



Investments for the multi-apartment building modernisation from the perspective of the European Commission

Communication event on the Future of Multi-apartment Building
Modernization Fund– Vilnius, Lithuania - 23 May 2024

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1. New goals on Energy Performance of Buildings

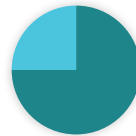
EU building stock

EU building sector is one of the **largest energy consumers** (approx. 42%) in Europe, responsible for **more than one third of the energy-related emissions**.

About 24 billion m2 permanently occupied floor area, more than **70 % residential**



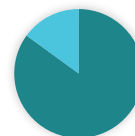
... **75 %** of the building stock **has poor energy performance** ...



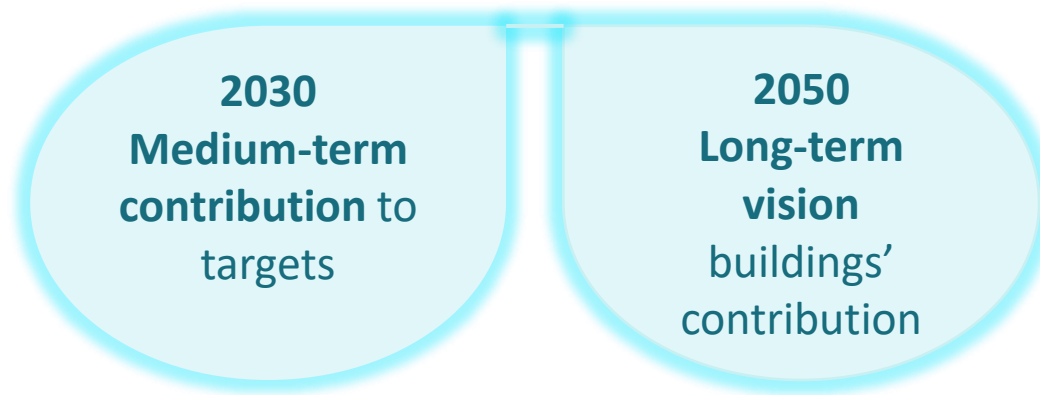
About **11%/yr** of existing buildings undergo some level of **renovation**, while only about **1%/yr** concerns **deeper energy renovation**



About **85 %** of existing EU dwellings were **built before 2000**, of which ...
... **more than 85 %** will still be in place in 2050



Objectives of Energy Performance of Buildings



- Renovation Wave Strategy: aims at doubling renovations by 2030 and foster deep renovations
- Climate target plan 2030: reduce buildings' GHG emissions by 60%, their final energy consumption by 14% and energy for heating and cooling by 18%.
- RePowerEU Strategy and EU Save Energy Comm: asking co-legislators for more ambition on recast EPBD
- 2050 Long Term Strategy: climate neutral economy
- Climate Target Plan 2040: reduction of 90% of net GHG emissions

Energy Performance of Buildings Directive - recast

Decarbonisation of EU building stock

Green Deal climate & energy targets

Energy independence (REPowerEU)

Renovation

- **Minimum Energy Performance Standards** for non-residential buildings
- **National trajectories** for the progressive renovation of the residential building stock
- National Building Renovation Plans

Enabling framework

- Strengthened Energy Performance Certificates
- Renovation passports
- Financing focus on vulnerable households and deep renovation
- One-stop-shops

Decarbonisation

- Introduction of **zero-emission buildings** as new standard for new buildings
- Solar deployment in buildings
- **Phasing out boilers powered by fossil fuels**

Modernisation & system integration

- Infrastructure for sustainable mobility
- Smart Readiness Indicator
- Indoor air quality: ventilation and other technical building systems
- Digitalisation & databases

Gradual phase-in of solar energy in buildings

- New buildings to be 'solar-ready':

- By 31 Dec 2026 for new public and non-residential buildings >250m²
- By 31 Dec 2029 new residential buildings and new roofed car-parks adjacent to buildings



- Gradual phase-in of requirement for existing non-residential, where feasible:

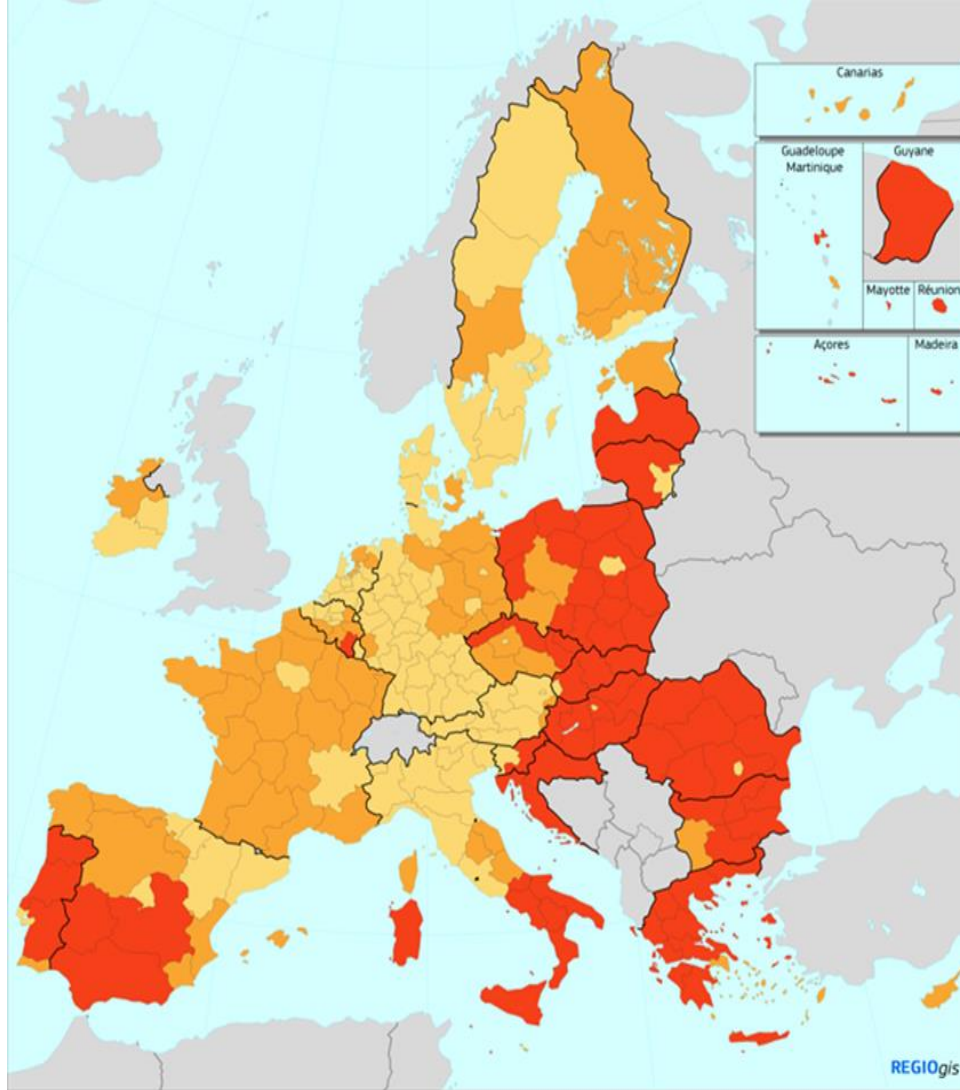
- For existing public buildings gradually between 31 Dec 2027 – 31 Dec 2030 according to floor area
- For existing non-residential buildings >500 m² by 2027, based on trigger points (major renovation or works requiring a permit)

2. EU Cohesion policy support to energy, climate and environment

EU Cohesion Policy 2021-27 (1)

1/3 of the EU budget (**ERDF, CF, ESF +, JTF**) to:

- Reduce disparities between Europe's regions, strengthening economic, social and territorial cohesion
- Contribute to EU priorities, including the **European Green Deal**
- **380 Cohesion policy programmes – EUR 378 bn of the EU Funds funding:** 294 Cohesion policy programmes for the Investment for jobs & growth goal in 27 MS amounting to € 368 bn and 86 Interreg programmes for the European territorial cooperation goal (ERDF only) amounting to € 11 bn
- The Cohesion policy programmes' investments target **240 NUTS-2 regions** in the EU-27 designated as less developed, transition or more developed



Investment for jobs and growth goal (ERDF and ESF+) eligibility, 2021-2027

Categories of regions

- Less developed regions (GDP/head (PPS) less than 75% of the EU-27 average)
- Transition regions (GDP/head (PPS) between 75% and 100% of the EU-27 average)
- More developed regions (GDP/head (PPS) above 100% of the EU-27 average)

GDP/head: average 2015-2016-2017

0 500 km

© EuroGeographics Association for the administrative boundaries

EU Cohesion Policy 2021-27 (2)

5 Policy Objectives:

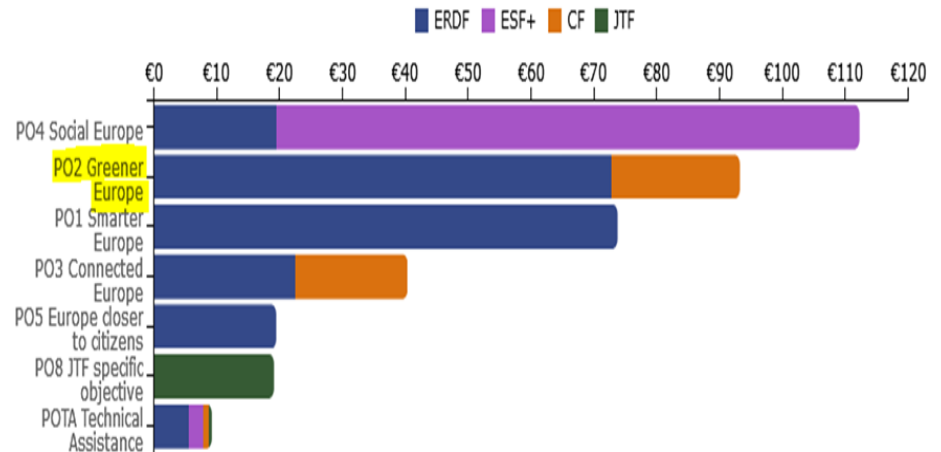
- PO1 - A more competitive and smarter Europe (ERDF)
- PO2 - A greener, low-carbon transitioning towards a net zero carbon economy and resilient Europe (ERDF and CF)
- PO3 - A more connected Europe (CF and ERDF)
- PO4- A more social and inclusive Europe (ERDF and ESF+)
- PO5 - A Europe closer to citizens (ERDF)

At least 30% of the ERDF and 37% of the CF dedicated to climate action.

2021-2027 Cohesion Policy budget by Theme, EUR billion (daily update)

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Refresh Date: 01/05/2024

	PO1 Smarter Europe	PO2 Greener Europe	PO3 Connected Europe	PO4 Social Europe	PO5 Europe closer to citizens	JTF	TA
Total Amount, bn EUR	114.4	128.8	53.5	165.6	26.9	26.4	13.5
EU Fund, bn EUR	73.9	93.3	40.5	112.4	19.6	19.2	9.3

Investment needs in energy transition

€29 billion in the power grid (2030) for greater electricity use



€37 billion to increase biomethane production



€56 billion for energy efficiency and heat pumps (2030)

€10 billion investments to import sufficient LNG and pipeline gas (2030)



€210 billion by 2027



€41 billion for adapting industry to use less fossil fuels by 2030

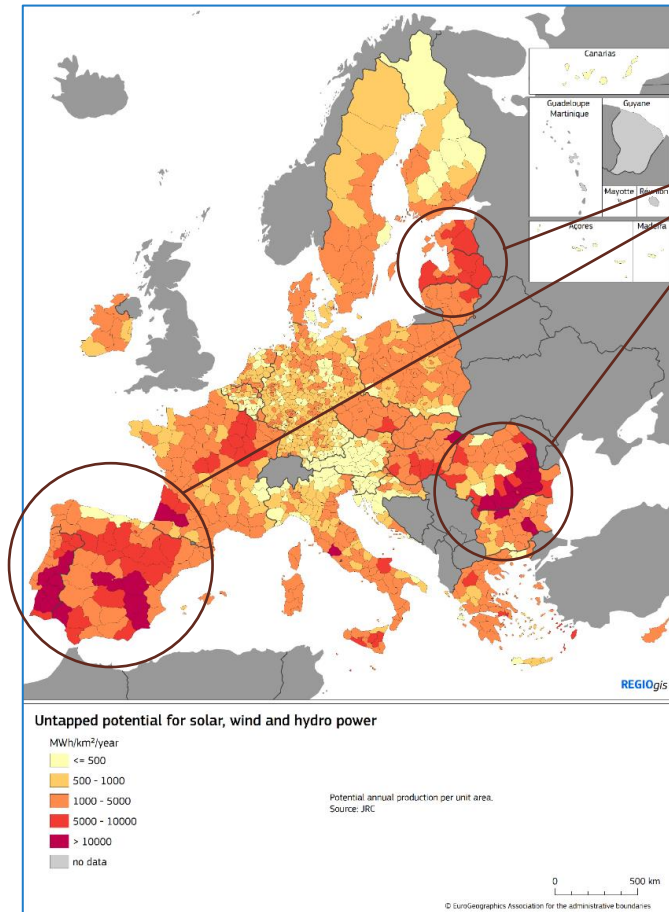


€1.5-2 billion for security of oil supply



€113 billion for renewables and key H2 infrastructure (**€27bn**) by 2030

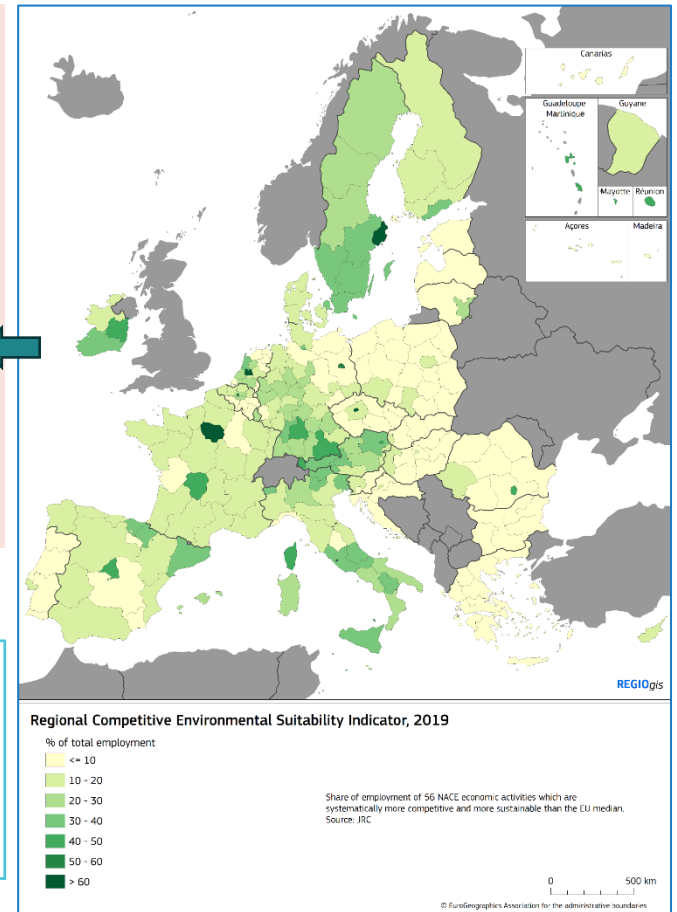
Opportunities of the green transition



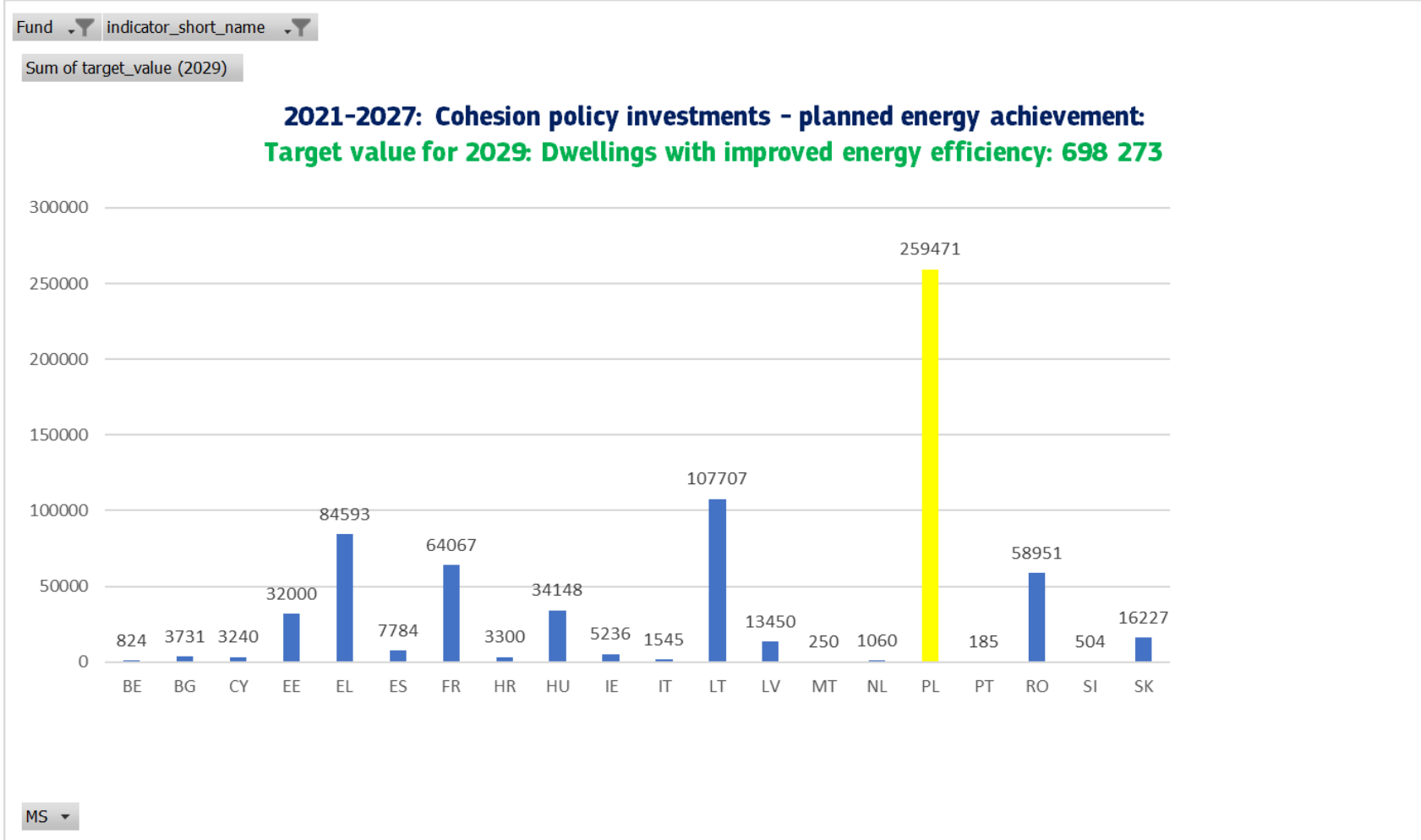
Hotspot regions
with high untapped
potential for
generating wind and
solar energy...

... have **low**
employment in
competitive and
sustainable economic
activities

Deepening the
territorial approach to
implement the green
transition in less
developed regions



Policy Objective 2: Greener Europe - Energy efficiency in housing



3. Lithuania: progress in energy efficiency, buildings renovation and targeted investment measures

Energy efficiency and buildings renovation from the perspective of the European Semester cycle 2023-2024

- The main findings:
 - LT should accelerate the energy renovation of its building stock and increase its energy efficiency
 - **LT would benefit from the stepping up energy efficiency measures, particularly in the industrial sector, and residential buildings**
- **CSR 4 of 2023:** *Further reduce reliance on fossil fuels and imported energy by accelerating the deployment of renewables, in particular by ensuring sufficient grid capacity and access, ensuring the transformation and decarbonization of industrial production, increasing the uptake of public and sustainable transport and **making buildings more energy efficient, also to reduce energy poverty.***

Lithuania's targeted measures for increasing energy efficiency of multi-apartment buildings: Cohesion policy funds 2021-2027 and Recovery and Resilience Facility

ERDF and CF

- Allocation – 330 MEUR
- Achievements: 108 000 renovated households



RRF

- Allocation – 307 MEUR
- Achievements: 518 multi apartment buildings

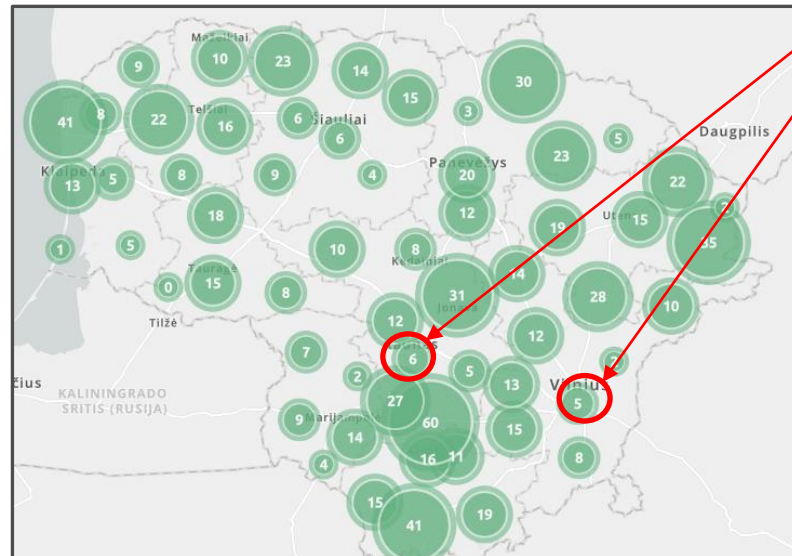


Joint financial instruments (loans) scheme for multi-apartment building renovation

Progress achieved and further challenges ahead

- **LT 2030 target for energy efficiency:** 1.5 times lower primary and final energy intensity compared to 2018
- **Good progress achieved in 2022:** decrease in primary energy consumption of 6.3 Mtoe, or 4.8%

- **Final energy for residential consumption increased by 7% between 2015 and 2022**
- **Low proportion of unrenovated building stock remains high with the worst situation in the largest cities Vilnius and (only 5-6%)**



Labai ačiū už Jūsų dėmesį!

Thank you very much for your attention!

Questions?