

## BRIEFING for Energy Ministers in view of Energy Council

### Energy efficiency files: The imperative to get it right

June 2017

On **26 June 2017**, Energy Ministers meeting in the **Energy Council** will discuss the EU energy efficiency files currently under revision. They are expected to agree on a general approach on both the Energy Efficiency Directive (EED) and the Energy Performance of Buildings Directive (EPBD).

Energy ministers have the opportunity to accelerate the delivery of energy efficiency policies and give life to an Energy Union which works for **citizens** and provides opportunities for **businesses**. The Commission notably proposes to amend the following Articles in the EED:

- **Articles 1 and 3**, to set a 2030 binding 30% energy efficiency target.
- **Article 7**, the annual energy savings requirement, to extend it beyond 2020, providing a regular growth perspective for energy efficiency markets.

#### Why stakeholders care?

- **The EED sets a framework for EU and national energy efficiency** policies and measures, and for monitoring progress towards achieving the 2020 and 2030 targets.
- **It provides both flexibility and results at national level.** Government departments regularly update the National Energy Efficiency Action Plans (NEEAPs) to progress towards their EED targets. Member States have developed strategies adapted to national circumstances and have encouraged the creation of local jobs and growth across sectors.
- **Today, there are visible signs that energy efficiency policies are encouraging the energy efficiency market to take off**, bringing benefits for consumers and businesses across the European Union.
- **The 2020 target is on track to be achieved**, but the energy savings trajectory needs to be extended with a 2030 target.

**This briefing has been prepared by the Coalition for Energy Savings, and represents the views of a multi-stakeholder and cross-sectoral platform.**

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, cooperatives, trade unions, consumer and civil society organisations in pursuit of this goal. 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

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More information: [Position paper on The Clean Energy for All Europeans package](#)

## Energy efficiency markets need...



### Outlook

...with a binding **40%** 2030 target based on the cost effective potential across sectors.



### Certainty

...with a strong and credible commitment through a **binding** target broken down by Member State.



### Growth

...with the full deployment of **1.5% annual savings** and a **2050** outlook for Article 7.



### Consistency

...with a target expressed both in **primary and final** energy and a set of **complementary** legal tools.

## The text currently under negotiation considers...

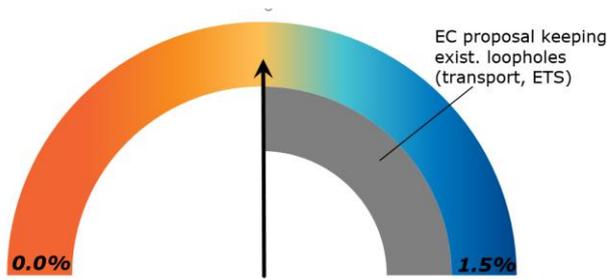
▼ A **30%** target which would merely ensure continuing business as usual

▼ The possibility to make the target **indicative**, which would mean that the target could be ignored when planning for the energy system

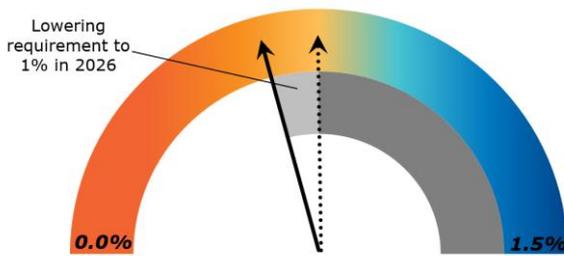
▼ A slowing down of energy efficiency markets with the creation of additional **loopholes** in Article 7  
▼ The deletion of the **2050** perspective for Article 7

▼ Target expressed in primary **or** final energy  
▼ **Confusion** between renewable energy and energy efficiency support schemes without stepping up ambition on both fronts

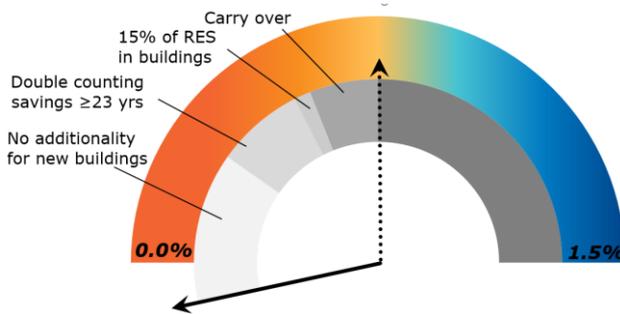
# Article 7 – What is on the table?



**The Commission** proposes to continue the current Article 7 set-up without major changes. In particular the proposal keeps the existing loopholes, which means that **only half of the 1.5% annual savings is secured**.

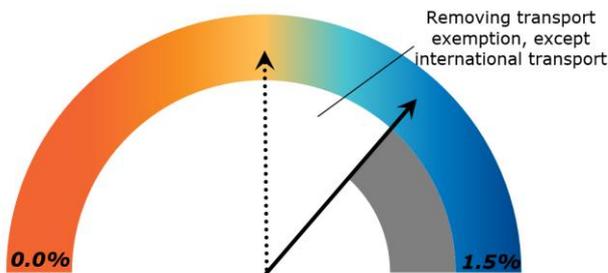


**Italy** proposes to continue the current Article 7 set-up but to **lower it to 1% annual savings from 2026**, unless the Commission proposes to maintain 1.5%.

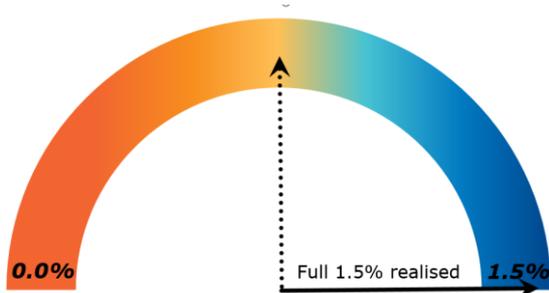


**The Maltese Presidency** has proposed a number of loopholes which could **make Article 7 a facade target** with no obligation<sup>1</sup>.

- Allowing carryover of excess savings from first period to second period
- Counting “renewable energy generated in or on buildings for own use” as energy savings of up to 15% of the savings requirement
- Double counting of savings with lifetimes ≥ 23 years
- Counting any new building as delivering additional energy savings



On the other hand, **Germany, supported by France and Sweden**, asked for removing the **transport loophole**, except international transport. Complete removal of this loophole is also proposed by the draft opinion from MEP Jytte Guteland for the European Parliament Environment Committee.



**Energy efficiency stakeholders** believe that it is feasible and desirable to remove all exemptions and statistical tricks to achieve a full 1.5% annual savings which will **maximise benefits for citizens and companies**.

<sup>1</sup> More information in this [article](#) from Jan Rosenow and Richard Cowart, Regulatory Assistance Project (RAP)