

EPEE NEWS

JANUARY – FEBRUARY 2008

The EPEE Secretariat is pleased to present its bimonthly newsletter. Should you have any comments, questions or suggestions, please send us an e-mail at secretariat@epeeglobal.org. Please note that this version of the newsletter is for internal use only. A shortened version will be made available for external use and published on the website.

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For EPEE members only!

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I. Monitoring & recent events

Key recent events of significance to EPEE members

1. Climate Change: Commission Releases Energy Package

The European Commission published its package of legislative proposals on climate change at the end of January. The package identifies three priority areas including the use of energy from renewable sources, a review of the EU Emission Trading Scheme (ETS), and the share of each Member State's efforts to reduce its greenhouse gas emissions.

The Commission proposal on renewable energy sources plans to achieve a 20% share of renewables in energy consumption by 2020.

The last proposal sets the contribution of Member States to meeting their commitments in reducing greenhouse gas emission from sources not covered by the ETS by 2020. Each Member State has a maximum limit of greenhouse gas emissions, calculated in relation to its GDP. The greenhouse gas emissions targeted are hydrofluorocarbons (HFCs), sulphur hexafluoride (SF₆), carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O), and perfluorocarbons (PFCs).

The three proposals will need to be approved by both the Council and the Parliament with the process expected to take 12-18 months.

Key documents:

For EPEE members only!

EPEE's action points/comments:

For EPEE members only!

2. F-Gases: German retail companies are adopting CO₂ based cooling technology

In an article published in the German monthly magazine Ökotest, it is stated that an increasing number of German Supermarkets are replacing their fluor (R404a) based cooling systems by CO₂ based technology, as the R404a is a 3.300 times more harmful green house gas than CO₂. The article further notes that by keeping deep frozen products and putting fresh products behind closed doors supermarkets could save 40 to 70 % of their energy use.

Key documents:

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3. Climate Change: Member States call for more flexibility to implement the Climate Change Package

During the EU Council meeting of Environmental Ministers on 3rd March, Member States called for greater flexibility in order to achieve a cut in EU greenhouse gas emissions by 20% by 2020.

On the one hand, the UK, Spain, and Austria called for a greater use of Kyoto carbon credits to help them meet their greenhouse gas reduction targets. On the other, a majority of the EU's central and eastern European countries asked for a better spread of the reduction efforts between sectors covered by the EU Emissions Trading Scheme (ETS) and those currently outside its scope.

The issue of carbon leakage, which happens as a consequence of climate policies causing companies to relocate their production to countries with a less strict climate policy, was also debated and several EU Member States called on the Commission to act on preventing this phenomenon.

A number of Member States led by Germany, Italy, and Austria argued that the Climate Change package was only focusing on greenhouse gas emissions and was missing binding measures to promote and reward improvements in energy efficiency. Indeed, they questioned whether the targets laid out in the package would be feasible without such binding measures and targets.

Key documents:

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4. Climate Change: Post-Kyoto in preparation

On 14 February, representatives from 21 countries and from the UN met in Tokyo to prepare the negotiations on a new binding international agreement to succeed to the Kyoto Protocol which are scheduled to start in April 2008 and to be concluded by end of 2009.

The EU's representative Artur Runge-Metzger called for more responsible actions and commitment from the United States and the large emerging economies. During the meeting the United Nations also called on Tokyo to push for ambitious mid-term emissions targets at the G8 summit to be held in northern Japan in July.

A few days later, on 25th February, Daniel Price, Adviser to US President George Bush, announced that the United States is ready for a binding international agreement on the reduction of greenhouse gas emissions.

From 5th and 7th March EU Environment Commissioner Stavros Dimas discussed in Washington with top US officials the details of a possible agreement which could be announced during the G8 summit in Japan in July. These discussions showed that debate is intensifying over whether a tax should be imposed on goods imported from countries that have not mandated cuts in their greenhouse gas emissions.

5. EPBD: Initial ideas for revision discussed at the EU Sustainable Energy Week

Last January Greece became the first country to be condemned by the European Court of Justice for failing to implement the 2002 Energy Performance in Buildings Directive (EPBD).

Discussions were in fact held during the EU Sustainable Energy Week on how to “shake-up” the Directive which so far has only been implemented successfully in 3 Member States. Ms Pirjo-Liisa Koskimäki, Head of Unit at DG TREN, explained that the Commission is planning to table a revision of the Directive later this year, and outlined the Commission’s initial views at the 31 January stakeholder consultation.

Among the initial suggested changes are the extension of the scope of the Directive by reducing or abolishing the 1000 square metre threshold, and the introduction of minimum EU-wide efficiency requirements instead of continuing to let the national governments set efficiency standards themselves for new and renovated buildings.

Key documents:

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EPEE’s action points/comments:

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6. Energy Label: Review of the EU Energy Label Scheme

On 8 February Stakeholder Consultation was held on the revision of the Energy Labelling directive. From this meeting, it seems that there is little support for enlarging the scope of the labelling directive to EuP in order to transform the label into an eco-design label. However, it does seem that there is some support for extending the energy label to certain non energy using products.

During this meeting, the Commission announced to set up a Working Group with Member States and other stakeholder representatives in order to work on a common position. EPEE is represented in this Working Group, of which the first meeting was held on 10 March.

Key documents:

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EPEE's action points/comments:

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7. Comitology: Environment Council adopts new comitology rules

EU Environment Ministers adopted on 3rd March amendments to a package of 26 environmental pieces of legislation in order to incorporate new EU committee-based decision-making rules.

The new rules will give the European Parliament a “right of scrutiny” on the implementing requirements of these laws, which in practice will give Parliamentarians the right to block certain technical decisions approved by the expert committees of the Commission and the Member States.

The new scrutiny rule will likely add a degree of uncertainty to the procedure as the Committee decision could be challenged by Parliamentarians. This could in turn slow down the decision-making process and will, hence, require companies such as EPEE to take the European Parliament into consideration when communicating on technical implementing measures.

The package includes legislation on batteries, eco-design of energy-using products (EuP), WEEE and RoHS. Two other packages of comitology amendments should be adopted later in the year with regard to legislation concerning packaging, chemicals, and air pollution.

Key documents:

For EPEE members only!

8. Energy Efficiency: European Parliament adopts resolution on the energy efficiency action plan

On 31 January, the European Parliament formally adopted a resolution by Fiona Hall assessing the results of the Energy Efficiency Action Plan which was adopted in January 2007 by the Commission.

The resolution features a series of recommendations with regards to heating and cooling energy performance standards (EPB and EuP directives).

On energy-using products, the European Parliament recommended the Commission to come forward with a 'one watt' stand-by performance requirement and an analysis of the potential energy savings to be made from both minimising and eliminating non-essential stand-by mode consumption, particularly passive stand-by.

With regards to eco-labelling the Parliament gave support to the Commission in its efforts to formulate criteria for the eco-labelling of heating and cooling technologies, covering in particular primary energy use.

Finally the Parliament asked the Commission to revise the Energy Performance of Buildings Directive so as to include from 2009, within the scope of Article 6, all buildings requiring heating or cooling, regardless of their size. MEPs also called on the Commission to propose a binding requirement that all new buildings needing to be heated and/or cooled be constructed to passive house or equivalent non residential standards from 2011, with a requirement to use passive heating and cooling solutions from 2008;

This resolution is **non-binding** and only has an informative purpose. However, the Commission may decide to take further action, based on Parliament's proposals.

Key documents:

For EPEE members only!

9. Waste: Parliamentarians advocate firmness against Council

The proposed Waste Framework Directive is currently going through its second Reading in the Environment Committee of the European Parliament.

Parliamentarians have already reaffirmed their support for certain elements of the proposal which have been rejected in First Reading by the Council but on which they do not wish to compromise.

One of the most important elements for the Parliament is the five-level waste hierarchy prioritising waste prevention followed then by re-use, recycling, energy recovery and, finally, disposal. The Parliament wants this five-level hierarchy to be applied as a general rule rather than as a guiding principle.

Another priority issue is to insert harmonised quantitative prevention and recycling targets instead of separate national targets. While this was ignored by the Member States, parliamentarians are insisting that the targets should force Member States to recycle 50% of municipal waste and 70% of commercial and construction waste by 2020.

The second reading vote in the Environment Committee is expected for April and the Plenary vote (formal 2nd Reading Opinion) by June.

At this stage, it is difficult to see how both institutions will see eye to eye and it is, therefore, expected that they will have to battle it out in the Conciliation Committee procedure which currently would be expected to take place in the later half of this year under the French Presidency.

Key documents:

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10. EU policies: Commission initiates Environment data sharing and publishes first assessment of national action plans for energy savings

On 5 February 2008 the Commission proposed the creation of an online system for the collecting, reporting and analysing of EU environmental data called the **Shared** Environment Information System (SEIS).

This system could centralise more than 100 EU environment reporting obligations, and bring together the current Inspire spatial information database and the global monitoring for the environment and security (Gmes) programme. The overall aim of sharing the data is allowing better information and appropriate decision making.

The Commission is to issue concrete proposals in the current of 2008. The project should mainly be funded by EU funds such as the seventh research framework programme.

Earlier in January 2008 the Commission issued the first assessment of 17 National Energy Efficiency Action Plans (NEEAPs), Austria, Bulgaria, the Czech Republic, Cyprus, Denmark, Estonia, Germany, Ireland, Italy, Lithuania, Malta, the Netherlands, Poland, Romania and Spain.

Belgium and Slovakia only submitted their Action Plans end 2007 and are not included in this review as Directive 2006/32/EC provided for the Member States to submit those NEEAPs by mid 2007.

The NEEAPs outline the Member States' strategies to achieve their energy savings target by 2016. Only "several" of these NEEAPS were considered as comprehensive by the Commission, the other lacking of clear implementation measures or fail to bring new strategies.

Key documents:

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11. Eco-Labeling: Working plan of the EUEB for 2008

The European Commission has recently commissioned a project to look at the feasibility of linking ongoing work on the Eco-design of Energy-Using Products with development of EU Eco-label criteria. The first phase of this project has started in January 2008 and will take 4 months to complete. Depending on the outcome of Phase 1 and the Commission's decision whether to progress, Phase 2 is expected to start in May 2008.

The Commission has also started a project on a Carbon Footprint Measurement Toolkit, which is to be applied for the EU eco-label for the inclusion of issues related to climate change. The main objective of this project is to develop a user-friendly calculation tool targeted to applicants for the label.

Finally, the Commission has contracted an agency to raise awareness of the EU Eco-label Brand amongst procurement practitioners in the MS and to promote the use of the EU Eco-label criteria through the procurement lifestyle, and to better inform the EU Public Purchasing Community about the possible uses of the EU Eco-label criteria in the procurement lifecycle.

Meanwhile, during a Workshop on environmental labelling held on 22 February at the European Business Summit on Greening the Economy in Brussels, a representative of the Swedish packaging firm Tetra Pak argued that there is no point "revitalising the failed EU flower ecolabel", and Jim Murray of European consumers' organisation Beuc added to these statements there was "very little evidence that the EU eco-label has actually moved the market".

Key documents:

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EPEE's action points/comments:

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12. Events: Outcome of the European Business Summit on Greening the Economy

On 21 and 22 February major European business representatives and top level officials from the Commission met in Brussels during the European Business Summit to discuss ways of greening the economy while keeping the lead in world competitiveness.

The EU Business Summit was split into eleven workshops and two plenary sessions and was followed by networking events and a gala dinner.

Although the industry showed commitment in achieving the emission reduction targets set by the Commission, concerns on the competitiveness and sustainability of environmental policies were clearly voiced by the main industry representatives, particularly by the European employers' association and organisers of the Summit, Business Europe, which regretted that the Commission was losing focus on business.

Debates very much centred on EU investment in Research and Development. Businesses blamed the EU for putting a significant amount of pressure on the industry to cut emissions while EU investments on clean technologies which could help achieve the EU targets were still very low. The Commission however answered that these measures were helpful to both environmental and competitiveness objectives: reducing the emissions without delay and encouraging the development of new technologies.

Key documents:

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13. Climate change: The Commission initiates a Covenant of Mayors for sustainable development

During the Second EU Sustainable Energy Week, EU Commissioner for Energy, Andris Piebalgs and the President of the Committee of the Regions, Michel Delebarre, launched on 29 January 2008 the project of the Covenant of Mayors for sustainable development.

The Covenant would spur adhering cities to reduce their CO₂ emissions by more than 20% by 2020. More than 100 cities, of which 15 capitals, have expressed their interest in the project.

The Covenant should benefit from a secretariat to help it in its monitoring, networking and promotion tasks. This secretariat should be funded by the Intelligent Energy Europe programme.

The Commission is now to launch a Consultation to define the exact form of the Covenant and will then open adhesions. The first group of Covenant cities is expected to be formalised in January 2009, during the European Energy Week.

Key documents:

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