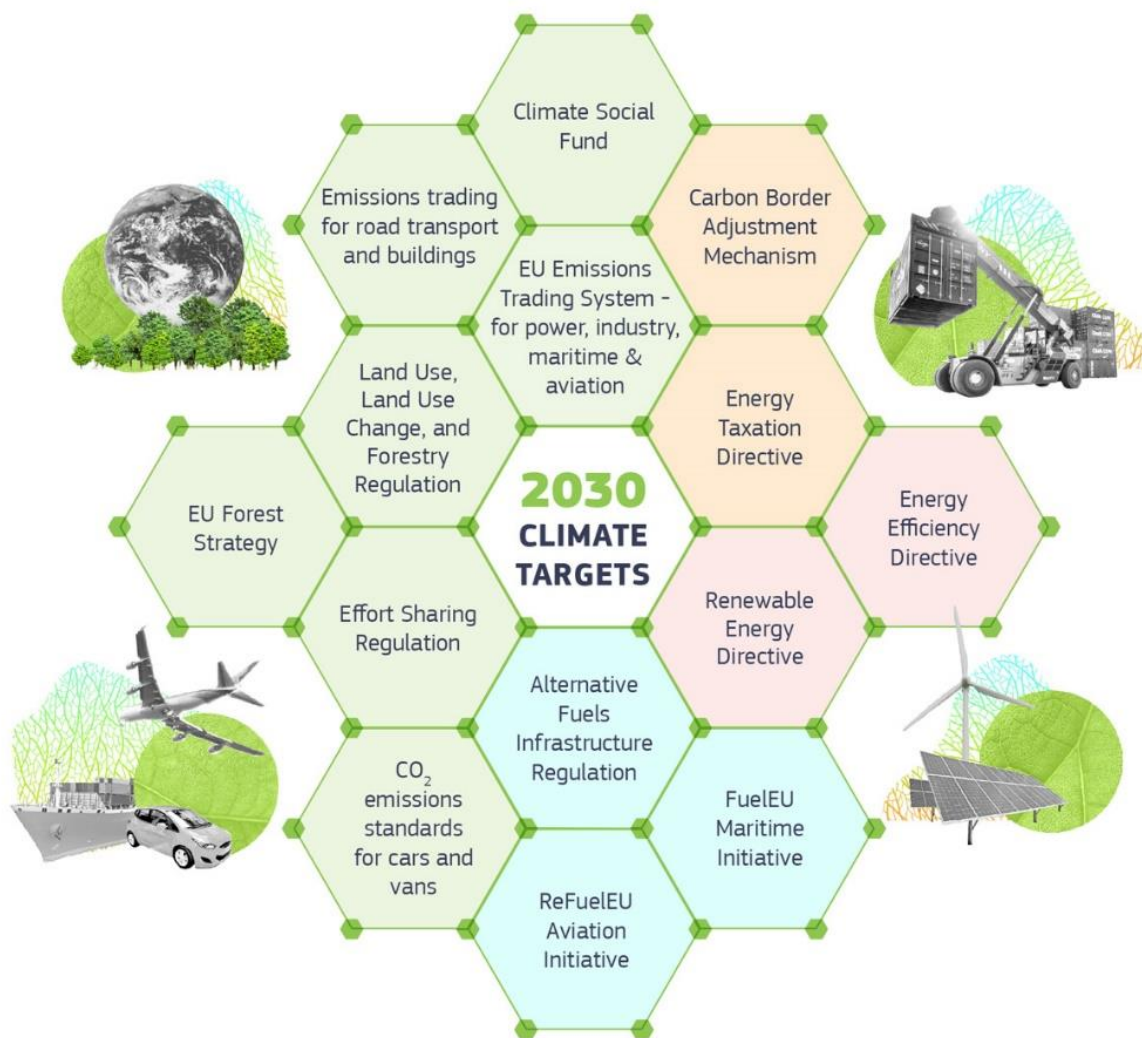




# Energy ADRs

***ADR Platform***  
**EU Commission, ENER-B1**  
**29 September 2021**

# The Fit for 55 Package – Overview



The package aims to make the EU ‘fit for 55’ and **deliver the transformational change** needed in a

- **fair,**
  - **cost-efficient** and
  - **competitive**
- way.**

It cements the **EU’s global leadership** by action and by example in the **fight against climate change**

# NEW EU ETS

- New ETS
  - For road transport and buildings, operational as of 2025
  - Emissions reduction of 43% by 2030
  - Climate Social Fund to address possible social impacts



# Support measures for a fair transition

The **Social Climate Fund**:

- 1) **support households, transport users, and micro-enterprises;**
- 2) **support investments** in energy efficiency, buildings renovation, clean heating and cooling, integration of renewable;
- 3) **provide direct income** support for vulnerable households;
- 4) **finance zero-and low-emission mobility**



**Financed by the EU budget**, using an amount equivalent to **25% of the expected revenues ETS building and road transport**. It will provide **€72.2 billion** for the period **2025-2032**

# Revising the Renewable Energy Directive

- Increased renewables ambition in key sectors (heating and cooling, transport, industry, buildings)
- Boosting the deployment of and the investment in renewable energy
- Sustainable bioenergy reinforced criteria in line with the EU Biodiversity Strategy

**Renewables** in the EU energy mix



**19.7%**

Current renewables share (in 2019)

**32%**

Current EU 2030 target

**40%**

New EU 2030 target





# Revising the Energy Efficiency Directive

- Indicative Member State contributions to the EU-level energy efficiency target
- Reinforcement of the Energy Efficiency First Principle
- Measures to alleviate energy poverty and boost consumer empowerment



**17.0-17.4%**

Current energy efficiency savings for primary and final energy consumption (in 2019)

**32.5%**

Current EU 2030 non-binding target (relative to 2007 projections)

**36-39%**

New EU 2030 binding target for final and primary energy consumption

# Next proposals

- **Review the Energy Performance of Buildings Directive.** Net-zero-emission buildings are needed to deliver on climate neutrality. The EU needs to reduce buildings' energy-related greenhouse gas emissions by 60% compared to 2015
- Review of legislation aimed at **decarbonising the EU gas market**, including measures to **boost clean hydrogen**. Aim: to facilitate the market entry of renewable and low carbon gases, including renewable hydrogen, for which there are still too many undue regulatory barriers by also:
- Allowing customers to **have better information on consumption and energy sources, free choice of supplier and easier switching, and price comparison tools**, which are all instrumental for a true consumer empowerment on the gradually decarbonised gas market

# ADR Issues

- **Lack of awareness** among consumers as well as easy identification of appropriate ADR entity to turn to, especially for issues related to new services, products (e.g. bundled)
- **National differences in the certification and independence/impartiality criteria**
- **Limited cooperation** ADR entities-enforcement authorities within the same sector and across sectors
- **Little data/knowledge** to measure the effectiveness of ADR based - Wide differences and gaps in data collection and reporting among ADR bodies
- Limited (if not absent) use of ADR data and intelligence to detect structural issues in the market
- **Limited funding** and resources
- Additional challenges during the **pandemic** – Now **sky-rocketing energy prices**



# ADR – Energy sector

- Tacit renewal of more expensive energy contracts, instead of efforts by energy suppliers to allow their customers to benefit from less expensive prices
- For delay or non-payment, quite a number of energy suppliers quickly made use of professional debt collectors
- Many customers still bound by (dormant) extension contracts even when prices increase
- In some countries customers often perceive all energy companies profit-driven or providers of a poor service, so they may feel there is nothing to be gained from switching
- ADRs direction in the evolving landscape of the energy transition

# Market trends

Decarbonisation, decentralization, digitization, democratisation =

- New services and business models which cross regulatory boundaries
- Aggregators, bundled services which frequently are not regulated
- Risks of poor execution and erosion of trust as markets become more disrupted
- Regulatory model of ADR to be up-dated?
- Need to foster the role of Ombudsmen/publicly-mandated ADRs' views and intelligence by governments across the EU?



Thank you