

POLITICAL DECLARATION on ENERGY EFFICIENCY FINANCING and the EUROPEAN ENERGY EFFICIENCY FINANCING COALITION

RECOGNISING the fundamental role of energy efficiency in our efforts to decarbonise the European Union by 2050.

ACKNOWLEDGING that energy efficiency is technically mature, cost-effective, and the cheapest way to cut emissions, to foster the clean energy transition and to reduce the need for energy and other resources to support our way of life.

RECALLING that the recently published Directive (EU) 2023/1791 of the European Parliament and of the Council of 13 September 2023 on energy efficiency, increases the Union's energy efficiency target to at least 11.7% in 2030 compared to the projections of the 2020 EU Reference Scenario so that the Union's final energy consumption amounts to no more than 763 Mtoe. In addition, the revised Directive (EU) 2018/2001 of the European Parliament and of the Council on the promotion of the use of energy from renewable sources, as amended by Directive (EU) 2023/2413, contains an increased Union's binding renewable energy target of 42,5% by 2030 with an aspiration to reach the level of 45%.

NOTING that in order to limit warming to 1.5 degrees C in line with the Paris agreement, the International Energy Agency (IEA) and the International Renewable Energy Agency forecast that the world requires three times more renewable energy capacity by 2030, approximately at least 11,000 GW (an average of about 1,000 GW additional capacity per year until 2030), and according to IEA forecasts, the world must double annual energy efficiency improvements every year to 2030.

ACKNOWLEDGING the ongoing work at international level, in particular building on the outcome of COP28 and the initiative co-led by the EU setting global goals on renewables and energy efficiency, including to double annual energy efficiency improvements from around 2% to over 4% globally by 2030.

UNDERLINING that, according to the Climate Target Plan, energy efficiency and renewable energy deployment are expected to be the single largest contributors to greenhouse gases reductions, and that, according to the IEA, energy efficiency and the deployment of renewable electricity generation could account for more than 80% of the emission reductions to 2030, and that energy efficiency is one of the most effective tools to achieve our security of supply objectives, making the European Union less reliable on its external dependencies.

SUPPORTING the EU Green Deal and REPowerEU objectives to transform the European Union in the first climate-neutral space in a modern, resource efficient, fair and competitive

way and to increase the pace for a rapid clean, just and inclusive transition that sets the roadmap to bring the external dependence on Russian fossil fuels to an end.

HIGHLIGHTING that efforts on energy efficiency and renewables while fostering economic development will bring forth economic resilience and increase access to energy as well as competitiveness and prosperity, and will ensure energy is affordable, reliable and sustainable.

ACKNOWLEDGING that, in line with the objectives mentioned in the Green Deal Industrial Plan, energy efficiency is an instrumental long-term solution to preserve and increase EU competitiveness, and to give the EU industries a comparative and competitive advantage over international competitors.

BEING CONSCIOUS of the multiple benefits of energy efficiency, which besides enhancing the sustainability of the energy system, promotes the EU's economic and social development, reduces emissions, creates jobs, and improves health, well-being and comfort for citizens.

UNDERSTANDING that the total investment needs for the transition is very significant and that the greater part of the investments will have to come from private funding to materialise this common ambition.

RECALLING the conclusions of 20-21 October 2022 and 15 December 2022, where the European Council reiterated the need to step up investments in energy efficiency.

RECOGNISING that an EU-wide initiative that allows for strengthening the cooperation between financial institutions and policy making at the European and Member States level on energy efficiency investments, creating room for dialogue towards action, will help to mobilise private financing for energy efficiency at scale (in support of the 2030 and 2050 EU energy and climate objectives), to make financing more available for enterprises and citizens, and to bridge the financing gap on energy efficiency.

WE, THE SIGNATORIES:

Intend to enhance the efforts towards establishing a long-term viable funding framework for energy efficiency investments, and to proactively support the launch and to engage in the future activities of the European Energy Efficiency Financing Coalition, leading by example in the use of energy efficiency financing to boost the European Union's climate and energy transition towards a decarbonised economy.

Intend to work together in the setting-up of an European Energy Efficiency Financing Coalition (Coalition) by:

- Supporting the launch of the Coalition, as driving force towards the mobilisation of energy efficiency financing, by contributing to its goals and encouraging the participation of national energy and financial sectors and other relevant stakeholders.
- Actively participating in the definition and implementation of the work programmes of the Coalition and cooperating towards the implementation of the governance structure of the Coalition.
- Aggregating the relevant stakeholders on energy efficiency financing under the Coalition National Hubs, creating the necessary synergies with existing national relevant discussion fora, dynamising those hubs and further strengthening the alliances with stakeholders, ensuring their work and commitment towards the common objectives of the Coalition.
- Creating, strengthening, and harmonising in the remit of our competences, conditions to facilitate investment in energy efficiency and to promote the use of available public funding towards medium to long term energy efficiency strategies, including the use of public funding as leverage for additional private investments.
- Facilitating the creation of an enabling environment for the deployment of energy efficiency and savings measures, through the development of advisory services including project development assistance facilities, one-stop-shops and mapping tools to facilitate access to EU and national funding and financing, promotion of skill development and training of the work force and by raising public awareness through campaigns and encourage behavioural changes.
- Encouraging the leading role of the public sector in energy efficiency, in particular by exploring the adoption and implementation of the recast Energy Efficiency Directive's and the Energy Performance of Buildings Directive's priorities in what regards public activities and buildings.

Political nature of the Declaration

This document records a political intent alone. It does not establish any new legal commitments or replace or modify any existing legal obligations with regard to the signatories or third persons. No additional financial commitment is established or required following the signature of this document.