# STAYING THE COURSE: EU INDUSTRY AND CONTRACTORS STAND READY TO DELIVER THE RENOVATION WAVE

In spite of the unprecedented volatility of recent years, the building renovation industry has shown its resilience and its ability to deliver. First, the pandemic-era shutdowns meant that the sector grinded to a near-halt. Then a boom in orders, coupled with supply chain issues, resulted in a shortage of skills and materials. Russia's invasion of Ukraine and high energy prices have put the building renovation industry to the test again, and at the same time made the case for energy efficient buildings stronger than ever before. In this context the ability of European industry to deliver on the promises of the Renovation Wave is a key issue.

**We, the undersigned associations representing construction sector contractors and product manufacturers, wish to affirm our support for the EU's renovation agenda and encourage policy makers to stay the course – to pursue ambitious policies that drive deep energy retrofits.**

The revision of the Energy Performance of Buildings Directive (EPBD) has the potential to cut emissions, deliver better and more energy efficient buildings with higher indoor comfort levels, improve Europe's energy security and boost investment and job-creation in the construction sector[1].

With the inclusion of Minimum Energy Performance Standards (MEPS) for existing buildings, tens of millions of Europe’s worst performing buildings will be renovated over the next ten years. This could reduce gas imports by up to 70bcm per year[2] and play a key role in shielding consumers and businesses from high energy prices. It is estimated that 50 million EU households live in energy

[1] It is estimated that on average, 17 to 19 jobs are created per million euros invested in energy efficiency (IEPP 2013, BPIE 2011). JRC Technical Report: Untapping multiple benefits: hidden values in environmental and building policies (2020).

[2] https://www.reuters.com/business/energy/heat-pumps-renovations-could-slash-europes-russian-gas-use-report-2022-05-06/

poverty and experience inadequate levels of essential energy services[3]. MEPS have a role to play for all segments of the building stock, including commercial and public buildings, single-family homes and multi-apartment buildings.

Crucially, MEPS will give Europe's construction industry the long-term investment certainty it needs to get the job done. Many of our member companies have already expanded production in recent years – which is now helping to alleviate supply constraints – and are planning additional capacity increases. However, the energy crisis is increasing investment risk in all EU energy intensive industries. Establishing MEPS in the EPBD will encourage investment throughout the renovation value chain and unlock further investment in production capacity and upskilling of workers.

MEPS must be accompanied by a strong supporting framework that addresses the challenges faced by building owners and construction companies alike. We welcome the proposals tabled in the European Parliament to provide financial assistance to vulnerable households, to quantify market needs of integrated renovation professionals and to establish European partnerships with industry for upskilling and reskilling of workers. Further action is needed at both EU and national level to increase the level of attractiveness of construction-related jobs and to expand and improve certification and training schemes, which are not yet suitable for the qualitative and quantitative development of the sector. Regulatory alignment with measures targeting financial institutions is necessary to ensure that homeowners have access to credit and construction companies have access to appropriate insurance instruments.

**Our businesses continue working to overcome challenges related to high energy prices and shortages of materials and skilled labour. These short-term constraints need to be addressed with the highest level of priority, and should not be used as excuses to undermine the policies that ensure the long-term growth prospects of our industries. With the necessary supporting measures and clear commitments from policy makers, our sector will deliver the Renovation Wave.**

**SIGNATORIES:**

*ARGE – The European Federation of Locks and Building Hardware Manufacturers represents the interests of around 250 companies with approx. 50,000 employees engaged in the manufacture of door and window hardware.*

*CEMBUREAU, the European Cement Association, is the representative organisation of the cement industry in Europe*

*Cerame-Unie Aisbl is the European Ceramic Industry Association. The European ceramic industry covers a wide range of construction products i.e. clay bricks & roof tiles, clay pipes, wall & floor tiles, sanitaryware and expanded clay.*

*EHPA – the European Heat Pump Association – represents the European heat pump sector. Its members comprise of heat pump and component manufacturers, research institutes, universities, testing labs, consultancies, energy agencies, national associations and utilities.*

*EUROLUX represents the interests of the European manufacturers of individual rooflights, continuous rooflights and natural ventilation and smoke/heat exhaust systems.*

[3] https://www.odyssee-mure.eu/publications/policy-brief/european-energy-poverty.html

*EuropeOn is, since 1954, the voice of the 1.8 million electrical contractors and installers of Europe, providing electrical installations for buildings and infrastructure, enabling cities and citizens to take part in the Energy Transition.*

*EuroACE - the European Alliance of Companies for Energy Efficiency in Buildings - represents Europe's leading companies involved with the manufacture, distribution and installation of a variety of energy saving goods and services.*

*EUROGYPSUM is a European federation of national associations of producers of gypsum products, including plaster and plasterboard.*

*EuroWindoor AISBL was founded as an international non-profit Association in order to represent the interests of the European window, door and facade (curtain walling) sector.*

*EURIMA is the European Insulation Manufacturers Association, representing the interests of all major European mineral wool insulation producers.*

*EFCC represents construction chemical companies (both raw materials producers for construction chemicals and formulators of construction chemicals) and associations in Europe.*

*EPPA, the European PVC Profiles and related Building Products Association represents the manufacturers of PVC window systems and related building products in Europe.*

*ES-SO is the European umbrella organisation of the solar shading industry and represents thousands of SME's employing more than 450,000 people across the Member States.*

*GCP Europe is the voice of the building services engineering sector, mechanical contractors, plumbers, and HVAC installers.*

*Glass for Europe brings together multinational firms and thousands of SMEs, to represent the European flat glass sector and the entire building glass value-chain.*

*PU Europe is the European Federation of manufacturers of polyurethane (PUR / PIR) thermal insulation products, from construction products manufactured in factories to in-situ formed PU foam.*