

# IOGP response to the public consultation on the Energy Efficiency Directive (EED) proposal

**The International Association of Oil & Gas Producers' (IOGP) supports the goals of the Paris Agreement and the EU's ambition to reach climate neutrality by 2050. We recognise that there are many challenges on the road to meet this objective as the energy transition will require significant investments, new technologies, effective policies and behavioural changes.**

IOGP is aligned with the "energy efficiency first" principle. EU policymakers should, however, consider that in some sectors and regions it will be essential to support a more efficient use of fossil fuels. Furthermore, switching to renewable or low-carbon solutions will require more energy use, which is in contrast to the requirements of the energy efficiency target. In this context, IOGP is concerned that the EED proposal does not acknowledge the transitional role of natural gas or the potential of efficient natural gas-based technologies to contribute to the EU's energy efficiency objectives.

**IOGP recommends that all technologies which can contribute to meeting the EU's energy efficiency objectives, including natural gas, are recognised in the final revised EED.**

- We deeply regret that Member States would not be able to rely on efficient natural gas-based technologies to meet their energy saving obligations following the Commission's proposal. All technologies, including natural gas, which can contribute to meet the EU's energy efficiency objectives while supporting emission reductions should be recognised in the final revised EED. Investments in more efficient natural gas-based technologies could also be beneficial in the future, if used with low-carbon gases such as hydrogen or biomethane. These technology options should not be excluded or discouraged.
- We furthermore regret that the proposal does not distinguish between natural gas and higher GHG intensity fossil fuels in its exclusion of all "direct fossil fuel combustion technologies". The final revised EED should recognise natural gas as the fossil fuel with the lowest carbon intensity, in order to facilitate the energy transition in all regions of Europe and ensure consistency with other proposals under the Fit for 55 package which make this distinction.


IOGP is concerned that the exclusion of natural gas, including highly efficient condensing gas boilers (which can reach an energy efficiency of up to 110%<sup>1</sup>), and changing definitions for gas-based technologies such as district heating and CHP may impact in particular on the heating sector and the Member States' ability to switch from coal to gas. In the EU, heating accounts for a third of EU GHG emissions and half of final energy demand<sup>2</sup>. In Poland, half of the housing stock is still heated with coal, while the renovation rate needs to be improved to reach the desired 2.5% of floor area p.a.<sup>3</sup> In their NECPs, a number of Member States outline that their heating sectors will rely, inter alia, on natural gas or natural gas-based CHP to reach 2030 targets<sup>4</sup>. Member States face different challenges with reducing emissions from heating, and it is important to offer a wide range of realistic, affordable alternatives. Replacing inefficient and carbon-intensive

<sup>1</sup> <https://www.izi-by-edf-renov.fr/contents/chaudiere-a-gaz/environnement-chaudiere-gaz/energetique-chaudiere-gaz>

<sup>2</sup> European Commission (2019).

<sup>3</sup> BPIE (2018): Financing renovation of buildings in Poland - An overview of public funding allocation for the renovation of buildings in Poland.

<sup>4</sup> See IOGP's NECP assessment.



heating technologies with condensing gas boilers is e.g. one solution that can immediately reduce CO<sub>2</sub>, NO<sub>x</sub>, SO<sub>x</sub> and PM emissions, improve air quality and increase efficiency at a significantly lower cost than alternatives. Using natural gas in district heating to replace coal or to provide back up to heat pumps in winter could also be a good transitional solution. Analyses by the IEA show that coal-to-gas switching in heating reduces emissions by 33%<sup>5</sup>. An overview of scenarios for technology and market development for gas appliances in residential, commercial and industrial sectors is provided by GasNaturally<sup>6</sup>.

---

<sup>5</sup> IEA (2019) [The Role of Gas in Today's Energy Transitions](#).

<sup>6</sup> GasNaturally (2020): [Gas Appliances: Robust technologies for a carbon neutral future](#)

---

**Registered Office:** City Tower, Level 14, 40 Basinghall Street, London EC2V 5DE, United Kingdom  
T +44 (0)20 3763 9700 / [reception@iogp.org](mailto:reception@iogp.org)

**Brussels Office:** Avenue de Tervuren 188A, B-1150 Brussels, Belgium  
T +32 (0)2 790 7762 / [reception-europe@iogp.org](mailto:reception-europe@iogp.org)

**Houston Office:** 15377 Memorial Drive, Suite 250, Houston, TX 77079, USA  
T +1 (713) 261 0411 / [reception-americas@iogp.org](mailto:reception-americas@iogp.org)

[www.iogp.org](http://www.iogp.org)  
[www.oilandgaseurope.org](http://www.oilandgaseurope.org)

---