# At a glance

Plenary - 20 June 2016



## Energy efficiency and renewables

Renewable energy and energy efficiency policies fall under EU climate and energy policy, which is covered by the 2009 climate and energy package. In 2015, the Commission published progress reports on renewable energies and on energy efficiency, taking stock of existing achievements and highlighting the need for additional effort. On 24 May 2016, the Committee on Industry, Research and Energy (ITRE) adopted separate own-initiative reports on both Commission progress reports.

### Background: the Energy Union and the 2030 climate and energy policy framework

In 2014, the European Council agreed a <u>climate and energy policy framework for 2030</u>, which sets a 27% target for the share of renewable energies (binding at EU level) and an indicative 27% target for energy efficiency improvements, falling short of the level of ambition favoured by the European Parliament. Renewables and energy efficiency feature prominently in the EU <u>Energy Union Strategy</u>, and the Commission plans to review existing renewables and energy efficiency legislation and table legislative proposals during 2016.

### Renewable energy

The Renewable Energy Directive (2009/28/EC) sets an EU target of a 20% share of renewable energies in final energy consumption by 2020, as well as national targets for all Member States, which remain free to decide how they support renewable energies within EU energy market rules. An EPRS implementation appraisal concludes that the EU needs a consistent long-term strategy to encourage further investment in renewables.

The Commission's <u>renewable energy progress report</u> finds that the majority of Member States are on track to meeting their targets for 2020. In 2014, the share of renewable energy in EU gross final energy consumption reached 15.3%. In the transport sector, the 2014 share of renewable energy was 5.7%, which means that achieving the 10% target for 2020 is feasible but will be challenging for the EU as a whole.

The ITRE <u>report</u> on the progress report (rapporteur: Paloma López Bermejo, GUE/NGL, Spain) expresses concern that some Member States may have to revise policies and instruments to achieve their targets, and so calls for enhanced oversight capacities for the Commission. The report underlines the importance of access to capital and proposes an EU financial mechanism. It goes on to call for better administrative procedures, stressing the need for stable and cost-effective support schemes and for rules to prevent retroactive changes.

#### **Energy efficiency**

The <u>Energy Efficiency Directive</u> (2012/27/EU) establishes a framework of measures for the promotion of energy efficiency in the EU and sets a non-binding target of 20% energy efficiency improvements by 2020. The EPRS <u>implementation appraisal of EU energy efficiency policy</u> concludes that continued monitoring of implementation is needed and additional measures should be considered. A <u>European Implementation Assessment of the Energy Efficiency Directive</u> was presented and discussed at the ITRE meeting on 16 March 2016.

The Commission's <u>energy efficiency implementation report</u> acknowledges that most Member States have strengthened existing energy efficiency measures or introduced new ones, although performance indicators show big differences between Member States. The EU-28 as a whole is expected to fall short of its 2020 target. The Commission urges Member States to step up their efforts and fully implement the legislative framework.

The ITRE Committee <u>report</u> on the Commission's implementation report (rapporteur: Markus Pieper, EPP, Germany) calls for full implementation of existing legislation, accelerated efforts and the removal of barriers to investment. It also emphasises that a stable post-2020 energy efficiency framework is needed to give investors confidence and regulatory stability, while stressing the need for more coherent energy legislation and warning of excessive reporting obligations. The transport sector is another area requiring greater efforts.

