

## Position Paper on the revision of the Energy Efficiency Directive and the Renewable Energy Directive – April 2021

EuropeOn, the European association of electrical contractors, represents a sector comprised of 1.8 million professionals devoted to powering a green transition. Our long-term vision for Europe is a climate-neutral and job-driven economy. Therefore, we welcome the European Commission's initiative to review the Energy Efficiency Directive (EED) and the Renewable Energy Directive (RED) in order to align them with Europe's increased climate ambition. We find the timing particularly fit in the context of EU and national recovery plans, the Green Deal and the upcoming COP26.

- **EuropeOn calls on EU policymakers to revise the [Energy Efficiency Directive \(2018/2002/EU\)](#) to:**
  - **Adopt an upwards revision of the EU's 2030 energy efficiency target in line with the Commission's proposal**, to support the increased 2030 greenhouse gas emissions target while creating jobs and new business opportunities in the green transition ecosystem: roughly 1.8 million additional (net) jobs can be created in Europe by 2050 with an ambitious scenario based on smart electrification and deep efficiency<sup>1</sup>.
  - **Adopt binding targets both at EU and national level**: as many other observers, we are convinced that EU binding targets partly explain why the 2020 RED objectives were mostly met while the 2020 EED objectives were not.
  - **Prioritise direct electrification of all end-use sectors as a key and cost-efficient pathway to reducing emissions**: electrification brings many benefits from decarbonisation to improving health and air quality, digitalisation and efficiency of the energy sector. However, electrification should not be taken for granted: to reach climate neutrality in time, the Commission evaluates that EU's electrification should surge from 23% today to more than 30% by 2030<sup>2</sup>. Therefore, we call on the EU to:
    - **Accelerate the phase out of fossil fuels in heating systems**,
    - **Increase the deployment of clean electricity in the built environment while extending renovation requirements to all public administration levels and other public buildings** such as hospitals and schools (article 5),
    - **Save green hydrogen for hard-to-abate sectors** where direct electrification may be less cost effective.
  - **Lower the Primary Energy Factor (PEF) for electricity and put forward carbon indexes**. The PEF should look ahead in order to anticipate and achieve climate neutrality. In 2020, renewables overtook fossil fuels and nuclear power as Europe's main source of electricity<sup>3</sup>. Despite being lowered in 2018, the PEF still has the perverse effect of encouraging savings in electricity over direct fossil savings. Electricity is increasingly green while fossil fuels will remain fossil fuels. For that reason, it is also important to develop other parameters such as a carbon index or a life-cycle perspective of different energy carriers.

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<sup>1</sup> [Cambridge Econometrics, Towards Fossil-free Energy in 2050, 2019](#)

<sup>2</sup> [European Commission \(2020\), Impact Assessment. Stepping up Europe's 2030 climate ambition Investing in a climate neutral future for the benefit of our people.](#)

<sup>3</sup> <https://ember-climate.org/project/eu-power-sector-2020/>

- **Strengthen energy audits** by introducing requirements to follow up on audits with energy renovations for worst-performing buildings, as it is too seldom the case (article 8).
  - **Address the lack of skills in energy efficiency:** no matter how high EU energy efficiency objectives will be, we need skilled workers and companies to implement them. Many electrical contractors' associations report significant vacancies in this field. We identified two key reasons which must be solved hand in hand with policymakers: first, technical education still suffers from a poor image even though working in the energy efficiency ecosystem should be seen as purposeful, varied and rewarding. Second, it is crucial to accelerate the update of current curricula to integrate energy efficiency and digitalisation skills. SMEs face specific obstacles in up-skilling which also need to be addressed.
  - **Ensure a harmonised revision of the EED and EPBD**, especially regarding the PEF, energy audits and energy performance certificates. Strengthening BACS requirements and BACS functionality can highly contribute to flexibility and energy efficiency.
- **EuropeOn calls on EU policymakers to revise the [Renewable Energy Directive \(2018/2001/EU\)](#) to:**
- **Adopt an upwards revision of the EU's 2030 renewables target of at least 40%, in line with the Commission's proposal**, to support the increased 2030 greenhouse gas emissions target while creating jobs and new business opportunities in the green transition ecosystem. Investing in solar and wind creates 3 times as many jobs than spending on fossil fuels<sup>4</sup>. Just looking at solar energy, up to 4 million solar jobs can be created in Europe by 2050<sup>5</sup> with a significant share in the electrical contracting sector.
  - **Adopt binding targets both at EU and national level.** As many other observers, we are convinced that EU binding targets partly explain why the 2020 RED objectives were mostly met while the 2020 EED objectives were not.
  - **Accelerate both the use of renewable energy and direct electrification in buildings**, in line with the Renovation Wave initiative and the Strategy for Energy System Integration. Prosumer systems can bring a cost-effective solution to the decarbonisation of buildings, especially when combining on-site renewable generation and electric battery storage with electrified end-uses such as electric vehicles or electric heat-pumps. Such systems are an ideal pathway to increasing the share of renewables in end-uses considered hard to abate, while providing consumers with cheaper energy bills and mitigating grid reinforcement needs.
  - **Establish minimum mandatory green public procurement (GPP) criteria and targets in relation to renewable electricity** as an effective way to lead by example and foster best practices. Indeed, the European Parliament has recently called on the Commission to act on implementing GPP in various relevant policy areas<sup>6</sup>.
  - **Further increase the share of renewables in transport by supporting the roll-out of electromobility** which has achieved an unprecedented uptake in recent years and will accelerate further, consistent with Europe's pledge to deploy 1 million public charging points by 2025.

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<sup>4</sup> [IRENA, 2020](#)

<sup>5</sup> [SolarPower Europe, 100% Renewable Europe, 2020](#)

<sup>6</sup> European Parliament resolution of 10 February 2021 on the New Circular Economy Action Plan ([2020/2077\(INI\)](#))

Besides, private charging is still of utmost importance and the RED revision should be compatible with increased requirements for charging in buildings under the EPBD.

- **Further support the uptake of energy communities and self-consumption** through the deployment of prosumer systems and by simplifying administrative procedures and permitting processes for renewables.
- **Address the lack of skills in renewable electricity:** no matter how high EU renewable energy objectives will be, we need skilled workers and companies to implement them. Many electrical contractors' associations report significant vacancies in this field. We identified two key reasons which must be solved hand in hand with policymakers: first, technical education still suffers from a poor image even though working with renewables should be seen as purposeful, varied and rewarding. Second, it is crucial to accelerate the update of current curricula to integrate RE and digitalisation skills. SMEs face specific obstacles in up-skilling which also need to be addressed.

**EuropeOn** is the European voice of the electrical contracting industry since 1954. With 1.8 million professionals in over 300.000 businesses and with a turnover of over 200 billion euros, electrical contractors provide electrical installations for buildings and infrastructures, enabling cities and citizens to take part in the Energy Transition. EuropeOn addresses energy, climate, mobility, building and skills policies. The association is campaigning in favour of Skills4Climate and #EUGreenRecovery. It is part of the Electrification Alliance, Construction 2050, the Platform for E-mobility, and the Forum for European Electrical Domestic Safety. [www.europe-on.org](http://www.europe-on.org)  
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