

Energy end-use efficiency and energy services

2003/0300(COD) - 26/09/2005 - Commission communication on Council's position

The Commission accepts the Council's Common Position in light of the fact that most of the changes are acceptable compromises and act as a good basis for the second reading of the proposal. Generally speaking, the Common Position is faithful to the spirit of the Commission's original proposal.

There are, however, two exceptions to the rule, namely changing the nature of the overall savings target from *binding* to *indicative* and removing the public sector from the savings target.

There are many issues incorporated into the Common Position, which the Commission considers positive to the overall final look of the Directive. They refer, in particular, to matters such as improved definitions, a satisfactory comitology process and a useful framework for measuring energy efficiency improvements. Other matters considered an improvement on the original proposal are the additional flexibility for the cost-effective implementation of the Directive within the Member States. In addition, the Commission commends the Common Position for introducing the promotion of financial instruments for energy efficiency investments and the use of innovative tariff structures, the enhanced structure of efficiency funds and the availability and quality of assurance of energy audits.

In spite of the many improvements, however, the Commission regrets the absence of meaningful mandatory targets in the Common Position. The Commission, therefore, underscores that it cannot accept the Common Position's modification of the 1% mandatory overall savings target to an indicative target. For the same reason, the Commission cannot accept a weakening of the 1.5% mandatory public sector target by making it a simple requirement for the Member States to ensure that the public sector undertakes energy efficiency measures. Moreover, the Commission deems it unacceptable that the Common Position includes a recital reiterating that indicative targets are not legally binding. Given that Member States have expressed their agreement for improved energy efficiency, the Commission perceives a certain inconsistency in the concern voiced by the Member States regarding infringement procedures for non-achievement of the target level of savings. This is in view of the fact that Member States need only take those measures that are cost-effective. Also, while the "energy-consuming" behaviour of individual citizens and undertaking may sometimes be difficult to influence as much as is desirable, energy efficiency improvements in the public sector can be strongly influenced.

Generally speaking, the Commission is concerned that by not meeting the overall annual savings target set forth in the proposal, Member States and the EU as a whole will find it difficult to meet their Kyoto commitments. Further, a unique opportunity to improve the security of the EU's energy supply will be lost. To conclude, the Commission recognises the merits of the Common Position describing it as a useful stepping-stone upon which to build further. As such it can also act as a useful instrument to go back and resolve a few of the outstanding issues concerning meaningful targets and the need to accept a leading role for the public sector.