



2.3.2023

Subject: Energy Performance of Buildings Directive (EPBD)

**Honourable Members of the European Parliament,**

We are pleased that you raised our earlier concerns in the ITRE Committee. However, we believe that implementing the Energy Performance of Buildings Directive as proposed by the ITRE will be very expensive, the implementation schedule will be unrealistic, and the overall effect will be weak. Furthermore, it would lead to difficulties in the built environment throughout Europe without the obligations effectively reducing greenhouse gas emissions in the EU.

**VTT Technical Research Centre of Finland Ltd has estimated that 40 per cent of our building stock would need to undergo compulsory renovations, even though the buildings in Finland are already among the best in Europe in terms of energy efficiency due to the weather conditions here in the north. Renovations of residential buildings would directly affect more than two million people in Finland. The provisions of the current proposal would prove very expensive, especially in sparsely populated, urbanising Finland, which already has an energy-efficient building stock and centralised energy systems. It would be sensible to make energy efficiency improvements in connection with other renovation work.**

The European Council's general approach to the reform of the EPBD is a step in the right direction. We, the undersigned organisations, ask you to contribute to amending the proposal in the Parliamentary reading so that it is possible to achieve the goals of the Fit for 55 package cost-effectively with regard to the building stock. A managed transition to a climate-neutral Europe with the approval of society requires cost-effective investment, as money and people are in limited supply. Cost-effectiveness also ensures that the emissions from the building stock are reduced in an environmentally, economically and socially sustainable way.

At the same time, we would like to put all our expertise at your disposal in an endeavour to ensure that the directive serves the ambitious energy and climate targets of Finland and the EU as planned, without imposing expensive and inefficient requirements on the citizens and communities of EU Members States with regard to energy efficiency and climate change mitigation.

The following are the key issues concerning the acceptability, effectiveness and cost-efficiency of the proposed directive:

- The strict energy efficiency requirements also apply to buildings with no value in use and for which there is currently no financing available to cover the renovation costs.
- The special characteristics of the Finnish energy system (centralised energy systems) and rapid progress towards reducing emissions have not been taken into consideration.
- In practice, energy efficiency is always improved in conjunction with other renovations if the building has a use in the future. The EPBD proposal conflicts with this good practice.
- Charging points are already being built on market terms in response to actual demand. However, the EPBD proposal requires excessive construction of basic charging points in parking spaces at non-residential buildings, giving rise to unreasonable investment and maintenance costs for building owners.
- The EPBD proposal will overheat the construction market throughout Europe with significant obligations and infeasible deadlines. It is not possible to comply with these requirements in an economically, socially and ecologically sustainable way.

Now is the time to influence the course of the green transition to ensure efficient and effective progress by allocating limited resources wisely in Europe – including in the Finnish building stock.

Yours sincerely,

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