Capturing the potential from buildings is urgent and cost-effective

Eurima comments after the discussion in the Industry, Research and Energy Committee (ITRE) of the European Parliament on the Green Paper on Energy Efficiency

What is at stake: Tuesday’s discussion on the Green Paper on Energy Efficiency in the Industry, Research and Energy Committee (ITRE) meeting highlighted the urgency to capture the energy saving potential of buildings. Firstly energy prices are expected to continue to rise in the coming years whilst reliance on foreign energy supplies is expected to grow to 70% of Europe’s energy consumption by 2030. Secondly, Europe needs to drastically reduce CO2 emissions in order to effectively combat climate change. These challenges are coupled with the immediate concern of bolstering Europe’s competitiveness and employment as part of the Lisbon Agenda. Any solutions to those challenges must be cost-effective.

The role of buildings: As highlighted in the Vidal-Quadras Report, buildings are the largest consumer of energy in Europe, representing over 40% of total consumption. Yet, it is possible to reduce this energy use by using tried and tested technologies, such as thermal insulation. Moreover, in doing so, Europe can save money whilst liberating energy to be used to fuel the economy rather than our homes.

The Green Paper on Energy Efficiency: EURIMA (the European manufacturers of mineral wool insulation) welcomes the Commission’s Green Paper and supports the direction of the Vidal-Quadras Report. However, there are two areas where the European Parliament must show greater ambition. Firstly, regarding existing residential buildings and secondly, in dealing with the crisis in the new Member States of the EU regarding high-rise multi family housing. EURIMA calls on the members of the ITRE Committee to vote for more actions in these two areas on Tuesday 25 April in order to help Europe to face its ongoing energy challenges.

1. Capturing the potential from existing residential buildings: EURIMA urges MEPs to support all amendments which propose the rapid and full extension of the Energy Performance of Buildings Directive (EPBD) (such amendments have been proposed, for example, by Fiona Hall, Claude Turmes and Umberto Guidoni). To explain:

- The scope of the EPBD needs to be extended to all existing residential buildings smaller than 1000 m² as this is where the real potential lies. Such an extension must be done appropriately to ensure that sensible cost-effective improvements are made and that individuals are not overburdened. This would be best done by ensuring that when component elements of buildings are improved (e.g. a new roof is added, windows are replaced) that these components are brought up to current new build standards. This ensures the most cost-effective approach, whilst not missing the opportunity to improve energy efficiency when it arises.

Justification: Recent studies commissioned by EURIMA demonstrate that an extended Energy Performance of Buildings Directive could save the EU 8 billion EURO a year by 2010 rising to 14.5 billion EURO by 2015, whilst creating up to an estimated 530,000 new jobs (these figures are based on 2002 energy prices and are therefore a low estimate of the savings that could be made).

2. Ensuring an adequate structural funding for energy efficient improvements of multi-family housing in the new Member States: EURIMA urges MEPs to support amendment 63 of Fiona Hall regarding increasing the ceiling for the funding of buildings under the European Regional Development Fund Regulation (ERDF) from the proposed 2% to 10%. To explain:

- Recent work by the International Energy Agency demonstrates that the total costs related to improving the high-rise building stock in the new Member States of the EU is approximately 25 billion EURO. The current 2% ceiling would provide maximum 2.5 billion EURO of investment for these buildings and is clearly insufficient, not withstanding own contributions from the new Member States. To take this crisis seriously, a ceiling of 10% of total ERDF funding should be stipulated, so that countries and regions who need to improve housing can do so as part of inter-urban regeneration projects.

Justification: The poorest and most vulnerable members of society in the new Member States live in high-rise buildings. With energy prices increasing and national subsidies for heating being reduced, the impact on this section of society could be dramatic if such buildings are not renovated to make them more energy efficient. In addition, with significant quantities of oil and gas being used to heat these homes, leaving them energy inefficient means leaving the new Member States more vulnerable to price fluctuations and more vulnerable to political pressure from major energy suppliers in the region.