

**Question for written answer E-001777/2023  
to the Commission**  
Rule 138  
**Peter van Dalen (PPE)**

Subject: VAT on sustainable industrial building products

Making the (existing) built environment more sustainable requires reducing the heating demands of buildings and homes, as well as increasing labour productivity, particularly in the light of the available workforce and the increased pace of efforts to meet the climate targets for both 2030 and 2050. The required scale-up is possible only through the industrial production of renovation concepts. However, there is a VAT disparity between factory production (high rate) and on-site production (low rate), which puts industrial production at an unnecessary and undesirable competitive disadvantage.

The following questions thus arise:

1. Is there scope within the current VAT Directive to change the VAT rate on industrially produced sustainable materials to a low rate? If not: is there scope to do so in the short term?
2. Is the Commission willing to permit a VAT refund for the purchase and processing of sustainable materials?

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