



To **Connie Hedegaard**
European Commissioner for Climate Action

CC **José Manuel Barroso**
President of the European Commission

CC **Antonio Tajani**
Vice President of the European Commission
European Commissioner for Industry and Entrepreneurship

CC **Günther Oettinger**
European Commissioner for Energy

CC **László Andor**
European Commissioner for Employment, Social Affairs and Inclusion

Prague, 30 January 2013

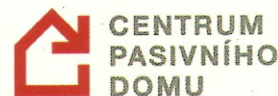
Re: Energy Savings Target in the 2030 EU Energy and Climate Framework

Dear Commissioner Hedegaard,

We, the undersigned, would like to contribute to the upcoming debate on the EU climate and Energy Framework due to take place soon at the Commission as we understand.

We consider this debate will an excellent and important opportunity to address the major flaw in the current 2020 energy and climate strategy - namely the lack of a binding target for energy saving. We clearly see today that the EU is on track in the two binding targets and not on track in the only one that is not binding. This is not a coincidence. We believe that a non-binding target is not really a target. It does not initiate sufficient political will and effort to change policy. It leaves the huge universally acknowledged energy savings potential untapped. **We are concerned, that without adding the binding target, the 2030 framework will remain weak and will fail to deliver the energy savings just as the 2020 framework.**

Founding partners



Senior partner



Partner



The provision of binding target is necessary to create regulatory certainty, which helps the business sector in planning for clear long-term objectives. Without such certainty it is much more difficult to attract investment in the energy efficiency sector and thus to encourage economic activity and create new markets.

We believe that the 2030 framework with binding targets will (1) improve Europe's competitiveness, (2) improve access to finance and thus (3) stimulate job creation and economic growth of the EU.

- (1) It is widely recognized that the EU must improve its **competitiveness**. Lower energy intensity of economy is clearly one of the key factors of better competitiveness over other regions where energy consumption remains high. The binding energy saving target would promote operational efficiency and make European businesses better equipped to compete against their global rivals. As energy supplies diminish, lower energy consumption will be of ever higher importance.
- (2) **Access to finance** is recognized as one of the major barriers for a faster take-up of energy savings potential. Regulatory uncertainty hinders the bank's willingness to finance such investment projects and this is particularly evident in the current EU economic climate. An energy savings target in the 2030 framework can help mitigate these risks and make it easier for businesses to obtain finance for their investment in energy efficiency projects.
- (3) An energy savings target fosters **job creation**. Particularly in buildings renovation sector, we know that multiplication effect is one of the highest in the entire economy. The governments have very few better policy options to stimulate job growth.¹ An added benefit is that the jobs are local in nature - they typically cannot be outsourced to other parts of the world. Furthermore, rather than channelling money abroad to pay for imported fuels, the cost savings are reinvested at home. Businesses thus contribute to **domestic economic growth**.

¹ Please see the paper "Should the government invest in energy efficiency of buildings? Macroeconomic impact assessment - Executive Summary", May 2012, by authors Miroslav Zámečník a Tomáš Lhoták; available at http://sanceprobudovy.cz/images/docs/c4b_macro_impact_assessment_zamecnik_exec_summary.pdf

In conclusion, we believe the Commission needs to send a clear signal in support of energy efficiency, which has suffered from the “empty consensus” thus far. By setting a **binding energy savings target** for 2030 the Commission has a unique opportunity to change this rather unfortunate state of affairs.

We sincerely hope that the Commission will seize this opportunity and help Europe become stronger and more prosperous global player.

Your sincerely,



Petr Holub
Director
Chance for Buildings

Petr Vogel
Chairman
Czech Green Building Council

Libor Urbášek
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Czech Mineral Insulation Manufacturer's
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Pavel Zemene
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