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EdEn – Position Paper on the Energy Performance of Buildings Directive (EPBD)

In the context of the Green Deal, the European Commission has announced that the EU would soon be raising its carbon emission reduction target for 2030 from 40% to at least 55% in view of achieving climate neutrality in 2050.

With the building sector accounting for approximately 36% of CO₂ emissions in the EU, the upcoming revision of the Energy Performance of Buildings Directive (EPBD) has a strong role to play in making it possible for the EU to reach its targets.

In order for the revision of the EPBD to effectively improve the quality of the European building stock and to deliver the intended environmental and economic benefits, **EdEn has put forward a set of recommendations targeted towards the following objectives:**

- Improving GHG-efficiency in the European building stock;
- Promoting efficient renovation and the roll-out of modern heating solutions and e-mobility equipment;
- Phasing out fossil fuels heating.

1. Improving GHG-efficiency monitoring in the European building stock

1.1. Setting up a mandatory GHG emission criterion in the building sector

Relying solely on the energy performance criterion makes it possible to reduce GHG emissions to some extent but it does not make it possible to achieve full decarbonisation of the European building stock. For this reason, we recommend setting up a mandatory GHG emission criterion that would complement the energy consumption criterion. This GHG emission criterion would be expressed in kilograms of CO₂ equivalent per m² per year (kg CO₂ eq/m² /year).

1.2. Encouraging Member States to set up national GHG emission reduction trajectories for new buildings

Regulation (EU) 2019/631 on passenger cars sets progressively decreasing objectives for passenger cars emissions in 2015, 2020, 2025 and 2030. Regulation (EU) 517/2014 on fluorinated greenhouse gases also sets an emission reduction trajectory for refrigerating fluid. This approach has proven successful and we recommend it be adapted and implemented in the building sector. We recommend Member States be encouraged to **set a limit for maximum GHG emissions from new buildings based on a GHG emission criterion**, as defined in the previous paragraph. This limit would be lowered every 5 years, in 2025, 2030 and 2035 so as to design a trajectory towards climate neutrality for new buildings. These trajectories should be consistent with the long term renovation strategy to be established by each Member State.



1.3. Enabling Member States to express the energy performance of buildings in final energy use

The primary energy factor that weighs on electricity consumption creates a notorious disincentive against electricity use despite increased power use being identified as the best way to further integrate renewables and to contribute to decarbonising the economy. Primary energy does not reflect the amount of energy that is used and paid for by the consumer. It also is at odds with the prospect of developing clean and low-carbon hydrogen consumption, considering that its production relies heavily on electricity consumption.

In order to accelerate the decarbonisation of the European building stock, we recommend enabling Member States to express the energy performance of buildings using two criteria:

- Greenhouse gas emission produced in kgCO₂ eq/m²/year as proposed above;
- A criterion accurately reflecting energy use for space heating, space cooling, domestic hot water, ventilation, built-in lighting and other technical building systems. This criterion should preferably be expressed in final energy. Alternatively, Member states could be allowed to express the energy performance of buildings in primary energy using the default primary energy factor (PEF) defined in the EED directive.

2. Promoting efficient renovation work and the roll-out of modern heating solutions and e-mobility equipment

2.1. Promoting equally deep renovation and renovation in phases

Deep renovations can undoubtedly bring significant results in terms of energy efficiency improvements but they can also be very expensive and therefore unavailable to a large proportion of households. Renovation in phases can bring similar results at a much lower cost, making it a realistic option for a larger proportion of households.

For this reason, we recommend not to make deep renovation a mandatory standard in the revised EPBD.

2.2. Accelerating the roll-out of recharging points in residential and non-residential buildings

In order to accelerate the pace at which residential and non-residential buildings are being equipped with charging points, we recommend the following amendments be included in the revised EPBD:

- Article 8 should make it mandatory for Member States to ensure the installation of ducting infrastructure for at least two (compared to one currently) in every five parking spaces in new non-residential buildings and non-residential buildings undergoing major renovation. Additionally, we believe the Commission should consider setting up provisions on pre-cabling so as to encourage DSOs to make electrical connections ready to accommodate future charging points;
- Article 8 should not make it possible for Member States not to apply the previous provisions to buildings owned and occupied by small and medium-sized enterprises. Instead, Member States should be required to set up a support scheme for the installation of ducting infrastructure in buildings occupied by small and medium-sized enterprises.



- In existing residential buildings comprising 10 or more dwellings, the installation of a common ducting infrastructure should be made mandatory.

2.3. Increasing the quality of performance certificates and issuing them on a regular basis through mandatory technical inspections of buildings

The EPBD currently requires Member States to establish a system of certification of the energy performance of buildings through which energy performance certificates are issued whenever a building is constructed, sold or rented out to a new tenant. We recommend this provision be reinforced and that energy and **GHG performance certificates be issued on a regular basis, every 10 years.**

These technical inspections would assess the quality of buildings based on mandatory minimum requirements (MMR) regarding energy-efficiency and GHG-efficiency of buildings. The evaluation of energy management systems should be an important part of these technical inspections as advanced regulations, programming, remote monitoring and energy management can provide significant results in terms of energy efficiency and in terms of return on investment.

The scope of these inspections should be extended to buildings' electric vehicle charging equipment to ensure that the requirements are met and to make appropriate recommendations in view of accelerating the roll-out of e-mobility equipment in buildings.

3. Phasing out fossil fuels heating

3.1. Banning fossil fuel subsidies in construction and renovation, targeting in particular fossil fuel heating equipment

Fossil subsidies still exist in nearly all Member States, either in the form of direct (i.e. subsidies, grants) or indirect (i.e. tax rebates) benefits to carbon-intensive energy technologies. Member States are required to gradually phase out these fossil subsidies and report on their progress to the Commission through their NECPs (National Energy and Climate Plans). Yet this has failed to provide significant results until now and concrete regulatory reforms are required to accelerate this process, in particular in the construction and renovation sector.

In order to phase-out fossil fuel heating equipment and accelerate its replacement with cleaner heating solutions (district heating, electric space heaters, heat-pumps, wood, geothermal etc.) we recommend that **fossil fuel boilers be excluded from receiving public subsidies as part of a renovation scheme.**

3.2. Banning sales of non-hybrid fossil fuel heating as of 2030

As a second step once fossil fuel subsidies have been phased out, we recommend the Commission explore **options to ban sales of non-hybrid fossil fuel heating equipment as of 2030 or 2040.** Several Member States have already taken steps to exclude fossil fuel boilers from their national market (Sweden, Denmark, the Netherlands, France etc.). We believe that in the context of the renovation wave, the Commission should take the necessary steps for this ban to be planned and monitored at the EU level.

3.3. Ensuring that renovation work does not increase GHG emissions

Member States should be required to adopt measures ensuring that renovation work cannot lead to an increase in greenhouse gas emissions.