Press Statement

Brussels, 25 July

FOR IMMEDIATE RELEASE



For more information, please contact: Shradha Abt, Energy Efficiency Manager shradha.abt@eurima.org +32 2 626 20 92

Effort Sharing Regulation indistinct about role of building efficiency - the sector with the most cost-effective CO₂ mitigation potential

The European Commission's Effort Sharing Regulation (ESR) addressing the so-called non-ETS sectors of the economy which should contribute to reducing emissions by 30% by 2030 compared to 2005 - by setting of national binding targets is initself an important governing tool to keep the EU in line with its 2030 climate goals. However, the chosen pathway is unaligned with the COP21 goals and is missing focus on sectors with most cost effective CO₂ mitigation potential, namely buildings. It is also entirely absent of the 'Energy Efficiency First' principle.

Eurima welcomes the ESR which was published on Wednesday 20 July 2016 setting out binding annual GHG emissions targets for Member States from 2021-2030 for the transport, buildings, agriculture, waste, land-use and forestry sectors as contributors to EU climate action - but does not believe the ESR will be a game changer for Europe's climate ambitions as long as targets are not based on the cost-effective CO₂ mitigation potential of Member States.

Under the previous ESD, there was an implicit target to reduce greenhouse gas emissions of the building sector but this target was not supported by an EU requirement to set an energy savings target for buildings - this remains unchanged in the new ESR. This lack of focus on sectors with high available CO₂ potential, namely our existing buildings, is regrettable, especially since there are mature technologies in place to renovate and curb emissions.

In addition, the proposal allows for enhanced flexibilities to address costeffectiveness by offering Member States the possibility to bank and borrow allowances, and loosening the reporting/compliance measures where the more formal compliance check will be organised every 5 years, rather than annually.

To meet our COP21 goals, ±50% of global emissions reduction efforts will have to come from energy efficiency. The ESR fails to encourage or provide any incentive to prioritise energy efficiency in facilitating investment in managing energy demand, through a higher energy efficiency target. Setting an ambitious energy efficiency target, would ensure consistency between EU and national climate and energy targets; help restore a vision for today's buildings and homes and scale up renovation activities.

Together with the revision of the Energy Efficiency Directive (EED) and the Energy Performance in Buildings Directive (EPBD), an ESR for 2030 based on bottom-up assessment of the sectoral potentials in combination with a clear long term vision for the buildings sector, would drive energy security^[1], job-and growth-enhancing investments in low-carbon innovation, resource efficiency, and provide businesses with certainty and confidence in the construction market.

"Delaying action to cut emissions in the existing building stock not only risks locking-in the potentials for this sector to reach its 88-91% decarbonisation target for 2050, but also misses the chance to help (vulnerable) consumers enjoy the health, and wellbeing cobenefits of comfortable buildings and homes. I therefore look forward to the Energy Efficiency Package due later this year, to provide a clear and long term vision for the buildings sector to be NZEB level by 2050". Concluded Pascal Eveillard, President of Eurima.

Please find here a link to Eurima's position paper on the ESR.

ENDS

^{[1] 1%} energy savings deliver 0.66% GHG savings for non-ETS sectors, 36 billion Euro investments and 0.5 million jobs.