

# The decarbonisation of European construction

In a European elections year, with major EU appointments being made, FIEC anticipates announcements with far-reaching consequences for construction

In July this year, Ursula Von der Leyen's appointment as European Commission President Elect was preceded by her manifesto, which saw the first of a flurry of announcements and rumours about decarbonisation. For FIEC, Von der Leyen's pledge to move construction into the Emissions Trading System (ETS) rapidly moved the subject to the top of the agenda in FIEC's Technical Commission.

## FINNISH PRESIDENCY PRIORITIES REINFORCE NEED FOR ACTION

After some rapid assessment of the potential impact of any proposal to extend the scope of the ETS to the construction industry (and after moving the alert level in the federation up to 'high' regarding any major policy proposals expected in the first 100 days of the new European Commission), attention turned to the priorities of the Finnish Presidency. It was rumoured that these priorities would also ratchet up the pressure on the construction industry to improve its decarbonisation efforts.

At the time of writing, although

we are engaged in discussions about the Finnish Presidency's programme, we are not aware of any specific commitment to move construction into the Emissions Trading System. That does not mean that this possibility has gone off the agenda of the new EU political term. In fact, we expect not only greater emphasis on the impact of the industry on climate change targets – in particular those in the Paris agreement – but also specific policy measures, and our challenge at this stage is to predict what those might be.

## STARTING POINTS – PRESENT POSITION

Some segments of the construction industry are already covered by the ETS. For example, cement production, which is considered an energy-intensive industry. Others, such as the actual construction process, fall outside the scope of the ETS. Currently, construction, in its widest sense, is considered a non-ETS sector. Until now, FIEC has insisted that this status should be maintained. This is not to say that FIEC and its members do not support efforts to decarbonise the industry. Indeed, FIEC supports the EU's decarbonisation ambitions, in general. Furthermore, FIEC joined the Global Alliance for Buildings and Construction, which was established at COP 21 in Paris.

For our industry, we believe that the way to actively contribute is through the construction of nearly zero energy buildings (NZEBS) and the deep renovation of the building stock to nearly zero energy standards. Energy saving

in the use phase can make a huge contribution to climate change targets and the consumption of energy in buildings currently stands at 40% of all energy consumption in the EU.

## SEPARATING AMBITION FROM THE ACHIEVABLE

We acknowledge that more can be done. We believe that decarbonisation should be tackled with a life-cycle approach and this requires careful analysis of where the greatest achievements can be made. We also believe that a collaborative approach is required along the value chain and greater attention needs to be given to embodied carbon; ie that generated by the production of construction materials, related processes and transportation of materials to – and waste from – construction sites.

Looking at the construction process itself, tackling decarbonisation is a genuine challenge. Firstly, how do we measure the emission of greenhouse gases on construction sites? Some of our members have addressed this. For example, the European Federation of Foundation Contractors has already created a carbon calculator. However, even accepting that measuring emissions on construction sites is possible, how do we then reduce emissions on the one hand and attempt to set targets for reduction on the other? These are more complex challenges.

Construction sites are not significant sources of greenhouse gases to the same extent as energy intensive industries.

Some emissions are inevitable. Diesel generated construction machinery is still the norm, although electrification is coming. Manufacturers of plant and equipment are producing a new generation of low carbon construction machines, but even with such developments, zero carbon construction sites are still a way off.

Moreover, even when partial electrification on site is feasible, a power source is still required and land that has been acquired for construction purposes does not necessarily have a constant, reliable source of power, so diesel generators are required, or a source of renewable energy. The latter could be the future norm, but we're not yet there. For the foreseeable future, we cannot eliminate greenhouse gas emissions in construction.

An alternative in the medium term, might be to offset emissions by, for example, capturing and storing carbon, or indeed applying the ETS to the construction process. However, we believe that neither are feasible, or worthwhile. Carbon Capture and Storage is expensive, difficult and even though some progress has been made in terms of carbon capture, storage remains a major problem. Given the cost and complexity, this hardly seems like an appropriate solution. As far as the ETS is concerned, there are other phases in the life cycle, for which the potential impact of extending the scope would be greater.

FIEC has not yet published a formal position on any potential policy solutions. **ce**



FIEC

Avenue Louise 225,  
B - 1050 Brussels, Belgium.  
Tel: +32 2 514 55 35;  
e-mail: info@fiiec.eu  
www.fiiec.eu



@FIEC\_Brussels



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