

To the kind attention of **Energy Ministers** of Denmark, France, Germany, Ireland Luxembourg, Portugal and Sweden

Monica Frassoni

President of the European Alliance to Save Energy (EU-ASE) Square de Meeus, 22 A 1050 Brussels (Belgium)

Brussels, 12 February 2018

Dear Ministers,

RE: Energy Efficiency Directive (EED) and Energy Union Governance 2030 Regulation to drive the EU energy transition.

I am writing to you on behalf of the European Alliance to Save Energy (EU-ASE), a multi-sectoral business organisation whose members have operations across the 28 Member States of the European Union, directly employ 340.000 people in Europe and have an aggregated annual turnover of €115 bn.

The EED and Governance 2030 are central to the EU post-2020 energy framework and consequently to the success of the European energy transition. From a business perspective, these two pieces of legislation - if correctly designed - have the potential to provide investors with the much-needed certainty and predictability for investments, increase the competitiveness of the European industry, generate economic growth and create millions of jobs across the continent.

We welcomed your statement on the EED General Approach reached in July 2017 and your willingness "to pursue the negotiations with a view to improve the ambition of the (EED) directive" and we also appreciated your continued support for a strong EU Governance 2030 framework. We trust you will maintain this ambition, so as to achieve a better result than the one that could be expected from the current General approach of the Council. This is all the more important in this final stage of the legislative process, as we fear that several key provisions in both proposals might be at risk. A poor outcome of negotiations could severely affect the capacity of the EU to deliver its commitments in the framework of the Energy Union and the Paris Agreement.





Therefore, we warmly encourage you to:

Energy Efficiency Directive

- Support the binding nature of the EU energy efficiency target to strengthen investor confidence
- Increase the level of ambition of the energy saving target to a cost-effective 40% by 2030, expressed both in primary and final energy terms
- Extend the 1.5% annual energy savings obligations beyond 2020 (with a 2050 perspective)
- Avoid double counting and loopholes that would undermine the effectiveness of Art.7 and of the whole Directive
- Include transport energy consumption in the baseline when calculating the savings.

Governance 2030

- Support a transparent, robust and forward-looking governance to drive business decision and guarantee an adequate implementation of EU energy efficiency legislations
- Strengthen the energy efficiency target governance by allowing the Commission to check progress of individual Member states against a linear trajectory to ensure a steady flow of investment over the decade. Member states should be individually responsible for the delivery of the target and have one year to cover any emerging gap
- Keep a strong emphasis on national, long-term, comparable strategies. These should be drafted simultaneously with the national 2030 plans aiming at delivering a decarbonised society.

We wish you fruitful trilogue negotiations and look forward to an ambitious outcome for the economic, social and environmental benefits of the entire European Union.

Yours sincerely, Monica Frassoni

President of the European Alliance to Save Energy (EU-ASE)



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About the European Alliance to Save Energy (EU-ASE)

EU-ASE was established in December 2010 by some of Europe's leading multinational companies. The Alliance creates a platform from which our companies (1E, Danfoss, Ingersoll Rand, Kingspan, Knauf Insulation, Philips Lighting, Schneider Electric, Saint-Gobain, Siemens and Veolia) can join with politicians and thought leaders to ensure the voice of energy efficiency is heard from across the business and political community.

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