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**POLITICAL GROUPS IN THE EUROPEAN PARLIAMENT**

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Brussels, March 2024

## **EPBD REVISION: EUROPEAN CONTRACTORS SUPPORT PROVISIONAL AGREEMENT**

Dear Presidents of the political groups, dear Members of the European Parliament, dear Ladies and Gentlemen,

*FIEC - the European Construction Industry Federation*, its 32 member federations in 27 European countries and their 3 million companies - large, medium and small -, representing 10,1 % of the EU-27 GDP and 29,6 % of industrial employment, support the provisional agreement on the new Energy Performance of Buildings Directive (EPBD) and **we encourage you to vote in favour of the agreement for several reasons:**

1. Buildings consume more than 40% of energy in the EU and are responsible for a significant proportion of energy-related greenhouse gas emissions. **These emissions need to be reduced** in line with the EU's legal commitment to become climate neutral by 2050. The new EPBD is part of a solid legislative package for the decarbonisation of buildings (Energy Efficiency Directive, Renewable Energy Directive, ETS II, Social Climate Fund, EU Taxonomy...) and **will contribute to the further decarbonisation of Europe's old building stock.**
2. The trilogue negotiators have done an excellent job in striking a balance between, on the one hand, the need to take into account the different starting points of Member States in the field of building renovation and the different national and regional conditions (energy mix, climate zones...) and, on the other hand, the need to do more for energy-efficient renovation of buildings. The agreement provides for a **high degree of flexibility for Member States**, which will be **free to define their own trajectories** (National Building Renovation Plans), while respecting only a small number of binding obligations from Brussels:

3. For residential buildings, Member States **are free to choose which buildings to target and what detailed measures to take**. The EPBD only requires that 55% of the reduction in average primary energy consumption (-16% by 2030 and between 20 and 22% by 2035, compared to 2020) be achieved by renovating the worst performing buildings. As already described above, mandatory performance standards have only been introduced for non-residential buildings, with a **wide range of exemptions** for certain building typologies. Predicting the number of buildings that will need to undergo renovation or predicting the costs of individual renovation measures based on the agreement is not a serious exercise at this stage and estimates should be regarded as estimates only.
4. The new EPBD, together with the recast Energy Efficiency Directive and the new Renewable Energy Directive, strengthens the legal basis for the use of fossil-free energy in buildings. **Efficient, fossil-free buildings reduce energy bills, fight energy poverty, protect citizens' health and improve their well-being**. The EPBD also includes measures to provide financial and technical support to vulnerable households and recognises the crucial role of SMEs and micro-enterprises in the 'renovation wave'.
5. The EPBD will **further boost the renovation market** in all the Member States (renovation already accounts for a third of all construction activity in FIEC), helping the sector to overcome the difficult Covid-19 period and **creating high quality jobs** in the sector.

Last but not least, the EPBD must also be seen as an integral part of a strategic policy plan that will allow - and has already allowed - the EU to become **energy and industrially independent** from Europe's strategic adversaries.

We are therefore counting on you to support the agreement.



Philip Crampton

-President FIEC-