



Oped: READY. STEADY. GO!
European energy efficient technology providers are eager to contribute
to the ambitious EU 2030 climate target

Emil MATHIASEN, Grundfos, EuroACE Board Member Stefaan VANDERSTRAETEN, Daikin, EuroACE Board Member





A few weeks ago, Commission President VON DER LEYEN said in her State of the Union Speech that "change is needed – and we also know it is possible". She proposed to raise the EU 2030 climate target from 40% (compared to 1990 levels) to at least 55%, a level she described as "ambitious, achievable, and beneficial for Europe". We agree. We also agree that "we will not get there with the status quo – we need to go faster and do things better". So, let us outline how we think we can win that race and be in better shape when reaching the finish line.

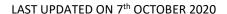
READY?

We are aiming now at reducing our GHG emissions by 55% by 2030 compared to 1990 levels. But we are **not starting from scratch**. In 2017, the EU had decreased emissions by almost 22%, and in 2019, by almost 25%. It puts us on track with the climate neutrality objective by 2050. But **the upcoming decade is crucial**, and this is why the discussions on the 2030 target are so important.

We also know from experience that energy efficiency and heat decarbonisation in buildings are THE key enablers to reach a higher climate ambition. Thus, an increased GHG emissions reduction target implies an increase of both the 2030 energy targets (energy efficiency and RES). According to the International Energy Agency, 75% of additional investments to cut GHG emissions in Europe will have to come from energy efficiency. It is estimated that the bottom-up potential for the energy efficiency target lies at 40% by 2030.



More particularly, the **buildings sector has the biggest potential in terms of efficiency gains**, equating to half of the decarbonisation measures needed to achieve our Paris Agreement goal. **Swift, strong, and sustainable actions in energy efficient renovations will be crucial**, as buildings represent 36% of the EU GHG emissions and 40% of its energy consumption. This means we should at least double or even triple the current annual 1% renovation rate and move towards deep or staged- deep renovations.





STEADY.



But what does all of this mean for us, as homeowner or tenant? Well, we know that we are **the 'nut to crack' –the residential sector**. 80% of the energy we use goes to heating and hot water, most of which is, still today, based on gas and oil. To use the same phrase as Commission President VON DER LEYEN, "change is needed – and we also know it is possible". Concretely, what to do about it?

If we deep dive on one example, we know that by 2030, replacing existing boilers with heat pumps using green electricity can contribute to a 9% reduction of CO₂ emissions compared to 1990 levels (according to a study by EA Energianalyse – available upon request). That is a significant share – actually, it is one third of the emissions we still need to reduce between now and 2030 if we want to achieve the 55% target! This singles out heat pumps as the CO₂-friendly alternative to fossil-fuel based boilers, as they are more than three times more energy efficient and can run on green electricity instead of gas or oil. At EuroACE, we know that if the right materials and equipment are specified, installed, and maintained in buildings, they deliver the highest possible intrinsic energy performance coupled with high comfort, lower energy bills, and well-being for occupants. We advocate for buildings to have a functional, comfortable, and healthy indoor environment and a very low energy demand which allows for a wide choice of cost-effective, renewable energy sources to be used to fulfil that demand. Buildings will also optimise energy flows and energy usage patterns, through the integration of its design, materials, and technical systems.

And good news! There is **no technological gap in the market**: all products, equipment and advanced, connected technologies to achieve this, are available <u>as of today</u>. **No need to invest in far-fetched, uncertain, new technologies.** So, what are we waiting for? In the context of economic recovery post COVID-19, this is even more interesting. **Let us make our homes the lighthouses of efficient technologies** "made in EU".

GO!

But we do not renovate our homes, our buildings, every other day. We have a wonderful opportunity to get things right, with the soon-to-be published Renovation Wave and the review of energy efficiency legislation next year. Our businesses are ready to put things in motion, get operational, and contribute to the achievement of the 2030 targets. This will be good for our citizens. Our climate. Our companies. So, let's get it started!

