

INTRODUCTION

The Energy Efficiency Coordination Group (EECG) was established in 2013 as a broad platform for cooperation between representatives of ministries and agencies in charge of energy efficiency from Contracting Parties (CPs - Albania, Bosnia and Herzegovina, Georgia, Kosovo*, Moldova, Montenegro North Macedonia, Serbia and Ukraine), Observer Countries and Participants; its key objective is to facilitate the transposition of energy efficiency (EE) *acquis* into national legislation and to support effective implementation. EECG also plays important role as an initiator, coordinator and implementation partner of diverse regional technical assistance and investment programmes. The strong support offered by donors/IFIs (EU, EBRD, EIB, KfW, USAID, World Bank, EU4Energy etc.) is very important and valuable for a successful implementation of the EECG Work Programme.

There are various grounds for the continuation of the EECG work. EE as cross-sectoral issue asks for extensive cooperation and coordination on national and regional level toward achievement of the Energy Community Decarbonisation Roadmap, transposition of Clean Energy for All Europeans Package and achievement of 2030 energy and climate targets adopted by the Ministerial Council in December 2022.

EECG will contribute to the transposition and/or implementation of current EE *acquis*, including the Clean Energy Package (amended Energy Efficiency Directive – EED, Governance Regulation – GR, Labelling and Ecodesign Regulation, etc.) and follow developments in EU. The planned revisions of EED and EPBD need to be carefully analysed, adapted and incorporated in the Energy Community legal framework.

Joint activities of EECG with Renewable Energy Coordination Group and Energy and Climate TWG are planned on NECPs, decarbonisation measures, integrated reporting, financing, information and training.

This Work Programme continues the work undertaken under the Work Programme 2021-2022, and includes 10 Expert Areas grouped in 4 Chapters:

1. Implementation of the EED
2. Energy efficiency in buildings
3. Energy labelling and ecodesign
4. Horizontal and cross-cutting issues

The EECG elects a co-chair among the participating CPs², who co-chair meetings together with the EnC Secretariat and the European Commission. The Expert Area Leaders from CPs and Observers coordinate implementation of respective WP Expert Areas, organise discussions and summarise key findings and recommendations during the EECG meetings.

EECG will have three meetings per year, combined with training workshops. Upon each meeting, ECS will prepare minutes and conclusions for the adoption by EECG.

The general working approach of EECG will be such to support greater participation and initiatives of EECG members, by sharing best examples and identifying common challenges and needs for concrete assistance and support.

**This designation is without prejudice to positions on status, and it is in line with UNSCR 1244 and the ICJ Opinion on the Kosovo declaration of independence.*

² *At the EECG meeting to be held on 28 March 2023, CP will elect a co-chair and expert area leaders for the period of implementation of the Work Programme 2023-2024.*

EECG will play important role as an initiator, coordinator and implementation partner of diverse regional technical assistance and investment programmes. EECG will analyse EE funding available in CPs and will discuss and suggest the donor's priority directions for TA. Donors' and IFI will be regularly invited to present key support programmes. The close cooperation with CA EED and CA EPBD will be further enhanced.

In addition to the regular members of EECG, the Secretariat will enable the participation of additional members, such as representatives of ministries in charge for buildings and urban planning, heating and cooling, finance, representatives of EE funds, procurement decision-makers, local authorities, etc. The aim is to reach out to the stakeholders who are the most interested and the most affected by certain EU legislation.

ECS will support EECG members leading the expert areas to prepare questionnaires to assess the current state of play, detect gaps and implement tasks under certain expert areas, provide templates of legal acts and share best practices from Contracting Parties or EU Member States.

The summary table below provides an overview of expert areas and deliverables related to the implementation of EE directives, as well as horizontal and cross-cutting activities.

Work programme – summary table

EECG Work Programme 2023-2024 (Summary)		2023				2024			
Expert Areas / Tasks	Deliverables	1 st Quarter	2 nd Quarter	3 rd Quarter	4 th Quarter	1 st Quarter	2 nd Quarter	3 rd Quarter	4 th Quarter
1. IMPLEMENTATION OF THE ENERGY EFFICIENCY DIRECTIVE									
<i>EA 1: POLICY PLANNING MONITORING AND VERIFICATION OF SAVINGS</i>									
1. Planning on energy efficiency targets and savings obligation	State of play of transposition of amended EED – questionnaire and report								
	Presentation and discussion on EE dimension of NECPs								
	Update the EEO Policy guidelines								
	Models of legislation/regulation (exchange of best practices)								
2. Monitoring and reporting on targets and savings	Presentation on monitoring and verification of savings procedure								
	Reports on energy efficiency targets and production of energy efficiency indicators								
	Contributions to integrated reporting on energy efficiency under Governance Regulation								
<i>EA 2: PROMOTION OF THE EXEMPLARY ROLE OF THE PUBLIC SECTOR</i>									
1. Public buildings	Renovation targets and implementation plans for the increased 3% target – reports by CPs								
	Examples of renovation projects implemented in CPs and MSs								
2. Purchasing by public bodies	Guidelines on EE procurement for the procurement authorities								
<i>EA 3: ENERGY SERVICES, ENERGY AUDITS, MANAGEMENT AND CERTIFICATION</i>									
1. Energy services market and energy management	Reports on adopted ESCO secondary legislation and model contracts, exemplary projects								
	Energy audits and energy management - assessment of implementation, best practices								
2. Qualification, accreditation and certification schemes	Questionnaire and assessment of qualification, accreditation and certification schemes								
	Dedicated Workshop								
<i>EA 4: DEMAND-SIDE MEASURES FOR ENERGY SAVINGS</i>									
1. Metering, sub-metering and billing information	Questionnaire and assessment on the implementation of Articles 9-11 EED 2018 and policy guidelines								
	Workshop/ exchange of experiences								

2. Consumer information and demand reduction measures	Questionnaire and assessment of measures for demand reduction in the context of the current energy crisis								
	Policy guidelines for reducing energy demand in Contracting Parties								
	Workshop								
EA5: EFFICIENCY IN ENERGY SUPPLY AND INFRASTRUCTURE									
1. Efficiency in Heating and Cooling	The link between NECPs and comprehensive assessments – workshop and exchange of best practices								
	Workshop on Guarantees of Origin for CHPs and support schemes for CHPs								
2. Efficiency in energy infrastructure	Assessment and report of EE component in network tariffs for electricity and gas								
2. ENERGY EFFICIENCY IN BUILDINGS									
EA 6: BUILDINGS RENOVATION WAVE									
1. Advancing large scale building renovations	Mapping of financing options, legal and market barriers for buildings renovation								
	Mapping of priority measures to facilitate the implementation								
	Workshops on best practices								
EA 7: BUILDINGS RENOVATION STRATEGIES									
1. Renovation targets, policy measures and link with NECPs	Analysis of new requirements (2021 Governance Regulation, recast EPBD)								
	Strategies as integral part of NECPs and progress reporting								
2. Implementation	Policy guidelines on how to deliver building renovation strategies								
	Exchange of best practices								
EA 8: EPBD IMPLEMENTATION AND NEW REQUIREMENTS									
1. Implementation (existing EPBD)	Implementation of EPBD cost optimal methodology – reporting								
	Implementation of NZEB targets and Action Plans – reporting								
	Certification of buildings and inspection of systems – best approaches in implementation								
2. EPBD - new requirements (EPBD recast)	Analysis of new requirements of the revised EPBD								
	Recommendations for transposition in the Energy Community								
	Draft MC proposal of revised EPBD for the Energy Community								
	EPBD Roadmap								
3. ENERGY LABELLING AND ECODESIGN									
EA 9: TRANSPOSITION AND ANALYSIS OF NEW REQUIREMENTS									

Transposition/New requirements	Monitoring and reporting on the implementing delegated regulations adopted by 2021 Ministerial Council								
	Analysis of new EU developments & recommendations								
	Progress reports								
EA 10: IMPLEMENTATION PRACTICES									
1. Monitoring, Verification and Enforcement	Recommendations on MVE and applicability of EU market surveillance regulation								
2. Promotional activities	Reports on awareness raising activities, supporting public procurement practices and incentives								
	Reports on good practices and country-specific recommendations								
4. HORIZONTAL AND CROSS CUTTING ISSUES									
1. Coordination of work on 2030 targets and integrated NECPs (jointly with the Energy and Climate Committee/TWG and RE Coordination Group)		<i>Continuous coordination</i>							
2. Strengthening of national institutions, national funds and financing									
3. Coordination of donors/IFI support									
4. Promotion of sustainable heating and cooling - joint events, policies and measures (in close collaboration with RE Coordination Group)									
5. Development of energy efficiency statistics and indicators									

1 IMPLEMENTATION OF THE ENERGY EFFICIENCY DIRECTIVE

❖ Expert Area 1: Policy planning, monitoring and verification of savings

Expert Area Leaders: Serbia, Ukraine (TBC)

📁 SCOPE OF ACTIVITY

Task 1: Policy planning on energy efficiency targets and savings obligations

In December 2022, the Energy Community Ministerial Council adopted 2030 targets to reduce primary and final energy consumption, accelerate the uptake of renewables and reduce greenhouse gas emissions to achieve climate neutrality by 2050.

The Energy Efficiency Directive 2012/27/EU (EED) was adopted by the Energy Community Ministerial Council in October 2015, repealing the Energy Services Directive 2006/32/EC (ESD) as well as the Cogeneration Directive 2004/8/EC. In December 2018, the EU adopted Directive (EU) 2018/2002, amending Energy Efficiency Directive 2012/27/EU (EED). The Energy Community Ministerial Council adapted and adopted the amendments to EED in November 2021, as well as the Governance Regulation, which introduces a new integrated method of planning and reporting within five dimensions: decarbonisation, energy efficiency, energy security, internal energy market and research and development. Energy efficiency is the integral dimension where Contracting Parties need to set the objectives, policies and measures for achieving adopted targets. National Energy and Climate Plans (NECPs) are thus replacing National Energy Efficiency Action Plans.

Within this activity, EECG will primarily monitor the transposition and the implementation of EED, and for this activity, the questionnaire will be developed by the Secretariat to assess the progress. It will also focus on the process of development of NECPs in CPs for the energy efficiency dimension and discuss open questions, exchange experience and send drafts to the ECS for the first review, prior to the official submission for approval by national authorities.

Moreover, Contracting Parties need to achieve cumulative end-use energy savings of at least 0.7 % of annual energy sales each year from 1 January 2014 to 31 December 2020, and of 0,8 % of annual final energy consumption each year from 1 January 2024 to 31 December 2030. EECG will discuss the measures for achieving new requirements under Article 7 - Energy savings obligations, and new articles 7a and 7b, and will work on the update of the Policy guidelines on Energy Efficiency Obligation Schemes of 2019.

⇒ DELIVERABLES

1. State of play of transposition of amended EED
2. Presentation and discussion on EE dimension of NECPs
3. Update the Policy guidelines on Energy Efficiency Obligation Schemes of 2019 addressing requirements of amended EED
4. Models of legislation/regulation (exchange of best practices)

Task 2: Monitoring and reporting on targets and savings

The adoption of 2030 targets on energy efficiency at the Energy Community level, and each Contracting Party brought a new method of integrated reporting that will replace progress reports. Contracting Parties will be obliged to report for the first time with an integrated approach and to create biennial progress reports on the implementation of NECPs, the first one being due in March 2025. EECG members will be timely introduced to the new method of reporting. EECG should also report on savings achieved in the years 2023 to 2025. EECG will discuss the progress and open questions in setting up reliable monitoring and verification mechanisms for energy efficiency savings. Moreover, EECG will be following Odysse-MURE project on the implementation of monitoring and verification of energy savings.

⇒ DELIVERABLES

1. Support to monitoring and verification of savings procedure/system and Odysse-MURE project
2. Reports on energy efficiency targets and production of energy efficiency indicators
3. Contributions to integrated reporting on energy efficiency under Governance Regulation

❖ Expert Area 2: Promotion of the exemplary role of the public sector

Expert Area Leaders: Montenegro, North Macedonia (TBC)

📁 SCOPE OF ACTIVITY

The EED requires the public sector at national, regional and local level to fulfil an exemplary EE role. This covers both public buildings (Article 5) and public procurement (Article 6).

Task 1: Public buildings

While Energy Community has implemented a reduced rate of central government buildings renovation obligation of 1% per year to meet at least the minimum energy performance requirements that it has set in application of Directive 2010/31/EU, the amended EED in the Energy Community raised the renovation rate to 3% per year as it is the case in the EU. Therefore, as of 2024, Contracting Parties have to put three times higher effort in the renovation of public buildings to achieve the renovation rate of 3%.

EECG will discuss measures for achieving the increased renovation rate, report on the progress with the implementation of the renovation targets and report share of public building renovations in the overall renovation target planned in each year. ECS will assist with a model of reporting.

Task 2: Purchasing by Public Bodies

Article 6 of the EED requires that central governments purchase only products, services and buildings with high-energy efficiency performance and that all public bodies should be encouraged to do likewise. Energy efficiency requirements for purchasing products, services and buildings by central government are laid down in Annex III of the Directive, which establishes connections with the Labelling and Eco-design legislation.

EECG will continue working on regional level to exchange best practices and develop procurement guidelines, and report on the progress in implementation.

⇒ DELIVERABLES

1. Renovation targets and implementation plans for the increased 3% target – reports by CPs
2. Examples of renovation projects implemented in CPs and MSs
3. Guidelines on EE procurement for the procurement authorities

❖ Expert Area 3: Energy services, audits, management and certification

Expert area Leaders: North Macedonia, Serbia (TBC)

SCOPE OF ACTIVITY

EED promotes the ESCO concept for realising energy efficiency investments, especially in the public sector. EED further promotes transparency, model contracts and exchange of best practice and guidelines. Public bodies should be encouraged to use, where appropriate, ESCOs and energy performance contracting to finance renovations and implement plans to maintain or improve energy efficiency in the long term.

Energy audits and energy management systems are an essential tool to achieve energy savings. They are necessary to assess the existing energy consumption and identify the whole range of opportunities to save energy. CPs must establish national minimum criteria based on EED Annex VI. ECS has published Policy Guidelines on the data to be used, the depth and scope of the audit, the recommended cost analysis and the quality requirements in terms of representativeness of the energy audits referred to in Article 8³.

Task 1: Energy services market and energy management

Despite the REEP Plus support provided to all WB6 countries, especially in Bosnia and Herzegovina, Montenegro and Serbia to eliminate existing barriers and develop adequate legislation and regulation, as well as contract templates for EE ESCO in street lighting buildings' projects, the uptake of energy performance contracting is still much reduced. The large-scale renovation of all types of buildings would be difficult to implement only with public funding. Therefore, the intervention of ESCOs is expected to deliver a significant part of the "renovation wave" in the EU. Based on the above requirements and experience, EECG will further work on its national development of primary and secondary legislation, model contracts and guidelines for ESCO projects, etc.

EECG will work jointly on the implementation of recommendations from Article 8 Policy Guidelines and establishment of harmonised national minimum criteria for energy audits and energy management. EECG will monitor the implementation of energy audits obligations and report on the systems put in place to check the quality of energy audits reports and the savings expected to result from these.

Task 2: Qualification, accreditation and certification schemes

EECG will assess via questionnaire the current state of the implementation of qualification, accreditation and certification schemes for energy auditors and energy managers. This activity will be discussed together with the activity concerning the implementation of EPBD: equivalent scheme for energy performance certification and inspection of systems in buildings.


³ Policy Guidelines on EED Article 8 are available on EnC website: https://www.energy-community.org/dam/jcr:19f10c08-3c3e-41bb-a02f-bdd55bbeaa7c/PC_022019_EED.pdf

⇒ DELIVERABLES

1. Reports on adopted ESCO secondary legislation and model contracts, exemplary projects
2. Energy audits and energy management - assessment of implementation, best practices
3. Questionnaire and assessment of qualification, accreditation and certification schemes
4. Dedicated Workshop(s)

❖ Expert Area 4: Demand side measures for energy savings

Expert area Leaders: Serbia, Montenegro (TBC)

 SCOPE OF ACTIVITY

Demand response is an important instrument for improving energy efficiency. Demand response can be based on final customers' responses to price signals or on building automation. Conditions for, and access to, demand response should be improved, including for small final consumers. The implementation of intelligent metering systems that shall assist the active participation of consumers in the electricity and gas supply market.

Adopting incentives for customers to implement demand-side measures in their objects will contribute energy savings and ensure the financial sustainability of utilities. Installation of smart meters enables the real-time information about the energy consumption online or via a desktop and smart-phone application. The increased knowledge and awareness of energy usage motivates consumers to reduce their consumption. This is especially important in the time of energy crisis. EECG will discuss and identify technical, legal and regulatory challenges, with examples of how they were overcome in other countries.

Task 1: Metering, sub-metering and billing information

Provisions on heat consumption metering and billing information in amended EED, Articles 9 to 11 are strengthened, requiring the adoption of acts at the national level and implementing measures for enabling consumers to adjust their consumption behaviour and that way achieves energy savings. The Secretariat will support local authorities and district heating companies in implementing heat consumption metering and billing and the role of EECG is of the utmost importance to coordinate and support the implementation of this activity. EECG will also assess how these provisions are enforced in Contracting Parties, having in mind the requirements of Article 13 of EED.

Within this activity, EECG may jointly with ECS (Electricity and Gas Units of ECS and relevant EnC WGs) discuss the roll-out of smart meters as a measure for achieving energy savings, as well as a measure for enabling consumers to be active participants in the energy market.

Task 2. Consumer information and demand reduction measures

Empowerment of consumers to save energy and to be informed about incentives available for energy efficiency measures is of the utmost importance in the context of the current energy crisis. The current and expected increase in energy prices will affect the financial standing of energy consumers, and thus programs and measures for raising awareness of energy efficiency are needed more than ever before. Within this activity, EECG will assess via questionnaire the measures adopted and the effects of such measures.

⇒ DELIVERABLES

1. Questionnaire and assessment on the implementation of Articles 9-11 EED 2018 and policy guidelines
2. Questionnaire and assessment of measures for demand reduction in the context of the current energy crisis
3. Policy guidelines for reducing energy demand in Contracting Parties
4. Workshop/ exchange of experiences

❖ Expert Area 5: Efficiency in energy supply and infrastructure

Expert Area Leaders: Bosnia and Herzegovina, Moldova (TBC)

📁 SCOPE OF ACTIVITY

In accordance with Article 14 of the EED, main obligations in this area include: a comprehensive assessment of the potential for application of high-efficiency cogeneration and efficient district heating and cooling; implementation of adequate measures where the comprehensive assessment identifies a potential where benefits exceed the costs; procedure for authorisation or permit criteria in these cases. EED also requires preparation of a cost-benefit analysis when a new installation with a total thermal input higher than 20 MW is planned or is substantially refurbished or when a new district heating and cooling network is planned.

Article 15 of the EED (energy transformation, transmission and distribution) and the related Annex XI and Annex XII aim at maximising grid and infrastructure efficiency and promoting demand response.

Moreover, the need for the deployment of smart grids, calls national energy regulatory authorities to ensure that network tariffs and regulations incentivise improvements in energy efficiency and support dynamic pricing for demand response measures by final customers, as well as to pursue integrated approach encompassing potential savings in the energy supply and the end-use sectors.

Task 1: Efficiency in heating and cooling

Within this activity, EECG will focus on supporting Contracting Parties in conducting comprehensive assessments according to Article 14, and relevant Annexes, also taking into account the provision of Article 15 (7) of the Renewable Energy Directive. The potential needs to be addressed in national plans and strategies, as well as spatial plans; therefore, the EECG will discuss how to integrate the addressed potential in NECPs.

Moreover, Article 14 EED requires that the origin of electricity produced from high-efficiency cogeneration can be guaranteed according to objective, transparent and non-discriminatory criteria. EECG will be introduced with the regional project of the Energy Community Secretariat developed in cooperation with RECG members, which resulted in electronic registries for guarantees of origin in line with EU requirements and standards being created for Albania, two entities in Bosnia and Herzegovina,

Georgia, Kosovo, North Macedonia, Moldova, Montenegro and Ukraine. Finally, EECG will be introduced with best practices from Member States on support schemes for CHPs.

Task 2: Efficiency in energy infrastructure

Article 15 of the EED (energy transformation, transmission and distribution) and the related Annex XI and Annex XII aim at maximising grid and infrastructure efficiency and promoting demand response via roll out of smart meters. Implementation of these provisions will be discussed jointly with Electricity and Gas Units. EECG will assess and discuss jointly with ECRB how NRAs take into account energy efficiency when setting network tariffs for implementing energy efficiency improvement measures.

EECG work in these two areas are lagging behind. All CPs still need to produce the comprehensive assessment of the potential for efficient heating and cooling. The transposition and implementation of Article 15 will be assessed via questionnaires, to detect the issues that need improvement.

⇒ DELIVERABLES

1. Workshop on link between NECPs and comprehensive assessments, and best practices
2. Workshop on guarantees of origin and support scheme for CHPs
3. Assessment and report of EE component in network tariffs for electricity and gas

2 ENERGY EFFICIENCY IN BUILDINGS

The building sector is one of the main energy consuming sector in the Energy Community, and has crucial role in achieving the Energy Community 2030 energy and climate targets and 2050 decarbonisation goals. Making buildings more energy efficient has also positive impact on citizens' wellbeing, including improved health and comfort level in homes and offices, new local green jobs in the building sector etc.

The Directive 2010/31/EU on the Energy Performance of Buildings (EPBD) focuses on the utilization of the energy efficiency potential in buildings, calls for setting of the minimum energy performance requirements for new and existing buildings, certification of buildings and requires regular inspections of heating and air-conditioning systems.

To boost the energy performance of buildings, EU is constantly improving the legislative framework. As part of the "Clean energy for all Europeans package", Directive 2010/31/EU was amended in EU in 2018 by the Directive (EU) 2018/844. The principal aim was to accelerate the cost-effective renovation of existing buildings, establish stronger long-term renovation strategies, utilize digital technologies through promotion of smart building technologies and smart readiness indicator, and support development of e-mobility infrastructure.

Under the Governance Regulation 2018/1999, Contracting Parties are required to draw up integrated national energy and climate plans (NECPs) outlining how they intend to meet the energy efficiency and other targets for 2030, with important role of buildings sector. Article 53 of the Governance Regulation already includes certain amendments of Directive 2010/31/EU (related to the Long-Term Renovation Strategies).

In December 2021, the Commission proposed a revision of the EPBD directive. The negotiations within EU are ongoing, with plans to be finalized during 2023. The proposal of revised EPBD upgrades the existing regulatory framework to reflect higher ambitions and new initiatives:

- the gradual introduction of minimum energy performance standards to trigger renovation of the worst performing buildings,
- a new standard for new buildings and a more ambitious vision for buildings to be zero-emission,
- enhanced long-term renovation strategies, to be renamed national Building Renovation Plans,
- increased reliability, quality and digitalization of energy performance certificates,
- a definition of deep renovation and the introduction of building renovation passports,
- modernization of buildings and their systems, and better energy system integration,
- any new buildings are "solar ready", and where possible contain solar energy installations.

In the Energy Community, this Directive is expected to be adopted at the Ministerial Council in 2023 with an implementation deadline to transpose its provisions into national law.

The activities of the EECG in 2021 and 2022 will be focused on the facilitation and promotion of investments in deep renovation of buildings (Buildings Renovation Wave), development of long-term building renovation strategies and transposition and implementation of EPBD (with focus on new requirements under recast EPBD).

❖ Expert Area 6: Buildings Renovation Wave

Expert Area Leaders: Kosovo, Georgia (TBC)

📁 SCOPE OF ACTIVITY

Renovating both public and private buildings is an essential action and has been singled out in the European Green Deal as a key initiative to drive energy efficiency in the sector and deliver on objectives.

On 14 October 2020 the European Commission adopted a new strategy to boost renovation called "A Renovation Wave for Europe – Greening our buildings, creating jobs, improving lives". It aims to double annual energy renovation rates in the next ten years in EU. The building sector accounts for over 40% of total energy consumption in the Energy Community. The European Commission adopted "An Economic and Investment Plan for the Western Balkans", which identified flagship initiatives related to clean energy and the transition from coal. An overall budget of EUR 9 billion during 2021-2027 is proposed for the Plan's implementation, of which a fair share is expected to finance buildings renovation and decarbonisation of heating and cooling sectors.

In the Green Agenda for the Western Balkans and its Economic and Investment Plan, buildings renovations have a prominent role and EU is planning to provide substantial IPA funding for this.

EECG will continue to follow this as one of the priorities of the Work Programme, as the implementation in practice of the 'Renovation Wave' will require a significant amount of dialogue and systematic approach, including new or adopted legal and regulatory framework, to become an enabling factor for large scale investments existing buildings.

EECG will support the work of the Funds/Agencies by supporting national programmes for buildings renovation (both public and private).

⇒ DELIVERABLES

1. Mapping of financing options, legal and market barriers for buildings renovation
2. Mapping of priority measures to facilitate the implementation
3. Workshops on best practices

❖ Expert Area 7: Buildings Renovation Strategies

Expert Area Leaders: Ukraine, Bosnia and Herzegovina (TBC)

📁 SCOPE OF ACTIVITY

Task 1: Renovation targets, policy measures and link with NECPs

On 19 June 2018, the Directive 2018/844/EU amending the Energy Performance of Buildings Directive was published. This revision introduces targeted amendments to the current Directive aimed at renovation of existing buildings, with the vision of a decarbonized building stock by 2050, cost-effective transformation of existing buildings into nearly zero-energy buildings and the mobilisation of investments. It has also taken up the Long-term Renovation Strategy provisions from the EED.

Under the Governance Regulation 2018/1999, Contracting Parties are required to draw up integrated national energy and climate plans (NECPs) outlining how they intend to meet the energy efficiency and other targets for 2030, with important role of buildings sector. Also, Article 53 of the Governance Regulation already includes amendments of Directive 2010/31/EU, related to the Long-Term Renovation Strategies.

The Strategies are being developed with the technical assistance of various donors; the EECG members will report regularly on the progress of adoption and implementation.

Public buildings shall play an exemplary role in long term buildings renovation strategies. This complements EPBD requirements for existing buildings to upgrade their energy performance when they undergo major renovation, so that they meet minimum energy performance requirements.

CPs are in the process of drafting and submitting their Integrated National Energy and Climate Plans (NECPs) to the Secretariat. Integration of long-term renovation strategies in NECPs and later implementation, reporting and monitoring is very important activity and will be supported by EECG.

Task 2: Implementation

EECG will support development of policy guidelines, exchange best practices in implementation of long-term renovation strategies and report on implementation. It will support Secretariat in the assessment and update of existing renovation strategies, reflecting the need for more ambitious renovation wave.

⇒ DELIVERABLES

1. Analysis of new requirements (2021 Governance Regulation, recast EPBD)
2. Strategies as integral part of NECPs and progress reporting
3. Policy guidelines on how to deliver building renovation strategies
4. Exchange of best practices on complying with Article 2a of the EPBD

❖ Expert Area 8: EPBD Implementation and new requirements

Expert Area Leaders: Albania, Kosovo (TBC)

SCOPE OF ACTIVITY

EECG will continue with the implementation of EPBD 2010/31/EU, while analysing the requirements of the new EPBD and preparation for its implementation.

Task 1: Implementation

The implementation of current EPBD in force in the Energy Community is lagging behind in several areas:

- Implementation of the cost – optimal methodology,
- Targets and standards for nearly zero energy buildings, and
- Energy performance certification and inspection of systems

This is why the focus of the WP 2023-2024 will be on implementation of these areas from the current EPBD in force, as well as preparing for the transposition of new EPBD.

Through exchange of experience, EECG will report and identify the best approaches in implementation of certification of buildings and inspection of systems, supported by independent control systems. EECG will follow up finalisation of regulation and procedures for energy performance certification and inspection of systems, incl. also exchanges of best implementing practices. CPs will regularly report on the progress in implementation.

This will be combined with the exchange of information of the best practices on Training and Control Systems.

⇒ DELIVERABLES

1. Implementation of EPBD cost optimal methodology – reporting
2. Implementation of NZEB targets and Action Plans – reporting
3. Best approaches in implementation of certification of buildings and inspection of systems

Task 2: EPBD - new requirements

EECG will continue analysing and discussing the new requirements of the revised EPBD, related to deep renovation and worst performing buildings, vision for zero-emission buildings, enhanced national Building Renovation Plans, digitalisation, building renovation passports, solar readiness etc.

EECG will analyse new EPBD requirements in cooperation with ECS and EC, in order to prepare proposal of MC Decision for PHLG/MC adoption.

EECG will establish close cooperation with EU and international institutions and organisations providing publications and information regarding implementation of the revised EPBD (EC, CA EPBD, BUILDUP, BPIE etc.).

⇒ DELIVERABLES

1. Analysis of new requirements of the revised EPBD
2. Recommendations for transposition in the Energy Community
3. Draft MC proposal of revised EPBD for the Energy Community
4. EPBD Roadmap for transposition and implementation

3 ENERGY LABELLING AND ECODESIGN

In the Energy Community, many everyday products carry energy labels and have been designed to meet minimum energy efficiency standards.

EU energy labels help consumers choose energy efficient products. The framework energy labelling requirements for individual product groups are created under the Framework Regulation (EU) 2017/1369 of 4 July 2017, in a process coordinated by the European Commission.

The Framework Regulation (EU) 2017/1369 was adapted by the Ministerial Council Decision 2018/03/MC-EnC of 29 November 2018, repealing the outdated Labelling Directive 2010/30/EU.

In 2019, the European Commission adopted five delegated acts in order to supplement Regulation (EU) 2017/1369 by introducing A to G rescaled labels and updated requirements for electronic displays, household washing machines and household washer-dryers, light sources, refrigerating appliances and household dishwashers. This package was adopted by the Energy Community in 2021, with the transposition deadline by the end of 2023.

With regard to the Regulation for specific product groups, activities of the EECG in 2023 and 2024 will be focused on coordinated approach in transposition of the current framework and uptaking new product regulations in force in EU, analysis of new EU eco-design legislation, and regular reporting.

❖ Expert Area 9: Transposition and analysis of new requirements

Expert Area Leaders: Georgia, Albania (TBC)

📁 SCOPE OF ACTIVITY

EECG will support implementation of existing and the process of adoption of the new rescaled Products Regulations and development of full implementing framework. EECG will also analyse EU developments on eco-design policy on energy-related products and provide recommendations for realistic adoption and implementation in the Energy Community, report on current status of implementation and needs for update of delegated regulation.

⇒ DELIVERABLES

1. Monitoring and reporting on the implementing delegated regulations adopted by 2021 Ministerial Council
2. Analysis of new EU developments & recommendations
3. Progress reports

❖ Expert Area 10: Implementation practices

Expert Area Leaders: Moldova, Ukraine (TBC)

📁 SCOPE OF ACTIVITY

According to Labelling Regulation, CPs should ensure that appropriate measures are taken in order to encourage the relevant national or regional authorities responsible for implementation to cooperate and provide each other, Secretariat and the Commission with information in order to assist the application of Regulation.

Task 1: Monitoring Verification and Enforcement (MVE)

EECG will focus on different aspect of implementation of market surveillance provisions and operation of market surveillance authorities, in order to enable harmonized approach in the Energy Community and dissemination of best implementation practices. Recommendations will be issued at regional level as well as reporting on implementation.

Analysis of applicability and integrations of market surveillance regulation (EU) 2019/1020 will be also analysed.

Task 2: Promotional activities

EED and Product Regulation promote exchange of information, incentives for a highly efficient products and development of public procurement practices.

EECG should discuss practices of introduction of the system of labels and fiches and accompanying by educational and promotional information campaigns, aimed at promoting energy efficiency and more responsible use of energy by end-users.

Public sector should lead by example and public procurement of products should comply with the criteria of belonging to the highest energy efficiency class. EECG will exchange best practices.

⇒ DELIVERABLES

1. Recommendations on MVE and applicability of EU market surveillance regulation
2. Reports on awareness raising activities, supporting public procurement practices and incentives
3. Reports on good practices and country-specific recommendations

4 HORIZONTAL AND CROSS CUTTING ISSUES

Coordinators: Energy Community Secretariat in cooperation with the European Commission and Donor Community

The following horizontal and cross cutting activities will be implemented continuously during the whole mandate of the EECG:

1. Coordination of work on 2030 targets and integrated NECPs

With Decision 2022/02/MC-EnC, the Energy Community Ministerial Council adopted the 2030 energy and climate targets on 15 December 2022. To boost energy efficiency and energy savings, they agreed to cap the amount of primary energy consumption at 129.88 Mtoe and the amount of final energy consumption at 79.06 Mtoe at the level of the Energy Community.

These energy and climate headline targets are essential to put the Energy Community Contracting Parties on a path towards achieving climate neutrality of their economies by 2050 and decreasing dependence on fossil fuels in the shorter term.

Contracting Parties now need to map out the policies, measures and plans to deliver on their 2030 targets and submit these as part of their National Energy and Climate Plans (NECPs). Under the Governance Regulation, CPs are required to submit the first draft NECPs by 30 June 2023, and submit the adopted NECP by 30 June 2024. The NECP shall cover the period from 2025 to 2030, taking into account the longer-term climate neutrality perspective, and shall be consistent with aims set out in the long term strategies. The NECPs include national targets and respective policy measures for five dimensions of the Energy Union, including energy efficiency.

Immediately after, CPs will need to start reporting on the status of implementation and the progress towards their targets.

The EECG will, together with the Energy and Climate Committee/TWGs and Renewable Energy Coordination Group discuss and support incorporation of 2030 EE/RES/GHG targets and setting adequate policy measures in NECPs. EECG will also support integrated assessment and reporting on progress towards the 2030 EE/RES/GHG target.

2. Strengthening of national institutions, national funds and financing

Energy Efficiency institutions/agencies in Contracting Parties should be strengthened to enable successful implementation of the exemplary role of the public sector, implementation of various energy efficiency improvement measures, as well as monitoring, evaluation and verification of the achieved energy savings.

Article 20 of the EED states that CPs shall facilitate the establishment of financing facilities, or the use of existing ones, for EE improvement measures to maximise the benefits of multiple streams of financing. They may set up an Energy Efficiency National Fund. The purpose of this Fund shall be to support national energy efficiency initiatives. National energy efficiency funds exist currently in Kosovo* and Ukraine as independent bodies, in Bosnia and Herzegovina as entities' EE and environmental funds and in Montenegro and Serbia as a budget lines within the responsible Ministry. In Moldova and North Macedonia, an independent Energy Efficiency Fund is currently being established.

In July 2020, Secretariat and EBRD jointly issued Policy Guidelines on Centralised Energy Efficiency Financing Mechanisms⁴, aimed to help countries to design and establish in effective way such mechanisms, covering best practices and design considerations such as sources of funding, types of financial instruments, allocation approaches, and good governance.

EECG will support and discuss strengthening of energy efficiency agencies (where these exist), and invite donors to share or support research on best options to design and structure energy efficiency institutions/agencies.

EECG will support and facilitate the establishment or improvement of financing facilities, including national EE funds, in line with EED requirements and EU/EnC recommendations.

3. Coordination of donors/IFI support

EECG plays important role as an initiator, coordinator and implementation partner of diverse regional technical assistance and investment programmes. The strong support offered by the EC/EBRD/KfW REEP Plus and other donors/IFIs (EU, GIZ, GGF, USAID, World Bank, EU4Energy programme etc.) is very important and valuable for a successful implementation of the EECG Work Programme.

In order to enhance cooperation with IFI's on investments, grants and technical assistance attraction to support CPs on a way to implement NECPs and achieve decarbonisation, EECG will analyse EE funding available in CPs and will suggest the donors priority directions for TA.

4. Promotion of sustainable heating and cooling

Green and efficient heating and cooling sector plays a crucial role in the decarbonisation and achievement of RE target. There is a lot of possibilities for EE&RE synergy in heating and cooling sector, including efficient and green technologies (solar technologies, heat pumps, district heating and cooling etc.) energy performance standards for new and existing buildings, buildings' renovation wave etc.

Joint work with the Renewable Energy Coordination Group (joint events, policies and measures) are envisaged to exchange best practices and examine synergy in integrated EE and RE approach in decarbonisation of heating and cooling sector.

5. Development of energy efficiency statistics and indicators

Most CPs are currently lacking sufficient data and systems that are needed for the calculation of energy efficiency indicators and savings, as well as for the monitoring of implementation.

With the continuation of the Odyssee-MURE project from November 2022 onwards, its geographic scope was enlarged further to cover the Energy Community region. The Odyssee-MURE project will support these upcoming planning and reporting efforts related to the 2030 energy and climate targets. This will allow Energy Community Contracting Parties to see where exactly they stand in terms of energy efficiency and related policies, how this compares to EU or neighbouring countries.

⁴ Policy Guidelines are available on ENC website: https://www.energy-community.org/dam/jcr:2d97286f-2e17-47c5-b6e1-fe85c902ed1d/EBRD_EnCS_PG_EEF_072020.pdf

EECG will follow and support Odyssee-MURE project and EU/Eurostat and IEA efforts and promote development of in-depth EE indicators to better utilise policy making best suited to domestic and/or international objectives.