



Spring 2023

◆◆◆ Key-vote on the Energy Performance Buildings Directive at the European Parliament ◆◆◆ IUT claims to maintain social safeguards in the EPBD ◆◆◆ Reforming the EU electricity markets ◆◆◆ Financing projects for homeless through EU resources ◆◆◆ EC establishes energy poverty stakeholder group ◆◆◆

EU Parliament decides on EPBD

14th of March 2023, the European Parliament adopted its position on the **Energy Performance Buildings Directive EPBD** by 343 votes to 216, with 78 abstentions.¹



It was a very complicated and contentious procedure as requests for split votes and roll-call votes on 68 controversial amendments after the ITRE-committee compromise on February 9 of rapporteur Ciaran Cuffe (Greens/EFA) have been tabled.²

Targets:

All new buildings should be zero-emission from 2028.

¹

https://www.europarl.europa.eu/doceo/document/TA-9-2023-0068_EN.html

² <https://www.euractiv.com/section/energy->

All new buildings should be equipped with solar technologies by 2028, where technically suitable and economically feasible, while residential buildings undergoing major renovation have time until 2032.

Residential buildings will have to achieve energy performance class E by 2030 and D by 2033- on a scale going from A to G, the latter corresponding to the 15% worst-performing buildings in the national stock of a member state.

Non-residential and public buildings would have to achieve the same ratings by 2027 and 2030, respectively.

The upgrade in energy performance (insulation works or improvement of the heating system) is taking place when a building is sold or undergoes a major renovation or, if it is being rented, when a new contract is signed. Member states will establish the measures to achieve these targets in their national renovation plans.

[environment/news/european-parliament-agrees-position-on-buildings-law-despite-pushback/](https://www.euractiv.com/section/energy-environment/news/european-parliament-agrees-position-on-buildings-law-despite-pushback/)

Relevant Derogations:

Member states may exempt public social housing, where renovations would lead to rent increases that cannot be compensated by savings on energy bills.

The EP wants to allow Member States to adjust the new targets in a limited share of buildings depending on the economic and technical feasibility of the renovations and the availability of skilled workforce.

Support measures against energy poverty:

Member states should include support schemes for grants and funding.

Member states need to put in place cost neutral renovation schemes.

Targeted grants and subsidies should be made available to vulnerable households.

For the first time, the Energy Performance Buildings Directive (EPBD) includes these social safeguard claims of the International Union of Tenants. We managed to keep them in the text of the European Parliament.

IUT, Housing Europe, FEANTSA and Fondation Abbé Pierre: Green housing must be affordable and inclusive for all.

“The revised directive on the energy performance of buildings should ensure the cost neutrality of renovations and not penalise low and middle-income groups”, argues **Barbara Steenbergen**, Head of IUT liaison office to the EU.

Together with **Sorcha Edwards** (Housing Europe), **Christophe Robert** (Fondation Abbé Pierre) and **Freek Spinnewijn** (FEANTSA), IUT contributed with an op-ed to the debate on the necessary social safeguards in the EPBD and the Green Deal Legislation:

The European Parliament has adopted a text that could be a decisive step in favour of decent and affordable housing once finally approved by the Council of Ministers. Organisations



Ciaran Cuffe MEP and **Barbara Steenbergen**, IUT Head of Liaison office to the EU

Next steps:

The inter-institutional negotiations (trilogue) between the Member States, the European Parliament and the European Commission are ongoing. The Swedish EU-Presidency has the lead in the trilogue. ***

working for affordable housing welcome that energy-efficient renovation of worst-performing homes will be increased, but they also advocate for strong social safeguards to avoid unintended negative social consequences.

Delivering on the promised fairness of the energy transition

The EPBD proposal aims to introduce Minimum Energy Performances Standards (MEPS), establishing a roadmap for existing buildings to achieve higher energy ratings (class E by 2030 and class D by 2033) for residential buildings. This will bring significant social, health, and economic benefits for low- and middle-income vulnerable households, as they are most likely to live in inadequate, unaffordable and underperforming homes. However, renovations come at a cost, and social housing providers, landlords, homeowners, and tenants will have to pay the

price. Past renovation programmes have often led to unintended negative social consequences.

By introducing MEPS, the EPBD should ensure the cost neutrality of renovations, preventing rental or mortgage costs from exceeding the energy cost savings after renovation.

Rent caps and rent stabilisation mechanisms can effectively prevent increased housing cost burdens. Housing cost neutrality should apply for all energy retrofits: renovations must lead to decreased costs due to energy savings and rent increases that are higher than savings are to be avoided in the private and public and social housing sectors.

Special attention should be paid to poorly regulated private rental markets, where it is more difficult to protect tenants. The EPBD should encourage Member States to actively

Reforming the EU electricity market: first debates on EC proposal

24th March 2023, the *Centre for European Policy Studies* (CEPS)⁴ hosted an event to discuss about the Commission's proposal⁵ on the electricity market reform. According to the European Commission, the proposal should protect and empower consumers.

High and volatile prices, such as those seen in 2022 provoked by Russia's energy war against the EU, have put an excessive burden on consumers. The proposal will allow consumers and suppliers to benefit from more price stability based on renewable and non-fossil energy technologies. Crucially, it will give consumers a wide choice of

prevent evictions or gentrification, especially if implemented at district level.

Technical, social, and administrative support, preferably in the form of integrated renovation services, can guarantee that households have access to well-implemented renovation programmes.

We call for the highest level of institutional participation and democracy for tenants and vulnerable homeowners to be on an equal footing with landlords, housing providers, building managers and developers.

Therefore, whatever form MEPS take, it is essential that their introduction is backed by mandatory social safeguards.^{3 ***}

contracts and clearer information before signing contracts.

In the CEPS panel, several issues were addressed, such as to what extent this proposal can be instrumental in boosting the electric market and overcoming high energy prices, what may be the possible impacts on consumers and energy companies, and whether member states are really willing to align with this proposal.

Christian Egenhofer (CEPS) opened the event by highlighting the key role of Ukrainian war and the consequent raising of the fossil fuel prices in triggering the work of the Commission on this proposal. In addition, he pointed out how this reform could positively affect the use of renewable energy.

³ <https://www.euractiv.com/section/energy/opinion/green-housing-must-be-affordable-and-inclusive-for-all/>

⁴ <https://www.ceps.eu/>

⁵ https://ec.europa.eu/commission/presscorner/detail/en/IP_23_1591

The main contribution came from **Christof Lessenich** (DG Energy, European Commission). He firmly stated that the Commission's proposal puts the basis in order to facilitate the deployment of more stable long-term contracts like Power Purchase Agreements (PPAs)⁶, through which companies – including housing providers- establish their own direct energy supplies and can profit from more stable prices of renewable and non-fossil power production.

From his point of view, longer term contracts with non-fossil power production will allow consumers and suppliers to benefit from more price stability, without

Debate on the prevention of homelessness through EU funds

Kim Van Sparrentak MEP hosted March 27th an event organized by FEANTSA, Fondation Abbé Pierre, and Housing Europe. The focus of this event were solutions that had been put in place to decrease homelessness at European Union level and what other actions might be developed soon. Especially the use of European funds to finance certain projects and, of course, how the scarcity or misuse of these funds can negatively affect the projects themselves was debated.

Kim Van Sparrentak MEP stated that the priority now, especially after the Covid crisis, is to ask the EU for more funds in order to develop projects related to homelessness.

Sorcha Edwards, Housing Europe, stated that to achieve the massive aim of the end of homelessness in 2030, there is the need to create a stable relationship between local authorities, social workers, organizations, and housing providers.

getting in the spiral of prices volatility due to non-renewable energy. Furthermore, he underlined that this mechanism aims to foster price stability by reducing the risk of supplier failure.

The draft Electricity Market Design Directive establishes protection from disconnection for vulnerable costumers and allows energy poor households to access energy sharing schemes. However, protection standards must become stronger, giving the possibility to vulnerable households not to be cut from energy services. ***

Freek Spinnewijn, FEANTSA, particularly insisted on the difficulty in accessing European funds. In any case, he reiterated two options on how best to manage the funds: create special task forces to help local authorities better manage European funds on these fields, and also request finance loans from the EU to start new projects. He also stressed the importance of the fact that combating homelessness is part of the EU Action Plan and Social Pillar.

Dieter Breuer, director of IBWA⁷ intervened in the discussion, reporting his own project. The IBWA organisation is based in the district of Ossendorf in Cologne, Germany, aiming at eradicating the causes of homelessness. The motto of this project is "homeless building for homeless". This implies that the project aims at integrating and qualifying homeless people in the construction field. They are part of the process and as final result they are encouraged to live in the houses they built.

⁶ https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=PI_COM%3AC%282022%293219

⁷<https://www.housingevolutions.eu/project/the-ibwa-model-designing-housing-solutions-by-with-and-for-homeless-citizens/>

Jan Milota was representing the Czech Platform for Social Housing⁸. This Platform is an umbrella organization for NGOs, professionals, and civil society interested in social housing and human rights. He reported that Housing First, a pilot program for homelessness, is implemented in Czech Republic. First data show that 85 percent of the people involved in the program were able to maintain the given housing through subsidies as well as their own efforts, e.g. by reintegration in the work markets.

Alison Harvey, manager of the National Planning Programmes, Heritage Council⁹ pointed out the severe issue of empty and abandoned housing in Ireland. "The situation is really bad in Ireland", she explains, not only from the point of view of contracts and renovations, but also concerning how little data is collected and obtained. This entails the difficulty of understanding where vacancies are in Ireland and consequently how to activate projects.

Renaud Payre, responsible for Housing from the City of Lyon, reported his experience in the field of homelessness in Lyon. As in Ireland, one major problem is empty housing and how to address the owners of the units. Lyon is buying vacant houses, renovate and rent them at affordable prices for homeless people or groups at risk. However, he pointed out the fact that more funds from the EU are needed in order to better develop and maintain these projects.

IUT member of energy poverty stakeholder group of DG ENER

23rd March, **Adela Tesarova**, Head of Unit at DG ENER, invited stakeholders involved in social and energy policy to establish an Energy Poverty Stakeholder Contact Group to create a regular exchange between key stakeholders and DG Energy working on energy poverty in the EU. The group's objective is to achieve more transparency among the energy poverty community and allow for a regular exchange with a wide variety of stakeholders. IUT's head of liaison office **Barbara Steenbergen** is member of the group and underlined the fact that it would be extremely important to take Member States on board. In this way, the group can give targeted inputs to implementation of the National Building Renovation Plans which will be the bridge between EU and national legislation.

According to IUT, the discussion of the next meetings should focus on the definition of *social safeguards*, for tenants and residents, regarding the EPBD, EED, Social Climate Funds and Just Transition Mechanism. Moreover, Steenbergen suggested to elaborate professional guidance to the implementation of Minimum Energy Performance Standards, especially in the overlapping field of tenancy law and energy law.

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⁸ <http://narativ.cz/en/platform-for-social-housing>

⁹ <https://www.heritagecouncil.ie/>