

Open Letter to Energy Ministers of the EU

Energy efficiency for security, resilience and sustainable economic growth

Brussels, 21 June 2022

Dear Energy and Climate Ministers,

On the 27th of June 2022, you will be asked to support the General Approach of the Council of the European Union to the recast of the Energy Efficiency Directive (EED). As part of the Fit for 55 Package, the revision of the EED is paramount to deliver the objective of the European Green Deal to reduce emissions by at least 55% by 2030, and ultimately for the Union to become climate neutral by 2050.

The Russian military invasion of Ukraine has exacerbated the energy crisis and urged EU governments action to reduce soaring energy prices. As adopted in the Versailles Declaration by the European Council and as proposed by the European Commission in the REPowerEU plan, an ambitious revision of the Energy Efficiency Directive is critical to first and foremost reduce Europe's energy demand.

Following the application of the Energy Efficiency First principle, improving energy efficiency across all sectors goes hand in hand with the replacement of fossil fuel solutions by cleaner, renewable energy sources. By reducing energy demand and optimising the full energy system through the reduction of peak demand, energy efficiency allows to reduce the need for investments in new generation, transmission and distribution systems, and thereby also ultimately reducing the costs passed onto consumers.

In this respect, the buildings sector is a priority area of increased action where improved energy performance is crucially needed, as 75% of the building stock is very energy inefficient. This is even more true for the worst-performing buildings which are, most of the time, inhabited by citizens affected by energy poverty.

Considering all of the above and ahead of the Energy Council, the European Alliance to Save Energy would like to draw your kind attention to the following recommendations:

- **The full application of the Energy Efficiency First principle must be the bedrock of the EED.** Applying a holistic approach of the principle in all sectors is the most rational and cost-effective way to decarbonise our economy. [Proven business cases and best practices](#) can deliver energy savings to the benefit of citizens, businesses and the environment. We therefore invite the Council to support the Commission's proposal related to Article 3 of the EED recast.
- **The cost-effective potential for energy savings, which has increased due to high energy prices, should be realised as much as possible.** A recent [study](#) has shown the cost-effective energy efficiency

potential for 2030 to be at least 19%¹. Therefore, we very much welcome and call on the Council to agree at least on the Commission's amendment to increase of the EED target from 9% to 13% by 2030.

- **A pragmatic, well designed governance can ensure a timely delivery for the 2030 target.** Member States should agree to reinforce the governance of the EED target by supporting the “gap-avoider” mechanism. By taking into account the notified national contribution within a margin of 2.5%, should the sum of all contributions be insufficient compared to the result of the use of the formula in Annex I, the Commission should be able to activate the mechanism and to make sure that the national contributions are aligned with the 2030 binding Union target.
- **An energy efficient public sector must lead by example.** We therefore call on the Council to agree on the French Presidency's proposal on article 5 to ensure that the final energy consumption of all public bodies is reduced by at least 1.7% each year, or 1.9% if excluding transport and armed forces. In addition, we call on the Council to ensure a robust article 6 to make sure all public buildings are deeply renovated to become at least Nearly-Zero Energy Buildings, as per the French Presidency's proposal.
- **The Energy Savings Obligation is an essential element of the EED.** We recommend the Council to support the Commission's proposal to set an annual energy savings obligation rate for all obligated parties of 1.5% from 2024 to 2030.
- **Unlock the potential of energy savings in the private sector by leveraging energy audits and management systems.** By supporting the mandatory implementation of energy audits results, especially those with low payback times, enterprises can become more energy efficient, more resilient to energy price volatility and more competitive.

We count on your support and are available to work together and seize the historic chance to address both the energy and the climate crisis with the deployment of clean technologies for energy efficiency and renewable energy production.

Yours sincerely,



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

¹ Based on the 2020 reference scenario for energy consumption projections

About us

The European Alliance to Save Energy (EU-ASE) is a cross-sectoral, business led organisation which aims to ensure that the voice of energy efficiency is heard across Europe. EU-ASE members have operations across all the 27 Member States of the European Union, employ over 340.000 people in the EU and have an aggregated annual turnover of €115 billion.

