Green buildings: recent legislative developments

Which are the existing legal provisions regarding the improvement of buildings' energy performance in Greece?

The main legislative instrument aiming to promote the improvement of buildings' energy performance is Law 3661/2008, which implements the Directive 2002/91/EC. According to this law, all new buildings as well as all existing buildings with a total floor area over 1000m^2 undergoing major renovation should meet some minimum requirements regarding their energy performance. Respectively, after the completion of the construction or renovation, owners are obligated to apply for an energy performance certificate. Further measures include, moreover, the filing of an energy performance study as a requirement for the issuance of a building license and the obligatory regular inspection of boilers fired by non-renewable fuel as well as of air-conditioning systems of more than 12kW. All the above inspections and the certification of buildings shall be carried out by qualified experts, designated in the law as "energy inspectors".

Are there any other relevant legal developments expected in the near future?

Yes! As a matter of fact, the aforementioned Law 3661/2008 has still found no application, since some necessary ministerial decisions in execution thereof have not been issued yet. Mainly expected is the issuance of the so called "Regulation of the Energy Performance of Buildings", which shall include all necessary details regarding the application of Law 3661/2008. Among others, these detailed stipulations shall pertain to the minimum requirements on the energy performance of buildings, the methods of calculation of this performance and the necessary forms and procedures for the energy certification of buildings. The energy performance of buildings will be calculated on the basis of several aspects such as the thermal characteristics of buildings, the heating installation and hot water supply, the air-conditioning installation, the ventilation, the position and orientation of buildings etc.

Besides, a new law implementing the "Directive 2006/32/EC on energy end-use efficiency and energy services" is expected to be passed soon. Judging from the relevant law draft already released, this law is about to officially introduce and regulate the concept of "Energy Performance Contracts" to be signed between the beneficiaries and the so called "Energy Service Companies" (ESCOs), i.e. companies that deliver energy services and/or other energy efficiency improvement measures in a user's facility or premises, and accept some degree of financial risk in so doing. In such cases, the payment

for the services delivered is based on the achievement of energy efficiency improvements and on the meeting of the other agreed performance criteria. Moreover, this law draft includes a series of other measures such as the development of an accurate and informative way of metering and billing of energy consumption, and the promotion of energy efficiency improvement programs by means of public funding mechanisms.

Is there at the moment any possibility of financing projects of improvement of buildings' energy performance?

Last July the former Ministry of Development announced its intentions to launch a new program of a 2 years duration bearing the title "Saving costs at home". This program would be set in order to help reduce the energy consumption in older buildings by promoting some actions contributing to the improvement of their energy performance. According to the initial planning, it should apply to buildings constructed before 1.1.1980, which are mainly used as residence and are located in areas with a "zone price" under 1.500 €/ m². Subsidies were to be granted for some specific actions (thermal insulation of the shell and the door frames of the buildings, installation of insulating glass units, replacement of old boilers and installation of solar water heaters), covering 30 to 50% of the total costs. Such actions were planned to be financially supported also with respect to buildings in other geographical areas of higher zone prices, however not by means of direct subsidies, but rather on the basis of tax exemptions. At the beginning of November 2009, the new government declared its intention to reconsider the aforementioned program, due to financial reasons, and eventually restrict it by initially applying it only with respect to the actions of thermal insulation of door frames and installation of insulating glass units.

Are there any legal incentives promoting specifically the use of Renewable Energy Sources (RES) in buildings?

An incentive program for small rooftop Photovoltaics (PV) was introduced in June 2009. This program covers rooftop PV systems up to 10 kW and its duration is till 31.12.2019. Eligible are residential users and small companies, if they fulfill some specific requirements. This program grants no direct subsidies, but sets a very favorable feed-in-tariff (FIT) for such systems: The FIT is set at $0.55 \in$ /kWh and is guaranteed for 25 years, while an annual regression of 5% is foreseen as of 2012. The application procedure for this program is quite uncomplicated, since the administrative licenses normally needed for non domestic PVs are in this case not required. Finally, a new ministerial decision was also issued in June 2009, aiming to simplify the licensing procedure for residential users interested to make use of geothermal energy for heating and cooling purposes.

Dr. Lazaros Sidiropoulos is an Associate at Mourgelas and Associates www.mourgelas.gr. For more information contact him at sidiropoulos@mourgelas.gr

G.Mourgelas & Associates Law Firm

6, Iraklidon str. 11851 Athens, Greece Tel: +30210 3421579 Fax: +30210 3421913

Email: secretariat@mourgelas.gr

