

Article 5 of the Energy Services Directive

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- To enhance the cost effective improvement of energy end use efficiency in Member States;
- Covers all forms of energy: Electricity, natural gas, liquid fuels etc;
- Aviation and bunker fuels are not included.

- Target to improve energy efficiency by 9% by 2016;
- Electricity suppliers and distributors to promote energy efficiency;
- Provisions on metering and billing;
- Public sector to play an exemplary role under Article 5.

Article 5: Summary

- Public sector to fulfil an exemplary role in the context of the Directive. Specifically:
- Focus on cost effective improvements with the largest saving in the shortest time;
- Publish guidelines on energy efficiency as possible assessment criterion in competitive tendering;
- Facilitate best practice between public bodies and communicate actions to business and individuals;
- Assign an organisation(s) to integrate the relevant policies;
- Introduce 2 measures from a list linked to procurement.

Article 5: Measures linked to procurement

- (a) requirements concerning the use of financial instruments for energy savings, including energy performance contracting, that stipulate the delivery of measurable and pre-determined energy savings (including whenever public administrations have outsourced responsibilities);
- (b) requirements to purchase equipment and vehicles based on lists of energy-efficient product specifications of different categories of equipment and vehicles to be drawn up by the authorities or agencies referred to in Article 4(4), using, where applicable, minimised life-cycle cost analysis or comparable methods to ensure cost effectiveness;
- (c) requirements to purchase equipment that has efficient energy consumption in all modes, including in standby mode, using, where applicable, minimised life-cycle cost analysis or comparable methods to ensure cost effectiveness;
- (d) requirements to replace or retrofit existing equipment and vehicles with the equipment listed in points (b) and (c);
- (e) requirements to use energy audits and implement the resulting cost-effective recommendations;
- (f) requirements to purchase or rent energy-efficient buildings or parts thereof, or requirements to replace or retrofit purchased or rented buildings or parts thereof in order to render them more energy-efficient.

Summary: Government's preferred option

- Continue to review the effectiveness of existing energy efficiency loan schemes and if necessary seek funding in the future;
- To put in place voluntary agreements to implement options (b) and (c) related to the procurement of products across the public sector;
- Publish guidance on energy efficiency and energy savings as a possible assessment criteria in public tendering;
- Assign responsibility to integrate the relevant procurement policies to the lead procurement bodies for the various parts of the public sector;
- Ensure robust, regular data is provided by all parts of the public sector.

Buy Sustainable Quick Wins

- 'Quick Wins' are product standards covering a range of commonly-purchased goods, including IT equipment, white goods, paper and construction materials;
- The standards relate to characteristics such as energy consumption, recycled content, and biodegradability;
- For 2008 the standards have been updated providing a market average level and best practice specification;
- If public sector procurers buy to these specifications, it is a 'Quick Win' in producing savings for the environment;
- Currently central government departments are mandated to use 'Quick Wins' through a Ministerial commitment.

Voluntary agreement – key aspects

- Promote the procurement of energy using equipment and vehicles with specified product specifications;
- Promote energy efficiency and energy savings as a possible assessment criteria in competitive tendering, including supporting guidance;
- Raise awareness of the requirements of the Directive and for procurement guidance to be mainstreamed in the guidance and training provided in the sector;
- Promote energy efficiency in the workplace;
- Assist where possible, with the monitoring of the effectiveness of this voluntary agreement.

- Report to the Commission every three years
- Annual monitoring of:
 - Energy data;
 - The procurement aspects of the voluntary agreement through procurement hubs and sample surveys.

So what does it mean

- You should use energy efficiency/energy saving as part of the assessment criteria;
- When buying equipment or vehicles use the 'Buy Sustainable – Quick Wins' as the standards to be used in specifications;
- Become more energy efficient.

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