

EFIEES welcomes the Climate Law and calls for a full engagement of the energy efficiency sector on the way to climate neutrality

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EFIEES, the **European Federation of Intelligent Energy Efficiency Services**, is the voice of energy service companies (ESCOs) and their national associations in 12 EU Member States. Our members represent over 130.000 professionals engaged in the design and implementation of energy-efficiency solutions in public and private buildings as well as industrial facilities. In some countries, they also ensure the efficient operation of district heating & cooling networks.

Today, we welcome the Commission's proposal on the Climate Law, inserting in the EU legislation an EU-wide binding climate neutrality target for 2050 and setting out the general framework for the trajectory which will be established in order to enable the collective achievement of this goal.

We equally welcome the clear alignment of the proposal with the objectives Paris Agreement and its timeline, which reiterates the Union's commitment to meet the long-term temperature goal set out in Paris through a robust monitoring system, allowing to regularly assess the collective progress made at different stages and the need to review efforts towards the 2050 target.

In order to deliver on this ambition, we recall the importance of the concrete and daily enablers of emissions' reduction, and hence of climate neutrality, such as energy efficiency services and effective energy management.

As already said in our reaction to the Climate Law Roadmap consultation a few weeks ago, the energy efficiency sector plays a pivotal role in the energy transition by putting in place measures and projects aimed at reducing energy consumption - and thus CO2 emissions - along the whole energy chain, and it should therefore be given a prominent position, in line with the *Energy Efficiency First* principle.

Although we regret that this principle is not explicitly stated in today's Climate Law proposal, we are confident this will be taken into utmost consideration in the definition of the trajectory underpinning the way to climate neutrality and in any future relevant legislative initiative.

In this respect, as the Commission proposes today to assess any draft measure or legislative proposal in light of the climate-neutrality objective prior to its adoption, we parallelly recommend to include similar considerations for the application of the *Energy Efficiency First* principle.

We reiterate the importance of another enabler which should not be overlooked and where emissions' reduction is surely an urgent matter: **the decarbonisation of the heating and cooling sector.**

Besides energy efficiency, the transition to climate neutrality in 2050 will indeed require a careful examination of how a sector currently responsible for about 50% of the energy consumption in the EU can be effectively decarbonised, also in the short and medium term, in a cost-effective and affordable way.

In this regard, already existing efficient thermal solutions should be fully considered and supported, including efficient district heating and cooling networks, which will increasingly serve as vectors for renewable and recovered energies, thus largely contributing to reducing our emissions.