



COMMISSION OF THE EUROPEAN COMMUNITIES

Brussels, 7.2.2006
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2003/0300 (COD)

OPINION OF THE COMMISSION

**pursuant to Article 251 (2), third subparagraph, point (c) of the EC Treaty,
on the European Parliament's amendments
to the Council's common position regarding the
proposal for a**

DIRECTIVE OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

**on energy end-use efficiency and energy services (and repealing Council Directive
93/76/EEC) COM (2003) 739 final, C6-0298/2005-2003/0300 (COD))**

**AMENDING THE PROPOSAL OF THE COMMISSION
pursuant to Article 250 (2) of the EC Treaty**

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1. INTRODUCTION

Article 251(2), third subparagraph, point (c) of the EC Treaty provides that the Commission is to deliver an opinion on the amendments proposed by the European Parliament at second reading. The Commission sets out its opinion below on the amendments proposed by Parliament.

2. BACKGROUND

- a) Date of the Commission decision: 10.12.2003.
- b) Date of transmission to Parliament and Council: 11.12.2003.
- c) Date of opinion of Committee of the Regions: 17.6.2004.
- d) Date of opinion of the European Economic and Social Committee: 28.10.2004.
- e) Date of the opinion of the first reading in Parliament: 7.6.2005.
- f) Date of political agreement in the Council: 28.6.2005.
- g) Date of adoption of the common position: 23.9.2005.
- h) Date of the opinion of the second reading: 13.12.2005.

3. PURPOSE OF THE PROPOSAL

The objective of the proposal is to promote energy efficiency and energy services and to develop the markets for these as a means of contributing to environmental protection as well as to the security of energy supply.

This proposal is designed to help remove informational, financial, institutional and other barriers that prevent the realisation of the significant energy savings potential that exists in all the Member States. It does this by laying down requirements in the following areas: improved

information; better qualification and accreditation of providers of energy services and energy efficiency; the promotion of financial instruments for energy savings; improved tariff structures; better funding mechanisms; improved energy audits; and improved metering and billing. To ensure the fullest possible implementation of the Directive it also sets out an annual uniform energy savings target, as well as obligations for the public sector to save energy. Moreover, obligations are placed on energy retailers and distributors to provide their customers with energy services and energy efficiency improvements. To measure and report all of these improvements in energy efficiency the Directive also provides for a uniform measurement methodology and for reporting requirements for the Member States.

4. OPINION OF THE COMMISSION ON THE AMENDMENTS BY THE EUROPEAN PARLIAMENT

4.1. Amendments accepted by the Commission

The Commission can accept in full all 49 amendments adopted by the European Parliament. They are the result of a compromise package agreed between the European Parliament and the Council for the second reading. The amendments are in line with the objectives of the Commission's proposal and succeed in introducing mandatory elements that compensate for the lack of a binding energy savings target and a separate target for the public sector¹. The conclusion of the compromise package has been facilitated by the introduction – using Amendment 73 (on Article 4, para 2) and Amendment 84 (on Article 14, para 2) – of national Energy Efficiency Action Plans and related mandatory reporting requirements. Moreover, the introduction – using Amendment 75 (on Article 5, para 1, subpara 2) – of binding requirements for the public sector has made the compromise proposal more acceptable to the Commission.

The amendments to the common position refer mainly to:

- New recitals to clarify certain conditions laid down in the Articles, especially Articles 4, 5 and 6, in which savings targets, public sector obligations and obligations on energy retail and distribution companies, respectively, are established.
- Definitions (Article 3) that increase the scope of the Directive, although only marginally.
- The introduction of an intermediate savings target for the third year of application of the Directive, to be reported in the first national Energy Efficiency Action Plan by 30 June 2007, along with an overview of the Member State strategy on the achievement of the intermediate target and overall savings targets (Article 4, para 2).
- Systematic and rigorous reporting requirements by the Member States and by the Commission (Article 14), including activity in the public sector (Recital 10(b)).
- The development of the energy efficiency improvement measurement system (Article 15 and Annexes I, III and IV).

¹ It is recalled that the Commission rejected the common position on the grounds that there were no mandatory savings targets, and no separate savings target for the public sector.

- The introduction of an indicative list of energy conversion markets and sub-markets for which benchmarks can be worked out (Annex IVa).
- The inclusion of public sector obligations relating to the energy-efficient purchasing, rental, replacement and retrofitting of buildings (Annex V).

5. CONCLUSION

Pursuant to Article 250(2) of the EC Treaty, the Commission amends its proposal as set out above.