

EUROPEAN COMMISSION Regulatory Scrutiny Board

Brussels, D(2016)

## **Opinion**

Title

# DG ENER – Evaluation of the Energy Performance of Buildings Directive 2010/31/EU

#### (draft version of 2 March 2016)\*

#### (A) Context

The Energy Performance of Buildings Directive 2010/31/EU (EPBD) promotes the improvement of the energy performance of buildings within the Union. It replaced Directive 2002/91/EC introducing new aspects such as cost-optimality, efficiency of building systems, nearly zero-energy buildings targets, financial incentives and independent control systems, combined with enforcement mechanisms. Member States were required to transpose the EPBD by 9 January 2013. The EPBD (Art. 19) foresees an evaluation by 1 January 2017. The Communication on an Energy Union announced a review and possible revision of the EPBD by the end of 2016. This initiative aims at the thorough evaluation of the Directive in the light of the experience gained and progress made during its application. The results of this evaluation will provide the basis for an Impact Assessment of policy options in the framework of the EPBD review.

#### (B) Overall opinion

The Board finds that there is scope for further improving the evaluation report. In particular, the report should clarify the following key aspects:

(1) The assessment of coherence should be improved and conclusions supported with evidence. In doing so, the report should better explain the scope, the policy context and the coherence with other energy efficiency initiatives and evaluations. It is sensible that a fitness check of the directive (together with other related instruments) be undertaken in the next round of the policy cycle to explore better the coherence between different but related policy instruments.

(2) The report should clarify the effectiveness of the Directive in reaching its policy objectives, in particular those specified in the 2008 Impact Assessment. To what extent can the available evidence be used to attribute energy savings in the buildings sector to this directive as opposed to other instruments such as financing instruments, the energy efficiency directive and the effort sharing decision etc..

(3) The evidence supporting the efficiency assessment of the Directive should be better demonstrated, in particular regarding the cost-effectiveness. In this context, the report should explain upfront any limitations and justify them.

<sup>\*</sup> Note that this opinion concerns a draft evaluation report which may differ from the one adopted

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(4) In view of the envisaged impact assessment, the reasons behind the slow progress in the area of building renovations should be better elaborated as well as those aspects of implementation which have been found to be problematic.

(5) The lack of available data should be explained, including clarifications on how the problem will be dealt with in the future. The report should be shortened and streamlined, in order to fulfil the Better Regulation guidelines requirements.

### (C) Main recommendations for improvements

(1) **Improve the coherence.** The report should clarify both internal coherence and with the other initiatives. On internal coherence, the report should be more specific on which provisions of the EPBD support each other and which do not. **Furthermore, the report should better explain the scope and the coherence with other EU initiatives.** In doing so, the report should clarify the broader policy context in relation with EU energy policy initiatives, such the energy efficiency initiatives, Ecodesign, Renewable Energy Sources Directive, Effort Sharing Decision, etc. Links with other evaluations in the energy efficiency area should be established, namely the Energy Efficiency Directive and the Metering and Billing of the Energy Consumption.

(2) Clarify the effectiveness in reaching the objectives. The report should better explain which elements of the directive are the most effective, and which elements are not delivering the expected results. The report should refer to how the Directive was effective in achieving the objectives specified in the 2008 Impact Assessment, in particular relating to establishing minimum standards for buildings, creating the energy savings and reducing CO2 emissions. Furthermore, the report should clarify what is the contribution of the EU and Member States financing instruments to the progress in energy efficiency of buildings. In doing so, the report should specify if such instruments can be considered, in some cases, as a pre-condition for the EPBD to be effective.

(3) Better demonstrate the evidence on efficiency: The report should clarify the cost-effectiveness of the directive and underpin the conclusions with evidence. The report should also explain and justify its limitations, especially regarding the difficulties in quantification of costs and benefits. It should better substantiate the conclusion that administrative costs are low. It should question compliance costs in light of a low degree of compliance and enforcement of national provisions on the ground.

(4) The reasons behind slow progress of the Directive in the area of building renovations should be better described as this is a key driver affecting the performance of the directive, which will be tackled in the envisaged impact assessment. In addition, key implementation weaknesses and problems should be described, including the role of Energy Performance Certification (EPC) schemes, access to finance difficulties, market/regulatory failures, etc.

(5) Explain the lack of available data. The report should explain the reasons behind the lack of monitoring data on energy performance in buildings, especially since this problem had been already highlighted in the 2008 Impact Assessment. It should be clarified how this problem will be fixed in the future, including the creation of inventory for public and private buildings, the role of the EU Building Stock Observatory and new data available on ESTAT.

Some more technical comments have been transmitted directly to the author DG and are expected to be incorporated in the final version of the evaluation report.

#### **(D)** Procedure and presentation

The report is too long and should be shortened and streamlined, in order to respect the Better Regulation guidelines limit of 15-20 pages. The introduction and the background information on the initiative, as well as sections containing non-essential information, should be moved to the annexes. The report should integrate the general evaluation of the EPBD (based on the five evaluation criteria) with evaluation of specific provisions of the EPBD and implementation by the Member States.

(E) RSB scrutiny process	
Reference number	2015/ENER/023
External expertise used	No
Date of RSB meeting	6 April 2016