

The role of regions in the framework of sustainable energy policies and programmes

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Promoting Energy Efficiency To Local Organisations
Through Dissemination Partnerships In Europe

Best Actions For Collaboration In Countries
For An High Efficient Use Of Energy In Structural Funds



SCOPING

- The ambitious EU energy policy strategy and objectives need a strong effort.
- The decentralisation of energy policy is progressing in EU Member States (MS).
- Huge resources are allocated at regional level to local development, a minimum part of which is intersected by energy projects.

EU energy policy related objectives

- ✓ **Maintaining the security of supply**
- ✓ **Meeting Kyoto Objectives: 8% CO2 reduction between 2008 and 2012 (compared to 1990 level)**
- ✓ **Improving energy efficiency. Increase by 18% until 2010 compared to 1995**
- ✓ **Doubling the Share of Renewable Energy Sources: from 6% to 12% final energy**
- ✓ **Increasing the share of Green Electricity: from the 16% to 22% of consumption by 2010**
- ✓ **Promote the use of liquid biofuels for transport.**

Role of the regions and local area

- There is an important role foreseen for the regions and local area in the **take up of sustainable energy policies.**
- This role, nevertheless, is only drafted as a stronger effort of integration of different and co-existing policies /programmes, but responsibilities are still not adequately assigned.

Sustainable energy policy instruments

Research and technological objectives

V and VI RTD Framework Programmes

Campaign for the take off

Intelligent energy for Europe

The Regions in the new economy –
guidelines to the innovative actions of the
ERDF in the period 2000 – 2006

Structural Funds and their coordination
with the Cohesion Fund. Guidelines for programmes
in the period 2000 to 2006

Cohesion and competitiveness objectives of regions and local
areas

RES

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Energy efficiency

URBAN 2000 – 2006

INTERREG 2000 – 2006

Main objectives 1/2

VI RTD Framework Programme	<p>short –term: large-scale research effort to encourage the deployment of technologies already under development and to help promote changes in energy demand patterns and consumption behaviour by improving energy efficiency and integrating renewable energy into the energy system</p> <p>longer term: an important RTD effort to assure the economically attractive availability of energy, and overcome the potential barriers to adoption of renewable energy sources and new carriers and technologies such as hydrogen and fuel cells.</p>
Intelligent energy for Europe	<p>To accelerate the market penetration of new technologies in the fields of Renewable Energy Sources and energy efficiency by creating a favourable legislative framework and laying down objectives for the EU and for the Member States.</p>

Main objectives 2/2

Innovative actions of the ERDF in the period 2000 – 2006

To promote the cohesion and the regional competitiveness through for example development of new relationships between the public and private in order to optimise the use of the existing resources and infrastructures

Structural Funds and their coordination with the Cohesion Fund

Less developed regions (objective 1):

- to avoid unnecessary increases in energy production capacity, **measures should initially focus on the demand side (energy efficiency)**
- Investment in renewable energy sources **favours the development of local resources and contributes to the reduction of dependency on energy imports**

Outside less developed regions (objective 2): **to focus on small-scale innovative infrastructure projects. Priorities include investment to promote the use of RES, investment aid for reducing SO₂ and CO₂ emissions, the use of energy audits and the promotion of efficient energy management in SMEs, towns and cities**

Integrated, coherent and reinforcing approach

- The “*Action plan to improve energy efficiency in the European Community*” has the main aim of **integrating, and giving coherence to a combination of several policy instruments as well as reinforcing each others**. The reason can be found in the pressing need to renew commitment both at Community and Member State level to promote energy efficiency more actively

Programme Intelligent energy for Europe (2003 –2006): Approach

- A new approach also involves a strengthening of Community action vis à vis the main stakeholders including national, regional and local agencies and any other organisation contributing at its level to the Community effort in line with the changes proposed in the White Paper on European Governance.

Programme Intelligent energy for Europe (2003 –2006): Specific objectives

- **To develop and implement a medium and long term energy strategy**
- **To bring a genuine change at Community level by raising awareness among the main players**
- **To promote exchanges of experience and know how**
- **To boost investment in emerging technologies already available on the market**
- **To encourage the spread of best practices not least in the educational system**
- **To increase transparency coherence and co-ordination of all the activities**



THE BACCHUS PROJECT IN NUMBERS

- 12 Countries involved (9 EU MS and 3 NAS)
- 22 Organisations operating at local level:
 - 12 regional development agencies
 - 10 regional/local energy agencies
- 2 networks operating as organisers (AEIDL, EURADA)
- 3 meetings of local energy agencies
- 3 national/regional workshops
- Total financial amount of the 2-year study: 400,000 €

THE BACCHUS PROJECT OUTPUTS

- The guidelines “Sustainable energy and the structural funds” published in 8 languages and available at www.bacchus.aeidl.be.
- The recommendations for EU, national and regional functionaries, and the suggestions for improving their skills and capacities, already delivered to SAVE programme officers.

THE BACCHUS PROJECT

MAIN MESSAGE

- If the EU energy policy objectives have to be attained, energy projects have to be integrated in the development policy.
- The energy sustainability should become an indicator of environmental performance for all development projects.

THE STRUCTURAL FUNDS

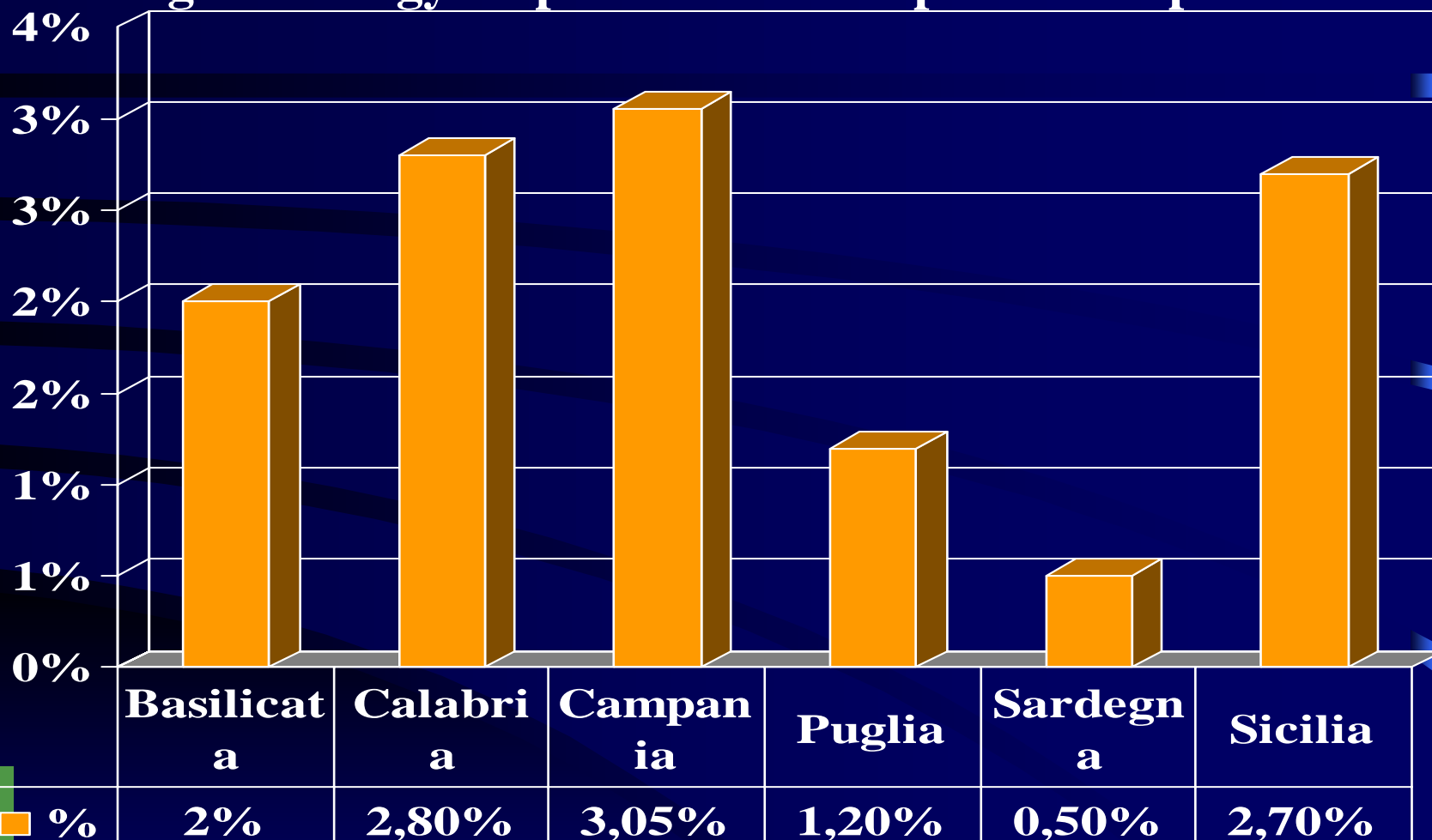
- It is a solidarity financial instrument aimed to less prosperous regions and social groups for the 2000-2006 period
- Finance multi-annual programmes which constitute development strategies drawn up in a partnership associating the regions, the Member States and the European Commission taking into account guidelines laid down by the Commission

THE STRUCTURAL FUNDS IN ITALY

- Developing the axis *Natural Resources and Environmental Protection* in three main sectors: Water, soil and environment.
- Increasing the utilisation of renewable energy sources, promoting energy saving and improving the management efficiency

ITALIAN OBJECTIVE 1 REGIONS

Percentage of energy respect to the total planned expenditure.



3 SPD IN FRANCE

- Auvergne
- Languedoc-Roussillon
- Basse Normandie
 - energy measures as components of wider and multilevel development objectives.

3 SPD in UK

- Cornwall
- North West
- South Yorkshire and Humber
 - not the energy but the “environmental sustainability” is a “cross-cutting theme”, that is a theme which is of such importance that all projects and partnership in the different priorities must address the issues involved.

LOCAL SUSTAINABLE DEVELOPMENT AND STRUCTURAL FUNDS

- Poor integration of Sustainable Energy in local development: the financial resources are low (2-3% of total) and the objectives are too focused;
- Chance: the 2000-2006 planning phase of structural funds has attempted an insertion of sustainable energy objectives among the other development objectives.

ASKED QUESTIONS

1. How can energy projects contribute to local (sustainable) development?
2. How can development and energy experts work together?
3. Is the level of regional or local responsibility sufficient to develop sustainable energy strategies or is decision-making still too centralised?
4. Are the planning experts aware of the impact of sustainable energy policies on local development, and do they have indicators for it, consistent with other development indicators?

ASKED QUESTIONS 2

5. Are the energy experts capable of designing sustainable energy projects within a socio-economic context targeted at local development?
6. How can energy projects be integrated into the NAS regional development process?

LIMITS TO CROSS

- The dialogue between energy and development expert was previously almost absent but appeared very fruitful;
- The development experts are not aware of the potential for development that could be originated by sustainable energy projects;
- The energy experts have difficulty in situating their projects in a socio-economic context.

SUGGESTIONS

- The Bacchus Guidelines can help to focus the dialogue between local energy and development experts;
- Bacchus selected Good Practices can show real examples of local sustainable development.
- Local/regional energy agencies may have an essential role as the best interlocutor of regional/local development experts.

WORKING GROUPS REPORTED STUDIES

- Evaluation of the energy impacts of the investments realised with the Structural Funds (Auvergne)
- Analysis of the key development indicators (n.of jobs, local added value) for RES local projects (Cornwall)
- Potential for ecological industrial sites and for sustainable communities in isolated areas (Emilia-Romagna).

NAS WORKING GROUPS REPORT

- Priority on energy networks.
- Problems with old district heating systems.
- Energy efficiency and CHP.
- Tariffs, management, sustainability.
- Risk of neglecting the regional and local level.

BACCHUS GOOD PRACTICES

- Practical examples of bottom-up strategies for implementation of sustainable energy policies in structural funds programmes ,
- Demonstrating the feasibility of these projects and the commitment that some well advanced administrations have been able to achieve.

The criteria for the selection of BACCHUS GOOD PRACTICES

- Innovative Financial and Contractual Tools,
- Instruments related to legislative innovations,
- Technological Approaches.

Examples of BACCCHUS GOOD PRACTICES

- Biomass CHP in Northern Ireland,
- Bioclimatic district in the Netherlands,
- Innovative CHP Technologies in Frankfurt,
- Solar heating SMEs in Styria (AU)
- TPF in Piedmont Hospitals (IT).

Key issues in BACCCHUS GOOD PRACTICES

- Voluntary Agreements;
- Local durable partnerships, involving local stakeholders and citizens;
- Multiplicative effect of public money;
- Understanding the liberalised energy market and other EU policies;
- Pushing technological innovations.

NAS ANALYSIS OUTCOME

- Assuming that the improvement of **energy efficiency in existing district heating (DH) networks** be a first priority energy policy objective,
- The social problem of tariffs and subsidies has to be faced,
- as well as the creation of competitive energy providers assuring jobs and revenues.

PROPOSALS

- The improvement of DH systems can be proposed for the financial support of Structural Funds to obtain: reduction of tariffs/subsidies, new jobs, less energy consumption.
- They can best be afforded together in the frame of urban development policy, together with the other needs for new urban infrastructures.
- Therefore energy experts have to work together with urban planning and development experts.

NAS STRATEGIES

- The future DH efficiency measure needs to choose a strategy:
 - or to reinforce the direct management by the Municipal Administration
 - or to open and regulate the sector to competitive enterprises (private or mixed).
- In the second case a model for tendering the concession has to be studied (selection criteria, time duration, property of infrastructures,...).

NAS SUGGESTION

- A facilitator centre should be established to help Cities in the preparation of suitable projects.

CONCLUSIONS

- BACCHUS project is now finished.
- Replication of the mixed working group experience is expected.
- The guidelines will be widely diffused in paper and electronic format.
- Interest was raised on EU financial tools (INTERREG, URBAN, Art.10 ERDF) not frequently utilised for energy projects.
- A new EU project will probably be developed to put in practice the BACCHUS results.