

Topic: Energy Performance of Buildings Directive (EPBD)

& "Fit for 55" package

Brief description and main aims:

The Energy Performance of Buildings Directive (EPBD) is the EU main legislative instrument promoting the improvement of the energy performance of buildings within the EU. It is currently being revised with the aim to substantially reduce greenhouse gas emissions and final energy consumption in the building sector by 2030, and to set a long-term vision for an EU building sector that is climate-neutral by 2050. In this respect, the recast EPBD aims to increase the rate and depth of renovations of energy-efficient buildings, improve information on energy performance and sustainability of buildings; guarantee that all new buildings meet ambitious minimum energy performance standards; and ensure that all buildings in the future are in line with the 2050 climate neutrality requirements.

The recast EPBD builds on the *Renovation Wave* strategy of 2020, which aims to at least double the annual renovation rate in the EU by 2030.

It is part of a broader legislative package ("Fit for 55") which updates – and in some cases extends – existing instruments, such as the Emissions Trading System, the Renewable Energy Directive or the Energy Efficiency Directive.

Why FIEC is dealing with this topic:

Buildings are responsible for approximately 40% of the energy consumption and for 36% of the CO2 emissions in the EU. Currently, about 35% of the EU's buildings are over 50 years old and almost 75% of the building stock is energy-inefficient, while only 0.4-1.2% of the building stock is renovated each year. Therefore, the renovation of existing buildings has the potential to lead to significant energy savings. Investments in energy efficiency can stimulate the construction industry and SMEs would particularly benefit from a boosted renovation market.

The recast EPBD will also set the conditions to calculate whole life carbon emissions (WLC)/the life cycle global warming potential (GWP) of buildings. As part of the *Renovation Wave*, the European Commission committed to develop a roadmap leading up to 2050 for reducing whole life-cycle carbon emissions in buildings. This roadmap will complement the new provisions on energy efficiency.

The decisive trialogue negotiations between the European Parliament, the EU Council and the European Commission on the EPBD started in June 2023 and were ongoing at the time of writing of this report.

The "Fit for 55" package has large potential for the construction industry but will also have a wide-ranging impact on the construction supply chain with the proposed pieces of legislation affecting the whole life cycle of construction works. Most of the proposals have been adopted in 2023 and must soon be applied by Member States or be transposed into national law.

Actions and key dates:

09/02/2023 → Committee vote in the European Parliament on the EPBD proposal

14/02/2023 → FIEC reaction to position on EPBD proposal of European Parliament and Press Release

14/03/2023 → Plenary vote on EPBD proposal

06/06/2023 → Start of trialogue negotiations on EPBD proposal

 $30/08/2023 \rightarrow \text{FIEC}$ co-signs cross-sector call for swift EPBD adoption (with 31 other European federations)

 $15/09/2023 \rightarrow$ Participation in public consultation for a roadmap for the reduction of whole life carbon emissions of buildings in the EU

03/10/2023 → Participation in the "Renovate Europe Day"