

To: Energy and Environment Ministers of EU Member States

Cc: Commission President, Executive Vice-President for the Clean, Just and Competitive Transition, and Commissioners for Energy and Housing, Environment, Water Resilience and a Competitive Circular Economy, Climate, Net Zero and Clean Growth, and the Chair of the European Parliament Committee on Industry, Research and Energy

Re: Input to the EU Energy Council Meeting, Brussels, 17 March 2025

Brussels, 14 March 2025

Dear Minister,

On behalf of the European Environmental Bureau, I am writing to share with you our views on the issues on the agenda of the forthcoming EU Energy Council. We 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 17 March Council Agenda and outlined our vision of what is needed to ensure the European Union achieves long-term resilience and decarbonisation of its energy system, with secure and affordable energy for both industrial and domestic users.

Affordable Energy Action Plan

While we welcome several positive elements in the Affordable Energy Action Plan (AEAP) — notably, the emphasis on accelerating renewable energy deployment and clean flexibility, such as the swift implementation of the Renewable Energy Directive, as well as promising steps on energy efficiency, including the proposed EU guarantee scheme and the Energy Savings Certification — we believe that a much broader focus on energy savings is urgently needed. At the same time, investments in new LNG infrastructure and nuclear assets are misguided: they risk becoming stranded assets or arriving too late to provide meaningful relief in the current energy price crisis.

We are particularly concerned that, although the AEAP identifies electricity taxation as a key issue, only few EU countries seem convinced to take effective steps in this direction. Without reform in this area, we miss a critical opportunity to ease pressure on citizens' energy bills and accelerate the electrification of sectors like heating and cooling — sectors that are currently locking us into fossil fuel dependency.

A forward-looking approach would prioritise measures that not only deliver immediate relief but also strengthen Europe's long-term energy sovereignty and industrial competitiveness.

We call on the Energy Council to take decisive and forward-looking action to strengthen Europe's energy independence, resilience, and social cohesion:

- Swiftly implement the short-term measures recommended by the European Commission in the AEAP to lower taxation on electricity and reduce the burden of network costs for both industrial and residential energy users.
- **Foster a coalition of the willing** among Member States to lead a voluntary shift of taxes and levies away from electricity used for heating, cooling, and mobility, and onto fossil energy carriers such as gas and gasoline. This smart fiscal shift would send a clear and timely signal to citizens and businesses to adopt clean, renewable solutions.
- Further to that, resume the negotiations on the **Energy Taxation Directive** and aim at adopting the new text as soon as possible, taking into consideration the Commission's recommendations in the AEAP and the European Parliament's ITRE Committee opinion.



- Make the full transposition and implementation of the RED an urgent priority to accelerate renewable energy deployment and adopt strategic policy decisions to facilitate the development of nature- and community-friendly renewables and grids in the EU's rural areas.
- Integrate and strengthen energy sufficiency and efficiency policies across both industrial and residential sectors. This will not only drive demand for clean, high-performance products, but also support the growth of a robust, EU-based value chain for energy efficiency technologies.
- Call on the EU Commission to explore the inclusion of a 0% VAT rate for heat pumps and other clean heating and cooling technologies. This measure would directly stimulate demand for EU-manufactured solutions and reinforce Europe's technological sovereignty in this critical sector.
- Request the Commission to put forward a legislative proposal to frontload part of the ETS2 revenues to expand and strengthen the Social Climate Fund. This is essential to ensure a just and rapid transition to EU-sourced, renewable energy.

EU's Energy Security Architecture

The EU's current energy security architecture remains overly reliant on fossil fuels, including LNG and nuclear energy, which perpetuate dependency on unreliable partners and undermine the bloc's long-term resilience. While the Commission's focus on storage and infrastructure is important, it fails to address the root causes of energy insecurity: fossil fuel dependency and insufficient investment in renewable energy, energy efficiency, and demand-side solutions. A truly secure energy system must prioritize 100% renewable energy production, energy efficiency, and decentralized solutions that empower citizens and communities. The EU must phase out fossil fuels and nuclear energy, which are not only costly and risky but also incompatible with the bloc's climate and security goals.

We call upon the Energy Council to:

- Accelerate the phase-out of fossil fuels, including LNG, by rejecting new long-term contracts
 and infrastructure investments that lock in dependency. The EU must prioritize renewable
 energy and energy efficiency as the cornerstone of its energy security strategy.
- Reject nuclear energy as a solution to energy security, given its reliance on uranium imports
 from fragile third countries and service contracts with Rosatom. Instead, invest in renewables,
 energy savings, and flexibility to replace nuclear capacity and ensure a secure, decarbonized
 energy system.
- Promote decentralized energy systems, including energy communities, building-integrated solar, and heat pumps, to enhance resilience and reduce dependency on centralized fossil fuel and nuclear infrastructure.
- **Enhance system flexibility** through demand-side management, decentralized energy systems, and cross-border electricity interconnections, reducing reliance on centralized fossil fuel-based generation.
- Strengthen energy efficiency and demand-side measures as the first line of defence against price shocks and geopolitical volatility. This includes setting binding energy efficiency targets and expanding demand management systems across the EU.
- **Establish a European Energy Agency** to improve monitoring, transparency, and coordination of energy security measures, ensuring that the transition to a renewable-based system is both efficient and equitable.



Energy situation in Ukraine

The ongoing war in Ukraine has severely damaged the country's energy infrastructure, leaving millions without reliable access to electricity. As Ukraine works to rebuild its energy system, it is crucial to prioritize **renewable energy** and **decentralized solutions** that enhance resilience, reduce dependency on fossil fuels, and align with the rapidly evolving EU's electricity grid.

Initiatives like EEB Member Ecoclub's **Solar Aid for Ukraine** demonstrate the potential of community-driven renewable energy projects to provide both immediate relief and long-term security of supply, even in the most challenging conditions. The EU must seize this opportunity to support Ukraine in building a modern, sustainable, and interconnected energy system that serves as a model for post-crisis recovery.

We call upon the Energy Council to:

- **Support Ukraine's transition to a renewable energy system** by providing financial and technical assistance for decentralized solar, wind, and energy storage projects to facilitate the integration of renewable generation into Ukraine's grid.
- Ensure that EU funding for Ukraine's energy sector is directed toward renewable energy and energy efficiency projects, avoiding investments in fossil fuel or nuclear assets as these would prove too costly, projects would come too late, and they would not improve the resilience of an already strained national grid.
- Facilitate knowledge exchange between EU and Ukrainian stakeholders to accelerate the deployment of renewable energy solutions
- Accelerate the interconnection of Ukraine's electricity grid with the EU, including fast-tracking the synchronization of Ukraine's grid with ENTSO-E and expanding cross-border transmission capacity. This will enable Ukraine and the EU to exchange surplus renewable generation, mutually enhancing energy security and providing energy users with affordable energy.

We hope that the above insights and recommendations help you in your Environment Council deliberation and decisions and wider responsibilities. We also hope that our recommendations for the next legislative cycle in The European Pact for the Future, signed by 320 organisations and 1085 individuals, including a range of MEPs, are useful for you. Further details of our visions can be found in our recently launched Action Plan for the Pact, and the Industrial Blueprint

We remain available to discuss with you these practical visions and look forward to working together to help create an agenda of hope.

Yours sincerely,

Patrick ten Brink

Secretary General, European Environmental Bureau (EEB)

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