

TEN/686 Adapting EU Energy Efficiency legislation in the light of Brexit

# **OPINION**

European Economic and Social Committee

Proposal for a Decision of the European Parliament and of the Council on adapting Directive 2012/27/EU of the European Parliament and of the Council on energy efficiency [as amended by Directive 2018/2002/EU] and Regulation (EU) 2018/1999 of the European Parliament and of the Council [Governance of the Energy Union], by reason of the withdrawal of the United Kingdom from the European Union

[COM(2018)744 final - 2018/0385 (COD)]

Rapporteur-general: Séamus BOLAND

Referral European Parliament, 15/11/2018

Council of the European Union, 26/11/2018

Legal basis Articles 192(1), 194(2) and 304 of the Treaty on the Functioning of

the European Union

Section responsible Transport, Energy, Infrastructure and the Information Society

Bureau decision 11/12/2018 Adopted at plenary 23/01/2019

Plenary session No 540

Outcome of vote

(for/against/abstentions) 106/0/0

#### 1. Conclusions and recommendations

- 1.1 The EESC welcomes the proposal to amend the EU legislation governing energy efficiency on the basis that the changes are necessary as a result of the UK leaving the EU.
- 1.2 The EESC recognises that the changes are technical and welcomes the fact that they will enable the new EU of 27 members to continue plans to implement the Directive on energy efficiency and the Regulation on the governance of the Energy Union.
- 1.3 The EESC welcomes the fact that the proposed changes will not affect the further momentum of relevant energy Directives as noted in the publication of the political agreement in June 2018.
- 1.4 The EESC recommends that the EU encourage the UK to align itself with the objectives contained in the agreement on targets as set out by the Directive, after Brexit.
- 1.5 The EESC recommends that EU Commission commit to introducing a comprehensive EU-wide communication strategy, which ensures that the objectives of the Energy Efficiency Directive and the Regulation on governance of the Energy Union are met as a matter of urgency, especially after Brexit.
- 1.6 The EESC strongly recommends that the EU should take advantage of all opportunities to involve civil society in achieving energy efficiency objectives, including the process of amendments, as necessitated by Brexit.
- 1.7 The EESC recommends that the Commission take due care to ensure that there will be no unintended consequences in terms of budget or human rights as a result of these changes.

## 2. Context

- 2.1 The EU Directive on energy efficiency and the Regulation on governance of the Energy Union are essential instruments in ensuring that the EU meets its commitments to reach energy efficiency targets by 2030 and thereby honour its environmental commitments agreed in various international agreements.
- 2.2 As part of the preparation for the United Kingdom's withdrawal from membership of the European Union, the EU Commission has proposed to amend EU legislation concerning energy efficiency and the Regulation on governance of the Energy Union.
- 2.3 The necessity of this proposal originates from the fact that the energy consumption figures that are outlined in the revised Directive on energy efficiency and the Regulation on governance of the Energy Union are based on a Union of 28 states and therefore need to be amended to reflect a new Union of 27 members.
- 2.4 The proposal will not affect the EU's energy efficiency targets as stated in the political agreement of June 2018, which underlines the commitment to the achievement of an efficiency target for 2030 of 32.5%.

## 3. **Background**

- 3.1 On 23 June 2016, following a referendum on the subject of EU membership, the United Kingdom of Great Britain and Northern Ireland voted to leave. This decision includes the territory of Gibraltar.
- 3.2 On 29 March 2017, the United Kingdom submitted notification of its intention to withdraw from the Union. This means that, unless a ratified agreement establishes a change of date, all Union primary and secondary law will cease to apply to the United Kingdom from 30 March 2019 ("the withdrawal date"). The United Kingdom will then become a third country.
- 3.3 The Energy Efficiency Directive seeks to achieve an energy efficiency target of 32.5% for 2030 by requiring Member States to set indicative national energy efficiency contributions.
- 3.4 Therefore, Member States are expected to take account of the Union's energy consumption projections.
- 3.5 The proposal refers to the Regulation on the governance of the Energy Union, which also requires Member States to take account of the 2030 energy consumption when setting them contribution towards the Union 2030 target.
- 3.6 Since the Governance Regulation repeats the absolute values in the Energy Efficiency Directive, those values need to be amended accordingly.
- 3.7 EU projections demonstrate that primary energy consumption in 2030 must be no more than 1,273 Mtoe (Million tonnes of oil equivalent) with final energy consumption being no more than 956 Mtoe. Equivalent projections for the EU 27 members will demonstrate that primary energy consumption must be no more than 1,128 Mtoe, with final energy consumption being no more than 846 Mtoe.
- 3.8 The principles of subsidiarity (Article 5(3) TEU) and proportionality (Article 5(4) TEU) are fully respected, mainly because the proposal is seeking technical changes only, which do not affect legislation already enacted.
- 3.9 It is already accepted by all stakeholders that these are necessary technical changes, which will allow the new 27-member European Union to pursue the objectives contained in the relevant Directives.

### 4. **EESC observations**

4.1 It is clear that this proposal aims to achieve a necessary technical change to the relevant EU energy efficiency and Energy Union governance legislation as a result of the withdrawal of the United Kingdom from the European Union.

- 4.2 In taking account of recent EESC opinions on Energy Union Governance<sup>1</sup> and Revision of the Energy Efficiency Directive<sup>2</sup> (Mr Manoliu), it is also clear that all of the recommendations contained therein remain completely valid and must be promoted strongly by the EESC.
- 4.3 While it is accepted that the proposal has no bearing on wider matters such as budget or human rights, it is still necessary to ensure vigilance in this area so that there can be no unintended consequences, which would cause a budgetary or human rights effect.
- 4.4 The EESC welcomes the fact that the principles of subsidiarity and proportionality are respected in full.
- 4.5 Accepting that the proposal is designed to amend existing legislation affecting energy and that the strong commitments to certain targets remain, it must be noted that outcomes may be affected by whether or not the UK will continue to meet the same targets in line with the remaining 27 members.
- 4.6 In that regard the EESC advises that a strong communication strategy should be put in place designed to ensure that there will be no confusion among stakeholders caused by the advent of Brexit as regards the commitment and implementation of plans already agreed among Member States to reach certain energy efficiency targets.
- 4.7 The EESC notes that the changes proposed are technical and do not require public consultation; however it also strongly recommends that all opportunities to involve civil society in the support of governments' implementation plans should be taken.
- 4.8 The EESC notes the necessity of these technical changes and believes that they will enhance the implementation of the directive.
- 4.9 The EESC welcomes the fact that the June 2018 provisional agreement on a revision of the Energy Efficiency Directive will not be affected by this Decision.
- 4.10 Apart from the need to ensure a communication strategy is in place to allay any confusion on continued implementation of the Directives, the EESC is satisfied that the proposal will not materially affect plans by Member States to achieve the stated targets.

Brussels, 23 January 2019

#### Luca JAHIER

The president of the European Economic and Social Committee

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