



EUROPEAN ALLIANCE TO
SAVE ENERGY
Creating an Energy-Efficient Europe

9 March 2023

Open letter

Support the EPBD compromise proposal for the good of citizens, businesses and the environment

Honourable Members of the European Parliament,

I am writing to you ahead of the plenary vote on the recast of the EU **Energy Performance of Buildings Directive** (EPBD) on behalf of the leading European businesses and non-profit organisations of the [European Alliance to Save Energy](#) (EU-ASE).

The EPBD is a crucial element to make the EU building stock efficient, sustainable and healthy. From a socio-economic perspective, it will drive **sustainable growth** and **job creation** in the construction sector, one of the most dynamic of our economy. **The broadly supported compromise proposal recently adopted by the ITRE Committee is an important step in the right direction.**

We support the introduction of **Minimum Energy Performance Standards** (MEPS) for public, commercial and residential buildings. **MEPS, with clear targets for the different building segments, are critical to provide predictability to the sector and allow businesses to effectively plan their investments (including the financial sector).**

The ITRE compromise adds a derogation (Article 9, 1c) allowing Member States to adjust Minimum Energy Performance Standards for residential buildings and publicly owned social housing. **Such derogation leaves enough leeway for Member States and cannot be expanded further without jeopardising the implementation of MEPS.**

As a complementary step, **it is essential to ensure the harmonisation of energy performance classes (EPC) across Member States**, overcoming the current system of different thresholds based on national criteria, which creates enormous comparability issues¹. Defining the worst-performing 15% of each Member State's building stock as class G is a good step towards further harmonisation. At the same time, further effort will be needed to ensure the convergence of the EPC scale.

We support the agreed timelines to ensure that **all new buildings are Zero-Emission Buildings, starting from new buildings occupied, operated or owned by public authorities**. As **public buildings** represent 5% to 10% of the EU energy consumption, their contribution to achieving an efficient and decarbonised building stock is crucial. The public sector must showcase the benefits of energy savings to citizens and stimulate investments in the renovation market.

¹ See the [Opinion of the European Central Bank on the EPBD recast](#) from January 2023.



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We stand for the **Energy Efficiency First principle** in the **additional requirements on energy-efficient equipment and system efficiency in Article 11.1**, which are stepping stones in improving a building's energy performance through energy efficiency measures and the deployment of digital and decentralised energy resources.

The introduction of **an end to financial incentives for fossil fuel boilers** from 1 January 2024 is another important addition. **Member States must phase out fossil boilers as soon as possible**, in line with the recommendations of the International Energy Agency to no longer install new fossil fuel boilers after 2025². Therefore, we regret that the text creates a backdoor for non-sustainable heating by exempting "hybrid heating systems".

Finally, we support the provisions on **financing renovations** and removing non-market barriers in Article 15 of the Directive. In particular, the introduction of **mortgage portfolio standards** will be very important to ensure financial institutions play their part in promoting efficient buildings and providing the necessary financial means for renovation works, especially for vulnerable households.

The upcoming vote on the EPBD recast is **an opportunity for the Parliament to show leadership** ahead of negotiations with the EU Member States.

At this very important time and in the middle of the climate and energy crises, **we strongly encourage you to back the compromise agreed upon by the Parliament negotiators**. On our side, we stand ready to play our part, support the implementation of the directive once adopted and deliver the multiple benefits that the transformation of the built environment will bring to citizens, businesses and the environment.

Yours sincerely,

Monica Frassoni
President
European Alliance to Save Energy (EU-ASE)

² [Net Zero by 2050, A Roadmap for the Global Energy Sector](#), IEA, 2021.



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About us

The [European Alliance to Save Energy](#) (EU-ASE) is a business-led, multistakeholder platform allowing leading multinational companies to join environmental campaigners to advance energy efficiency in the European Union. The Alliance's business members have operations across the EU27, employ over 340,000 people in Europe and have an aggregated annual turnover of 115 billion euros.

