistance is going to play a key role for the expected increased rates and quality of renovation.**”*

*“**one-stop shops that can be deployed quickly at national, regional or local levels** for delivering tailored advice and financing solutions designed to accompany homeowners or SMEs throughout the preparation and implementation of their projects.”*

(RW Communication).

Thank you for your attention



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