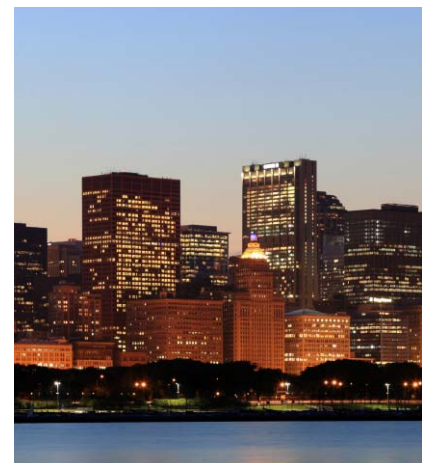


PROPOSAL FOR A NEW ENERGY EFFICIENCY DIRECTIVE FOR THE EUROPEAN UNION

MAIN LEGISLATIVE PROPOSALS:

1. **Promotion of Energy Services** (art 14): EU Member States need to provide certification schemes for energy service providers, public information on qualified energy service providers and model contracts for energy performance contracting in the public sector.
2. **Obligations on Utilities** (art 6): Energy utilities must achieve annual energy savings equal to 1.5% of their previous year's energy sales. These savings need to be independently verified.
3. **The Public Sector** (art 4): As of 1 January 2014, 3% of the total floor area owned by public bodies must be renovated to minimum energy performance standards. Public bodies also need to take into account energy efficiency when purchasing products, services and buildings.
4. **Targets** (art 3): EU Member states are required to set national energy efficiency targets in view of the EU's indicative target of 20% more energy efficiency by 2020. The European Commission will review progress in 2014, and will propose **binding targets** if necessary.
5. **Energy Audits** (art 7): All large companies must conduct an energy audit every three years, with the first audit to be conducted by June 2014.
6. **Cogeneration and District Heating/Cooling** (art 10): EU Member States must promote high-efficiency cogeneration and efficient district and heating and cooling, whereby new electricity generation systems and existing installations that are substantially refurbished or updated need to be equipped with high-efficient cogeneration units.



OVERVIEW

On 22 June 2011, the European Commission proposed a new framework directive on energy efficiency for the European Union (EU).¹

This fact sheet outlines some of the main elements of the proposal, which will be subject to negotiation and voting by representatives of EU Member States and by the European Parliament over the course of 2011-2012. The directive should enter into force by the end of 2012 or the beginning of 2013.²

¹ Proposal for a Directive of the European Parliament and of the Council on energy efficiency and repealing Directives 2004/8/EC and 2006/32/EC. Available at http://ec.europa.eu/energy/efficiency/eed/eed_en.htm.

² Please note that these negotiations may significantly alter the nature and scope of the proposed directive.

7. **Metering** (art 8): consumers of electricity, gas and district heating/cooling need to be provided with individual meters in order to be able to monitor consumption in real time.
8. **Efficient Energy Transmission and Distribution** (art 12): EU Member States need to identify (by 30 June 2013) cost effective measures to improve the energy efficiency of their electricity, gas and district heating/cooling networks while providing priority grid access to highly efficient cogeneration.

OTHER IMPORTANT ELEMENTS

Definitions of 'energy services', 'energy service provider' and 'energy performance contracting' are more detailed than those found in the previous EU framework directive on energy efficiency (the 2006 Energy Services Directive). EU Member States are also required to address **regulatory barriers** to energy efficiency, notably by addressing **split incentives** between building owners and tenants, and by changing public budgeting, purchasing and accounting rules in cases where these impede energy efficient procurement.

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