The Energy Efficiency Directive in motion

What has happened since 2012?

January 2016 - As the European Union is preparing to revise the Energy Efficiency Directive (EED, 2012/27/EU), this document sheds light on how this legislation is starting to influence our economy.

Why was the Directive adopted in 2012?

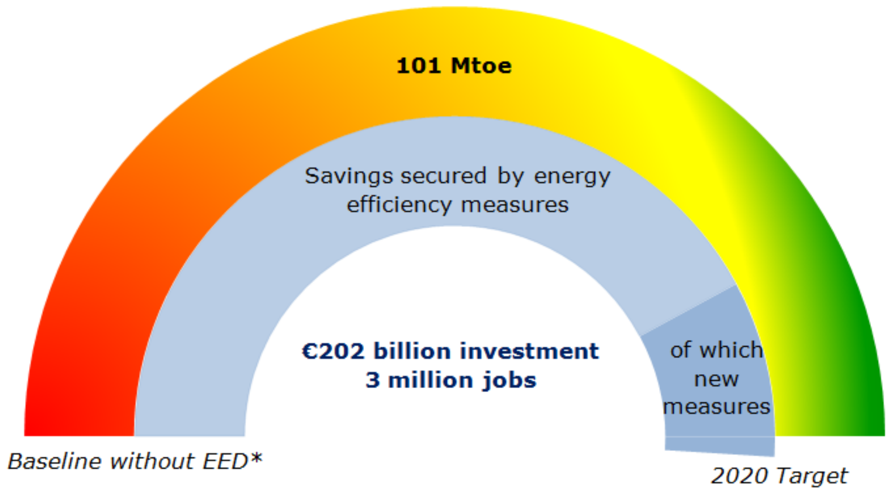
In 2012, legislators were reacting to the "unprecedented challenges resulting from increased dependence on energy imports and scarce energy resources, and the need to limit climate change and to overcome the economic crisis".

Energy efficiency was regarded as a "valuable means to address these challenges", thanks to its positive effects on the EU's international status, the global environment and the economy (source: EED, 2012/27/EU).

How is the Directive helping the EU address these challenges and achieve real energy savings?

The EED was conceived as a way to bridge the gap towards achieving the target of 20% energy efficiency improvements by 2020 adopted by the European Council in March 2007, by setting a framework for EU and national energy efficiency policies and measures, and monitoring progress.

Analysis published by DG Energy of the measures reported by Member States under the EED show that they are playing an instrumental role in closing the gap to the 2020 target, securing 101 Mtoe primary energy savings, of which 16 Mtoe are related to the introduction of new national policy measures.



Impact of energy efficiency framework on reaching 2020 target

This is based on measures announced by Member States, some may not yet be implemented. Sources: 2014 and 2015 reports on behalf of DG Energy.

* Baseline without EED is the PRIMES 2009 baseline considering PRIMES 2013 drivers and 2020 RES target.

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How is the Directive helping with the EU objective to restore growth and jobs?

It is estimated that by 2020, the energy efficiency framework will secure €202 billion worth of investment in the European economy, an amount to be compared with the impetus expected from President Juncker's investment plan. This investment would create or maintain over 3 million jobs in the EU.

How are Member States doing in implementing the Directive?

Although the transposition of the EED is behind schedule, the Directive has created a comprehensive legislative framework for 2020 and beyond, including EU and national targets, and minimum requirements for national programmes and measures.

Despite a timid start in setting national ambitions, Member States have invested resources to set up innovative measures, as well as, energy inventories. These efforts are starting to pay off, although it is still early to provide a detailed analysis.

How could these benefits be sustained over time?

A doubling of the current investment in energy efficiency will be needed to limit global temperature rise to 2°C (IEA 2015), not to mention a 1.5°C limit.

The current ending of key EED articles in 2020 is a barrier to its implementation. To ensure predictability and investor stability a continuation and an improvement of the EED framework is necessary. This includes, for example, the continuation of article 7 beyond 2020, which will incentivise the creation of long-term measures and schemes to deliver savings, building on experience of creating successful and effective schemes.

Who is writing this briefing?

As a unique coalition representing industry, environmental, consumer and municipal interests, the Coalition for Energy Savings believes that the Energy Efficiency Directive is an important tool for Europe's competitiveness, trade balance, environment, and, last but not least, local industries and jobs.

The Coalition for Energy Savings strives to make energy efficiency and savings the first consideration of energy policies and the driving force towards a secure, sustainable and competitive European Union. Its membership unites businesses, professionals, local authorities, trade unions, consumer and civil society organisations in pursuit of this goal. The Coalition calls on the EU to commit itself to a 40% energy saving target by 2030, and to step up policies, measures and investments in order to stop energy waste and tap the considerable energy savings potentials.

Coalition members represent:

- more than 400 associations and 150 companies

- 15 million supporters and more than 2 million employees

- 2,500 cities and towns in 30 countries in Europe

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