Dear Member of the European Parliament,

Higher efficiency, lower cost and fewer emissions are the key issues for Europe's economic success. The European Business Council for Sustainable Energy (e5), Eurima (the European Insulation Manufacturers Association) and EuroACE (the European Alliance of Companies for Energy Efficiency in Buildings) thus welcome the initiative of the European Union (EU) to tap the business potential of end-use efficiency and energy service markets.

Energy efficiency measures can give an enormous boost to the European economy. e5, Eurima and EuroACE consider energy-efficient technology to be a cornerstone for the EU's competitiveness on global markets. The promotion of such technology can deliver a true guarantee for employment. Any softening of the proposed Directive would hamper innovation, impede business opportunities and result in job loss.

Also, energy efficiency will contribute essentially to Europe’s security of energy supply while reducing our dependence on energy imports. Only an energy-efficient EU economy will decrease carbon dioxide emissions, thus reducing the long term cost associated with dangerous climate change.

With the forthcoming plenary vote in June, we urge the European Parliament to make the proposal of the EU Commission more ambitious. To fully capture the business, job and environment potential of energy efficiency, the Directive should account for two key areas:

- **Mandatory targets:** The European Parliament must not miss the opportunity to create go-getting mandatory targets for energy efficiency improvements. Even the most progressive Member States can further develop the energy efficiency of their economies. Therefore, it is important that they are given the signal to make this a priority.

- **The public sector as a leader:** There is no reason for public authorities not to put in place energy efficiency measures that are cost-effective; to do less than best practice is unacceptable. With this in mind, the Directive should impose even stronger mandatory requirements on the public sector than on the private sector.

Beyond these two priorities, we ask you to consider our specific comments on the Commission’s proposal/Report of the Committee on Industry, Research and Energy.
Comments on the Proposal of the European Commission COM2003(739)
and
the Report of the Committee on Industry, Research and Energy (ITRE), A6-0130/2005

(1) e5, Eurima and EuroACE welcome that the EU Commission recognises the opportunity of energy efficiency increase in the transport sector. High oil prices enhance the need for reducing the EU's dependency from energy imports. In addition, energy-efficient transport technology opens us a competitive advantage on the world markets, as more and more countries start to restrict fuel-consumption and are in demand for resource-saving fuel technique. We endorse the proposal of the Commission in Art. 5.4(b) COM2003 (739) and support ITRE amendments 15, 46, 52 and 77.

(2) Mandatory national targets should bind the private sector to save at least 2.5% of the annual amount of energy distributed and/or sold to final customers (7.5% in a three-year period). Also, the timeframe of mandatory targets must go beyond 2012. Investors need planning security, notably in the fields of energy supply and energy usage. Even countries that have been pioneering energy saving and energy efficiency measures, such as the Scandinavian states or Germany, have by far not tapped the whole saving potential of their energy sectors. We call for clearly higher mandatory targets as proposed by the Commission (Art.4 COM2003 (739)) and ITRE (amendments 28, 29).

(3) The role model function of the public sector justifies a mandatory saving target of 3.0% per annum (9.0% in three years). We call for clearly higher mandatory targets as proposed by the Commission (Art.5 COM2003 (739)) and ITRE (amendment 39).

(4) Public purchasing guidelines are necessary, as is the requirement to make energy efficiency a primary criterion of consideration for public tenders. We support ITRE amendment 41.

(5) We endorse the Commission’s proposal requiring Member States to engage distributors and sellers of energy in applying energy efficiency measures and services. Art.6 COM2003 (739) and ITRE amendments 46-50 have our support.

(6) Energy customers require regular, comprehensive, understandable and accurate information about energy consumption to optimise their use of energy. We support the Commission in requiring the Member States to enact pertinent rules for energy distributors and/or retailers (Art.13 COM2003 (739)) and welcome ITRE amendments 64, 66, 67 and 69.

(7) We endorse the exemplary listing of energy-efficient technologies for the purpose of guidance (Annex III COM2003 (739)). Yet, various techniques with high efficiency potential are missing, including cogeneration, intelligent engine, vehicle and traffic routing technology, rail transport, smart distribution control systems for electricity, heating pumps, energy efficiency in buildings, small and decentral energy production, as well as telework, video- and audio conferences and further resource-saving IT and communication techniques reducing physical travel. Also, we recommend the inclusion of energy from renewable sources as an efficient mode of energy use. To this regard, we support ITRE amendments 82 - 95.

e5, Eurima and EuroACE call on the European Parliament to harness a great business advantage for the European economy by establishing a market for energy services and promoting technologies for intelligent energy use.
About the European Business Council for Sustainable Energy (e5)

The European Business Council for Sustainable Energy (e5), www.e5.org, is a non-profit trade association and NGO representing the climate protection-related business interests of approximately 120 companies and organisations from across Europe. Members include major multinational corporations such as Essent (Netherlands), Deutsche Telekom (Germany), Deutsche Bahn (Germany), and SONY International (Europe). e5 also includes government-prone enterprises such as Gesellschaft fuer Technische Zusammenarbeit (GTZ), as well as a range of small and medium enterprises (SMEs). As an umbrella organisation, e5 represents the memberships of prominent associations such as the Community of European Railway and Infrastructure Companies (CER), the Union Internationale des Transports Publics (UITP), the European Photovoltaic Industry Association (EPIA), the European Small Hydropower Association (ESHA), the World Fuel Cell Council, the Deutsche Wasserstoff Verband e.V. (DWV), and the European Association for Cogeneration (COGEN Europe).

About the European Insulation Manufacturers Association (Eurima)

EURIMA, www.eurima.org, is the European Association of Insulation Manufacturers and represents the interests of all major mineral wool insulation producers throughout Europe. EURIMA members employ over 20,000 people across Europe with the installation of insulation products accounting for an estimated 300,000 man-years.

About the European Alliance of Companies for Energy Efficiency in Buildings (EuroACE)

EuroACE, www.euroace.org, the European Alliance of Companies for Energy Efficiency in Buildings was formed in 1998 by twenty of Europe's leading companies involved with the manufacture, distribution and installation of a variety of energy saving goods and services. The EuroACE member companies together employ 438,000 people and have a turnover of 70 billion euro. Current membership includes large Europe-based companies such as Aereco, Armacell International, Aereco, Armacell International, Bing, BPB, CRH, Danfoss, Giacomini, Grundfos, Honeywell, Hunter Douglas, Huntsman Polyurethanes, Knauf Insulation, Paroc, Philips Lighting, Pilkington, Rockwool International, Saint-Gobain Isover, Siemens, Skanska, URSA, Velux