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**Green construction  
legislation:  
Opportunities and  
Challenges**

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## What is “green construction”?

While there is no specific legal definition of “green construction” in EU law, it refers to sustainable building practices that prioritize environmental and social responsibility.

Principles and objectives related to sustainable construction are often reflected in various directives, regulations, and policies aimed at advancing sustainable development and combating climate change.



## Recast of Energy Performance of Buildings Directive (EPBD)

# The Role of Buildings

## Energy Consumption and Emissions:

- Buildings account for approximately 40% of the EU's energy consumption.
- They also contribute to more than half of EU gas consumption (mainly through heating, cooling, and domestic hot water).
- About 35% of energy-related greenhouse gas emissions come from buildings.

## Existing Challenges:

- Approximately 35% of the EU's buildings are over 50 years old.
- Nearly 75% of the building stock is energy inefficient.
- The average annual energy renovation rate is only about 1%.

# Key Areas Targeted by New Legal Regulation: Renovation (I)

## Renovation Thresholds for Non-Residential Buildings

### 16% Threshold:

- Each Member State must set a maximum energy performance threshold such that 16% of its national non-residential building stock is above that threshold.
- By 2030, all non-residential buildings must be below this threshold.

### 26% Threshold:

- Additionally, each Member State must set a maximum energy performance threshold such that 26% of its national non-residential building stock is above that threshold.
- By 2033, all non-residential buildings must be below this threshold.

**Essentially**, Member States are required to renovate the worst-performing buildings:

- By 2030: Renovate the 16% of worst-performing buildings.
- By 2033: Renovate the 26% of worst-performing buildings.



## Key Areas Targeted by New Legal Regulation: Renovation (II)

### Residential Building Energy Use Reduction

Member States must ensure that the average primary energy use (measured in kWh/m<sup>2</sup> per year) for the entire residential building stock:

- By 2030: Decreases by at least 16% compared to 2020 by 2030.
- By 2035: Decreases by at least 20-22% compared to 2020 by 2035.



# Key Areas Targeted by New Legal Regulation – General Requirements for New Buildings

Member States shall ensure that new buildings are zero-emission:

- From 1 January 2028, new buildings owned by public bodies; and
- From 1 January 2030, all new buildings.

Definition of Zero-Emission Building:

- A zero-emission building is one with very high energy performance.
- It requires zero or very low energy consumption.
- It produces zero on-site carbon emissions from fossil fuels.
- It also generates zero or very low operational greenhouse gas emissions.

## Business Opportunities

Green construction practices create opportunities for businesses in the construction industry.

Demand for energy-efficient materials, technologies, and design expertise will increase.

Companies specializing in sustainable building solutions can thrive.

## Public Benefits

Reduced energy consumption and emissions contribute to a healthier environment.

Improved building quality enhances public health and well-being.

Energy-efficient buildings lead to cost savings for occupants and taxpayers.

## Possible Downsides?

Increase in construction prices.

Supply chain constraints.

Affordability and influence on the already problematic housing situation.

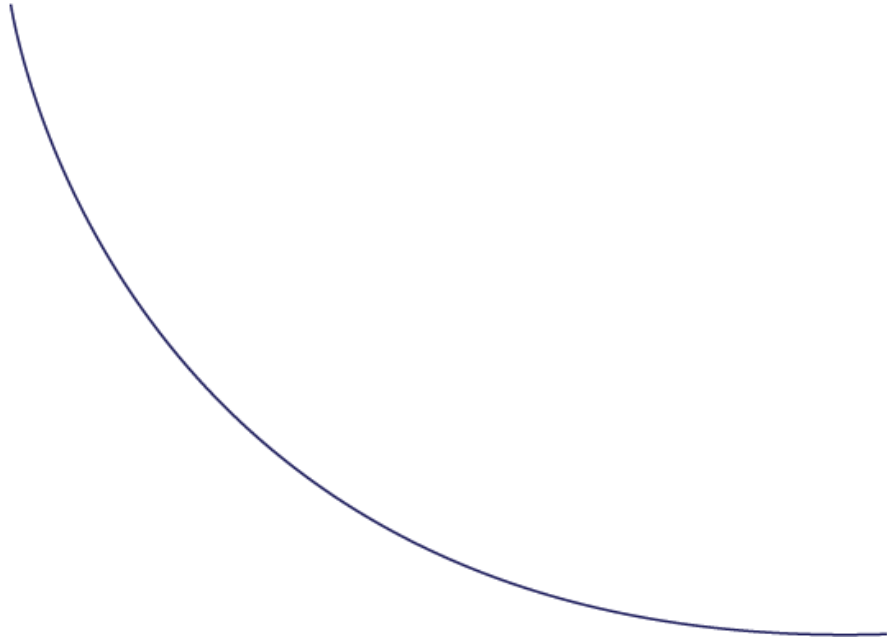




**Construction  
Products  
Regulation**

**New Regulation on Construction Products  
(CPR update)**

# CPR – harmonised rules on how to express the environmental and safety performance of construction products



- Free movements of the construction products in the EU
- Safety of construction works
- Obligations for manufacturers, importers and distributors
- Harmonised Technical Specifications + implementing and delegated acts

# Why the new CPR?

## Environmental and climate impact of the construction ecosystem

Construction is one of the most resource-intensive sectors of the economy. A circular economy approach is therefore crucial to enhance its sustainability. Reducing emissions in the construction sector is essential to reach climate neutrality, especially by promoting energy efficiency and accelerating the renovation rate in buildings.



### Construction products

30% of EU's annual waste generation



### Buildings

40% of the EU energy consumption



### Construction and construction works

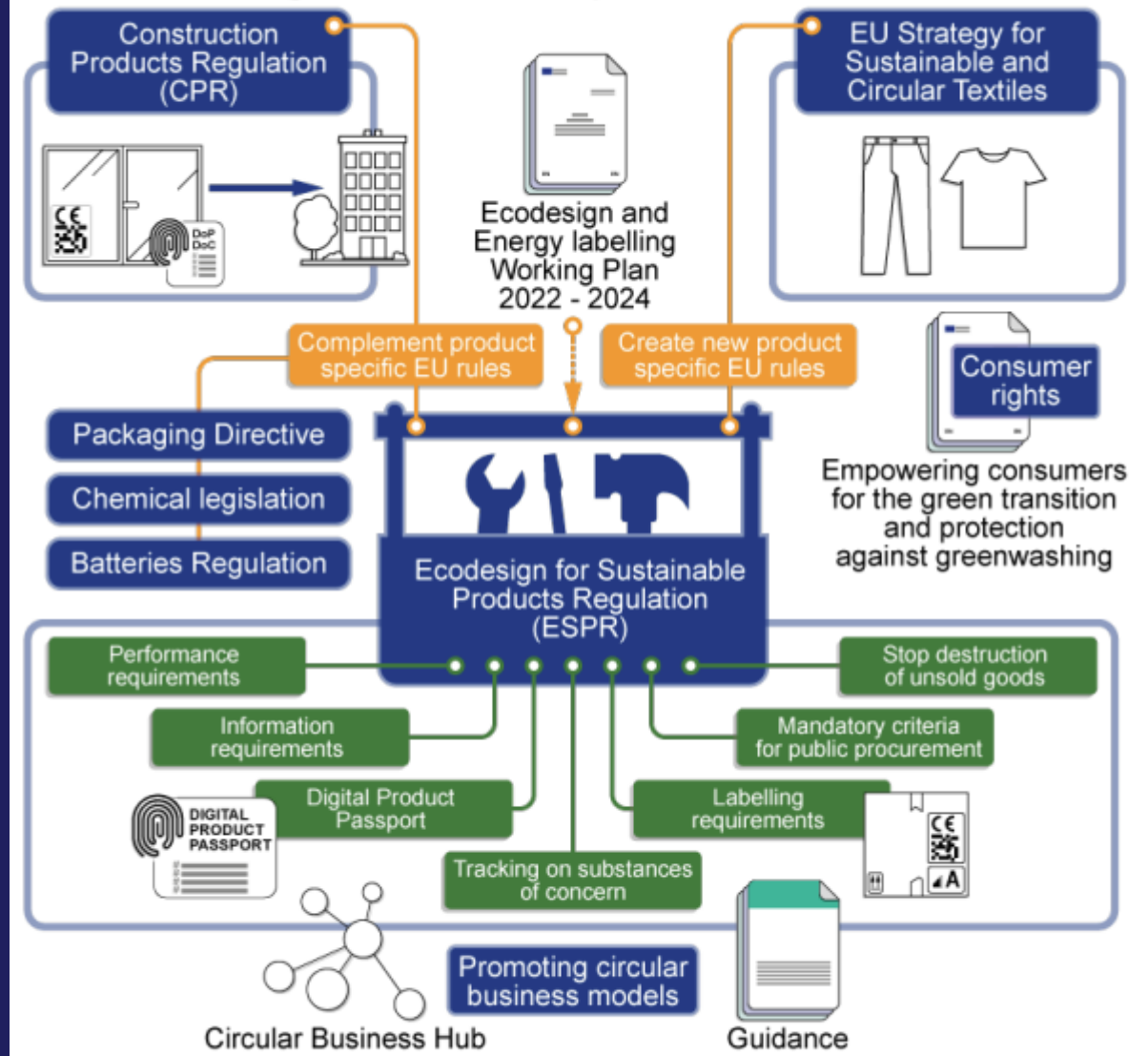
9.4% of total domestic carbon footprint



### Cement, steel, aluminium and plastics

15% of EU carbon emissions

# Making sustainable products the norm



- CPR is a part of a Circular Economy Package, which provides the necessary tools to address environmental challenges

# Updated CPR in a nutshell

- Free movement of **safe and sustainable** construction products
- Defining harmonised rules for expressing environmental and safety performance – provision of the environmental data becomes obligatory.
- Life-cycle assessment of construction products in relation to their essential characteristics.
- Broader scope – used and remanufactured products included (incentivising re-use of products)
- Range of regulated economic operators extended

## So what are the new requirements?



- Obligation to include the mandatory or facultative calculation of environmental, including climate sustainability and assess the environmental characteristics of the product in accordance with harmonised technical specifications or delegated acts
- Declaration of Performance – obligation to provide data on the environmental impact of the product throughout its life cycle in Declaration of Performance, including mandatory Global Warming Potential
- The final goal is an accurate assessment at construction works level

# 12 sectors

Defence  
Energy & Infrastructure  
Finance & Insurance  
Industrials  
Life Sciences & Healthcare  
Private Client  
Private Equity & Venture Capital  
Real Estate & Construction  
Startups  
Technology, Media & Telecommunications  
Trade & Consumer Goods  
Transport & Logistics

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# 13 practices

Competition & Regulatory  
Compliance  
Corporate and M&A  
Data Protection  
Dispute Resolution & Risk Management  
Employment  
Environmental, Social & Governance (ESG)  
Finance & Insurance  
Insolvency & Restructuring  
Intellectual Property  
Real Estate & Construction  
Sanctions compliance  
Tax

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