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Change for the Better position paper on Energy Efficiency Directive

Key points:

- The revision of the EED brings a unique opportunity to speed up the delivery of energy savings and connected benefits such as emissions-reduction, lower energy bills or reduced air pollution, while also helping to increase the overall energy security of the European Union.
- Energy efficiency is an essential prerequisite for the success of the energy transition and the achievement of climate goals as well as a key element for preserving the competitiveness of European companies. The energy-efficient economies of the Member States are the key pillars of a stable and prospering European Union.
- The EED must be coherent with goals set out in other dossiers in the Fit for 55 Package, such as the Renewable Energy Directive or EU Emissions Trading System. The EED shall contribute to a consistent policy framework that on one side focuses on sectors with the highest potential such as buildings and on the other avoids setting rules that may cap industrial growth.

Change for the Better's position on the EED

Change for the Better supports the initiative proposed by the Commission to set national energy efficiency contributions for final and primary consumption. An energy-efficient approach is a key area of action without which the full decarbonisation of the Union economy cannot be achieved. Change for the Better highlights that in order to enable companies to decide on the most cost-effective solutions, clear and well-defined legislation that is possible to comply with as little costs as possible is needed.

Energy efficiency helps to improve the competitiveness of the industry and provides positive opportunities for several sectors. It is therefore important that all steps taken to make energy use more efficient are not crowded out by the possible short-term increase in electricity use. To achieve the desired objectives, a comprehensive prioritisation of single actions is needed.

Change for the Better believes that sufficient financial resources, both public and private, are necessary for the implementation of individual changes that will ensure the achievement of the decarbonisation and energy



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efficiency objectives. It is also important to raise public awareness on the issue and implement a broad information campaign on the concrete steps necessary to reach the targets of the EED.

Limits on energy consumption

Change for the Better agrees with imposing limits on energy consumption. However, it is important to note that decarbonisation also entails energy-intensive procedures, such as the production of energy-efficient appliances which may increase the carbon footprint of the production chain. It should be noted that the green transition represents a phasing out of fossil fuels and to a large extent switching to electricity, which will likely lead to a significant increase in electricity consumption. In connection to this, Change for the Better supports setting a higher renewable energy target which is currently being negotiated in the Renewable Energy Directive.

Energy Efficiency First

The Energy Efficiency First principle, which is recognised as a guiding principle of the Union's energy policy, plays a key role and should be taken into account across all sectors. If the principle is applied consistently, it will be a major game-changer. However, its enforceability depends on the approach of individual Member States. Change for the Better welcomes the proposal to enshrine the above-mentioned principle into the Energy Efficiency Directive, as energy efficiency is a key enabler of decarbonisation, and the potential for efficiency gains across the entire energy system must be exploited.

Change for the Better stands behind projects that lead to verifiable and measurable improvements in energy efficiency. However, there is a need to identify cost-optimal options for investment in the modernisation and refurbishment of energy management. Energy efficiency measures should bring companies and businesses a range of benefits such as financial savings or boosting the ESG standings in a credible way.

Energy savings obligation

While the Commission's proposal includes an increase from 0,8% to 1,5% of the annual energy savings obligations to be applied on EU Member States between 2024 and 2030, the European Parliament is calling for an even higher target (2% of the annual energy savings obligations). Rather than a strong focus on obligation targets, Change for the Better would welcome a predictable regulatory framework fostering an ecosystem that attracts investments into state-of-the-art technologies, essential to boost innovation. Change for the Better supports measures such as financial incentives or voluntary agreements that help to increase the use of energy efficient technologies. At the same time, it is crucial to ensure that the measures introduced by the EED are





technically and economically feasible and that all sectors, including industry, households, the public sector and businesses, can effectively contribute to the energy savings.

About Change for the Better

Change for the Better is a business association of more than 60 companies and more than 200 supporters, which aims to co-create an ecosystem in the Czech Republic where companies excel, while being sustainable to our planet. Change for the Better seeks to develop the environment in which the European Green Deal is seen as opportunity rather than as a threat.

Change for the Better offers an active dialogue, cooperation and engagement in tackling climate change and green transition. Change for the Better is ready to provide the policymakers with necessary support in preparation and implementation of the legislation. Change for the Better offers experience and expertise of its members in areas such as circular economy, clean energy, construction, and agriculture.

Change for the Better believes that the Czech Republic has sufficient resources to create the conditions that will make the Green Deal for Europe a real boost to society and will create new opportunities, whether in a form of new jobs, healthier landscapes, cleaner air, or a better quality of life in all regions. All this while maintaining the principles of a just transition.

