



# Guidelines for **robust** legal frameworks for **better** EPC enforcement

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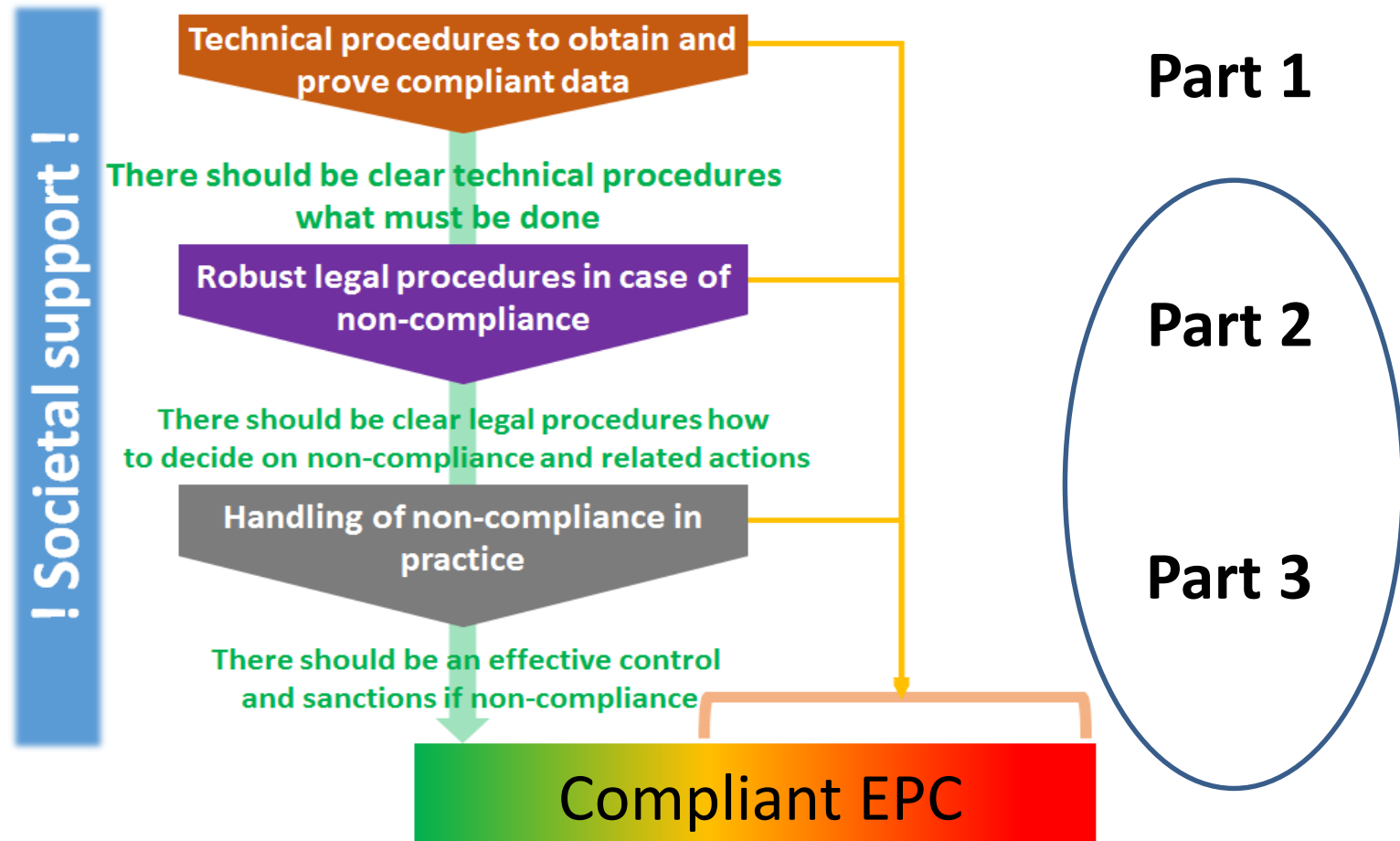
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# Source book on EPC compliance

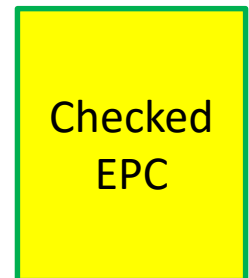


Focus of this presentation:

- The need for:
  - **Clarity of procedures and how to decide on non-compliance and related actions**
  - **Effectiveness of control and sanctioning mechanisms to be applied in cases of non-compliance**
- Some key aspects and examples taken from the Source Book on EPC Compliance

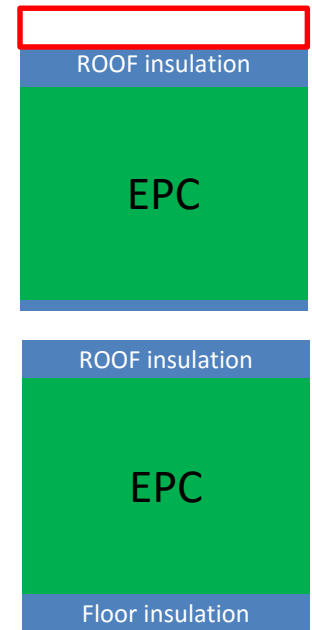
## An exemplary problematic situation, highlighting the need for robust compliance frameworks:

- An investor orders a very energy efficient building. The EPC shows that this objective is met.
- Compliance checks highlight errors in the calculation, whereby the EPC result is worse than stated but still meets the legal requirement.
- There is no sanction as the legal requirement is met. However, the investor does not get the building expected.
- Trust in EPC? Market acceptance? 2030 Targets?
- Compliance framework needs improvement.



## An exemplary problematic situation, highlighting the need for robust compliance frameworks:

- An EPC is subject to control.
- An inspector observes that the roof is less insulated than specified in the EPC.
- The owner declares that the floor on the ground is better insulated than reported in the EPC, resulting in the same overall performance.
- However, is it evident for the inspector to check if the floor is insulated as stated by the owner?
- It depends on the moment defined for EPC submission:
  - Design stage - building permit
  - After completion - as-built situation



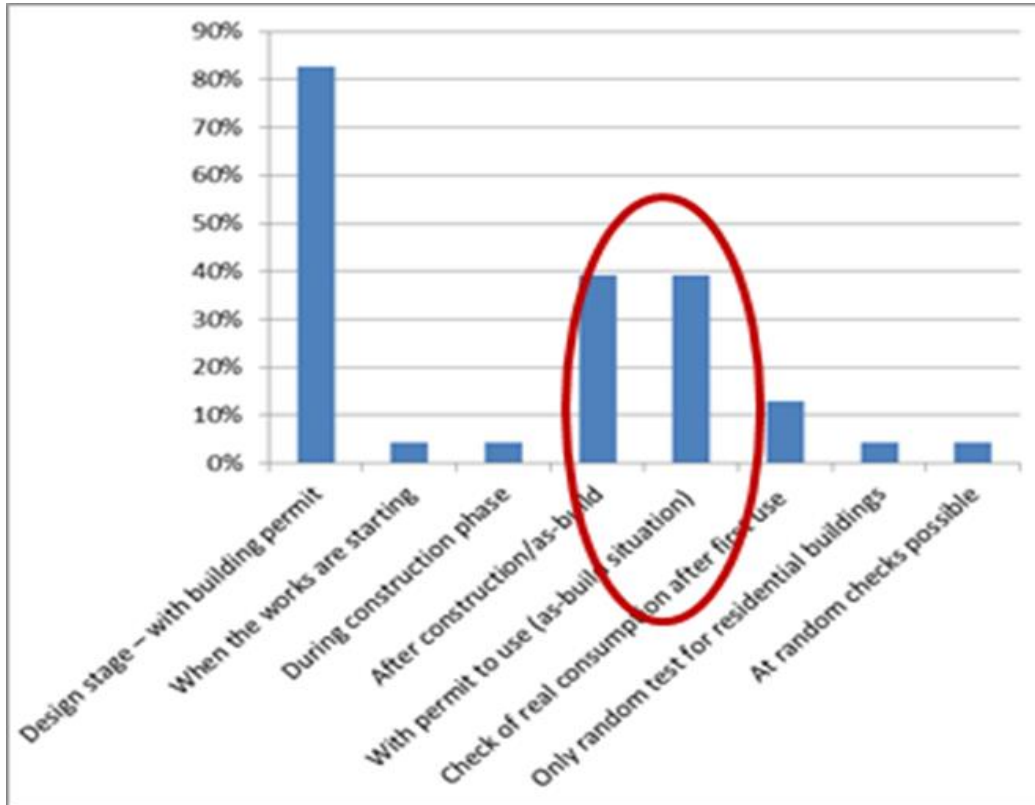
**The legislation must clearly specify the latest moment to submit the EPC:**

- **In case the EPC must be submitted at the moment of the building permit:** changes may occur, whereby it still might be possible to meet the declared EPC.

What is subject to control? Many possible options, difficult to handle → **expensive framework**

- **In case the legislation imposes to have the EPC reporting after the end of the works,** there is no reason to allow the possibility of compensation.

Clear situation what is subject to control: **effective and cost efficient framework feasible**



Most countries check the compliance of energy performance requirements at the design stage as part of the building permit procedure.

There are still countries **ONLY** checking at **design stage** which is insufficient in terms of clarity of procedures but also regarding the intention of the EPBD.

Bearing the intention of the Directive 2010/31/EU in mind, namely to transform the building sector towards energy efficiency, **the as-built situation needs to be checked and controlled.**

Source: Presentation by Wina Roelens held on the event on 2nd February 2016 (Revamped BUILD UP and findings from Concerted Action EPBD: <http://www.buildup.eu/en/events/revamped-build-and-findings-concerted-action-epbd>) and Concerted Action EPBD Core Theme report 2015 <http://www.epbd-ca.eu/ca-outcomes/2011-2015>

## Appropriate resources for effective compliance checking:

**Financial and human resources to control** are limited, thus solutions will have to be found how to disburden the administrative staff

- by improving the efficiency of administrative procedures and / or
- by transferring certain tasks to market players.

The **availability of an EPC-database** is a precondition for cost-efficient and effective compliance checks.

The EPC-database will be use **to select the EPCs** to be checked.

The **development of the sampling scheme** is crucial:

- Which building related energy aspects need most attention because **weaknesses** are already known?
- Which building related energy aspects should be investigated because there are hints regarding **potentially problematic situations**?
- Which building related energy aspects should be investigated because **little information** is available?



## Exemplary problematic situations regarding effective compliance checking:

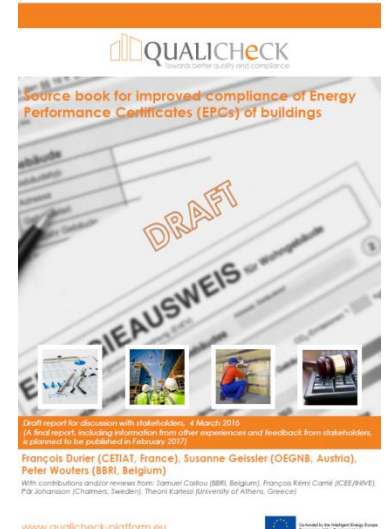
- **There is no central EPC database**, and therefore the basis for setting up an effective sampling scheme is missing.
- **The central EPC-database** was designed in an isolated way and **does not provide all appropriate interfaces** to fully exploit the potential for setting up an effective and cost-efficient sampling scheme.
- **The EPC-database does not contain a publicly accessible part** and thus prevents interested individuals from checking basic information published in advertisements.

## Different approaches of effective compliance checking:

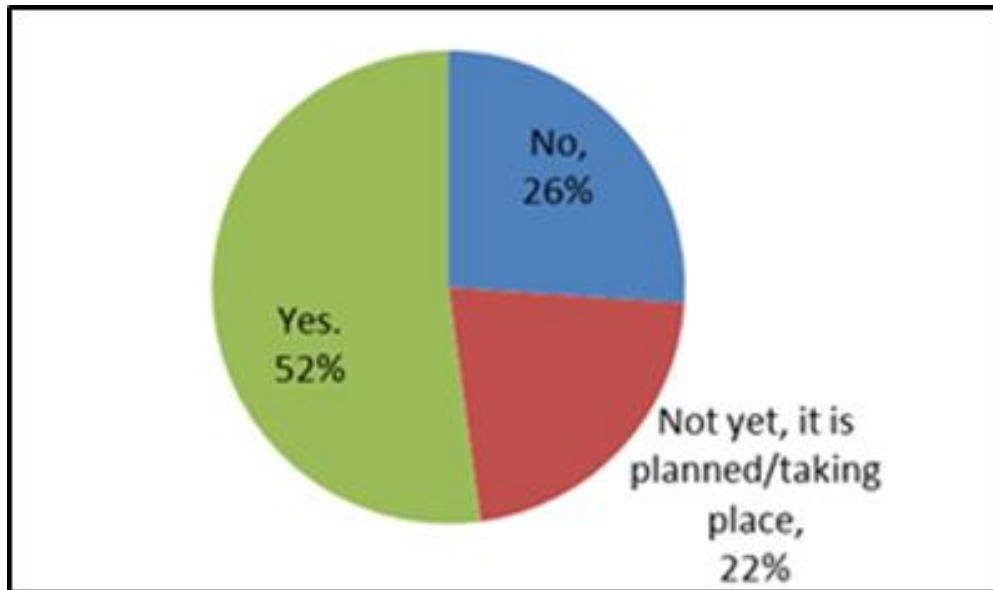
- In UK and Ireland, **interested individuals check** energy indicators published in commercial media by searching this information in the public part of the EPC-database.
- In France, the **Third Party in charge of control** (private companies) must check at least 8 EPC reports for each expert. In addition, they must carry out one on-site control per expert once every 5 years based on an existing EPC report.
- In Belgium, the **Flemish Energy Agency VEA checks** yearly 3000 buildings on the availability of EPC when selling or renting out. The compliance rate has changed from 47% in 2009 to 95% in 2012.

## Handling non-compliance in practice:

- Stakeholders respect **clear enforcement procedures** resulting in **adequately severe sanctions** executed in case of non-compliance.
- First of all, **sanctions should address the room for improvement** detected during the compliance-check, not only to ensure compliance but also to assure the quality of EPCs in general.
- Thus, apart from financial sanctions such as penalties and withdrawal of grants, there are **different types of sanctions**, such as **additional mandatory trainings for EPC experts**, to improve EPC quality.
- Handling of non-compliance in practice must be effective, cost-efficient and affordable.
- **Find food for thought in the Source Book:**



## A questionnaire done during the Concerted Action EPBD shows:



- About 50% of countries have an idea about the compliance rate of new buildings with energy requirements
- About 50% of countries don't.

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To achieve the objective:

Robust legal frameworks for better EPC enforcement

- a 40% cut in greenhouse gas emissions compared to 1990 levels
- at least a 27% share of renewable energy consumption
- at least 27% energy savings compared with the business-as-usual scenario

Thank you for your attention!

Contact: [office@oegnb.net](mailto:office@oegnb.net)



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