



# EUSDR Embedding week

## A more efficient Danube region

**Proposal for the Directive  
on energy performance of buildings  
(recast)**

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# Overview

- **Overarching policy priorities**
  - European Green Deal
    - Fit for 55
  - RePowerEU
- **The role of Energy Efficiency in this political context and a closer look at the Energy Performance of Buildings Directive**

# European Green Deal

- **Core policy priority**

EU path to a green, robust, modern, resource-efficient and competitive economy.

- **Objectives**

EU to be climate neutral by 2050.

Cut Greenhouse gas emissions by at least 55% by 2030.

- **Legal Nature** – It is a political statement which needs implementation.

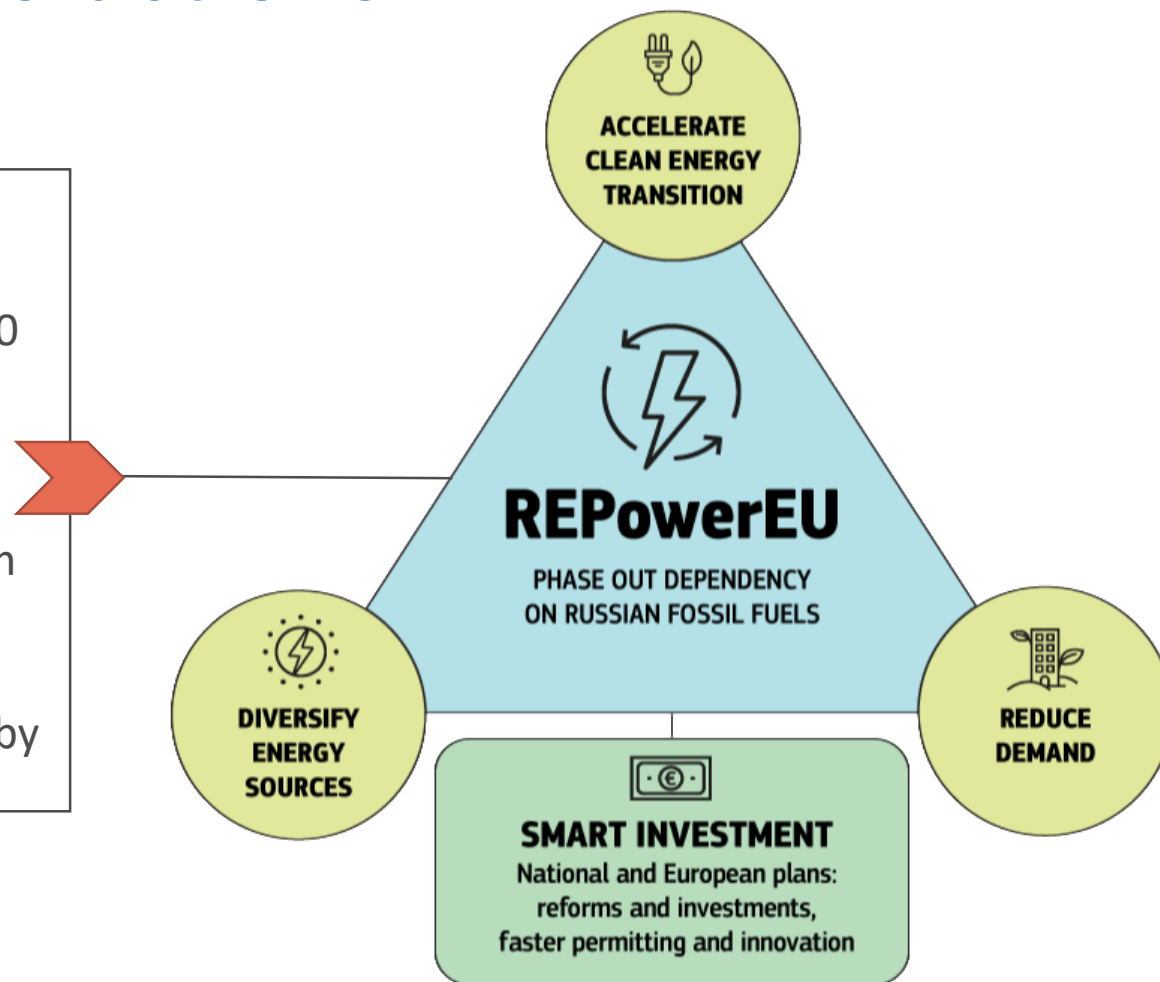
# Fit for 55 Package



# REPowerEU: from goals to actions

## Independence from Russian fossil fuels by 2030

- Increase imports of **liquefied natural gas** (LNG) by 50 bcm
- Increase **pipeline gas** imports by 10 bcm
- Increase **biomethane** production by 3.5 bcm
- EU-wide **energy saving** to cut gas demand by 14 bcm
- **Rooftop solar** to reduce gas demand by 2.5 bcm
- **Heat pumps** to reduce gas demand by 1.5 bcm
- Reduce gas demand in the power sector by 20 bcm by deployment of **wind and solar**



# Financing the transition

- EU has developed an investment plan to mobilise over €1 trillion in the next decade, both in form of grants and loans  
EU's Multi-annual Financial Framework (MFF) and NextGenerationEU (InvestEU)

**BUT**

**The Green Transition will not be possible only with public funding**

- Buildings Sector as an example:
  - Account for 40% of EU's total energy consumption.
  - Meeting 2030 target would require about € 275 billion/year of additional investments

**Need to aggregate private investment to make the change possible**

# Financial resources at EU level (1)

- Recovery and Resilience Facility
  - estimated 76 billion EUR dedicated to building renovation (incl. residential buildings and social housing) – for the 22 RRP adopted by the end of 2021
- Cohesion policy
  - Historically has represented a main source of EU public funding for direct investment in improving buildings' energy efficiency
- Social Climate Fund
  - COM proposal: 72.2 billion EUR in 2025-2032
  - Link energy poverty assessment in the NECPs to EU finance
- Just Transition Mechanism, including the Just Transition Fund, provides targeted support to alleviate the socio-economic impact of the green transition in the most affected regions.
- Affordable Housing Initiative for 100 lighthouse projects

# Financial resources at EU level (2)

- **Technical Support Instrument 2021-2027 (TSI, annual calls)**
  - Flagship “Support to the Renovation Wave” for reforms and measures linked to the implementation of the Renovation Wave.
  - BE, CY, EE, HU, IE, LT, MT, and SK were selected for funding. These projects are being prepared and will be launched in 2022.
- **LIFE-Clean Energy Transition sub-programme**
  - holistically address barriers to renovation, help reduce energy poverty and improve building-related interventions in vulnerable areas
  - Project development assistance, etc
- **Horizon Europe**
  - A total of 14 topics addressing the highly energy efficient and climate neutral EU building stock in the WP 2021-2022, including 8 topics addressing R&I activities for the wider sustainability of the built environment implemented under the European Built4People Partnership.
  - Mission on climate-neutral and smart cities under Horizon Europe



# EU budget to kick-off the Renovation Wave

## for Direct Investments

- Recovery and Resilient Facility
- Cohesion Policy Funds (ERDF, ESF, EU-REACT)
- Just Transition Mechanism - JTF

## To leverage private investments

- InvestEU
- Private Financing 4 Energy Efficiency
- European Energy Efficiency Fund

## for Research & Innovation

- Horizon Europe
- Built 4 people
- EGD Calls
- Smart Cities

## To address Market Barriers

- LIFE – Clean Energy Transition
- LIFE – Circular Economy & Quality of Life

## For Technical Assistance and Advisory

- ELENA Facility
- Technical Support Instrument
- Technical Support – Cohesion Policy

# Ambitions on buildings

- **By 2030** the EU should reduce buildings'
  - **GHG emissions by 60%**
  - **energy consumption by 14%**
- Buildings should also provide an adequate contribution to achieving **climate neutrality by 2050**
- To meet those targets, the 2020 **Renovation Wave Strategy** sets the goal of **doubling the rate of energy renovations**, currently around 1%, and to renovate 35 million building units by 2030



# Barriers standing in the way

- Economic and financial barriers
- Information and behavioural barriers
- Administrative barriers
- Technical barriers
- Organisational barriers



# Objectives of the EPBD revision

## 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

# Focus areas

## ***Renovation***

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

## ***Decarbonisation***

- Introduction of zero-emission buildings as new standard for new buildings
- Consideration of whole life cycle carbon
- Phasing out incentives for fossil fuels and new legal basis for national bans

## ***Financing***

- Sustainable finance and energy poverty alleviation
- Deep renovation standard
- Renovation passports for individual buildings

## ***Modernisation & system integration***

- Infrastructure for sustainable mobility
- Smart Readiness Indicator
- Indoor air quality: ventilation and other technical building systems

# Main provisions on existing buildings

## Minimum Energy Performance Standards:

- 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 indicator, several elements opening to other dimensions beyond energy remain voluntary (accessibility, safety,..)

## Definition of „deep renovation“

**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 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 district heating and energy communities
- 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**

# Main provisions on information tools

## GHG become part of the metrics of the EPBD

### Energy Performance Certificates (EPC)

- by 2025 all energy performance certificates must be based on a harmonised scale of energy performance classes (from A to G, with A = ZEB and G = 15% worst buildings)
- Common template with energy and GHG indicators, while other indicators remain voluntary
- The validity of energy performance certificates of the lower D to G classes is reduced to five years
- Improved quality assurance

### 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







Thank you