



Brussels, 25.9.2019
C(2019) 6621 final

COMMISSION RECOMMENDATION

of 25.9.2019

on transposing the energy savings obligations under the Energy Efficiency Directive

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THE EUROPEAN COMMISSION,

Having regard to the Treaty on the Functioning of the European Union, and in particular Article 292 thereof,

Whereas:

- (1) The Union is committed to developing a sustainable, competitive, secure and decarbonised energy system. The Energy Union Strategy established ambitious Union objectives. It notably aims to reduce greenhouse gas emissions by at least a further 40 % by 2030 compared with 1990, to increase the use of renewable energy to at least 32 %, and to make ambitious energy savings, improving energy security, competitiveness and sustainability. Directive 2012/27/EU¹ (the ‘Energy Efficiency Directive’ (EED)), as amended by Directive (EU) 2018/2002², establishes a headline target of at least 32,5 % energy savings at EU level by 2030.
- (2) Moderation of energy demand is one of the five dimensions of the Energy Union Strategy, as established in the Commission Communication of 25 February 2015 on *A framework strategy for a resilient energy union with a forward-looking climate change policy*. The EU’s achievement of its energy and climate goals depends on prioritising energy efficiency, applying the ‘energy efficiency first’ principle and considering the deployment of renewables.
- (3) The Communication on a European strategic long-term vision for a prosperous, modern, competitive and climate-neutral economy³ stresses that energy efficiency measures should play a central role in achieving a climate-neutral economy by 2050. Regulation (EU) 2018/1999 on the Governance of the Energy Union and Climate Action⁴ (the ‘Governance Regulation’) requires Member States to uphold the ‘energy efficiency first’ principle.

¹ Directive 2012/27/EU of the European Parliament and of the Council of 25 October 2012 on energy efficiency, amending Directives 2009/125/EC and 2010/30/EU and repealing Directives 2004/8/EC and 2006/32/EC (OJ L 315, 14.11.2012, p. 1).

² Directive (EU) 2018/2002 of the European Parliament and of the Council of 11 December 2018 amending Directive 2012/27/EU on energy efficiency (OJ L 328, 21.12.2018, p. 210).

³ Communication from the Commission to the European Parliament, the European Council, the Council, the European Economic and Social Committee, the Committee of the Regions and the European Investment Bank ‘*A Clean Planet for all — a European strategic long-term vision for a prosperous, modern, competitive and climate neutral economy*’ COM(2018) 773 final.

⁴ Regulation (EU) 2018/1999 of the European Parliament and of the Council of 11 December 2018 on the Governance of the Energy Union and Climate Action amending Regulations (EC) No 663/2009 and (EC) No 715/2009 of the European Parliament and of the Council, Directives 94/22/EC, 98/70/EC, 2009/31/EC, 2009/73/EC, 2010/31/EC, 2012/27/EU and 2013/30/EU of the European Parliament and of the Council, Council Directives 2009/119/EC and (EU) 2015/652 and repealing Regulation (EU) No 525/2013 of the European Parliament and of the Council (OJ L 328, 21.12.2018, p. 1).

- (4) In its impact assessment for the amended EED⁵, the Commission estimated that the implementation of its Article 7 EED would deliver more than half of the energy savings Member States should achieve under the EED.
- (5) The EED as amended has an impact on both the current (2014-2020) and (mainly) the future obligation periods (2021-2030 and beyond). Member States should be supported in implementing new requirements (relevant for both obligation periods), in implementing existing requirements differently (relevant for both obligation periods), and in identifying which requirements have been clarified but not changed.
- (6) The EED as amended extends the energy savings obligation to the period from 1 January 2021 to 31 December 2030 and beyond (subject to review by the Commission). In each year of the 2021-2030 obligation period and beyond, Member States must achieve cumulative end-use energy savings equivalent to new savings of 0.8 % of final energy consumption in the period and beyond. As an exception, Cyprus and Malta are required to achieve cumulative end-use energy savings equivalent to new savings of only 0.24 % of final energy consumption in the period and beyond.
- (7) The EED as amended also provides clarifications on the calculation of the amount of energy savings. The changes clarify that energy efficiency obligations schemes and alternative policy measures are on equal footing and that they can be combined. Member States have a margin of discretion in designating obligated parties and accrediting the amounts of energy savings to be achieved by each party. The EED as amended provides flexibility to Member States to choose, from among various types of schemes, the system best suited to their particular situation and circumstances.
- (8) If the Member States are to achieve their energy savings obligation, it is important to raise public awareness and provide accurate information on the benefits of energy efficiency. This can be done by means of training or education programmes.
- (9) The changes explicitly allow Member States to take policy measures targeting particular sectors, for example buildings or the water sector.
- (10) The effective management of water can make a significant contribution to energy savings and Member States should explore the potential of further measures in this area. They are also encouraged to develop policy measures that simultaneously address other targets relating to the protection of the environment and natural resources.
- (11) To enhance efforts to alleviate energy poverty, Member States should implement some energy efficiency policy measures as a priority among vulnerable households and establish criteria for how they will address energy poverty.
- (12) The EED as amended contains clearer requirements regarding the lifetime of measures. When calculating the amount of energy savings, Member States should take into consideration how long a measure will continue to generate savings, but also the possibility of it generating fewer savings over time.
- (13) The amended EED clarifies that, when calculating energy savings, Member States should not take account of action that they would have taken in any event and that they can claim only savings that go beyond the minimum required under specific EU legislation. There is an exemption for energy savings from the renovation of buildings.
- (14) The amended EED emphasises the importance of monitoring and verification in ensuring that energy efficiency obligation schemes and alternative policy measures

⁵ SWD(2016) 0402 final.

achieve their objectives. The guidance provided with this Recommendation Member States shows how Member States may establish effective measurement, control and verification systems.

- (15) Given the importance of energy generated on or in buildings from renewable energy technologies, the guidance provided with this Recommendation explains how Member States may count end-use energy savings stemming from policy measures promoting the installation of small-scale renewable energy technologies against their energy savings obligation.
- (16) Member States are to bring into force the laws, regulations and administrative provisions transposing the energy savings obligation by 25 June 2020. With the entry into force, the amendments to Article 7 EED have an impact on the implementation of the energy savings obligation for the obligation period 2014 to 2020. The guidance provided with this Recommendation will support Member States also in this regard.
- (17) The full transposition and effective implementation of the EED, as amended, is necessary if the EU is to achieve its 2030 energy efficiency targets and deliver on the commitment to put consumers at the heart of the Energy Union.
- (18) Member States have a margin of discretion to transpose and implement the amended requirements regarding their energy savings obligations in a way that is best suited to their national circumstances. This Recommendation explains the amended requirements and illustrates how the objectives of the Directive can be achieved. The aim in particular is to ensure a uniform understanding of the EED across Member States as they prepare their transposition measures.
- (19) The guidance provided with this Recommendation complements and partially supersedes the guidance previously issued by the Commission in relation to Article 7 of the EED⁶. The impacts of the amending provisions on the obligation period from 2014 to 2020 should be highlighted. Feedback received by the Commission from Member States since the transposition of Directive 2012/27/EU on energy efficiency ('Directive 2012/27/EU') should be reflected.
- (20) This Recommendation does not alter the legal effects of the EED and is without prejudice to the binding interpretation of the EED as provided by the Court of Justice. It focuses on the provisions relating to the energy savings obligation and concerns Articles 7, 7a and 7b of, and Annex V to the EED.
- (21) The Annex to this Recommendation aims at supporting Member States *inter alia* in calculating the required energy savings, setting up eligible policy measures, and reporting correctly on achieved energy savings, and puts forward a set of clarifications and practical implementation solutions.

HAS ADOPTED THIS RECOMMENDATION:

Member States should follow the guidelines provided in the Annex to this Recommendation when transposing the requirements introduced by Directive (EU) 2018/2002 and set out in Articles 7, 7a and 7b of, and Annex V to Directive 2012/27/EU.

⁶ COM(2013) 762 final and SWD(2013) 451 final, Brussels, 6.11.2013.

Done at Brussels, 25.9.2019

For the Commission
Miguel Arias Cañete
Member of the Commission

