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C(2022) 3830 final

Miloš Vystrčil
President of the Senát
Valdštejnské náměstí 17/4
CZ – 118 01 PRAGUE 1

Dear President,

The Commission welcomes the Senát's Opinion on the proposal for a Directive of the European Parliament and of the Council on the energy performance of buildings (recast) {COM(2021) 802 final}

The proposal for the recast of the Energy Performance of Buildings Directive (EPBD), together with the other EU energy and climate legislation of the 'Fit for 55' Package, is key for ensuring a clean and inclusive transition that leaves no one behind, in line with the European Green Deal objectives. Today, in the light of the current events, buildings renovation and energy efficiency are more than ever a precondition to any successful decarbonisation policy and for the future energy independence of Europe. To cut by at least 55% its greenhouse gas emissions by 2030, to reach climate neutrality by 2050, but also to ensure energy independence, we need to work together at all levels, and the support by the Czech authorities is crucial in this regard.

On 8 March 2022, the Commission adopted a new Communication¹, followed on 18 May 2022 by the REPowerEU Plan², to respond to the hardships and global energy market disruption caused by Russia's invasion of Ukraine. There is a double urgency to transform the EU's energy system: end the EU's dependence on Russian fossil fuels and tackle the climate crisis. The measures in the REPowerEU Plan can respond to this ambition, through energy savings, diversification of energy supplies, and accelerated roll-out of renewable energy to replace fossil fuels in homes, industry and power generation. In line with these ambitions, we must now accelerate our efforts to reduce our dependence of imported fossil fuels well before the end of this decade.

¹ COM(2022) 108 final

² COM(2022) 230 final

Buildings are one of the largest sources of energy consumption in Europe. Boosting their energy efficiency would reduce dependence on fossil fuel imports, lessen exposure to energy price volatility, cut greenhouse gas emissions, tackle energy poverty, and support the economic recovery and job creation.

As noted in the Sénat's opinion, the building stock is characterised by the need for long-term planning and a general change of pace. The proposed revision takes into account these elements by supporting the early development of the most necessary framework and giving sufficient time to the building and construction sector to respond.

While the revision of the Energy Performance of Buildings Directive comes earlier than set out by its review clause, this is in direct response to the need for increased ambition in climate and energy policy and to provide a clear vision for 2050. In this regard, the proposal aims to both accelerate the current renovation rates across the EU and provide a clear legal framework to allow the achievement of the medium and long-term objectives. This framework will facilitate the development of all the elements across the building and construction sector, including development of skills, provision of materials and technologies, and the setup of financial mechanisms.

The proposal for the revision of the Energy Performance of Buildings Directive takes into account the significant differences in climate, building stock, cultural and societal aspects of buildings, legislation and administrative procedures. For these reasons, the proposal sets clear objectives and criteria, supporting a common general framework, while at the same time leaving sufficient flexibility, so that not only Member States, but also regions and municipalities, can develop the necessary tools to respond to the challenges.

The Commission takes note of the disagreement of the Sénat with the adoption of delegated acts as provided for in Article 29 of the proposal, based on the concerns that these could change the essential elements of the legislative act. The Commission would like to underline that the purpose of delegated acts is to supplement identified provisions in the legislative act. The objectives, content, scope and duration of the delegation of power must be explicitly defined in the legislative acts. The Commission considers that the proposed delegated acts would not change the essential elements.

As for the Sénat's concern regarding the proposal to ban financial support to boilers powered by fossil fuel, the Commission would like to clarify that the ban does not affect those incentives already selected before 2027. Furthermore, the proposal for the Energy Performance of Buildings Directive provides a clear legal basis for national bans of boilers based on fossil fuel for those Member States that wish to implement such bans but it does not require any Member State to implement such a ban.

With regard to the Sénat's reservations concerning the provisions on electric mobility, the Commission considers that the proposed provisions are aligned with the increased climate ambition and strengthen the current requirements. These provisions aim to remove barriers to the installation of charging points, enable smart charging, ensuring the 'right to plug' in line with other EU legislation, particularly with the proposal for an Alternative Fuel

Infrastructure Regulation. The Commission considers that, in its current form, these provisions respect the principles of technological neutrality and property or tenancy rights.

The Commission understands the concerns raised in the Senát's Opinion regarding the possible increase of administrative costs in relation to the promotion and use of information, creation and development of databases, support to the development of financial mechanism and revision of the energy performance certification and inspection schemes. The Commission would like to indicate that, as outlined in the Impact Assessment, the impact on burden should be limited and outweighed by the increases in efficiency and benefits brought by the implementation of the measures. Furthermore, the Commission would like to underline that these provisions are integrated and respond to other EU legislation, such as the EU Green Taxonomy, and to concerns brought forward by stakeholders such as the need to provide access to information on the building stock, improve the quality of energy performance certificates or address indoor air quality.

In view of the need and economic case for more ambitious energy efficiency gains, further measures could be taken either by Member States or at the EU level. Many additional measures could be considered, in particular regarding the proposals that are currently in the inter-institutional decision-making process to deliver more savings in the context of REPowerEU. In this context, energy efficiency in buildings and energy saving measures are powerful instruments to secure the clean energy transition and reduce the dependency on Russian gas. Simple measures such as a slight lowering of the thermostat temperature in households can have a significant impact on the overall gas consumption.

Less energy demand for gas will also come from stepping up the roll out of renewables, including by faster and simpler permitting processes. An integrated EU energy system largely-based on renewables and greater energy efficiency is the most-cost effective solution to reduce our dependence on fossil fuels at the level of homes, buildings and industry. This is at the core of the Commission's REPowerEU plan.

Furthermore, the Commission encourages the co-legislators to take these results into account during the ongoing negotiations on the Energy Performance of Buildings Directive recast and the other instruments in the 'Fit for 55' package, as well as in the implementation of other energy efficiency policies such as Ecodesign and energy labelling. Together with additional gas diversification and renewable gases, frontloading energy savings and electrification have the potential to jointly deliver at least the equivalent of the 155 bcm imports of Russian gas by 2027. While there is currently some shift from gas to coal and oil, under the Fit-for-55 proposal, demand for oil and coal is projected to decrease by 28% and 50% respectively between 2019 and 2030. REPowerEU steps up the "Fit for 55" ambition, and demand for coal is projected to decrease by 36% (2030 vs 2020). The reduction in coal demand is sufficient to fully replace Russian coal imports by 2027³. Moreover, the combined effect of high fuel prices and policies designed to reduce gas dependence will affect the way energy is used in Europe and our expected consumption. This is why REPowerEU brought us to propose a more ambitious target of final energy consumption. .

³ SWD(2022) 230 final

The Commission attaches high importance to the political dialogue with national Parliaments and considers that their views are essential for bringing together the institutions and the citizens of the European Union for implementing the European Green Deal objectives in the most effective way. The Commission hopes that these comments address the concerns raised by the Senát and looks forward to continuing our political dialogue.

Yours faithfully,

*Maroš Šefčovič
Vice-President*

*Kadri Simson
Member of the Commission*