

EUROPEAN COMMISSION

PRESS RELEASE

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Energy efficiency in buildings: Commission refers Poland and Austria to Court and proposes fines

The European Commission is referring Poland and Austria to the Court of Justice of the European Union for failing to fully transpose the Energy Performance of Buildings Directive. Under this Directive, Member States must establish and apply minimum energy performance requirements for all buildings, ensure the certification of buildings' energy performance and require the regular inspection of heating and air conditioning systems. In addition, the Directive requires Member States to ensure that by 2021 all new buildings are so-called nearly zero-energy buildings. The Directive had to be transposed into national law by 9 July 2012.

Günther H. Oettinger, Vice-President of the Commission responsible for energy, said: "Energy efficiency is important to decrease import dependency and boost security of supply. It is crucial that all Member States put in place the legislation necessary to speed up energy efficiency measures. 40% of EU energy consumption is in the buildings' sector so this is the field where the highest savings can be achieved".

By referring these Member States to the Court, the Commission proposes a daily penalty of $96,720 \in$ for Poland and $39,592.80 \in$ for Austria. The level of this penalty is set taking into account the duration and the gravity of the infringement. In case of an affirmative judgment of the Court, the daily penalty is to be paid from the date of the judgment until the transposition is completed. The final amount of the daily penalty will be decided by the Court.

Buildings have an impact on long-term energy consumption. The Energy Performance of Buildings Directive (Directive 2010/31/EU) creates the right for consumers and citizens to be informed about the energy performance of the building they intend to buy, to rent or to construct and the right to be properly advised on cost-effective ways to improve the energy performance of the building.

The minimum energy performance requirements are calculated by Member States in accordance with the substantial requirements of the Directive and their implementation and enforcement is a major element for the progressive improvement of the energy efficiency of the building stock. Imposing minimum energy requirements in buildings also aims at providing environmentally friendly market incentives both for the renovation of existing buildings and for the construction of 'nearly zero energy buildings', i.e. buildings which consume very little energy thanks to excellent insulation, their orientation towards the sun, energy-efficient heating and cooling systems, etc.

The Commission has sent to Poland and to Austria a letter of formal notice concerning the transposition of the Directive in September 2012. A reasoned opinion followed in June 2013 for Poland and in September 2013 for Austria. Today, in both Member States the transposition of <u>Directive 2010/31/EU</u> has still not been completed. There is still lack of



transposition measures including, amongst others, measures relating to energy certificates, minimum energy performance requirements and nearly-zero energy buildings.

The decision of the Commission follows the decision of 16 April 2014 for referring Finland and Belgium to Court under the same Directive. The Commission is currently also examining the situation in other Member States (Slovenia, the Netherlands, Luxembourg, Italy and Czech Republic) to which reasoned opinions for incomplete transposition have been addressed. Therefore, today's Commission action might be complemented by further referrals to the Court over the next months.

Background

The EU is aiming for a 20% cut in Europe's annual primary energy consumption by 2020. Buildings account for about 40% of the EU's total final energy consumption and more than one third of its CO2-emissions. By properly transposing and implementing the legislation on energy efficiency in buildings, EU Member States can achieve a significant amount of cost effective energy savings and avoid related greenhouse gas emissions.

Under the Lisbon Treaty, which entered into force on 1 December 2009, if Member States fail to transpose EU legislation into national law within the required deadline, the Commission may ask the Court to impose financial sanctions when referring the case to court.

The daily penalty payment is calculated based on a formula, where the following elements are multiplied:

- seriousness factor
- duration of the infringement
- "n" factor (which varies between Member States and takes into account their GDP)
- flat-rate amount, which currently is set at €650 per day.

More information

The Energy Efficiency in Buildings Directive can be consulted here

Commission web page on energy efficiency

For more information on infringement procedures click here

On this month's infringement package decisions, see MEMO/14/470

On the general infringement procedure, see MEMO/12/12

For more information on infringement procedures:

http://ec.europa.eu/eu law/infringements/infringements en.htm

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