

# Potential of Energy Efficiency Services in the Journey to Net Zero....

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# A solid framework for 2030

## Policy framework for 2030: ambitious climate and energy targets



Minimum **40%** cut in greenhouse gas emissions compared to 1990 levels



At least a **32%** share of renewables in final energy consumption



At least **32,5%** energy savings compared with the business-as-usual scenario

Public money  
MFF

The yearly investment gap to meet these targets is estimated at **260 billion**.

Private capital

Public support alone will not be sufficient to meet those investment needs.  
The private sector will have to play a huge role and a smart policy framework is needed to incentivise private investment.

# Policy framework as a key driver

## ENERGY EFFICIENCY DIRECTIVE – KEY PROVISIONS:

- ✓ **Article 18** (energy services) – MS required to promote energy services markets and support public sector (for renovations) by i. a. providing model contracts for EPC and information on best practices.

And also other EED provisions notably:

- **Article 5** (exemplary role of public bodies' buildings)  
(encourage public bodies, where appropriate, to use energy performance contracting)
- **Article 6** (purchasing by public buildings)  
(encourage public bodies to use long-term energy performance contracts when tendering service contracts)
- **Article 7** (energy savings obligation) – a driver for energy efficiency renovations.
- **Article 16** (qualification & certification schemes) – ensuring the right set of skills

# Policy framework as a key driver (2)

## ENERGY PERFORMANCE OF BUILDINGS DIRECTIVE – KEY PROVISIONS:



### **MS Long-term renovation strategies (LTRS) – Art. 2a:**

Roadmap with policies and actions targeting **all public buildings**.

Broader in scope (Articles 5 and 6 EED target only ‘buildings’ that are owned and occupied by central government).



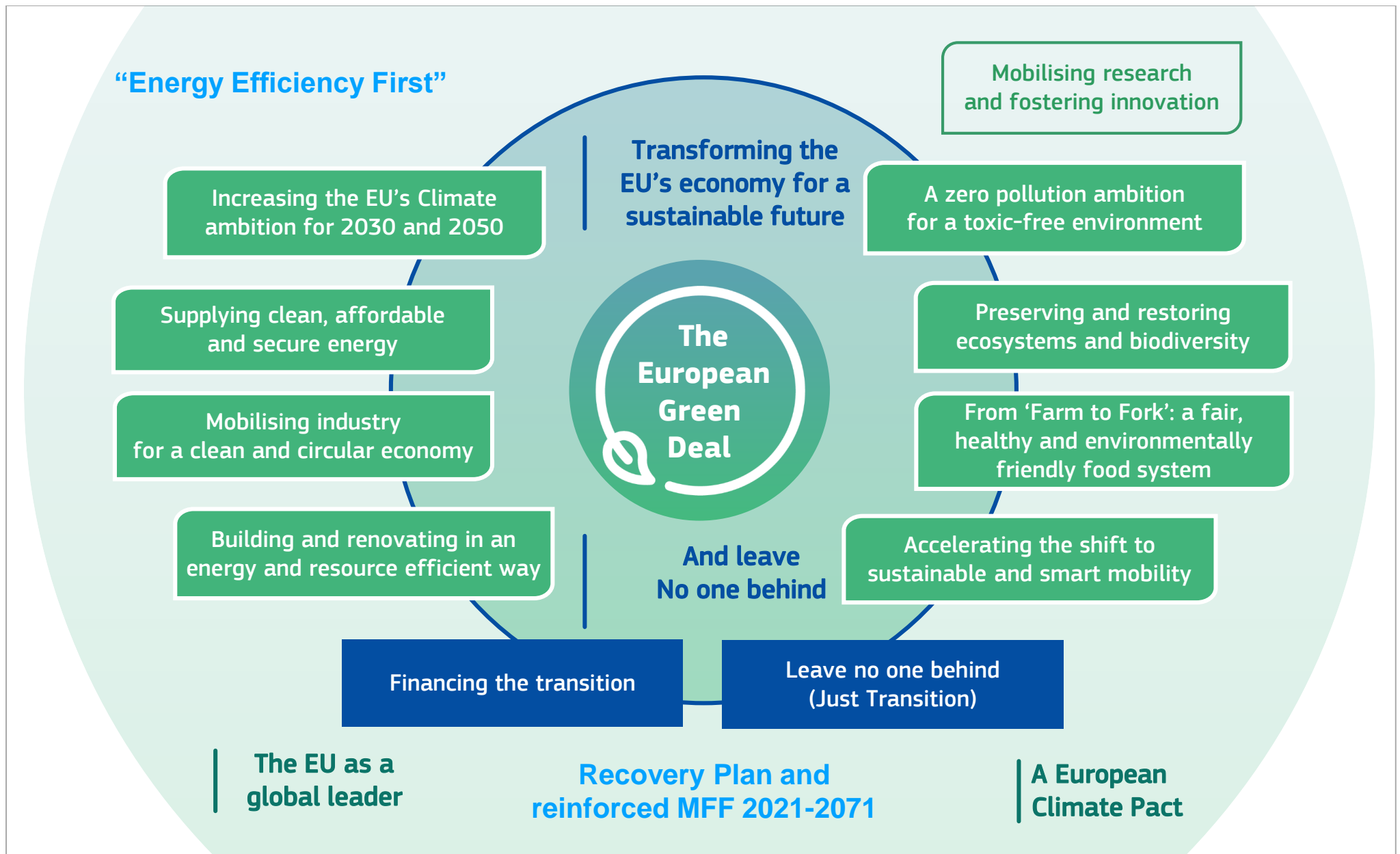
### **MS to facilitate access to financial mechanisms – Art.2a(3):**

Use of public funding to leverage additional private-sector investment or address specific market failures.

Guide investments into an EE public building stock – assistance for the use of energy performance contracts (market facilitators, framework contracts, practical guides etc.).

**Commission Recommendation on Building Renovation** (C(2019)3352) sets out examples of types of financial mechanisms as well as good practice examples: <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32019H0786&from=EN>

# The European Green Deal



# Recovery Plan for Europe



Supporting Member States to recover, repair and emerge stronger from the crisis



Kick starting the economy and helping private investment to get moving again



Learning the lessons of the crisis and addressing Europe's strategic challenges



SURE / ESM / EIB Guarantee	€540 billion
Next Generation EU	€750 billion
Long-term EU budget	€1100 billion

## Role of energy efficiency policy...

- ☐ Energy Efficiency considered as a priority
- ☐ Implementation of the existing legislation to achieve the agreed 2020 and 2030 targets
- ☐ Assessment of the National Energy and Climate Plans
- ☐ Renovation Wave and New Ecodesign Working Plan
- ☐ Review of the Energy Efficiency Directive (in the context of an increased 2030 climate target)
- ☐ Financing for energy efficiency

## An integrated Strategy, with an Action Plan to tackle barriers to renovation over time

- Commission communication to attract political attention to engage to the needed reforms (Sept. 2020).
- Concerted action at all levels - from the local to the regional, national and European level (supported by an open platform bringing together all stakeholders).
- Strategic action plan for the years to come



# Encompassing approach for residential & non-residential buildings, coupled with focus areas

Leave no one behind



Help the **50 million** consumers to keep their homes warm



Renovate **social housing, schools and hospitals**



Particular attention will be paid to the renovation of social housing, to help households who struggle to pay their energy bills.



## Input from stakeholders – ideas/ views:

**Open public consultation (launched on 12 June) to seek views on :**

- Barriers to building renovation and pull factors
- How best to target the worst performing buildings
- Fostering the role of public authorities, as well as the involvement of the private sector and new actors
- Focus areas and how to best tackle them
- Wider benefits of renovating the EU building stock
- Smart technologies for transforming today's buildings into the buildings of the future

Consultation available here :

[https://ec.europa.eu/info/news/preparing-future-renovation-wave-initiative-have-your-say-2020-jun-12\\_en](https://ec.europa.eu/info/news/preparing-future-renovation-wave-initiative-have-your-say-2020-jun-12_en)

## **EE contribution to a higher EU 2030 climate target in view of a carbon neutral economy by 2050**

**The EED review (June 2021) aims at :**

- Assessing whether the EED is fit to deliver a higher climate ambition for 2030 (ex-post evaluation).
- Exploring which measures at EU level would allow reaping cost-effective energy savings potential, and address the remaining gap for energy efficiency in the NECPs.
- Exploring how other sectors (e.g. ICT, agriculture) could contribute to achieve a higher ambition (also through the application of the EEF).

## The first step – ex-post evaluation of the EED, and detailed assessment of specific Articles

### Focus areas:

- Articles that were not evaluated in the targeted review in 2016 (part of the Clean Energy for All Europeans package).
- Articles with a potential to contribute to the delivery of the Renovation Wave, notably: 5, 6, 16, 18, 19 & 20.
- Framework for energy services (Art. 18) is key, also drawing on the assessment of the final NECPs.

## Input from stakeholders – ideas/views:

- Concrete suggestions are welcome on how the EED could be improved to address the remaining barriers to i.a. energy services markets and energy performance contracting...



## Recovery Plan and reinforced MFF - achieving the Green Deal objectives

- **Recovery and Resilience Facility, EUR 560 bn supporting the renovation wave**
- **Dedicated financial products and instruments under InvestEU**
- **Strengthening project development assistance and advisory services at EU and local level (i.e. ELENA)**
- **Grants, loans, guarantees covering risks related to minimum level of energy savings, refinancing.**

### RECOVERY PLAN



**INVESTEU  
PROGRAMME** increased  
funding



**COHESION FUNDS,  
Just transition  
Fund**



**Horizon  
Europe**



***Thank you!***

