

**Keynote Speech**  
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**European Conference  
on Local and Regional Energy Management Agencies**

On 6 November 2001 in Centre Borschette

Ladies and Gentlemen,

On behalf of Vice-president L. de Palacio Mr. Lamoureux presented you the main concerns laid down in the Green Paper on security of energy supply:

- our increasing dependence on imported petrol and natural gas;
- our inability to reduce greenhouse gas emissions;
- the continuing instability on the international energy market.

He has underlined the necessity to make progress in reducing energy demand by improved energy efficiency, decentralised energy supply from RES and a more energy efficient and cleaner transport system. I think that the importance of the local sector in finding solutions to these problems is obvious:

- Households and the tertiary sector account today for some 400 Mio toe, a sum which equals more than 1/3 of the final energy consumption of the EU. 2/3 of our household's energy needs are supplied today by oil and gas.
- Nearly another third of our final energy consumption results from the industrial sector. Within this sector, the energy demand of SMEs plays an important role.
- Finally, the remaining 1/3 of the energy consumption is due to transport. Transport is a sector of particular concern. The transport sector is by 98 % dependent on oil. That means that not less than 2/3 of the oil demand of the EU is due to the demand of the transport sector. Again the local component is of particular importance: approx. 25% of the total energy consumption in transport results from traffic in cities.

This analysis leads to the conclusion that in all 3 sectors an important share of energy demand is linked with local activities that can be addressed effectively by local action.

However, if this is true, the question emerges: are local actors in a position to have a real impact on these issues. Or do we have to accept that the current amount of energy consumption and today's energy mix is something that cannot be influenced at all by local actors?

Our conclusion is clear. There are quite a number of examples where local activities have reduced energy demand or changed the energy mix in a successful way. Many of these examples will certainly be addressed in depth during the different workshops in the following session:

- In workshop n° one on integrated actions in buildings, Mrs. Flahaut will guide us through some success stories of her agency in integrating energy efficiency and the use of renewable energies in the building sector. The workshop will show the importance of co-ordinating expenditure on Renewables and energy efficiency activities. Both issues need to be considered together when assessing the global energy performance of a building and the potential for improvement, as it does not make sense to produce renewable energy and to waste it in an inefficient installation.
- In workshop number two on renewable energy sources at local level Mr. Castanheira will not only refer to the introduction of new technologies. He will also speak about actions to encourage a more widespread penetration of proven renewable technologies that are already available. The workshop will furthermore take on board the important question of the interaction between local authorities and local agencies in order to establish a favourable framework for the local deployment of renewables.
- The third workshop on energy efficiency in transport will focus on issues like vehicle technology improvements, shift to alternative fuels and the behaviour of drivers. Mr. Macaluso will provide you with concrete examples about how to successfully tackle some aspects of these problems.
- In workshop four, Mr. Geissler will present the example of Berlin where small scale combined heat and power installations have been planned and prepared by the local agency. The knowledge that has been accumulated has afterwards been transferred to several CEEC countries where the potential for CHP is considerable but the existing installations are deteriorating.
- Workshop five will go back to the transport sector but it will offer you a slightly different starting point. Mrs. Jennings together with the Commission will explain how you and the municipality where you are located can work together with the 19 CIVITAS cities that carry out pilot actions of integrated concepts on clean urban transport.

Already the preparation of the workshops has brought us to the conclusion that there are a lot of successful examples of local action, which address the issues of energy efficiency, introduction of RES and improving the transport system. And I am confident that there will be many more examples in the discussions later on today.

The workshops will help us to understand the underlying reasons for success and failures of specific local actions. Hopefully, they will teach us how to pave the way for cost efficient replication elsewhere. They will also clarify the role of local and regional energy agencies in those activities, and the role of the local authorities to support the work of the agencies. A close co-operation between the energy agencies and the local governments seems to be an indispensable ingredient for success. In cases where this co-operation has worked well, local initiatives have mobilised a considerable potential and often kick-started a development with impressive dynamism.

However, the overwhelming majority of these best practice actions are today only applied at a very limited scale, mostly only in one particular region or city. Of course, not every successful measure in a particular local context can be replicated at any place of the European Union. Nevertheless, in the Commissions view, the potential for replication of these best practices is enormous. And the costs of replicating a successful action elsewhere – even if it needs some adaptation to different local conditions – are very modest in comparison to the potential benefits. Replication of best practice actions at local level is a low hanging fruit, relatively easy to harvest.

On the basis of the various discussions we have had with many of you, the Commission services have reflected on how to offer you support in order to facilitate the replication of best practice at local level.

**We have drawn 3 conclusions:**

First, we are convinced that it is indispensable to have a certain minimum infrastructure at local level that takes on questions of energy efficiency and decentralised RES deployment in a serious and professional way. Therefore we will continue to support the creation of local agencies in region where the local government is ready to make a serious commitment and where so far no energy agencies exist within an acceptable distance. This will be the case for a number of regions in the CEECs and for a few cases within the European Member States. However, compared to calls for proposals in the past, the creation of new agencies will play a smaller role in the future calls.

Second, we would like to help you to network with other local actors in Europe in an efficient way. And we, the Commission, would like to network with you. But we want to do that directly, and not only via intermediators, which can sometimes make it more difficult to understand each others messages very clearly. Today's conference is a first step in that direction and we would like to have such a broad event where we can address you directly and where you can establish direct contacts between yourself at least once a year.

However, we see also the need to have much more frequent contacts on specific issues. We would like to establish thematic seminars in order to facilitate a direct exchange of experience between you on specific priority issues.

Let me give an example: we wish to launch with those of you who are interested in a workshop on local initiatives in order to improve the energy efficiency of buildings. The fact that the European Commission has made a proposal on that subject shows that we consider this issue as a priority.

Another example is the biofuel sector. It goes without saying that we will be interested in complementing this legal initiative that we hope to launch during the next days with pilot initiatives by local level actors. So, in this case, we are interested in bringing those of you together who would be ready to consider launching an initiative on biofuels.

However, these are only two examples. There will be many more which we would like to address with such targeted seminars that would focus on specific issues. It is clear that you will not have time to come every month to a conference, given the requirement for time and travel expenses

that would result from such a conference participation. This is why we test today the feasibility of an interactive virtual conference facility via internet. You see my colleagues sitting in front of the three computer terminals in booth number 9. If this pilot test supports the idea, we would try to develop it further with you as an efficient alternative way to organise seminars and workshops with local partners all over Europe. This would allow us to work continuously together with you without excessive requirements in time and money.

In order to organise this work in an efficient way we have concluded a contract with a service provider, STEM. STEM will be at your and our disposal to prepare and organise this sort of thematic events. We plan to have approx. 30 of them during the next three years and I hope that you will be ready to benefit of, and contribute to these events.

A further task for the service provider is to identify good practice at local level and to establish a database that is as complete as possible but at the same time easy to use. This new database shall support you in your day to day work. The database should make it easy for all of us to find out quickly what is the knowledge gathered in Europe on a particular issue. Furthermore, it should tell users on the spot which energy agencies are the 'local agencies of excellence' regarding a particular issue and how one could contact them.

Also, the service provider will be at your disposal e.g. in designing and providing promotional material, or offering you information needed in your work without supplementary costs.

Of course, in order to make sure that the support provided corresponds with your needs, STEM will contact you in form of questionnaires or telephone contacts in order to understand your needs and your specific expertise.

Additionally, the Associations of Local and Regional energy management agencies, which have been emerging in several Member States, can support this process in providing information on local conditions within respective Member States. Also, the European energy networks as well as the national energy agencies can play an important role in disseminating information through their channels and in supporting the transfer of good practice in Europe. We all can contribute to that task and we should do it in the spirit of partnership.

The third issue on how to provide you with the necessary support is linked to the development of a new follow-up programme for the current Energy framework programme. This new Programme "Energy efficient Europe" will integrate the individual programmes SAVE and ALTENER. As you have heard in the opening speech of Mr. Lamoureux the new programme will cover 4 sectors: An improved version of SAVE and ALTENER, a sector on transport and a sector on international co-operation.

Instead of just continuing to concentrate on start up subsidies for new agencies we want to encourage you to come forward with proposals on concrete local activities. These activities should be carried out simultaneously in several member states by several local or regional actors in order to ensure a real European dimension. Such a consortium of local actors could contain, for example,

- two local agencies of excellence, which have already gained successful experience on the issue to be dealt with,
- a group of 5 to 15 local agencies who are interested in replication of the successful action of the agencies of excellence, and
- 2 to 5 other local agencies who are not yet ready to start with such an initiative, but who are interested in the topic in view of a possible later initiative.

Establishing a network between the partners of such a consortium could offer real “European added-value”. Additionally, groupings of this kind has the potential of creating knowledge clusters for the benefit of other European local actors. Such an activity would attract Community funding for their European level work.

In workshop 6 during the next section we would hope to gather ideas and examples from your side on how to support local initiatives in the best possible way. This discussion is a very timely one, given the fact that we will have to write the work programme for the implementation of the first two years of the new programme “Energy Intelligent Europe”. Those of you who are not able to participate personally in this workshop are encouraged to send us written contributions, even during the two weeks to come, that will be duly considered by us before making a proposal for the new work programme.

I would like to invite you all to take an active role in shaping our common future activities, both during and after the conference. In this context I want to draw your attention to the questionnaire that is available at the reception desk today as well as on the conference web site after the conference.

### Conclusion

Ladies and Gentlemen,

As I have explained, we want to establish an efficient, direct co-operation with you. In order to facilitate this, we have foreseen a number of new initiatives that should help us to work together effectively. Our co-operation should result in a real “European Partnership” between you and the European Commission. We share most of our objectives and I suggest to work together for mutual benefit. Such an approach will hopefully get us quickly closer to our objectives on improved energy efficiency, better security of energy supply and less harm to the environment.

Thank you.