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# REPORT

on Revision of the Energy Efficiency Action Plan  
(2010/2107(INI))

Committee on Industry, Research and Energy

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## MOTION FOR A EUROPEAN PARLIAMENT RESOLUTION

### on Revision of the Energy Efficiency Action Plan (2010/2107(INI))

*The European Parliament,*

- having regard to the Commission Communication of 19 October 2006 entitled ‘Action Plan for Energy Efficiency: Realising the Potential’ (COM(2006)0545),
- having regard to the Commission Communication of 23 January 2008 entitled ‘20 20 by 2020 - Europe’s climate change opportunity’ (COM(2008)0030),
- having regard to the Commission Communication of 13 November 2008 entitled ‘Energy efficiency: delivering the 20% target’ (COM(2008)0772),
- having regard to the Commission Communication of 10 January 2007 entitled ‘An Energy Policy for Europe’ (COM(2007)0001), followed by the Commission Communication of 13 November 2008 entitled ‘Second Strategic Energy Review - an EU energy security and solidarity action plan’, with accompanying documents (COM(2008)0781),
- having regard to Regulation (EC) No 663/2009 of the European Parliament and of the Council of 13 July 2009 establishing a programme to aid economic recovery by granting Community financial assistance to projects in the field of energy (European Energy Programme for Recovery)<sup>1</sup>,
- having regard to Directive 2006/32/EC of the European Parliament and of the Council of 5 April 2006 on energy end-use efficiency and energy services and repealing Council Directive 93/76/EEC (Energy Services Directive)<sup>2</sup>,
- having regard to Directive 2010/30/EU of the European Parliament and of the Council of 19 May 2010 on the indication by labelling and standard product information of the consumption of energy and other resources by energy-related products<sup>3</sup>,
- having regard to Regulation (EC) No 1222/2009 of the European Parliament and of the Council of 25 November 2009 on the labelling of tyres with respect to fuel efficiency and other essential parameters<sup>4</sup>,
- having regard to Directive 2009/125/EC of the European Parliament and of the Council of 21 October 2009 establishing a framework for the setting of ecodesign requirements for energy-related products<sup>5</sup>,

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<sup>1</sup> OJ L 200, 31.7.2009, p. 31.

<sup>2</sup> OJ L 114, 27.4.2006, p. 64.

<sup>3</sup> OJ L 153, 18.6.2010, p. 1.

<sup>4</sup> OJ L 342, 22.12.2009, p.46.

<sup>5</sup> OJ L 285, 31.10.2009, p.10.

- having regard to Directive 2010/31/EU of the European Parliament and of the Council of 19 May 2010 on the energy performance of buildings<sup>1</sup>,
- having regard to Directive 2009/28/EC of the European Parliament and of the Council of 23 April 2009 on the promotion of the use of energy from renewable sources and amending and subsequently repealing Directives 2001/77/EC and 2003/30/EC<sup>2</sup>,
- having regard to Directive 2010/40/EU of the European Parliament and of the Council of 7 July 2010 on the framework for the deployment of Intelligent Transport Systems in the field of road transport and for interfaces with other modes of transport<sup>3</sup>,
- having regard to the Commission stocktaking document of 7 May 2010 entitled ‘Towards a New Energy Strategy for Europe 2011-2020’,
- having regard to the independent study entitled ‘Company Car Taxation. Subsidies, welfare and economy’, prepared at the request of the Commission<sup>4</sup>,
- having regard to its resolution of 3 February 2009 on the Second Strategic Energy Review<sup>5</sup>,
- having regard to Article 170 paragraph 1 of the Treaty on the Functioning of European Union according to which the Union shall contribute to the establishment and development of trans-European networks in the areas of transport, telecommunications and energy infrastructures,
- having regard to its resolution of 6 May 2010 on mobilising information and communication technologies to facilitate the transition to an energy-efficient, low-carbon economy<sup>6</sup>,
- having regard to Article 34 paragraph 3 of the EU Charter of Fundamental Rights on combating social exclusion and poverty which states that the Union shall ensure a decent existence for all those who lack sufficient resources,
- having regard to Article 194 of the Treaty on the Functioning of European Union,
- having regard to Rule 48 of its Rules of Procedure,
- having regard to the report of the Committee on Industry, Research and Energy and the opinions of the Committee on the Environment, Public Health and Food Safety and the Committee on Regional Development (A7-0331/2010),

A. whereas energy efficiency and savings are the most cost-effective and fastest way to

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<sup>1</sup> OJ L 153, 18.6.2010, p. 13.

<sup>2</sup> OJ L 140, 5.6.2009, p.16.

<sup>3</sup> OJ L 207, 6.8.2010, p.1.

<sup>4</sup> Copenhagen Economics,

[http://ec.europa.eu/taxation\\_customs/resources/documents/taxation/gen\\_info/economic\\_analysis/tax\\_papers/taxation\\_paper\\_22\\_en.pdf](http://ec.europa.eu/taxation_customs/resources/documents/taxation/gen_info/economic_analysis/tax_papers/taxation_paper_22_en.pdf)

<sup>5</sup> OJ C 67E, 18.3.2010, p. 16.

<sup>6</sup> Texts adopted, P7\_TA(2010)0153.

- reduce CO2 and other emissions and increase security of supply; whereas fuel poverty can be tackled strategically by means of high levels of energy efficiency in buildings and appliances; whereas energy efficiency is a key priority of the Europe 2020 Strategy and the European Energy Strategy 2011-2020, whereas resources in public institutions do not currently match this ambition,
- B. whereas energy savings is key to increase security of supply, e.g. as achieving the 20% energy savings target would save as much energy as fifteen Nabucco pipelines could deliver,
  - C. whereas energy savings can bring significant economic advantages for the end-users and the entire economy including as well as social advantages including the creation of up to 1 million jobs by 2020; whereas the EU's imports of energy are rising and worth €332 billion in 2007, and according to Commission figures energy benefits per year can amount up to €1 000 per household which would be reinvested elsewhere in the economy and successful attainment of the energy efficiency target has the potential to save the EU some €100 billion and cut emissions by almost 800 million tonnes a year; whereas, therefore, energy savings and efficiency policies are remedies to energy poverty,
  - D. whereas future energy price developments will encourage individuals to reduce their energy consumption; therefore significant energy efficiency gains can be reached by incentivising more efficient common infrastructures in buildings, heating systems and transport sector where otherwise decisions improving the use of energy are beyond the control and influence of individuals or companies,
  - E. whereas academic evidence clearly supports that efforts need to be stepped up, including at the regional and the local level to reach the 20% energy efficiency target by 2020, as at current rates of progress only around half of this target would be met by 2020, even though practices and technologies to achieve this target already exist,
  - F. whereas although many legislative measures designed to achieve energy savings have been introduced at EU and national level, not all of them are producing the desired results,
  - G. whereas the payback period for investments in energy efficiency is relatively short compared to other investments and investments have the potential to create a significant number of new local jobs in rural as well as in urban areas which can to a large extent not be outsourced, in particular in the construction sector and within SMEs, while public awareness and skilled workers are needed to make it happen,
  - H. whereas using public funds in revolving financial instruments for giving financial incentives to energy efficiency measures has the advantage, at times of budgetary constraints, that it makes it possible to sustain most of these funds over time,
  - I. whereas the demand side has been an important driver for increased energy consumption and there is a real need to address market and regulatory barriers to more energy-efficient products and to promote their use, in order to decouple energy consumption from economic growth,

- J. whereas a range of barriers stand in the way of full exploitation of energy saving opportunities, including upfront investment costs and non-availability of suitable finance, lack of awareness, split incentives such as between landlords and tenants, and lack of clarity over who is responsible for delivering energy savings,
- K. whereas mandatory targets have been shown in the case of other priority areas such as renewable energy and air quality to provide the drive, ownership and focus at EU and national level that are needed to ensure sufficient ambition in specific policies and dedication to their implementation,
- L. whereas progress on energy saving is hampered by a lack of accountability for and commitment to delivering the 20% target,
- M. whereas buildings are responsible for about 40% of energy consumption and about 36% of greenhouse gas emissions in the EU and whereas construction represents a large part of the EU economy with about 12% of the EU GDP; whereas the refurbishment rate of existing buildings is too low and whereas adequate measures to reduce the energy consumption of existing buildings are still missing; whereas increasing the number and level of deep renovations in the existing building stock is essential in order to reach the 2020 and 2050 EU policy goals on climate and energy and could create a substantial number of jobs thus contributing significantly to EU economic recovery, and whereas energy efficiency solutions on building envelope and with technical systems and installations already exist and can be implemented on both existing and new buildings leading to significant energy savings,
- N. whereas homes are not prepared for climate change: there are homes not being comfortably cool in the summer in all countries and there are homes not being comfortable warm in the winter (above 15% in Italy, Latvia, Poland, Cyprus and 50% in Portugal) and in country like Cyprus and Italy houses are not prepared for having cold winter,
- O. whereas industrial electrical motors consume 30%-40% of the electrical energy generated worldwide and whereas proper optimisation of relevant motor systems by using speed regulation and other techniques can save between 30% and 60% of energy consumed,
- P. whereas between 50 and 125 millions of Europeans are suffering from energy poverty and these figures may rise with the economic crisis and the increase in energy prices; whereas causes for energy poverty are universal across the EU and involve a combination of low household income, poor heating and insulation standards and unaffordable energy prices; underlines that energy savings and energy efficiency policies are strategic remedies to energy poverty,
- Q. whereas transport is responsible for almost 30 percent of the total European greenhouse gas emissions, a move from conventional fossil fuels cars to green technology vehicles powered by renewable energy, would contribute to substantial CO2 reduction, and create an optional energy storage, enabling the power grids to cope with the fluctuating production of renewable energy sources,

- R. whereas an estimated 69% of the housing stock in Europe is owner-occupied and 17% is private rented predominantly by individual landlords and whereas the private housing sector face financial constraints to carry out energy refurbishments,
- S. whereas the current economic crisis could lead to accelerating the transition to a low-carbon and energy efficient economy and to fostering a change of citizens' behaviour regarding energy consumption,
- T. whereas it is essential that new, cutting-edge energy technologies which make for sustainable energy production and more efficient energy use should be developed and marketed,
- U. whereas reaching the binding renewable energy target of 20% of final energy consumption by 2020 will only be achieved if the existing buildings stock is addressed,
- V. whereas European companies have impressive track records for reducing their greenhouse gas emissions and, more importantly, for enabling emission reductions across European society and across the world through innovative products and solutions,
- W. whereas the aim must be to maintain the competitiveness of energy-intensive European undertakings facing global competition,

**1. Compliance with and implementation of existing legislation**

- 1. Calls on Member States, local authorities, and especially on the Commission, to give energy efficiency the attention it deserves, and put in place resources (staffing and finance) which match their ambitions;
- 2. Points out that energy efficiency should be integrated into all relevant policy areas, including finance, regional and urban development, transport, agriculture, industrial policy and education;
- 3. Calls on the Commission to present in sufficient time before the 4th of February Energy Summit within its revised EEAP an evaluation of the implementation of the existing legislation; considers that based on the result of the evaluation the EEAP should include measures to be put forward by the Commission to close this gap to reach the overall energy efficiency target in 2020, such as individual energy efficiency targets that correspond to at least 20% improvement in energy efficiency by 2020 at EU level and which take into account relative starting positions and national circumstances as well as an approval in advance of each Member States' national energy efficiency action plan; considers that such additional measures should be fair, measurable, have an effective and direct impact on the implementation of national energy efficiency plans target; calls on the Commission and Member States to agree on a common methodology for measuring national energy efficiency targets and monitoring progress on achieving these targets;
- 4. Attaches great importance to planning processes at European level. Energy efficiency should be given due attention in the Energy Action Plan 2011-2020. The new European

Energy Efficiency Action Plan should be presented as soon as possible, and energy efficiency should have an important role in the future Roadmap towards a low carbon energy system and economy by 2050;

5. Calls for the EU to adopt a binding target on energy efficiency by at least 20% by 2020, and thereby advance the transition into a sustainable and green economy;
6. Considers that the Energy Efficiency Action Plan should be ambitious and focus on the full energy supply chain, which takes stock of the progress achieved with all measures contained in the 2006 Action Plan, reinforces implementation of energy efficiency measures adopted as outlined in the 2006 Action Plan, which are still under way, and includes additional measures which are cost-efficient and adequate principles in line with the criteria of subsidiarity and proportionality, that are required to achieve the 2020 target;
7. Calls on the Commission to design the new EEAP taking into account the needs of vulnerable energy consumers; notes that energy consumers would benefit the most from energy efficiency improvements but lack resources to undertake the necessary investments; calls on Member States to adopt appropriate measures and effective policies such as national action plans or targeted social measures to reduce energy poverty and to report regularly on their actions to address this concern; welcomes the fact that the Energy Council addresses the problem of energy poverty and supports the efforts of the Belgian presidency in this regard; asks the Commission to tackle energy poverty in all energy policies;
8. Calls for a revision of the Energy Services Directive (ESD) in 2011 that includes an expanded time framework until 2020, a critical assessment of National Energy Efficiency Action Plans and their implementation, including common standards for reporting containing binding minimum elements on e.g. all relevant energy efficiency policies including soft and supporting tools like financing; evaluation and ranking Member State's actions as well as merging reporting requirements from the ESD, energy labelling and eco-design where appropriate and where it is shown to remove burdens from Member States;
9. Urges Member States to implement quickly and efficiently market surveillance and compliance-monitoring programmes for Directive establishing a framework for the setting of ecodesign requirements for energy-related products<sup>1</sup>, Directive on the indication by labelling and standard product information of the consumption of energy and other resources by energy-related products<sup>2</sup>, and Regulation on the labelling of tyres with respect to fuel efficiency and other essential parameters<sup>3</sup>, and calls on the Commission to facilitate and monitor the implementation of these programmes and start infringement procedures if necessary;
10. Suggests that, understanding the challenge and importance of market surveillance, which is a national competence, the Commission should facilitate cooperation and

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<sup>1</sup> Directive 2009/125/EC

<sup>2</sup> Directive 2010/30/EU

<sup>3</sup> Regulation (EC) No 1222/2009

sharing of information among Member States, in particular by creating an open EU database of test results and of non-compliant products identified in Member State and by taking steps to ensure that a non-compliant product identified in one Member State is quickly removed from all 27 Markets;

11. Following the entry into force of the revised Energy Labelling Directive, encourages the Commission to assess, before the 2014 date mentioned in the Directive, the impact of the new energy labelling layout, and the mandatory reference to the energy-label scheme in advertisements on consumers' behaviour and to take further measures if necessary to increase their effectiveness;
12. Calls upon the Commission and the Member States to promote measures to raise the level of awareness for and the know-how of energy efficiency issues among all relevant stakeholders and all professional actors involved at all stages (assessment of existing energy performance, design and implementation of energy efficiency solutions, energy efficient operation and maintenance);
13. Calls on the Commission and the Member States to review the effectiveness of legislative measures to save energy and increase energy efficiency;
14. Considers that long-term agreements with the industry sector ensure a high compliance rate with energy efficiency requirements and thereby are able to result in an annual 2% energy efficiency improvement;

## **2. Energy infrastructure (production and transmission)**

15. Considers that a stronger focus is needed on system innovations such as smart grids (for electricity but also for heating and cooling), smart metering, gas networks integrating biogas and energy storage which can facilitate energy efficiency by means of reduced congestion, fewer grid disconnections, easier integration of renewable technologies including the decentralised production, reduced reserve generation requirements and greater and more flexible storage capacities; asks to ensure that a fair share of these gains accrue to the end-use customers;
16. Underlines that district heating and cooling networks contribute to achieve a energy-efficient economy by 2050 and stresses that an explicit and comprehensive strategy for heat generation and use (industrial heat, domestic heating, cooling) is needed (including a method of multi-fuel benchmarks for district heating and cooling networks) that builds on synergies between sectors; calls on the Commission to undertake an inquiry on increasing their efficiency; stresses that these networks must be open to competition; notes that improvements to the energy efficiency of the housing stock will lead to a reduction in heat demand which should be factored in when assessing district heating capacity;
17. Emphasises the important role of supply side energy efficiency ; points out that transmission and distribution, contribute considerably to energy loss (notably in generators and transformers, as well as those resulting from excessively high resistances during transmission) and that shortening excessively long conversion chains for converting one type of energy into another electricity represents a major source of

- savings; stresses the role that microgeneration and decentralised and diversified generation might play in guaranteeing supply security and reducing losses; considers that incentives should be created aimed at improving infrastructure and asks the Commission to make proposals to unlock the untapped savings potential, including by introducing sustainability reports for power stations and taking measures to facilitate the retrofitting and modernisation of power stations;
18. Stresses the fact that second to energy efficiency at the source (i.e. in primary energy production), tackling losses of (electrical) energy during transport through the grids should be considered a priority. Moving towards a more decentralised production system would reduce transport distances and thus energy losses during transport;
  19. Urges the (petro) chemical industries throughout the EU to enhance energy recovery during flaring;
  20. Considers that a stronger focus is needed to increase the overall energy system efficiency, in particular to reduce heat losses; therefore calls for a revision of the CHP Directive within the 2011 working programme to promote highly efficient CHP, Micro-CHP, use of waste heat from industry, and district heating/cooling, by encouraging Member States to set up a stable and favourable regulatory framework by introducing integrated energy demand planning for heat/cooling electricity, by considering priority access to the electricity grid for CHP, the use of industrial heat, and by promoting use of highly efficient CHP, Micro-CHP and district heating in buildings and sustainable funding for CHP, e.g. by encouraging Member States to introduce financial incentives;
  21. Underlines the importance of a distributed combined heat and power (CHP) or tri-generation network, which in practice allows a doubling of overall energy efficiency; points out, moreover, that heat or cooling storage could add flexibility to the grid during peak hours, allowing production of electricity and heat storage when production exceeds local needs;
  22. Calls on Member States, not only to support high efficiency industrial CHP generation, including by changing from fossil fuel to biomass, but also, for those which have of district heating infrastructure, to promote the use of CHP by supporting the establishment and refurbishment of district heating systems through appropriate financing and regulatory measures;
  23. Considers it to be necessary in waste treatment processes to avoid biogas and heat losses through recovery and generation of steam and/or electricity. Takes the view that waste treatment plants without any form of heat recovery or production of energy should not be granted permits;
  24. Welcomes the Commission's ongoing work on smart grids and smart meters; considers it important to ensure a long-term and stable harmonised regulatory environment for smart grids and smart meters; urges the Commission to support and incentivize the development of smart grids and smart meters by setting common standards, which have to include requirements on privacy, data and frequencies; recommends that Smart Grids task force within the Commission, takes due account of the opinions of all stakeholders; asks the Commission to provide Parliament with regular progress reports on its work;

25. Welcomes the Commission's work 'towards a single energy network' and, in that connection, calls on the Commission to submit practical proposals to simplify and speed up authorisation procedures for priority infrastructure projects;
26. Calls on the Commission to step up cooperation between the EU and energy grid operators (expanded role for ENTSO) with the aim of improving cross-border grid connections and performance;
27. Asks the Commission to support and promote the setting up and development of a European high-voltage direct current (HVDC) grid able to optimise the harnessing of renewable energy sources, particularly wind and hydropower. This grid would provide long-range energy transmission at low energy loss, while making possible a synergy among all renewable energy sources;

### **3. Urban development and buildings**

28. Supports a multi-level, decentralised approach to energy efficiency policy; highlights that energy efficiency can play a decisive role in the development of urban and rural areas; underlines the need to increase support for initiatives which focus on the local and regional level to enhance energy efficiency and lower greenhouse gas emissions such as the Covenant of Mayors and the Smart Cities initiative; stresses the potential of encouragement and implementation of best practices with regard to Energy Efficiency at the level of municipal and regional agencies; furthermore, aligning Cohesion policy with the EU2020 strategy can contribute to smart and sustainable growth in Member States and regions;
29. Calls on the Commission to assess the potential for efficiency in existing buildings starting with public administration buildings including schools and propose a cost-efficient target for the reduction of the primary energy consumption of buildings; calls on the Member States to implement practicable programmes to support deep renovations by which the energy demand will initially be reduced by more than 50% over pre-renovation performance and where the level of financial and/or fiscal and other, support is proportionally linked to the level of improvement; asks that Member States should be required to include set annual refurbishment targets in their national action plans on Energy Efficiency and calls on the Commission to propose policy options on how to achieve a nearly zero level building stock in the context of the 2050 energy roadmap;
30. Calls on the Commission to broaden the scope of buildings policy to encompass eco-districts, with a view to ensuring that resource optimisation at local level results in lower primary energy consumption in buildings and reduced costs for consumers;
31. Believes it is essential that the homes of energy poor households are improved to the highest possible energy efficiency standards and without raising the daily costs for the energy poor; Stresses that this will often require substantial investment in homes but will on the same time generate a lot of non energy benefits, e.g. by reduced mortality, improved general wellbeing, lower levels of indebtedness and reducing healthcare costs by reducing indoor pollution and thermal stress;

32. Calls on the Commission and Member States to use investment grade audits in order to assess the quality of Energy Performance Certificates; based on these assessments, calls on the Commission to provide guidelines for Member States to ensure the quality of their Energy Performance Certificates and of the energy efficiency improvement of the measures undertaken as a result of recommendations from these certificates;
33. Is convinced that it is key for achieving the energy savings target that public authorities at national, regional and local level lead the way; calls on public authorities to go well beyond the requirements set in the Energy Performance of Buildings Directive, in particular by renovating their existing stock as early as possible to a level comparable to nearly zero energy standard, where technically and economically feasible; acknowledges on the other hand that existing budgetary restrictions in particular at regional and local level often limit the capability of public entities to invest up front; calls on the Commission and the Member States to facilitate and promote the emergence of innovative solutions to address this problem including Energy Performance Contracting or market-based instruments, as well as inviting public authorities to consider cost-savings through multi-annual budget frameworks where this is not being done already;
34. Acknowledges the pioneering role of the European Union; believes that the EU institutions and agencies should set an example, in particular in those buildings that have been identified as having an energy efficiency potential, by refurbishing these buildings in a cost-efficient manner to nearly zero level by 2019 as part of a wider audit of energy use by the institutions;
35. Acknowledges the potential of energy savings in buildings, both in cities and rural areas; notes that various barriers exist for energy refurbishments in particular in the residential sector, such as upfront costs, split incentives or complex negotiations in multi-apartment buildings; asks for innovative solutions to removing these barriers, such as district refurbishment plans, financial incentives and technical assistance; stresses that EU schemes should provide incentives for retrofitting buildings to go beyond the minimum legal requirements and address only buildings with an energy efficiency potential; asks to promote refurbishment techniques which are more economical while ensuring a high level of savings;
36. Stresses the importance of reducing high fuel costs to poorer households by supporting deep refurbishment to drive down energy consumption and expenses; asks the competent authorities at local, regional, national and EU level to pay particular attention to the social housing by ensuring that additional costs of energy savings investments are not passed to vulnerable tenants;
37. Asks the Commission to promote new initiatives in support of building refurbishments in the context of the forthcoming innovation strategy, such as an innovation partnership on energy efficiency in energy-efficient/zero-emissions cities;
38. Encourages Member States to promote the replacement of certain non-heritage inefficient buildings, where refurbishment would not be sustainable or cost-effective;
39. Calls on the Member States to accelerate the introduction of Energy Performance

Certificates which are issued in an independent manner by qualified and/or accredited experts, as well as to create one-stop shops providing access to technical advice and support as well as financial incentives available at regional, national and European level;

40. Asks the Commission and the Member States to ensure the wider use of energy audits and structured processes for energy management in companies and industrial buildings and to devise mechanisms for assisting SMEs; thereby supporting the enhancement or establishment of national schemes or voluntary agreements;
41. Calls on the Commission to pull in all the resources necessary in order to consult widely, so as to avoid a backlash with Member States, before coming forward by 30 June 2011 with its comparative methodology framework for calculating cost-optimal levels of minimum energy performance requirements under the Energy Performance of Buildings Directive; believes that once in place, the comparative methodology will motivate market players to invest in energy-efficient solutions;
42. Asks the Commission to propose energy benchmarks or requirements with regard to the installation of street lighting by public authorities including the use of smarter controls and energy saving use patterns by 2012; urges that these measures include specification on total lifetime costs for all public procurement of lighting installations;
43. Urges Member States to systematically use energy efficient public procurement practices; takes the view that defining energy efficiency systematically as an award criterion in public procurement and making it a condition for publicly funded projects would give this policy a major push;

#### **4. ICT and products**

44. Calls on the Commission to develop a Product Policy that ensures greater consistency between environmental product policies by better coordinating the articulation, revision and implementation of the different policy instruments, to foster greater dynamism in market transformation and more meaningful consumer information on energy savings; calls therefore on the Commission to revise the Ecodesign and Energy Labelling directives together (i.e. advancing the revision date of the energy labelling directive); ideally Ecolabel and Green Public Procurement rules should also be revised at the same time and implemented in coordination with Ecodesign and Energy Labelling measures;
45. Calls for the rapid and proper implementation of the Directives on Ecodesign and Energy Labelling and regrets current long delays; suggests clearer and stricter deadlines for adoption, by proposing implementing or respectively delegated acts covering new energy-related products; regrets that the Commission up until now has not exploited the full potential of the Ecodesign Directive and strongly believes that it should cover more products including, if appropriate, new household appliances, ICT, energy-related products for use in buildings (such as industrial electrical motors, machinery, air conditioning, heat exchangers, heating and lighting equipment and pumps), industrial and agricultural equipment, building materials, and products for the efficient use of water; calls on the Commission to take into account the differences between consumer goods and investment goods when adopting implementing acts, and to prove the energy

- saving potential and practicability before issuing implementing acts; urges that energy efficiency minimum requirements within the eco-design directive include specification of total lifetime costs and emissions for all products including the recycling process;
46. Calls on the Commission to combine existing European legislation such as the Eco-Design-Directive and the Energy Labelling Directive, in order to implement EU legislation most efficiently and make use of synergies, especially for the consumer;
  47. Calls on the Commission to take concrete initiatives to improve the resource efficiency of products such as through legislative measures; (+ENVI paragraph 35)notes that improving resource efficiency would also lead to significant energy efficiency gains.
  48. Insists that more emphasis should be given to an analysis of the consequences of energy efficiency standards including the link between price and the quality of the end products, the effects of energy efficiency and the benefits for consumers; recognises that the Commission analyses all these effects but insists that the Commission and Member States must put much more effort on communication and control of all products including imports, such as for example energy efficient light bulbs;
  49. Finds in this context that uniform technical standards are the appropriate means of achieving higher market penetration for energy efficient products, pumps and engines, etc.;
  50. Calls on the Commission to make sure that legislation addresses products, systems and their energy use and considers it necessary to increase the awareness of EU citizens including relevant sales professionals, regarding the energy and resource efficiency of consumer and energy-related products; considers that when evaluating energy consumption, single products and components should be considered as a whole rather than individually;
  51. Emphasises that Europe should be at the cutting edge in the development of energy related Internet and ICT low-carbon technologies and applications; stresses that ICT can and should play a major role in promoting responsible energy consumption in households, transport, electricity generation and distribution as well as in the ICT sector itself (accounting for some 8% of electricity consumption); calls therefore to assess in particular the energy efficiency potential of data centres; considers that enhanced support for innovation must always be accompanied by a reduction of red tape for applicants; acknowledges the need to support partnerships between the ICT sector and major emitting sectors to improve the energy efficiency and emissions of these sectors;
  52. Stresses that informing society about the benefits of smart metering is crucial for their success; recalls that Parliament's own initiative report "on a new Digital Agenda for Europe: 2015.eu" set as a policy goal that 50% of homes in Europe would be fitted with smart meters by 2015; Welcomes the work by the taskforce on smart meters and asks the Commission to put forward a number of recommendations before the end of 2011 to ensure that:
    - smart metering is implemented in accordance with the timetable of the 3rd Energy Market Package so that the objective of having 80% of buildings fitted with smart

meters by 2020 will be met,

- Member States agree by the end of 2011 on minimum common functionalities for smart meters,
  - there should be smart meter benefits for consumers such as energy reductions, assistance to low income and vulnerable consumers and that aggregation, in which the loads of multiple end-use customers are combined in order to obtain lower rates than any of the users would have been able to obtain individually, is allowed and promoted in national markets,
  - Member States develop and publish a strategy to deliver the potential benefit of smart metering to all consumers, including vulnerable and low income people,
  - an obligation for national TSOs and regulators to install a "time of use network tariffs" in order to create a financial incentive for load shedding and demand side management,
  - an Ecodesign implementing measure is prepared for smart meters, to ensure these products are energy efficient and do not add unnecessary energy consumption to households,
  - the ongoing preparatory study on networked standby modes (that is being carried out under the Ecodesign Directive) addresses smart meters, with a view to possible future regulation;
53. Notes that technological advances can open up opportunities for step changes in energy efficiency; calls on the Commission to include in the SET Plan a strand for the development and promotion of technology, materials such as for construction or machinery production and products such as ultra low energy lighting or printable electronics fostering energy and resource efficiency; calls on the Commission and the Member States to propose incentives and programmes for particularly innovative technologies including targeted R&D, small-volume production etc;
54. In order to promote energy efficiency, calls on the Commission in partnership with National energy regulation authorities to combine work on smart grids and smart metering with price incentives (differential pricing) and increased price flexibility, such as on an hourly basis, in national tariffs to incentivise reductions in electricity use, and recalls the provisions Member States under the 3rd energy package to develop innovative pricing formulas;
55. Calls for measures to tackle rebound effects so as to ensure that the impact of technical improvement is not negated through downward pressure on energy prices and increased consumption;
- 5. Transport**
56. Asks the Commission to publish an ambitious white paper on transport in order to develop a sustainable European transport policy that promotes the introduction of

- energy-efficient new technologies and reduces dependency on fossil fuels, especially oil, possibly by electrification and other means; and in this regard promotes higher energy consciousness in infrastructure and spatial planning;
57. Considers that all tools, including vehicle and fuel taxation, labelling, minimum efficiency standards and measures to improve and favour public transportation, are urgently needed in order to address transport emissions;
  58. Underlines that the application of information and communication technologies (ICT) to the road transport sector and its interfaces with other modes of transport will make a significant contribution to improving energy efficiency, safety and security of road transport and even more if it is combined with logistics improvements and other rationalisation of transport, and calls on the Commission and the Member States to ensure a coordinated and effective deployment of e-Freight and Intelligent Transport Systems (ITS) within the Union as a whole;
  59. Stresses that in order to meet the energy-efficiency targets mentioned above, it is crucial to invest in the transport sector, especially railway and urban transport systems, in order to minimise the use of the more energy-demanding ones;
  60. Stresses the need for increasing the energy efficiency of the overall transport system by a modal shift from high energy intensive transport modes such as trucks and cars to low energy intensive ones such as rail, cycling and walking for passengers or rail and environmentally friendly shipping for freight;
  61. Recognises that greater fuel efficiency in vehicles can lower fuel consumption considerably, asks the European Commission to evaluate the progress being made to reach emission reductions for different transport modes and secure a long term planning horizon, in particular in the automotive sector and road transport by setting further targets, if appropriate, and promoting further energy efficiency standards, such as for mobile air conditioning and is of the opinion that the EU should aim at realising efficiency gains that are leading in the world; notes that consumer information and advertising can have an important part to play in orienting consumers towards more efficient purchase choices and driving habits;
  62. Calls on the Commission to promote the development and the use of innovative devices to improve energy efficiency (e.g. spoilers for trucks and other forms of improved aerodynamics, or functioning) for all means of transport in a cost-efficient manner;
  63. Encourages, in this context, the promotion of the use of energy-efficient tyres without compromising on safety and asks the Commission to set minimum energy efficiency requirements for vehicles purchased by public authorities and tyres fitted on those vehicles; asks the Commission to present by the end of 2011 a strategy for lowering the fuel consumption and CO<sub>2</sub> emissions of heavy duty vehicles, which are currently barely addressed;
  64. Calls on the Commission to consider adopting a single mandatory pan-European system of labelling for passenger vehicles which would have a positive effect on reducing market distortions, increasing public awareness in Europe and assisting technological

- innovation in reducing energy consumption and pollutant emissions from vehicles; also calls on the Commission to examine the possibility of extending the proposed single labelling system to include electric and hybrid vehicles;
65. Calls on the Commission to ensure, at the latest by mid 2011, framework conditions for the development of electric vehicles, notably concerning standardisation of infrastructures and charging technologies which will guarantee interoperability and safety of infrastructures and promote putting into place of charging infrastructure in the Member States; calls furthermore on the Commission to set up harmonised requirements for the approval of electric vehicles, with specific regards to health and safety, for both workers and end-users; calls on the Commission to ensure comparable framework conditions for the development of vehicles using fuel cells or other more sustainable energy sources;
  66. Reiterates the need to promote inter-modal transport solutions as well as the development of intelligent transport systems in order to achieve energy savings in the transport sector (including congestion charging, traffic management information technologies, train infrastructure, etc);
  67. Asks Member States to abolish tax regimes which incentivise purchases of fuel-inefficient cars<sup>10</sup> and replace them with tax regimes which incentivise purchases of fuel-efficient cars;
  68. Acknowledges that the deployment of modular road trains is a sustainable solution which contributes to a higher energy efficiency level in the road transport sector; further acknowledges that the diverging set of rules which modular road trains encounter when crossing country borders are detrimental for an increased use of this method of road transport; calls upon the Commission to inquire which differences in rules can easily be bridged and how an increased level of cross-bordering transport by modular road trains can be ensured;
  69. Believes that price signals are crucial in order to increase energy efficiency and that a revised Energy taxation should be part of the revised Energy Efficiency Action Plan, as the use of economic instruments is the most cost-effective way of promoting energy savings;
- 6. Incentives and financing**
70. Reminds the Commission and Member states of the trias energetica, according to which energy demand should be reduced before any investment in additional energy supply is agreed;
  71. Calls on the Commission to submit a report on the need for further financial assistance in order to increase energy efficiency in the existing building stock and which evaluates current financial instruments; the Commission should put forward proposals on how to establish an EU framework of revolving financial instruments to support or guarantee complementary energy efficiency measures, existing national schemes and distribution channels (e.g. by means of risk sharing) and to encourage the setting-up and improvement of energy efficiency schemes in Member States; asks the Commission to

- propose within the EEAP policy options on how to ensure that energy efficiency funds are in place at national, regional or local level; considers that these funds could, i.e. through financial intermediaries, play an important role in the development of such instruments, which would deliver financing possibilities to private property owners, SMEs and ESCOs; supports the idea that such instruments promote greater support for more demanding energy-saving measures;
72. Believes that, while developing this framework, attention should be given to all financial resources available in the Member States, in order to create synergies and avoid overlaps with other financial instruments;
  73. Welcomes the support given in the Europe 2020 Strategy to shifting the tax burden to energy and environmental taxes which can create incentives to consumers and the industry for energy efficiency and job creation; invites the Member States to consider the possibility to reduce VAT rates for energy efficiency refurbishment works;
  74. Calls on the Commission to submit an annual report on whether and how appropriate (fiscal and subsidy-linked) incentives at national level were created, such as, in the private sphere and in SMEs, depreciations of small-scale industrial equipment up to EUR 10 000 or, in the industrial sphere, progressive depreciations of 50% in the first year or the creation of appropriate investment incentives and of research subsidies, in order to push forward energy efficiency measures;
  75. Highlights the EU ETS as an enormous resource potential for energy efficiency investments; recognises that billions of Euros will be raised by auctioning of EU emission allowances; reminds that according to the ETS directive at least 50% of these revenues should go to adaption and mitigation measures including energy efficiency; stresses that these revenues as well as revenues from carbon taxation should be prioritised for cost-effective energy efficiency financing and technology diffusion; notes furthermore that EU companies are buying millions of CDM credits, mostly in China and India, while they could be investing in CDM in Least Developed Countries or energy efficiency in Europe;
  76. Considers that this framework should take into account experience of existing revolving instruments provided by public financial intermediaries, involve existing EU funds and be designed to attract other public or private funds to create the highest leverage possible; considers that the European Commission cannot always be the sole source of all financial resources; calls upon the commission to fulfil a key role in unlocking and leveraging funding that is available in both public and private financial institutions; considers that the Commission should encourage financial institutions as well as funding programs such as the European Investment Bank to give high priority to innovative energy efficiency initiatives, especially when these contribute to other EU goals such as job growth;
  77. Recognises the lack of upfront finance as a major barrier to building refurbishment in the residential and SME sectors and calls on the Commission to list innovative solutions and best practice in overcoming this problem such as successful 'pay as you save' mechanisms, revolving funds and green investment banks (on the model of KfW in Germany or Caisse Depots in France);

78. Acknowledges that one of the greatest obstacles to realising energy efficiency at local and regional level is the need to invest upfront; is convinced that any measure taken at EU level should take due account of the implications for, and budgetary restrictions of, municipalities and regions; therefore recommends the Commission to consult local and regional representatives in order to set up development guidelines in the energy field and to provide financial support to local and regional projects through innovative programmes using existing energy resources and structural funds;
79. Welcomes the agreement between the Parliament and the Council to use uncommitted funds under the EEP Regulation for the creation of a dedicated financial instrument to support energy efficiency and renewable energy initiatives on the local and regional level; notes, at the same time, that, despite its significant job-creation potential, investment in energy efficiency is receiving undeservedly little support in the European Economic Recovery Programme;
80. Stresses the need to improve the use of existing EU funds such as the ERDF and EAFRD for energy efficiency measures; urges the Member States to make energy efficiency a priority in their operational programmes, and calls on the Commission and the national authorities to develop ways to facilitate the use of structural funds for energy efficiency measures, such as ensuring better information flow to the local level or establishing one-stop shops and finally reminds that those measures should be evaluated and that energy efficiency gains be an important parameter in this evaluation;
81. In the light of the expected revision of the Structural and Cohesion Policy and of the EU Financial Perspective, calls for the introduction of climate and energy saving proofing of all EU funds, so as to ensure that energy saving will be integrated within the conditionality for granting EU funds and that a higher proportion of these funds will be directed toward energy savings and reiterates that Structural Funds continue to cover all buildings and building system upgrades;
82. Calls on the Commission to use the mid term review in order to allocate more funds for energy efficiency programmes and to promote the possibility to use up to 15% of the ERDF for energy efficiency;
83. Stresses the need to develop technical assistance and financial engineering at local and regional authority level in order to support local players in setting up projects – e.g. by harnessing the EIB’s ELENA technical assistance facility and the experience of ESCOs;
84. Calls on the Commission to strengthen the financing facilities (e.g. ELENA) and to consider setting up complementary facilities funded under the Intelligent Energy Programme;
85. Points out that policies for energy efficiency should be oriented towards involving as many parties as possible, public as well as private, to obtain the largest possible leverage effect, create jobs, contribute to greener growth and encourage the creation of a competitive, connected, and sustainable European market for energy efficiency;
86. Notes that mandating energy companies to fulfil energy saving obligations could provide additional sources of financing for energy efficiency measures, such as wire

- charges applied to TSOs or DSOs, funds provided by suppliers as a means of fulfilling their obligation, or fines paid for non-fulfilment of requirements;
87. Notes that while much of the upfront capital required to deliver energy saving investments will need to come from the private sector, public intervention is needed to help overcome market failures and ensure that the low carbon transition occurs in time to comply with EU renewable energy and emission reduction targets;
88. Calls on the Commission to promote EU measures to support technical assistance provided by experienced (national and international) financial intermediaries:
- to raise awareness and know-how among managing authorities and public as well as private financial institutions on funding strategies and institutional requirements to support energy efficiency investments,
  - to support public and private financial institutions in implementing corresponding measures and financial instruments,
  - to structure sustainable and efficient financial instruments to better utilise available funds for energy efficiency investments,
  - to encourage the transfer of best-practices experience among Member States and their financial intermediaries,
  - to create an effective communication tool and to initiate a dialogue aimed at citizens in order to disseminate energy efficiency information to targeted categories of people and to guide their behaviour regarding energy consumption;
89. Acknowledges that a well-functioning energy market incentivises energy savings; calls on the Commission to assess and report on the role of energy companies, including Energy Service Companies (ESCO's) in promoting energy efficiency and calls on the Commission and the Member States to take effective measures to push energy companies to invest in energy efficiency and facilitate end-user energy efficiency improvements; calls on the Commission present recommendations based on best practices from which Member States can select the most suitable model for their domestic situation, such as a white certificate scheme, tax reliefs, direct incentives, etc.;
90. Calls on Commission, Member States as well as local and regional levels of government to increase their efforts to enhance education and training of energy efficiency experts of all kinds, but particularly of intermediary technicians, and in all sectors, but especially in the entire building value chain and in SMEs to upgrade skills of construction crafts; thereby creating green local jobs while facilitating the implementation of ambitious energy efficiency legislation; calls in this context for a full exploitation and increase of the structural and cohesion funds for training purposes;
91. Calls on the Commission to examine the applicability of innovative forms of regulation which can effectively combine the substantial potential for energy saving in the new Member States with the capital and technological potential of the more developed Member States;

92. Stresses the need to improve the development of markets for energy services; asks the Commission to consider, when revising the Energy Services Directive, measures to foster energy performance contracting in the public and private sector; Considers that energy services companies are in many respects the best placed to help households, SME's and the public sector to over-coming the barrier of high up-front investment costs when refurbishing existing buildings for energy efficiency purposes; proposes the Commission to do a study to assess best practices in the Member States as well as identify obstacles and barriers to fully exploiting the potential of the finance mechanism;
93. Points out that enterprises, through their innovation efforts, play a vital role in devising and implementing energy-saving measures; hopes that structural funding will encourage enterprises actively to participate in projects in the field of energy efficiency;
94. Reiterates its request that an energy efficiency chapter should be reinforced within the European neighbourhood policy and included systematically in EU-third country dialogues;
95. Recognises the chances and potential opportunities arising for European undertakings from the development, manufacture and marketing of energy efficient technologies (e.g. for applications in the area of engines and drives, lighting, electrical appliances, etc.);
96. Considers, in this context, the development and placing on the market of innovative technologies to be the basis for improving energy efficiency in all fields of application, for reducing greenhouse gas emissions and for increasing the share of renewable energies;
97. Insists that energy efficiency must be a priority under the next Research Framework Programme (FP 8);
98. Calls on the Commission to make energy efficiency one of the key priorities of the 8th Framework Research Programme and to allocate a significant part to energy efficiency sub-programmes similar to the current Intelligent Energy Programme; stresses the need for an increase in the funds for research, development and demonstration in the energy area, including a significant increase in the EU's future budget, particularly for renewable energy, smart grids and energy efficiency, by 2020 compared with the current level;
99. Takes the view that more importance should be given to the significance of energy saving measures in the context of international climate talks; believes that ambitious energy efficiency policies can be better enforced and have less impact on competitiveness if they are harmonised internationally; calls, therefore, on the Commission and the Member States to convince the EU's international partners at the forthcoming talks in Cancun of the need for coordinated energy efficiency measures;
100. Endorses the call by the G20 group of countries in its Toronto Summit Declaration of 27 June 2010 for fossil fuel subsidies to be phased out over the medium term, and points out that doing so would liberate billions of Euros which could be redirected to supporting energy efficiency measures, thus contributing far better to the EU's strategic

- energy objectives of sustainability, competitiveness and security of supply;
101. Considers that the social dimension to the energy dialogue, covering aspects such as human rights, energy poverty and the protection of low income consumers, should always be taken into account while developing energy policies;
  102. Recognises that energy efficiency policies have not so far addressed the social acceptance factor sufficiently in the reduction of energy consumption; emphasises that not only is the behaviour of users crucial for the success of energy efficiency measures but consumer trust should also be enhanced; calls for the future energy efficiency action plan to provide additional supporting measures to increase social acceptance; stresses the vital role that regional and local levels can play in reaching consensus;
  103. Stresses the importance of an intensified information policy of the Commission and the Member States regarding energy efficiency and energy savings issues towards all relevant stakeholders and calls upon the Commission and the Member States to improve and further facilitate such access to information on energy efficiency and energy savings issues;
  104. Instructs its President to forward this resolution to the Council and the Commission.

## EXPLANATORY STATEMENT

### Introduction

Energy efficiency is the most cost-efficient and fastest way to reduce CO<sub>2</sub>- and other emissions. The advantages are huge in terms of both economic growth and job creation. The jobs created will be in both rural and urban areas, often within SMEs and it will be local jobs, which cannot be outsourced. They will lie within IT, construction and services.

A lot has been achieved since the adoption of the Energy Efficiency Action Plan in 2006; however, the political and economical context has changed quite a lot since then. Therefore, there is a clear need to review the EU's Energy Efficiency policy to align it with the current priorities and developments. A thorough assessment of the achievements and shortcomings of the 2006 Energy Efficiency Action Plan should be undertaken as a basis for the revision of the EU's energy efficiency policy. Measures towards boosting energy savings can be introduced through a great variety of instruments at EU-level and at national level such as labelling and eco-standards of energy-related products, the energy consumption of buildings, and many others. It is the view of the rapporteur that policy-makers should seek to diversify the means by which they seek to make EU27 more energy efficient, and that some instruments are better suited to be used at the national level.

### Energy efficiency targets

It seems to be more and more evident that the EU is not on track to meet its 20% target. There is a lack of official documentation from the European Commission in this respect. While the targets for emissions and renewables are easy to measure and officially made available by Eurostat, statistics on energy efficiency, on the other hand, are controversial as the PRIMES-model is often contested. Nevertheless, the rapporteur believes that the Commission is responsible for presenting statistics on the development of all major elements of the EU's energy policy.

### Buildings

It is well-known that there is a huge potential in energy efficiency in buildings. The recent recast of the EPBD makes it difficult to pursue another recast of this directive at this point. Nevertheless, the importance of buildings calls for a different approach, one which is in line with the principle of subsidiarity and does not infringe with the private property right. We should consider the issue of appropriate financing instruments as well as the need for strengthening professional training, access to information for SME and awareness-raising in general. A focus should be on renovation of existing buildings, since the construction rate of new buildings gets lower and lower within the EU and many old buildings dispose of the highest efficiency potential, if renovated properly.

### Eco-Design

As a general principle the rapporteur is of the opinion that voluntary agreements should be promoted, however in some cases minimum standards and concrete targets are necessary measures to move the market in a more energy-efficient direction. The Eco-Design Directive

is the most effective instrument at EU-level in energy efficiency policy, and it is a prime example of the types of policy the EU should seek to introduce. The most promising approach seems to be founded on common standards for the EU-wide market, to introduce greater competition between Member States, enabling them to compete on the world market.

### **Financing**

In the cleantech industry there is a need to bridge the gap between the USA and China, on one hand, and the EU, on the other. Both countries are far more progressive than the EU with regard to adopting legislative measures promoting energy-efficient solutions. Therefore, measures and instruments to boost financing should be supported by the EU and Member States. The introduction of national energy efficiency funds which support EPC's should be incentivised through a financial instrument at the European level.

Energy Performance Contracting (EPC) whereby a customer purchases a guaranteed energy saving creates leverage as the investment is paid back over a time span of 2-15 years. Such a model creates jobs within SME's, consumers earn a saving on the energy bills and emissions are reduced.

5.10.2010

## **OPINION OF THE COMMITTEE ON THE ENVIRONMENT, PUBLIC HEALTH AND FOOD SAFETY**

for the Committee on Industry, Research and Energy

on revision of the Energy Efficiency Action Plan  
(2010/2107(INI))

Rapporteur: Peter Liese

### **SUGGESTIONS**

The Committee on the Environment, Public Health and Food Safety calls on the Committee on Industry, Research and Energy, as the committee responsible, to incorporate the following suggestions in its motion for a resolution:

1. Underlines that energy efficiency is the most cost-efficient measure to reduce CO<sub>2</sub> and other emissions and that it represents a unique opportunity to support and create jobs, while at the same time lowering dependence on energy imports. Notes that, according to the Commission, energy-saving benefits could amount to over EUR 1 000 per household per year;
2. Considers that, despite the progress made, for example through the adoption of the energy efficiency package, current energy efficiency legislation and measures alone will not be able to reap the full cost-effective energy saving potential. Notes that the effects of policies implemented up to the end of 2009 delivered some 9% savings compared to projections for 2020, so that it seems that, without further action, the cost-effective EU 2020 energy savings target of 20% will not be met;
3. Points out that, whilst the EU has a binding target of 20% renewable energy sources (RES) by 2020 and a directive in place which sets out the means of achieving this target, energy efficiency, which is a more cost-efficient instrument, is not subject to similar regulation. Considers, therefore, that it is appropriate that any future EU legislation should lead to the same level of investment in the area of energy efficiency as in RES; calls on the Commission, by the end of 2010, to present a legislative proposal similar to the RES Directive which would introduce a binding target for the reduction of energy consumption

by 25 %, to be achieved through energy efficiency;

4. Points out that further promotion in the field of renewable energies should be carried out and that the governments of the Member States should commit to adopting a long-term legal framework guaranteeing long-term investments and the opening of markets. Points out that it is necessary to have a policy of reasonable subsidies with the purpose of creating incentives that allow technological development in order to cut costs;
5. Stresses the importance of Information and Communication Technologies (ICT) for improving energy efficiency, and highlights the vital role of ICT - particularly smart metering and smart grids - in the integration of renewable energy sources into the power supply;
6. Points out that long-term targets are also of crucial importance to economic actors, and therefore proposes long-term targets for reducing energy consumption by 42% by 2030, and by 75% by 2050;
7. Calls for measures to tackle rebound effects so as to ensure that the impact of technical improvement is not negated through downward pressure on energy prices and increased consumption;
8. Underlines that proper implementation of the Ecodesign Directive is a key priority, and reiterates that the directive already provides for implementing measures with regard to 12 groups of products by 2007; insists that the Commission and the Member States must improve market surveillance in order to ensure compliance, especially in the case of imported products, and asks the Commission and the Member States to improve communication about the measures; emphasises the requirement under the directive to set minimum requirements at the level of lowest lifecycle costs, taking into account 'top-runners', i.e. best-performing products on the market;
9. Encourages the Commission to support national measures consisting in fiscal incentives or subsidies compatible with the EU rules on state aids, to boost the demand for energy efficiency services;
10. Notwithstanding the proper implementation of the Ecodesign directive, underlines that further gains in energy efficiency can best be achieved in the case of certain sectors by the use of integrative systems; calls on the Commission to study these possibilities in detail and to come forward with appropriate legislative tools that will allow for the implementation of a different approach, which addresses energy efficiency at system level rather than only at product level;
11. Deplores the slow progress and reduced ambition regarding Ecodesign implementing measures on important energy-using products, such as water heaters and boilers; is concerned that this reflects a lack of political support from the Commission for the achievement of energy efficiency targets;
12. Considers that all tools, including vehicle and fuel taxation, labelling, minimum efficiency standards and measures to improve and favour public transportation, are urgently needed in order to address transport emissions;

13. Calls on the Commission to present a legislative proposal for a recast of the Energy Services Directive which includes obligations for energy providers to reduce energy consumption; insists that such a proposal should ensure both proper participation by SMEs in energy efficiency activities and encouragement for the mobilisation of individual households in pursuit of the same purpose;
14. Asks the Commission to support and promote the setting up and development of a European high-voltage direct current (HVDC) grid able to optimise the harnessing of renewable energy sources, particularly wind and hydropower. This grid would provide long-range energy transmission at low energy loss, while making possible a synergy among all renewable energy sources;
15. Underlines the importance of combined heat and power (CHP), and especially of micro-CHP for 1-3-family houses, and asks the Commission to examine the regulatory and financial instruments necessary to exploit its full potential, and to propose any necessary initiatives and regulatory measures;
16. Underlines the importance of a distributed combined heat and power (CHP) or tri-generation network, which in practice allows a doubling of overall energy efficiency; points out, moreover, that heat or cooling storage could add flexibility to the grid during peak hours, allowing production of electricity and heat storage when production exceeds local needs;
17. Asks for a regulatory framework that guarantees in the long run that all buildings, including existing buildings, are climate-neutral;
18. Stresses that there should be clarity on which financial resources can be applied for actions and projects in the field of energy efficiency (just as there are clearly defined budgets for similar actions in the field of renewables). Points out that optimal use should be made of the resources available in, for example, the Structural and Cohesion Funds, the ELENA Fund and the remaining amounts from the European Economic Recovery Plan (EERP) that can be applied for projects relating to energy efficiency or renewable energy. Notes that, when new financial instruments are being developed, attention should be paid to these and other instruments already available in the Member States, in order to create synergies and avoid overlaps;
19. Underlines the importance of appropriate financing for energy efficiency, including part of the revenue that come from auctioning under emissions trading; insists that energy efficiency must be a priority under the next Research Framework Programme (FP 8);
20. Recommends the creation of energy efficiency funds in each Member State or, as an alternative, the creation of a European energy efficiency fund. The combined funds, or the European fund, should amount to at least EUR 2 billion per year;
21. Calls on the Commission to develop suitable Europe-wide instruments to support energy efficiency and to coordinate them with the Member States in order to create more incentives and achieve the goal of reducing CO<sub>2</sub> as quickly as possible;
22. Points out that full integration of energy efficiency criteria in public procurement policies

should be one of the objectives of the new Energy Efficiency Action Plan;

23. Points out that energy efficiency should be integrated into all relevant policy areas, including finance, regional and urban development, transport, agriculture, industrial policy and education. Takes the view that defining energy efficiency systematically as an award criterion in public procurement and making it a condition for publicly funded projects would give this policy a major push;
24. Sees opportunities in tackling light pollution and energy efficiency at the same time by replacing traditional public lighting and tourist spotlights on outstanding buildings in cities by more efficient and focused lighting;
25. Insists that more emphasis should be given to an analysis of the consequences of energy efficiency standards including the link between price and the quality of the end products, the effects of energy efficiency and the benefits for consumers; recognises that the Commission analyses all these effects but insists that the Commission and Member States must put much more effort on communication and control of all products including imports, such as for example energy efficient light bulbs;
26. Asks for European training and awareness-raising strategies regarding energy efficiency to be set up. Developing and implementing energy efficient technologies and systems requires targeted training of the workforce (builders, installers, architects, experts, manufacturers, etc.), in particular for the purposes of the Energy Performance of Buildings Directive<sup>1</sup>. Points out, moreover, that awareness-raising programmes need to be developed to inform consumers and SMEs on ways to reduce their energy consumption), which could be done through the combined efforts of national energy agencies and chambers of commerce; urges the Commission to include education on energy efficiency in the revised Energy Efficiency Action Plan;
27. Points out that an advantage of electric vehicles is their contribution to improving air quality in built-up areas; calls on the Commission carefully to assess the impact of the widespread use of electric cars in terms of energy efficiency and compliance with the targets for reducing CO<sub>2</sub> emissions;
28. Stresses that in order to meet the energy-efficiency targets mentioned above, it is crucial to invest in the transport sector, especially railway and urban transport systems, in order to minimise the use of the more energy-demanding ones;
29. Urges the Commission to give a prominent role to energy efficiency in the upcoming White Paper on the future of transport, with proposals on stricter vehicle efficiency standards, speed management, promoting a shift to less energy-intensive forms of transport and public transport, and the promotion of renewable and alternative fuels;
30. Considers it to be necessary in waste treatment processes to avoid biogas and heat losses through recovery and generation of steam and/or electricity. Takes the view that waste treatment plants without any form of heat recovery or production of energy should not be

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<sup>1</sup> Directive 2010/31/EU of the European Parliament and of the Council of 19 May 2010 on the energy performance of buildings (recast).

granted permits;

31. Attaches great importance to planning processes at European level. Energy efficiency should be given due attention in the Energy Action Plan 2011-2020. The new European Energy Efficiency Action Plan should be presented as soon as possible, and energy efficiency should have an important role in the future Roadmap towards a low-carbon energy system and economy by 2050;
32. Points out that, although energy savings clearly bring business opportunities, the energy service market is still limited and the number of companies in most countries remains quite small. Notes that active Energy Service Companies can stimulate actions and assist in providing financing solutions in all final energy sectors. Takes the view that in the building sector we should boost renovation and efficient appliances, that in transport, efficient vehicles should be used in an optimal way, and that in industry the large economising potential of more efficient processes should be tackled;
33. Stresses the fact that second to energy efficiency at the source (i.e. in primary energy production), tackling losses of (electrical) energy during transport through the grids should be considered a priority. Moving towards a more decentralised production system would reduce transport distances and thus energy losses during transport;
34. Urges the (petro)chemical industries throughout the EU to enhance energy recovery during flaring;
35. Notes that improving resource efficiency would also lead to significant energy efficiency gains.

## RESULT OF FINAL VOTE IN COMMITTEE

<b>Date adopted</b>	5.10.2010
<b>Result of final vote</b>	+: 46 -: 7 0: 1
<b>Members present for the final vote</b>	János Áder, Elena Oana Antonescu, Pilar Ayuso, Paolo Bartolozzi, Milan Cabrnock, Esther de Lange, Anne Delvaux, Bas Eickhout, Edite Estrela, Jill Evans, Karl-Heinz Florenz, Elisabetta Gardini, Gerben-Jan Gerbrandy, Nick Griffin, Françoise Grossetête, Cristina Gutiérrez-Cortines, Satu Hassi, Jolanta Emilia Hibner, Dan Jørgensen, Karin Kadenbach, Jo Leinen, Corinne Lepage, Peter Liese, Kartika Tamara Liotard, Linda McAvan, Radvilė Morkūnaitė-Mikulėnienė, Gilles Pargneaux, Andres Perello Rodriguez, Sirpa Pietikäinen, Mario Pirillo, Pavel Poc, Vittorio Prodi, Frédérique Ries, Anna Rosbach, Oreste Rossi, Dagmar Roth-Behrendt, Carl Schlyter, Horst Schnellhardt, Richard Seeber, Theodoros Skylakakis, Bogusław Sonik, Catherine Soullie, Anja Weisgerber, Glenis Willmott, Sabine Wils
<b>Substitute(s) present for the final vote</b>	George Sabin Cutaş, Tadeusz Cymański, Marisa Matias, Judith A. Merkies, Miroslav Mikolášik, Alojz Peterle, Michèle Rivasi, Marita Ulvskog, Kathleen Van Brempt

29.10.2010

## **OPINION OF THE COMMITTEE ON REGIONAL DEVELOPMENT**

for the Committee on Industry, Research and Energy

on revision of the Energy Efficiency Action Plan  
(2010/2107(INI))

Rapporteur: Lena Kolarska-Bobińska

### **SUGGESTIONS**

The Committee on Regional Development calls on the Committee on Industry, Research and Energy, as the committee responsible, to incorporate the following suggestions in its motion for a resolution:

1. Underlines that energy efficiency measures are a cost-effective way to boost economic competitiveness, increase supply security, reduce CO<sub>2</sub> emissions, create jobs and reduce fuel poverty; is concerned about the low outflow of ERDF funds for energy efficiency measures in a number of Member States; urges the Member States to make energy efficiency a horizontal priority in their operational programmes; calls on the Commission, national and regional authorities to facilitate the use of structural funds for energy efficiency measures, such as ensuring better dissemination of information to the regional and local level and the establishment of ‘one-stop shops’;
2. Acknowledges that one of the greatest obstacles to realising energy efficiency at local and regional level is the need to invest upfront; is convinced that any measure taken at EU level should take due account of the implications for, and budgetary restrictions of, municipalities and regions; therefore recommends the Commission to consult local and regional representatives in order to set up development guidelines in the energy field and to provide financial support to local and regional projects through innovative programmes using existing energy resources and structural funds;
3. Stresses the need to develop technical assistance and financial engineering at local and regional authority level in order to support local players in setting up projects – e.g. by harnessing the EIB’s ELENA technical assistance facility and the experience of ESCOs;

4. Emphasises that one key to realising the EU's energy-saving potential is the rapid and correct implementation by Member States of EU legislation on matters such as the energy performance of buildings, energy labelling and eco-design; calls on the Commission to actively support and monitor the implementation process;
5. Notes that various barriers exist at local and regional level, in particular in the residential sector, as a result of financial costs and long payback periods, split incentives for tenants and owners, or complex negotiations in multi-apartment buildings; calls for innovative, cost-effective solutions to removing these barriers, such as district refurbishment plans, financial incentives and technical assistance;
6. Emphasises the key role of regional and local authorities in achieving the energy efficiency goals and therefore supports a multi-level, decentralised approach to energy policy and energy efficiency, including the Covenant of Mayors and the Smart Cities Initiative; underlines the importance of the bottom-up EU energy policy approach for cities and regions that aims to promote clean, energy-efficient investment; stresses that aligning the future Cohesion Policy with the Europe 2020 Strategy would provide a key delivery mechanism to promote local and regional development that would bring about smart, economically competitive, sustainable growth in the Member States, regions and cities;
7. Observes that there are considerable differences among European regions preventing a standard binding energy efficiency target which would also place an undue burden on SMEs in particular; proposes therefore continuous monitoring of the implementation of existing legislation and the launch of infringement procedures in cases of non-compliance;
8. Recognises that energy efficiency policies have not so far addressed the social acceptance factor sufficiently in the reduction of energy consumption; emphasises that not only is the behaviour of users crucial for the success of energy efficiency measures but consumer trust should also be enhanced; calls for the future energy efficiency action plan to provide additional supporting measures to increase social acceptance; stresses the vital role that regional and local levels can play in reaching consensus;
9. Calls on the Commission to introduce measures to combat energy poverty, which in Europe affects the poorest households, and actively to support the implementation and financing of energy efficiency in housing;
10. Points out that enterprises, through their innovation efforts, play a vital role in devising and implementing energy-saving measures; hopes that structural funding will encourage enterprises actively to participate in projects in the field of energy efficiency;
11. Calls on the Commission to combine existing European legislation such as the Eco-Design Directive and the Energy Labelling Directive instead of further expanding it, in order to optimise the implementation of EU legislation and make use of synergies, especially for the consumer.

## RESULT OF FINAL VOTE IN COMMITTEE

<b>Date adopted</b>	28.10.2010
<b>Result of final vote</b>	+: 42 -: 0 0: 2
<b>Members present for the final vote</b>	François Alfonsi, Luís Paulo Alves, Sophie Auconie, Catherine Bearder, Jean-Paul Bisset, Victor Boștinaru, Zuzana Brzobohatá, John Bufton, Alain Cadec, Ricardo Cortés Lastra, Francesco De Angelis, Rosa Estaràs Ferragut, Elie Hoarau, Danuta Maria Hübner, Filiz Hakaeva Hyusmenova, Juozas Imbrasas, Seán Kelly, Evgeni Kirilov, Constanze Angela Krehl, Petru Constantin Luhan, Elżbieta Katarzyna Łukacijewska, Riikka Manner, Iosif Matula, Erminia Mazzoni, Miroslav Mikolášik, Lambert van Nistelrooij, Jan Olbrycht, Wojciech Michał Olejniczak, Markus Pieper, Tomasz Piotr Poręba, Monika Smolková, Csanád Szegedi, Nuno Teixeira, Oldřich Vlasák, Hermann Winkler
<b>Substitute(s) present for the final vote</b>	Karima Delli, Jens Geier, Ivars Godmanis, Lena Kolarska-Bobińska, James Nicholson, Elisabeth Schroedter, László Surján, Patrice Tirolien
<b>Substitute(s) under Rule 187(2) present for the final vote</b>	Andrea Češková

## RESULT OF FINAL VOTE IN COMMITTEE

<b>Date adopted</b>	9.11.2010
<b>Result of final vote</b>	+: 44 -: 5 0: 4
<b>Members present for the final vote</b>	Jean-Pierre Audy, Ivo Belet, Bendt Bendtsen, Jan Březina, Giles Chichester, Pilar del Castillo Vera, Lena Ek, Ioan Enciu, Gaston Franco, Adam Gierek, Fiona Hall, Jacky Hénin, Romana Jordan Cizelj, Arturs Krišjānis Kariņš, Philippe Lamberts, Bogdan Kazimierz Marcinkiewicz, Marisa Matias, Judith A. Merkies, Angelika Niebler, Jaroslav Paška, Aldo Patriciello, Miloslav Ransdorf, Herbert Reul, Teresa Riera Madurell, Michèle Rivasi, Paul Rübig, Amalia Sartori, Francisco Sosa Wagner, Konrad Szymański, Britta Thomsen, Patrizia Toia, Evžen Tošenovský, Ioannis A. Tsoukalas, Claude Turmes, Vladimir Urutchev, Adina-Ioana Vălean, Kathleen Van Brempt, Alejo Vidal-Quadras, Henri Weber
<b>Substitute(s) present for the final vote</b>	António Fernando Correia De Campos, Andrzej Grzyb, Yannick Jadot, Silvana Koch-Mehrin, Ivari Padar, Vladko Todorov Panayotov, Markus Pieper, Peter Skinner, Silvia-Adriana Țicău, Catherine Trautmann, Hermann Winkler
<b>Substitute(s) under Rule 187(2) present for the final vote</b>	Morten Løkkegaard, Marek Henryk Migalski, María Muñiz De Urquiza