

REC Feedback to EPBD Proposal

The EPBD must outline a clear path towards deep renovation for the whole building stock in the EU

February 2022

The revision of the EPBD must set the whole of the building stock in the EU on a clearly planned trajectory towards deep renovation if the EU is to meet its 2050 carbon neutrality goals.

Long-term planning towards deep renovation will guarantee that the building sector contributes its fair share towards the green transition, but it will also provide a sustainable solution to the rising energy price crisis, through a reduction of citizens' energy needs, alongside multiple other benefits. In a time of high EU-wide public investment being channeled to energy renovation through the Recovery Funds but also potentially through the EU's 2021-2027 MFF budget, the EPBD cannot fall short on its renovation goals.

Renovate Europe therefore raises the following concerns and proposes the following recommendations:

- ***Apply Energy Efficiency First to the ZEB definition***
- ***Set deep renovation as the guiding principle of MEPS***
- ***Follow a long-term plan to strengthen scope of MEPS to the full building stock through National Building Renovation Plans (NBRPs) and Building Renovation Passports (BRPs)***
- ***Better align EPCs for the deep renovation of the full building stock***

➤ **Apply Energy Efficiency First to the ZEB definition:**

- In the draft EPBD text, 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. It is crucial to **apply the Energy Efficiency First principle to Zero Emission Buildings, which means prioritising the reduction of the energy demand of a building by requiring that the energy needs be expressed in both primary and final energy consumption in the ZEB definition.**
- Renovate Europe would also like to raise concern that there is a lack of tangibly improved energy performance thresholds for the new ZEB term compared to the 2016 nZEB benchmarks. **The new thresholds should be more stringent than the previous nZEB benchmarks.**
- Finally, National Partners of the Campaign have highlighted the **risks of setting the same standard for both new and renovated buildings.** This has resulted in a watering down in the context of the 2016 NZEB definition in some Member States to make the standard 'accessible' for more difficult renovations, leading to an overall dampening of ambitions.

➤ **Set deep renovation as the guiding principle of MEPS:**

As stated by the Commission, deep renovation must become standard practice, no longer an exception. However, the draft EPBD text only requires worst performing buildings to be brought up to at least E-level by 2033 (2030 for public and non-residential buildings).

Improving the energy performance by only 2 energy classes is not enough. It will not unleash all the multiple benefits from a renovation, including healthy indoor climate, and, in a time of such high energy prices, will not necessarily lead to noticeable differences on citizens' energy bills. It will also lock in the potential (and investment) to achieve a highly performing building, something the entire EU building stock

needs to become to be in line with EU 2050 climate goals. Finally, minimal improvements will be out of step with planned financing mechanisms, including mortgage portfolio standards that promote lenders, to maximise the EPC-levels they can increase through renovation in each property.

MEPS in the EPBD must outline a plan for F and G-level buildings to be renovated to a higher EPC class.
The full building stock, including F and G buildings, must be on track to achieving A-level by 2050.

➤ **Follow a long-term plan to strengthen scope of MEPS to the full building stock:**

The draft EPBD text mandates minimum standards for the worst-performing buildings (F and G-level buildings). Long-term planning for the deep renovation of the full building stock (in addition to F and G buildings) must be better substantiated:

1) At National Building-Stock Level: National Building Renovation Plans (NBRPs):

In the proposed EPBD recast, Member States are required to plan for the transformation of the national building stock to ZEB level by 2050, but **this provision in Article 9(2) must be strengthened to ensure that the full building stock is on a clear path towards (staged) deep renovation: setting 2030, 2040 and 2050 milestones to achieve higher energy classes for the full building stock (to achieve A-level by 2050) should be mandated for each Member State in their NBRPs.** This will ensure a progressive extension in scope and tightening of renovation measures in ambition over time, following on from the MEPS.

2) At individual Building level: Building Renovation Passports (BRPs):

The draft EPBD proposes to take into account a sequence of works (staged deep renovation) through the establishment of an EU Renovation Passport Scheme, followed by a national scheme, which will be crucial to the good implementation of MEPS. Providing this long-term perspective will be essential to pave the way for the relevant financing schemes and the necessary support measures, and it is also needed to train and upskill construction workers on the ground. In order to avoid lock-in and suboptimal choices, **every renovation triggered by MEPS must be accompanied by a BRP outlining the steps towards achieving the A energy class within a set timeframe.** The Renovation Passport must ensure that any renovation plan considers all elements of a building with a view to achieving maximum energy efficiency and a zero emission target.

➤ **Better align EPCs for the deep renovation of the full building stock:**

- Improving the reliability, comparability, and quality of the EPC framework in the draft EPBD proposal is very welcome. However, **the EPC requirements still only apply to a small portion of the building stock and should be further expanded to ensure coverage of the whole building stock before a defined date (ideally 2030).**
- The EPC framework should also **take better account of the multiple benefits of energy renovation, including healthy indoor climate.**
- Renovate Europe is concerned that recalibrating the 15% worst performing buildings to be “G class” as of 2026 will serve as a dis-incentive on Member States to tackle the worst-performing buildings in the years up to that date.

The revision of the EPBD must mark a tangible turning point and establish deep renovation as the standard practice to bring the full building stock in the EU to highest energy performance levels if the buildings sector is to contribute its fair share to achieving the EU 2050 climate goals.

ENDS

About the Renovate Europe Campaign:

Renovate Europe is a political communications campaign with the ambition to reduce the energy demand of the EU building stock by 80% by 2050 through legislation and ambitious renovation programmes. Accelerating the rate of renovation is a key tool in the fight against climate change, and will deliver major benefits for people, their quality of life, and the economy. www.renovate-europe.eu

#Renovate2Recover

REC Partners (February 2022)

There are currently 49 partner companies and associations actively engaged in the work of the REC, of which 18 National Partners active in the Member States.

