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***National Energy Efficiency Action Plans (NEEAPs):
update on implementation***

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NATIONAL ENERGY EFFICIENCY ACTION PLANS (NEEAPs): UPDATE ON IMPLEMENTATION

1. POLICY OBJECTIVES

Directive 2006/32/EC on Energy End-Use Efficiency and Energy Services introduced an obligation for Member States to submit National Energy Efficiency Action Plans (NEEAPs). The Plans are intended to describe national strategies and measures to achieve the energy saving targets established by Member States according to the provisions of the Directive. The NEEAPs aim at achieving significant energy savings in end-use sectors. For the purpose of their first NEEAPs, each Member State adopted an overall national indicative savings target to be achieved by 2016 and an intermediate target for 2010.

Council conclusions in March 2007 stated that: “The European Council: stresses the need to increase energy efficiency in the EU so as to achieve the objective of saving 20% of the EU's energy consumption compared to projections for 2020, as estimated by the Commission in its Green Paper on Energy Efficiency, and to make good use of their National Energy Efficiency Action Plans for this purpose.”

The purpose of the first NEEAP was to indicate specific measures that Member States intended to implement in order to ensure that their national energy saving targets are achieved. The NEEAPs also had the role of showing how in practice Member States intend to comply with the Directive's provisions on the exemplary role of the public sector, the provision of information and advice on energy efficiency to end users, obligations for the energy sector to contribute to energy saving, etc. The Commission presented its comprehensive assessment of the first NEEAPs in the form of a Staff Working Paper in July 2009 (SEC889/2009)¹.

2. LEGAL BASIS FOR NEEAPs

Originally, the legal base for NEEAPs was set in Directive 2006/32/EC. The Directive in its Article 14 specifies that:

- Member States shall submit to the Commission the following NEEAPs:
 - a first NEEAP not later than 30 June 2007;
 - a second NEEAP not later than 30 June 2011;
 - a third NEEAP not later than 30 June 2014.
- NEEAPs shall describe the energy efficiency improvement measures planned to reach the targets set out in the Directive's Article 4(1) and (2), as well as to comply with the provisions on the exemplary role of the public sector and provision of information and advice to final customers set out in Articles 5(1) and 7(2) respectively.

¹ Synthesis of the complete assessment of all 27 National Energy Efficiency Action Plans as required by Directive 2006/32/EC on energy end-use efficiency and energy services: “Moving Forward Together on Saving Energy”, Commission Staff Working Document SEC(2009) 889.

- The second and third NEEAPs shall:
 - include a thorough analysis and evaluation of the preceding EEAP;
 - include the final results with regard to the fulfilment of the energy savings targets set out in Article 4(1) and (2);
 - include plans for - and information on the anticipated effects of - additional measures which address any existing or expected shortfall vis-à-vis the target;
 - in accordance with Article 15(4), use and gradually increase the use of harmonised efficiency indicators and benchmarks, both for the evaluation of past measures and estimated effects of planned future measures;
 - be based on available data, supplemented with estimates.

However, in June 2010 the recast Directive on the Energy Performance of Buildings (EPBD, 2010/31/EU) created a link between NEEAPs and the reporting required under the EPBD. The recast Directive provides for Member States to report on lists of measures and instruments to promote the objectives of the recast Directive (Article 10), measures undertaken instead of establishing an inspection regime for heating or air-conditioning systems (Articles 14 and 15) and possibly also their national plans for increasing the number of nearly-zero energy buildings (Article 9). This reporting is to be included in the second and following NEEAPs in order to reduce the administrative burden related to the reporting. The reporting schedules for the above provisions in the recast EPBD have also been adjusted to the NEEAP frequency.

3. RESULTS (ANALYSIS OF THE FIRST NEEAPs)

When the notification deadline expired (30 June 2007), the Commission had received NEEAPs from only two Member States – Finland and the UK. Another fifteen Member State Plans were notified and included in the first assessment - Austria, Bulgaria, the Czech Republic, Cyprus, Denmark, Estonia, Germany, Ireland, Italy, Lithuania, Malta, the Netherlands, Poland, Romania, and Spain. The 27th NEEAP was notified on 6 June 2008, almost a year after the initial transposition deadline. With delays in translation, the individual assessments of all the 27 NEEAPs were concluded only in early December 2008.

Many Member States have recognised that with an integrated approach these national plans can become the key tool not only for the effective implementation of Directive 2006/32/EC, but also for the real push to achieving energy savings which go beyond the particular obligations arising from the current EU legislation on end-use energy efficiency. It has been found that NEEAPs have a great potential to help with focussing and streamlining Member States' policy, legal and support actions aimed at saving energy in a cost-effective way, thus reducing emissions of greenhouse gases, increasing the competitiveness of industry and improving the energy security of the EU.

However, it is also clear that NEEAPs can become effective only when they stand for real action: they should set a quantitative, measurable target with a time schedule and concrete steps on who is doing what and the budgetary and human resources available.

Following the assessment of the NEEAPs, the Commission has communicated its observations to each Member States. Bilateral meetings have been held with several Member

States which requested clarifications. Several Member States indicated their willingness to improve their first NEEAPs (e.g. add/improve measures for important areas/sectors not sufficiently covered in their current plans, provide further details of planned actions, etc). In 2009 Lithuania and Hungary significantly improved and resubmitted their first NEEAP.

The Commission's analysis of the first NEEAPs showed that Member States intended to launch a diversity of policy packages and measures targeting different end-use sectors. A number of Member States introduced ambitious national indicative energy savings targets (e.g. Cyprus, Lithuania, Italy, UK and Ireland). Some NEEAPs demonstrated coherent strategies backed by institutional and financial provisions.

	<i>2016 target in final energy savings as indicated in first NEEAP</i>			<i>Comment</i>
<i>MS</i>	<i>value</i>	<i>unit</i>	<i>%</i>	
AT	80400	TJ	9%	
BE	27515	GWh	9%	From the synthesis Plan ²
BE-BRU	2199	GWh		2929 GWh was reported in the separate regional EEAP
BE-Wa	8358	GWh		10478 GWh reported in the separate regional EEAP
BE-Fla	16959	GWh		Same target reported in the separate regional EEAP and the synthesis Plan
BG	7291	GWh	9%	
CY	185000	toe	10%	
CZ	19842	GWh	9%	
DK	ND			Annual 9.6 PJ saving of total final energy consumption (2008-2013)
EE	7.65	PJ	9%	
FI	17800	GWh	9%	
FR	12	Mtoe	9%	
DE	833	PJ	9%	This is with factor 1 for electricity, with taking into account factor 2.5 the planned measures are expected to bring 1080 PJ
GR	18659	GWh	9%	
HU	15955	GWh	9%	
IE	13117	GWh	9%	
IT	126327	GWh	9.6%	
LV	3483	GWh	9%	
LT	400	ktoe	11%	
LU	1582	GWh	9%	
MT	378	GWh	9%	

² Belgium originally submitted 3 regional Plans for Wallonia, Flanders and Brussels Capital, which had targets expressed in different units. This was later revised and a umbrella Plan was adopted, where the targets have been standardized and recalculated. Therefore, the targets for each region have slightly changed – see comments.

	2016 target in final energy savings as indicated in first NEEAP			Comment
MS	value	unit	%	
NL	51190	GWh	9%	
PL	192.4	PJ	9%	
PT	1.792	Mtoe	9.8%	This saving is for 2015 (final energy), no target indicated for 2016
RO	2800	ktoe	13.5%	
SK	37215	TJ	9%	
SI	4261	GWh	9%	
ES	ND			Goal of 11% final energy savings by 2012 (equals 24776 ktoe primary energy)
SE	32.3	TWh	Min 9%	This corresponds to 41.1 TWh primary energy
UK	136.5	TWh	9%	"Expected savings" are 272.7 TWh (18%), to which UK does not commit officially

In contrast, a number of first NEEAPs show a scattering of fragmented energy efficiency measures. A few NEEAPs have also shown a considerable gap between the political commitment to energy efficiency and the measures adopted or planned as well as the resources allocated for preparing them.

All NEEAPs address the *buildings sector*, especially residential buildings. Many include promising regulatory, financial and information tools and initiatives for refurbishment of existing buildings. Some Member States declare ambitious strengthening of building codes and support passive or low-energy housing. Some NEEAPs establish a link between energy efficiency support and social policy especially as regards social housing (e.g. the NEEAPs of Greece, Slovenia and UK as well as the regional Action Plans of the Walloon and Brussels-Capital regions).

A number of NEEAPs include measures in the *tertiary, transport and industrial sectors* although in some Member States measures addressing these sectors are weak or missing. Despite the importance of transport in end-use energy consumption, strong energy saving measures addressing that sector are present only in about half of the NEEAPs.

Measures to save energy in *agriculture* are absent from most Action Plans.

Copies of the first NEEAPs from all EU-27 Member States are downloadable at: http://ec.europa.eu/energy/efficiency/end-use_en.htm

The synthesis of the Commission's assessment of the first NEEAPs and its assessments of individual NEEAPs for each Member State are available at:

http://ec.europa.eu/energy/efficiency/doc/sec_2009_0889.pdf

4. IMPLEMENTATION OF THE FIRST NEEAPS

In order to improve the quality of the implementation of NEEAPs, ongoing since mid-2008, the Commission has facilitated bi-annual exchanges between relevant policy-makers and national agencies from EU-27 + Croatia through a 'Concerted Action'. This activity has been particularly important for sharing information on the practical implementation of various types of energy efficiency measures included in the first NEEAP.

From the information collected from Member States via questionnaires at the end of 2010 it is clear that most of the national measures so far implemented under the NEEAPs have focused on improving the energy performance of buildings (public and private services as well as residential). The number of measures implemented to trigger energy savings in the industry (non-ETS) and industrial buildings sectors have also been relatively high. Coverage of the measures to be implemented in the transport sector and in agriculture has been the lowest.

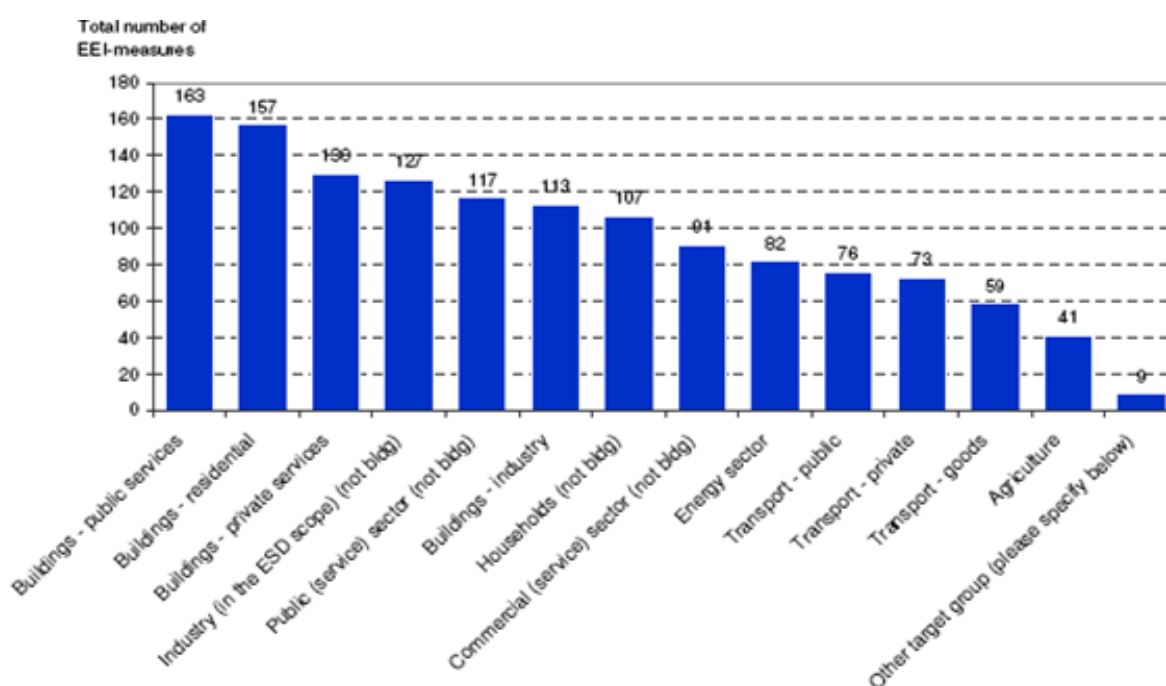
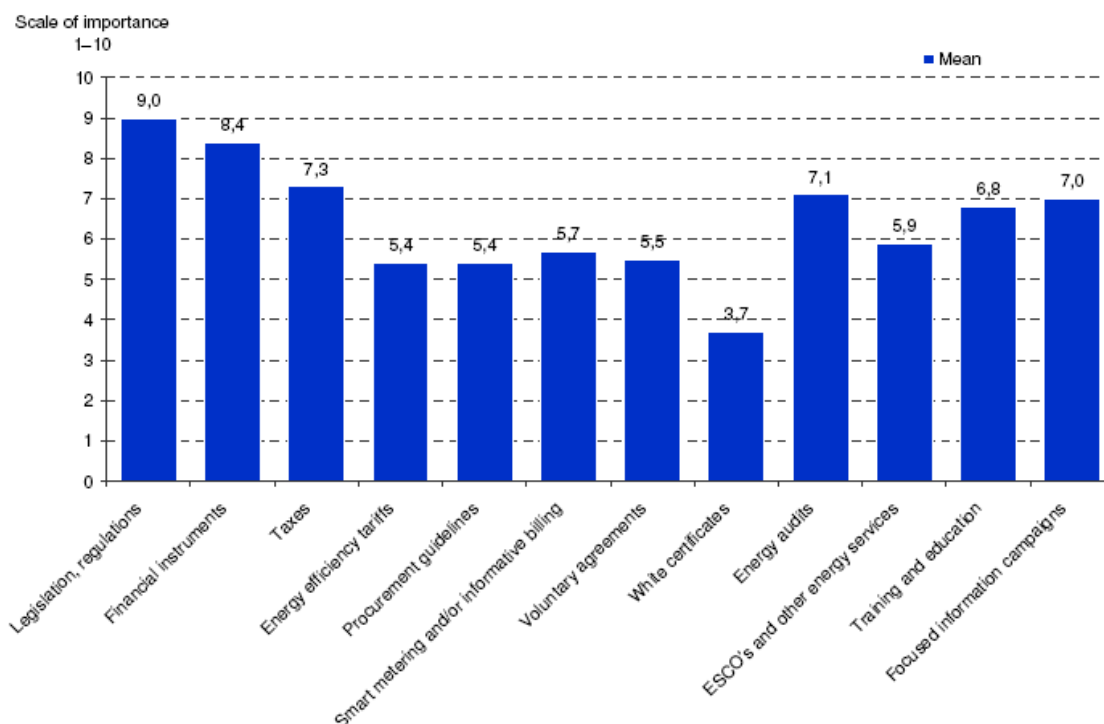


Figure 1 – Total number of EEI-measures implemented in various target groups related to the given 12 measure type categories in MS. (Q1)

Some interesting measures were mentioned under the target group 'Other'. Those included school children's training and education (FI), financial instruments and smart metering in the field of energy research (DE), non-tradable energy efficiency obligations for the energy sector (IE) and voluntary agreements with housing co-operatives (NL).

Although big variations in coverage between sectors can be observed, absolute differences might not be so large – measure types, and the relation between EU-wide and national policy instruments, might be interpreted differently in different Member States. For example, quite a number of Member States did not report that they have any taxes applied in the transport sector or any regulation or standards applying to cars. Probably these MS did not take into account fuel excises that should be applied according to Directive 2003/96/EC on taxation of energy products and electricity or Regulation EC/443/2009 on setting emission performance standards for new passenger cars.

Based on practical experience in the implementation of policy measures, national policy officials from all EU-27 and Croatia indicated different levels of importance and effectiveness of measures.



Importance of different types of measures (1=not important; 10=very important) in 27 MS

The feedback from the Member States pointed out that in practice, the importance of different measure types will vary from sector to sector and the results should be taken only as a broad-brush assessment. The answers should be seen as an estimation of the cost-effectiveness of different measures, how well they complement other measures etc. Some measures may be less important in achieving the target on the basis that they do not have a distinct savings estimate at this stage (e.g. information campaigns, training and education, ESCOs), however they are nevertheless considered important underpinning measures e.g. in facilitating uptake of available programmes promoting EE etc.

In general, from informal exchanges with the Member States it is clear that the implementation of the NEEAPs can not only generate major additional energy savings but also contribute to the improvement of energy security, climate protection and the improvement of the economic situation especially for small businesses and the creation of new jobs. Several Member States (e.g. Lithuania) indicate that they have included some elements of their NEEAPs in their national economic recovery plans (mostly related to improving energy efficiency of buildings).

The Commission's exchanges with Member States have also shown that the first NEEAP can only be taken as a starting point for monitoring national energy policy measures and that Member States intend to improve this monitoring in the second NEEAPs.

5. SECOND NEEAPS

With the second NEEAPs, due by 30 June 2011, Member States are obliged to report on the strategy, if necessary a revised strategy based on planned and implemented energy efficiency

measures to achieve the indicative national energy saving targets, combined with calculated and/or estimated achieved energy savings in 2010 and to revisit the projection of savings in 2016.

The Energy Services Directive obliges Member States to report and evaluate a set of measures that contribute to the 2016 self-set targets for final energy savings. In addition, the second NEEAP could already be now used for **reporting on all energy savings**, including energy savings achieved through measures addressing supply and transmission/distribution of energy and measures addressing ETS industries.

The Commission has launched several support structures for the preparation of the second NEEAPs, including training workshops, on-line and telephone helpdesk and a NEEAP template. The common NEEAP template (distributed to the Member States in November 2010) has integrated modules to encourage additional reporting of – for instance – savings from supply side measures or improvement of distribution. Formal reporting obligations from the recast of Directive on the Energy Performance of Buildings (2010/31/EU) have also been incorporated.

The Commission organised two training workshops for officials from all EU-27 as well as other interested countries (Croatia and Norway) on the preparation of the second NEEAPs in October and November 2010.

In the second part of 2010, following discussion with Member States representatives in the Concerted Action on Energy Services Directive, it was concluded that the second NEEAP should ideally become a fully comprehensive policy document and as such the key reference publication for national energy efficiency policy.