

# EPBD Negotiations: Updates from the European Parliament

In December 2021 the proposal by the Commission for a recast of the Energy Performance of Buildings Directive (EPBD) was released in the second part of the Fit for 55 package. Since the publication stakeholders had the opportunity to provide their feedback until 1 April (see REHVA's feedback & proposed amendments to the proposal[1]) and the Council and Parliament have been preparing for the inter-institutional dialogues. Both the rapporteurs of ENVI (as advisory committee) and ITRE (as responsible committee) have released their draft reports on the proposal of which we give an overview here, going more in-depth on the latter report.

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## Draft opinion ENVI-rapporteur [2]

In early May rapporteur Radan Kanev released his draft for the advisory report of the ENVI committee, which ITRE as the responsible committee can take into consideration while drafting the position of the Parliament. The most notable proposed amendments were:

- A “pay-as-you-save financial scheme” which means a loan that guarantees that the repayment costs never exceed the energy saving on a monthly or yearly average (Recital, Art. 2, 8, 9 & 15).
- Changing the definition of ‘deep renovation’ as of 2030: It should either transform a building to a ‘zero-emission building’ or the best results that a renovation costing up to 50% of the value of the respective building could provide for (Art. 2).

## Draft report ITRE-rapporteur [3]

The draft report of rapporteur Ciaran Cuffe was published early June and has not gone unnoticed with many ambitious amendments for a more comprehensive and rapid transformation of Europe’s building stock compared to what was proposed by the Commission. Here follows a non-exhaustive overview of which we’ve noted as most noteworthy for the REHVA network. Consult the full document to see all amendments, in particular on social safeguards and how to protect the most vulnerable households.

### Introduction of IEQ minimal standards

In Art. 1, on the subject matter of the Directive, the focus in the report is changed from “indoor climate”

to “indoor environmental quality”, showing a stronger commitment to health and comfort. This is strengthened by the addition of a new article 11a on IEQ which states that Member States shall ensure to set requirements for adequate IEQ standards, while the Commission is empowered to adopt a delegated act to establish a methodology for calculating the IEQ standards. Once these standards have been set at EU-wide level, Member States will have to ensure that buildings undergoing major renovation comply with minimal IEQ standards.

This strongly aligns with REHVA’s earlier comments to the EPBD for the need for minimum IEQ requirements to be implemented at Member State level for which standard EN-16798-1 could be used as the basis.

In Annex V fixed sensors for monitoring the levels of IAQ also becomes mandatory to report on EPCs, if they’re available. This is similarly in line with what REHVA asked for during the feedback round.

### ‘Zero-emission building’ requirement moved to 2025 + introduction of ‘energy plus buildings’

In Art. 2 (§1, 19a) The rapporteur proposes to move the date for the deep renovation requirement to be turned into a zero-emission building to 2025 instead of 2030. In Art. 2 (§1, 3b) a definition for ‘energy plus buildings’ has been added which shall correspond to EPC Class A+ and with energy needs for heating, cooling, ventilation and hot water no higher than 15 kWh/m<sup>2</sup>/year.

### **Phase out of fossil fuel based technical building systems by 2035**

In Art. 3(\$1, 3d) Cuffe proposes that Member States should describe, within their ‘national building renovation plans’, phase-out plans of fossil fuel based technical building systems in existing building by 2035. This is repeated in Art. 11(\$1, 3) that Member States shall set requirements of technical building systems “... *in line with phasing out fossil fuels in heating and cooling by 2035 at the latest.*”

To impact the market on the short term already he also proposes new paragraphs in Art. 7 (\$4a) and Art. 8 (3a) which state that Member States shall introduce national measures to prohibit fossil fuel based technical building systems in new buildings or those undergoing major renovations from the moment the EPBD recast would enter into force.

### **Stronger focus on embodied carbons & circular use**

In addition, it’s also proposed that Member States have to set national targets for circular use of materials, recycled content and secondary materials in their national renovation plans (Art. 3 (\$1, 3b)). For new buildings also EU-wide targets are introduced in Art. 7(\$4b), stating that by 2025 at least 15% of secondary locally sourced materials are used with the aim to double this by 2030.

### **Integrated district approach to building renovation**

In a new Art. 3a Cuffe proposes to oblige Member States to provide more incentives to local & regional authorities to identify districts to roll-out Integrated Renovation Programmes (IRPs) at district level. Member States shall carry out comprehensive heating & cooling assessments & plans, in accordance with the EED, by 1 January 2025. In this assessment they have to include the refurbishment or construction of efficient heating & cooling systems and the required infrastructure as part of their district level IRPs. To facilitate the roll-out of district level solutions, Member States shall setup one-stop-shops that will coordinate the analysis of the district’s social fabric and inform the design of IRPs with a view to revitalize, target and support communities.

### **Harmonised calculation methodology for life-cycle GWP**

In a new paragraph proposed under Art. 7 (\$2a) the Commission is empowered to adopt a delegated act by 31 December 2026 to setup a harmonized methodology for the calculation of life-cycle Global Warming Potential, building on the existing Level(s) framework, as well as the EU-wide life-carbon roadmap and Bill of Materials.

### **Stronger links with the New European Bauhaus initiative**

In the new Art. 7a it’s proposed that Member States shall empower local authorities to develop support instruments for reference buildings that are culturally enriching and are in line with the New European Bauhaus. These instruments may encompass financial schemes for renovations to showcase how individual buildings or whole neighbourhoods can be transformed into zero-emission buildings or districts in an affordable, sustainable and socially inclusive way.

### **More ambitious Minimum Energy Performance Standards (MEPS)**

The ambition of MEPS are proposed to be increased:

- For both publicly-owned and non-residential buildings to have at least EPC D from 2027 (instead of F) and C from 2030 (instead of E) onwards;
- For residential buildings to have at least EPC D from 2030 (instead of F) and C from 2033 (instead of E) onwards.

### **Portfolio Mortgage Standards**

New paragraph in Art. 15 (\$4a) which empowers the Commission to adopt delegated acts to establish a common methodology for mortgage portfolio standards to align energy and emission performance of the portfolios with the EU’s climate goals. This should provide stronger guidance for investments into a zero-emission building stock by 2050.

### **ZEB thresholds split into existing & new buildings**

In Annex III the ZEB thresholds for existing building remain the same but for new buildings the thresholds are made significantly stricter in order to be considered as a ZEB. ■

## **References**

- [1] REHVA’s feedback & comments to the EPBD Proposal, submitted during the feedback round: [https://www.rehva.eu/fileadmin/user\\_upload/Policy\\_Tracking/EPBD\\_Revision\\_2021/REHVA\\_comments\\_on\\_the\\_EPBD\\_Recast\\_Proposal\\_March\\_2022.pdf](https://www.rehva.eu/fileadmin/user_upload/Policy_Tracking/EPBD_Revision_2021/REHVA_comments_on_the_EPBD_Recast_Proposal_March_2022.pdf).
- [2] Draft opinion from ENVI Rapporteur Radan Kanev: [https://www.europarl.europa.eu/doceo/document/ENVI-PA-731545\\_EN.pdf](https://www.europarl.europa.eu/doceo/document/ENVI-PA-731545_EN.pdf).
- [3] Draft report from ITRE Rapporteur Ciaran Cuffe: [https://www.europarl.europa.eu/doceo/document/ITRE-PR-732742\\_EN.pdf](https://www.europarl.europa.eu/doceo/document/ITRE-PR-732742_EN.pdf).