

Brussels, 31 January 2013

Energy Efficiency Directive (EED): Main principles for implementation

Orgalime fully supports the objectives of the Energy Efficiency Directive that establishes a common European framework of measures for the promotion of energy efficiency to achieve the 2020 EU objectives and to pave the way for further energy efficiency improvements.

Orgalime industries are fully committed to continuously improving the energy use in their own processes, to placing on the market ever more energy efficient products, services and technologies for the consumer to enjoy and to play a role in facilitating better informed consumer choices.

The Directive should provide a common and holistic answer to the energy, climate change and resource efficiency challenges ahead, by harmonising to the maximum extent possible current practices and efforts of the different Member States. Indeed, an European framework, which is as strong as possible, will not only provide a clear political signal for sustainable and growth enhancing energy efficiency investments. It will also help to reduce Europe's external energy bill that today is strongly dominated by energy imports, and to change consumer behaviour towards reducing their individual energy consumption and thereby the cost of living. Therefore, we call on the Commission and the Member States to ensure an ambitious, harmonised and timely implementation of the Energy Efficiency Directive.

In this context, the Commission is currently developing guidelines on the main provisions of the Directive, in cooperation with Member States. We strongly support this Commission initiative, which, we believe should also reflect the good practices implemented over the past years in the Member States. While there is no official consultation of stakeholders, we appreciate the opportunity given to stakeholders to contribute to these guidelines.

To really carry forward the uptake of energy efficiency, Orgalime supports an implementation of the Directive that takes into account the following general principles:

- A workable and enforceable implementation
- A clear EU wide approach ensuring the harmonisation of current and future practices of the different Member States, to the maximum extent possible, in delivering and reporting of progress against the targets and objectives of the Directive
- Consistency and coherence with other EU legislation, especially the Ecodesign, the Energy Labelling and the Energy Performance of Buildings Directives
- Avoiding excessive administrative and financial burdens for companies
- Setting harmonised standards and a common calculation methodology for integrated energy performance of the buildings, while granting sufficient flexibility for companies to implement their own solutions
- Acknowledging early movers and in particular avoiding penalising their efforts

Orgalime, the European Engineering Industries Association, speaks for 39 trade federations representing some 130,000 companies in the mechanical, electrical, electronic, metalworking & metal articles industries of 23 European countries. The industry employs some 10.2 million people in the EU and in 2011 accounted for some €1,666 billion of annual output. The industry not only represents some 28% of the output of manufactured products but also a third of the manufactured exports of the European Union.

www.orgalime.org

We regret that the overall level of ambition of the adopted Directive is lower than initially expected, as this will not allow achieving the 20% energy efficiency target by 2020.

The current focus on the energy efficiency of products is undermined to a large extent by the limited uptake in many areas. The opportunity to act as a catalyst to strengthen the market for energy efficient products and services should therefore in our view not be missed. Besides being harmonised and timely, the implementation of the Directive should also be ambitious. Indeed, provisions laid down in the Directive should, in our view, be treated as an absolute minimum and we encourage Member States to exceed these targets and requirements.

Therefore, against the experience gained with the implementation of EU legislation to date, Orgalime supports the following concrete actions for the implementation of the Directive:

- **Building a market around an active public sector promoting energy efficiency and leading by example, through:**
 - Launching ambitious and visible investment plans in public infrastructures, buildings, transport and smart cities, using where appropriate public private financing to accelerate investments.
 - Using public procurement to promote energy efficient products, systems and services based on the principle of cost-effectiveness throughout the life of a product.
 - Considering the 3% annual renovation target of public buildings owned and occupied by central government as a minimum to be exceeded, taking into account national particularities, such as available public finance for national housing policy. The annual 3% rate should also be applied to buildings owned and occupied by administrative departments at levels below that of central government.
 - Not watering down renovation efforts by carrying over savings from one year to the next to reduce following years minimum targets.
 - Setting renovation targets for all existing buildings, both private and public, taking into consideration the differences between the building types: residential buildings, commercial buildings and public buildings. Such renovation targets need to be based on actual energy consumption (to be used as baseline) and be consistent with the minimum energy performance requirements of the EPBD (2010/31/EU).
 - Setting up a separate renovation roadmap for commercial buildings since their energy consumption is rising faster than that of residential buildings, the activities taking place in them change more frequently than residential buildings and their energy costs are higher than those in residential buildings.
 - Providing visibility to all consumption flows in buildings, and not only on the energy consumption
 - Using systematically Energy Performance Contracting (EPC) and Energy Service Companies (ESCOs) to accelerate the speed of building renovations
 - Taking into consideration not only the envelope of the building, but also technical installations, internal equipment, building automation and controls equipment, as well the maintenance and continuous performance monitoring.
 - Setting up monitoring and inspection of controls performance according to standards, such as EN 15232.
 - Ensuring that staged deep renovations are considered as a viable and efficient path towards achieving energy savings

- **A push for education, training and information campaigns on energy efficiency**
 - Setting up EU wide campaign to promote the benefits of installing energy efficiency measures and to help consumers improve their knowledge and understanding of these benefits, including at the level of their environmental impact.

- Ensuring EU-wide education of all actors, from consumers to the whole business chain and associated services, such as installation and maintenance.
- Pushing the roll out of smart metering as an important building block for achieving a higher degree of awareness by consumers.
- Improving efficiency and promoting a smart grid approach throughout the whole energy supply chain, from transformation, to transmission and distribution, through European-wide market designs and measures to encourage technologies and systems enabling Demand Response programmes. Such programmes provide the means for consumers to take the full control of their energy consumption by adapting their behaviour, for example, to price signals, thereby significantly reducing the need for new generation capacity.



The European Engineering Industries Association

ORGALIME aisbl | Diamant Building | Boulevard A Reyers 80 | B1030 | Brussels | Belgium
Tel: +32 2 706 82 35 | Fax: +32 2 706 82 50 | e-mail: secretariat@orgalime.org
Ass. Intern. A.R. 12.7.74 | VAT BE 414341438