



**Upcoming changes in the EPBD: Opportunities to deliver integrated, tailored and inclusive energy renovations for all EU citizens**

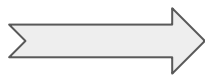
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# Energy Performance of Buildings Directive

## Setting the scene

### A bit of history:

- The EPBD was firstly published in 2002 ([Directive 2002/91/EC](#)). Directive was recast in 2010 ([Directive 2010/31/EU](#)) and another revised version was published in 2018 ([Directive 2018/844/EU](#))
- 2019 **EU Green Deal** (approved in 2020) which is package of policy initiatives aiming at setting the EU on the path to a **green transition**, with the ultimate goal of reaching climate neutrality by 2050 ⇒ Climate Law setting a binding goal to achieve a -55% GHG emissions by 2030
- 2020 **Renovation Wave Strategy** Communication to **at least double renovation rates** in the next 10 years and make sure renovations lead to higher energy and resource efficiency (**Objective: 35M buildings to be renovated by 2030**)
- 2021 **'Fit for 55'** Package to translate the ambitions of the Green Deal into law = set of proposals to revise climate-, energy-legislation and put in place new legislative initiatives to **align EU laws with the EU's climate goals**



**EPBD REVISION 2021**



# Energy Performance of Buildings Directive

## How the Renovation Wave influenced the EPBD proposal?

### Renovation Wave

#### Pillars:

- **Implementation of Energy Efficiency First Principle (EE1)**
- **Affordability, making highly energy performing buildings accessible for low-income, vulnerable people**
- **Decarbonisation and renewable energy integration**
- Life-cycle thinking and circularity
- **High health and environmental standards**
- Twin transition

#### Actions (among others):

- Introduction of **Minimum Energy Performance Standards (MEPS)** (EPBD)
- Update Energy Performance Certificate Framework (EPC) (EPBD)
- **Extension of renovation requirements** for public sector (EED)\*
- **Decarbonisation Heating and Cooling** (RED-EED-ETS revisions)\*
- **Deep renovation standard** (EPBD/Taxonomy)
- **Affordable Housing Initiative**



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## How the Renovation Wave influenced the EPBD proposal?

### EPBD

- Definition **deep renovation**
- **'zero-emissions buildings'** standards for new constructions
- **MEPS** (F and G rated buildings to be class E by 2030/2033)
- **Enabling framework for MEPS** implementation (i.e., adequate financing, technical assistance especially for low-income, energy poor)
- Possibility to set **limits on GHG emissions, type of fuel of heat generators (legal basis for national bans on fossil-fuel based boilers)**
- Via Building Renovation Plans: policies and measures to achieve fossil-fuel phase out from heating and cooling in buildings by 2040



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## How the Renovation Wave influenced the EPBD proposal?

### EPBD

- **Sunset clause for subsidies** to install fossil-fuel-based heating systems in buildings as from 2027
- **Adequate financing** available for deep renovation (link with Taxonomy) and support for energy efficiency loans and mortgages for building renovation, energy performance contracting, fiscal incentives, on-tax schemes, on-bill schemes, guarantee funds, funds targeting deep renovations, funds targeting renovations with a significant minimum threshold of targeted energy savings and mortgage portfolio standards.
- Update **EPC framework** (i.e., harmonisation A and G classes, shorter validity period, on-site visits, common EPCs template etc.)
- Installation of measuring and control devices for the monitoring and **regulation of IAQ** in new buildings and, where feasible, in existing buildings undergoing major renovations.




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## How REPowerEU can support more ambition?

In response to the Russian invasion of Ukraine, the European Commission recently launched the “REPower EU” Action Plan which aims at rapidly reducing dependence on Russian fossil fuels and fast forward the green transition.

Among the measures and initiatives in the Action Plan:

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- **EU Save Energy Plan:** promotion of **more ambitious Minimum Energy Performance Standards** (worst-performing buildings to achieve class D by 2030), suggestion to introduce **national bans** for installation of fossil-fuel based heat generators and **earlier sunset clause for subsidies** (2025).
  - A dedicated **EU Solar Strategy** and a **Solar Rooftop Initiative with a phased-in legal obligation to install solar panels** on new public and commercial buildings and new residential buildings
  - Doubling of the **rate of deployment of heat pumps**, and measures to integrate geothermal and solar thermal energy in modernised district and communal heating systems
  - More EU financing: EU Cohesion Funds + Recovery and Resilience money

**Good momentum for integrated deep renovation strategies**

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## What to expect from the European Parliament?



### MEP Radan Kanev (EPP, BG) (Draft Opinion)

- Access to highly performing buildings for vulnerable consumers: scale up of private investments; **money ring-fencing for low-income and energy poor/worst-performing buildings**
- **Holistic tailor-made approaches** for energy renovations and prioritisation of schools and hospitals renovation (building with public interest)
- **Promotion of all renewables** (also coming from the grid)
- Member States to provide the right framework to incentivise renovation: **gap-filling exercise** in case MS underperform vis-a-vis Building Renovation Plans and **adequate public financial support**
- Introduction of **holistic indoor air quality definition** (decent way of living)

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## What to expect from the European Parliament?



### MEP Ciaran Cuffe (Greens/EFA, IE) (Draft Report)

- More ambitious **MEPS** (F,G,E,D to C by 2030/2033)
- Introduction of **social safeguards** for energy poor and vulnerable consumers to avoid negative impacts of energy renovations
- New definition of **energy poverty** (link with SCF)
- **Integrated Renovation Programmes** (neighbourhood/district approach for energy renovation combining EE+RES measures)
- Phase-out of fossil fuels consumption in heating and cooling in buildings by 2035
  - **National phase out plans** via Building Renovation Plans
  - **Bans on fossil-fuel based TBS** from new and existing buildings (all types of renovations)
  - **Earlier sunset clause** for subsidies for fossil-fuels installations (2025)
- Increase solar capacity and uptake of heat pumps in buildings respecting Energy Efficiency First Principle



# Conclusions

- The current Russian-Ukrainian war, coupled with the climate crisis, urge us to take action on our building stock
- **There is no one-fits-all solution** in building energy renovation: tailored approaches are needed to ensure that all types of buildings can reach a very high level of energy efficiency performance and become decarbonised
- **Energy Efficiency First Principle is key**: the energy consumption of buildings must be lowered down significantly to enable a faster RES integration in buildings' energy mix
- The combination of energy efficiency and renewable energy measures via **integrated renovation strategies** is key to deliver a “fit-for-55” EU building stock while contributing to the achievement of EU energy independence as fast as possible
- **Ambition needs to be coupled with adequate support**, namely financing and technical assistance to ensure that all segments of the society are not left behind in the energy transition
- **Holistic deep renovation** must become the gold standard





**Thank you!**



**Eva BRARDINELLI**  
Buildings Policy Coordinator

**Climate Action Network (CAN) Europe**

Find us online at [www.caneurope.org](http://www.caneurope.org)

and on Twitter at [@CANEurope](https://twitter.com/CANEurope)

M: +32(0)494288696

E: [eva.brardinelli@caneurope.org](mailto:eva.brardinelli@caneurope.org)