

# WORK PROGRAMME 2008



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# I. GENERAL PROVISIONS

## 1. INTRODUCTION AND BACKGROUND

### 1.1. Policy background

The objective of the Intelligent Energy – Europe II Programme (“IEE II”) is to contribute to secure, sustainable and competitively priced energy for Europe, by providing for action<sup>1</sup>:

- to foster energy efficiency and the rational use of energy resources;
- to promote new and renewable energy sources and to support energy diversification;
- to promote energy efficiency and the use of new and renewable energy sources in transport.

IEE II builds on the experience gained from its predecessor, the first Intelligent Energy – Europe (IEE) Programme, which was adopted by Decision No 1230/2003/EC of the European Parliament and of the Council of 26 June 2003. This Programme has become the main Community instrument to tackle non-technological barriers to the spread of efficient use of energy and greater use of new and renewable energy sources.

As recommended in the mid-term evaluation of the IEE Programme<sup>2</sup>, IEE II has been included in the overarching Competitiveness and Innovation Framework Programme (CIP)<sup>3</sup> in order to contribute to achieving the objectives of EU energy policy and to implementing the Lisbon Agenda.

IEE II should also support implementation of the energy-specific legislation. The objectives and priorities set out in this Work Programme reflect the following policy communications and legislation:

- Energy for a Changing World<sup>4</sup>;
- Action Plan on Energy Efficiency<sup>5</sup>;

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<sup>1</sup> Decision No 1639/2006/EC of the European Parliament and of the Council of 24 October 2006 establishing a Competitiveness and Innovation Framework Programme (2007 to 2013), OJ L 310, 9.11.2006, p.15, Article 37.

<sup>2</sup> Commission Staff Working Paper, Annex to the Communication from the Commission to the Council, the European Parliament, the European Economic and Social Committee and the Committee of the Regions: Mid-term Evaluation of the Multiannual Programme for Action in the Field of Energy “Intelligent Energy – Europe, 2003-2006”, Summary of the Evaluators’ Report, March 2006 (COM(2006) 357 final).

<sup>3</sup> Articles 37 to 45 of Decision No 1639/2006/EC of the European Parliament and of the Council of 24 October 2006 establishing a Competitiveness and Innovation Framework Programme (2007 to 2013).

<sup>4</sup> An energy policy for Europe: Commission steps up to the energy challenges of the 21st century – [http://ec.europa.eu/energy/energy\\_policy/index\\_en.htm](http://ec.europa.eu/energy/energy_policy/index_en.htm).

- Biomass Action Plan<sup>6</sup>;
- Directive on electricity from renewable energy sources<sup>7</sup>;
- Directive on the energy performance of buildings<sup>8</sup>;
- Directive on the promotion of liquid biofuels for transport<sup>9</sup>;
- Directive on cogeneration of heat and power<sup>10</sup>;
- Directive on energy end-use efficiency and energy services<sup>11</sup>;
- Ecodesign Directive<sup>12</sup> and Energy Labelling Directives;
- Energy Star Agreement<sup>13</sup>.

## 1.2. Link with other EU programmes

IEE II opens up new opportunities for synergy with action under the other specific programmes of the CIP. The possibility of recourse to the instruments, networks and facilities for SMEs provided for the whole CIP is one example.

The CIP has been designed to complement the 7th Framework Programme for research and technological development activities (FP7), including the relevant technology platforms (such as on biofuels, photovoltaics, the forest sector, sustainable chemistry, etc.). In the case of IEE II, the field of activity includes best available energy technologies and non-technological action, whereas the energy component of FP7 focuses on research, development and demonstration.

As a general rule, in line with Article 111(1) of the Financial Regulation, each project may give rise to the award of only one grant from the Community budget to any one beneficiary.

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<sup>5</sup> Communication from the Commission – Action Plan for Energy Efficiency: Realising the Potential (SEC(2006)1173).

<sup>6</sup> Communication from the Commission – Biomass Action Plan (SEC(2005) 1573).

<sup>7</sup> Directive 2001/77/EC of the European Parliament and of the Council of 27 September 2001 on the promotion of electricity produced from renewable energy sources in the internal electricity market.

<sup>8</sup> Directive 2002/91/EC of the European Parliament and of the Council of 16 December 2002 on the energy performance of buildings.

<sup>9</sup> Directive 2003/30/EC of the European Parliament and of the Council of 8 May 2003 on the promotion of the use of biofuels or other renewable fuels for transport.

<sup>10</sup> Directive 2004/8/EC of the European Parliament and of the Council of 11 February 2004 on the promotion of cogeneration based on a useful heat demand in the internal energy market and amending Directive 92/42/EEC.

<sup>11</sup> Directive 2006/32/EC of the European Parliament and of the Council of 5 April 2006 on energy end-use efficiency and energy services and repealing Council Directive 93/76/EEC.

<sup>12</sup> Directive 2005/32/EC of the European Parliament and of the Council of 6 July 2005 establishing a framework for the setting of ecodesign requirements for energy-using products and amending Council Directive 92/42/EEC and Directives 96/57/EC and 2000/55/EC of the European Parliament and of the Council.

<sup>13</sup> Council Decision 2006/1005/EC of 18 December 2006 concerning conclusion of the Agreement between the Government of the United States of America and the European Community on the coordination of energy-efficiency labelling programmes for office equipment, OJ L 381, 28.12.2006.

### **1.3. Link with national initiatives**

The action should complement the relevant action in/of Member States and participating countries. To maximise the impact of IEE II projects, proposers are encouraged to link their proposals to national, regional or local programmes.

### **1.4. Annual programming**

The CIP common provisions (Article 5) call for an annual work programme for all specific programmes, taking into account the need to adjust to future developments. As provided for in the CIP Decision (Article 45), this Work Programme contains the following elements:

- measures needed for implementation of the Programme;
- priorities;
- related qualitative and quantitative objectives;
- appropriate evaluation criteria and qualitative and quantitative indicators to analyse effectiveness in delivering outcomes that will contribute to achieving the objectives of the IEE Programme and the CIP;
- operational timetables;
- the rules for participation; and
- the submission, selection, evaluation and award criteria.

The annual work programmes will be adopted by a decision of the Commission after prior consultation of the Member States, via the Intelligent Energy – Europe Management Committee (IEEC)<sup>14</sup>.

### **1.5. The Executive Agency for Competitiveness and Innovation**

The Executive Agency for Competitiveness and Innovation (EACI) was established by a Commission decision<sup>15</sup> and is responsible for managing Community action in the fields of energy, entrepreneurship, innovation and sustainable freight transport under the CIP and the second Marco Polo Programme (2007–2013) established by Regulation (EC) No 1692/2006 of the European Parliament and of the Council<sup>16</sup>. The EACI's mission consists of efficient management of these programmes and thereby contributing to achieving their objectives.

As part of this mandate, the EACI has been entrusted with certain tasks related to management of the Intelligent Energy – Europe II Programme. Based on the powers delegated by the Commission and as programmed by the Commission, the Agency carries out all

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<sup>14</sup> Article 46(1)(c) of Decision No 1639/2006/EC establishing a Competitiveness and Innovation Framework Programme (2007 to 2013).

<sup>15</sup> Commission Decision 2004/20/EC of 23 December 2003, as amended by Commission Decision 2007/372/EC of 31 May 2007 (OJ L 140, 1.6.2007, p. 52).

<sup>16</sup> OJ L 328, 24.11.2006, p. 1.

operations necessary for implementing the parts of the Programme entrusted to it, in particular those connected with the award of contracts (procurement) and grants<sup>17</sup>.

## **1.6. Structure of this document**

This annual Work Programme is divided into two parts:

### **(1) General provisions**

Part I of the Work Programme covers the background to the Programme and how it is embedded into the CIP. It also highlights the link with other instruments of the Community and the Member States and the role of any Executive Agency. It sets out the objectives of the Programme and describes the means of implementing it. Most of the chapters focus on grants, the main instrument for implementing the IEE II Programme. They describe the instruments, rules for participation, funding limits, evaluation, negotiation and award procedure plus property rights. The general provisions also describe the expected outputs and programme indicators with a view to future evaluations and adjustments.

### **(2) Technical priorities**

Part II of the Work Programme covers the technical priorities for grants and procurement for 2008. It includes the sectoral objectives, priorities for action, key players and target groups and specific sectoral indicators. This Work Programme includes only the result of a strict selection procedure for technical priorities. There is no gradation of priorities and anything not mentioned here is not considered a top priority for this particular annual Work Programme.

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<sup>17</sup> Commission Decision C (2007) 3198 of 9 July 2007 delegating powers to the Executive Agency for Competitiveness and Innovation with a view to performance of tasks linked to implementation of the Intelligent Energy – Europe Programme 2003-2006, the Marco Polo Programme 2003-2006, the Competitiveness and Innovation Framework Programme 2007-2013 and the Marco Polo Programme 2007-2013 comprising in particular implementation of appropriations entered in the Community budget.

## 2. STRUCTURE AND MEANS OF IMPLEMENTATION

Most of IEE II is implemented by means of competitive allocation of financial support to independent parties proposing action in line with the Programme's priorities (grant procedure). The decision to propose action obviously lies exclusively with the proposers. Responsibility for carrying out the action lies entirely with the contractors.

IEE II projects normally aim to trigger market mechanisms or to induce third parties to take action in line with the Programme's objectives. The impact of IEE projects then extends far beyond the results of each individual project.

Consequently, the quantitative impact of IEE II will be measured by performance indicators agreed upon by the contractors and the Commission. See point 2.3 for further details on performance indicators.

### 2.1. Scope of the IEE Programme

The Programme covers action in the following fields:

#### **Energy efficiency and rational use of energy (SAVE)<sup>18</sup>, including:**

- improving energy efficiency and the rational use of energy, in particular in buildings and industry;
- supporting the preparation and application of Community legislation.

#### **New and renewable energy resources (Altener)<sup>19</sup>, including:**

- promoting new and renewable energy sources for centralised and decentralised production of electricity, heat and cooling and thus supporting the diversification of energy sources;
- integrating new and renewable energy sources into the local environment and the energy systems;
- supporting the preparation and application of legislative measures.

#### **Energy in transport (STEER)<sup>20</sup> to promote energy efficiency and the use of new and renewable energy sources in transport, including:**

- supporting initiatives relating to all energy aspects of transport and the diversification of fuels;
- promoting renewable fuels and energy efficiency in transport;

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<sup>18</sup> Article 39 of Decision No 1639/2006/EC establishing a Competitiveness and Innovation Framework Programme (2007 to 2013).

<sup>19</sup> Article 40 of Decision No 1639/2006/EC establishing a Competitiveness and Innovation Framework Programme (2007 to 2013).

<sup>20</sup> Article 41 of Decision No 1639/2006/EC establishing a Competitiveness and Innovation Framework Programme (2007 to 2013).

- supporting the preparation and application of legislative measures.

**Integrated initiatives**<sup>21</sup> where energy efficiency and renewable energy sources are integrated and synchronised in several sectors of the economy and/or where various instruments, tools and players are combined in the same action.

Wherever possible, action financed by the Intelligent Energy – Europe Programme will promote synergies between different priorities and integration.

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<sup>21</sup> Article 42 of Decision No 1639/2006/EC establishing a Competitiveness and Innovation Framework Programme (2007 to 2013).

## 2.2. Structure of the Programme

						Integrated Initiatives																							
Indicators: Fields:	Enabling Policies & Strategies	Market Transformation	Changing Behaviour	Access to Capital	Training	Local Leadership			Special Initiatives				Market Replication Projects (Not open in 2008)	Programme Support Action (Not open in 2008)															
SAVE			Energy-efficient buildings			Creation of local and regional energy agencies	European networking for local action	Sustainable communities (not open in 2008)	Bio-business initiative	Energy services initiative	Intelligent energy education initiative	Product standards initiative	CHP initiative	Platform for International Cooperation on Energy Efficiency	Concerted action on energy services														
			Industrial excellence in energy																										
			Energy-efficient products (not open in 2008)																										
ALTENER			Renewable electricity																										
			Renewable heating & cooling																										
			Domestic and other small-scale renewable applications																										
			Biofuels																										
STEER			Alternative fuels and clean vehicles																										
			Energy-efficient transport																										
			Capacity-building in transport for agencies																										

## 2.3. Programme performance indicators

### 2.3.1. Indicators to assess the impact of the Programme

Because of its nature, IEE II follows a bottom-up approach to evaluate its impact. Programme indicators are to be built up from individual project indicators plus complementary activities on harmonisation, rationalisation and estimation of the knock-on impact.

The objectives of using indicators are:

- to ensure a results-driven approach;
- to help contractors focus on core tasks;
- to introduce an effective management tool;
- to allow continuous monitoring of the activities;
- to help improve performance and the effectiveness of tasks.

It should be made clear from the outset that indicators are not a measure of the performance of the contractors *per se*, but a quantitative assessment of the impact of the projects carried out. They will be used to measure the impact of projects from year to year and the impact of the Programme as a whole.

A number of reference performance indicators for each action are listed in Part II “Technical priorities”. All contractors will be required to propose performance indicators in line with those listed which:

- allow objective estimates of the impact of each project;
- add up, as far as reasonable and possible, to programme indicators.

A chapter in the User Manual (Guide for Proposers) will deal with performance indicators at the level of individual projects.

Inclusion of appropriate performance indicators is a necessary condition during the evaluation for awarding contracts and during the negotiations for concluding contracts.

The Commission will undertake an exercise to rationalise, harmonise, extrapolate and group action performance indicators to produce sets of programme performance indicators. The final performance indicators will be in line with those listed in Part II of this Work Programme.

### 2.3.2. Indicators to assess the effectiveness of the Programme

Besides impact-related programme indicators, IEE II aims to achieve the following targets:

- Balanced participation by public and private, non-profit and profit-making beneficiaries, appropriate to fulfil the pre-competitive objectives of the IEE II Programme.

Indicator: percentages of public and private beneficiaries.

- Involvement of previously identified stakeholders relevant to the action.

Indicators: participation rates of stakeholders, duly categorised, and qualitative analysis of the benefits of various combinations of stakeholders.

- A high proportion of SMEs among the private beneficiaries.

Indicator: proportion of SMEs among the private beneficiaries.

- Active participation by applicants from all participating countries.

Indicator: representation of eligible countries.

- A good proportion of new beneficiaries applying to and succeeding in IEE II, particularly from Member States that acceded to the EU in 2004 and 2007 and countries with just a few organisations participating so far.

Indicators: percentage of new beneficiaries from new Member States and countries with just a few organisations participating so far and percentages of new beneficiaries in other countries.

- More active involvement of beneficiaries from new Member States.

Indicator: percentage of coordinators applying to and succeeding in IEE II.

- Reaching out to new local and regional authorities.

Indicator: percentage of new local and regional authorities involved in the applications.

## 2.4. Means of implementation

The IEE Programme will be implemented largely by means of two main instruments:

- (a) Grants:** Grant agreements in the case of proposals selected on the basis of either a call for proposals or concerted action;
- (b) Procurement – calls for tender:** Public procurement contracts for proposals selected on the basis of a call for tenders.

Grants and public procurement are defined by the Financial Regulation<sup>22</sup>. Grants are direct financial contributions to co-finance action intended to help achieve an objective forming part of a European Union policy.

In the case of public procurement, in return for payment the Commission obtains a product or service, which it needs and defines itself.

Most of the action in the IEE Programme will be implemented by means of grant agreements.

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<sup>22</sup> Articles 88 and 108(1) of the Financial Regulation applicable to the general budget of the European Communities (Regulation No 1605/2002 of 25 June 2002), as amended by Council Regulation (EC, Euratom) No 1995/2006 of 13 December 2006.

Furthermore, the CIP allows the possibility of cooperation with European and international financial institutions such as the EIB and EBRD, in which case part of the annual budget will be managed by the relevant financial institutions. This option will be explored in the course of implementation of the Programme.

As regards the contractual set-up, the Commission's standard model contracts will be applied. For grant agreements the Commission will draw up models suitable for the different types of action supported under the IEE Programme.

## **2.5. Financial perspective**

In line with the Council and European Parliament Decision, the total budget allocated to implementation of the Intelligent Energy – Europe II Programme for the period 2007-2013 is €27.3 million<sup>23</sup>. For this 2008 Work Programme, €70 million has been allocated<sup>24</sup>. The budget will be increased year after year during the time-span for implementation of the Programme.

## **2.6. Complementarity between financial instruments**

Each action may give rise to the award of only one grant from the budget to any one beneficiary<sup>25</sup>. Action which receives financial support for the same purpose from other Community financial instruments, including the other specific programmes under the CIP, the 7th Framework Programme for Research and Development, the European Regional Development Fund, the European Social Fund, the Cohesion Fund, the LIFE+ Programme, the European Agricultural Fund for Rural Development and the European Fisheries Fund will not receive funding from the IEE Programme.

Beneficiaries applying for funding from the IEE Programme will have to provide information on any funding they have received from the Community budget and on any relevant applications for funding which are still pending (to the Commission for centrally financed measures or to the national agency for delegated measures).

Synergy and complementarity with other Community instruments will be sought.

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<sup>23</sup> Not including contributions from third countries.

<sup>24</sup> Not including contributions from third countries.

<sup>25</sup> Article 111(1) of the Financial Regulation applicable to the general budget of the European Communities (Regulation No 1605/2002 of 25 June 2002), as amended by Council Regulation (EC, Euratom) No 1995/2006 of 13 December 2006.

### **3. PROCUREMENT**

#### **3.1. General principles for procurement**

The Financial Regulation applicable to the general budget of the European Communities defines “procurement” as contracts for pecuniary interest concluded in writing by a contracting authority (e.g. a Commission department) in order to obtain, against payment of a price paid in whole or in part from the budget, the supply of movable or immovable assets, the execution of works or the provision of services.

Procurement will be used to obtain studies and services required by the Commission to achieve the objectives underlying the Intelligent Energy – Europe Programme. The areas covered are likely to include consultancy services or technical assistance and carrying out studies, conducting information, promotion and communication campaigns, purchasing publications and organising conferences.

All procurement financed in part or in whole by the IEE Programme must comply with the principles of transparency, proportionality, equal treatment and non-discrimination.

#### **3.2. Calls for tenders**

The Commission<sup>26</sup> will issue calls for tenders for projects under the Intelligent Energy – Europe Programme, in accordance with the requirements laid down in the relevant annual Work Programme.

The invitation to tender and the attached specifications must provide a full, clear and precise description of the subject, terms and conditions of the contract, together with a clear and precise description of the different criteria to be applied throughout the entire process up to and including selection of the contractor.

The Commission is not legally bound with regard to an economic operator until the contract is signed. Up to the point of signature, the Commission may either abandon the procurement or cancel the award procedure without the candidates or tenderers being entitled to any compensation.

#### **3.3. Participation in tendering procedures**

Participation in tendering procedures is open to any natural or legal person or consortium. Participation must be open on equal terms to all natural and legal persons coming within the scope of the Treaties and to all natural and legal persons in a third country which has a special agreement with the European Communities in the field of public procurement under the conditions laid down in the relevant agreement.

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<sup>26</sup> Pursuant to Decision C (2007) 3198 of 2 July 2007, the Commission has delegated powers to the Executive Agency for Competitiveness and Innovation with a view to performance of tasks linked to implementation of the IEE II Programme. The Agency may therefore execute specific tenders agreed necessary for implementation of the IEE Programme.

Where the Multilateral Agreement on Government Procurement concluded within the World Trade Organisation applies, the contracts must also be open to nationals of the States which have ratified that Agreement, under the conditions laid down in the same Agreement.

## **4. GRANTS – RULES FOR PARTICIPATION AND TYPES OF ACTION**

### **4.1. General principles for implementation of grants**

Any legal person, whether public or private, established in a Member State or in an associated country<sup>27</sup> or in a third country, as defined below, may propose action within the IEE Programme, provided the minimum conditions laid down in this document are met and the content of the proposal is in line with the priorities set in the annual Work Programme.

**“Legal person”** means any entity created under the national law of its place of establishment, Community law or international law, which has legal personality and which, acting under its own name, may exercise rights and be subject to obligations.

Entities which do not have legal personality under the national law may also propose action within the IEE Programme, provided their representatives have the capacity to take on legal obligations on their behalf and assume financial liability.

**“Public body”** means a body created by a public authority or a legal entity governed by private law with a public service mission, financed totally or to a large extent (i.e. more than 50%) by public sources, whose internal procedures and accounts are submitted to control by a public authority and for whose liabilities a public authority will accept responsibility in the event that the public body ceases its activities.

### **4.2. Specific provisions**

#### **Joint Research Centre**

The Joint Research Centre of the European Commission (JRC) may participate in action under the IEE Programme on the same footing and with the same rights and obligations as a legal entity established in a Member State.

#### **International organisations, including the International Energy Agency**

**“International organisation”** means any legal entity arising from an association of States, other than the Community, established on the basis of a treaty or similar act, having common institutions and an international legal personality distinct from that of its Member States.

Any international organisation may take part in action under the IEE Programme, subject to the conditions set out in this chapter. It may receive a Community financial contribution if it is essential for carrying out the action.

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<sup>27</sup> Under Article 4 of Decision No 1639/2006/EC, the Competitiveness and Innovation Framework Programme is open to participation by EFTA countries which are members of the EEA, candidate countries and countries of the Western Balkans, all in accordance with the conditions laid down in the specific agreements and Memoranda of Understanding. Participation is also open to any other third country, when agreements so allow.

## Participation of third countries

In line with the CIP Decision and its provisions on the CIP Framework Programme, the IEE Programme is open to participation by EU Member States plus:

- (a) European Free Trade Association (EFTA) countries which are members of the European Economic Area (EEA), in accordance with the conditions laid down in the EEA Agreement;
- (b) accession countries and candidate countries benefiting from a pre-accession strategy, in accordance with the general principles and general terms and conditions for the participation of those countries in Community programmes established in the relevant Framework Agreements and Association Council Decisions;
- (c) countries of the Western Balkans, in accordance with the provisions to be determined with those countries following the establishment of Framework Agreements concerning their participation in Community programmes;
- (d) other third countries, when Agreements and procedures so allow.

### 4.3. Types of action

The CIP Decision draws a distinction between two principal kinds of action: **promotion and dissemination projects** and **market replication projects**.

#### 4.3.1. *Promotion and dissemination projects*

Article 43 of the CIP Decision spells out the following groups of action for which Community funding can be provided:

- (a) strategic studies on the basis of shared analysis and regular monitoring of market developments and energy trends for the preparation of future legislative measures or for the review of existing legislation, including with regard to the functioning of the internal energy market, for the implementation of medium- and long-term strategy in the energy field to promote sustainable development, as well as for the preparation of long-term voluntary commitments with industry and other stakeholders and for the development of standards, labelling and certification systems, where appropriate also in cooperation with third countries and international organisations;
- (b) creation, enlargement or reorganisation of structures and instruments for sustainable energy development, including local and regional energy management, and the development of adequate financial products and market instruments;
- (c) promotion of sustainable energy systems and equipment in order to further accelerate their penetration of the market and stimulate investment to facilitate the transition from the demonstration to the marketing of more efficient technologies, awareness campaigns and the creation of institutional capabilities;
- (d) development of information, education and training structures, the utilisation of results, the promotion and dissemination of know-how and best practices involving

all consumers, dissemination of results of the action and projects and cooperation with the Member States through operational networks;

- (e) monitoring of the implementation and the impact of Community legislative and support measures.

#### 4.3.2. *Market replication projects*

Article 44 of the CIP Decision adds that “The Community shall provide support to projects concerned with the market replication of innovative techniques, processes, products or practices of Community relevance, which have already been technically demonstrated with success. These shall be designed to promote broader utilisation of such techniques, processes, products or practices within the participating countries and facilitate their market uptake.”

Market replication projects are a novel instrument compared with the previous IEE Programme (2003-2006) as they can entail Community funding for a share of the investment cost within the project. **This strand will not be open under the 2008 Work Programme.**

#### 4.3.3. *Specific activities for restricted target groups*

### **Action with standardisation bodies**

Community legislation and policy in the field of energy efficiency and renewable energy sources often entail a degree of standardisation at EU level. Where this is the case, only recognised standardisation institutes will be targeted and special means of implementation will be applied<sup>28</sup>.

### **Concerted action with Member States and participating countries (CA)**

Concerted action with Member States and participating countries (CA) concerns a limited number of specific activities in relation to implementation of Community legislation and policy. It aims at fostering exchanges of information and experience between Member States and participating countries with regard to implementation of Community legislation and policy. It covers only topics where coordination and/or harmonisation of approaches would be beneficial, but is not required by Community legislation. Concerted action is therefore designed to provide added value compared with measures taken by each Member State acting on its own and to make it possible to achieve an optimum combination of the various instruments at the disposal of both the Community and the Member States.

To achieve this objective, concerted action is addressed only to national authorities transposing and implementing specific Community legislation and policy or to bodies appointed by the national authorities to implement specific Community legislation and policy.

For such cases, a call for tenders or call for proposals would be inappropriate because there would be only one organisation in each Member State eligible to carry out the task. By virtue

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<sup>28</sup> In principle, action will be supported under specific agreements with CEN/CENELEC executed in accordance with the Framework Partnership Agreement between CEN/CENELEC and the European Commission.

of this specificity, which has to be demonstrated in each individual case, concerted action meets the conditions laid down in Article 168(1)(c) of the rules implementing the Financial Regulation and the relevant procedures will be applied. Concerted action will be undertaken by organisations designated by the Member States and countries participating in the CA. The Commission has the role of coordinating this kind of action with the countries concerned.

Each concerted action will be allocated to a consortium of organisations designated and entrusted by the countries participating in the concerted action, under the coordination of one member of the consortium.

To reach this objective, a concerted action is addressed only to national authorities transposing and implementing a specific Community legislation and policy, or to bodies appointed by the national authorities to implement a specific Community legislation and policy. As national transposition has already started, the national actors involved in transposition and implementation of the directive are identified and national work has been defined. Consequently there is de facto one expert body (or a team of organisations) in each country suitable for such a CA on ESD.

#### **4.4. Minimum conditions for project consortia**

The minimum conditions for participation in and implementation of IEE action are as follows:

##### *4.4.1. General rule*

Unless otherwise specified in the call for proposals, consortia participating in IEE projects must be made up of at least three independent legal entities, each established in a different eligible country.

In this respect two legal entities will be regarded as independent of each other if neither is under the direct or indirect control of the other or under the same direct or indirect control as the other.

Control may, in particular, take either of the following forms:

- (a) a direct or indirect holding of more than 50% of the nominal value of the issued share capital in the legal entity concerned or of a majority of the voting rights of the shareholders or associates of that entity;
- (b) direct or indirect holding, in fact or in law, of decision-making powers in the legal entity concerned.

However, the following relationships between legal entities are not in themselves deemed to constitute control:

- (a) the same public investment corporation, institutional investor or venture-capital company has a direct or indirect holding of more than 50% of the nominal value of the issued share capital or a majority of voting rights of the shareholders or associates;
- (b) the legal entities concerned are owned or supervised by the same public body.

#### 4.4.2. *Joint Research Centre (JRC) and/or international organisations*

If one of the participants is the JRC or an international organisation, it is deemed to be established in a Member State or associated country other than any Member State or associated country in which another participant in the same action is established.

#### 4.4.3. *Specific provisions for grants to specific target groups*

- Creation of new local and regional energy management agencies: proposals must be submitted by only one legal person, which must be a local or regional public authority (city, municipality or regional government).
- Local and regional energy agencies which were established with and are still beneficiaries of Community contributions from the IEE Programme are eligible to participate in IEE projects if the submission deadline for the call for proposals lies at least 24 months after the starting date of their activities, as specified in the relevant grant agreement.
- Action with standardisation bodies must involve one standardisation body which has signed a framework agreement with the European Commission.
- Concerted action with Member States and participating countries (CA) will be undertaken only if a critical mass of Member States and participating countries support the action concerned. The bodies with a *de jure* or *de facto* monopoly will be duly substantiated in the award decision.

## **5. GRANTS – COMMUNITY FINANCIAL CONTRIBUTION**

### **5.1. General**

The Community financial contribution to grants is based on reimbursement of the eligible costs of the action.

### **5.2. Upper funding limits**

As a general rule, the following ceilings for the Community contribution apply:

- (a) promotion and dissemination projects: up to 75% of the total eligible cost;
- (b) market replication projects: will not be included in the Work Programme for 2008.

#### *Grants to specific target groups*

- *Creation of new local and regional energy management agencies*: up to 75% of the total eligible cost and up to a maximum Community contribution of €250 000 per agency.
- *Action with standardisation bodies*: up to 95% of the total eligible cost.
- *Concerted action with Member States and participating countries*: only the additional costs arising from coordination of the activity, together with other costs necessary to give the activity a Community dimension, will be eligible. They will be 100% funded.

### **5.3. Co-financing requirements**

Action supported by grants must be co-financed at least at the minimum rates laid down for each type of action. The Community contribution to reimburse eligible costs must not give rise to a profit. The sources of co-funding must be transparent and stated in such a way that they are clearly identifiable and accountable.

If necessary, the call for proposals may lay down specific provisions concerning the form which co-financing from sources other than Community financing may or may not take, depending on the nature of the action and/or the beneficiaries concerned, to guarantee sound financial management and that the financial contributions between co-funders are balanced.

**Overview – Grants to promotion and dissemination projects (Article 43)**  
**– Rules on participation and funding limits**

	<b><i>Rules on participation</i></b>	<b><i>Level of Community support</i></b>
<i>Promotion and dissemination activities</i>	<i>Three independent legal entities, each established in a different eligible country</i>	<i>Up to 75% of the total eligible cost</i>
<i>Exception: Creation of local and regional energy agencies</i>	<i>One local or regional public authority</i>	<i>Up to 75% and up to a maximum of €250 000</i>

## **6. GRANTS – SUBMISSION, EVALUATION, SELECTION AND AWARD PROCEDURES<sup>29</sup>**

### **6.1. Calls for proposals**

Grants are generally implemented via calls for proposals. The Commission will issue calls for proposals for action under the Intelligent Energy – Europe Programme, in accordance with the requirements laid down in this Work Programme<sup>30</sup>.

#### Exceptions to calls for proposals

In the framework of IEE II, grants may be awarded without a call for proposals only in the cases provided for by Article 168(1)(c) of the rules implementing the Financial Regulation, i.e. for action carried out by bodies with a *de jure* or *de facto* monopoly, duly substantiated in the award decision. This could be standardisation and certification to be undertaken by recognised standardisation bodies or provision of statistics by recognised statistical offices plus concerted action with Member States and other countries participating.

For these exceptions, which are described in point 14.6 of this document, the procedures will be established in accordance with the Financial Regulation and the associated implementing rules.

### **6.2. Principal evaluation procedure**

With the exception of the action referred to above, proposals are submitted in response to calls for proposals (“calls”). The content, indicative budget and timing of calls are described in Part II of the annual Work Programme.

Calls will be published on the dedicated Programme website and will be announced in the Official Journal of the European Union. Additional publicity will be sought through specific information channels, including information days, and via the national contact points set up by the Member States and the associated countries. All the information needed by those wishing to apply in response to calls is made available on a dedicated website.

In particular, user manuals (Guides for Proposers) are produced jointly with all specific programmes within the CIP for every call, explaining the conditions and deadlines for submission of proposals, along with the related evaluation, selection and award procedures. The Commission will also provide information on and set out the procedures for redress for applicants and adopt rules to ensure consistent verification of the legal status and financial capacity of participants.

The Commission will evaluate all the proposals submitted in response to a call for proposals on the basis of the principles for evaluation and of the eligibility, selection and award criteria set out in the annual Work Programme. Proposals which do not fulfil the conditions set in the

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<sup>29</sup> The procedures for calls for tenders are as provided for in the relevant regulations and will be published at the time of publication of each call.

<sup>30</sup> Pursuant to Decision C (2007) 3198 of 2 July 2007, the Commission has delegated powers to the Executive Agency for Competitiveness and Innovation with a view to performance of tasks linked to the IEE Programme. Pursuant to Article 5 of that Decision, the Agency is empowered to execute calls for proposals.

Work Programme or in the call for proposals may not be selected. Such proposals may be excluded from the evaluation procedures at any time. Where appropriate, the Commission may appoint independent external experts to assist with evaluating and monitoring a call for proposals. At the end of the evaluation, proposals will be ranked on the basis of the evaluation results. Funding decisions will be made on the basis of this ranking and within the limits of the available budget. Proposals with an identical score next to the cut-off limit of the available budget will be sub-ranked, taking into account the indicative distribution of the 2008 budget by field (see point 16). A limited number of proposals may be placed on a reserve list, following the sub-ranking.

For successful proposals, the evaluation results will include recommendations for the negotiations, including possible technical adaptations/clarifications to the proposed work programme (see point 6.5).

### **6.3. Eligibility, selection and award criteria for grants**

#### *6.3.1. Eligibility criteria and check*

Proposals must meet all the eligibility criteria if they are to be accepted for evaluation. These criteria are rigorously applied. If it becomes clear before, during or after the evaluation phase that one or more of the eligibility criteria have not been fulfilled, the proposal is declared ineligible by the Commission and is withdrawn from any further examination. If there is any doubt about the eligibility of a proposal, the Commission reserves the right to proceed with the evaluation, pending a final decision on eligibility. The fact that a proposal is evaluated in such circumstances does not constitute proof that it is eligible.

The following eligibility criteria are checked by the Commission for all proposals submitted in response to a call<sup>31</sup>:

- receipt of the proposal by the Commission on or before the date and time established in the call, if applicable;
- minimum number of participants, as referred to in the call for proposals;
- completeness of the proposal, i.e. presence of all the requested administrative forms and the description of the proposal (N.B. the completeness of the information contained in the proposal will be assessed at a later stage (see award criteria); all the eligibility checks do is to make sure that all the relevant parts of the proposal are present);
- scope of the call: the content of the proposal must relate to the part of the Work Programme open in the call. A proposal will be deemed ineligible on grounds of “scope” only in clear-cut cases (N.B. the scope will be checked when assessing the technical quality of the proposal (see award criteria); all the eligibility checks do is to make sure that the indicated scope of the proposal complies);

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<sup>31</sup> In accordance with Article 114 of the Financial Regulation applicable to the general budget of the European Communities (Regulation No 1605/2002 of 25 June 2002), as amended by Council Regulation (EC, Euratom) No 1995/2006 of 13 December 2006, no participant may fall under any of the exclusion criteria referred to therein. These criteria will be assessed, normally at the negotiation stage (see grounds for exclusion).

- correct funding scheme: the proposal must come under one of the funding schemes specified for the relevant topic in the call for proposals.

### 6.3.2. *Grounds for exclusion*

In accordance with Article 114(3) of the Financial Regulation, grants may not be awarded to applicants who, at the time of the award procedure, are in one of the situations referred to in Articles 93, 94 and 96(2)(a) of the same Regulation.

Applicants must certify that they are not in one of the situations referred to in these articles. A declaration to that effect must accompany the application forms.

As provided for in Articles 93 to 96 of the Financial Regulation and in the rules implementing those articles, administrative and financial penalties of an effective, proportionate and dissuasive nature may be imposed on applicants who are excluded under Article 114(2) of the Financial Regulation.

Such penalties may also be imposed on beneficiaries who have made false declarations or substantial errors, or committed irregularities or fraud, and on beneficiaries who have been found in serious breach of their contractual obligations, in accordance with the conditions laid down in Article 134b of the implementing rules and in proportion to the value of the grants in question.

The call for proposals must specify the grounds for exclusion and the administrative and financial penalties applicable.

### 6.3.3. *Selection criteria*

The selection criteria cover the financial and technical capacity of each applicant. Each applicant must have stable and sufficient sources of funding to maintain the activity throughout the period during which the action is being carried out and to participate in funding the action. The applicant must have the professional skills and qualifications required to complete the proposed action.

The selection criteria will be assessed by the Evaluation Committee. Failure to comply with these criteria will result in a proposal not being evaluated further by the Evaluation Committee. The Evaluation Committee may ask an applicant to provide additional information or to clarify the supporting documents submitted in connection with the application, in particular in the case of obvious clerical errors.

The Commission will adopt and publish rules to ensure consistent verification of the existence, legal status and financial capacity of participants in IEE II projects.

### **Financial capacity of applicants**

Applicants must show that they exist as a legal entity and have the financial and operational capability to complete the operation to be supported and must provide their balance sheet for the last financial year for which the accounts have been closed. The latter requirement does not apply to public bodies and international organisations. In accordance with Article 173(4) of the rules implementing the Financial Regulation, if the application concerns grants for action which exceed €500 000, an audit report produced by an approved external auditor must

be submitted. That report must certify the accounts for the last financial year available. In the case of agreements linking the Commission and a number of beneficiaries this threshold will apply to each individual beneficiary.

### **Technical capacity of applicants**

Applicants must have the technical and operational capability to complete the action to be supported and should provide supporting documents (e.g. CVs of those responsible for carrying out the action, description of projects and activities undertaken in the last three years, etc.).

#### *6.3.4. Award criteria*

The action will be evaluated against five award criteria relating to the technical quality of the proposal and its team.

The five award criteria will carry equal weighting within the overall assessment. If a proposal is to be classified as worth funding, the grand total of the marks for all the award criteria should be equal to or greater than 70% of the maximum total score. In addition, a mark of over 50% will be required for each criterion. Proposals that pass these thresholds will be considered for funding. A ranking (see point 6.2) will be established by the Evaluation Committee and approved by the authorising officer.

#### **(a) Award criteria for promotion and dissemination activities**

##### **1. Relevance of the action (score 0-10), with the following subcriteria:**

- Extent to which the proposed action reflects the state of the art and builds on previous action in the context of the objectives of the IEE II Programme and relevant action by/in participating countries;
- Potential impact of the action in relation to EU policies and priorities, targets and legislation;
- Relevance of the expected results to the target groups involved and/or addressed; involvement of market players in the action.

##### **2. Quality of the methodology (score 0-10), with the following subcriteria:**

- Structure, clarity, consistency and suitability of the proposed approach (definition of work packages, schedule and deliverables) to achieve the expected results;
- Appropriateness of the targets and performance indicators;
- Ambition of the communication/dissemination plan and appropriateness of the communication tools to be used for the specified target groups.

##### **3. Community added value (score 0-10), with the following subcriteria:**

- Justification and benefits of addressing the subject of the proposal at European level;
- Appropriate geographical coverage of the project;

- Transferability of the solutions offered by the proposal to other parts of the EU.

**4. Costs and co-financing (score 0-10), with the following subcriteria:**

- Appropriate level of effort for the work packages and the main tasks in the work packages;
- Appropriate weight of costs per cost category, including sub-contracting;
- Transparency, sustainability, sources and commitment of the co-financing scheme.

**5. Management and organisation of the team (score 0-10), with the following subcriteria:**

- Composition and balance of skills of the team;
- Distribution and balance of effort, budget and responsibilities between partners;
- Management, including management structure, work plan, coordination and project team communications.

Within the general conclusions, the evaluation will provide a qualitative judgment on the overall value for money – comparing the outcomes based on the five award criteria with the costs and effort involved.

**(b) Award criteria for the creation of local and regional energy agencies**

**1. Relevance of the agency (score 0-10), with the following subcriteria:**

- Extent to which the proposed Agency reflects the local needs and potential impact over the medium to long term on the local/regional energy economy, environment and sustainable development;
- Clarity of the definition of the role and mandate of the agency;
- Strength and credibility of the local/regional commitment to the future agency after three years of Community funding.

**2. Quality of the approach (score 0-10), with the following subcriteria:**

- Structure, clarity, consistency and suitability of the proposed work programme, including definition of work packages and deliverables;
- Ambition of the planned dissemination and communication activities and appropriateness of the communication tools to be used for the specified target groups;
- Appropriateness of the objectives, targets and performance indicators and quality of the proposed method for evaluation and control of performance.

**3. Community added value (score 0-10), with the following subcriteria:**

- Local, national and European partnerships with relevant stakeholders other than energy agencies;

- Plans for cooperation activities, including training, exchanges of technology, planning and policy information and best practices with organisations in other EU countries;
- Partnerships with neighbour agencies and/or the national agency and plans to promote the local/regional agency concept to other localities and regions.

**4. Costs and benefits (score 0-10), with the following subcriteria:**

- Transparency, reliability of sources and commitment of the co-financing scheme;
- Appropriate weight of costs per cost category, including any hardware costs and sub-contracting;
- Appropriate level of effort for the work packages and main tasks in the work programme.

**5. Organisation and management of the agency (score 0-10), with the following subcriteria:**

- Management, including the operational roles and profiles envisaged for the permanent staff, administrative systems, project management structure and scheduling of the work plan;
- Appropriateness of the composition of the management board and of the involvement of decision- and policy-making bodies and elected representatives;
- Appropriateness of the degree of autonomy of the agency.

Within the overall assessment, the evaluation will provide a qualitative judgment on the overall value for money – comparing the outcomes based on the five award criteria with the costs and effort involved.

**6.4. Assistance by independent experts**

Independent experts may be invited to assist the Commission with evaluation of proposals. This may be carried out fully or partially at their home or place of work (“remote evaluation”) or in Brussels. Experts will be chosen considering:

- the skills and knowledge appropriate to the tasks to be assigned;
- geographical distribution;
- gender balance; and
- a reasonable proportion of new experts in each evaluation.

The independent experts will be identified and selected on the basis of calls for applications from individuals. If no experts having the skills required for certain areas of the Programme are on the list, the Commission may select appropriate individuals from outside the list, applying criteria identical to those set out in the call for applications.

When appointing an independent expert, the Commission will take all necessary steps to ensure that the expert is not faced with a conflict of interests. The Commission will adopt a

model appointment letter, which will include a declaration that the independent expert has no conflict of interest at the time of appointment and undertakes to inform the Commission if any conflict of interest should arise in the course of providing his or her opinion or carrying out his or her duties. It will also include a declaration on the confidentiality of the evaluation process. The Commission will draw up an appointment letter for each independent expert.

The Commission will publish periodically in an appropriate medium the list of independent experts who have assisted it.

## **6.5. Technical/financial adaptations and award decision**

Following formal approval by the authorising officer of the rankings of the proposals recommended for Community funding established by the Evaluation Committee and acting on the recommendations by the Evaluation Committee, the Commission may enter into negotiations with the applicants selected. This process aims to clarify technical and financial aspects of the proposals selected in order to facilitate subsequent management. The principles of transparency and equal treatment must be guaranteed throughout the negotiation process.

At the same time as opening negotiations, the Commission launches an inter-service consultation (ISC) of Directorates-General and other departments which could be interested in the action proposed for financing, in order to make sure that the action in question is not already being financed from the Community budget.

Based on the results of the negotiations and within the limits of the annual budget available, the authorising officer then approves the individual award decisions for each of the grant agreements.

If proposals involving legal entities from countries other than Member States are selected, no grant agreement will be signed until the necessary steps have been taken for the country concerned to join the Programme. Up-to-date information on which countries are participating in the Programme is available on the Programme website at:  
[http://ec.europa.eu/energy/intelligent/index\\_en.html](http://ec.europa.eu/energy/intelligent/index_en.html).

## **6.6. Main elements of grant agreements**

### *6.6.1. Eligibility of costs*

The Financial Regulation provides the framework for which costs qualify for Community funding. Specific conditions for eligibility under the IEE Programme will be set in the model grant agreement. As a general guideline, for costs to be eligible they must:

- relate to the purpose of the action;
- be indicated in the estimated overall budget of the action;
- be necessary for implementation of the action which is the subject of the grant;
- be reasonable, justified and comply with the requirements of sound financial management, in particular regarding economy and efficiency;

- be identifiable and verifiable, in particular being recorded in the accounting records of the beneficiary and determined in accordance with the applicable accounting standards of the country where the beneficiary is established and with the usual cost-accounting practices of the beneficiary;
- be actually incurred by the participant in the course of the action, with the exception of costs relating to final reports and audit certificates;
- exclude any profit margin;
- be substantiated by evidence allowing proper identification and checking.

#### 6.6.2. *Cost categories*

Eligible costs are split into direct and indirect costs. For promotion and dissemination projects, the following applies:

- (a) *Direct costs*: typical costs directly related to the action funded under the IEE Programme would include, for example, costs of technical staff assigned to the action, travel costs of these staff, costs for subcontracting and other specific costs, such as for workshops or publications. They may include depreciation for small equipment needed for the action, such as measurement devices;
- (b) *Indirect costs*: these include general costs for the infrastructure and administrative expenses necessary for carrying out the action. The Commission authorises use of a flat rate of up to 60% of the eligible staff costs as an acceptable level of overheads.

Indirect costs are not eligible as part of a project grant awarded to a beneficiary who is already receiving an operating grant from the Commission during the period in question or who is receiving an ongoing grant for establishment of a local or regional energy agency.

#### 6.6.3. *Provisions concerning ownership/use of results and access rights*

Where appropriate, the grant agreement will establish the obligations of the individual participants with regard to access rights and use and dissemination of background, in so far as those obligations have not been laid down in this chapter.

For this purpose, the following definitions apply:

- (a) “background” means information which is held by participants prior to their accession to the grant agreement, along with copyright or other intellectual property rights pertaining to such information, for which an application has been filed before their accession to the grant agreement and which is needed for carrying out the action or for using the results of the action;
- (b) “foreground” means the results, including information, generated by the action, whether or not they can be protected. Such results include copyright, design rights, patent rights or similar forms of protection.

### ***Ownership of foreground***

Unless stipulated otherwise in the grant agreement, ownership of foreground, including industrial and intellectual property rights, and of the reports relating to it will be vested in the beneficiaries (i.e. participants).

Without prejudice to this, the beneficiaries must grant the Community the right to make free use of the results of the action as it deems fit, provided it does not breach its confidentiality obligations or existing industrial property rights in the process.

Unless stipulated otherwise in the grant agreement, ownership of deliverables and other documents relating to the action falls in the public domain. In cases where deliverables may lead to commercial application, access rights for use and dissemination will be granted to the Community under fair and reasonable conditions to be agreed for a period of one/two year(s) after completion of the action.

Where appropriate to the nature and objectives of the action, the grant agreement may also specify additional conditions on transfer and protection of ownership of foreground.

### ***Use and dissemination***

Participants must use the foreground which they own or ensure that it is used. Each participant must ensure that the foreground in its ownership is disseminated as swiftly as possible. If it fails to do so, the Commission may disseminate that foreground.

Dissemination activities must be compatible with intellectual property rights, confidentiality and the legitimate interests of the owner of the foreground. Prior notice of any dissemination activity must be given to the other participants concerned. Following notification, any of those participants may object if it considers that its legitimate interests in relation to its foreground could suffer disproportionate harm. In such cases, no dissemination may take place unless appropriate steps are taken to safeguard these legitimate interests.

Any dissemination of foreground must be accompanied by a statement that the foreground concerned was generated with financial support from the Community. The terms of that statement will be established in the grant agreement.

### ***Access rights to background and foreground***

For the purpose of this section, “access rights” means licences and rights to use foreground or background.

#### **(a) General principles**

Participants may define the background needed for the purposes of the action in a written agreement and, where appropriate, may exclude specific background. All requests for access rights must be made in writing. Unless otherwise agreed by the owner of the foreground or background, access rights confer no right to grant sub-licences.

Exclusive licences for foreground or background may be granted, subject to written confirmation by all the other participants concerned that they waive their access rights thereto. Without prejudice to this, any agreement providing access rights to foreground or background

to participants or third parties must be such as to ensure that potential access rights for other participants are maintained.

Participants in the same action must inform each other as soon as possible of any limitation on granting access rights to background or of any other restriction which might substantially affect the granting of access rights.

Termination of participation in an indirect action in no way affects any participant's obligation to grant access rights to the remaining participants in the same action under the terms and conditions established by the grant agreement.

(b) Access rights for implementation of action

Access rights to foreground must be granted to other participants in the same action if they need access in order to carry out their own work under that action. Such access rights must be granted royalty-free.

Access rights to background must be granted to other participants in the same action if they need access in order to carry out their own work under that action, provided the participant concerned is entitled to grant them. Such access rights must be granted royalty-free, unless otherwise agreed by all participants before they entered the grant agreement.

(c) Access rights for use

Participants in the same action enjoy access rights to foreground if access is needed in order to use their own foreground. Such access rights must be granted either under fair and reasonable conditions or royalty-free.

Participants in the same action must be given access rights to background if access is needed in order to use their own foreground, provided the participant concerned is entitled to grant them. Such access rights must be granted either under fair and reasonable conditions or royalty-free.

Subject to the participants' legitimate interests, access rights may be requested under the conditions laid down in the previous paragraph until two years after the end of the action or after the termination of the participation of a participant, whichever falls earlier, unless the participants concerned agreed on a longer period.

## **7. MONITORING AND EVALUATION OF THE PROGRAMME AND ACTION**

### **7.1. Monitoring and evaluation of the action**

The Commission will monitor implementation of the action, mainly on the basis of progress, interim and final reports but also by on-the-spot inspections and other means deemed appropriate. Beneficiaries must give a commitment to facilitate this key work by all means, particularly by:

- establishing in the proposals adequate performance indicators and sets of expected results and adapting them to the recommendations made in the evaluation;
- making arrangements to provide all information required for *ex-post* impact analysis;
- including a work package for dissemination purposes;
- including a small standard work package to respond to specific requests for information by the Commission;
- informing the Commission, before starting the action, about possible restrictions on dissemination of information for confidentiality reasons;
- submitting information and reports on time.

The Commission may appoint independent experts to advise on implementation of the Programme.

### **7.2. Monitoring and evaluation of the Programme**

Annual report on financial implementation, plus the results and impact of the activities supported.

Interim evaluation: to be completed by 31 December 2009.

Final evaluation: by 31 December 2011.

Under Article 8 of the CIP Decision the annual implementation reports and the results of the evaluations must be communicated to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions.

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## **II. TECHNICAL PRIORITIES FOR 2008 (IEE operational budget, including all methods of implementation)**

### **8. OBJECTIVES**

#### **8.1. Overall objectives**

The Intelligent Energy – Europe Programme will provide for action, in particular:

- (a) to foster energy efficiency and the rational use of energy resources;
- (b) to promote new and renewable energy sources and to support energy diversification;
- (c) to promote energy efficiency and the use of new and renewable energy sources in transport.

#### **8.2. Operational objectives**

The Intelligent Energy – Europe Programme aims to:

- (a) provide the elements necessary for the improvement of sustainability, the development of the potential of cities and regions, as well as for the preparation of the legislative measures needed to attain the related strategic objectives; develop the means and instruments to follow up, monitor and evaluate the impact of the measures adopted by the Community and its Member States in the fields addressed by that programme;
- (b) boost investment across Member States in new and best performing technologies in the fields of energy efficiency, renewable energy sources and energy diversification, including in transport, by bridging the gap between the successful demonstration of innovative technologies and their effective, broad market uptake in order to attain leverage of public- and private-sector investment, promote key strategic technologies, bring down costs, increase market experience and contribute to reducing the financial risks and other perceived risks and barriers that hinder this type of investment;
- (c) remove the non-technological barriers to efficient and intelligent patterns of energy production and consumption by promoting institutional capacity-building at, *inter alia*, local and regional level, by raising awareness, notably through the educational system, by encouraging exchanges of experience and know-how among the main players concerned, business and citizens in general and by stimulating the spread of best practices and best available technologies, notably by means of their promotion at Community level.

### **8.3. Project objectives**

#### *8.3.1. Enabling policies and strategies*

Priority will be given to projects which monitor, promote and/or build on the existing EU policy and legislative frameworks, which have been put in place in recent years. They should contribute to more effective implementation of the relevant Directives and/or to providing feedback on implementation to policymakers and/or contribute to further development of the relevant EU policy and regulatory frameworks.

#### *8.3.2. Market transformation*

Priority will be given to projects which help to convert policy into action on the market and contribute to improving the competitiveness of European energy efficiency (EE) and renewable energy (RE) industries, especially SMEs. As far as possible, projects should help to move EE and/or RE technologies, systems and fuels into mainstream market structures and supply chains.

#### *8.3.3. Changing behaviour*

Priority will be given to projects which do more than raise the awareness of individual citizens, householders and public- and private-sector decision-makers. They should lead to changes in their purchasing, investment and authorisation decisions and in their daily demand for energy. One major component of this category of action will involve education authorities, schools, colleges and universities.

#### *8.3.4. Access to capital*

Priority will be given to projects which involve the financing community (bankers, financial institutions, fund managers, venture capitalists, etc.) and which aim to address the financing needs on the markets for small and medium-sized energy efficiency and/or renewable energy systems. Other important measures in this category are projects aiming to build investor confidence and to establish long-term financing mechanisms that will accelerate growth on the markets for sustainable energy.

#### *8.3.5. Training*

Priority will be given to training for technicians and professionals whose daily work has an impact on the design, selection, approval, installation, operation, maintenance, sales and marketing of sustainable systems.

### **8.4. Relationship between the IEE Programme and FP7**

Due attention will be paid to ensuring effective coordination between those areas which are supported by the IEE Programme and those supported by the FP7 research programme.

In the case of dissemination and promotion projects, the IEE Programme will focus primarily on promoting energy products and systems which are ready for rapid market growth and on tackling non-technological market barriers, whereas FP7 will support research, demonstration and dissemination of new knowledge about innovative energy technologies and the results of technological research and demonstration projects.

Before they are launched, special attention will be given to defining market replication projects, in order to clarify their role and specificity in relation to the demonstration projects supported by FP7.

## 9. PROMOTION AND DISSEMINATION PROJECTS

The following types of projects will be supported within the 2008 Work Programme:

- (a) strategic studies on the basis of shared analysis and regular monitoring of market developments and energy trends for the preparation of future legislative measures or for the review of existing legislation, including with regard to the functioning of the internal energy market, for the implementation of the medium- and long-term strategy in the energy field to promote sustainable development, as well as for the preparation of long-term voluntary commitments with industry and other stakeholders and for the development of standards, labelling and certification systems;
- (b) creation, enlargement or reorganisation of structures and instruments for sustainable energy development, including local and regional energy management, and the development of adequate financial products and market instruments;
- (c) promotion of sustainable energy systems and equipment in order to further accelerate their penetration of the market and stimulate investment to facilitate the transition from the demonstration to the marketing of more efficient technologies, awareness campaigns and the creation of institutional capabilities, aiming in particular to implement the clean development mechanism and joint implementation under the Kyoto Protocol<sup>32</sup>;
- (d) development of information, education and training structures, the utilisation of results, the promotion and dissemination of know-how and best practices involving all consumers, dissemination of results of the action and projects and cooperation with the Member States through operational networks;
- (e) monitoring of the implementation and the impact of Community legislative and support measures.

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<sup>32</sup> Under the Kyoto Protocol, the EU-15 (the 15 countries that were members of the EU at the time of ratification of the Protocol) is committed to reducing its greenhouse gas emissions by 8% below 1990 levels during the first commitment period (from 2008 to 2012).

# 10. TARGET GROUPS

Key action	SAVE			ALTENER			STEER			INTEGRATED INITIATIVES										
	Buildings	Industry	Products (not open in 2008)	RES-e	RES-H/C	Domestic/small-scale RES	Biofuels	Alternative fuels and clean vehicles	Energy-efficient transport	Capacity-building in transport for agencies	Energy agencies	Networking for local action	Sustainable communities (not open in 2008)	Bio-business initiative	Energy services	Energy education	Product standards	CHP initiative	International cooperation on energy efficiency	Concentrated action on energy services
<b>Target group</b>																				
<b>Public authorities</b>																				
National authorities																				
Regional authorities																				
Local and municipal authorities																				
Planners																				
Regulators																				
<b>Policymakers</b>																				
Support scheme managers																				
Market analysts, researchers, modellers																				
statistical offices																				
<b>Utilities</b>																				
TSOs and DSOs																				
District heating companies																				
ESCOs																				
<b>Energy/transport agencies</b>																				
<b>Education system</b>																				
<b>Investors</b>																				
Financial institutions																				
Bankers																				
Project developers																				
<b>Civil society</b>																				
NGOs																				
Associations																				
End-users																				
<b>Architects</b>																				
Building services engineers																				
Building managers/administrators																				
Public buildings owners																				
Homeowners																				
Housing associations																				
<b>Manufacturers</b>																				
Chambers of commerce																				
Commerce, retailers																				
Product distributors, wholesalers																				
<b>Farmers, landowners</b>																				
Forestry industries																				
<b>Industry</b>																				
SMEs																				
Craftsmen																				
Installers																				
Fuel processors																				
Industry associations																				
<b>Transport operators</b>																				
Fleet operators																				
Freight operators																				
Drivers groups and associations																				
Vehicle manufacturers																				
<b>Standards bodies</b>																				

## 11. SAVE: ENERGY EFFICIENCY AND RATIONAL USE OF RESOURCES

Energy efficiency and rational use of resources constitute a cornerstone of European energy policy. They are by far the most effective ways to improve security of supply, reduce carbon emissions and foster competitiveness.

According to the recent Action Plan for Energy Efficiency<sup>33</sup>, it is technically and economically possible for the European Union to save 20% of its primary energy consumption by 2020, equivalent to annual fuel savings worth €100 billion and a 780 Mt reduction in CO<sub>2</sub> emissions compared with the baseline scenario.

Activities funded under SAVE aim to tap this large potential for energy savings by improving energy efficiency and rational use of energy resources, in particular in buildings and industry. Activities to promote energy efficiency in transport are covered separately under STEER. Pilot actions for *large smart building* are covered under CIP-PSP 2008 Work Programme Theme 2: ICT for Energy Efficiency and Sustainability in urban areas.

Activities under SAVE may facilitate optimum implementation of legislation relating to energy efficiency<sup>34</sup>, support preparation of legislative measures and change energy behaviour, so that society uses less energy while enjoying the same or an even better quality of life.

In this respect, institutional capacity-building, awareness-raising, access to capital, training and clear, credible and accessible information on energy-efficient technologies and practices are key elements of SAVE which will foster rational behaviour. They should mobilise the general public and policy-makers at all levels of government, together with market players.

SAVE projects may cover one or more of the following Key Actions:

**Energy-efficient buildings:** for action raising the energy performance of buildings, in both the residential and tertiary sectors, where the potential is estimated to be around 27% and 30% of energy use, respectively.

**Industrial excellence in energy:** for action increasing energy efficiency in industry, in particular SMEs. Although industry has made more rapid progress on energy efficiency than other sectors, the potential savings remain high, in the order of 25% in manufacturing industry.

**Energy-efficient products:** for action increasing the market share of energy-efficient products and encouraging users to choose and use them rationally.

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<sup>33</sup> COM(2006) 545 final of 19 October 2006.

<sup>34</sup> Current legislation includes: Directive 2006/32/EC on energy end-use efficiency and energy services, Regulation No 2422/2001 on the Energy Star Programme, Directive 2005/32/EC on ecodesign requirements for energy-using products, Directive 2004/8/EC on promotion of cogeneration, Directive 2002/91/EC on the energy performance of buildings and Directive 92/75/EEC on labelling.

## 11.1. Energy-efficient buildings

### 11.1.1. Objectives

- To improve the energy performance of new and existing buildings and promote integration of renewable energy sources.
- To foster adoption of intelligent energy use patterns in buildings.
- To improve the capacity of building professionals to offer intelligent energy solutions and increase demand for such solutions.
- To ensure that the recommendations issued with the building energy performance certificates are followed by practical action and thus lead to actual energy savings.
- To foster action beyond the requirements of Directive 2002/91/EC on the energy performance of buildings (EPBD).

### 11.1.2. Priorities for action

#### (a) Enabling policies and strategies

- Take action, including large-scale awareness-raising and public information campaigns, facilitating the creation of fully functional energy performance certification markets and ensuring that the recommendations on certificates are followed by appropriate, practical application.
- Launch voluntary action/schemes for certification, in accordance with the EPBD legislation, of buildings not for sale or rent and for buildings not covered by the Directive (e.g. smaller properties and renovation).

#### (b) Market transformation

- Take targeted action related to retrofitting, in particular addressing specific categories of buildings and/or using specific technologies/strategies.
- Take targeted action, including retrofitting, for the take-up of passive<sup>35</sup> and very low-energy buildings and technologies, and/or energy-neutral and energy-positive buildings which go well beyond the EPBD requirements.

#### (c) Changing behaviour

- Take action concerning retrofitting of public buildings to lead by example and promote adoption of new proven technologies and strategies, including renewable energy sources.
- Conduct large-scale awareness-raising campaigns on behavioural aspects of use of buildings.

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<sup>35</sup> Passive buildings are defined as those which meet established comfort criteria but may be without traditional heating systems and without active cooling. This could involve very good insulation levels and a mechanical ventilation system with highly efficient heat recovery, where appropriate.

(d) Training

- Launch large-scale education and training schemes/activities in all Member States to qualify the market for implementation of the EPBD: agreements with universities, associations of installers, chambers of commerce, etc. to institutionalise the necessary education/training.

*11.1.3. Key players and target groups*

See table.

*11.1.4. Indicators*

(a) Enabling policies and strategies

- Acknowledgement by several EPBD implementation authorities, and practical examples, of the benefits of the Programme in terms of facilitation of the EPBD market.
- Increase in the projected rate of implementation of energy performance measures over those projected by the Member States.

(b) Market transformation

- Number of examples of successful transfer of knowledge/experience regarding passive and very low-energy buildings and technologies and of energy-neutral and energy-positive buildings. Replication potential of such examples.

(c) Changing behaviour

- Number of flagship public buildings setting an example of implementation of the EPBD by seizing opportunities for energy conservation. Generation of media attention. Number of countries concerned.
- Impact of promotional activities in terms of the number of citizens reached, when possible with categorisation of target populations.

(d) Training

- Number of construction workers and building professionals trained across Europe and estimated knock-on effect.
- Number of education and training schemes institutionalised and running beyond completion of the projects.

**11.2. Industrial excellence in energy**

*11.2.1. Objectives*

- To increase the energy performance of industry, in particular SMEs, thereby improving their reliability, competitiveness and reputation.

- To raise awareness among industrial decision-makers and have them consider energy as a profit centre.
- To promote energy services, energy management schemes, procurement guidelines and training for industry.

### 11.2.2. *Priorities for action*

#### (a) Enabling policies and strategies

- Implement comprehensive energy audit and management schemes, including for non-core processes.
- Develop (models for) voluntary/long-term agreements on energy efficiency: these projects should bring together experience and best practice at national and industry levels, with a view to stimulating new or extended long-term agreements at European level.

#### (b) Market transformation

- Introduce and promote the concept of energy services in industry.
- Take sector-specific action focusing on industries with large untapped potential savings. This action should take into account the activities and results of the ongoing industrial IEE projects and of the EU policy instruments targeted on industry. These projects should show a sound assessment and analysis of the sectors concerned and their relevant energy issues and should involve a wide range of key stakeholders, especially industrial associations. They should also aim to make use of the available tools and techniques for energy auditing, benchmarking and management in general, adapting them where necessary to meet any special features of the target sector. Development of tools, e.g. e-learning tools, auditing guides and software, etc., will be supported only in well justified cases where, in addition, their user-friendliness or wide acceptance, especially among SMEs, is rated highly.

In general, projects – especially those aimed at a general industry target group – should aim at achieving a “critical mass” or multiplier effect at industry level. They should be able convincingly to demonstrate improved value for money, going beyond the pilot scale in terms of the number of companies and other stakeholders affected and actual fuel savings achieved.

#### (c) Changing behaviour

- Facilitate exchanges of know-how and experience between energy managers.
- Support adoption of energy-efficient procurement and purchasing by industry (e.g. guidelines, networks, etc.).

#### (d) Access to capital

- Promote funding/financing packages for energy efficiency: projects should identify and promote models for energy performance contracting and public-private financing packages for energy efficiency investments by SMEs and address the removal of barriers to energy

service companies (ESCOs), while aiming for maximum involvement of financial institutions and intermediaries.

(e) Training

- Take action to enhance the awareness, capabilities and skills of energy and utilities managers and maintenance personnel in industry.

*11.2.3. Key players and target groups*

See table.

*11.2.4. Indicators*

(a) Enabling policies and strategies

- Number of effective energy audit and management schemes put in place and running beyond completion of the projects.
- Number of new or extended voluntary/long-term energy efficiency agreements.

(b) Market transformation

- Link between the results of IEE projects and take-up of energy services in industry.
- Impact of projects in key sectors of industry.

(c) Changing behaviour

- Number of energy managers adopting energy-efficient practices.
- Number of companies switching to more energy-efficient procurement practices.

(d) Access to capital

- Number of new and innovative financing schemes tailored to industry.
- Mobilisation of funds where needed.

(e) Training

- Number of large-scale training activities, with high impact and visibility, likely to be repeated beyond completion of the projects.
- Number of energy and utilities managers and maintenance personnel trained; number and quality of new networks created.
- Wider implementation of energy-management schemes and tools.

## 12. ALTENER: NEW AND RENEWABLE RESOURCES

Renewable energy sources (RES) can provide a wide range of energy services sustainably and can be produced locally within the EU, delivering secure supplies of electricity, heating and cooling and motive power for transport without adding to greenhouse gas emissions and climate change. RES are becoming more competitive, and policies supporting use of RES are making manufacture and supply of RE technologies and production of bioenergy resources (biomass and biofuels) more attractive as business opportunities. Action supported under Altener should build on existing EU policies and legislation (see below) and help to increase use of RE in the EU.

The 1997 White Paper on Renewable Energy<sup>36</sup> set the context for the EU policy and legislative framework that has been put in place for the renewable energy sector in recent years; this was recently updated in the 2007 energy package<sup>37 38 39</sup>.

For *electricity*, the Directive on electricity produced from RES sets national indicative targets and addresses the need to overcome market barriers. Recent Commission communications<sup>40 41</sup> have emphasised the need to take further action if these targets are to be achieved.

For *heating and cooling*, there is not yet any EU legislation aiming specifically to maximise the take-up of RES (biomass, solar and geothermal), but the Directive on the Energy Performance of Buildings (EPBD), the Directive for the promotion of cogeneration<sup>42</sup> and the Biomass Action Plan<sup>43</sup> are all helpful.

For *domestic and small-scale renewable energy systems*, which include both systems integrated into buildings and small decentralised (including stand-alone) RE plants, the EPBD also plays an important role.

For biofuels, the Commission has adopted two important Directives, one to promote biofuels for transport<sup>44</sup>, the other to reduce excise rates for biofuels<sup>45</sup>. Future policy and regulatory frameworks for this sector are outlined in the recently revised Biomass Action Plan.

Altener projects may include one or more of the following Key Actions:

- **Electricity from renewable energy sources (RES-e)**, to support EU policy by tackling barriers to market growth and helping to achieve future renewable energy targets.

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<sup>36</sup> Energy for the future: renewable sources of energy. White Paper and action plan – COM(97)599 of 26 November 1997.

<sup>37</sup> An energy policy for Europe – COM(2007) 1 final of 10 January 2007.

<sup>38</sup> Renewable energy roadmap – COM(2006) 848 final of 10 January 2007.

<sup>39</sup> Biofuels progress report – COM(2006) 845 final of 10 January 2007.

<sup>40</sup> The share of renewable energy in the EU – COM (2004) 366 of 26 May 2004.

<sup>41</sup> The support of electricity from renewable energy sources – COM(2005) 627 of 7 December 2005.

<sup>42</sup> Directive 2004/8/EC of 11 February 2004 on the promotion of cogeneration based on useful heat demand in the internal energy market and amending Directive 92/42/EEC.

<sup>43</sup> Biomass Action Plan – COM (2005) 628 final of 7 December 2005.

<sup>44</sup> Directive 2003/30/EC on the promotion of the use of biofuels or other renewable fuels for transport.

<sup>45</sup> Directive 2003/96/EC of 27 October 2003 restructuring the Community framework for the taxation of energy products and electricity.

- **Renewable energy heating/cooling (RES-H/C)**, to promote greater use of biomass, solar and geothermal heating and cooling, especially in buildings and industry.
- **Domestic and other small-scale RE applications**, to increase use of small-scale renewable energy systems in buildings, in line with the Energy Performance of Buildings Directive, and to promote use of small-scale decentralised (including stand-alone) RE systems.
- **Biofuels**, to promote use of sustainable forms of biodiesel, alcohols, biogas and bio-additives to replace fossil fuels for transport applications and to contribute to achieving future EU targets.

Pilot actions for *smart integration of distributed energy resources into the local energy chain* are covered under CIP-PSP 2008 Work Programme Theme 2: ICT for Energy Efficiency and Sustainability in urban areas.

## 12.1. Electricity from renewable energy sources (RES-e)

### 12.1.1. Objectives

- To support implementation and development of RES-e policies and make them more consistent with other EU policies.
- To accelerate deployment in the EU of RES-e technologies, including bioelectricity, offshore power generation from wind, wave and tidal streams, on-shore wind, hydro, geothermal and solar schemes, notably by removing market barriers and simplifying approval procedures for their construction and use.
- To change the behaviour of public- and private-sector decision-makers to give higher priority to use of RES-e.
- To encourage investment in RES-e generation, transmission and distribution and in manufacture of RES-e technology, notably by SMEs.

### 12.1.2. Priorities for action

#### (a) Enabling policies and strategies

- Analyse, benchmark, develop and implement innovative policies, including support schemes (optimisation of effectiveness, coordination and harmonisation), market-oriented options, potential and targets; promote and exchange experience of EU, national, local and regional policies.
- Monitor the impact of RES-e, including on security of supply, the environment, economic growth, competitiveness, employment, human safety, decommissioning and recycling (waste electrical and electronic equipment – WEEE – requirements).
- Promote coordinated action and networking between regulators, TSOs and DSOs, utilities, planners and policy-makers, to make RES-e policies more consistent with EU policies for energy efficiency, CHP, conventional power, the internal market, innovation, emission trading/Kyoto flexible instruments, the environment, agriculture and water.

- Monitor, benchmark and develop innovative regulatory frameworks, legislation, codes, permits and standards, including application procedures, construction and planning permits, grid connection procedures and international trading.
- Gather reliable market data on the various RES-e technologies, including quantification of each market, potential, trends, installed capacity, electricity production, fees, prices and costs, timeframes and rates of project approvals.

(b) Market transformation

- Reduce lead times and improve approval rates for new RES-e installations by removing administrative barriers, increasing transparency, sharing best practices and conducting trials of innovative approaches.
- Improve market transparency, including disclosure, guarantee of origin and transparent tariffs, and introduce intelligent grid management and pricing (peak demand management, reserve capacity, etc.), intelligent combinations of RES-e and storage (non-technological aspects) and intelligent meters.
- Strengthen the competitiveness of European RES-e technologies by promoting business opportunities on global markets and developing export strategies.

(c) Changing behaviour

- Take action to change attitudes and behaviour in the electricity industry.
- Ensure networking of professionals, decision-makers and national support scheme managers.
- Conduct user behaviour studies related to sales and use of RES-e (including cultural issues).
- Ensure information, promotion and transfer of best practices to businesses, households and the public sector to encourage switching to cleaner electricity supplies.

(d) Access to capital

- Conduct innovative financing schemes for RES-e project developers, including cooperative project financing.
- Take action to establish/strengthen renewable ESCOs.

(e) Training

- Strengthen RES-e topics in vocational training curricula and installer certification schemes.
- Provide training schemes to address modern grid planning, design and optimisation, plus approval procedures for RES-e grid connections and safety, security and environmental issues.
- Provide training for urban and rural planners to address environmental and other issues.

### 12.1.3. Key players and target groups

See table.

### 12.1.4. Indicators

#### (a) Enabling policies and strategies

- Use of results of IEE projects in policymaking, regulations and planning.
- More reliable data on RES-e potential, impact, trends, economies and markets.

#### (b) Market transformation

- Link between the results of IEE projects and more competitive RES-e generators and businesses.
- Simplified and more rapid authorisation procedures.
- Clear link between the results of IEE projects and accelerated market growth.

#### (c) Changing behaviour

- Number of utilities involved in behavioural change activities.
- Number of users switching to clean electricity and changes in attitudes to RES-e.

#### (d) Access to capital

- Number of new and innovative financing schemes established.
- Link between IEE projects and new investment in RES-e generators and businesses.

#### (e) Training

- Number of planners and of public-sector, private-sector (including SMEs) and electricity-sector decision-makers trained on RES-e.

## 12.2. Renewable energy heating/cooling (RES-H/C)<sup>46</sup>

### 12.2.1. Objectives

- To support implementation and development of RES-H/C policies and make them more consistent with other EU policies.
- To accelerate deployment of RES-H/C, including solid biomass, biogas, solar and geothermal applications in buildings, industry, district heating and/or CHP, notably by removing market barriers, simplifying approval procedures for construction, improving the

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<sup>46</sup> In the building sector, this Key Action focuses on development of the market, the industry and policy and regulatory frameworks which directly affect use of RE heating and cooling systems. More general action addressing implementation of the EPBD is a priority under Key Action 1.

availability, quality and sustainability of biomass fuels and strengthening market links between biomass production and use.

- To change the behaviour of public- and private-sector decision-makers to give higher priority to use of RES-H/C.
- To stimulate new investment in RES-H/C, including district heating and CHP, and in manufacture of RES-H/C technology, notably by SMEs.
- To train more RES-H/C professionals, technicians and craftsmen.

#### 12.2.2. *Priorities for action*

##### (a) Enabling policies and strategies

- Analyse, monitor, benchmark and develop innovative policies, including support schemes (optimisation of effectiveness, coordination and harmonisation), potential and targets; promote and exchange experience of EU, national, local and regional policies.
- Monitor the impact of RES-H/C, including on security of supply, the environment, economic growth, competitiveness, employment, human safety, decommissioning and recycling.
- Monitor, benchmark and develop innovative legislation, codes, permits and standards, including application procedures, construction and planning permits, district heating grid connection procedures and international trading in sustainably produced fuels and systems.
- Gather reliable data on the various RES-H/C technologies, including quantification of each market, potential, trends, installed capacity, energy produced/delivered, fees, prices, capital and operation and maintenance (O&M) costs, timeframes and rates of project approvals.

##### (b) Market transformation

- Reduce lead times and improve approval rates for authorising construction of RES-H/C systems by removing administrative barriers and increasing transparency, including sharing and transferring best practices and conducting trials of innovative approaches.
- Promote use of RES-H/C in industry (including via district heating and/or CHP).
- Promote sustainable production and supply of biomass fuel, plus intelligent combinations of RES-H/C and storage (non-technological aspects).
- Improve market transparency, including disclosure, guarantee of origin, transparent RE fuel pricing and transparent tariffs in district heating systems.
- Strengthen the competitiveness of European RES-H/C technologies by promoting business opportunities on global markets and developing export strategies and long-term industry agreements.

- Improve the competitiveness of sustainably produced biomass and biogas supply chains, by promoting communication and networking for farmers, fuel distributors, CHP and district heating system managers.

(c) Changing behaviour

- Take action to change attitudes and behaviour in farming and forestry.
- Ensure networking of professionals, decision-makers and support scheme managers.
- Conduct user behaviour studies related to sales and use of RES-H/C systems and fuels.
- Take action to promote success stories and best practices in businesses, commercial buildings, sports centres, etc. and the public sector on switching to RES-H/C systems and fuels, for example using solar energy to reduce demand for electricity for heating and/or cooling.

(d) Access to capital

- Conduct innovative financing schemes for RES-H/C project developers, including cooperative project financing.
- Take action to establish/strengthen renewable ESCOs.

(e) Training

- Strengthen local entrepreneurship capacity (notably in SMEs) for providing services related to sustainable fuel supplies and installation and management of RES-H/C systems, including training and certification schemes for suppliers and installers.
- Provide training on environmental and procedural issues for urban and rural planners and building authorisation officers.

*12.2.3. Key players and target groups*

See table.

*12.2.4. Indicators*

(a) Enabling policies and strategies

- Use of results of IEE projects in policymaking, regulations and planning.
- More reliable data on RES-H/C potential, impact, trends, economies and markets.

(b) Market transformation

- Link between IEE projects and more competitive RES-H/C systems and businesses.
- Simplified and more rapid authorisation procedures.
- Link between the results of IEE projects and accelerated market growth.

(c) Changing behaviour

- Number of stakeholders with significant changes in attitude and behaviour linked to IEE projects.
- Number of users switching to clean energy schemes and changes in attitudes to RES.
- Number of organisations and businesses persuaded to sign up for long-term heat supply from RE district heating/CHP.
- Number of industrial companies persuaded to invest in RES-H/C systems for industrial processes and other own heating/cooling needs.

(d) Access to capital

- Number of new and innovative financing schemes (including ESCOs) developed.

(e) Training

- Number of people trained on RES in the heating and cooling industry, especially SMEs.
- Number of planners, construction approval officers and other public-sector decision-makers trained.

### **12.3. Domestic and other small-scale RE applications<sup>47</sup>**

#### *12.3.1. Objectives*

- To support implementation and development of EU policies for domestic and small-scale RE applications (notably in support of the EPBD) and make them more consistent with other EU policies.
- To accelerate deployment of small-scale RE systems, including solar heating and cooling, photovoltaics, sustainably produced biomass (wood pellets, chips and logs), ground-coupled heat pumps, hydrogen and fuel cells, micro-CHP in buildings and decentralised small-scale systems, such as biogas, mini-wind and mini-hydropower, by removing market barriers and simplifying approval procedures for their construction and use.
- To change the behaviour of public- and private-sector decision-makers, householders and individuals by making them aware of successful experience and solutions to develop the local market.
- To encourage investment and local markets in small-scale RE applications.
- To train more professionals, technicians and craftsmen, and thereby stimulate new/expanded/stronger businesses (especially SMEs) in the small-scale RE sector.

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<sup>47</sup> In the building sector, this Key Action focuses on development of the market, the industry and policy and regulatory frameworks, which directly affect use of small-scale RE systems in buildings. More general action addressing implementation of the EPBD is a priority under Key Action 1.

### 12.3.2. *Priorities for action*

#### (a) Enabling policies and strategies

- Analyse, benchmark, develop and implement innovative policies, including support schemes (optimisation of effectiveness, coordination and harmonisation), potential and targets; promote and exchange experience of EU, national, local and regional policies.
- Monitor the impact of small-scale RE systems, including on security of supply, the environment, business growth and competitiveness, employment, safety and recycling (WEEE requirements).
- Monitor, benchmark and develop innovative legislation, codes, permits and standards, including application procedures, construction and planning permits, grid connection procedures and international trading, that encourage energy customers also to become energy producers.
- Gather reliable data on the various small-scale RES technologies, including quantification of each market, potential, trends, installed capacity, energy produced/delivered, fees, prices, capital and O&M costs, timeframes and rates of project approvals.

#### (b) Market transformation

- Simplify and accelerate procedures for authorising construction of small-scale RES systems, including sharing and transferring best practices and conducting trials of innovative approaches.
- Conduct coordinated activities aiming to support SMEs with development and promotion of “plug and play” solutions, product labelling, system guarantees, model contracts and Internet marketing for cost-effective integration of small-scale RES in buildings.
- Improve the competitiveness of sustainable biomass supplies to householders, including better communications and model contracts between farmers, fuel distributors and users. Strengthen the competitiveness of the small-scale RES industry by promoting business opportunities on global markets and developing export strategies.
- Encourage use of standards and quality management in sales, design, installation and operation, in order to protect end-users and promote “shining” examples of RE systems, especially in public buildings to increase consumer confidence.

#### (c) Changing behaviour

- Take action to change the attitudes and behaviour of householders and building owners.
- Conduct user behaviour studies related to sales and use of small-scale RES systems.
- Take action to inform businesses, households and the public sector of best practices and success stories on switching to small-scale RES systems and fuels.

(d) Access to capital

- Take action to assist householders with financing, including tailored financing and support schemes, reducing costs through joint procurement (“buyers’ pools”), economies of scale and renewable ESCOs.

(e) Training

- Provide training and “certification” courses for system installers, building system specifiers, other businesses (including SMEs), distributors, wholesalers and retail sales staff.
- Provide training for building professionals, planners and public-sector authorising officers.
- Build capacity in regions with a slower penetration of small-scale RE applications.

*12.3.3. Key players and target groups*

See table.

*12.3.4. Indicators*

(a) Enabling policies and strategies

- More reliable data on potential, impact, trends, economies, targets and markets.
- Use of results of the projects in policymaking, regulations and planning, leading to more consistent regulations and planning.

(b) Market transformation

- Link between IEE projects and more competitive RE systems and businesses.
- Simplified and more rapid authorisation procedures for RE installations and improved market frameworks for sustainable fuel supplies.

(c) Changing behaviour

- Number of stakeholders with changes in attitude and behaviour linked to IEE projects.
- Number of end-users shifting to small-scale RE systems, linked to IEE projects.

(d) Access to capital

- Number of ESCOs and/or innovative financing schemes developed.
- Number of businesses with significantly increased investment in producing or installing small-scale RES systems, linked to IEE projects.

(e) Training

- Number of people trained in the small-scale RE industries, especially SMEs.

- Number of planners, construction approval officers and other public-sector decision-makers trained.
- Number of professionals, technicians and craftsmen trained.

## **12.4. Biofuels**

### *12.4.1. Objectives*

- To support implementation and development of EU policies on sustainably produced biofuels (biodiesel, bio-alcohols, biogas and bio-additives), to replace conventional fuel consumption in transport and other uses, and to make them more consistent with other EU policies.
- To accelerate deployment of sustainably produced biofuels by removing market barriers and simplifying approval procedures and to promote production, transparent certification of environmental sustainability, processing and trading of the potentially most competitive and sustainable biofuels (within the EU and in non-EU countries).
- To change the behaviour of public and fuel-industry decision-makers and of other potential stakeholders in the biofuels market (including farmers, foresters and distributors) to give higher priority to use of sustainable biofuels.
- To encourage investment in production and processing of more competitive first- and second-generation biofuels with less environmental impact and in enhanced distribution infrastructure for biofuels.
- To train more biofuels professionals, technicians and craftsmen.

### *12.4.2. Priorities for action*

#### (a) Enabling policies and strategies

- Analyse, benchmark, develop and implement innovative policies, including support schemes, potential and targets; promote and exchange experience of EU, national, local and regional biofuels policies.
- Monitor the impact of biofuels, including on security of supply, the environment, land use, economic growth, competitiveness and employment.
- Make biofuels policies more consistent with other EU policies, such as on the internal market, innovation, emission trading/Kyoto flexible instruments, the environment, agriculture, water, forestry and industry.
- Monitor, benchmark and develop innovative legislation, permits and standards, including application procedures for land use, construction and planning permits for processing plants and international trading in biofuels.
- Gather data on the biofuels market, including investment, production, processing and distribution costs, possible market distortions and prospective end-users, and prepare the way for introduction of second-generation biofuels.

(b) Market transformation

- Stimulate market players in the biofuel supply chain (farmers, fuel processors and distributors) to increase the economic competitiveness and environmental sustainability of biofuels (including second-generation biofuels).
- Accelerate the growth of EU markets for sustainable biofuels by simplifying procedures for authorising the growing and processing of sustainable biofuel crops, sharing and transferring best practices and conducting trials of innovative approaches, including production of bio-alcohols and other biofuels on land which is not suitable for food production.
- Improve market transparency, including guarantees of sustainable production, labelling and transparent pricing.

(c) Changing behaviour

- Take action to accelerate change and to develop business opportunities for sustainable biofuel in agricultural communities, including networking of professionals, decision-makers and support-scheme managers.
- Conduct local initiatives to encourage sustainable production and local use of biofuels, including long-term agreements between farmers, foresters, fuel distribution companies and vehicle-engine manufacturers.

(d) Access to capital

- Establish innovative financing schemes, including cooperative project financing, aiming to stimulate investment in supply chains for sustainably produced biodiesel, bio-alcohols, biogas, bio-additives and second-generation biofuels.
- Promote well-informed dialogue between biofuel producers and potential investors.

(e) Training

- Provide training for farmers, agricultural workers and foresters.
- Provide training for small biofuel processors and distributors (including SMEs).
- Provide training for public-sector (local) authorising officers on environmental and related issues.

*12.4.3. Key players and target groups*

See table.

*12.4.4. Indicators*

(a) Enabling policies and strategies

- Better monitoring of the biofuels markets, leading to more reliable data on market potential, impact, trends, economies and targets.

- Results of IEE projects used in policymaking and leading to more consistent regulations and planning.

(b) Market transformation

- Link between IEE projects and more competitive and sustainable biofuels production and distribution businesses.
- More rapid and efficient authorisation procedures for switching land to sustainable production of biofuels and for construction of biofuels processing plants, together with improved market frameworks for biofuels.

(c) Changing behaviour

- Number of potential biofuels producers and processors with changes in attitudes and behaviour linked to IEE projects.
- Changes in attitudes to biofuels.

(d) Access to capital

- Number of innovative financing schemes developed.
- Number of investors and size of new investments in sustainable biofuels production linked to IEE projects.

(e) Training

- Training for farmers, agricultural workers and foresters.
- Training for small biofuel processors and business owners (SMEs).
- Training for public-sector (local) authorising officers on environmental and related issues.
- Training for biofuel distributors.

### 13. STEER: ENERGY IN TRANSPORT

Transport plays a central role in the European economy and accounts for almost 20% of the total gross energy consumption in Europe. 98% of the energy consumed in this sector is fossil fuel. As transport is also the fastest growing sector in terms of energy use, it is essential to tap the potential for energy-efficiency gains in this sector. Investment trends in the economically recovering new Member States in particular offer vast opportunities for a paradigm shift towards a more sustainable mobility culture.

Action to promote energy efficiency and use of new and renewable energy sources in transport may include:

- (a) supporting initiatives relating to all energy aspects of transport and diversification of fuels;
- (b) promoting renewable and alternative fuels and energy efficiency<sup>48</sup> in transport;
- (c) supporting preparation and application of legislative measures.

STEER will give priority to projects which promote, build on and/or implement the existing EU policy and legislative frameworks for energy efficiency and renewable or alternative fuels in transport, taking into account the suggestions made in the Energy Efficiency Action Plan<sup>49</sup>, in the Green Paper “Towards a new culture for urban mobility”<sup>50</sup> and in the general framework of the European policy on energy<sup>51</sup>. Projects should build on well-tested strategies and technologies and aim at achieving energy savings by removing the non-technological market barriers to wider application thereof.

Priority will also be given to projects which do more than raise the awareness of individual citizens, householders and decision-makers but actually achieve changes in transport behaviour and modal choice, for both persons and goods. Projects should deliver and apply existing knowledge in a convincing and motivating way to the relevant target groups. They must contribute to wider dissemination and use of well-proven, transferable strategies. They should help end-users to take informed decisions and increase public acceptance of more energy-efficient transport behaviour, alternative and renewable fuels and clean vehicles.

Priority will also be given to training practitioners and officials whose daily work has an impact on take-up of energy-efficient transport strategies and alternative fuels. Experience has shown that appropriate consultation and involvement of a broad range of stakeholders help to address sustainable mobility more efficiently.

Transport of goods and people are both addressed. However, action aimed specifically at shifting freight from road to short-sea shipping, rail and inland waterways, which can be supported by the Marco Polo Programme, will not be funded.

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<sup>48</sup> Energy efficiency is defined as a ratio between an output of performance, service, goods or energy, and an input of energy.

<sup>49</sup> COM(2006) 545 final of 19 October 2006.

<sup>50</sup> COM(2007) 551 final of 25 September 2007.

<sup>51</sup> Presidency conclusions of the Brussels European Council of 8-9 March 2007.

STEER relates to the following Key Actions:

- **Alternative fuels and clean vehicles:** projects should help to harness existing supply structures by creating increased demand and/or help to prepare the ground for potential new supply structures. Projects should encourage multipliers (e.g. fleet operators) to establish a critical mass for demand for and use of alternative fuels and vehicles.
- **Energy-efficient transport:** projects which address energy-efficient transport should prepare the ground for more effective implementation of European policies. They should contribute to extending and widening the potential range of market players and accelerate the take-up and transfer of best practice. Projects should tap the potential of the various modes and combined use thereof as a contribution to more energy-efficient transport. Policies related to integrated strategies and (dis)incentives will likewise help to steer the behaviour and decisions of transport users, authorities and operators. Integrating multi-stakeholder processes will be seen as an advantage.
- **Capacity-building in transport for agencies:** projects under IEE I (2003-2006) have offered training courses to agencies on the subject of transport. After this initial empowerment and investment in knowledge and competences, a number of agencies now seem ready to take up the challenge and become more active on transport issues. This priority will therefore harness the existing networks of agencies for increasing energy efficiency in transport and use of alternative fuels and clean vehicles. It will focus on long-term structural integration of transport-/energy-related activities into agencies.

### 13.1. Alternative fuels and clean vehicles

#### 13.1.1. Objectives

- To diversify energy sources used in transport.
- To stimulate demand for alternative fuels and clean vehicles.
- To promote greater use of biofuels in order to meet the targets set in the Biofuels Directive.
- To develop a market for clean vehicles through captive fleets.

#### 13.1.2. Priorities for action

This Key Action aims to trigger demand for clean vehicles and alternative fuels and complements the Altener Key Action on production of biofuels. It covers all modes of transport<sup>52</sup>. The priorities focus on alternative fuels which are capable of capturing a significant market share in the short to medium term. They are intended to create and coordinate greater demand for alternative fuels and clean vehicles and to lower the barriers for end-users to switch to alternative fuels and clean vehicles.

- (a) Market transformation

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<sup>52</sup> Except aviation and long-distance maritime transport.

- Promote implementation and expansion of distribution systems for alternative fuels and removing barriers to investment in fuel supply infrastructure which will enhance acceptance of alternatively fuelled vehicles.
- Promote and facilitate joint procurement of clean and efficient vehicle fleets (e.g. buses, rental cars, business car fleets and vehicles used for public services such as waste disposal) and/or of alternative fuels.

(b) Changing behaviour

- Conduct awareness-raising campaigns for stakeholders involved in distribution, marketing and sales of clean vehicles. They should be developed and offered on a wide and systematic scale and could also include training for sales and maintenance staff for clean vehicles.
- Conduct awareness-raising and information campaigns for customers regarding the availability of alternative fuels and the accessibility of alternative fuel networks.

*13.1.3. Key players and target groups*

See table.

*13.1.4. Indicators*

(a) Market transformation

- Link between the results of IEE projects and wider alternative fuel distribution.
- Increase in the share of vehicles running on biofuels and/or other alternative fuels.

(b) Changing behaviour

- Improved access to and overview of alternative fuels and clean vehicles available.
- Increase in public acceptance and market confidence regarding clean vehicles or vehicles running on alternative fuels.

**13.2. Energy-efficient transport<sup>53</sup>**

*13.2.1. Objectives*

- To encourage a shift of passengers and/or freight to less energy-intensive modes, especially in urban areas and over long distances.
- To reduce unnecessary demand for transport.
- To increase the energy efficiency of transport for all modes, taking account of co-modality.

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<sup>53</sup> Covers all modes except aviation and long-distance maritime transport.

- To transfer, apply and promote widely well-proven best practice, strategies and technologies.
- To raise the awareness of different target groups in a changing society of their mobility behaviour and its impact on energy consumption and to motivate and achieve changes in behaviour.

Participants are particularly encouraged to take into account societal changes, demographic developments and health issues, together with trends related to increased car use, decreased collective transport usage and use of bigger cars. Integrating multi-stakeholder processes will be seen as an advantage.

### *13.2.2. Priorities for action*

#### (a) Enabling policies and strategies

- Increase car occupancy rates (e.g. measures to promote car pooling, such as guaranteed ride-home schemes, etc.) or keep car occupancy rates high.
- Increase the quality and attractiveness of collective transport (with an emphasis on road-based collective transport). Increase the modal share of safe walking and cycling, by means of sustainable urban transport planning and promotional campaigns that emphasise health arguments.

#### (b) Market transformation

- Transfer experience and harness the benefits of clean taxis and car clubs (i.e. access to a car by virtue of membership of a car-sharing scheme).
- Increase the role of cycling, e.g. by promoting modal shift or appropriate adaptations of bicycles, including supporting “green” devices (e.g. electric bicycles).

#### (c) Changing behaviour

- Provide coordination, management and information mechanisms to fleet operators, retailers and stakeholders in the freight sector about measures to increase the energy efficiency of fleet operations and driving.
- Motivate small freight transport operators to increase the energy efficiency of their services.
- Develop broad voluntary agreements to promote energy-efficient driving (including improved maintenance and operation, such as tyre pressure control and “eco-tuning” and a more energy-efficient driving style).

#### (d) Training

- Introduce new ways of learning and exchanges between practitioners, particularly exchanges of staff (e.g. “shadowing” an experienced colleague or hands-on on-the-job training by practitioners or internships) in order to transfer knowledge and experience from

advanced players, cities and countries to places where energy use in transport has not yet been sufficiently addressed.

### *13.2.3. Key players and target groups*

See table.

### *13.2.4. Indicators*

#### (a) Enabling policies and strategies

- Increased awareness of measures addressing car occupancy rates in the areas concerned and fewer single-occupancy car trips by the target groups in those areas.
- Improved perceived and/or objective quality of collective transport and/or walking and/or cycling in the areas concerned (e.g. image, cleanliness, frequency, line coverage, security, convenience, attractiveness, safety, etc.).
- More and/or new quality standards for collective transport and/or walking and/or cycling formulated and applied.
- Target groups better informed about travel options other than single car use.
- Number of examples of successful transfer of knowledge/experience of energy-efficient transport. Replication potential of such examples.

#### (b) Market transformation

- Increased use of clean taxis and/or car clubs in the areas concerned.
- Increased appreciation of the benefits of clean taxis and/or car clubs in the areas concerned.
- Increased modal share for cycling due to increased attractiveness of cycling.
- Satisfaction of the users of the modes addressed in the areas concerned.
- Number of success stories with replication potential and wide dissemination thereof.

#### (c) Changing behaviour

- Increased knowledge on the part of the targeted freight and fleet operators on different options to save energy/fuel (and costs) in their daily business.
- Actual savings achieved by the operators participating.
- Number of voluntary agreements initiated and created.
- Common knowledge on energy-efficient driving among the targeted groups, potentially covering a large proportion of the EU Member States and a wide range of end-users and mediators.

- Impact of promotional activities in terms of number of people reached, when possible with categorisation of target populations.
- Number of success stories with replication potential and wide dissemination thereof.

(d) Training

- New partnerships established between experienced and less experienced players, cities and countries.
- Empowered practitioners (such as civil engineers, transport planners, city developers, administrators, technical staff of authorities, operators, etc.) with enhanced skills related to energy-efficient transport.

### **13.3. Capacity-building in transport for existing local and regional agencies**

Action on this priority does not cover creation of new mobility centres<sup>54</sup>, although these could be part of the new transport-related services offered by the relevant agencies.

Training of staff on the energy aspects of transport should be self-organised in an efficient manner, making use of existing training manuals and ongoing training efforts.

Priority will be given to projects that involve local and regional agencies that have not been active in transport before, especially from new Member States.

#### *13.3.1. Objectives*

- To further the contribution of local and regional agencies to potential energy savings in the transport sector.
- To increase the level of activity of local and regional agencies on energy efficiency in transport, alternative fuels and clean vehicles.
- To integrate services related to energy and transport in the portfolio of energy agencies.

#### *13.3.2. Priorities for action*

(a) Enabling policies and strategies

- Undertake efforts aiming at long-term structural integration of transport-related activities in the portfolio of agencies.
- Integrate staff in agencies' portfolio to cooperate with existing energy experts and able to consider transport issues related to energy aspects.
- Use and extend the existing networks of the agencies involved (from local up to international).

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<sup>54</sup> For a definition of “mobility centre”, see <http://www.mobilitymanagement.org/>.

(b) Market transformation

- Take action to encourage existing local and regional agencies to offer services related to energy efficiency in transport and to alternative fuels and clean vehicles.
- Encourage close cooperation between energy and transport experts within or between agencies.
- Integrate transport issues into energy planning.

(c) Changing behaviour

- Prepare business plans and secure commitment of local decision-makers to the agencies' extended portfolio beyond completion of the project.
- Ensure support from agencies for local stakeholders to collaborate in projects related to energy-efficient transport and to alternative fuels and clean vehicles.

(d) Training

- Implement effective means of competence-building, particularly exchanges of staff between different agencies and between agencies and transport experts (e.g. "shadowing" an experienced colleague or hands-on on-the-job training by practitioners or internships) in order to strengthen knowledge and experience.

*13.3.3. Key players and target groups*

- See table.

*13.3.4. Indicators*

(a) Enabling policies and strategies

- Existence of an agreed business plan to ensure transport-related services by the agencies involved after completion of the project.
- Greater multiplier effect for success stories with replication potential by wide dissemination to new target groups.

(b) Market transformation

- Increased proportion of transport-/energy-related activities by local and regional agencies.
- Increased number of energy plans including transport issues.

(c) Changing behaviour

- Documented commitment on the part of local stakeholders to the agencies' new services, especially after completion of the project and (new/extended) business plans adopted.

- Established and identified local stakeholders to promote and implement European policies related to energy efficiency in transport, alternative fuels and clean vehicles.
- Number of local stakeholders satisfied with the help they received from the agencies.
- Successful applications of transport-related services at local/regional level.

(d) Training

- Certified abilities and skills of existing or new staff of agencies in the area of energy efficiency in transport, alternative fuels and clean vehicles.
- Number of staff actually fully assigned to transport activities.

## 14. INTEGRATED INITIATIVES

Action combining several of the specific fields (SAVE, Altener and STEER) or relating to certain Community priorities may include:

- (a) integrating energy efficiency and renewable energy sources in several sectors of the economy;
- (b) combining various instruments, tools and players within the same action or project.

### 14.1. Creation of local and regional energy agencies<sup>55</sup>

#### 14.1.1. Objectives

- To contribute to implementation and future development (by means of feedback to policymakers) of EU, national, local and regional policies, targets and legislation for promoting action by householders, businesses (especially SMEs) and the public sector to improve energy efficiency, including transport services, and to increase use of renewables, especially in buildings and transport (including biofuels).
- To create a critical mass of local activity and achieve local economies of scale in order to reduce the costs of energy efficiency and renewable energy systems.

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<sup>55</sup> Proposals to create new local and regional energy agencies may be submitted by public authorities only and must meet the requirements set out in the IEE Guide for Proposals. In particular, new local energy agencies must:

- be independent, newly established on a not-for-profit basis and provide advisory and information services to local authorities, businesses and householders;
- give detailed information on energy efficiency and renewable energy products and services from a range of European suppliers, permitting householders and other decision-makers to “see, touch and feel” the latest European RE and EE products, systems and services;
- address energy efficiency, renewable energy sources and energy in transport;
- promote establishment of more local energy agencies by other public authorities.

Local energy agencies will benefit from specific training, networking and events organised via the ManagEnergy service provider.

- To change citizens' behaviour and improve the quality of local/regional decision-making on implementation of energy efficiency and renewable energy systems.
- To increase levels of investment in energy efficiency and renewable energy services at local and regional levels.
- To assist the public authorities to promote establishment, public financing and use of local and regional energy agencies as a vital tool for achieving these objectives.
- To achieve integration of energy- and transport-related services at local and regional levels (see also point 13.3).

#### *14.1.2. Priorities for action*

- Target communities in which no similar public information and support service is yet provided.
- Target municipal and regional energy agencies covering a population of more than 200 000 inhabitants (except for islands and regions with low population densities).

##### (a) Enabling policies and strategies

- Monitor and facilitate local and regional policies, including support schemes (optimisation, coordination and harmonisation), potential and targets.
- Promote and monitor local and regional legislation, codes and permits.
- Facilitate the licensing and authorisation process for new EE and RE installations as an interface between public authorities and consumers (one-stop shops).
- Provide energy/building management services for public buildings.
- Monitor the local impact, including on security of supply, the environment, economic growth, competitiveness and employment.

##### (b) Market transformation

- Simplify local procedures for authorising construction of renewable energy systems, including transfer of best practices and trials of innovative approaches.
- Support development of local entrepreneurship and new employment opportunities in EE and RE businesses, in particular for SMEs.
- Monitor local energy markets, investment, costs and businesses.
- Introduce sustainable energy services, including transport services, at local level.

##### (c) Changing behaviour

- Conduct local user behaviour studies, monitoring and benchmarking public acceptance and market confidence.

- Conduct local energy-efficiency and renewable energy campaigns, bringing together citizens, businesses (especially SMEs) and local authorities.
- Provide detailed information and advice on European and locally produced energy efficiency and renewable energy technologies and promotion of best practices and sustainable energy solutions and services to businesses, households and the public sector.
- Take local action to change attitudes and behaviour in the bioenergy supply chain (farming and forestry).
- Ensure local networking of energy professionals, decision-makers and support scheme managers.

(d) Access to capital

- Introduce innovative financing schemes (including local cooperatives) and improve communications between project developers, financial institutions and investors.
- Take action to establish/strengthen local EE and RE businesses, including SMEs and ESCOs.

(e) Training

- Strengthen local business capacity (notably in SMEs) for providing services related to renewable fuel supplies and installation and management of RE systems.
- Provide training on environmental and procedural issues for planners and building authorisation officers.
- Provide local training and certification schemes for suppliers and installers.
- Provide local capacity-building and advisory services.

*14.1.3. Key players and target groups*

See table.

*14.1.4. Indicators*

Results of the activities of the local energy agency in terms of:

- Local energy savings and number of successful low-energy buildings.
- Growth in the installed capacity of renewable energy systems and transformation of local RE markets.
- Updated sustainable energy (EE and RE) plans.
- Increase in efficiency of authorising and licensing procedures for new EE and RE installations.

- Number of local jobs created in the sustainable energy sector.
- Number of organisations, fleets and citizens switching to more sustainable transport.
- Increase in levels of local skills resulting from training and education initiatives.
- Continuity of the agency's activities after the three-year period of IEE funding.

## **14.2. European networking for local action**

Although local action is relevant to most of the action in this Programme, this integrated action reflects the need to apply a global cross-sector approach to promotional activities at local level.

### *14.2.1. Objectives*

- To enhance collaboration between local players in different EU Member States, including sharing information and experience, thereby promoting use of sustainable energy sources by means of common or simultaneous activities across the EU (e.g. energy weeks and campaigns).
- To convey the need for an integrated approach benefiting from cross-fertilisation between the major sectors: energy efficiency, renewable energy sources and sustainable transport.
- To promote the concept of intelligent energy as a key input for local sustainable development planning, paying special attention to job creation, environmental protection, improved quality of life and social image.
- To convey a positive message about the opportunities offered to consumers by sustainable energy patterns and intelligent energy attitudes.

### *14.2.2. Priorities for action*

#### (a) Enabling policies and strategies

- Establish thematic networks of local players, with a specific field of activity, committed to quantifiable results and with a view to continuity beyond completion of the project, demonstrated by a business plan.
- Establish energy agencies with specific know-how on one or more energy sectors transferring/sharing this knowledge and expertise and helping to support the work of local authorities (for example, in relation to the issuing of permits for the construction of new EE and RE plants).

#### (b) Market transformation

- Take action combining the promotional activities envisaged for SAVE, Altener and STEER into a single action at local/regional level, provided there is evidence of an EU dimension in the action and of replication potential.

- Take action aimed at making a significant impact on local RE and EE markets, by transferring knowledge and expertise between SMEs in different Member States.

(c) Changing behaviour

- Take action aimed at changing consumer behaviour with regard to EE and RE by mobilising local stakeholders to participate in synchronised activities across the EU (e.g. energy days and weeks, coordinated between a number of local and regional sites in Europe).
- Implement road-shows on intelligent energy.
- In general, conduct large-scale promotional activities with a results-oriented approach and demonstrable expected impact, including a strong media impact.

*14.2.3. Key players and target groups*

See table.

*14.2.4. Indicators*

(a) Enabling policies and strategies

- Estimated impact of the proposed thematic networks in terms of improved performance, better delivery of services and, consequently, energy results at local/regional level.
- Planned job creation/increases in local and/or regional gross domestic product (GDP).

(b) Market transformation

- Number of companies and other stakeholders involved in local action and expected impact of their involvement in energy terms.

(c) Changing behaviour

- Number of people attending energy days and weeks or road-shows and number of organisations involved.
- Impact of promotional activities in communication business terms.

### 14.3. Bio-business initiative

#### 14.3.1. Objectives

- To stimulate major increases in integrated production of solid, liquid and gaseous bioenergy sources in the EU by 2020 by facilitating the introduction of major new bio-businesses at regional level.
- To encourage public authorities and business interests to work together on planning large-scale integrated bioenergy production at regional level, with the aim of achieving suitably balanced production of bio-resources (for electricity, heating/cooling, biofuels and other commercial applications), whilst achieving the lowest environmental impact and maintaining biodiversity.
- To stimulate investment and long-term business agreements along the bioenergy supply chain, including production of bio-resources, fuel processing (including chemical manufacturing) and distribution.

#### 14.3.2. Priorities for action

##### (a) Enabling policies and strategies

- Take action providing a European framework within which public authorities and business interests can develop or transfer experience relating to integrated planning of bioenergy production at regional level. Special attention should be paid to compliance with existing/emerging sustainability criteria and to potential competition with the food, furniture and construction markets.

##### (b) Market transformation

- Promote establishment and/or expansion of efficient and reliable bioenergy markets, including production, processing, distribution and end-use of bioenergy products (solid, liquid and gaseous).
- Promote the latest bioenergy standards and address sustainability, traceability and quality-labelling or certification of bioenergy products.
- Take action aiming to support establishment of long-term business agreements between biomass or biofuel producers and the major energy suppliers in the electricity, heating/cooling and transport sectors.

##### (c) Changing behaviour

- Support public-sector decision-makers and rural planners in understanding and making the most of the local or regional bio-business opportunities in agricultural communities, in particular in terms of local employment and added value.
- Provide information or support for farmers and foresters willing to deliver products to the bioenergy market.

- Provide information or support to conventional energy suppliers (electricity, heating/cooling and/or transport fuels) so that they enter into large-scale long-term bio-business agreements with suppliers from agriculture and forestry.

(d) Access to capital

- Stimulate large-scale investment in integrated bioenergy production at regional level, providing information and support to large businesses and financing institutions.
- Promote an enhanced dialogue between biomass or biofuel producers (farmers, foresters and fuel processors) and potential investors (project developers, financial institutions and potential partners in cooperative project financing or other innovative financing schemes).

*14.3.3. Key players and target groups*

See table.

*14.3.4. Indicators*

- Number of enhanced regional plans for integrated production of solid, liquid and gaseous bioenergy sources and area newly allocated to integrated bioenergy production.
- Number of new farmers and foresters entering solid, liquid and gaseous bioenergy supply chains.
- Number of new bio-businesses created to supply solid, liquid and gaseous bioenergy sources.
- Amount of investment allocated to new bio-business agreements.
- Expected additional production of liquid, solid or gaseous bioenergy products.

**14.4. Energy services initiative**

*14.4.1. Objectives*

- To support effective implementation of Directive 2006/32/EC on energy end-use efficiency and energy services.
- To provide background information for setting appropriate energy-saving targets.
- To support monitoring and evaluation of policies, programmes and projects.
- To contribute to developing and testing widely accepted measurement and verification methods for energy savings.
- To forecast progress in energy efficiency under different scenarios.
- To develop and promote tailor-made financial mechanisms for energy efficiency projects.

- To boost the market for energy service companies (ESCO), i.e. companies delivering energy services whose payment is based either wholly or partly on the energy savings achieved.
- To pave the way for future energy efficiency policies and strategies.

#### *14.4.2. Priorities for action*

##### (a) Enabling policies and strategies

- Further develop and test harmonised and integrated approaches for measuring and verifying energy savings.
- Fine-tune, test and promote top-down and/or bottom-up evaluation methods for energy-saving policies, programmes and/or projects.
- Facilitate composition, comparison and assessment of the second and third national energy efficiency action plans.
- Improve the availability of energy efficiency indicators in the domestic sector.
- Implement energy efficiency monitoring, forecasting progress on energy efficiency in the EU or sketching long-term strategies for future cross-sector energy efficiency policies.

##### (b) Market transformation

- Foster exchanges of best practice between public-sector bodies on energy-efficient public procurement.
- Encourage implementation of energy management schemes in the tertiary sector.
- Promote schemes and procedures for energy audits.
- Develop appropriate qualification, accreditation and/or certification schemes for providers of energy services, energy audits and measures to improve energy efficiency.
- Introduce energy efficiency policies and practices into regulation of energy markets.

##### (c) Changing behaviour

- Take action to change energy consumption patterns and increase demand for energy services.
- Take action on metering and informative billing of energy consumption.

##### (d) Access to capital

- Identify and remove legal barriers in national legislation to use of shared and guaranteed savings, third-party financing, energy performance contracting and other tailor-made financial models.

- Investigate and promote market-based approaches to energy efficiency policies, for example by means of white certificates.
- Promote identification, analysis and exchanges of best practices on financial mechanisms for promoting energy efficiency, including fiscal measures.
- Foster development of energy service companies (ESCOs): awareness-raising, confidence-building, creation of ESCO directories, etc.

#### *14.4.3. Key players and target groups*

See table.

#### *14.4.4. Indicators*

##### (a) Enabling policies and strategies

- Greater consistency between national schemes implementing Directive 2006/32/EC.
- Acknowledgement by several implementing authorities, and practical examples, of the benefits in terms of implementation of Directive 2006/32/EC.
- Quality-controlled monitoring of progress on energy efficiency.
- Recognised energy efficiency modelling.
- Useful inputs for new energy efficiency policies and measures and long-term strategies.

##### (b) Market transformation

- Guidelines for audit schemes and public procurement.

##### (c) Changing behaviour

- Number of consumers involved in behavioural change activities.

##### (d) Access to capital

- Greater confidence in energy performance contracts.
- Evidence of improved market conditions for the ESCO industry.
- Widely accepted measurement and verification protocol.

### **14.5. Intelligent energy education initiative**

Priority action 8 (Raising energy efficiency awareness) in the Energy Efficiency Action Plan stresses the need to invest in teaching aids for primary, secondary and vocational educational curricula. Currently, the Intelligent Energy – Europe Programme is supporting eight projects which are successfully addressing education, mainly at primary and secondary levels.

#### *14.5.1. Objectives*

- To contribute to development of energy education in higher and vocational education by encouraging cooperation between Member States.
- To make young generations adopt intelligent energy behaviour when they enter professional life.

#### *14.5.2. Priorities for action*

- Replicate, enlarge and widen successful experience, tools and methods of sustainable energy education, particularly at the vocational and adult training levels.
- Promote sustainable energy education in the European schools system, mobilising a large forum of stakeholders at regional, national and EU levels, including education, private businesses and their associations and energy players.
- Organise exchanges of experience between countries which have integrated energy education into their curriculum and countries which have not.
- Make the best use of existing didactic tools, in particular those developed so far with IEE support.
- Train and raise awareness among teachers and adult trainers on energy issues, including in-service training.
- Establish cooperation between existing networks and organisations active in the field of energy education in order to launch a competition in every Member State for an award to its most energy-efficient school.
- Explore relationships and links with other Community programmes on education (such as the Lifelong Learning Programme, with particular reference to the Leonardo da Vinci scheme) and with national/regional and privately sponsored programmes.

#### *14.5.3. Key players and target groups*

See table.

#### *14.5.4. Indicators*

- Number of education establishments/staff involved.
- Increase in use of the educational tools developed so far.
- Number of administrations integrating energy education into education curricula.
- Number of trainees directly and indirectly reached.
- Number of trainees taking a “sustainable energy career”.

## 14.6. Product standards initiative

### 14.6.1. Objectives

- To ascertain the strengths and weaknesses of market mechanisms for assessment and verification of the conformity with Community law of energy-using products that must meet the requirements laid down in Community legislation, such as the Ecodesign Framework Directive for energy-using products (Directive 2005/32/EC), the Energy Labelling Directive (Directive 92/75/EEC), Energy Star and the like.
- To finance development by CEN/CENELEC of standards<sup>56</sup> required for implementing the Ecodesign Directive and the Energy Labelling Directive.
- To finance development by CEN/CENELEC of standards required for implementing renewable energy products and fuels in order to meet the objectives of the Renewable Electricity Directive (Directive 2001/77/EC), the Biomass Action Plan and related EC policies.
- To finance development by CEN/CENELEC of standards required for effective implementation of the Energy End-Use Efficiency and Energy Services Directive (Directive 2006/32/EC).
- To finance development by CEN/CENELEC of standards required for implementing the CHP Directive and to support new legal proposals for micro-cogeneration and district heating.

### 14.6.2. Priorities for action

- Conduct market surveillance, including benchmarks for verification of the conformity of products that must meet the requirements laid down in Community legislation, such as the Ecodesign Framework Directive for energy-using products (EuPs) (Directive 2005/32/EC), the Energy Labelling Directive (Directive 92/75/EEC), Energy Star and the like. This includes quantitative and qualitative analyses on the action carried out by Member State and other authorities responsible for market surveillance, including the nature and number of penalties imposed by these authorities, type of administrative cooperation between Member States and other relevant issues. The complexity and volume of the issues involved requires the cooperation of Member State authorities responsible for market surveillance. This priority is open to all suitable market players. It includes testing in accredited laboratories in order to judge the match between the declared product performance values and the real tested values.
- Ensure preparation, by the relevant European standards bodies (under specific agreements), of standards on the environmental aspects and, in particular, energy consumption of various energy-using products for implementing the Ecodesign Directive and the Energy Labelling Directive.

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<sup>56</sup> Action will be supported using specific agreements with CEN/CENELEC executed in accordance with the Framework Partnership Agreement between CEN/CENELEC and the European Commission.

- Ensure preparation, by the relevant European standards bodies (under specific agreements), of standards on the energy and environmental performance and safety of renewable energy products and systems, including solar, wind, biomass and biogas systems, plus solid, liquid and gaseous biofuels and biodegradable wastes.
- Ensure preparation, by the relevant European standards bodies (under specific agreements), of standards on energy audits, energy management systems, energy services, qualifications of energy experts and managers, benchmarking indicators and top-down and bottom-up methods for measurement and verification of energy savings.
- Ensure preparation, by the relevant European standards bodies (under specific agreements), of the following:

- certification of chief engineers for cogeneration units:

A European Norm for the certification of chief engineers will help them operate the cogeneration unit in such a way that energy efficiency is maximised and that the obligations under the CHP Directive (to carry out measurements and calculations and provide data for statistics and guarantees of origin) are executed in a competent way.

- a European Norm for district heating:

A European Norm will be developed to be used in a proposal for minimum efficiency requirements for district heating.

- a European Norm for micro-cogeneration:

A European Norm will be developed to be used in a proposal for minimum efficiency requirements for micro-cogeneration appliances.

- a European Norm for energy audits for industry, buildings and transport

A European Norm for energy audits will define a reliable and relevant harmonised method to identify potential energy efficiency improvements for domestic, commercial and small and medium-sized industrial consumers, along with common indicators to obtain comparable results in order to allow benchmarking. The standards should set out the principles and goals to ensure that the energy audits are undertaken in a comprehensive and independent manner and provide the customer with sufficient information.

- a European Norm for energy management systems:

A European Norm for energy management systems will collate existing standards.

- a European Norm for energy services:

A European Norm for energy services will define the required level and types of service to be offered to end-consumers.

- a European Norm for the qualifications of energy managers and experts:

A European Norm for the qualifications of energy managers and experts will provide a framework identifying the level of knowledge and competences required. Standards will include the content required for training courses for energy managers and experts.

- a European Norm for bottom-up and top-down measurement and verification methods:

A European Norm for bottom-up and top-down methods for measuring and verifying energy savings will define the method and general rules of calculation, including baseline and benchmarking, terminology and definitions, parameters, data, data quality and data sources.

- benchmarking methods for energy use in industry:

A European Norm will establish requirements for transparent benchmarking methods for energy use in industry.

#### *14.6.3. Key players and target groups*

- CEN/CENELEC holds a monopoly.

#### *14.6.4. Indicators*

N/A.

### **14.7. Combined heat and power initiative**

#### *14.7.1. Objectives*

- To support the objectives and implementation of the CHP Directive by analysing support schemes and guarantee of origin schemes.
- To promote greater use of high-efficiency CHP, in order to tap the potential in the EU, and to support consistency with other policies by promoting CHP powered by renewable fuels and use of CHP by energy service companies.
- To support practical transposition of the CHP Directive across the EU (e.g. training and certification, best practices, analysis of barriers and procedures, financing, etc.).

#### *14.7.2. Priorities for action*

##### (a) Enabling policies and strategies

- Improve the consistency of CHP, energy efficiency and RES policies at national, regional and local levels, including production of strategic information, benchmarks and feedback for policymakers, especially for harnessing the national potential for CHP in the Member States.
- Monitor European CHP markets for the practical consequences of the CHP Directive, including investment and operating costs and charges for generation, electricity grid connection, transmission and distribution costs and charges, heating grid connection, life-

cycle and decommissioning costs, international trading across Europe and the role of regulators and governments, in particular related to administrative barriers and procedures.

(b) Market transformation

- Develop and promote standards for grid connection and minimum efficiency, particularly for micro-CHP and district heating.
- Analyse the structure and effect of support schemes.
- Analyse national guarantee of origin schemes for CHP electricity for reliability and accuracy and prepare for harmonisation of such guarantees of origin in the EU.

(c) Changing behaviour

- Raise awareness and promote use of high-efficiency CHP in cities, local communities and certain sectors of industry, especially energy service companies (ESCO) and district heating based on CHP powered by renewable energy sources.

(d) Access to capital

- Encourage investment to harness the potential for high-efficiency CHP, including coordinated action and networking for CHP project developers, bankers and venture capitalists plus cooperative project financing and support for energy service companies operating CHP units.

(e) Training and certification

- Provide training for the CHP industry, especially certification schemes and training for engineers for operation and maintenance of CHP plants, including proper measuring for application for guarantees of origin and for statistical obligations, approval and regulatory procedures, safety, security and environmental issues.
- Provide training for installers, especially for micro-CHP, by using the European and national trade organisations.

*14.7.3. Key players and target groups*

See table.

*14.7.4. Indicators*

(a) Enabling policies and strategies

- Improved information on market deployment of CHP, trends, new installations and potential heating and cooling loads.
- Provision of key quality-checked information instrumental for policymakers at all levels, especially on grid issues and on administrative barriers and procedures.
- Greater consistency of CHP and other policies at EU, national, regional and local levels.

- Acknowledgement, by several authorities responsible for implementation of the CHP Directive, and practical examples, of the benefits of the Programme in terms of implementation of the Directive.

(b) Market transformation

- Progress on development of standards for grid connection and minimum efficiency, particularly for micro-CHP and district heating.
- Number and depth of analyses of support schemes for CHP.
- Number and depth of analyses of national schemes for guarantees of origin for CHP, plus input for harmonisation of such guarantees of origin in the EU.

(c) Changing behaviour

- Number of stakeholders made aware of the benefits of CHP and knock-on effect.
- Number of communication campaigns in favour of CHP and impact of those campaigns.

(d) Access to capital

- Results of projects linked to new investment in high-efficiency CHP.

(e) Training and certification

- Number and categories of people trained and knock-on effect.
- Growth in the number of certification schemes for CHP operators and number of certified operators of CHP plants.

**14.8. Concerted action to address specific issues concerning implementation of Directive 2006/32/EC on energy end-use efficiency and energy services**

This concerted action (CA) will aim at supplementing and accelerating the work of the Member States on implementing the Energy End-use Efficiency and Energy Services Directive (ESD) and the ongoing standardisation work for the Directive by the CEN technical committees.

The main focus of the CA will be to help Member States implement the Energy Services Directive and the measures to improve energy efficiency necessary to achieve the indicative national target of 9% set by the Directive to be achieved by the end of 2016. The CA will support Member States by enhancing and structuring the sharing of information and experience gained from national implementation and promote good/best practice in other activities required by the Directive. It will therefore address many aspects, including, for example, measures and programmes to improve energy efficiency, energy services, energy audits, metering and billing and the role of the public sector in setting an example. The CA will focus especially on how Member States plan to implement the Directive and on standardisation work in order to bring provisions adopted at European level closer to best

practice in Member States, while also promoting better certification and coordinated measurement methods, indicators and benchmarks.

For details of the tasks addressed by this CA, of its duration and of the designated organisations, see Annex A.

#### **14.9. Platform for International Cooperation on Energy Efficiency**

This action is earmarked for the International Energy Agency (IEA), as a key component in the present cooperation strategy; therefore, it is not open to competition, but has been included for information.

The objective of this action is to establish a Platform for International Cooperation on Energy Efficiency and to secure the first year of operations managed by its secretariat. The action will be implemented by means of a financial agreement jointly managed by the Commission and the IEA. The IEA will establish and operate the Platform.

The purpose of the Platform for International Cooperation on Energy Efficiency is to facilitate and strengthen cooperation on energy efficiency. The action carried out under the auspices of the Platform should result in more effective energy policy and programme output, in best practices being more widely known and spread and in economies of scale. The aim of the Platform is to offer a topic-driven, structured dialogue and an operational network for enhanced cooperation and exchanges on energy efficiency between States, regions, big cities and other public entities that have high energy consumption levels by:

- exchanging information and experience on development of regulatory measures, policies and programmes;
- developing benchmarks and sharing information on goods and services, along with measurement methods regarding energy performance and energy savings;
- strengthening information, education and training for energy consumers;
- building stakeholder capacity by improving contacts between national, regional and local authorities and other relevant partners and stakeholders, exchanging views and sharing knowledge and experience.

## **15. CALLS FOR TENDER**

The following action is planned to obtain studies and services required by the Commission to achieve the objectives underlying the Intelligent Energy – Europe Programme and will therefore be put out to tender.

### **15.1. Impact assessments of six draft measures implementing the Framework Directive on ecodesign for EuPs (Directive 2005/32/EC) and/or the Framework Directive on energy labelling for household appliances (Directive 92/75/EEC)**

Budget: €15 000 per product group, making a total of €90 000.

Indicative timetable: Call for tenders to be launched in the second quarter of 2008.

Estimated duration of the contract: Approximately 2 years.

The studies will assist the Commission in carrying out impact assessments to prepare draft measures implementing the Framework Directives on ecodesign or energy labelling.

Preparatory studies determining whether and, if so, which ecodesign and/or labelling requirements should be set for certain product groups will be finished during 2008-2009. These product groups are likely to be domestic lighting (incandescent bulbs), laundry dryers, vacuum cleaners, complex TV set-top boxes for digital signal reception and small solid-fuel combustion installations.

The Commission will assess the likely impact of draft implementing measures, taking those studies into account. The draft measures should be accompanied by impact assessments (IA) when submitted to the Regulatory Committee and to the Commission for approval. The complexity and volume of the issues involved require the assistance of one or more consultants in preparing the IAs.

The IAs will assess the technical, economic, social and environmental impact of policy options and will also include consultation of stakeholders affected.

### **15.2. Buildings platform project**

Budget: €1 800 000.

Indicative timetable: Call for tenders to be launched in the first quarter of 2008.

Estimated duration of the contract: 2 years.

The current contract ends on 30 June 2008, creating a need to continue the activities under a new contract. The second phase will be important because many Member States will start full implementation of the Energy Performance of Buildings Directive later than 2007. Public information on the Directive, its methods, national implementation thereof and examples of best practice will continue in 2008 and beyond.

### **15.3. Dissemination and promotion of the Intelligent Energy – Europe Programme**

Budget: €1 000 000.

Indicative timetable: The EACI will use its existing framework contract.

High-quality communication on the results and achievements of the IEE Programme is the key to ensuring that the projects funded and, hence, the Programme as a whole have a significant impact.

The services required should help the Commission and the EACI to prepare, implement, monitor and evaluate information and communication activities related to the results and achievements of the IEE Programme with the aim of:

- encouraging all stakeholders to follow the examples set by IEE projects and to bring about real changes towards more energy efficiency and renewables (multiplier effect);
- demonstrating, through the results of IEE projects and their impact, that a more efficient energy system and wider use of renewable energies are possible and showing how to achieve this result in practice;
- creating awareness of the IEE Programme and of the “intelligent energy” concept in the whole of Europe;
- rendering EU policies and measures for energy efficiency and renewables more visible.

The services required will include a wide range of communication tools and channels, such as publications, websites and project databases, audiovisual productions, workshops and conferences, marketing materials and strategic advice and training.

A results-oriented approach will ensure that the impact of the communication campaigns can be quantified.

A detailed report will be produced once the work has been completed.

### **15.4. Sustainable Energy Europe campaign**

#### **a. Continuation of the Sustainable Energy Europe campaign until 2010**

Budget: €2 950 000 for two years.

Indicative timetable: Call for tenders to be launched in the first quarter of 2008.

Estimated duration of the contract: 2 years.

The present Sustainable Energy Europe Campaign 2005-2008 comes to an end in September 2008. The results of the mid-term evaluation exercise are conclusive on the interest to continue the Campaign with some modifications. The most relevant conclusions are the need to span the Campaign over a longer period, building on present strong points and keeping the present overall concept and logo, in order to save money and build on its growing recognition.

The following points need reinforcement: activity in New Member States, at present under-represented, improvement of the website quality and extension of contents, reduce the number of partnership categories, improve the promotion of the Campaign awardees, and improve the links between the EU Sustainable Energy Week and the Campaign. A particular point that needs more effort is the replication of the successful pilot experience of co-operation with the Member States, whereby the implementation of the Campaign in each Member State is shared with national authorities. More resources are also needed for production of promotional material and for media and mass-media activities (under-budgeted in the present Campaign).

#### **b. Covenant of Mayors**

Budget: €1 475 000.

Indicative timetable: Call for tenders to be launched in the first quarter of 2008.

Estimated duration of the contract: 2 years.

This initiative will cover priority 9 of the Energy Efficiency Action Plan and the provision of services to manage the Covenant of Mayors. It will seek to obtain commitments from the mayors of a number of cities, within the limits of their powers, to meet or exceed certain energy objectives related to the Energy for a Changing World package. The mayors must also commit themselves to helping each other by exchanging good practice.

The Commission recognises the role of pioneering cities which are preparing the way for a sustainable energy landscape in Europe and is providing support to the Covenant, mostly for networking, coordination, following up progress, setting up benchmarking mechanisms and promoting the Covenant. The Secretariat of the Covenant will provide those services.

#### **c. Support work related to Campaign Associates**

Budget: €105 000.

Estimated duration of the contract: 9 months.

Indicative timetable: Negotiated call for tenders to be launched in the first quarter of 2008.

Continuation of the work undertaken in 2007 consisting of identifying, designing and drafting information products to be used during the Sustainable Energy Europe campaign concerning the network of Campaign Associates.

Associates are umbrella organisations, either public or neutral, which have the capacity to attract partners to the campaign and to multiply its impact. Associates do not normally have the capacity to undertake specific action eligible for a partnership (partnerships are sound commitments for action setting an example of dealing with sustainable energy). Service contract TREN/04/EIAltener/S07.35900 for implementation of the Sustainable Energy Europe campaign makes no provision for tasks relating to Campaign Associates, since the original approach for the campaign relied exclusively on the Commission's means to recruit partners to the campaign. As a result of a refinement of the campaign strategy, which has proved successful, it was decided to create Campaign Associates, who contribute to recruiting partners and giving higher overall visibility to the campaign. Recourse to external resources will be allowed via the negotiated procedure.

## **15.5. ManagEnergy**

### **a. ManagEnergy: Coordination tools for facilitating implementation of EU energy efficiency policies at local level and for a network of local and regional energy management agencies in Europe**

Budget: €1 530 000.

Indicative timetable: Call for tenders to be launched in the second quarter of 2008.

Estimated duration of the contract: 2 years.

The present ManagEnergy contract ends in late 2008. The aim of this call for tenders is to continue the ManagEnergy activity by: (i) providing technical assistance to the more than 400 local and regional energy management agencies in Europe in order to ensure better delivery of the advice and services they offer on energy efficiency and renewable energy; (ii) facilitating smoother implementation of the upcoming or recently adopted EU initiatives on energy efficiency and renewable energy by ensuring day-to-day liaison with the energy agencies; (iii) allowing feedback on the impact of energy efficiency initiatives and decentralised energy initiatives at regional and local levels; and (iv) reinforcing and improving the exchanges of experience and initiating joint action by and between local and regional energy management agencies.

### **b. Evaluation of ManagEnergy**

Budget: €70 000.

Indicative timetable: Call for tenders to be launched in the second quarter of 2008.

Estimated duration of the contract: 6 months.

An independent evaluation of the adequacy, strong and weak points of the present ManagEnergy action as an instrument to promote sustainable energy at local level, with a view to possible future refocus has been deemed necessary. The evaluation will also give consideration to the energy education element within ManagEnergy and produce recommendations as to the way ahead.

## **15.6. Mid-term evaluation of the Intelligent Energy – Europe II Programme within the Competitiveness and Innovation Framework Programme**

Budget: €350 000.

Estimated duration of the contract: 6 months.

Indicative timetable: Negotiated call for tenders to be launched in the third quarter of 2008.

The legal base of the CIP states that the interim evaluations of the specific programmes must be arranged in such a way that their results can be taken into account in the interim evaluation

of the Framework Programme (which must be completed by 31 December 2009). The interim evaluations of the specific programmes and the necessary budgetary allocations must be included in the relevant Work Programmes.

### **15.7. Evaluation of the relevance of Community funding of local and regional energy agencies**

Budget: €150 000.

Estimated duration of the contract: 6 months.

Indicative timetable: Call for tenders to be launched in the second quarter of 2008.

The Commission has been supporting establishment of local and regional energy agencies since the early 1990s and is continuing to do so under the IEE Programme. The aims of the proposed study will be: (1) to analyse the evolving role of such agencies in view of the much higher levels of public knowledge and interest in energy efficiency and renewable energies in recent years; (2) to identify the key activities and best practices being adopted by the most successful agencies; (3) to identify the EU dimension of the value which the EC-funded agencies are adding to their local communities; (4) to analyse the funding, management and reporting structures of EC-supported agencies during and after the end of their EC contracts; (5) to identify the ways in which the EC-funded agencies are adding value to their sponsoring authorities after the end of the EC contracts; and (6) to review the working relationships between EC-funded agencies and commercial energy consultancies in their areas of responsibility.

### **15.8. CHP Directive and implementation of the Energy Efficiency Action Plan**

#### **a. Study to evaluate national systems for CHP guarantees of origin and to support preparation of a proposal for a harmonised electronic CHP guarantee of origin, including an impact assessment**

Budget: €50 000.

Estimated duration of the contract: 3 years.

Indicative timetable: To be launched in the first quarter of 2008.

The study consists of two related parts. Under Article 5 of the CHP Directive each Member State has to implement a system for CHP guarantees of origin. The first part of the study will assist the Commission in scrutinising these complex systems and the guarantees of origin issued by them to see if they are complying with the requirements of the Directive and on which grounds infringement procedures may have to be launched.

The study will also help the Commission to clarify the strengths and weaknesses and the experience of the users of the national systems in order to prepare a proposal for a harmonised electronic CHP guarantee of origin, as required by the Energy Efficiency Action Plan.

The second part will be the actual preparatory study for the proposal for a harmonised electronic CHP guarantee of origin system plus an impact assessment (IA). This part will have to take into account current EU legislation and policies (e.g. the CHP Directive and related

committee procedures and the principle of disclosure) and the work done so far by the Commission. Due to the complexity and political sensitivity of the subject, the assistance of one or more consultants and/or issuing bodies will also be required during preparation of the IA. The IA will assess the technical, economic, social and environmental impact of policy options and will also include consultation of stakeholders directly affected.

**b. Study to prepare a proposal for minimum efficiency requirements for district heating and cooling, including an impact assessment**

Budget: €450 000.

Estimated duration of the contract: 3 years.

Indicative timetable: To be launched in the first quarter of 2008.

The study will help the Commission to prepare a proposal for minimum efficiency requirements for district heating and cooling and will include a preparatory study and an impact assessment.

The preparatory study will have to take into account current EU legislation (e.g. the CHP Directive and related committee procedures, the Directive on the energy performance of buildings and the Directive on end-use efficiency and energy services) and the work done so far by the CEN related to district heating. Due to the complexity and political sensitivity of the subject, the assistance of one or more consultants will also be required during preparation of the IA. The IA will assess the technical, economic, social and environmental impact of policy options and will also include consultation of stakeholders directly affected.

**c. Study to prepare a proposal for minimum efficiency requirements for micro-cogeneration, including an impact assessment**

Budget: €350 000.

Estimated duration of the contract: 3 years.

Indicative timetable: To be launched in the first quarter of 2008.

The study will help the Commission to prepare a proposal for minimum efficiency requirements for micro-cogeneration and will include a preparatory study and an impact assessment.

The preparatory study will have to take into account current EU legislation (e.g. the CHP Directive and related committee procedures, the Directive on the energy performance of buildings and the Directive on ecodesign) and the work done so far by the CEN related to micro-cogeneration and energy efficiency in boilers and buildings. Due to the complexity of the subject, the assistance of one or more consultants will also be required during preparation of the IA. The IA will assess the technical, economic, social and environmental impact of policy options and will also include consultation of stakeholders directly affected.

**15.9. Activities to support the second biofuels progress report**

Budget: €100 000.

Estimated duration of the contract: 9 months.

Indicative timetable: To be launched in the first quarter of 2008.

The Biofuels Directive (Directive 2003/30/EC) gave the Commission a mandate to draw up an evaluation report by 31 December 2008. Preparation of the report will require an update of the economic and environmental data on biofuels, an analysis of the cost-effectiveness of the measures taken by Member States to promote biofuels (especially tax exemptions and obligations), an analysis of the economic and environmental impact of increasing the share of biofuels, an overview of the life-cycle perspective of biofuels, an assessment of the sustainability of crops used for producing biofuels, an assessment of use of biofuels and other renewable fuels with respect to their impact on reducing CO<sub>2</sub> emissions and, possibly, a review of other longer-term options for achieving greater energy efficiency in transport.

**15.10. Activities to support development of practical measures (to be taken at Community level) to facilitate implementation of the biofuels sustainability scheme**

Budget: €400 000.

Estimated duration of the contract: 2 years.

Indicative timetable: To be launched in the first quarter of 2008.

The activities will provide input to a Communication on implementation of the biofuel sustainability scheme and also for further practical development of tools for the scheme, such as support for firms and public administrations. This will require establishment of base data on land use, establishment of tools to model land use change and the impact on food security, updating of the default values for greenhouse gas emissions, development of a greenhouse gas emissions calculation tool, tools for accreditation of certification schemes and development of a clearing house for sustainable production certificates.

**15.11. Assessment of non-cost barriers to renewable energy growth in EU Member States (three studies)**

Budget: €600 000.

Estimated duration of the contract: 6 months.

Indicative timetable: To be launched in the first quarter of 2008.

Addressing key elements of the forthcoming directive on renewable energy, this study will highlight practices in every Member State that create barriers to the growth of renewable energy in all sectors. The areas to be reviewed include planning, equipment installation, equipment guarantee systems, installer training and equipment maintenance.

This will provide a review and support for implementation of the RES Directive which will include requirements to remove market barriers. The study will be in three parts: It will:

- survey all Member States' (MS) RES planning guidelines, highlight practices which create administrative barriers to promotion of RES and recommend best practices;
- survey all MS' and big companies' RES installation training/qualification/certification systems, highlight practices that might cause

problems on the single market (e.g. lack of certification systems or incompatibilities between MS) and recommend best practices;

- survey all MS' and big companies' RES equipment maintenance/guarantee systems, highlight practices which create problems and recommend best practices.

The recommendations emerging from this study will put Member States in a better position to implement the new directive.

#### **15.12. Development of standard guarantees of origin for renewable electricity**

Budget: €300 000.

Estimated duration of the contract: 6 months.

Indicative timetable: To be launched in the first quarter of 2008.

The objective is to survey current guarantee of origin (GO) schemes and map out a detailed path to a system of standard GOs across the EU that would address all relevant issues, including a central registry in each Member State (coordinated at European level), electronic issuance, uniform size and validity periods and standard rules on transferability, earmarking and redemption. Introducing such features should reduce the risk of fraud or multiple counting and improve the scope for trade in renewable electricity. The proposed development should be consistent with the ongoing work to standardise the GO system for electricity from high-efficiency CHP. It should also build on the European Energy Certificate System (EECS) promoted by the Association of Issuing Bodies (AIB).

#### **15.13. Overview of international trade in biofuels/biomass**

Budget: €200 000.

Estimated duration of the contract: 6 months.

Indicative timetable: To be launched in the first quarter of 2008.

The study will assess trade agreements between Member States and third countries on biomass and also biomass imports by EU companies, in order to provide an overview of the export/import balance of the EU and future potential and to assess the measures that could be needed to create a functioning global market in biofuels/biomass, including assessing the work carried out by European standardisation bodies on fuel quality.

The study will also review support to developing countries for biofuel production and the impact of such support.

#### **15.14. Assistance with drafting a report on implementation of the EU Biomass Action Plan**

Budget: €100 000.

Estimated duration of the contract: 6 months.

Indicative timetable: To be launched in the first quarter of 2008.

This study will look at how far the Biomass Action Plan has been implemented and collect the necessary data on the current levels of use of biomass for electricity, heating and transport and for chemicals and materials in each Member State and the export/import balance of biomass in each MS, separately for biomass from agriculture/forestry and waste, and evaluate the potential.

The study will also make recommendation on the aspects to be covered by the national biomass action plans and how Member States should ensure sustainable use of biomass in the long term.

#### **15.15. Real potential for changes in growth and use of EU forests**

Budget: €350 000.

Estimated duration of the contract: 18 months.

Indicative timetable: To be launched in the second quarter of 2008.

There has been a gradual decline in the intensity of the use of European forests for wood and other non-wood forest products. This has been largely due to changing demands for forest products, such as reduced needs for mining timber and for the traditional use of wood as household fuel, as well as highly increased labour costs. This has resulted in a decrease in forest utilisation rate from over 90 % of increment in 1950 to around 60 % of it in 2000. These factors have led to a gradual accumulation of forest biomass (c.f. “growing stock volume”) per unit surface area and an ageing of forest stands. As a result of the abandonment of grazing as an agricultural activity, followed by a natural regeneration of trees, and together with active afforestation, Europe’s forest estate has also greatly increased in surface. An acute need has arisen to identify the real – as opposed to the theoretical - potential to increase the utilisation of the EU forests for wood-processing as well as to meet the expectations for wood energy to help fulfil EU RES targets. The recent EU Biomass Action Plan and moreover the increase of the EU RES targets (to 20 % of final energy consumption by 2020) have amplified the need for such an analysis. Whilst this task had been impossible due to limited data availability and incompatible forest inventory systems, new information arising from co-operation between several organisations such as the EC, the IEA, the UNECE , the EEA the JRC et al. provides a realistic opportunity for more reliable analysis.

Accordingly, this study seeks to collect and analyse best available data and information at European, national, regional and enterprise levels and across a representative spectrum of EU member states to make estimations of the real potentials for changes (normally increases) in the use of forests and wood for: energy (household, municipal, industrial, etc.), wood-processing (including bio-chemicals and bio-materials), non-wood uses (including biodiversity and recreation). This analysis will include both qualitative aspects (e.g. factors influencing the (non-)mobilisation of wood) and quantitative ones (economic, logistical).

This study should also explore and provide recommendations on how to improve EU forest statistics.

Furthermore, the organisation/consortium that will be awarded to tender contract, should report periodically to the Standing Forestry Committee ad hoc working group on "Mobilisation and efficient use of wood and wood residues for energy generation."

#### **15.16. Estimating the volatility parameters of ethanol-petrol blends**

Budget: €200 000.

Estimated duration of the contract: 18 months.

Indicative timetable: To be launched in the first quarter of 2008.

The objective of the study is to determine the maximum extent to which ethanol, blended directly into base petrol at 5% v/v, 10% v/v and 25% v/v, has an impact on the volatility parameters included in the EN228 European petrol standard (using the established test methods). In other words, it will measure the volatility parameters of the base petrol and then those of the three ethanol blends. It will be necessary to consider both winter and summer petrols. The study will focus on petrols considered likely to generate the biggest variations in the results. The contractor will need to establish in its proposal what the characteristics of those petrols are (or are not) and how it intends to source them for the purpose of the study. It will also need to explain in the proposal what statistical or other analyses it will use to evaluate the data in order to establish the maximum change in each volatility parameter.

### **16. AVAILABLE BUDGET FOR THE 2008 CALLS**

The operational budget of the IEE II Programme for 2008 totals €70 400 000<sup>57</sup> in commitment appropriations for action under SAVE, Altener, STEER and integrated initiatives, distributed as explained below.

From the operational budget line, €684 000 has been provisionally allocated to cover the operating expenses of the Executive Agency for 2008. €800 000 is earmarked for administrative expenses.

The total commitment for grants and procurement under the 2008 annual Work Programme is €62 916 000.

The indicative budget for grants in 2008 will be €49 196 000. For calls for tenders, a budget of €13 720 000 is planned.

The indicative distribution of the budget for grants between SAVE, Altener and STEER and the integrated initiatives is set out below.

Any change in the indicative budget for grants and calls for tenders above 20% will be considered a substantial modification and, as such, will require an amendment to this Work Programme.

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<sup>57</sup> Not including contributions from third countries.

## Indicative distribution of the available 2008 budget by field and by means of implementation<sup>58</sup>

Field	Action	Grants (k€)	Procurement (k€)	TOTAL (k€)
SAVE	Energy-efficient buildings	5 339	1 800	7 139
	Industrial excellence	2 250	0	2 250
	Energy-efficient products	700	690	1 390
	TOTAL	8 289	2 490	10 779
ALTENER	RES-e	3 250	300	3 550
	RES heating and cooling	4 350	0	4 350
	Domestic and small-scale RE applications	4 350	0	4 350
	Biofuels & biomass	3 154	1 350	4 504
	All RES	0	600	600
	TOTAL	15 104	2 250	17 354
STEER	Energy-efficient transport	8 903	0	8 903
	Clean vehicles and alternative motor fuels	2 500	0	2 500
	Capacity-building in transport for energy agencies	1 500	0	1 500
	TOTAL	12 903	0	12 903
Integrated initiatives	Creation of local and regional energy agencies (horizontal)	2 000	150	2 150

<sup>58</sup>

This budget distribution is based on the following data: (i) the gross budget breakdown is €25.15m for SAVE, €27.15m for Altener and €18.1m for STEER; (ii) after deducting the budget for operation of the Agency and for horizontal measures, €17.929m is left for SAVE, €19.354m for Altener and €12.903m for STEER; (iii) the breakdowns within sub-programmes are estimates and will depend on the results of the evaluations.

	EU networking for local action (horizontal)	1 600	1 600	3 200
	Bio-business	2 000	0	2 000
	Energy services	1 250	0	1 250
	Intelligent energy education (horizontal)	1 500	0	1 500
	Product standards	1 350*	0	1 350
	Combined heat and power	800	1 350	2 150
	Concerted action -ESD *	2 000*	0	2 000
	Platform for International Cooperation on Energy Efficiency *	400*	0	400
	Sustainable Energy Europe campaign (horizontal)	0	4 530	4 530
	Evaluation of the IEE Programme (horizontal)	0	350	350
	Dissemination (horizontal)	0	1 000	1 000
<b>GRAND TOTAL</b>		49 196	13 720	62 916

\* Action to be implemented by mechanisms other than call for proposals or call for tenders.

All the figures above are estimates and are subject to change, depending on the results of the call.

The budget set aside for grants totals €9 196 000 (€45 446 000 for the open call for proposals, €2 000 000 for one concerted action, €1 350 000 for the framework contract with CEN/CENELEC and €400 000 for a direct procedure with the International Energy Agency). All calls for tenders of strategic relevance to Community policy are to be managed directly by the Commission departments concerned.

Additional contributions to the budget are expected from EFTA countries which are members of the EEA, candidate countries and countries of the Western Balkans, all in accordance with the conditions laid down in the specific agreements and Memoranda of Understanding. Participation is also open to any other third country, when agreements so allow. The contributions expected from those countries are allocated on a *pro-rata* basis to the individual Key Actions. These additional contributions, plus any remaining amount not spent on public procurement, will be taken into account when establishing the ranking of selected projects and of the reserve list following the evaluation of proposals.

## **17. SCHEDULE FOR THE 2008 CALLS**

The plan is to launch a call for proposals as soon as possible after adoption of the 2008 annual Work Programme.

The Commission will publish the call in the Official Journal of the European Union (OJ) and on the website of DG TREN. Further details will be published on the IEE Programme website.

The minimum duration of the call for proposals will be four months.

Calls for tenders will be published during the year, with the durations laid down in the procurement procedures.

Contracting of the concerted action on Directive 2002/91/EC and Directive 2006/32/EC will start as soon as possible after adoption of this Work Programme.

## **Annex A: Outline of the concerted action supporting the transposition and implementation of Directive 2006/32/EC of the European Parliament and of the Council**

### **A.1 Objectives**

This concerted action (CA) aims:

- to enhance and structure the sharing of information and experience from national implementation and promote good practice in activities to improve and strengthen implementation by Member States of the Directive on energy end-use efficiency and energy services (ESD);
- to create favourable conditions for faster convergence of national procedures on ESD-related matters;
- to supplement the work of the Energy Demand Management Committee (Article 16 of the ESD) and its ad-hoc group on methods, CEN standards and certification exercises.

These objectives will be accomplished by organising a series of six to eight structured meetings to discuss the various topics.

More specifically, the CA on the ESD is structured around three **central themes**:

- capacity-building and transposition and implementation;
- programmes and measures to improve energy efficiency;
- monitoring, measurement and verification methodology.

For each of these topics the CA will address issues on which the Directive does not require harmonised national implementation but where coordinated implementation and exchange of practices for implementation would increase the impact of the Directive and reduce the cost of implementing it.

The CA on the ESD will not include any awareness-raising for market players or any other tasks which market players could carry out on their own initiative and which could be subject to a call for proposals. Nor will the CA on the ESD deal with any issues that are in the sole interest of the Commission and therefore subject to a call for tenders.

Justification for application of Article 168(1)(c) of Commission Regulation (EC, Euratom) No 2342/2002:

The objectives of the CA on the ESD, as outlined above, are very closely linked to transposition of Directive 2006/32/EC. Therefore, the CA on the ESD will require the collaboration of the organisations in charge of national transposition and implementation of the Directive. Generally, these are the ministries responsible and expert bodies appointed to work on them by those ministries. Only those organisations have the expertise and experience needed for this CA.

As national transposition has already started, the national players involved in transposition and implementation of the Directive are known and the national work has been defined. Consequently, de facto there is one expert body (or team of organisations) in each country suitable for such CA on the ESD.

Conversely, due to this specificity and the sensitivity of the tasks, such CA on the ESD would not be suitable for a call for proposals nor for a call for tenders, as there is a shared interest of the Commission and the Member States.

## **A.2 Work packages**

### ***Capacity-building and transposition and implementation***

Member States (MS) must submit National Energy Efficiency Action Plans (NEEAP) to the Commission in which they must describe the measures to improve energy efficiency that they plan to put in place to achieve the indicative energy-savings target of 9%. In the second and third NEEAPs MS should report on the progress which they have made towards achieving their target. The first NEEAP was due on 30 June 2007.

Many MS have extensive experience with developing and implementing programmes to improve energy efficiency, while others have less. Those with experience can describe and discuss their approaches, and MS can discuss the advantages and disadvantages of alternative approaches and measures, ways to overcome difficulties, etc. Cost-effectiveness, effectiveness in achieving policy/programme objectives, the estimated cost for the government and market players and the compatibility of the instrument with the existing legal and business framework should be items for discussion. In doing so, many MS may decide to adopt similar programmes and measures for the second and third NEEAPs, thus allowing more effective and harmonious implementation of measures to improve energy efficiency throughout the EU. Also, reflecting on and comparing the first NEEAPs can be useful input for MS to prepare for their second and third NEEAPs.

There is also a need to streamline reporting requirements under different legislative instruments and reporting to Eurostat (see the Energy Council conclusions of 26 November 2006). In this CA, MS could discuss how to use the NEEAPs to meet other reporting obligations also, in order to reduce the burden placed on them by different reporting requirements.

### ***Programmes and measures to improve energy efficiency***

- Public role and procurement

MS must ensure that the public sector sets an example in the form of energy-efficient public procurement. The measures to achieve this are to be described in the NEEAPs. In the second and third NEEAPs, MS are also to report on the results of the measures taken.

A number of MS have been active in the field of sustainable and/or energy-efficient public procurement in recent years, at national, regional and local levels. MS may benefit from exchanging information on their current public procurement policies. MS which have no procurement policies in place could undoubtedly benefit from the experience built up by those MS which have well developed, functioning policies. Also, the CA could establish

common guidelines and tools for the energy-efficiency aspects of public procurement, drawing on the experience of the MS already active on this subject.

- Metering and billing

Article 13 of the ESD specifies that MS must ensure that all final customers are provided with competitively priced individual meters, that billing is based on actual energy consumption and that specific information is made available to final customers. The Directive does not specify how this should be achieved. Various MS have installed or will install “smart meters” that not only provide frequent feedback on energy consumption, but also perform other functions. Exchanging experience on smart metering, billing and other forms of feedback can help MS to find optimum solutions for their situation and make estimates, based on experience, of the energy savings yielded by these instruments. The CA can benefit from the results of the ongoing IEE project “European Smart Metering Alliance” (ESMA).

- Voluntary agreements

Voluntary agreements can be a powerful instrument to achieve energy savings and the ESD (Article 6) acknowledges this. However, Article 6 also lays down a number of requirements to be met by voluntary agreements. Inclusion of voluntary agreements as a subject in this CA will serve two goals: first, MS can learn from (successful) voluntary agreements in other MS; second, MS can discuss how they have implemented the requirements of the ESD regarding voluntary agreements and the impact of these requirements.

- Energy services/ESCO

The energy services/energy service companies (ESCO) market shows a different picture in different MS: some MS have flourishing energy services markets, whereas in others the market is in a very early stage of development. However, Article 6 of the ESD requires MS to ensure that there are sufficient incentives, equal competition and a level playing field for, *inter alia*, energy service companies. Furthermore, Article 8 of the ESD requires appropriate qualification, accreditation and/or certification schemes for providers of energy services and energy audits. Exchanging information on these incentives and schemes and the (expected) effects can help MS to (further) improve the energy services market and the contribution made by energy services and ESCOs towards energy savings. In this analysis, careful attention should be paid to the various local market conditions in order to explain the development of ESCOs and the energy services market, so that MS can take these into account and learn from the experience of others.

- Financial instruments

Under the ESD, MS must repeal or amend any legislation that impedes or restricts use of financial instruments for energy savings in the market for energy services. How this legislation should be amended or repealed is up to the MS. This will be different in each MS, due to the specific national legislative systems. By exchanging views and exploring the different approaches adopted in the various MS, progress may be made on removing barriers.

### ***Monitoring, measurement and verification methodology***

A great deal of work is already being carried out in this area. However, no forum is available where MS could exchange views on the requirements for setting up the monitoring, measurement and verification systems and experience with using them. This CA will provide such a forum. MS' experience with such systems varies widely and exchanges of information and experience could be highly beneficial to MS and improve the quality and implementation of their measures to improve energy efficiency.

#### **A.3 Duration of the CA on the ESD**

The CA on the ESD is expected to run for 36 months, thus including the legal deadline for full transposition of the ESD (17 May 2008). Therefore, the second part of the CA on the ESD will also allow information on practical implementation of the ESD in all MS to be taken into account when discussing experience in the field and recommending any changes to working practices that may be desirable.

#### A.4 Participants designated by the Member States and participating countries for the CA on ESD

1	Austria	Austrian Energy Agency
2	Belgium	Flemish Energy Agency
3	Bulgaria	State Energy Efficiency Agency
4	Croatia	Ministry of the Economy, Labour and Entrepreneurship
5	Cyprus	Ministry of Commerce, Industry and Tourism
6	Czech Republic	State Energy Inspection
7	Denmark	Danish Energy Authority
8	Estonia	Ministry of Economic Affairs and Communications
9	Finland	Motiva Oy
10	France	Ministère du developement durable
11	Germany	Federal Ministry of Economics and Technology
12	Greece	CRES
13	Hungary	Hungarian Energy Centre
14	Ireland	Department of Communications, Energy and Natural Resources
15	Italy	ENEA
16	Latvia	Building, Energy and Housing Agency
17	Luxembourg	Energy Agency
18	Lithuania	Ministère de l'Economie et du Commerce extérieur
19	Malta	Malta Resources Authority
20	Netherlands	SenterNovem
21	Poland	Polish National Energy Conservation Agency (KAPE)
22	Portugal	Directorate General of Energy and Geology
23	Romania	Romanian Agency for Energy Conservation (ARCE)
24	Slovakia	Ministry of Economy
25	Slovenia	Institute "Jožef Stefan"
26	Spain	National Energy Agency (IDAE)
27	Sweden	Swedish Energy Agency
28	UK	Defra

#### **A.5 Total costs and EU contribution to the CA on the ESD**

The total costs and EU contribution to the concerted action will be approximately €2 000 000.