



Directorate-General  
for Energy  
and Transport

  
EUROPEAN  
COMMISSION

## Energy Services in Europe On the way to success

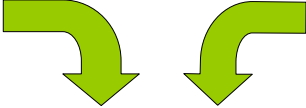
K. Kellner – Adviser to  
A. González-Finat, Director, Dir D,  
New and renewable sources of  
energy, energy efficiency and  
innovation

22 November 2007



## INTEGRATING ENERGY & ENVIRONMENT


Energy Policy for Europe (Strategic Energy Review)	Limiting Global Climate Change to 2°C
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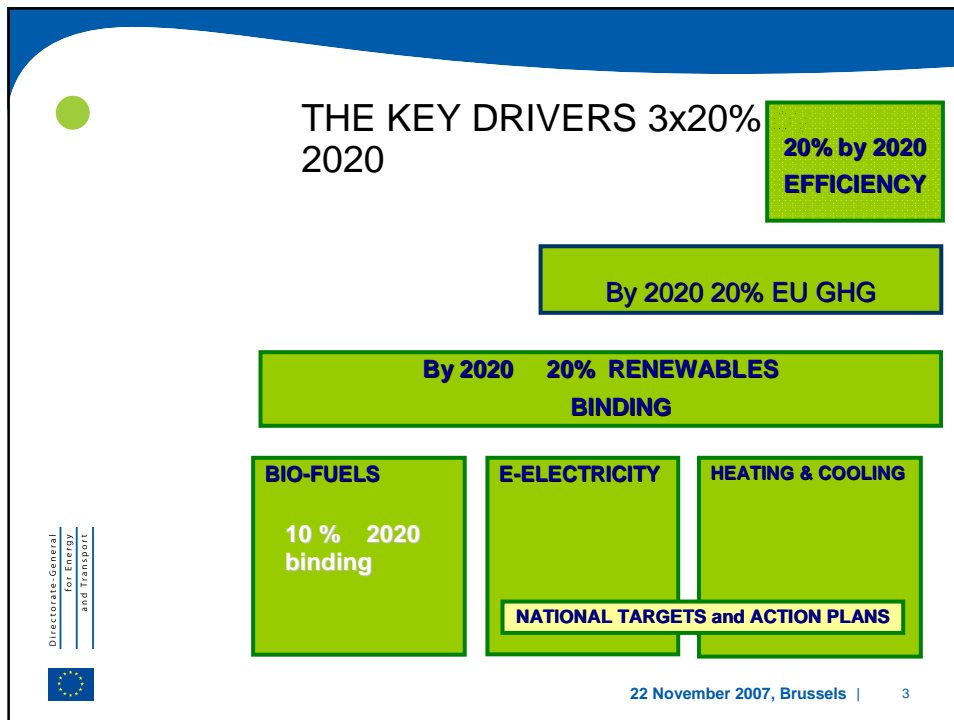
### STRATEGIC OBJECTIVE

*A unilateral **EU** independent commitment of  
at least **20%** GHG emission reduction by  
2020, compared to 1990 levels  
And a 30% reduction if broader participation*

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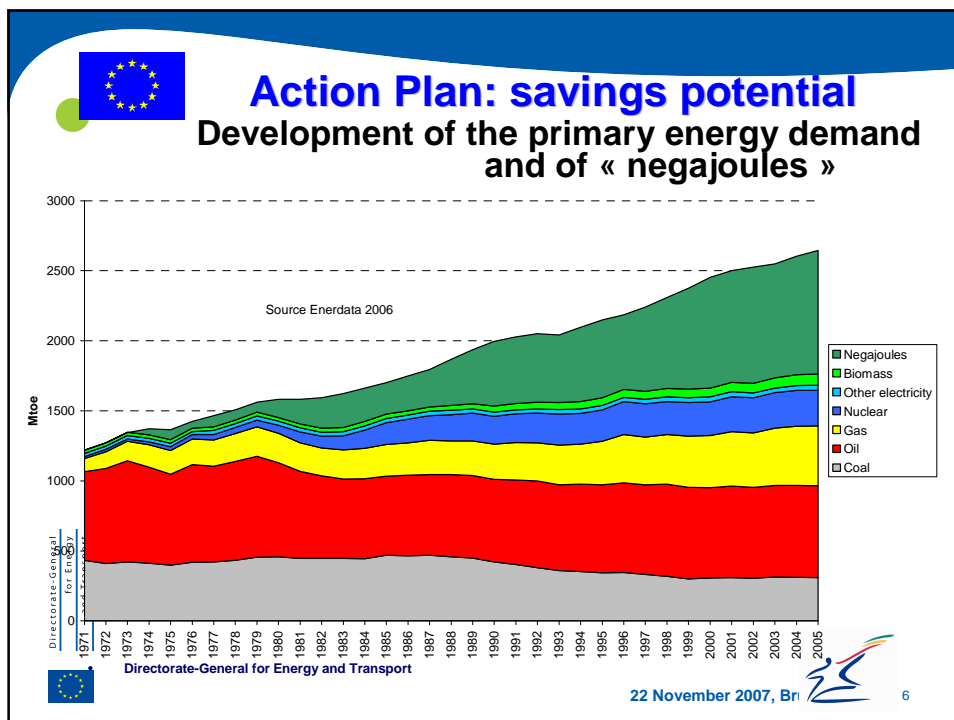
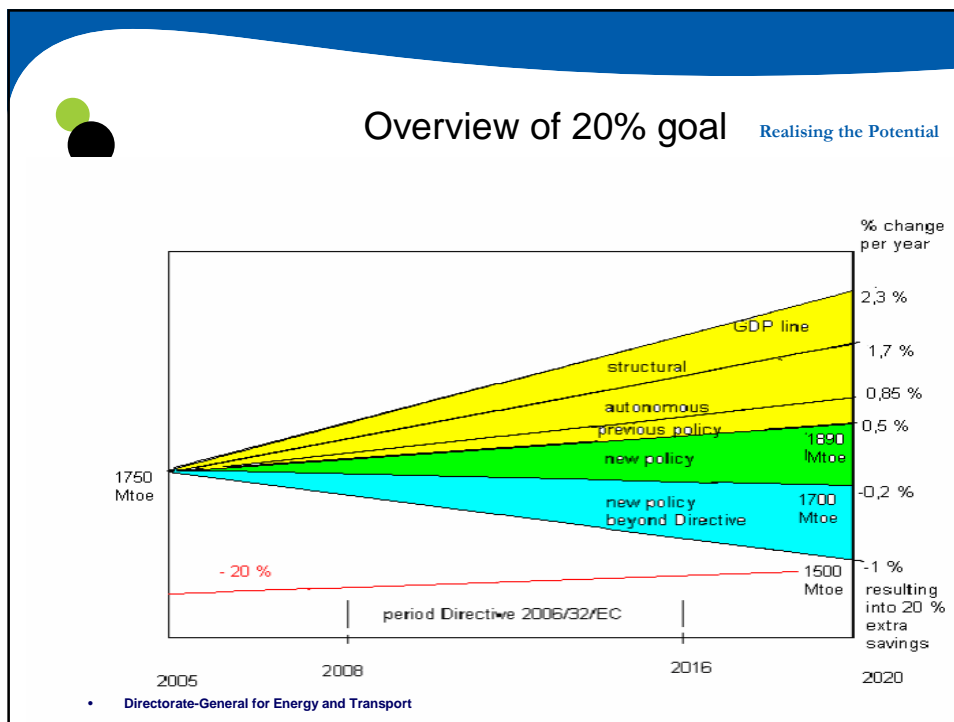
### 3. ENERGY EFFICIENCY



Saving 20% energy by 2020

- **Energy Efficiency Action Plan - adopted on 19 October 2006**
- Realising the Potential:
  - Transport - fuel efficient cars; better use of public transport; introduction of biofuels
  - Appliances - tougher standards and better labelling
  - Buildings - improving the energy performance of the EU's building stock
  - Improving the efficiency of heat and electricity generation (CHP), transmission and distribution

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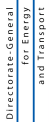
## Action Plan: the savings potential

**Target Energy Saving Potential: 20% by 2020**


**Energy efficiency potential in different sectors<sup>1</sup>:**

- **Manufacturing industry: up to 27%**
- **Transport: up to 30%**
- **Commercial buildings: up to 26%**
- **Households: up to 25%**

<sup>1</sup> Wuppertal Institute 2005.


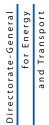


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## III. Benefits

- ✓ **Increase in Energy Efficiency „20% by 2020“**
  - ✓ **EE Action Plan : Save more than €100 billion and around 780 Mt CO<sub>2</sub>/year – 1/5 of today's emissions**
- ✓ **Technical progress**
  - ✓ Efficiency gains
  - ✓ Sustainable fuel mix and more renewables
- ✓ **Internal Market**
  - ✓ Efficiency gains and competitive price
  - ✓ Downward pressure on costs for downstream industries and consumers
  - ✓ Enhanced solidarity between Member States
  - ✓ Credibility of speaking with « one voice »
- ✓ **Broader and wider Emission Trading Scheme**
  - ✓ Reduction of abatement costs for regulated industries and sectors
  - ✓ Stimulation of growth and job creation and innovation



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## Action Plan: the strategy

- mobilising the general public, policy-makers at all levels of governments and market actors
- to transform the internal energy market to provide EU citizens with the globally most energy-efficient infrastructure, buildings, appliances, processes, transport means and energy systems



## Action Plan: policies and measures

- I. **Dynamic energy performance requirements for energy-using products, buildings and energy services**
- II. **Improving energy transformation**
- III. **Moving on transport**
- IV. **Financing energy efficiency, economic incentives and energy pricing**
- V. **Changing energy behaviour**
- VI. **International partnerships**



- Energy Services Directive 2006/32/EC
  - Overview
  - MS transposition of the ESD
  - National Energy Efficiency Action Plans
  - European Commission ESD obligations and EEAP activities to support implementation of ESD
  - Next steps

- **The Energy Services Directive**  
*Purpose and objectives*

- Enhance cost-effective improvement of energy end-use efficiency in Member States through
  - » providing necessary indicative targets, mechanisms, incentives and institutional, and legal frameworks to remove market barriers and imperfections impeding efficient end use of energy
  - » creating conditions for development and promotion of a market for energy services and for delivery of other energy efficiency improvement measures to final consumers
- To realise the potential and contribute to security of energy supply, competitiveness and sustainable development



## Transposition of the ESD

*All Articles except 14(2) – MS deadline 17 May 2008*

*Article 4:* Indicative target of 9% by end of 2016

*Article 5:* Public sector exemplary role

*Article 6:* Energy distributors, DSOs, and retail sales

*Article 7:* Availability of information

*Article 8:* Qualification, accreditation and certification

*Article 9:* Financial instruments for energy savings

*Article 10:* Efficient tariffs

*Article 11:* Funds and funding mechanism

*Article 12:* Energy audits

*Article 13:* Metering and improved billing

*Article 15:* Methodological framework (EC obligation)



## National Energy Efficiency Action Plans

*Transposing Article 14(2) and 14(5)*

- Member State deadline for notifying NEEAP: **30 June 2007**, 30 June 2011, 30 June 2014 (Art 14(2))
- 1st NEEAP should be forward looking, next ones should cover past results and future measures
- European Commission to publish report with its conclusions after 6 months of above MS deadlines (Art 14(5))



## ● National Energy Efficiency Action Plans

### *Transposing Article 14(2)*

- First NEEAP should include:
  - » Overall savings target (by 2016)
  - » Intermediate savings target (by 2010)
  - » Measures to fulfil the exemplary role of the public sector (Art 5)
  - » Measures to fulfil the obligation concerning availability of information (Art
- Template giving overview of ESD minimum reporting requirements was provided to MS (developed by EMEEES project). MS do not have to use it but NEEAPs following the template will significantly ease EC analysis and assessment

## ● National Energy Efficiency Action Plans

### *Transposing Article 14(5)*

- EC report on 1st NEEAPs should:
  - » assess whether the strategy and measures being put in place by MS seem realistic with a view to achieving the 9% indicative savings target
  - » identify best practices
  - » if measures seem insufficient, make recommendations for improvements



## ● Transposition of the Directive, process

- Drafting of the National Energy Efficiency Action Plans would involve assessing how far existing policies and programmes meet its requirements, and identifying suitable policies to fill compliance gaps
- Drafting of NEEAP probably requires considerable analysis; the commissioning of studies to assess options may be necessary in support of inter-service and public consultations on the plan
- MS would probably benefit from exchanging information between themselves on how to transpose the ESD: Some Member States may have fairly advanced policy frameworks, whereas others may have less developed ones
- Article 16 Committee is a Platform for exchanging information
- Concerted Action is being proposed by MS within the 2008 Intelligent Energy Europe Programme WP. Majority of MS have committed to participate.



## ● Status National Energy Efficiency Action Plans

### *Transposing Article 14(2)*

- 16 (17) MS have submitted NEEAPs (as of 16 Nov 07)
- 4 MS have submitted drafts that are subject to government approval
- 5 MS have submitted letters communicating late submission
- EC has initiated infringement procedures
  - » 12 MS have received Letters of Formal Notification for failure to notify NEEAP: EC press release on 17 Oct 2007



## ● European Commission activities *Status re obligations stemming from ESD*

- Assessment of NEEAPs ongoing but delayed due to late submission of plans by MS (Art 14(4))
- Development of monitoring, measurement and verification methodology (Art 15 (2))
- Energy efficiency benchmarks and indicators (Art 15(4))
- Harmonised life times of energy efficiency measures (Art 15(2))
- Commission Study of ESD energy savings potentials



## ● Next steps

- EC will issue Communication on NEEAPs (Art 14(5))
- EC is planning a MS conference on the transposition of the Directive as part of EUSEW 2008:
  - Brussels, January 30, 2008
  - Possibility of streaming/VOD is being explored
  - Programme available on [www.eusew.eu](http://www.eusew.eu), focuses on:
    - experiences regarding NEEAPs
    - challenges ahead concerning transposition and 2nd NEEAP
    - what is needed by Member States in order to transpose and implement the directive successfully?
    - what can the Commission do to be of help to MS?



## ● Conclusions

- The Energy Services Directive is complex and challenging for both MS and EC
- In most Member States the drafting of a good National Energy Action Plan will probably require extensive analysis and inter-service and public consultations with relevant actors to ensure effective and successful implementation
- Need to create ownership of NEEAP: Buy-in from those who will have to carry out/facilitate/offer actions on the ground is a crucial success factor
- Proper transposition of the Energy Services Directive will in most Member States require extensive cooperation between Government Ministries and Departments plus consultations with relevant actors – both **public and private** – at **all levels, national, regional and local**



## ● IV. Financing energy efficiency

5. **Facilitating appropriate financing of energy efficiency investments for SMEs & Energy Service Companies; private-public partnerships; clearing houses; performance contracting; energy audits**
6. **Spurring energy efficiency in new Member States - Structural & Cohesion Funds**
7. **A coherent use of taxation**



## 5. RESEARCH Funding

In the 7th Framework Programme (FP) energy  
funds increased by 50% in comparison with the  
last FP:

2007-2013

- Energy: €2350 million  
(>50% for RES and energy efficiency  
-eco building, industry, poly-generation )

DG TREN: CONCERTO-Initiative

- Environment (including climate change)  
€1890 million



## FP7 & CIP

### **Competitiveness & Innovation Programme**

- Comprises 3 Specific Programmes
- About 0.4 billion € foreseen for “eco-innovation” and 0.7 billion € for “Intelligent Energy-Europe (IEE) II”
- IEE II to combine non-investitive supporting of market preparation activities AND “replication” projects (new!)



**FP7: Demonstrations,  
dissemination of knowledge  
and innovation-related  
activities (within projects)**



**CIP: Innovation support  
networks and take-up of  
proven technologies**

## European Commission activities

### *Intelligent Energy Europe Programme*

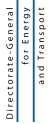
- In the 2008 IEE Work Programme in support of ESD:
  - » Renewal of the Energy Services Initiative
  - » MS proposal for Concerted Action put forward
  - » CEN standardisation - Proposal for 6 ESD related European Norms:
    - Energy audits for industry, buildings and transport
    - Energy management systems
    - Energy services
    - Qualification of energy managers and experts
    - Bottom-up and top-down measurement and verifications methods
    - Benchmarking methodologies for energy use in industry and other sub-sectors




## Cohesion Policy Structural and Cohesion Funds (2007-2013)

- Structural Funds (Cohesion, Competitiveness & Employment...) in particular European Regional Development Fund (ERDF)
- Greater emphasis to Renewables, Energy Efficiency and technology transfer
- Ca. 8.2b€ allocated to energy projects, of which 80% for Renewables and for Energy Efficiency
- Operational programmes are decisive for fund spending (one per fund and per region)
- Management through regional/ national administration, not through the European Commission





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## ENERGY FOR A CHANGING WORLD

Further information

All documents are available :


on the climate and energy package  
[http://ec.europa.eu/energy/energy\\_policy/index\\_en.htm](http://ec.europa.eu/energy/energy_policy/index_en.htm)

EC, DG TREN: RES policy & RTD programmes  
[http://europa.eu.int/comm/energy/res/index\\_en.htm](http://europa.eu.int/comm/energy/res/index_en.htm)

EC, DG TREN: agencies, partners, programmes  
<http://www.managenergy.net>

EC, IEAA: Intelligent Energy Executive Agency  
[http://ec.europa.eu/energy/intelligent/index\\_en.html](http://ec.europa.eu/energy/intelligent/index_en.html)

All NEEAPs and related MS communications are available at:  
[http://ec.europa.eu/energy/demand/legislation/end\\_use\\_en.htm#efficiency](http://ec.europa.eu/energy/demand/legislation/end_use_en.htm#efficiency)



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## ENERGY FOR A CHANGING WORLD

Further information

Energy Research web site and Energy Helpdesk  
[http://ec.europa.eu/comm/research/energy/index\\_en.html](http://ec.europa.eu/comm/research/energy/index_en.html)  
[rd-energy@ec.europa.eu](mailto:rd-energy@ec.europa.eu)

Energy Policy  
[http://ec.europa.eu/comm/energy/index\\_en.html](http://ec.europa.eu/comm/energy/index_en.html)

Calls for proposals  
<http://cordis.europa.eu/fp7/dc/>

Towards Seventh Framework Programme  
[http://ec.europa.eu/comm/research/future/index\\_en.htm](http://ec.europa.eu/comm/research/future/index_en.htm)

Conferences, proceedings, Newsletter  
[http://ec.europa.eu/comm/research/energy/gp/gp\\_events/action/article\\_2720.htm](http://ec.europa.eu/comm/research/energy/gp/gp_events/action/article_2720.htm)  
<http://ec.europa.eu/comm/research/energy/pdf/renews4.pdf>



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***Thank you for your attention.***

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Multi-country Workshop on Best Practice in Transposing Directive 2006/32/EC | 29

