

# Energy end-use efficiency and energy services

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The Commission presents a progress report on the application of **Directive 2006/32/EC** on energy end-use efficiency and energy services and on the application of [Directive 2004/8/EC](#) on the promotion of cogeneration based on a useful heat demand in the internal energy market.

In accordance with the requirements of Directive 2006/32/EC on energy services, Member States were required to fix and aim to achieve a national indicative energy savings target for 2016 of at least 9% of final energy. Most of the provisions of this Directive have been replaced by more precisely detailed provisions in the EED. However, the requirements related to the 9% target will not be repealed until 2017.

**Quality of EEAPs:** the Directive on energy services (ESD) requires that Member States report on their main adopted and planned energy efficiency measures in their Energy Efficiency Action Plan (EEAPs). In general, the Commission considers that the overall quality of the second EEAPs submitted by the Member States in 2011-2012 under the framework of the ESD was **much higher than that of the first EEAPs**, which were submitted in 2007-2008.

**Final energy savings:** in practice implementation of the ESD has resulted, above all, in measures targeting energy end use, for example, **programmes to refurbish and renovate buildings**.

Almost all Member States reported, in their second EEAPs, measures covering both new and existing buildings as well as residential and tertiary buildings.

**Encouraging results:** Member States' EEAPs indicate high levels of final energy savings achieved up to 2010 and suggest that **the 9% indicative target for 2016 will be comfortably exceeded by most Member States**. Total final energy savings for 2010 as declared by the Member States were approximately 59 Mtoe (million tonnes of oil equivalent). **Total final energy savings of around 132 Mtoe are forecast for 2016**, well in excess of the 9% indicative target of approximately 89 Mtoe. Spain and Germany forecast the highest levels of savings, while four Member States (Austria, Czech Republic, Denmark and Estonia) quantify 2016 savings that are lower than 9% of their reference energy consumption.

**The levels of overall savings achieved and forecast** in the second EEAPs are higher than other indicators of energy efficiency improvement rates. According to the second EEAPs, Member

States that use mostly top-down indicators declare **an energy efficiency improvement of 6.6% for the 3-year intermediate period (2007-2010)**, or an average annual improvement of over 2.1% of reference consumption. This figure is in contrast with the average rate of final energy intensity reduction of around 1.2% recorded for the years 2000-2009 by the Odyssee project.

The Commission states that this is encouraging and shows that Member States' commitment pays off in terms of energy saving.

**Financing:** in terms of financing energy saving measures, the use of **EU funds** as well as revenues from the sale of Assigned Amount Units (AAUs) under the **Kyoto Protocol** have been reported by a number of Member States. At the same time, efforts to increase the involvement of the private sector in the financing of energy efficiency improvements are on the rise throughout the EU.

**Horizontal measures:** the number of promising horizontal measures has increased from the first to the second reporting period. In line with this, **energy savings obligations now form a key part of efforts to encourage accelerated rates of energy savings.** Established white certificate schemes were reported as being already operational in five Member States. Two Member States report in their second EEAP the upcoming introduction of such schemes.

**Energy Services Companies ('ESCOs'):** these remain a further key area of financing energy efficiency in the EU. In line with this, a number of Member States indicate the provision of **model contracts for energy services**, the introduction of legislation or the removal of legal barriers to open energy services in the public sector to ESCOs.

The Commission concludes that the progress achieved should be maintained in views of achieving the EU's ambitious 2020 energy savings target of 20%, and the concrete transposition and implementation of the EED, a key instrument to achieving that target.

It states that **proposals for additional measures or amendments to the ESD Directive are not considered appropriate** at this time.