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From:	General Secretariat of the Council
To:	Permanent Representatives Committee
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Subject:	Proposal for a Directive of the European Parliament and of the Council on the energy performance of buildings (recast) - General approach

I. INTRODUCTION

1. The Commission submitted a proposal for a revision of the Energy Performance of Buildings Directive on 15 December 2021. The Directive forms part of the Commission Work Programme ‘Fit for 55’ package, setting the vision for achieving a zero-emission building stock by 2050. It is also a key component of the Renovation Wave Strategy published in October 2020. In addition, the Commission published the REPowerEU plan on 18 May 2022.
2. This Directive is a key legislative instrument for delivering on the 2030 and 2050 decarbonisation objectives. The proposal is particularly important because buildings account for 40 % of energy consumed and 36 % of energy-related direct and indirect greenhouse gas emissions in the EU. It therefore constitutes one of the levers necessary for delivering on the Renovation Wave with specific regulatory, financing and enabling measures, with the objective of at least doubling the annual energy renovation rate of buildings by 2030 and fostering deep renovations. An important new feature of the revision is the introduction of minimum energy performance standards to trigger the required transformation of the sector, in particular for the worst-performing buildings.

II. STATE OF PLAY

1. The Working Party on Energy has been examining the proposal for a Directive since January 2022. The progress report was presented by the French Presidency at the 27 June 2022 TTE (Energy) Council.
2. On the basis of the observations and the comments received from the Member States, on 13 July 2022 the Czech Presidency prepared a draft compromise text (REV 2). After subsequent discussions in the Energy Working Party and comments received, the Presidency prepared and issued a new draft compromise text (REV 3) on 14 September 2022. After subsequent discussions in the Energy Working Party, the Permanent Representatives Committee was asked for guidance for further work, in their meeting on 28 September. Following the exchange in the Permanent Representatives Committee and comments received, on 30 September, the Presidency issued a new compromise draft text (REV4).
3. Based on the latest observations, comments received from the Member States, including two joint non-papers, the Presidency understands that the key political aspect of the directive, which is the Article on the Minimum Energy Performance Standards, remains unresolved. While the Council is nearing a consensus on the level of the ambition of the Article in the context of the overall goals of the Directive, ensuring the right balance between the approach to residential and non-residential buildings requires further political debate. Given the ambition to adopt a general approach on EPBD on 25 October at the TTE Council in Luxembourg, the Presidency deems necessary to ask the Permanent Representatives Committee for political guidance on a viable way forward regarding the aforementioned article. The input from the debate will help to prepare a new draft compromise text (REV 5) that will be tabled at the Coreper meeting on 19 October, as a proposal for the General Approach.

4. The article on the **Minimum Energy Performance Standards** ensures that Member States are on track to a zero-emission building stock by 2050. The article establishes minimum energy performance standards for non-residential buildings, which ensure that they do not exceed a specified maximum energy performance threshold by a certain date. The Presidency has chosen to enable transformation of the residential building stock through trajectories with at least two fixed control points leading to 2050. Namely, the Member States shall ensure that the average primary energy use of the whole residential building stock is at least equivalent to the energy performance class level D by 2033 and class level B by 2040. Considering the potential lack of exact data, the approach allows for statistical sampling and the use of energy performance certificates. Member States may choose to introduce more control points into their national trajectories than those proposed. Moreover, the proposal allows Member States to treat single-family houses on a separate, trigger-point basis.

III. ISSUES FOR POLITICAL GUIDANCE – ARTICLE 9 (MINIMUM ENERGY PERFORMANCE STANDARDS)

1. To what extent would the Member States support incorporating a certain level of flexibilities into paragraph 1 on thresholds for the non-residential buildings combined with a targeted strengthening of the trajectories for residential buildings in paragraph 2, keeping in mind the necessity to maintain the overall balance of Article 9 in the context of the ultimate goal of the directive aiming at delivering a decarbonised building stock in the EU by 2050?