

Opinion of the European Offices of the Local Authorities of Bavaria, Baden-Württemberg and Saxony on the proposal for a directive amending Directive 2010/31/EU on the energy performance of buildings

The associations of the local authorities of Bavaria, Baden-Württemberg and Saxony welcome the intention of the Commission to improve the implementation of the EU energy and climate objectives.¹ Since the German buildings sector accounts for up to 40 % of the over-all energy consumption, there is a considerable potential for savings in this area. However, measures to enhance energy performance have to take into account local particularities as well as the cost-value ratio. Where housing space is scarce and expensive, the provisions should not aggravate the situation. Excessive requirements for the energy efficiency of new buildings or renovated existing buildings may lead directly to such aggravation.

From the point of view of the local authorities the following points are principal:

- **No disproportionate new standards:** if investment costs are too high, even economically reasonable measures are postponed and efficiency improvements are not achieved. The balancing of costs and benefits should always be a priority.
- **Approach based on urban quarters rather than individual buildings** by supporting and considering savings realised by the use of district heating.
- **No compulsory provision of e-charging stations and technical infrastructure:** promoting alternative transportation technologies should be voluntary, demand-driven and technologically neutral.
- **No disproportionate administrative burdens** via additional energy efficiency certificates, consumption proof or “smartness indicators”.
- **No extension of compulsory renovations to the municipal or private building stock,** energy-oriented refurbishment should continue to be reached by incentives and funding.

1. No disproportionate new standards

Generally it needs to be ensured that any provisions of the directive on the energy performance of buildings result in genuine energy savings and that the effort is proportionate to the benefit.

Against this background we demand not to rely substantially on **technical monitoring systems or interconnected devices which increase the energy consumption** of a building in the first line and possess only a theoretical potential for energy savings (if the residents change their consumption-behaviour).

It should be refrained from new disproportionate **standards**, as increased investment costs tend to postpone even economically reasonable measures and thus efficiency improvements are not reached. Due to the tight housing situation, the local authorities in Bavaria, Baden-Württemberg and Saxony attempt to create affordable, energy-efficient housing. However, these efforts are undermined if disproportionate requirements on the energy performance of new or refurbished buildings are stipulated.

Furthermore, the **system of incentives** for energy-oriented refurbishment should be reconsidered. Rising requirement levels to ensure more energy efficiency pose a challenge for society as a whole, which cannot be shouldered only by the residents and owners of the buildings. The mere possibility of reduced-rate loans will hardly increase the refurbishment rates. A more sustainable support is required.

2. Approach based on urban quarters rather than individual buildings

In addition, rather than pursuing an approach based on individual buildings, **an area based approach** should be preferred. Increased efficiency gains by the refurbishment of individual buildings are often not obtainable or disproportionately expensive e.g. due to shortage of space or requirements linked to the protection of historical buildings. A significant rise of costs for refurbishment leads to a reduced willingness of property owners to invest and hence results in less energy efficiency. Significant efficiency gains can be achieved through various **models of district heating**. Currently, these possibilities are not sufficiently considered within the directive.

3. No compulsory e-charging stations and technical infrastructure

The Commission's proposal stipulates in article 8 para 2 et seq. (new) provisions regarding e-mobility facilities for buildings with more than ten parking spaces. For residential buildings, the cabling for all of the ten parking spaces should be pre-installed. An e-charging station has to be provided compulsorily for non-residential buildings. Although the promotion of alternative mobility is an important objective, from the point of view of the local authorities this has to be reached on a **technology-neutral, demand driven and voluntary basis**.

On the one hand, it is still not certain which kind of technology, which standards and interfaces will prevail in the alternative-fuels sector. Especially in metropolitan areas electric bicycles could dominate. Therefore, both the choice of a specific charging facility as well as the pre-cabling faces the risk to go for a technology that might be obsolete in 10 years.

On the other hand, particularly in the case of large housing estates within social housing schemes, one must assume that the people, for whom these apartments are built, will not be able to afford electric vehicles, not even in the long term. Additional costs (e.g. the pre-cabling at each parking space) can increase the price pressure.

We reject overall general obligation under EU law for subsidiarity reasons. The **Member States** themselves should decide whether a charging infrastructure for parking spaces should be provided already during construction respectively refurbishment. It must remain possible to define **exceptions** according to local requirements. In addition, we are in favour of funding programmes.

Alternatively, the following procedures would be possible:

- In the case of new constructions the installation of **blank tubes** could be provided instead of a pre-cabling. The decision on the number of parking spaces which will, depending on the type of building, receive a pre-installed charging infrastructure should remain with the Member States. Furthermore, there should be **exceptions** for social housing schemes.
- In the case of residential buildings to be refurbished it could be agreed upon that **Member States** adopt **regulations** whereupon charging sockets will be provided on the estate if the **tenants make such demands** on the occasion of a refurbishment.
- In the case of non-residential buildings the Member States should be able to determine more flexibly how many parking spaces are to be equipped with the relevant infrastructure and in what kind of non-residential buildings this will be required. The **minimum requirement**, according to which every tenth parking space is to be equipped with an electric charging station, should not stand unchallenged. Exemptions should also be introduced.

4. No disproportionate administrative burden

The Commission's proposal foresees in article 8 para 6 (new) the creation of a **smartness indicator** for buildings, as well as a duty to inform tenants of a building's "smart" skills. This proposal could also lead to an **increase of costs**, especially in social housing schemes, **without resulting in a genuine improvement in energy efficiency**. Therefore, it is highly unlikely that technical systems, as proposed by the Commission, will in the future be installed or demanded in such buildings. The already existing administrative burden stemming from the energy performance certificates should not be further increased.

The new article 10, para 6a, foresees that **buildings** with a total useful floor area of **more than 250 m²** and with a high rate of visitors have to regularly publish updated **information** on the actual energy consumption. As this would include the majority of all town halls and administrative offices, this provision would result in a considerable **additional administrative burden** for the municipalities, **which cannot be justified**. Moreover any energy saving is not achieved with this regulation.

Against this background, the local authorities of Bavaria, Baden-Württemberg and Saxony, demand to **delete without replacement** the **proposals** put forward in article 8 para 6 and article 10 para 6 a and para 6b (new). Further monitoring and reporting obligations, extensions of the energy performance certificates or extended information duties have to be always examined regarding a **real added value**. The mere collection of data is to be rejected.

5. No extension of compulsory refurbishment of the municipal or private as-built facilities

Currently article 4 of the Energy Efficiency Directive (2012/27/EU) regulates the "**long-term renovation strategy**" for the national stock of buildings. This provision is now incorporated in article 2a of the Commission's proposal amending Directive 2010/31/EU on the energy performance of buildings. The renovation strategy should mobilise **investment** in the renovation of the national stock of residential and commercial buildings, both public and private. A new roadmap with milestones and interim targets has now to be established. The inclusion of the strategy into the directive has to be welcomed, this may not, however, lead to **any obligatory refurbishment** for municipal or private buildings. In respect of the difficult budgetary situation, each local municipality shall decide whether, when and with which measures to improve its building stock. Any extension of renovation obligations (whether public or private) had otherwise to be alleviated by specific funding programmes and hardship exemptions.

In the case of revised Commission proposals we reserve the right to make any amendments and additions. We would ask you to consider these points revising the draft Directive. Should you have any further questions, please do not hesitate to contact us.

ⁱ Bayerischer Gemeindetag (municipalities), the Bayerischer Städtetag (towns and cities), the Bayerischer Landkreistag, Bayerischer Bezirkstag; Baden-Württemberg Association of Towns and Municipalities of Baden-Württemberg, Deutscher Landkreistag Baden-Württemberg (districts); Sächsischer Städte- und Gemeindetag (municipalities), Sächsischer Landkreistag, represented by their respective European offices