

EU takes final step in adopting Energy Efficiency Directive

EU ministers yesterday (4 October) placed the last piece of the 20-20-20 climate puzzle, agreed in 2007, by throwing their weight behind the EU's Energy Efficiency Directive.

The directive is the last piece of legislation out of a suite of three which came as a result of the March 2007 EU summit, when member states had struck an agreement on a 20% energy efficiency target by 2020, together with a 20% renewable energy target and a 20% CO2 reduction target.

Despite the European Parliament giving an overwhelmingly positive vote on the directive in the plenary on 11 September, EU officials were still not celebrating its adoption until this final Council vote, EurActiv understands.

This is because the 'tough' talks which delayed the legislation have previously been described by key negotiators as the 'most complicated' of the past few years, with tight political battles threatening its adoption several times before the initial agreement in June 2012.

In the context of the economic crisis, the financial side of the discussions weighed heavy in the negotiations.

More exactly, despite the directive setting only 'indicative' and not binding targets, the investments needed to implement the law average €40 billion to €50 billion.

Member states are required to implement a set of binding, flexible measures and set a national energy efficiency target - which would have to be 20% energy savings for the EU as a whole by 2020.

The main changes the directive brings to existing legislation are:

Energy companies are requested to reduce their energy sales to industrial and household clients by at least 1.5% each year;

A 3% renovation rate for public buildings which are "central government-owned and occupied";

An obligation on each EU member state to draw up a roadmap to make the entire buildings sector more energy efficient by 2050 (commercial, public and private households included);

The new directive also includes additional measures on energy audits and energy management for large firms, cost-benefit analysis for the deployment of combined heat and power generation (CHP) and public procurement.

Last piece of the puzzle

"I strongly welcome the positive Council vote The most important phase of the process – the implementation – will start soon. I call upon member states and stakeholders for extra

efforts to bring its provisions into life. The Commission also remains dedicated and committed to continue its support to the process," Energy Commissioner Günther Oettinger said, on announcing the positive vote yesterday.

The next step for member states is to present their national indicative targets by April 2013. If the Commission does not find the targets satisfactory - reaching the overall 20% by 2020 energy efficiency goal - then member states will be required to re-assess their plans and send another proposal to the Commission or risk penalties.

However, for the implementation of other measures, member states are given additional time. They do not have to report on the implementation of one of the key articles - such as the one on energy efficiency obligation schemes or alternative policy measures - until one year after the entry into force of the directive. But, at the same time, they have to prepare by the end of 2015 an assessment of potential for district heating and cogeneration.

In the first semester of 2014, the Commission will review the progress towards the 20 % energy efficiency target, report on it and assess whether further measures are needed.

Next steps:

Nov. 2012: The directive will enter into force 20 days after publication in the Official Journal of the EU

April 2013 Member states present their national programmes for the implementation of the Energy Efficiency Directive

2014, 2016: European Commission to review the Directive.

(Source: Euractiv)

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