## EUROPEAN ECONOMIC AREA

## FORUM OF LOCAL AND REGIONAL AUTHORITIES

Ref. 1110098

## FOURTH MEETING OF THE EEA EFTA FORUM

Brussels

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## Opinion on the European Commission draft directive on energy efficiency *COM* (2011)370 final

**Rapporteur:** Ms Albertína Elíasdóttir (IS)

The EEA EFTA Forum of Local and Regional Authorities:

- A. noting the reinforced subsidiarity principle set out in the Lisbon Treaty and its explicit reference to the local and regional dimension and self-government,
- B. noting the role of the Forum as a body in the EFTA structure,
- C. acknowledging the impact of EU regulation on local and regional authorities in the EEA EFTA States through the EEA-agreement, and noting that, in accordance with Article 24 of the EEA Agreement and Annex IV, European Union legislation on energy matters has to a large extent been incorporated into the EEA Agreement,
- D. emphasizing that local and regional authorities of the EEA EFTA countries, Iceland and Norway, face several challenges different to those of local authorities in the European Union.
- E. supporting the opinions of the European Union Committee of the Regions and the Council of European Municipalities and Regions on the proposal for a directive on energy efficiency,
- F. taking note of the Council of Europe Congress of Local and Regional Authorities Resolution 335 (2011) "Energy supply and energy efficiency at local and regional level: promoting energy transition" that calls for close cooperation of all levels of government, including transfer of resources from the national state.
- 1. Strongly supports the EU's objectives and the priority given to saving energy and using energy efficiently, and welcomes the recognition of the existing potential at local and regional level;
- 2. finds that some of provisions in the draft directive are too detailed and do not conform with the principles of subsidiarity and self-government;

- 3. stresses the unique situation in Iceland and Norway where greenhouse gas emissions from space heating are minimal and electricity and energy for space heating comes largely from renewable sources. In Iceland, 82% of primary energy comes from renewable sources and almost 100% electricity and space heating. In Norway, approximately half of the energy consumption is met through hydropower and 98-99% of the electricity production. In both countries the main sources of greenhouse gas emissions are transport and fishing vessels;
- 4. stresses that local authorities, as the competent authorities, and in line with the principles of subsidiarity and self-government, should have flexibility to choose the most appropriate methods to meet energy efficiency targets, adapted to local needs, but;
- 5. calls for flexibility to address unique national circumstances, as those in Iceland and Norway, so that energy efficiency, which can significantly reduce greenhouse gas emissions, can be achieved and costly, ineffective measures can be avoided:
- 6. considers the proposed 3% annual energy efficiency renovation target for public buildings excessively rigid and not fitting for the situation in Norway and Iceland. Calls therefore for a regime which allows local, regional and national authorities to choose the most suitable means and time-line, provided they are able to reach energy efficiency targets at the end of the period. Public authorities must have the necessary flexibility to identify and implement cost-effective and appropriate measures, tailored to national, regional and local circumstances;
- 7. expresses concern regarding the proposed requirement that public authorities purchase only products, services and buildings with high energy efficiency performance and emphasises that the use of public procurement to address strategic policy goals must be voluntary. Local and regional authorities should have the freedom to set energy efficiency criteria in procurement. An obligation to procure only A+++ products should, for instance, only be stated as a general principle;
- 8. supports provisions to promote cogeneration and the use of renewable energy, but is concerned that the related spatial planning obligations proposed are too detailed and may thus infringe the principle of subsidiarity. The same applies to the provisions on metering and billing;
- 9. stresses that the EEA countries do not have access to EU structural funds which are foreseen to play a role in compensating local and regional authorities for costly measures relating to the energy efficiency objectives;
- 10. underlines the need for close cooperation of all levels of government, including the transfer of resources from the national state:
- 11. points out that the above arguments similarly apply to the recast Directive 2010/31/EU on the energy performance of buildings.