## **Energy performance of buildings**

2021/0426(COD) - 15/12/2021 - Legislative proposal

PURPOSE: to revise the energy performance of buildings Directive in order to make sure that buildings are fit for the enhanced climate ambition.

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 revision of <u>Directive 2010/31/EU</u> on the energy performance of buildings Directive (EPBD) is part of the 2021 Commission Work Programme '**Fit for 55**' package which sets the vision for achieving a zero-emission building stock by 2050. The proposal is particularly important because buildings account for 40% of energy consumed and 36% of energy-related direct and indirect greenhouse gas emissions. In the EU, heating, cooling and domestic hot water account for 80% of the energy that households consume. Making Europe more resilient calls for renovation of EU buildings, making them more energy efficient and less dependent on fossil fuels. Renovation is key for reducing the energy consumption of buildings, for bringing down emissions and for reducing energy bills.

Directive 2010/31/EU on the energy performance of buildings has been substantially amended several times. Since further amendments are to be made, that Directive should be recast in the interests of clarity.

CONTENT: the proposal aims to **revise the energy performance of buildings Directive** with a view to reducing buildings' greenhouse gas (GHG) emissions and final energy consumption by 2030 and setting a long-term vision for buildings towards EU-wide climate neutrality in 2050. The proposal's specific objectives include: (i) to increase the rate and depth of buildings renovations and (ii) to improve information on energy performance and sustainability of buildings.

The main measures in the new proposal concern:

- setting the vision for achieving a **zero-emission building stock by 2050** and to reflect a new complementary carbon metric to orient choices towards decarbonised solutions;
- a new definition of **zero-emission building** is introduced to mean a building with a very high energy performance in line with the energy efficiency first principle, and where the very low amount of energy still required is fully covered by energy from renewable sources at the building or district or community level where technically feasible (notably those generated on-site, from a renewable energy community or from renewable energy or waste heat from a district heating and cooling system).
- For **new buildings**, the Commission proposes that from **2030** all new buildings should be zero-emission. All new public buildings should be zero emission from 2027;
- For **existing buildings**, new EU-wide minimum energy performance standards are proposed, which require the worst performing 15% of the building stock in each Member State to be **upgraded from at least energy efficiency class G to class F, by 2027** for non-residential buildings and by 2030 for residential buildings;
- national building renovation plans (previously named long-term renovation strategies) are made more operational. Each Member State should establish a national building renovation plan to ensure the

renovation of the national stock of residential and non-residential buildings, both public and private, into a highly energy efficient and decarbonised building stock by 2050, with the objective to transform existing buildings into zero-emission buildings. National building renovation plans should be fully integrated into national energy and climate plans;

- the **methodology for calculating** the energy performance of buildings is updated to clarify the possible use of metered energy use to calculate energy performance, and verify the correctness of calculated energy use;
- the setting of **minimum energy performance requirements** is amended to adapt the previously possible **total exemption** of protected buildings to technical progress, which allows improving the energy performance of such buildings without altering their technical character and appearance;
- the introduction of **voluntary renovation passports** would provide homeowners with a tool to facilitate a staged renovation towards zero emissions and the corresponding planning. Member States should introduce a scheme of renovation passports based on the common framework to be developed by the Commission by the end of 2024;
- the provision of stronger provisions on the removal of obstacles and **barriers to renovation**, and on the mobilisation of financial incentives with **one-stop-shops** accessible to all building ecosystem's stakeholders, so that all barriers to building renovation, not only the costs, are addressed and Member States promote appropriate training. No financial incentives should be given for the installation of fossil fuel boilers from 2027 and Member States would have the legal possibility to ban the use of fossil fuels in buildings;
- the reliability, quality and digitalisation of **Energy Performance Certificates** would be increased. The obligation to have an energy performance certificate would be extended to buildings undergoing major renovation, to buildings whose lease contracts are renewed and to all public buildings. Buildings offered for sale or rent would also have to have a certificate. By 2025, all certificates should be based on a harmonised scale from A to G;
- financial support which should be provided to alleviate **energy poverty** and to support social housing, and to shield tenants from disproportionate rent levels following renovation;
- **pre-cabling** should become the norm for all new buildings and buildings undergoing major renovation, and the roll-out of **recharging points** in new and renovated office buildings is reinforced in particular. Mandatory **bicycle** parking spaces in new buildings and buildings undergoing major renovation are introduced.

## Review clause

The proposal sets the date for the next review at the end of 2027, at the latest. The Commission will assess whether measures under EU law, including carbon pricing, will bring sufficient improvements to deliver a fully decarbonised, zero-emission building stock by 2050, or whether further binding measures at Union level such as strengthened minimum energy performance need to be introduced.