

**Brussels, 10 November 2011**

## **Commission proposal for an Energy Efficiency Directive COM (2011) 370 Final**

### **EXECUTIVE SUMMARY**

Orgalime welcomes the Commission's proposal for an Energy Efficiency Directive **to establish a common European framework for promoting energy efficiency** bringing forward measures to step up efforts to use energy more efficiently at all stages of the energy chain: from the transformation of energy and its distribution to its final consumption.

Orgalime industries are fully committed to continuously improving the energy use in their own processes, to placing on the market ever more energy efficient products and technologies for the consumer to enjoy and to play its role in facilitating better informed consumer choices.

We consider the draft Directive as **an opportunity** to provide a common and holistic answer to the energy, climate change and resource efficiency challenges ahead by harmonising to the maximum extent possible current practices and efforts of the different Member States: An as strong as possible European framework will not only provide **a clear political signal for sustainable, growth enhancing energy efficiency investments**, it will also help **securing free movement, reducing Europe's external energy bill** that today is strongly dominated by energy imports, and it can contribute to **help changing consumer behaviour** to reduce their individual energy consumption and related costs.

We feel that the Commission's proposal has in important areas proposed an **as ambitious as possible** way forward with concrete binding measures, while leaving a **delicate level of flexibility to take into account early energy efficiency actions of Member States** and consequently their different levels of energy efficiency performance at this moment in time.

Orgalime also believes that a successful Directive needs to address the **demand and supply side** at the same time. This has been taken up in the Commission proposal, however, we propose tapping further the potential of energy efficiency improvements through additional supply side measures, especially with respect to the development of smart grids or a demand-response programme across Europe.

In concrete terms, **Orgalime supports the following suggestions contained in the Commission proposal:**

- Building a market around the public sector with mandatory renovation targets for public buildings, which could even be reinforced, and high energy efficiency standards to the purchase of buildings, products and services (art. 4)
- A stronger consideration of energy efficiency aspects in public procurements while, however taking into account economic feasibility, technical suitability and competition in the market place (art. 5, annex III)

*Orgalime, the European Engineering Industries Association, speaks for 34 trade federations representing some 130,000 companies in the mechanical, electrical, electronic, metalworking & metal articles industries of 22 European countries. The industry employs some 9.7 million people in the EU and in 2010 accounted for some €1,510 billion of annual output. The industry not only represents some 28% of the output of manufactured products but also a third of the manufactured exports of the European Union.*

- The establishment of an energy efficiency obligation scheme savings obligation with an exemption for small actors and an opt out clause for Member States without lowering the overall ambition of the obligation scheme (art.6)
- Setting demand management and billing requirements (art.8, annex VI)
- The roll out of smart metering as an important building block for developing a sustainable, smart grids system in Europe (art. 8)
- The systematic use of energy performance contracting and Energy Service Companies (ESCOs) to accelerate the speed of building renovations (art.14)
- The promotion of energy efficiency for heating and cooling in general (art. 10)

However, **we are concerned with the following elements of the Commission proposal and propose to shape them in the further proceedings:**

- The proposed national energy efficiency targets based on the level of primary energy consumption risk putting a cap on economic growth in Europe in general – instead, we advocate for energy efficiency targets that are defined as **energy intensity targets** in relation to economic output indicators, especially GDP (art.3)
- The **reduced or even non-accountability of certain short term savings towards the energy efficiency obligation scheme** (art.6), and the impossibility to account the distribution and installation of energy efficient compact fluorescent light bulbs or energy efficient shower heads in particular (annex V), since it reduces the incentive to install such products – such actions should be accountable towards the energy efficiency obligation scheme
- The **requirement of renovation of buildings should be more ambitious** by going beyond 3% where national particularities allow and by extending it to all existing buildings, be them public or private
- The requirement on public bodies to purchase only products complying with energy efficiency benchmarks (thus, “A++++” products) under the Eco Design Directive 2009/125/EC in our view conflicts with socio-economic criteria of public procurement – to solve this conflict, we propose that **public bodies should not buy below A class** (art.4, annex III.b)
- Mandatory **energy audits** for large companies, which may alter existing voluntary approaches in place and should therefore **encompass more flexibility** (art.7)
- Improving the in our view **too prescriptive measures on district heating and cooling** by placing the emphasis on high energy efficiency solutions to safeguard energy technology neutrality (art. 10)
- To **strengthen** the proposed measures on the **coordination of energy regulatory authorities** to improve the energy structure (art. 12)
- **Revisiting the appropriateness of a conversion factor of 2.5 for energy savings in electricity** that may negatively affect other EU legislation (art.16, annex IV)

For facilitating the practical realisation of the EU’s energy efficiency potentials, we believe that the following **additional measures** not contained in the Commission proposal **should be introduced:**

- A definition of “renovation” and “smart meter”
- Making energy efficiency a priority in all EU financing instruments
- Strengthening supply side action by introducing a requirement on the installed base of utilities to move up to B.A.T. levels
- Introduce a Demand Response Programme in the draft Directive

**For our sector, this is a critical momentum to make the obligations arising from other European legislation, especially from the Eco Design, Energy Label and Energy Performance of Buildings Directives, indeed relevant in the market place and thereby implement the EU’s Resource Efficiency Policy both, in an effective, cost efficient and timely manner.**

*We specify our detailed comments hereafter:*

*The European Engineering Industries Association*

## 1. ORGALIME'S ROLE IN AN ENERGY EFFICIENT ECONOMY & MAIN PRINCIPLES FOR A SUCCESSFUL EU ENERGY EFFICIENCY POLICY

Energy efficiency is a key issue for European engineering industries, which play a strategic role in the European economy. Orgalime industries are **major energy consumers, but also enabling industries** that are driving energy and resource efficiency on a very broad basis (production, distribution and consumption).

There is immense potential in Europe and in the world to increase energy efficiency. This can be achieved through behavioural changes and education as well as through better and faster exploration of cost-effective technologies. While we acknowledge the EU's responsibility to drive energy efficiency and climate actions, stand alone activities and commitments should be carefully assessed to avoid unexpected consequences, such as competitive disadvantages for EU industries. However, the most economic and simplest way to reach the EU 2020 energy efficiency objective is, in our view, to focus on the inefficient production, transmission and use of energy across market segments having particular potential for realising substantial energy efficiency improvements. Therefore, we encourage the European Institutions to target, in the Energy Efficiency directive, buildings and energy sectors as well as to support a massive diffusion of existing energy efficient technologies, products and systems.

At the same time, **Orgalime industries are constantly improving the energy use in their own production processes** and drives an ambitious implementation of the Eco Design Directive to **improve the energy efficiency performance of the products that our industry's place on the market** to satisfy consumer needs.

In addition, energy labelling obligations apply on many of our products and are complemented by the voluntary use of the EU Eco label in our industry. We therefore also contribute to making consumers taking informed choices.

The recent adoption of the **EU 2020 flagship initiative for a resource efficient Europe** also prioritises energy efficiency. "Energy consumption during the use phase" has been identified the most relevant aspect in terms of improvement potential and cost benefits for the products covered by the Eco Design Directive in comparison to other environmental aspects throughout the whole life cycle, such as waste/recycling or use of substances. **Therefore, the draft Energy Efficiency Directive is the remaining cornerstone for our sector to contribute to the EU's resource efficiency policy.**

Orgalime supports an energy efficiency policy that takes into account the **following principles**:

1. Taking demand side and supply side action
2. Opting for a mix of policy instruments, mandatory and voluntary
3. Giving the possibility to take into account early actions taken to ensure the cost effectiveness of energy efficiency measures
4. A clear set of simple and ambitious rules and standards overcoming multiple barriers and harmonising market conditions for driving the development of energy efficient markets in Europe
5. A global and integrated framework aiming to make end users driving the deployment of energy efficient products and solutions from the demand side perspective
6. An active public sector promoting energy efficiency and leading by example
7. A push for education, training and information campaigns raising the general awareness for energy efficiency
8. A consistent, stable and predictable overall regulatory framework coupled with incentives and return on investments that would allow EU industry to make long term planning

9. A full implementation of existing EU legislation addressing energy efficiency within all Member States as well as proper market surveillance
10. A global and integrated approach to improve the whole energy supply chain, from power generation, to transmission and to distribution
11. EU leadership in technological innovation and a regulatory framework fostering research and innovation
12. The promotion of lead customer markets in the EU

## 2. SPECIFIC COMMENTS ON THE DRAFT ENERGY EFFICIENCY DIRECTIVE

We welcome the Commission's initiative to update the EU legal environment on energy efficiency with a new proposal for a Directive pursuing the overall objective of the 2020 energy efficiency target and looking beyond. Addressing supply side and demand side measures helps achieving an integrated approach for the European energy efficiency policy.

### 2.1 Energy efficiency targets and calculation (Articles 1 and 3)

Orgalime supports the establishment of an ambitious and holistic common EU framework for the promotion of energy efficiency within the Union to ensure the achievement of the Union's 2020 targets and to pave the way for further energy efficiency improvements beyond that date (art.1).

The Commission's proposal as such is build on the concept of setting indicative national targets coupled with mandatory energy efficiency measures.

While both, setting mandatory or indicative targets, be them at EU or national levels, bear Pros and Cons, it is the reference base for any such targets that Orgalime wishes to comment on:

We are **concerned with the proposal for setting absolute energy targets at the level of primary energy consumption** (art.3), as it could result in putting a ceiling not only for the EU industry, but for the whole economy and therefore undermine the long term EU strategy for sustainable growth and jobs.

Instead, the Commission's stated approach of "*doing more with less*", or in other words aiming at securing "*more output for the same input*", appears more appropriate to us. We therefore suggest defining energy efficiency as the **energy intensity in relation to economic output indicators, especially GDP**, which has also been chosen as an approach taken by other important regions in the world, i.e.: Japan and China, and therefore also bears and additional competitiveness factor.

#### **Orgalime recommendations:**

- Avoid setting absolute cap on energy savings that would hamper the EU growth
- Define energy efficiency and any targets on the basis of "energy intensity in relation to economic output indicators, especially GDP" and modify art. 3 and art.2.2 accordingly

### 2.2 Building a market around the public sector (Articles 4 and 5, annex III)

We support that public authorities at European, national and local levels should play a major role in promoting energy efficiency by developing ambitious and visible investment plans in public infrastructures, buildings, transport and smart cities using, where appropriate, public private financing to accelerate investment as well as EU Green Public Procurement criteria.

Considering that over 80 % of existing buildings will still exist in 2020 and nearly 40% of the final energy consumption is spent in buildings, refurbishments of all existing buildings including the installed energy using stock, should be the top priority to successfully underpin the EU's energy



efficiency, climate change and resource efficiency policy, and not only public buildings. The EU should help Member States to develop national approaches to address this challenge focusing on the low hanging fruits (for example, commercial buildings where the renovation cycle is shorter and upfront financing is lower) and addressing the actual energy consumption and the real time performance of a building.

**We particularly support the Commission's proposal to set up a binding target for the refurbishment of the national buildings stock (Article 4.1).** We support the proposed 3% annual renovation target as an initial step; however, feel that the level of ambition could increase as long as national particularities would be taken into account, such as the different structures of the public building stock or available public finances according to the housing policy of each Member State.

Moreover, we would like to stress that ambitious objectives for renovation would have to be set for all existing buildings, private and public, to achieve the 2020 objectives, not only those with a total useful floor area over 250 m<sup>2</sup>. Inserting an opting out clause for small surface building also means excluding social housing.

We also fully **support the proposal to develop energy performance contracting and Energy Service Companies (ESCOs)** as a catalyst for building renovations, which has already proved to be cost effective in some EU Member States. Although it is not currently economically viable to invest in small surface buildings, the dissemination of such practices should therefore be stimulated by setting conditions to lower the economic breakeven point.

However, a **definition of "renovation"** is currently missing in the Commission proposal. In order to reach the best long-term solution both economically and environmentally, renovations should include the building itself but also technical installations, inside equipment and also take the surrounding energy system into account. Thermal insulation and use of high efficiency equipment, active control systems such as automation, control and monitoring systems, as well as smart metering, should therefore be promoted.

Considering that public spending represents 19% of the EU GDP, public procurements offer many opportunities to incentivise the market for energy efficient products and services. Our industries therefore **support the Commission's proposal to use public procurement to promote products, services and building with high energy performance (Article 5).**

At the same time, we recognise that purchases by public bodies need to be socio-economical and that in particular purchasing by public bodies need to also be able to take into account technical suitability, economic feasibility and competition in the market place in addition to energy efficiency requirements when spending tax payers money.

This is why we see a conflict between general public procurement rules and annex III.b that would oblige public bodies to only purchase top-top benchmark products under the Eco Design Directive 2009/125/EC. We believe purchasing needs to be sustainable and should therefore not fall below A class to remain ambitious.

In addition, public procurements should be supplemented by the possible innovation procurements.

#### **Orgalime recommendations:**

- Support the proposal to refurbish all existing buildings, including buildings owned by public authorities (art. 4.1)
- Support the 3% target and encourage Member States to go further where national particularities allow (art. 4.1)
- Support the use of energy performance contracting and Energy Service Companies (ESCOs) to accelerate the speed of building renovations (art. 14)

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- Support a better consideration of energy efficiency aspect in public procurements. However, energy efficient product criteria of annex III should be harmonised to take into account economic feasibility, technical suitability and fair competition for all products. In particular, annex III.b would have to be modified that public bodies should not purchase below A class (instead of benchmark products “A ++++” under the Eco Design Directive)
- Support the definition of “public bodies” as given in art. 2.4
- Introduce a definition of “renovation” in art. 2 that includes the building itself but also technical installations, inside equipment and also takes the surrounding energy system into account

## 2.2 Energy efficiency obligation schemes (Article 6, annex V)

We support the Commission’s proposal to encourage Member States to set up energy efficiency obligation schemes (Article 6.1).

However, we would recommend a careful approach when imposing an absolute cap on energy consumption or energy savings in industry to avoid undermining economic growth. Instead, energy efficiency should be based on energy intensity (see chapter 2.1 of this paper).

We also believe the possibility given to Member States to design other measures to achieve the same energy savings (Article 6.9), the so called “opt out clause”, can be justified where Member States are already advanced in their energy efficiency levels in comparison to other Member States. The opt out clause can in such cases provide the necessary flexibility to ensure that further energy efficiency measures are cost effectiveness without lowering ambition.

Moreover, it is essential to ensure unhindered access to energy markets for new actors and not to issue new barriers to achieve the effective liberalisation of energy markets. We therefore welcome the opportunity to exempt small energy distributors and small energy sale companies (Article 6.8). This would, in our view, help new actors willing to enter in the energy market and thereby strengthen competition.

Regarding the dissemination of energy efficient equipments (Article 6.3 & Annex V), the scheme should not be an instrument to foster innovation, but to foster a market of best available technologies. The scheme should therefore promote best appliances and technologies currently available on the market.

In addition, costs related to energy savings should not be passed on to consumers. Some engineering industries are energy intensive by nature and subject to fierce international competition. This renders these companies particularly vulnerable to upheavals in the energy markets. In other words, a secure and affordable energy supply is a crucial prerequisite to maintaining a level playing field and ensure the competitiveness of the European engineering industries in the long run. This is especially a threat to Europe’s energy intensive industry.

Orgalime welcomes the fact that the possibility of establishing a “white certificate” scheme at Union level has been assessed and rejected.

### **Orgalime recommendations:**

- Support the energy efficiency obligation schemes, in particular minimum energy long-term savings, the opt out clause and exemption for small energy distributors and sale companies (art. 6)

### 2.3 Introduction of energy audits and energy management schemes (Article 7)

While we support energy audits and energy management systems as useful tools to monitor energy consumption, we believe that they should remain on a voluntary basis and be encouraged by appropriate incentives rather than becoming a mandatory tool (article 7.2).

Mandatory energy audits could easily hamper investments made by our industries and Member States in the context of national voluntary and long-term agreements, i.e.: the Swedish “PFE-programme”. In short, the Swedish programme is a voluntary agreement with the energy intensive industry that started in 2005. The “carrot” is a tax relief from the minimum level of energy tax. The companies participating are covering 70% of the energy use in the energy-intensive industry and around 50% of the total energy use in Swedish industry. Participating companies has saved 5% of their electricity use compared to before during the first five-year period.

Mandatory energy audits should neither run counter this type of agreements nor result in the abandon or the renegotiation of such politically sensitive agreements. Companies should not be burdened with additional legislation leading to bureaucracy and costs.

Moreover, mandatory energy audits for large companies may run counter to the Energy Tax Directive 2003/96/EC that foresees, in Article 17, management audits as an option to get reductions on energy taxes. If energy-management-systems audit would become mandatory, this might overlap. Overlaps within the expanding EU legislative environment that penalise manufacturers should, however be avoided.

Should energy auditing shift towards a mandatory basis, it is essential that energy audit requirements respect best practices currently in place in EU Member States. For example, voluntary schemes under which audits can be carried out by qualified in-house experts and compliance with ISO 50001 or ISO 14001 should be considered as a means of fulfilling the requirements.

In addition, requirements should be the same for all companies, whether small or large, while ensuring that appropriate support measures would be put in place for SMEs. Regarding energy audit, the size of the company is not relevant. The core issue in the energy efficiency context is the amount of energy consumed rather than the number of employees or the turnover. Hence, the Directive targets large companies without proper definition. EU Member States have traditionally national definitions of what constitutes a SME or a large company. Without the necessary harmonisation, this would lead to inconsistent requirements for companies operating in different EU Member States.

#### **Orgalime recommendations:**

- Introduce energy audits and energy management systems in the draft Energy Efficiency Directive, however, oppose the mandatory basis favour a voluntary tool encouraged by proper incentives instead
- Should energy audit be mandatory, requirements should respect current best practices, such as the possibility to fulfil requirements with qualified in-house experts and ISO standards
- Should energy audit requirements apply only to some companies, the criteria should focus on the energy consumption of a company rather than its size
- Public bodies should also be obliged to introduce energy audits and energy management schemes

## 2.4 Metering and informative billing requirements (Article 8, annex VI)

Changes in consumption patterns are crucial for realising energy efficiency improvements. Raising the awareness of consumers or end users on energy consumption is necessary to change consumptions behaviours. Orgalime therefore welcomes Commission's requirements on metering and demand management (e.g.: in home displays), as well as detailed proposals on minimum requirements for billing regarding content, information, format and frequency of bills (Article 8), which are necessary steps to raise awareness and empower the consumer through delivery of actual consumption data.

Our industries also support the Commission's proposal for a roll out of smart metering and in home displays, since they will play an important role in the engagement of consumers across Europe, in particular allowing consumers to adapt their behavior and realise benefits of energy savings. For their acceptance, advanced meter technologies need to be consumer-friendly, while at the same time secure, respecting the privacy of its end user and providing direct feedback to the consumer. The minimum requirements of smart meters must be clearly defined<sup>1</sup>, and their effects must be scrutinized on Member States level to ensure they realise their full potential.

Orgalime welcomes the timeframes and deadlines mentioned in the draft directive for the introduction of individual smart meters and billing for electricity and gas consumption by 1 January 2015 and the obligation to provide in-home display for the control of energy consumption that are more ambitious than the provisions of the third energy package on metering. Such legal requirements will facilitate and accelerate a permanent change in customers' behaviour when consuming energy, making it easier for customers to switch providers and help new players to access more transparent and competitive retail markets.

The development of smart metering technologies would both increase energy efficiency, but also be a driver for product development and market growth.

We welcome these provisions, as an the first step, towards for smart grids deployment, but we encourage European Institutions to go further with a specific EU legislation on smart grids that would help the market uptake of smart grid technologies. Although investments into smart grid technologies and applications will generate costs, it is necessary to highlight the economic value of smart grids applications for energy consumers as well as for society as a whole. Considering the significant potential benefits of smart grids to optimise the EU energy system as a whole, from production to distribution and consumption of energy, smart grids must become a priority area.

However, a definition of "smart meter" is missing in the Commission proposal. Also other EU legislation does not provide for any such definition. A definition would in our view be helpful to provide a common understanding and a common reference for all future EU legislation.

### **Orgalime recommendations:**

- Support the Commission's proposals for smart metering and demand management (Article 8.1) as well as minimum requirements for billing (Article 8.2)
- Introduce a definition of "smart meter"

<sup>1</sup> In line with the work of the Smart Metering Coordination Group (mandate 441) under the auspices of the three European Standardisation Bodies.



## 2.5 Efficiency in energy supply (Article 10-12)

A secure energy supply depends not only on sufficient production capacities, but also on powerful and integrated grids. Orgalime therefore welcomes the Commission's proposal on energy transformation, transmission and distribution.

The current regulatory framework in many Member States and varying political support do not create consistent conditions for developing a sustainable smart grid system in Europe, which will be sufficiently flexible to deal not only with immediate requirements due to the change in energy mix, but will offer sufficient possibilities for innovative applications in the future. It is of utmost importance, in our view, to create a flexible and intelligent energy system, which will deliver a high level of security of supply, efficiently integrate a high share of sustainable technologies, especially on the consumption side, e.g.: wind power, solar panels, biomass, electric-vehicles, heat pumps, and also offers the means for each end user to efficiently manage the energy consumption in terms of CO<sub>2</sub> emissions and cost.

We support improving the European-wide market design and measures to encourage technologies and systems enabling Demand Response programmes. According to a study, carried out by Capgemini, VaasaETT and Enerdata<sup>2</sup>, Demand Response alone could achieve 25-50% of the EU's 2020 targets concerning energy savings and CO<sub>2</sub> emission reductions. However, many countries do not allow demand-response to participate into energy markets in Europe today and the Commission does not recognise this issue sufficiently either. A European wide market design improvement and measures to encourage technologies and systems enabling demand response programmes should be introduced in the draft Energy Efficiency Directive, which can play a major role to overcome barriers to the development of Demand Response across Europe.

We also support the general goal promoting high efficiency co-generation. However, instead of imposing solution in the form of district heating and cooling, the focus should be on high energy efficiency solutions to safeguard energy technology neutrality.

In addition, we support further coordination of energy regulatory authorities and harmonization of their decisions that would improve the energy structure at European level, especially energy transmission and distribution.

### **Orgalime recommendations:**

- Support developing a sustainable smart grid system in Europe and call on the Commission to initiate specific EU legislation for the development of smart grids
- Support further coordination and harmonisation of energy regulatory authorities to improve the European energy structure (Article 12.1)
- As an initial step to strengthen supply side action a requirement on the installed base of utilities to move up to B.A.T. levels should be introduced
- Introduce a Demand Response Programme in the draft Directive

## 2.6 Promotion of efficiency in heating and cooling needs to be energy neutral regarding technical solutions (Article 10)

Orgalime agrees on the need to promote efficiency in heating and cooling. However, we emphasise that the Energy Efficiency Directive should only prescribe the aim and leave

<sup>2</sup> Demand Response: a decisive breakthrough for Europe, Capgemini, VaasaETT and Enerdata, June 2008

manufacturers to decide how to reach this general goal.

Whilst measures supporting cogeneration are welcome, a technology-neutral approach must be maintained in order not to impede on the promotion of other efficient heating and cooling solutions, such as those described by Directive 2009/28 on energy from renewable sources. It is equally important to take due account of the differences in national, geographic, industrial and technological conditions in the different Member States.

**Orgalime recommendations:**

- Support the general goal of promoting energy efficiency for heating and cooling
- However, instead of imposing solution in the form of district heating and cooling, the focus should be on high energy efficiency solutions to safeguard energy technology neutrality

## **2.7 Conversion Factors & Primary Energy Factor (Article 16 & Annex IV)**

The Commission's proposal provides conversion factors for the purpose of comparison of energy savings (Article 16 and Annex IV). We would recommend a very careful approach when issuing conversion factors such as the Primary Energy Factor (PEF) of 2.5 for electricity proposed in the Annex IV of the Commission proposal, since it may negatively affect other EU legislation, i.e.: the Eco design Directive and its ongoing implementation.

The Primary Energy Factor (PEF) of 2.5 that is currently used as the conversion factor from electricity to primary energy in the preparation of some implementing measures, such as boilers, water heaters, ovens, raises questions.

Such a fixed PEF discriminates electric products against gas sourced products and is not compatible with the energy mix in some European countries, especially renewable energies sourced systems. This undermines the objectives of a low-carbon economy, particularly on reducing greenhouse gas emissions and on the promotion of renewable energy sources.

**Orgalime recommendation:**

- Oppose to footnote 3 of Annex IV introducing a conversion factor of 2.5 for energy savings in electricity since it may negatively affect other EU legislation, such as the Eco design implementation
- Revisit the appropriateness of a conversion factor of 2.5 for energy savings in electricity

## **2.8 Consistency of Energy Efficiency Directive and the EU legislative environment**

Consistence and coherence of the EU legislative environment is necessary to avoid overlaps and legal uncertainty that penalise manufacturers, as well as to secure the competitiveness of EU industries. Gaps and overlaps between, and also within, the expanding EU legislative environment, in particular Energy Performance of Buildings, Energy Labelling Directive and Eco Design Directive with their implementing Regulations and EU GPP criteria are a matter of concern and may become an unbearable burden on manufacturers.

We fully agree that improving energy efficiency in Europe is of utmost importance and there should be a strong and full cohesion and convergence of the Energy related EU legislation and its wider industrial environmental policy.

In particular, the Commission's Resource Efficiency Roadmap must fully tie in with the EU's energy and climate change objectives and action on resource efficiency must not undermine already ongoing and urgently needed action on energy efficiency.

This is of particular concern for the further implementation of the Eco Design Directive, where resource efficiency measures are under discussion in addition to existing energy efficiency implementing measures.

**Orgalime recommendations:**

- The implementation of the EU's Resource Efficiency Roadmap must fully take into account the findings of the existing and ongoing studies under the Eco Design Directive 2009/125/EC and acknowledge that the overriding aspect with significant improvement potential from a life cycle perspective is the aspect of "*energy consumption in the use phase*"

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