



To:

Marcel Haag, Director, Horizontal policies, DG FISMA

Paula Pinho, Director, Just Transition, Consumers, Energy Efficiency and Innovation, DG ENER

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## **Open letter: Recognising the key enabling role to increase energy efficiency of electrical and industrial solutions**

The EU is making big strides in the execution of the European Green Deal, not least through the release of the Fit for 55 package in July this year.

Addressing the climate crisis and reaching the increased 2030 and 2050 climate and energy targets requires an ‘all men on deck’ approach that maximises the impact of all the different levers we can pull. One essential lever is energy efficiency: we strongly support the “Energy Efficiency First principle” as a guiding theme throughout the Fit for 55 package. A second lever, closely related to energy efficiency, is electrification, which has a crucial role to play for decarbonisation.

In May 2018, the European Commission published its action plan on sustainable finance which, among other elements, included a proposal to create a unified EU classification system (EU Taxonomy). We support this initiative that will provide greater clarity to investors on what can be genuinely considered sustainable economic activities. In order to fully deliver on the goals of the taxonomy, its technical screening criteria must include all the most beneficial and sustainable solutions available on the market.

**Electrical equipment and industrial automation equipment and systems are key enabling technologies to deliver on energy efficiency and electrification.** According to the Intergovernmental Panel on Climate Change (IPCC), the electrification of heating, transport and industry is essential, and the share of electricity should reach at least 60% in 2050 to keep global warming well below 1.5 °C.

Electrical equipment which helps control, command and optimise the electricity system is crucial because it improves energy efficiency, streamlines energy demand and supply, and supports the integration of renewable energies. Currently, there are about 8 billion electric motors in use in the EU, consuming nearly 50% of the electricity produced in the Union. Thanks to industrial automation technologies such as variable speed drives, highly efficient contactors and industrial control and automation, it is possible to achieve significant energy savings. For example, in Germany, demand-driven automation technology could deliver additional energy savings of between 10 % and 25 % in machines and plants.



For the reasons exposed above, we believe that it is essential that the EU taxonomy rightly recognises the enabling role of this industry for climate change mitigation, and we stress that:

1. The full chain of electrical equipment from high voltage, medium voltage and low voltage should be covered in the manufacturing section, ensuring a comprehensive approach
2. The enabling role of the electrical equipment as a system should be captured as a system. So, the eligible equipment should not be limited only to connected ones, missing other pieces needed to make the full system work.
3. Industrial automation equipment and solutions should be included in the manufacturing section, either with a dedicated section or under the same section than electrical equipment.

We hope you will find our considerations useful and remain available in case you would like to discuss further any of the items mentioned above.

Yours sincerely,

Monica Frassoni  
President  
European Alliance to Save Energy

#### About us

The European Alliance to Save Energy (EU-ASE) aims to advance the energy efficiency agenda in Europe. The Alliance allows some of the world's leading multinational companies to join environmental campaigners and a cross-party group of Members of the European Parliament. EU-ASE business members have operations across the 27 Member States of the European Union, employ over 340.000 people in Europe and have an aggregated annual turnover of €115 billion.

