

Policy
recommendations
to promote
**energy
efficiency**



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How can regions implement energy efficiency policies

Improving energy efficiency – using less energy to achieve the same output - has a number of clear benefits, like reducing greenhouse gas emissions, lowering energy bills for consumers and businesses, reducing energy imports or generating employment.

We have reviewed 21 interregional cooperation projects in which energy efficiency is either the main or an important focus. Comparing the outputs and findings of these projects with the benefits of energy efficiency, the reasons why progress on it is not as rapid as the benefits suggest it should be and the many policies, measures and programmes in place to improve energy efficiency has enabled us to identify practical lessons for those responsible for designing and for implementing energy efficiency policy. These are presented under “Lessons for policymakers” and “Lessons for local and regional authorities”. In addition, this publication shows some examples of good practices identified by INTERREG IVC energy efficiency projects that illustrate how a number of specific articles from the European Energy Efficiency Directive could be achieved.

Robert Williams, Koen Rademaekers and Marie-José Zondag were contracted by the INTERREG IVC programme to analyse, benchmark and capitalise on the wealth of knowledge generated by cooperation projects in the field of energy efficiency.

These policy recommendations are the result of a two-year analysis, providing targeted actions for those involved in this policy field.

1.

Lessons for policymakers

→ **Energy efficiency should not be considered in isolation. The efforts to integrate it into the many sectors and issues where it is relevant need to continue.**

Progress on energy efficiency is slower than its benefits suggest it should be. One of the reasons for this is the high number of policy areas that need to change in order for energy efficiency to be improved.

→ **There is still work to be done on awareness raising and capacity building, so European-level policies and programmes need to include funding for these “supporting measures”.**

It is important to remember that some Member States have a shorter history of putting energy efficiency policy into place. There is a need to help these Member States understand the benefits and the processes.

→ **Implementation is usually more of a problem than technology.** This lesson is important for policymakers and those expected to implement the policies. European and national level policies need to reflect the human aspects of awareness and engagement.

2.

Lessons for local and regional authorities – engaging local decision-makers and promoting action

→ **Support from local politicians is very important, but it is only part of the requirement.** In order for local authorities to actively pursue energy efficiency, INTERREG IVC project experience suggests that engaging and convincing local politicians, for example by focusing on the economic benefits of energy efficiency, is an important step. However, it is also apparent that political support alone is insufficient, as without local citizen, business and technical officer engagement, support for energy efficiency can be lost when politicians lose elections.

→ **Community involvement is an effective way of changing behaviour.** The INTERREG IVC projects highlighted many examples of good practices on this issue.

The *IMEA* project has promoted local role models, involved local groups and provided one-to-one individualised follow-up support for energy efficiency advice recipients.

→ **Small scale trials of specific technologies are very valuable, but there needs to be an acceptance that they might fail.**

Several projects (*IMAGINE*, *IMEA* and others) mentioned the benefits of testing technologies in place, even if only on a very small scale. This approach helps overcome informational and institutional barriers. It was also pointed out that even a small trial is often not possible without some political commitment – which demonstrates the need to address political buy-in and the fact that improving energy efficiency often requires the cooperation of multiple stakeholders.

→ **Regional or local Energy Efficiency Strategies are a very useful way of generating support, identifying the most appropriate opportunities and starting the process of change.** Regional / local energy plans help focus and enable transferability and uptake of good practices. These plans need baselines, roadmaps, indicators and realism in order to be effective. They also need to capture local strengths, weaknesses and opportunities.

This experience is apparent in a number of projects including *REENERGY* and *RE-GREEN*. The transfer works better into (and out from) those regions with a strategic energy / energy efficiency plan.

→ **There are many examples of good practices from others; most (but not all) of these can be adapted to local circumstances.** There are examples of technical and non-technical good practices for virtually every aspect of energy efficiency. Even if the exact details of the good practice cannot be transferred, for example due to climatic, cultural or technical differences, parts of it will be transferable.

3. Meeting the Energy Efficiency Directive policy objectives

During the 2014-2020 funding period Cohesion Policy will increase the share of European

Regional Development Fund (ERDF) allocated to measures supporting the shift to a low-carbon economy, with the allocation varying by regional classification. This means a minimum investment of at least €23 billion for 2014-2020 from the ERDF, while further investments through the Cohesion Fund and European Social Fund will increase this total. INTERREG projects have illustrated how to contribute improving policies in the field of energy efficiency. This is very useful for Member States (and regions) looking for the energy efficiency related expenditure required by the next round of Structural Funds and to implement the Energy Efficiency Directive (EED).

→ **Energy efficiency improvements can often be low or no cost and if the savings are clearly accounted these can be used to sustain a revolving fund.** The energy efficiency of historic buildings, which may well be below EPBD minimums, can be difficult to improve, but it is possible to do something. **Article 5** requires that the central governments of Member States renovate each year 3% of the total floor area of the buildings they own and occupy that do not meet the minimum efficiency requirements set under the Energy Performance of Buildings Directive.

REGREEN – Ireland Office of Public Works (OPW). The OPW is responsible for over 2 000 public buildings. They carried out a pilot study on energy efficiency potential in 200 buildings, which illustrated that 19% savings were possible. This was followed by a trial on 250 buildings, which achieved an average of 12% savings.

Serpente – Cork, Ireland. The city government set up a relatively small fund (€100k) to finance 3 energy saving projects in its building stock. These demonstrations were successful and the savings generated were put back into the fund to enable further savings.

→ **Green public procurement is an effective way for local authorities to lead by example, as well as supporting the growth of the green economy.** Grouping separate authorities together is an effective way of increasing the influence of this activity and better motivating companies to take part. The direct engagement of the suppliers is a helpful approach. **Article 6** requires, under certain conditions, that central governments purchase products, services and buildings with

high energy-efficiency performance defined through EU legislation.

LoCaRe - Business Opportunities for Suppliers by enhancing Environmental friendly Production. The Regional Council and County Council in Västra Götaland, Sweden, have been working together to promote social responsibility in procurement. 31 municipalities and the region have made an agreement regarding implementation of procurement practices that promote a low-carbon economy.

→ **Most of the INTERREG IVC projects produce action plans as an end result. These plans could be a good source of ready-made projects** for energy companies to part fund in order to meet their obligation under the Energy Efficiency Directive. **Article 7** requires Member States to set up schemes whereby energy distributors and/or retail energy sales companies are obliged to achieve annual energy savings equivalent to 1.5% of their annual retail sales.

CO2FREE – Cork, Ireland. The action plan resulting from this project identified a series of potential investments in Cork. Funding was pursued from a selection of national and EU sources, which resulted in the allocation of over €4.3m.

PLUS – LED Lighting Birmingham, UK. In 2010 the City of Birmingham, UK, signed a Private Finance Initiative (PFI) contract for the design, implementation, financing and operational maintenance of the city's street lighting. The contract lasts for 25 years and has a value of

£2.7billion. The project will see approximately 50% of Birmingham's 90000 street lighting points replaced with high efficiency LEDs within five years, with the remainder being replaced during the contract lifetime. The contract includes a lighting control and management system to facilitate optimum management and maintenance of the lighting network. The city will soon introduce dimming to vary light levels based on traffic and street activity levels.

→ **Tailored advice can help groups which can be regarded as “hard to reach”.** In the **article 12**, consumer information and empowering are recommended in order to promote and facilitate efficient use of energy by small energy customers.

Energitee – Good practice: advice to low-income domestic energy consumers, Haute Savoie, France. Three main actions were undertaken: raising awareness of households (via home visits, conference, group meetings, distribution of brochures and information tools), training social workers on energy efficiency matters and participating in the local Energy Fund committee. A practical guide on energy-saving at home was created in 2003 containing practical advice on energy and water savings. Social workers give it to families or ambassadors when they visit homes. The “bill mask” was created in 2007 to help families read their electricity bill. Households insert their bill in an A4 folder, with “opened windows” cut in the paper to highlight important pieces of information.

Learn more, do more...

The full report of this analysis contains a detailed description of the drivers and barriers to energy efficiency and a comprehensive summary of the European level policies and programmes designed to promote it. There is also a detailed analysis of the 21 energy efficiency focused INTERREG IVC projects considering their innovative aspects, effectiveness, transferability and the synergy between them. The good practices and conclusions summarised in this brochure are also explained in more depth.

This publication is one of a series of twelve thematic policy recommendations. For more information and downloads, visit:
www.interreg4c.eu/capitalisation

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