

# Energy performance of buildings

2016/0381(COD) - 30/11/2016 - Legislative proposal

**PURPOSE:** to accelerate the cost-effective renovation of existing buildings.

**PROPOSED ACT:** Directive of the European Parliament and of the Council.

**ROLE OF THE EUROPEAN PARLIAMENT:** the European Parliament decides in accordance with the ordinary legislative procedure and on an equal footing with the Council.

**BACKGROUND:** the [Energy Union](#) and the Energy and Climate Policy Framework for 2030 establish **ambitious Union commitments** to:

- reduce greenhouse gas emissions further (by at least 40 % by 2030, as compared with 1990),
- increase the proportion of renewable energy consumed (by at least 27 %),
- make energy savings of at least 27 %, reviewing this level having in mind an Union level of 30 %,
- improve Europe's energy security, competitiveness and sustainability.

One of the ways to improve energy efficiency is to tap the **huge potential for efficiency gains in the building sector** which is the largest single energy consumer in Europe, absorbing 40% of final energy. About 75% of buildings are energy inefficient and, depending on the Member State, only 0.4-1.2% of the stock is renovated each year.

In order to accelerate the cost-effective renovation of existing building, the Commission proposes to update [Directive 2010/31/EU](#) on the energy performance of buildings Directive (EPBD) by:

- integrating long term building renovation strategies, supporting the mobilisation of financing and creating a clear vision for a decarbonised building stock by 2050;
- encouraging the use of ICT and smart technologies to ensure buildings operate efficiently;
- streamlining provisions where they have not delivered the expected results.

The Commission considered that better performing buildings provide higher comfort levels and well-being for their occupants and **improve health** by reducing mortality and morbidity from a poor indoor climate. It could contribute to taking out from **energy poverty** between 515 000 and 3.2 million households in the EU (from a total of 23.3 million households living in energy poverty - Eurostat).

**IMPACT ASSESSMENT:** the preferred option seeks to enhance implementation of the regulatory framework, including targeted amendments to strengthen current measures. This option stays in line with the framework of the current EPBD, with better information provided to the end-users and adequate minimum performance requirements that avoid sub-optimal intervention on buildings.

Taken together, the measures of the preferred policy option would reduce the administrative burden of the EPBD by EUR 98.1 million per year.

**CONTENT:** the Commission proposed to **amend Directive 2010/31/EU on the energy performance of buildings** as follows:

**Definition of technical building systems:** this definition is extended to on-site electricity generation and on-site infrastructure for electro-mobility;

**Building renovation:** the proposal will include additionally the consideration of energy poverty issues, support for smart financing of building renovations and a vision for the decarbonisation of buildings by 2050, with specific milestones in 2030.

The long-term building renovation strategies will become part of the integrated national energy and climate plans and will be notified by Member States to the Commission **by 1 January 2019 for the period post 2020**. The strategy will cover the renovation of the national stock of residential and non-residential buildings.

**New buildings:** the proposal is simplified by limiting it to the provision identified in the impact assessment as the most useful, i.e. the general obligation for new buildings to meet the minimum energy performance requirements. Other provisions that were more cumbersome are deleted.

**Technical building systems:** the proposal introduced requirements concerning:

- **infrastructure for electro-mobility:**
  - i. new non-residential buildings with more than ten parking spaces, and non-residential buildings with more than ten parking spaces undergoing major renovation will have to **equip one parking**
  - ii. **space per ten for electro-mobility.** This will apply to all non-residential with more than ten parking spaces buildings as of 2025, including buildings where the installation of recharging points are sought under public procurement;
  - iii. new residential buildings with over ten parking spaces, and those undergoing major renovation, will have to put in **place the pre-cabing for electric recharging**. Member States will be able to choose to exempt buildings owned and occupied by SMEs, as well as public buildings covered by the Alternative Fuels Infrastructure Directive;
- reinforcing the use of **building electronic monitoring, automation and control** in order to streamline inspections;
- the introduction of a ‘**smartness indicator**’ rating the readiness of the building to adapt its operation to the needs of the occupant and of the grid, and to improve its performance.

**Financial incentives:** the Directive is updated to include two new provisions on using **energy performance certificates** (EPCs) to assess savings from renovations financed with public support are to be assessed by comparing EPCs before and after renovation. Public buildings with a surface over a certain threshold must disclose their energy performance.

**Inspections:** other than streamlining provisions on inspections, the update provides for more effective approaches to regular inspections which could be used instead to ensure that building performance is maintained and/or improved.

**Annex I:** this Annex is updated to improve transparency and consistency in the way energy performance is determined at national or regional level and to take into account the importance of the indoor environment.

To ensure that this proposal has maximum impact, the smart finance for smart buildings initiative will contribute to mobilise and unlock private investments in a larger scale.