

Guiding Principles for the Decarbonization of the European Building Stock

The undersigned associations represent owners and users of Finland's commercial, public, and residential building stock. **We represent approximately 80 per cent of all properties in Finland.**

We recognize the need for urgent measures to combat climate change and welcome energy and climate measures that support the achievement of the EU's goal of carbon neutrality by 2050. In order to achieve carbon neutrality and reduce greenhouse gas (GHG) emissions in Europe's building stock, the goal should be carried forward in a fair, competitive and innovative way that emphasize cost-effectiveness – especially the adequacy of resources – the general acceptance of all measures and the social policy needs arising from the measures.

We state following guiding principles for the decarbonization of the European building stock:

- 1. The EU should focus on setting union-wide targets for reducing GHG emissions and supporting Member States' energy and climate work.** The Member States should be allowed to select the means and practical implementation to ensure technology-neutral and feasible solutions that take into account national strengths and differences. Monitoring achievements, financing EU-level research and development, and sharing best practices would be part of the EU's role.
- 2. The main principle should be the reduction of GHG rather than detailed technical requirements.** This should govern the energy use of buildings and the decarbonization of the building stock. In practice, the GHG emissions of the building stock can be reduced by developing the current emissions trading scheme, including property-specific heating and phasing out fossil fuel use.
- 3. Sufficient time should be allowed for the national implementation** and verification of the effectiveness of the revised directive. The continuous renewal of policies obstructs market development and the reliable assessment of national implementation in Member States.
- 4. There are considerable differences in the energy efficiency of the building stock between the Member States.** Energy efficiency targets should recognize the factual data regarding the state of national energy efficiency and the efficiency improvements already made by Member States. Energy efficiency work becomes less and less cost-effective the further it progresses. **Member States should benefit from their previous efforts and for achieving previous targets instead of having more stringent obligations imposed on them.**
- 5. Involving local and regional private and public sector actors in energy and climate work is imperative.** It is also a way to ensure the efficiency and acceptability of measures related to buildings. This can be best achieved through national plans, with the Commission monitoring implementation. At the EU level, it is also important to ensure the social justice of the green transition.

Respectfully,

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