

The Coalition for Energy Savings

Feedback to call for evidence: assessing the level of EU & national funding for energy efficiency

The Coalition for Energy Savings would like to thank the European Commission for the opportunity to provide its views on the upcoming report assessing the level of EU & national funding for energy efficiency.

We believe that an analysis of the total public funding available for energy efficiency improvements and whether there is a gap to the financing needs is an important step to ensure a sufficient and strategically allocated flow of capital for energy efficiency to deliver long-lasting energy savings.

The new Energy Efficiency Directive (EED) increased the EU energy efficiency target for 2030 to an 11.7% reduction compared to the PRIMES 2020 scenario, which will require additional and better use of public funding to be met. In addition, a recent European Court of Auditors [report](#) underlines that “*there is no information that sufficient financing will be made available to reach the 2030 targets*”. In that context, a Commission report on this aspect is very much welcomed and needed.

The Commission’s report should not only assess the level of existing EU and national funds available for energy efficiency, but whether the existing funds are used effectively and the potential impact of not prolonging the current level of funding in the next Multiannual Financial Framework (MFF). To facilitate access to funds, we strongly support the setting up of a Union-wide mechanism for energy efficiency, enabled by the earmarking of a certain percentage of the next MFF, in which the distribution of funds is simplified and more result-oriented (notably linked to the energy performance achieved and maintained). Such a long-lasting mechanism would offer predictability and stability for all actors. It should also address the coordination needs throughout the various funds and how this is being managed at national level.

Importantly, any public funding must also be targeted to those who need it the most. The Commission’s report should therefore review how current efficiency funding streams support households in energy poverty and provide recommendations, based on national examples, of how this could be improved, namely to help the preparation of the Social Climate Plans due by next year.

Finally, it is crucial that public funding is used to leverage private investments, in order to maximise their impact and lead to a better use of the public resources available. As energy efficiency projects are often of a small financial size, technical assistance is needed to aggregate them and make them more attractive to private investors. Best practices, as examples stemming from the ELENA facility, could be showcased in the Commission’s report to Parliament and Council.