

## Creating new momentum in Europe's Renewable Energy Policies Recommendations from Regions and their Energy Agencies

### **Key Recommendations** (detailed at pages 2-7)

1. Accelerated use of RES through “regional facilitation services”
2. Binding EU and national targets of at least 40% renewable energy in the final energy consumption by 2030 (article 3)
3. Information, training and facilitation focused on market uptake of RES (articles 18, 21 & 22)
4. Greater focus on the production of on-site renewables as a territorial development strategy
5. Greater synergies with the EPBD to increase RES integration in buildings
6. Enhanced access to energy data for “regional energy observatories”
7. Accelerated mainstreaming of renewable energy in heating and cooling facilitated by local/regional energy agencies (art. 23 & 24)
8. Production of hydrogen should be exclusively local, from renewable sources, and should not be used directly for decarbonizing the building stock
9. Carbon neutrality as a KPI for businesses
10. Increased use of renewables in transport supported by smart mobility and non-transport solutions

## **1. Accelerated use of RES through “regional facilitation services”**

Reaching the 2030 climate goals requires a policy step change recognizing the drivers and failures of the past decade’s approaches. This step change can be stimulated by REDIII if it enshrines in its provisions the need to support intensified market facilitation based on 3 actions:

- activation (informing the multiple target groups, including companies, of their RES options and value);
- support to project development (coaching during decision making with technical and financial advice, feasibility studies, best practice transposition);
- support to project implementation (financial, legal and technical assistance, and post-project evaluation and monitoring).

Market facilitation performed by independent market intermediaries with public mandates such as local and regional energy agencies is an important driver behind the enforcement of the RED. This regional energy agency facilitation model has been behind some of the most ambitious regional renewable energy policies and programmes in Europe, leading to outstanding CO2 reductions, and billions of euros invested in sustainable energy.

## **2. Binding EU and national targets of at least 40% renewable energy in the final energy consumption by 2030 (article 3)**

In line with the new 55% reduction target by 2030 and with the support of continuously decreasing costs of renewable energy technologies, a higher Union target should be set at at least 40% renewable energy in the final energy consumption in the EU by 2030, backed by adequate national binding targets.

This higher target will imply raising use of renewables in all sectors, with an increased attention on the industrial sector as well as heating and cooling.

The visibility and horizontal application of the Energy Efficiency First principle should be strengthened throughout the renewable energy directive, in accordance with the Energy Union Governance Regulation.

## **3. Information, training and facilitation focused on market uptake of RES (articles 18, 21 & 22)**

- Article 18 remained largely unchanged since 2009 and should strengthen the Member States’ focus on technical assistance and especially facilitation services (see recommendation n°1). This provision should indeed require Member States to go beyond measures of simple “awareness raising” but support programmes upscaling and replicating regional facilitation services.
- Facilitation services provided by independent market intermediaries such as energy agencies will accelerate the uptake of self-consumption and renewable energy

communities across Europe (example of such services provided by the Regional Energy Agency of Auvergne-Rhône-Alpes [here](#)). To strengthen these services, art.18 should focus on promoting the rollout of small-scale renewable energy projects of which the benefits for local development and increased public acceptance in line with recital 17 of the directive.

- Furthermore, art.18 should require Member State to stimulate open public discussion in communities within neighbourhoods, villages, islands, towns, cities on the definition of a common vision for energy transition. Initiatives across Europe have demonstrated the capacity of such a dialogue to accelerate the upscaling and replication of sustainable energy projects.

#### **4. Greater focus on the production of on-site renewables as a territorial development strategy**

Recital 61 of the directive which highlights the opportunities for economic growth at local/regional level through investments in RES should become a horizontal legal provision encouraging Member States to develop technical assistance programmes for innovative on-site RES projects and business models.

#### **5. Greater synergies with the EPBD to increase RES integration in buildings**

Support for small-scale renewables and renovation programmes should be conceived in a coordinated manner for a greater integration of RES in buildings. The Commission's public consultation provided multiple appropriate solutions for ensuring that buildings' heating and cooling systems are increasingly based on renewable energy.

Complementary to those, the RES directive should require Member States to develop technical assistance programmes aiming at developing local/regional integrated renovation services. Many energy agencies and regions across Europe (Superhomes in Tipperary, Opengela in Basque Country, BAPAURA in Auvergne-Rhône-Alpes) have been developing integrated renovation services at regional/local/neighbourhood levels with regional coordination, targeting both private and public buildings.

#### **6. Enhanced access to energy data for “regional energy observatories”**

Energy providers such as distributions system operators and energy suppliers should be required to cooperate with regional energy observatories in providing data under adequate formats. Such regional observatories developed across Europe, have public mandates and are specialised in collecting data, processing it and informing local/regional policy makers in their renewable energy strategies. The finesse of their data improves the effectiveness and reactivity of renewable energy policies across territories (more info here: [energee-watch.eu](http://energee-watch.eu)).

Synergies with article 10.6b of the Energy Performance of Buildings directive should be strengthened for facilitated access to aggregated data. This data is crucial for effective and responsive policy making at local and regional levels as well as for stakeholder mobilisation.

## **7. Accelerated mainstreaming of renewable energy in heating and cooling facilitated by local/regional energy agencies (art. 23 & 24)**

- As the renovation wave aims at consolidating the local capacity to prepare, finance and implement comprehensive heating and cooling projects in coordination with renovation programmes, art.23 should require member states to make use of the expertise of local and regional energy agencies.  
As facilitators with public mandates, energy agencies are already supporting local/regional authorities to develop heating & cooling plans, using their knowledge of the local value chains related to construction, building their capacity to develop and finance projects, but much more technical assistance is needed as the knowledge gap is considerable (example [here](#) of a successful oil phasing-out campaign led by the Regional Energy Agency of Upper Austria).
- Sustainable heating & cooling strategies should be promoted in synergy with art.14§2 of the EED which encourages the development of “local and regional heat markets”. Such strategies bring investments in regional and local production of energy from renewable sources, opening opportunities for local business development, sustainable growth and high-quality employment. To this end, Member States should be required to develop technical assistance programmes to build the capacities of public authorities to implement comprehensive heating and cooling plans.
- Electrification should be accelerated but should not be considered as the only possible option for decarbonizing heating and cooling as bioenergy can in some cases offer more effective and sustainable solutions.
- Small-scale district heating also facilitates higher penetration of renewables into heating and cooling systems and should as well be considered in article 24, requiring tailored support schemes and enabling frameworks.

## **8. Production of hydrogen should be exclusively local, from renewable sources, and should not be used directly for decarbonizing the building stock**

- Renewable hydrogen, and only renewable, with the right technologies and business models currently under development and in cooperation with local authorities and energy agencies, can be useful for energy storage and become a driver for higher RES penetration within the energy system. Islands are ideal test beds for such schemes.

Renewable hydrogen can also open decarbonization solutions for certain energy intensive industries who are currently relying on natural gas.

- However, as highlighted by multiple fellow EU associations<sup>1</sup>, renewable hydrogen should not be directly used for decarbonizing the EU's building stock and heating systems. Energy efficiency options must be favoured as they immediately deliver real carbon savings, while accommodating a growing share of alternation heat decarbonization solutions based on renewable sources.

## 9. Carbon neutrality as a KPI for businesses

- RED's impact on industry would benefit from a specific provision requiring Member States to consider the **multiple advantages of decarbonization strategies for businesses**. Phasing out fossil fuels through energy efficiency and onsite renewables brings many more advantages beyond energy cost savings and a contribution to climate protection (e.g. productivity increase through better indoor conditions for people and machines, risk reduction for energy cost fluctuations, employer attractiveness etc.).
- Companies where the **energy/CO2 performance is monitored by the top management** in a similar way than other key company data are able to unleash energy efficiency and RES potentials in a very different manner. Creating management attention is essential.  
To this end, RED should explore **synergies with DIRECTIVE 2013/34/EU containing the rules on annual financial statements** that have to be prepared by all businesses. Interest and attention could be fostered by requiring all larger businesses to include their CO2 performances (and compare it to the previous year as it has to be done for finance data). Sustainability reports that are nowadays prepared by many larger companies can be a small step, but often, they are rather promotional, leave out less convenient facts and do not convey a full decarbonisation picture (as a CO2 indicator would).
- We would also recommend to **facilitate the transferring of experiences, policies and experts networks from the public to the private sector**. When it comes to many aspects of the practical implementation of the energy transition and the reasons for inaction (lack of management attention, internal expertise, transparency of consumption, financing etc.), larger businesses have a lot in common with city or regional administrations. In the past 15 years, the European Commission has developed many measures to support internal processes and financing solutions for the energy transition in the public sectors (e.g. Covenant of Mayors, a large number of projects and initiatives within IEE/H2020-CSA etc.) This has resulted in a wealth of

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<sup>1</sup> [Decarbonising the EU building stock with available solutions and no direct use of hydrogen](#)

expertise and the creation of a community of experts in this field. It would be very effective to build upon this to support a faster transformation process in businesses. One such network of experts could be the local and regional energy agencies - there are around 300 of them across Member States, with a work force of over 2,500 - see [www.managenergy.net](http://www.managenergy.net) (a Commission initiative). A key activity of these agencies is facilitating investments in the public and residential sectors, only about 30 % also work regularly with the businesses. However, provided that they had the tools available, a funding framework and access to similar instruments, a critical mass could be created on the ground quickly.

## 10. Increased use of renewables in transport supported by smart mobility and non-transport solutions

- Transport remains the sector with the highest energy consumption accounting for 34% of final energy consumption in 2018. As highlighted in the impact assessment accompanying the 2030 Climate Target Plan, raising the share of renewable energy in transport to 24% in 2030 would be necessary to reach the new goals. With EU missing its 2020 target of 10%, increased ambitions are crucial in this sector to send the right signal.
- Policies that mainstream the use of renewable energy based transport should be developed with a careful analysis from a regional perspective of the supply chains and potential of renewable energy sources.
- Solely raising the share of use of renewables in the transport sector however will be insufficient to reach EU's climate targets, it is essential to also make the transport system for energy-efficient and promote "non-transport" options as well. Local and regional authorities require support for the resetting of their travel and meetings policies. The forced digitalisation during the COVID pandemic opened new avenues for the decarbonisation of mobility.  
RED should foster a better management of traffic and transport needs and options, reducing the use of vehicles, especially private ones, for reaching meetings, thus consuming less fossil fuel and reducing CO2 emissions. The RED could take inspiration from the tested and innovative methodologies developed by the swedish REDI project managed by the Northern Småland Energy Agency<sup>2</sup>.  
More generally, given the multiple projections of transport continuing to rise its CO2 emissions by 2050, RED must promote a transformative agenda focusing also on smart mobility services, modal shift, and traffic avoidance.
- Addressing mobility related energy poverty with renewable-based solutions could as well be referenced by the RED. To this end synergies with the Energy Efficiency Directive could be developed such as the one of the PenD-Aura+ project of Auvergne-

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<sup>2</sup> <https://fedarene.org/best-practice/redi-digital-meetings-for-the-public-sector-in-sweden/>



Rhône-Alpes Energy Agency where energy savings certificates (art.7 EED) are used to fund the development of innovative mobility services for vulnerable groups<sup>3</sup>:

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FEDARENE welcomes the opportunity to meet and discuss the recommendations above in greater detail by providing data and feedback from the ground.

*FEDARENE (European Federation of Agencies and Regions for Energy and the Environment) is a European network of regions and regional and local energy agencies which implement, coordinate and facilitate sustainable energy and environment policies.*

**Contact:**

Filip DUMITRIU

Project Manager

[filip.dumitriu@fedarene.org](mailto:filip.dumitriu@fedarene.org)

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<sup>3</sup> <https://www.auvergnerhonealpes-ee.fr/projets/projet/pendaura>



131 rue de Stassart, B-1050 Bruxelles

Tel.: +32 2 646 82 10

[www.fedarene.org](http://www.fedarene.org), [fedarene@fedarene.org](mailto:fedarene@fedarene.org)