

MAKING OUR HOMES AND BUILDINGS **FIT FOR A GREENER FUTURE**



The proposals presented today support the development of **renewable and less polluting energy systems for our homes and public buildings**. They will:

- decrease emissions
- save energy
- tackle energy poverty
- improve quality of life
- generate jobs and growth

Buildings account for:



➤ **40%**
of energy consumed



➤ **36%**
of energy-related
greenhouse gas emissions

KEY PROPOSALS FOR HOMES AND BUILDINGS

- ➔ The **revised Energy Efficiency Directive and Renewable Energy Directive** will make buildings more energy efficient and boost the use of renewable energy in buildings.
- ➔ The new **Effort Sharing Regulation** sets emission reduction targets for all Member States by 2030 for sectors including buildings.
- ➔ **Emissions Trading** for building fuels will speed up emissions reductions and stimulate investments in renewables and energy efficiency.
- ➔ The **new Social Climate Fund**, funded by revenues from emissions trading in road transport and buildings, will **provide financial support to citizens**, in particular the vulnerable households, to invest in renovation or heating systems and ensure a fair transition.

More measures for promoting the decarbonisation of buildings will follow before the end of the year with a proposal for revising the Energy Performance of Buildings Directive.



ENHANCING THE USE OF RENEWABLES AND ENERGY EFFICIENCY IN OUR BUILDINGS

THE REVISED RENEWABLE ENERGY DIRECTIVE WILL:

- Make it easier to **integrate renewables** into the grid (e.g. developing new technologies, integrating storage facilities and improving cross-border cooperation)
- Provide **stronger incentives for electrification** (e.g. heat pumps and electric vehicles) and the incorporation of new fuels such as renewable hydrogen
- Encourage **energy efficiency** and **circularity** (e.g. facilitating the use of waste heat)



Set a new EU-level target of **40%** renewables in the energy mix



Set a benchmark of **49%** of renewables in buildings



Increase the use of renewable energy in heating and cooling by **1.1 percentage point** every year



Raise the use of renewable energy in district heating and cooling by **2.1 percentage points** every year

THE STRENGTHENED ENERGY EFFICIENCY DIRECTIVE WILL:

SET BOLDER TARGETS FOR ENERGY SAVINGS BY 2030



39%
for primary energy consumption



36%
for final energy consumption

9% increase compared to the ambition pledged by Member States in 2020 within their National Energy and Climate Plans

- Introduce indicative **Member State** contributions to the EU-level energy efficiency target
- Introduce a **legal requirement to put energy efficiency first** in planning and investment decisions
- Require Member States to renovate at least **3%** of the total floor area of **all public buildings annually**
- Establish a new target for Member States to **reduce energy use in the public sector** by **1.7%** every year
- Encourage public bodies to use **Energy Performance Contracts for renovation** of large non-residential buildings
- Prioritise energy efficiency measures for **vulnerable consumers and energy poor households**
- Take further steps to empower final customers - basic contractual rights on **heating, cooling and hot water**





GIVING PRICE SIGNALS TO REDUCE EMISSIONS FROM BUILDINGS

EMISSIONS TRADING FOR BUILDING FUELS WILL:

- Put a price on polluting fuels, **encouraging producers to innovate and invest in clean energy**, and offer it to end-users
- Finance a Social Climate Fund to **provide financial support to citizens**, in particular vulnerable households, to invest in renovation or heating systems and ensure a fair transition
- Ensure a level playing field for all heating options, by **complementing the existing carbon price on electric heating and district heating** with a carbon price on domestic heating
- Create revenues for Member States which can be used to **support the decarbonisation of buildings**



INCENTIVISING MEMBER STATES TO CUT EMISSIONS IN BUILDINGS

THE NEW SOCIAL CLIMATE FUND WILL:

- Use €72.2 billion in current prices of **auction revenues** generated by the new ETS for buildings to address social impacts
- Benefit **vulnerable households, especially those in energy poverty**
- Support **national measures and investments fostering building renovation** for these households.
- Co-finance Member States' **direct income support** to vulnerable households until investments have been undertaken

NATIONAL EMISSION REDUCTION TARGETS UNDER THE EFFORT SHARING REGULATION WILL:

- **Maintain** the incentives for Member States to take action
- **Allow Member States to make emissions cuts** in cost effective ways, with some flexibility

