Classification of Instruments and Good Practice Examples which Enhance Energy Efficiency in South East Europe

WP3 – Sub-activity 3.3.2

Transfer of Know-How among Territorial Administrations in South East Europe on Energy Efficiency in Buildings

WP3 – Activity 3.3
Classification of Instruments

• Development of a policy instrument framework in EEB based on analysis of literature in the fields of economics and policy

• Three main broad categories of policy instruments:
  – Regulatory and command instruments
  – Economic instruments and incentives
  – Support mechanisms

• The final report consists of two parts:
  – Classification and detailed description of EE policy instruments and examples of implementation throughout Europe
  – Collection of good practices regarding policy implementation within the Project Area
<table>
<thead>
<tr>
<th>Classification</th>
<th>Description</th>
<th>Example Instruments</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Regulatory and command instruments</strong></td>
<td>Setting of legal standards, laws or other regulatory instruments</td>
<td>Building codes and standards; energy efficiency obligations; mandatory audits; mandatory labelling and certification</td>
</tr>
<tr>
<td><strong>Economic instruments and incentives</strong></td>
<td>Market-based, financial and fiscal instruments</td>
<td>Energy taxes; tax reductions; grants and subsidies; trading schemes; direct investments</td>
</tr>
<tr>
<td><strong>Support mechanisms</strong></td>
<td>Voluntary, supportive and informative measures</td>
<td>Information campaigns; voluntary agreements; public leadership programs</td>
</tr>
</tbody>
</table>
Importance of Synergy in Policies

- Implementation of single policies with limited scope of influence are inadequate to address EE issues

- A policy mix with synergy between instruments is recommended in order to address all nuances of EE in buildings

- Synergy between policies must be complementary with limited overlapping of scope in order to be effective

- Several examples are given in the report
## Examples of Policy Mixes

<table>
<thead>
<tr>
<th></th>
<th>Regulatory</th>
<th>Economic</th>
<th>Support</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regulatory</td>
<td>Building codes and appliance standards</td>
<td>Building codes and subsidies</td>
<td>Standards and information programs; voluntary agreements with threat of regulation</td>
</tr>
<tr>
<td>Economic</td>
<td>Appliance standards and subsidies</td>
<td>Taxes and subsidies</td>
<td>Energy audits and subsidies; information programs and subsidies</td>
</tr>
<tr>
<td>Support</td>
<td>Voluntary appliance standards and labelling</td>
<td>Voluntary agreements and tax exemptions</td>
<td>(None)</td>
</tr>
</tbody>
</table>
Collection of Good Practices

• Produced a catalogue of good practices
  – Effective and successful policy instruments
  – Real-world examples based on policy framework
  – Focused on the 9 Project Partner countries

• Consulted third-party sources:
  – NEEAP
  – MURE II database
  – Concerted Action EPBD Country Reports
  – Survey responses from Project Partners
Collection of Good Practices

• NEEAPs and MURE II database used for preliminary results in Partner surveys
  – MURE II is a comprehensive database of EE-related policies in the EU

• Provided detailed information on EE policies implemented in each of the 9 partner countries, including:
  – Semi-qualitative impact analyses
  – Target groups
  – Synergy with other policies
  – Energy savings
Analysis of Good Practices

• Methodology for the analysis of good practices involved:
  – Cross-referencing MURE database with NEEAPs
  – Determining instruments with HIGH impact evaluation levels
  – Selection of instruments which most closely matched examples within the policy framework report
  – Cross-reference with energy experts from Partner countries

• The final report reflects on the results from this analysis
  – Determining strengths and weaknesses in implementation
  – Used to develop a selection of best practices
Highlights of Good Practices

• Regulatory and command instruments
  – Synergy is common with other regulatory instruments, i.e. building codes linked to mandatory audits (Bosnia and Herzegovina)
  – Strong representation of EcoDesign appliance standards (Croatia, Bulgaria, Greece, Italy)
  – EEO/DSM programs tend to have low impact

• Economic instruments and incentives
  – Financial instruments well represented (grants, subsidies, loans) which have synergy with support mechanisms (info campaigns)
  – Tax reduction schemes found in only 3 countries (Bulgaria, Italy, Slovenia)
  – Market-based instruments need more support in Partner countries

• Support mechanisms
  – Information campaigns were the only example of support mechanisms common to all Partners
<table>
<thead>
<tr>
<th>Country</th>
<th>Regulatory</th>
<th>Economic</th>
<th>Support</th>
</tr>
</thead>
<tbody>
<tr>
<td>Albania</td>
<td>EPC, building codes</td>
<td></td>
<td>Public leadership</td>
</tr>
<tr>
<td>Austria</td>
<td>EPC, building codes</td>
<td>Res. building subsidy for thermal quality</td>
<td>Voluntary building labels</td>
</tr>
<tr>
<td>Bosnia</td>
<td>EPC, building codes</td>
<td></td>
<td>Info campaigns</td>
</tr>
<tr>
<td>Bulgaria</td>
<td>EEO/DSM, EPC, codes</td>
<td>Residential EE credit line</td>
<td></td>
</tr>
<tr>
<td>Croatia</td>
<td>Appliance Standards, EcoDesign, building codes</td>
<td>Various grant &amp; subsidy programs</td>
<td>Info campaigns; voluntary labeling</td>
</tr>
<tr>
<td>Greece</td>
<td>EPC, building codes</td>
<td>Grants &amp; subsidies for renovation</td>
<td></td>
</tr>
<tr>
<td>Italy</td>
<td>EPC, building codes</td>
<td>Tax reduction policy; white certificate market</td>
<td></td>
</tr>
<tr>
<td>Romania</td>
<td>Mandatory labels for boilers, EcoDesign, codes</td>
<td></td>
<td>Voluntary agreements</td>
</tr>
<tr>
<td>Slovenia</td>
<td>EPC, building codes</td>
<td>Grants &amp; subsidies for eff. heating system</td>
<td></td>
</tr>
</tbody>
</table>
Thank you for your attention!

Vienna University of Economics and Business (WU)
Daniel Hill

Contact: 
Gunther Maier, gunther.maier@wu.ac.at
Kateryna Kurylchyk, kateryna.kurylchyk@wu.ac.at