



sustainable energy for everyone



The Energy Efficiency Watch

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

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ECOFYS

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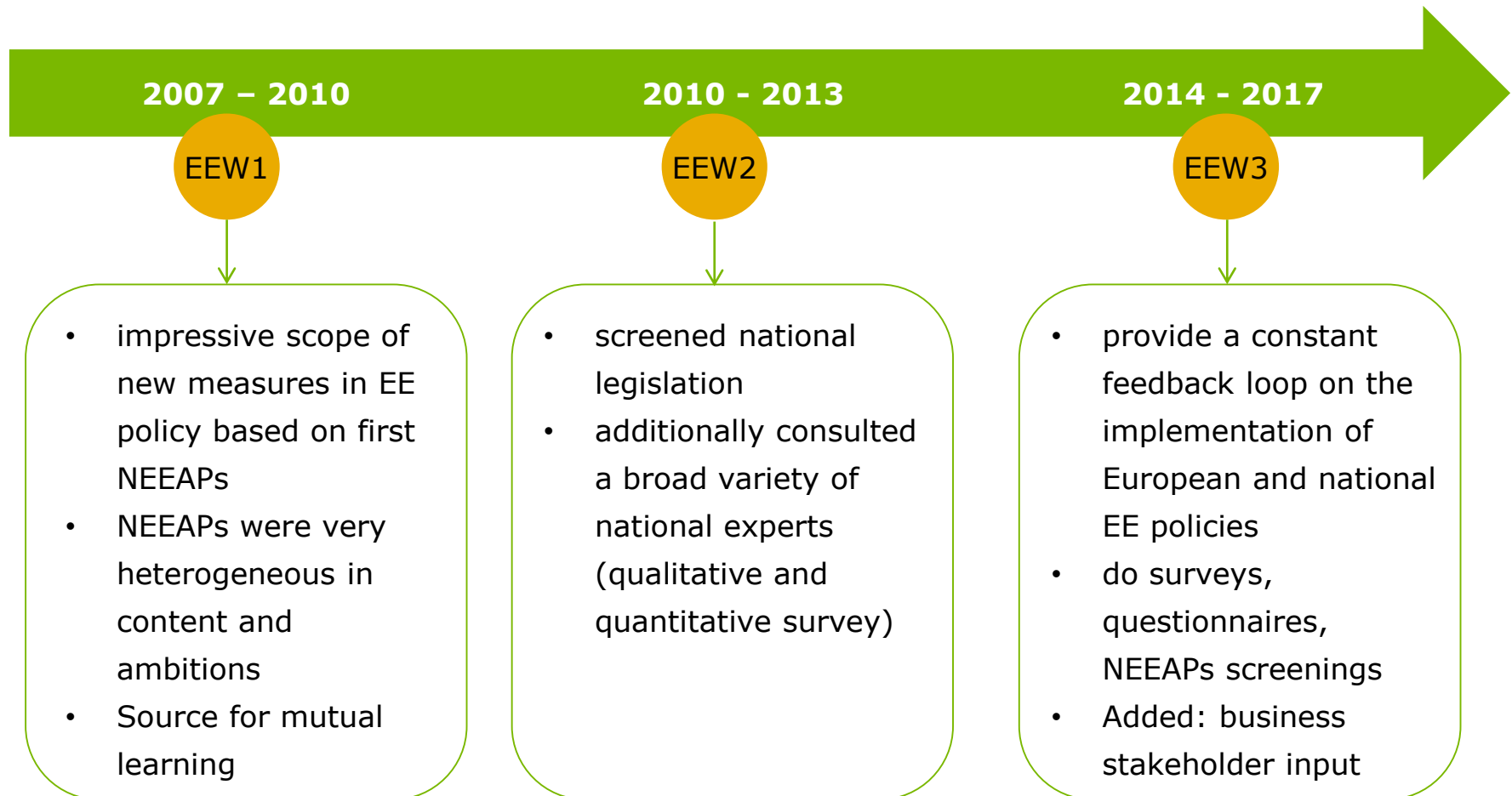


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The Energy Efficiency Watch Project (EEW) aims to facilitate the implementation of the Energy Efficiency Directive

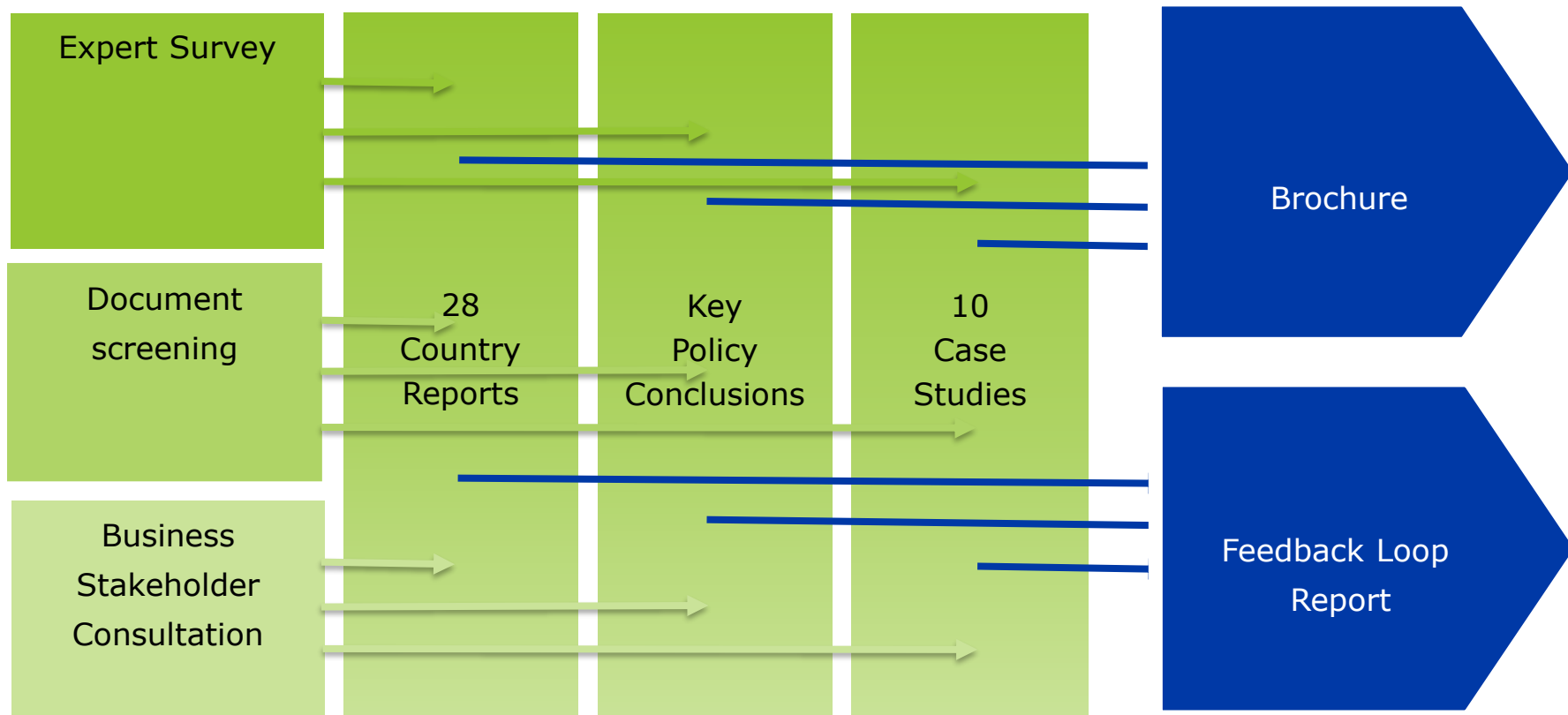


The EEW analysis combines input from the 28 NEEAPs, national experts, the business community, the EP and EC

Input phase

Analysis + Conclusion phase

Dissemination phase



Policy making – What has changed 2007-2016

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

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?

- > 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

- > 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

- > 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?

- > 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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