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### ***Combined EU Evaluation Roadmap/Inception Impact Assessment for the Review of the Directive 2012/27/EU on energy efficiency***

03.09.2020

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The VIK welcomes the opportunity to provide feedback on the inception impact assessment on the Review of the Directive 2012/27/EU on energy efficiency, and fully supports the efforts on climate protection and towards a low greenhouse gas economy.

With the Green Deal, the EU Commission has set climate neutrality as a key priority. Other measures – including energy efficiency - should be evaluated based on that target.

Any revision of the Energy Efficiency Directive (EED) must exploit the full potential of energy efficiency in all sectors, while considering the feasibility in the industrial sector.

- It must be clearly recognized that increasing energy efficiency is not the same as reducing energy consumption. For this reason, any target definition given by the directive needs the flexibility to allow for further economic development.
- It must also be acknowledged that absolute energy savings and energy efficiency potentials are limited by physical constraints; for every industrial activity, a minimum basic energy requirement exists that cannot be further reduced.
- Energy costs are an essential part of the operating costs of many of our member companies. To remain competitive in the international markets, German companies have been reducing their specific energy consumption for decades through extensive efficiency measures. The energy savings achieved so far, however, are not automatically transferable to further efficiency increases in the future and cannot be expected to continue in a linear way.

- A transformation towards a low-greenhouse gas society would increase primary energy consumption of industrial production and not decrease it. The switch to low-carbon processes and production processes often requires more energy, and many products of the energy-intensive industry are crucial to help other sectors reduce their energy consumption, such as, for example, copper for efficient electric infrastructure or insulation for buildings. In addition to that, investments to enhance energy efficiency in current processes must be regarded as stranded investments when alternative, more climate-friendly technologies will be implemented.
- Similarly, the integration of intermittent renewable energy to reduce carbon emissions will require flexibility of production, which often leads to lower energy efficiencies since industrial processes are usually designed for continuous high utilization.
- The energy-intensive industry accounts for a high share of Europe's total economic output. Companies need to remain internationally competitive to be able to invest in new, climate-friendly technologies and greater efficiency gains.
- To enable these investments, entrepreneurs should be able to freely decide how to proceed and implement strategies and measures and be able to adapt them to the individual needs of their business. When using profits, companies again must be at liberty to decide which initiatives they are used for to enable the transition to a low-carbon society.
- To support industrial energy efficiency measures which are not yet entirely feasible under current conditions, government aid through appropriate financing models or incentives is necessary. Rather than implementing new regulatory requirements and obligations, existing incentive measures should first be optimised.
- Efforts to increase energy efficiency and reduce greenhouse emissions should not only be expected from industry, but also include other sectors such as the transport and buildings sectors where cost-effective potentials still exist.
- The availability of sufficient renewable energy at a competitive price is key for the industrial transformation in Europe. Limiting the volume means limiting production in the EU. However, the need for renewable energy will exceed availability in Europe. Therefore, it is important that the increasing demand for renewable energy is matched by corresponding investments in renewable energy production.

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*Der VIK ist seit über 70 Jahren die Interessenvertretung industrieller und gewerblicher Energienutzer in Deutschland. Er ist ein branchenübergreifender Wirtschaftsverband mit Mitgliedsunternehmen aus den unterschiedlichsten Branchen, wie etwa Aluminium, Chemie, Glas, Papier, Stahl oder Zement. Der VIK berät seine Mitglieder in allen Energie- und energierelevanten Umweltfragen. Im Verband haben sich etwa 80 Prozent des industriellen Stromverbrauchs und rund 90 Prozent der versorgerunabhängigen industriellen Energieeinsatzen und rund 90 Prozent der versorgerunabhängigen Stromerzeugung in Deutschland zusammengeschlossen.*