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REPORT

on the implementation report on the Energy Efficiency Directive (2012/27/EU)
(2015/2232(INI))

Committee on Industry, Research and Energy

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MOTION FOR A EUROPEAN PARLIAMENT RESOLUTION

on the implementation report on the Energy Efficiency Directive (2012/27/EU) (2015/2232(INI))

The European Parliament,

- having regard to the Treaty on the Functioning of the European Union, and in particular Articles 114 and 194 thereof,
- having regard to the Commission communication of 25 February 2015 entitled ‘Energy Union Package - A Framework Strategy for a Resilient Energy Union with a Forward-Looking Climate Change Policy’ (COM(2015)0080),
- having regard to the Energy Performance of Buildings Directive (2010/31/EU),
- having regard to the Council conclusions of 23 and 24 October 2014 on the 2030 Climate and Energy Policy Framework,
- having regard to the Paris Agreement of December 2015 made at the 21st Conference of the Parties (COP 21) to the UNFCCC,
- having regard to the Commission communication of 15 December 2011 entitled 'Energy Roadmap 2050' (COM(2011)0885),
- having regard to the Third Energy Package,
- having regard to 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/EC¹,
- having regard to its resolution of 15 December 2015 entitled ‘Towards a European energy union’²,
- having regard to the Commission report of 18 November 2015 entitled ‘Assessment of the progress made by Member States towards the national energy efficiency targets for 2020 and towards the implementation of the Energy Efficiency Directive 2012/27/EU as required by Article 24(3) of Energy Efficiency Directive 2012/27/EU’³,
- having regard to the Commission communication of 8 March 2011 entitled 'A roadmap for moving to a competitive low carbon economy in 2050’⁴,
- having regard to the Commission communication of 15 December 2011 entitled 'Energy Roadmap 2050’⁵,

¹ OJ L 315, 14.11.2012, p. 1.

² Texts adopted, P8_TA(2015)0444.

³ COM(2015)0574.

⁴ COM(2011)0112.

⁵ COM(2011)0885.

- having regard to its resolution of 5 February 2014 on a 2030 framework for climate and energy policies¹,
 - having regard to its resolution of 9 July 2015 on resource efficiency: moving towards a circular economy²,
 - having regard to the Commission communication of 16 February 2016 entitled ‘An Strategy on Heating and Cooling’³,
 - having regard to Rule 52 of its Rules of Procedure,
 - having regard to the report of the Committee on Industry, Research and Energy and the opinion of the Committee on the Environment, Public Health and Food Safety (A8-0199/2016),
- A. whereas increased energy efficiency and energy saving are key factors for environmental and climate protection, strengthening economic competitiveness, job creation, security of energy supply, and tackling energy poverty, and have geopolitical and democratic dimensions for the EU; whereas the Energy Efficiency Directive provides an important basis in this connection; whereas the proposal from the Commission concerning the establishment of the Energy Union regards energy efficiency as an energy source in its own right;
 - B. whereas the EU is making good overall progress towards its climate and energy targets for 2020, according to projections which assume full implementation of all relevant legislation by 2020 (reducing CO₂ emissions, increasing the share of renewable energy sources, boosting energy efficiency), and should maintain its leading role at world level;
 - C. whereas the most savings are expected from multi-sector 'cross-cutting' policies (44 %), followed by buildings (42 %), industry (8 %) and transport (6 %);
 - D. whereas there are considerable uncertainties surrounding the reliability of the energy savings estimates provided by Member States;
 - E. whereas buildings account for 40 % of final energy use and 36 % of CO₂ emissions; whereas, in addition, that 50% of final energy consumption is accounted for by heating and cooling, and 80 % is used in buildings with much of it wasted; whereas a heating and cooling energy demand indicator for buildings needs to be developed at national level; whereas 50 % of the emission cuts required to limit global temperature increase to less than 2° C must come from energy efficiency; whereas reducing the energy demand of buildings is also the most cost-effective pathway to improving energy security and reducing CO₂ emissions while contributing to the EU's reindustrialisation goals;
 - F. whereas energy efficiency needs to be considered as an energy source in its own right, representing the amount in Nw (negawatts) of the energy saved, as demonstrated beyond any doubt by recent world and European history;

¹ Texts adopted, P7_TA(2014)0094.

² Texts adopted, P8_TA(2015)0266.

³ COM(2016)0051.

- G. whereas 61 % of imported gas is destined for buildings (of which 75 % are residential buildings); whereas research has shown that with an ambitious EU-wide building renovation policy the amount of imports (used in the building sector) could be cost-effectively reduced by 60 % in the short term (i.e. over 15 years), and eliminated completely in the long term (the European building stock would consume in 2040 the equivalent of the EU's domestic gas production in 2011);
- H. whereas it is fundamental that the EU and its Member States acknowledge the importance of including citizens-based initiatives such as cooperatives and community energy efficiency projects; whereas it is necessary to remove economic, regulatory and administrative barriers so as to allow citizens to participate actively in the energy system;
- I. whereas the Energy Efficiency Directive is a key directive which recognises the importance of energy saving as the game-changer for realising post-COP21 ambitions while bringing the most multiple benefits; whereas job creation is triggered by investment in building renovation and other energy efficiency measures, progress in living standards through the reduction of fuel poverty, employment opportunities in the SME sector, higher property values, increased productivity, improved health and safety, improvements in air quality, an improved tax base and higher GDP;
- J. whereas increased energy efficiency, especially in the building sector, brings additional benefits through supply-side flexibility and a reduction of the overall base load and the system peak;

The Energy Efficiency Directive: inadequately implemented but provides framework for delivering energy savings

1. Emphasises that energy efficiency is crucial for achieving our climate and energy targets, in line with the objectives endorsed in the Paris Agreement adopted at COP21; stresses that energy efficiency is of paramount importance for reducing our dependence on energy imports, creating jobs, reducing energy poverty, enhancing comfort and health, and boosting our economy; stresses that the Energy Efficiency Directive has triggered numerous positive developments in the Member States, but that poor implementation is hindering its full potential;
2. Stresses that it is essential to starting the transition towards a more sustainable energy system based on renewables and away from fossil fuels as soon as possible; is concerned that lower fossil fuel prices could put a brake on decarbonisation and energy efficiency policies;
3. Calls for plans to be drawn up with a view to phasing out fossil fuel subsidies and channelling financial resources into energy efficiency projects serving to achieve the EU's goal of decarbonisation of the energy sector by 2050;
4. Notes that up to now the 2012 Energy Efficiency Directive and the 2010 Buildings Directive remain to be fully implemented by the Member States; notes that the deadline for transposition of the EED was only on 5 June 2014; considers that cutting costs and reducing energy consumption are in citizens' and businesses' own interest; highlights the importance of a strong regulatory framework consisting of targets and measures to

incentivise and enable investment in energy efficiency and low energy consumption and costs, while supporting competitiveness and sustainability; adds that some Member States are not making appropriate use of the EU support available to promote the energy efficiency of residential buildings; notes the significant potential for creating quality employment offered by the full implementation of the energy efficiency measures, taking into account that some 900 000 jobs are linked to the supply of energy-efficient goods and services (according to 2010 data);

5. Reiterates that energy efficiency must be understood as the most sustainable element of our obligation to reduce our energy consumption, and not as an pretext for increasing consumption;
6. Agrees with the Commission that lower fuel prices and the prospect of economic growth could further endanger the achievement of the 20 % target; calls on the Commission and the Member States to enhance the monitoring, verification, control and compliance regime in order to ensure the right level of ambition;
7. Acknowledges that Member States are expected to have achieved only 17.6 % of primary energy savings by 2020, and that the 20 % target is at risk unless the existing EU legislation is fully implemented, efforts are accelerated and barriers to investment are removed; notes, however, that any assessment of the implementation of the EED can at this stage offer only a partial view, given its relatively recent entry into force and deadline for transposition; urges the Member States to fully and rapidly implement the Directive; calls on the Commission to act promptly in making requests, where necessary, for national plans to be aligned with the objectives of the Directive, and to use all legal means to ensure that Member States provide up-to-date and precise information;
8. Recalls its resolutions of 5 February 2014, 26 November 2014 and 15 October 2015, which call, inter alia, for a 40 % energy efficiency target for 2030; considers that a binding overall target with individual national targets for 2030 will increase the EU's independence from energy imports, encourage innovation, and help secure its technological leadership in the field of energy efficiency; also considers that binding requirements are vital in order to achieve a maximum degree of ambition and effort on the part of Member States, and to allow sufficient flexibility for the mix of tools and instruments to be tailored at national level;
9. Notes that local authorities have a crucial role to play in enabling implementation of the Directive, by engaging in ambitious energy saving measures through local action plans, for example in the framework of the Covenant of Mayors for Climate and Energy; considers that data from local action plans, such as the energy efficiency policies and measures outlined in more than 5000 Sustainable Energy Action Plans in the framework of the Covenant of Mayors, can effectively contribute in terms of co-designing and raising the ambition of national energy efficiency targets;
10. Takes the view that the potential of local energy savings should be exploited much more, as local and regional authorities are central in driving forward energy efficiency and, overall, the energy transition; calls on the Commission to strengthen the city networks, such as the Covenant of Mayors, Smart Cities and Communities or the 100 % RES communities, which allow sharing of knowledge and best practice between cities,

local authorities, regions and Member States in the areas of local bottom-up planning of the energy transition, design and implementation of energy efficiency measures and self-generation, and access to financial support;

11. Regrets the unambitious nature of the target (a minimum 27 % improvement in energy efficiency by 2030) adopted by the European Council in 2014, which is mainly justified by an extremely unrealistic high discount rate contained in a previous impact assessment; recalls that this discount rate (17.5 %) is excessively high; calls on the Commission to move to comprehensive cost-benefit analysis taking into account the multiple benefits of energy efficiency, and to a social discount rate, in line with its own Better Regulation guidelines; asks the Commission and the Member States to review the 27 % energy efficiency target for 2030 in the light of the Paris climate change agreement, with a view to achieving the goal of limiting the increase in global warming to well below 2° C, and to pursue efforts to limit that increase to 1.5° C in line with the energy efficiency target adopted by Parliament; asks the Commission to set a binding energy efficiency target of 40 % for 2030 which will reflect the level of cost-effective energy efficiency potential;
12. Stresses that a long-term strategy for reduction of energy demand should be further promoted in the EU;
13. Stresses that in some cases the directive's flexibility has allowed many Member States to embark on energy efficiency measures, and believes this flexibility in alternative measures is crucial for Member States to implement energy efficiency programmes and projects in the future; demands that the loopholes in the existing directive which are responsible for underachievement of the directive, especially in Article 7, be removed while keeping adequate flexibility for the Member States to choose among the measures; notes that the EPRS study on the implementation of Article 7,¹ which is based on figures notified by the Member States, comes to the conclusion that measures such as allowing Member States to phase in the target, to take early actions into account or to exempt the transport and ETS sectors from the calculation of their target have in almost all cases led to an annual overall energy saving target of only half (0.75 %); notes that the authors have declared that the analysis can only be as good as the data provided; insists that alternative measures under Article 7.9 must be better defined and should be easily quantifiable;
14. Notes that phasing-in and early actions under Article 7.2 are no longer valid; recalls that Article 7 is expected to deliver more than half of the 20 % target set by the Directive;
15. Points out that the chief weakness of the existing Directive is that most of the measures will expire in 2020 unless it is suitably amended, which means, inter alia, that its main provisions, in particular Article 7, should be extended not only up to 2030 but also beyond, and that it is in this context that the current Directive is to be assessed, with objectives to be established in line with developments (results obtained, technological and market innovations, etc); expects that this will favour long-term measures; notes, furthermore, the necessity of introducing a mid-term review in order to guarantee that the targets will be attained in 2030;

¹ See Tina Fawcett and Jan Rosenow: 'The Member States' plans and achievements towards the implementation of Article 7 of the Energy Efficiency Directive', EPRS study.

16. Stresses that better harmonisation of the methods of calculating additionality (capacity to promote technologies that perform above the market average) and materiality (promoting action that would not necessarily have been taken) and for the measurement and verification of energy savings could contribute to the more effective implementation of Article 7;
17. Proposes that the title of Article 7 be changed to 'Energy saving support schemes' in order to emphasise the need for Member States to help consumers, including SMEs, to save energy and reduce their energy costs and put in place measures that enable such savings to be achieved by means of energy obligations schemes and other measures;
18. Proposes that both Article 7 and, notably, the Energy Efficiency Obligation Scheme (EEOS) should prioritise action in the buildings sector, notably by fostering the implementation of the national long-term strategies included in Article 4, which should be devised to unlock the full potential for investment in the energy renovation of buildings;
19. Stresses that among the challenges arising and the major barriers to the implementation of Article 7, lack of knowledge and capacity on the part of those involved plays an important role, as does the low level of awareness among final consumers regarding compulsory efficiency schemes or alternative measures and the limited timeframe (2014-2020) for achievement thereof; calls, therefore, on the EU to invest more in the implementation of information and support programmes in the individual Member States;
20. Stresses that the absence of energy efficiency indicators, such as energy consumption per unit of GDP, prevents some Member States from incentivising citizens and businesses to achieve the political objective of climate and energy efficiency;
21. Highlights the fact that the provision in Article 7 whereby Member States may require a share of energy efficiency measures to be implemented as a priority in households affected by energy poverty or in social housing has so far been used by only two Member States; calls for this provision to be strengthened;
22. Takes the view that priority must be given to energy efficiency measures for vulnerable and energy-poor households, with a view to ensuring that energy costs for these households in particular can be reduced on a sustainable basis;
23. Suggests that national energy efficiency action plans, as required under Article 24 of the current directive, could require Member States to set objectives to make use of energy efficiency measures in order to reduce the risk of energy poverty, and to report on how they are meeting these objectives;
24. Believes that the measures for energy-efficient renovation of existing buildings need to be prioritised among the most energy-poor; calls on the Commission to propose a target to improve the efficiency of residential building stock, alongside future minimum efficiency standards for rented housing in the context of the revision of the Energy Efficiency Directive;
25. Notes that 16 Member States have chosen to establish an energy efficiency obligation

scheme (Article 7.1), and that 24 Member States have made use to a varying degree of the possibility of alternative measures and 18 Member States have preferred alternative measures to the renovation quota (Article 5); criticises the fact that seven Member States have not established energy audits (Article 8);

26. Stresses that some key elements of the Energy Efficiency Directive (e.g. smart meters, smart grids, cogeneration and renovation plans) need more time, and that a stable post-2020 energy efficiency framework is essential in order to give the necessary confidence and regulatory stability to investors, public authorities and enterprises to launch projects and innovations, as they have great potential to lower the consumption of energy and thus lower the cost for the consumer; notes that public demand and the market are essential drivers for these projects;
27. Acknowledges that insufficient price signals are a main reason to undermine demand response; calls on Member States to tackle this barrier and to promote smart metering and transparent billing as a way to foster more responsive consumer behaviour with reference to energy consumption and investment in energy efficiency;
28. Welcomes new innovative and smart solutions for balancing energy supply and demand, for better utilisation of renewable energy, and for reducing peak energy consumption; calls for research and development funding for these new solutions, especially for the SME sector;
29. Stresses that the lack of coherence between the three political objectives in the area of climate and energy, particularly as regards the equivalent reciprocal conversion of the dynamic of change between those objectives, taking into account the percentage increase in efficiency and the increase in the share of renewable energy sources per number of individual CO₂ emissions certificates, means that there are no suitable incentives to increase energy efficiency or to use renewable energy sources;
30. Emphasises the crucial role of consumers, citizens and distribution system operators (DSOs) in the ever more decentralised energy landscape, and the importance of their involvement for reaching the energy efficiency targets; stresses therefore that more action needs to be taken to enhance their role through, inter alia, facilitating demand response, small-scale storage, building refurbishments and district heating and cooling schemes, on both an individual and a cooperative basis;
31. Points out that the Energy Efficiency Directive not only supports energy efficiency but also contains energy-saving elements through the binding energy-saving obligation per year in article 7; calls for the directive to concentrate on energy efficiency considerations; stresses the importance of a 2030 energy efficiency target in line with the climate targets agreed at COP21 in order to achieve our climate goals and reduce our dependency on third countries; notes that buildings account for 40 % of energy use in the EU and that 50 % of this is used for heating and cooling purposes; stresses that improved energy efficiency in buildings is therefore of paramount importance in terms of reducing CO₂ emissions, improving energy security, reducing energy poverty and boosting our economy; urges the Member States to initiate major investments in order to improve energy efficiency drawing on EU funding, since this would not only lead to lower energy bills but would also create large numbers of jobs and help reach the reindustrialisation goals;

32. Underlines that 85 % of the energy consumption within a building is required for space heating and domestic hot water, and that it is therefore necessary to accelerate the modernisation of old and inefficient heating systems in Europe in order to deliver at least 20 % energy efficiency gains with available technologies, including renewable heating systems;

Competing legal provisions slow down environmental progress, create red tape and increase energy costs

33. Notes that energy reporting obligations as part of a framework are essential to evaluate the progress and implementation of existing energy efficiency legislation; regrets, however, the excessive energy reporting obligations imposed, also by gold-plating by Member States, on businesses, energy producers, consumers and public authorities, which limit the potential for growth and innovation; stresses that reporting duties should wherever possible be simplified in order to reduce administrative burdens and costs; criticises the fact that data obtained in reporting are often not comparable across the EU due to different breakdowns, methodologies and standards; calls on the Commission to reduce, including through digital solutions, the administrative burden related to reporting obligations and to establish more guidelines on data comparability for better data evaluation; calls for aligning energy demand projections in line with cost-effective saving potential in key sectors, and believes that cutting red tape will speed up the implementation of energy efficiency measures; notes that applying the 'energy efficiency first' principle requires reviewing energy planning and reporting and improving policy coherence in order to ensure their mutual reinforcement, recognising that saving energy is Europe's first and most secure source of energy; notes that energy efficiency can be the best energy 'source' investment, improving affordability of energy, driving down the need for additional and costly supply-side infrastructure and helping tackle climate change;
34. Stresses that the calculation rules for energy savings and interpretations for eligible measures, as set out in the annexes to the directive, are over-complicated and therefore impossible to follow precisely; calls on the Commission to ensure that the review of the EED will provide a radically simpler method for calculating energy efficiency, and to consider proposing new delegated acts that will simplify the calculation methods of the current directive;
35. Calls on the Commission to review the conversion factor for electricity in Annex IV to the directive, in order to better reflect the ongoing transition of electricity generation;
36. Points out that not all risks associated with energy-saving investments can be dealt with by the Emissions Trading Scheme (ETS), given that it covers only 45 % of EU greenhouse gas emissions; points out that the Energy Efficiency Directive is interlinked with other energy-related EU legislation and has a certain impact on the carbon footprint and the ETS system (certificate prices); calls on the Commission to assess the interrelation and ensure complementarity; notes that resulting low ETS allowances prices constitute one of several factors which reduce the incentives for industrial investment in energy saving;
37. Stresses the importance of a proper implementation of the Market Stability Reserve, which could help improve energy efficiency by strengthening coherence between the

EU ETS and low-carbon energy policies;

38. Looks forward to the future Modernisation Fund, which will be aimed at modernising energy systems and improving energy efficiency in lower-income EU Member States, and asks the Commission to come forward with a proper governance structure, including details regarding the roles of the beneficiary Member States, the EIB and other institutions;
39. Stresses that lack of coordination between different elements of national legislation can hinder effective energy efficiency solutions that provide the best possible results in terms of cost-effectiveness, and cancels out the price advantages obtained through energy saving; calls on the Member States and the Commission to draw up coordinating measures for the full realisation of energy efficiency potential, which would lead to more coherence between Member States without restricting their ability to tailor policy according to their local energy market and prices, available technologies and solutions and national energy mix; calls for the ETS to better account for national measures that affect the number of allowances and their price;
40. Emphasises the need to improve the energy efficiency of the public sector, and calls for better integration of energy-saving initiatives into public procurement;
41. Notes that energy efficiency requirements in public procurement are not fully understood by all procurement agents; calls on the Commission to provide clearer guidelines to facilitate compliance with Article 6 of the Directive, as well as better integration into the wider EU rules on public procurement;
42. Calls on the Commission to involve local and regional institutions in order to promote energy efficiency at regional, local and grassroots levels;
43. Points out that although European electricity retail prices for small and medium-sized industrial and business customers and private consumers are relatively high in many Member States, investing in energy efficiency can boost the competitiveness of European businesses and reduce energy costs for private consumers; stresses, however, that the electricity bill in the EU consists on average of one third of indirect, state-induced tax and levies for private households, which when applied as fixed elements on bills, can make it difficult for consumers to feel the benefits from energy saving, and contributes to energy poverty; notes that levies to finance European climate and energy policies are the smallest part of the bill; and underlines that the high energy prices in the EU result in a difference in energy prices between EU Member States and our main competitors in large parts of the world, which inhibit the competitiveness of European energy-intensive industries; notes that innovation also increases with greater investment in energy efficiency, placing EU industry in a world-leading position;
44. Notes that energy efficiency can be the best energy 'source' investment, improving affordability of energy, driving down the need for additional and costly infrastructure and helping tackle climate change;
45. Notes that the principle of 'energy efficiency first' allows for a cost-effective expansion of the share of renewable energy sources in the mix; stresses that saving obligations should be compatible with the development of sustainable renewable energy sources

and that synergies should be strengthened for an efficient transition towards a decarbonised, resilient and smart energy system; takes the view that improved cross-regional distribution, storage systems and demand-side management provide good opportunities for the further expansion of optimal locations for wind, hydro and solar power to supply the whole of Europe; is convinced that this will have a dampening effect on energy prices;

46. Underlines that energy efficiency is the most cost-effective measure to meet the EU's CO₂ emissions reduction commitments;

Energy legislation needs to be more coherent

47. Calls on the Commission to uphold the principle of ‘better regulation’, to consider better means of coordination of EU energy and climate change rules in order to improve legislative efficiency and effectiveness, and to propose measures to improve current regulation; also calls on the Commission to strengthen methodologies for the comprehensive long-term assessment of energy efficiency initiatives, including all main externalities; calls for a societal perspective in the modelling and assessing of overall costs and benefits of different levels of energy efficiency ambition, and for energy efficiency to be treated as an energy source in its own right;
48. Calls on the Commission to treat energy efficiency as an infrastructure priority, recognising that it fulfils the definition of infrastructure used by the IMF and other economic institutions¹, and to make it a crucial element and a priority consideration in future investment decisions on Europe's energy infrastructure;
49. Notes that energy efficiency can help increase the resilience of the energy system and therefore help the transition towards a sustainable and secure situation;
50. Stresses that a functional internal energy market, including for energy efficiency services, will optimise the costs of energy systems, thus benefiting all consumers and significantly improving energy efficiency and competitiveness across Europe; calls, therefore, on the Member States to fully implement the third energy package in order to ensure fully functioning, competitive and interconnected energy markets;
51. Observes that energy-intensive industries must also contribute, and that a level playing field within the EU is very important in this context;
52. Stresses that energy efficiency forms part of the EU's core targets and that European countries should therefore be encouraged to prevent wastage caused by consumption in industry, transport and construction, these being the sectors accounting for the largest share of consumption;
53. Welcomes the positive impact that certification schemes or saving obligations (Article 7) are having in many Member States; considers the option of choosing alternative measures of equivalent ambition to be a major factor in guaranteeing their acceptance; notes the importance of ensuring that certified savings correspond to

¹ ‘Energy efficiency as infrastructure: leaping the investment gap’ - report by the E3G consultancy, 3 March 2016.

real-life energy savings and are not just savings on paper; highlights the role of energy utilities in developing energy efficiency measures actively; calls for the calculation of certification schemes and energy-saving measures not to be hampered; calls on the Commission to assess whether it is possible to take into consideration primary energy savings through embedded cogeneration plants (Combined Heat and Power (CHP));

54. Draws attention to the report produced for Parliament by the EPRS which finds that most of the established EEOS have demonstrably been important in delivering national energy efficiency improvement and have delivered cost-effective savings to large numbers of households and organisations; also highlights the report's conclusion that EEOS are highly cost-effective and that there is evidence that well-designed and implemented EEOS can deliver up to 100 % of a country's Article 7 savings; suggests, therefore, that the Commission should compile a list of good and bad practices and develop a set of criteria to ensure well-designed and effective EEOS;
55. Calls for action to be taken to ensure plausible calculations of savings and efficiency, without unnecessary bureaucracy; takes the view that the Energy Efficiency Directive could also serve as framework legislation in this connection; considers that specific measures and efficiency criteria might be integrated into existing directives (e.g. the Buildings Directive) or a combined labelling requirement (energy efficiency labelling, eco-design, circular economy, CE marking);
56. Takes the view that the EU's climate protection and efficiency targets must be mutually reinforcing, and that binding requirements for energy efficiency are vital in achieving a maximum degree of ambition and effort in Member States, while it is also necessary to allow sufficient flexibility for the mix of tools and instruments to be tailored at national level;
57. Calls for the revised Energy Efficiency Directive to be in line with the EU's climate protection targets and the COP21 agreement goal; emphasises that the continuation and an improvement of existing measures and the eradication of contradictions and loopholes must be part of the revision of the directive in order to ensure regulatory predictability and enable investor confidence in the long term;

More energy efficiency – more jobs and growth

58. Regrets the less-than-effective energy efficiency projects supported by the EU Structural Funds (2007 to 2013) as criticised by the Court of Auditors' report; calls on the Commission to promptly implement the corresponding improvements with special emphasis on justification, monitoring, and shortening the payback period of projects funded; calls for improved guidelines and more intensive Commission monitoring with a view to making better use of the Structural Funds and EFSI in combination with private investments for viable energy efficiency projects, notably in buildings; considers that Structural Funds' and EFSI funding of energy efficiency projects should target those consumers more sensitive to energy costs, such as industry at risk of carbon leakage, SMEs and households at risk of energy poverty; considers it an absolute priority to develop financing instruments, tools and innovative models to mobilise public funds and leverage private finance at local, national, regional and European level in order to support investments in key energy efficiency sectors such as the renovation of buildings, paying special attention to vulnerable groups and also due attention to the

specificities of long-term investments;

59. Calls on the Member States to promote investment in the construction sector, including more efforts to incentivise deep renovation of the poorly insulated buildings stock in the EU;
60. Stresses that if Member States establish a levy-funded energy efficiency scheme, a minimum threshold should be targeted towards households affected by energy poverty; also stresses that Member States should demonstrate how such a levy-funded energy efficiency scheme contributes to improving the worst of the existing domestic housing stock;
61. Highlights the importance of European financial instruments in the form of loans, guarantees and equity to leverage private funding for energy efficiency projects; stresses, however, the need for funding to be provided in the form of grants for projects in the social domain;
62. Stresses that the EU should set itself an ambitious energy saving target and stimulate innovation with regard to investments in energy efficiency, since such investments are profitable and can be recouped fairly swiftly;
63. Calls on the Member States to include a provision for a significant minimum percentage of measures in energy efficiency obligation schemes in order to target low-income consumers;
64. Notes that energy efficiency projects are often small-scale and need to be bundled into larger portfolios; to this end, calls on the Commission, the EIB and the Member States to deploy more technical assistance and project development assistance so as to facilitate investments;
65. Considers that a long-term strategy of energy efficiency in buildings and further stimulation of energy-efficient renovation of buildings are needed in order to go beyond simple and low-cost measures in the building sector;
66. Calls for improved coordination and exchange of ideas and best practices among Member States on the saving obligations and building and renovation plans (Articles 4, 5, 6 and 7), with the aim of applying existing and new instruments (tax incentives, support programmes, model contracts and social housing investments) more quickly; believes that Article 5 should be extended to cover all public bodies where possible; calls for Commission guidelines for future national plans to ensure transparency and comparability; welcomes the technical support from the Commission for the implementation of the EED; calls for compulsory templates for national plans to ensure transparency and comparability; calls on Member States to consider innovative market-based support schemes;
67. Notes that the least progress has been made in the residential sector, and therefore calls on Member States to use energy service companies and energy performance contracting, to implement tax schemes and loan programmes in order to increase the low renovation rates for the existing building stock in Europe, and to reward energy efficiency measures such as the uptake of energy-efficient heating and cooling;

68. Calls on the Commission to encourage Member States to adopt and improve systems for monitoring, measuring and managing energy efficiency in buildings in order to achieve substantial gains in energy efficiency in buildings in the EU;
69. Calls for Member States' renovation road maps under Article 4 to outline how they will achieve, in the next iteration of the roadmaps (due in April 2017) and energy renovation of their building stock; and as a result deliver on the EU-wide vision of a nearly zero energy building (nZEB) stock by 2050;
70. Believes that extending the exemplary role of public buildings to all levels of public administration, and not just central government, will help fully tap the cost-effective potential of buildings, since this has been proven to be the sector with the highest potential, not only for energy savings, but also for delivering other wider benefits, including increased comfort and wellbeing; considers in this respect that Member States should be required to establish an internal mechanism for sharing achievement of the 3 % renovation target between the different public administration levels, and that the flexibility to opt for other measures should be maintained and their impact quantified, as an alternative approach to paragraphs 1 and 2;
71. Calls on the Commission to encourage Member States to do more to renovate non-residential buildings in the light of their strong potential for short-term profitability;
72. Proposes that Article 4 of the Directive be given the title of 'long-term strategies for the deep renovation of the national building stock, including for mobilising investment';
73. Calls for the necessary resources to be set aside for training those responsible for installing equipment, so as to ensure a high level of quality in renovations;
74. Calls for a strategic approach by the Commission to increase awareness of new technical developments (in areas such as refrigerants, lighting, insulation, thermostats, metering, glazing and many others);
75. Calls on the Commission and the Member States to prioritise Article 4 of the Directive with respect to the preparation of the second version of the strategies, which is to be delivered in 2017 and should be built on proper engagement with stakeholders, following mandatory templates and including intermediate five-year targets and implementation plans, in order to achieve the nZEB goal at EU level by 2050, given also that this will be necessary to meet the COP21 goals;
76. Considers energy audits for businesses to be a proven means of boosting energy efficiency, and stresses their benefits for competitiveness; calls for a uniform definition and enforcement of the criteria set out in the directive (for the definition of SMEs; for audits; no double certification for cross-border business structures) and for the creation of a uniform approach towards the *de minimis* threshold referred to in Article 8.4; calls for the scope of that article to be extended to cover all companies with high energy consumption; calls for an evaluation with a view to improving the effectiveness of energy audit systems; calls for the implementation of cost-effective energy audit recommendations to be required in conjunction with planned maintenance in accordance with companies' objectives;

77. Proposes a review of the definition of ‘SME’ applied in the Directive (Article 2(26)) so that it refers only to number of employed persons and annual turnover, such that companies which are 25 % or more controlled by a public body can still be considered as SMEs;
78. Welcomes the fact that the Commission is working on guidelines for the implementation of Articles 9 to 11 of the EED in order to help consumers better control their energy consumption; considers technical feasibility and deployment of smart meters – taking account of cost-effectiveness and cost transparency – as important elements for energy saving; takes the view that for the sake of consistency all existing provisions relating to metering and billing should be regrouped in one place;
79. Points out that consumers' energy bills are still unclear and inaccurate; recommends improving the transparency and clarity of bills by establishing high-level principles for bills at EU level so that key information is available to consumers in a comparable format in order to help them adjust consumption patterns; stresses that consumers have a diverse range of preferences and of accessible tools, and that therefore the approach to information should be shaped by consumer research at national level;
80. Believes that access to independent and reliable information and advice on suitable energy efficiency measures and financial schemes are essential, in particular for households but also for regional and local authorities, to enable them to make informed energy-conscious decisions and better manage their energy consumption, including through smart meters and individual metering of heating and cooling consumption;
81. Calls for rigorous quality assurance standards, national training programmes and single, simplified national certification systems for energy efficiency providers, supported by joined-up and easy-to-access advice and redress frameworks; stresses that this is proposed in order to remove some of the non-financial barriers to the consumer take-up of energy efficiency products and services, e.g. by making it possible to identify trusted traders;
82. Expects further energy saving investments resulting from compliance with the highly efficient cogeneration rules set out in Article 14;
83. Stresses that if Member States establish a levy-funded energy efficiency scheme (Article 20), this should prioritise households affected by energy poverty; insists that the revised Energy Directive should provide Member States with a long-term stable policy environment to ensure a sustainable increase in energy efficiency investments, in particular at the local level; requires that the EU and the EIB upscale their capacity-building and technical assistance efforts to develop bankable energy efficiency projects that attract private investment from the market; calls for the EU funding programmes (e.g. Structural Funds, Juncker Plan, ELENA-EIB) to increase the proportion of funds allocated to energy efficiency capacity-building and technical assistance;
84. Deplores the low level of public and private investment in smart electricity grids; calls on the Commission to step up the implementation of Article 15 of the Directive in order to promote the development of such grids;
85. Calls for an obligation to perform national cost-benefit assessments of energy efficiency

programmes rolled out through - or in combination with - local authorities, and for this approach to be followed through where it delivers efficiencies and cost savings for consumers;

86. Expresses its concern at the increasing pollution caused by certain domestic heating installations fired by solid biomass, which produce large quantities of fine dust, nitrogen oxides, carbon monoxide and dioxins that greatly detract from air quality and are therefore harmful to human health; urges the Member States, accordingly, to implement efficient and environment-friendly alternative solutions;
87. Underlines the immediate need to deploy a more comprehensive approach to improving the energy efficiency of the entire transport system, not relying only on the technological development of vehicles or propulsion systems; urges the Commission and the Member States to take ambitious steps to introduce new measures to enhance modal shift towards the most energy-efficient modes, and to fully deploy Intelligent Transport Systems (ITS) in order to further improve the efficiency and usage rate of the capacity available, both of vehicles and of infrastructure, and also in logistics, aviation and maritime transport;
88. Recalls that energy efficiency can be achieved by setting CO₂ standards and informing users on the fuel consumption of their vehicles; calls on the Commission to come forward with proposals to inform users on the fuel consumption of new trucks, buses and coaches, and to set limits on their CO₂ emissions;
89. Regrets the low contribution of transport to energy saving, with a percentage of only 3 % within the overall sectoral split of savings, despite the stabilisation of passenger traffic and the fall in freight traffic between 2005-2013 owing to the economic crisis; calls on the Member States to increase the number of measures targeting the transport sector;
90. Instructs its President to forward this resolution to the Council, the Commission and the Member States.

EXPLANATORY STATEMENT

Greenhouse gas emissions in the EU fell by 23% between 1990 and 2014. In the same period, EU GDP rose by 46%. While steadily reducing the impact on the climate, businesses and citizens are producing more growth and thereby creating jobs and generating tax revenue.

The European Union is making excellent progress towards achieving the targets of reducing CO₂ emissions by 20%, increasing the share of renewable energy sources in gross energy consumption to 20% and increasing energy efficiency by 20%. This is largely thanks to the successful ETS system. As well as providing incentives to reduce emissions, this scheme encourages investment in energy efficient technologies. It is no doubt also true that the fact that the targets have been met can in part be attributed to the economic and financial crisis that some countries have experienced.

The reporting bureaucracy in the energy sector and high energy prices for medium-sized business customers and private households provide some cause for concern. The reduction in costs achieved through energy saving is cancelled out by special national levies and complex reporting obligations. This can be partly explained by the sometimes competing EU rules on climate protection (direct and indirect repercussions on ETS certificate prices), the complexity of legislation linked to energy efficiency (Energy Efficiency Directive, energy efficiency labelling, eco-design, ETS, the future circular economy), and separate national approaches to energy policy (capacity markets, payment schemes for renewable energy, exit from coal), some of which have a strong impact on European policy. The Commission is therefore called upon to make additional efforts towards a coherent climate and energy policy and a Europe-wide electricity market design.

The implementation of the Energy Efficiency Directive also plays a major role. It should first of all be pointed out that the European Union is reaching its 20% efficiency target for 2020 despite the fact that the directive has not been fully implemented in most of the Member States. This demonstrates the power of the market. If businesses and citizens recognise that energy efficiency and energy saving are in their own interest, there is no need for European Union regulation. At the same time, however, the directive provides further encouragement for significant innovations in relation to obligations and incentives in the Member States. The still recent directive and the Member States responsible for implementing it must be given time for these innovations to bear fruit. The review, meanwhile, should be used as an opportunity to make EU legislation linked to energy saving more coherent and bring key aspects of it together. This report provides some starting points.

27.4.2016

OPINION OF THE COMMITTEE ON THE ENVIRONMENT, PUBLIC HEALTH AND FOOD SAFETY

for the Committee on Industry, Research and Energy

on the implementation report on the Energy Efficiency Directive (2012/27/EU)
(2015/2232(INI))

Rapporteur: Peter Liese

SUGGESTIONS

The Committee on the Environment, Public Health and Food Safety calls on the Committee on Industry, Research and Energy, as the committee responsible, to incorporate the following suggestions into its motion for a resolution:

- A. whereas after the successful agreement of the COP 21 in Paris the EU is more than ever obliged to achieve its climate targets, and energy efficiency is one of the most cost-efficient ways to achieve the reduction of CO₂ emissions;
- B. whereas in 2014 the EU spent EUR 358 billion per year on energy imports, meaning almost EUR 1 billion Euro per day¹, or more than the total deficit of Greece (EUR 317 billion)² and almost as much as the total turnover of the German car industry (EUR 367.9 billion)³ in 2014;
 - 1. Emphasises that improving energy efficiency is crucial to achieving our climate targets, in line with the objectives endorsed in the Paris Agreement adopted at COP21, and to reducing our dependence on energy imports;
 - 2. Stresses that this is essential to starting the transition towards a more sustainable energy system based on renewables and away from fossil fuels as soon as possible;
 - 3. Recalls that this is also vital to job creation and sustainable growth - especially in SMEs

¹ Source: European Commission

² Eurostat (2015): Bereitstellung der Daten zu Defizit und Schuldenstand 2014 - erste Meldung.
<http://ec.europa.eu/eurostat/documents/2995521/6796753/2-21042015-AP-DE.pdf/28a7cf93-61e6-4a81-85c7-1a168866e3ba>

³ Statista (2016): Umsatz der Automobilindustrie in Deutschland in den Jahren 2005 bis 2014 (in Milliarden Euro). <http://de.statista.com/statistik/daten/studie/160479/umfrage/umsatz-der-deutschen-automobilindustrie/>

and industry – and to increasing productivity and enhancing comfort and health;

4. Expresses its disquiet at the Commission's assessment, as set out in its communication of 23 July 2014 to Parliament and the Council, that at the current pace the EU's 20 % energy-saving target will not be reached by 2020 and the real rate will be 1 % to 2 % lower; calls on the Commission to encourage Member States to invest additional efforts and take measures to ensure that this European target is met;
5. Expresses its concern regarding all areas highlighted in the Commission report showing values still far removed from the energy efficiency target for 2020; calls, therefore, on the Commission and the Member States to take resolute action with regard to buildings, transport, services and energy production, in order to guarantee greater prosperity and green jobs in the EU; observes that such measures should be in line with the transition to a circular economy;
6. Maintains that the Paris Agreement (COP 21) has to be accompanied by national emissions plans with unequivocal and verifiable commitments on emissions and energy that ensure that an undertaking is made to prevent global warming by more than 2 degrees;
7. Notes that private and public buildings account for 40 % of final energy use in the EU and 36 % of CO₂ emissions while 50 % of final energy consumption is accounted for by heating and cooling; considers, therefore, that improving the energy efficiency of buildings is of prime importance in reducing CO₂ emissions and improving energy security, as well as for ending energy poverty and improving health;
8. Calls on the Member States to promote investment in the construction sector, including more efforts to incentivise deep renovation of the poorly insulated buildings stock in the EU;
9. Proposes that Article 4 of the Energy Efficiency Directive should be reworded to refer to 'long-term strategies for the renovation of the national building stock, including for mobilising investment';
10. Calls on the Commission and the Member States to prioritise Article 4 of the Directive with respect to the preparation of the second version of the strategies, which is to be delivered in 2017 and should be built on proper engagement with stakeholders, following mandatory templates, including intermediate five-year targets and implementation plans, in order to achieve a goal of nearly zero energy building stock (nZEB) at EU level by 2050, as will be necessary to meet the COP 21 goals;
11. Calls for the extension of Article 5 of the Directive to cover all public administration levels; considers in this respect that Member States should be required to establish national effort-sharing mechanisms for achieving the 3 % target and that the flexibility to opt for other measures should be maintained, as an alternative approach to that of paragraphs 1 and 2;
12. Notes that the least progress was made in the residential sector, and thus calls on Member States to use energy service companies and energy performance contracting, to implement tax schemes and loan programmes in order to increase the low renovation rates for the

existing building stock in Europe, and to reward energy efficiency measures such as the uptake of energy-efficient heating and cooling;

13. Believes that the measures for energy-efficient renovation of existing buildings need to be prioritised among the most energy-poor; calls on the Commission to propose a target to improve the efficiency of residential building stock, alongside future minimum efficiency standards for rented housing in the context of the revision of the Energy Efficiency Directive;
14. Stresses that common efforts by the EU will help to create a common market for goods and services that help to save energy, which will bring down costs for all consumers and make energy services more affordable, especially for vulnerable people, create a more level playing field for industry, and boost competitiveness and open new opportunities;
15. Observes that energy-intensive industries must also contribute, and that a level playing field within the EU is very important in this context;
16. Highlights the fact that more than half of the investment needed to decarbonise the EU's energy system by 2050 needs to be directed to energy efficiency; emphasises that this approach will ensure that fossil-fuel based generation is sized to a scale appropriate to meet future demand and asset stranding is avoided; calls for energy efficiency to be treated as an infrastructure investment priority allowing for its deployment as part of wider EU and national infrastructure planning and financing processes;
17. Stresses that the Energy Efficiency Directive has triggered many positive developments in the Member States, but that poor implementation is hindering its full potential; welcomes the increased technical support from the Commission aimed at ensuring correct and speedy implementation;
18. Underlines, however, the need for more guidance from the Commission, in order to help Member States implement the Directive more effectively and report on progress;
19. Calls on the Commission to act promptly in making reasoned requests, where necessary, for national plans to be aligned with the objectives of the Directive, and to use all legal means to ensure that Member States provide up-to-date and precise information;
20. Calls on the Commission to promote the exchange of best practices across Member States in order to speed up the achievement of targets and the diffusion of innovative products and services, and to promote cross-country convergence in energy efficiency;
21. Notes that those Member States which are still some way from achieving the 2020 target of 20 % require guidance from the Commission to enable them to immediately develop national policies and specific measures for energy and resource efficiency; urges Member States, accordingly, to implement and maintain a stable system of incentives in order to facilitate a reliable flow of investment and funding, paying particular attention to energy efficiency in buildings;
22. Points out that the chief weakness of the existing Directive is that most of the measures will expire in 2020 unless it is suitably amended, which means, inter alia, that its main provisions, in particular Article 7, should be extended not only up to 2030 but also

beyond, and that it is in this context that the current Directive is to be assessed, with objectives to be established in line with developments (results obtained, technological and market innovations, etc); expects that this will favour long-term measures; notes, furthermore, the necessity of introducing a mid-term review in order to guarantee that the targets will be attained in 2030;

23. Regrets the unambitious target of at least 27 % for improving energy efficiency in 2030 adopted by the European Council in 2014, in contrast to the binding target of 40 % to be implemented by means of individual national targets adopted by Parliament; notes that the 27 % figure is mainly justified by an extremely unrealistic high discount rate in a previous impact assessment; recalls that the discount rate of 17.5 % is higher than that for energy investment in Iraq (15 %); calls on the Commission to move to comprehensive cost-benefit analysis and a social discount rate, in line with its own Better Regulation guidelines¹;
24. Asks the Commission and the Member States to review the 27 % energy efficiency target for 2030 in the light of the Paris climate change agreement, and asks the Commission to propose a 2030 target that reflects the level of cost-effective energy efficiency potential and which can be reached once market failures and imperfections are removed, recognising the societal value of treating energy saving as an energy source in its own right;
25. Recalls the call made in Parliament's resolution of 5 February 2014 and reiterated in its resolutions of 26 November 2014 and 14 October 2015 for three binding energy and climate targets for 2030, in particular the 40 % energy efficiency target; calls on the Commission and the Member States to review the 27 % energy efficiency target for 2030 and to set a binding 40 % efficiency target, and, in addition, to set energy efficiency targets up to 2050 in line with the ambitious commitments made under the Paris agreements to keep the global temperature increase below 1.5 °C; emphasises that the post-2020 EU energy efficiency target should be binding and implemented through individual national targets; urges the Commission to assess several 2030 energy efficiency scenarios, including at the level of 40 %;
26. Emphasises that, for the achievement of the 2030 energy efficiency objectives, the EU should facilitate the adoption of a wider selection of instruments and data, such as energy audit and management systems, performance statistics and indicators, geo-referenced building registers with information on their energy consumption, energy performance contracts, advanced financing instruments, and professional training schemes;
27. Stresses that a high discount rate would reflect the unrealistic assumption that cost-effective investments in energy efficiency will not happen because of a number of obstacles, whereas first of all these obstacles are overestimated by the Commission and it is the duty of political actors to overcome obstacles to such investments that would pay off over time;

¹ Better Regulation guidelines SWD(2015)0111, tool No 54: 'The social discount rate is the rate most used in Impact Assessments, as these normally consider costs and benefits together from the point of view of society as a whole (rather than from the point of view of a single stakeholder group). The recommended social discount rate is 4 % ... In general, it is not appropriate to use alternative social discount rates, as using the 4% rate consistently in Impact Assessments and an evaluation ensures coherence and comparability.'

28. Notes, in addition, that the current high discount rate presumes that energy efficiency is achieved only through individual actions, overlooking the fact that the role of public bodies is key to driving energy efficiency improvements, particularly in buildings;
29. Acknowledges that insufficient price signals are a main reason to undermine demand response; calls on Member States to tackle this barrier and to promote smart metering and transparent billing as a way to foster more responsive consumer behaviour with reference to energy consumption and investment in energy efficiency;
30. Recalls the conclusion of the Energy Union Framework Strategy that energy efficiency is an energy source in its own right; considers that a high discount rate therefore undermines the EU's own energy supply and energy independence;
31. Welcomes new innovative and smart solutions for balancing energy supply and demand, for better utilisation of renewable energy, and for reducing peak energy consumption; calls for research and development funding for these new solutions, especially for the SME sector;
32. Highlights the importance of European financial instruments in the form of loans, guarantees and equity to leverage private funding for energy efficiency projects; stresses, however, the need for funding to be provided in the form of grants for projects in the social domain;
33. Agrees with the Commission that lower fuel prices, together with economic growth prospects, could further endanger the achievement of the 20 % target; calls on the Commission and the Member States to enhance the monitoring, verification, control and compliance regime in order to ensure the right level of ambition;
34. Underlines the importance of eliminating loopholes in the existing Directive, especially in Article 7, while at the same time safeguarding flexibility for Member States to choose among the measures; underlines, in this regard, the possibility of opting for alternative measures while not undermining the achievement of the annual energy savings targets;
35. Calls for a revision of Article 7 that enables the objective quantification and achievement of the 1.5 % p.a. energy savings requirement;
36. Notes in particular that phasing-in and early actions under Article 7(2) are no longer relevant, and that the 25 % flexibility criterion has diminished the effectiveness of the 1.5 % p.a. energy savings requirement; insists that alternative measures under Article 7(9) must be tightly defined and easy to quantify; recalls that Article 7 is aimed at delivering more than half of the 20 % target set by the Directive;
37. Welcomes the fact that energy audits and energy management schemes under Article 8 are helping to make EU companies more competitive; calls for the implementation of cost-effective energy audit recommendations, to be required in conjunction with planned maintenance and with additional incentives provided where necessary; calls on the Commission and Member States to ensure swift transposition and implementation of requirements under Article 8, and for that Article to be extended to cover all companies with high energy consumption;

38. Stresses the importance of conducting energy audits prior to devising energy efficiency plans, based on reducing energy consumption and as a way of addressing energy poverty;
39. Emphasises the need to improve the energy efficiency of the public sector, and calls for better integration of energy-saving initiatives into public procurement;
40. Notes that energy efficiency requirements in public procurement are not fully understood by all procurement agents; calls on the Commission to provide clearer guidelines to facilitate compliance with Article 6 of the Directive, as well as better integration into the wider EU rules on public procurement;
41. Reiterates that energy efficiency must be understood as the most sustainable element of our obligation to reduce our energy consumption, and not as an pretext for increasing consumption;
42. Stresses that, among the challenges arising and the major barriers to the implementation of Article 7, lack of knowledge and capacity on the part of those involved plays an important role, as does the low level of awareness among final consumers regarding compulsory efficiency schemes or alternative measures and the limited timeframe (2014-2020) for achievement thereof; calls, therefore, on the EU to invest more in the implementation of information and support programmes in the individual Member States;
43. Stresses that better harmonisation of the methods of calculating additionality (capacity to promote technologies that perform above the market average) and materiality (promoting action that would not necessarily have been taken) and for the measurement and verification of energy savings could contribute to the more effective implementation of Article 7;
44. Proposes that the title of Article 7 be changed to ‘Energy-saving support schemes’ in order to emphasise the need for Member States to help consumers, including SMEs, to save energy and reduce their energy costs and put in place measures that enable such savings to be achieved;
- 45 Expresses its concern at the increasing pollution caused by certain domestic heating installations fired by solid biomass, which produce large quantities of fine dust, nitrogen oxides, carbon monoxide and dioxins that greatly detract from air quality and are therefore harmful to human health; urges the Member States, accordingly, to implement efficient and environment-friendly alternative solutions;
46. Underlines the immediate need to deploy a more comprehensive approach to improving the energy efficiency of the entire transport system, not relying only on the technological development of vehicles or propulsion systems; rather, urges the Commission and the Member States to take ambitious steps to introduce new measures to enhance modal shift towards the most energy-efficient modes, and to fully deploy Intelligent Transport Systems (ITS) in order to further improve the efficiency and usage rate of the capacity available, both of vehicles and of infrastructure, and also in logistics, aviation and maritime transport;
47. Recalls that energy efficiency can be achieved by setting CO₂ standards and informing users on the fuel consumption of their vehicles; calls on the Commission to come forward

with proposals to inform users on the fuel consumption of new trucks, buses and coaches, and to set limits on their CO₂ emissions;

48. Calls on the Commission to involve local and regional institutions in order to promote energy efficiency at regional, local and grassroots levels;
49. Calls for plans to be drawn up with a view to phasing out fossil fuel subsidies and channelling financial resources into energy efficiency projects serving to achieve the EU's goals for decarbonisation of the energy sector by 2050;
50. Proposes that such 'energy-saving support schemes' prioritise action in the buildings sector, notably by fostering the implementation of the national long-term strategies included in Article 4;
51. Stresses the need for ambitious, robust and transparent climate governance that will guarantee that the efficiency target is reached; considers that corresponding rules should be introduced as part of the review of the Directive; calls on the Commission and the Member States to ensure that Parliament is fully involved in developing climate governance, and to put forward proposals in the framework of the ordinary legislative procedure;
52. Calls on Member States to include a provision for a significant minimum percentage of measures in energy efficiency obligation schemes to target low-income consumers;
53. Reinstates its call for a significant investment programme for energy efficiency in Europe, fully mobilising the European Fund for Strategic Investment (EFSI) and the Structural Funds; notes that energy efficiency projects are often small-scale and need to be bundled into larger portfolios; to this end, calls on the Commission, the European Investment Bank and the Member States to deploy more technical assistance and project development assistance in order to facilitate investments;
54. Regrets the low contribution of transport to energy-saving, with a percentage of only 3 % within the overall sectoral split of savings, despite the stabilisation of passenger traffic and the fall in freight traffic between 2005-2013 owing to the economic crisis; calls on the Member States to increase the number of measures targeting the transport sector;
55. Asks the Commission to reduce paperwork as much as possible for SMEs and public bodies;
56. Proposes a review of the definition of 'SME' applied in the Directive (Article 2(26)) so that it refers only to number of employed persons and annual turnover, such that companies which are 25 % or more controlled by a public body can still be considered as SMEs.

RESULT OF FINAL VOTE IN COMMITTEE ASKED FOR OPINION

Date adopted	26.4.2016
Result of final vote	+: 56 -: 10 0: 0
Members present for the final vote	Marco Affronte, Margrete Auken, Pilar Ayuso, Zoltán Balczó, Ivo Belet, Simona Bonafè, Biljana Borzan, Lynn Boylan, Soledad Cabezón Ruiz, Nessa Childers, Alberto Cirio, Birgit Collin-Langen, Mireille D'Ornano, Seb Dance, Angélique Delahaye, Jørn Dohrmann, Ian Duncan, Stefan Eck, Bas Eickhout, Eleonora Evi, José Inácio Faria, Karl-Heinz Florenz, Francesc Gambús, Elisabetta Gardini, Gerben-Jan Gerbrandy, Jens Gieseke, Julie Girling, Matthias Groote, Françoise Grossetête, Andrzej Grzyb, György Hölvényi, Anneli Jäätteenmäki, Jean-François Jalkh, Benedek Jávor, Karin Kadenbach, Kateřina Konečná, Giovanni La Via, Peter Liese, Norbert Lins, Susanne Melior, Miroslav Mikolášik, Massimo Paolucci, Gilles Pargneaux, Piernicola Pedicini, Bolesław G. Piecha, Pavel Poc, Daciana Octavia Sârbu, Davor Škrlec, Estefanía Torres Martínez, Nils Torvalds, Jadwiga Wiśniewska, Damiano Zoffoli
Substitutes present for the final vote	Clara Eugenia Aguilera García, Nicola Caputo, Fredrick Federley, Giorgos Grammatikakis, Merja Kyllönen, Gesine Meissner, Marijana Petir, Gabriele Preuß, Jasenko Selimovic, Kay Swinburne, Keith Taylor, Mihai Țurcanu, Tom Vandenkendelaere
Substitutes under Rule 200(2) present for the final vote	Marie-Christine Boutonnet

RESULT OF FINAL VOTE IN COMMITTEE RESPONSIBLE

Date adopted	24.5.2016
Result of final vote	+: 34 -: 25 0: 1
Members present for the final vote	Zigmantas Balčytis, Bendt Bendtsen, Xabier Benito Ziluaga, José Blanco López, David Borrelli, Jerzy Buzek, Pilar del Castillo Vera, Christian Ehler, Fredrick Federley, Ashley Fox, Adam Gierek, Theresa Griffin, Hans-Olaf Henkel, Eva Kaili, Barbara Kappel, Krišjānis Kariņš, Seán Kelly, Jeppe Kofod, Jaromír Kohlíček, Janusz Lewandowski, Paloma López Bermejo, Ernest Maragall, Edouard Martin, Angelika Mlinar, Csaba Molnár, Dan Nica, Morten Helveg Petersen, Miroslav Poche, Carolina Punset, Michel Reimon, Herbert Reul, Paul Rübig, Algirdas Saudargas, Neoklis Sylikiotis, Antonio Tajani, Dario Tamburrano, Patrizia Toia, Evžen Tošenovský, Claude Turmes, Vladimír Urutchev, Adina-Ioana Vălean, Henna Virkkunen, Martina Werner, Lieve Wierinck, Hermann Winkler, Anna Záborská, Flavio Zanonato
Substitutes present for the final vote	Amjad Bashir, Jens Geier, Benedek Jávor, Constanze Krehl, Barbara Kudrycka, Olle Ludvigsson, Vladimír Maňka, Markus Pieper, Massimiliano Salini, Anne Sander, Indrek Tarand, Pavel Telička, Anneleen Van Bossuyt