



To: Mr. Richard BRABEC, Minister of Environment

On the Road Towards Final NECPs, Give Energy Efficient Buildings the Green Light to Deliver their Full Potential!

Dear Minister,

Less than two months - that is the time left for Czechia to submit its Final National Energy & Climate Plan (NECP). It is in that context that we write to you, to emphasise the potential that energy efficient buildings and building renovation have in leading us to climate neutrality by 2050. While a new European Commission, which places the EU Green Deal as a core priority, prepares to take office, we believe that Czechia, when finalising its NECP, should give energy efficiency in buildings the green light to deliver its full potential.

At EuroACE - the European Alliance of Companies for Energy Efficiency in Buildings, we represent leading companies involved with the manufacture, distribution and installation of energy saving goods and services for buildings. EuroACE members employ around 286,000 people in these activities in Europe (9,940 in Czechia) and have around 1,200 production facilities and office locations (more than 40 in Czechia). The mission of EuroACE is to work together with the EU and national authorities to help Europe move towards a more efficient use of energy in buildings, thereby contributing to Europe's commitments on climate change, energy security and economic growth.

First, we would like to draw your attention to the **benefits that accrue by 'doing things right'** in the **buildings sector**, putting energy efficiency first. It is possible with today's technologies to reduce the energy demand in buildings by at least 80% by 2050. Not only does it hold a big decarbonisation potential, as building represents 36% of CO₂ emissions and 40% of the energy consumption in the EU, but it also offers flexibility to the entire energy system.¹ Boosting the energy renovation of our buildings brings many benefits to citizens, such as better health, more local jobs or lower energy bills, which makes it a highly desirable policy to implement!

It is crucial to start with a thorough and quick implementation of the Energy Performance of Buildings Directive (EPBD). In this regard, we invite you to read our recommendations in our <u>Guide to the EPBD Implementation</u>, published last year to help Member States with the transposition of the EU Directive. Although the official transposition deadline of the EPBD is on 10th March 2020, some elements of the Long-Term Renovation Strategy should already be included in the Final NECP:

- » The indicative milestones for 2030, 2040 and 2050;
- » The domestically established measurable progress indicators;
- » An evidence-based estimate of expected energy savings & wider benefits;
- » The contribution of the buildings sector towards the overall energy efficiency target.

¹ See '<u>Towards Fossil Free Energy by 2050'</u>, European Climate Foundation, March 2019, pp. 18-20.



Furthermore, in its **Recommendation on Czechia's Draft NECP**, the European Commission called for more concrete information on the impact and timeline of policies & measures in the energy efficiency field, notably for building renovation. We recognise this as an essential pillar for all NECPs and encourage you to take the Recommendations on board, as it will help closing the gap identified for the 2030 energy efficiency target (6 points below 32.5%).

Not only should the Final NECP be matched with latest national policy developments, but it should also include **additional information on financing**. We would like to recall that there are numerous funding streams for the energy renovation of buildings, such as:

- » The Multiannual Financial Framework, such the European Regional Development Fund, the Invest EU or the LIFE Programmes;
- » The European Investment Bank upcoming Initiative for Building Renovation (see our Letter to the EIB Board here);
- » Recycling revenues from the ETS (we recall that Czechia has done very well on this in the past years and we encourage you to open up this funding stream to more residential buildings outside Prague).

We would be delighted to have a discussion or provide further information on any of the points above and hope they will be useful for your work ahead. We are always eager to be involved in stakeholder consultations.

We look forward to the **next Energy Council on 4**th **December** and the publication of Czechia's Final NECP by 31st December and hope to see more concrete measures to boost the building renovation market, with the ambition to achieve climate neutrality by 2050.

Yours Sincerely, Adrian JOYCE, Secretary General.

Copy:

Mr. Pavel ZAMYSLICKY, Director, Energy & Climate, Ministry of Environment;

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For further information

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EuroACE Members (November 2019)



























