



COMMISSION OF THE EUROPEAN COMMUNITIES

Brussels, 21.05.1999  
COM(1999) 211 final

97/0371 (COD)

Amended proposal for a  
**DECISION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL**  
adopting a multiannual programme for the promotion of  
energy efficiency  
(1998-2002)

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(presented by the Commission pursuant to Article 250(2) of the EC Treaty)

## EXPLANATORY MEMORANDUM

The Commission adopted on 18 November 1997 a proposal for a Council Decision concerning a multiannual framework programme for actions in the energy sector (1998-2002); Annex V; promotion of Energy Efficiency (SAVE). The proposal is now based on Article 175(1) of the Treaty which foresees the codecision procedure. On 11 March 1999, the Parliament gave its opinion on the first reading. Nineteen amendments were adopted by Parliament.

In general, the Parliament supports the aims and objectives of the SAVE programme. Of the amendments proposed, the Commission accepts five without reserve (Nos 2, 3, 7, 10 and 16) and one partially after reformulation (No 8).

Thirteen amendments are not accepted by the Commission for the following reasons:

- Amendment Nos 1, 6, 9 and 11 (partly) as any initiative of the Commission concerning new legislative measures does not depend on the adoption of the SAVE programme.
- Amendment Nos 13, 15 (partly) and 19 as they reduce the range of the programme.
- Amendment Nos 14 and 15 (partly) as they are outside the programme objectives.
- Amendment No 4 as the goal of SAVE was only to contribute and not to fully realise the objective fixed in 1986.
- Amendment Nos 5 and 11 (partly) because the objective to improve the energy intensity level by 1% proposed by the Commission is already ambitious enough.
- Amendment Nos 12 and 20 as they create confusion between SAVE on the one hand and ALTENER and the 5th Framework Programme on the other hand.
- Amendment No 18 as it deviates from standard comitology decision.

The Commission presents in annex the re-examined proposal, which takes into account amendments proposed by the Parliament and accepted by the Commission.

Amended proposal for a  
**DECISION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL**  
adopting a multiannual programme for the promotion of  
energy efficiency  
(1998-2002)

**ORIGINAL TEXT**

**THE COUNCIL OF THE EUROPEAN UNION,**

Having regard to the Treaty establishing the European Community, and in particular Article 130s(1) thereof,

Having regard to the proposal from the Commission,<sup>1</sup>

Having regard to the opinion of the Economic and Social Committee,<sup>2</sup>

Having regard to the opinion of the Committee of the Regions,<sup>3</sup>

Acting in accordance with the procedure laid down in Article 189c of the Treaty,<sup>4</sup> in cooperation with the European Parliament,

1. Whereas Article 130r of the Treaty states that one objective of the Community policy on the environment shall be to ensure a prudent and rational utilisation of natural resources;
2. Having regard to Council Decision 96/737/EC of 16 December 1996 concerning a multiannual programme for the promotion of energy efficiency in the Community - SAVE II;<sup>5</sup>

**AMENDED TEXT**

**THE EUROPEAN PARLIAMENT AND THE COUNCIL OF THE EUROPEAN UNION,**

Having regard to the Treaty establishing the European Community, and in particular Article 175(1) thereof,

Having regard to the proposal from the Commission<sup>1</sup>,

Having regard to the opinion of the Economic and Social Committee<sup>2</sup>,

Having regard to the opinion of the Committee of the Regions<sup>3</sup>,

Acting in accordance with the procedure laid down in Article 251 of the Treaty<sup>4</sup>,

1. Whereas Article 174 of the Treaty states that one objective of the Community policy on the environment shall be to ensure a prudent and rational utilisation of natural resources;
2. Having regard to Council Decision 96/737/EC of 16 December 1996 concerning a multiannual programme for the promotion of energy efficiency in the Community - SAVE II<sup>5</sup>;

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5 OJ L 335, 24.12.1996, p. 50.

3. Whereas at its meeting on 29 October 1990 the Council set an objective of stabilising total CO<sub>2</sub> emissions by the year 2000 at the 1990 level in the Community as a whole; whereas at its meetings in March and June 1997 the Council adopted as its negotiating position for the Kyoto meeting under the Convention on Climate Change a 7.5% reduction in greenhouse gas emissions by 2005 and a 15% reduction by 2010 in relation to 1990 levels;
  4. Whereas to achieve significant reductions in Community CO<sub>2</sub> emissions further efforts will have to be made, particularly since CO<sub>2</sub> emissions due to energy consumption are expected to increase by 5 to 8% between 1995 and 2000, assuming normal economic growth; whereas, therefore, additional measures are indispensable;
  5. Whereas Decision 93/389/EEC<sup>6</sup> established a monitoring mechanism of Community CO<sub>2</sub> and other greenhouse gas emissions;
  6. Whereas the Commission, in its communication of 8 February 1990 on energy and the environment, highlighted energy efficiency as the cornerstone of future efforts to reduce the negative impact of energy on the environment;
  7. Whereas improvement in the management of energy is urgently needed in order to contribute to the protection of the environment, to a better security of energy supply and to sustainable development;
  8. Whereas the Commission has communicated to the Council and the European Parliament, by means of the Green paper of 11 January 1995 and the White Paper of 13 December 1995, its views on the future of energy policy in the Community, and the role of energy-saving and energy efficiency measures;
3. Whereas at its meeting on 29 October 1990 the Council set an objective of stabilising total CO<sub>2</sub> emissions by the year 2000 at the 1990 level in the Community as a whole; whereas at its meetings in March and June 1997 the Council adopted as its negotiating position for the Kyoto meeting under the Convention on Climate Change a 7.5% reduction in greenhouse gas emissions by 2005 and a 15% reduction by 2010 in relation to 1990 levels;
  4. Whereas to achieve significant reductions in Community CO<sub>2</sub> emissions further efforts will have to be made, particularly since CO<sub>2</sub> emissions due to energy consumption are expected to increase by 5 to 8% between 1995 and 2000, assuming normal economic growth; whereas, therefore, additional measures are indispensable;
  5. Whereas Decision 93/389/EEC<sup>6</sup> established a monitoring mechanism of Community CO<sub>2</sub> and other greenhouse gas emissions;
  6. Whereas the Commission, in its communication of 8 February 1990 on energy and the environment, highlighted energy efficiency as the cornerstone of future efforts to reduce the negative impact of energy on the environment;
  7. Whereas improvement in the management of energy, **above all enabling the extensive potential for energy savings to be exploited**, is urgently needed in order to contribute to the protection of the environment, to a better security of energy supply and to sustainable development;
  8. Whereas the Commission has communicated to the Council and the European Parliament, by means of the Green paper of 11 January 1995 and the White Paper of 13 December 1995, its views on the future of energy policy in the Community, and the role of energy-saving and energy efficiency measures;

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<sup>6</sup> OJ L 167, 9.7.1993, p. 31.

9. Whereas Article 130a of the Treaty provides that the Community should develop and pursue its actions leading to the strengthening of its economic and social cohesion, and that it should, in particular, reduce disparities between the levels of development of the various regions and the backwardness of the least-favoured regions; whereas energy should be integrated into that effort;
10. Whereas, by Decision 91/565/EEC,<sup>7</sup> the Council adopted a Community energy efficiency programme (SAVE) aimed at strengthening energy efficiency infrastructures within the Community; whereas that programme expired on 31 December 1995;
11. Whereas the Community recognised the SAVE programme as an important element of the Community's CO<sub>2</sub> reduction strategy; whereas the communication of the Commission of 8 May 1991 on the European Community's energy programming activities at regional level, the conclusion of the Council on this communication, and the Resolution of the European Parliament of 16 July 1993 stated that those activities should be pursued, amplified and utilised as a support for the energy strategy of the Community; whereas this initiative for regional actions should now be totally incorporated into a new SAVE II programme;
12. Whereas, by Decision No 1110/94/EC of the European Parliament and of the Council,<sup>8</sup> a fourth framework programme for actions in technological research, development and demonstration was established; whereas energy efficiency policy constitutes an important instrument for the use and promotion of the new energy technologies that the framework programme will establish; whereas the
9. Whereas Article 158 of the Treaty provides that the Community should develop and pursue its actions leading to the strengthening of its economic and social cohesion, and that it should, in particular, reduce disparities between the levels of development of the various regions and the backwardness of the least-favoured regions; whereas energy should be integrated into that effort; whereas, in particular, the promotion of sustainable, renewable and energy-saving technologies should be taken into account in this connection;
10. Whereas, by Decision 91/565/EEC<sup>7</sup>, the Council adopted a Community energy efficiency programme (SAVE) aimed at strengthening energy efficiency infrastructures within the Community; whereas that programme expired on 31 December 1995;
11. Whereas the Community recognised the SAVE programme as an important element of the Community's CO<sub>2</sub> reduction strategy; whereas the communication of the Commission of 8 May 1991 on the European Community's energy programming activities at regional level, the conclusion of the Council on this communication, and the Resolution of the European Parliament of 16 July 1993 stated that those activities should be pursued, amplified and utilised as a support for the energy strategy of the Community; whereas this initiative for regional actions should now be totally incorporated into a new SAVE II programme;
12. Whereas, by Decision No 1110/94/EC of the European Parliament and of the Council<sup>8</sup>, a fourth framework programme for actions in technological research, development and demonstration was established; whereas energy efficiency policy constitutes an important instrument for the use and promotion of the new energy technologies that the framework programme will establish; whereas the

<sup>7</sup> OJ L 307, 8.11.1991, p. 34.

<sup>8</sup> OJ L 126, 18.5.1994, p. 1.

SAVE II programme represents a policy instrument which complements this programme;

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13. Whereas the Commission has presented to the European Parliament and the Council its proposals for the 5th RTD Framework Programme;<sup>9</sup>
  14. Whereas the SAVE II programme aims at improving energy intensity of final consumption by a further one percentage point per annum over that which would have been otherwise attained;
  15. Whereas at its meeting on 15 on 16 December 1994 the Council stated that the target of stabilising CO<sub>2</sub> emissions can only be achieved by a co-ordinated package of measures to import energy efficiency and the rational use of energy which are based on supply and demand at all levels of energy production, conversion, transport and consumption and to exploit renewable energies, and that local energy management programmes are amongst these measures;
  16. Whereas, in its opinion on the Commission's Green Paper on energy policy, the European Parliament called for the formulation of objectives and a common programme for energy efficiency and savings compatible with the objectives concerning the emissions of greenhouse gases as agreed in Rio de Janeiro (1992) and Berlin (1995), called for a SAVE II programme and requested that the Commission clarify the role which it intends to play in energy savings and efficiency by creating practical projects;
  17. Whereas improved energy efficiency will have a positive impact on both the environment and the security of energy supplies which are global in nature; whereas a high level of international cooperation is needed to produce the most positive results;
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  15. Whereas at its meeting on 15 on 16 December 1994 the Council stated that the target of stabilising CO<sub>2</sub> emissions can only be achieved by a co-ordinated package of measures to import energy efficiency and the rational use of energy which are based on supply and demand at all levels of energy production, conversion, transport and consumption and to exploit renewable energies, and that local energy management programmes are amongst these measures;
  16. Whereas, in its opinion on the Commission's Green Paper on energy policy, the European Parliament called for the formulation of objectives and a common programme for minimum objectives in the areas of energy efficiency and savings compatible with the objectives concerning the emissions of greenhouse gases as agreed in Rio de Janeiro (1992), ~~and~~ Berlin (1995) and Kyoto (1997), called for a SAVE II programme endowed with considerably more resources than the SAVE programme and requested that the Commission clarify the role which it intends to play in energy savings and efficiency by creating practical projects;
  17. Whereas improved energy efficiency will have a positive impact on both the environment and the security of energy supplies which are global in nature; whereas a high level of international cooperation is needed to produce the most positive results;

<sup>9</sup> COM(98) 305, 13.5.1998.

18. Whereas between 180 and 200 million tonnes of CO<sub>2</sub> emissions could be avoided by the year 2000 by an improvement of 5 % in the energy intensity of final demand additional to the conventional expectations;
19. Whereas the SAVE II programme is an important and necessary instrument for promoting increased energy efficiency;
20. Whereas in order to prevent duplication and to achieve synergy, care should be taken in implementing the programme to ensure close cooperation with other Community programmes linked directly with energy efficiency promotion;
21. Whereas it is politically and economically desirable to open the SAVE II programme to the associated Central and Eastern European Countries in accordance with the conclusions of the European Council meeting in Copenhagen in June 1994 and as outlined in the Commission communication to the Council on the subject in May 1994, and to the associated Mediterranean Countries and Cyprus;
22. Whereas, in order to ensure that Community aid is used efficiently, the Commission must ensure that projects are subject to thorough prior appraisal and shall systematically monitor and evaluate the progress and results of supported projects;
23. Whereas a multiannual programme of action in the energy sector is being implemented,
18. Whereas between 180 and 200 million tonnes of CO<sub>2</sub> emissions could be avoided by the year 2000 by an improvement of 5% in the energy intensity of final demand additional to the conventional expectations; **whereas such figures could be increased by a better use of energy sources;**
19. Whereas the SAVE II programme is an important and necessary instrument for promoting increased energy efficiency;
20. Whereas in order to prevent duplication and to achieve synergy, care should be taken in implementing the programme to ensure close cooperation with other Community programmes linked directly with energy efficiency promotion, **and with complementary activities in the field of renewable energy sources;**
21. Whereas it is politically and economically desirable to open the SAVE II programme to the associated Central and Eastern European Countries in accordance with the conclusions of the European Council meeting in Copenhagen in June 1994 and as outlined in the Commission communication to the Council on the subject in May 1994, and to the associated Mediterranean Countries and Cyprus;
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HAS ADOPTED THIS DECISION:

Article 1

1. The Community shall implement, within the Energy Framework Programme, a multiannual specific programme for the preparation and implementation of schemes and measures in a cost-effective manner in order to promote energy efficiency within the Community. The general overall objectives of this programme shall be:

- a) to stimulate energy efficiency measures in all sectors;
- b) to encourage investments in energy conservation by private and public consumers and by industry;
- c) to create the conditions for improving the energy intensity of final consumption.

2. Community financing shall be provided under the 'SAVE II programme to promote energy efficiency in the Community', hereafter referred to as 'the programme', for actions which fall within the objectives of this Decision.

Article 2

Under the programme, financing shall be provided for the following categories of energy efficiency schemes and measures:

- a) studies and other related measures designed to implement and supplement Community schemes (such as voluntary agreements, mandates to standardisation bodies, cooperative procurements and legislation) for improving energy efficiency, studies concerning the effects of energy pricing on energy efficiency, and studies with a view to establishing energy efficiency as a criterion within Community programmes;

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b) targeted sectoral pilot schemes aimed at speeding up investment in energy efficiency and/or improving energy use patterns, to be carried out by public and private firms or organisations and by existing Community-wide networks or temporary Community-wide groupings of organisations and/or firms set up to carry out these schemes;

c) measures proposed by the Commission for fostering exchanges of experience aimed at improving coordination between international, Community, national, regional and local activities, using appropriate means of disseminating information;

d) measures such as those described in c) above but proposed by entities other than the Commission;

e) monitoring energy efficiency progress in the Community and in each Member State; ongoing evaluation and monitoring of the schemes and measures carried out under the Programme;

f) specific measures to improve energy management at regional and urban level with a view to achieving greater cohesion between Member States and regions in the field of energy efficiency.

### Article 3

1. All the costs relating to the schemes and measures referred to in Article 2 a), c) and e) shall be borne by the general budget of the European Communities.

2. The level of funding for the schemes and measures referred to in Article 2 b), d) and f) shall be set at a maximum of 50 % of their total cost.

b) targeted sectoral pilot schemes aimed at speeding up investment in energy efficiency and/or improving energy use patterns, to be carried out by public and private firms or organisations and by existing Community-wide networks or temporary Community-wide groupings of organisations and/or firms set up to carry out these schemes;

c) measures proposed by the Commission for fostering exchanges of experience aimed at improving coordination between international, Community, national, regional and local activities, using appropriate means of disseminating information; **as regards the dissemination of information via networks, specific target groups, or consumers in general, should be reached by all the available media (publications, videos, workshops, conferences and seminars and databases);**

d) measures such as those described in c) above but proposed by entities other than the Commission;

e) monitoring energy efficiency progress in the Community and in each Member State; ongoing evaluation and monitoring of the schemes and measures carried out under the Programme;

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3. The balance of the funding of the schemes and measures referred to in Article 2 b), d) and f) may be made up from either public or private sources or from a combination of the two.

#### Article 4

1. Implementation of the programme shall begin on 1 January 1998 and terminate on 31 December 2002.

2. The annual appropriations shall be authorised by the budgetary authority within the limits of the financial perspectives.

#### Article 5

1. The Commission shall be responsible for the financial execution and implementation of the programme. The Commission shall also ensure that action under this programme is subject to prior appraisal, monitoring and subsequent evaluation, which, on completion of the project, shall include assessment of impact, implementation and whether their original objectives have been achieved.

2. The selected beneficiaries shall submit reports to the Commission on a six-monthly basis and on completion.

3. The conditions and guidelines to be applied for the support of all actions and measures referred to in Article 2 shall be defined each year taking into account:

- the cost effectiveness criteria, the savings potential and environmental impact, in particular the reduction of CO<sub>2</sub> emissions,

- the list of priorities referred to in Article 7,

- the cohesion of Member States in the field of energy efficiency.

The Committee referred to in Article 6 shall assist the Commission in defining these conditions and guidelines.

3. The balance of the funding of the schemes and measures referred to in Article 2 b), d) and f) may be made up from either public or private sources or from a combination of the two.

#### Article 4

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2. The annual appropriations shall be authorised by the budgetary authority within the limits of the financial perspectives.

#### Article 5

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- the list of priorities referred to in Article 7,

- the cohesion of Member States in the field of energy efficiency.

The Committee referred to in Article 6 shall assist the Commission in defining these conditions and guidelines.

#### Article 6

The Commission shall be assisted, for the purposes of implementing the programme, by the Committee referred to in Article 4 of the Council Decision concerning a multiannual framework programme for action in the energy sector.

#### Article 7

The Commission shall draw up annually a list of priorities for funding under the programme. This list shall take into account complementarity between the SAVE II programme and the national programmes on the basis of annual information in a summary form supplied by each Member State. Priority shall be given to those areas where such complementarity is greatest.

The committee referred to in Article 6 shall assist the Commission in defining the list of priorities.

#### Article 8

1. After each year of the programme, the Commission shall present to the European Parliament and to the Council a progress report together with proposals concerning any changes in the guidelines, defined in accordance with Article 5 3), which may prove necessary in the light of the previous year's results.

2. After the third year of the programme, the Commission shall present a report to the European Parliament and to the Council on the energy efficiency measures taken at Community and Member State level and on the results achieved, with particular reference to the objectives outlined in Article 1. The report shall be accompanied by proposals for any amendments to the programme which may prove necessary in the light of those results.

3. On expiry of the programme, the Commission shall make an overall assessment of the results achieved by

#### Article 6

The Commission shall be assisted, for the purposes of implementing the programme, by the Committee referred to in Article 4 of the Council Decision concerning a multiannual framework programme for action in the energy sector.

#### Article 7

The Commission shall draw up annually a list of priorities for funding under the programme. This list shall take into account complementarity between the SAVE II programme and the national programmes on the basis of annual information in a summary form supplied by each Member State. Priority shall be given to those areas where such complementarity is greatest.

The committee referred to in Article 6 shall assist the Commission in defining the list of priorities.

#### Article 8

1. After each year of the programme, the Commission shall present to the European Parliament and to the Council a progress report together with proposals concerning any changes in the guidelines, defined in accordance with Article 5 3), which may prove necessary in the light of the previous year's results.

2. After the third year of the programme, the Commission shall present a report to the European Parliament and to the Council on the energy efficiency measures taken at Community and Member State level and on the results achieved, with particular reference to the objectives outlined in Article 1. The report shall be accompanied by proposals for any amendments to the programme which may prove necessary in the light of those results.

3. On expiry of the programme, the Commission shall make an overall assessment of the results achieved by

applying this Decision, and of the coherence between national and Community measures. It shall present a report thereon to the European Parliament, the Council, the Economic and Social Committee and the Committee of the Regions, stating in particular how far the objective outlined in Article 1 has been achieved.

#### Article 9

The programme shall be open to the participation of associated Central and Eastern European countries in accordance with the conditions, including financial arrangements, agreed to in the Additional Protocols to the association Agreements, concerning participation in Community programmes. This programme shall be open to the participation of Cyprus on the basis of additional appropriations in accordance with the same rules as apply to the EFTA countries following procedures to be agreed with the countries in question.

#### Article 10

This Decision cancels and replaces Council Decision 96/737/EC of 16 December 1996.

#### Article 11

This Decision is addressed to the Member States.

Done at Brussels,

For the Council  
The President

applying this Decision, and of the coherence between national and Community measures. It shall present a report thereon to the European Parliament, the Council, the Economic and Social Committee and the Committee of the Regions, stating in particular how far the objective outlined in Article 1 has been achieved.

#### Article 9

The programme shall be open to the participation of associated Central and Eastern European countries in accordance with the conditions, including financial arrangements, agreed to in the Additional Protocols to the association Agreements, concerning participation in Community programmes. This programme shall be open to the participation of Cyprus on the basis of additional appropriations in accordance with the same rules as apply to the EFTA countries following procedures to be agreed with the countries in question.

#### Article 10

This Decision cancels and replaces Council Decision 96/737/EC of 16 December 1996.

#### Article 11

This Decision is addressed to the Member States.

Done at Brussels,

For the European Parliament For the Council  
The President The President

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