Open letter for an ambitious revision of the Energy Performance of Buildings Directive

Brussels, 29 November 2021

Dear Executive Vice-President Frans Timmermans, Dear Commissioner Kadri Simson,

The alarming effects of climate change are before our eyes every day and science has warned us that the impacts will become ever more devastating unless urgent and bold actions are taken across all sectors. Being the single largest energy consumer in the EU and one of the biggest greenhouse gas emitters, the building sector must be decarbonised across its whole lifecycle to achieve climate neutrality. Currently, inefficient and fossil-fuel-based buildings are leaving millions of households across the EU powerless against skyrocketing energy prices, thereby aggravating energy poverty and fuelling social unrest. To tackle the root causes of this crisis, long-term EU policy solutions are needed to phase out the use of all fossil fuels and accelerate a deep transition towards a highly energy efficient, sustainable, decarbonised, and fully renewable-based building stock.

To this end, the **revision of the Energy Performance of Buildings Directive (EPBD) is an unmissable chance** to put EU buildings on track towards climate neutrality in line with the Paris Agreement's goal. The European Commission's forthcoming proposal, as also <u>supported by the European Parliament</u>, is a crucial opportunity to inject ambition into the only EU-level policy instrument immediately available to address the overall environmental impact of buildings. A **paradigm shift to lifecycle thinking** in the building policy framework is needed to complement the focus on buildings' operational phase with measures tackling the whole lifecycle, integrating principles of sustainability, circularity and <u>sufficiency</u> of energy, space and resources.

Against this background, as civil society organisations committed to a sustainable and just transition, we call for an ambitious proposal for the revision of the EPBD that takes up the following key demands.

- 1. The overall ambition level of the EPBD framework should be raised in line with the 1.5°C commitment, starting from a **climate-neutrality-aligned planning to decarbonise national building stocks** through strengthened National Energy and Climate Plans (NECPs), and Long-Term Renovation Strategies (LTRSs), supported by National Recovery and Resilience Plans. Consistently with the Energy Efficiency First principle, energy savings, renewables and sustainable solutions should be integrated holistically, including more stringent measures to alleviate energy poverty and ensuring well-functioning renovation markets.
- 2. **Mandatory minimum energy performance standards (MEPS)** should be introduced for **all existing buildings**, including residential, to improve the energy performance of the whole stock, sticking to a timeline consistent with the climate neutrality objective. MEPS should bring the worst-performing buildings to the highest level of performance by prioritising a one-step deep renovation approach¹ and they should be embedded in a comprehensive framework of technical and financial support, with <u>social safeguards</u> to ensure decent, affordable housing to those living in energy poverty.
- 3. The EPBD should aim at reducing greenhouse gas emissions and energy consumption across the whole lifecycle of buildings in order to minimise both operational and

¹ <u>Deep renovation should minimise energy needs by capturing the full potential of the building</u> while delivering adequate comfort levels to occupants, including a reference of at least 75% primary energy savings which is needed for reaching the climate goals and also technically feasible.

embodied emissions and achieve minimal Whole Life Carbon, in accordance with the LEVEL(S) framework. Additional requirements to reduce the Global Warming Potential and promote sufficiency and circularity should be introduced to reduce the need for raw materials and improve the sustainability of construction products and practices.²

- 4. All new buildings should be highly energy efficient, sustainable and renewable-based only by 2025, based on a more harmonised definition that enhances Zero Energy/Emissions Buildings. This should be achieved inter alia by setting binding thresholds for minimal energy-use of new buildings and by halting the installation of fossil-fuel-based appliances, while introducing limits to the embodied carbon. Ambitious environmental definitions for new buildings should also set the pathway for existing buildings.
- 5. Enhanced regulatory measures should be underpinned by **better data and information on the EU building stock**. The Energy Performance Certificates (EPCs) should become mandatory and publicly-accessible for all private and public buildings. These schemes should be harmonised to be fully comparable, while improving the reliability of the information (e.g. energy and carbon metrics per m2 and inhabitant) as well as the value of EPC recommendations.
- 6. To support the **transition to more sustainable transport modes**, stronger minimum requirements should be introduced to achieve all parking spaces pre-cabled for EV-charging, including e-bikes, for a sustainable, active and smart e-mobility by 2035. Charging should be done smartly to ensure the use of renewables, provide grid stability, lower electricity bills and lessen the need for costly grid upgrades. Moving the right-to-plug from the EPBD recommendations to the legislative text can help ensure sufficient charging infrastructure is available where a need for charging exists.
- 7. **Technical assistance** for Member States and local actors such as municipalities, regional energy agencies and energy communities should be scaled up to underpin the development of integrated renovation programmes, alongside **financial and administrative support** for all the stakeholders involved in order to ensure inclusiveness and affordability.³ **Local one-stop-shops** targeting households should be promoted as a best practice in fostering trust and leading to accessible and quality renovations for all.

Coming as the final piece of the Fit for 55 package, we look to the European Commission to come forward with an EPBD revision that builds on the strengths of the other legislative proposals⁴ and complements them by enshrining effective measures to truly deliver on the ambition to achieve a **future-proof EU building stock** to the benefit of the environment, the economy and all members of our society.

Thank you for your consideration.

Mioro Mortinelli

Yours sincerely,

Chiara Martinelli, Director, Climate Action Network (CAN) Europe

² As also called by the Council in its <u>Conclusions on the Renovation Wave</u> adopted last June.

³ Diverse and innovative financing solutions are available for the Commission to look into, including through the review of the European Central Bank's programme of negative interest loans.

⁴ Such as the expanded provisions on public buildings under Article 6 and Article 21 on information and awareness raising of the Energy Efficiency Directive's recast proposal.

On behalf of:

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In cc: Mr Diederick Samson (Head of Cabinet of Executive Vice-President Timmermans), Mr Riccardo Maggi (Cabinet of Executive Vice-President Timmermans), Mr Stefano Grassi (Head of Cabinet of Commissioner Simson), Mr Karlis Goldstein (Cabinet of Commissioner Simson), Ms Ditte Juul-Jorgensen (Director-General DG ENER), Paula Pinho (Director of the Directorate B DG ENER), Stefan Moser (Head of Unit B.3 DG ENER)