

Follow-up of the energy efficiency national action plans: a first assessment

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PURPOSE: to present the first evaluation of the national energy efficiency actions plans (NEEAP) as required by Directive 2006/32/EC on energy end-use and energy services.

CONTENT: Directive 2006/32/EC requires Member States to prepare a NEEAP and to notify it to the Commission by 30 June 2007. For the purpose of the first NEEAP, each Member State should have adopted an overall national indicative savings target of **9% or higher, to be achieved by the end of 2016**, and an intermediate national indicative savings target for 2010. They should also show in their first NEEAPs how they intend to reach these energy savings targets, describing the strategy and measures being put in place to achieve them. They should show, in particular, how they intend to comply with the provisions on the exemplary role of the public sector and the provision of information and advice on energy efficiency to end users.

A first review of the 17 NEEAPs submitted by the Member States shows that five Member States have adopted a savings target that goes beyond the minimum indicative target of 9% (notably Cyprus, Lithuania, Italy, Romania). While most seem to present a business-as-usual approach, some are more progressive, but without a clear definition as to what the new measures will be and how they will be implemented.

Although the first action plan provides some encouragement, there appears to be a gap between the political commitment to energy efficiency and the proposals aimed at facing up to these challenges.

The main measures highlighted in the first evaluation to promote energy efficiency concern the following issues :

The exemplary role of the public sector: the public sector is required to play an exemplary role, encouraging other actors to undertake energy efficiency actions across all sectors of the economy. Several Member States have set out comprehensive action plans in this field, demonstrating that they are stepping up to the challenge and leading by example. Ireland, for example, has adopted an ambitious public sector savings target of 33% by 2020, and Germany has committed to a 2012 CO₂ reduction target of 30% for the public sector compared with 1990 levels, to be achieved mainly through energy efficiency improvement measures. The United Kingdom aims for carbon neutral central government buildings by 2012.

Proposed mechanisms are as follows: promote exchange of best practices and replication of good ideas among public sector bodies, at local, national and international level; putting in place a major retrofit programme for its federal buildings; the use of energy audits (all resultant recommendations with a pay-back period of 5 years or less will be required to be implemented); applying the Code for Sustainable Homes to all housing developments; introducing programmes to update obsolete public street lighting systems; sustainable public procurement.

Awareness raising, education and training: From the NEEAPs, it seems that most Member States will advocate energy efficiency via general information campaigns and/or targeted efforts linked to incentive schemes. Such information measures, coupled with clear price signals, tariffs encouraging energy

efficiency and better feedback on actual consumption, through improved billing and smart meters, should put end-users in a position to take better-informed decisions on their energy use and on taking up energy efficiency incentives.

Providing incentives and mechanisms: financial and fiscal incentives are important in reducing transaction costs and perceived risks associated with adopting new technologies and novel practices. The NEEAPs present an array of incentive programmes. Many are horizontal in nature, addressing more than one sector: the expansion of *passive* or low energy buildings; a reduced value added tax rate to be applied to suppliers of services relating to construction, renovation and insulation of residential houses financed with state and municipal budget resources; putting in place an Energy Investment Deduction, a tax rebate scheme for private companies, which can be applied to the purchase or production of energy efficient equipment and sustainable energy; voluntary agreements between the national government and public and private sector actors; the importance of promoting Energy Service Companies (ESCOs); credit facilities targeting the commercial and residential sectors.

Providing the necessary institutional infrastructure: most Member States have energy agencies. They play an important part in the implementation of energy efficiency policies and programmes. Agency mandates and scope differ. As there are more than 350 local and regional agencies in the EU, this approach could be replicated in other Member States to make better use of the resources that these agencies represent.

Transport and spatial planning: most Member States face considerable challenges in the transport sector and many of those that have experienced rapid growth and heavy increase in private car ownership recognize that radical measures may now be necessary to reverse the trend. Certain countries are presenting measures concerning spatial planning aiming at reducing energy use and emissions and improving the quality and extent of the transport infrastructure.

Through eco-driving initiatives Member States are aiming to improve the fuel efficiency of vehicles, thereby reducing greenhouse gas emissions, improving road safety and reducing the number of accidents.

Next steps: the Commission looks forward to further plans and to the exchange of experience and best practice and it will do its part to help Member States with their implementation of the plans.

In the coming months, the NEEAPs received by the Commission will be subject to analyses to assess whether they seem realistic with regard to achieving the savings targets identified in the plans. The Commission will consult with Member States on the review of NEEAPs before the assessment is published. Meanwhile the infringement procedure against the Member States that have yet to notify NEEAPs continues, and the Commission will closely follow the further transposition of the Directive.

That is why the Commission has suggested that Member States establish a Concerted Action on the Directive under the 2008 Intelligent Energy Europe Work Programme. The purpose of the Concerted Action is to facilitate the exchange of experiences between Member States and ensure a more rapid uptake of best practices throughout the Community.

The Commission will launch a web-based stakeholder platform to gather and present stakeholder input (industries and their umbrella organizations, local and regional actors, as well as non-governmental organizations representing consumers and environmental interests, etc).

Lastly, progress towards strategic objectives agreed in March 2007 will be assessed in the 2nd Strategic Energy Review. The Review should help in formulating recommendations for future policy development, and in taking forward further work on an EU energy policy for Europe.