

Energy efficiency

2016/0376(COD) - 17/01/2018 - Text adopted by Parliament, partial vote at 1st reading/single reading

The European Parliament adopted by 485 votes to 132, with 58 abstentions, **amendments** to the proposal for a directive of the European Parliament and of the Council amending Directive 2012/27/EU on energy efficiency.

The matter was **referred back to the committee responsible** for interinstitutional negotiations.

The main amendments adopted in plenary concern the following issues:

Union's binding target and national targets: Parliament proposed setting a 35 % energy efficiency target by 2030 at EU level, compared to the European Commission's proposed goal of 30 %.

In order to achieve this overall objective, each Member State shall set its own indicative targets in terms of energy efficiency.

The Directive:

- establishes a common framework of measures to promote energy efficiency within the Union, implementing the **'energy efficiency first' principle throughout the full energy chain**, including energy generation, transmission, distribution and end-use;
- paves the way for further **energy efficiency improvements** beyond 2030, in line with the Union's long-term energy and climate goals for 2050 and the Paris Agreement.

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 consider options on how to bundle small projects into larger ones. It shall also provide guidance for Member States on how to unlock private investment no later than 1 January 2019.

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.

Furthermore, all opportunities to increase energy efficiency, including from higher performing fuel used in transport shall be eligible towards the cumulative end-use energy savings requirement.

Alternative public policy measures: Members stated that in designing alternative policy measures to achieve energy savings, measures shall be 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, thereby enabling them to participate on equal terms with vertically integrated operators.

Billing information: smart meters shall allow end-users to access their energy consumption data. Where meters or heat cost allocators are installed, billing and consumption information is **reliable, accurate and based on actual consumption or heat cost allocator readings**.

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: Parliament proposed that the EIB and the EBRD shall, together with national promotional banks, design, generate and finance programmes and projects tailored to the efficiency sector, including for energy poor households.

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.