



**CONCERTED ACTION
ENERGY EFFICIENCY
DIRECTIVE**

New or updated energy efficiency measures introduced in Member States

Executive Summary 1.4

NEEAPs and annual reports and measuring progress in energy efficiency

**Vesna Bukarica, University of Zagreb, Croatia
Laurence Cheyrou, Ministry of Energy, France
Ulla Suomi, Motiva Oy, Finland**

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1 Summary

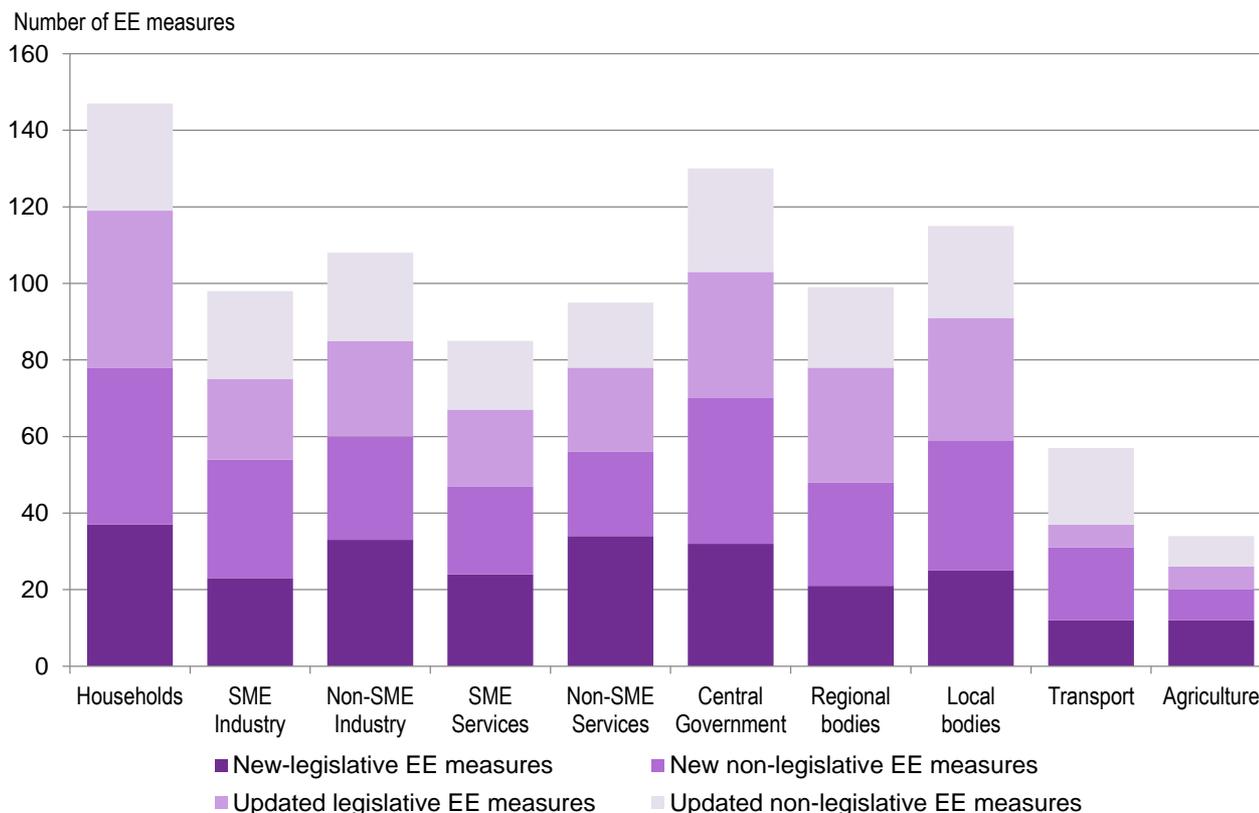
Member States (MS) were obliged to deliver their first Energy Efficiency Directive National Energy Efficiency Action Plan (NEEAP-3) by April 30th 2014 and to notify the implementation of the Energy efficiency Directive (EED) to the Commission by 5th June 2014. With new NEEAPs in place and national implementation plans well underway, it was therefore possible to ask MS to report on new or updated energy efficiency measures that fulfil EED requirements and were introduced after the NEEAP-2 in 2011.

Information in this report is based on information provided by MS via a questionnaire (June 2014) and input received during the session at the Plenary Meeting in Milan in October 2014.

Many new or updated EE measures have been introduced since NEEAP-2 in 2011

MS have numerous energy efficiency (EE) measures that were introduced before 2011 to comply with the Energy Services Directive (ESD) requirements which are still in place and are also fulfilling many EED requirements. According to MS responses, many of the EE measures have been updated due to EED or some other reason. In addition, since the 2011 NEEAP-2, many new legislative or non-legislative measures have been introduced serving different target groups or sectors and meeting requirements in different EED articles. This demonstrates MS's overall efforts to implement different kinds of measures in order to implement EED.

Figure 1: Number of new or updated legislative and non-legislative EE measures after NEEAP-2 (2011) reported to be introduced by 26 MS for different target groups or sectors

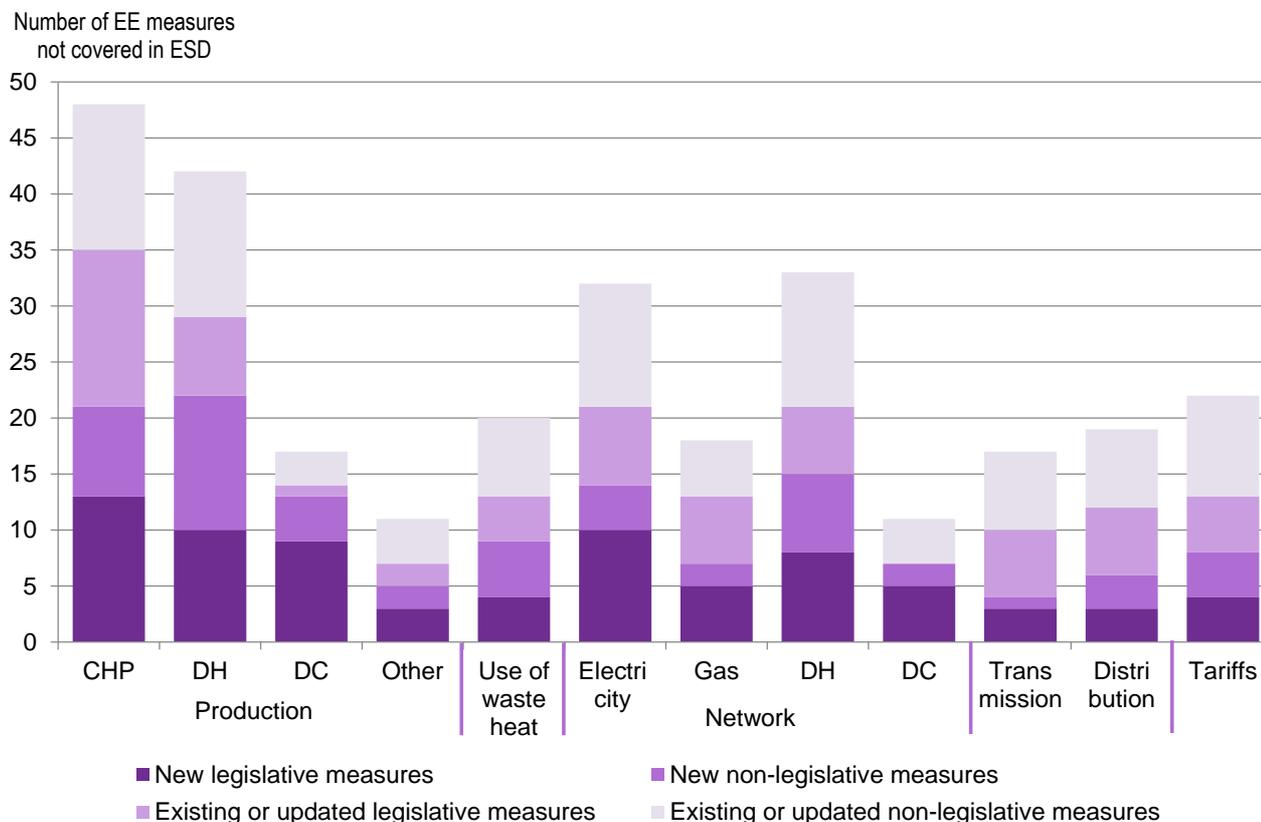


There are big variations in MS with regard to EE measures in areas not covered in ESD

EE measures relating to energy production, transmission, distribution and tariffs were not in the scope of ESD and MS did not generally report these in NEEAP-2. In the questionnaire, MS were therefore asked to report on existing as well as new or updated measures. About two thirds of MS reported they have existing or new measures in this

area. However, the survey revealed that there are still many MS that have no legislative or non-legislative EE measures for energy production, transmission and distribution prior to NEEAP-3. This leads to the conclusion that EE policies across the MS are mainly focused on end-use sectors, inherited from the implementation of ESD.

Figure 2: Number of new or existing/updated legislative and non-legislative EE measures in the areas that were not covered in ESD (energy production, transmission, distribution, tariffs) introduced by 26 MS related to different areas/sectors



More activity on sharing experiences on EE measures would be welcomed

MS reported many concrete examples of new or updated legislative and non-legislative EE measures but only a few volunteered to share their experiences in Milan. This applied to all measures but was emphasised especially in regard to the measures targeting areas that were not before in the ESD scope (energy production, transmission and distribution). This could be due to many new or updated measures still being in the start-up phase with few results available. Another reason may be related to the status of the national implementation of EED. Whatever the reason, MS are encouraged to share their experiences on their EE measures – good or bad – in forthcoming Plenary Meetings. Participants clearly indicated their desire to hear more from all participating countries.

Split incentives (also handled in WG5.4)

CA EED participants shared their experiences relating to the barriers to introduce measures to tackle the split incentive challenges and there seemed to be an underrepresentation of measures to this area. In addition to this, research dedicated to Energy Services focused on the issues of split incentives.

2 Conclusions

New or updated measures after NEEAP-2 in 2011

All MS have introduced one or more new or updated EE measure since the 2nd NEEAP in 2011. The number of measures introduced in areas that were not covered in ESD (energy supply, distribution, transmission) is significantly lower than those targeting end-use sectors.

New or updated measures after NEEAP-2 covering the ESD scope

- Around 300 new or updated EE measures introduced in MS
- 40 to 60% of these EE measures are new depending on target group or sector
- Single reported EE measures often target several target groups

New or existing/updated measures in the areas not covered by ESD

- Around 100 new or existing/updated EE measures introduced in MS
- Dominant EE measures, both new and existing/updated, are in the areas of combined heat and power (CHP) and district heating (DH) production, followed by measures related to electricity and DH networks
- Some MS do not yet have EE measures for energy production, transmission and distribution

Few measures introduced to tackle the challenge of split incentives

CA EED participants shared their experiences related to the barriers to introduce measures to tackle the split incentive obstacles, while at the same time it was recognised measures addressing this problem were only exceptionally reported to be in place. The possible barriers and solutions discussed are provided below:

The main barriers to introducing measures to address split incentives identified in Milan were:

- Rent contracts include the supply of energy
- Non-existence of minimum energy efficiency standards in the rental sector
- Non-existence of regulation as to who is supposed to bear the costs of retrofit (owner or the tenant)
- If retrofit is undertaken, the retrofit loans are usually longer than the lease contracts, hence the debt on a property is inherited by new tenant
- In the case of multi-apartment buildings, there are huge variations in the required percentage of approvals from apartment owners to make energy efficiency improvements.

Other barriers were also discussed such as unstable political will, changing priorities, and a lack of a legislative framework or financial support.

Possible solutions for solving the split incentive problem

Cooperation

- There is an obvious need for more information and more intensive dialogue between stakeholders, which needs to be supported with stable political will to solve the problem

Obligations

- Minimum energy requirements for buildings and dwellings that are rented, but also the introduction of regulations to oblige the tenant (who benefit from energy savings) to implement energy efficiency retrofit
- With regard to buildings used by government, leases should take into account energy efficiency and energy costs (green public procurement principles should be applied)

Financing

- Financing of energy efficiency works should be made easier through guarantees, financial contributions by the tenant (to some extent), green leases and the utilisation of ESCO principles

Finally, it has to be noted that in a number of MS there are bigger problems related to energy efficiency that need to be solved in their MS, hence their focus is not put on the split incentive issue.

3 Practical Examples

Ireland, Italy, Malta and the Netherlands provided insights into their new or updated legislative or non-legislative energy efficiency measures introduced after the 2nd NEEAP in 2011.

3.1 Member state examples

National Energy Services Framework (NESF), Ireland

In late 2013, Ireland launched a new measure including a three-step approach to delivering energy performance contracting. It consists of a policy framework, energy efficiency fund and exemplars/technical support. One of the key objectives is to ensure that energy performance criteria form part of every energy project.

The presentation with more details is available at the CA EED website <http://www.ca-eed.eu/good-practices/member-state-presentations/neeaps/new-or-updated-ee-measures-introduced-in-ms> (>National Energy Services Framework – Ireland)

Renewable Energy for Heating & Cooling Support Scheme “Conto Termico”, Italy

In 2012, Italy introduced a new support scheme to improve energy efficiency in existing buildings and small-scale projects consisting of systems for the production of thermal energy. The scheme is targeting both public and private sectors.

The presentation with more details is available at the CA EED website <http://www.ca-eed.eu/good-practices/member-state-presentations/neeaps/new-or-updated-ee-measures-introduced-in-ms> (>Renewable energy for heating & cooling support scheme – Italy)

Grant Schemes to improve the energy consumption of the light vehicle fleet, Malta

Malta has updated their grant scheme where the objective is to speed up the removal of old cars from circulation. The incentive is paid for cars over 10 years old if they are scrapped at an authorised facility.

The presentation with more details is available at the CA EED website <http://www.ca-eed.eu/good-practices/member-state-presentations/neeaps/new-or-updated-ee-measures-introduced-in-ms> (>Grant schemes to improve the energy consumption of the light vehicles, Malta)

Energy Agreement for Sustainable Growth, The Netherlands

The Netherlands has negotiated an umbrella agreement for instruments and measures where the aim is to achieve a completely sustainable energy supply system by 2050. The agreement brings together more than forty organisations with divergent interests.

The presentation with more details is available at the CA EED website <http://www.ca-eed.eu/good-practices/member-state-presentations/neeaps/new-or-updated-ee-measures-introduced-in-ms> (>The Energy Agreement for Sustainable Growth, The Netherlands)

3.2 ODYSSEE-MURE databases – indicators and policies/measures

The presentation by the coordinator of the IEE-project ODYSSEE-MURE introduced the content and new features in ODYSSEE and MURE databases, as well as features under development. Links to both these databases are available at <http://www.odyssee-mure.eu/>. The ODYSSEE database is partially password protected. However passwords are available upon request from didier.bosseboeuf@ademe.fr to all registered CA EED participants.

The presentation with more details is available at the CA EED website <http://www.ca-eed.eu/good-practices/member-state-presentations/neeaps/new-or-updated-ee-measures-introduced-in-ms> (>ODYSSEE-MURE presentation)

For more information please email
ulla.suomi@motiva.fi

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The Concerted Action for the Energy Efficiency Directive (CA EED) was launched by Intelligent Energy Europe (IEE) in spring 2013 to provide a structured framework for the exchange of information between the 29 Member States during their implementation of the Energy Efficiency Directive (EED).

For further information please visit www.eed-ca.eu or contact the CA EED Coordinator Lucinda Maclagan at lucinda.maclagan@rvo.nl



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