



DEESME

National schemes for energy efficiency in SMEs

Deliverable 5.6 - Public

Final monitoring report – Institutionalisation of DEESME policy outcomes

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About

Improving energy efficiency is the most cost-effective way to reduce energy-related emissions, improve economic competitiveness and increase energy security. In the European Union, several pieces of legislation aimed at guiding states and companies, regardless of their size, on ways to improve their energy efficiency: one of them is the Energy Efficiency Directive, establishing a common framework of measures and requirements with the goal to remove market barriers and promote a more efficient use of energy in supply and demand. Article 8 of the Directive offers ways to achieve this, requiring Member States to promote and facilitate the implementation of energy audits and energy management systems. The audits are compulsory for large companies and recommended for small and medium enterprises (SMEs). National authorities should encourage both to implement the resulting recommendations.

Member States have all chosen different approaches to transpose the requirements into national laws and to support companies (trainings, websites, helplines and funding support schemes). SMEs have less workforce, technical and financial capacity to perform energy audits, and therefore rarely do so: making them aware of the multiple benefits that can derive from improving their energy efficiency and accompany them in the energy transition, with knowledge and funding from both the public and private sectors, is key. That is what DEESME, a Horizon 2020-funded project (September 2020 – September 2023), aims at.

DEESME enables companies, especially SMEs to manage the energy transition by taking profit of multiple benefits from energy management and audit approaches and provides national authorities with guidelines and recommendations to empower their schemes under article 8, using the multiple benefits' approach.

The project identifies and shares good practices from national schemes, EU projects, and other initiatives with national authorities and support them in developing more effective schemes dealing with energy audits and energy management systems. It assists SMEs to develop and test the technical DEESME solutions by organizing information and training initiatives, realising energy audits, and implementing energy management systems starting from international standard and adding the multiple benefits energy efficiency approach.

The project is built on a consortium of academics, research organisations, consultancies and government offices from Belgium, Bulgaria, Germany, Italy, the Netherlands and Poland, namely: IEECP (NL, coordinator), FIRE (IT), SOGESCA (IT), Fraunhofer ISI (DE), CLEOPA (DE), SEDA (BG), ECQ (BG), KAPE (PL), EEIP (BE).

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1. Description of the deliverable

The aim of monitoring in WP5, as every of the WPs has its own monitoring, is to verify the results achieved by WP5 in terms of deliverables, milestones and performed activities. In that way, it shows whether the key performance indicators relevant for WP5 have been accomplished and it seek to provide lessons-learned for the exploitation after the formal conclusion of the project. The purpose of this, second monitoring deliverable, is to verify the overall outcomes of the Work Package 5, meaning the policy process happening in DEESME project.

1.1. Reminder on the monitoring concept

The WP5 deals with the development of policy proposals linked to the Article 11 (then 8) of the Energy Efficiency Directive (Art 11 EED) for the National Authorities (NAs) and activities to ensure their implementation:

- Preparation of 10 policy proposals for the NAs;
- Involvement of NAs and relevant national stakeholders from 10 countries through country meetings and/or joint meetings for introduction to and implementation of the policy proposals;
- Providing direct tailored support to 4+1 NAs to accelerate the policy proposals implementation;

Work package 5 includes three tasks other than monitoring,

- T5.1 **Final proposals for national schemes** which starts from the deliverables of T2.2 and aims to turn the identified best practices into policy proposals for NAs. In doing so, the results from WP3 and WP4 will be taken into account, namely how policies are tested and turned into investments as well as the planning and implementation of the DEESME campaign.
- T5.2 **Final meetings with National Authorities** to ensure the policy proposals prepared in T5.1 reach their aim, 1 meeting per country will be organised with the 10 NAs involved in T2.1. These meetings will be organised at national level to allow the participation of national stakeholders. The possibility to alternatively organise joint meetings with participation of as many NAs as possible will be explored.
- T5.3 **Direct support to National Authorities** aims to offer direct support to the NAs of the 4 (+1) participating countries to implement proposals for modifying existing laws or for making new laws.

The monitoring of the tasks is directly linked to the impacts that need to be achieved throughout WP implementation.



2. Linked performance indicators

According to the project proposal, the DEESME project shall attain a set of different key performance indicators within and beyond its duration. The overall set of indicators addresses different parts of the project. Several of them relate to the activities in WP5 (Table 1). Many of them measure both expected impacts during project duration and 5 years after the project ends (i.e. until December 2028).

Table 1 Project Performance Indicators for WP 5

Project Performance Indicator		Quantification		
		within project duration	5 years after project ends	
Indicators related to NAs				Monitoring and verification
#1	Proposals for National schemes under art. 8 of EED customised and adopted by NAs	5	20	Proof of this indicator is the successful implementation of the Task 5.3 and the respective deliverable D5.3 plus qualitative indicators.
#2	National Authorities directly involved	10	-	Proof of this indicator is the successful implementation of the Task 5.1 and the respective deliverable D5.1 along with the Task 5.2 with D5.2 meaning all the proofs of conducted and successful meetings
#3	EU National Authorities informed	27	27	Participation of other NA in the joint meetings, dissemination events/ dissemination
#4	Authorities/energy agencies informed coming from associated Countries	5	16	Participation of other NA in the joint meetings, direct assistance towards non-EU countries, dissemination events/ dissemination

2.1. Additional tables for monitoring quantitative indicators

The methods for tracking progress are outlined in the monitoring methodology. The following documents need to be filled-in in order to properly monitor the implementation of the action:

- **Stakeholder list table:** The table shows the representatives of the National Authorities of all the included countries that have been involved in the meetings and is supported by the participants' list. It describes their specific role in the implementation of the Art 11 EED. This is derived from deliverables D5.1, D5.2 and D5.3
- **Meetings' minute tracker** shows the main data on the exchanges, including meeting date and time, attendance list, comments and conclusions. This is derived from deliverables D5.1, D5.2 and D5.3



- **List of National schemes** available from D5.1 showing countries overview with relative major recommendations.



3. Data collection for the second monitoring round

The second monitoring round focuses on the total results of WP5 and how the following questions are answered:

- *Are the final proposals for the National Authorities included in D5.1 developed and presented in an ad hoc meeting?*
- *Does the NA show interest in further policy developments and in the use of the Multiple Benefits DEESME approach?*

Partners were expected to:

- Update the stakeholder list table with the representatives of the National Authorities of all the included countries who participated the meeting;
- Fill in the meetings' minute tracker for the implemented meetings and evaluate the minutes of meetings and interviews with the National Authorities including relevant questions in separate documents for 10 National Authorities involved in D5.2 and for 4 (+1) involved in D5.3;
- Evaluate the final policy status and developments from the perspective of the project expert and other stakeholders;
- Fill in the interview document with at least two stakeholder - this has been replaced with the survey and reports from the interactions.

The information collected during these interventions is used to the overall results and impact of the recommendation. Due to the nature of the deliverable being public, no detailed interactions and stakeholders' information were attached.



4. Results

4.1. Ten NAs directly involved in the project

Stated proofs of implementation of this indicator include: successful implementation of the Task 5.1 and the respective deliverable D5.1 along with the Task 5.2 with D5.2 meaning all the proofs of conducted and successful meetings.

T5.1 Final proposals for national schemes

Project partners have developed 10 policy recommendations in the iterative and long - term process including:

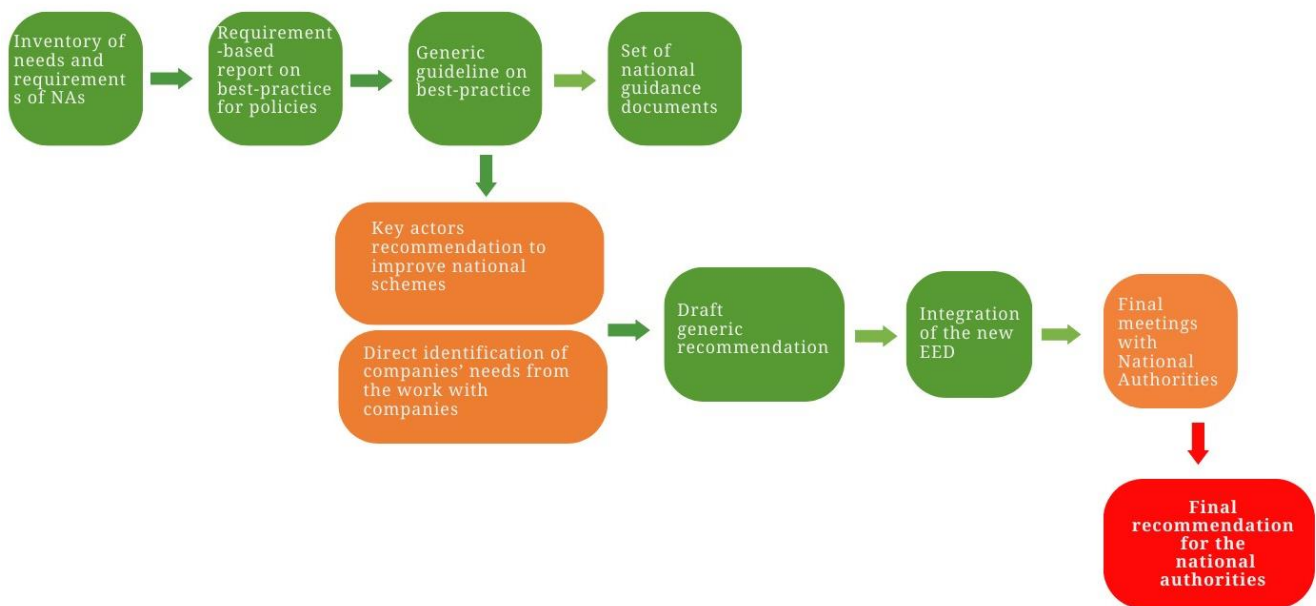


Figure 1 Recommendation development process

The recommendations have been developed for the countries that have been followed from the beginning of the project. As stated in WP5, during the design phase of the DEESME project, Germany was excluded as a target country for DEESME, as previous experience with the implementation of the former Article 8 EED had flagged Germany as being very advanced in many aspects of implementation. Despite this initial assessment, it was decided to reassess this at a later stage of the project and to include Germany on a provisional basis in the list of target countries, but the result was the same. Target countries for the recommendation included as shown in the picture below.



Figure 2 Targeted NAs with the included recommendation

Shared [Policy recommendation document](#) includes general information on the challenges and their changes in line with the EED recast, plus the results from DEESME that are helpful in resolving the challenges. However, some of the issues will be clear only after the Guidance from the EU Commission is provided.



T5.2 Final meetings with National Authorities Involvement of NAs and relevant national stakeholders from 10 countries (from the EU, plus the non- EU countries) through country meetings and/or joint meetings for introduction to and implementation of the policy proposals. These meetings were arranged to guarantee that the policy proposals formulated in T5.1 effectively achieve their objectives. Partners delved into the primary challenges associated with national energy audit schemes and discussed how National Authorities (NAs) can embrace policy recommendations to enhance their schemes and address challenges. The engagement between partners and NAs occurred through:

- A collaborative workshop concentrated on policy challenges, strategies, and experiences from various countries.
- Bilateral meetings between partners and NAs were conducted to supplement the workshop discussions and get into additional topics, with a particular emphasis on updates related to the EED recast.

4.2. EU and non-EU authorities informed

In the following table a direct interaction also includes (marked) countries that are not among the 10 target countries and non – EU countries.

Table 2 The overview of the involved countries

	Country	Type of involvement	Involved stakeholders and roles	Target NA
1	Austria	Meeting/participation in the joint meeting	Ministry of Climate Action, Environment, Energy, Mobility, Innovation and Technology Austrian Energy Agency	Yes
2	Bulgaria	Multiple meetings/participation in the joint meeting/direct interactions	Ministry of Energy Sustainable Energy Development Agency (SEDA)	Yes
3	Croatia	Multiple meetings/direct interactions/e-mails	Ministry of Economy and Sustainable Development Energy Institute Hrvoje Požar	Yes
4	Finland	Multiple meetings/participation in the joint meeting/direct interactions	Energy Authority of Finland (ENERGIAVIRASTO)	Yes
5	Germany	Mostly email exchanges	BAFA, BMWK	Yes
6	Greece	Mostly email exchanges	Ministry of Environment and Energy CRES	Yes



7	Hungary	Participation in the joint meeting	Hungarian Energy and Public Utility Regulatory Authority	No
8	Ireland	Multiple meetings/participation in the joint meeting/direct interactions	Sustainable Energy Authority of Ireland (SEAI)	Yes
9	Italy	Multiple meetings/participation in the joint meeting/direct interactions	Italian Energy Agency (ENEA)	Yes
10	Lithuania	Participation in the joint meeting	Lithuanian Energy Agency	No
11	Malta	Participation in the joint meeting	Malta Energy and Water Agency	No
12	Poland	Multiple meetings/participation in the joint meeting/direct interactions	Polish Ministry of Climate and Environment	Yes
13	Portugal	Participation in the joint meeting	Portuguese Energy Agency (ADENE)	No
14	Slovenia	Mostly email exchanges/interview	Energy Agency	Yes
15	Spain	Mostly email exchanges/interview/participation in the joint meeting	Ministry for the Ecological Transition and the Demographic Challenge (MITECO)	Yes
16	UK	Multiple meetings/ direct interactions	Department for Energy Security & Net Zero (DESNZ)	Non -EU
17	Energy Community ¹	Participation in the joint meeting	EC Secretariat	Non – EU

The work with non- target countries goes beyond direct interactions and is reported in the communication report and D5.2. DEESME cooperated with: Group of Experts on Energy Efficiency (UNECE), The Energy Efficiency Financial Institutions Group (EEFIG), The Covenant of Companies for Climate and Energy (CCCE), CEN/CENELEC JTC 14 Energy management and energy efficiency in the framework of energy transition and a group of all relevant sister projects and initiatives.

¹ The Energy Community is an international organisation which brings together the European Union and its neighbours to create an integrated pan-European energy market.



4.3. Proposals for National schemes under art. 8 of EED customised and adopted by NAs

During the project implementation, and due to both the nature of interactions and the specific timeline of EED development, the chosen monitoring and proof of this indicator is the successful implementation of the Task 5.3 and the respective deliverable D5.3 plus qualitative indicators. Original plan of direct support of implementation included four project target countries (Bulgaria, Germany, Poland and Italy) plus one EU level implementation (or additional country).

In order to identify and assess the potential need for assistance, the German implementing body² and the responsible ministry³ were contacted by telephone and e-mail in June 2023 and asked about the need for assistance with the implementation of the forthcoming Article 11. Both institutions confirmed initial assumptions that no active support from DEESME would be required.

Three countries (Bulgaria, Poland and Italy) achieved direct support, while the efforts directed towards the fourth country were used for additional workshops in other countries (as described in D5.3) and providing inputs towards the EU level policy and the initiatives on the EU level.

Based on the below- described feedback, more than 5 countries plan to integrate results from DEESME into ongoing/ developing policies.

² BAFA: Federal Office for Economic Affairs and Export Control

³ BMWK: Federal Ministry for Economic Affairs and Climate Action



4.4. Feedback from the involved NAs

A feedback survey (Annex) on the Art 11 EED and the recommendations of H2020 DEESME has been shared with the 10 main countries, while the feedback is received from 8/10. One country did not respond to the survey directly (and had personnel changes), Italy provided direct feedback on the interactions with DEESME in multiple occasions. Italian authority also participated knowledge exchange as on of the external presenters of barriers and solutions for the Art 11 implementation, so the results for Italy, although not represented in the survey, are considered most successful in the project (visible from D5.2, D5.3).

The results showed the following policy challenges and the usefulness of the project:

Interviewed participants:

Five of the eight participants are directly responsible for the transposition, where three are involved but not the leading person. Si participants work for the authority in charge, where two are part of the technical assistance team (providing advisory services, trainings for auditors, evaluating compliance and similar).

Feedback on priorities:

The NAs were able to choose multiple challenges they considered most relevant (most challenging to implement coming from the new EED Art 11. As visible from the graph, finding the obligatory companies and ensuring obligation seems to be the first most challenging aspect of implementation.

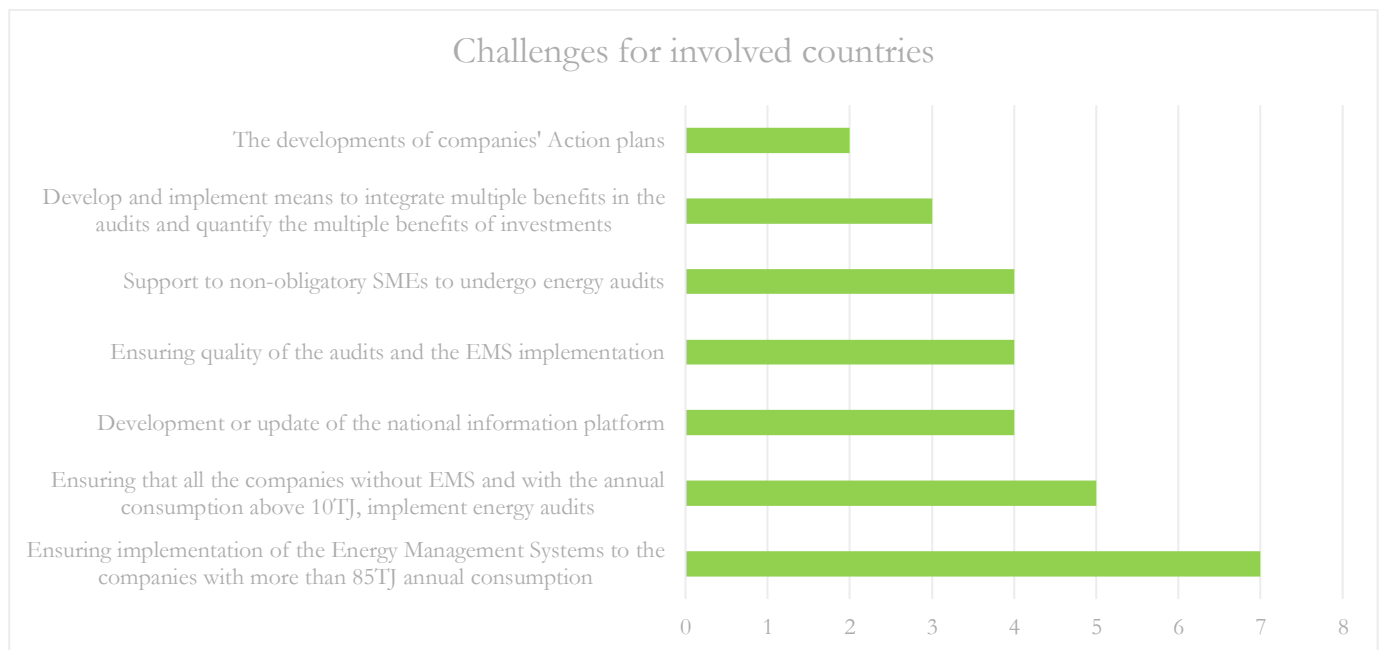


Figure 3 Prioritised challenges of the NAs in the implementation of the Art 11 EED



DEESME related feedback:

When asked about the DEESME Guidance and how useful the documents are for them the NAs responded with:

Are you familiar with the DEESME Guidance and have you implemented any of the proposed recommendations?

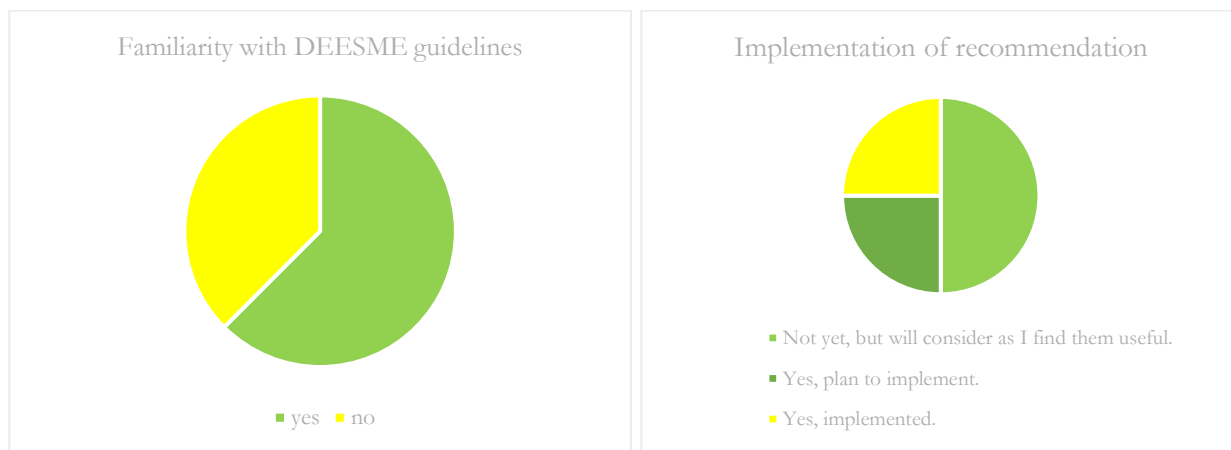


Figure 4 DEESME Guidance feedback

Four of the countries have developed something like a national guide for the companies and five consider communication towards the companies a factor in the country that needs to be improved. Four have carried out ad hoc communication campaign aimed to enforce the importance of the audits. These include:

- Webinars
- Conferences
- Case studies
- Annual programmes
- Regular seminars/ informative sessions
- FAQ sections on obligations

For those that did not carry out consider communication campaigns having two low verification data and being too time consuming for the results that could be achieved. They also emphasise the lack of capacities to implement.

Two of the interviewed countries provide financial support towards and incentives towards the audit and EMS implementations. Of the needed support from the side of the projects and the European Commission, NAs emphasise:



- the development of a standardized method for the integration of multiple benefits within the energy audits and the specification of quality criteria, which will be applicable and verifiable,
- Guidelines and the best practices examples.

Multiple benefits approach

Of seven involved participant NAs, four are rather aware of the MB approach, where four are partially aware. Six are aware of the fact DEESME has developed the methodology and are planning to consider it in their implementation of the Art 11.

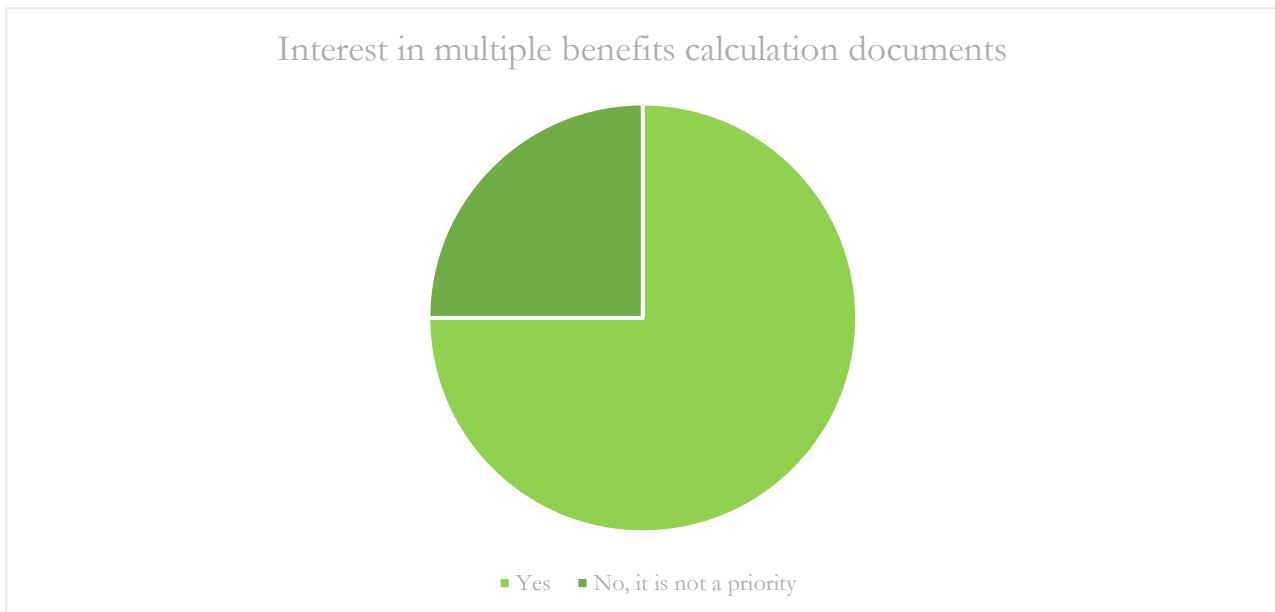


Figure 5 MB approach



5. Conclusions

The objective of WP5 was to involve, interact with and provide information, knowledge and assistance towards the NAs in the implementation of Art 11 EED.

The described was a challenging task, with the capacities of the NAs being the major barriers and the timeline and the processes related to the development of the EED Recast another one. However, partners have managed to interact with more countries than expected and planned (16+ Energy Community) in direct or indirect consultations.

Direct assistance work was especially challenging due to yet non-existent Guidance on how to implement the Art 11 and therefore a scepticism from the side of the NAs on the usefulness of the methods DEESME developed. However, partners provided materials, case studies, knowledge and help to the interested authorities and to the Guidance as well. This was complemented with cooperation on multiple levels with the EU initiatives also, to be sure our results are useful to the countries (UNECE, EEFIG, CCCE, CEN/CENELEC).

The following work in DEESME 2050 will continue on what has been developed until now.