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New report shows increase in the number of businesses investing in energy efficiency, up 7 percent from 2022

- Investment in energy efficiency set to rise as 99 percent of businesses commit to additional spending, but cost (53 percent) was seen as the highest barrier to improving energy
- Moving data to the cloud (71 percent) is the most common energy efficiency measure, followed by performing energy efficiency audits (69 percent)
- Rising energy costs (58 percent) and concerns over the lack of grid power (41 percent) are perceived as threats to businesses

A new report from the Energy Efficiency Movement has revealed that 99 percent of businesses are already investing in, or are planning to invest in, making their energy usage more efficient. Notably, the number of businesses actively investing in energy efficiency has increased by 7 percent from two years ago. The report, entitled "From Insight to Implementation: Business Perspectives on Energy Efficiency Investments" found that of the businesses investing, or planning to, 41 percent cite the next 12 months as the timeframe for making these improvements.

Published ahead of the International Energy Agency's ninth Energy Efficiency Conference, which will be held in Nairobi, Kenya in May this year, the survey sought to investigate Energy Efficiency investment readiness. This survey was a follow-on from its previous "Accelerating Ambition" survey conducted in 2022 and sought to analyze differences compared to 2022 across industries.

Moving data to the cloud (71 percent) is the most common energy efficiency measure currently invested in by businesses, followed by performing energy efficiency audits (69 percent), and improving energy efficiency of cooling systems (64 percent). Businesses cite several key reasons for investing in energy efficiency. Over half (52 percent) aim for cost savings, 48 percent prioritize corporate sustainability commitments, while 41 percent seek to improve energy resilience.

The global survey conducted in February 2024 gathered responses from 1,282 business leaders across 13 countries. These countries included China, Germany, Italy, the US, the UK, India, Sweden, Brazil, Spain, Mexico, Malaysia, Indonesia, and Argentina. Notably, there were large variances between respondent answers from different countries. For example, while moving data to the cloud was overall the most common energy efficiency measure invested in by businesses, only 56 percent on businesses in China were undertaking this measure and this percentage jumped to 80 percent for businesses in Mexico. Similarly, 77 percent of Indonesian businesses are installing connectivity to their physical assets, while only 40 percent of business in Sweden are doing so.

Respondents represented a range of industries such as manufacturing, transportation, energy generation and heavy industry, and reflected varying business levels – from owner and executive to managers and specialists.

While there is optimism and appetite among businesses to invest in energy efficiency, the survey also identified barriers. Remaining high costs (53 percent) were seen as the highest barrier to improving energy, followed by downtime or disruption (34 percent), and a lack of specialist resources (33 percent) and digital skills (30 percent). Notably, the number of businesses unsure of how to improve energy efficiency decreased in the two years since the previous survey (from 24 percent in 2022 to 19 percent in 2024). This shows that businesses are becoming more familiar with energy efficiency, again reflected in the fact that most respondents (93 percent) feel that they have somewhat had access to support or information on energy efficiency.

There are growing concerns among industry leaders over the lack of grid power for businesses in the coming years, with 41 percent of businesses expressing at least moderate concerns about the limited supply for production. To combat this, businesses are adopting energy efficiency measures (44 percent), introducing on-site renewable energy sources (42 percent), and installing backup generators (38 percent) among other actions.

Mike Umiker, Managing Director of the Energy Efficiency Movement, commented: "Our findings underscore a pivotal shift in corporate strategy at an important stage in the energy transition. From moving data to the cloud to conducting energy audits, these initiatives are not only a response to rising energy costs and concerns over the lack of grid power in the coming years but also a reflection of a deep-seated commitment to sustainability and resilience. We, as the Energy Efficiency Movement seek to provide businesses with the necessary guidance to navigate the energy transition. By using established technologies, as outlined in *The Case for Industrial Energy Efficiency"*, they stand ready to make strides in meeting their commitments to decarbonization."

To read the full report: click here.

Join the Energy Efficiency Movement now and accelerate your journey to net zero.

The **Energy Efficiency Movement** is a forum that brings together like-minded stakeholders to innovate and act for a more energy-efficient world. Through innovation, the sharing of knowledge and insights, adoption of available energy-efficient technologies, smart investments and the right regulations and incentives, we can optimize energy efficiency and accelerate progress toward a decarbonized future for all. The Movement was launched in 2021 and has received a positive reaction throughout industry, with hundreds of companies joining in more than 40 countries. www.energyefficiencymovement.com

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