Dear President Tusk,

Dear Minister Schultz Van Haegen-Maas Geesteranus,

The European Union (EU) played a key role in making the Paris Agreement a cornerstone of global commitment to tackle the negative impact that climate change could have on our economies and societies. The EU must now reflect in a coherent way such an ambitious and binding international agreement in the Energy Union legislative framework for 2030. The cost-effective contribution that both energy efficiency and renewable energy can provide to the European transition towards a low-carbon economy must be fully embedded in the EU climate and energy policies.

The re-industrialization of the EU economy based on competitive low-carbon business models, sustainable investments and innovation, new skills and more green local jobs, and increased productivity are opportunities to be seized. In addition, as highlighted by Eurostat, fossil fuels still accounted for 72% of the EU primary energy mix in 2013, only 6 percentage points less than in 1990. Domestic production of fossil fuels decreased by 16% while imports increased by 31% between 1990 and 2013. The EU energy dependency, which compares own production to import, has continuously stood above 50% since 2004 and in 2014 stood at 53.4%, meaning that the EU needed to import just over half of the energy it consumed. Hence, it is time to reduce energy imports while increasing energy security through energy efficiency and renewables.

In this context, the European Council and the Environment Council should recognize the huge EU economic and social potential of a proper interaction between energy efficiency and renewable energy. Well designed legislation could both reduce the overall energy consumption through energy efficiency and support replacement of the remaining energy used with renewables (e.g. on site or nearby generated). This approach supports directly all the dimensions of the Energy Union, the goals of the COP21 and justifies the reopening of a discussion around 2030 targets. As experience in the last years clearly shows, the ETS cannot be the only policy mechanism to drive the energy transition. We need also a robust legislative framework for energy efficiency and renewables to eliminate administrative burdens and properly allocate public resources for cost-effective investments; we need to integrate them in a smart energy system, to boost market opportunities and favour private investments.

The business community therefore urges the European Council and the Environment Council to strengthen the EU strategy towards a low-carbon economy by envisaging ambitious binding targets and measures for both energy efficiency and renewable energy. We trust the European Council and the Environment Council will show political vision and mandate the European Commission to propose a coherent revision of both energy efficiency and renewable energy legislations accordingly.
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