

Feedback : 2030 Climate Target Plan

This Paper sets out the EuroACE view in the framework of the stakeholder feedback sought by the European Commission by 15th April on its inception impact assessment (IA) of the 2030 Climate Target Plan.

1. A higher 2030 climate target level to reach climate neutrality by 2050

EuroACE welcomes the work started by the European Commission to revise the 2030 target for GHG emissions reduction. This work should lead to an alignment of the 2030 target **with our longer-term objectives, i.e. reaching climate neutrality by 2050** in order to respect our commitments to the Paris Agreement. Therefore, EuroACE believes that the 2030 target should be to reduce GHG emissions **by 55% at least**, compared to 1990 levels.

The **decade between 2021 and 2030 will be decisive** in order to accelerate action and put the EU on track towards carbon neutrality by 2050. Therefore, a higher 2030 target is needed, not only to give industry and investors a clear indication where to go, and give them **first-mover competitive advantage**, but also to make the trajectory between **2030 and 2050 easier to achieve**.

2. A higher 2030 climate target supported by a higher 2030 energy efficiency target

We know from the experience of the EU energy & climate policies over the past years that **the target trio approach** (GHG, energy efficiency, and renewables) **is key** to achieve our decarbonisation objectives – it is crucial to keep it for the years ahead. The IA should also make clear that an increased GHG emissions reduction target implies an **increase of the 2030 energy targets**, i.e. energy efficiency and RES.

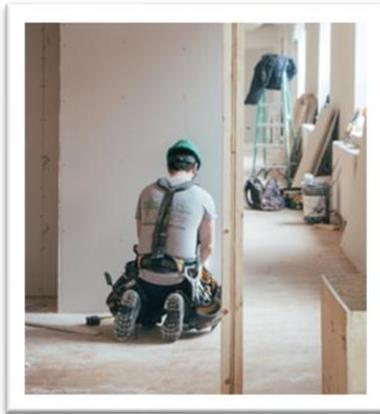


The IA for the 2030 GHG target should also **consider the Energy Efficiency First principle**. Energy efficiency holds the biggest potential in helping the EU to achieve climate neutrality by 2050, as we know this principally means reducing emissions to close to zero. According to the International Energy Agency, 75% of additional investments to cut GHG emissions in Europe to respect the Paris Agreement will have to come from energy efficiency.¹ It is estimated that the bottom-up **potential for the energy efficiency target lies at 40% by 2030**.

3. A higher 2030 climate target as leading vision for an improved energy legislation in 2021

More particularly, **the buildings sector has the biggest potential in terms of efficiency gains**, equating to half of the decarbonisation measures needed to achieve our Paris Agreement goal.

¹ IEA, World Energy Outlook Special Report 2015: Energy and Climate Change.



Swift, strong and sustainable actions in energy efficient renovations will be **crucial to attain a higher GHG emissions reduction target by 2030**, as buildings represent 36% of the EU GHG emissions and 40% of its energy consumption. In the analysis supporting the Communication '*A Clean Planet for All*', although only two (out of eight) scenarios were compatible with the objective of climate neutrality by 2050, reduction of energy consumption in buildings was also recognised as the policy delivering most of GHG emissions reduction in all scenarios. And with technologies available today, it is possible to reduce the energy consumption of buildings by 80% by 2050 compared to 2005.

Keeping a focus on the long-term (2030 target and 2050 objective) should also lead to better short-term decisions (i.e. prioritising building renovation measures) that will be needed to underwrite economic recovery in current circumstances. EuroACE therefore welcomes that the Commission will **reflect in the IA on what an increased climate target means for different sectors of the economy**, and how this increased ambition needs to be translated into **revised energy legislation**, to be proposed by June 2021 (such as the Energy Efficiency Directive). The revision of the Energy Performance of Buildings Directive might also need to be considered at a later stage in 2021 as part of a gap filler package. As regards the extension of the ETS to emissions from buildings, EuroACE believes that it is not the most appropriate tool if the objective is to renovate buildings to be highly energy performing, delivering benefits to occupants and creating jobs in the construction sector.

Finally, the IA for the 2030 climate target should focus on **calculating and taking into account the (monetised) multiple benefits stemming from increased ambition**. For energy efficiency, notably in the buildings sector, this could for example be the number of jobs created, the public finances saved on unemployment schemes or healthcare payments, the number of deaths prevented thanks to improved air quality, etc.

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For further information

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About EuroACE

EuroACE represents Europe's leading companies involved with the manufacture, distribution and installation of energy saving goods and services for buildings. EuroACE members employ around 200,000 people in these activities in Europe and have around 900 production facilities and office locations. The mission of EuroACE is to work together with the EU institutions to help Europe move towards a more efficient use of energy in buildings, thereby contributing to Europe's commitments on climate change, energy security and economic growth.

EuroACE Members (2020)

