Buildings Directive: Parliament votes for action on cutting energy bills

At the Plenary session in Strasbourg on 14th March 2023, the European Parliament (EP) adopted its position on the Energy Performance of Buildings Directive (EPBD).

"A compelling case for the renovation of buildings" exclaimed MEP Cuffe (IE, Greens/EFA), lead Rapporteur on the EPBD as the ITRE text was approved with only minor changes in Plenary.

The war in Ukraine has brought into sharp focus how vulnerable Europe's families, schools, offices and businesses are to energy price hikes. With 40% of energy consumed in the EU being swallowed in buildings, renovating our buildings can dramatically reduce our energy dependence.

President Von der Leyen was clear when speaking at Renovate Europe Day 2022: *"Faced with war, with a fossil fuel crisis, the arguments in favour of the Renovation Wave have only become more pressing. Investing in renovation is a no regret option."*

By adopting its EPBD position, the European Parliament has demonstrated its **commitment to slashing energy imports, improving millions of homes**, lowering this way the increased energy poverty rates.

Over 700bn euros have been disbursed by Member States as relief measures (mostly subsidies) to tackle energy price hikes - most of which are now being phased out. Outlining a clear regulatory framework for the buildings sector, by introducing Minimum Energy Performance Standards (MEPS) for existing buildings in the EPBD, is the sort of key structural measure that is absolutely essential for boosting the momentum on building renovations in a longer-term, sustainable way.

*"**The Parliament vote is an important step in the right direction to cutting Europe's addiction to imported fossil fuels**"* explained Adrian Joyce, Renovate Europe Campaign Director from Strasbourg. "*The Buildings Directive is THE opportunity to **translate the political discourse on slashing energy imports into tangible action**.*"

The introduction of Minimum Energy Performance Standards (MEPS) for existing buildings are a central element of the Directive, with **non-residential buildings to reach D class by 2030, and residential buildings to reach D by 2033**. All main political parties came together in the EP's Energy (ITRE) Committee to agree on a well-balanced compromise text which maintained the need for a clear investment framework, but also allowed for exemptions (up to 22% of residential stock to 2037), catered for a national building stock characteristics, ensured stronger social protections and ensured fair distribution of responsibility among Member states by rescaling the Energy Performance Certificate framework.

The EP position also facilitates new instruments to mobilise finance for renovation in order to support homeowners with renovations (such as Mortgage Portfolio Standards) in addition to significant EU funding already available for renovation.

With a stubbornly low renovate rate across the EU at only 1%, and a highly fragmented sector with over 95% SMEs, setting a clear regulatory framework with the EPBD could have a transformative effect in delivering the Renovation Wave, for the benefit of citizens and businesses, and for the planet.

All eyes are now on the trilogue discussions, and especially on the Council, where Member States will also have to demonstrate their commitment to delivering a sustainable long-term solution to Europe's energy crisis.

About the Renovate Europe Campaign:
Renovate Europe is a political communications campaign with the ambition to reduce the energy demand of the building stock in the EU by 80% by 2050 through legislation and ambitious renovation programmes. Accelerating the rate of energy 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

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REC Partners (March 2023)
There are currently 47 partner companies and associations actively engaged in the work of the REC, of which 18 National Partners active in the Member States.