

Brussels, 7 February 2025

Dear Commissioner Jørgensen,

The EEB represents more than 30 million concerned individuals active in over 180 citizens-led environmental NGOs, small and big, across 41 countries.

We are to congratulate you on your recent appointment as European Commissioner for Energy and Housing and, ahead of the presentation of the flagship documents of the new EU Commission, we take the chance to stress some key points which are dear to our members and which we believe deserve attention for the contribution they can bring to the Clean Industrial deal and its energy-related files.

Curb Energy costs for citizens via efficiency and renewables.

The [structural growth of wind and solar power](#) in the EU has already significantly reduced the bloc's fossil fuel import bill and its vulnerability to imported gas. While the progress made in the first half of this decade is impressive, a further, steeper acceleration is needed between now and 2030. Solar and wind generation are already delivering stable supply at low prices, but their ability to decrease bills for final users is limited by the role of dispatchable fossil-based generation and the still scarce integration of the electricity market at EU level. A greater focus on energy efficiency is also needed in order to boost the resilience of both residential and industrial users and protect them from price shocks. Solutions such as Renewable Energy Communities (RECs) and Power Purchase Agreements (PPAs) can help further spread the advantages of the energy transition and should be firmly promoted going forward. We call on you to sharply **speed up citizens' and industry's access to renewable electricity and heat**:

Invest in cost-efficient options to decarbonise our electricity grids by 2040.

Infrastructural bottlenecks remain in the electricity grid at both transmission and distribution level. New, anticipatory investments are urgently needed to fill the gap and truly enable a 100% renewable energy-based electricity system. However, complementing the needed grid expansion and modernization with appropriate storage assets and flexibility services is paramount to maximise the economic and material efficiency of the transition. We call you to monitor strictly the implementation of EU rules by Member States, ensuring a good degree of harmonization and consequent market integration, make sure proportionate funds are made available to fill investment gaps in new grid capacity, and propose ambitious and future-proof provisions to foster the uptake of demand-side response both for industrial and domestic energy consumers.

Move fossil fuels funds to renewables, particularly in heating and cooling.

In 2023 alone the three mains [EU economies invested EUR 3.2 billionB](#) in subsidies for gas and oil boilers. A different use of that money, with careful choice of grants and loans, could have allowed an extra 1 million heat pumps to be installed in EU households. The energy crisis we had to endure following the Russian invasion of Ukraine has resulted in massive financial support, notably for fossil energy bills that citizens could not shoulder: [an average of more than EUR 4000 per household have been invested](#): with the same money those household could have installed efficiency or renewable technologies that could have permanently cut their energy demand by roughly 20% (i.e., insulation, heat pumps, PV, solar thermal).

These are just two examples that demonstrate why **we need to sharply steer away subsidies from fossil fuels, to free the resources** needed to implement the green deal.

Promote a single funding stream for heating and cooling.

Many member states and regions struggle to access public structural funds to invest in renewable, efficient solutions for heating and cooling, which accounts for 40% of the EU energy consumption and 36% of our emissions¹. The result is that anti-EU press and political forces have an easy play in portraying the EU institutions as unhelpful as they lack concrete tools to help households to take on the energy transition challenges. We need a dedicated fund, one that can be complemented by national and private resources, for all renewable solutions in heating and cooling. The fund, similarly, to LIFE, could become an opportunity for the EU to be visible vis-à-vis the final beneficiaries, with a logo of its own.

Promote market-driven actions alongside public policies.

The design of the European Green deal is built upon an understanding that public investment will not be enough to deliver the required changes in Europe's homes and industry. We need to leverage private investment and to do so it is critical to leverage the **Mortgage Portfolio Standards**, to work on Clean Heat Mechanisms, to mainstream **Power Purchasing Agreements** in the industry and **Energy Communities** for households to gather crowdfunding and cater to specific sectors (such as historical city centers where solar roofing is often not an easy option); equally important is to promote **new business models** which avoid upfront costs: in several markets already today *heat-as-a-service*, *leasing* or *pay-as-you-go* models can be the solution to deliver heat pumps, storage or solar roofs to households that don't possess capital to invest, but these systems require facilitating conditions such as lower taxation, smart metering and enabling financial and legal frameworks. These business solutions also match well with existing and future support schemes at the national level, as proved in the UK, provided that social safeguards for non-bankable households apply.

Leverage renewable electricity role in cutting EU dependence and curb energy costs for people.

Renewable electricity is a critical factor to lower energy prices for households and industry alike, and the key enabler of decarbonisation through heat pumps or geothermal. The current gris can allocate [tens of millions more](#) heat pumps but according to our analysis, in at least 7 member states in 2023 the ration between the electricity and gas levies and taxation was well above 3,5, making it impossible for a standard heat pump to achieve significant savings in heating bills. Many industrial processes cannot be electrified for the same reason. Swift coordination action is required by the Commission **to lead the member states in a joint effort** to lower the final cost of renewable electricity, notably via taxation within the framework of the current and future ETD, similarly to what has been achieved through the EU save energy strategy in the RePowerEU action plan. Promoted technologies should be working only on future-proof natural refrigerants, in line with the revised F-gas revision.

The newly appointed Belgian government has announced that the country will go in this direction, and we believe that with your guide, others could follow.

Unleash public investments in climate-friendly buildings

State aid regulation today prevents some key measures, like 0% VAT on renewable heating technologies such as heat pumps and solar thermal. More in general, the current financial

setting of the EU does not discriminate from generic investments and climate-friendly, revenue-generating investments such as those in efficiency and renewables at home and at work. While we understand caution is required for the former, the latter are critical investments needed to reach the EU climate and energy targets. We call on you to kickstart a debate in the EU cabinet to change this setting and **unleash the potential of public spending on energy efficiency and renewables**, particularly where they deliver prompt relief from energy poverty.

Foster skills and job opportunities in rural regions to drive the renewable energy transition.

The deployment of renewables in rural areas represents a unique chance to stimulate local economies and create new employment opportunities. The transition to renewables must be accompanied by targeted measures to upskill and reskill workers in these regions, ensuring they can fully participate in and benefit from the growing green economy. Renewable energy projects not only provide direct jobs in construction, maintenance, and operation but also generate indirect employment opportunities in associated sectors, such as manufacturing and local services. Special attention should be given to strengthening local administrative capacity and technical expertise to manage permitting and project development effectively. Partnerships between the EU, national governments, and local authorities are crucial for delivering tailored training programs that respond to regional needs and enable a just transition.

These are a few of our suggestions that we think can be of help in the undergoing effort to define a framework that helps move forward the energy transition while improving our competitiveness and curbing energy costs for everyone.

Finally, we are pleased to share with you a more comprehensive vision for this new legislature, the result of extensive analysis within our citizen networks : [The EEB European Pact for the Future](#). This in-depth document outlines a green and social deal for a one-planet economy and includes a concrete action plan. We believe it can make a valuable contribution to the legislative framework you are working on so intensely.

We remain at your full disposal for further suggestions and exchanges.

Best regards,



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EEB Secretary General