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Feedback on the planned initiative for an EU-wide renovation wave

The European Federation of Building Societies is an association of specialised credit institutions (Bausparkassen) promoting the financing of home ownership, as well as energy efficient renovations. In compliance with the strict legal provisions, Bausparkassen are offering contractual savings schemes to their customers and grant them home loans secured by mortgages. Within the European Union a great share of the Bauspar business is directed at financing energy efficient renovations, we thus welcome the initiative by the European Commission regarding the planned renovation wave, which is a crucial part of the European Green Deal. The roadmap already defines some crucial barriers which need to be addressed to increase energy efficient renovations. Please see some further comments and feedback below.

Remaining Barriers to finance energy efficient renovations:

- The most crucial barrier is linked to the question whether the renovation is economically attractive; homeowners are wondering whether the benefits of a renovation outweigh the costs. If the benefits do not outweigh the costs, factors like comfort or contributions to climate mitigation play minor roles for citizens.
- Further, vast parts of the population are also uncertain regarding the characteristics of used materials. Is insulation material flammable? Is it hazardous waste at the end of its life cycle? What about grey energy? Does insulation without the simultaneous installation of a ventilation system lead to mould growth in the apartments? An information campaign that prepares and communicates available knowledge in a consumer-friendly manner would be helpful. Thus, uniform definitions which are easily accessible for citizens need to be developed (maybe on basis of the Taxonomy Regulation)
- Generally, education and clear definitions for citizens are needed.

Increasing the absorption of funds and the rate of energy efficient renovations:

- It would surely be useful that renovation projects are being accompanied by independent energy advisers (who are not identical with the construction company to avoid moral hazard). Citizens should be able to rely on these advisers to give sound advice.
- Detailed plans in the context of energy efficient renovation strategies, that often cover several years, play an important role as well because they balance costs and benefits, prioritise, and thus ensure the efficient use of scarce resources.
- In urban and rural areas, it would be advisable to involve the municipal level in refurbishment projects to enable neighbourhood solutions for several connected dwellings (as is also proposed in the own initiative report by the European Parliament).
- The actual use of funds/loans could be proven to the lender via invoices, which is already done by consumers of Bausparkassen in Germany for example.