

# **PRESS RELEASE**

# Energy Performance Certificates could fail to deliver the expected boost of energy renovation if not properly implemented

Energy Performance Certificates rated one of the best tools to achieve efficient building stock

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Brussels, 9 October 2014. A new report by the Buildings Performance Institute Europe (BPIE), analysing national approaches to buildings efficiency certification finds that Energy Performance Certificates (EPC) could be among the most important drivers of energy performance of the European building stock. However, most Member States are struggling with public acceptance and market-uptake.

The report provides a comprehensive overview of EPC schemes and databases for residential and non-residential buildings across Europe and identifies good practices to make EPC data reliable and accessible. It concludes that data gaps, low reliability due to a lack of quality control and limited access to data are preventing Member States from exploiting the full potential of the schemes.

When proposing a 30% energy efficiency target for 2030 in July this year, the European Commission identified EPCs as crucial for "identification, measurement, accounting for and valuation of the full benefits of energy efficiency investments". As buildings account for 38% of total energy demand in the EU28, and with the October Council to agree the 2030 climate and energy targets around the corner, BPIE analysed one of the most powerful tools available to date for measuring the energy performance of residential and non-residential buildings.

"EPCs could be a transparent and easy tool for building owners and tenants, informing about the energy efficiency level of any building. Unfortunately many Member States have not yet been successful in implementing EPC systems which are reliable and gain the trust of people. But there are also positive examples of market impacts where a high rating in an EPC increases the value of a building", says Oliver Rapf, BPIE's Executive Director.

Energy Performance Certificates (EPCs), an integral part of the Energy Performance of Buildings Directive (EPBD), are an important instrument to enhance the energy performance of buildings. By informing owners, occupiers and real estate actors about the energy consumption level of a building, EPCs can be a powerful market tool to create demand for energy efficiency in buildings. Even though all 28 Member States formally implemented the requirements to have EPCs for buildings sold or rented they are not (yet) a widely-used information tool.

One reason behind this is the lack of consistent and reliable data on buildings' energy performance, which is due to the variety of certification processes across the EU Member States. Trained certifiers, independent control systems and penalties for non-compliance are central aspects of the quality assurance process for an energy certification scheme. Yet, mandatory training is required only in 14 of the 28 Member States, and only 12 States have the option to impose penalties for non-compliance. What is more, not all States require on-site inspection of the buildings, which further reduces the data accuracy. This and the lack of data transparency (only 12 Member States grant public access to their data) have resulted in low credibility and use of the certificates to date.



This diversity of ways to implement EPCs and set up registries also results in some best practices which could be replicated: in Ireland and Hungary, plausibility checks on the EPC input data are conducted before the certificate is officially issued, guaranteeing quality and reliability. The report provides a comprehensive overview of the EPC schemes and registers (databases) for residential and non-residential buildings across Europe and identifies good practices to make EPC data reliable and accessible.

To transform the real-estate market and convince builders and owners to invest in greater energy performance, both in new buildings and renovations, objective information to assess, compare and improve properties' energy performance is needed. In some Member States where the EPC schemes have a long tradition, a positive impact on the real estate market has been recorded. Access to EPC data repositories has shown a positive impact on the market value of energy efficiency improvements, contributing to the market transformation the EPBD aims at.

The report concludes by highlighting the need to strengthen the role of EPCs in national legislations and to increase the monitoring of the EPC scheme compliance both at Member States and European levels. The European Commission should provide guidance for the development of centralised EPC registries, not only to support independent control systems, but most importantly as a tool to map and monitor the national building stock. Finally, comprehensive evaluations of the EPC effectiveness should be done by independent third-parties. With two recasts of the EPBD and EED approaching, the European Commission has an opportunity to strengthen the EPC scheme, mainly with regards to the compliance and quality issues.

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### **NOTES TO THE EDITOR**

#### **About BPIE**

The Buildings Performance Institute Europe (BPIE) is a European not-for-profit think-tank with a focus on independent analysis and knowledge dissemination, supporting evidence-based policy making in the field of energy performance in buildings. It delivers policy analysis, policy advice and implementation support. The Brussels-based institute is partnering with the Global Buildings Performance Network (GBPN). <a href="https://www.buildingsdata.eu">www.buildingsdata.eu</a> www.buildingsdata.eu