

Energy efficiency

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This Commission report assesses progress made by Member States in achieving national energy efficiency targets by 2020 and in the implementation of the Energy Efficiency Directive.

This 2017 report provides the latest insights into progress made up to 2015 towards the 20% target set by Directive 2012/27/EU. It builds on the 2016 Energy Efficiency Progress Report as well as the Member States' 2017 Annual Reports and National Energy Efficiency Action Plans (NEEAPs).

The main findings are as follows:

- after energy consumption gradually decreased between 2007-2014, it increased in 2015 in part due to a less warm winter and lower fuel prices. Although primary energy consumption rose by 1.5% compared to 2014, it was still on track to meet the 2020 target;
- primary energy consumption largely decreased in the post-recession years (2009-2015) in nearly all Member States, showing that economic recovery and growth could be achieved without increasing national demand for energy;
- increases in economic activity have tended to push up energy consumption. Energy savings have helped offset this. However, their level was not high enough in 2015 and 2016 to offset the impact of the growth in economic activity;
- final energy intensity in industry decreased in almost all Member States in 2015;
- Member States are making good progress in achieving energy savings under the EED. Their collective efforts in 2015 were above the linear trajectory for achieving the required savings by 2020;
- in their 2017 NEEAPs, several Member States revised their indicative national targets for 2020. While the national targets announced are still consistent with the EU level of ambition for final energy consumption in 2020 when taken together, the gap is now greater for primary energy consumption.

Conclusion: the report concludes that if the increases observed in recent years reverse the trend observed since 2005, achieving the 2020 targets will require additional efforts.

In order to step up efforts, it is essential that the policies and measures proposed in the 2017 NEAPs are implemented effectively. While some countries have ambitious energy efficiency measures in place, others need to increase their efforts:

- EU and national policies should tap into the large cost-effective potential for energy savings represented by the building stock and speed up digitalisation in the energy sector. The building renovation market is estimated to be worth EUR 80-120 billion in 2030;
- energy efficiency measures for buildings could also play an important role in reducing energy poverty. It has been estimated that potentially 1.5-8 million households could be removed from energy poverty depending on the specific measures adopted by Member States;
- additional improvements in the transport sector are needed in most Member States. Against this background the revision of the light duty vehicles CO₂ legislation beyond 2020, together with an improved monitoring system, are of key importance, as reducing CO₂ emissions and energy consumption in transport is closely linked to fuel efficiency. Additional measures to promote more efficient use of transport, such as the revision of the Combined Transport Directive, a switch to collective transport modes, and a transition to zero- and low-emission vehicles, driven in particular by electro-mobility, will also be needed;
- the [proposed Regulation](#) for the Governance of the Energy Union should improve the coordination of efforts on energy efficiency.

The two different decomposition methodologies analysed in this report confirm that energy efficiency was a key driver of the improvements in energy intensities across sectors.

In November 2016, the European Commission proposed a [revision of the Energy Efficiency Directive](#) (EED) as part of the Clean Energy Package. The review aims to adapt the EED to the 2030 perspective, by setting a binding 30% energy efficiency target, which effectively maintains the current level of ambition.

The binding 30% energy efficiency target proposed by the Commission will improve energy security by reducing fossil fuel imports by 12% in 2030 which corresponds to import savings of EUR 70 billion.

The Commission will continue to closely monitor the progress of Member States towards their indicative national energy efficiency targets for 2020 and EED implementation.