EUROPEAN COMMISSION



Brussels, 7.7.2022 *C*(2022)4897 final

Dear President,

The Commission would like to thank the Bundesrat for its 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 Commission welcomes the Bundesrat's support to the proposal and takes note of the concerns expressed in its Opinion. For the European Union to cut by at least 55% its greenhouse gas emissions by 2030, to reach climate neutrality by 2050 whilst ensuring energy independence, we need to work forcefully together at all levels, and the support by the German authorities is crucial in this regard.

Buildings consume the most energy in the European Union. 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. The proposal for the recast of the Directive, together with the other European Union 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. In the light of the current events, building renovation and energy efficiency are the most effective way to phase-out import dependency and stimulate local employment for the success of decarbonisation policy. For this reason, the Commission presented on 18 May 2022 the amendment (COM(2022)222 final) to the energy performance of buildings directive so as to increase the deployment of solar installations on buildings. This is one of the fastest ways to deploy renewable energy at a large scale, reduce the use of fossil fuels in buildings and accelerate the decarbonisation and electrification of their energy consumption.

Reducing energy demand from buildings will improve the security of energy supply, while limiting the need for investment into expansion of generation capacities and networks for all Member States. Along with higher production of renewable energy, the proposal for the revised energy performance of buildings directive will bring other benefits, such as healthy

Mr Bodo RAMELOW President of the Bundesrat Leipziger Straße 3 - 4 10117 Berlin Germany indoor climate, fire protection and removal of hazardous substances. Buildings can be made healthier, greener, more accessible, and resilient to extreme natural events simultaneously.

The proposal takes into account the significant diversity in terms of climate, building stock, cultural and societal aspects of buildings, legislation and administrative procedures across the EU. For these reasons, the proposal supports the common general framework through clear objectives and criteria, while at the same time leaving sufficient flexibility for Member States, regions and municipalities.

The Commission notes the concerns raised in relation to the renovation obligation and the request for a voluntary approach or exemption for certain categories of building owners. With regards to the renovation obligation through minimum energy performance standards, the proposal aims to boost the current low renovation rates across the European Union by targeting the worst-performing buildings in national building stocks (below energy classes F and E). Insufficient renovation rates and depth are a common issue faced by all Member States, stemming mostly of non-economic causes. Setting a common European Union framework for the renovation of the worst performing buildings would thus bring much needed certainty for all actors across the supply chain of renovation and construction, and predictability and readiness to all stakeholders, from industries, to local and national workforces, private investors and financial institutions.

As regards the use of primary energy a shift from primary energy to final energy for the calculation of the energy performance of buildings was considered. Final energy use and operational greenhouse gas emissions feature alongside primary energy as additional mandatory indicators in national building renovation plans and energy performance certificates. However, primary energy was maintained as the central indicator for the current architecture of the directive.

With regard to carbon emissions over the life cycle of buildings, the Commission agrees that circularity and life cycle thinking are very important aspects for the building sector, and this is why the proposal includes a requirement to calculate and disclose the global warming potential for new buildings. This is a minimum requirement and Member States are free to apply further and more elaborate measures at Member State level.

As regards cultural heritage buildings, one of the key principles in the Renovation Wave Strategy is the respect for aesthetics and architectural quality. Renovation must follow design, craftsmanship, heritage and public space conservation principles. The ongoing dialogues with the expert group 'Cultural heritage and adaptation to climate change' and the 'Cultural heritage expert group' are important in this aspect. In many cases, it is possible to improve the energy performance of historical and heritage buildings while preserving their character and appearance, and a lot of research is going on in this field. The Commission has proposed that Member States have the possibility to exempt certain cultural heritage buildings from Minimum Energy Performance Standards and Minimum Energy Performance Requirements, where needed. However, the Commission notes the concern from the Bundestag as regards the wording of the exemption.

The Commission welcomes the support for the provisions on infrastructure for sustainable mobility and notes the concern related to bicycle parking. The Commission recommendation on the Energy Efficiency First principle suggests obligations to provide bike parking and e-bike charging points through buildings codes. Promoting green mobility is a key part of the European Green Deal and buildings can play an important role in providing the necessary infrastructure in that respect, not only for recharging of electric vehicles but also for bikes, including e-bikes and cargo bikes, considering that lack of safe bike parking spaces constitute a barrier to sustainable and healthy mobility.

As regards neighbourhood approaches, it was highlighted in the Renovation Wave that synergies for renovation become evident when scaled up to district and community approaches. Aggregating projects at this level may lead to zero-energy or even positive energy districts (for example, advanced district heating and cooling systems with large potential for renewables and waste-heat recovery). These offer ways to decarbonise heating and cooling in a more affordable way, system efficiencies at an industrial scale, increased flexibility and thermal storage. In addition to a more rational and aesthetic use of space, a district-based approach can welcome back nature into the urban spaces and allow improving the access and mobility infrastructure of old dwellings.

The Commission believes that the political dialogue with national Parliaments and 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 the comments in this reply address the issues raised by the Bundesrat and looks forward to continuing our political dialogue.

Yours faithfully,

Maroš Šefčovič Vice-President

Kadri Simson Member of the Commission