



**CONCERTED ACTION
ENERGY EFFICIENCY
DIRECTIVE**

Following central government's exemplary role in building renovation

Executive Summary Report 2.3

**Core Theme 2 - Public Sector: public buildings and public purchasing
Working Group 3**

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1 Summary

1.1 Background

The Energy Efficiency Directive (EED) stipulates that public bodies should continue, as previously demanded by the Energy Services Directive, to play their exemplary role in energy efficiency through the renovation of buildings owned or occupied by central governments (art. 5) and by ensuring that central governments purchase only products, services and buildings with high energy performance, meeting specified conditions (art. 6). Both articles also contain obligations for Member States (MS) to encourage public bodies at regional and local level to follow central government's exemplary role (art. 5(7) and art. 6(3) respectively).

Although art. 5(7) extends the obligation beyond addressing public bodies at regional and local level to social housing bodies governed by public law, social housing is excluded from the scope of this report.

Article 5(7) provides a list of measures that can be used in this process:

- a) Adopt an energy efficiency plan, freestanding or as part of a broader climate or environmental plan, containing specific energy saving and efficiency objectives and actions, with a view to following the exemplary role of central government buildings laid down in art. 5. paragraphs 1, 5 and 6;
- b) Put in place an energy management system, including energy audits, as part of the implementation of their plan;
- c) Use, where appropriate, energy service companies, and energy performance contracting to finance renovations and implement plans to maintain or improve energy efficiency in the long term.

This report focuses on the encouraging role of central governments as set out in art. 5(7) only, i.e. concentrating exclusively on building renovation at regional and local level. Information in this report comes from a questionnaire circulated to Member States and from information obtained at the CA EED Meeting in Athens in March 2014.

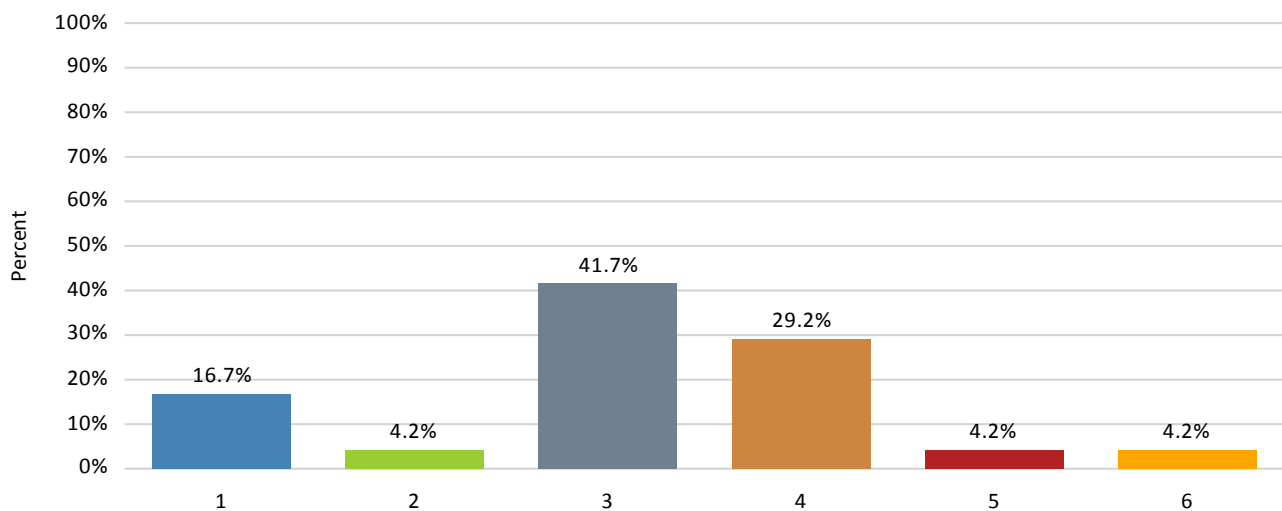
1.2 Boost factors for renovation of public buildings

MS were requested to answer whether they have already started the renovation of public buildings and which EU Directive prompted the work. The main stimuli suggested were the two main EU Directives addressing energy efficiency, namely the Energy Performance of Buildings Directive (EPBD)¹ and the EED².

Figure 1: Reasons for renovation of public buildings induced or encouraged by the central government, as stipulated by art. 5

¹ Directive 2010/31/EU of the European Parliament and of the Council of 19 May 2010 on the energy performance of buildings (recast), OJ L 153, 18.6.2010.

² Directive 2012/27/EU of the European Parliament and of the Council of 25 October 2012 on energy efficiency, amending Directives 2009/125/EC and 2012/30/EU and repealing Directives 2004/8/EC and 2006/32/EC, .OJ L 315, 14.11.2012.



1. Yes, it has been started by the EPBD and is ongoing independently from the EED;	16.7%
2. Yes, it has been started by the EED (art. 4 or/and art. 5);	4.2%
3. Yes, it has been started by the EPBD and then has been invigorated by the EED;	41.7%
4. No, but it is planned to start in the near future as part of implementation of the EED;	29.2%
5. No, it has not been planned to start in the near future;	4.2%
6. I don't know	4.2%

Out of the 24 countries that replied, about 62% have started the renovation process, all in the frame either of the EPBD and / or of EED implementation (Figure 1). This fact demonstrates the decisive roles of the EU Directives as catalysts for the building renovations undertaken by the public sector.

Moreover, in line with the chronological sequence, it looks as if the first and main booster was EPBD implementation (column 1 and 3 in Figure 1).

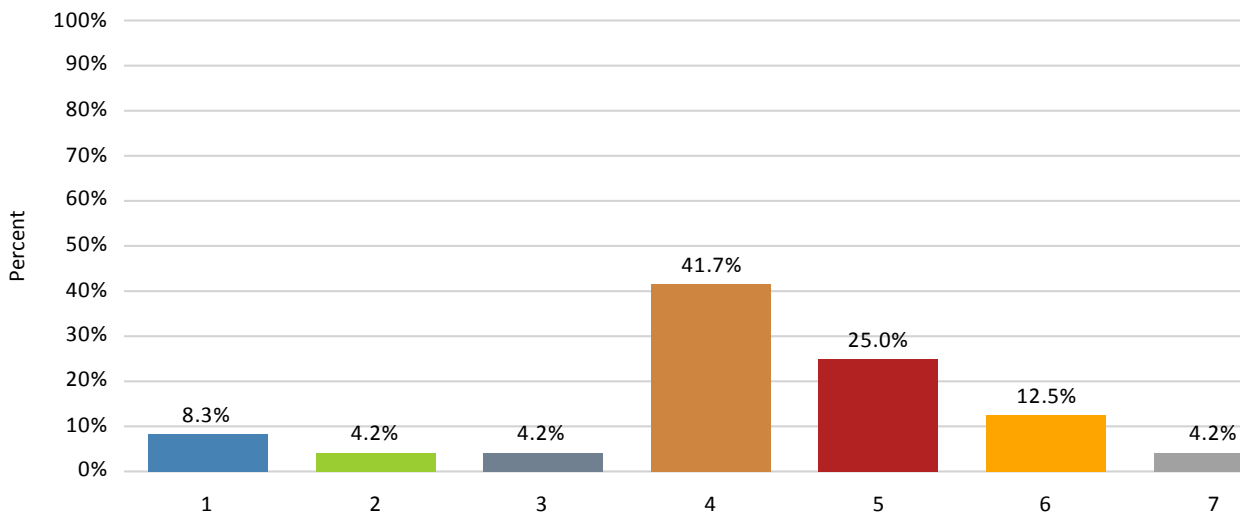
The role of EED has been twofold: it has acted as a stimulus in those countries where the renovation process has not yet started but is just planned, and has had an invigorating effect in the MS in which the process started due to EPBD requirements.

One country has not yet planned or started their Art. 5 commitment. Another country did not find an appropriate answer among those provided by the questionnaire. In fact, this country had started the renovation process independent of the implementation of the EU Directives' implementation.

1.3 Measures for the top-top approach

The questionnaire asked what measures have been undertaken by central government, with a focus on the national level implementation of art. 5. The figure below shows that a combination of the first three proposed categories of measures is the most common approach, i.e. in 10 countries (41.7% - column 4 in Figure 2).

Figure 2: Measures already implemented or planned to be implemented in the near future by the central government to encourage the public bodies at national level to renovate public buildings as stipulated by art. 5 (top-top approach)



1. Adoption of an energy efficiency plan, freestanding or as part of a broader climate or environmental plan, containing specific energy saving and efficiency objectives and actions;	8.3%
2. Putting in place an energy management system, including energy audits, as part of the implementation of their plan;	4.2%
3. Use, where appropriate, of energy service companies, and energy performance contracting to finance renovations and implement plans to maintain or improve energy efficiency in the long term;	4.2%
4. A combination of any of the above measures;	41.7%
5. Any of the above measure(s) supported by additional measure(s). Please specify the additional measure;	25.0%
6. No such measures have been undertaken or are planned to be launched in the near future;	12.5%
7. I don't know.	4.2%

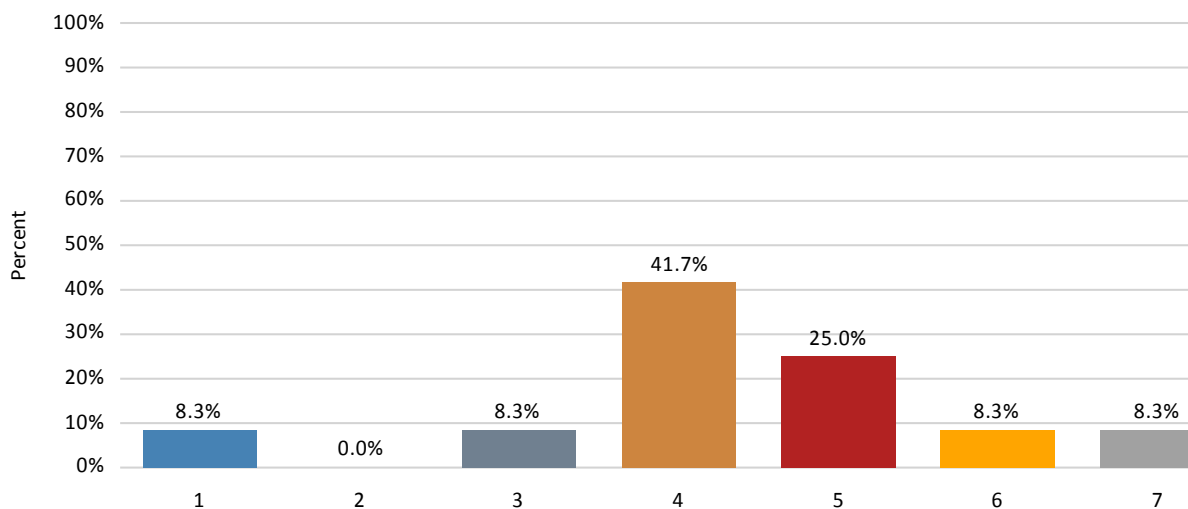
The measures suggested were those specified in art 5(7) a) b) and c). Additional measures alongside the three categories were also reported (column 5 in Figure 2):

- Voluntary Agreements (1 MS)
- Green Public Procurements (1 MS)
- Subsidies (2 MS), one of which is within the Energy Efficiency Fund

1.4 Measures for the top-down approach

At regional or local level, public bodies may receive encouragement from central governments to renovate public buildings. The same set of proposed measures for central buildings was indicated in the questionnaire and the result provided a similar range of responses as in Figure 2 with a couple of interesting exceptions (see Figure 3).

Figure 3: Measures already implemented or planned to be implemented in the near future by central government to encourage the public bodies at regional or local level to renovate public buildings as stipulated by art. 5 (top-down approach)



1. Adoption of an energy efficiency plan, freestanding or as part of a broader climate or environmental plan, containing specific energy saving and efficiency objectives and actions;	8.3%
2. Putting in place an energy management system, including energy audits, as part of the implementation of their plan;	0.0%
3. Use, where appropriate, energy service companies, and energy performance contracting to finance renovations and implement plans to maintain or improve energy efficiency in the long term.	8.3%
4. A combination of any of the above measures;	41.7%
5. Any of the above measure(s) supported by additional measure(s). Please specify the additional measure in the comments box below;	25.0%
6. No such measures have been undertaken or are planned to be launched in the near future;	8.3%
7. I don't know.	8.3%

In general, the kind of solutions proposed by central governments to local authorities show the same trend as the top-top approach (columns 1, 4 and 5 in Figure 3). In general, the additional measures are represented by voluntary forms of collaboration, programmes of energy savings in public buildings, procurement measures and hire of energy services companies (ESCOs) and adoption of Energy Performance Contracts (EPCs).

A deeper comparison shows however that:

- **Energy management systems, including energy audits**, are completely lacking as measures at local level, (column 2);
- The “use, where appropriate, of **energy service companies, and energy performance contracting etc...**” is double that within central administration (column 3, equivalent to 2 countries);
- Fewer MS, at this level, are in a stand-still situation (4 MS versus 3 when considering the central government sector), that is, having not undertaken nor planned any measure (column 6). 4 MS are not fully aware about what is going on in their regional and local administration.

1.5 Measures for the bottom-up approach

The questionnaire then aimed to find out what measures or approaches already implemented by the regional or local authorities could contribute to the fulfilment of art. 5 by central government (bottom-up approach). The answers provide details on specific measures explicitly undertaken at local level but do not provide information on those that, adopted at that level, can contribute to the achievement of the target set for central governmental buildings.

In this regard, it is interesting to consider the reference made to the potential role of the Covenant of Mayors implemented in the capitals or where central administration buildings are located in the countries.

However, we cannot exclude that several of the other reported measures could actually contribute to the fulfilment of art. 5; to this end, it could be useful to clarify the connection between these measures and the energy performance improvement of the governmental buildings.

1.6 Additional measures for art. 5 implementation

The majority of MS declared that the measures listed in art. 5(7) already offer a wide range of options and do not see the need for further ones (15/24).

Among the 40% of MS that provided suggestions of additional measures, the following are worth mentioning:

- The set-up of mandatory performance standards and requirements, i.e. compulsory energy audits in the public sector, energy meter installation, sharper and stricter approach to deep renovations, additional obligations on protected/military/worship buildings. It has however been highlighted that the weak point of the compulsory approach is the lack of financial resources and the scarcity of technical skills in the public sector.
- Behavioural changes promoted by the implementation of awareness and information campaigns for public employees.
- The Covenant of Mayors as an operational platform.
- Adoption of Operational Programme of Quality of the Environment in preparation of the SEAPs.

1.7 Networking initiatives that can further support the implementation of art. 5(7)

Taking as an example organisations, programmes or initiatives such as Energy Cities and the Covenant of Mayors, MS were requested to identify those that can play a supportive role in implementation of art. 5(7) and to briefly describe their respective contributions.

1.8 Mutual transfer of knowledge and experience between central and local levels

Good examples of knowledge and expertise sharing between central and local levels have mainly focussed around the implementation of EU funded projects that address capacity building, awareness and education at different levels of society and of public sector employees and technicians.

Other approaches identified promoted cooperation between technical organisations, including energy agencies, and the local public sector, for instance in the form of technical assistance in renovating public sector buildings, refurbishment of public lighting systems through ESCOs, the release of guidelines and methodological tools.

2 Recommendations

A number of recommendations were also proposed:

- 1 MS have should try to set up individual targets for the renovation of public buildings to be implemented by administrations and the services under their responsibility, as well as monitoring and reporting commitments.
- 2 In the top-down case, the option of hiring ESCOs and using EPC should be investigated further.
- 3 The potential role of the Covenant of Mayors - implemented in the capitals or municipalities where central administration buildings are located - can be assessed with respect to the contribution from the local level to the fulfilment of art. 5 by central governments.
- 4 Since several other measures have been indicated as actually contributing to the fulfilment of art. 5, it seems appropriate to investigate the connections between the measures implemented at local level and the energy performance improvement of governmental buildings.
- 5 Attention should be paid to overcoming the weakness of the default approach (art. 5(1)), which may suffer from a lack of financial resources and the scarcity of technical skills in the public sector.

6 Projects launched by central governments shall further be fostered and developed by local stakeholders.

3 Practical Examples

The following good examples were demonstrated at the meeting and can be found on the CA EED website here:

<http://www.ca-eed.eu/good-practices/member-state-presentations/public-sector/encouraging-other-bodies-to-follow-the-exemplary-role-of-central-government-in-building-renovation>

- Broad scope of central government initiative:
 - Encouraging public buildings' renovation - Bulgaria
 - The "EXIKONOMO" project - Greece
- Working EPC scheme launched by central government and developed at local level:
 - EED and Eco.AP - Portugal
- Bottom –up tool for building management demonstrating allocation of incentives:
 - Green Lease Menu - Netherlands

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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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