

27th ENERGY EFFICIENCY COORDINATION GROUP MEETING - MINUTES AND CONCLUSIONS

Wednesday, 17 November 2021, 9:30 - 15:45

Webex online meeting

The 27th Energy Efficiency Coordination Group (EECG) meeting was held online and attended by the representatives of all Energy Community Contracting Parties (CPs), Observers (Turkey), the European Commission (EC - DG ENER and DG NEAR), donors and IFIs: AFD, EBRD/ REEP Plus, European Investment Bank, Green for Growth Fund, KfW, GIZ, IFC, Millennium Foundation, the World Bank, and experts and invited speakers from CRES, ECA, Fraunhofer Institute, Eco. Ltd, GOPA and SEVEN. The meeting was chaired by the Energy Community Secretariat (Ms. Violeta Kogalniceanu) and the Ministry of Economy and Sustainable Development of Georgia (Ms. Natalia Jamburia).

ECS (Ms. Violeta Kogalniceanu) opened the meeting by welcoming the participants and presenting the meeting's agenda, focused on implementing the EECG Work Programme 2021-2022, legislative gaps for EED and EPBD implementation and regional energy efficiency initiatives. The EECG agenda, documents and presentations are available online on the Energy Community [website](#).

ECS (Mr. Borko Raičević) presented the progress in implementing the Energy Efficiency (EE) directives and the [2021 Annual Implementation Report of the Energy Community](#), key EE indicators used and link to the EECG Work Programme. Practically all CPs registered good progress in the implementation (Bosnia and Hercegovina only recently improved EE reporting, after the report was published).

1. EECG Work Programme 2021-2022 (EA 1, EA2, EA 8)

Contracting Parties presented the [status of implementation of secondary legislation for EED and EPBD](#), focusing on those acts under development or still pending adoption. Despite the progress, all CPs still have outstanding secondary legislation to adopt; above these, there are two CPs (Georgia and Ukraine) that still have a significant number of by-laws to adopt/amend based on their rather late adoption of the primary EED and EPBD (GE) and EED (UA) laws. Their work on integrated. NECPs also required updates of primary or secondary legislation in most CPs.

CRES (Mr. Christos Tourkolias) provided an overview of the situation and [primary measures in the EU industry sector under EED Article 7](#). The most common measures are the provision of economic incentives and the adoption of regulatory measures. Many of these measures can be replicated in Energy Community, where the high energy-saving potential in the industry remains to be tackled.

Fraunhofer Institute for Systems and Innovation Research (Mr. Wolfgang Eichhammer) provided the background information on the previous cycle of the EU [Odyssee-Mure](#) project on energy efficiency indicators and policies, as well as a [new 2022-2025 project proposal for CPs to join Odyssee-Mure](#). This would be proposed under the Climate Neutrality Programme for Environment and Climate Action (LIFE) and Clean Energy Transition Call. The indicators and analysis undertaken under Odyssee-Mure would support energy efficiency policy-making and NECP processes in CPs. Furthermore, the

Odyssee-Mure training webinars will be organised on 13-14 December 2021, specifically for the CPs and ECS.

SEVEN (Mr. Juraj Krivošík) presented a project sponsored by EBRD on the [Monitoring, Verification and Enforcement - Improving compliance with Energy Efficiency Policies for Appliances and Equipment](#). The project enters into Phase II, and SEVEN will manage it. All CPs are invited to join Phase II, as it is important and cost-effective to ensure market surveillance. Summary of findings from Phase I, an overview of market surveillance and product compliance benefits and opportunities, selected high-level recommendations, and tips for practical actions for CPs are [published in the format suitable for further use and dissemination](#).

Conclusions

- 1.1. Despite the progress, all CPs still have outstanding secondary EE legislation to adopt. EEGC members acknowledged the urgency to finalise the transposition of the current energy efficiency Acquis, having in view the adoption of the Clean Energy Package at the Ministerial Council in November 2021. They also highlighted the need for more customised TA (like REEP for the Western Balkans) to help national authorities to deliver on their obligations and invited the European Commission, donors, and IFIs to support them.
- 1.2. EEGC thanked CRES for presenting the status and the main measures in the EU industry sector under EED Article 7. The high energy-saving potential still remains to be tackled in the EnC, and EEGC will continue to discuss and exchange implementation practices.
- 1.3. ECS thanked Fraunhofer Institute for introducing the new project proposal to extend the regional coverage of the Odyssee-Mure databases to include the eight Contracting Parties of the Energy Community. This will support CPs to track better opportunities and achievements in the field of energy efficiency and will be beneficial for future reporting obligations (e.g. NECP progress reports). The project team asked EEGC members for a letter of support for the project, for which a template will be prepared and shared with EEGC. Furthermore, the project team asked each Contracting Party for suggestions from energy efficiency agencies or other institutions that are particularly suitable for the project.
- 1.4. EEGC thanked EBRD and SEVEN for presenting the results of the scoping study, publication and planned support in setting up and strengthening MVE frameworks for energy-efficient appliances and equipment. EEGC will continue to stay engaged in the project.

2. Aligning the Acquis with the EU

The European Commission, DG ENER (Mr. Nicolas Kuen) explained to EEGC a roadmap/timeline for adopting the rescaled product labelling regulations in EnC (linked with 60th PHLG conclusions). Draft delegated acts will be prepared before the end of January 2022 with the support of ECS and proposed for discussion/adoption in 2022.

CPs are aware of the ongoing process of rescaling of energy labels in the EU, and some CPs (Montenegro, North Macedonia, Serbia) are already advancing with the adoptions either voluntary or as part of the EU accession negotiations.

The European Commission, DG ENER (Ms. Claudia Canevari) presented the latest energy efficiency policy developments in the EU, particularly the [proposal for revising the EED under the EU “Fit for 55” package](#). The EED revision aims to reap unexploited energy savings potential further and reflects the increased energy efficiency ambition from the Climate Target Plan. Key elements include the change in the value and nature of the EU energy efficiency target, incorporation of the “EE first principle” as an integral part of policy and investment decisions, strengthening of energy savings obligations in end-

use, more substantial exemplary role of the public sector, and stronger social dimension (focus on measures targeting energy poverty and consumer empowerment). Besides others, it extends the scope and level of renovation of public buildings, strengthens the implementation of EE in the industry sector (requirements for energy management systems and energy audits based on consumption level, and measures for data centres) and definitions and approaches to EE in heating and cooling, additional quality assurance for EE professions, etc.

Conclusions:

- 2.1. EECG thanked the European Commission DG ENER for presenting a roadmap for the adoption of rescaled product labelling regulations in the EnC, and agreed on the proposed approach. Draft delegated acts will be prepared by January by European Commission with the support of ECS, and proposed for discussion/adoption in 2022.
- 2.2. EECG thanked European Commission DG ENER for updates on the latest energy efficiency policy developments in the EU, in the context of the comprehensive “Fit for 55” package and strategic EU approach toward climate neutrality. EECG will continue to follow the adoption process.

3. Regional Programmes and Initiatives

The European Commission DG NEAR (Mr. Mauro di Veroli) provided an update on the new opportunities for financing energy efficiency under the EU IPA III programme. The new instrument will increase steer from the Union, as its programming will be based on thematic priorities rather than country envelopes. This allows rewarding performance and progress towards key priorities and increased flexibility to respond to the evolving needs of the partners in their path towards accession. The programme framework includes five IPA thematic windows, reflected in the priority areas under WB6 Green Agenda. This also creates a policy framework to tackle EE under IPA III. The buildings sector poses the high potential to contribute to climate neutrality and recovery, and is recognised both in EU and WB6 (through the Green Agenda and an Economic and Investment Plan). The Flagship 6 Initiative extends the “EU Renovation Wave” to the Western Balkans, with the aim to decarbonise both public and private building stock and address energy poverty, stimulate investment and create jobs. It builds on the exiting efforts (e.g. REEP) and European Commission is now working on operationalising of the proposal, including the design of the most appropriate instruments.

The European Bank for Reconstruction and Development (Ms. Ana Bachurova and Mr. Remon Zakaria) and KfW (Mr. Oliver Jünger and Mr. Matja Tadic) reported on the progress in implementing the [Regional Energy Efficiency Programme for the Western Balkans \(REEP Plus\)](#), and planned REEP next phase - proposed replenishment, with over EUR 100 million grant funds, scaling up to EUR 1 billion financing. Since the June EECG, there was a progress in both policy assistance and financing through direct lending and credit lines.

International Financing Corporation (Mr. Eduard Yakubov) provided information on [IFC engagement in energy efficiency in the built environment across ECA region](#). Particular focus is on investment and advisory in climate business, including green buildings. IFC shared information on several exemplary projects in Romania (green buildings and green bonds examples), Georgia (green housing example), certification tool EDGE and advisory support to Ukraine.

Agence Francaise de Development (Mr. Olivier Grandvoinet) presented [AFD's activities and the Energy Transition Strategy 2019-2022](#), with the goal to accelerate the energy transition of developing countries towards energy services accessible to all, efficient and carbon-free. The ongoing EE interventions in Georgia, Albania and Moldova were presented in more details.

GiZ Ukraine (Ms. Ima Khrenova) presented [GIZ activities in the energy and climate sector](#), with focus on support for the Energy Efficiency Directive Implementation in Ukraine.

Conclusions:

- 4.1. EECG thanked the European Commission DG NEAR for updates and planned support for energy efficiency under IPA III, especially for supporting energy efficiency and the Renovation Wave Flagship initiative.
- 4.2. EECG thanked EBRD and KfW for updates on activities and lessons learned under REEP Plus Programme and noted the planned replenishment and the new initiatives under this programme.
- 4.3. EECG thanked IFC, AFD, and GiZ UA for updates on their activities, lessons learned and plans to increase sustainable financing in the Energy Community, focused on energy efficiency and decarbonisation projects.

The next EECG meeting and EE Workshop are planned to take place in Vienna on 9 and 10 March 2022.