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'I/A' ITEM NOTE

From:	General Secretariat of the Council
To:	Permanent Representatives Committee/Council
Subject:	Draft DIRECTIVE OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL on the energy performance of buildings (recast) (first reading)
	- Adoption of the legislative act
	= Statements

Statement by Croatia

The Republic of Croatia remains committed to meeting the climate neutrality objectives without prejudice to the ambitions set out in the legislative proposal. We welcome the inclusion of provisions relating to the renovation of buildings damaged by natural disasters, which are of particular importance for the Republic of Croatia owing to the reconstruction following the 2020 earthquakes.

However, we still have strong reservations about the final text of the proposal and are not convinced that the proposal for a recast of the Energy Performance of Buildings Directive (EPBD) will ensure that the ambitious targets set out are adequately met and we therefore abstain from adopting the act.

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The Republic of Croatia considers that the EPBD recast should clearly state that the objective of the EPBD is to achieve a decarbonised national building stock with a view to achieving a zero-emission building (ZEB) stock by 2050, as it will not be possible to renovate all buildings to zero-emission building standards; for some buildings, achieving the ZEB standard is not technically possible or economically viable. Achieving the ZEB standard should be an indicative objective.

We would stress that we do not question the ambitions set out for the minimum energy performance standards for non-residential buildings. The EPBD recast contains provisions on the renovation of buildings damaged by natural disasters, which will make fulfilling its obligations under Article 9(1) more tolerable for the Republic of Croatia than it would be under a general approach. These provisions will also provide flexibility in the approach for MS affected by natural disasters in the future. Nevertheless, the Republic of Croatia still does not consider the overall system for promoting the energy renovation of non-residential buildings in Article 9(1) through MEPS to be adequately established and some elements of the final proposal are not workable or pragmatic.

The Republic of Croatia has systematically pushed for the introduction of an alternative approach to minimum energy performance standards for non-residential buildings (following the principles of the trajectory approach for residential buildings) which would allow for the renovation priorities to be adapted to national circumstances to a significant degree without reducing the ambition.

We would also point out that the definition of deep renovation in Article 2 is not clearly based on saving energy and that it enables favourable financing conditions for renovations that are not actually deep renovations.

The Republic of Croatia can support the provisions of Article 14 on sustainable mobility for new buildings, but considers that the provisions for existing buildings are too demanding and difficult to implement.

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Statement by Hungary

Hungary supports the transition to climate neutrality and is committed to taking effective measures to that end that take into account economic and social feasibility, and ensure security of energy supply and the affordability of energy prices.

At the same time, we are concerned about the obligation to install solar energy in buildings, the ban on subsidies for natural gas boilers with a short deadline, and the targets for reducing energy consumption in residential buildings with short deadlines. We believe the provisions of the Directive will impose a disproportionate economic and social burden on Hungary, the objectives cannot be implemented cost-effectively, and that the deadlines set out cannot be met.

We would point out that the accelerated decarbonisation of the building stock by 2040 will require taking into due account the specificities and different starting positions of the Member States.

Due to the abovementioned concerns, Hungary cannot support the final compromise text.

Statement by Malta

Malta remains fully committed towards attaining the climate and energy ambitions of the Union. Malta believes that the best possible compromise has been reached between the co-legislators in the recast of the EPBD and to this end, Malta supports its adoption.

Nevertheless, Malta notes that the implementation of the Directive will present several challenges, not least of a technical and economic nature in order to reach the agreed goals. It will be very difficult for all buildings to be renovated to meet the standards of the zero-emission buildings. Moreover, the technical feasibility and economic viability for certain types of buildings including hotels, homes for the elderly and medium to high rise buildings, to mention some examples, is very low even with maximum cost optimal investment in energy efficiency measures.

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The implementation of the mandatory installation of solar renewables on all existing non-dwellings will also impinge on legal and planning requirements, which may result in limits to where they may be installed due to ownership issues, the use of airspace, as well as the density of development, which is a particular issue in Urban Conservation Areas.

Statement by Poland

The Republic of Poland agrees that energy efficiency, including improving the energy efficiency of buildings, is of crucial importance as a tool for achieving emission reduction targets, improving security of energy supply, reducing the European Union's dependence on fuel imports and protecting final customers.

Poland appreciates the constructive attitude of those involved in negotiating the Directive with a view to finding more realistic solutions. These proceedings, especially as regards the provisions on district heating, the definitions used and the planned requirements for buildings, have moved away from the initial, most restrictive solutions, which were not accepted by Poland. Poland appreciates the compromises that have been reached, taking into account both the technical feasibility and economic viability.

At the same time, Poland identifies a high risk associated with meeting the targets set out in the new Energy Performance of Buildings Directive, in particular as regards building modernisation in the broad sense. It should be stressed that, in Poland's opinion, the overall levels of ambition proposed do not fully take account of their feasibility and the current economic crisis, during which energy efficiency should primarily be implemented using the most cost-effective measures. In its positions, the Republic of Poland has repeatedly emphasised that excessively high targets which do not take account of the individual characteristics of the Member States' economies may ultimately have negative economic effects.

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Poland therefore considers that the agreed targets and the measures to be taken to achieve them exceed what is feasible and are almost impossible to achieve, given Poland's national circumstances, the structure of its economy, its energy balance and the possibilities available to its communities. We firmly believe that it is impossible to meet the new savings targets in a cost-effective manner (there is no doubt that financial support from European funds will be a great help in achieving the objectives, but huge risks will remain as regards the availability of building materials, manual workers and price increases as a result of forced modernisation programmes).

Nevertheless, Poland will make every effort to achieve the energy savings targets, while strictly maintaining the position that the measures taken must not jeopardise the livelihood and well-being of households and businesses.

Statement by Slovakia

The Slovak Republic by this statement declares its abstention from voting on the recast of the Energy Performance of Buildings Directive.

The Slovak Republic acknowledges the importance of the Energy Performance of Buildings Directive in the decarbonisation process of the building stock towards 2050 and the need to speed up the socially fair, cost-efficient renovations safeguarding the standard of living of the citizens.

However, the Slovak Republic considers the ambition of the trajectory setup in Article 9 of the Energy Performance of Buildings Directive (recast) to be too high in terms of its pace and time, especially for the residential building stock, considering the dominant owner-occupied residential building stock. This ambition might have serious social consequences. Slovakia opposes unreasonable demands on the renovation coupled with the penalty scheme for the home-owners.

The Slovak Republic has serious concerns about a planned phase-out of fossil fuel boilers by 2040 in households, in a view of the need to safeguard the energy supply in heating for households.

The Slovak Republic strongly supports an equal approach to the deployment of all available renewable energy technologies in buildings.

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Nevertheless, the Slovak Republic will make further strengthened efforts to mobilize the home-owner's financial sources and their incentive to conduct energy renovation, while respecting the fundamental rights.

Statement by Sweden

Buildings play an important role in energy systems and thereby the energy transition. Sweden welcomes the ambition to improve energy performance of buildings in the EU for the sector to contribute to the long-term target of climate neutrality by 2050.

In the negotiation, Sweden has argued against overly detailed requirements without sufficient consideration of different national conditions. Such approach would not only be cost-inefficient but could lead to far-reaching and uncalled for economic consequences for individual households and businesses.

Sweden appreciates the improvements made in the final text, including the possibility for Member States to take into account early efforts and an already low share of fossil energy use in the residential building sector according to Article 9(2).

Sweden regrets that the solar energy provisions are still unclear and too detailed. Sweden has low solar irradiation during the winter months, when the highest energy demand occurs.

Sweden is fully committed to achieving a green transition both nationally and in the EU.

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