

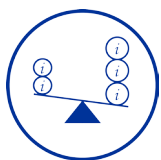
POLICY PAPER #2

Communication, education and capacity building for EE



INFORMATION ECONOMY

Energy efficiency improvements are undertaken less frequently and to a lower extent than what could be expected on the basis of economic rationality. This “energy efficiency gap” can be explained on the basis of behavioural and informational issues. Asymmetric information, free-riding and misalignment of incentives can result in such suboptimal situations:



The users of a building do not know precisely how energy-efficient it is. Finding this out requires professional skills that only people with the right professional background can have.

This is a typical **asymmetric information** issue and it can lead people to base their decisions about energy efficiency renovations on partial and incomplete information: underinvestment can then result on a pure rational basis if benefits are underestimated because of asymmetric information.



The observability of the actions of the agents involved, and their **diverging incentives** matter for the different attitudes towards energy efficiency between landlords and tenants and between employees and energy managers.

Public administrations can play both the role of the tenant and the one of the landlords of public buildings, depending on the contractual arrangement of the buildings.



Other **behavioural and cognitive bias** can lead to a wrong perception of the costs and benefits of these investments and hence to a low uptake of energy efficiency upgrades.

Policy measures designed to tackle these information issues can contribute to the reduction of the energy efficiency gap.

Information-related regulation

The EU Energy policy places energy efficiency at center stage: the EU target for EE aims at a 32.5% improvement compared to 1990 consumption levels.

Energy Performance of Buildings Directive (EPBD).

- Obligation to provide energy performance certificates each time a dwelling unit is sold or rented,
- Inclusion of energy performance information in energy bills,
- Consumers' access to data collected by smart meters.
- Energy performance of public buildings should be displayed in a prominent position (if floor area is larger than 250m²).

Energy Efficiency Directive (EED)

- Acknowledgment of energy savings from information campaigns, labelling or certification schemes
- Availability of smart meters (and the data collected) to consumers, along with clear billing information, at no extra cost.
- Inclusion of information in energy bills to allow comparisons over time and against the average of the same category of consumer
- Requirement to put in place inspection schemes for heating and air conditioning systems.

Lessons Learned from Modular Projects



Capacity building for local public administration staff is recognised as crucial by most projects. Training activities need to be tailored on the specific characteristics of their target group and of the aspects of energy efficiency for which skill development is required (e.g. legal and regulatory, financial, technical etc.)



Knowledge is also effectively fostered by exchanges of ideas and experiences among peers (e.g. within the same public administration or among public officers belonging to similar agencies in a national or international context) or among different users of the same buildings.



Standardisation of information, along with easy access to information through platforms or one-stop shops can maximise clarity and transparency and minimise search costs.

Transferring from Modular Projects

CESBA MED e-learning platform

Target: decision-makers, technical experts

EduFootprint Best Practices Platform

Target: school building managers and users

ENERJ geographical information system

Target: decision-makers, technical experts, citizens

NEW FINANCE networking platform

Target: decision-makers, energy agencies, financial institutions, enterprises

PrioritEE How-to briefs & Good Practices

Target: decision-makers, technical experts, citizens

STEPPING EPC training package

Target: decision-makers, technical experts

TEESCHOOLS e-Learning Platform

Target: Technical experts and building users

RECOMMENDATIONS

1

Build receptive context within local authorities. Raise local awareness to create an environment more receptive to capacity building initiatives and to energy efficiency actions.

2

Provide the information local public administrations need. Capacity building programs need to be carefully tailored on local needs and supplemented by accessible and transparent information services such as one-stop shops and information platforms.

3

Standardize and share data. Foster standardisation of information and information exchanges within public administration and between the latter and all public building users.

4

Raise buildings' users awareness to create a demand for policy action. Sustainability-conscious local communities demand for more effective and widespread energy efficiency improvements in public buildings. This push from the bottom is one of the most powerful policy-relevant mechanism unveiled by the Modular Projects.

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