

PRESS RELEASE

July 2018

Report to the Flemish Parliament

Energy Efficiency in Flemish Government Buildings

The Court investigated the extent to which the Flemish government plays its exemplary role by making efforts to render its own buildings more energy efficient, as Europe expects it to do. It concluded that the Flemish Government has set few ambitious objectives for this. An effort comparable to the installation of about four inches of additional roof insulation in around thirty buildings proved to be more than sufficient to meet the European standard. The Flemish Government did approve some other action plans that are more ambitious, but implementation of those plans started slowly.

International audit

In its fight for reduction of CO₂ emissions and to achieve its climate objectives, Europe issued directives in which it urges Member States to improve energy performance and energy efficiency of buildings. In doing so, it has assigned an exemplary role to the authorities and placed emphasis on the renovation of government buildings. As part of an international investigation by eight European Court of Auditors, the Belgian Court of Audit investigated how the Flemish Region, carrying out its exemplary role, implemented these directives.

EPB and EPC requirements

The Energy Performance of Buildings Directive (EPB Directive) requires Member States to set minimum requirements for energy performances of new buildings and of existing ones that are being thoroughly renovated. The Flemish Region has transposed these obligations into Flemish regulations, albeit with a late entry into force for its non-residential buildings. Member States must also organize an energy performance certificate (EPC) system. Above all, Flanders wanted a simple and financially feasible system. As a result, the Flemish certificates do not provide an accurate picture of energy performance by government buildings. Moreover, Flemish regulation did not oblige government agencies to actually implement certificate recommendations. The Flemish Energy Agency (FEA) has to monitor implementation of EPC regulations, but focuses its inspections primarily on the residential sector and less on public buildings. The FEA doesn't know how many of the government buildings should actually have an EPC.

European renovation requirements

Europe wants Member States to make an effort for that part of governmental patrimony that does not meet minimum energy standards. They must either annually renovate 3% of its floor space (standard approach) or make efforts that result in at least the same energy savings (alternative approach). Flanders opted for the alternative approach, which it thought would allow more flexible - and probably cheaper - measures. It has also made use of all possible excuses to withdraw buildings from this specific objective. The fourth Flemish energy

efficiency plan ultimately assumes a very low target: saving 5.9 gigawatt hours in 7 years. That is equivalent to an additional 4 inches of roof insulation in around 30 buildings. Flemish government entities are free to determine and implement the concrete measures themselves.

FEA monitoring of the savings, based on potential savings calculations and not on measuring actual savings, shows that Flanders had already achieved its 2014-2020 savings target by the end of 2016. The energy saving measures the Facility Services Department has taken so far in buildings concerned were sufficient to achieve the full savings target by 2020.

Other plans

In 2016, Flemish Government approved its Climate Impact Action Plan, containing two sub-plans that also influence energy efficiency of Flemish government buildings: the Energy Efficiency Action Plan of the Flemish Energy Company and the Buildings Portfolio Action Plan of the Facility Services Agency. These sub-plans are ambitious, but came into being fairly late in view of their 2020 horizon, which meant that the actions could only start late. However, in recent years, planned approach to the problems and collection of heritage and energy data have improved.

Flanders mainly allocated the costs of energy-saving investments in government buildings to decentralized bodies. In particular, costs are to be paid with government entities own resources, partly regrouped in an energy provision. It also adds to this provision resources from the Facility Services Agency (FSA) and from the Flemish Climate Fund. Financing the FSA action plan is very complex. Implementation of this plan is not going well and causes delays. Moreover, the number of proposed projects remains below expectations for the time being, but if all projects already selected will be fully implemented, according to initial estimations energy savings will be higher than expected. Due to long payback periods, additional funds from the Flemish Climate Fund will probably be required for a longer period than anticipated. On the other hand, resources for new Facility Services Plan commitments are not clearly visible in budget documents. A 2017 report on this plan shows that most interventions are in their preparatory phase: only one of eight master plans and only 10% of planned single interventions were carried out in 2017. Follow-up of the plans is currently experiencing problems due to a lack of reliable, inter-linkable real estate databases. The new Terra database is to solve these problems, but its development has been delayed.

Response of the minister

Ministers replied that investments in energy efficiency of government buildings serve climate policy and reduce energy bills. Energy efficiency is an essential pillar of the Flemish Energy and Climate Plan that is being discussed within the Flemish Government. The recommendations from the report can be taken into account when drawing up the plans with horizon 2030.

Information for the press

The Court of Audit exerts an external control on the financial operations of the Federal State, the Communities, the Regions and the provinces. It contributes to improving public governance by transmitting to the parliamentary assemblies, to the managers and to the audited services any useful and reliable information resulting from a contradictory



Court of Audit

examination. As a collateral body of the Parliament, the Court performs its missions independently of the authorities it controls.

The audit report on *Energy Efficiency in Flemish Government Buildings* has been sent to the Flemish Parliament. The full version and this press release can be found on the Court's website: www.courtsofaudit.be.