



Reflection Group

Minutes of 8th Meeting

22 February 2005, 10:30 – 17:00

European Commission, 28 Rue de Mot, Brussels, Room 34

Agenda:

1. Welcome by the Chairman and review of last meeting
2. Opening remarks and news from the Commission (Samuele Furfari)
3. Consultation of the MERG on a Framework Programme for Competitiveness and Innovation – follow up (Boris Papousek)
4. Study on EU Energy Agencies for DG TREN (Marcello Antinucci)
5. Action on the New Member States (Ralf Goldmann)
6. Mid-term action plan for the coming 3 years (Alfonso Gonzalez-Finat, Boris Papousek)
7. The planned Directive on Energy Efficiency and Energy Services (Randall Bowie)
8. Any other business: Sustainable Energy Europe (Mariàngels Pérez Latorre), ManagEnergy activities and news (Ismo Gronroos-Saikkala)

1. Welcome by the Chairman and review of last meeting

Boris Papousek as the Chairman of the ManagEnergy Reflection Group (MERG) for 2005 opened the meeting and welcomed all participants.

After a short introduction of all persons present he refreshed the results of the last MERG meeting in October 2004 in Brussels and asked if there were any comments about the minutes. As there were no comments, the minutes were unanimously approved. Papousek then presented the agenda for the meeting.

2. Opening remarks and news from the Commission (Samuele Furfari)

In his opening address, Samuele Furfari, Acting Head of Unit D3, DG TREN, declared the Commission's support to further development and strengthening of the local and regional energy agencies. Furfari introduced new EC energy initiatives.

- 1) The President of the Commission, Mr José Manuel Barroso, declared that implementation of the Lisbon Strategy will be the main challenge for the present EC. In the field of energy it means that it must be seen in context with competitiveness and innovation.
- 2) The Commissioner for Energy, Mr Andris Piebalgs, has introduced energy efficiency as a main priority for the next 5-year period. A draft Green Paper on Energy Efficiency should be delivered for public opinion in early spring 2005 and sent to the European Council in June 2005. Feedback from local and regional communities would be most welcome by DG TREN.
- 3) The Energy Intelligent Europe Executive Agency started its activities in autumn 2004 with Mr Patrick Lambert as Director, Mr William Gillet and Mr Vincent Berruto as Heads of Units. The Agency has established itself in new premises at No 7, Rue Belliard, 1000 Brussels (20 mins. walk from DG TREN's offices) . The next call for proposals under the EIE annual work programme will be managed by the Agency.
- 4) The development of the "Energy Intelligent Europe II" programme: Work on the programme is ongoing and has high political priority.

3. Consultation of the MERG on a Framework Programme for Competitiveness and Innovation – follow up (Boris Papousek)

The MERG was asked by DG TREN to present its opinion on the planned new Framework Programme for Competitiveness and Innovation (CIP).

Papousek reported the activities that had taken place between the last and this MERG meeting. The official consultation paper on the CIP was sent out to the group together with a short questionnaire. Many MERG members gave input through this questionnaire and Papousek put them together in an opinion paper of the ManagEnergy Reflection Group. This paper was sent to the EC on February 7, the deadline for comments. Papousek expressed his thanks to all who gave input to this subject.

Two main concerns regarding the Programme for Competitiveness and Innovation were highlighted:

- n Energy efficiency and the sustainable use of resources needs a broader scope of strategies than those coming from innovation only. As a policy subject, it might become underestimated within the new CIP. In the opinion paper the role of local level activities and the special need for action in NMS were emphasised.
- n There was some concern among the MERG members about the integration of the EIE II programme into the CIP. It was seen as a risk that a new EIE programme will lose its focus and will be managed only as a sideline to the Competitiveness and Innovation Programme.

There were no further requests for additions of corrections and the paper was approved.

4. Study on EU Energy Agencies for DG TREN (Marcello Antinucci)

Marcello Antinucci from ECUBA, Italy, gave a presentation on “Study on outputs, performances and future perspectives of SAVE energy agencies”, made for DG TREN. The study is based on questionnaires widely distributed among local and regional key actors. The executive summary of the study was sent out in advance and the slides of the presentation of Antinucci are available for MERG members.

In general, the study shows a positive picture of the situation of Local and Regional Energy Agencies in Europe. Some of the findings highlighted, linked to the ManagEnergy initiative, were as follows:

- n In order to strengthen official recognition of Local and Regional Energy Agencies ManagEnergy could be the owner and provider of a licensed logo of ENERGY AGENCIES (related to the Charta of Cork) with two main priority directions:
 - to support the acceptance and recognition of Energy Agencies among their target groups and to act as quality assurance
 - to cluster and help Energy Agencies on the development of a “corporate culture”.
- n The representation of members of the ManagEnergy Reflection Group should be better justified and communication with local and regional energy agencies must be enhanced.
- n Energy Offices of New Member Countries are often lacking information and competences for participation in the EIE programme; special support is needed.
- n Evaluation of the performance of energy agencies is a topic. The development of an EIE proposal on evaluation methodology and indicators was proposed.
- n There are training needs in management and technical topics. A twinning programme between more and less experienced agencies might be an option.
- n Thematic networks are seen as a good instrument for better dissemination of results and exchange of experiences.
- n Support for energy agencies is needed on all levels, from European parliament, national and regional governments (lobbying activities).

A discussion of conclusions of the study can be summarised as follows:

Problem / question	Comment
How were the success criteria of energy agencies (EA) defined?	<p>Evaluation of success was based on:</p> <ol style="list-style-type: none"> 1) Increase of the turnover, or 2) Subjective opinion of directors. <p>Only less than 5% declared that they are in a very bad situation. 15-20% EA have a turnover of more than 1 Mio. Euro, but most of those EA are acting as ESCOs or are under some other bigger organisation.</p>

Problem / question	Comment
Cooperation between EA and local administrations: There was a question as to whether strong relationships between authorities and EA are always an advantage.	Based on feedback of the questionnaire, approx 50% of votes belong to the local administrations. In most cases the EA are somehow dependent on local authorities. There are considerable national diversities in the structure and financial terms, as well. If the EA are profit making entities they are not obliged (in most cases) to pay dividends to owners.
Competition between EA and consultancy companies	The problem exists and is described in the report. Proposed solution is diversification of target groups so that EA are mainly serving public clients. The only way to survive is strengthening of the technical quality of EA staff.
Overlapping between EA and other public bodies (transport, environmental offices, etc.)	Based on the feedback of the questionnaire, the issue was not raised as a major problem in the answers.
Lack of business knowledge is a general problem.	EA are depending too much on their leaders: 1) the attitude of directors is often insufficient in relation to client/contract orientation 2) there is a considerable risk that with resignation/ change of an experienced director an EA would suffer his departure 3) in some cases directors are still facing enormous difficulties to understand their role.

5. Action on the New Member States (Ralf Goldmann)

Ralf Goldmann (EAD, Germany) took over to chair this session. He referred to the productive discussion in the last MERG meeting (see minutes) and presented some slides proposing the next steps concerning this issue.

It is clear that there is enormous work to be done with regards to energy agencies, rational use of energy and renewable energy in the New Member States. ManagEnergy Reflection Group can act as a screening partner for DG TREN but is certainly not able to cover all the tasks regarding tutoring of NMS. But the MERG could develop recommendations for projects and activities within the framework of the EIE programme addressing the needs of NMS.

He proposed that this topic should now be taken over by representatives of the NMS. It was agreed that Priit Enok and Roman Doubrava would prepare a list of needs of NMS for the next RG meeting. The group would then discuss further steps in conjunction with the findings from the ECUBA study.

6. Mid-term action plan for the coming 3 years (Alfonso Gonzalez-Finat, Boris Papousek)

The ManagEnergy Initiative and also the Reflection Group were agreed by the Commission for another 3 years. Based on the general strategic framework provided by DG TREN and the strategy paper prepared by Gerry Wardell in October 2003, a mid-term action plan concerning the focus and the specific tasks of the Reflection Group should be developed.

Alfonso Gonzalez-Finat, Director DG TREN D, joined the group and welcomed all participants. He presented the main expectations from DG TREN with regard to the MERG:

1. MERG as informal think-tank of people acting at local and regional level should be a real input provider to DG TREN. The group should bring forward messages from the local level in their countries: barriers, needs etc. (bottom-up added value).
2. Better dissemination of results of projects and programmes is a crucial point. DG TREN would like to get more feedback on the successes and problems of the dissemination process: How to make dissemination successful? How to measure it?
3. Intelligent transport is a new priority in DG TREN. The main issues in transport are linked to the development of non-technology solutions (change of public behaviour, intelligent school transport, promotion of bicycling, etc.). The transport issues should become one of the main priorities of EA in the near future. There is an expectation that New Member States should provide specific input regarding their transport problems.
4. Reflection on the planned Green Paper on Energy Efficiency from a local perspective.

Then a brainstorming was done in small groups about the role and future focus of the MERG. The views of the group, what MERG should deal with, can be summarised as follows:

- n How to make best practice projects available and disseminate them best?
- n Developing evaluation mechanisms for dissemination
- n MERG to act as channel of information between EC and national associations
- n Role of ME in exchange activities for small countries
- n Structural funds – better information and communication
- n EnR working group to disseminate activities of energy agencies
- n How to make agencies and associations sustainable?
- n How to ensure better support by governments and members of the European parliament?
- n Feedback on the effectiveness and sustainability of EC instruments
- n Feedback on EE green paper (2005)
- n How to develop existing energy agencies as centres for sustainable transport?
How to raise transport issues at local level?
- n How to improve the participation of local energy actors in the EIE programme?
- n Initiation of thematic networks; what are the benefits?
- n Reflect on role of agencies in EPBD implementation as assessors
- n MERG on the right track? – Carrying out a self assessment
- n How to ensure a greater involvement of local agencies in MERG?
- n Reflect on revision of the Cork Charter

In the discussion it was put forward that the MERG should focus more on the programmes (like EIE) and on suggestions for specific projects instead on legislation. It should also reflect on the role of ManagEnergy in the exchange of agencies and dissemination of information.

The co-operation between national energy agencies and local/regional energy agencies was brought up as an issue to be discussed at the next MERG meetings. Rob Kool, current president of EnR, offered to discuss this topic at the next EnR meeting and to develop some ideas together with the MERG chair, Boris Papousek.

The group agreed that it would be the right time for a self-assessment of the work so far. This will be done at the next meeting and serve as the basis for the mid-term action plan.

7. The planned Directive on Energy Efficiency and Energy Services (Randall Bowie)

Randall Bowie gave an update on the progress and the status quo of the discussions held in the European Parliament, European Commission and at the level of national Governments with regards to the planned Directive on Energy Efficiency and Energy Services. The ongoing debates can be summarised as follows:

- n The European Parliament would like to see more precise and measurable indicators like energy savings in % per sectors, to be included in the Directive.
- n Some of the Members of the European Parliament would like to see those indicators being mandatory.
- n The status of energy saving funds should be clarified.
- n Member States would agree only with indicative energy saving targets.
- n European Commission would like to harmonize definitions and methods of statistics of energy efficiency.
- n Article 6 concerning ESCOs should be reviewed.
- n A transition period of 2-3 years for differentiated target systems should be foreseen.

It is expected that the draft Directive will be agreed upon before the end of Luxembourg's Presidency at the end of June 2005.

8. Any other business: Sustainable Energy Europe (Mariàngels Pérez Latorre), ManagEnergy activities and news (Ismo Gronroos-Saikkala)

Mariàngels Pérez Latorre presented the new campaign "Sustainable Energy Europe". It is the successor of the previous Campaign for Take-off and will have a broader scope including energy efficiency, renewables and clean transport. There are 9 priority areas defined (sustainable energy communities, buildings, lighting etc.). The campaign has a duration of 4 years and a budget of 3,6 Mio. €

A broad network will be developed. Branch organisations and national energy agencies will serve as campaign associates. The Sustainable Energy Europe partnership will be open to every organisation. Applications will be possible in the near future through the ManagEnergy web site.

A conference within the campaign is planned for late autumn this year. A public relations help desk will be established; a brochure produced and further support actions introduced.

Ismo Gronroos-Saikkala gave some information about the ManagEnergy Initiative and the ManagEnergy web site:

The new ManagEnergy management contract was signed for the next 3 years (2005-07).

An evaluation of the ME web site was carried out. A 5-10 pages summary will be published and could be presented at the next MERG meeting.

He offered co-operation with the ME web streaming services for events and workshops. Ca. 20 workshops could be broadcasted on the Internet as ManagEnergy workshops. Suggestions for streaming events to May 2006 are welcome. The national associations could also organise media-conferences in their countries.

In total 3 annual conferences will be organised by DG TREN.

The ME web site will get new features like the kids-corner, more video interviews and thematic pages.

He asked the group for assistance in translating 'best practice' texts and for support in collecting "education" activities.

The next MERG meeting is planned for June 2005 in Austria.

Boris Papousek concluded, wished all participants a good journey back and closed the meeting.