

Energy Union governance

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Energy efficiency will be instrumental to ensure that the Energy Union provides direct benefits to citizens and businesses while supporting the implementation of the Paris agreement.

The Energy Union's governance will only maximize these benefits if it provides investor certainty - to unleash energy efficiency markets -, and if the 'energy efficiency first' principle guides the planning and delivery of Energy Union objectives.

Recommendations

1- Set accountable and robust target governance - within the EED. An approach to setting and reviewing indicative national energy efficiency targets relying only on Member States' good will has failed in the past and would create uncertainty [1]. 'Strategic' and low pledging from Member States should be avoided.

⇒ *The 2030 target should be binding and broken down at national level. The Energy Efficiency Directive (EED) is the only appropriate place to set the target and its delivery mechanism (including the potential gap filler system and course correction mechanism), to ensure policy consistency and coherent actions of EU and national actors.*

2- Enact the 'energy efficiency first' principle in Member States' plans. The development of the National Energy and Climate Plans (NECPs) opens up opportunities for Member States to consider the potential of energy efficiency before making decisions and drafting legislation impacting the energy system.

⇒ *The Commission must ensure that the NECPs a) are based on ambitious energy efficiency scenarios and policies in line with 2030 and 2050 objectives; b) reinforce the integration of energy efficiency in all other Energy Union dimensions; and c) include robust and high level indicators for energy efficiency improvements and energy savings. Furthermore, the Commission should be required to regularly assess progress made in putting energy efficiency first in both EU and national legislation.*

3- Provide visibility on energy efficiency investments while avoiding lock-in effects and stranded assets. The NECPs should be the basis to plan for the size and shape of energy-related infrastructure – and could include national capital raising plans. Such comprehensive plans should allow comparing whether investment on energy savings and demand side are more cost-effective than investment in energy supply to avoid lock-in effects and stranded assets.

⇒ *The NECP template needs to include a 2050 perspective and require sufficient details regarding the infrastructure needed to deliver the targets – as well as the related public and private investments forecasted.*

4- Set binding and comprehensive planning, reporting & monitoring requirements. Member States should plan and report on the different climate and energy elements with increased consistency, transparency, and participation.

⇒ *Planning & reporting provisions, including the template, should be binding and enshrined in legislation. They should not be weaker than existing provisions and provide at least the same level of details as described in EED Article 24. Effective monitoring and enforcement should also be ensured in the legislative instrument. The process should allow an increased coordination between different governments' levels as well as stakeholders' involvement.*

[1] In its [discussion paper on energy efficiency](#), the German Ministry for Economy and Energy highlights the risk of failure with the current indicative approach and notes that: "Using a harmonised policy approach, a clear target distribution and the securing of target achievement could be guaranteed through strong and clearly structured European mechanisms than is the case in the status quo".

The Coalition for Energy Savings (AISBL) 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 500 associations and 200 companies
- 15 million supporters and more than 2 million employees
- 2,500 cities and towns in 30 countries in Europe