

3rd Plenary Meeting CA EED Proceedings

November 2023

Contents

1 Opening Plenary Session				
<u>1.1</u>	Presentations by DG ENER, CINEA and Coordinator	3		
2 Parallel Domain Sessions				
2.1	Session Domain 1	4		
2.2	Session Domain 2	7		
2.4	Session Domain 6	13		
4 Closing Plenary Session				
3.1	Conclusions from Working Group Sessions and CA EED Coordinator	16		
5 Presentations and Good Practice Factsheets				
6 Summary notes of NCP meeting				
	1.1 Par 2.1 2.2 2.3 2.4 2.4 2.4 Clo 3.1 Pre	1.1 Presentations by DG ENER, CINEA and Coordinator Parallel Domain Sessions 2.1 Session Domain 1 2.2 Session Domain 2 2.3 Session Domain 3 2.4 Session Domain 4		

1 Opening Plenary Session

In the course of the third Plenary Meeting of the CA EED over 150 experts, policy makers and implementers gathered together in Brussels to discuss the recast of the Energy Efficiency Directive. The Plenary Meeting was designed to give Member States and Norway the opportunity to discuss all aspects of the EED recast.

1.1 Presentations by DG ENER, CINEA and Coordinator

Opening speech from Ministry for Climate, Energy Mobility & Infrastructures for the Walloon Region

Keynote speech from the European Coalition to Save Energy

Coordinator opening presentation 3rd PM

News from EU Commission, 3rd Plenary Meeting

News from DG Energy, 3rd Plenary Meeting

News from CINEA, 3rd Plenary

2 Domain Parallel Sessions

The Parallel Sessions of the 3rd Plenary Meeting covered the following topics: Energy efficiency targets, Methodologies & energy poverty (Session Domain 1), Public sector targets and public buildings – challenges & data collection (Session Domain 2), EnPc and Energy services, Audits and Energy Management Systems (Session Domain 3), Energy Efficiency First, Data Centres (Session Domain 4), Heating and Cooling - general & assessment and planning (Session Domain 5) and Energy Poverty - Financing & one stop shop (Session Domain 6),

2.1 Session Domain 1 – 'Energy Efficiency Targets' and 'Methodologies, energy poverty'

Two sessions were dedicated to Domain 1 the aim being to let experts, policy makers and implementers hear and discuss issues relating to EED Art 4 and 8 target setting as well as Art. 8 and Annex V topics focusing on those areas affected by the recast.

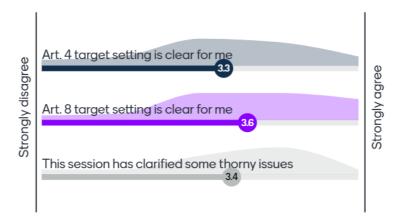
In the first session, the Commission shared information about EED recast target setting according to Art. 4 final and primary energy consumption and Art. 8. cumulative end-use energy savings target.

DG ENER, first presented the main principles, process and timeline related to MS target setting and the Commission aligned process related to Art. 4 targets. In addition, several questions related to Art. 4, which MS had sent in before the PM3, were answered during and after the presentation. One of the points clarified was related to the EU 2020 reference scenario and the setting of MS contributions based on that. According to the EED recast Art. 4(5) the Commission will update the 2020 EU Reference Scenario. This update is a limited update making use of 2018 policies. Instead of adjusting these policies to 2018 Eurostat statistical data, these are adjusted to the 2022 Eurostat data and future forecasts in order to set the baseline for energy savings potential. As a result of the update, there will be two EU 2020 reference scenarios where MS can choose the one they want to use when setting their contributions. It was confirmed that MS that have already notified their contributions in the draft NECP June 2023 can notify their updated indicative contributions making use of the updated reference scenario, by 1st February 2024, if they wish. If considered appropriate and justified. MS can also use methods other than the Annex I formula when setting their contributions related to Art. 4 EU target. When the MS contributions do not deviate up more than 2.5% compared to the contributions calculated with EED recast Annex I formula, such MS are out of the possible request by the Commission to amend their contribution. MS set indicative national contributions to meet, the collectively binding final energy consumption target at EU level as well as the indicative EU level primary energy consumption target. By the end of 2023, the Commission will assess whether the collective contribution by MS is on a path to reach the EUlevel targets. The difference between the possible single usage ambition gap mechanism next spring and the biannual gap-filling mechanism based on the Governance Regulation to ensure the EU is on track to reach the EUlevel targets, or are possibly new EU-wide measures needed, was also highlighted.

The second Commission_presentation by **DG ENER**, focused on new step-wise increasing cumulative end-use energy savings target setting, Art. 8(1)(b), the share of cumulative energy savings to be achieved among energy poor and vulnerable customers, Art. 8(3), and reporting provisions, Art. 8(11), aligned with the Governance Regulation. In addition, a new paragraph, Art. 8(13), including provisions, if a MS has not achieved or it has overachieved cumulative end-use energy savings by the end of each obligation period set out in paragraph 1, was covered in the presentation. Here too MS were given the opportunity to submit <u>questions</u> beforehand which were dealt with as much as possible in the presentation.

One of the concerns raised by MS was the ability to put in place measures prior to transposition of the legislation and thereby ensuring the best return on measures in line with the principle of cumulative savings. The Commission noted Member States must achieve their cumulative end-use energy savings target during the obligation period up to the end of 2030 and not annually the annual percentages following Art. 8(1)(b), based on which the cumulative end-use energy savings target for the entire obligation period is calculated, providing MS with the freedom and flexibility to implement measures at their own pace.

In general target setting for EED recast Art. 4 and Art. 8 were rather clear and presentations and discussion clarified some issues.



However, when participants were asked at the end of the first session with one word, how they felt about fulfilling the targets the result (62 responses) showed that even though there is clarity regarding the target setting MS see meeting these targets as a serious challenge. It seems that there will be room and need for discussions and sharing experiences in coming PMs to make it happen at EU level.



The Commission presentation in the 2nd session aimed to provide information on new and revised aspects of Art. 8 connected to Annex V in the EED recast, including energy savings targeted at energy poor households. **DG ENER** had a joint presentation which covered the Annex V(2)(a) complementing Art 8(14)(c) provision related to eligibility of the policy measures, and new or amended additionality provisions in Annex V(2)(c) and (d). It was also mentioned during the presentation that the currently available Commission guidance related to additionality and materiality can also be applied to the EED recast. New EU ETS, Annex V(2)(f) and fossil fuel exclusion provisions, Annex V(2)(h) and (i), that raised many questions in the survey received prior to the PM3, were also covered in the presentation. In addition, this presentation covered the provision related to calculating energy savings, Annex V(1)(d) for the purposes of Article 8(3), energy poverty. The main principles related to eligibility for ETS saving, also applying to ETS 2, are not changed. The requirement for eligibility, as has also been mentioned earlier, is that there is a national policy in the area. Related to the fossil fuels extension, the presentation includes a flow diagram explaining the new provisions and due years in Annex V(2)(h) and (i). It was also noted that the basic objective of the provisions is clear in the text: anything that reduces fossil fuel consumption in the existing installations is welcomed. It also applies use of fossil fuels in transport. As an example, insulation of fuel pipelines in the building affects to indirect use and is eligible. On the other hand, biofuel production units and their pipelines, belong to the transformation sector and cannot be included in Art 8 savings. In Annex V, there is also a newly added method, Annex V(1)(d), related to calculating the energy savings for the purpose of Art. 8(3). During the discussion, it was raised that the same actions can have a different impact on the energy poor compared to the other population (non-heated rooms, intermittent heating, low indoor temperatures).

According to the Commission, rebound and prebound effects should be considered in the calculation but may lead to problems in the calculation of Art 8(3). Rebound can positively affect the energy poor, i.e., handling of comfort in the calculations should be explained by the MS and may differ between MS. Reaching decent thermal comfort levels can be considered as energy savings, but energy consumption above that is rebound. It was also noted that the Commission welcomes information campaigns providing short-term savings, but supports long-lasting savings which can be achieved better by different measure types.

Based on the small Menti-survey conducted at the end of the second session, it showed that further clarity had been provided but that further discussions will also be needed in relation to the new provisions and topics covered in the session.



In the closing <u>presentation</u>, participants were presented some highlights of the Domain 1 two sessions. In addition, they were reminded and encouraged to make use of the Recast Review Documents (<u>RRD</u>) <u>available for all Domains</u>, although they do not have an official status. All RRD documents have a similar structure containing: recast highlights; main new items; links with other Domains; links with other legislation; timeline; annexes including comparison of the EED 2021/2018 and EED recast (EED 2023) text. In addition, it was highlighted that the <u>Domain 1 RRD</u> includes also parts from the Governance Regulation 2018/1999 which are referred to in the EED 2023 Articles 4 and 8-10.



Domain 1 two sessions were well attended; in the first session, there were around 90 participants representing ministries, energy agencies, energy authorities, and the Commission and CINEA representatives. In the second session there were around 60 participants.

2.2 Session Domain 2 – Public sector targets and public buildings – challenges & data collection

The main objective of the two sessions in Domain 2 was to review the new or modified provisions of the EED recast pertaining to the public sector, namely articles 5, 6 and 7. Policy officers from the EC DG ENER introduced and

commented on each of these articles. The participants could ask questions and comment during the presentations after each paragraph.

after each paragraph.

Session 1. Public sector targets and public buildings - challenges

DG ENER made a systematic overview of Article 5, "Public sector leading on energy efficiency", and Article 6 "Exemplary role of public bodies' buildings". Concerning Article 5, the participants were interested in the definition of public bodies, increased energy reduction target for the public sector, possible exclusions and exemptions, e.g. transport, military forces, inclusion of smaller municipalities, option for climate variations, reporting obligation, setting energy efficiency measures in local planning, support for public bodies from the EC and national governments, encouragement for public bodies at regional and local levels, harmonisation targets and measures among Articles 5, 6 and other Articles, local administrative units, better understanding of the of EE1st principle in practice.

In Article 6, most questions addressed criteria for renovation of own buildings, obligation to negotiate with the owner, less stringent criteria for special types of buildings, incentive for early action, banking of savings, replacement of demolished buildings, inventory of all public buildings, and alternative approach.

Session 2. Public sector targets and public buildings - data collection

DG ENER gave an overview of Article 7, "Public procurement" of the EED recast. The participants asked many questions, among other things, on energy-efficient purchase obligations, possible exemptions, priority for aggregated energy efficiency, non-energy aspects in procurement, the requirement for transparency, EC support, legal and regulatory provisions, elimination of barriers in public purchasing, budgeting, and accounting.

Then, there was a discussion on the public sector requirement in the EED recast at tables (Articles 5, 6 and 7). There was a list of predefined topics to start the discussion, e.g.:

- How practically do the local and regional public bodies be directly addressed and obliged to perform actively?
- What are the best practices for dealing with local and regional levels?
- How can we get feedback from the lower levels to the national level?
- How do we cooperate with regional and local authorities?
- How do we prioritise the buildings that are going to be renovated?

However, the participants were encouraged to discuss any topic they find relevant and worth consideration to identify further EED recast main challenges with the perspective of inclusion as priority areas for future Working Groups. The need for financial resources for EED implementation was stressed. Other topics include the need for help in planning, an obligation to have roadmaps, a precise definition of the public bodies, e.g., public and private schools or hospitals, and the need for guidelines.

Conclusions

General

- The public sector's exemplary role has been strengthened and extended.
- Public sector requirements are becoming more demanding, better defined, and more cross-cutting.
- The leading role of the public sector pays off, e.g., inventory, databases, and instruments.
- As a leader, the public sector paves the way for the energy efficiency market.

Observations

The presence of the DG ENER was optimally exploited to get clarification and interpretation of the provisions discussed. The audience demonstrated a high level of competencies and knowledge of EED recast. The participants provided some questions and examples, enhancing the common understanding of the EED recasts.

The discussion enabled us to find a few challenges of the plausible implementation of EED recast in a broader context:

- Learning by doing further progress in implementation must be supported by experience gained in practice.
- Synergies/links with other EED requirements cross-cutting links among the different EED recast provisions to get full synergy potential.
- Links with other CA directives direct references to other directives shall be studied and used to secure energy transformation in the most effective and low-cost manner.

2.3 Domain Session 3

Domain 3 Parallel Session "Energy Efficiency First Principle"

The Energy Efficiency 1st (EE1st) principle was defined in the Governance Regulation (EU) 2018/1999. In the preceding EED EU 2018/2002, amending Directive 2012/27/EU, Article 1 only mentions that EED contributes to the implementation of the EE1st principle. In the recast of the EED EU 2023/1791, the EE1st principle plays a pivotal role. A separate article, Article 3, is dedicated to it, and it is also related to other articles. Despite recommendations and guidance meant to support EE1st implementation so far, the questions asked during the session gave the impression, that it was somewhat unclear to many MS what and how the implementation is expected to take shape in practice.

The aim of the session was to give an overview of the changes in the recast. The session started with a <u>presentation</u> provided by **DG ENER**. They emphasized the following:

- Apply EE1st in planning, policy and major investment decisions in energy systems & non-energy sectors with significant impact on energy consumption
- Monitor the application of EE1st (identify a monitoring entity or entities)
- Promote and apply cost-benefit methodologies (wider benefits of energy efficiency, societal perspective)

The presentation was followed by a discussion with the following outcomes:

According to the European Commission, the focus is currently on data collection with the aim of observing the implementation in the MS.

The principles do not specify that the most efficient solution must be chosen in each case. Energy efficiency should be taken into account for planning, policy and major investment decisions, for example as assessment criteria for the selection of the best solution.

Basically, the European Commission assumes that all application examples will be reported, as the threshold is very high and thus only very few reports are required. The notifications do not have to be comprehensive reports but can be a summary of the aspects relevant for EE1st.

Even in the case of decisions on the expansion of renewable plants, the aim is not to prevent expansion, but to consider alternative energy-efficient options.

The earlier the principle of EE1st is applied to a project, the easier is the integration. As soon as implementation decisions are made, only minor adaptations can usually be made. On the other hand, in some cases it only becomes apparent at a later stage whether a project will exceed the threshold in terms of investment volume.

Many participants would like to see practical examples in the MS and to discuss them in an upcoming session once the guidance is published.

Finally, the European Commission indicated that they will also apply the EE1st principle for their own strategic decision-making process and will also gain experience in this process.

Domain 3 parallel session "Data centres"

The publication requirement for data centres is a new article. For this reason, the aim of the session was to give an overview of the new reporting requirements but also to clear up some uncertainties or at least to create a basis for future discussions.

The session was started with a <u>presentation</u> **from** DG ENER: The rapid growth of the IT sector was the reason for the inclusion of data centres in the Directive. This first phase will primarily serve to collect data in order to find out the actual influence of data centres and subsequently identify possible energy efficiency potentials. Exempted from

this obligation is information subject to national and EU laws protecting trade and business secrets and confidentiality.

The following data will be collected (as a minimum, see Annex VII):

- Name of the data centre, owner and operators
- Date of entry into operation and the municipality where the data centre is based
- Floor area of data centre, installed power, annual incoming and outgoing data traffic, amount of data stored and processed
- The performance of the data centre during the last full calendar year (energy consumption, power utilisation, temperature set points, waste heat utilisation, water usage and use of renewable energy)

Currently, a delegated act is being drafted by the European Commission to specify the level of details of the reporting. The delegated act is expected to be adopted by the end of 2023. In November 2023, there will be a meeting of the expert group under the EED committee. The Member States have to provide the requested data according to ANNEX VII and the delegated act by 15th May 2024. This deadline deviates from the transposition period for most of the articles (see Article 36). The use of waste heat of data centres is linked to paragraph 6 of Article 26 of the EED.

The presentation was followed by a discussion with the following outcomes:

The threshold of 500 kW was chosen to include only those data centres that have an installed IT power demand of at least 500 kW and not those companies that operate their own server room (which will most likely have a lower installed IT power demand). MS can also set lower thresholds nationally, but they only have to report those above 500 kW to the European Commission. The installed IT power demand is relevant and not the consumption or usage. The European Commission will provide three methods of calculating installed IT power demand. At the moment, the European Commission does not plan to lower the threshold values, which would require an amendment of the EED.

The Member States are responsible for the implementation of Article 12 (not companies) and one option is to set up a national system to collect the relevant data and report it afterwards to the European Commission. Other options were also discussed by the participants (direct reporting of companies toward the European Commission, incentive schemes to make companies more likely to report data, etc.).

Data centres are exempted from the obligation to publish if they serve the purposes of national defence or civil protection. It is clarified that exemptions only apply to those locations that exclusively provide services for these purposes and MS need to define these exemptions in more detail.

A ranking system is not envisaged in the first delegated act. This would need a legislative proposal and could follow at a later stage.

Data reporting to the European Commission can be accessed by MS officials at any time. Only aggregated data are made available to the public.

Precise address data on data centres is not requested by the European Commission, as this is sensitive data (it's about the municipality). In connection with the new requirements in the comprehensive assessment and other articles of the Directive, however, this could lead to multiple burdens in the collection of data (e.g. double collection of similar data).

Future topics

Finally, a survey was conducted to prioritise future topics and identify the most important ant issues:

The energy efficiency first principle had the highest priority in this domain, followed by data centres and transmission, transformation, metering and basic contractual rights. The lowest priority was assigned to remote, billing and metering.

The most urgent questions for future plenary sessions were as follows (in descending order of importance):

Delegated act and reporting of data centres as well as the ranking scheme

- Practical examples of the EE1st principle
- Dealing with critical infrastructure regarding data centres
- Interlinkages between energy audits and data centres benchmarking as well as energy efficiency first and energy poverty.
- Data centres labelling
- Data procurement
- Data centres in comprehensive assessments
- Relationship between Art. 11 and 12
- Overview on MS implementation

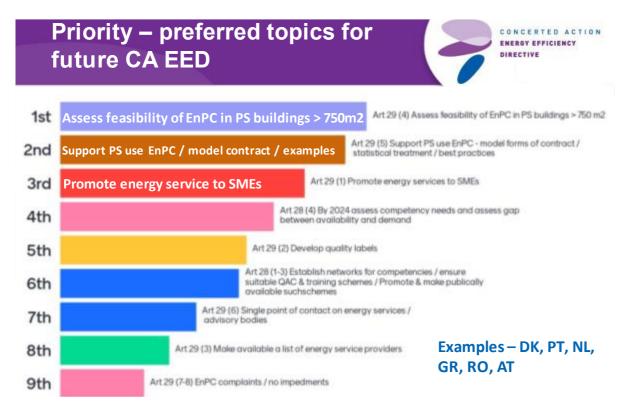
2.4 Domain Session 4

There were two sessions at the 3rd Plenary meeting for Domain 4. The first session focused on EnPC and energy services in the context on the new articles 28 & 29 and Annex XV in the recast EED. The second session focused on Energy Audits and EMS, and new article 11, annex VI.

EnPC and Energy Services

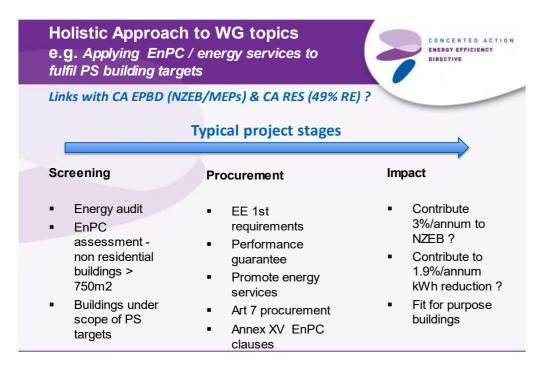
The session lead outlined the new directive articles, and member states questions submitted before the plenary. **DG ENER** presented a <u>detailed overview</u> of the key changes in the new directives and outlined responses to member states questions.

There was Q&A from the floor to DG ENER on aspects related to the articles. This was followed by a number of Mentimeter polls to stimulate discussions on priority topics for future plenary sessions. The summary of poll results is outlined below.



It's clear participants want to prioritise the topic of assessing public sector buildings for EPC feasibility and public sector model forms of contract. Participants wanted to focus on cross cutting elements of EPC in public sector buildings and not just on any one topic in particular.

A possible topic and how it could address multiple elements of the directive is outlined below.

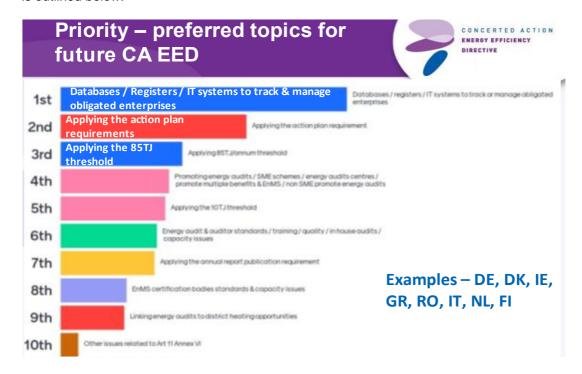


Participants greatly increased their awareness of the relevant articles from a score of 2.3 to 3.2 on Mentimeter.

Energy Audits and EMS

This session followed a similar format to the previous session. The session lead overviewed the new directive articles, and member states questions submitted before the plenary. DG Ener <u>presented</u> a detailed overview of the key changes in the new directives, and outlined responses to member states questions.

There was Q&A from the floor to DG Ener on aspects related to the articles. This was followed by a number of Mentimeter polls to stimulate discussions on priority topics for future plenary sessions. The summary of poll results is outlined below.



The key topic for discussion at future plenaries was with regard to members states systems, databases, and IT systems to track and manage obligated enterprises. This topic would indirectly address how to practically apply the new 85TJ and 10TJ thresholds which was also popular. A close second was member states applying the new requirement in the directive for obligated parties to publish action plans.

The understanding of the articles rose from a very healthy score of 3/5 to 3.7/5 at the end of the workshop.

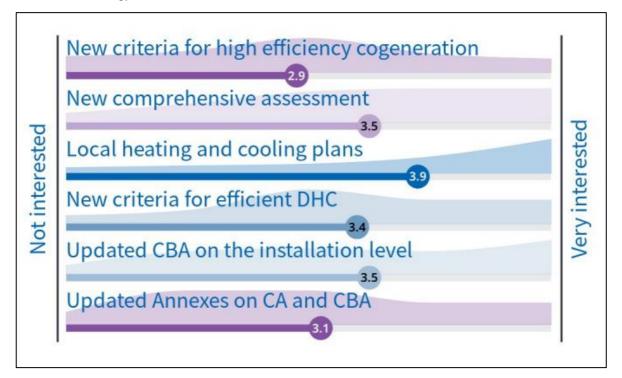
2.5 Session Domain 5 – Heating and Cooling

Expert area (12) – Efficiency in heating and cooling

DG ENER in their comprehensive and very illustrative <u>presentation</u> presented the main novelties of the new EED in the field of heating and cooling. After the presentation, he answered several questions submitted in advance and ongoing questions from the participants, and the main highlights of the discussion were:



- The preparation of a new comprehensive assessment of heating and cooling within seven months and its inclusion in the updated NECP represents a major challenge for Member States,
- Local heating and cooling plans for municipalities are one of the major innovations of the new EED, but there is no set deadline for the preparation of the plans and MS' national governments are free to choose their approach to developing recommendations, support and motivation of implementation. Setting local targets that are derived from national targets is one of the key factors for successful planning and implementation of these plans at local level.
- The two options given for efficiency criteria for district heating and cooling systems allow for a high degree of flexibility (both options can be used simultaneously) and thus do not hinder individual sustainable sources of district heating and cooling sources to meet the 2050 efficiency and decarbonisation targets.
- **Heat from waste** is a very actual topic which will require further guidance and clarification based on the new Renewable Energy Directive.



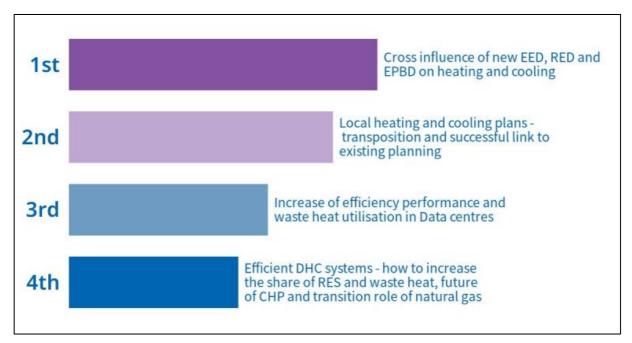
Participants' expressed interest in the key innovations of the new EED for heating and cooling

In the introduction to the second section, **JRC** presented the main findings and recommendations of the latest assessment of the Comprehensive Assessments (CA). In his presentation, he outlined the main strengths and weaknesses of the documents prepared and concluded by stressing that the preparation of the new CA should build on past work and, above all, update new information and circumstances, which should be reflected in the updated policies and measures that are becoming part of the NECP.

The very broad structure of participants, where half of them first encountered the issue of planning heating and cooling, significantly influenced the discussions in the working groups. There was mostly agreement that the coming

2024 NECP deadline for the CA makes it largely unfeasible to commit to an extensive CA rewrite. The heating sector is facing major changes related to the current energy crisis and the CA could contribute to better exploiting the large untapped potential of excess heat and defining the future role of natural gas and district heating systems, which in this new context face major challenges to compete with other alternatives.

The very different expectations about the benefits of the new CA are also evident from the views expressed by the participants in the debate (see figure right), and their priorities for future topics are shown in the figure below.



Priority selection of the new proposed topics on heating and cooling

2.6 Session Domain 6

After the EED recast, domain 6 includes Articles 22, 23, 24 and 30 which cover consumer information, partnerships for energy efficiency (EE), energy poverty and financing respectively. The third plenary meeting within CA EED was held in conjunction with the EED recast coming into force. One main purpose of the meeting was to create an overall understanding of the recast, and this was also focus in the two sessions linked to domain 6.

Session 1

The first session was dedicated to the new Article 24 on "Empowering and protecting vulnerable customers and alleviating energy poverty" and all other different provisions in the recast linked to energy poverty. This session included two presentations from the European Commission. DG ENER gave an overview of current data and the status on energy poverty within the European Union. The Commission presented figures showing that during 2022 more 9.3% of the population were unable to keep their dwellings adequately warm, and almost 7% presented arrears on utility bills, which reflects the inability to face high energy costs compared to income. Between 2019 and 2022, on average across Member States, the share of energy expenditure in overall household spending increased by more than one third. Energy poverty was also presented as a multidimensional phenomenon resting on:

- low income
- high energy expenditure
- · low level of energy efficiency

In the second presentation, **DG ENER** gave an overview of the new provisions linked to energy poverty in the EED recast. Until recently, Member States were able to define energy poverty according to national context. Now, with the recast, article 2(52) introduces an EU-wide definition. During the session this was pointed out as a way to provide clarity on the multidimensional character, and a harmonious approach within the Union. Besides the EU-wide definition of energy poverty, the recast also stresses that energy efficiency policy measures are to be implemented as a priority among people affected by energy poverty, and that a share of the total amount of required end-use

energy savings is to be achieved among energy poor and vulnerable customers. The recast also has a stronger emphasis on access to information, via creation of one-stop shops, technical and financial advice, and consumer protection via out-of-court mechanisms for the settlement of disputes, to mentioned some.

The new Social Climate Fund, that will be operational from 2026, was presented as an opportunity for Member States to access funding for measures to alleviate energy poverty. Member States are required to establish a network of experts (or entrust an existing one). This network of experts will bring together experts from various sectors such as health, buildings and social to develop strategies to support local and national decision makers in implementing energy efficiency improvement measures, alleviating energy poverty and proposing robust long-term solutions to mitigate energy poverty. During the session it was also discussed how formal this network has to be. That is still to be outlined, but there are already some countries who have set up an observatory, Spain, Portugal for example.

Using Mentimeter the participants also had the chance to vote for suggested topics related to energy poverty. 'How to design and implement measures for the alleviation of energy poverty' and 'Procedures to identify the energy poor households' were the two topics listed highest in the Menti. There was also a suggestion to look closer at procedures in member states with already existing strong social welfare measures. The Menti also showed an increased understanding of the new article 24 in the EED recast (Figure 1).

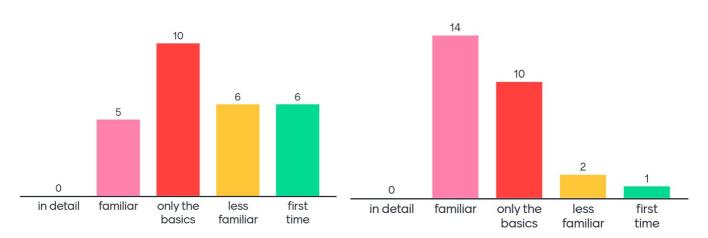


Figure 1: Mentimeter results of the question 'How familiar are you with the new article 24 on empowering and protecting vulnerable customers and alleviate energy poverty' before the workshop (left) and after the workshop (right)

Session 2

The second session was dedicated to financing and one-stop shops with speakers from the European Commission and the European Investment Bank (EIB). During the session DG ENER <u>presented</u> figures that showed a strong need for investments in energy efficiency to reach targets. In total over 2000€bn of additional investment in energy efficiency could be needed until 2030. Therefore, the recast encourages the use of public funds as a catalyst for private investments. To achieve the energy efficiency ambitions and targets, the Commission stressed that there's a need to maximise EU and national public support for energy efficiency by making the most cost-effective use of public resources to leverage private investments.

According to the Commission, Article 30 of the EED recast, points at an array of complementary actions to receive this: establish technical assistance facilities to develop a robust pipeline of bankable projects, strengthened cooperation with financial institutions with dedicated energy efficiency commitment, deployment of financial instruments as the default option to support energy efficiency measures, and further progress on the promotion of innovative financing schemes and the development of a thriving market for energy efficiency lending products. Article 30 also requires that the Member States promote innovative financing scheme and green lending products for energy efficiency, by ensuring their wide and non-discriminatory offer by financial institutions. Member States will also have to report on the volume of energy efficiency investments, improving planning and tracking of their strategy to mobilise investments in energy efficiency measures and energy renovations. In addition, Article 30 (11-14) regulates the voluntary establishment by Member States of their National Energy Efficiency Fund.

During the session some advise to the national authorities toward implementation included:

 Streamline regulatory/enabling framework for blending of different financing instruments and sources, objective to enable combination of grants, financial instruments (loans or guarantees), and technical assistance support.

- Aggregate expertise in national promotional banks, national/regional energy/investment agencies, establish technical assistance facilities and One-Stop-Shops (technical and financial support)
- Establish regulatory framework obligating financial institutions to assess clients' interests on EE lending products and offer financial products that best meet their interest, and to not discriminate against EE/Green lending products in favour of other/traditional products.
- Policy and financing measures, increasing awareness and financial literacy on energy efficiency lending
 products, providing regulatory and financial incentives to financial institutions (for instance via technical
 assistance), develop flanking public support schemes to bridge the gap and enable access to private
 financing to young and ageing population and low-income households.
- Establish regulatory framework to enable deployment of on-bill and on-tax financing, for instance by
 establishing utility's rights to provide credits and collect repayment or by reforming tax-laws and fiscal
 systems to allow investment re-payment, provide de-risking guarantees and ensure cash-flow to achieve
 scale, enable transfer of debts.
- Participate in the soon-to-be launched European Energy Efficiency Financing Coalition, which will build
 on the work done so far by EEFIG and the SEI Forum, with the aim of strengthening the cooperation with
 Member States and financial institutions, in particular by assisting with the development of national market
- Establish national platform, practices, technical support facilities and materials to maximise FIs
 engagement.

As a link to financing, the provisions on One-stop shops in article 22 was also <u>presented</u> by DG ENER. Article 22 strengthens the provisions related to the consumer information and empowerment, especially for the vulnerable or excluded groups of citizens. According to Article 22 Member States are required to create one-stop shops or similar mechanisms to provide centralised technical, administrative and financial advice as well on energy efficiency.

Those facilities shall:

- a. advise with streamlined information on technical and financial possibilities and solutions to households, SMEs, microenterprises, public bodies.
- b. provide holistic support to all households, with a particular focus on households affected by energy poverty and on worst performing buildings, as well as to accredited companies and installers providing retrofit services, adapted to different housing typologies and geographical scope, and provide support covering the different stages of the retrofit project, including to facilitate the implementation of a minimum energy performance standard.
- c. advise on energy consumption behaviour.

In preparation of the setup of a One-Stop-Shop the Commission suggested that Member States could:

- Define the structure of the OSS
- Identify customer segments and their needs
- Design line of service
- Identify the cost structure and revenue streams
- Identify the key partners and resources
- Define customer relationships and communication channels

During the session the European Investment Bank <u>presented</u> a long list of its financial products that could be relevant for Member States in relation to the target to promote investments in energy efficiency. A model for a financial institution with a grant component to support energy efficiency was also presented.

When asked using Mentimeter poll 'What are questions and topics you would like to address in the future?', a very general topic that gained the most votes was "How to mobilise private investments into energy efficiency?" "Best practices on using European Investments Funds and how that works" and "good examples of One-Stop -Shops already in place and their achievements" was other suggestions on future topics within Domain 6.



3 Closing Plenary Session

The Closing Plenary Session provided participants with an overview of the discussions and results of the Working Group sessions.

3.1 Conclusions from Working Group Sessions and CA EED Coordinator

Conclusions presentation Session Domain 1 – 'Energy Efficiency targets' and 'Methodologies, energy poverty'

Conclusions presentation Session Domain 2 – 'Public sector targets and public buildings' challenges & data collection

Conclusions presentation Session Domain 3 – 'Energy Efficiency First' and 'Data centres'

Conclusions presentation Session Domain 4 – 'EnPC and Energy Services' and 'Audits and Energy Management Systems'

Conclusions presentation Session Domain 5 – 'Heating and Cooling' general and cooling assessment and planning

Conclusions presentation Session Domain 6 – 'Financing' Energy poverty and one stop shop

Conclusions from CA EED Coordinator: Coordinator closing presentation 3rd PM

4 Presentations and Good Practice Factsheets

A number of presentations provided participants with valuable insights into Member States' EED implementations as well as examples from EU projects and information from the European Commission. All presentations are available on the CA EED website.

Session Domain 1

Session Domain 1 presentation - Introduction to the sessions

Article 4 targets – European Commission

Article 8 target – European Commission

Article 8 & Annex V - European Commission

Summary of the questions related to the theme from MS prior to the PM3

Session Domain 2

Session Domain 2 presentation - Introduction

DG ENER Overview of new Articles 5 and 6 - European Commission

DG ENER Overview of new Article 7 – European Commission

Session Domain 3

Session Domain 3 presentation – 'Energy Efficiency First' Introduction

Fit for 55: EED Article 3 Energy Efficiency First Principle – European Commission

Session Domain 3 presentation - 'Data centres' Introduction

Fit for 55: EED recast, Article 12 data centres – European Commission

Session Domain 4

Session Domain 4 presentation - 'EnPC and Energy Services' Introduction and Welcome

DG ENER overview of key changes - European Commission

Session Domain 4 presentation - 'Audits and Energy Management Systems' Introduction and Welcome

DG ENER overview of key changes - Article 11 / Annex VI - European Commission

Session Domain 5

Session Domain 5 presentation - 'Efficiency in heating and cooling' Introduction and questions

Energy Efficiency Directive (EED) Recast Art. 25 and Art. 26 – European Commission

Link of the Comprehensive Assessments Reviewing Process with NECPs before and after the EED recast – JRC

Session Domain 6

Energy poverty: Exploring the concept and current situation in the EU – European Commission

<u>Directive 2023/1791 on Energy Efficiency of 13 September 2023 - energy poverty provisions - European Commission</u>

EED Recast Financing Art.30 - European Commission -

<u>Directive 2023/1791 on Energy Efficiency of 13 September 2023 – One stop shops - European Commission</u>

Financing – one stop shop - European Investment Bank

Legal Disclaimer

The sole responsibility for the content of this report lies with the authors. It does not necessarily reflect the opinion of the European Union or the Member States. Neither CINEA nor the European Commission are responsible for any use that may be made of the information contained therein.

The Concerted Action for the Energy Efficiency Directive (CA EED) was launched in 2013 to provide a structured framework for the exchange of information between the 28 Member States and Norway during their implementation of the Energy Efficiency Directive (EED). The CA EED is funded by the European Union's Horizon 2020 and is in its third phase.

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



