

May- June 2010

QUICK OVERVIEW OF THE EPBD IMMEDIATELY BELOW ON THIS PAGE, FOLLOWED BY A FULL-PAGE REVIEW.

Zero-energy buildings: a major EU advance

The long-awaited update to the *Energy Performance of Buildings* Directive (EPBD) has been ratified. It will impose the goal, by 2020, of *nearly zero-energy* use on all new buildings and on buildings which undergo renovation costing more than 25% of the value of the building. Public buildings will need to comply even faster. Lead-times for design of buildings and their components will mean that planning for implementation will need to start far earlier than that. The previous size threshold, which meant that efficiency requirements applied only to larger buildings, has been removed.

Key components of the new requirements are to be developed within the next 12 months: a new, harmonised methodology for calculating energy performance; an updated certification system; and financial incentives.

But one key question remains unanswered in the new text: what does *nearly zero-energy* mean? Renewable energy – such as energy from solar panels on roofs – counts as zero, and only energy needed for heating, cooling and hot-water is covered. That much is clear. But what about energy from a utility that uses hybrid sources? That lack of precision has already led to criticism from major professional bodies. Hope for more news next year.

Report reference 2010/06/10

Certification of biofuels: EU asks for new schemes

The EU has asked its member states to propose new schemes for certifying *sustainable biofuels*. The major target is the transport sector, where a 10% share for biofuels is

targeted by 2020, but other sectors are also included. Only *sustainable* biofuels can count, based on broad criteria set in the Directive. An earlier goal for 2010 was 5.8%, and their actual share in 2008 has been estimated at 3.4%.

Surprisingly, the EU announcement contains no clear proposals for new, harmonised standards or principles of conformity assessment, and it is difficult to avoid the conclusion that the central authorities are passing the buck to member states. In the past, the EU has participated in international programmes, notably with the USA and Brazil, aimed at developing an agreed international base, and has launched various standardisation initiatives within the EU. The new announcement does not say how to build on that past work.

Report reference 2010/06/09

Improving the EU's Product Safety Directive: preparations start

The European Commission has asked for public comments before proposing changes in two areas where it feels that the current Product Safety Directive (GPSD) can be improved: 1) how to speed up the process of recognising common safety standards for products of high consumer concern but which lie outside the scope of a sectoral directive, and 2) how to overcome problems which arise when different test laboratories in different EU countries produce contradictory reports on a product's safety. In both cases, background papers offer explanations of today's weaknesses, and outline options for action.

The GPSD, which imposes general principles of safety to any product outside the scope of specific sectoral technical regulation, is generally considered to have made a major contribution to product safety in the EU. The most striking example is its *RAPEX* system for disseminating quickly throughout Europe on unsafe products. The latest announcement is not a confession of failure, but on the contrary a recognition of the opportunity for continuous improvement. The same consultation also covers administrative issues, such as the processes of market surveillance.

Report reference 2010/06/02


May - June 2010

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Nearly zero-energy buildings: EU adopts targets, but practical impact uncertain



The full text of the new EPBD Directive, and the (still limited) clarification issued so far.

The long-awaited revision to the *Energy Performance of Buildings Directive (EPBD)* has been ratified.¹⁷  The most notable features of the revision are:

- to require that all new buildings should be *nearly zero-energy* by the year 2020, and even earlier for public buildings. Although new buildings represents only around 1% each year of the total stock of buildings in the EU – meaning that in the first year, 99% of buildings will be unaffected – new construction is an important economic sector. Moreover, The same requirement will also apply to buildings which undergo major renovation, a term defined as meaning any renovation whose cost is more than 25% of the sale value of the building excluding the land it is on.
- to remove the lower size-threshold for buildings covered, to cover all normal commercial and residential buildings.
- to require the development of a new, harmonised framework methodology for calculating energy performance of buildings, to be used as the basis for improved certification.

There remain, however, some important uncertainties. Some of them are identified in the Directive and will be the subject of clarification under an announced timetable. But not all. Major issues to watch are:

- **By July 2011, three steps must be completed.** The European Commission must issue a proposed framework methodology for calculating energy performance, and also the essential elements of proposed harmonised certification. Separately and by the same date, member states must issue details of financial incentive schemes they propose to offer to encourage improved energy performance.
- **The definition of the target – *nearly zero-energy buildings* – needs to be developed.** Although the directive does attempt to provide a definition, it is incomplete. It limits the term to the energy needed for heating, cooling, and hot water, thus excluding many in-home uses of electricity, such as cooking. And any energy supplied from renewable sources is considered as zero-energy. That term clearly covers on-house generation of solar energy, for example. But it is not always possible to identify whether a specific energy supplier is using renewable fuels as their source at any given point in time. That lack of precision has been criticised by at least one major European professional association, which has demanded clarification.¹⁸ It is reasonable to expect that the methodology which appears in July 2011 will provide at least partial clarification.

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It's the impact of this directive that is the problem, not its goal, which nobody will dispute: in one form or another, buildings are estimated to account for 40% of the EU's carbon emissions, and they therefore have to be a major target for improved efficiency. But what will the goal of *nearly zero-energy buildings* – the key requirement of the new Directive, to be achieved by 2020 – actually mean in practice? The lack of precision has already come under criticism by serious professionals, and clarification is needed.

¹⁷ Directive 2010/31/EC (OJ L153 18.6.2010). It updates the earlier directive with a similar scope: Directive 2002/91/EC. Progress of the revision has been reviewed regularly in the Europe-link Service, most recently in report 2009/12/04 last December.

¹⁸ The Royal Institute of Chartered Surveyors in Britain. [Http://www.rics.org](http://www.rics.org)

May - June 2010

Internet sources

The new directive 2010/31/EC:

<http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2010:153:0013:0035:EN:PDF>

Sectoral Internet site. The text should also appear shortly on the dedicated sectoral Internet site, but had not yet appeared there at the time of drafting this report:

http://ec.europa.eu/energy/efficiency/buildings/buildings_en.htm

Other official or semi-official background on energy-saving in buildings:

<http://www.buildup.eu/> And

<http://www.epbd-ca.org/>

Member states must list incentive programmes by July 2011

Certification schemes from Commission by July 2011

An example of concern in professional bodies about the absence of detail in the current text:


http://www.rics.org/site/scripts/documents_info.aspx?documentID=798

Index reference
2010/06/11

Climate change: can Europe set even more ambitious targets?



The request for comments on whether the EU should set even tighter CO2 reduction targets.

An official report states that the EU is on track to meet its commitments for reductions in greenhouse gas emissions by 2012 imposed by the *Kyoto Protocol*. That success appears to be behind a new request for public comments on whether its post-2012 can be made more ambitious.  It reports that, in 2009, EU emissions of greenhouse gases were 14% below the base year of 1990 used in *Kyoto Protocol* calculations.

More specifically, it asks whether its much quoted 20-20-20 target can be improved, and whether a 30% cut in greenhouse gas emissions by 2020 can be achieved. The 20-20-20 target is often misunderstood. Its most authoritative meaning is that it aims to achieve, by 2020, a reduction of 20% in greenhouse gas emissions, a 20% share of renewable energy in total EU energy production, and a 20% gain in energy efficiency, all compared with what would have been achieved by 2020 without any new action programmes. Those targets therefore have a different base from the *Kyoto Protocol* targets, which aim at percentage reductions in greenhouse gas emissions compared with a 1990 base. It is the first of those 20% targets – for greenhouse gas emissions – that is now questioned: can it become 30%? The European Commission points to a consensus that current global targets are inadequate to meet one of the central goals of climate change programmes: to limit global warming to 2 degrees.

It is premature to judge whether the consultation will have any practical result. The European Commission has come under criticism before for having a fixation on round numbers ending in zero -- 10%, 20%, 30% etc. – leading to suspicions that the figures are divorced from hard calculations of what can be achieved in practice. And separately from that, there are indications that, at the political level, additional public investment in climate change programmes will have a lower priority for EU governments, at least until they work out how to pay for the enormous sums committed to solve the current financial crisis. The Climate Change Directorate