

Liquid Gas Europe response to the European Commission Call for Evidence on the future Energy Efficiency Directive framework after 2030

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Liquid Gas Europe (LGE) represents distributors, producers, and equipment manufacturers of liquid gases, including LPG, renewable LPG, and renewable DME, which are primarily used for heating in rural and off-grid areas, as well as for transport and industrial applications.

Liquid Gas Europe welcomes the opportunity to provide input to the European Commission's Call for Evidence on the future Energy Efficiency Directive framework.

This contribution is based on input received from members and national industry representatives regarding the implementation of the current Directive and its recast at the Member State level. It reflects what is being reported from national markets, with a particular focus on implementation design, scheme operation, legal clarity, and practical delivery bottlenecks.

Across the input received, the main issue is not the absence of energy-efficiency ambition as such. The issue is that, in several Member States, implementation is being shaped in ways that reduce clarity, reduce the range of eligible measures, and create barriers to delivery. This is especially evident in the design and revision of Energy Efficiency Obligation Schemes, the treatment of fuel-switching and fossil-related measures, the interaction between energy efficiency and decarbonisation objectives, and the way support schemes increasingly favour a single delivery pathway irrespective of local conditions or sectoral constraints. This broad pattern is reflected in the national inputs received from Ireland, Portugal, France, Spain, the Czech Republic, Slovenia and Croatia. It is also consistent with the Commission's own problem definition, which identifies incomplete implementation, fragmented support tools, uncertainty for investors, and difficulties in mobilising cost-effective projects as structural weaknesses of the current framework.

I. Incomplete, delayed, or uneven implementation of EED

The first bottleneck consistently reported is **incomplete, delayed, or uneven implementation**. Even where transposition is formally advanced, implementation is often fragmented across multiple legal acts, sectoral measures, and funding tools. This makes the framework difficult to interpret and operate in practice. Ireland has not yet fully transposed the revised EED, and the national EEOS is still under redesign, with the government indicating that a large volume of legislation remains in preparation and that

key provisions are still to be completed. The Irish input specifically notes that full transposition of legislation for fossil fuel-related provisions, a comprehensive EEOS revision, and new public-sector, heating, and energy poverty provisions are still expected. This means that obligated parties and other market actors do not yet have a stable or complete framework against which to plan compliance or investment.

Portugal presents a different but related issue. Members report that Portugal has broadly completed transposition through the National Energy and Climate Plan 2030 and associated implementation tools, but that practical implementation remains fragmented due to the absence of a fully structured, classical EEOS. In other words, formal alignment with the Directive does not necessarily translate into a clear delivery architecture on the ground. What is reported from Portugal is not an absence of policy activity, but an implementation environment that remains dispersed and less predictable than it appears at first sight. This matters because the EED depends not only on formal legal transposition but also on the existence of a functioning, intelligible framework that can generate savings and support investment.

II. **Legal ambiguity in the treatment of measures linked to fossil fuels and in the interpretation of eligibility rules under EEOS.**

A second, and very prominent, bottleneck is **legal ambiguity in the treatment of measures linked to fossil fuels and in the interpretation of eligibility rules under EEOS**. This appears in several forms. In Ireland, members report uncertainty about what qualifies as a “new measure” and note that they cannot yet make a final judgment on whether national implementation goes beyond the intended EU level until the legislation is actually published. They also explicitly state that legal inconsistencies exist within Member States and in the interpretation of what constitutes a new measure. This is a significant implementation issue because where eligibility rules are unclear, obligated parties are less able to identify bankable measures, commit resources, or build delivery pipelines.

The same issue arises in the treatment of switching measures. According to the Irish input, from 2026, fossil-to-fossil switching is no longer recognised under the national implementation of the recast EED, and the proposed derogation for energy-intensive industry, including heavy fuel oil to LPG switching, has been deemed ineligible under the Irish interpretation of the Directive. The practical consequence reported is that such measures would require a buy-out from the obligation rather than being counted toward delivery. This is not a theoretical concern. It affects how obligated parties comply, the costs they face, and the range of measures they can use in sectors where immediate

electrification or deep retrofit may not yet be feasible. The Irish submission also reports that there is currently no recognition of transitional emissions-reduction measures in the Irish market.

According to the use in French input, all financial incentives for the installation of systems “susceptible” of using fossil fuels have been revoked, and there is an obligation to install systems that consume a combustible with a CO₂e intensity of less than 150 g CO₂e /kWh. These measures go beyond the original objective of the recast EED and provide **a major barrier to the progressive uptake of renewable liquid gases and biogases**, requiring the vulnerable class of citizens to switch to electrical systems without considering the feasibility of the solution.

III. **The increasing conflation of energy efficiency policy with technology-prescriptive decarbonisation policy**

A third bottleneck reported across Member States is **the increasing conflation of energy efficiency policy with technology-prescriptive decarbonisation policy**, often in ways that narrow delivery options. Members repeatedly describe an implementation trend in which electrification becomes the default or preferred route under national energy efficiency frameworks, not only through climate policy but also through the design of efficiency schemes themselves. This is important from an EED perspective because the Directive is intended to deliver energy savings in **a cost-effective and practical manner across diverse national contexts**. When implementation channels primarily support a single technological route, this may reduce flexibility, especially in rural, off-grid, industrial, or building segments where infrastructure, cost, timing, or technical constraints differ.

Spain is one of the clearest examples reported. The national materials submitted describe a framework in which building regulations, renovation policy, certification rules, and energy savings certificates all reinforce electrification. Fossil boiler subsidies are banned from 2025. The Technical Building Code is being updated around zero-emission building standards. Public buildings are to be zero-emission by 2028 and private buildings by 2030. The Energy Savings Certificate system excludes gas-to-gas replacement while allowing gas-to-heat pump and hybrid systems, and recent national measures are reported to have introduced multiplying coefficients that focus support even more strongly on heat pumps. The Spanish input also notes the need to revise certification parameters so that renewable gases and hybrid systems are properly reflected in official building certificate programmes. In this case, the concern being reported is not merely

political preference; it is that the methodology and scheme rules themselves are shaping the outcome in advance.

France presents a more mature system but a similar directional issue. France operates a long-established Energy Efficiency Obligation Scheme (CEE), in place since 2005 and expanded over successive compliance periods. However, the French input states that it has progressively moved away from its original energy-consumption-reduction mission and shifted toward CO₂ reduction and the electrification of uses, particularly via heat pumps. The French contribution does not dispute the importance of decarbonisation. Rather, it reports that the current design is channelling delivery more narrowly than the scheme's original purpose would suggest. The same input also points out that combining high-performance boilers with a bioLPG (biopropane) supply could yield both energy savings and significant emissions reductions, particularly in rural areas and in older, larger, less-insulated, or harder-to-electrify homes. The relevance of that point for the Commission is not sector pleading; it is evidence that scheme design may be excluding or overlooking energy-saving delivery pathways that are operationally suited to certain segments.

IV. Weakening of technology neutrality in implementation instruments

A fourth bottleneck concerns **the weakening of technology neutrality in implementation instruments**, including subsidy design, municipal planning, and administrative methodologies. Several members report that even where there is no explicit legal ban on particular solutions, practical access to support depends on the scheme's architecture. Croatia is reported to favour electrification through subsidy schemes for solar PV, heat pumps, and batteries, while liquid gases are routinely overlooked through the logic of the support framework and local planning assumptions. Municipalities are said to default to district heating or all-electric systems, with off-grid solutions not being assessed on equal terms. Slovenia reports a comparable issue: while the country has strong governance and relatively stable support structures, municipal heat planning often excludes off-grid options, electrification bias persists, and so-called 'transitional fuels' are weakly recognised. Members also identify the need to secure eligibility within Eco Fund schemes and to preserve technology neutrality in secondary legislation.

The Czech Republic illustrates another dimension of this issue. The Czech framework is reported to be relatively advanced and structured around established legal instruments, with many EED topics already incorporated, including energy audits, energy management systems, public-sector obligations, metering, district heating, and data

centres. However, members identify a risk that the stronger application of the “energy efficiency first” principle may, in practice, favour lower-consumption or non-combustion solutions as a matter of regulatory and investment preference, even where other options remain relevant in decentralised, backup, or hybrid configurations. The Czech input also reports growing emphasis on district heating, waste heat and other systemic solutions, which may displace LPG in some stationary segments. Here again, the point is not opposition to efficiency-first thinking, but rather evidence that implementation choices may too quickly compress the solution set without sufficient regard for deployment realities across different contexts.

V. **Limited recognition of transitional solutions and of incremental emissions reductions in hard-to-abate segments**

The fifth reported bottleneck is **the limited recognition of transitional solutions and of incremental emissions reductions in hard-to-abate segments**. This issue recurs in the submitted material. Ireland explicitly states that there is currently no recognition of transitional emissions-reduction measures in the Irish market. Portugal reports limited technological neutrality and a preference for electrification-based approaches to the detriment of alternatives compatible with renewable gases such as bioLPG and rDME. Across Member States, input indicates that in some jurisdictions, LPG-based solutions are excluded from eligibility under energy efficiency schemes for specific sectors. This prevents such measures from contributing to EED targets and may lead obligated entities to rely on buy-out mechanisms instead. The same summary notes that some Member States are taking more balanced approaches by recognising measures that deliver both energy consumption reductions and greenhouse gas savings, but that this is not yet the prevailing trend.

This bottleneck matters because the EED is implemented in real economies and building stocks, not in abstract model systems. In the national input received, sectors repeatedly mentioned as particularly affected include rural heating, off-grid households, older building stock, decentralised heating applications, and energy-intensive industry. France notes the relevance of bioLPG (biopropane) solutions for rural homes outside electricity networks but is resistant to include the industry’s decarbonation roadmap to its national objectives. Ireland raises the case of energy-intensive industrial switching from heavy fuel oil to LPG. Croatia and Slovenia point to municipal planning that underestimates or excludes off-grid realities. The Czech input refers to decentralised heating, peak-load, backup and hybrid systems. These examples all point to the same policy bottleneck: when implementation frameworks do not allow for transitional or hybrid measures, the

result may be **fewer measurable savings, higher compliance costs, or a gap between policy design and feasible delivery.**

VI. **The growing disconnect between scheme logic and investment certainty**

A sixth bottleneck is **the growing disconnect between scheme logic and investment certainty.** The Commission's call for evidence already identifies fragmented financing schemes, interrupted incentives, high upfront costs, and insufficient standardisation as barriers to private investment. The national evidence submitted aligns closely with this diagnosis. Members report fragmented support landscapes, changing eligibility criteria, scheme redesigns without clarity on timing or outcomes, and the possibility that measures previously assumed to be valid may no longer count. For suppliers and distributors operating under EEOS, these conditions affect the ability to structure portfolios of measures, aggregate projects, contract with customers, or forecast compliance costs. Where the rulebook is unclear or unstable, delivery capacity becomes weaker even if policy ambition is high.

VII. **The need for better alignment between energy efficiency metrics and actual system realities**

A seventh issue emerging from the evidence is **the need for better alignment between energy-efficiency metrics and system realities.** Some national input suggests that implementation frameworks do not always assess savings in ways that capture the full operational context. Spain reports the need for official certification tools to properly represent renewable gases and hybrid systems. France emphasises that, in rural areas, the infrastructural implications of electrification are materially different from those in urban zones and would represent a significant consequence both on the financial and temporal front and points to the relevance of high-performance boilers fuelled by biopropane for larger, less-insulated homes. The Czech and Slovenian inputs similarly point to decentralised and off-grid realities. These are not abstract objections to electrification. They are evidence that implementation tools, including certificates, building rules and local heat planning, may not yet be sufficiently adapted to the diversity of real end-use situations across the Union.

VIII. **Conclusions**

Taken together, the member input suggests that the central implementation problem is not simply whether Member States are transposing the EED on time. The deeper issue is whether national implementation frameworks are preserving sufficient clarity, flexibility, and practical optionality to deliver savings efficiently across sectors and geographies.

The evidence received points to several recurring bottlenecks: delayed or incomplete transposition; fragmentation across multiple instruments; legal uncertainty around fossil-related provisions and “new measures”; increasing use of technology-prescriptive design through EEOS, subsidies and planning; weak recognition of transitional and hybrid solutions; and growing reliance on buy-outs or exclusion mechanisms where delivery options narrow. These are the areas where members' experience suggests the future framework would benefit from greater clarity and clearer implementation guidance.

From the perspective of the future EED framework, the main lesson from the evidence received is that **implementation design matters as much as headline ambition**. A framework that is formally ambitious but operationally unclear, overly restrictive in its eligibility logic, or too narrowly channelled toward one delivery route risks leaving cost-effective savings untapped. It may also undermine investor certainty, reduce the diversity of implementable measures, and create practical delivery gaps in the very segments where energy efficiency is most difficult but also most valuable. This is particularly relevant for rural, off-grid, decentralised and industrial applications, which recur across the national evidence submitted.

Liquid Gas Europe therefore encourages the Commission, in preparing the post-2030 framework, to examine carefully how current implementation is functioning in practice at Member State level, especially in relation to EEOS design, eligibility criteria, treatment of transitional measures, consistency of interpretation, and the interaction between energy efficiency objectives and broader electrification strategies. The evidence submitted by members indicates that these are not peripheral issues. They are central to whether the Directive can deliver energy savings in a way that is practical, cost-effective, and adaptable to different national circumstances.