

# Energy efficiency first: Commission welcomes agreement on energy efficiency

A political agreement on new rules for improving energy efficiency in Europe was reached today between negotiators from the Commission, the European Parliament, and the Council.

The Commission's proposal forms part of the implementation of the Juncker Commission priorities – in particular [“a resilient Energy Union and a forward-looking climate change policy”](#). Today's agreement is the third of eight legislative proposals in the [Clean Energy for All Europeans](#) package (presented by the European Commission on 30 November 2016) now agreed by co-legislators. On 14 June a political agreement was reached on the [revised Renewable Energy Directive](#), and on 14 May, the [Energy Performance in Buildings Directive](#) was adopted. Thus progress towards making the Energy Union a reality is well under way and the work initiated by the Juncker Commission is being delivered.

The new regulatory framework includes an energy efficiency target for the EU for 2030 of 32.5% with an upwards revision clause by 2023. This new objective shows the EU's high level of ambition and demonstrates the remarkable pace of change of new technologies and reduced costs through economies of scale. Together with the recently agreed 32% renewable energy target for the EU for 2030 (see [STATEMENT/18/4155](#)), Europe will be equipped to complete the clean energy transition and meet the goals set by the Paris Agreement. Delivering on President Juncker's objective to support the clean energy transition, with today's agreement the EU is helping to create growth, employment and investment opportunities for the benefit of European energy consumers.

Commissioner for Climate Action and Energy Miguel **Arias Cañete** said: *“Europe is by far the largest importer of fossil fuel in the world. Today we put an end to this. This deal is a major push for Europe's energy independence. Much of what we spend on imported fossil fuels will now be invested at home in more efficient buildings, industries and transport. The new target of 32.5% will boost our industrial competitiveness, create jobs, reduce energy bills, help tackle energy poverty and improve air quality. Our path to real energy security and climate protection begins here at home, and this deal shows that Europe's determination to build a modern economy that is less dependent on imported energy and with more domestically produced clean energy”*.

## **Main achievements:**

- Sets a new energy efficiency target for the EU for 2030 of 32.5%, with an upwards revision clause by 2023;
- Will extend the annual energy saving obligation beyond 2020, which will

attract private investments and support the emergence of new market actors;

- Will deliver real energy savings in the next period 2021-2030 and beyond, coming from new energy efficiency renovations or other measures undertaken in the next decade;
- Will strengthen rules on individual metering and billing of thermal energy by giving consumers – especially those in multi-apartment building with collective heating systems – clearer rights to receive more frequent and more useful information on their energy consumption, enabling them to better understand and control their heating bills.
- Will require Member States to have in place transparent, publicly available national rules on the allocation of the cost of heating, cooling and hot water consumption in multi-apartment and multi-purpose buildings with collective systems for such services.
- Will tackle existing market, behavioural and regulatory barriers in order to increase security of supply, competitiveness of EU industries, reduce energy bills of consumers and health costs for society, thereby also addressing energy poverty and exploiting the positive impacts on economic growth and employment.

## **Next steps**

Following this political agreement, the text of the Directive will have to be formally approved by the European Parliament and the Council. Once endorsed by both co-legislators in the coming months, the updated Energy Efficiency Directive will be published in the Official Journal of the Union and will enter into force 20 days after publication. Member States will have to transpose the new elements of the Directive into national law 18 months after its entry into force.

## **Background**

The revision of the Energy Efficiency Directive is part and parcel of the implementation of the Juncker Commission priorities to build “a resilient Energy Union and a forward-looking climate change policy”. The Commission wants the EU to lead the clean energy transition. For this reason the EU has committed to cut CO<sub>2</sub> emissions by at least 40% by 2030 while modernising the EU’s economy and delivering on jobs and growth for all European citizens. In doing so, the Commission is guided by three main goals: putting energy efficiency first, achieving global leadership in renewable energies and providing a fair deal for consumers.

By using energy more efficiently, Europeans can lower their energy bills, live in more comfortable and healthy dwellings, reduce their reliance on external suppliers of oil and gas, improve local air quality, and help protect the environment. Energy efficiency has to be increased at all stages of the energy chain, from generation to final consumption. At the same time, the benefits of energy efficiency must outweigh the costs, for instance those that result from carrying out renovations. EU measures therefore focus on sectors where the potential for savings is greatest, such as buildings. The EU has set itself a 20% energy savings target by 2020 (when compared to the projected use of energy in 2020). On 30 November 2016 the Commission proposed

an [update to the Energy Efficiency Directive](#) including a new energy efficiency target for 2030, and measures to update the Directive to make sure the new target is met.

**More information**

[Energy Efficiency](#)

[Energy Union](#)

[Investment Plan for Europe: the Juncker Plan](#)