Energy efficiency

2016/0376(COD) - 20/12/2017 - Committee report tabled for plenary, 1st reading/single reading

The Committee on Industry, Research and Energy adopted a report by Miroslav POCHE (S&D, CZ) on the proposal for a directive of the European Parliament and of the Council amending Directive 2012/27 /EU on energy efficiency.

The committee recommended that the European Parliament's position adopted at first reading under the ordinary legislative procedure should amend the Commission proposal as follows.

Union's binding target and national targets: Members proposed setting a 40 % energy efficiency target by 2030 at EU level, compared to the European Commission's proposed goal of 30 %.

Member States shall set their **national binding energy efficiency targets** taking into account that the Union's 2030 energy consumption has to be **no more than 1 132 Mtoe of primary energy and no more than 849 Mtoe of final energy**. This means that primary energy consumption should be reduced by 34 % and final energy consumption should be reduced by 31 % in the Union compared to 2005 levels.

In general, countries whose energy consumption per capita is below the Union average should be given more flexibility when setting their targets.

Promoting investment: the Commission shall start a dialogue with both public and private financial institutions to map out potential policy mechanisms in order to mobilise private financing for energy efficiency measures and energy renovations.

Given the large potential for energy efficiency improvements in the **building sector**, investments in this sector shall be particularly considered, with a primary focus on residential buildings with **low-income households** at risk of energy poverty.

The Commission shall provide guidance for Member States on how to unlock private investment no later than 1 January 2019.

Public bodies' buildings: from 1 January 2021, the provisions of the Directive shall apply to all heated and/or cooled buildings owned and occupied by public authorities with due regard for their respective competences and administrative set-up.

Energy savings obligation: the proposed Directive foresees that Member States shall be required to achieve a cumulative end-use energy savings for the entire obligation period, which is equivalent to new savings in order of at least 1.5 %.

Member stated that this requirement could be met by energy savings that stem from policy measures provided it can be demonstrated that those measures result in individual actions that **deliver verifiable energy savings after 2020**. Savings in each period should build cumulatively upon the amount of savings to be achieved in the previous period(s).

As part of the energy efficiency obligations mechanism, Member States shall promote the adoption of measures that tackle the heating and cooling potential for energy savings, eventually providing additional rewards for interventions resulting in pollution mitigation.

Alternative public policy measures: Members stated that blending components of fuels in transport can be counted towards the energy efficiency target.

In designing alternative policy measures to achieve energy savings, Member States shall take into account the effect on low-income households, including those affected by energy poverty, and ensure measures are implemented as a priority in those households and in social housing.

Provision of energy efficiency services: the Commission shall ensure that the provision of services in the energy efficiency market is carried out in a competitive and transparent framework which allows the final consumer to benefit from lower costs and better quality of services. To this end, Member States shall ensure that businesses, particularly SMEs have a non-discriminatory access to the market in energy efficiency services.

Billing information: Members considered that accurate bills shall be guaranteed when smart meters functionalities are turned on. The billing information shall based on actual consumption. Clear and understandable information shall be provided to all final customers.

Billing information, information tools and annual statements shall provide all the necessary information to enable consumers to regulate their energy consumption, compare offers and **switch suppliers**.

The **protection of data and privacy** of final users should be ensured in accordance with the relevant Union legislation.

Financing energy efficiency by European banks: Members introduced a new provision requiring financial institutions - the European Investment Bank (EIB) and the European Bank for Reconstruction and Development (EBRD) - to develop financial instruments suitable for large scale investments in energy efficiency.

Evaluation report: the Commission shall evaluate the Directive by 28 February 2024 at the latest, and every five years thereafter, and present a report assessing the general effectiveness of the Directive and the need to adjust further the Union’s energy efficiency policy in accordance with the **objectives of the Paris Agreement**, economic and innovation developments.