

Revision of the Energy Performance of Buildings Directive (EPBD)

Liquid Gas Europe position in view of trilogue negotiations

The revision of the Energy Performance of Buildings Directive (EPBD) is a welcome and a necessary step in achieving an overall reduction of Greenhouse Gas Emissions (GHG) from European buildings. It also provides a unique opportunity to make significant improvements in energy efficiency, reducing costs for European citizens and businesses, and to help ensure energy security in EU Member States.

Liquid Gas Europe, the association representing the industry that supplies liquid gas (propane/butane, more commonly known as LPG) to European citizens and businesses, fully supports the objectives of the EPBD. As the Directive now enters trilogue discussions, we look forward for the Directive to ensure that suitable options are available to accommodate the needs of all European consumers, particularly those who live in hard-to-treat, rural and off-grid buildings.

This can be achieved by:

- Enabling the use of all methods to decarbonise heating, and
- Not limiting Zero-Emission Buildings solely to renewable energy sources generated onsite.

1. Retaining the option of renewable boilers and other methods to decarbonise buildings:

Liquid Gas Europe believes that the option of boilers certified to run on renewable fuels should be preserved, to ensure that a cost-effective, alternative decarbonisation route is available to meet the specific needs of rural off-grid communities and help them overcome the challenges they face. This can be seen in the changes by the European Parliament in Articles 7 & 8 distinguishing renewable-ready boilers and allowing for the installation of these boilers in new and existing buildings. Co-legislators should also avoid contradictions within the legislation that limit the use of these renewable-ready boilers.

Liquid Gas Europe believes that the EPBD should not be too prescriptive in defining what technology EU citizens should use to meet net-zero emission objectives, as this would considerably increase costs for consumers and make meeting the 2050 climate target even more challenging. A multi-vector, multi-technology approach is more likely to enable the EU to meet its net-zero emissions ambition by 2050: in fact, a study conducted by Guidehouse concluded that electrification combined with other renewable energy carriers would result in faster reduction in gas consumption, monetary savings, and increased resilience of the energy systems¹.

However, the European Parliament may have inadvertently prevented the uptake of renewable-ready boilers by introducing requirements on the Energy Label for technical building systems. While not a *de jure* ban, this would result in a *de facto* ban. Thus, co-legislators must ensure consistency within the legislation and setting clear signals for a technology-neutral approach.

Gas boilers that can run on renewable liquid gases necessitate roughly a quarter of the investment cost of heat pumps, and are even cheaper compared to biomass boilers, making them more affordable for households and business in challenging financial situations.

¹ Decarbonisation pathways For the European building sector, Guidehouse Germany (2022): https://ehi.eu/wp-content/uploads/2022/10/Decarbonisation-pathways-for-the-EU-building-sector_full-study-1.pdf

There are nearly 50 million rural households in the EU (occupied by approx. 140 million citizens), many of which are not connected to a natural gas grid and consequently use a variety of off-grid heating fuels. In 2021, the Member States with the highest housing cost overburden rate for rural areas included Greece (22%), Bulgaria (13,3%), Romania (10,8%), Denmark (10,5%), Germany (8,6%) and the Netherlands (8,3%). In fact, in Romania, Bulgaria, Lithuania, Croatia and Latvia, the overburden cost is higher in rural areas than in cities, making affordable heating an essential need for these communities.²

2. Provisions on Zero Emission Buildings (ZEBs)

Some European households, particularly those in rural areas, will face significant challenges in transitioning to ZEBs. This is why Liquid Gas Europe supports provisions which allow ZEBs to use a multitude of energy sources, including **renewable energy sources stored onsite** and not just those *generated* onsite, as can be seen in the European Parliament's position. Hard-to-treat buildings, such as those in rural and off-grid areas, will then be able to have a renewable energy source delivered and stored onsite to supplement any renewable energy generated onsite.

GHG emission limits for ZEBs should also differentiate between fossil-fuel GHG emissions and non-fossil fuel GHG emissions, as the 2050 objective is **net-zero emissions**, not *zero* emissions. Seeking to limit fossil-fuel GHG emissions in ZEBs, rather than GHG emissions, would make it even harder for rural households to comply with EPBD requirements.

²² [Is housing affordable? \(europa.eu\)](https://europea.eu)

[Urban and rural living in the EU - Products Eurostat News - Eurostat \(europa.eu\)](https://eurstat.eu)