What's new for buildings in the EU energy policies and strategies

EPBD recast proposal and RePowerEU

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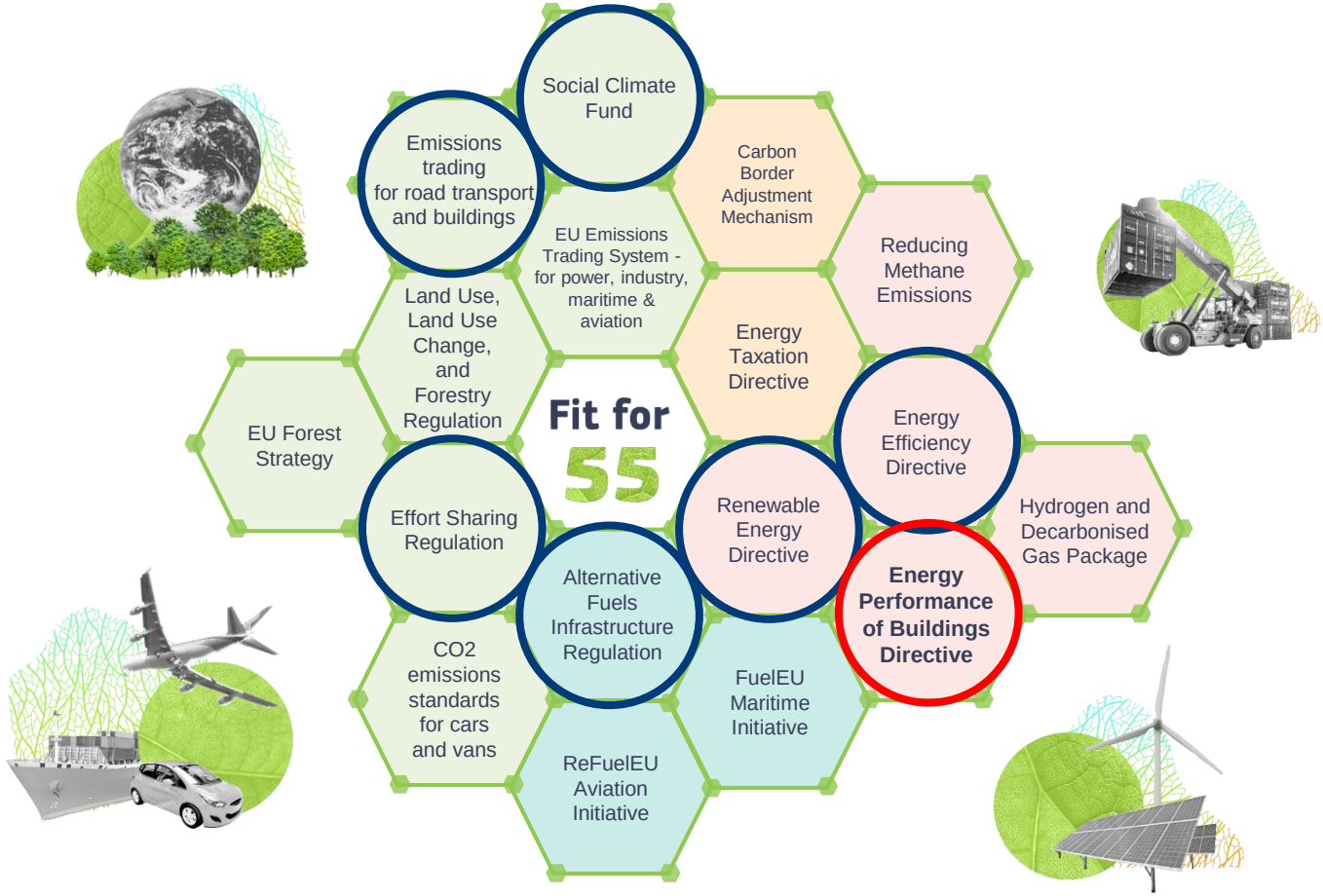
Online international webinar: What Makes a Programme for Buildings Renovation Successful?, 14 June 2022

European Green deal and “Fit for 55”: buildings’ key role

Increased climate ambition with **buildings on spot**:

- Big energy consumers 40% of energy consumed
- Big GHG emitters: 36% of energy related emissions (direct & indirect)
- Very slow rate of renovation,
- Citizens exposed to energy prices volatility
- Many citizens struggle to keep their homes warm

“No regret” investment: creates jobs and economic activity, reduces energy demand and GHG emission, improves quality of life



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European Commission

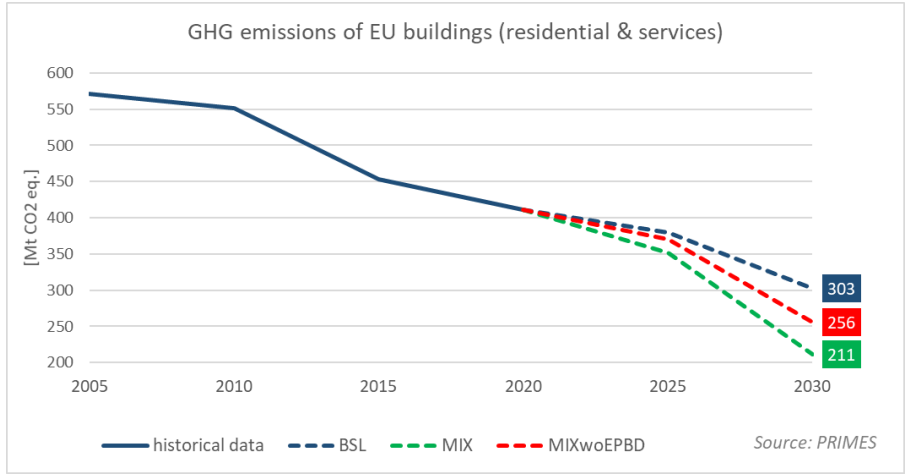
EPBD recast proposal as part of the F55 package

Delivering the goals:

- **Climate Target Plan:** by 2030 the EU should reduce buildings' GHG emissions by 60%, their final energy consumption by 14% and energy consumption for heating and cooling by 18%.
- **Renovation Wave** aims at doubling renovation rate by 2030 and foster deep renovations

Twofold objective:

- Contribute **to reducing buildings' GHG emissions and final energy consumption by 2030**
- Provide a **long-term vision for buildings** and ensure an adequate contribution to achieving climate neutrality in **2050**



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Focus areas

Renovation

- National Building Renovation Plans
- Minimum Energy Performance Standards
- Energy Performance Certificates
- Renovation passports for individual buildings

Decarbonisation

- Zero-emission buildings as new standard for new buildings and 2050 vision for building stock
- Consideration of whole life cycle carbon
- Phasing out of incentives for fossil fuels and new legal basis for national bans

Modernisation & system integration

- Infrastructure for sustainable mobility
- EPC digitalisation & databases
- Smart Readiness Indicator

Financing

- Public and private financing & technical assistance
- Deep renovation standard
- Priority to vulnerable households and people affected by energy poverty

Main provisions on new buildings

From Nearly zero energy to zero emission buildings

- Update based on benchmarks per climatic zones, to be applied by 2030 (2027 for public buildings)
- Stronger incentive to on-site renewables, efficient & renewable district heating and renewable energy communities
- Zero on-site GHG emissions from fossil fuels
- Zero-emission buildings become the level to be attained by a deep renovation as of 2030 and the vision for the building stock in 2050

The life-cycle Global Warming Potential (GWP) of new buildings will have to be calculated as of 2030 in accordance with the Level(s) framework, informing on whole life-cycle carbon emissions (2027 for large buildings)

Strengthened requirements for recharging of e-vehicles, and mandatory bicycle parking in new buildings

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Main provisions on existing buildings

- **Minimum Energy Performance Standards (MEPS)**:
  - Union-wide MEPS to phase out worst-performing buildings
    - Public and other non-residential buildings: at least EPC class F by 2027 & EPC class E by 2030
    - Residential buildings: at least EPC class F by 2030 & EPC class E by 2033
  - MS to set up timelines for further improvement of their building stock in their building renovation plans
  - Supporting framework with a focus on vulnerable households and monitoring of social impact
- **National Building Renovation Plans (replacing the long-term renovation strategies)**
  - BRP to be integrated into the NECP process, except the first plan
  - Common template with only national goals and key mandatory and voluntary indicators
- **Definition of „deep renovation“**
- **Building Renovation Passport:** voluntary scheme as from 2024 allowing stage-renovation towards ZEB
- **Strengthened requirements for recharging of e-vehicles** in case of major renovation
- **Stronger provisions on the removal of obstacles and barriers to renovation** (right to renovate)
- **Member States must not subsidise fossil-fuel boilers as of 2027.**

Main provisions on information tools, metrics and inspections

GHG become part of the EPBD metrics

EPCs: by end of 2025 to comply with the new template and redefine classes with “A” = ZEB , “G”=15% worst performing of stock, even bandwidth distribution for classes “B” to “F”.

Inspections

- Residential and non-residential split
- Ventilation systems (sizing and optimization)

The Smart Readiness Indicator (SRI) is required for large non-residential buildings as of 2026

New provisions to ensure access to buildings data, databases of EPCs and data interoperability

The methodology for calculating the energy performance of buildings is updated to clarify the possible use of metered energy and the cost-optimal methodology specifies how to take into account carbon prices

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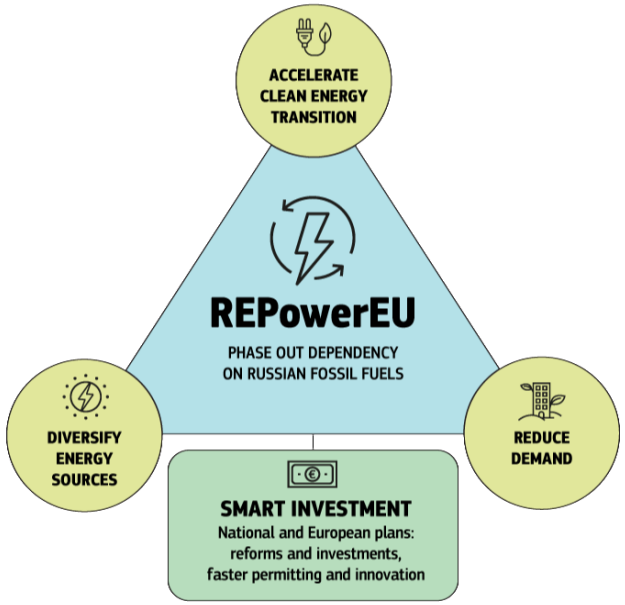
REPowerEU Plan - to rapidly reduce dependence on Russian fossil fuels and fast forward the green transition



REPowerEU plans for:

- **saving energy**
- **producing clean energy**
- **diversifying energy supplies**

It is backed by financial and legal measures to build the new energy infrastructure and system that Europe needs.

- **REPowerEU Communication**
- **EU Save Energy Communication**
- **Amendments to Renewable Energy, Energy Performance of Buildings and Energy Efficiency Directives**
- Regulation establishing the Recovery and Resilience Facility
- EU Solar Strategy
- …

https://ec.europa.eu/commission/presscorner/detail/en/IP_22_3131

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Buildings sector in REPowerEU and EU Save plans (1)

Proposed amendment to EPBD:

- Optimization of the solar energy generation from the design stage a must for new buildings
- MSs shall ensure the deployment of solar energy installation
  - in new and existing public and commercial buildings by the end of 2026 and 2027 respectively
  - in all new residential buildings by the end of 2029.

Building sector is a key one, contributing to the proposed higher 2030 energy efficiency target, i.e. from -9% to -13%

- **Short-term measures: Heating in households and services key. Voluntary behavioural changes of citizens may save about 10 bcm of natural gas with no cost or very little cost**
  - Examples: draught proofing homes, to lower heat circuit temperature below 60 degrees, to turn down heating and turn it off in unused spaces…

Buildings sector in REPowerEU and EU Save plans (2)

- **Medium- longer-term: Energy efficiency measures and heat pumps deployment in the EU residential sector may save about 37 bcm natural gas by 2030**
  - **Doubling deployment rate of heat pumps** to 10 million units within the following 5 yrs.
  - **Possible strengthening of EPBD proposal measures** in the ongoing co-decision process:
    - **Enhance MEPS**: additional ones, pathway to upgrade worst-performing buildings to “D class”
    - **Phase out Member States’ subsidies for fossil fuel-based boilers** in buildings anticipated to 2025
    - **Strengthen national energy (and resource efficiency) requirements of new buildings**: earlier introduction of ZEB, stricter heating systems requirements
    - **Tighten national heating system requirements for existing buildings**: 2029 as an end date for ‘stand-alone’ fossil fuel boilers on the market
  - Member States encouraged to use fiscal measures for energy savings, e.g. reduced VAT rates on energy efficient heating systems, building insulation and appliances and products


Thank you