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# **INTELLIGENT ENERGY – EUROPE II** **2010 WORK PROGRAMME**

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## I. GENERAL PROVISIONS

### 1. INTRODUCTION AND BACKGROUND

#### 1.1 Policy background

The European Union faces serious and unprecedented energy challenges relating to sustainability and greenhouse gas emissions as well as energy security. In March 2007 the European Council agreed to a new energy policy that establishes a forward-looking political agenda designed to achieve the EU energy objectives of sustainability, competitiveness and security of supply.

Accordingly, the EU has committed itself to the "20-20-20" initiative: reducing greenhouse gas emissions by 20%, increasing the share of renewables in energy consumption to 20% compared to 8.5% today, and improving energy efficiency by 20%, all by 2020. To put this into effect, the EU adopted a comprehensive and clearly targeted energy and climate policy aimed at providing a secure and predictable investment climate for EU industry.

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 (CIP Decision). This Programme has become the main EU instrument for tackling 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.

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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).

<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).



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

- An energy policy for Europe<sup>4</sup>;
- 20 20 by 2020, Europe's climate change opportunity<sup>5</sup>;
- Second Strategic Energy Review - An EU Energy Security and Solidarity Action Plan<sup>6</sup>
- Green Paper "Towards a secure, sustainable and competitive European energy network"<sup>7</sup>;
- Action Plan for Energy Efficiency<sup>8</sup>;
- Energy efficiency: delivering the 20% target<sup>9</sup>;
- Moving forward together on energy efficiency<sup>10</sup>
- Directive on the energy performance of buildings<sup>11</sup> (EPBD);
- Proposal for a Directive on the energy performance of buildings (recast)<sup>12</sup>;
- Directive on cogeneration of heat and power<sup>13</sup>;
- Europe can save more energy by combined heat and power generation<sup>14</sup>;
- Directive on energy end-use efficiency and energy services<sup>15</sup>;
- Ecodesign Directive<sup>16</sup> and Energy Labelling Directives;

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<sup>4</sup> Communication from the Commission - An energy policy for Europe, COM(2007) 1.

<sup>5</sup> Communication from the Commission - 20 20 by 2020, Europe's climate change opportunity, COM (2008) 30.

<sup>6</sup> Communication from the Commission - An EU Energy Security and Solidarity Action Plan, SEC(2008) 2795

<sup>7</sup> Green Paper "Towards a secure, sustainable and competitive European energy network", COM(2008)782.

<sup>8</sup> Communication from the Commission – Action Plan for Energy Efficiency: Realising the Potential COM(2006)545 final.

<sup>9</sup> Communication from the Commission - Energy efficiency: delivering the 20% target, COM(2008) 772.

<sup>10</sup> Communication from the Commission on a first assessment of national energy efficiency action plans as required by Directive 2006/32/EC on energy end-use efficiency and energy services - Moving forward together on energy efficiency, COM(2008) 11.

<sup>11</sup> Directive 2002/91/EC of the European Parliament and of the Council of 16 December 2002 on the energy performance of buildings.

<sup>12</sup> Proposal for a Directive on the energy performance of buildings (recast), COM(2008) 780.

<sup>13</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 and Commission Decision of 19 November 2008 establishing detailed guidelines for the implementation and application of Annex II to Directive 2004/8/EC of the European Parliament and of the Council.

<sup>14</sup> Communication from the Commission - Europe can save more energy by combined heat and power generation, COM(2008)771.

<sup>15</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.

- Proposal for a Directive on the indication by labelling and standard product information of the consumption of energy and other resources by energy-related products<sup>17</sup>;
- Regulation on labelling of tyres with respect to fuel efficiency and other essential parameters<sup>18</sup>;
- Energy Star Agreement<sup>19</sup>;
- Biomass Action Plan<sup>20</sup>;
- Renewable energy road map - Renewable energies in the 21<sup>st</sup> century: building a more sustainable future<sup>21</sup>;
- Directive on electricity from renewable energy sources<sup>22</sup>;
- Directive on the promotion of liquid biofuels for transport<sup>23</sup>;
- Directive on the promotion of the use of energy from renewable sources<sup>24</sup>;
- Offshore Wind Energy: Action needed to deliver on the energy policy objectives for 2020 and beyond<sup>25</sup>;
- Green Paper: "Towards a new culture for urban mobility"<sup>26</sup>;
- Action Plan on Urban Mobility<sup>27</sup>;
- Directive on the promotion of clean and energy-efficient road transport vehicles<sup>28</sup>.

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<sup>16</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>17</sup> Proposal for a Directive on the indication by labelling and standard product information of the consumption of energy and other resources by energy-related products, COM(2008) 778.

<sup>18</sup> Regulation No 1222/2009 of the European Parliament and of the Council of 25 November 2009 on labelling of tyres with respect to fuel efficiency and other essential parameters, OJ L 342/46. .

<sup>19</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.

<sup>20</sup> Communication from the Commission – Biomass Action Plan (SEC(2005) 1573).

<sup>21</sup> Communication from the Commission – Renewable energy road map - Renewable energies in the 21st century: building a more sustainable future, COM (2006) 848.

<sup>22</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>23</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>24</sup> Directive 2009/28/EC of the European Parliament and of the Council of 23 April 2009 on the promotion of the use of energy from renewable sources and amending and subsequently repealing Directives 2001/77/EC and 2003/30/EC.

<sup>25</sup> Communication from the Commission - Offshore Wind Energy: Action needed to deliver on the energy policy objectives for 2020 and beyond, COM(2008) 768.

<sup>26</sup> Green Paper: "Towards a new culture for urban mobility", COM(2007) 551.

<sup>27</sup> Communication from the Commission – Action Plan on Urban Mobility, COM(2009) 490.

<sup>28</sup> Directive 2009/33/EC of the European Parliament and of the Council of 23 April 2009 on the promotion of clean and energy-efficient road transport vehicles.

- revised Fuel Quality Directive<sup>29</sup>
- A European strategic energy technology plan (SET Plan) - Towards a low carbon future<sup>30</sup>
- Investing in the Development of Low Carbon Technologies (SET Plan)<sup>31</sup>
- A European Economic Recovery Plan<sup>32</sup>
- Regulation (EC) No.397/2009 amending Regulation (EC) No.1080/2006 on the European Regional Development Fund as regards the eligibility of energy efficiency and renewable energy investments in housing<sup>33</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 small and medium-sized enterprises (SMEs) provided for the whole CIP is one example.

The CIP is designed to complement the 7<sup>th</sup> 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.

Under Cohesion Policy, an amount of at least EUR 9 billion of structural and cohesion policy funds is earmarked for investments in energy efficiency (EE) and renewable energies (RES) during 2007-2013. Following a recent amendment of the ERDF regulation, the expenditure on energy efficiency improvements and on the use of renewable energy in existing housing sector for all MS can now go up to 4 % of the total national ERFD allocation. Assuming that all MS use this possibility, up to an additional EUR 8 billion could be re-allocated for EE and RES in the residential sector in the EU. Expenditure could therefore be boosted, serving the purpose of contributing to the EPBD implementation and the national targets for RES and energy savings. Synergies with actions financed under Cohesion Policy should be explored and promoted; proposers are encouraged to establish links with local managing authorities for the Cohesion Policy funds to find out more about complementary projects and schemes in their Member State/region.<sup>34</sup>

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<sup>29</sup> Directive 2009/30/EC of the European Parliament and of the Council of 23 April 2009 amending Directive 98/70/EC as regards the specification of petrol, diesel and gas-oil and introducing a mechanism to monitor and reduce greenhouse gas emissions and amending Council Directive 1999/32/EC as regards the specification of fuel used by inland waterway vessels and repealing Directive 93/12/EEC.

<sup>30</sup> Communication from the Commission - A European strategic energy technology plan (SET-plan) - Towards a low carbon future, COM(2007)723

<sup>31</sup> Communication from the Commission - Investing in the Development of Low Carbon Technologies (SET Plan), COM(2009)519

<sup>32</sup> Communication from the Commission – A European Economic Recovery Plan, Brussels, COM(2008)800 final

<sup>33</sup> Regulation (EC) no 397/2009 of the European Parliament and the Council OJ L 126/3, 21 May 2009

<sup>34</sup> [http://ec.europa.eu/regional\\_policy/manage/authority/authority\\_en.cfm](http://ec.europa.eu/regional_policy/manage/authority/authority_en.cfm)

Within support to rural development in the EU, financed through the European Agricultural Fund for Rural Development (EAFRD), renewable energy is one of the priorities to be taken in account when Member States or regions draw up and implement their Rural Development programmes. Rural Development policies can support supply and use of renewable energy in rural areas through a range of actions like financial support for investing in building installations, compensating for costs when planting dedicated energy crops and short rotation coppice, actions for training, communication, infrastructure in the area of renewable energy. Total EU funding for Rural Development in 2007-2013 is EUR 90.8 billion, to which the "Health Check" reform of the Common Agricultural Policy and the European Economic Recovery Plan added EUR 4.4 billion in 2008.

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 EU budget to any one beneficiary.

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.

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

The action should complement other actions taken within or by 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 are adopted by a decision of the Commission after prior consultation of the Member States, via the Intelligent Energy – Europe Management Committee (IEEC)<sup>35</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>36</sup> and is responsible for managing EU 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>37</sup>. The EACI's mission consists of efficient management of these programmes and thereby contribute 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. Exercising the powers delegated to it and as programmed by the Commission, the Agency carries out all 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>38</sup>.

The EACI works on the basis of delegated powers, which are enshrined in the 'Act of Delegation'<sup>39</sup>. It works in close cooperation with its parent Commission services - for Intelligent Energy Europe - in the Directorate-General for Energy and Transport.

## **1.6 This Work Programme is divided into two parts:**

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

Part I covers the background to the Work Programme and how it is embedded in the CIP. It also highlights the link with other European Union or Member State instruments and the role of any Executive Agency. It sets out the objectives of the Programme and describes the means of implementation. The subject of grants, the main instrument for implementing the IEE II Programme, is covered in detail. The relevant chapters describe the instruments used, rules for participation, funding limits, evaluation, negotiation and award procedures plus property rights. The general provisions also describe the expected outputs and programme indicators with a view to future evaluations and adjustments.

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<sup>35</sup> Article 46(1)(c) of Decision No 1639/2006/EC establishing a Competitiveness and Innovation Framework Programme (2007 to 2013).

<sup>36</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>37</sup> OJ L 328, 24.11.2006, p. 1.

<sup>38</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.

<sup>39</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) Technical priorities

Part II covers the technical priorities for grants and procurement for 2010. It includes the sectoral objectives, priorities for action, key actors 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.

## 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 of performance indicators.

### 2.1 Scope of the IEE Programme

Action to **foster energy efficiency and the rational use of energy resources (SAVE)**<sup>40</sup> may include:

- improvement of energy efficiency and the rational use of energy, in particular in the building and industry sectors;
- supporting the preparation of legislative measures and their application.

Action to **promote new and renewable energy resources (ALTENER)**<sup>41</sup>, may include:

- 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 of legislative measures and their application.

Action to **promote energy efficiency and the use of new and renewable energy sources in transport (STEER)**<sup>42</sup> may include:

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<sup>40</sup> Article 39 of Decision No 1639/2006/EC establishing a Competitiveness and Innovation Framework Programme (2007 to 2013).

<sup>41</sup> Article 40 of Decision No 1639/2006/EC establishing a Competitiveness and Innovation Framework Programme (2007 to 2013).

- supporting initiatives relating to all energy aspects of transport, and the diversification of fuels;
- promoting renewable fuels and energy efficiency in transport;
- supporting the preparation of legislative measures and their application.

**Integrated initiatives**<sup>43</sup> combine several of the specific fields SAVE, ALTENER and STEER or relating to certain EU priorities. Action within integrated initiatives may include:

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

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

## **2.2 Programme performance indicators**

### **2.2.1 Indicators to assess the impact of the Programme**

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

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:

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<sup>42</sup> Article 41 of Decision No 1639/2006/EC establishing a Competitiveness and Innovation Framework Programme (2007 to 2013).

<sup>43</sup> Article 42 of Decision No 1639/2006/EC establishing a Competitiveness and Innovation Framework Programme (2007 to 2013).

- allow objective estimates of the impact of each project;
- add up, as far as is 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 process for awarding contracts and during the negotiations for concluding contracts.

The Commission and the EACI 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.

### **2.2.2. 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, thus fulfilling 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.

- Active participation by applicants from all participating countries.

Indicator: representation of eligible countries.

- Reaching out to new local and regional authorities.

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

### **2.3 Means of implementation**

The IEE Programme is implemented 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, or direct grants under special conditions;
- (b) Procurement:** 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>44</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.

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

The IEE Programme will be implemented mostly by means of grant agreements.

Furthermore, the CIP allows the possibility of cooperation with European and international financial institutions such as the European Investment Bank (EIB), the European Bank for Reconstruction and Development (EBRD), in which case part of the annual budget may be managed by the relevant financial institutions.

In 2009, this option (cooperation with the EIB) was used in setting up the ELENA<sup>45</sup> facility aimed at market replication projects. In 2010 it is foreseen to continue supporting the ELENA facility.

A contribution agreement between the EIB and the Commission will be signed, laying down detailed terms and conditions governing the tasks to be carried out by the EIB, management fees to be paid to the EIB and monitoring and reporting.

## **2.4 Financial perspective**

In line with the Council and European Parliament Decision, the total budget allocated to the Intelligent Energy – Europe II Programme for the period 2007-2013 is EUR 727,3 million<sup>46</sup>. For this 2010 Work Programme, EUR103 561 700 has been allocated<sup>47</sup>.

## **2.5 Complementarity between financial instruments**

Each action may give rise to the award of only one grant from the budget to any one beneficiary<sup>48</sup>. An action which receives financial support for the same purpose from any other EU financial instrument, 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 EU budget and on any relevant applications for

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<sup>44</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.

<sup>45</sup> [http://www.eib.org/products/technical\\_assistance/elena/index.htm?lang=en](http://www.eib.org/products/technical_assistance/elena/index.htm?lang=en)

<sup>46</sup> Not including contributions from third countries.

<sup>47</sup> Not including contributions from third countries.

<sup>48</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.

funding which are still pending (to the Commission for centrally financed measures or to a national agency or financial institution for delegated measures).

Synergy and complementarity with other EU instruments will be sought.

### **3. PROCUREMENT**

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

The Financial Regulation applicable to the general budget of the European Union defines “procurement” as contracts for pecuniary interest concluded between one or more economic operators and one or more contracting authorities 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 IEE 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>49</sup> will issue calls for tenders for projects under the IEE 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

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<sup>49</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 to be necessary for implementation of the IEE Programme.

agreement with the European Union in the field of public procurement under the conditions laid down in the relevant agreement.

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 entity, whether public or private, established in a Member State or in an associated country<sup>50</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 entity”** means any entity created under the national law of its place of establishment, EU law or international law, which has legal personality and which, acting under its own name, may exercise rights and be subject to obligations.

Applicants that do not have legal personality may apply for grants provided that the representatives of these applicants prove that they have the capacity to undertake legal obligations on behalf of the applicant and provided that they offer financial guarantees equivalent to those provided by legal persons.

**“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 subject 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 similar rights and obligations) as a legal entity established in a Member State.

#### **International organisations<sup>51</sup>,**

**“International organisation”** means any legal entity arising from an association of States, other than the EU, 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.

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<sup>50</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.

<sup>51</sup> Including International Energy Agency (IEA) and International Renewable Energy Agency (IRENA)

Any international organisation may take part in action under the IEE Programme, subject to the conditions set out in this document. It may receive, if necessary, a EU financial contribution for carrying out the action.

### **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 EU 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 EU 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 EU 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 EU legislative and support measures.

### **4.3.2 Market replication projects**

Article 44 of the CIP Decision provides 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.”

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

#### **Action with standardisation bodies**

EU 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>52</sup>.

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

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

To achieve this objective, a concerted action is addressed only to national authorities transposing and implementing specific EU legislation and policy or to bodies appointed by the national authorities to implement specific EU 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 MS eligible to carry out the task. By virtue of this specificity, which has to be demonstrated in each individual case, a concerted action meets the conditions laid down in Article 168(1)(f) of the rules implementing the Financial Regulation<sup>53</sup>

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<sup>52</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.

<sup>53</sup> Article 168(1)(f): Grants may be awarded without a call for proposals for actions with specific characteristics that require a particular type of body on account of its technical competence, its high

and the relevant procedures will be applied. Concerted actions will be undertaken by organisations designated by the MS 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 EU legislation and policy, or to bodies appointed by the national authorities to implement a specific EU 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. These national actors when nominated for participating in a concerted action qualify for an application of Art 168(1)(f) of the Implementing Rules.

#### **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 promotion and dissemination 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.

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degree of specialisation or its administrative power, on condition that the actions concerned do not fall within the scope of a call for proposals.

#### **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**

- Local and regional energy agencies which were established with and are still beneficiaries of EU contributions from the IEE Programme are eligible to participate in IEE projects if they provide evidence that their resources are sufficient to cover the additional activities and that the latter do not overlap with the work programme of their existing IEE grant agreement or 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 will be undertaken only if a critical mass of Member States and participating countries support the action concerned. The designated bodies are participating on account of its technical competence, its high degree of specialisation or its administrative power will be duly substantiated in the award decision. The actions concerned do not fall within the scope of the call for proposals.
- Actions developed by the European Investment Bank (EIB) will be subject to dedicated separated contribution agreement between European Investment Bank and the Commission.

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

#### **5.1 General**

The EU 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 EU contribution apply:

- *promotion and dissemination projects*: up to 75% of the total eligible cost.
- *funding under the ELENA Facility*: up to 90% of the total eligible cost.

#### **5.3 Grants to specific target groups**

- *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 EU dimension will be eligible. They will be 100% funded.

## 5.4 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 EU 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 EU financing may or may not take, depending on the nature of the action and/or the beneficiaries concerned, to guarantee sound financial management and to ensure that the financial contributions between co-funders are balanced.

## 6. GRANTS – CALLS FOR PROPOSALS: SUBMISSION, EVALUATION, SELECTION AND AWARD PROCEDURES<sup>54</sup>

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>55</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)(f) of the rules implementing the Financial Regulation, i.e. for actions with specific characteristics that require a particular type of body on account of its technical competence, its high degree of specialisation or its administrative power, on condition that the actions concerned do not fall within the scope of a call for proposals, 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 13 and 14 of this document, the procedures will be established in accordance with the Financial Regulation and the associated implementing rules.

### 6.1 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

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<sup>54</sup> The procedures for calls for tender are as provided for in the relevant regulations and will be published at the time of publication of each call.

<sup>55</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.



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 the dedicated website.

In particular, user manuals (Guides for Proposers) are produced, 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 will 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 on the basis of the principles for evaluation and the eligibility, selection and award criteria set out in the annual work programme. Proposals which do not fulfil the stipulated conditions 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 2010 budget by field (see point 19). 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 to or clarification of the proposed work programme (see point 6.4.).

## **6.2 Eligibility, selection and award criteria for grants**

### **6.2.1 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 any of the eligibility criteria have not been fulfilled, the proposal is declared ineligible by the Commission and is withdrawn from 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:

- 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 point 4.4.1
- 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); the sole purpose of the eligibility checks 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 addressed 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); the sole purpose of the eligibility checks is to make sure that the indicated scope of the proposal complies);
- correct funding scheme: the proposal must come under one of the funding schemes specified for the relevant topic in the call for proposals.

### **6.2.2 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 form.

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.

### **6.2.3 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 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 proposed action 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 in excess of EUR 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 proposed action and should provide supporting documents. Guidance on the supporting documents required (e.g. CVs of those responsible for carrying out the action, description of projects and activities undertaken in the last three years, etc.) will be provided in the Guide for Proposers.

#### **6.2.4 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 6.1.) will be established by the Evaluation Committee and approved by the authorising officer.

#### **Award criteria for promotion and dissemination activities**

##### **1. Relevance of the proposed action (score 0-10), including:**

- extent to which the proposed action is consistent with the IEE Call priorities and builds on previous action(s);
- extent to which the proposed action responds to important market needs and barriers;
- extent to which the proposed action contributes to implementation and further development of relevant EU policies including priorities, targets, action plans and legislation.

##### **2. Quality of implementation methodology (score 0-10), including:**

- suitability of the proposed approach and extent to which the proposed action engages the target groups and stakeholders (e.g. market actors, decision makers etc.)
- clarity of the work packages, project planning and suitability of performance monitoring;
- quality of communication plan for the uptake of solution(s) by market actors / decision makers / other stakeholders.

- 3. Ambition and credibility of the impacts of the proposed action (score 0-10), including:**
- services / outcomes produced by the action (deliverables, hours of training, etc.);
  - impact within the project lifetime assessed with specific, measurable, accepted, realistic and time-dependent (SMART) indicators;
  - impact and sustainability beyond the project lifetime, estimated according to credible baseline.
- 4. EU added value (score 0-10), including:**
- evidence that collaboration / team working across national borders will lead to greater benefits than separate actions at national / local level in the same countries;
  - appropriate geographical focus of the proposed action including learning and exchanges among stakeholders;
  - transferability of the solutions offered by the proposed action.
- 5. Resources allocated to the proposed action (score 0-10), including:**
- management and composition of the team, balance of skills, experiences, and responsibilities;
  - appropriate levels of hours per partner and per work package;
  - justification of costs (sub-contracts, travel costs, and other specific costs) and co-financing.

Within the general conclusions, the evaluation will provide a qualitative judgment on the overall value for money – comparing the achievements of the action with the resources involved.

### **6.3 Assistance by independent experts**

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

- 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 expression of interest from individuals<sup>56</sup>. 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.

## **6.4 Technical/financial adaptations and award decision**

Following formal approval by the authorising officer of the rankings of the proposals recommended for EU funding established by the Evaluation Committee and acting on the recommendations made by the Evaluation Committee, the Commission may enter into negotiations with the applicants selected. This process is designed 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.

When opening negotiations, the Commission simultaneously 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 EU 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 decision 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 allowing those countries to join the IEE Programme have been taken. Up-to-date information on which countries are participating in the IEE Programme is available on the Programme website at: <http://ec.europa.eu/energy/intelligent/>.

## **6.5 Main elements of grant agreements**

### **6.5.1 Eligibility of costs**

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

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<sup>56</sup> Call for expression of interest for the setting up of a list of external experts for evaluation activities in connection with the following programmes: Intelligent Energy-Europe, Eco-Innovation and Marco Polo, EACI/2008/001, OJ C112/15 of 7 May 2008.

- be incurred within the duration of the action or of the work programme with the exception of costs relating to final reports and audit certificates;
- be indicated in the estimated overall budget of the action or work programme;
- be necessary for implementation of the action or of the work programme which is the subject of the grant;
- be identifiable and verifiable, in particular being recorded in the accounting records of the beneficiary and determined according to the applicable accounting standards of the country where the beneficiary is established and according to the usual cost accounting practices of the beneficiary;
- comply with the requirements of applicable tax and social legislation;
- be reasonable, justified, and consistent with the requirements of sound financial management, in particular regarding economy and efficiency.

### **6.5.2 Cost categories**

For **promotion and dissemination projects**, the following applies:

- *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 incurred by these staff, costs for subcontracting and other specific costs, such as for workshops or publications. They may include depreciation for small items of equipment needed for the action, such as measurement devices;
- *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.

### **6.5.3 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:

“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;

“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 EU 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 EU 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 owned by them is disseminated as swiftly as possible. If they fail 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 they consider that their legitimate interests in relation to the foreground concerned 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 EU. 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 giving participants or third parties access rights to foreground or background 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 such access in order to carry out their own work. 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 such access in order to carry out their own work, provided the participant concerned is entitled to grant them. The access rights must be granted royalty-free, unless otherwise agreed by all participants beforehand.

(c) Access rights for use

Participants in the same action enjoy access rights to foreground if such access is needed in order to use their own foreground. The 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 such access is needed in order to use their own foreground, provided the participant concerned is entitled to grant them. The 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 have agreed on a longer period.

## **7. OPERATIONAL SCHEME FOR THE COOPERATION WITH THE EUROPEAN INVESTMENT BANK**

Based on the 2009 IEE Work Programme the European Local Energy Assistance facility (ELENA) is being implemented by the Commission and the European Investment Bank (EIB) by joint management following Article 53 (d) of the Financial Regulation and the corresponding provisions of the Implementing Rules.

In order to implement the 2010 budget allocation, the Commission and the EIB will conclude a contribution agreement, laying down detailed terms and conditions governing the tasks to be



carried out by the EIB, including monitoring, reporting and management fees to be paid to the EIB. DG Energy will sub-delegate the execution of commitments, including payments and recoveries to DG Economic and Financial Affairs.

The EIB will manage the Facility and ensure that Project Development Services are being awarded to local and regional public authorities or other eligible public bodies in accordance with the principles of transparency, proportionality, sound financial management, equal treatment and non-discrimination, lack of conflict of interests and respect of internationally accepted standards.

'Project Development Services' means technical assistance that facilitates the preparation, implementation and financing of eligible Investment Programme and implements operational objectives of the IEE programme laid down in Art 38 of the CIP Decision. The technical assistance will be provided to the Final Beneficiary in relation to feasibility and market studies, project structure, business plans, energy audits, preparation of tendering procedures and contractual arrangements and include any other assistance necessary to develop Investment Programmes, excluding subsidies to investment (hardware) costs.

'Eligible Costs' for Project Development Services means costs of external experts contracted by the European Investment Bank or the Final Beneficiary, or additional staff hired by the Final Beneficiary (e.g. for the setting up of project implementation units), to carry out technical assistance to facilitate the preparation, implementation and financing of the investment programme.

The EIB may commit funds in signed contracts for provision of Project Development Services from the signature of the cooperation agreement until 31 December 2012.

## **7.1 Submission and selection of Investment Programme proposals**

Request for Project Development Services shall be addressed to the EIB according to the standard procedure for the submission of projects to the EIB. Applications are open to all participating countries and are not restricted by the availability of local financial intermediaries of the EIB in a specific country.

Proposals must meet all eligibility criteria. The EIB will check the eligibility criteria, select the Investment Programmes to be supported by the Project Development Services and submit them to the Commission for prior approval.

The EIB shall define the need for Project Development Services for selected Investment Programmes. The Project Development Service providers will be selected by the EIB or by the Final Beneficiary in accordance with the relevant EIB procurement procedures.

The funds will be allocated for applications meeting the eligibility and selection criteria on a "first come, first served" basis.

### **7.1.1 Eligibility criteria**

The following eligibility criteria will be checked by the EIB for all submitted proposals:

1. Participating Countries

## 2. Final Beneficiaries

Eligible Final Beneficiaries of Project Development Services are:

- a) local or regional authorities and other public bodies, including those under the Covenant of Mayors Initiative; or groupings of such bodies, and
- b) other public bodies lending support to such bodies as mentioned under a),

Presenting Investment Programme proposals which contribute to achieve the objectives of the EU sustainable energy policy, i.e. with reduction of greenhouse gas emissions by at least 20%, and/or increase of the share of renewable energies in energy consumption to at least 20% and/or improve energy efficiency by at least 20%, all by 2020.

Each Investment Programme can only give rise to Project Development Services once. Furthermore, support under the Project Development Services and other support provided under the IEE Programme for the same Final Beneficiary and the same Investment Programme shall not be cumulative.

A Final Beneficiary which receives or has received financial support for the same Investment Programme and the same purposes as those which meant to be covered by Project Development Services from any other EU financial instrument, including the specific programmes under the CIP, the FP7, the Structural Funds (the European Regional Development Fund, the European Social Fund, the European Agricultural Fund for Rural Development and the European Fisheries Fund), the Cohesion Fund<sup>57</sup>, the LIFE+ Programme<sup>58</sup>, IPA, will not receive support by Project Development Services.

Final Beneficiaries applying for Project Development Services will have to provide information on any funding related to the Investment Programme they have received from the EU budget and on any relevant applications for funding related to the Investment Programme which are still pending.

## 3. Eligible Investment Programmes for support by the Project Development Services

In principle, Project Development Services can be provided for the development of Investment Programmes within the following areas:

- public and private buildings, including social housing and street and traffic lighting, to support increased energy efficiency (refurbishment of buildings aimed at significantly decreasing energy consumption (both heat and electricity) – such as thermal insulation, efficient air conditioning and ventilation, efficient lighting); integration of renewable energy sources (RES) into the built environment – such as solar photovoltaic (PV), solar thermal collectors and biomass; investments into renovation, extension or new district heating/cooling networks including the ones based on combined heat and power (CHP); decentralised CHP systems (building or neighbourhood level);

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<sup>57</sup> [http://ec.europa.eu/regional\\_policy/funds/cf/index\\_en.htm](http://ec.europa.eu/regional_policy/funds/cf/index_en.htm)

<sup>58</sup> <http://ec.europa.eu/environment/life/>

- urban transport to support increased energy efficiency and integration of renewable energy sources, such as high energy efficiency buses, including hybrid buses, electrical or low-carbon propulsion systems; investments to facilitate the introduction of electric cars, investments to introduce new more energy efficient concepts to improve freight logistics in urban areas;
- local infrastructure including smart grids, information and communication technology infrastructure for energy-efficiency, energy efficient urban equipment, inter-modal transport facilities and refuelling infrastructure for alternative fuel vehicles.

Industrial facilities shall be excluded, as well as reductions of greenhouse gas emissions due to industry delocalisation.

### **7.1.2 Selection criteria**

The European Investment Bank will select the Investment Programmes to be supported by the Project Development Services based on the following selection criteria:

1. Eligibility of an applicant from a Participating Country.
2. Eligibility of Investment Programme.
3. Potential bankability of the Investment Programme<sup>59</sup>.
4. Applicant's financial and technical capacity to implement and complete the Investment Programme.
5. Expected contribution to the objectives of the EU "20-20-20" Initiative in terms of reducing greenhouse gas emissions, increasing the share of renewable energies in energy consumption and improving energy efficiency.
6. Expected Leverage Factor (the ratio between the total investment costs of the Investment Programme and the total cost of Project Development Services for the Investment Programme; the minimum leverage factor will be 25).
7. European Union added value, in terms of compliance with the EU policies, including:
  - a) the EU sustainable energy policies and priorities, targets and legislation;
  - b) the state of the art of sustainable energy technologies and taking into account previous actions in the context of the EU energy policy objectives and relevant action by the Applicant;
  - c) the EU Cohesion Policy;
  - d) the needs of local communities and possible impacts on the local/regional development, including a positive impact on SMEs;

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<sup>59</sup> Which implicitly will encourage grouping of similar projects to reduce transactions costs and make small projects bankable

- e) the contribution to dissemination of good practices or technologies at an early market penetration phase, within the EU.
8. Verification that the financial assistance under this Project Development Service shall not be used for Investment Programmes that can be better supported by other similar EU funds and facilities, including Cohesion and Structural Funds. If funding can be obtained from other facilities, the Applicant must justify why the use of the Project Development Service is more appropriate.
  9. Absence of other EC support granted to the same Applicant for Project Development Services for the same Investment Programme.

## **7.2 Information and communication**

The EIB shall use all reasonable efforts to develop market awareness of financing possibilities under Project Development Services, in particular through the network of its financing partners.

The information for potential applicants and call for proposals will be published on the EIB website<sup>60</sup> and the dedicated IEE Programme website<sup>61</sup>. Additional publicity will be sought through specific communication channels (for example the Covenant of Mayors website<sup>62</sup> or ManagEnergy website<sup>63</sup>) and via the national contact points set up by the countries participating in the IEE Programme.

Furthermore the EIB shall ensure that all information materials will indicate clearly the financial support is provided within the framework of the IEE Programme. The EIB will share its experience, and commit to facilitate know-how transfer through the distribution of information and participation in events relevant for the Project Development Services, in particular relating to the Covenant of Mayors, when appropriate. The EIB shall also ensure that all Final Beneficiaries are made aware of the financial support, either in the contract with the Final Beneficiary, or in a cover letter accompanying that contract, by inserting the following sentence in the relevant EU language "This financing benefits from a grant under the Intelligent Energy Europe Programme".

Final Beneficiaries of Project Development Services will be asked to share information and experience as well as facilitate dissemination of the results as long as this does not conflict with Intellectual Property Rights.

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

### **8.1 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

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<sup>60</sup> <http://www.eib.org/>

<sup>61</sup> <http://ec.europa.eu/energy/intelligent/>

<sup>62</sup> <http://www.eumayors.eu/>

<sup>63</sup> <http://www.managenergy.net/>

appropriate. Beneficiaries must undertake 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.

## **8.2 Monitoring and evaluation of the Programme**

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

Final evaluation of the Programme will be finalised 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 2010 (IEE OPERATIONAL BUDGET, INCLUDING ALL METHODS OF IMPLEMENTATION)**

### **9. OBJECTIVES**

#### **9.1 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.

#### **9.2 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 European Union 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 EU level.

## 10. PROMOTION AND DISSEMINATION PROJECTS

### 10.1. 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.

The European Union has committed itself to saving 20% of its primary energy consumption compared to projections for 2020. In 2006, at an oil price of 60\$ per barrel, the EU Energy Efficiency Action Plan showed that this objective was equivalent to annual fuel savings worth EUR 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 the existing large potential for energy savings by improving energy efficiency and rational use of energy resources, in particular in buildings, products and industry. Activities to promote energy efficiency in transport are covered separately under STEER.

Activities under SAVE may facilitate optimum implementation of legislation relating to energy efficiency, 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.

This year's focus is on actions to support the revised energy efficiency legislation and to contribute to the implementation of EU Energy Efficiency Action Plan and the preparation of its revision.

In 2010 SAVE will cover two following Key Actions:

**Energy-efficient buildings:** for actions raising the energy performance of buildings, in particular in the existing stock, where the cost-effective savings potential is estimated to be around 28% by 2020.

**Consumer behaviour:** for actions that raise the energy efficiency awareness of consumers.

#### 10.1.1 SAVE – Energy-efficient buildings

Actions to improve the operational efficiency of non-residential buildings. This could include low-or-no-cost measures, effective commissioning or better operation and maintenance. Alternatively, actions to improve energy management in multi-residential buildings (e.g. co-ownership properties, managed housing stock) will also be considered. Priority will be given to actions demonstrating active engagement of market multipliers (e.g. associations, federations) and high impact.

*Indicators:*

- Primary energy savings / CO<sub>2</sub> reductions achieved during the action
- Number of people targeted during the action

- Additional number of people which have been indirectly impacted during the action

### **10.1.2 SAVE – Consumer behaviour**

Actions helping consumers choose the most energy efficient products among those covered under the Eco-design Directive (e.g. household appliances, windows, lighting etc.) as well as actions directly raising awareness among various groups of individual consumers for issues covered for instance by Energy Services Directive (e.g. advanced metering and informative billing) or the Energy Performance of Buildings Directive. This includes large-scale awareness campaigns, market surveillance activities, and actions publicising the "top runners" in various product groups, campaigns tailored for specific social groups, etc. Campaigns should be built on the needs and desires of consumers and include a careful evaluation phase (social marketing approach). They should be jointly supported by consumer organisations and environmental NGOs, industry, retailers and competent regulatory authorities whilst being independent of special interests, whether private or national.

*Indicators:*

- Primary energy savings / CO<sub>2</sub> reductions achieved during the action
- Number of people targeted during the action
- Additional number of people which have been indirectly impacted during the action

### **10.2. ALTENER: NEW AND RENEWABLE ENERGY 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 energy for transport without adding to greenhouse gas emissions and climate change. RES are becoming more competitive, and policies supporting the use of RES are making manufacture and supply of RE technologies and production of bioenergy sources (solid, gaseous and liquid) more attractive as business opportunities. Actions supported under ALTENER should build on existing EU policies and legislation and help to increase the use of RES in the EU.

The new RES Directive sets an overall binding target of a 20% share of renewable energy sources in energy consumption with binding national targets by 2020 in line with the overall EU target of 20% and a 10% binding minimum target for renewable fuels in transport to be achieved by each Member State.

The new RES Directive makes recommendations for specific actions to be taken by public and private sector actors across the EU and puts in place a number of legal obligations, which require the Member States to implement policies and support measures aiming to increase the use of renewable energies at national, regional and local levels.

The focus of ALTENER in 2010 will be on actions which contribute to the implementation of the new RES Directive.



### **10.2.1. ALTENER - RES electricity**

Actions supporting the integration of renewable electricity (including CHP) into the market and the grid, in particular by bringing forward solutions to streamline and integrate authorisation and grid connection procedures (including grid extension and reinforcement). This comprises also actions that would facilitate improved authorisation procedures, like forward-looking and integrated planning as well as moderation of competing stakeholder interests and concerns such as environmental impacts. Moreover, strategic actions to analyse and monitor policies, markets, costs and benefits of renewable electricity, possibly extended to other renewable energy sectors where appropriate and necessary.

#### *Indicators:*

- Additional RES installations triggered during and after the action (MWh per year of new RE supplies)
- Number of Member States/regions/municipalities in which authorisation procedures (licenses, permits and grid connection procedures) have been revised / modified or applications have been un-blocked due to the project, compared with the total number of Member States/regions/municipalities addressed
- Evidence that specific project outcomes have influenced strategies, policy developments or implementation

### **10.2.2. ALTENER – RES in buildings**

Actions which accelerate the deployment of biomass, geothermal, and/or solar (thermal or PV) systems for heating, cooling and electricity in energy efficient buildings, including the use of renewable energy building codes or ordinances, conditions for grid access, measurement and payment, training the personnel of local / regional authorities, and the provision to all relevant actors of information on support measures and on the benefits, costs, and efficiency of RES systems and equipment. The focus should be on the installation of many individual RES systems in groups of buildings to facilitate economies of scale or on using centralised RES solutions in district heating / cooling systems. Actions should preferably be led by public authorities (planners and energy specialists working together), or by organisations from the building sector, such as construction companies, architects, developers, housing associations, or energy service companies aiming to invest in RES systems.

#### *Indicators*

- Additional RES installations triggered during and after the action (MWh per year of new RE supplies)
- Voluntary commitments by important market actors to install RES in new / refurbished buildings after the end of the action (MW per year, kW per m<sup>2</sup>)
- Evidence that specific project outcomes have influenced the introduction or implementation of new plans, building codes or ordinances.

### 10.2.3 ALTENER – Bioenergy

Actions bringing untapped bio-resources onto the energy market. Such actions include supporting the implementation of local/regional bioenergy plans, stimulating investments & business agreements in sustainable bioenergy supply chains (including solid biomass, biogas and liquid biofuels), supporting strategic initiatives to promote quality, standards & sustainability schemes for bioenergy products, or encouraging biogas injection into gas grids or use as transport fuel – including streamlining procedures for grid connection and quality monitoring.

#### *Indicators*

- Additional sustainable biomass, biofuels and biogas put onto the market during and after the action (MWh or Mtoe per year). Investment mobilised during and after the action (EUR) and associated leverage effect.
- Number of new actors influenced by the project to apply standards, quality & sustainability schemes; volume of additional bioenergy involved.
- Evidence that specific project activities / outcomes have influenced policies, rules or procedures.

### 10.3. STEER: ENERGY IN TRANSPORT

Transport is the fastest growing sector in terms of energy use. It is therefore essential to tap the potential for energy-efficiency gains in this sector. 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. Investments in the economically recovering new Member States in particular offer important opportunities to promote a paradigm shift towards low carbon transport and a new, more sustainable mobility culture.

STEER supports 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 EU Energy Efficiency Action Plan, in the Green Paper “Towards a new culture for urban mobility”, in the Action Plan on Urban Mobility, in the Directive on the promotion of clean and energy efficient road transport vehicles, in the Communication on “Moving forward together on energy efficiency”, and in the general framework of the European policy on energy . Projects should build on tried-and-tested strategies and technologies and aim at achieving energy savings by removing the non-technological market barriers to wider application thereof.

Priority will be given to projects which go beyond raising the awareness of individual citizens, householders and decision-makers and actually achieve measurable changes in behaviour. 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 proven, transferable strategies and technologies. Priority will also be given to capacity building and training of practitioners and officials whose daily work has an impact on take-up of energy-efficient transport strategies, schemes and alternative fuels.

Transport of goods and people are both addressed. However, actions aimed specifically at shifting freight from road to short-sea shipping, rail and inland waterways, which can be supported by the Marco Polo II Programme<sup>64</sup> will not be funded.

Most objectives of the Work Programme 2009 remain valid for the Work Programme 2010. The priorities for the Key Action on energy-efficient transport have been focussed on a limited number of policy priorities. The priorities for the Key Action on capacity-building and learning have been redefined and extended.

In 2010 STEER will cover two following Key Actions:

- **Energy-efficient transport:** projects which address energy-efficient transport should contribute to extending and widening the potential range of users and accelerate the take-up and transfer of best practice. Projects should tap the potential of the various modes and the 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.
- **Capacity-building and learning on energy aspects of transport:** the aim of this priority is to promote education and learning and the integration of activities related to energy aspects of transport in local and regional agencies that are active in the field of energy, mobility, environment or development. Note that this Key Action does not cover the establishment of mobility centres or agencies.

### 10.3.1. STEER -Energy-efficient transport

#### *General objectives*

- To encourage a shift of passengers and/or freight to less energy-intensive modes and to increase the energy efficiency of the entire mobility chain.
- To reduce demand for transport.
- 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.
- To transfer, apply and promote widely proven best practice, strategies and technologies.

Participants are particularly encouraged to take into account societal changes, demographic developments and health issues with an integrated approach towards the use of different transport modes. Integrating multi-stakeholder processes will be seen as an advantage.

#### *Priorities for action in 2010*

- Increase the energy efficiency of freight distribution, for example by developing coordination, management and information schemes in actions coordinated between

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<sup>64</sup> Regulation (EC) No 1692/2006 of the European Parliament and of the Council of 24 October 2006 establishing the second Marco Polo programme for the granting of Community financial assistance to improve the environmental performance of the freight transport system (Marco Polo II) and repealing Regulation (EC) No 1382/2003.

administrators and stakeholders, such as fleet operators, distributors, retailers and customers.

- Support the development of energy-efficient driving schemes and their broad implementation, aiming at all categories of drivers.
- Promote, based upon common approaches, the auditing and certification of integrated urban mobility policies and plans, including Europe-wide information exchange to share experiences and best practices.
- Promote safe walking and safe cycling, for example by integrated planning approaches and awareness raising campaigns for sustainable mobility behaviour.

#### *Indicators*

- Use of results of IEE projects in policymaking related to energy-efficient transport
- Links between results of IEE projects and changes in modal split
- Reduced energy consumption in passenger and freight transport as a result of IEE projects
- Number of drivers involved in energy-efficient driving activities
- Number of new partnerships established between experienced and less experienced stakeholders

### **10.3.2 STEER - Capacity-building and learning on energy aspects of transport**

#### *General objectives*

- To improve the knowledge of future and current practitioners, officials and experts on energy aspects of transport
- To increase the activity of local and regional agencies on energy aspects of transport
- To integrate services related to energy and transport in the portfolio of local and regional agencies

#### *Priorities for action in 2010*

- Promote mutual learning of practitioners, employees of regulating and administrative bodies or experts through staff exchanges (e.g. “shadowing” an experienced colleague, on-the-job training or internships).
- Support to teaching at academic level through networking of educational institutions, staff exchanges, joint seminars, joint site visits, and the development of joint teaching and information material.
- Training and capacity-building for staff of existing local and regional agencies, using existing training material.

- Initiatives to encourage existing local and regional agencies to offer new services related to energy aspects of transport, aiming at a long-term structural integration of such services into the activities of the agencies involved.

#### *Indicators*

- Number of staff-exchange and academic programmes implemented and number of staff involved
- Number of empowered practitioners, employees, experts and staff with enhanced skills related to energy aspects of transport
- Abilities and skills of staff of agencies in the area of energy efficiency in transport, alternative fuels and clean vehicles
- Business plans for the continuation of transport-related services offered by the agencies after completion of the project
- Number of staff assigned to and new services offered related to energy aspects of transport offered by the agencies

### **10.4. INTEGRATED INITIATIVES**

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

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

#### **10.4.1. Local energy leadership**

Sustainable energy management and GHG emissions mitigation actions on regional and local level are key elements for sound implementation of EU energy policy. Furthermore, they provide an opportunity to tackle the current financial and economic crisis through maintaining local jobs and growth, paving the way towards low-carbon economy. In recent years, local and regional authorities have responded with unprecedented dynamics to the global challenges and demonstrated their willingness to implement sound local energy and climate policies. Through the Covenant of Mayors, more than 900 cities and 22 provinces and/or regions (as of November 2009) have demonstrated their commitment to tackle the climate change in a coherent way. Nevertheless, lack of technical and financial capacity remain among the most important barriers for quick and large-scale uptake of sustainable energy measures.

This initiative aims to add value to local actions by supporting joint activities involving public authorities, local or regional energy agencies, local financial institutions and multipliers like chambers of commerce, associations of professionals, or consumer groups, with main objective to strengthen the technical and financial capacities of local authorities in the field of sustainable energy planning and implementation.

### *General objectives*

- To enhance and implement the direct exchange of experience and expertise in sustainable energy management at local level between local authorities in various stages of development, in order to provide for capacity building stemming from practical experience. The "learning" communities must be supported by more experienced communities which are willing to help them by capacity building to develop and implement their Sustainable Energy Action Plans (SEAPs). Each proposal must demonstrate how "learning" communities will institutionalise sustainable energy policies in their operations by effective capacity building (e.g. shadowing or staff exchanges).
- To enhance collaboration between local / regional authorities and their networks in different countries, that plan to strengthen their promotion of sustainable energy by sharing information and experience, for example: by means of common or simultaneous activities across the EU (e.g. activities linked to the Covenant of Mayors, energy weeks or international campaigns).

### *Eligible actions:*

- Large-scale networking and capacity building activities, developed and implemented by the international and national networks of local authorities including the Covenant of Mayors' Supporting Structures, in co-operation with local municipal experts, aimed to improve the practical implementation of sustainable energy policies at local level, based on stakeholders participation.
- Actions targeting direct exchange of experience and meaningful capacity building between experienced local authorities and 'learning' local authorities demonstrating the institutionalisation of sustainable energy policies into their operations. As a result, effective development and implementation of SEAPs must be ensured in 'learning' local authorities during the project's lifetime. Particular emphasis is given to maintain the good geographical balance, i.e. between 'old' and 'new' EU Member states. This action is targeting individual local authorities getting together, rather than large scale networking actions managed and implemented by networks.

### *Indicators:*

- Number of local / regional jobs created/maintained in the sustainable energy sector.
- Number of local authorities' staff and other target groups impacted by the capacity building and networking activities
- Number of new Sustainable Energy Action plans delivered
- Increase in local / regional GDP / local business activity, as a results of implementation of SEAPs.
- Tons of CO<sub>2</sub> equivalent reductions, energy savings reached and renewable energy capacity installed during the projects duration and results expected during the SEAPs duration.

#### **10.4.2. Strengthening Capacities for Financing EE and RES in Housing**

The amendment to Article 7 of the Regulation No. 1080/2006 on the European Regional Development Fund as regards the eligibility of energy efficiency and renewable energy investments in housing has provided an opportunity for using of up to 4% of ERDF allocation per Member State for sustainable energy measures targeting the buildings sector. In order to exploit this new opportunity, competent national/regional authorities as well as Structural funds management authorities, financing institutions and local authorities need to co-operate together in order to develop locally suitable financing schemes that would address the enormous potential of energy efficiency and renewable energy in buildings.

##### *General objectives*

- To create sustainable and long-term national/regional financing mechanisms (i.e. revolving funds) and with this strengthen the capacity in financial engineering of energy efficiency and/or small scale renewable energy investments in the housing sector.
- To improve effectiveness of using ERDF funding and other public and private sources of funding for investments in energy efficiency and small scale renewables in buildings. (e.g. by reducing the administration costs)

##### *Priorities for action in 2010*

- Development and implementation of tailor made financial schemes, preferably revolving funds such as recently set up in Estonia, aimed to improve the energy performance of buildings and to facilitate the achievement of the 4% ERDF allocation objective for the housing sector. As further element those actions could also include transfers of best practice, exchanges of staff and other technical assistance of practical nature. Actions must be led by authorities committed to set up and/or run the financial schemes. Priority is given to actions led by regional or national public authorities with management competences on the ERDF implementation. Active engagement of financial institutions and local authorities is seen as a key issue. Particular attention should be given to innovative financial mechanisms, i.e. combining subsidy and loan components.

##### *Indicators:*

- Number of successfully implemented new national/regional financial schemes (revolving funds), partly financed by ERDF
- Number of experts (both in competent authorities and in banking sector) impacted by the capacity building activities

## **11. MARKET REPLICATION PROJECTS**

### **11.1. Project Development Services for Energy Efficiency and Renewable Energy Projects in Municipalities and Regions - European Local Energy Assistance (ELENA Facility)**

In 2009 the Commission has developed jointly with the EIB the ELENA Facility, which helps to overcome barriers in the large scale replication of local energy efficiency and renewable

energy projects. The Facility will be continued under the 2010 IEE Work Programme with the objectives described below.

### *General objectives*

The ELENA Facility was established in 2009 and provides Project Development Services, which are designed to support the generation of a flow of bankable projects in the field of greenhouse gas emission reduction, energy efficiency and renewable energy sources, by helping promoters to structure and implement projects.

Through ELENA, support will be given to local municipalities/regions to prepare and define bankable projects which will contribute to achieving and going beyond the objectives of the EU sustainable energy policy and to the implementation of their sustainable energy action plans such as those developed under the Covenant of Mayors Initiative<sup>65</sup>. Eligible projects will be selected by the EIB and submitted to the Commission for approval.

The support provided is intended to develop investment programmes and a minimum leverage factor of 25 must be achieved between the grant and the investment.

### *Priorities for action in 2010*

In 2010, the ELENA facility will continue support for EE and RES projects focusing on public buildings, urban transport and local infrastructure.

Support will be provided for the development of investment programmes within the following areas

- Public and private buildings, including social housing and street and traffic lighting, to support increased energy efficiency (such as refurbishment of buildings aimed at significantly decreasing energy consumption (both heat and electricity) – e.g. thermal insulation, efficient air conditioning and ventilation or efficient lighting);
- Integration of renewable energy sources (RES) into the built environment – e.g. solar photovoltaic (PV), solar thermal collectors, biomass, and geothermal;
- Investments into renovating, extending or building new district heating/cooling networks, based on high efficient combined heat and power (CHP) or renewable energy sources, as well as decentralised CHP systems (building or neighbourhood level).
- Urban transport to support increased energy efficiency and integration of renewable energy sources, e.g. high energy efficiency buses, including hybrid buses, electrical or low-carbon propulsion systems; investments to facilitate the introduction of electric cars, investments to introduce new more energy efficient solutions to improve freight logistics in urban areas.
- Local infrastructure including smart grids and information & communication technology infrastructure, for energy-efficiency, energy efficient urban equipment, inter-modal transport facilities and refuelling infrastructure for alternative fuel vehicles.

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<sup>65</sup> [http://ec.europa.eu/energy/sustainable/covenant\\_mayors\\_en.htm](http://ec.europa.eu/energy/sustainable/covenant_mayors_en.htm)



### *Key actors and target groups*

The main target groups will be Cities, Municipalities and Regions committed to achieving and going beyond the objectives of the EU sustainable energy policy, such as those under the framework of the Covenant of Mayors initiative. The key actors in project development will be local and regional energy actors (e.g. energy agencies or public project developers) as well as intermediate banks and housing associations. As the projects will be implemented at local and regional levels, local SMEs will be central to the physical implementation of the EE and RES investments.

### *Indicators*

- The number of bankable projects identified.
- Investment mobilised.
- The cumulative reductions of greenhouse gas emissions from the financed projects.
- The cumulative renewable energy production from the financed projects and contribution to the overall share of renewable energy in energy consumption achieved from the financed projects.
- The cumulative energy savings achieved from the financed projects.

## **12. CALLS FOR TENDERS**

### **12.1. Refinement of harmonised methods for measurement and verification of energy savings**

Estimated duration of the contract: 12 months

Indicative timetable: To be launched in the 4<sup>th</sup> quarter of 2010

Further refine the existing harmonised top-down and bottom-up measurement methodologies as required within the Energy end-use efficiency and energy services Directive 2006/32/EC enabling the expansion of the application of bottom-up measurement of energy efficiency in Member States. The top-down measurement methods would be further developed to measure energy savings for monitoring the progress made with overall energy efficiency policies and e.g. towards the achievement of the 20% energy saving objective by 2020.

### **12.2. Energy relevant data acquisition for the building sector in EU-27 (+ Candidate Countries) to support activities related to the Energy Performance of Buildings Directive and the BUILD UP initiative<sup>66</sup>**

Estimated duration of the contract: 18 months

Indicative timetable: To be launched in the 1<sup>st</sup> quarter of 2010

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<sup>66</sup> <http://www.buildup.eu/>

The recent Impact Assessment for the recast Energy Performance of Buildings Directive 2002/91/EC have shown that there is a lack of consistent EU-wide data on the buildings sector: number, size, categories, age and energy performance of buildings, last date of renovation, structure of their energy supply etc. All these information can currently not be found in official EUROSTAT data but are essential for calculating more in depth the energy consumption, emissions and saving potential and in order to effectively tailor forthcoming energy policy measures for this sector.

### **12.3. Operation, maintenance, improvement and popularisation of the BUILD UP interactive web portal**

Estimated duration of the contract: 3 years

Indicative timetable: To be launched in the 1<sup>st</sup> semester of 2010

With markets, technology and policy all developing in parallel, there is a need for flexibility, cooperation, networking and involvement of market actors from the building sector. The BUILD UP initiative aims to transfer best practices to the market and foster their uptake. Via its interactive web portal, it offers to building professionals, public authorities, umbrella organisations, home owners and tenants' access to a wide range of information on best practices, technologies and legislation for energy reduction in buildings supplied by the users themselves. The purpose of this tender is to operate, maintain, improve and popularise the BUILD UP web portal amongst its target groups.

### **12.4. Definition of common principles for a harmonised policy on "next generation" buildings**

Estimated duration of the contract: 10 months

Indicative timetable: To be launched in the 2<sup>nd</sup> quarter of 2010

Next generation buildings are highly efficient buildings with respect to energy consumption and greenhouse gas emissions. However, throughout the European Union, different views exist on the different elements to take into account in order to determine the efficiency of such a building. The study will address the questions on how to integrate district heating, renewables or local energy production and how to calculate emissions e.g. from electricity consumption. The answer to these and other questions is needed in order to provide the necessary background for future policy initiatives in this field.

### **12.5. Impact assessment of an energy saving obligation scheme on energy companies**

Estimated duration of the contract: 1 year

Indicative timetable: To be launched in the 1<sup>st</sup> quarter of 2010

The impact assessment should investigate a number of design options of a saving obligation placed on energy companies: obligation on ETS and non-ETS sector versus only non-ETS sector, obligation on regulated business and non-regulated businesses, obligation combined with trading, EU-wide scheme with different degrees of White Certificate trading, degrees of possible harmonisation with national systems with different degrees of trading or no trading options. The study should provide a quantitative analysis of the cost-benefits of different options and evaluate the regulatory changes needed to implement each of the option. It should

also analyse the interaction and possible linkages with emissions trading and renewable energies obligation, plus the possible linkages and interactions with similar or equivalent schemes at international level.

#### **12.6. Support for Energy Star impact assessment and market penetration survey**

Estimated duration of the contract: 2 years

Indicative timetable: To be launched in the 2<sup>nd</sup> quarter of 2010

It is expected that the agreement with the USA on coordinating the energy labelling of office equipment will be renewed for a period of 5 years. The Energy Star Programme provides for a common logo to be granted to those products that meet the energy efficiency performance criteria set by the US Environmental Protection Agency and the Commission. It is therefore important to monitor the evolution of the market for office equipment, in particular the level of energy efficiency performance on the market, with a view to:

- determining appropriate levels of energy efficiency for setting new technical specifications;
- obtaining valid indicators for when to start preparing new specifications.

A tender for assessing (over 3 years) the market penetration of energy-efficient office equipment should provide the EC Energy Star Board (ECESB) and the Commission with indicators and statistical information to help manage the Energy Star Programme in the EU so as to exploit the energy-saving potential available in this sector.

#### **12.7. Support for Ecodesign impact assessments (laundry driers, vacuum cleaners, solid fuel small combustion installation, and lighting)**

Estimated duration of the contract: 2 years

Indicative timetable: to be launched in the 2<sup>nd</sup> quarter of 2010

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 2010-2011.

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 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 impact assessments.

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

#### **12.8. Preparatory studies for implementing measures of the Ecodesign Directive 2005/32/EC (servers, uninterruptible power supplies (UPS), pumps - waste water chemical swimming pool, variable speed drives (VSDs), compressors)**

Estimated duration of the contract: 2 years

Indicative timetable: To be launched in the 2<sup>nd</sup> quarter of 2010

These studies are intended to provide the analysis required considering whether and which eco-design requirements are justified within the framework established by the Ecodesign Directive 2005/32/EC. Preparatory technical and economic studies should identify the potential for improving the environmental aspects of a number of energy-using products — including in particular energy consumption — and the associated costs and benefits of measures to reduce their environmental impact.

Each product study/lot will:

- analyse the market for, and the environmental impact of, the products, possible improvements and their cost and feasibility,
- collect other information needed (e.g. in view of the impact assessment) to prepare possible implementing measures, and
- ensure that stakeholders are involved.

#### **12.9. Study on the correction factors used for the calculation of the energy efficiency index of household refrigerating appliances as agreed in Regulatory Committee**

Estimated duration of the contract: 12 months

Indicative timetable: To be launched in the 2<sup>nd</sup> quarter of 2010

This study aims at reviewing the correction factors which are set in Annex IV of Regulation (EC) No 661/2009<sup>67</sup> with regards to ecodesign for household refrigerating appliances and Annex V of Directive 94/2/EC<sup>68</sup> with regard to energy labelling of household electric refrigerators, freezers and their combinations, for the calculation of the energy efficiency index. Since the energy efficiency index is used to define the energy consumption minimum requirements as well as the energy classes of household refrigerating appliances, there is a need to assess the relevance and validity of the correction factors.

#### **12.10. Study on the labelling options (scope of environmental impacts to be covered, instruments to be used)**

Estimated duration of the contract: 12 months

Indicative timetable: To be launched in the 3<sup>rd</sup> quarter of 2010

The study will analyse the feasibility and relevance of informing consumers in an effective way on the environmental impacts of products throughout their lifecycle. The success of the Energy Label (as provided by Directive 1992/75/EEC) in transforming the market towards more efficient products is due to the fact that it provides consumers with meaningful, comparable and easy-to-understand information. In addition to the information on the energy efficiency of a product it allows also the inclusion in the label of other aspects relevant for

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<sup>67</sup> Regulation (EC) No 643/2009 implementing Directive 2005/32/EC of the European Parliament and of the Council with regard to ecodesign requirements for household refrigerating appliances.

<sup>68</sup> Commission Directive 94/2/EC of 21 January 1994 implementing Council Directive 92/75/EEC with regard to energy labelling of household electric refrigerators, freezers and their combinations.

consumers such as water consumption or noise during use. The extension of the scope of Directive 1992/75/EEC to energy-related products as well as recent work of some Member States on 'carbon labelling' calls for an analysis of how information on other life cycle phases of a product than the use phase as well as additional environmental impacts could be factored into the Energy Label. This analysis will also draw conclusions from other existing labelling schemes. Special attention will need to be paid to such aspects as effectiveness and relevance of the information, respect of trade rules, measurability and verifiability, allowing for fair comparison between products.

#### **12.11. Information and fuel savings calculator on tyre labelling**

Estimated duration of the contract: 2 years

Indicative timetable: To be launched in the 2<sup>nd</sup> quarter of 2010

The aim is to develop easy to understand explanations on tyre labelling directed at end-users as well as retailers and make it available on the EC.Europa website. Information should be given explaining each component of the label, namely fuel efficiency, wet grip and external rolling noise, and their relevance. A fuel savings calculator should also be developed and made available on the same website that would estimate the relative fuel and related CO<sub>2</sub> savings potential for each fuel efficiency class on the A to G scale. The fuel savings calculator should be developed in particular in coordination with consumer organisation and tyre manufacturers for C1, C2 and C3 tyres.

#### **12.12. Renewable energy best practice and implementation of national action plans**

Estimated duration of the contract: 12 months

Indicative timetable: To be launched in the 2<sup>nd</sup> quarter of 2010

Evaluation of the technical and statistical content and consistency of the National Renewable Energy Action Plans prepared by Member States and notified to the Commission by the 30 June 2010. These Action Plans have to describe national strategy to implement Directive 2009/28/EC proving consistency with national and European renewable energy targets.

#### **12.13. Technical assistance in preparation of the report on the effectiveness of sustainability criteria reporting system for economic operators and feasibility of introducing mandatory requirements on air, soil, water protection**

Estimated duration of the contract: 12 months

Indicative timetable: To be launched in the 4<sup>th</sup> quarter of 2010

Directive 2009/28/EC, Article 18 (9)b requires the Commission to report on whether it is feasible and appropriate to introduce mandatory requirements in relation to air, soil or water protection, taking into account the latest scientific evidence and the EU's international obligations. The study will be input for this report.

#### **12.14. Technical assistance in preparation of the 2012 report on the operation of Mass balance verification method and potential to allow other verification methods**

Estimated duration of the contract: 9 months

Indicative timetable: To be launched in the 3<sup>rd</sup> quarter of 2010

Input for the report due in March 2012. The Directive (2009/28/EC) requires the Commission to deliver a report to the Parliament and the Council in 2012 on the operation of the mass balance verification system. The report shall include an assessment of other verification methods, as well as an evaluation of the mass verification system already put in place by the Commission

#### **12.15. Development of guidelines on heat pump accounting**

Estimated duration of the contract: 9 months

Indicative timetable: To be launched in the 2<sup>nd</sup> quarter of 2010

Under Directive 2009/28/EC the Commission shall by 1 January 2013 establish guidelines on how Member States are to estimate certain parameters that are necessary to estimate the contribution of heat pumps to the achievement of the 2020 targets. In a declaration to the Council minutes the Commission committed itself to accelerate this work and seek to finalise it by 2011. The guidelines should address how to estimate the values of Qusable and SPF (Seasonal Performance Factor) for the different heat pump technologies and applications, taking into consideration differences in climatic conditions, especially very cold climates. The works should build on work already being undertaken in cooperation with Eurostat, industry and Member States' statistical agencies.

#### **12.16. Assessment for recognition of voluntary sustainability schemes**

Estimated duration of the contract: 3 years

Indicative timetable: To be launched in the 1st quarter of 2010

Directive 2009/28/EC on renewable energy, contains a sustainability regime for biofuels and bioliquids. The relevant legislations introduce a possibility for economic operators to make use of voluntary national or international schemes to prove compliance with this regime.

Such voluntary schemes can be recognised by the Commission as covering the requirements of the sustainability regime. The Commission will assess voluntary schemes before proposing to recognise them through a comitology process leading to a Commission decision. The assessment will need to focus on the chain of custody, the greenhouse gas (GHG) savings, the land use criteria, the verification methods and the operational procedures. The Commission will outsource the work of assessing these voluntary sustainability schemes.

#### **12.17. Assessment on the scenarios to meet the renewable energy in transport target based on the National Renewable Energy Action Plans**

Estimated duration of the contract: 3 years

Indicative timetable: To be launched in the 3<sup>rd</sup> quarter of 2010

Under Directive 2009/28/EC (the Renewable Energy Sources Directive), each Member State shall adopt a national renewable energy action (REAP) plan and notify it to the Commission by June 2010. This REAP shall set out notably adequate measures to be taken to achieve the Member State's national target for the share of energy from renewable sources consumed in

transport. The Commission shall evaluate each Member State's REAP, notably the adequacy of the measures designed to reach the transport target, and, on the basis of this evaluation, may issue a recommendation.

#### **12.18. Creation and maintenance of a database on Member States' RES policies**

Estimated duration of the contract: 3 years

Indicative timetable: To be launched in the 3<sup>rd</sup> quarter of 2010

The Commission has to follow up the implementation of the RES Directive and the adoption of new national RES policies. The database which would be updated on a continuous basis would support the Commission's monitoring responsibility as well as serve as a publicly available information source.

#### **12.19. Development of renewable energy scenario analysis capability and economic modelling**

Estimated duration of the contract: 2 years

Indicative timetable: To be launched in the 3<sup>rd</sup> quarter of 2010

Ongoing analysis and future planning of renewable energy policy requires sound quantitative analysis. This tender would build on existing economic modelling and scenario analysis to look further at the 2050 horizon and structure of the European energy sector, in line with initiatives in the 2010 work programme of DG TREN.

#### **12.20. Assistance/analysis regarding large-scale integration of renewable energy in Europe's future energy system**

Estimated duration of the contract: 12 months

Indicative timetable: To be launched in the 4<sup>th</sup> quarter of 2010

In the Second Strategic Energy Review the Commission announced its intention to facilitate the development of a blueprint for a North Sea offshore grid as one of the building blocks of a future European electricity supergrid.

It is planned that the blueprint will be the subject of a Commission Communication in 2010. This Communication may identify further actions that need to be taken and further analysis to be carried out, and one aim of this contract will be to assist the Commission services in doing so, where necessary. More generally, the aim of the contract is to assist the Commission in assessing the need for and preparing further actions to facilitate the large scale integration of renewable energy in Europe's energy system, in view of defining and implementing the new Commission's agenda for the long term (2050) transformation of the energy system.

#### **12.21. Europe-wide awareness campaign on sustainable urban mobility**

Estimated duration of the contract: 3 years

Indicative timetable: To be launched in the 2<sup>nd</sup> quarter of 2010

The Commission's recently adopted Action Plan on Urban Mobility<sup>69</sup> explains the need for an integrated policy approach and stresses the important role that awareness-raising campaigns play in the creation of a new culture for urban mobility. The 2008 Communication on energy efficiency<sup>70</sup> highlights that regional and local authorities have a crucial role to play in carrying out energy efficiency policies in all sectors.

The aim of this tender is to select a professional stakeholder-partnership which can provide EU-level co-ordination, and bring in co-funding, for the implementation of a coordinated package of citizens-targeted, local and regional awareness campaigns on low carbon, sustainable mobility across Europe's urban areas. In order to have a maximum citizen's visibility and media impact, the campaigns should be organised in co-ordination with and adding value to the annual European Mobility Week, which takes place every year in September<sup>71</sup>.

A campaign plan, including a corporate identity, should be developed in co-operation with the European Mobility Week organisers. The establishment of an award scheme to encourage the adoption of sustainable urban mobility plans should also be part of the initiative. Every year another campaign theme will be chosen. This will be done in close coordination with the European Mobility Week organisers. The annual campaign theme should be in line with EU policy priorities in the climate change, energy, transport and environment.

## **12.22. Support services for the Covenant of Mayors**

Estimated duration of the contract: 3 years

Indicative timetable: To be launched in the 4<sup>th</sup> quarter of 2010.

The Covenant of Mayors has been launched in line with EU Energy Efficiency Action Plan, in 2008. It is an unconditional and voluntary commitment by signatory towns and cities to go beyond the objectives of EU energy policy (decrease of CO<sub>2</sub> emissions at least by 20% by 2020) in terms of reduction in CO<sub>2</sub> emissions through enhanced energy efficiency and cleaner energy production and use. To justify this, Covenant signatories (cities, municipalities, provinces or regions) commit:

- to develop and implement the Sustainable Energy Action Plans (SEAP) within 1 year following the signature. The Action plans shall include the analysis of current energy consumption in relevant sectors (buildings, urban transport, local energy infrastructure etc), CO<sub>2</sub> emissions inventory, outline of measures and actions to be implemented and their expected outcomes in terms of energy and CO<sub>2</sub> emissions savings.
- to inform the Commission on progress of the SEAP implementation, through the monitoring reports, to be submitted every 2 years after submission of the SEAP
- to accept the right of scrutiny and exclusion of the city in case of non-compliance

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<sup>69</sup> Communication from the Commission: Action Plan on Urban Mobility. COM (2009)490

<sup>70</sup> Energy efficiency: delivering the 20% target. COM(2008) 772

<sup>71</sup> The organisation of the European Mobility Week is co-ordinated through a separate European Commission grant.



So far, more than 1200 cities have joined the Covenant and likely more than 1500 cities will join by mid 2010. This unprecedented success requires extension and strengthening of services provided by the Commission to the Covenant signatories and supporting structures, as current contract was designed for up to 150 cities. The services to be covered by a new tender are:

- ensuring of operation and increase of technical and administrative capacity of the Covenant of Mayors Office
- negotiations, liaison and co-ordination of Covenant supporting structures
- operation of help desk and direct assistance to participating cities
- extension, development and management of the web site and other communication tools
- organization of 3 annual Covenant of Mayors Ceremonies
- capacity building and networking with relevant stakeholders.

#### **12.23. Fostering and optimizing use of Structural and Cohesion Funds for sustainable energy projects**

Estimated duration of the contract: 9 months

Indicative timetable: To be launched in the 1<sup>st</sup> quarter of 2010

Energy efficiency and renewable energy projects contribute to a better environment, improved competitiveness, more jobs, and overall economic growth, therefore it is important to optimise and increase where justified the share of the cohesion policy funding in this area. It should be noted that, based on the recent amendment of the ERDF regulation, expenditure on energy efficiency improvements and on the use of renewable energies in existing housing sector for all MS is eligible up to a maximum 4% of the total ERDF allocation.

This work will aim at identifying the good practices and facilitating the exchange of materials, documents and experience among the Managing Authorities, who sometimes lack awareness and know-how to organise an efficient take up of sustainable energy from the market (public and private entities).

#### **12.24. Dissemination of the results and promotion of the IEE Programme**

The services required will help the EACI and the Commission to promote the IEE Programme with particular focus on the co-funding opportunities, results and achievements of the projects and various initiatives supported by the programme. They will include a range of targeted tools and channels, such as audiovisual productions, websites, events, media work, publications, including the topical database of the results from the finished as well as on-going projects and actions supported by the programme.

#### **12.25. Final evaluation of the Intelligent Energy – Europe II Programme within the Competitiveness and Innovation Framework Programme**

Estimated duration of the contract: 10 months

Indicative timetable: To be launched in the 2<sup>nd</sup> quarter of 2010.

Art 8 of the CIP Decision states that the final evaluations of the specific programmes must be arranged in such a way that their results can be taken into account in the final evaluation of the Framework Programme (which must be completed by 31 December 2011). The final evaluations of the specific programmes and the necessary budgetary allocations shall be included in the respective annual work programmes.

Such evaluation shall examine issues such as relevance, coherence and synergies, effectiveness, efficiency, sustainability, utility and, where possible and appropriate, distribution of funding with regard to sectors. The final evaluation shall adopt appropriate methodologies to measure the impact of the IEE Programme, against its objectives.

### **13. CONCERTED ACTIONS**

#### **13.1. Concerted Action supporting transposition and implementation of Directive 2002/91/EC of the European Parliament and of the Council and its proposed recast (CA EPDB III)**

CA EPDB III is the continuation of the concerted action CA EPBD, the 1<sup>st</sup> phase of which ran from January 2005 to June 2007<sup>72</sup> and currently continues as CA EPBD II since December 2007 until November 2010<sup>73</sup>. Both, the participating Member States and the Commission consider this action as very valuable tool for exchange of experiences. A further continuation for a maximum of 5 years, starting from January 2011, is proposed to valorise the experiences gained from implementation of Directive 2002/91/EC and in view of new requirements introduced by the proposed recast of the Directive (COM(2008)780).

In detail, CA EPBD III covers seven central topics (pending the final outcome of the negotiation of the EPBD recast):

1. Certification schemes – implementation measures related to Article 7 of Directive 2002/91/EC and Articles 10-12 of the proposed recast of the Directive;
2. Inspection of heating and air-conditioning systems – relating to Articles 8 and 9 of the Directive and Articles 13-15 of the proposed recast of the Directive;
3. Training of experts and inspectors – relating to Article 10 of the Directive 2002/91/EC and Article 16 of the proposed recast of the Directive;
4. Energy performance requirements – relating to Articles 4-6 of the Directive 2002/91/EC and Articles 4-8 of the proposed recast of the Directive;
5. High performance buildings / Low-zero energy and carbon buildings – questions to Article 9 of the proposed recast of the Directive;
6. Compliance and control of EP requirements and certification system / Independent control system– questions related to Article 17 of the proposed recast of the Directive;

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<sup>72</sup> awarded by Decision C(2004)4539 of 3.12.2004

<sup>73</sup> awarded by Decision C(2007)1388 of 23.3.2007

7. Effectiveness of support initiatives– relating to Article 12 of the Directive and to Articles 9 and 19 of the proposed recast of the Directive.

For each of these topics, issues are addressed on which the Directive does not require harmonised national implementation but where harmonised, coordinated implementation would increase the impact of the Directive and reduce the implementing costs.

Further details are provided in Appendix A.

### **13.2. Concerted action supporting the transposition and implementation of directive 2009/28/EC on the promotion of the use of energy from renewable energy sources (RES Directive)**

Directive 2009/28/EC on the promotion of the use of energy from renewable energy sources (RES) was adopted on April 23, 2009 and must be transposed by the Member States by December 5, 2010. The aim of the RES Directive is to establish a common framework for the promotion of renewable energy in the European Union.

The RES Directive sets mandatory national targets for the overall share of energy from RES, requires the preparation and notification of National Renewable Energy Action Plans, introduces enabling measures and cooperation mechanisms for an efficient way of target achievement and sets sustainability criteria for biofuels and bioliquids; measures that will contribute to increase the market share of RES in the EU Member States. Given the complexity and variety of the issues addressed by the RES Directive and the significance of the challenges associated to these topics, there is a need for establishing mechanisms that support its implementation in the Member States. Specifically, this implementation will substantially benefit from a structured dialogue between the Members States and from initiatives for development of common approaches and solutions.

The concerted action (CA) will aim at supporting this implementation of the RES Directive and the achievement of the national targets. Specifically, it will provide a forum for structured discussions and cross learning between Member States. This exchange of views, approaches and experiences concentrates on key requirements of the Directive according to the needs of Member States and the European Commission. While the Directive must be transposed by the EU 27 Member States, the CA is also open to other countries which participate in the IEE programme and may adopt the Directive in a later stage.

The CA will aim at identifying and disseminating good-practice on RES policy implementation and will put emphasis on topics that require common approaches and that will benefit from coordination between the MS. The CA will address a number of aspects including cooperation mechanisms, implementation of the national renewable action plans (NREAPs), methodologies for the calculation of renewable energy shares, integration of RES supplies into electricity and gas grids, removal of administrative barriers and incorporation of RES into planning processes, reducing information and training gaps, sustainability of biofuels, and biomass mobilisation.

For details regarding this concerted action, its duration and the nominated organisations see Appendix B.

#### **14. THE BUILDING WORKFORCE TRAINING AND QUALIFICATION INITIATIVE IN THE FIELD OF ENERGY EFFICIENCY AND RENEWABLE ENERGY – PREPARATORY PHASE**

Demand for energy efficient and low emissions buildings is steadily growing and will likely increase further as a response to recent EU energy policy developments<sup>74</sup> putting buildings as priority for action. Technical expertise is a prerequisite in the building sector but lack of dedicated education and training has been highlighted as one of the main barriers to a higher penetration of more energy efficient buildings including the use of renewable energy sources and for a successful implementation of the Energy Performance of Buildings Directive.

Without adequate numbers of trained personnel working in the building sector, European Union will not succeed in achieving its goals in energy efficiency. But training is necessary not only to support our energy efficiency goals, but to provide thousands of jobs across Europe. Consider for example the thermal refurbishment of buildings; if the highest energy standards are applied, the employment will be 1 million man-years by 2030 (10% of EU employment in the sector)<sup>75</sup>.

The construction sector accounts for around 10% of total EU 27 GDP, and employs over 16 million people. The sector is characterised by a high number of SMEs with over 95% of the nearly 3 million enterprises having less than 20 employees. Some 41.7% of workers (with considerable variations from country to country) have low-level qualifications, and training them would be prohibitively costly for small companies. According to the several trade unions, a shortage of skilled people in the building sector exists already. Consequently, there will not be enough skilled workers to design, build, install, operate and maintain the energy efficient buildings. And the pressure of the acute demand for well trained professionals will surely increase in time with the gradual implementation of the Energy Performance of Buildings Directive, its recast and the Renewable Energy Directive.

Recent studies<sup>76</sup> indicate that the significant investments in the energy efficiency will need a large workforce skilled enough to carry out high quality work at reasonable cost. The same need has been detected concerning the use of renewable energy applications in buildings. The workforce capacity must be expanded to meet the demand and this may be achieved in a short term partly by the vocational training. Trainings would increase the qualifications of the workforce and therefore would support the achievement of energy savings and use of the renewable energy technologies in the building sector.

In its explanatory opinion on 'Education and training needs for the carbon-free energy society'<sup>77</sup> the European Economic and Social Committee called the Commission for stimulating dedicated programmes to encourage and incentives radical advances in the up-skilling of technicians.

Therefore, the European Commission is committed to launch an initiative to support Member States in their efforts to boost qualification and certification schemes and improve access to

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<sup>74</sup> A European Economic Recovery Plan - Communication from the Commission and the European Council of 26 November 2008 COM(2008) 800 final

<sup>75</sup> 'Environment and labour force skills: Overview of the links between the skills profile of the labour force and environmental factors' Final report – Ecorys, December 2008

<sup>76</sup> 'Energy Efficiency in Buildings: Transforming the Market' - World Business Council for Sustainable Development, 2009

<sup>77</sup> Explanatory opinion on 'Education and training needs for the carbon-free energy society' – European Economic and Social Committee, May 2009

vocational training in the building sector (inter alia for installers, technicians, inspectors and auditors). The preparatory work for this initiative is foreseen under the 2010 Intelligent Energy Europe<sup>78</sup> Work Programme and its actual implementation will continue under the following annual IEE work programmes. This initiative shall enhance interactions with the existing structures and funding instruments like European Social Fund and the Lifelong Learning Programme.

The results of the on-going ex-ante evaluation of the Building Workforce Training and Qualification Initiative in the field of EE and RES will provide information on the necessary preparatory actions that will be carried out in collaboration with the Concerted Actions on the Energy Performance of Buildings Directive and the Renewable Energy Directive (studies under public procurement) or/and possibly within the scope of these Concerted Actions (reinforcing the tasks related to the training and qualifications, see point 13.).

## **15. ADMINISTRATIVE ARRANGEMENTS WITH JRC**

### **15.1. Technical assistance, analysis and input to support the implementation of the Directive 2006/32/EC on energy end-use efficiency and energy services as well as related elements of the EU Energy Efficiency Action Plan (EEAP)**

Estimated duration of the contract: 3 years

Indicative timetable: To be launched in the 1<sup>st</sup> quarter of 2010

Development of a common template for reporting under 2<sup>nd</sup> National Energy Efficiency Action Plans (NEEAPs), assessment/verification of 2<sup>nd</sup> NEEAPs, verification and assessment of the national methods used by Member States to measure and verify energy savings, technical support to the infringement procedures, technical support with further refinement of harmonised methods for the calculation of energy savings as foreseen by the Energy Services Directive, support to the assessment of the impact of the Energy Services Directive, continuous monitoring of the actual implementation of energy saving measures in Member States.

### **15.2. Technical assistance, analysis and input to support the implementation of the Directive 2004/8/EC on the promotion of cogeneration based on a useful heat demand in the internal energy market as well as related elements of the EU Energy Efficiency Action Plan (EEAP)**

Estimated duration of the contract: 2 years

Indicative timetable: To be launched in the 1<sup>st</sup> quarter of 2010

Analysis of the national potentials for high-efficiency cogeneration including development of heat and cooling demand as well as the use of industrial and other waste heat (cost-benefit analysis taking into account the fuel used, carbon price, etc. - quantitative assessment of the interaction with the renewable targets and support scheme as well as with the emissions

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<sup>78</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

trading system); assessment of rules and procedures defining the framework conditions for cogeneration in the internal energy market; examination of the experiences gained with the application and coexistence of different support mechanisms for cogeneration (also schemes for guarantees of origin); review of the reference values for the separate production of electricity and heat; support on what more could be needed for EU policies to promote CHP (real barriers, ways to overcome); technical assistance for the development of related elements of the EEAP; support in relation to the future development of the directive.

### **15.3. Technical assistance in updating the existing and calculating new biomass and biofuel pathways for GHG methodology in the Annex V of the RES Directive**

Estimated duration of the contract: 2 years

Indicative timetable: To be launched in the 2<sup>nd</sup> quarter of 2010

The directive requires the Commission to regularly update the pathways based on new technical and scientific data. Annex V of the Directive (2008/28/EC) shall be updated regularly when new information on different existing and new pathways becomes available, as laid down in Article 19(7). JRC is working continuously on the underlying data in its role as being a part of the JEC-consortium. When appropriate the Commission updates Annex V with the most recent and up-to-date information from the JEC-consortium.

### **15.4. Methodology for electricity/hydrogen calculation**

Estimated duration of the contract: 12 months.

Indicative timetable: To be launched in the 2<sup>nd</sup> quarter of 2010

By 31 December 2011, the Commission shall present a proposal permitting, subject to certain conditions, the whole amount of the electricity originating from renewable sources used to power all types of electric vehicles to be considered, as well as a proposal for a methodology for calculating the contribution of hydrogen originating from renewable sources in the total fuel mix.

### **15.5. Technical assistance and monitoring of implementation of the Covenant of Mayors**

Estimated duration of the contract: 3 years

Indicative timetable: To be launched in the 4<sup>th</sup> quarter of 2010.

As it is expected that there will be more than 1500 cities signing-up to the Covenant by mid 2010, it will be necessary to secure smooth, clear, transparent and technically correct monitoring and technical assistance to be provided to the signatory Cities. Furthermore, good interlinking of the Covenant's SEAPs and National Energy Efficiency Action Plans will need to be reached to foster the implementation of the EU policy on the local level. This contract shall cover:

- further development and operation of the technical help desk
- development and implementation of methodology for technical evaluation of SEAPs of the Covenant signatories and providing feedback

- monitoring of the Covenant implementation based on analysis of monitoring reports from Covenant signatories
- liaising with expert group and regular exchange of the expert opinions with Covenant cities
- further development of SEAP and emissions inventory guidelines.

## **16. INTERNATIONAL PARTNERSHIP FOR ENERGY EFFICIENCY COOPERATION**

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 contribute to the operation of the Secretariat of the International Partnership for Energy Efficiency Cooperation (IPEEC) of which the European Union will become a member in 2010. This Secretariat will be hosted by the IEA. The contribution aims to secure the first year of operations of the Secretariat. The action will be implemented by means of a financial agreement jointly managed by the Commission and the IEA.

The purpose of IPEEC is to facilitate and strengthen international cooperation on energy efficiency. The actions carried out under the auspices of the Partnership should result in more effective energy policy and programme output, in best practices being more widely known, disseminated and applied, and in economies of scale. The aim of the Partnership is to offer a topic-driven, structured dialogue and an operational network for enhanced cooperation and exchanges on energy efficiency between countries and international organisations 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.

IPEEC is a high level forum for enhancing and coordinating joint efforts to accelerate the adoption of sound energy efficiency improvement practices. It will provide a platform for discussion, consultation and exchange of information. IPEEC's members are the G8 countries and a number of emerging economies. IPEEC was officially established and launched in May 2009. The budget for IPEEC's Secretariat is to be financed by voluntary contributions from its members.

On 30 November 2009 the Council adopted a decision on the signing and conclusion of the 'Terms of Reference for the IPEEC' and the 'Memorandum concerning the hosting by the International Energy Agency of the Secretariat to the International Partnership for Energy

Efficiency Cooperation' by the European Union<sup>79</sup>. The Council endorsed the Commission proposal that for the first year of the membership<sup>80</sup> the European Union will voluntarily contribute EUR 400 000 to IPEEC.

## **17. INTERNATIONAL RENEWABLE ENERGY AGENCY**

The creation of an "International Renewable Energy Agency" (IRENA) has been under development for some time. The Statute of IRENA will enter into force once 25 States have signed and ratified the Statute.

The Commission proposed a mandate from the Council under Article 300 of the EC Treaty to sign and conclude the EU accession to IRENA. The Statute was signed on 23 of November 2009. The decision on the conclusion is expected in 2010. The mandate acknowledges that renewable energy policy falls under shared European Union competence. Therefore, it is proposed to coordinate the European Union's position on relevant issues.

The EU expected contributions (about EUR 480 000 per annum, with half that amount for the first year of the membership i.e. 2010) for EU participation in IRENA is according to the UN scale of assessment. A EU contribution will be due upon conclusion of the EU accession to IRENA and once the Statutes enter into force.

## **18. STANDARDS INITIATIVE**

The aim of the initiative is to develop standards required for implementing the energy efficiency and renewable energy legislation and related EC policies. These standards will be prepared by the relevant European standards bodies (CEN/CENELEC) under specific agreements.

## **19. AVAILABLE BUDGET UNDER THE 2010 WORK PROGRAMME**

The operational budget of the IEE II Programme for 2010 totals EUR 103 561 700<sup>81</sup> in commitment appropriations.

Additionally, EUR 6 633 300 has been provisionally allocated to cover the operating expenses of the Executive Agency for 2010. EUR 1 million is earmarked for administrative expenses.

The indicative budget for grants will be EUR 55 770 000. For calls for tenders, a budget of EUR 16 750 000 is planned.

The sum of EUR 15 000 000 is allocated for the continuation of the ELENA facility with the European Investment Bank.

The indicative distribution of the available 2010 budget by field and by means of implementation is set out in the table below.

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<sup>79</sup> Council Decision of 30 November 2009 on the signing and conclusion of the 'Terms of Reference for the International Partnership for Energy Efficiency Cooperation' (IPEEC) and the 'Memorandum concerning the hosting by the International Energy Agency of the Secretariat to the International Partnership for Energy Efficiency Cooperation' by the European Community (2009/954/EC; OJ L 330 of 16.12.2009, p. 37.)

<sup>80</sup> From the second year (i.e. 2011) of the IPEEC membership, the European Community is expected to contribute EUR 60 000 per year.

<sup>81</sup> Not including contributions from third countries.



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.

**Indicative distribution of the available 2010 budget by field and by means of implementation**

	<b>Action</b>	<b>Calls for proposals (MEUR)</b>	<b>Calls for tenders (MEUR)</b>	<b>Other mechanisms (MEUR)</b>	<b>TOTAL (MEUR)</b>
<b>SAVE</b>	Promotion and Dissemination Projects	19,6			
	CA EPDB III			4,50	
	IPEEC			0,40	
	Tenders (12.1-12.11)		5,4		
	AA with JRC (Directive 2006/32/EC)			1,5	
	AA with JRC (Directive 2004/8/EC)			0,55	
	<b>TOTAL</b>		<b>19,6</b>	<b>5,4</b>	<b>6,95</b>
<b>ALTENER</b>	Promotion and Dissemination Projects	19,17			
	C A RES Directive			5,50	
	Tenders (12.12-12.20)		3,93		
	AA with JRC "GHG methodology"			0,25	
	AA with JRC "Electricity/Hydrogen"			0,10	
	IRENA			0,24	
	<b>TOTAL</b>		<b>19,17</b>	<b>3,93</b>	<b>6,09</b>
<b>STEER</b>	Promotion and Dissemination projects	10,3			
	Europe-wide awareness campaign on sustainable urban mobility (12.21)		2,5		
	<b>TOTAL</b>	<b>10,3</b>	<b>2,5</b>		<b>12,5</b>
<b>Integrated Initiatives</b>	Promotion and Dissemination projects	6,7			
	Building Workforce Training & qualification			1	
	Standards Initiative			pm	
	ELENA facility (EIB)			15	
	Tenders (12.22-12.25)		4,92		
	AA with JRC "Covenant of Mayors"			2	
	<b>TOTAL</b>		<b>6,7</b>	<b>4,92</b>	<b>18</b>
<b>GRAND TOTAL</b>		<b>55,77</b>	<b>16,75</b>	<b>31,04</b>	<b>103,56</b>

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

All calls for tenders of strategic relevance to European Union policy are to be managed directly by the Commission departments concerned. Actions developed by the European Investment Bank will be subject to contribution agreement between the European Investment Bank and the Commission.

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 the reserve list following the evaluation of proposals.

## **20. SCHEDULE FOR THE 2010 CALLS**

The plan is to launch a call for proposals as soon as possible after adoption of the 2010 Work Programme.

The Commission will publish the call in the Official Journal of the European Union (OJ) and on the website of Directorate-General for Energy and Transport<sup>82</sup>. Further details will be published on the IEE Programme website.

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

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

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<sup>82</sup> [http://ec.europa.eu/dgs/energy\\_transport/index\\_en.htm](http://ec.europa.eu/dgs/energy_transport/index_en.htm)

## APPENDIX A

### OUTLINE OF THE CONCERTED ACTION SUPPORTING TRANSPOSITION AND IMPLEMENTATION OF DIRECTIVE 2002/91/EC OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL AND ITS PROPOSED RECAST (CA EPBD III)

#### A.1. Objectives

This concerted action - CA EPBD III - aims to:

- enhance and structure sharing of information and experience from national implementation and promote good practice in activities required of Member States for implementation of the Energy Performance of Buildings Directive (EPBD);
- create favourable conditions for faster convergence of national procedures on EPBD-related matters;
- supplement the work of the Energy Demand Committee (Article 14 of the EPBD and Article 21 of the proposed recast of the Directive) and its ad-hoc group on CEN standards and certification exercises.

CA EPBD III is the continuation of the concerted action CA EPBD, which run first from January 2005 to June 2007<sup>83</sup> and currently continues as CA EPBD II since December 2007 until November 2010<sup>84</sup>. Both, the participating Member States and the Commission consider this action for as very valuable tool for exchange of experiences. A renewed continuation is proposed to valorise the experiences gained from implementation of Directive 2002/91/EC and in view of new requirements introduced by the proposed recast of the Directive (COM(2008)780).

The above objectives will be mainly achieved by organising structured and professionally moderated bi-annual meetings, of 2-3 days each, to discuss and exchange on various topics, accompanied by a series of facilitating mechanisms (such as web resources, ad-hoc working group meetings, study tours). They will be carried out in co-ordination with other related initiatives such as the proposed Concerted Action supporting the RES Directive.

In more detail, CA EPBD III covers seven central topics:

- (1) Certification schemes – questions related to Article 7 of Directive 2002/91/EC and Articles 10-12 of the proposed recast of the Directive;
- (2) Inspection of heating and air-conditioning systems – questions relating to Articles 8 and 9 of the Directive and Articles 13-15 of the proposed recast of the Directive;
- (3) Training of experts and inspectors – questions relating to Article 10 of the Directive 2002/91/EC and Article 16 of the proposed recast of the Directive;

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<sup>83</sup> awarded by Decision C(2004)4539 of 3.12.2004

<sup>84</sup> awarded by Decision C(2007)1388 of 23.3.2007

- (4) Energy performance requirements – questions relating to Articles 4-6 of the Directive 2002/91/EC and Articles 4-8 of the proposed recast of the Directive;
- (5) High performance buildings / Low-zero energy and carbon buildings – questions to Article 9 of the proposed recast of the Directive;
- (6) Compliance and control of EP requirements and certification system / Independent control system– questions related to Article 17 of the proposed recast of the Directive;
- (7) Effectiveness of support initiatives– questions relating to Article 12 of the Directive and to Articles 9 and 19 of the proposed recast of the Directive.

For each of these topics, issues are addressed on which the Directive does not require harmonised national implementation but where harmonised, coordinated implementation would increase the impact of the Directive and reduce the implementing costs.

## **A.2. Justification for application of Article 168(1)(f)**

The objectives of CA EPBD III, as outlined above, are very closely linked to transposition and implementation of Directive 2002/91/EC and its proposed recast. Therefore, CA EPBD III will require the collaboration of the organisations in charge of national transposition and implementation of Directive 2002/91/EC. Generally these are the Ministries responsible and/or expert bodies working closely with those Ministries and appointed to assist them in this matter. Only those organisations have the mandate, expertise and experience required for this concerted action.

As national transposition is already under way, the national actors involved in transposition and implementation of the Directive are known and the national work has been defined. Consequently, a grant for the CA EPBD III is awarded without a competitive selection process by application of Article 168(1)(f) of the Financial Regulation<sup>85</sup>.

CA EPBD III will not deal with any action which could be subject to a call for proposals (raise awareness on the part of market actors or any other tasks which market actors could carry out on their own initiative). Nor will the CA EPBD III deal with any issues which are in the sole interest of the Commission and, as such, subject to a call for tenders.

## **A.3. Work Programme**

### Certification schemes

MS must implement mandatory certification of new buildings, upon construction, and existing buildings, at the time of sale or rent, along with periodic certification of public buildings.

Since January 2006, certification schemes have been gradually introduced in the MS for different types of buildings and the vast majority of MS now have operational certification schemes in place. As such, almost all MS have growing operational experience with such

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<sup>85</sup> Article 168(1)(f): Grants may be awarded without a call for proposals for actions with specific characteristics that require a particular type of body on account of its technical competence, its high degree of specialisation or its administrative power, on condition that the actions concerned do not fall within the scope of a call for proposals.

schemes. Experiences in implementation can be shared and MS can discuss the advantages and disadvantages of operational good practice. In so doing, many MS may decide to fine tune their scheme, thus allowing a more harmonious and effective implementation of building energy performance certification schemes across the EU.

A significant number of topics have been well addressed in the former CAs (e.g. layout of certificates, certification of flats and blocks of flats, processes to produce recommendations, etc). The CA EPBD III will address those operational topics for which further sharing of experiences would have significant added value (inter-alia, the management of certification structures, inter-actions between certification and inspections, cost of certification, effectiveness of different certification regimes to detect success factors, database management), as well as specific technicalities which remain to be fully addressed (e.g. national benchmarks, methods for dealing with complex and mixed use buildings, etc.).

#### Inspection of heating and air-conditioning systems

MS must implement mandatory inspections of boilers and air-conditioning systems, above certain threshold power levels, depending on type of equipment or fuel, as well as of heating systems when older than 15 years, and produce recommendations for upgrade or substitution in certain cases. For boilers, an alternative option is offered to implement information and advice campaigns having at least the same impact as inspections. Given the latest documented state of advancement in this area (May 2009), there can be significant benefits from further exchanges between MS:

- 10 MS are currently implementing inspections on heating as well as Air Conditioning systems;
- 2 MS only on heating systems;
- 1 MS on air conditioning systems only, as for heating systems the Option B was adopted;
- 7 MS are not implementing any inspection scheme at all, although the legislative provisions are in place, whilst the remainder have no provisions or have not reported them.

A significant number of topics have been well addressed in the former CAs, but continued sharing of experiences on almost all of them would be beneficial for the MS. The CA EPBD III will therefore address all operational topics for which further sharing of experiences would have significant added value (inter-alia, exchange of personnel between MS, interaction between certification and inspections, combining EPBD requirements with safety and CFC regulations, etc), as well as specific technicalities which remain to be fully addressed (e.g. inspection of air-conditioning systems, content of inspection reports, monitoring of energy savings triggered by inspection regimes, etc.).

#### Training of experts, assessors and inspectors

MS are required to acknowledge ‘qualified and/or accredited experts’ to carry out the work of certification of buildings and inspection of heating and air-conditioning systems in buildings.

Presently, approaches in this regard vary between strict governmental/centralized controls with requirements of experts legislatively defined and limited training providers, to accreditation schemes where private companies assume operational responsibilities such as training, registration and quality assurance, to ‘passive’ acknowledgement of experts via prior

experience & qualifications (e.g., membership of a professional architects/engineers chamber). MS can benefit from continued exchange on the training approaches that they have adopted helping them to come to some degree of convergence of methods and qualifications. This would be highly desirable to allow individual inspectors to work beyond national borders with limited additional training (e.g. to know local regulations better) and ease local difficulties with shortages of trained experts or improve the economic aspects of this type of activity.

A significant number of topics have been well addressed in the former CAs (e.g. number of experts, categories of experts, qualifications of experts, examinations, etc). The CA EPBD III will address those operational topics for which further sharing of experiences would have significant added value (inter-alia, the codes of practice and conduct, including codification of codes of practice/conduct, complaints, disciplinary and appeals procedures, etc), as well as specific aspects of mutual recognition which could be further addressed (e.g. cross-border recognition of experts and assessors, scope of interaction between the EPBD and the Services Directive 2006/123/EC and the Recognitions Directive 2005/36/EC, etc.).

#### Energy-performance requirements

Member States shall take the necessary measures to ensure that minimum energy performance requirements for buildings are set. These requirements shall be reviewed at regular intervals. Additionally, the proposed recast of the Directive foresees that these minimum requirements should be set at cost-optimal levels and also foresees the possibility for minimum performance requirements for technical buildings systems.

Since the adoption of the EPBD in 2002, almost all MS have revised, or introduced for the first time, national requirements for minimum energy performance of buildings. The procedures for revising (tightening) these requirements vary between MS and there is significant scope for sharing of experiences and identification of best practice in this field. This will facilitate the achievement of cost-optimal performance setting taking account of national specificities which may arise from legislative, market and cultural boundary conditions.

A significant number of topics in this field have been well addressed in the former CAs (e.g. calculation procedures, software requirements, etc). The CA EPBD III will address those aspects for which further sharing of experiences would have significant added value (inter-alia, the procedures for tightening of energy performance requirements, identification of national restrictions, etc), as well as continued consideration of specific technical aspects related to requirements which could be further addressed (e.g. thermal bridges, incorporation of innovative systems, summer requirements, etc.).

#### High performance buildings / Low-zero energy and carbon buildings

In 2/3 of the MS high performance buildings have already been included as a goal within the national plans for new buildings of the future.

Given that high performance buildings already constitute a part of the building stock covered by the EPBD, this topic has already been addressed in previous CAs. However, there is a growing need for exchange of experiences to facilitate a common framework for addressing such buildings. The CA EPBD III will address those aspects for which sharing of experiences would have significant added value (inter-alia, the framework of terms and definitions, the practicalities of national roadmaps and the mechanisms and pre-requisites for market

adaptation to ensure that the national roadmaps are translated into actual practice, education and training of professionals in this respect, ways to reduce extra costs for those buildings compared to standard buildings etc).

In addition CA EPBD III will pick up on all relevant issues of the proposed recast of the Directive related to buildings with low - zero carbon dioxide emissions and primary energy consumption.

#### Compliance and control of EP requirements and certification system / Independent control systems

There exist a wide range of laws, regulations and administrative provisions in place in the MS in order to enforce market compliance with the EPBD, but there are still many questions about the compliance and control of energy performance requirements and certification. The level of implementation (number of issued certificates, quality of certificates, changes in the building stock) seems to be correlated with the enforcement procedures. As stated in the recent report of the Concerted Action EPBD II it can be concluded that regulation without enforcement leads to lack of compliance while the existence of penalties (for building owners, energy assessors and others) increases compliance with the regulations and the quality of the issued certificates.

Such issues are seen as important discussion topics in order that MS can best exploit the opportunities arising from the EPBD and to capitalise on the potential benefits.

The CA EPBD III will discuss success factors/reasons for high/low compliance with energy performance requirements in MS and will address common aspects of effectiveness and efficiency of compliance and control systems (e.g. automatic detection in calculation interfaces or databases of certificates), paying particular attention to cost and administrative burden.

In addition the CA EPBD III will pick up on all relevant issues of the proposed recast of the Directive related to independent control systems.

#### Effectiveness of Support Initiatives

Support initiatives comprise a wide range of instruments from information campaigns to financial incentive schemes and in reality are often implemented as combinations of instruments. Support initiatives in the MS can be influential to the effectiveness of the legislation and, in case of financial incentives can also be an effective supplement to compliance and control systems. Under Article 12 of the current Directive the MS are under obligation to conduct national information campaigns, to raise public awareness and ensure acceptance of the Directive. Given that information campaigns are already requested by the Directive, the topic of support initiatives has already been partially addressed in the previous CA. However, there is a growing need for exchange of experiences to facilitate the implementation of effective support initiatives in a cost-effective manner. It is expected that discussion of the most appropriate approaches and comparison of the experience of individual MS can contribute significantly to speeding up take-off, improving effectiveness and increasing the degree of convergence where appropriate.

In addition to information campaigns the CA EPBD III will pick up on all relevant issues of the proposed recast of the Directive related to support initiatives.

#### A.4. Duration of CA EPBD III

CA EPBD III is expected to run for a maximum of 5 years, starting in January 2011<sup>86</sup>. A duration of 3-5 years will make it possible to valorise the increasing experiences with the implementation of the EPBD in all MS and to accompany the transposition process for the proposed recast of the Directive as well as first steps of its implementation. Different timelines for transposition (e.g. as foreseen for public buildings in the proposed recast of the Directive) will be taken into account when elaborating the detailed schedule for the action.

#### A.5. Participants designated by the Member States and participating countries for CA EPBD III

	Country	Nominated organisation	Justification - Article 168(1f)
1	Austria	Österreichisches Institut für Bautechnik (OIB)	specific expertise
2	Belgium	Belgian Building Research Institute (BBRI)	specific expertise
3	Bulgaria	Bulgarian Energy Efficiency Agency (EEA), the Bulgarian national energy agency	administrative powers
4	Cyprus	Ministry of Commerce, Industry & Tourism Energy Service	administrative powers
5	Czech Republic	Ministry of Industry and Trade	administrative powers
6	Croatia	Ministry of Environmental Protection, Physical Planning and Construction	administrative powers
7	Denmark	Danish Energy Authority (DEA)	administrative powers
8	Estonia	Credit and Export Guarantee Fund KredEx (Krediidi ja Ekspordi Garanteerimise Sihtasutus KredEx)	specific expertise
9	Finland	Motiva Oy	specific expertise
10	France	Ministère de l'Ecologie, de l'Energie, du Développement durable et de la Mer	administrative powers
11	Germany	Deutsche Energie Agentur (dena) GmbH, German national energy agency	specific expertise
12	Greece	Ministry for Environment, Energy and Climate Change	administrative powers

<sup>86</sup> The exact duration will be determined on the basis of the available budget.



13	Hungary	Ministry for Environmental Protection Physical Planning and Construction	administrative powers
14	Ireland	SEI, The Irish national energy authority	administrative powers
15	Italy	Rete Nazionale delle Agenzie Energetiche Locali (RENAEL)	specific expertise
16	Latvia	Ministry of Economics, Building Department	administrative powers
17	Luxembourg	Ministère de l'Economie et du Commerce extérieur, Direction de l'Energie (Mineco)	administrative powers
18	Lithuania	Statybos produkcijos sertifikavimo centras (SPSC)	specific expertise
19	Malta	Ministry for Resources and Rural Affairs	administrative powers
20	Netherlands	NL Agency, the Dutch national energy agency	administrative powers
21	Norway	Norwegian Water Resources and Energy Directorate (NVE)	administrative powers
22	Poland	Ministry of Infrastructure	administrative powers
23	Portugal	ADENE, the Portuguese national energy agency	specific expertise
24	Romania	Ministry of Regional Development and Tourism	administrative powers
25	Slovakia	TSÚS, n.o. Slovak Innovation and Energy Agency (SIEA)	specific expertise
26	Slovenia	Ministry of Economy	administrative powers
27	Spain	Instituto para la Diversificación y el Ahorro de la Energía (IDAE)	administrative powers
28	Sweden	National board of housing, building and planning (Boverket)	administrative powers
29	UK	Department for Communities and Local Governments	administrative powers

## **A.6. Total costs and EU contribution to CA EPBD III**

The total costs and EU contribution to CA EPBD III will be approximately EUR 4 500 000.

## APPENDIX B

### OUTLINE OF THE CONCERTED ACTION SUPPORTING THE TRANSPOSITION AND IMPLEMENTATION OF DIRECTIVE 2009/28/EC OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL ON THE PROMOTION OF THE USE OF ENERGY FROM RENEWABLE SOURCES AND AMENDING AND SUBSEQUENTLY REPEALING DIRECTIVES 2001/77/EC AND 2003/30/EC (CA RES)

#### B.1. Objectives

The main objectives of the CA RES are as follows:

- Creation of a platform for structured dialogue and exchange of experience and good practice between Member States regarding the implementation of the RES directive.
- Facilitate the process of cross learning at the EU level and provide support to an effective implementation of the RES Directive in the Member States.
- Encourage dialogue between the Member States on common approaches for the effective implementation of particular parts of the RES Directive.

The CA RES will focus on topics where coordination and/or harmonisation of approaches would be beneficial.

#### B.2. Justification for application of Article 168 (1f) of Commission Regulation (EC, Euratom) No 2342/2002:

The objectives of the CA RES outlined above are directly linked to the transposition of Directive 2009/28/EC. Therefore, the CA RES will require the collaboration of the organisations in charge of the national transposition and implementation of Directive 2009/28/EC. Generally these are the responsible Ministries and expert bodies nominated to work on them by those Ministries. Only these organisations have the mandate, expertise and experience which is needed.

As the Directive has already been adopted and national transposition is underway, the national actors involved in the transposition and implementation of the Directive have already been or will shortly be identified and their work defined. In other words, there is already or there will soon be de facto one organisation (or a team from different organisations) in each country which has the necessary mandate to participate in CA RES.

On the other hand, due to the existence of the unique mandates and responsibilities outlined above, and the sensitivity of the tasks to be performed, such a CA RES would not be suitable for EU financing via a call for proposals, or via a call for tenders. Moreover, there is a shared interest of the Commission and the Member States in relation to the implementation of the Directive.

Consequently, a grant for CA RES is awarded without a competitive selection process by application of Article 168(1)(f) of the Financial Regulation<sup>87</sup>.

## **B.2. Description of the working groups**

A description of the working groups is presented below:

### *WG 1.1. Cooperation mechanisms and NREAPs (Art. 3, 4, 6-11)*

Member States are required to submit National Renewable Action Plans (NREAPs) to the European Commission (EC) by June 30, 2010 (Art 4). Later on, if the shares of renewable energy in a given Member State fall behind the indicative trajectory, they have to submit amended NREAPs. In addition, Member States must submit reports to the Commission on the promotion and use of renewable energy sources every two years, with the first report due on December 31, 2011.

Member States have already considerable experience with the implementation of national policy mechanisms for the support of renewable energy sources. Within this Working Group, an exploration of the design and implementation of policy instruments for the support of renewable energy in the Member States will be conducted with the aim of identifying and learning from good practices.

In achieving their national targets, Member States can make use of cooperation mechanisms foreseen by the RES directive. These mechanisms, which introduce flexibility, refer to statistical transfers between Member States (Art 6), joint projects between Member States (Art 7,8), joint projects between Member States and third parties (Art 9,10) and joint support schemes between Member States (Art 11). The Member States can use statistical transfers, and develop joint projects and joint support schemes in bilateral or multilateral ways. This working group will offer a platform for exchange of information regarding such joint initiatives of the Member States and existing experiences with joint projects. Further, the working group will focus on the conditions for a successful development of projects and will explore other possibilities for coordinated approaches.

### *WG 1.2. Calculation methodology (Art. 5)*

The general calculation methodology for the shares of renewable energy sources in the gross final energy consumption has been stipulated by the RES directive.

Member States need to ensure the coherence of the statistical information used in the calculation of sectoral and overall shares following Regulation (EC) no 1099/ 2008. Achieving this coherence requires harmonisation of approaches across Member States. Pertinent discussions require the involvement of Eurostat and the standing working group on Renewable Energy Statistics and the national statistical offices dealing with the preparation of the energy-related statistics used in the calculation of the shares.

The goal of this Working Group is to develop a common understanding of the calculation methodology amongst the Member States – either by using already existing examples or

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<sup>87</sup> Article 168(1)(f): Grants may be awarded without a call for proposals for actions with specific characteristics that require a particular type of body on account of its technical competence, its high degree of specialisation or its administrative power, on condition that the actions concerned do not fall within the scope of a call for proposals.

jointly developed methods - in a cost effective manner. In performing its work, this Working Group will maintain close cooperation with Eurostat, which is responsible for such data collection and harmonization at the EU level. Specific topics of interest to this Working Group are, among others: methods used to calculate renewable heat and cooling production, notably in relation to heat pumps, solid biomass, solar thermal, and geothermal sources, harmonization of methods for the calculation of pumped storage capacity, methods used to determine the renewable energy fraction in municipal and industrial wastes and residues, Methods for data collection or modelling on RES heat production. Additional topics may arise in connection with, for example, the sustainability of biofuels, and the accounting for electricity used by electric cars.

#### WG 2.1 Authorisation of plants and infrastructures (Art 13):

Member States must ensure that authorisation, certification and licensing procedures are proportionate and necessary. The Directive requires an integrated approach both for the new RES plants and for the associated transmission and distribution network infrastructure.

More specifically, Member States must make sure that sufficient coordination and an adequate division of responsibilities exist between national, regional and local authorities involved in these procedures. This requires the removal of administrative barriers and the establishment of coordination mechanisms between public authorities at the different levels, making available information on the process to the applicant, streamlining procedures, ensuring that rules are objective, transparent, proportionate, and non-discriminatory, ensuring that charges are cost related and that procedures are simplified for smaller installations.

In this Working Group, administrative barriers that affect the approval, licensing and grid connection of renewable energy plants will be examined. Exchanges will be encouraged between Member States regarding the removal of these barriers. In particular, Member States will work to identify good practices relating to existing procedures which lead to improved coordination between the different authorities involved in the approval process. Attention will also be given to factors that may influence the performance of a given practice across national borders (in other countries and contexts).

#### WG 2.2: RES and district heating planning (Art 13, 16), RES in buildings (Art 13)

Member States must introduce measures to increase the use of RES in all buildings and pursue in particular the introduction of RES in public buildings for purposes of demonstration and awareness raising.

Activities by Member States to comply with these obligations of the RES directive require coordination and interaction with related activities taking place as part of the implementation of the EPBD. This coordination could be facilitated by a dialogue between the implementing bodies of the RES and the EPBD directives, which focuses on measures aiming to increase the penetration of renewable energy technologies in the buildings sector and, specifically, on the rules and obligations for using renewable energy in new and renovated buildings.

Within this working group, an interface will be established between the CA RES and the CA EPBD. This will help to identify the best ways of implementing planning and regulatory policies and obligations for minimum levels of renewables in buildings with specific attention to the role of small-scale RES applications. Approaches will be examined for the inclusion of RES in the spatial planning process at different levels (e.g. cities, surrounding regions, residential and industrial areas, etc).

In addition, policy concerning renewable energy use through cogeneration/combined heat and power/district heating and specific planning measures will be reviewed. Attention will also be given to the future prospects for the nascent district cooling markets. Analyses and comparisons of policies will be undertaken in order to identify the conditions under which successful policies can be most efficiently transferred between Member States.

### WG 3: Training and information (Art 14) + Disclosure/guarantees of origin (Art 15):

Member States must ensure that information on RES is made available to all relevant actors, and must undertake activities aimed at removing training and information gaps concerning RES technologies and uses.

Member States provide information on RES at different levels and in different ways across the EU.

The Working Group will therefore compare their approaches to ensuring that information concerning the advantages and main characteristics of renewable energy sources and technologies reach all relevant actors. Good-practice and innovative solutions will be identified, taking into account recent rises in the levels of awareness and information amongst the relevant actors. Particular attention will be given to the implementation of accreditation, certification and qualification schemes for installers of small-scale RES systems.

Member States, upon request from a producer must issue Guarantees of Origin (GOs) that prove to a customer that a given amount of energy was produced from renewable resources. In addition, Member States must ensure that the disclosure of GOs to customers takes place only once. The RES Directive specifies minimum standard information that the GO has to contain.

This Working Group will examine, inter alia, measures to standardise and increase the transparency of GO systems across Member States.

### WG4.1: Electricity Networks (Art 16)

Member States must ensure the reliability and stability of electricity networks and the quality of the power supply in the presence of a growing share of renewable energy plants connected to the grid. In addition, Member States must ensure that RES plants will have priority or guaranteed access to electricity grids, and that they will receive appropriate treatment when it comes to bearing the costs of network upgrades and extensions.

There is diversity across the Member States regarding the conditions in which the integration of variable supplies of renewable energy into the grid is taking place. Actors who can have important influences on the integration of RES into the grid include Regulators, Transmission System Operators (TSO) and in the case of small / local RES systems (at lower voltage connection point) also DSO's. To meet the challenges that the integration of RES supplies poses to the grid, changes must be made in many Member States to current regulations, as well as to administrative and operative practices, particularly those which influence new investments. The current electricity networks must also be upgraded and transformed, using new technologies such as “smart grids” (including smart metering) energy storage and interconnectors.

The Working Group will bring together those actors which have the mandate and the authority to implement the required changes. Their work will focus on reviewing, developing,

monitoring and helping to implement strategies for providing an effective, durable and transparent integration of RES into the grid and on the ways that the different Member States can cope with these challenges, both at a national level and at an EU level (across international borders).

#### WG4.2: Biogas networks (Art 16):

Member States shall assess the need to develop existing gas network infrastructure to facilitate biogas injection into gas networks, provided that the injected biogas has been upgraded to natural gas quality.

There are different degrees of experience among the Member States in the biogas sector and there is a considerable potential for cross learning. A number of legal, technical, administrative and economic barriers must be overcome in order to ease the connection of biogas plants to the gas grids.

The Working Group will address the conditions that are required for the successful integration of biogas facilities into gas networks, explore alternatives to gas grid injection. The group will review the experience which has been accumulated on these topics, and identify effective solutions and possibilities for harmonisation. In particular, the Working Group will review: connections to the gas grid (transparency, non-discriminatory, priority access), requirements for gas grid access (availability of feed-in capacity, gas quality and pressure control, access for upgraded sewage and landfill gas), extension of public natural gas grids, ownership boundaries and cost sharing between owners and customers along the energy pathway, international (virtual) biogas transport, alternatives to gas grid injection (e.g. biogas upgrading for off-grid on-site or nearby gas fuelling stations or for transportable high-pressure storage tanks), legal aspects (regarding grid access, gas transport, grid management, etc.), integration into supply and demand management systems for natural gas (and grid coupled natural gas storage facilities).

#### WG5.1: RES in transport and biofuels (Art 17-19)

Member States must promote the use of RES in transport in order to comply with the specific target of 10% of energy from RES in their transportation energy sectors. In addition, biofuels and bioliquids must meet a number of sustainability criteria in order to ensure that their use does not conflict with environmental goals.

The task of ensuring sustainability along the whole production chain becomes more complex as the international trade in biofuels increases.

The Working Group will focus on developing a common approach which can be used by market actors to verify compliance with the agreed sustainability criteria for biofuels, taking into account the fact that the Directive establishes a single harmonised scheme. Attention will also be given to the development of international schemes for setting and certifying sustainability standards, to reviewing the implications of different legal systems across Member States, and to extracting lessons from existing national and international initiatives. This working group will also examine the experiences of the Member States with policy measures for promoting the use of RES in the transportation sector

#### WG5.2: Biomass mobilisation (Art 4):

Member States will carry out policies to develop biomass resources and to mobilise and efficiently use biomass resources for energy production, in order to enable the necessary contributions to their national targets.

The fact that Member States are endowed with unequal and diverse biomass resource bases creates challenges but, at the same time, it opens opportunities for collaboration. By developing national and regional biomass mobilisation and use strategies, Member States can support the build-up of efficient supply chains and enhance the trading of biomass.

This Working Group will explore the approaches which are planned or already implemented by the Member States to increase and to make a more efficient use of their biomass resources. It will review options for enhancing biomass supply chains and promote efficient biomass use across the EU, as well as those for increased international trade in biomass.

Moreover the Working Group will analyse the implementation of sustainability criteria for biomass based on the Commission's report on this issue. Among others, the impact of the sustainability criteria on the availability of biomass resources in the Member States will be discussed. In addition, conditions will be examined for the implementation of sustainability criteria, optimisation of use of biomass resources for energy, the incentives to innovation and technological development for efficient conversion and use of resources and the creation of efficient markets for bioenergy.

### **B.3. Duration of CA RES**

The concerted action is expected to run for 36 months, including the legal deadline for the transposition of the Directive (December 5, 2010) and the deadline for the submission of the first report to the Commission on progress on the promotion and use of energy from renewable energy sources (December 31, 2011). This will allow the CA RES to take into account information about the actual implementation of the RES Directive in the Member States in the discussions and will provide room for the incorporation of recommendations derived from the RES concerted action in relevant working practices of the Member States.

### **B.4. Participants designated by the member states and participating countries for the CA RES**

	<b>Country</b>	<b>Nominated organisation</b>	<b>Justification - Article 168(1)f</b>
1	Austria	Austrian Energy Agency	technical competence
2	Belgium	Service Public de Wallonie	administrative power
3	Bulgaria	Ministry of Economy, Energy and Tourism	administrative power
4	Cyprus	Ministry of Commerce, Industry and Tourism	administrative power
5	Czech Republic	Ministry of Industry and Trade	administrative power
6	Croatia	Ministry of Economy, Labour and Entrepreneurship	administrative power



7	Denmark	Danish Energy Agency	administrative power
8	Estonia	Ministry of Economic Affairs and Communications	administrative power
9	Finland	Ministry of Employment and the Economy	administrative power
10	France	Ministère de l'écologie, de l'énergie, du développement durable et de la mer	administrative power
11	Germany	Federal Ministry of the Environment, Nature Conservation and Nuclear Safety	administrative power
12	Greece	Ministry for Environment, Energy and Climate Change	administrative power
13	Hungary	Hungarian Energy Office, Hungarian energy regulator	administrative power
14	Ireland	Department of Communication, Energy & Natural Resources	administrative power
15	Italy	Gestore dei Servizi Elettrici – G.S.E. S.p.a	administrative power
16	Latvia	Ministry of Economy	administrative power
17	Luxembourg	Ministry of Economy and External Trade	administrative power
18	Lithuania	State Enterprise Energy Agency	administrative power
19	Malta	Malta Resources Authority	administrative power
20	Netherlands	NL Agency, the Dutch national energy agency	administrative power
21	Norway	Ministry of Petroleum and Energy	administrative power
22	Poland	Polish National Energy Conservation Agency	technical competence
23	Portugal	Laboratório Nacional de Energia e Geologia (LNEG)	technical competence
24	Romania	Ministry of Economy, Trade and Business Environment	administrative power
25	Slovakia	Slovak Innovation and Energy Agency	technical competence
26	Slovenia	Ministry of Economy	administrative power
27	Spain	Instituto para la Diversificación y el Ahorro de la Energía (IDAE)	administrative power
28	Sweden	Swedish Energy Agency (STEM)	administrative power

29	UK	Energy Saving Trust	technical competence
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### **B.5. Total costs and EU contribution to CA RES**

The total costs and the EU contribution to CA RES will be approximately EUR 5 500 000.