



EUROPEAN FEDERATION  
OF INTELLIGENT ENERGY EFFICIENCY SERVICES

15 June, 2012

**Energy Efficiency Directive - Agreement 14<sup>th</sup> of June 2012 - Press Release**

EFIEES takes note of the agreement reached yesterday at the end of the last Triologue.

The new Directive, combined with national policies, is likely to bring 15% energy savings by 2020.

After intense discussions showing how the negotiators were committed to agree on the way forward, this result is certainly a step in the right direction, although it does not meet the stringent need for Europe to make much more significant energy savings. Neither brings it a strong market signal, in all the chain of economic activities towards more energy efficiency, that are necessary in order to give a strong impulse to companies aiming at proposing an adequate offer. This is why we supported a compulsory target of 20% of energy savings, and even of primary energy savings. Energy efficiency is key to EU energy policy as a whole, as shown again in Energy Roadmap 2050.

This is particularly true as regards the development of **Energy Performance Contracting**. We welcome the recognition of Energy Performance Contracts by the Directive, but we know that the best incentives for their implementation would have been 1. a much larger scope for renovation of buildings, and 2. a link between Energy Performance Contracts and the fulfillment of obligations under art. 6.

The last compromise on **renovation of buildings** ( art. 3a: Member States to establish a long term strategy for the renovation of residential and commercial buildings by mid-2014) is very positive, with regard also to deep renovation and staged deep renovation that allow *overall actions* - and not only short pay-back time actions, causing locking effect that leave no financing capacity for further measures. Nevertheless, we regret that yesterday's agreement lets aside a vast majority of public buildings for the coming years. The need for energy savings in public buildings will not disappear just because *other buildings'* energy efficiency is improved.

Provisions of art. 10 regarding **heat planning** (district heating and cooling, cogeneration) go into the right direction. Heat potential, needs and sources are currently insufficiently acknowledged at EU and national level, and the regulatory tools for optimising heat production and consumption are missing. Such an assessment could be a first step towards a heat policy if correctly implemented.

EFIEES will follow with great attention the implementation of art.6: opportunities for more energy efficiency services delivered by ESCOs are still not very clear. More generally, the cost-effectiveness of such "market instruments" is questionable, depending upon their implementation.

EFIEES represents private Energy Efficiency Service Companies (ESCOs) at EU level. These companies ensure an overall management of energy demand to end-user. They provide operational maintenance and the management of equipments of their industrial, tertiary and residential customers, (collective or individual, public or private).

They commit, by long-term contracts including Energy Performance Contracting, on a technical, financial, economic and environmental performance. Their remuneration is based on that performance commitment, defined on compliance with operating quality standards and/or delivery on supply of improvements in energy efficiency.

EFIEES' members are also involved in District Heating & Cooling networks operation.