

PRESS RELEASE:

THE IMPACT OF EU ENERGY EFFICIENCY POLICY MUST TRIPLE TO ACHIEVE 2020 GOALS

**Energy efficiency is vital to European decarbonisation and green growth
strategies**

**EU must lead with binding targets for energy saving, driving savings of €78
billion annually by 2020**

Brussels, September 15 2010 - Europe needs to triple the impact of its energy efficiency policies to achieve its 20/20/20 targets set last year, according to a new study commissioned jointly by the European Climate Foundation (ECF) and the Regulatory Assistance Project (RAP).

The “Energy Savings 2020” study – written by Ecofys and the Fraunhofer ISI – builds on the work of the ECF’s Roadmap 2050 report. It finds that the potential exists to reach the goal of a 20% energy saving by 2020 cost-efficiently, cutting energy bills by €78 billion for European consumers and businesses annually by 2020 – an average saving of €380 per household in 2020¹.

Full implementation of the 2020 targets will also reduce Europe’s dependency on energy sources outside Europe, contributing to a more secure energy future.

Europe’s renewable energy targets, CO₂ emissions targets and energy infrastructure plans are all dependent on successful implementation of energy savings in line with the 2020 target.

However, current EU policy is delivering only one-third of the potential cost-effective savings measures. The study concludes that a binding energy savings target has a key role to play in providing energy efficiency policies and programmes with much needed structure and coherence from the European down to the local level in order for the available energy savings to be realised.

Fundamental issues in the current policy framework need to be addressed:

- There is no common methodology across EU Member States to measure energy savings. This is key to realising economies of scale and impact of policy instruments.

¹ Based on Eurostat projected EU population of 513.8 million by 2020 and average of 2.5 persons per household

- Existing policy instruments such as the Energy End-use Efficiency and Energy Services Directive are not effectively implemented, largely due to a lack of accountability and high-level political commitment.
- Investments in energy saving programmes and measures must be scaled-up. There is a need for financing mechanisms that channel public sources of capital while incentivising private sector investments.

“Energy Savings 2020” shows clearly that energy savings, while making compelling economic sense, do not happen organically. Policy is required to incentivise change, and that change is fundamental to Europe’s energy future.

As the Roadmap 2050 report from the ECF has shown, effective energy savings measures are a prerequisite to the decarbonisation of the European power sector regardless of the energy mix. Effective energy savings measures will boost the European economy, bring billions of Euros per year back into European markets, and through both implementation of measures and increased domestic revenues, result in increased economic activity and job creation.

Speaking before the launch, Jules Korthenorst, CEO of the European Climate Foundation said: “Energy efficiency is crucial in the transition towards a low-carbon future, and this study shows that the EU is sitting on a vast untapped cost-efficient energy savings potential which it needs to take advantage of.”

Philip Lowe, Director General of the European Commission’s Directorate General for Energy said at the launch: “We welcome the valuable contribution of this study which highlights both the benefits and challenges of achieving the EU’s 20% energy savings target. The study makes a constructive contribution to the ongoing discussions on the future of EU energy efficiency policy architecture.”

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For more information please contact: tim.nuthall@europeanclimate.org

The Energy Savings 2020 report, executive summary and related papers can be found at: www.energysavings2020.eu

For more information about Ecofys see: www.ecofys.nl

For more information about Fraunhofer ISI see: www.fraunhofer.de

More information on the Roadmap 2050: a practical guide to a prosperous low-carbon Europe can be found at: www.roadmap2050.eu