

Implementation report on the Energy Efficiency Directive (2012/27/EU)

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The Committee on Industry, Research and Energy adopted the own-initiative report by Markus PIEPER (EPP, DE) on the implementation report on the Energy Efficiency Directive (2012/27/EU).

The Energy Efficiency Directive: inadequately implemented but provides framework for delivering energy savings: Members stressed that energy efficiency is crucial for achieving EU climate and energy targets, in line with the objectives endorsed in the Paris Agreement adopted at COP21.

The [Energy Efficiency Directive](#) has triggered numerous positive developments in the Member States, however **poor implementation** is hindering its full potential, in particular as regards the creation of quality employment.

Members stressed that it is essential to starting the **transition towards a more sustainable energy system** based on renewables and away from fossil fuels as soon as possible. They called for plans to be drawn up with a view to **phasing out fossil fuel subsidies** and channelling financial resources into energy efficiency projects serving to achieve the EU's goal of decarbonisation of the energy sector by 2050. They agreed with the Commission that lower fuel prices and the prospect of economic growth could further endanger the achievement of the 20 % energy targets for 2020. In this regard, they called on the Commission and the Member States to **enhance the monitoring, verification, control and compliance regime** in order to ensure the right level of ambition.

Member States are expected to have achieved only 17.6 % of primary energy savings by 2020, and that the 20 % target is at risk unless the existing EU legislation is fully implemented, efforts are accelerated and barriers to investment are removed. Member States are urged to fully and rapidly implement the 2012 Energy Efficiency Directive and the [2010 Buildings Directive](#), given that buildings account for 40 % of energy use in the EU and that 50 % of this is used for heating and cooling purposes.

The report stressed that **some key elements of the Energy Efficiency Directive** (e.g. smart meters, smart grids, cogeneration and renovation plans) **need more time**, and that a stable post-2020 energy efficiency framework is essential in order to give the necessary confidence and regulatory stability to investors, public authorities and enterprises to launch projects and innovations, as they have great potential to lower the consumption of energy and thus lower the cost for the consumer.

Member States are called upon to promote **smart metering** and **transparent billing** as a way to foster more responsive consumer behaviour with reference to energy consumption and investment in energy efficiency.

Recalling its resolutions of [5 February 2014](#), [26 November 2014](#) and [15 October 2015](#), which call, inter alia, for a 40 % energy efficiency target for 2030, Members asked the Commission and the Member States to **review the 27 % energy efficiency target for 2030** adopted by the European Council in 2014.

Cutting red tape: the report noted that energy **reporting obligations** as part of a framework are essential to evaluate the progress and implementation of existing energy efficiency legislation. Members regretted, however, the excessive energy reporting obligations imposed, also by gold-plating by Member States, on

businesses, energy producers, consumers and public authorities, which limit the potential for growth and innovation. Reporting duties should wherever possible be simplified in order to reduce administrative burdens and costs.

Members stressed that the calculation rules for energy savings and interpretations for eligible measures are over-complicated and therefore impossible to follow precisely. The Commission should consider proposing new delegated acts that will **simplify the calculation methods** of the current directive.

Energy legislation needs to be more coherent: Members called on the Commission to uphold the principle of ‘better regulation’, to consider **better means of coordination of EU energy and climate change rules** in order to improve legislative efficiency and effectiveness, and to propose measures to improve current regulation.

They also called on it to:

- strengthen methodologies for the comprehensive long-term assessment of energy efficiency initiatives;
- make energy efficiency a **crucial element and a priority consideration** in future investment decisions on Europe's energy infrastructure.

More energy efficiency – more jobs and growth: Members regretted the less-than-effective energy efficiency projects supported by the EU Structural Funds (2007 to 2013). They called for improved guidelines and more intensive Commission monitoring with a view to making better use of the Structural Funds and European Fund for Strategy Investment (EFSI) in combination with private investments for viable energy efficiency projects, notably in buildings.

They considered that Structural Funds’ and EFSI funding of energy efficiency projects should **target those consumers more sensitive to energy costs**, such as industry at risk of carbon leakage, SMEs and households at risk of energy poverty. It is an absolute priority to develop financing instruments, tools and innovative models to mobilise public funds and leverage private finance at local, national, regional and European level in order to support investments in key energy efficiency sectors such as the renovation of buildings, paying special attention to vulnerable groups and also due attention to the specificities of long-term investments.

The report also called for:

- Member States to adopt and improve systems for monitoring, measuring and managing energy efficiency in buildings in order to achieve substantial gains in energy efficiency in buildings in the EU;
- Member States to do more to renovate non-residential buildings in the light of their strong potential for short-term profitability;
- necessary resources to be set aside for training those responsible for installing equipment, so as to ensure a high level of quality in renovations;
- a strategic approach to be adopted by the Commission to increase awareness of new technical developments (in areas such as refrigerants, lighting, insulation, thermostats, metering, glazing and many others);
- guidelines in order to help consumers better control their energy consumption;
- rigorous **quality assurance standards, national training programmes and single, simplified national certification systems** for energy efficiency providers;
- EU funding programmes (e.g. Structural Funds, Juncker Plan, ELENA-EIB) to increase the proportion of funds allocated to energy efficiency capacity-building and technical assistance;
- an obligation to perform national cost-benefit assessments of energy efficiency programmes.

Lastly, Member urged the Commission and the Member States to take ambitious steps to introduce **new measures to enhance modal shift towards the most energy-efficient modes**, and to **fully deploy Intelligent Transport Systems (ITS)** in order to further improve the efficiency and usage rate of the capacity available, both of vehicles and of infrastructure, and also in logistics, aviation and maritime transport.

Recalling that energy efficiency can be achieved by setting CO2 standards and informing users on the fuel consumption of their vehicles, the Commission is called upon to come forward with **proposals** to inform users on the fuel consumption of new trucks, buses and coaches, and to set limits on their CO2 emissions.