



## TOWARDS A DECARBONISED EUROPE:

# Increasing energy efficiency in SMEs for clean transition

Dr Pádraig Lyons, 19th October 2021, 9:50

















#### Session #4

### Developing Energy Efficiency Policy for SMEs

Policies related with Energy Efficiency in Europe focused on industry and SMEs and ways to improve them



















#### EU wide and Irish policies on SME Energy Efficiency

## Energy Efficiency Directive 2012

- Amended in 2018 as part of Clean energy for all European Package
- 32.5% energy efficiency target by 2030 for EU
- Article 8: Energy Audits and Energy Management System

## Energy Performance of Building Directive 2010

- Highly efficient and decarbonised building stock in EU by 2050
- Amended in 2018
- All new buildings must be NZEB from 31 December 2020

#### National Climate Action Plan

- Previously National Energy Efficiency Action Plan
- For the period from 2021-2030
- 10 year integrated plan to achieve 2030 target

















#### **Key Messages**

Despite these policies, most SMEs have not had an energy audit in the last 5 years, do not have an energy manager or energy policy, and have implemented only "easy" energy

Policy to support energy efficiency in SMEs must be strengthened



















#### **Gap Analysis**



#### **EU Level**

- No quantitative targets for SMEs
- No mandatory obligations for SMEs
- 2020 target likely to be missed

#### **National Level**

- Varied transposition of EED Article 8
- Lack of financial support for SMEs
- Support limited to information

#### Company Level

- Lack of resource (time, money, knowledge)
- Poor understanding of multiple benefits of EE
- Competing business priorities





















#### SPEEDIER

• Outsource energy management & self-finance implementation through ring-fencing and reinvesting

#### **SMEmPower**

 Create training programs that empower SMEs to implement EE by improve their knowledge and skills

#### E2Driver

• Customize innovative training approaches to meet the needs of a specific sector

#### Innoveas

• Work with industry associations to reach SMEs, build their internal capacity and enhance energy culture

#### DEESME

• Enabling companies to manage the energy transition by **taking profit of multiple benefits** and energy management approaches

#### Triple-A

• Standardised Triple-A **Tools**, **Database** and **Benchmarks** to assess EE investments, setting the ground for building **investors**' and **project developers**' confidence.

#### ICCEE

• Work with industry associations to reach SMEs, build their internal capacity and enhance energy culture, creating free tools for them (LCA, LCC, etc), elearning and market platforms, etc.



















#### To tackle different barriers

Which barriers do the projects tackle?	SPEEDIER	SME mPower Efficiency	e2DRIVER	innoveas	DESME National schemes for energy efficiency in SMEs	TRIPLE-A	Improving Cold Chain Energy Efficiency in food and beverage sector
Lack of time	<b>~</b>	<b>~</b>			<b>~</b>		<b>~</b>
Lack of finance	<b>~</b>				<b>~</b>	<b>~</b>	
Poor internal knowledge & skills		<b>~</b>	<b>~</b>	~	<b>~</b>	<b>~</b>	<b>~</b>
Poor understanding of multiple benefits of EE	<b>✓</b>	<b>✓</b>	<b>✓</b>	<b>✓</b>	<b>✓</b>	<b>✓</b>	<b>✓</b>
Competing business priorities	<b>~</b>						
Poor energy culture		<b>~</b>	<b>~</b>	<b>~</b>			<b>~</b>
Lack of suitable training on EE		<b>~</b>	<b>~</b>	~	<b>~</b>	<b>~</b>	~
No external support for EE implementation	<b>~</b>	<b>~</b>	<b>~</b>	<b>~</b>		<b>~</b>	<b>~</b>
Only 'easy' EE measures are implemented	<b>~</b>						

















#### Key messages

No single approach will remove all the barriers to SMEs undertaking energy audits and implementing energy efficiency measures

A combination of approaches and solutions are required



















#### Recommendations for policy makers



Consider mandatory energy audits for SMEs to create a demand driven-market for both internal capacity building and external energy auditors

02

**Encourage a range of support mechanisms** to meet different needs. Information alone is not enough, SMEs need support through the implementation phase too.

03

**Promote the multiple benefits of energy efficiency**. Thermal comfort, staff health, building value, reduced maintenance and brand image also have value for SMEs

04

**Develop (and promote) suitable financial mechanisms for SMEs**. Joined up tax incentives, grants, revolving funds and energy tariff structures could incentivise investment

05

**Training is required at all levels** including SME staff, energy experts, finance providers, industry associations.

















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