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Group of Experts on Energy Efficiency

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Item 7 of the Provisional Agenda

Renewal of Mandate and Work Plan of the Group of Experts on Energy Efficiency for 2018–2019

Work Plan of the Group of Experts on Energy Efficiency for 2018–2019

I. Introduction

1. Annex II of the Executive Committee decision on matters related to the Committee on Sustainable Energy (ECE/EX/2013/L.15) establishes a Group of Experts on Energy Efficiency (the Group of Experts). The mandate of the Group of Experts is to carry out concrete, results-oriented activities that, in line with the “Sustainable Energy for All” (SEforALL) initiative of the United Nations Secretary-General, help significantly improve energy efficiency in the region, thus contributing to climate change mitigation efforts; and strengthen regional cooperation in energy efficiency, with a view to reducing greenhouse gas emissions.

2. According to its Terms of Reference, the Group of Experts will concentrate on: (a) Regulatory and policy dialogue addressing financial, technical and policy barriers to improve energy efficiency; and (b) Sharing experience and best practices in the field of energy efficiency in the United Nations Economic Commission for Europe (UNECE) region, including on strengthening institutional capacity in energy efficiency to reduce greenhouse gas emissions.

3. The mandate of the Group of Experts is requested to be renewed until December 2019, with the possibility of extension.

II. Concrete Activities

4. On the basis of the outcomes of the implementation of the Work Plan for 2016–2017 and the recommendations from the Group of Experts and its Bureau, the Group of Experts will undertake the following activities. Deliverables that require additional resources for implementation are indicated as “dependent on extra-budgetary funding” and

do not fall into the set of core activities to be delivered by the Group of Experts. In addition, following the recommendation of the Committee on Sustainable Energy to explore opportunities for closer cooperation among its subsidiary bodies, the Group of Experts will engage, within the scope of its expertise, in the joint work on transition of the energy sector.

A. Exchange of experience to improve significantly energy efficiency in industry sector

5. **Description:** The Group of Experts will encourage the exchange of know-how and best practices between relevant experts of all member States and relevant international actors on how to improve energy efficiency in the region and to establish energy efficiency as a resource of its own right on equal footing with the supply side in energy policy. Energy efficiency in industry will be the focus of this activity. This work will be undertaken collaboratively with other organizations, such as: International Energy Agency (IEA), Copenhagen Centre on Energy Efficiency (C2E2), Energy Charter Secretariat, International Partnership for Energy Efficiency Cooperation (IPEEC), European Commission, United Nations Environment Programme (UNEP), United Nations Industrial Development Organization (UNIDO), European Bank for Reconstruction and Development (EBRD), World Bank, International Finance Corporation (IFC), United Nations Development Programme (UNDP), United Nations Framework Convention on Climate Change (UNFCCC), Investor Confidence Project (ICP) Europe, other United Nations Regional Commissions (UN RCs), and other relevant organizations.

6. The Group of Experts expects this activity to enhance further the involvement of the industry in achieving more sustainable and energy efficient production, logistics and consumption, however additional financing is required in order to scale up the activity in the entire region and have larger practical effect. This activity will support the Industry Accelerator of the Global Energy Efficiency Accelerator Platform.

7. The Group of Experts will explore the business environment in the UNECE region for establishing energy service companies (ESCOs) and energy performance contracting. Developing such contracting and establishing energy as a service will open up great potential for improving energy efficiency in industry and in buildings. The countries in the region have very different energy policies and differently structured energy markets, so there is a need for an increased effort to consider energy market policies that mandate, enable and motivate utilities and ESCOs to profit from improved retail and distribution policies and practices. The analysis should provide guidance to the countries in the region through successful case studies and comparison of different roles for utilities and ESCOs in delivering energy efficiency improvements to their clients. This activity is dependent on extra-budgetary funding.

8. Work to be undertaken:

(a) Identify the key operational policy priorities in industry for member States and provide platforms for collective action;

(b) Provide an effective platform for expanding already developed policies and measures in industry across countries in the region based on the “Best Policy Practices for Promoting Energy Efficiency. A Structured Framework of Best Practices in Policies to Promote Energy Efficiency for Climate Change Mitigation and Sustainable Development” developed by the Group of Experts;

(c) Identify minimum industrial energy efficiency standards for important individual industry sectors to promote the best policy practices. The emphasis will be on

industries with the highest energy consumption. This activity is dependent on availability of additional resources and/or extra-budgetary funding;

(d) Organize information sharing activities (workshops, seminars, roundtables, etc.) for exchange of experience on energy efficiency best practices, measures, and policies in industry;

(e) Identify possible options to safeguard that energy efficiency is treated as an energy resource of its own right and it is given primary consideration in national industrial policies;

(f) Identify barriers and options for developing delivery of energy efficiency by utilities (including energy performance contracting) and related approaches in the UNECE region.

9. **Deliverables:**

(a) A report on improving energy efficiency in industry submitted for consideration by the Group of Experts.

(b) A report on barriers, options, and best practices for developing utility or ESCO delivery of energy efficiency improvements in the UNECE region under existing regulatory approaches (dependent on extra-budgetary funding).

10. **Timeline:**

(a) First draft of the reports for discussion – September 2018.

(b) Final reports – September 2019.

B. Exchange of experience on standards and guidelines to improve significantly energy efficiency in buildings

11. **Description:** International standards in energy efficiency can play a valuable role in promoting good energy practices, harmonization of public policies, improving consumers' and users' understanding and confidence, avoiding technical barriers to trade related to energy policies, and enabling the creation of world markets for energy technologies. Work of the Joint Task Force on Energy Efficiency Standards in Buildings of the UNECE Region established by the Committee on Sustainable Energy and the Committee on Housing and Land Management (CHLM) explored the potential for activities on energy efficiency standards in buildings. Terms of Reference of the Joint Task Force are provided in Annex and proposed to be extended for the period 2018-2019. It has begun implementation of the extra-budgetary project Energy Efficiency Standards in Buildings (July 2017 – December 2018) with the objective to improve knowledge of UNECE member States of the energy efficiency standards in buildings in the UNECE region. It has also developed draft Framework Principles for Building Standards.

12. A knowledge transfer based on a multilateral train-the-trainer approach can help to accelerate the dissemination of good practices throughout the UNECE region and thereby to help improve the quality of new buildings and renovations. In seminars and accompanying materials offered and adopted to the needs of member States with assistance from international experts and integrating local partners, UNECE could contribute to disseminate the needed skills (building design and physics, building envelope, heating/ventilation/air conditioning, power generation, automation and controls, integrated planning and cost-effectiveness).

13. This work will be undertaken jointly with CHLM in collaboration with other organizations, such as the North American Passive House Network, the Passive House

Institute (PHI), the Buildings Performance Institute Europe (BPIE), ICP Europe, the European Committee for Standardization (CEN), the European Committee for Electrotechnical Standardization (CENELEC), International Organization for Standardization (ISO), International Electrotechnical Commission (IEC), and other key stakeholders. UNECE's role is particularly valuable in promoting the multiple benefits of building efficiency measures, matchmaking policy to sub-region/country situation, encouraging data collection and evaluation, promoting relevant tools, and highlighting best practices. This activity will support the Buildings Efficiency Accelerator of the Global Energy Efficiency Accelerator Platform.

14. Work to be undertaken:

- (a) Explore the possibility of establishing UNECE-wide Framework Principles for Building Standards that covers new and existing buildings, as well as best practices for neighbourhoods and cities;
- (b) Explore the possibility to set up an UNECE-wide offer of train-the-trainer seminars;
- (c) Undertake mapping of energy efficiency standards and technologies in buildings in the UNECE region;
- (d) Develop best practices for existing standards and technologies.

15. Deliverables:

- (a) Framework Principles for Building Standards;
- (b) A set of train-the-trainer seminars on Framework Principles for Building Standards;
- (c) Mapping of energy efficiency standards and technologies in buildings in the UNECE region.

16. Timeline:

- (a) Final draft of Framework Principles for Building Standards – June 2018;
- (b) Seminars – ongoing in 2018-2019;
- (c) Mapping of energy efficiency standards and technologies in buildings in the UNECE region – February 2019.

C. Regulatory and policy dialogue addressing barriers to improve energy efficiency

17. Description: A number of legislative, policy, economic, and financial barriers remain to improve significantly energy efficiency. Naming energy efficiency as “the first fuel” has not yet been converted into adequate investment that would make possible achieving one of the goals of the SEforALL initiative – doubling the global rate of improvement of energy efficiency by 2030. The results of the survey on overcoming barriers to investing in energy efficiency show that self-financing and direct financing from public budgets remain the main sources in most countries of the UNECE region. However new opportunities for financing continue to be developed. Local commercial banks in many countries are providing financing through credit lines offered by international financial institutions and/or national central bank funds targeted at sustainable energy. Bond financing of energy efficiency is an emerging opportunity for energy efficiency. National energy efficiency funds, particularly those set as a revolving fund, is another option. Energy service companies (ESCOs) are becoming an important, and in some countries leading, source of financing. The Group of Experts will

continue to explore which financing strategies work best, how governments can improve their bankability and scope to expand private financing of energy efficiency, which policies and legislation have been proven to deliver results. This work will be conducted in cooperation with Governments of member States, financial institutions, international organizations (e.g. C2E2, World Bank etc.), and other stakeholders. This activity will support the Finance Accelerator of the Global Energy Efficiency Accelerator Platform.

18. **Work to be undertaken:**

- (a) Identify policies and legislation that increase the bankability of energy efficiency;
- (b) Identify best practices in finance strategies;
- (c) Analyze energy efficiency finance options in the region;
- (d) Improve the dialogue between the private financial sector, development banks and countries on the business case of energy efficiency financing.

19. **Deliverables:** A report submitted for consideration by the Group of Experts.

20. **Timeline:**

- (a) First draft of the report for discussion – October 2018;
 - (b) Final report – October 2019.
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Annex

Terms of Reference for the Joint Task Force on Energy Efficiency Standards in Buildings of the UNECE Region for 2018–2019

I. Background

1. The Joint Task Force on Energy Efficiency Standards in Buildings was established by the Committee on Sustainable Energy and the Committee on Housing and Land Management (CHLM) with the participation of the Working Party 6 for 2016–2017 with a possibility of extension. The mandate of the Joint Task Force is proposed to be extended for the period of 2018–2019 with a possibility of extension.

II. Reporting

2. The Joint Task Force will report to its parent bodies, the CHLM and the Committee on Sustainable Energy.

III. Objective

3. The objective of the Joint Task Force is to enhance the harmonization of the markets for products and technological appliances that increase energy efficiency in buildings of the ECE member States. It broadens the exchange of experiences and approaches to increased uptake of energy efficiency measures in buildings among the member States. The Joint Task Force is guided by recommendations and decisions of the Committee on Sustainable Energy and the CHLM.

4. The Joint Task Force will facilitate the ECE's support towards the achievement of the targets set by international initiatives such as the Global Goal 7, the Sustainable Energy for All Initiative, and the Geneva UN Charter on Sustainable Housing. All of these initiatives stress the importance of energy efficiency to ensure energy security, mitigate GHG emissions and ensure access to affordable, reliable, sustainable and modern energy for all.

IV. Planned activities and outputs

5. To achieve its objectives, the Joint Task Force will undertake the following activities:
- (a) Mapping energy efficiency standards in buildings and preparing gap analyses;
 - (b) Evaluating options for the development, adoption or promotion of energy efficiency standards in buildings;
 - (c) Preparing guidance materials;
 - (d) Promoting partnerships with other international organizations;
 - (e) Establishing a network of experts on energy efficiency in buildings;
 - (f) Developing and organizing training programmes.
6. The Joint Task Force will deliver, in particular, the following outputs:
- (a) Mapping of existing energy efficiency standards in buildings in the ECE region;
 - (b) An online database of experts on energy efficiency in buildings tailored for the needs of the ECE region;

(c) A roadmap for future ECE activities on standards.

7. All of the above mentioned activities and outputs are subject to regular consultations with and between the parent bodies, the CHLM and the Committee on Sustainable Energy, the Working Party 6, partner organizations, donors and members of the Joint Task Force and might be subject to adaptations.

V. Funding

8. The activities of the Joint Task Force are supported by extra-budgetary funds and in-kind contributions. The listed activities will be implemented depending upon the availability of funds.

VI. Timetable

9. The mandate of the Joint Task Force will cover the period of 2018-2019 with a possibility of extension.

VII. Methods of work

10. The Joint Task Force is expected, subject to availability of funds, to have two to four face-to-face meetings during its mandate. The Joint Task Force will also work via various means of electronic communications. Donors are invited to provide voluntary contributions to support its work.

VIII. Membership

11. The Joint Task Force will be open to all UNECE member States. Other UN member States are also welcome to participate. The Joint Task Force comprises experts from the CHLM, the Committee on Sustainable Energy, and the Working Party 6, other UNECE bodies, international organizations, such as the International Organization for Standardization (ISO), International Electrotechnical Commission (IEC), the International Partnership for Energy Efficiency Cooperation (IPEEC), the Copenhagen Centre on Energy Efficiency (C2E2), the Consortium for Energy Efficiency (CEE), the Pacific Northwest National Laboratory, the National Renewable Energy Laboratory (NREL), the Buildings Performance Institute Europe (BPIE), the Global Buildings Performance Network (GBPN), the North American Passive House Network, the Passive House Institute (PHI), and other relevant experts, to ensure a cross-sectoral approach to addressing energy efficiency standards and building codes. Independent technical experts on building standards and state of the art technologies will be invited to support the work of the task force by providing written contributions and participating in its meetings.

IX. Secretariat support

12. The Joint Task Force will have two co-chairs representing the CHLM and the Committee on Sustainable Energy. The CHLM and the Committee on Sustainable Energy will jointly service the Joint Task Force. This will include:

- (a) Servicing the Joint Task Force meetings (with interpretation and translation where possible), including the preparation of meeting agendas and reports;
- (b) Preparing background documents and studies for the Joint Task Force at its request;
- (c) Arranging for financial support for members of the Joint Task Force from UNECE member States, so that they can participate in its meetings.

13. Provision of the secretariat support is dependent on the availability of additional resources as described in Section V.
