



**CONCERTED ACTION
ENERGY EFFICIENCY
DIRECTIVE**

Article 4 long term strategies and processing NEEAP 2014 Executive Summary

Executive Summary Report 1.3

**Core Theme 1 – NEEAPs and annual reports and measuring progress in
energy efficiency
Working Group 3**

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1 Summary

The Energy Efficiency Directive (EED) requires Member States (MS) to submit a National Energy Efficiency Action Plan (NEEAP) by 30th April 2014. In addition, EED Article 4 requires MS to publish the first version of a long-term building renovation strategy by 30th April 2014, to update it every three years thereafter and to submit it to the Commission as part of the NEEAP. Previous work in the CA EED session on NEEAPs has been dedicated to these topics.

At previous CA EED meetings, MS showed a clear interest in having a dedicated session on the next NEEAP and the long term building renovation strategy at the meeting in March 2014. Both of these were more than topical in March 2014, with the 1st EED NEEAP- and the first version of the Article 4 long term building renovation strategy - having to be delivered by 30th April 2014.

The information contained in this report is based purely on input received during Article 4 and NEEAP sessions at the Plenary Meeting in Athens in late March 2014.

1.1 Article 4 long term building renovation strategy

Experiences in Ireland and UK to generate EED Article 4 long term building strategies

Ireland and the UK provided insights into their experiences of generating their long term renovation strategies as required by Article 4. Both presenters highlighted the use of existing data for use in the long term strategy. More information about these experiences is provided in section 3.

Addressing all issues in Article 4(a)–(e) in the first strategy by 30th April 2014

Discussion with Commission representatives highlighted that EED Article 4 clearly outlines the issues to be addressed in the first version of the strategy due by 30 April 2014, i.e. 4(a) – (e). It was emphasised that the more information included in the first version of the strategy, the better. It is essential that MS provide a timeline for completion of a fully-fledged strategy by the deadline. In line with Article 4, long term renovation strategies must be delivered again by April 2017.

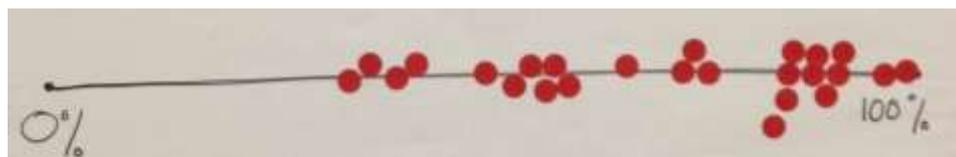
A number of themes emerged during discussion among about 40 participants:

- Most MS are using existing information where available
- The residential sector is generally the best understood, with more work needed on non-domestic and public sectors
- Addressing the barriers to uptake should be part of the strategy
- More detailed modelling is generally available for the period to 2020, given greater policy and budgeting certainty for this period. Less certainty exists around longer time frames however it was generally agreed that 2030 should be the minimum timeframe referenced. Given the enormity of the task to renovate the entire existing stock, 2050 might be more appropriate.
- No clear picture was obtained in Athens about the period MS will address in their first long term strategies – meaning that “long term” will likely vary in the strategies
- Understanding consumers’ decision-making processes in order to guide the investment decisions of individuals is important to ensure policy translates into action
- Consideration of the multiple benefits of energy efficiency is an important part of any strategy. Potential exists to find cross governmental co-operation, e.g. energy and health.

Article 4 long term building renovation strategies under preparation

In March 2014, the majority (76%) of participants from 25 MS indicated that their Article 4 strategy was at least half way to completion. 4 MS did not reply in the session to this question.

Figure 1: Progress among 25 MS in Article 4 first strategy work in late March 2014



Half of the participants were aware of the assistance document for Article 4 long term strategies

The level of awareness and use of the outputs of the CA EED, CA EPBD and CA RES Joint Working Group on Article 4 was tested in the session. These outputs provide assistance documents to Member States towards developing long term strategies for mobilising investment in building energy renovations. 21 MS indicated that they knew about the assistance documents and 7 had referred to the documents. 11 MS indicated an intention that they would use them after the session. A link to the documents can be found in section 3.3 below.

1.2 Processing the 1st EED NEEAP (NEEAP-3)

The current status of NEEAP-3 preparation was discussed. About 40 participants were divided into small groups and discussed the following issues:

- Progress on NEEAP-3 preparation in the MS
- Possible problems encountered when preparing NEEAP-3
- Comparison of approaches to and effort needed for NEEAP-2 and NEEAP-3 preparation, as well as their status across the MS
- Use of the NEEAP template and guidance provided by the Commission
- Inclusion of other reporting requirements beyond those required by EED (e.g. EPBD reporting requirements)
- Inclusion of primary energy
- Possible intentions to update notifications on Art.3 and Art.7 in the NEEAP-3.

Based on the summaries of the group work undertaken during the parallel sessions, most of the MS are well on the way with preparation of their NEEAP-3 and will meet the deadline prescribed by the EED. Short delays are possible in a few MS.

Preparation of NEEAP-3 is seen as more challenging than preparation of NEEAP-2. Problems identified by the MS representatives were:

- Heavy reporting burden imposed by the EED, tight reporting and implementation deadlines
- Dealing with new chapters in the NEEAP-3 that were not present in the last two NEEAPs
- Overlaps – double reporting of the same issues in different parts of the NEEAP

Perhaps partly as a result of these challenges, most MS indicated that NEEAPs are a reporting tool or a tool for proving compliance with the EED rather than being a policy document. This view remained in place or had even been reinforced by the process of preparing the NEEAP-3.

The MS declared that they are using NEEAP-2 as much as possible as a basis for preparation of NEEAP-3. The template and guidance are being used by all MS and are appreciated as a great help, although there were some confusing discrepancies between these two documents. For most MS, the content of the NEEAP-3 is based on the minimum requirements, with links to other documents to provide further detail. Some MS declared that they will include some requirements of EPBD in their NEEAP-3.

The inclusion of primary energy savings in the NEEAP-3 differs between the MS: some will and some will not include them in the NEEAP-3. However, all MS will include data on final energy savings. MS have mostly used the same M&V methods established for NEEAP-2 for calculating final energy savings. In some MS, these methods have been updated to fit the specific needs of the EED, e.g. Art.7 calculations.

Inclusion of different EPBD reporting requirements in NEEAP-3, beyond those required by EED, seemed not to be popular in MS. MS particularly highlighted unsuitable and/or unsynchronised reporting timelines for the different reporting requirements in EPBD compared to the NEEAP-3 timeline.

The vast majority of MS will not use NEEAP-3 to declare possible changes in notifications related to Art.3 and Art.7. However, some will make use of the bilateral discussions with the Commission on the Article 7 notification on 5.1.2013 and will update issues from their Article 7 notification in the NEEAP-3.

2 Conclusions

Article 4 long term building strategies under preparation

The majority (76%) of the participants from 25 MS indicated in March 2014 that their Article 4 strategies were at least half complete. The remainder stated the work was less than half done (answers from 4 MS were not available).

Key findings in the Athens session

- All Article 4 elements a) to e) need to be addressed in the strategy by 30.4.2014
- Use existing information when possible
- Consider target audience
- Don't forget multiple benefits
- "Long term" will differ in MS strategies – not defined in EED
- Make use of the Article 4 Joint Working Group report – this will also be available on the public CA EED website

1st EED NEEAP 2014 (NEEAP-3) is a demanding task for most

Key findings in the Athens session:

- Most MS are well on the way with their NEEAP-3 and will meet the deadline
- The NEEAP template provided by the Commission is useful and widely used as a starting point in MS
- NEEAP guidance provided by the Commission is helpful but in some cases also confusing. It goes beyond the minimum requirements of EED in many places, but in most cases, only the minimum requirements will be included in NEEAPs
- NEEAP-3 is more challenging for most MS than the 2nd ESD NEEAP
- NEEAP-3 is predominantly seen as a reporting tool

3 Practical Examples

Ireland and the UK provided insights into their experiences of generating their long term renovation strategies as required by Article 4 of the EED. In addition, a presentation from the Netherlands highlighted ways of making use of the assistance documents for MS to produce the Article 4 strategy.

3.1 Developing Ireland's Building Renovation Strategy

Ireland's experiences of developing renovation strategies in accordance with Article 4 of the EED were presented in the Athens CA EED meeting in March 2014. Ireland has combined previous work and existing data with new data for the commercial and public sectors to build a more detailed understanding of the existing stock. A novel feature of the analysis of potential savings is the incorporation of consumer choice modelling. A disaggregated view of savings potential by consumer groups (e.g. mortgaged vs. owner vs. rented households) should enable tailoring of policies to specific groups.

The presentation is available at the CA EED website: <http://www.ca-eed.eu/good-practices/member-state-presentations/neeaps/article-4-long-term-renovation-strategy>

3.2 EST work in support of UK approach to Article 4

The UK, in a similar fashion as Ireland, has collated a lot of existing data for use in the EED Article 4 long term building renovation strategy. Surveys are being used to enhance non-domestic sector data. Barriers to uptake of energy efficiency upgrades are identified and the strategy suggests ways to address these.

The presentation is available at the CA EED web site: <http://www.ca-eed.eu/good-practices/member-state-presentations/neeaps/article-4-long-term-renovation-strategy>

3.3 Assistance for Article 4 long term building renovation strategies

A presentation by the Netherlands briefly introduced the joint CA EED, CA EPBD and CA RES working group outcome. The aim of the joint working group in 2013 was to provide guidance to practically assist MS to process their Article 4 long term building renovation strategies. The guidance has a voluntary status and any views expressed in the documents are not to be attributed to the EU Commission or to any national or EU institutional party. It provides a structured checklist of questions and accompanying reference material aimed at assisting authorities in MS.

The core of the assistance document takes the form of a series of nine steps, each containing a checklist of indicative issues to be considered: vision and time horizon, stakeholder engagement, market characterisation, key barriers and challenges, techno-economic appraisal, financing, policy measures, shaping the offer – growing market confidence and publication and implementation.

The guidance can be especially helpful for MS that have not yet completed their first Article 4 long term building renovation strategy. In addition, the work can in future be utilised by all MS when updating the strategy. The presentation is available at the CA EED website: <http://www.ca-eed.eu/good-practices/member-state-presentations/neeaps/article-4-long-term-renovation-strategy>.

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The Concerted Action for the Energy Efficiency Directive (CA EED) was launched by Intelligent Energy Europe (IEE) in spring 2013 to provide a structured framework for the exchange of information between the 29 Member States during their implementation of the Energy Efficiency Directive (EED).

For further information please visit www.eed-ca.eu or contact the CA EED Coordinator Lucinda Maclagan at Lucinda.Maclagan@rvo.nl



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