




FEDERESCO

National Association of Energy Service Companies

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Components of the Mission 2 (BILLION Euros)

M2. Green Revolution and Ecological Transition	PNRR	React Eu	Fondo complementare	Totale
	(a)	(b)	(c)	(d)=(a)+(b)+(c)
M2C1 - Sustainable agriculture and circular economy	5,27	0,5	1,2	6,47
M2C2 - Energy transition and sustainable mobility	23,8	0,18	1,4	25,36
M2C3 - Energy efficiency and building renovation	15,4	0,32	6,56	22,24
M2C4 - Protection of the territory and of the water resource	15,1	0,31	0	15,37
Total for Mission 2	59,5	1,31	9,16	69,94

MISSION 2 – Green Revolution and Ecological Transition

Mission 2, called **Green Revolution and Ecological Transition**, deals with the major issues of sustainable agriculture, circular economy, energy transition, sustainable mobility, **energy efficiency of buildings**, water resources and pollution;

aims to improve the sustainability of the economic system and **to ensure a fair and inclusive transition towards a society with zero environmental impact.**

M2C3 - Energy efficiency and building renovation

Component M2C3 aims to strengthen energy efficiency by increasing the level of efficiency of buildings, generating enablers for local investments and promoting the integration of renewable energy.

Energy efficiency represents one of the most relevant and efficient levers for reducing emissions, in line with the *European Clean Energy Package* and with the national emission reduction targets: the component n.3 of the strategy acts for **the streamlining and acceleration of procedures** for the implementation of interventions for the energy efficiency of public buildings, the **development of district heating systems** and **the confirmation of the Ecobonus and Sismabonus (detaxation up to 110%) for energy efficiency and building safety.**

The **areas of intervention** of the component N.3 - ENERGY EFFICIENCY AND BUILDING RENOVATION and the related allocation expressed in billions of euros:

1. Energy efficiency of public buildings	(1.21 billion€)
2. Energy efficiency and anti-seismic improvement for private and public residential building	(13.95 billion€)
3. District heating systems	(0.20 billion€)

Cross-cutting reforms

Two areas of action are placed as priority cross-cutting lines of intervention: the **streamlining of authorization procedures**, an indispensable intervention to enable investments in RES plants through a simplified regulatory framework together with **investments in research and development** in the main chains of the energy transition in order to guarantee the necessary industrial evolution in the Italian context.

ENERGY EFFICIENCY FIRST (1/5)

Energy efficiency represents one of the sectors with the greatest potential if accompanied by a general economic recovery and decarbonization.

The objectives of efficiency are achievable only through decisive and persistent action that stimulates and supports all virtuous interventions and that avoids rewarding initiatives that do not contribute to decarbonization.

A. The improvement of energy efficiency is a theme distributed and pervasive in many Missions within PNRR.

This on the one hand underlines its importance and primary role; however, on the other hand, there is the risk of a **fragmentation** of projects linked to a proliferation of tenders produced by local authorities that **do not take advantage of standardization and scale economies**.

Associations like Federesco are running alongside public technical institutions (i.e ENEA) to facilitate this coordination on territories, at regional level preferably. The renovation of buildings should follow the same guidelines within an urban regeneration project, or a school rehabilitation or even within port or industrial districts.



ENERGY EFFICIENCY FIRST (2/5)

B. To Reward those who reduce consumption the most

The incentives must be linked to minimum performance to be achieved in order to push goals in the interest of families and not to waste public resources. It is necessary to eliminate the articulation of incentives from 50 to 110% (for those who achieve NZEB benefits) **switching to a stable system that rewards the reduction of consumption and with minimum targets, to upgrade over time following the reduction of the costs of interventions.**

- There are yet no criteria for reviewing incentives in order to ensure the effectiveness of public contributions. Incentives should be reserved for deep redevelopment, starting with public buildings. In fact, detaxation incentives set to 36, 50, 65, 75, 85, 110% are in force for interventions that are not always different from each other concerning housing and buildings but without a clear link to energy consumption reduction targets.

Why short to mid terms monitoring systems have not been foreseen in the EcoBonus?

- **There is a need of Monitoring for all energy efficiency interventions.**

ENERGY EFFICIENCY FIRST (3/5)

C. Priority to public housing and interventions contrasting energy poverty

The extension of the incentive must lead to changes that guarantee access to the incentive in a systemic way in favor of the public housing stock and for low income families, and in addition modulating the incentives on the basis of the performances achieved, to ensure fairness and effectiveness of public policies

Energy poverty nexus: We must consider that most of the incentives and support measures, past and presents, have been benefitted by higher income families, while there are still strong access barriers for low income families.

- There is the need for **moving from a contrast strategy based on bonuses and bill discounts to a proactive strategy based on investments on energy rehabilitation** of the households in energy poverty.
- Investments should not only consider buildings and plants but also the **Efficiency of household appliances** and more in general of equipment in homes.
- The creation of a **National Agency focused on Energy Poverty** able to manage such a strategy and the related investments.
 - For interventions of proven efficiency defacto excluded from 'credit transfer to third parties' mechanisms, **a special fund must be created, dedicated to families and small businesses for EE interventions.** This would allow low income families to access incentives without anticipating spending, with zero-interest loans for the entire intervention cost distributed up to ten years, with repayment guaranteed by both incentives and energy savings.

ENERGY EFFICIENCY FIRST (4/5)



D. Interventions in the efficiency sector must be carried out by highly qualified professionals:

ESCo system can deploy such skills to support the industrial sector as well as the residential sector

- Enabling key: enforcing a culture of care to consumption that can take off from tomorrow. Instead of investing billions and billions of contributions for expensive bills (who earns from these policies?) this money had been invested during these years to have an energy efficient and advanced production system, the increased costs on the international market would have been absorbed very easily and at the same time we would have created a more efficient country system. It's never too late.

E. Activate the self-production from renewables: a labor-intensive sector and an important investments multiplier.

- Enabling key: the new **Renewable Energy Community (REC) Scheme and incentives** represent a great opportunity.

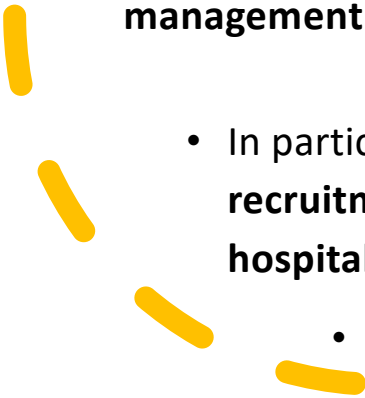
F. Activate mechanisms for the development of RES driven by public demand through the construction of RES plants both in social housing with the aim of promoting energy efficiency and reducing costs for vulnerable families, and in public buildings (schools, hospitals, public offices) to reduce long-term energy costs promoting short-term development and work-force.



ENERGY EFFICIENCY FIRST (5/5)

G. Strengthen the whole administrative chain involved in the redevelopment of the public building assets to speed up the planning and implementation of interventions.

A stronger and more incisive role of coordination, monitoring and support is needed, from the central, to the regional and local levels, also involving the civil society and ESCOs competences.

- The priority is to accelerate the interventions concerning schools, hospitals, public offices, social housing, to ensure the achievement of energy and anti-seismic performances, through the **strengthening of assessment, planning and energy management, of the skills for tenders setup and management.**
 - In particular, dedicated resources should be provided to Administrations for the design and **recruitment of specific technical roles for the rehabilitation of schools, public offices, hospitals, public housing.**
 - This issue is more relevant in the South, where the absence of redevelopment projects is often due to the shortage of public administration personnel.
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Where we are

February 2022

main recommendations:

streamlining the procedures

proactively contrast energy poverty

clear link with energy performances

Promote Energy Communities

Avoid fragmentation, enhancing
coordination and standardization

Strengthen public administration with
skills on energy efficiency

Stable detaxation incentives

In the next six months, **procedures and tenders will be launched for 10 billion euros:**

- Agricultural development (1.1 billion)
- Promotion of renewables for energy communities and self-consumption (2.2)
- Development of biomethane (1.92)
- Smart grid reinforcement (3.61)
- Interventions on climatic resilience networks (0.5)
- Development of district heating systems (0.2)
- Protection and regeneration of urban and extra-urban green areas (0.33).

There are also **funds for green culture and awareness on issues and challenges.**

Hydrogen. 160 ML€ for hydrogen research and development.

Tax incentives are expected to enter into force to support the production and consumption of green hydrogen in the transport sector.

450 million for the production of new electrolyzers for green hydrogen

Other reforms.

The streamlining and acceleration of procedures for energy efficiency interventions and to contrast hydrogeological instability, and measures to facilitate the management of integrated water services. The launch of the national waste management program is scheduled for 30 June 2022.

There are **3 new gigawatts from renewable sources to ban** in the next six months (FER1 - GSE), after the award of 1.8 gigawatts in January, contributing to the achievement of the decarbonisation targets.





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