

Zero-energy buildings beat fossil gas in new study of seven Central and Eastern European countries' energy plans

A new report commissioned by Greenpeace's Central and Eastern Europe office shows that **fossil gas** is the worst-performing option when it comes to home renovations in seven Central and Eastern European countries. Governments in the region, which currently plan to **invest a combined €21 billion in fossil gas infrastructure**, could instead use that money to create 730,000 zero-energy homes and realise huge social, environmental and economic benefits.

In a region which suffers much more than other parts of the **EU** from energy poverty, cutting demand for gas would not only reduce emissions but also support vulnerable households struggling with their energy bills. Greenpeace is calling on the EU and national governments to accelerate the rollout of renewable heating, boost deep renovations, and phase out fossil gas by 2035 at the latest.

Iwo Łoś, regional campaign director at Greenpeace Central and Eastern Europe, said: "These figures clearly show that fossil gas investments are an assault on people, their security and their wallets. Deep renovations, heat pumps and **solar panels** not only make countries less dependent on imported, expensive and climate-wrecking fossil fuels, they reduce energy poverty too. It's a scandal for governments in Central and Eastern Europe to continue to invest in fossil gas despite it clearly being the worst option."

Greenpeace Central and Eastern Europe commissioned the Institute of European Energy & Climate Policy (IEECP) to carry out a social cost-benefit analysis comparing the planned gas infrastructure investments of seven governments in the region with different scenarios that would make buildings more energy efficient. The analysis is in line with the EU's Energy Efficient First Principle, which says that a government must first check whether an investment in supply infrastructure, such as new gas pipelines, is really needed or whether it can be avoided because another investment in energy efficiency has similar, or better, value for the energy system, the economy, the environment and society.

Social cost-benefit analysis

The study performs a social cost-benefit analysis in Poland, Slovakia, Romania, Hungary, Slovenia, Croatia, and Bulgaria. According to plans approved in the last 18 months, these countries are planning to spend at least €21 billion on fossil fuel infrastructure and supply, as outlined in various National Investment Programmes, National Recovery and Resilience Plans, Large Infrastructure Operational Programmes, Sustainable Development Operational Programmes and Modernisation Funds.

The study examines how the €21 billion could be invested in **achieving improvements in energy-efficiency**, rather than expanding fossil gas infrastructure. It sets out five scenarios. The baseline scenario looks at investments in more efficient fossil-fuel boilers.

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The subsequent scenarios compare alternative investments to the baseline in terms of social, economic and environmental costs and benefits. The scenarios consider energy retrofitting of the building, installation of heat pumps, a combination of these, and a final scenario which also considers installing solar panels to obtain zero-energy buildings. The results show that among all the scenarios investigated, gas investment brings the lowest benefit and greatest losses to national economies. By contrast, zero-energy buildings are the most cost-efficient option everywhere, bringing the most socially and economically profitable solutions.

Greenpeace calls on Central and Eastern European governments to ensure that grants for renovations and zero-energy buildings are at the heart of National Energy and Climate Plans, which are due for review this year. Governments should also contribute to the required investments. In line with this, the European Commission should prioritise energy savings measures and conditions which support the energy transition, such as public funding for insulation, renewable heating, and the phase-out of fossil fuel subsidies in its assessment of EU government plans.

In addition, Greenpeace calls on the EU to:

Ensure that the renovation of buildings becomes mandatory according to the Energy Performance of Buildings Directive in a way that prevents citizens from bearing the cost of these renovations and speeds up a full [decarbonisation](#) of the heating sector;

Ensure that ending energy poverty becomes a priority of current and future energy legislation, starting with measures that can be easily implemented across countries, like an EU-wide ban on energy disconnections;

Phase out fossil gas by 2035 at the latest, leaving no space for new [fossil fuel](#) projects and costly false solutions.

Source: Greenpeace