Implementation and impact of the energy efficiency measures under the cohesion policy

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The Committee on Regional Development adopted the own-initiative report by Mojca KLEVA KEKUŠ (S&D, SI) on the implementation and impact of the energy efficiency (EE) measures under Cohesion Policy.

The report supports the EU's commitment to achieve the objective of increasing EE by 20 % by 2020 and asks the Member States to pave the way for further savings beyond this date.

The experience of the current funding period shows that the funds set aside for energy efficiency from the European Structural and Investment Funds cannot be fully exploited. The report stresses, therefore, that in the **financial framework for 2014-2020** – in which the share of funding set aside for energy efficiency is greater than before – care must be taken to facilitate access by local and regional authorities to these funds.

Members note that **European Structural and Investment Funds** could help provide incentives for private investment in energy-efficient products, transport modes, buildings, industry, works and services.

The report stresses that the Member States should see the use of **European Structural and Investment Funds for EE as an investment opportunity** with a **high leverage effect** and not as an expenditure. It calls on the Commission to revise the rules on State Aids further in order to allow greater national funding for EE alongside European investments.

(1) Importance of the buildings sector: Members welcome the new opportunities offered by, and the more important role in realising the EE objectives given to, the ERDF and the Cohesion Fund in the programming period 2014-2020. They support in particular the **future role of Cohesion Policy funding in the entire building sector**, **including housing**.

The report points out that in 2010 the **energy consumption in buildings constituted the largest share of the total final energy consumption in the EU** – 40%, of which households accounted for 26.7% – and that this consumption accounted for 36 % of the Union's CO2 emissions.

The Commission is called upon to find ways to **encourage efforts to ensure that the greatest energy saving potential does not remain untapped** by delivering proposals for clear objectives as regards to the energy consumption of buildings in Member States.

The Member States are urged to: (i) introduce, within their operational programmes, **simple and non-bureaucratic procedures** for the use of funding earmarked for the improvement of household energy efficiency; (ii) ensure that decentralisation arrangements give municipal authorities **direct access to funding** for household energy efficiency; (iii) maximise the use of national and regional programmes to ensure that a high degree of EE is designed into new buildings.

(2) Raising awareness and information dissemination: the report highlights that the lack of detailed information regarding the characteristics of the building stock at the regional level presents a major barrier for national and regional authorities when formulating strategies and plans.

The Commission is called upon to **improve the quality and the dissemination of practical information** on EE issues available to local and regional authorities. It encourages the Managing Authorities, in the

programming period 2014-2020, to promote integrated projects by adopting a **holistic approach** to EE on a territorial level.

(3) Capacity building and technical assistance: the report invites the Member States to increase capacity building, using technical assistance budgets, in order to **strengthen the effective participation of local, regional and civil society actors** in the design of regional and local energy strategies. It encourages Member States to continue to use funds to provide technical assistance at all levels. The report encourages further administrative support to local and regional authorities in order to assist them create groupings of small and medium-sized energy efficiency projects.

(4) Role of financial instruments: the report stresses that a **combination of grants and Financial Instruments (FI)** can serve as a successful and innovative approach to leverage private funding, create new models of private-public partnerships and enhance innovation.

The Commission is invited to: (i) present without delay proposals for **off-the-shelf FI** to be available in support of EE measures; (ii) improve further the targeted financial support of the European Investment Bank (EIB), the European Bank for Reconstruction and Development (EBRD), the Council of Europe Development Bank (CEB) and the European Energy Efficiency Fund (EEEF) for EE projects.

Member States are called upon to **share best practices in the design of national energy efficiency funds** , whereby European Structural and Investment Funds can be used as equity contributions, or similar, and be aligned with additional funding sources from the private sector.

(5) Climate realities: the report highlights the importance of **regularly assessing whether EE measures and requirements are still adequate** given climate realities and calls on the Commission to consider this carefully when preparing a set of **performance indicators**.

Members call on the Member States to set demanding targets for ensuring that public buildings, and buildings serving other purposes, meet the highest EE standards provided by in Directive 2010/31/EU, and to make them subject to energy certification on a regular basis.

Lastly, the report stresses the need to take account as well of the specific geographical characteristics of the outermost regions (OR) with regard to EE.