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For the attention of Kadri Simson
EU Commissioner for Energy

Subject: Mandatory building standards paramount to address high energy prices and achieve the EU decarbonisation goals for 2030 and 2050

Brussels, 23 November 2021

Dear Commissioner Simson,

We represent European industries providing solutions enabling the transition towards climate neutrality and are committed to sustainably grow the European economy and create jobs. We commend the European Union effort to fight the climate crisis and stand ready to support the transformation of our economy whilst limiting temperature rise to no more than 1.5 °C above pre-industrial levels.

Soaring energy prices are threatening our economic recovery. Stepping up energy renovations, alongside with reducing the share of fossil fuels for heating and cooling, is a systemic solution to lower energy prices for consumers and is a crucial step to deliver the long-term EU decarbonisation goals for 2030 and 2050.

Through the National Recovery and Resilience Plans, the European Union is providing more than €40bn to invest in energy building renovation over the next five years¹². Although much more is needed, this is a good basis to kick-start sustained delivery of building renovation, strengthen and activate supply chains and respond to energy price rises. The goal is to bring multiple benefits to European citizens and businesses, in terms of quality of life, positive impact on health and well-being of occupants through indoor environmental quality, sustainable jobs creation and environment preservation.

Investment in energy renovation is a no-regrets choice.

Today, through a range of highly efficient existing technologies and at affordable costs, it is possible to significantly reduce and optimise energy needs in buildings. This translates to a direct reduction of energy bills in buildings (residential, non-residential, public or private). This is particularly important for low-to-middle income households with the goal of alleviating energy poverty. Equally important, reducing and optimising the energy consumption of our buildings accelerates the penetration of renewables which in return increases energy security and reduces dependency from gas imports.

Yet, the yearly energy renovation rate in the European Union remains well under 1% of the total building stock. A stronger regulatory framework is needed to speed up the preparedness of the entire value chain and provide visibility over needed investments in the next decades.

In this context, the revision of the Energy Performance of Buildings Directive (EPBD) and the introduction of mandatory Minimum Energy Performance Standards (MEPS) can be truly transformative. MEPS can make or break the Renovation Wave's objective to *"at least double the*

¹ [Renovate2Recover: How transformational are the national Recovery plans for buildings renovation? With country profiles for 18 Member States](#), E3G, October 2021.

² 40bn is the overall share of funding allocated for renovations in the Recovery and Resilience Plans (RRPs) of 18 of the 27 Member States. This is estimated to represent 8.4% of the total RRP funds.

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*annual energy renovation rate of residential and non-residential buildings by 2030 and to foster deep energy renovations*³.

In order to improve buildings energy performance and decarbonise the building stock in the EU, mandatory MEPS should be introduced for all buildings and included in the mapping and roadmaps provided by national Long Term Renovation Strategies (LTRS). MEPS will allow monitoring and measurement of energy efficiency and decarbonisation measures including the integration of renewables and demand-side flexibility to support buildings' integration with the energy system. In combination with technical assistance and financial support, MEPS will create the necessary long-term regulatory framework providing the certainty needed for public and private investments to strengthen local construction value chains, to fill the skills gap and to nurture innovation in technologies, deployment of solutions, and business models.

At the beginning of her mandate, President Ursula von der Leyen presented the European Green Deal (EGD) as Europe's growth strategy, with the Renovation Wave as a flagship initiative. Reducing the emissions from buildings is an essential component of that vision. According to the Renovation Wave communication, the EU should reduce emissions in the buildings sector by 60% by 2030 to contribute to the 55% emissions reduction targets of the entire Union. This is an unprecedented opportunity to lay the foundation of a greener, fairer, and more prosperous economy.

A recent study from Cambridge Econometrics observes that doubling the annual energy renovation rate to renovate 35 million buildings by 2030 would reduce gas imports by about 4.5 million cubic meters of gas per year, with households saving over 400 EUR per year⁴, all this while creating local green jobs in the construction sector.

Making Europe the first climate neutral continent in the world requires bold actions. We are convinced that an ambitious EPBD with mandatory MEPS for all buildings can deliver on these promises.

Co-signatories :



³ [A Renovation Wave for Europe - greening our buildings, creating jobs, improving lives](#), European Commission, 2020

⁴ [Warmer homes and lower bills – the impact of the Renovation Wave](#), Cambridge Econometrics, October 2021