Draft Law
No.____
“ON THE ENERGY PERFORMANCE OF BUILDINGS”
Pursuant to Articles 78 and 83 point 1 of the Constitution, upon the proposal of the Council of Ministers
ASSEMBLY OF THE
REPUBLIC OF ALBANIA

DECIDED:

Article 1: Objective

This Law aims to promote the improvement of the energy performance of buildings, taking into account outdoor climatic conditions and local conditions, as well as indoor climate requirements and cost-effectiveness.

Article 2: Area of application

The Law defines:

1) A general framework for a methodology for calculating the integrated energy performance of buildings and building units.
2) Application of the minimum energy performance requirements for new buildings and building units.
3) Application of the minimum energy performance requirements for existing buildings, building units and their elements undergoing a major renovation.
4) Application of minimum energy performance requirements for technical building systems whenever they are installed in existing buildings
5) National plans for increasing the number of nearly zero-energy buildings (NZEBs).
6) Application of the requirements for the energy certification of buildings and building units.
7) Application of the requirements for the regular inspection and certification of heating and air-conditioning systems and the production of inspection reports, or alternative measures which have an equivalent or greater energy saving impact to inspections.
8) Application of the requirements for licensing independent experts and for establishing an independent control system for building energy certificates and heating and air-conditioning systems inspection reports.
Article 3: Definitions

1) The ‘Agency responsible for energy efficiency’ shall mean any existing or new Government entity subordinated to the Ministry responsible for energy and established by a Council of Ministers Decision with responsibility for the promotion and enforcement of energy efficiency and saving measures and policies.

2) The ‘building energy certificate issuing body’ is the Agency responsible for energy efficiency.

3) ‘Primary energy’ means energy from renewable and non-renewable sources which has not undergone any conversion or transformation process.

4) An ‘Energy Performance Certificate (EPC)’ means a certificate issued by the Agency responsible for energy efficiency, which indicates the energy performance of a building or building unit as determined by the ‘National Calculation Methodology’.

5) ‘Building energy certification’ is a process by which an energy performance certificate must be issued for an existing building or building unit or for a building or building unit to be designed, reconstructed or renovated. For the latter type of building, the planned energy efficiency must be estimated and temporary energy performance certificates must be issued (if necessary) until the completion of building, before sale or rent, at which time the issuing of the final certificate is mandatory.

6) ‘Independent expert’ is an energy assessor or other person who is qualified and/or accredited to carry out energy certification and/or to inspect heating and/or air-conditioning systems in accordance with this Law.

7) ‘Building elements’ are the technical building systems and/or an element of building envelope.

8) ‘Energy from renewable sources’ means energy from renewable non-fossil sources, namely wind, solar, aerothermal, geothermal, hydrothermal and ocean energy, hydropower, biomass, landfill gas, sewage treatment plant gas and biogases.

9) The ‘Code of Practice for independent experts’ is the body of rules that determines how independent experts must operate when producing EPCs and inspection reports. It shall include conditions governing behaviour while on site, minimum data requirements and reporting procedures.

10) ‘Alternative measures’ are those adopted as an alternative to inspections and are measures that have an equivalent or greater energy saving impact to inspections.

11) ‘Building envelope’ means the integrated construction elements of a building, which separate a building’s internal area from the external environment.

12) ‘National Calculation Methodology (NCM)’ is the methodology for calculating the integrated energy performance of a building or building unit. It is used in the calculation of cost-optimal levels of energy performance requirements for buildings, building units and building elements that will also enable the production of energy performance certificates (EPCs).

13) ‘Building’ means a roofed/terraced construction having walls, for which energy is used to condition the indoor climate.

14) ‘Nearly zero-energy building’ means a building that has a very high energy performance, as determined by this Law and the National Calculation Methodology. The nearly zero or very
low amount of energy required should be covered to a very significant extent by energy from renewable sources, including energy from renewable sources produced on-site or nearby.

15) ‘Cost-optimal level’ means the energy performance level which leads to the lowest cost during the estimated economic lifecycle, where:

(a) The lowest cost is determined taking into account energy-related investment costs, maintenance and operating costs (including energy costs and savings, the category of building concerned, earnings from energy produced), where applicable, and disposal costs, where applicable; and

(b) The estimated economic lifecycle of a building refers to the remaining estimated economic life of a building where energy performance requirements are set for the building as a whole, or to the estimated economic life of a building element. The estimated economic lifecycle of buildings and building units will be determined by secondary legislation.

16) ‘Building unit’ means a section, floor, unit/apartment within a building which is designed or altered to be used separately.

17) ‘Energy performance of a building or building unit’ means the calculated amount of energy needed to meet energy demand by meeting the comfort conditions associated with a typical use of the building or building unit, which includes, inter alia, energy used for heating, cooling, ventilation, hot water and lighting.

18) ‘Approved software’ is software that has been approved by the Ministry responsible for construction and the Ministry responsible for energy for the use of calculating the energy performance requirements of buildings and building units, and for the production of EPCs.

19) A ‘heating and air-conditioning systems inspection report’ is a report recognised by the Agency responsible for energy efficiency.

20) ‘Major renovation’ means the renovation of a building or building unit where the total cost of the renovation relating to the building envelope or the technical building systems is higher than 25% of the value of the building, excluding the value of the land upon which the building is situated.

21) ‘Heating system’ means a combination of the components required to provide a form of indoor air treatment, by which temperature is controlled.

22) ‘Electronic monitoring and control system’ means the combination of electronic and electromechanical equipment in one system, which can measure energy consumption, control the system parameters, monitor their function, and create energy saving opportunities. It would also control heating and air-conditioning where appropriate.

23) ‘Air-conditioning system’ means a combination of the components required to provide a form of indoor air treatment, by which temperature is controlled or can be lowered and relative humidity is controlled.

24) ‘Ventilation system’ means a combination of the components required to provide an exchange of indoor air with outdoor air, by which air-flow is controlled.

25) ‘Technical building system’ means technical equipment for the provision of heating, cooling, ventilation, hot water, lighting or for a combination thereof, of a building or building unit.
26) ‘European standard’ means a standard adopted by the European Committee for Standardisation, the European Committee for Electrotechnical Standardisation or the European Telecommunications Standards Institute and which has been approved by the ‘General Directorate of Standardisation’ (under the Ministry of Energy and Industry (MEI)).

Article 4: Exceptions

This Law shall not apply to:

1) Buildings officially protected under Law No. 9048, dated 07.04.2003, “On cultural heritage”, as amended, in so far as compliance with certain minimum energy performance requirements would unacceptably alter their character or appearance.

2) Buildings used as places of worship and for religious activities.

3) Temporary buildings with a time of use of two years or less, industrial sites, workshops and non-residential agricultural buildings with low energy demand and other non-residential agricultural buildings which are regulated by special legal acts in relation to energy performance.

4) Residential buildings which are used or intended to be used for either less than four months of the year or, alternatively, for a limited annual time of use and with an expected energy consumption of less than 25 % of what would be the result of all-year use.

5) Stand-alone buildings with a total useful floor area of less than 50 m².

Article 5: Common methodology for calculating the integrated energy performance of buildings

1) The National Calculation Methodology (NCM) must:

   (a) Be employed to calculate the integrated annual energy performance of a building.
   (b) Produce an energy performance indicator (EPI), which illustrates the calculated performance against adopted benchmarks, and a numeric indicator of primary energy
   (c) Be used in the calculation of cost-optimal levels of energy performance requirements for buildings, building units and building elements.
   (d) Produce the data contained within the energy performance certificates (EPC).
   (e) Include all relevant European Standards.

2) The NCM must consider:

   (a) Indoor climatic conditions.
   (b) Internal loads.
   (c) The thermal conductance and thermal capacity of the building envelope and structure, including thermal bridges.
   (d) Heating systems.
   (e) Hot water supply systems.
(f) Air-conditioning systems.
(g) Ventilation and air infiltration systems.
(h) Built-in lighting systems.
(i) Position and orientation, impact of the sun, as well as outdoor climatic conditions.
(j) The effect of passive design measures, such as natural ventilation, solar radiation and day-lighting.
(k) Renewable energy systems.

3) The NCM shall cover, as a minimum, the following classes of buildings or building units:
   (a) Single-family houses of different types.
   (b) Apartment blocks.
   (c) Offices.
   (d) Educational buildings.
   (e) Hospitals.
   (f) Hotels and restaurants.
   (g) Sports facilities.
   (h) Wholesale and retail trade services buildings.
   (i) Other types of energy-consuming buildings.

4) A national calculation methodology (NCM) shall be approved by a Council of Ministers Decision upon the joint proposal of the Ministry responsible for energy and the Ministry responsible for construction.

Article 6: Minimum energy performance requirements

1) The minimum requirements for the energy performance of buildings, calculated in accordance with the National Calculation Methodology, shall be determined by a Council of Ministers Decision upon the proposal of the Ministry responsible for energy. These minimum energy performance requirements will:
   (a) Apply to the energy performance of all new buildings and building units.
   (b) Apply to the energy performance of existing buildings and building units undergoing a major renovation.
   (c) Be determined so as to achieve cost-optimal levels, as defined by the Directive (2010/31/EU) and adapted for Albania’s conditions.
   (d) Apply the respective methodology to each category of buildings by considering their different specific features.
   (e) Apply to the performance of building elements that form part of the building envelope and that have a significant impact on energy performance when they undergo a major renovation.
2) The minimum energy performance requirements for buildings, building units and buildings envelopes undergoing a major renovation, shall be applicable only if the construction project application documentation anticipates rebuilding of more than 25% of the value of the building, excluding the value of the land upon which the building is situated.

3) Upon the proposal of the Ministry responsible for energy a Council of Ministers decision shall set system requirements in respect of the overall energy performance, the proper installation, and the appropriate dimensioning, adjustment and control of the technical building systems in existing buildings. System requirements shall be set for new, replacement and upgraded technical building systems and shall be applied in so far as they are technically, economically and functionally feasible.

4) The minimum energy efficiency requirements for buildings and building units undergoing a major renovation shall not be applied if the application of those requirements is not technically or operationally feasible and economically justified over the lifetime of the building.

5) Minimum energy performance requirements shall be reviewed at regular intervals which shall not be longer than five years and, if necessary, shall be updated in order to reflect technical progress in the building sector.

6) The methodology for the calculation of cost-optimal levels of energy performance requirements for buildings, building units and building elements referred to in Article 6(1)(c) will be determined by a Council of Ministers Decision upon the joint proposal of the Ministry responsible for energy and the Ministry responsible for construction.

7) When the secondary legislation necessary for the implementation of this Article will come into force, all new buildings and building units with the exception of those listed in Article 4 will be required to comply with the appropriate minimum energy performance requirements.

8) When the secondary legislation necessary for the implementation of this Article will come into force, all existing buildings and building units undergoing major renovation or reconstruction with the exception of those listed in Article 4 will be required to comply with the appropriate minimum energy performance requirements.

Article 7: Use of high-efficiency alternative systems

1) When designing a new building or when a building undergoes a major renovation, the possible use of the following high-performance systems must be evaluated:
   (a) Decentralized energy supply systems using renewable energy sources.
   (b) Systems using cogeneration, combined heat and electricity or mechanical energy.
   (c) Systems using heat pumps, which change the natural flow of heat, or transfer heat from the natural environment to buildings or building units and the reverse if required.
   (d) District heating and cooling systems, especially those using renewable energy sources, for buildings or blocks of buildings.

2) If, during the reconstruction or renovation of a building, a rebuild or replacement of the technical building system is planned, the evaluation of the use of a high efficiency alternative system must be carried out.
3) When evaluating the use of a high-efficiency alternative system technical, environmental and economic considerations must be estimated and taken into account.

4) If evaluation of the use of high-efficiency alternative systems is not undertaken by the owner of the building according to the requirements of Law. No. 107/2014, dated 31.9.2014, “On territorial planning and development”, the penalties under article 15 shall apply.

**Article 8: Nearly zero-energy buildings**

1) The Ministry responsible for energy and the Ministry responsible for construction will draw up a national plan for increasing the number of nearly zero-energy buildings in Albania. This plan will set out:
   
   (a) The detailed definition of nearly zero-energy buildings, in the context of Albania, with a reference to a numerical indicator of primary energy use (in kWh/m² per year).
   
   (b) The target that all new buildings must meet this definition by 31 December 2020.
   
   (c) The target that all new buildings occupied and owned by public authorities must meet this definition after 31 December 2018.
   
   (d) Intermediate targets for improving the performance of new buildings and of the existing building stock.
   
   (e) Different targets depending on the category of building.
   
   (f) Information on additional policies and financial or other measures needed to achieve these targets. The plan shall consider the most relevant instruments and every three years, starting from 30 June 2015 list existing measures plus proposed measures and instruments.

2) This plan shall be submitted to the Secretariat of the Energy Community as part of the National Energy Efficiency Action Plans required by the Energy Efficiency Directive (Directive 2012/27/EU) and progress against the plan must be reported every three years, with the first progress report due in December 2015.

3) The secondary legislation, prepared by the Ministry responsible for energy and the Ministry responsible for construction and approved by a Council of Ministers Decision with effect from 1 December 2015, shall determine minimum performance requirements and high-efficiency alternative system use requirements for nearly-zero-energy buildings.

**Article 9: Building energy performance certification**

1) With effect from 1 October 2016, building energy certification shall be mandatory:
   
   (a) For buildings or building units being sold or leased.
   
   (b) For parts of buildings being sold or rented only if the building part has a separate energy meter.
   
   (c) If energy certification is requested by a prospective tenant or owner.
   
   (d) When a building is first built, renovated or reconstructed;
(e) Where a temporary EPC is issued at the design stage for planning purposes and then finalised on completion of the building works.

2) When buildings or building units are constructed, sold or rented out it is mandatory for the EPC to be shown to the prospective new tenant or buyer and then handed over to the new tenant or buyer.

3) The Energy Performance Certificate (EPC) shall be valid for a maximum period of 10 years from the moment of issue or until demolition, renovation or reconstruction takes place.

4) For a building whose total useful floor area exceeds 500 m², which is occupied and owned by a public authority and which is frequently visited by the public, the EPC must be displayed in a prominent place clearly visible to the public. From 9 July 2018, the area threshold will reduce to 250 m².

5) The energy certification procedure of buildings shall be determined by secondary legislation, which shall be proposed by the Ministry responsible for energy and the Ministry responsible for construction and approved by a Council of Ministers Decision with effect from 31 January 2016.

6) An EPC must be produced and supplied to tenants upon them requesting such certificate.

**Article 10: Data that must be included in energy performance certificates (EPCs) and certificate terms**

1) An energy performance certificate (EPC) of a building or building unit must include:
   (a) The calculated annual integrated energy performance for the building or building unit.
   (b) The calculated energy performance indicator (EPI) for the building or building unit.
   (c) A numeric indicator of primary energy consumption for the building or building unit.
   (d) General characteristics of the building or building unit, including their age.
   (e) Information on the energy certificate assessor for the building or building unit and issuing body.
   (f) Reference values, such as the minimum energy efficiency requirements for the same category of building and those which are typical of the building stock.
   (g) Recommendations for the cost-optimal or cost-effective improvement of:
      i. Technical building systems;
      ii. Elements of the building envelope and building unit; and
      iii. Guidance to where more detailed information can be found.
   (h) Information on the steps to be taken to implement the recommendations.
   (i) The NCM reference (date and edition) and the version of the approved software.
   (j) The date of issue and a registry code.

2) The energy performance certificate of a building or building unit shall be issued by a certified independent expert.
3) The procedures by which the energy certification of buildings and building units shall be carried out, as well as the type, sample, content, and the procedures for the issue and registration of the energy performance certificate of the relevant building shall be determined by secondary legislation, which shall be proposed by the Ministry responsible for energy and the Ministry responsible for construction and approved by a Council of Ministers Decision.

Article 11: Inspection of heating and air-conditioning systems

1) Heating and air-conditioning systems of the following capacities must be regularly inspected:

   (a) For heating systems with boilers of an effective rated output for space heaters of more than 20 kW.

   (b) For air-conditioning systems with an effective rated output of more than 12 kW.

2) The inspection shall cover all accessible parts of the system, including, for heating systems, the heat generator, control system and circulation pump(s).

3) The inspection shall include an assessment of the system efficiency and sizing compared with the heating or cooling requirements of the building.

4) For heating or air conditioning systems a survey report shall be drawn up by an independent expert, which shall contain:

   (a) The results of the assessment of the system efficiency and sizing compared with the heating or cooling requirements of the building.

   (b) Recommendations to improve the energy efficiency of the tested system, if appropriate measures are cost-effective in terms of planned lifetime for the building.

   This report must be handed to the owner or tenant of the building and referenced in any energy performance certificate if the building or building unit undergoes energy certification.

5) Procedures for inspection of heating and air-conditioning systems shall be specified by the secondary legislation, which shall be prepared by the Ministry responsible for energy and approved by a Council of Ministers Decision with effect from 2 April 2017. This will include the period between inspections, which may be varied by system type and fuel used and may be increased, as appropriate, where an electronic monitoring and control system is in place.

6) The secondary legislation may also include the use of ‘alternative measures’ for all or part of the range of heating and air conditioning systems specified in Article 11(1), which may (among other things) consist of the provision of advice and guidance to users on improvements to the energy performance of their heating or air-conditioning system.

7) If ‘alternative measures’ are chosen a report must be prepared for the Secretariat of the Energy Community every three years from their implementation which:

   (a) Shows that the energy saving impact is equivalent or greater than inspections.
(b) Includes quantified evidence or projections as supporting evidence such as an impact assessment of the proposed measure(s).

1. The Secretariat of the Energy Community may request further specific information regarding the requirements and equivalence of measures; in this case, such information shall be provided within 9 months of being requested.

**Article 12: Independent experts for energy performance certification, heating inspections and air conditioning inspections**

1) Energy certification of buildings and building units, and the inspection of heating and air-conditioning systems shall be carried out in an independent manner by a qualified and/or accredited person who is authorised to perform such type of activity.

2) An independent expert’s expertise and competence requirements for certification procedures, operating procedures, registration, supervision procedures and training shall be laid out in secondary legislation, which will be proposed by the Ministry responsible for energy and approved by a Council of Ministers Decision with effect from 31 January 2016, and will be managed by the Agency responsible for energy efficiency.

3) The certification, training and other requirements for assessors issuing energy performance certificates and independent experts undertaking inspections may not be the same.

4) When performing the energy certification of buildings and building units an independent expert must:
   
   (a) Use existing methods and applicable standards.
   
   (b) Keep to the NCM (Article 5) in the production of EPCs.
   
   (c) Perform the necessary calculations, data quality control, to ensure that the results of the calculation are accurate, objective and reliable.
   
   (d) Comply with the Code of Practice of the Agency responsible for energy efficiency as approved by a Council of Ministers Decision.
   
   (e) Ensure energy certification and verification records are kept for a minimum of 11 years.

5) When performing inspections of heating and air-conditioning systems an independent expert must:

   (a) Use existing methods and applicable standards.
   
   (b) Perform the necessary calculations and data quality control to ensure that the results of the calculation are accurate, objective and reliable.

   (c) Comply with the Code of Practice of the Agency responsible for energy efficiency.

   (d) Ensure verification records are kept for a minimum of 11 years.

6) The list of accredited certified independent experts must be publicly available through a national registry managed by the Agency responsible for energy efficiency.
Article 13: Independent control system

1) The purpose of the independent control system is to verify EPCs by a validity check of the input data of the building and building unit used to issue the energy performance certificate and the results stated in the certificate.

2) The independent control system will be laid down in secondary legislation, which shall be proposed by the Ministry responsible for energy and approved by a Council of Ministers Decision.

3) The Agency responsible for energy efficiency shall make a random selection of at least a statistically significant percentage of all the EPCs and inspection reports issued annually and subject those reports to verification.

4) The Agency responsible for energy efficiency will set up a national registry for the storage of EPCs, and inspection reports which allows limited public access to check the validity of EPCs and inspection reports.

Article 14: The building owner's obligations

The owner of the building, in cases prescribed by this Law:

1) Is obliged to perform energy certification for the whole building or for building units as required in Article 9.

2) Is obliged to commission heating and/or air conditioning systems inspection where applicable.

3) Must ensure that the building after major renovation is compliant with minimum energy performance requirements with respect to the building, building unit and elements.

4) Must ensure that, if the building or building unit is owned and used by the state, the placement of a permanent building energy certificate or a temporary building energy certificate in a visible place.

5) Must advertise the EPC class and provide the full EPC and inspection reports (where appropriate) to potential purchasers and lessees, if according to this Law the building or building unit should have been certified or the heating and air-conditioning system inspected.

Article 15: Administrative offences

Secondary legislation shall define the administrative offences and penalties applicable to infringements of the provisions of this Law. This will be proposed by the Ministry responsible for energy and the Ministry responsible for construction and approved by a Council of Ministers Decision with effect from 31 January 2016.
Article 16: Competence of ministries and Agency responsible for energy efficiency

1) The Ministry responsible for energy and the Ministry responsible for construction are responsible for overall supervision and coordination of the implementing measures for buildings energy performance.

2) The Ministry responsible for energy and the Ministry responsible for construction are responsible for development of national policy on energy efficiency in buildings.

3) The Agency responsible for energy efficiency is responsible for supervision of national policy on energy efficiency in buildings.

4) The Ministry responsible for energy and the Ministry responsible for construction are responsible for drafting and proposing secondary legislation for implementation of this Law.

5) The Ministry responsible for energy and the Ministry responsible for construction are responsible for the establishment of systems necessary for the supervision of inspections of heating and cooling systems and the form of the energy performance certificates which shall be provide for in secondary legislation.

6) The Agency responsible for energy efficiency is responsible for issuing energy performance certificates and establishing the training requirements for independent experts. The Ministry responsible for energy and the Ministry responsible for construction are responsible for the certification of independent experts.

7) The Agency responsible for energy efficiency is responsible for information dissemination to the public about the various methods and practices for improving energy efficiency in buildings as well as for developing and administering support tools, which serve to increase the energy efficiency of buildings.

8) The Agency responsible for energy efficiency is responsible for the promotion of the renovation of existing buildings and the development of new nearly-zero-energy buildings.

9) The Agency responsible for energy efficiency is responsible for the creation and maintenance of information systems to capture data necessary for the energy certification of buildings and inspections of heating and air-conditioning systems.

10) The Agency responsible for energy efficiency is responsible for ensuring that users are provided with information for efficiency improvement of heating and air-conditioning systems as well as for the improvement of general energy performance of buildings and building units.

11) The Ministry responsible for construction is responsible for preparing and updating building codes which lay out the minimum energy performance requirements of buildings, building units and building elements.

12) The Agency responsible for energy efficiency shall have control over and responsibility for the day-to-day operation of the national registry, the independent control systems for energy performance certificates and inspection reports, and the issuing of EPCs and inspection reports.
Article 17: Secondary legislation

1) The Council of Ministers is in charge of approving the secondary legislation according to articles 5(4), 6(1), 6(3) and 6(6), 8(3), 10(3), 11(5), 12(2) and 12(4)(d), 13(2) and article 15.

2) The Minister responsible for energy is in charge of developing the secondary legislation according to articles 5(4), 6(1), 6(3) and 6(6), 8(3), 10(3), 11(5), 12(2), 13(2), 15 and article 16(4).

3) The Minister responsible for construction is in charge of developing the secondary legislation according to articles 5(4), 6(6), 8(3), 10(3), 11(5), 12(2), 13(2), 15 and article 16(2).

4) The Agency responsible for energy efficiency is in charge of developing the secondary legislation stipulated by the provisions of this Law.

Article 18: Beginning of full effect of the Law

1) This Law shall take full effect after the entry into force of the secondary legislation under the terms defined in this Law.

2) Until the adoption of the above secondary legislation, the Law and secondary legislation in force shall be implemented, except to the extent otherwise provided by this Law.

Article 19: Entry into force

This Law enters into force 15 days after its publication in the Official Journal.