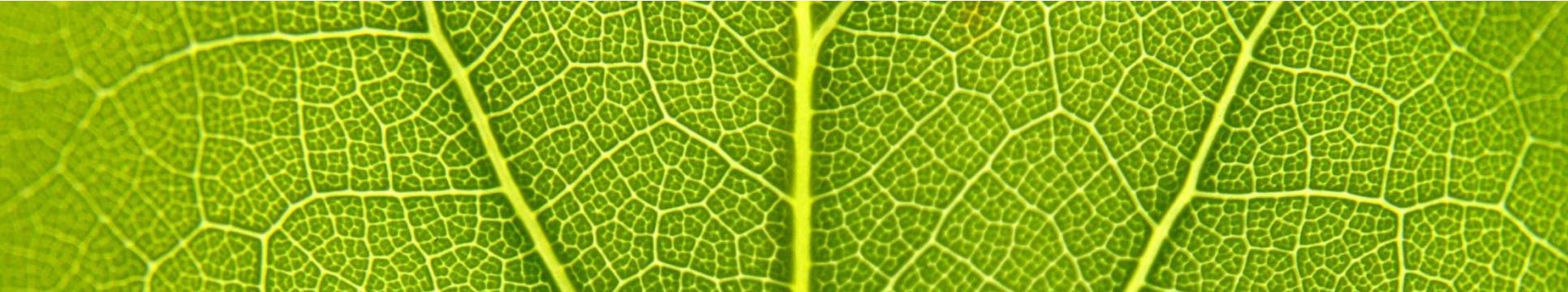




sustainable energy for everyone



# The Energy Efficiency Watch

How to promote EU's first fuel better?  
Key recommendations for the  
implementation of Energy Efficiency

08/10/2016

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# The EEW consortium

## Managing partners



**ECOFYS**

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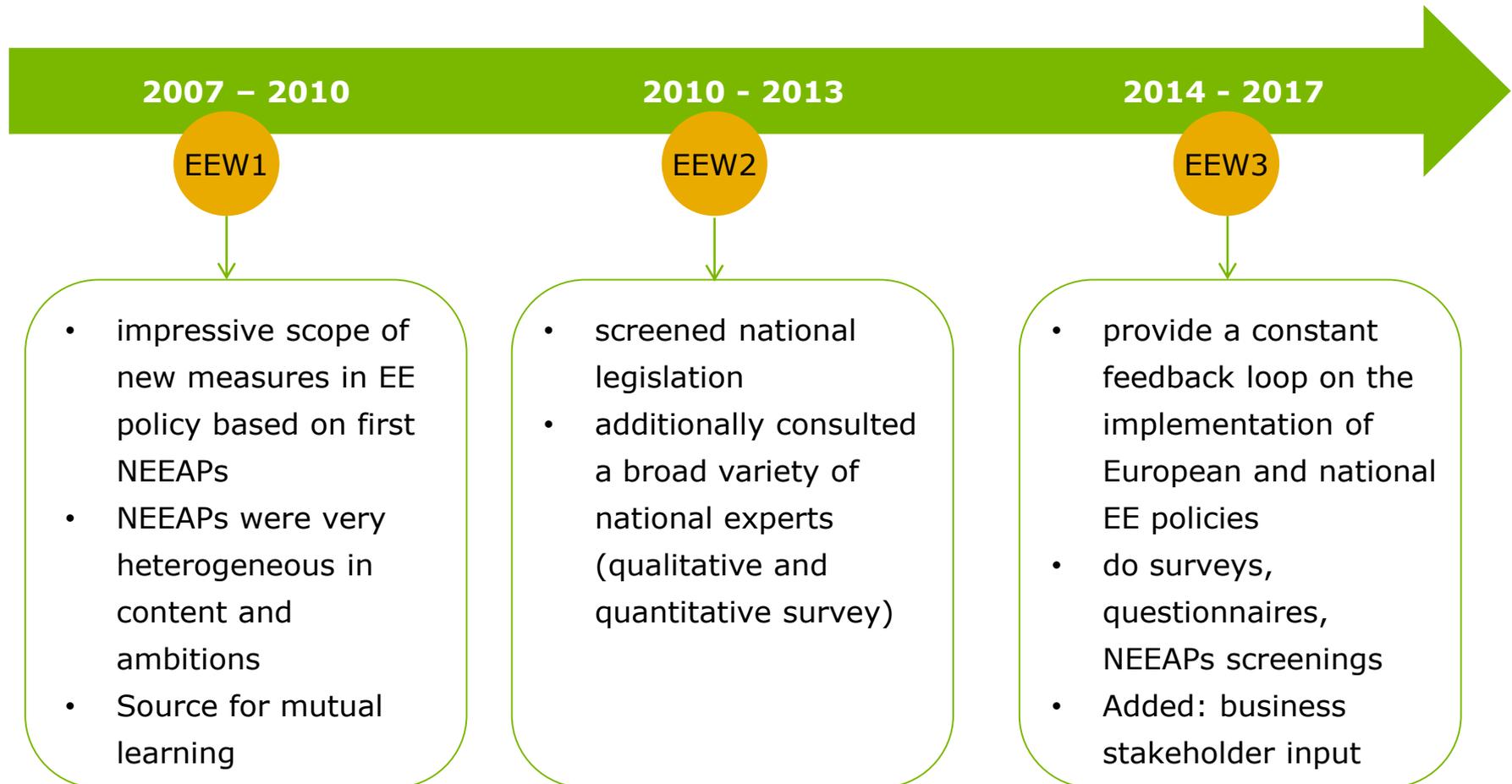


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Co-financed by:



# The Energy Efficiency Watch Project (EEW) aims to facilitate the implementation of the Energy Efficiency Directive

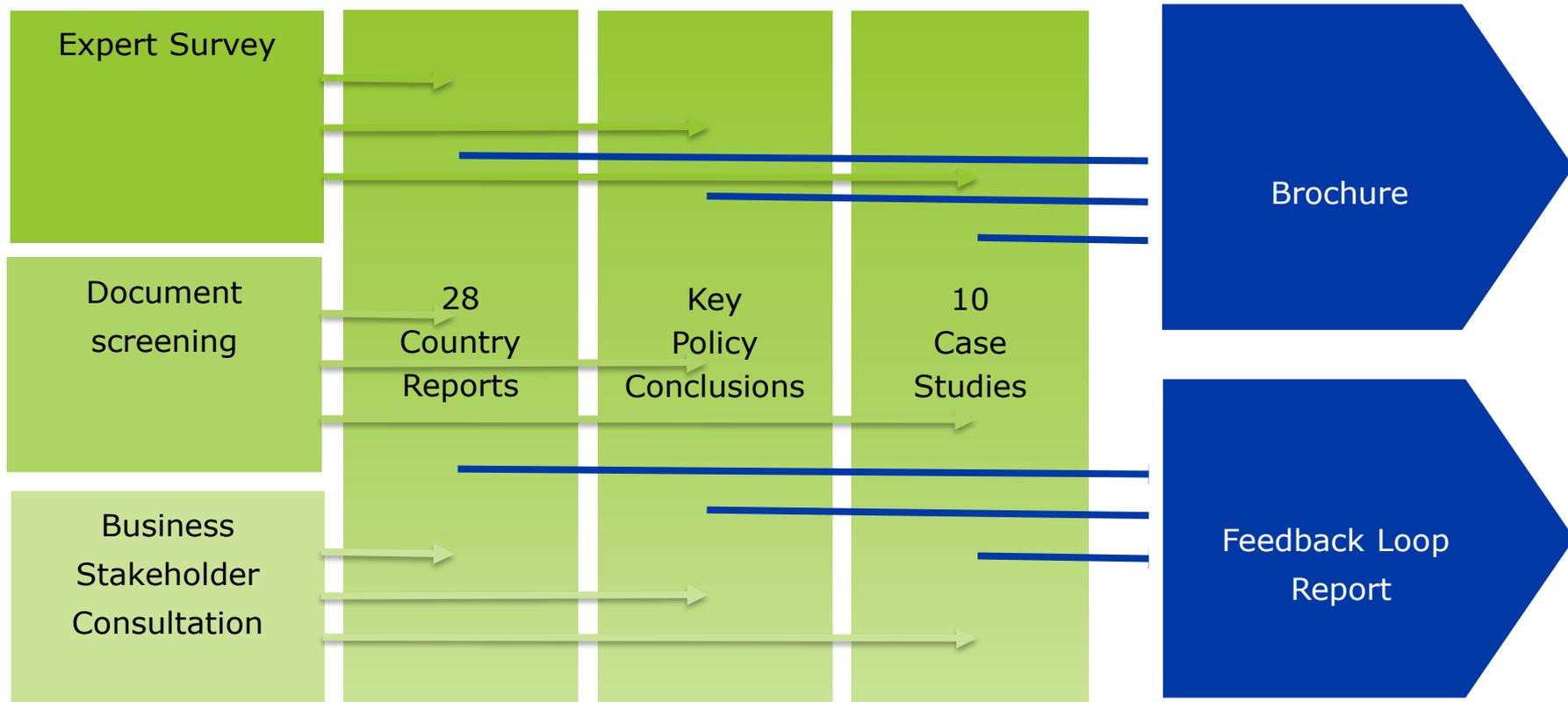


# The EEW analysis combines input from the 28 NEEAPs, national experts, the business community, the EP and EC

Input phase

Analysis + Conclusion phase

Dissemination phase



# Policy making – What has changed 2007-2016

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## 2007

- > When NEEAP process was started in 2007, hardly any EE policies were around
- > Many approaches were still rather theoretical
- > It was often doubted whether broad EE policies could address complex savings potentials

## 2016

- > Today, we have an impressive toolbox of EE policy instruments
  - > Many of them are really good practice!
  - > Decentral EU approach provides great variety
- => Yes we can! EU-28 has succeeded in developing good EE policies!

# Good practice policies & market response

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Three examples for new features and developments in markets & policies:

1) Initially, policy approaches focused on standard cases (e.g. cheap potentials in buildings); Now: trend towards large and complex saving potentials in industry

⇒ triggered e.g. by combining auditing and saving obligation

2) New stakeholders evolving: project developers (ESCOs) specialised on identifying and using saving potentials

⇒ Some policy instruments create higher market dynamics than others

3) Exact quantification of savings possible e.g. through digital measurement

⇒ economic value of savings increases when EE policy is coupled e.g. with smart metering

# Implementation?

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- > Despite our ability to design good policies, our weak part is often implementation
  - > An instrument is as good as you make it
  - > If political will is missing, the best instrument will fail
- ⇒ Essential for success is a ‚positive narrative‘, convincing to a majority of the public and the stakeholders involved
- ,This is why we want EE! Let`s go for it!`
- ⇒ National ‚Narrative‘ is key, broad consensus independent of political majorities
- ⇒ Often heard: ‚we have to - Brussels is telling us‘
- ⇒ Develop own story, comprising multiple benefits of EE: energy security, technological innovation, job creation, regional added value, health, poverty reduction, ...

# Multiple benefits

- > Energy efficiency
  - can save EU consumers ca. EUR 78 billion annually by 2020
  - strengthens competitiveness and energy security
- > EU policies have beneficial impacts
  - The Energy Labelling and Ecodesign Directives alone have achieved about 175 million toe in primary energy savings annually, comparable to the energy use of 60 million households



Figure 1: Benefits of Energy Efficiency (Source: IEA 2014)

# Savings

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- > According to the JRC, EE-targets for 2020 have already been reached by 2014
- > Some unsharpness about effect of economic crisis, but it can clearly be assumed that EE is predominant
- > Given the weak implementation on overall level, this is already a big achievement
- > It allows for two conclusions:
  - Targets were set way lower than actual economic potential
  - Yes, we're much better in technological innovation than we think

# Role of business stakeholders

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- > Business stakeholders are playing a key role
- > They are enabling the transition by new technologies and new business models where **saving** is the business case
- > Key question: how do business stakeholders view EE legislation?
- > EEW3: five national EE business workshops, across all sectors
- > Croatia, Poland, Germany, Denmark, Italy
- > Very different conditions & levels of EE business
- > But: all rank EE business opportunities very high
- > Ask for clear framework: reliable, long-term, at reasonable transaction cost
- > Paradigm shift in business community:
  - no longer: regulation is bad for business
  - but: we acknowledge the need for quantified energy savings – give us guidance on the transformation and we will manage

# How to proceed?

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- > We are much better in EE than we think
  - > We are global technology leaders – let's use this potential
  - > If we don't, others will!
  - > To further trigger this potential, we need policy framework and targets
  - > There is sufficient proof that EU regulation has already helped innovative technologies to establish in the market
  - > Partnership needed between politics & business on managing the transformation
  - > Acceptance needed: no ‚one fits all‘ - develop right narratives, find good arguments for the respective context
  - > Then to be merged into one overall EU story line:
    - „Yes, we want to be world technology leader in EE!
    - We want to make it our first fuel!“
- ⇒ We should not be afraid! We can do it! Better and cheaper than we think!

Please contact us for more information



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