

Manual of European Environmental Policy

The following pages are a section from the Manual of European Environmental Policy written by the Institute for European Environmental Policy.

The Manual was published by Earthscan/Routledge from 2010 to 2012. It was designed as an on-line interactive reference work and annual printed versions were also produced.

This section is the text of the Manual as published in 2012. It is therefore important to note the following:

- The contents have not been updated since 2012 and no guarantee is given of the accuracy of the contents given potential subsequent developments.
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Intelligent Energy – Europe

Formal reference	
1230/2003/EC (OJ L3176 15.7.2003)	Decision of the European Parliament and of the Council adopting a multi-annual programme for action in the field of energy: ‘ Intelligent Energy – Europe ’ (2003–2006)
Proposed by 11.4.2002 – COM(2002)162	
Legal base	Article 192 TFEU (originally Article 175 TEC)
Binding dates	
Entry into force	2 July 2003
Work programme due from Commission	26 December 2002
Commission examination of progress	Annual
1639/2006/EC (OJ L310/15 9.11.2006)	Decision of the European Parliament and of the Council establishing a Competitiveness and Innovation Framework Programme (2007–2013)
2007/372/EC (OJ L140/52 1.6.2007)	Commission Decision of 31 May 2007 amending Decision 2004/20/EC in order to transform the ‘Intelligent Energy Executive Agency’ into the Executive Agency for Competitiveness and Innovation. Note: Decision 1230/2003/EC subsumed the programmes SAVE (647/2000/EC) and ALTENER (646/2000/EC), which expired at the end of 2002. Note: Decision 1639/2006/EC subsumed the ‘Intelligent Energy – Europe’ programme (1230/2003/EC), which expired at the end of 2006, and was incorporated into the new ‘Competitiveness and Innovation’ programme.

Purpose of the Decision

Intelligent Energy – Europe (IEE) succeeded the Energy Framework Programme ([1999/21/EC, EURATOM](#)), which resulted in a range of subsidiary programmes, including ALTENER and SAVE. IEE draws its justification from a range of sources – including the need to assist Kyoto compliance, the Energy Efficiency Action Plan, the Green Paper on Security of Energy Supply, the White Paper on Transport and Directive [2001/77/EC](#) on the promotion of renewable energy. In particular, an evaluation of previous instruments under the Energy Framework Programme showed the need for extended support with a more coherent approach, while retaining the ALTENER and SAVE programmes.

The specific objectives were three-fold: to provide the elements needed for the promotion of energy efficiency and the increased use of renewable energy sources and energy diversification; the development of means and instruments for the Commission and Member States to follow up, monitor and evaluate the impact of these actions; and to promote efficient and intelligent patterns of energy production and consumption through awareness raising, increased investment and encouragement of best practices.

Summary of the Decision

A budget of €200 million was foreseen for the 2003–2006 period, with flexibility for how it was apportioned among the four programme areas under IEE. Funding could comprise up to 50 per cent of the total cost of a supported action of project, with the exception of studies, project dissemination and evaluations of the programme itself. The four programme areas described in the Decision are:

- SAVE, which concerns the improvement of energy efficiency and the rational use of energy, in particular in the building and industry sectors.
- ALTENER, which concerns the promotion of new and renewable energy sources for centralized and decentralized production of electricity and heat and their integration into the local environment and the energy systems.
- STEER, which concerns support for initiatives relating to all energy aspects of transport, the diversification of fuels, such as through developing new and renewable energy sources, and the promotion of renewable fuels and energy efficiency in transport, including the preparation of legislative measures and their application.
- COOPENER, which concerns support for initiatives relating to the promotion of renewable energy sources and energy efficiency in the developing countries, in particular in the framework of the Community cooperation with developing countries in Africa, Asia, Latin America and the Pacific.

Development of the Decision

IEE is a follow-on of the Energy Framework Programme, and in particular the expired ALTENER (Decisions [93/500/EEC](#) and 646/2000/EC) and SAVE programmes (Decisions [91/565/EEC](#) and 647/2000/EC). These had for years been the Commission's main energy-related programmes promoting renewable energy and energy efficiency. IEE goes further by seeking to create a more effective, coherent and ambitious initiative on energy efficiency than before. The original proposal for an 'energy intelligent Europe' was made by a cross-party group of European Parliamentarians in March 2001. This was forwarded to the Stockholm European Council later that month.

A year later, in April 2002, the Commission submitted a proposal for a Decision by the Parliament and Council ([COM\(2002\)162](#)). It proposed a funding level of €215 million, which would effectively have raised the previous ALTENER and SAVE budgets by 40 per cent. Previous levels had been fixed at €77 and €66 million, respectively, while the Commission proposed €86 million and €75 million.

The proposal was discussed in the Parliament's Industry Committee at the end of October 2002 and Parliament adopted its opinion in November 2002. Parliament proposed a budget of €255 million. In November 2002, EU energy ministers agreed to the proposal, but with a

budget of €190 million. In February 2003, EU energy ministers further confirmed their support for the proposal, with reduced budget. However, they suggested the possibility for an increase after 2004, resulting from the accession of new Member States. Following the Parliament's second reading in June 2003, the Commission and Council agreed to a compromise budget of €200 million.

The original concept outlined by Parliamentarians in 2001 included the development of an 'Intelligent Energy Executive Agency' overseen by the Commission to coordinate the various efficiency and renewable energy programmes proposed. What resulted in the Decision was an Executive Agency, which is to deal with management of the work programme and the budget. This was established in 2004.

The Commission published the 'global' four-year work programme on 15 October 2003. It divided the programme into 'vertical key actions' – the ALTENER, SAVE, COOPENER and STEER programmes, and 'horizontal key actions' that include projects under the headings sustainable energy communities; think globally, act locally; financing mechanisms and incentives; monitoring and evaluation; and dissemination and promotion. The total budget for vertical key actions was set at €150–160 million, and for horizontal key actions at €36–45 million, totalling €200 million. With the subsequent accession of ten new Member States that figure rose to €250 million. The first call for proposals ended in April 2004, and attracted 241 eligible proposals, of which 92 were recommended for funding, and 77 contracts signed. A second call was issued in December 2004.

An initiative headed by DG [Enterprise entitled the Competitiveness and Innovation Programme \(CIP\)](#), under a [Lisbon-inspired](#) effort to wrap together environmental and competitiveness issues, led to the launch of the new IEE II programme. It was the subject of a public consultation that ended in February 2005 and drew significant criticism from the environmental community as an attempt by business-oriented interests to undercut the stature of environmental programmes. The Commission's green paper on energy efficiency of June 2005 ('Doing more with less' ([COM\(2005\)265](#))) made reference to IEE's role in overcoming 'non-technical' barriers to efficiency uptake. Parliamentarians, meanwhile, at the same time proposed an 'intelligent energy initiative' (which was not to be confused with the IEE), focusing on promoting targets and timetables, notably a 23 per cent improvement in end use energy efficiency by 2020, as Parliament argued for in discussion of the [Energy End Use and Efficiency Directive](#).

The Commission's formal proposal to subsume IEE under the CIP ([COM\(2005\)121](#)) was published in April 2005 and the final Decision of the European Parliament and of the Council was published on 9 November 2006 (Decision [1639/2006/EC](#)).

Implementation of the Decision

The new IEE II programme started in 2007 as part of the €3.6 billion CIP, which will run from 2007 to 2013. It builds on the experience gained from its predecessor, the first IEE programme and aims to contribute to achieving the objectives of the EU energy policy and to implementing the Lisbon Agenda. Altogether, €727.3 million will be available to fund projects covering three main areas – energy efficiency (SAVE), renewable energy sources (ALTENER) and transport (STEER) – as well as some integrated activities. Greater emphasis will be given to addressing the needs of small and medium-size enterprises, and to improving

competitiveness and innovation. Funding under the programme can be provided for the two principal kinds of actions: promotion and dissemination projects and market replication projects. In addition, the ceiling for the Community contribution has been increased to up to 75 per cent of the total eligible project cost, as a general rule, compared to the 50 per cent ceiling in previous years.

The executive agency responsible for the IEE programme changed its name to EACI – the Executive Agency for Competitiveness and Innovation (Commission Decision [2007/372/EC](#)) and from 2008 started to manage, in addition to the new IEE, the European Commission's SME support network, and the eco-innovation initiatives.

The first call for proposals under the IEE II Programme closed on 28 September 2007 and had a budget of €52 million. The second call was published in March 2008 with a budget available for co-financed projects of €45 million, supporting up to 75 per cent of eligible project costs. The call's priorities were types of actions that enable policies, address market transformation, change behaviour, or favour access to capital and training. The streams of funding aimed at sustainable communities and energy efficient products (under SAVE) were not open in 2008.

The third call for proposals opened in early 2009. €65 million were made available, supporting up to 75 per cent of eligible project costs. The 2009 Call funded projects in areas including: capacity building; building and spreading of know-how, skills and methods; exchanges of experience; development of markets and intelligence; policy input; awareness raising and information provision; and education and training. It did not fund 'hardware' type investments, demonstration projects, or technical research and development projects on energy efficiency and renewables. Funding was also made available in the areas of sustainable communities and energy-efficient products, which did not feature in the 2008 call for proposals.

The fourth call for proposals closed in June 2010. By January 2011 44 projects were shortlisted out of 349 proposals received to share funding of around €58 million. The call outlined a number of priority actions under the various headings of IIE: energy efficient buildings and consumer behaviour under SAVE; renewable electricity, renewable energy in buildings, and bioenergy under ALTENER; energy-efficient transport and capacity-building and learning on energy aspects of transport under STEER. Proposals were also invited under the heading of 'integrated initiatives', in particular in relation to local energy leadership, and strengthening capacities of energy efficiency and renewable energy sources in housing.

The fifth [call](#) for proposals will close on 12 May 2011. In 2011 SAVE will cover the following key actions: energy-efficient products and industrial excellence in energy. ALTENER key actions are electricity from renewable energy sources, renewable heating/cooling and bioenergy. STEER key actions are energy-efficient transport and clean and energy-efficient vehicles. Under local energy leadership the priorities are integration of sustainable energy policies in public authorities' operations and facilitating cooperation between public authorities and other local actors, in particular energy utilities. Other priorities are actions on mobilisation of local investments in energy efficiency and/or renewable energy projects, energy efficiency and renewable energy in buildings and the Building Workforce Training and Qualification Initiative in the field of energy efficiency and renewable energy.

A database of projects funded so far by the Programme is available on the IEE website¹. A database on tools and guidebooks developed under the Programme – the Intelligent Energy e-library – is also now available online². This database includes items funded under the IEE programme and other EU programmes (including ALTENER and SAVE, CIVITAS, [Structural and Regional funds](#), [LIFE](#), RTD 2002–2006 and Phare) and national and regional funds. The searchable e-library focuses on four themes: Energy Efficiency in Industry; Local and Regional Energy Management; Renewable Energy; and Transport. Publications on tools and guidebooks related to each of the themes can also be downloaded from the homepage of the e-library.

Further financial support to energy projects, established to aid economic recovery, was set out in [Regulation \(EC\) No 663/2009](#), amended by [Regulation \(EU\) No 1233/2010](#), including measures aimed at off-shore wind energy and carbon capture and storage.

Enforcement and court cases

No case concerning the IEE has been concluded by the European Court of Justice.

Related legislation

The following legislation interacts with the Decision on IEE:

- Decision [1639/2006/EC](#) establishing a Competitiveness and Innovation Framework Programme (2007–2013).
- Directive [2009/28/EC](#) on the promotion of renewable energy.
- Directive [2010/31/EU](#) on the energy performance of buildings.
- Directive [2009/125/EC](#) on establishing a framework for the setting of ecodesign requirements for energy-related products.
- Directive [2006/32/EC](#) on end-use energy efficiency and energy services.
- Directive [2010/30/EU](#) on the indication by labelling and standard product information of the consumption of energy and other resources by energy-related products.
- Funding under [LIFE+](#).
- [Structural Funds](#).

References

1 CEC, Intelligent Energy Europe Database of Projects, European Commission webpage, http://ec.europa.eu/energy/intelligent/projects/index_en.htm

2 CEC, *Intelligent Energy e-library*, Commission webpage, <http://www.iee-library.eu/index.php>