

## Annex B

# Voluntary Action Plan on Doubling the Global Rate of Energy Efficiency Improvement by 2030

## Preamble

Energy efficiency is important to improving all people's lives, providing reliable and affordable energy access, supporting economic growth and resilience, enhancing the security of supply and accelerating clean energy transitions. The G20 member countries are uniquely positioned to prioritise energy efficiency in global policy agendas, leverage its initiatives, toolkits and experience and strengthen partnerships for energy efficiency action and investment. People-centred, inclusive and effective policy approaches will deliver efficiency's full potential to enhance energy security, create jobs, improve living standards, lower energy bills, and reduce emissions.

The following Voluntary Action Plan on achieving SDG 7.3, "***Doubling the Global Rate of Energy Efficiency Improvement by 2030***" outlines potential measures along five pillars: buildings, industry and transport sectors, energy efficiency financing and sustainable consumption patterns, to be implemented in line with national circumstances. Strengthened efforts to elevate, support and invest in energy efficiency is understood as an overarching principle to promote faster progress.

## **Pillar 1: Buildings Sector**

**Potential Measures:** Policy packages and other actions to enhance the implementation of energy efficiency measures in the residential and commercial building sector to tap the energy savings potential, considering each country's own priorities and emission reduction pathways.

### **Possible approaches:**

- Development or strengthening of building energy codes to encourage that majority of buildings are built to optimal energy efficiency levels.
- Promotion of integrated approaches combining sustainable building design and affordable technologies to accelerate access to efficient heating and cooling comfort.
- Develop policies and funding to boost the rate of renovation and to promote higher renovation depths as regards to existing buildings.
- Implementing appropriate Minimum Energy Performance Standards (MEPS) for select appliances that can potentially deliver a substantial decrease in their overall energy consumption.
- Development of policies to help substantially decrease energy consumption from heating and cooling systems in new buildings, and enhanced usage of heat pumps while pursuing access to heating and cooling for all.
- Focussed Policy actions with an aim to achieve universal access to clean cooking by 2030 in line with SDG7.



## **Pillar 2: Industry Sector**

**Potential Measures:** Policy packages that promote process optimization, energy management and efficient technologies to enable the industrial sector to contribute towards global annual energy efficiency improvements while creating a conducive environment for energy-efficient small and medium-sized enterprises.

### **Possible approaches:**

- Development of policies and programmes to ensure that new electric motors sold are more efficient and use variable speed drives, where appropriate.
- Implementation of policies supporting energy audits, energy measurement and management frameworks and identifying energy saving opportunities in industries.
- Promotion of high-efficiency industrial equipment and electrification technologies for low and medium-temperature process heat.
- Supporting industrial process optimisations, including leakage control, regular maintenance schedules, correct sizing of equipment load and optimising temperature in process heat flows and the use of the waste heat.
- Policies for heavy industry sector that drive higher energy and material efficiency, including deployment of best available technologies, increased light-weighting and life extensions, as well strengthened product reuse and recycling, that would increase the use of low-carbon alternatives.
- Policies to increase the flexibility of industry, to allow better utilisation of non-fossil energy sources and to integrate with renewable energy infrastructure.

## **Pillar 3: Transport Sector**

**Potential Measures:** Conducive policy mixes for the transport sector to enable annual energy efficiency improvements, encourage uptake of low emissions vehicles and a greater shift towards public transport.

### **Possible approaches:**

- Development or strengthening of fuel economy standards and other policy measures that contributes to improving the overall efficiency of passenger and commercial vehicles.
- Implementation of policies and incentives that support zero and low-emission vehicles 'uptake.
- To incentivise a shift away from individual transport, a concerted policy thrust to support the development of public transport systems infrastructure that enables convenient, cost-efficient, and sustainable journeys.



## **Pillar 4: Finance**

**Potential Measures:** A holistic framework for energy efficiency investment that could support the scaling-up of annual investments in energy efficiency and electrification, through international collaboration.

### **Possible approaches:**

- Development of policy frameworks to enable innovative financing and business models with lower transaction and capital costs that overcome access barriers to energy efficiency financing.
- Deployment of de-risking instruments, financing models for SMEs and support for energy service companies (ESCOs).
- Strategic deployment of public finance to enhance investment in currently underfunded areas, and mobilizing finance from a variety of sources, instruments and channels, especially leveraging larger private sector investment.

## **Pillar 5: Sustainable Consumption Patterns**

**Potential Measures:** Effective policy packages encouraging consumer preferences towards an environmentally conscious lifestyle across sectors and communities, nudging people-led actions as a driver of change.

### **Possible approaches:**

- Implementation of policies, combined with the right incentives and enabling infrastructure for behaviour change and sustainable consumption choices.
- Introduction of consumer education campaigns to encourage using more energy-efficient devices without compromising comfort or convenience and gaining from lower energy bills. This includes sustainable purchase choices, efficient appliance usage behaviours and increased uptake of public transport, walking and cycling.
- Information campaign on product maintenance across all end-uses, to ensure efficient equipment operation, an increased lifetime and more user satisfaction.
- Introduction of policies to adopt digitalisation to accelerate energy efficiency, including smart homes that can improve demand-side management to reduce peak demand, improve grid stability and reduce consumer costs.

