

AccelerateEU

1. Introduction

The dangers of geopolitical volatility combined with Europe's dependency on fossil fuel imports have now been demonstrated for the second time in less than five years. This vulnerability comes with a price. In 2025, the EU imported **EUR 336.7 billion** worth of energy products. Since the beginning of the current conflict, an additional **[EUR 22] billion** has been spent on energy imports.

While price hikes are the immediate consequence of the conflict, there is no immediate security of supply threat, although the situation is tense for some fuels. Gas and oil continue to dominate heating, industry, and transport, leaving European households and businesses — notably SMEs and energy-intensive industries — exposed to global price spikes.

Member States that have achieved a high share of renewables and nuclear generally have electricity prices below the EU average. This crisis nonetheless reveals remaining structural shortcomings of our energy system and is a strong reminder that the choices made today will determine whether the next crisis is met with fragility or strength.

The transition to a clean, abundant, homegrown, secure and affordable energy system is not just an environmental necessity — it is an **economic, competitiveness and security imperative**. Short-term relief measures must reinforce, not deviate from, the longer-term pathway toward a decarbonised, resilient EU energy system.

Five Key Areas of Action

- Increasing coordination between Member States, both within the single market and with fossil fuel providers
- Supporting Member States in protecting consumers, including industry, from price peaks
- Decreasing and replacing oil and gas consumption
- Stepping up our energy system by promoting electrification and clean, homegrown gases
- Boosting investments by mobilising both public and private funding for the transition

2. Immediate Action for Rapid Benefits

2.1 Leveraging EU-Level Coordination

Enhanced coordination at EU level has proven effective: joint actions under the REPowerEU Plan played a central part in enabling the EU to reduce its gas demand by **18%** (August 2022 to March 2023), easing immediate pressures and supporting longer-term stability.

Priority coordination areas include gas storage filling, oil stock releases, national emergency measures, and the availability of jet fuel and diesel. Notably, 40% of EU jet fuel consumption is imported, with supplies through the Strait of Hormuz representing approximately half.

Commission Actions:

- [April 2026 onwards] Facilitate coordination of national actions on gas storage filling and possible oil stock releases, reporting to the Energy Union Task Force via the Gas and Oil Coordination Groups.

- [April 2026 onwards] Encourage Member States to use flexibility in gas storage filling (up to 10%); stands ready to further increase permitted deviation (up to additional 5%) under the updated EU Gas Storage Regulation if market conditions warrant.
- [April 2026 onwards] Promote coordinated EU outreach to oil and gas suppliers and partner countries with similar energy import profiles, including via the EU Energy and Raw Materials Platform.
- [May 2026] Map European refining capacities, assess needs, and develop actions to ensure full utilisation and sufficient domestic capacity across the full spectrum of oil products.

2.2 Protecting Consumers and Industry from Price Shocks

Household budgets are tightening with rising energy costs. Since roughly two thirds of all natural gas consumed in the EU is used to generate heat in buildings or in industry, gas price spikes will present significant challenges when increases become visible in energy bills. Consumers in a vulnerable situation are even more exposed.

Immediate support must be **targeted, timely and temporary**, and tied to long-term solutions. Support may take the form of targeted income support schemes, energy vouchers, social tariffs, VAT reductions for heat pumps and solar technologies, and incentives for energy self-production and community participation.

Commission Actions:

- [April–May 2026] Establish a digital repository to gather and share non-confidential information on Member States' national emergency measures and promote good practices via the Energy Union Task Force.
- [April 2026] Adopt a Temporary Framework outlining emergency measures to support the most exposed economic sectors affected by price spikes.
- [April 2026 onwards] Provide continuous assistance to Member States on targeted, timely and temporary measures, including price interventions, income support, and schemes for SMEs and energy-intensive industries.
- [April 2026] Publish practical guidance for scaling up consumer empowerment, focusing on protection of vulnerable customers from disconnections, simplified supplier switching, and energy community participation.

2.3 Saving Energy and Replacing Oil and Gas Consumption

Energy savings and replacing oil and gas with homegrown clean energy have proven effective in addressing high energy prices and reducing import dependence. In the short term, significant benefits across sectors can be achieved through electrification, efficiency improvements, and accelerated deployment of clean technologies.

Buildings & Households: Replacing gas and oil boilers with heat pumps can cut final energy consumption and bills in those buildings by around [XX]% on average. Targeted financial incentives and social leasing schemes can accelerate deployment.

Transport: Electric mobility and public transport expansion offer immediate relief, as every kilometre driven in an electric car costs significantly less than in a petrol car at current oil prices.

Clean Heating Alternatives: Expanding solar thermal and geothermal energy — particularly for district heating systems and industrial sectors such as food & beverage, chemicals, and agriculture — offers strong medium-term potential. Industrial heat pumps can deliver process heat up to 250–300°C, driving waste heat recovery.

Commission Actions:

- [May 2026] Present a catalogue of efficient energy savings and fossil fuel replacement measures at the informal EU Energy Ministers meeting in Cyprus (13 May 2026), drawing on lessons since 2022.
- [May 2026 onwards] Promote and support social leasing schemes for clean technologies (e-vehicles, heat pumps, small-scale batteries), including through the Energy Transition Investment Council.
- [May 2026 onwards] Support Member States on geothermal energy with geological data, an EU database, and derisking/insurance schemes in collaboration with the EIB and National Promotional Banks.
- [May 2026 onwards] Support development of public funding schemes for large-scale solar thermal projects, together with the Energy Efficiency Financing Coalition.
- [June 2026] Propose a targeted review of production criteria for renewable hydrogen, also contributing to the development of electro-Sustainable Aviation Fuel (eSAF).

3. Immediate Action for Lasting Benefits

3.1 Stepping Up Our Energy System

The need to fundamentally transform the EU energy system is no longer a matter of ambition — it is a necessity for resilience, energy security, competitiveness and social cohesion. Grids must enable power to flow at the lowest price from where it is produced to where it is consumed. Higher interconnectivity, grid access, and grid productivity will bring costs down and accelerate electrification across heating, cooling, and industry.

Current electricity storage capacity of **55 GW** must be expanded significantly to [XX] GW by 2030. Rapid repowering of wind farms and other renewable infrastructure can deliver near-term additional supply. By electrifying half of its economy, Europe could cut fossil fuel dependence by [XX%] by 2040.

Commission Actions:

- [By July 2026] Call on and support co-legislators to conclude negotiations on the EU Grids Package before the summer — indispensable for accelerating renewables, storage, and grid infrastructure rollout.
- [Q2 2026] Publish an Electrification Action Plan introducing an ambitious electrification target and addressing barriers in the industrial, transport and building sectors.
- [April 2026 onwards] Fast-track implementation of Energy Highways; multiply political-level contacts and mobilise all available tools to strengthen investment frameworks.
- [May 2026 onwards] Identify wind parks and renewable plants nearing end-of-life that could be repowered quickly for near-term electricity supply.
- [May 2026] Adopt legal proposals for action on network charges and taxation to lower costs for all consumers and facilitate transition to a more electrified, efficient energy system.
- [2026–2027] Ensure strict monitoring of relevant EU legislation using all available tools, including infringement procedures, on permitting, storage, flexibility and cross-zonal capacity maximisation.

3.2 Boosting Investment

The EU's response to the energy crisis also relies on mobilising public funds to catalyse private capital at scale. Significant resources are available at EU level, including through the Recovery and Resilience Facility (**EUR 184 billion**) and Cohesion Policy funds (**EUR 38 billion**). Total annual investment needs amount to approximately **EUR 660 billion until**

2030. Institutional investors manage over EUR 12 trillion in Europe — vast savings that remain largely untapped for energy transition projects.

Commission Actions:

- [Q2–Q3 2026] Organise a flagship high-level Clean Energy Investment Summit bringing together financial services, institutional investors, industrial leaders, project developers and public financiers to accelerate private financing in immediate high-impact sectors (storage, EV infrastructure, electrification, solar thermal, district heating, grid optimisation).
- [April 2026 onwards] Assist Member States in maximising and reallocating existing EU funding (RRF and cohesion funds) toward energy investments that deliver quick impact, including: (A) scaling up clean energy deployment; (B) expanding existing measures to address energy poverty; and (C) transferring unused RRF funds to InvestEU or national promotional banks.
- [April 2026 onwards] Assess whether further action is needed to simplify rules and accelerate deployment of EU funds for the energy transition.
- [April 2026 onwards] Assist Member States in exploring allocation of EU ETS revenues to accelerate electrification investments in transport and heating.
- [April 2026 onwards] Work with the European Energy Financing Coalition to develop standardised financial products for clean heating and renovation, and promote new energy service business models for SMEs.

Annex I: Indicators and Enablers for Energy Independence

1. Reducing Reliance on Gas and Oil in Non-Hard-to-Abate Sectors

- Expand district heating to cover [XX%] of total heat demand by 2030, with at least [XX%] supplied from renewable energy and recovered waste heat.
- Accelerate the switch to biomethane, biogas and biomass in strict compliance with Renewable Energy Directive requirements.

2. Boost Electrification

- Increase annual rates of heat pump deployment: residential sector from 2.4 million units (2025) to [X] million units per year by 2030.
- Promote deployment of flexibility devices in industry to accelerate gas savings.
- Achieve electricity-to-gas and electricity-to-oil price ratios of [XXX] in all Member States by [XXX].

3. Energy Efficiency

- Progress on 2030 energy efficiency targets by achieving [XX] GW of savings in households and industries.
- Meet [XX%] of EU heat needs with at least [XX%] waste heat recovery from industry by [XXXX].

Annex II: Examples of Good National Practices

Boosting Uptake of Clean Technologies

- **France:** Large-scale subsidies for heat pumps, geothermal and solar energy; a €500 million Heat Fund for industry to convert from fossil fuels; ban on gas boilers in new buildings by 2027; social leasing schemes for EVs.
- **Belgium:** VAT reduced to 6% for heat pumps, solar PV and solar boilers.
- **Austria:** Up to 100% subsidy for fossil boiler replacement for vulnerable households.
- **The Netherlands:** Obligation for companies to implement all energy efficiency measures with a payback period under five years.
- **Germany:** Lower electricity prices for heat pumps in exchange for demand flexibility.

Building-Sector Measures

- **Belgium (Flanders):** Up to 50% subsidies and zero-interest loans (up to €50,000) for renovation, including insulation.
- **Lithuania:** Integrated plan combining behavioural measures, quick-payback investments and long-term renovation, targeting 20% energy savings over two years.
- **Italy:** Awareness campaign on reducing heating temperatures by 1°C and increasing cooling setpoints by 1°C in public buildings.
- **Germany:** Energy saving ordinances for the public sector, businesses and private households, delivering approximately 20 TWh in annual gas savings.

Incentives for Public Transport and Modal Shift

- **Spain:** Reduction of public transport ticket prices by at least 30%, up to 100% in some regions.
- **Belgium:** Rail ticket price freeze through public compensation.
- **Germany:** Nationwide campaign promoting energy savings, including mobility-related behavioural changes.

Cross-Cutting Measures

- **Denmark:** Development of digital tools to promote flexible electricity consumption and demand shifting.
- **Finland:** Nationwide 'Down a Degree' behavioural campaign leading to 86% of citizens implementing energy-saving actions.

Annex III: Types of Measures for Immediate Relief

Households and Buildings

1. Protect Vulnerable Households

- Issue targeted energy vouchers for vulnerable households.
- Introduce or extend temporary regulated prices for vulnerable and energy-poor households (social tariffs).
- Introduce full or partial targeted reductions of excise duties on electricity for energy-poor and vulnerable households.

2. Heating and Air Conditioning Use

- Adjust default settings on condensing boilers and centralised air conditioning in public buildings to increase efficiency.
- Require occupants of commercial buildings to adjust default settings on condensing boilers and centralised air conditioning.
- Encourage occupants of private residential buildings to keep condensing boiler temperatures below 50°C.

3. Support Fast Rollout of Clean and Efficient Technologies

- Introduce fiscal incentives and/or financial support, including social leasing for vulnerable households, for quick rollout of heat pumps, plug-in batteries, PV panels, and high-performance windows.
- Deploy vitality social tariffs and bonus grants to rapidly replace fossil fuel-based boilers.
- Remove legal barriers for safe deployment of 'behind-the-meter' plug-in technologies.
- Introduce fiscal incentives for replacing gas-based cooking appliances with electric ones, and for replacing old and inefficient appliances.

4. Prevent Consumer Disconnection

- Implement a temporary ban on energy disconnections.
- Ensure financial stability of suppliers through sound supplier risk management and effective supplier-of-last-resort regimes.
- Ensure that energy suppliers provide customers with 'best tariff' advice and 'early warnings' when consumption spikes or non-payment risks arise.

5. Enable Switching and Demand Flexibility

- Ensure consumers can easily switch to cheaper contracts and have access to neutral and transparent comparison tools.
- Remove barriers for companies that reward customers for shifting electricity usage from peak times to off-peak.

6. Promotion of Self-Consumption and Energy Communities

- Implement Commission Recommendations on self-consumption and energy communities at national level.
- Support energy communities through fiscal incentives and/or subsidies, including via EU guarantees and funds.

Industry, Businesses and SMEs

7. Innovative Financing and ESCOs

- Support development and fast rollout of innovative financing schemes for renewable energy, storage, energy efficiency, and ESCO businesses.

8. Energy Audits and Reduction of Heat Losses

- Incentivise energy audits and implementation of the most cost-effective recommendations on heat losses from high-temperature processes.
- Oblige companies to implement measures identified by energy audits with a payback period below a set threshold (e.g. 3 years).
- Provide spot checks and maintenance in thermal heating systems to reduce wastage.

9. Replace Inefficient Equipment and Promote On-Site Renewables

- Introduce fiscal incentives to accelerate replacement of inefficient electric motor systems in industry.
- Introduce fiscal incentives to accelerate replacement of fossil fuel-based systems with renewables-based alternatives.

Transport

10. Increase Teleworking

- Where possible, encourage businesses to mandate at least one day of compulsory teleworking per week.
- Close public buildings when possible.

11. Promote Public Transport and Rail

- Reduce public transport prices (e.g. seasonal tickets) and/or make free for certain categories of people.
- Introduce subsidies for lowering train ticket prices.
- Incentivise workers to commute by public transport.

12. Promote Alternatives to Car Travel

- Introduce public support for bike sharing and other micro-mobility solutions.
- Develop and/or extend car-free zones and organise car-free days in cities.
- Introduce dedicated lanes, parking and reduced tolls for high-occupancy vehicles.
- Incentivise last-mile delivery by cargo bike or small delivery e-vehicles.

13. Support Electric and Efficient Vehicles

- Continue or extend public support for the purchase of electric and more efficient vehicles.
- Accelerate rollout of publicly accessible recharging infrastructure.
- Increase the uptake of electric vehicles in public transport fleets.

14. Support Alternatives to Air Travel and Slow Steaming

- Mandate businesses to avoid air travel for work wherever possible; minimise air travel for public sector employees.
- Recommend cargo ships operate at significantly reduced speed through international or regional policy instruments.

Cross-Cutting Energy System Measures

- Design system-friendly network tariffs to lower system costs and fully exploit the potential of renewable sources.
- Introduce progressive retail prices and ensure that price interventions foster savings and the switch from gas to electricity.
- Remove preferential treatments for fossil fuels.
- Introduce national price support for vulnerable households and businesses that is targeted, time-limited and does not increase demand.

- Disseminate targeted information to households and small businesses on practical energy saving actions (e.g. lowering heating temperatures, avoiding peak-hour use, reducing energy use in shops).

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Annex IV: Statement of Intent — Network Charges and Taxation

In 2024, network charges accounted for **27%** of the electricity bill for households and **21%** for businesses. Electricity taxes and levies accounted for a further **24%** of the household price and 16% for businesses. Introducing harmonised rules to bring down these cost drivers will have a significant impact on affordability and competitiveness. As requested in the Council conclusions of 19 March, the Commission is preparing a targeted legal proposal amending electricity market rules.

Key elements of the proposed measures include:

- Mandatory better incentives for grid operators to increase cost-effectiveness, including via grid-enhancing, smart and innovative technologies.
- Stronger incentives for grid users to adapt consumption behaviour to system needs.
- Improved transparency of grid tariffs and introduction of EU-level indicators to benchmark cost-efficiency of grid operators.
- A minimum deployment requirement for smart meters to ensure granular consumption data and active participation.
- A requirement to better incentivise non-fossil flexibility and grid-enhancing technologies by system operators at all levels.
- Cross-border data management and exchange frameworks for effective use of smart grids.
- Amendment to the Directive on taxation of energy products and electricity (ETD Article 4) to ensure electricity is taxed below fossil fuels.
- Greater flexibility for Member States to apply zero-rate electricity taxation on energy-intensive industries (ETD Article 17.4).
- Reduction of electricity taxation to zero for vulnerable households and removal of non-energy-related levies from electricity bills.