Country Report

IRELAND

Energy Efficiency in Europe
Assessment of Energy Efficiency Action Plans and Policies in EU Member States
2013
Summary Assessment

This report is one of 27 country reports published within the Energy-Efficiency-Watch project and assesses both ambition and quality of EU Member States’ energy efficiency action plans and policy implementation (see more at www.energy-efficiency-watch.org).

The Irish NEEAP has its strengths especially in the industry and buildings sector. Cross-sectoral grant schemes are available that provide funding for different sectors (buildings, industry, public sector). The Irish policy has furthermore set up networks for large industrial companies and SMEs. Within these networks advice, information and training is offered.

The majority of domestic experts interviewed in the context of the EEW project (61%) rate the overall ambition of Irish energy efficiency policies as rather high or state that a range of sectors are ambitious while few others are rated as less ambitious. The NEEP analysis is rather in line with this assessment. While many policy packages address the most important aspects of energy efficiency promotion without being ambitious, the policy packages for industry and buildings are rated as relatively ambitious. The survey respondents emphasized that energy efficiency policy in Ireland was affected by the economic crisis (less funding, shifting policy focus).

The sectoral assessment is as follows:

• The public sector has drafted a list of highly energy efficient equipment and technologies. Purchasers of this equipment can write off the full cost of their purchase against their profit for that year. As this list is also used for public procurement, it links public and private sector purchases and creates a greater market for the eligible energy efficient products.

• The energy performance standards for buildings have gradually been tightened and are planned to be upgraded again in 2016 which should lead to a 70% improvement compared with the standard of 2002.

• In other sectors, a clear target is missing. For instance, neither the public sector has a specific target nor have targets for industrial sectors or companies been defined. The lack of specific targets is also visible at national level for which, according to the information provided in the NEEAP, no overarching energy efficiency target has been set.

• For instance, in the absence of a target and mandatory measures at national level, the policy package for the industry and tertiary sector is mainly characterized by several schemes that provide grants for businesses and by company networks. These networks provide advice and mentoring for large industry and SME and thus promote energy management. The policy package comprises therefore good elements but is, in the absence of specific targets, incomplete.

Improvements could be the following:

• The policy packages for industry and buildings are comparatively ambitious; the policy packages for the remaining sectors could all be clearly improved

• The Irish governance framework lacks in particular an overall target for energy efficiency and specific sectoral targets

• The financial crisis has negatively affected the Irish energy efficiency policy by leading to dwindling political focus and reduced financial resources

• The reform of the car taxation scheme which is now only based on CO₂ emissions can be perceived as a good practice example

• It is recommended to define energy saving targets for all sectors and to establish overall coordination and/or financing mechanisms
Screening of the NEEAP

### Overarching Energy Efficiency Governance Framework

#### Comprehensiveness of policy package

<table>
<thead>
<tr>
<th>Aspect</th>
<th>Description</th>
</tr>
</thead>
</table>
| Long-term strategy and strategy | • Savings until 2020 are calculated for each measure;  
• No overarching target for 2020 or 2050 |
| Involvement of non-governmental and market actors, and sub-national authorities | • Industrial and non-profit associations as well as energy contractors are involved in the programme |
| Energy agencies and climate protection agencies | • Energy agencies at national, regional and local level |
| EE mechanisms for overall coordination and financing | • No overall coordination mechanism mentioned in the NEEAP |
| Favourable framework conditions for energy services | • No mention of support for energy services |
| Horizontal measures | • Energy taxation is higher than EU minimum rates for gas but not for electricity;  
• Voluntary agreements with businesses |
| Monitoring, reporting and verification | • Monitoring, reporting and verification is detailed for each measure and often based on bottom-up methods |

### Public Sector

#### Comprehensiveness of policy package

<table>
<thead>
<tr>
<th>Aspect</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Public sector strategy</td>
<td>• Only little information on the strategy of the public sector provided</td>
</tr>
</tbody>
</table>
| Role model, transparency, and demonstration | • Demonstration programme for the buildings sector  
• Specific PR measures are not included |
| Public procurement | • Many public bodies use list of equipment/technologies considered as best practice for public procurement;  
• Not clear how many public bodies are using it |
| Public buildings | • Demonstration programme;  
• CHP and renewable heat funding programmes;  
• No targets mentioned |
| Adequacy of policy package | • Demand and supply side of EE markets addressed |
### Residential Sector - Buildings

**Comprehensiveness of policy package**

<table>
<thead>
<tr>
<th>Category</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>MEPS</td>
<td>Minimum Energy Performance Standards (MEPS)</td>
</tr>
</tbody>
</table>
| Minimum Energy Performance Standards (MEPS)  | - Minimum Energy Performance Standards have been set for residential and non-residential buildings; the standard for residential buildings is to be tightened in 2016;  
  - No information on compliance control and enforcement |
| Other regulations                             | Energy efficient boiler regulation                                                                                                                                                                          |
| Economic incentives                           | Several grant aid schemes have been set up and are partly also linked to other instruments                                                                                                                    |
| Financing instruments                         | Building Energy Rating has been established and is also linked to funding schemes; Rating based also on BPIE study                                                                                           |
| Energy performance certificates (EPCs)        | The programme "Better Energy Homes" combines advice, subsidies and obligation schemes                                                                                                                      |
| Energy advice and audits                      | Even though the NEEAP itself does not include information activities for buildings, MURE lists several information measures (e.g. Power of One campaign, the national energy agency Sustainable Energy Ireland, Boiler Efficiency Campaign). |
| Information tools                             | Not included                                                                                                                                                                                                |
| Demonstration projects                        | Not included                                                                                                                                                                                                |
| Education and training for stakeholders       | The programme "Better Energy Homes" combines advice, subsidies and obligation schemes                                                                                                                      |
| Adequacy of policy package                    | The policy package is relatively well balanced, different actors are considered, demand and (to a lesser extent) supply side of energy efficiency markets is addressed |

### Residential Sector - Appliances

**Comprehensiveness of policy package**

<table>
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<tbody>
<tr>
<td>MEPS</td>
<td>Minimum Energy Performance Standards (MEPS)</td>
</tr>
<tr>
<td>Minimum Energy Performance Standards (MEPS)</td>
<td>- Ecodesign Directive</td>
</tr>
<tr>
<td>Economic incentives</td>
<td>Tax incentive for companies to purchase energy efficient equipment</td>
</tr>
<tr>
<td>Energy labels</td>
<td>EU Energy Labelling (2010/30/EU)</td>
</tr>
<tr>
<td>Information tools</td>
<td>An information tool exists</td>
</tr>
<tr>
<td>Education and training for retail staff and other supply chain actors</td>
<td>Not included</td>
</tr>
<tr>
<td>Adequacy of policy package</td>
<td>The policy package considers the demand side as well as different actors</td>
</tr>
</tbody>
</table>
### Industry and Tertiary Sector

<table>
<thead>
<tr>
<th>Comprehensiveness of policy package</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Standards for equipment, production process, products</strong></td>
</tr>
<tr>
<td>Ecodesign only</td>
</tr>
<tr>
<td><strong>Energy savings and action targets for individual companies</strong></td>
</tr>
<tr>
<td>Industry networks exist but no specific savings target mentioned</td>
</tr>
<tr>
<td><strong>Obligations / commitments</strong></td>
</tr>
<tr>
<td>Networks providing advice, mentoring and training for large industry and SMEs</td>
</tr>
<tr>
<td><strong>Economic incentives</strong></td>
</tr>
<tr>
<td>Several grant aid schemes have been set up</td>
</tr>
<tr>
<td>** Tradable permits**</td>
</tr>
<tr>
<td>A market based mechanism is planned to be introduced for CHP; EU ETS</td>
</tr>
<tr>
<td><strong>Energy or CO₂ taxation</strong></td>
</tr>
<tr>
<td>Energy taxes partly above minimum rates</td>
</tr>
<tr>
<td><strong>Energy labelling</strong></td>
</tr>
<tr>
<td>Partly included in all MS due to EU energy labelling regulation, which does not cover all appliances though</td>
</tr>
<tr>
<td><strong>Other sectors</strong></td>
</tr>
<tr>
<td>Measures in the field of energy supply (not rated)</td>
</tr>
<tr>
<td><strong>Adequacy of policy package</strong></td>
</tr>
<tr>
<td>The policy mix is relatively well balanced; it considers different actors as well as the demand and supply side; some aspects could be strengthened</td>
</tr>
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### Transport Sector

<table>
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<th>Comprehensiveness of policy package</th>
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<tbody>
<tr>
<td><strong>Planning instruments</strong></td>
</tr>
<tr>
<td>Planning instrument for aviation; other planning instruments are not very ambitious and deal only with technical solutions</td>
</tr>
<tr>
<td><strong>Regulatory instruments</strong></td>
</tr>
<tr>
<td>Only EU regulation and one other instrument</td>
</tr>
<tr>
<td><strong>Economic incentives</strong></td>
</tr>
<tr>
<td>Incentives targeting cars (purchase decision) have been established</td>
</tr>
<tr>
<td><strong>Information and advice</strong></td>
</tr>
<tr>
<td>Mandatory labelling system mentioned in MURE</td>
</tr>
<tr>
<td><strong>R&amp;D support</strong></td>
</tr>
<tr>
<td>Only one project dealing with EV mentioned</td>
</tr>
<tr>
<td><strong>Adequacy of policy package</strong></td>
</tr>
<tr>
<td>The policy targets especially road transport; No multimodal approach; Positive: target on aviation</td>
</tr>
</tbody>
</table>
In 2011 and 2012, Energy-Efficiency-Watch conducted a quantitative and qualitative survey with national experts on implementation of energy efficiency policies in EU Member States.

Around 60% of the respondents (in total 13 completed the questionnaire) rate the Irish policy as ambitious in a range of sectors or even generally ambitious. Around 60% of the experts furthermore state that in the last three years a range of additional policies were set up. However, more than 60% of the Irish experts also expected that the national ESD target would not be reached. This is the highest percentage of all Member States. More than 50% of the experts referred to financing as the greatest barrier to energy efficiency. The greatest gaps were identified in the transport and industry sector.

According to the respondents the financial crisis resulted in dwindling political focus on energy efficiency in Ireland. Experts point to budget cuts and little progress in developing and introducing financial instruments for energy savings. The reduction of the public budget has furthermore affected the capacity of the Irish government to support market developments and to implement and enforce laws.

On the positive side, experts refer to the revision of the car taxation scheme in 2008. The new system is based only on CO₂ emissions per kilometre and has thus moved away from the assessing vehicles based on engine size. This change is perceived by experts as a strong incentive to buy smaller and more efficient cars. From 2007 to 2011, the average CO₂ emissions dropped from 164 g/km to 133 g/km. Notwithstanding this positive changed, great gaps were still identified in the transport sector.

The assessment of the buildings sector is mixed. Experts state that building regulations had been improved, as had building certification and rating. Professionals are available for renovation and other energy efficiency activities. However, in the economic downturn, there was a risk that specialised companies go out of business. The national retrofit programme for residential buildings had recently been extended also to commercial and public buildings. The programme is now switching from a grant scheme to financing via supplier obligations. Experts were concerned as to whether the new mechanism would deliver. With regard to public buildings, experts missed a specific strategy as well as dedicated funding.
Questioned about the effectiveness of different policy instruments, the experts referred to energy audits (69% thought of the as partly effective, 8% as very effective), energy efficiency funds (54% rated them as partly effective, 8% as effective), qualification, accreditation and certification schemes (46% partly effective, 8% very effective) as well as voluntary agreements (39% partly effective, 15% very effective).

Good Practice Examples

The Irish industry sector can be considered as a good practice example due to strong measures especially concerning obligations, economic incentives, tradable permits, and energy taxation. Concerning other measures it would be necessary to further strengthen through policies that go beyond EU requirements.

The appliances sector shows balanced results and could be improved by mentioning education & training activities, which is important for a proper assessment, and implement policies that go beyond EU requirements for the cases of minimum energy performance standards, and energy labelling. Information activities could be strengthen as well. Here, different NEEAPs could be used as good practice examples to give orientation. For instance information is provided through labels that uses standards and therefore give orientation which can be found in the Netherlands. As well information centres, websites and web based tools e.g. for calculating energy savings provide help and orientation. Those can be found in the Netherlands and especially in France. Concerning the governance framework the implementation of the Ecodesign Directive on national level can be seen as first step. In France there is additionally a co-operation with the lighting trade union to remove the least efficient products from the market.

The weakest point in the Irish policy framework in the NEEP lies in the public sector. Except of public procurement all measures could be improved. This may be a result of few information on specific strategies and targets. However, the NEEAPs of Denmark and Belgium provide good practice examples that can be used for improvement. Experts and results from the Danish NEEP screening are coherent that the policy package is well balanced and adequate to address the public sector’s needs. The NEEP provides measures for public buildings and procurement as well as measures to ensure that energy consumption and energy savings are transparent. Also the public sector in Belgium may be seen as a role model in some fields. For instance, the public sector has designed strict criteria for procurement and buildings, information and pilot projects, and a comprehensive mobility management system.
Disclaimer
The sole responsibility for the content of this publication lies with the authors. It does not necessarily reflect the opinion of the European Union. Neither the EACI nor the European Commission are responsible for any use that may be made of the information contained therein. The analysis performed here is based almost exclusively on the information provided in the NEEAPs. Consequently, a low score for any of the criteria analysed could also be the result of a NEEAP lacking detailed information. The purpose of this assessment is not an absolute ranking among Member States but is focusing on each Member State’s individual conditions.

The Project
In 2006, the European Union adopted the Directive on energy end-use efficiency and energy services ("ESD"). The Directive sets an indicative energy saving target of 9 % by 2016 as well as obligations on national authorities regarding energy savings, energy efficient procurement and the promotion of energy efficiency and energy services. It requires Member States to submit three National Energy Efficiency Action Plans (NEEAPs), scheduled for 2007, 2011 and 2014.

The Energy-Efficiency-Watch Project aims to facilitate the implementation of the Energy Service Directive and the Energy Efficiency Directive. This Intelligent Energy Europe project tried to portray the progress made in implementation of energy efficiency policies since the Energy Service Directive via NEEAPs screening and an extensive EU wide expert survey.

www.energy-efficiency-watch.org

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List of Abbreviations