To: Energy and Environment Ministers of EU Member States

Cc: Executive Vice-President for the European Green Deal and Commissioners for Energy and for Environment, the Chair of the European Parliament Environment Committee and Industry, Research and Energy Committee

Re: Input to the EU Energy Council Meeting, Brussels, 4th March 2024

Brussels, 29th February 2024

Dear Minister,

On behalf of the European Environmental Bureau (EEB), I am writing to share with you our views on some of the issues on the agenda of the forthcoming EU Energy Council meeting on 4th March 2024.

The EEB strongly advocates that renewables and energy efficiency offer the fastest and most cost-effective decarbonisation pathway to ensure the EU’s energy security. As such, renewables need to be scaled up urgently to fully decarbonise the grid, with communities playing a central role in driving this transformative process. We also support the adoption of climate and cost-effective energy policies, cautioning against risky and unrealistic energy solutions that could hinder the achievement of the 2030 targets.

I invite you to take our concerns into account during the final official level preparations, as well as at the meeting itself. We have structured the letter according to our understanding of the Council Agenda, mainly focusing on your deliberations within our expertise and priorities.

State of play in terms of security of supply and preparations for winter 2024-2025

As you meet to discuss progress on coordinated gas demand reduction, it’s important to stress the importance of collective efforts to reduce gas consumption. Recent data show a significant decline in EU gas demand, but further measures are needed to continue this trend and to achieve stable energy security.

The EEB therefore calls upon the Energy Council to:

- **Maintain Gas Reduction Efforts:** Maintaining the momentum of gas demand reduction is key. Despite EU gas consumption falling by [12% in 2022 and 19% in 2023](#) compared to the 2019-2021 average, vigilance is needed to avoid potential reversals. Governments must remain ready to intervene should policies that encourage increased gas consumption, such as subsidies, emerge.
- **Think Long-Term:** We need to look beyond just the next winter. Closing the gap between 2024 and the EU’s 2030 climate and energy targets requires more than short-term fixes. We should...
invest in speeding up renewable energy deployment and building renovation, while avoiding long-term commitments to fossil fuel projects and supply contracts.

- **Leave No One Behind**: Member States should target measures on those citizens least able to adjust their gas consumption. Clean energy and efficiency solutions should be made affordable and accessible to those most vulnerable to high energy prices, especially through the forthcoming Social Climate Plans (SCPs).

- **Avoid Dependency Risks**: While joint procurement has helped cut gas costs, we must be careful not to rely too much on suppliers outside the EU. Long-term contracts with non-EU countries could pose risks to our energy security and climate goals. Fossil infrastructures are even more problematic in that sense. We need to diversify our energy sources and scrutinize procurement agreements closely to avoid getting locked into fossil fuels.

**Flexibility as an essential tool in the energy transition**

By **phasing out coal by 2030, gas by 2035 and oil by 2040**, the EU can pave the way for a future compatible with its Paris Agreement commitments. However, this transition will require the rapid deployment of flexibility tools such as storage and demand-side response to accommodate the increasing penetration of renewables in the electricity system.

**The EEB therefore calls upon the Energy Council to:**

- **Coordinate system planning and promote good standards**: EU countries should work towards **doubling** the EU electricity system's flexibility by 2030. Regularly assessing flexibility needs is crucial, as well as improving planning and coordinating national approaches to meet those needs. Increasing cross-border transmission capacity to share electricity more widely is also paramount. In addition, the [S2 smart-readiness standard](#) should be adopted and promoted.

- **Optimize electrification and empower citizens**: Optimising the integration of renewable generation requires enhancing opportunities for energy storage and demand-side management. It is also important to explore creating incentives for consumers to adapt their consumption patterns. Additionally, regulatory barriers to the entry of small-scale flexibility resources into electricity markets should be removed to ensure a level playing field with centralised sources.

- **Promote heat pumps**: Ensure that every EU citizen has access to at least one dedicated Heat Pump tariff with the lowest possible taxation rate. Additionally, promote the installation of solar technologies in conjunction with heat pumps.

**State of play in terms of progress made by Member States with a view to achieving the 2030 objectives for the environment, climate and energy**

As the EU discusses new and hopefully ambitious decarbonisation targets for 2040, further implementation efforts are needed now to ensure that the 2030 climate and energy targets are also met and possibly exceeded. However, as also highlighted in the European Court of Auditors’ [Special Report](#) of June 2023, EU countries are not doing enough to meet their existing climate targets and further action is urgently needed.

**The EEB therefore calls upon the Energy Council to:**

- **Prioritise energy efficiency and sufficiency**: As we see a growing interest in unrealistic, expensive solutions that are far from convincing, energy efficiency should be the priority. This
is the real no-regret win-win option to boost the economy, starting from renovation activities in the building sector, and reduce energy bills. Sufficiency, through circular economy provisions in hard-to-abate sectors and in transport, could also play a key role in achieving climate goals and energy independence.

- **Invest heavily and adopt clever reforms to accelerate the rollout of renewables:** We need to significantly increase renewable energy production while addressing biodiversity and societal concerns. Swift and careful implementation of the EU's Renewable Energy Directive (RED) is essential, starting with integrated mapping of suitable areas, criteria for mitigation measures and equipping public authorities with adequate staff, resources and digital tools.

- **Avoid supporting less efficient, non-renewable technologies:** There should be no investment in new nuclear power plants, as these would likely come online too late and will not be cost effective, siphoning off public funds and political attention. Attention should focus on phasing out existing nuclear capacity at the end of its operational life or where continued operation may pose safety risks. While there may be a need for limited amounts of hydrogen to decarbonise specific sectors, the focus should remain strictly on renewable hydrogen, with no support for ‘low carbon’ hydrogen variants. In addition, carbon capture and storage (CCS) technologies should not be relied upon as a meaningful tool for achieving climate neutrality; their use should be limited to no-regret applications such as cement production.

- **Promote a decentralised, community-centred transition:** The relevant revisions to EU legislation on energy communities should be implemented swiftly and comprehensively. Governments should set national and sub-national targets and trajectories for renewable energy production and ownership by citizens and local communities in their updated National Energy and Climate Plans (NECPs). This will help with the cost of living crisis by increasing community involvement, savings and therefore disposable income.

Thank you in advance for considering these points, which will help to tackle the EU’s climate and energy crises and give citizens confidence that their leaders are taking decisions to build a better future for them and for the generations to come.

Yours sincerely,

Patrick ten Brink

Secretary General of the European Environmental Bureau