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## **Energy Efficiency Watch: How to trigger Best Practice Policies?**

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# Policies for Energy Efficiency – why?

- EE is the cheapest and easiest way of climate protection
- Technologies are there – pay back times often < 10 years
- So why is it not (sufficiently) happening?
- Basically because business models work like this:  
*More energy sold = higher profit*
- No interest in destroying one's own market

⇒ Paradigm shift needed:

*The less energy is consumed, the higher my profit!*

**This will not happen on its own, so POLICIES are needed**

# How to identify best practice policies?

- Many different approaches for EE policies in EU-27
  - What works well? Which is the best one?
  - 1:1 transfer impossible – different economic situations, administrative cultures, etc.
  - answers have to be given in a country specific way, but **design criteria** can be identified
  - Important policy making tool: National Energy Efficiency Action Plans (NEEAPs)
  - To be presented by all EU-MS in three steps: 2007, 2011, 2014
- => Evaluated by Energy Efficiency Watch

# EEW1 – what has been evaluated?

- Did all countries submit a NEEAP?
  - Yes, although often with serious delay
- Has target setting been in line with required 9% savings?
  - Yes, some states even set higher targets (UK 18%, RO 13,5%)
- Exemplary role of public sector?
  - Generally yes – detailed measures only in 15 states
- Level of detail of described measures?
  - Extremely heterogeneous – difficult to compare
- Focus on supply side / Energy Services?
  - Only 30% of states mention ESCOs
- Financing of measures?
  - Partly no clear indication given
- Handling of Additionality / ‚Early Savings‘?
  - Weakness of ESD: von 0 – 45%, discussions ongoing!
- Calculation methodology?
  - Not uniform – intransparent!

# EEW1 – Summary of results

- **Minimum** requirements complied
- NEEAPs extremely **heterogeneous – hardly comparable**, esp. calculation method
- Public sector: only **moderate representation**
- Level of detail: measures, financing and calculations **not comprehensive / often intransparent**
- Plenty of **new suggestions**:
  - **Innovative** policy approaches
  - Mutual **learning process** initiated
  - Step towards **coherent policy packages**

# Scope of EEW2

- Scientific evaluation of 2nd NEEAPs
- Implementation of suggested amendments from EEW1 to be assessed (Standardized reporting format, methodology for calculation, level of detail, etc.)
- Presentation of ‚good practice‘
- Facilitate exchange between EU-MS
- Discussion impulses for relevant actors:  
How can on EU- and member state level
  - More ambitious policies
  - Exchange of experience
  - Closure of gaps in instrumentsbe achieved?

# Ingredients of good practice policies

Three types of policy instruments:

- Mandatory measures
  - Economic incentives
  - Information / awareness raising campaigns
- ⇒ Combined Policy Package leads to better results
- ⇒ Works best in combination with a clear vision

Current energy priorities of most EU-MS:

1. Energy security
2. Sustainability
3. Affordability

Which part is playing energy efficiency?

# Considerations on political relevance of EE

Current energy priorities of EU-MS:

1. Energy security => Diversification of supply
2. Sustainability => RE / EE (Various measures)
3. Affordability => Cost efficient solutions

Which part is playing energy efficiency?

- ⇒ Only implicit component, no priority in itself
- ⇒ rather weak political role, no positive vision
- ⇒ Not triggering ambitious policies

# Considerations on political relevance of EE(2)

For ambitious policies: clear and positive statement about the political status is required!

- Existing economic policy EU positions:
  - ‚most competitive and dynamic knowledge-based economy in the world‘ (Lisbon-Strategy)
  - Resource efficiency / ‚Low-carbon-economy‘ are key issues in various economic policy documents and processes
- What could be a key policy for EE in the EU?

⇒ Formulating another target : **Global technological leading role** in the field of EE

# Considerations on political relevance of EE(3)

China has explicitly formulated the political aim, to become the global technology leader in solar energy

The EU has excellent starting conditions, to enforce a similar claim for EE-technologies

If this situation should continue, innovations need to be stimulated

This is only possible with ambitious EE-policy!

# Opportunities for Europe

Economic policy strategy, Europe 2020`:

- Reaching the 20% RE target will result in about 600,000 new jobs
- In combination with the EE- target it would lead to more than a million new jobs

2% annual savings compared to the status quo would result in a tremendous competitive boost for European industry

=> From the consequent gearing of economic and energy policies, the required target can be derived.

# Thank You For Your Attention!

For more information visit:

[www.energy-efficiency-watch.org](http://www.energy-efficiency-watch.org)

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