

## **IBA PARIS**

Oct 30, 2023 (11.15 to 12.30 am)

### **Around the tables: hot topics in real estate**



#### **Partner**

Real Estate and Town  
Planning

[bernat.mullerat@cuatrecasas.com](mailto:bernat.mullerat@cuatrecasas.com)  
Tel: +34 932 905 574  
Av. Diagonal, 191, 08018 Barcelona,  
Spain

**Improving efficiency of buildings (energy consumption, carbon): How owners and landlords deal with legal obligations in your country**

In an era characterized by growing environmental concerns and the urgent need to mitigate climate change, governments and organizations worldwide recognize the enhancement of building efficiency as a crucial step for reducing energy consumption and carbon emissions.

In the first decade of the century, buildings accounted for 40 % of total energy consumption in the Union. This statistic highlighted the urgent need to curtail energy usage within a growing sector and served as a pivotal driving force behind the approval of the Energy Performance of Buildings EU Directive in 2010.

Aligned with the Directive, EU member states (including Portugal, where I' from) implemented comprehensive policies and legal frameworks to foster energy efficiency, imposing numerous measures to be undertaken by building owners and landlords. These included obtaining Energy performance certificates for properties, adhering to minimum energy performance standards and disclosing energy efficiency information to tenants.

Amendments to the Directive made in 2018 and 2021 introduced more stringent regulations focusing especially on energy efficiency and sustainability in the construction and renovation of buildings.

Around the world, the same concern has led to the enactment of specific legislation and regulations in various countries, including the United States, Japan, Canada, Australia, Mexico, China, and India, to name just a few examples.

But there whilst there is a consensus as to the importance of improving the energy efficiency of both new and existing buildings, compliance with legal obligations presents a complex set of challenges for owners and landlords.

Landlords and property owners frequently cite high costs, technological challenges, the dilemma of split incentives and resistance to change as significant barriers to the adoption of energy-efficient practices.

Complex regulations add to this list of challenges, with landlords and owners often expressing discouragement due to the density and uncertainty of the numerous building regulations in effect.

Today, we will be discussing the challenges that owners and landlords face when addressing legal obligations related to enhancing the efficiency of buildings across diverse jurisdictions.