

## Post-Paris EU climate policy briefings

*At the Paris Climate Summit, 195 governments agreed to reduce man-made greenhouse gas emissions to zero during the second half of this century and to limit average global temperature rise to 1.5°C. As signatories to the Paris Agreement, the EU and its Member States now need to revise and strengthen their climate and energy policies, and all other relevant policies to make them coherent with the Paris objectives. Our briefing papers provide a top line overview of the processes that will contribute to the needed zero-carbon transformation.*

### Revision of the Energy Efficiency Directive

April 2016

#### What?

The EU currently has an indicative target to reduce, by 2020, its energy consumption by 20% as compared to projected consumption levels. The European Council in October 2014 adopted an indicative target of reducing energy consumption by at least 27% by 2030, again as compared to projected consumption levels. It also agreed that this target will be reviewed, before 2020, having in mind a target of 30%. The European Commission is expected to propose this new target as part of its proposal for the revision of the Energy Efficiency Directive (which only runs till 2020). This proposal is expected to be published in September 2016, together with a proposal for the revision of the Energy Performance of Buildings Directive and a proposal for a financial instrument for energy efficiency investments.

#### What is at stake?

The review of the Energy Efficiency Directive is an ideal opportunity to improve the weak indicative target of at least 27%, which actually reflects a lower level of ambition than what the Commission initially recommended. According to the Commission's initial proposal, any level of ambition lower than 30% would commit Europe to lower energy savings in the period 2021 to 2030 than the savings that will occur in the current decade. The EU would effectively be slowing down its efforts on energy efficiency, which would also mean ignoring the 'energy efficiency first' principle that the European Commission has committed to apply within the Energy Union framework.

A 40% energy savings target, as a minimum, is needed to tap into EU's significant cost-effective energy savings potential. This has been repeatedly called for by the European Parliament.

The EED provides a real added value to the European legislative framework, helping to create a level playing field among Member States. This is especially true for the mandatory 1.5% annual energy savings target set by Article 7 of the EED, which is the main tool to deliver savings and stimulate national action on energy efficiency. The revision of the Energy Efficiency Directive is an excellent opportunity to extend the binding annual savings target beyond 2020 and strengthen it further by eliminating the loopholes that reduce its impact.

#### Who are the key players?

**For the European Commission:** the Commissioner for Energy and Climate Action, Miguel Arias Cañete, and his administration (DG Energy), as well as the other Commissioners that are part of the Energy Union cluster.

**For the European Parliament:** the Industry, Transport and Energy (ITRE) Committee.

**For the Council of Ministers:** the Energy Council, under the presidency of Slovakia (2nd half 2016), Malta (1st half 2017), UK (2nd half), Estonia (1st half 2018) and possibly Bulgaria (2nd half).



## What has happened, will likely happen and when?

**October 2014:** Heads of State and Government agreed, by unanimity on an indicative target at EU level of at least 27%;

**July 2016:** European Parliament will adopt an own initiative report on the implementation of the EED and in particular on its Article 7;

**September 2016:** the European Commission will present a proposal for the revision of the EED and the EPBD;

**2016-2017:** the European Parliament and EU Member States agree on their positions on the Commission's proposal;

**2017-2018:** dialogue, and if successful, vote in the European Parliament and the Council Of Ministers on the final compromise.

## CAN Europe's position

CAN Europe calls for a binding at least 40% energy savings target for 2030, with binding targets at national level;

CAN Europe calls for the continuation and strengthening of Article 7 of the EED, including:

- an agreement on the extension of implementation of Article 7;
- containing a binding annual reduction target of at least 1,5%;
- with Energy Efficiency Obligations as the preferable option;
- the option providing 25% flexibility to be eliminated and all exemptions to be removed;

CAN Europe calls for the EED to keep its governance structure: streamlined reporting should work in line with sectoral legislation and requirements.

**For more information, please contact:**

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