



Tapping into the energy savings potential of the Energy Efficiency Directive

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The EU must decrease its energy consumption considerably within this decade

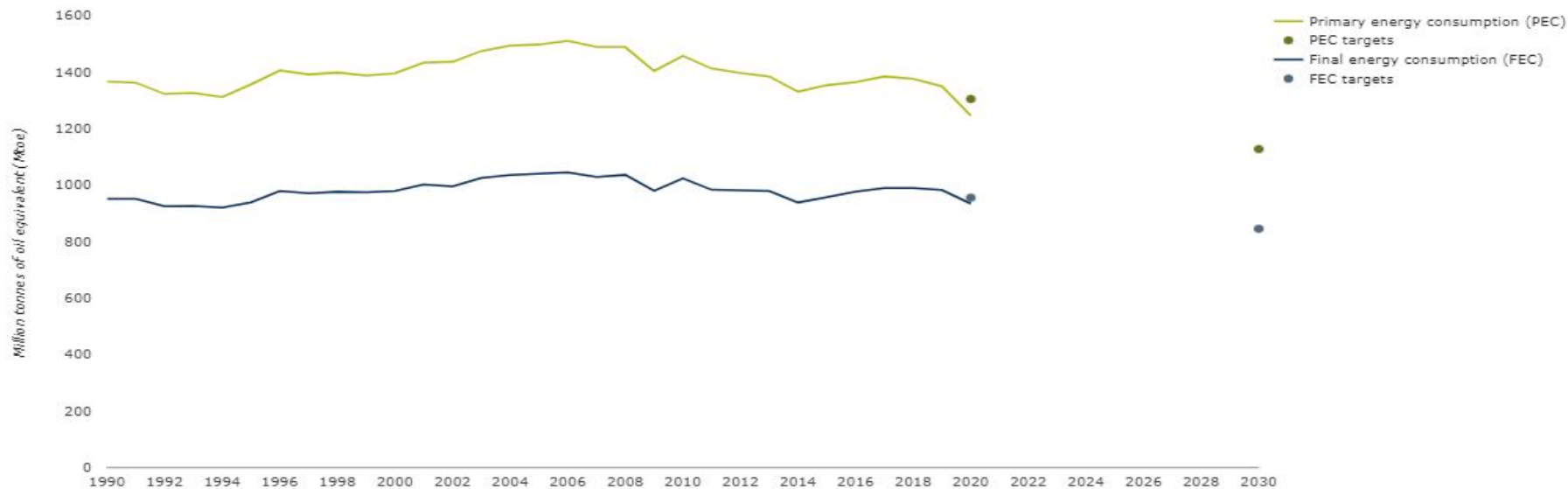
- According to recent IPCC reports (e.g. in 2022), there is still a window of opportunity to avoid the worst impacts of the climate crisis, but it is closing fast: effective adaptation to climate change is still possible only if greenhouse gas emissions drop drastically this decade.
- It is a **now or never moment** for the EU to prove its climate leadership at global level and get on the right energy transition track
- The energy transition means a bold shift to an energy system that is based on 100% renewable energy sources by 2040. Energy efficiency and the reduction of energy demand should be the basis for the transition towards such a system.
- The **Fit for 55 package provides a unique opportunity to reduce emissions**. As action in the next ten years will be decisive in reaching the 1.5°C objective, the EU should strive for at least 65% greenhouse gas emission reductions by 2030 within the package.

A new context

- Russia's invasion of Ukraine has revealed **Europe's dependency on energy imports**, especially from fossil fuels
- The European Commission recently presented its Communication RePowerEU with the aim to make Europe independent from Russian fossil fuels well before 2030, starting with fossil gas.
- Versailles declaration calls for imports of Russian oil, gas and coal to be phased out as soon as possible.
- Energy efficiency measures that bring energy savings are part of the solution and can **structurally help** solve the EU dependency from energy imports, but also offer a solution to households suffering from high energy prices in the long-run
- A strong signal for a structural change needs to come from the European Parliament and Member States, which must support a **binding energy efficiency target of at least 45% by 2030** and reinforce the Energy Efficiency Directive currently under revision.

Recent data show why we need a binding target

Figure 1. Primary and final energy consumption in the European Union

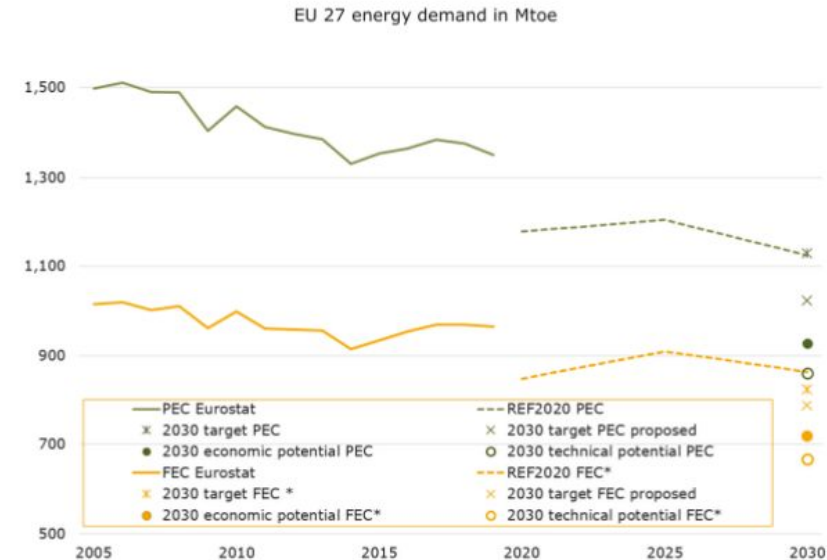


Source: EEA

Reducing the EU's energy consumption - how can we tap into the potential?

- Greater energy savings are feasible until 2030.
- Cost-effective potential lies at 41% FEC and technical potential at 45% FEC in mid-2021 without factoring in higher energy prices
- Higher energy prices are bringing us closer to the technical potential because the energy efficiency options that would usually be too costly, get cost-effective.
- A higher target can enable the rollout of transformational measures, like deep renovations, stronger standards for more efficient appliances and shifting to electric vehicles etc.

Figure 1: EU primary and final energy targets and potentials compared to historical demand and projections.



* The current 2030 target and the cost-effective potentials are using the old Eurostat methodology for FEC including energy used in blast furnaces. In order to allow for comparison, we subtracted the 2005-2019 average energy used in blast furnaces.