THE PERMANENT REPRESENTATION OF DENMARK
to the European Union
Brussels

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Enclosure	File	Department	
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Denmark's responses to the European Commission's public consultation with regards to the review of progress towards the energy efficiency objective for 2020 and a 2030 energy efficiency framework

Please find enclosed 2 documents from Danish Ministry of Climate, Energy and Building concerning above-mentioned subjects.

Yours sincerely,

Laura Hviid Arildsbo
Energy attaché

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DENMARK'S RESPONSE TO THE EUROPEAN COMMISSION

Denmark's responses to the European Commission's public consultation with regard to the review of progress towards the energy efficiency objective for 2020 and a 2030 energy efficiency framework.

30 April 2014

This paper sets out Denmark's provisional stance on these issues. The final Danish position will be determined in light of the Commission's assessment of the likelihood that the EU achieves its goals for energy efficiency for 2020 and after the presentation of a concrete proposal for a framework for energy efficiency up to 2030. This response replaces the approach of filling-out of the European Commission's electronic questionnaire.

Overview

Denmark places the need for increased energy efficiency and energy saving high on its agenda. Reduction of energy consumption through energy efficiency is the most effective means of increasing energy security. The current situation in the Ukraine emphasizes the importance of reducing dependence on imported oil and natural gas. Energy efficiency is also essential to achieve the necessary long-term reductions in greenhouse gases. Finally, energy efficiency improvements can help make society less vulnerable to fluctuations in energy prices.

It is vital that energy is used more efficiently across all sectors and for all end-uses. To this end, carrying out the necessary upgrading and renovating of the existing infrastructure will greatly facilitate the switch to more energy-efficient technologies and solutions. It is important, too, that attention is also paid to promoting energy awareness among consumers, businesses and government agencies. There is still considerable economic potential for energy efficiency improvements in most areas. This has been documented by, among others, the IEA and the EU, as well as by independent Danish studies. Therefore, investment in the more efficient use of energy often pays for itself in a very short time.

Realising the profitability of increased energy efficiency is crucial for enabling the EU and Denmark to achieve long-term climate and energy targets in a cost effective manner.

It is against this backdrop that Denmark seeks to emphasise how important it is that the EU target of a 20 percent energy saving by 2020 is met. Denmark

stresses that the European Commission places a strong emphasis on finding means to ensure this. This may, for example, consist of enacting initiatives to ensure a better and more ambitious implementation of existing directives, etc., including in relation to products and appliances, as well as making better use of funding and support schemes to promote energy savings.

At the same time, Denmark wants to emphasise the importance of ensuring that energy efficiency is at the core of the EU's climate and energy policy for the period up to 2030.

Denmark finds that an ambitious target for reducing emissions of greenhouse gases alone would not be sufficient to realise the profitability of increased energy efficiency. It is (also) necessary to take specific initiatives to promote the implementation of energy efficiency measures. It is necessary that the EU is ambitious in the area of energy efficiency.

Targets for energy efficiency

Denmark works to ensure that the EU establishes binding targets for energy savings even after 2020, but the final Danish position is to be adopted following the evaluation of the Energy Efficiency Directive and on submission of a concrete proposal from the Commission.

However, from a Danish perspective, the following principles need to be focused on in the pursuit for a binding energy efficiency target:

- A target for increased energy efficiency in 2030 should be ambitious and support the long-term transformation of the energy system which is needed to reach the EU target of an 80-95 percent reduction of greenhouse gas emissions by 2050. The target should also serve to accomplish greater energy independence.

- By extension, any such target must secure an absolute reduction of energy consumption. This is crucial to achieving the necessary reduction of greenhouse gas emissions in a cost effective manner and to ensure a high security of supply.

- A target should be formulated so that it is possible to continuously monitor the progress of achieving objectives based on official data collected by Eurostat. This should also ensure that these targets can be transparent enough to be readily understood. It would therefore be counterintuitive that a target is defined relative to a baseline or model which is difficult to understand.

- A target for 2030 should be based on the principles and definitions as laid down in the Energy Efficiency Directive. This paper argues in favour of a target being defined in terms of absolute energy consumption, as is the case for 2020 pursuant to Article 3 of the Energy Efficiency Directive (EED).

It is against this backdrop that Denmark seeks to emphasise how important it is that the Commission's assessment contains, among other things, models for the introduction of binding targets and that it concentrates on highlighting the advantages and disadvantages of these.

Energy efficiency in various sectors

To achieve increased energy efficiency, a target for energy efficiency cannot stand alone. A target must be supported by energy efficiency initiatives across a broad range of sectors. Common EU instruments can in some areas contribute to better and cheaper energy efficiency than is realised through national instruments. This is obvious for products traded across borders and in instance where it is necessary to operate within a common framework. This applies in relation to, for example, products and appliances where joint EU action (ecodesign and energy labelling) has resulted in significant energy savings at a very low cost not just financially but also in terms of energy and environmental requirements for cars.

Therefore, even if a target for energy efficiency is introduced, new common EU policies and instruments must be considered which can help to implement elements of the large potential for increased, profitable energy efficiency and deliver them in a cost effective manner.

The following areas can be highlighted as having potential for further energy efficiency improvements:

- *Products and appliances:* Experience shows that significant energy savings can be achieved through common initiatives involving a combination of minimum requirements for energy efficiency and energy labelling, and that these initiatives are very cost effective. Therefore, Denmark supports dynamic and ambitious EU requirements for the energy efficiency of appliances and products (the Ecodesign Directive and the Energy Labelling Directive).

- *More energy-efficient cars:* The EU requirements for CO_2 emissions from new cars have helped to promote the development of more energy-efficient cars. It is important to follow-up this development. Denmark sees ambitious objectives for long-term CO_2 emissions as an important element in maintaining the positive developments, and Denmark welcomes any initiatives that contribute to promoting such long-term objectives.

- *Extension of the requirements for energy saving obligations in article 7 of the Energy Efficiency Directive (EED):* the requirements as laid out under article 7 of the EED are the elements of the Directive which provide the most energy savings. These will expire at the end of 2020. Extending these to 2030 will strengthen initiatives significantly and could realise considerable energy savings.

- *Buildings:* Buildings are an especially important focus area. Buildings stand for 100 years or more and extensive renovations are only rarely carried out. Therefore it is important to exploit energy-based renovation opportunities

when they arise in order to secure significant reductions in the energy consumption of buildings. It is also important to ensure that new buildings have the highest energy efficiency achievable through the newest and most cost-effective technologies. Energy-efficient housing saves energy and money in both the short and long terms while at the same time providing a more comfortable environment for users and residents. A revision of the EU Energy Performance of Buildings Directive should emphasise that all countries adopt policies etc. that secure realisation of the cost-effective energy-savings potentials in existing buildings.

- *Industry, including small and medium-sized enterprises:* In the future, enterprises will have to be more efficient. Even though much has been done with regards to his area over the past 30 years, there is a lot more that can still be done. There are still significant cost-effective potentials for energy-efficiency improvements, particularly in small and medium-sized enterprises. Implementation of cost effective energy savings not only yields immediate gains to the enterprise, it also makes the enterprise less vulnerable to unexpected fluctuations in energy prices.

The extent and nature of any EU initiative must be judged on the basis of the nature and the level of ambition for a target for increasing energy efficiency in 2030.

Public consultation on the review of progress towards the 2020 energy efficiency objective and a 2030 energy efficiency policy framework

European Commission

This consultation is part of the assessment of progress towards the 2020 energy efficiency objective required under Article 3(2) of the Energy Efficiency Directive 2012/27/EU. It is also a follow-up to the Communication "A policy framework for climate and energy in the period from 2020 to 2030".

The EU has set itself an energy efficiency target for 2020: 20% energy savings compared to projections. It has defined what this means at EU level: energy consumption of no more than 1483 Mtoe primary energy and 1086 Mtoe final energy. At national level, Member States have set themselves indicative national targets. EU measures have been adopted covering the energy efficiency of products; buildings; power and heat generation and supply; and information/incentives/financing for efficiency among citizens and businesses.

Analysis suggests that the EU is making progress towards its 2020 target, but there is likely to be a shortfall. Latest projections and national targets - which will be updated later this year - indicate that about 17% energy use reduction will be achieved by 2020. It therefore needs to be considered what policy options could address this situation in the most appropriate manner.

The "2030" Communication makes it clear that, with a 2030 perspective, more ambitious energy efficiency efforts are necessary and the exact ambition of future energy savings policy and the measures necessary to deliver it need to be established. It also needs to be considered whether energy intensity of the economy or energy savings or a hybrid of the two are a better benchmark in which to frame 2030 objectives.

The Commission aims to bring forward its assessment of these issues later this year. Responses to this consultation exercise will be an important input to that assessment.

Questions marked with an asterisk * require an answer to be given.

INFORMATION ABOUT THE RESPONDENTS

Are you responding to this questionnaire on behalf of/as: *

- Individual
- Organisation
- Company
- Public Authority
- Other

Please specify * (maximum 50 characters)

Please enter your name or the name of your company/organisation: * (maximum 80 characters)

Please indicate your principal country or countries of residence or activity: *

Austria	Belgium	Bulgaria
Croatia	Cyprus	Czech Republic
Denmark	Estonia	Finland
France	Germany	Greece
Hungary	Ireland	Italy
Latvia	Lithuania	Luxembourg
Malta	Netherlands	Poland
Portugal	Romania	Slovakia
Slovenia	Spain	Sweden
United Kingdom	Other	

Please specify which other country.* (maximum 60 characters)

How would you prefer your contribution to be published on the Commission website, if at all?*

- Under the name indicated (I consent to publication of all information in my contribution and I declare that none of it is under copyright restrictions that prevent publication)
- Anonymously (I consent to publication of all information in my contribution and I declare that none of it is under copyright restrictions that prevent publication)
- Not at all – keep it confidential (my contribution will not be published, but it will be used internally within the Commission)

A. Energy efficiency targets and measures

1. Do you think the right approach in addressing the shortfall is:

*

- a) To define energy efficiency target(s)
- b) Reinforced implementation of existing legislation, including active policy on infringements
- c) Proposing new legislation
- d) other

1.a.1. How should these target(s) be expressed?*

- In terms of energy intensity improvements of the economy and economic sectors
- As absolute energy savings
- As a hybrid of the two represents a better benchmark upon which to frame a 2030 objective
- No opinion

1.a.2. At what level should they apply?*

- [ ] EU
- [ ] National
- [ ] Sectoral

1.a.3. Should they be:*

- ( ) Legally binding
- ( ) Indicative
- ( ) No opinion

Further comments on targets (maximum 1000 characters)

Please specify your response b)

(maximum 1000 characters)

Please specify your response c)

(maximum 1000 characters)

Please specify your response d)

(maximum 1000 characters)

B. Energy efficiency sectors

2. Do you think that further policy measures are needed at EU level to foster energy efficiency in buildings? *

- Yes
- No
- No opinion

Please give details. (maximum 1000 characters)

3. Do you think that further policy measures are needed at EU level to foster energy efficiency in industry?

- Yes
- No
- No opinion

Please give details. (maximum 1000 characters)

4. Do you think that further policy measures are needed at EU level to foster energy efficiency in transport?

- Yes
- No
- No opinion

Please give details. (maximum 1000 characters)

5. Do you think that further policy measures are needed at EU level to foster energy efficiency in electrical equipment?

- Yes
- No
- No opinion

Please give details. (maximum 1000 characters)

6. Do you think that further policy measures are needed at EU level to foster energy efficiency in generation and distribution?

- Yes
- No
- No opinion

Please give details. (maximum 1000 characters)

7. Do you think that further financial mechanisms and instruments are needed at EU level to mobilise energy efficiency investments?

- Yes
- No
- No opinion

Please give details. (maximum 1000 characters)

8. Do you think that further measures are needed to build the capacity of actors in the energy efficiency sector?

- Yes
- No
- No opinion

9. What are the most promising technology solutions that can help deliver energy savings in the 2020 and 2030 time horizon? How can their development and uptake be supported at EU level?

(maximum 1000 characters)

10. Further comments (maximum 1000 characters)

Please give details. (maximum 1000 characters)

Useful links

Consultation page: http://ec.europa.eu/energy/efficiency/consultations/20140428_eed_2020_2030_en.htm