

Brussels, 3 December 2008

The Commission proposes measures to boost energy efficiency and renewable energy in low-income households

The European Commission adopted a proposal today which will, for the first time, enable all Member States and regions in the European Union to invest in energy-efficiency and renewable energy measures in housing, with the support of European Cohesion Policy funding. The measure, foreseen in the European Economic Recovery Plan presented last week, will be targeted at low-income households. In practice, this means the EU will be able to co-finance national, regional or local authority schemes to install double-glazing, wall insulation and solar panels in housing.

Commenting on the proposal, Danuta Hübner, Commissioner for regional policy, said: *"This is a win-win measure. It will save energy, cut emissions, bring down fuel bills for the most vulnerable in society and help the construction industry and SMEs in particular. We hope that the Council and the European Parliament will adopt this proposal without delay and that Member States will move quickly to set up schemes to harness this investment."*

Andris Pielbalgs, Commissioner for energy, added: *"The residential sector is responsible for a quarter of energy consumption in Europe. With this measure we are going to help European citizens to improve the quality of their homes, while making a substantial contribution to our climate change and security of supply policies."*

Boosting energy efficiency

Current legislation on the EU Structural Funds gives new Member States only a limited right to use support from the European Regional Development Fund (ERDF) for housing. It can only be used for common parts of a building (or the entire building in the case of social housing) in deprived urban areas. Today's proposal would allow the whole EU-27 to benefit from ERDF support for energy efficiency and renewable energy investment in all types of buildings. However, interventions can target only low-income households (as defined by national rules).

In concrete terms, interventions could co-finance, for example, national, regional or local schemes for insulation of walls, roofing and windows (double-glazing), solar panels, and replacement of old boilers for more energy-efficient ones.

Measures to speed up energy investment in buildings will contribute to **the following objectives**:

- inject dynamism into the European economy, promote EU competitiveness and job creation, notably in the construction industry;
- improve know-how in the field of energy efficiency and renewable energies;
- underpin the objectives of other Community policies such as energy security, environment and the fight against climate change.

To date, through the Cohesion Policy, the 27 Member States have planned to invest €4.8 billion on renewable energies and €4.2 billion on energy efficiency and energy management measures.

Background

Buildings alone are the source of 40% of greenhouse gas emissions in the European Union. Too much energy continues to be wasted in buildings because of inefficient heating and air-conditioning systems and lighting. According to current Commission estimates, cost-effective energy savings in the building sector could reach 28% by 2020. Some EU studies also conclude that an average EU householder could save between €200 and €1000 per year, depending on their energy consumption, by making their homes more energy efficient.

The Member States and the Parliament will have to adopt this Commission's proposal, in accordance with the co-decision procedure.

To see the overall contribution of Cohesion Policy to the European Economic Recovery Plan, see [MEMO/08/740](#)

More information on regional policy:

http://ec.europa.eu/regional_policy/index_en.htm