

Stakeholder Needs Assessments for the Implementation of Article 7 EED – Second cycle

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Introduction

The European Union Horizon 2020 ENSMOV ('Enhancing the Implementation and Monitoring and Verification Practices of Energy-Saving Policies under Article 7 of the EED') is a three-year project, which started in June 2019. The main objectives of ENSMOV are:

- To support the exchange of knowledge and experience between EU Member States in the implementation of policies within the framework of Article 7 of the Energy Efficiency Directive (EED).
- To use existing resources and to develop tailored support according to the specific needs of EU Member States for the implementation of Article 7 EED.
- To foster the implementation of monitoring, reporting and verification (MRV) of obligation schemes and alternative measures in the context of Article 7 EED in order to ensure EU Member States are having a solid database for the (re)design of energy-related policies for 2030.

The target group of ENSMOV are primarily national authorities and implementing bodies for Article 7 EED policies in Austria, Belgium, Bulgaria, Croatia, France, Germany, Greece, Hungary, Italy, Lithuania, Netherlands, Poland, Romania and the United Kingdom while invitations to join are sent to all EU Member States and Associated Countries to exchange knowledge for improving their energy policies.

This document provides an overview of the main areas in which Member States would benefit from knowledge gained in the second cycle of the knowledge exchange.

It is based on the results of the thorough Needs Assessment (*Deliverable D2.1 Stakeholder Needs Assessments for the Implementation of Article 7 EED*) from the beginning of the project implementation and the stakeholder survey that has been done in March and April 2021 and cross - checked with anonymous voting of the more than 50 webinar participants.

Topics and participants

Based on the needs' assessment from the beginning of the project implementation and the needs encountered during the project knowledge exchange implementation, partners have suggested several topics of the future reports' / support materials' development and workshops.

Key issues addressed for the second cycle of workshops:

Policy Implementation

- **How to assess the side effects of EEOs and alternative measures**

Identify cases where side effects were triggered by EEOs and alternative measures. Propose procedure for monitoring and evaluating the potential side effects. Formulate policy recommendations for avoiding them.

- **Additionality & Materiality**

Providing best practices on demonstrating the additionality principle from a series of policy instruments and technologies in countries. Furthermore, cross-comparing how the materiality principle can be applied in various measures and how to simplify (administratively) the demonstration of materiality

Comment from stakeholder: Member states need to have comprehensive list of the Union laws in which case energy savings cannot be considered or need to be assessed differently and detailed formulas/metrics

- **Article 7 and Climate targets**

In view of the EED and ETS synergies, it is important to understand the interplay between Article 7 and Climate Targets. This mainly holds for the transport sector and the built environment (even more in the heating sector), where technologies on fossil fuels for instance (which fall under climate targets) can be used for achieving energy saving targets

- **How to set up and function an energy efficiency fund**

Art7 EED allows the use of an Energy Efficiency Fund that can receive amounts from payments of obligated parties (or market participants) and the public budget to finance energy efficiency actions to generate required energy savings. Several countries use already previous Funds, who were not

dedicated to energy efficiency. It is important to see how to build up and function such a fund from countries that are developing or working with that.

- **How banking and borrowing rules work in the MS**

Art7 EED has set provisions for banking and borrowing savings among periods. These savings can be translated as well into certificates where a market for banking and borrowing exists. Nevertheless, it is important to take stock from countries on how to enable such rules in the various policies and periods

- **ESCOs and Article 7**

The question is whether ESCOs are finally stimulated by Art7 EED and what are the correct policies to do so? EEOs? Financing measures? Regulations?

Monitoring, Reporting and Verification

- **Step by step approach for setting up, developing and modifying MRV-schemes**

Comparing different MRV-schemes from Member States as well as going into detail on how an MRV-Scheme can be successfully set up

- **IT Tools**

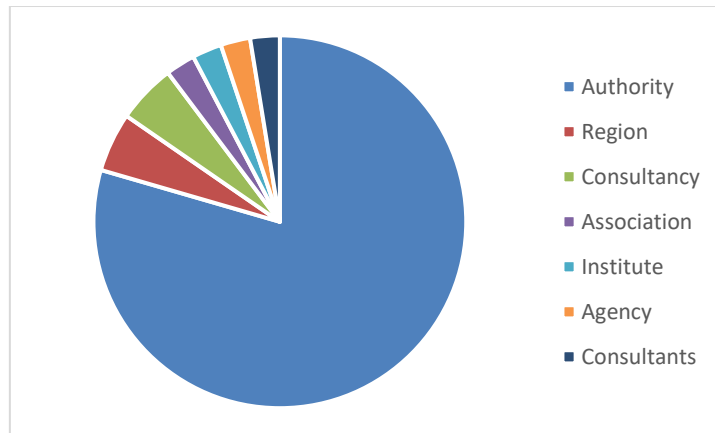
Providing information on how IT tools can support evaluation and MRV of energy efficiency policies.

Stakeholders added several topics that interest them:

- Social and Economic aspects?
- Introduction into business models for OPs on how to generate savings
- Financing options in markets where residential energy prices are regulated
- Declining rate of energy savings. Are there any examples available? How other Member – States are dealing with this issue?

The data collection was carried out by means of questionnaires with 41 participants from 23 countries. **The stakeholders were able to vote for the one of the selected topics by giving them priority grades.**

Figure 1 Questionnaire respondents split by stakeholder groups



It should be noted that the objective of this survey was not to provide the official view of each Member State. The number of answers received per country vary from one country to the other, and some countries are not even represented.

Priority Ranking

The methodology chosen includes giving the ranking to specific topics on the scale from 1-3, one meaning most relevant and 3 least relevant for the stakeholder:

Average scaling	Topic	Rank
1.86	Step by step approach for setting up, developing and modifying MRV-schemes	4
1.67	How to assess the side effects of EEOs and alternative measures	2
1.89	Additionality & Materiality	5
1.81	IT Tools	3
1.46	Article 7 and Climate targets	1
1.96	How to set up and function an energy efficiency fund	6
2.19	How do banking and borrowing rules work in the MS	8
1.99	ESCOs and Article 7	7

Anonymous rating using MIRO platform during webinar, shows there is a bit more interest in setting up the MRV schemes. The major difference is with topic “ESCOs and Article 7”. Since the participants were also market actors, who were not covered a lot in the questionnaire, this might serve as a signal there is an interest on the topic directly from market actors/ESCOs.