Energy-Efficiency-Watch (EEW2) Results and outlook

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EUFORES
European Forum for Renewable Energy Sources
“European Parliamentarians for a sustainable energy future”

• European Network of Members of Parliament for the promotion of renewable energy and energy efficiency (MEPs + MPs EU27)
• Forum for information and discussion among political decision makers and interface for exchange among MPs and related stakeholders
• Activities:
  – European Inter-Parliamentary Meetings
  – Monthly meetings of the EUFORES MEP-Group in the European Parliament
  – National parliamentary workshops
  – Briefings of the EU Council Presidency
  – Projects (REPAP2020, Energy-Efficiency-Watch etc.)

• Board of Presidents:
  Claude Turmes, MEP, EUFORES President
  Fiona Hall, MEP, Vice-President
  Anni Podimata, MEP, Vice-President

• EUFORES Extended Board – 20 MEPs
• Active Members in many national parliaments
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EEW2 Project Summary

Project Goals:
- Coherent **implementation and improvement** of the ESD, National Energy Efficiency Action Plans (NEEAPs) and related energy efficiency legislation
- Increased **awareness**, level of knowledge and experience exchange amongst **Parliamentarians, civil servants and other stakeholders** across Europe on energy efficiency

Specific Objectives:
- **Feedback from the market** via survey on the implementation of ESD, NEEAPs and related policies
- **Exchange of experience and good practice** on political and legislative measures, instruments and activities
- Information **dissemination** to key political decision makers (MEPs, MPs, civil servants, mayors) and the public in order to facilitate the implementation of ESD, the NEEAPs and related policies

Target Groups:
- Members of European Parliament, National Parliamentarians
- Civil servants in public administration (national level)
- Experts/Regional/Local networks

Duration
- 1 September 2010 – 31 August 2013

Co-financed by
- European Commission - Intelligent Energy Europe
- Co-Financers from industry
Project Partners

Coordinator:
- EUFORES – European Forum for Renewable Energy Sources
  http://www.eufores.org

Partners:
- Wuppertal Institute for Climate, Environment and Energy
  http://www.wupperinst.org
- ECOFYS - Research and Consultancy on Renewable Energy, Energy Savings and Climate Policies
  http://www.ecofys.com
- ECEEE – European Council for an Energy Efficient Economy
  http://eceee.org
- FEDARENE - European Federation of Regional Energy and Environment Agencies
  http://www.fedarene.org/
- Energy-Cities - Association of European local authorities for the promotion of local sustainable energy policies
  http://www.energy-cities.eu
- ESV - Upper-Austria Energy Agency
  http://www.esv.or.at
Key activities of EEW

**Activation, consultation and strengthening of different core networks**
- Parliamentarians (European Parliament, EU27 national Parliaments)
- Annual Events: ECEEE, FEDARENE, Energy-Cities, ESV
- Energy efficiency industry & other energy efficiency stakeholders

**Development of content, competence and advice**
- Stakeholders feedback: How far has the implementation of energy efficiency policies come since the first round of NEEAPs in 2007?
- Survey among experts and other stakeholders
- Policy packages and good practice: Residential, Tertiary and industry, Transport, Public sector, Appliances, Overarching governance frameworks
- Screening of NEEAP2s

**Dissemination and political debate**
Spreading the expertise and initiating the discussion among political decision makers (MEPs, MPs, civil servants, mayors) and the public.
- Workshops for national parliamentarians and stakeholders
- EEW2 brochure, Website
- "EU Presidency Briefings" with MEPs
- EEW2 conferences and events
- media campaigns, newsletters, press releases
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Political Background

- The "Energy Service Directive" - ESD process will be of high relevance up to 2016 with two more rounds of National Energy Efficiency Action Plans (NEEAPs) being published
- 2nd round of NEEAPs due in June 2011, 3rd in 2014
- Energy saving target of 20% in 2020 - might not be met
- European Energy Efficiency Plan expected in March 2011 (European Parliament requests BINDING target 20% for 2020)
- EU Energy 2020 strategy: "Achieving an energy efficient Europe"
- New legislative proposals signalled from the European Commission
  - Recast of Energy Service Directive
  - Revision of the Combined Heat and Power Directive (CHP)
- "Hunger" for feedback from markets and stakeholders – desire to learn why efficiency policies do not deliver enough results
More ambition in energy efficiency policy needed

- Energy efficiency is the **biggest, fastest, and most cost-effective** option for saving energy and mitigating climate change
- Energy efficiency delivers multiple benefits:
  - increased energy security
  - reduced energy bills
  - creating jobs and new innovative markets
  - non-energy benefits (comfort, health, productivity, competitiveness)
- BUT: variety of **market failures** and other **barriers** impeding large-scale uptake of energy efficiency improvement measures
- EU recognised opportunities of energy efficiency
  - target of 20% primary energy savings vs. BAU by 2020
  - need for a favourable policy framework (ESD, EPBD, EuP, Labelling, etc.)
Large energy savings gap to 20% target calls for more policy effort

A Tripling of Policy Impact is required to meet the EU’s 20% Energy Savings Target

Source: FhG ISI/Ecofys 2010
EEW Evaluation first round of NEEAPs

- Impressive scope of policy measures
- Coherent energy efficiency policy packages
- Very heterogeneous in their content and ambitions
- Services Directive structural flaws:
  - missing common methodology for calculation
  - reporting template
  - lack of an ambitious energy savings target.
What to expect from NEEAP2?

- Non-mandatory template and guidelines provided by the European Commission

- Increased focus on: **calculation of achieved and expected energy savings** (incl. detailed information on methods used)

- **Detailed description of individual measures** and sectoral packages requested (narrative illustration, enable **impact evaluation**)

- Strengthening of ESD provisions: separate chapters requested on role of **public sector**, advice and **information**, contributions from **energy companies**, market for **energy services**

- NEEAP2 as **comprehensive, strategic policy tool** → shall outline complete national strategy and ambition in terms of energy efficiency, i.e. report on **all efforts**, targets, measures and energy savings, **not only ESD-related** ones; (incl. EPBD reporting and 20% strategy, i.e. primary energy savings target)
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Policy recommendations (1):
Creating favourable framework conditions

- Independent **energy agencies** can play a key part
- Energy efficiency mechanisms (3 options)
  - **Energy efficiency obligations** on energy companies to save energy at their customers’ sites – White certificate schemes
  - **Energy saving trusts** (or ‘energy efficiency funds’)
  - “**Feed-in-tariffs**” for certified energy savings
- Infrastructure planning / **spatial planning** can set the right framework (very important for buildings and transport)
- Local energy efficiency networks can link relevant actors and foster exchange of experience (e.g., **networks of SMEs, networks on building refurbishment**)
- Promoting **energy (efficiency) services markets** and other forms of private sector and NGO involvement
Policy recommendations (2): Success factors for developing effective national energy efficiency policies

- **Favourable framework** conditions (as described above)
- Credible **political commitment**, adequate and **stable funding** and organisational framework
- **Involve stakeholders** in the implementation process
- Co-ordinate with activities at **local/regional level**
- Target setting and **good policy planning/design**
- Analyse **saving potentials per sector/end-use area**
- **Link to target**: sectoral contributions
- Coherent, actor-oriented **sectoral policy packages**
- Establish **effective monitoring and evaluation**
- **Review policies** based on ex-ante estimates or ex-post evaluation results
Developing effective sectoral policy packages

Policy Packages for Final Energy Consumers

- Information
  e.g. Inform. Campaigns, Labelling, Certificates, Auditing

- Funding and Financing
  Subsidies for building retrofitting, investments in efficient technologies

- Advice and Consultancy
  e.g. initial advice for buildings

- Regulation
  e.g. Energy Standards for Buildings and Appliances

Policy Packages for Suppliers of Energy Services and Measures

- Education and Quality Assurance

- Networks and Voluntary Agreements

- Market-based Instruments and Services (e.g. Energy Performance Contracting)

- Frameworks for securing funding and implementation infrastructure (funds, obligation schemes)

Institutional Measures
e.g. Energy Agencies
Ideal sectoral policy packages – Buildings sector

- **Minimum Energy Performance Standards (MEPS)** for buildings as a whole and for related equipment
- **Mandatory Energy Performance Certificates**
- **Information programmes** and **demonstration projects** (to make benefits tangible)
- **Financial incentives** (e.g. tax breaks, soft loans) for energy-efficient new-build and renovation
- **Education and training** for all supply chain actors (architects, planners, builders, installers, financiers, etc.)
- Consideration of energy efficiency aspects in **spatial planning** (to avoid lost opportunities)
- **Funding of R&D on ultra-low energy buildings**
- **Awards** and **competitions** for examplary low-energy buildings
Good practice examples: successfully implemented policy packages in the buildings sector

- **Upper Austria**: Comprehensive multi-pillar building programme
  - Combines progressive standards with financial incentives, individual advice, general awareness raising and targeted professional training
  - As a result, energy consumption was reduced by >50% in 95% of all new buildings, and several hundred passive houses were built

- **United Kingdom**
  - Regularly tightened MEPS (today 40% more efficient vs. 2002)
  - Ambitious Zero Carbon target for all new homes from 2016
  - Successful supplier obligation
  - Planned innovative financing scheme: Pay As You Save
  - Several other programmes targeting fuel poverty and whole-house refurbishments
Outlook and Policy Conclusions

- The NEEAP2 process provides a great opportunity for Member States to
  - a) better co-ordinate their national energy efficiency efforts and
  - b) to make their policies more effective through better integration and increased focus on target groups.
- Chance to discuss a harmonised and accepted methodology for calculating energy savings.
- NEEAP2 as a comprehensive policy tool:
  - Member States can boost energy efficiency
  - win-win-win situations for their citizens, their economies and for the environment
- The needed triple impact needs triple intelligence of the European energy efficiency policy system – EU needs to listen and learn now!
Published reports

- **EEW1 Brochure**: Promoting Energy Efficiency in Europe
- **EEW1 Final Report** on the Evaluation of the National Energy Efficiency Action Plans I
- **EEW2 Wrap up paper**: Improving national energy efficiency strategies in the EU framework

Downloads at:

http://www.energy-efficiency-watch.org
EEW – Contact

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