Deal on Energy Efficiency omit expected national targets

After tough negotiations between the European Parliament, the Council and the Commission negotiators, an agreement on the Energy Efficiency Directive was reached on 13 June 2012. While the deal sets out a number of binding measures, it also reflects EU governments’ desire for more flexibility, preferring to achieve targets via long-term national strategies. But this will not make it possible for the EU to meet its goal of improving energy efficiency by 20% by 2020!

Late on 13 June 2012, all three European legislative bodies reached a last-minute agreement on the Energy Efficiency Directive. Shepherded by the Danish Presidency of the Council of Ministers, negotiations between MEPs and Member States were tense and new additional exemptions and measures had to be added late in the day in order to save the deal. For example, the United Kingdom insisted that countries that had already adopted savings schemes for energy retail companies, be granted additional exemptions, while MEPs introduced additional measures designed to guarantee further energy savings in the future. However, despite these difficult concessions, the Danish Presidency believes the agreement is a great success and a big step forward as it will help creating growth and employment in Europe.

But, given the manner in which it was agreed, many observers fear that Europe will not meet its pledge to reduce energy consumption by 20% by 2020, as most of the European Commission’s ambitious proposals for immediate binding national targets have been erased. In particular, the Directive has abandoned the proposal on public building renovation requirements (article 4), which called for 3% renovation of the total floor area (over 250m²) of buildings owned by public bodies each year. Instead the new Directive would require Member States to renovate 3% of the total floor area of heated and/or cooled buildings owned and occupied by their central government and it would only apply to buildings with a total useable floor area of more than 500m². As a consequence the provision will only affect a small percentage of all public buildings (10%), which is considerably below initial expectations.

Nevertheless, to offset the watering down of renovation public buildings proposal, the European Parliament introduced a promising measure in article 3a of the Directive, requesting EU Member States to draw up a roadmap to make the entire building sector more energy efficient by 2050. This long-term strategy for the renovation of the entire building stock should be finalised by April 2014 and give new hope to the construction sector.

“Even though this long term strategy does not fully make up for the mandatory national targets the architectural profession had hoped for, in order to improve the built environment and create new jobs, it allows us to look to the future with more optimism and conviction, and presents some opportunities for growth thereby helping architects and others in the sector to emerge from the economic downturn” said Ian Pritchard, ACE Secretary General.