

EBC position on the proposal amending the Directive 2012/27/EU on Energy Efficiency

About EBC

Established in 1990, the European Builders Confederation - EBC - is a European professional organisation representing national associations of micro, small and medium-sized enterprises working in the construction sector. EBC sits on the European Social Dialogue Committee of Construction. EBC is a member of UEAPME (the European association of micro-enterprises and SMEs), on behalf of which it chairs the UEAPME Construction Forum.

The construction sector is of vital importance to the European economy. With 3 million enterprises and a total direct workforce of 18 million, the construction sector contributes at around 9% to the GDP of the European Union.

99.9% of the European construction sector is composed of small and medium-sized companies, which produce 80% of the construction industry's output. Small enterprises (less than 50 employees) are responsible for 60% of the production and employ 70% of the sector's working population.

A. General remarks

EBC welcomes the revision of the Energy Efficiency Directive (EED) in order to ensure that the objectives of the 2030 framework are met and international commitments in the frame of COP 21 are achieved. Of high importance is furthermore the new energy efficiency target, showing clear commitment and a path for the investment needed in the area. EBC believes that the EED has structured and strengthened policies and schemes related to energy efficiency which were already in place. Furthermore it raised awareness regarding the necessity to renovate buildings. However, it has not yet shown to be successful in increasing the renovation rates as even the renovation of public buildings is currently failing to lead by example.

In this framework, it is important to recall that energy use in the buildings sector (both residential and commercial) is responsible for about 40% of final energy consumption in the EU. The biggest savings can be reached in the existing building stock, which has the capability to reduce its energy consumption by 61% by 2030. In order to take up the opportunity, EBC believes that a stronger EU drive is needed to provide policy predictability to businesses and stimulate the confidence of investors while taking the different constraints into account.

B. Comments and recommendations

In order to ensure that the EED is able to reach its objectives and to help European companies in staying competitive by keeping costs down, EBC proposes comments and recommendation on the following issues:

a. Energy Efficiency target

A binding energy efficiency target is useful to identify a clear commitment and path for the investment needs. However, EBC believes that its percentage is considerably less important than the proper means to

achieve it. A central point is the availability and easy accessibility of sufficient and adapted financial incentives so that people are able to cover the costs of renovation works.

A clear signal must be given to further unlock private capital for energy saving investments. EU financial instruments complemented by adequate national measures will have to play a major role to trigger investments in building renovation. Equally important is the existence of competent companies to carry out the works for which the funding of formal and informal training of construction workers is key.

Recommendations

- **Establish a stable long-term regulatory and financial framework to kick-start massive retrofitting of existing buildings or the replacement of obsolete and inefficient equipment.**
- **Earmark and allocate more public funds to renovation and the improvement of energy efficiency in private housing and make them easily accessible.**
- **Through the use of financial engineering instruments and public funds, unlock the true potential of private financial resources.**
- **Promote platforms and training schemes that concentrate their efforts on the training of construction workers (blue-collar), especially in the field of energy efficiency.**

b. Energy efficiency obligation schemes and alternative policy measures

EBC strongly supports the continued existence and importance of energy saving obligations in the form of energy efficiency obligations, alternative policy measures or a combination of both approaches until 2030. Furthermore the equal footing of alternative policy measures with energy efficiency obligation schemes is highly welcome as they have proven to be equally effective.

In this realm EBC especially supports the promotion of energy efficiency certificates and obligations which can be a source of private funding for the renovation of the private stock and the tertiary sector. In some cases obligated parties developed partnerships with construction SMEs associations and property owner associations to finance standardised procedures for improving the energy efficiency renovation of the private stock, allowing energy providers to acquire energy efficiency certificates. Furthermore article 7 obligations can contribute to the up-skilling of workers involved in energy efficiency as the example of FEEBAT in France shows.

In its proposal the European Commission strengthens the provision to include social requirements by requiring Member States to take energy poverty into account. EBC agrees that fuel poverty and social housing policies have to be facilitated. Yet the proposed requirements towards Member States will lead to an artificial segmentation of the renovation market and jeopardise investments. Improvements to the energy efficiency of buildings should benefit all consumers thus remaining inclusive and non-discriminatory.

Recommendations

- **Better clarification of the possibility to build partnerships between energy distributors/providers and associations of installers.**
- **Support the use of energy efficiency obligations as a source of private funding for the renovation of the private stock and the tertiary sector as well as in programs to upgrade the skills of energy efficiency professionals.**
- **Include requirements with a social aim in the saving obligations as a priority in households affected by energy poverty in private and social public housing.**

c. Metering for heating and cooling as well as domestic hot water

EBC favours measures that ensure final consumers have competitively-priced meters which accurately reflect their energy consumption. In this context individual meters in multi-apartment buildings with a central or individual heating or cooling source should be a prerequisite. Equally welcome is the continuous installation of remotely readable devices. In France, for example, the EED provisions currently in place had a positive impact by contributing to the development of home automation. The new provisions on metering should help to further support this process.

Recommendation

- **Support further measures in regard to building automation, because it increases the efficient use of energy.**