

An EU Binding Target for Energy Efficiency:

What is at stake for Europe's buildings?

Eurima, the European Insulation Manufacturers Association, calls on MEPs to vote in favour of setting a binding target for energy efficiency in the Bendtsen report, to be voted in plenary session on 15 December 2010.

Why a binding target?

Binding targets are not an end in themselves. But, as been demonstrated in other sectors, such as renewables, they can be a powerful political driver towards specific goals. A 20% binding target for energy efficiency would represent **an essential step towards putting an end to the enormous waste of energy and natural resources from EU buildings.**

Buildings use 40% of the EU's energy, and are the source of 36% of the EU's CO2 emissions. It has been widely accepted that the EU medium and long-term environmental and energy goals cannot be realizable without strong action in buildings, where immediate and huge savings are technically feasible and economically viable.

An overall binding target for energy efficiency would be the first milestone of a clear EU policy objective to deliver the reduction of energy consumption of buildings by 80% in 2050.

In addition, a very energy efficient EU building stock is key for ensuring a more competitive, greener economy, increasing security of energy supply for our continent, while addressing social inequality in the context of rising energy prices.

Why establish yet another obligation for Member States? Doesn't this go against subsidiarity?

The establishment of an EU-wide target for energy efficiency provides a maximum level of subsidiarity, as Member States will have full flexibility regarding the sectors to be targeted, the level of ambition for each sector, and the measures to be implemented.

Is it realistic? Don't we need a more pragmatic approach?

A 20% binding target for energy efficiency would only make sense if it is translated into differentiated objectives for the different economic sectors. In our opinion, the main emphasis should be placed on those sectors that can actually deliver, starting with buildings.

Today, it is already realistic to achieve over 80% of energy savings in the EU building stock, using existing technologies. A binding target on energy efficiency will accelerate the development and installation of energy-efficient building solutions, allowing quick progress in the learning curve, increasing productivity and lowering the costs.

Nevertheless, we are not proposing to get there overnight. A coherent approach (with gradually increasing targets, starting with the least performing buildings), supported by the development of pertinent financial and educational schemes would be necessary.

✚ Wouldn't a binding target harm European industry?

A binding target for energy efficiency will provide industry a **secure and predictable basis for investing** in the development of energy-efficient solutions and technologies (in the building sector, but also everywhere else). In addition, it will provide a favourable and sustainable framework for the deployment of a competitive energy efficiency industrial sector, as part of the transition to a greener economy.

And crucially, if European industry does not meet the challenge, China's industry will.

✚ Aren't there more urgent priorities on the agenda now?

The economic downturn, Europe's energy dependency, unemployment, fuel poverty... All these compelling problems will in fact be addressed by a strong promotion of energy efficiency.

It's not just about environmental and energy security concerns (which are the most obvious benefits of reducing the current energy waste of EU building stock). It's also about job creation (it is estimated that up to 1 million jobs would be created by increasing energy efficiency by 20%) and re-launching the economy (boosting the construction sector, which is EU's largest industry).

✚ Isn't it too burdensome for regional authorities or municipalities?

Financing energy efficiency is not a cost, it is an investment. Municipalities will certainly be able to influence which sectors to address (buildings, transport, industry...) and the measures to apply (city planning, public buildings, etc.)

In parallel with the distribution of the sectoral stake in the overall energy efficiency target, the financial investments and returns will be shared between stakeholders (public authorities, investors, users, owners, contractors, manufacturing industries, etc...).

This is about proper allocation of already available funds into attractive, long-term investment opportunities. In this perspective, buildings are particularly attractive.

✚ Is there a measurable and verifiable way to get there?

Yes. For instance, in the building sector, energy performance certificates (EPCs) should be used to map and evaluate the progress towards a better performing EU building stock. For example, 30% of all the building stock should be A-rated by 2020, 60% by 2030 and 80% by 2040.