

EED article 7 EE Obligation Schemes - Alternative Policy Measures Case Finland

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Pentti Puhakka, Ministry of Economic Affairs

Heikki Väisänen, Finnish Energy Authority



Ministry of Economic Affairs
and Employment of Finland

Energy and climate targets



Finland's long-term objective is to be a carbon-neutral society

80-95% reduction of greenhouse gas emissions from 1990 level by 2050

Government Programme of Prime Minister Juha Sipilä

- Use of emission-free, **renewable energy** will be increased in a sustainable way so that its share will rise to more than **50 per cent** during the 2020s.
- The **self-sufficiency** in energy will be increased to more than **55 per cent**.
- The use of imported **oil** for the domestic needs will be **cut by half** during the 2020s.
- **Coal** will no longer be used in energy production.
- The share of **renewable transport fuels** will be raised to **40 per cent** by 2030.

Finland has a long experience with long-lasting EE policy measures

- **National Energy Agency Motiva 1993 ->**
- **Subsidy Scheme for EE and RES 1992->**
- **Energy Audit Programme 1994->**
- **Energy Conservation Agreements 1997-2007**
- **Energy Efficiency Agreements 2008-2016 (now 2017-2025)**
- **Monitoring Systems**
 - Energy Audits 1994->
 - Voluntary Agreements 1999/2000->

- **Very little additional efforts were needed to comply with the ESD**
- **Existing policy measures were quite well in line with EED Art. 7**

HISTORY OF EE OBLIGATION SCHEMES

- **Energy Demand Side Management Planning at 1990's, COM Proposal, not support from MS in Energy Council , Deleted**
- **-> ENERGY SERVICE DIRECTIVE**
- **The original idea for the EED was to progress in three phases**
 1. All MS establish EEOS
 2. Introduction of common rules and regime
 3. Integration of the national EEOS into an EU-wide Energy Savings Trading Scheme
- **The MS used as an example were DK, FR, IT and UK**
 - Workshops, studies, reports, trusted preachers praising the EEOS
 - The promotion quickly developed features of selling a new “Market based EE tool”

The common EEOS features we found out – not applicable in Finland

- **Big part of the energy savings was coming from the residential sector**
 - DK 42 %, FR 87 %, IT 83 %, UK 100 % (ours from industry and commercial sector)
- **Big part of the measures were really basic measures**
 - Cavity wall insulation (we don't have cavity walls)
 - Double-glazing (our standard is 3-pane window)
 - Replacement of light bulbs by CFLs (we were doing well without the utilities)
- **Big part of the measures were with very short pay back times, plus...**
- **Would take 3 to 4 years before anything really start happening**
- **Would be total turnaround in the market driven and liberalized energy market and new no doubt very complicated legislation**
- **Significantly increased administration compare to the existing situation**

Furthermore...

- **All existing EEOS had their own long history and specificities**
 - One was helping the energy poor – we don't have
 - One was marketing state subsidies – we had not need to
 - One was used to go around the EU State Aid Rules and support the industries with the money the utilities collected from the households – this kind of Anti-Robin-Hood method would not be accepted in Finland
- **One test product was an air-to-air heat pump. Everything else was identical but in the EEOS the HP Company asked the buyer to sign a form stating that this heat pump had been purchased because the HP Company was active**
- **Finland's Voluntary Agreement was up and running and delivering more than enough energy savings to comply with Art 7**

So we thought... why shudda we shoot our horse and wait what comes out



energy authority



Link to the FI National Energy and Climate Strategy, also in English

<https://tem.fi/strategia2016>

Thank You!

Pentti Puhakka

Chief Counsellor

Energy Department

Ministry of Economic Affairs and the Employment

Pentti.puhakka@tem.fi

Heikki Väisänen

Deputy Director General,

Energy Authority

heikki.vaisanen@energiavirasto.fi