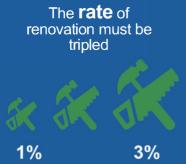


## Minimum energy performance standards to decarbonise buildings





The **depth** of renovation must be increased



**Renovations currently** achieve on average only 9% to 17% energy savings

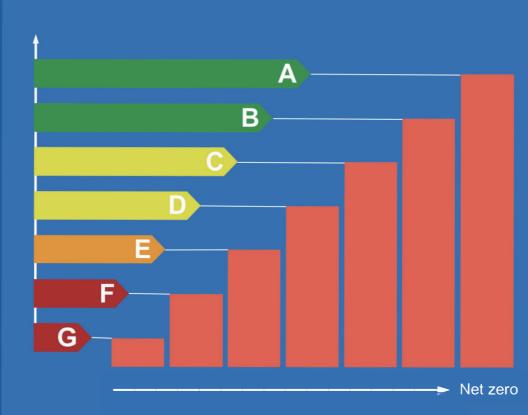


Illustration of an incrementally increasing minimum energy performance standard by energy performance certificate class

### **European examples**



Scotland Privately rented homes must be EPC E by 2022 and D by 2025



The Netherlands

Offices must be EPC C by 2023



Flanders

Rented homes must have minimum roof insulation

from 2020 and double glazing from 2023



Private homes must be EPC E by 2028



# Minimum energy performance standards to decarbonise buildings by 2050

Minimum energy performance standards can support a massive increase in the building renovation rate, which is essential for the European Union to its meet climate targets.

#### The buildings decarbonisation policy gap

The European Union cannot meet its target of becoming a net-zero economy by 2050 without decarbonising the building stock, which accounts for 36% of EU carbon emissions. Existing EU and national building renovation policies fall short of generating enough activity to achieve this. The number of buildings renovated each year is currently one-third of the number needed. The improvements that are happening save relatively little energy, which means these buildings will have to be renovated again.

Boosting energy renovations would also deliver significant economic, environmental and social benefits across Europe. The contrbution to jobs, human health and the alleviation of energy poverty make it a particularly valuable COVID-19 recovery strategy.

#### Minimum energy performance standards to fill the gap

Minimum energy performance standards (MEPS) are a regulatory tool that can set Europe's buildings on the route to decarbonisation.

MEPS require buildings to meet a minimum performance standard by a specified compliance deadline or at certain moment in the natural life of the building. The standard may be set in terms of a carbon or energy rating, or minimum renovation measures, while the milestones may be the sale or renovation of the building. MEPS can apply to the whole building stock or specific sectors, tenures, building types or sizes, or to privately or publicly owned stock. MEPS are already in use in many jurisdictions across the world. Examples in practice evidence improved standards across the targeted stock, high levels of compliance when the right enforcement framework is in place, and a policy-signalling effect on the markets.

MEPS can help overcome the significant barriers that have hindered renovation to date, when introduced as part of a comprehensive renovation policy framework. This comprises funding, finance and incentives, technical and practical support, and measures to ensure the poorest are not directly or indirectly burdened. MEPS signal the destination for the whole stock and individual buildings, which helps align the demand and the supply chains, providing space for business and social innovation. They can also drive takeup of existing financing mechanisms, improving the effectiveness and efficiency of established renovation programmes. Currently, even in countries that have generous and coherent programmes of assistance, funds are not being dispersed quickly enough. This suggests that further measures are needed to drive demand.

MEPS address the worst performing buildings first. MEPS that focus on housing, coupled with effective funding and finance, can reduce energy costs and improve health and well-being for energy poor households living in substandard homes.

#### **Further resources:**

- Paper: <u>Filling the policy gap: Minimum energy performance</u> <u>standards for European buildings</u>
- Case studies: <u>Minimum energy performance standards in</u> <u>European Member States</u>
- Paper: Minimum energy efficiency standards for a fair energy transition (paper in German and policy factsheet in English)