



# DEESME

National schemes for energy efficiency in SMEs

## Deliverable 5.5

### Intermediary monitoring report - Institutionalisation of DEESME policy outcomes

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## Project information

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## Deliverable information

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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. Monitoring concept (*reminder*)

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, but mainly to prove attribution to project impacts. The WP5 deals with the development of policy proposals 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 in the joint meeting for introduction to and implementation of the policy proposals;
- Providing direct tailored support to 5 (4+1) NAs to accelerate the policy proposals implementation;
- Obtaining the adoption of DEESME proposals and/or to introduce improvements in the existing policies in at least 5 (4+1) national authorities.

The overall set of indicators addresses different parts of the project. Several of them relate to the activities in WP5 (Table 1). Some 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	
Indicators related to companies (savings, investments, number of companies involved)		within project duration	5 years after project ends
#1	Proposals for National schemes under art. 8 of EED customised and adopted by NAs	5	20
#2	National Authorities directly involved	10	
#3	EU National Authorities informed	27	27

As described in the WP2 & WP5 monitoring concepts (D2.6, D5.4), there is a strong link between WP2 and WP5 activities. Therefore, some of the actions have been connected. There are two planned monitoring reports in WP5, as described in the Grant Agreement. **An intermediary monitoring (D5.5) – this report will describe the monitoring of the preparation of documents to be discussed and finalised with national authorities.** A second monitoring towards the end of the projects (D5.6) will verify the overall outcomes of the WP5.

### 1.1. Data needed for the first monitoring report

First monitoring round is directly linked to the monitoring of the outcomes of WP2 and the starting monitoring of the data from the WP5.





Although the expected progress in the first monitoring round was the:

- *Developed D5.1 with the final proposals for the National Authorities*
- *Implemented activities of direct support in line with the D5.3 objectives.*

The final proposal for the National authorities was available after the meeting with them, implemented in October 5<sup>th</sup>, 2023, but with ongoing discussions, the reality of implementation of proposals will be much clearer. Also, the activities of direct support are not fully implemented. Therefore, the expected progress in intermediary monitoring includes:

- *D5.1 with the draft proposals for the National Authorities ready for discussion and finalisation*
- *Implemented Task 5.2, joint meeting with the authorities*
- *Planned or partially implemented activities of direct support in line with the D5.3 objectives.*

## 1.2. Analysis of the monitoring results:

Monitoring has revealed that the results of the efforts are partially achieved. This indicates that while progress has been made towards the objectives and indicator achievements, there are areas where the desired outcomes have not been fully realised. The partial achievement may be attributed to various factors, but mostly unpredictable timeline of the EED changes implementation.

This insight allowed us informed decision-making and the development of targeted interventions to address the gaps in performance. Final monitoring and evaluation will be crucial to track the trajectory of progress so to achieve as much as possible in the available circumstances.



## 2. Results of the monitoring

### 2.1. Status of the D5.1 with the policy proposals

*DEESME Guidance for national authorities on overcoming challenges in the implementation of Article 11 of the EED (Deliverable D5.1)* has been fully developed in draft version (meaning not yet discussed with all NAs separately). The objective of the document is to help the National Authorities (NAs) in the Member States of the European Union with the application of Article 11 from the European Energy Efficiency Directive (EED). Compiled within the DEESME project, this document draws from information collected during this period. These information have been collected in stages and are like this presented in the document:

- *Identified barriers and solutions*
- *Consultations with companies and key actors*
- *New challenges with the changes in the EED*
- *Discussion with the NAs*

The challenge the project is facing at the moment includes the fact that the NAs are waiting for the Guidance for the implementation of Article 11 EED, so their interest is not as expected (due to the fact that at this moment they are not familiar with the detailed obligations).

However, DEESME has prepared an explanation on how with the new EED, some previously identified challenges become more prominent: stronger obligation and broader group obliged, quantification of multiple benefits, measures implementation etc. All of these have been targeted in the Deliverable D5.1. with the relevant resources from the project.

### 2.2. Status of the survey and the contacts

The implementation of the survey giving information on the current adoption of the DEESME methods and recommendations by the NAs is direct and needs direct answers from national actors. Current status is that 5/10 of Member States' authorities (or technical support) implementing Article 11 have filled in the status report, where it is expected that all will do it before end of project. Survey details are available on the next page:

# DEESME questionnaire on EED Article 11 (former Article 8)

## Views

Standard [Acc](#)

## Languages

English ▾

## Contact

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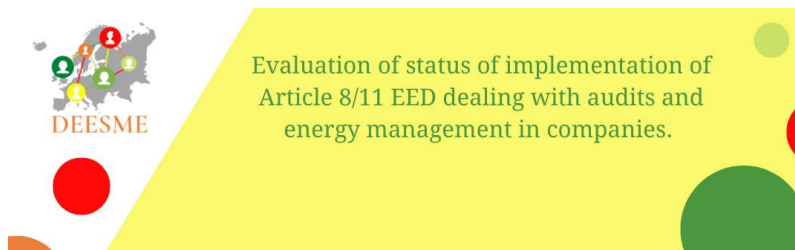
### Disclaimer

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## Introduction

This questionnaire serves for evaluation of current status of implementation of Article 8/11 EED dealing with audits and energy management in companies.

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 11 (prior 8), using the multiple benefits' approach.



Member state the respondent is representing:

- ☐ AT - Austria
- ☐ BE - Belgium
- ☐ BG - Bulgaria
- ☐ HR - Croatia
- ☐ CY - Cyprus
- ☐ CZ - Czechia
- ☐ DK - Denmark
- ☐ EE - Estonia
- ☐ FI - Finland
- ☐ FR - France
- ☐ DE - Germany
- ☐ EL - Greece
- ☐ HU - Hungary
- ☐ IE - Ireland
- ☐ IT - Italy
- ☐ LV - Latvia
- ☐ LT - Lithuania
- ☐ LU - Luxembourg
- ☐ MT - Malta
- ☐ NL - Netherlands
- ☐ PL - Poland
- ☐ PT - Portugal
- ☐ RO - Romania
- ☐ SK - Slovak Republic
- ☐ SI - Slovenia
- ☐ ES - Spain
- ☐ SE - Sweden

Are you involved in the transposition and implementation of the the Article 11 (former Article 8) of the Energy Efficiency Directive on audits and EMS in companies?

- ☐ Yes, I am responsible for the transposition.
- ☐ Yes, I am involved in the parts of the transposition.

What is your role in the transposition of the Article 11 of the EED?

- ☐ Responsible for transposition (governmental body)
- ☐ Responsible for implementation (national agency, ministry...)
- ☐ Managing one aspect of audits /EMS in the Member State (company register, managing QA service, accreditation...)
- ☐ Technical assistance to the Member State (providing advisory services, trainings for auditors, evaluating compliance and similar)

## Policies and Guidelines

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For the update on the national challenges section, please choose all the aspects of the Article 11 transposition that concern you:

- ☐ Ensuring implementation of the Energy Management Systems to the companies with more than 85TJ annual consumption
- ☐ Ensuring that all the companies without EMS and with the annual consumption above 10TJ, implement energy audits
- ☐ The developments of companies' Action plans
- ☐ Development or update of the national information platform
- ☐ Ensuring quality of the audits and the EMS implementation
- ☐ Support to non-obligatory SMEs to undergo energy audits
- ☐ Develop and implement means to integrate multiple benefits in the audits and quantify the multiple benefits of investments

DEESME project has developed Guidance for national authorities on overcoming challenges in the implementation of Article 8 (now Article 11) EED. Are you familiar with the DEESME Guidance?

- ☐ Yes
- ☐ No

If no, please take a look at the Guidance ([https://www.deesme.eu/wp-content/uploads/2021/07/D2.4\\_Generic-guideline-on-best-practise-public-version.pdf](https://www.deesme.eu/wp-content/uploads/2021/07/D2.4_Generic-guideline-on-best-practise-public-version.pdf)), as it answers all the relevant challenges for the EED Art 11 transposition

Have you implemented or plan to implement any of the proposed recommendations for national schemes under Art.8 (11)?

- ☐ Yes, implemented.
- ☐ Yes, plan to implement.
- ☐ Not yet, but will consider as I find them useful.
- ☐ I find no recommendation useful.

Do you have, or plan to develop, national guidance to the companies?

- ☐ Yes
- ☐ No

If you already do have such document, please add a link:

## Supporting activities to companies

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Do you perceive communication towards the companies and organisations involved in the energy audit scheme as a factor to be improved in your country?

- ☐ Yes
- ☐ No
- ☐ I don't know

Have you already carried out ad hoc communication campaign aimed to enforce the importance of the audits?

- ☐ Yes
- ☐ No

If yes, please link or add short description.

If no, please write the reasons behind not applying it.

Do you implement at the moment or plan incentives (e.g. tax deductions, discount on energy bills, etc.) for companies that carry out energy efficiency measures resulting from the audits?

- ☐ Yes, ongoing
- ☐ Yes, planned
- ☐ Not happening or planned

Do you consider specific support activity is needed from the side of the European Commission? Please describe:

## Non-energy (multiple) benefits of energy efficiency

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Are you aware of the multiple benefits approach in energy efficiency projects?

- ☐ Yes  
☐ No  
☐ Partially

Have you heard of DEESME developing approach and calculation tools that can help you with implementing multiple benefits approach to projects resulting from energy audits and EMS?

- ☐ Yes  
☐ No

DEESME documents:

- Multiple benefits approach of energy audit ([https://www.deesme.eu/wp-content/uploads/2021/09/D3.1\\_Multiple-benefits-approach-of-energy-audit.pdf](https://www.deesme.eu/wp-content/uploads/2021/09/D3.1_Multiple-benefits-approach-of-energy-audit.pdf))
- The ENergy Management System supporting the Multiple Benefit approach ([https://www.deesme.eu/wp-content/uploads/2022/10/D3.2\\_DEESME-Final\\_rev7-v2-23-06-22.pdf](https://www.deesme.eu/wp-content/uploads/2022/10/D3.2_DEESME-Final_rev7-v2-23-06-22.pdf))

Do you consider calculation methods, cost benefit analysis and approach documents useful to help you integrate non-energy benefits (as requested by the new EED Article 11)? Would you be interested in more information on the topic?

- ☐ Yes  
☐ No, we have developed an approach  
☐ No, we do not consider this approach adequate  
☐ No, it is not a priority

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### 2.3. Report from the meeting with the National Authorities

The Policy Workshop: “Policy challenges with the implementation of the new EED and audits in companies” took place on 5 October 2023. The workshop focused on policy challenges with the implementation of the new EED and audits in companies and targeted national authorities, policy makers, chambers and associations of companies. Here is the event agenda:

- 10.00 Introduction to the workshop, Dario Di Santo – FIRE
- 10.10 Update on the recast of EED for Art. 11 (ex Art. 8), Edyta Nowak - DG ENER
- 10.30 Effective policies for energy audits, Antoine Durand - Fraunhofer ISI
- 10.45 Experience sharing and feedbacks about challenges and possible solutions
  - Bulgaria - Ognian Markovski, SEDA
  - Poland - Anna Piórkowska, KAPE
  - Italy - Claudia Toro, ENEA
- 11.30 Discussion

The report is available in the publishable format:

# Policy challenges with the implementation of Article 11 of the Energy Efficiency Directive and audits in companies



**DEESME**

National schemes for energy efficiency in SMEs

DEESME's latest workshop gathered national authorities, policy makers, chambers and associations of companies to discuss the policy challenges since the Energy Efficiency Directive (EED) recast. This meant assembling effective policies for energy audits but also experience sharing between countries on the challenges and potential solutions.

## What the recast of the EED means for companies

The most intensive companies will be obliged to integrate Energy Management systems (EMS) and energy audits every 4 years

24 000 out of 174 000 companies will be subject to Energy Management Systems

Member States can implement energy audit centres (for SMEs and micro enterprises) to provide audits and support schemes for SMEs

### Member States have to provide programmes that include:

Support to SMEs in quantifying multiple benefits of energy efficiency measures

Develop energy efficiency roadmaps

Develop energy efficiency networks for SMES



### Additional criteria for energy audits:

Identify energy efficiency measures to decrease energy consumption

Identify cost effective use or production of renewable energy





## Effective policies for energy audits

### Factors influencing the quality of audits

Qualification of auditors

Frequency and depth of audit quality checks

Content and structural requirements of audit reports



### Requirements for companies across Europe



Ireland developed an elaborate 64-page interactive PDF document that guides auditors and companies through the process of conducting an energy audit and reporting the results.



The Netherlands requires companies that spend more than 50 000 kWh of electricity or 25 000 m<sup>3</sup> of natural gas to implement energy-saving measures with a payback time of 5 years or fewer under the Environmental Management Activities Decree. The regulation was implemented outside of the energy audit obligation.



In Germany, auditors are now required to attend regular trainings, where they must notify the national agency BAFA (EDL-G Article 8). Every two years, auditors will be required to complete 16 units of training (each 45 minutes) relevant to energy audits.



### Observations and recommendations

The development of support systems is essential for SMEs. SMEs can be encouraged to conduct energy audits and adopt energy efficiency measures through a variety of support methods that are based on financial incentives or educational tools



SMEs face limitations in resources as well, which is why it's critical to guide them towards the implementation of energy management systems or audits



This process can be supported by passive facilitation e.g., by establishing lean application processes for funding schemes, or active facilitation e.g., by establishing peer networks or by offering individual consulting services



## Experience and feedback from Poland

### 2019 Survey results from SMEs contacted by KAPE

#### Manufacturing sector

#### Other sectors

**15%**  
of companies  
performed an energy  
audit in the last 5  
years

**11%**  
of companies  
performed an energy  
audit in the last 5  
years

**35%**  
of companies  
indicated that there  
is potential for  
energy reduction

**30%**  
of companies  
indicated that there  
is potential for  
energy reduction



**37% of companies believe that investing in reducing energy consumption can be profitable**

**44% of companies don't believe that reducing energy consumption can be profitable**

### Challenges identified by KAPE

SMEs are more convinced by the economic aspect of energy savings than by the environmental aspect.



After the pandemic, SMEs focus more on maintenance activities than energy efficiency measures.



SMEs have very limited time to take additional actions – the message to get their interest should be clear and specific.



### Solutions identified by KAPE

Identify obliged companies, taking into account market developments.



Improve the quality of energy audits to better reflect the cost-effectiveness of operations.



Coordinate support mechanisms provided by different institutions and establish national mechanisms for SMEs.



Raise awareness on the multiple benefits of energy efficiency.



## Experience and feedback from Italy

### Italian data on SMEs in 2022

**99%**  
of Italian companies  
are SMEs

**64%**  
of overall value  
added in the Italian  
'non-financial  
business economy' is  
generated by SMEs

**13% -29%**  
is the estimated  
share of energy  
consumption on GIC  
in Italy

**30%**  
of companies  
indicated that there  
is potential for  
energy reduction

### The Italian energy efficiency national awareness plan for SMEs

**2022-2023 Plan:** Training / information campaigns on energy efficiency for SMEs + support tools for SMEs

**2023-2024 Plan:** Continuation of training/information campaigns + Dissemination to stakeholders on tools for SMEs

### Recommendations from policy makers

Increasing awareness on energy consumption, energy audits and energy management systems are key tools.



Networking among SMEs could help exploit energy efficiency opportunities.



Cultural barriers should be taken into account as many SMEs lack confidence in auditors and energy service companies.



### Recommendations from SMEs

Energy efficiency policies must be on a permanent, stable and predictable regulatory framework.



Easing administrative burdens is key to improve implementation of energy efficiency measures by SMEs.



Incentives should be based on individual cases in order to fix specific energy savings for each company.





## Experience and feedback from Bulgaria

### Main challenges identified by SEDA



#### Challenges for SMEs

**Support mechanisms**  
Challenge of creating informational and financial instruments to boost SMEs to go through audits

**Guiding to act**  
Challenge of implementing passive facilitation for SMEs to use energy efficiency measures

**Raising awareness**  
Challenge of providing SMEs with tailor made insights

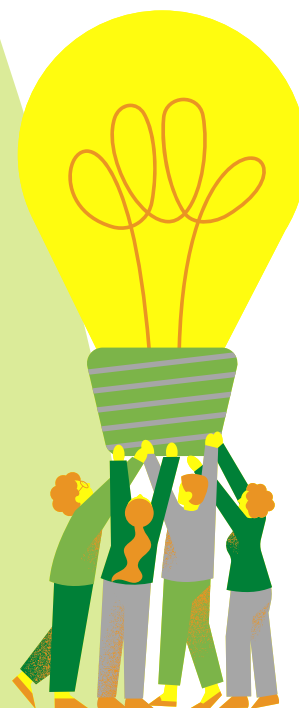


#### Challenges for non-SMEs

**Identification of obligated companies**  
Challenge of identifying companies through databases or self declaration

**Ensuring compliance**  
Challenge of ensuring that all SMEs carry out an audit

**Enhancing the uptake of measures**  
Challenge of using informational instruments to enhance uptake



### Main solutions identified by SEDA



#### Solutions for SMEs

**Support mechanisms**  
Design an adequate financial support system

**Guiding to act**  
Provide a clear overview of available support schemes and simplify the application process

**Raising awareness**  
Use informational trainings and campaigns



#### Solutions for non-SMEs

**Identification of obligated companies**  
Assist in self declarations on database-oriented approach

**Ensuring compliance**  
Underline the added value of audits

**Enhancing the uptake of measures**  
Use informational instruments to enhance uptake of measures

Go through DEESME's tools to guide National Authorities

Report on: "Identifying and customizing suitable policies for energy efficiency"