

INTELLIGENCE UPDATE

EU label and performance value proposals move ahead



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The European Commission has published the [Assessment of next steps to promote the energy performance and sustainability of data centres in the EU, including the establishment of an EU-wide rating scheme — second technical report](#). Following the publication of the report, the Commission — working with representatives from the member states' expert group — is developing a proposal for a data center label, planned for implementation in sometime between the second half of 2026 and mid-2027, and minimum performance standard (MPS) values, which will take until late 2027 to early 2028 to finalize.

EU data center label

The second technical report presented a draft label that was developed through to four consultation meetings and comment solicitations (see [EU EED labeling scheme: Uptime feedback](#)) held over the past 12 months (**Figure 1**). Several key changes to the label proposal increase the focus on operational data that explains data center efficiency, resource usage and greenhouse gas (GHG) emissions:

- The pie chart detailing the electricity generation sources identifies the mix of generation assets supplying energy to the data center. This is a location-based assessment, rather than a purely market-based evaluation of the energy attribute credits (e.g., guarantees of origin) applied to the energy use to offset the Scope 2 emissions.
- The label reports Scope 1, location-based Scope 2 and market-based Scope 2 emissions, which provides an account of the actions taken by the data center operator to minimize and offset the emissions associated with the electricity consumption.
- The label now includes reporting of annual water consumption and a pie chart detailing a breakdown of water sources (i.e., potable, non-potable and reclaimed water).
- The label also includes reporting of the data center's design PUE, in addition to the operating PUE.

Figure 1 Proposed EU data centre label

The Commission plans to generate the label using data from the EU database on data centres, which will require new data reporting requirements and programming changes if the template proposed in the Second Technical Report is adopted. It may limit the data reported on the label to the data already reported to the EU database to ensure the label proposal moves forward in a timely manner. It may be possible to generate labels in the second half of 2026 using 2025 operating data, but the first labels are likely to be generated mid-2027 using 2026 operating data.

The Commission's plan to create the labels from the EU database raises several issues for operators. Operators must resolve their concerns about data confidentiality and inadequate definitions of key metrics with the Commission, as these relate to data reported on the label. It also highlights the importance of ensuring the quality of data submitted to the EU database, as label data will be publicly available. The addition of data not currently reported to the EU database, including Scope 1 and 2 emissions and design PUE, will require reporting of new data. Operators should consider publishing their own label 1 year before the EU publication date to manage the implications of publishing their facility-specific data.

Minimum performance standards

The second technical assessment report recommends MPS values for PUE, water usage effectiveness (WUE), and the renewable energy factor (REF) (**Table 1**). The Commission is expected to announce a package of data center initiatives in the first quarter of 2026 that includes the opening of the public consultation period for the MPS values. This announcement will kick off a 2-year process and debate on the final value and implementation schedule of the MPS values.

Table 1 Proposed minimum performance standards

Timeline	Power usage effectiveness (PUE)	Water usage effectiveness (WUE)	Renewable energy factor (REF)
Existing data centers by 2030	Operational PUE <1.5	<0.4 (regardless of water origin: potable or non-potable)	100%
Data centers commissioned in 2027 and later	Design PUE <1.3 (with operational PUE <1.4 to be achieved within three years of operation)	<0.4 (regardless of water origin: potable or non-potable)	100% (by 2030)

Uptime Intelligence recommends that further study of the MPS values should be undertaken in the second half of 2026. The study would have access to 3 years of operating data (2023-2025). The 2025 data set should include many more reporting data centers and provide better coverage of all EU countries' facilities than the 2023 data set used for the consultant's MPS proposal. The more complete data set should provide a more comprehensive view of the

distribution of PUE and WUE values, the impact of different climate zones on PUE and WUE, and the number of facilities that will need to be upgraded or closed to meet an MPS value. This additional study should ensure the analysis rests on a strong foundation, and it should not appreciably delay the final publication of MPS values.

An external expert, Pieter-Paul Laenen, Manager Corporate Affairs, HPE, was consulted for this report.

Note: The regulatory analysis provided in this report is the opinion of Uptime Intelligence. Data center operators should validate the interpretations with their legal staff and any relevant regulatory authorities.

ABOUT THE AUTHOR



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Jay is the Research Director of Sustainability at Uptime Institute. Dietrich looks beyond the hype to analyze the transformations required in energy and IT systems, data centers and software management systems, and intra-organizational collaboration, both within and between companies, to deliver sustainable data center operations.

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With its data center Tier Standard & Certifications, Management & Operations reviews, broad range of related risk and performance assessments, and accredited educational curriculum completed by over 10,000 data center professionals, Uptime Institute has helped thousands of companies, in over 100 countries to optimize critical IT assets while managing costs, resources, and efficiency.