



Energy Efficiency Policy Toolkit

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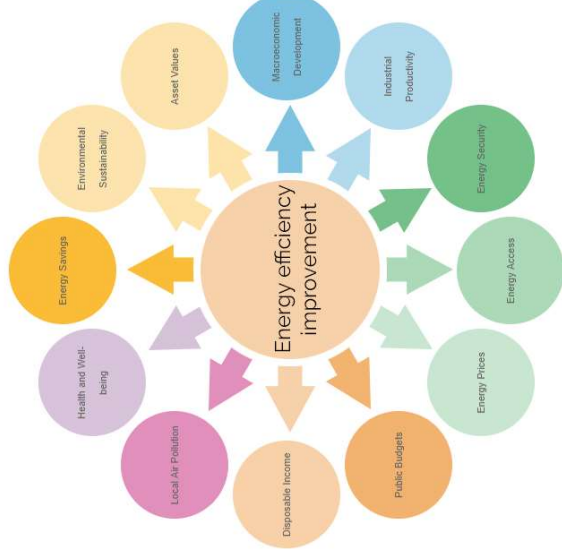
Energy Efficiency in Emerging Economies Training Week

 #energyefficientworld

The key question for energy efficiency



- The multiple benefits of energy efficiency are apparent
- But energy efficiency is not improving at a fast enough rate



Question for discussion:

Why is energy efficiency not improving fast enough?

Why is energy efficiency not improving fast enough?



- Energy users are not motivated to improve efficiency due to low cost of energy
- Efficient appliances and equipment are not being produced or are not in demand
- There is not sufficient information about how to improve energy efficiency

The market is not delivering greater levels of energy efficiency

What can be done to increase levels of energy efficiency



- Using prices to drive behaviour
 - Raising energy prices to increase incentives for energy efficiency
 - Not always feasible
 - Doesn't ensure that appropriate information is available
- Introduction of government policy
 - Regulation
 - Information
 - Incentives

Addressing the inability of the market to deliver greater levels of efficiency is the key reason for the introduction of government policy



Types of energy efficiency policy

What types of energy efficiency policy are possible?



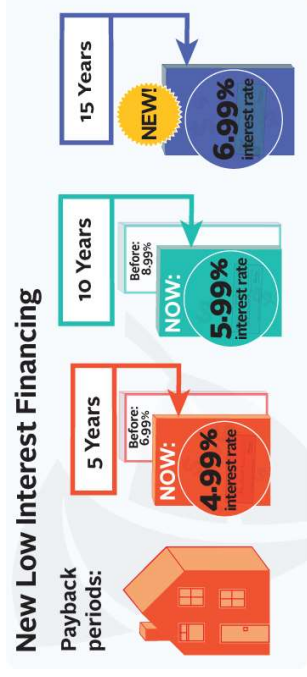
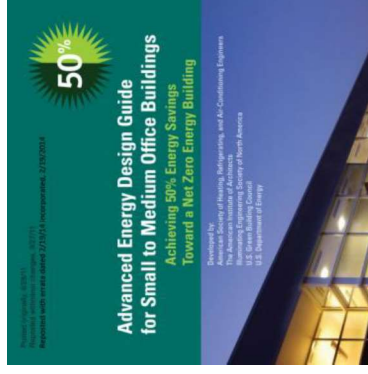
- Regulation:
 - Legal requirements to improve energy efficiency or meet specified targets or standards
- Information:
 - Providing information about the efficiency of products or how to improve efficiency
- Incentives:
 - Rewarding energy efficient choices and improvements

The ideal energy efficiency policy package contains a mix of regulation, information and incentives

What are the efficiency policy options in the buildings sector?



Regulation	Information	Incentives
<ul style="list-style-type: none"> Mandatory building codes, requiring new buildings to achieve efficiency levels. Mandatory disclosure of building efficiency levels 	<ul style="list-style-type: none"> Guides about how to improve building efficiency Building energy audit tools and guidelines 	<ul style="list-style-type: none"> Rebates for the purchase of energy efficient equipment. Finance on favourable terms for building efficiency measures



What are the efficiency policy options in the transport sector?



Regulation	Information	Incentives
<ul style="list-style-type: none"> Mandatory fuel efficiency standards. 	<ul style="list-style-type: none"> Information about vehicle fuel efficiency levels. Guides about reducing fuel consumption. 	<ul style="list-style-type: none"> Lower cost fares for public transport. Different taxes/charges for efficient vehicles.



What are the efficiency policy options in the industry sector?



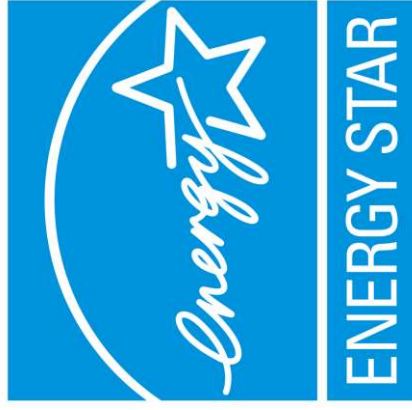
Regulation	Information	Incentives
<ul style="list-style-type: none"> • Mandatory improvement targets • Mandatory implementation of energy management systems 	<ul style="list-style-type: none"> • Guides about energy efficient equipment • Energy efficiency case studies 	<ul style="list-style-type: none"> • Special tax treatment for agreeing to efficiency actions or targets. • Financial support for efficiency measures



What are the efficiency policy options for appliances?



Regulation	Information	Incentives
<ul style="list-style-type: none"> • Minimum energy performance standards • Phase-out of inefficient products 	<ul style="list-style-type: none"> • Energy efficiency labels • Consumer guides and websites 	<ul style="list-style-type: none"> • Rebates for the purchase of energy efficient appliances • Assistance for market transformation



Critical questions for energy efficiency policy makers



1. What is the reason(s) why energy efficiency is not being delivered at a fast enough rate?
2. What needs to be done to address this issue(s)?
3. What policies and measures could be implemented?
4. What have other countries done to address similar issues?
5. What mix of regulation, information and incentives are best suited to this country or region?

The IEA Energy Efficiency Training week will help you answer these questions



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