



DG TREN – Study of outputs, performance and future perspectives of SAVE energy agencies

**Study of outputs, performance and future
perspectives of SAVE energy agencies**

FINAL REPORT

The team of experts was composed of Catrin Maby (Severn-Wye Energy Agency, UK), Reinhard Six (Rhonalpénergie-environnement, Lyon, FR), Jiri Zeman (Seven, Prague, CZ) and coordinated by Marcello Antinucci (Ecuba srl, Bologna, IT).

Acknowledgments

The kind cooperation of **all** the Energy Agencies that have contributed to this study is gratefully acknowledged, with particular thanks for additional contributions to those listed below:

Elena Artiomova, Litenzivas Energy Agency, Visaginas, Lithuania

Kestutis Buinevicius, Kaunas Energy Agency, Lithuania

Luis Fernandez, Sintra Energy Agency, Portugal

Rui Sampaio Nunes, Oeingerge Energy Agency, Oeiras, Portugal

Konstantinos Kostas, Central Thrace Energy Agency, Greece

Nikolaos Zografakis, Crete Energy Agency, Greece

Gianmario Varalda, APEVV Energy Agency, Vercelli, Italy

Tiziano Papi, AGESS Energy Agency, Forlì, Italy

Gerard Magnin, Energie-Cités, Besançon, France

Mårten Lindholm / Ulla Soitinaho, Life Cycle Services of Buildings, City of Helsinki, Finland

Suvi Holm, Tampere Energy Agency, Finland

Anne Ahtiainen, Turku Energy Agency, Finland

Pirjo Jakobsson/Ilari Aho, Motiva, Finland

Jim Owens, Wexford Energy Management Agency, Ireland

Geraldine Cusack, Meath Energy Management Agency, Ireland

Emma Greene, Tipperary Energy Agency, Ireland

Gerry Wardell, CODEMA, Ireland

Zeno Winkels, Delft Energy Agency, Netherlands

Harry Meerwijk, Zoetermeer Energy Agency, Netherlands

Erika Brokvist, Energiråd Väst, Sweden

Per Qvistbäck, Energikontoret Skåne, Sweden

Hans Gulliksson, Energikontor Sydost, Sweden

Kaj Wagdahl/Carita Wiklund, Mälardalens Energikontor

Roger Kelly, Energy Solutions, UK

Liz Marquis, South Ayrshire Energy Agency, UK

Jan Sanders, Mid Wales Energy Agency, UK

Chris Dunham, Sustainable Energy Action, UK

Phillippa Reynolds, Kirklees Energy Services, UK

Michael Geissler, Fedarene

Soren Hermansson, Samsos Energi-og Miljokontor, Denmark

Christiane Egger, Ober-Österreichische Energiesparverein, Austria

Gerhard Ulz, Landesenergieverein Styria, Austria

Boris Papousek, Grazer Energieagentur and Austrian network of EA, Austria

Josef Bärenthaler, Energieagentur Judenburg-Knittelfeld-Murau, Austria

Eddy Deruwe, Agence Bruxelloise de l'Energie, Belgium

Philippe Duval, ALE de l'agglomération lyonnaise and FLAME, French network of local EA, France

Martine Echevin, ALE de l'agglomération Grenobloise, France

Guillaume Porcher, MVE – Montreuil, France

Frédéric Marchand, HEOL, France

Jacques Marechal, ADEME (French Environment and Energy Management Agency), France

Werner Neumann, Energiereferat Stadt Frankfurt (energy advice department of City of Frankfurt), Germany

Heiner Mathies and Ralf Goldmann, Energieagentur Prenzlauer Berg, Germany

Michael Geissler, EAD (Energie-agenturen Deutsch-land e.V;), German network of EA, Germany

Ulrich König, Energieberatungs-zentrum Stuttgart, Germany

Klaus Kessler, Kliba (Klimaschutz- und Energie-Beratungsagentur Heidelberg-Nachbargemeinden), Germany

Toni Pujol, Barcelona Energy Agency, Spain

Juan José Escobar, ICAEN, Spain

Juan-Manuel Martin Ruiz, CDEA-ASET Agència de Serveis Energètics de Terrassa, Spain

Antonio Cejalvo Lapena, EnerAgen, Spanish network of EA, Spain

The thesis developed by Itziar Martínez de Alegría Mancisidor (Profesora Asociada de la Universidad del País Vasco), titled “Estudio de las agencias locales y regionales de energía SAVE europeas” was particularly useful, giving a substantial contribution to the comparison of the present data with those contained in the final SAVE reports. The technical assistance of Ronald Verhagen (Ecuba) was particularly useful for the analysis of an additional sample of SAVE final reports.

Disclaimer

The content of this document is an expression of the opinions of the authors and does not necessarily reflect the views of the European Commission. The European Commission is not liable for any use be made of the information contained therein.

Content list

1.	INTRODUCTION AND SCOPING	
1.1	The needs, the objectives and the scope of the study	8
	Previous studies	8
	Structure of this study report	8
	Introduction	10
	Overall approach to the study	10
	Methodology.....	10
	Quantitative analysis by Internet questionnaire.....	10
2.1	Questionnaire and database.....	11
	The datasheet model.	11
2.2	Interviews and group meetings	25
2.3	Save reports	28
	Introduction to the result section	34
3.1	Report on the questionnaire results	34
	Objective	34
	Overall results	34
	General analysis	34
	Questions concerning Agency status	35
	Staff.....	37
	An optimistic view of their own organisational health?	38
	More objective elements on the economic situation.....	39
	Is networking the agencies' art?.....	40
	Activities	42
	Sectors.....	44
	Strategies	45
	Presentation of all rough data on EA organisation	47
3.2	Interviews.....	52
A.	About the organisation.....	52
	3.2.1. General/identity and role	52
	Definition of an energy agency.....	52
	Dead and 'dormant' agencies.....	53
	Links between local/regional/national agencies	53
	3.2.2. Ownership or control	54
	Link to local authorities.....	54
	High level / top down support.....	54
	3.2.3. Financing.....	55
	Business Planning.....	55
	3.2.4. Personnel	56
	Size and capacity of local/regional agencies.....	56
	3.2.5. International Networks and Support Services	56
	Managenergy	56

Participation in EU programmes (particularly EIE)	57
International networks and their interest for energy agencies	57
National associations of EAs	58
3.2.6. Type of clients	58
3.2.7. Strategy	59
Proposals for new SAVE agencies	59
Support from the Commission for existing agencies	59
B: About the activities of the Agency	60
3.2.8. Areas of activity	60
C. SWOT Analysis	61
3.3 Country reports	64
3.4 Sector Reports	65
3.5 SAVE report analysis	66
Analysis of SAVE reports carried out by Itziar Martinez de Alegria Mancisidor	66
Analysis of SAVE reports carried out by Ecuba.	68
4.1 Introduction to Global Overview and Recommendations	73
A – Overview	73
4.2 Overview of the analysis results	73
A surprising lively scene	73
The darker aspects	74
Future perspectives	75
Clouds on the horizon	76
B - Recommendations	76
4.3. Identity and role: definition of EA	76
Objective	77
Responsibility	77
Creation and management of the SAVE-AGENCY label.	77
DG TREN through Managenergy	77
4.4. Top-down support	77
Actions 78	
Top down support for the role of energy agencies.	78
4.5. EC support to EAs	79
Support for creation of new energy agencies	79
Financial support for EAs after the SAVE-Agency contract	80
4.6. A business-like approach	81
Evaluation of the local impact of EAs	82
4.7. Staff training	83
Management training needs	84
Vocational training needs of staff	85
4.8. Associations and networks	87
Managenergy	87
National associations of EAs	88
International networks	89
Improve the international connection of EAs with urban and regional LAs	90

DG TREN through Managenergy	90
4.9. Activities.....	91
Energy efficiency in buildings	91
Energy efficiency in industry or commerce.....	91
CHP development.....	92
RES.....	92
Transport and mobility.....	93
Information and Advice.....	93
Education and Training	94
Energy planning and strategic development	94
EU policy support	95
New sectors of future interest.....	96



DG TREN – Study of outputs, performance and future perspectives of SAVE energy agencies

CHAPTER 1

INTRODUCTION AND SCOPING

1.1 The needs, the objectives and the scope of the study

The evaluation of the outputs, performances and future perspectives of local and regional energy agencies (EAs) is the main objective of the study.

There is already a substantial amount of information available on SAVE energy agencies and their activities, such as on the ManagEnergy web site, web sites of the national networks of energy agencies, and good practice data-bases published by organisations such as Energie-Cités. However, there is still the need to understand the elements leading an energy agency to success (failures are not rare), how the agencies can best operate as a tool for EU policy implementation, and which sectors of an agency's activity can contribute most to this latter aim.

This study therefore did not duplicate previous effort, but provides an effective tool to the DG TREN services for a better understanding and an effective design of future strategies. It also may help to identify the potential impact of EAs on the achievement of the objectives of the EU energy and transport policy

Previous studies

In this context it is worth mentioning a comparative study on the work of the local and regional energy agencies in France and Germany in order to identify ways to encourage and amplify the German-French cooperation in the field of energy management and fight against climate change. This study was commissioned by ADEME to FEDARENE and carried out by the two regional energy agencies Berliner Energieagentur and Rhônealpénergie-Environnement. The results of that study can be found on the following web site: http://www.fedarene.org/FR_DE/home.htm. A comparison between that approach and the present one is presented in Chapter 2 – Methodology.

Structure of this study report

The Study final report structure is the following:

- 1 Introduction and scoping
- 2 Methodology
 - 2.1 Questionnaire and database
 - 2.2 Interviews and group meetings
 - 2.3 Save reports
- 3 Results
 - 3.1 Analysis of response to questionnaire survey
 - 3.2 Country reports
 - 3.3 Sector Reports
 - 3.4 SAVE report analysis
- 4 Critical issues
- 5 Recommendations



DG TREN – Study of outputs, performance and future perspectives of SAVE energy agencies

CHAPTER 2

METHODOLOGY

Introduction

This chapter briefly presents the methodology applied for the study.

Overall approach to the study

The team of experts has agreed a basic set of hypotheses for the study, verified through the fieldwork, following common research practice.

The key to survival of regional and local energy agencies is in maintaining a good relationship with their respective Public Administrations. The assessment of this relationship is not an easy task, as it can vary with time, and be dependent on individual personalities and views; therefore objective criteria have to be identified. In addition, the agency needs to keep a good relationship with the elected people, directing the public administration, and to anticipate possible changes in the political majorities.

Assuming that the regional or local energy agency does have a good relationship with the Administration, if it works fully or almost fully for this client alone, then a major change of attitude in that Administration may put the agency at risk. A multiplication of clients (this may be achieved working for several services of the same local administration, for different local authorities, for public or private enterprises or in cooperation with professional organisations) is a good indicator of flexibility and adaptation to varying conditions, and therefore of stable performance.

A third element of success is the availability of precise and qualified skills within the agency: technical, organisational, communication capabilities. An agency that subcontracts externally all qualified work is in a weak position. This includes also a sound and effective management of staff and budget, as is needed in a successful SME, even when the agency is established as a non-profit company.

The energy agencies enjoy particular advantages for being part of a European-wide network. The connection with other agencies, the exchange of experiences, the participation in EIE projects should be a strong point in respect of local competitors. Moreover, the agency should be fully aware of its role of ambassador for EU policies at local level, and this should be evident in the activities performed.

An important issue is the achievement of a homogeneous analysis, despite the fact that the collection and elaboration of data was distributed among the four experts. Key importance will be devoted to the meetings with the Commission, to ensure a common understanding and identity of approach. Reviewers will be used to check the coherence of the reports drafted by each expert. The final product will be the result of a common effort.

The detailed methodology is presented below.

Methodology

The study is composed of the following parts:

Quantitative analysis by Internet questionnaire

Qualitative analysis by visits, interviews and focus groups

Complementary analysis of SAVE reports

Reporting and recommendations.

Quantitative analysis by Internet questionnaire

The methodology for the quantitative research was in part inspired by a previous work on the local and regional energy agencies in France and Germany, commissioned by ADEME to FEDARENE and carried out by the two regional energy agencies Berliner Energieagentur and Rhônealpennergie-Environnement. That study was organised in order to identify ways to encourage and amplify the German-French cooperation in the field of energy management and fight against climate change. It describes:

- the different actors (such as the energy agencies, the public services and administrations, other associations, organisations and thematic networks) in the two areas already mentioned,
- the existing local and regional energy agencies, their legal status, activities and interventions, and the ways in which they are financed,
- good practice experienced by the energy agencies in the field of energy management, awareness raising, transport and mobility, promotion of RES, etc.
- proposals in order to improve and tighten German-French cooperation targeted to the local and regional energy agencies.

The questionnaire form was based on two excel worksheets.

The present study decided to develop an Internet-based questionnaire, where the on-line completed forms are immediately and automatically transformed in datasheets, available to the administrator(s) by password.

Even the elaborations, agreed by the experts with the software provider, are always available on Internet.

2.1 Questionnaire and database

The questionnaire was produced according to the format agreed with the Commission at the kick-off meeting.

The questionnaire took in consideration the following criteria:

- to be completed in less than 15-20 minutes by an agency director;
- to avoid the need for the director to check balances and documents
- to be filled in by internet, allow a fully automatic statistical elaboration and an immediate transfer into the datasheet.

The datasheet is the transposition of the single agency questionnaire results in an on-line file, which can be sorted, and then saved, if necessary, as an excel file.

The information on the questionnaire was sent via e-mail, addressed to the Energy Agencies registered in the ManagEnergy database, indicating the internet site where it was available for completion. The creation of the software for questionnaire on line completion and elaboration was subcontracted to the software house ICS srl, Via Zago 2/2, 40128 Bologna, having previous experience in this type of work.

In order to reduce the time required for questionnaire completion, most questions had closed answers. The return rate for the questionnaire survey was about 50%. To obtain this return rate, a set of telephone calls was made, for relaunching the directors, particularly addressed to the agencies of those States not reaching at least 40%.

Respect to the questionnaire adopted by the ADENE-FEDARENE inquiry in France and Germany, carefully considered in the questionnaire design phase, the present tool had the following main modifications:

the two excel spreadsheets, with the set of questions concerning the organisation separated from the set of questions concerning activities, were simplified;

most open answer questions, in the organisation sheet, were transformed in closed answer questions;

the analysis of activities was broken down according to the relevance of them for the agency and for the local authorities, instead of according to the type of contractual agreement;

an analysis of the type of client was added for each type of activity.

The datasheet model

The datasheet was developed so that it should include elements concerning:

- the quality of the relationship with the local Public Administration(s);
- the level of multiplication and diversification of clients
- the level and quality of internal skills;
- the level of involvement in thematic or professional networks
- the key financial data: e.g. annual turnover, breakdown by funding sources, i.e. public (European, national, regional, local) or private; existence of multi-annual agreements or single project contracts, etc.
- the number and type of contacts with other EU agencies, the implication in European networks;
- the level of awareness of working at local level in line and in support to EU energy policies
- the breakdown by type of activities
- information in particular on activities connected with EU Directives and EU energy and transport policy, integration of energy in other sectors (social housing programmes, structural funds and

local development, regeneration programmes, Leader and other rural development initiatives, education and training, ICT innovative actions, RTD and innovative technologies, transport and mobility, fight against climate change.

- An appreciation of the Managenergy service and other international supporting initiatives.

The data sheets were on line since 21 October 2004 (ManagEnergy Conference) and their elaboration was available on line since mid November, allowing the experts to make a validation of the returned forms and suggestions for further elaborations.

In the following pages the overall composition of the datasheet is reported.

STUDY ON EU ENERGY AGENCIES FOR DG TREN

DATA-BASE OF ENERGY AGENCIES

This questionnaire, addressed to agency's directors, has been developed, in collaboration with the DG TREN services, to obtain a clearer view of the present status of local/regional energy agencies in EU, and identify possible strategies. It is not at all addressed to evaluating single agencies. In order to simplify your work most questions have closed answers, but you always have an additional box where you can add comments, explanations, suggestions, which will remain absolutely confidential. The first part regards the organisation aspects, the second one your activities.

Draft questionnaire - spreadsheet 1

agreed at the Kick-off meeting, September 1st, 2004

"Organisation"

General Info	Short Name					
	Located in (town name)					
	Region					
	State					
	Web address of yr internet site					
	Geographic area of intervention					
	Founded in (year)					
	Founded with SAVE support (yes/no)					
	Legal status (in your language and possibly in English translation)					
	Clarify the typology of your organisation (tick one box):	Is it a totally public organisation, or part of a local authority?				

		If it is a non public (or non-totally public) body having a non-profit status?				
		Is it a profit-making organisation?				
		Others - please specify:				
	How do you define the quality of your relationship with the local/regional administration/s which created your agency (excellent -good- moderate- not good- bad)?	excellent	good	moderate	not good	bad
Ownership or Control	Total number of organisations, represented in the controlling body (General Assembly or Management Board)					
	Approximate percent of voting power on the Board held by (indicate %):	Public administrations/totally public companies				
		Energy utilities				
		Other private/mixed companies, including banks, insurances, and similar				
		Social (e.g. consumer, labour, environmental) or community organisations				
		Trade and Work Associations (e.g. chamber of commerce, enterprises, professionals)				

Financing (indicative figures are sufficient)		Academic/educational/ research institutions				
		Private individuals				
		Others – specify				
	Approximate current turnover in €/y, including all partners' contributions (tick one box)	less than 75,000				
		75,000 to 500,000				
		500,000 to 1,000,000				
		more than 1,000,000				
	Turnover development in the last three years (tick one box)	Raising				
		stable				
		decreasing				
	Are your revenues based on service contracts ? (tick one box)	Totally				
		partially				
		not at all				
	What is the approximate percentage of last annual turnover that comes from (indicate %):	partner contributions, not as contracts				
		contracts with public administrations, participation in local or governmental programmes, excluding EU				
		private bodies, charitable trusts, or others				
co-finance from EU projects						

	Percentage of long term (multiannual) contracts respect to total turnover (tick one box)	less that 10%				
		10 to 30%				
		30 to 50%				
		more than 50%				
	How do you define the present financial situation of your agency? (tick one box)	very solid				
		promising				
		stable				
		weak				
		critical				
	Present personnel	Number of full time employees				
Number of part time employees						
Total number of staff as full time equivalents						
Approximate number of full time equivalent staff in following categories (indicate number):		management				
		administration and support				
		technical/engineering				
		education/ advice/ communication/ marketing				
		project finance				
		students and volunteers, people in stages (independent on specific activity)				
		others - please specify				
What is a typical % of subcontracting in your		less that 20%				
		20 to 40%				

	agency's activities? (tick one box)	40 to 70%				
		more than 70%				
Associations and networks	Do you belong to a regional or national network/association of energy agencies and other similar organisations (specify names)					
	What would you like to receive from a regional or national association of agencies? (tick one box)	lobbying towards central administrations	technical support	exchanges of experience	others - specify	
	Do you belong to an international network/association of energy agencies and other similar organisations (specify names)					
	How do you evaluate the benefit of being part of this/these international network/s of agencies? (tick one box)	Essential	useful	indifferent	negative	
	Do you know what ManagEnergy is? (yes/no)					
	Have you made use of the following ManagEnergy services? (tick the relevant box)	Yearly conference	Workshops and other events	Partner search	Web information	Case studies
	What is your opinion of the ManagEnergy initiative to date? (essential- useful- indifferent - not useful); write under each relevant box)	essential	useful	indifferent	not useful	

	Please use this space for your suggestions for improving or developing Managenergy services.					
International contacts with other agencies	Number of foreign agencies/organisations you have worked with, at any time since the agency started.	less than 5	between 5 and 10	more than 10		
	How do you evaluate the benefit, for the local activity of your agency, of having worked with foreign agencies/organisations? (tick one box)	essential	useful	indifferent	negative	
Type of clients and funders (in the last two years)	Local administrations and other local public organisations in your usual geographic area of intervention (No.)					
	National public administrations or organisations (No.)					
	Private organisations, including SMEs, NGO, charitable trusts, professional or enterprise associations, Chamber of Commerce,... (No.)					
	Individuals (indicative No.)					
	Different EU Commission General Directorates from which you received a co-funding (No.)					
	Administrations or clients outside your usual geographic area of intervention (excluding partners or subcontractors in EU projects)					

	Other - specify type and number:							
	Has your agency significantly increased the number of clients in the last years? (yes-no)							
Strategy	Who are your competitors? (tick one box)	engineering companies	private consultants	public organisations				
		ESCOs	utilities	others - please specify				
	Do you have sustainable comparative advantages against your competitors? Indicate the major one in the box below the competitor above.							
	From which threats do you see a possible risk to the survival of your agency? (tick one box)	change of political majority						
		change of administration policy						
		lack of resources for energy by your clients						
		others - specify						
	What is your strategy to overcome such threats? (tick one box)	increase the number of clients						
		increase the range/type of clients						
		increase the range of key contacts within administrations						

		increase the range of skills and capacity						
		explain/show benefits of funds leverage						
		develop /improve public relations/communications activity						
		negotiate collaborative agreements with competitors						
		other (please specify)						

The authors gratefully acknowledge the information and scheme contained in the questionnaire developed by ADEME-FEDARENE, made available by RhonalpénergieEnvironnement.

Date of form completion

Form completed by

STUDY ON EU ENERGY AGENCIES FOR DG TREN

DATA-BASE OF ENERGY AGENCIES

Draft questionnaire - spreadsheet 2 "Activities" agreed at the Kick-off meeting, September 1st, 2004

Analysis of activities, their relevance and main clients/funders.

This matrix help us to understand which activities are most widespread among EU energy agencies, their respective relevance, the clients/funders to whom they are addressed. You have only to tick the proper cells in the first 4 columns, and indicate the main categories of clients/funders in the other three. As before, you can add any explanation or confidential comment in the last column.

Sector of activity	Typical activities (fill boxes even if you are involved in only some of the actions described in a single cell)	Core activity (performed during more than one year, representing more than 10% of last year revenues)	Secondary activity (you have it in your portfolio, but represents less than 10% of last year revenues)	Potential activity (you need external help - technical, marketing, commercial - to be able to provide it successfully)	The activity is strongly relevant for the local/regional policy	Indicate type of client by number (same type of client same number, one number per cell, max three client types)			Add your comments here. These will be treated as confidential information.
						1	5		
Energy efficiency in buildings	Building energy advice, auditing, certification.	X			x	1	5		example
	Building energy management								
	Developing contracting documents for building management, and/or managing/supervising programme of works.								
	Inspection of boilers.								
Energy efficiency in industry or commerce	Energy auditing and advice.								
	Feasibility studies, design, work supervision, and/or supply contracting.								

CHP development	Feasibility studies, design, work supervision, and/or supply contracting.								
RES	Development of RES projects (action planning, feasibility studies, design, work supervision, tender document drafting, or supply of services/energy)								
	Projects for isolated areas (not grid-connected)								
Transport and mobility	Studies, planning, mobility plans								
	Specific communication/awareness campaigns								
Information and advice	Sustainable energy information and advice to the general public								
	Awareness raising and targeted promotional campaigns								
	Organisation of conferences and other events								
	Development of web sites								
Education and training	Education in schools (including teacher training)								
	Adult education								
	Training for professionals/workforce								
EU policy support	Implementation of European Directives (buildings, CHP, RES electricity, biodiesel, energy services)								
	European Programmes and structural funds								
Sustainable development	Participation in forums, facilitation								

	Local Agenda 21)								
	Local sustainability studies, evaluation of indicators,...								
Financial mechanisms	Grants organisation, technological procurement, consulting for ESCos, performance contracting procedures								
Energy planning	Services for planning, design, development of strategies.								
	Development of local regulations								
Other services	Direct assistance to administrations for ancillary services								
	Technical assistance for conventional system design								
	Integration of energy in other sectors; specify below one topic per cell, using the list of topics in comment as a guidance								
	Others - please specify:								
Perspectives of future new activities									
The following questions are addressed to understand if you are envisaging new areas of activity for the future of your agency.									Add your comments here. These will be treated as confidential information.
	Is it an agency with a more general mission (e.g. a development agency), dealing part time only with energy issues?	yes	no						
	Are there services you wish to provide but do not at present? (please specify which ones)								

	What prevents you from providing these services (please indicate the selected letter under the corresponding box of previous question):					
	Does your strategy include the extension of the agency's activity to other areas? (please indicate which ones)					
	Which type of strategic elements will you apply to extend your agency activity in these areas?					
	Is your agency involved in actions directly connected to the EU Directives? Indicate max three, one per box: for example buildings, cogeneration, biodiesel, renewables, energy services, others - specify.	Buildings				
		Cogeneration				
		Biodiesel				
		RES electricity				
		energy services				
		others - please specify				

2.2 Interviews and group meetings

The quantitative analysis obtained by the questionnaire could not afford more detailed elements, like:

- Pilot activities that have generated a large follow up in terms of additional contracts;
- Communication activities that have generated a large impact in terms of more contacts with the agency or more actions in the desired direction by the target group.
- Feasibility studies or projects aborted or not implemented at all.
- Activities generating relevant conflicts with local administrations or other stakeholders/competitors.
- Cessation of activities or shut-down of the whole agency.

The method to obtain this kind of information was based on a set of direct contacts, some of which occurring during conferences or national/local workshops, others through visits.

24 energy agencies were visited and 51 interviews recorded on paper. Normally the director was the interviewed person. All visits were done personally by the 4 experts, sharing equally the number of visits among them.

A country specific approach, justified by the specific conditions for the agencies in each country, has been followed, leading to the production of 16 country reports (one summarising all Central and Eastern European countries)

The geographical distribution followed table 4. At least one agency per Member /candidate State will be selected, but, in case of small countries without significant energy agencies, the expert may (with the agreement of the Commission) substitute the visit in that country with another more important one. The selection among the 250 energy agencies will be made according to the relevance of the agency, the knowledge of the key staff, the ability to provide wider information on other agencies in the area or country, the possibility of meeting with other agencies or well informed people during the same visit.

The opportunity of local seminars and conferences will be taken, to multiply the number of interviews.

The four experts shared among them the interviews and visits foreseen in the contract specifications.

Table 4: Distribution of visits among the four experts

MA	Portugal: EnerGaia and EDVenergia in the Porto area. (alternatively Amesintra and Oeingerge in Lisbon area)	2-3 December 2004
	Lithuania: Kaunas and Ignalina	25-26 November 2004
	Greece: REACM Anatoliki, Tessaloniki for the national Association assembly.	Not performed due to delay of the assembly date..
	Italy: Vercelli and Forli.	15 October.2004
RS	Austria: Graz, Judenburg or LEA Southeast Styria; Austrian Network of LEA	9-10 November 2004
	Germany: Stuttgart, Freiburg or Kliba; EAD (national association)	October 20 th and November 11-12 th 2004
	Spain: Barcelona and nearby agencies; EnerAgen	October 10 th and November 18-19 th 2004
	Belgium: ABEA (Brussels)	19 October 2004
	France: Grenoble, St. Quentin en Yvelines; FLAME, RARE, ADEME	October10th to December 12 th 2004
CM	Netherlands: Zoetermeer, Delft and participation in Association meeting of 5 agencies	October 7 th 2004
	UK: SEA and Mid Wales	October 2004
	Sweden: Vaxjo and Malarnet (Eskilstuna)	Nov 7 th -14 th 2004
	Finland: Helsinki, Tampere and South West Finland	Nov 7 th -14 th 2004
	Ireland: Wexford and Meath	November 30 th 2004
JZ	Slovakia: Energy Agencies, Zilina, Sala, Biomasa Kysucky Lehovec, EC Energy Center Bratislava	September 2004
	Poland: Cracow, Katowice, Southern Poland	November 2004
	Czech Republic: Meetings with 5 regional Energy Agencies, CEA in Kubova Hut, interviews with other Eas at the EEBW Conference in Prague	November 2004
	Romania: Bucarest, Miercurea Ciuc	November 2004
	Bulgaria: Sofia	November 2004

Even if not explicitly requested by the study specifications, the four experts have found useful to present the main features of EAs at national level, producing Country Reports.

The 16 Country Reports have been shared among the experts according to the above presented table, and show some differences in style according to the different sensitivity and materials collected by each expert. The Country Reports are presented in Annex 1.

Austria

Belgium

Denmark

Finland

France

Germany

Greece

Ireland

Italy

Lithuania

Portugal

Spain

Sweden

The Netherlands

UK

Central European States

Additional meetings were organised with representatives of the following organisations:

- ManagEnergy;
- Fedarene (Association of regional energy agencies);
- Energie-Cités (Association of cities and their local energy agencies);
- Reflection Group (grouping the national network of energy agencies).

Most national associations of agencies were also contacted and one representative of the network interviewed. The interviews, reported in Annex 1, have been kept anonymous.

The SWOT analysis was obtained at a focus group, held at a meeting of the Dutch association of EAs. Another one was held in Brussels during the Managenergy Conference, and the SWOT analysis reported in the Chapter 4.

Similarly, the experts have produced six sector reports distributed according to the following scheme:

Sector report on energy efficiency	RS
Sector report on RES	JZ
Sector report on advice and information	CM
Sector report on education and training	CM
Sector report on energy planning and strategic development	MA
Sector report on EU policy support.	MA

The sector report on energy efficiency has been split in two for practical reasons: Energy efficiency in buildings, industry and commerce, and cogeneration are grouped together, while energy efficiency in transport and mobility stands alone.

2.3 Save reports

The SAVE report analysis is composed of two parts.

The first is a summary of the work done by Mrs Itziar Martinez de Alegria Mancisidor from the University of Pais Vasco , having worked with the authorisation of DG TREN in a characterisation of EAs based on the study of the final reports, the second one is a more limited analysis of a group of SAVE reports selected by the experts as potentially important.

The sample analysed by Martinez de Alegria Mancisidor amounts to 76 SAVE final reports, belonging to 16 different countries, but the majority coming from Spain, Germany, Portugal and France.

The sample analysed by Ecuba is composed of 28 energy agencies. It was selected by the four experts according to these criteria:

EAs considered particularly successful;

EAs known for their participation in many EC projects;

EAs of countries with limited significance of the interviewed sample;

Critical EAs.

The analysis of contractual reports at the Commission office in Brussels was committed to an Ecuba assistant, Mr. Ronald Verhagen, who stayed in the DG TREN offices for about two weeks.

A statistical analysis was performed, using an adaptation of the Internet questionnaire, suitable to contain information extracted from final SAVE reports. Some independent comments completed the analysis, outlining specific features coming out of the reports.

The form utilised for acquiring the SAVE report data is reported in the next page.

FORMAT for SAVE REPORTS

Organisation

Short Name	
Located	
Region	
State	
Web site	
area of intervention	
Founded (yr)	
Contract nr.	
SAVE start/end	
legal status	
Type of organisation	
number of organisations in management board	
full time employees nr.	
part time employees nr.	
total staff /full time equivalents	
number of foreign agencies worked with, during SAVE	

Activities

energy efficiency: in buildings	
energy efficiency: industrie/commerce	
CHP development	
RES	
Transport/mobility	
Information and advice	
education and training	
Sustainable development	
EU policy support	
Sustainable development	
Financial mechanisms	

Activities performed in connection with other organisations	local administrations/ public organisations		Energy Planning
	national public organisations /administrations		
	privates - SME, NGO, charitable trusts, prof.or enterprise assoc., chamber of commerce		others
	individuals		
	Different EU Commission receiving co-funding		
	outside geogr.area (no partners in EU projects)		
	others		

Prompt sheet for interviews - SAVE agencies survey 04 –

A. About the organisation

1. General/identity and role

1.1 What are the main objectives of the organization? (These may for example be stated in the statutes, or in a business plan)

1.2 Why is the energy agency needed/what role or gap does it fulfil in its locality/region?

How would you describe the essential/most important *characteristics* of your agency (e.g. environmental action/social change/technical expertise/non-profit/community benefit/local authority support)

What is your role in relationship to local/regional/national government? In what ways do you implement or influence policy?

In what ways do you actively implement European policy?

2. Finance

2.1 Discuss current income structure – and advantages/disadvantages

2.2 What do you expect the income structure to be in the future?

2.3 Do you receive/access European funding ? Discuss advantages/disadvantages.

3. Personnel

3.1 Discuss the number of staff in different roles, and views on this

What are the main skills/specialisms you consider you need in your team?

Which are the skills that have contributed most to the success of the agency so far?

Do you consider you are able to recruit the right staff? How long do your staff generally stay? Discuss issues.

What staff training and appraisal procedures do you have – and what are your views on this?

Are there any specialisms/skills that you need to achieve your objectives and have been unable to provide so far – and if so why?

4. Networks and Support

4.1 What networks do you belong to and why?

4.2 What do you get from them in practice?

4.3 What would you like to get from them?

Networks to suggest as prompts:

National associations of energy agencies

International associations of energy agencies

Other national associations

Other international associations

Regional or local associations

What is your view of the Managenergy initiative? What aspects have you found useful? What would you like to see improved and how?

What other support would you find useful from the Commission – either through Managenergy or otherwise?

Are there other types of organisation at local/regional level do you think should be targeted by Managenergy and/or the Commission to encourage local/regional action on sustainable energy?

5. External partnerships and clients

5.1 Describe the range of partnerships and clients, and which are the most important to your agency and why

5.2 Is there a hierarchy of partners/clients – or perhaps one main or exclusive one?

5.3 Discuss the quality of partnerships, how difficult to maintain, how helpful/reliable etc

5.4 Can you identify notable partnership successes?

Can you identify notable partnership problems?

B: About the activities of the Agency

5. Areas of activity

5.1 Which general areas of activity have been most successful to date? Why?

5.2 Which areas of activity have been unsuccessful? Why?

5.3 Which areas of activity (relevant to the objectives for the agency) have you not been able to carry out to date? Why?

5.4 Which activities do you think have done most to improve your profile/acceptability with your clients (including administrations, businesses, general public)?

6. Evaluation of work

6.1 What evaluation of the agency's work has been carried out – and what exactly is evaluated (qualitative/quantitative/ kWh, carbon or euros saved/awareness or behavioural change/jobs created etc)

6.2 What evaluation is planned for the future?

6.3 What evaluation do you think should be carried out if the resources were available?

7. Future Plans

7.1 Describe your vision/aspirations for the agency in the future

Have you carried out any longer term business or organizational planning – describe?

What do you see as the main opportunities for your agency in the future? Describe strategy to realize opportunities.

What do you see as the main threats? Describe your strategies to deal with threats



DG TREN – Study of outputs, performance and future perspectives of SAVE energy agencies

CHAPTER 3

<h1>RESULTS</h1>

Introduction to the result section

This chapter presents the results of the analysis carried out on EU regional and local energy agencies (EAs) by means of four independent tools:

- 3.1 Analysis of response to the questionnaire survey
- 3.2 Results from interviews
- 3.3 Country reports
- 3.4 Sector Reports
- 3.5 SAVE report analysis

3.1 Report on the questionnaire results

The study required the production of a questionnaire to be sent to all agencies listed in the Managenergy database. The study foresaw the collection of opinions from Regional and Local Energy Agencies through a questionnaire. The results from the analysis of the questionnaires received (159) are presented in this chapter.

The 159 datasheets are available on Internet at the website:

<http://www.swondemand.it/AGENCY/admin/>

Username and password have been given to DG TREN.

Objective

The main objective of the questionnaire exercise was to obtain quantitative data on EA organisations and activities.

Overall results

The energy agencies, registered on the ManagEnergy database at 1st October 2004, to which the e-mail was sent to propose the completion of the on-line questionnaire, were in total 381, subdivided into:

LOCAL	145
REGIONAL	183
NATIONAL	37
ASSOCIATIONS	16
Total	381

If we consider only the regional and local energy agencies, eliminating from the database 5 energy agencies located outside the EU, one international association, and 6 local offices of the same regional Italian agency, the real population target of the inquiry is reduced to 327.

The validated compiled questionnaires are 159. Two of these came from national associations, and a few from organisations that most probably cannot be considered real “energy agencies”. The decision agreed by the experts has been not to cancel the questionnaires compiled by these organisations for the general analysis, but excluding them from the single Country evaluation, where their opinion could be misleading considering the low number of answers per country.

The results in the organisation part of the questionnaire are expressed as percentages of the total number of valid answers. When the total of replies does not reach 100%, it means that some agency did not provide any answer.

General analysis

The distribution of the received compiled questionnaires per State, with the corresponding number of local and regional agencies per country available in the ManagEnergy database, is presented below.

State	Number of received questionnaires	Total regional in ManagEnergy	Total local in ManagEnergy	Regional + local in ManagEnergy	Percentage of responses
ITALY	17	19	21	40	43%
SPAIN	17	18	16	34	50%
GERMANY	14	24	10	34	41%
FRANCE	14	12	15	27	52%
UNITED KINGDOM	14	15	18	33	42%
SWEDEN	11	13		13	85%
AUSTRIA	9	7	6	13	69%
IRELAND	9	3	10	13	69%
PORTUGAL	9	13	7	20	45%
BULGARIA	7	4	3	7	100%
CZECH REPUBLIC	5	5	1	6	83%
GREECE	5	12	1	13	38%
NETHERLANDS	3		4	4	75%
POLAND	4	12		12	33%
DENMARK	3		17	17	18%
FINLAND	3	5	3	8	38%
SLOVAK REPUBLIC	3	2	1	3	100%
BELGIUM	2	4	2	6	33%
HUNGARY	2	5	8	13	15%
LITHUANIA	2	2		2	100%
ROMANIA	2	1	2	3	67%
ALBANIA	1			0	0%
CROATIA	1			0	0%
CYPRUS	1			0	0%
LUXEMBOURG	1	1		1	100%
TOTAL	159	177	145	322	49%

From a detailed analysis of the energy agencies listed in the ManagEnergy database, which the experts could do during the phase of the interviews of agencies in the various countries, it appeared that some energy agencies in the list have been closed down, others are presently “dormant” (i.e. formally existing but not active), others have been absorbed by local administrations, some are local offices of a single organisation, and a few have been transformed into consultancies. An approximate evaluation of the percentage of closed or dormant EAs is: 7 % and 3 % respectively. A deeper analysis of the national situations is presented in the “Country reports”. It is worth mentioning, anyhow, that the obtained percentage of returned questionnaires is actually much higher than 50%, if one takes into consideration the effective number of operative agencies.

Questions concerning Agency status

The first set of questions concerned the identification of the energy agency, their origin and the type of organisation.

Two thirds of the interviewed agencies were founded by SAVE:

Founded by SAVE	68%
Non-SAVE	30%

The age of agencies varies from 0 to 34 years, with a peak occurring between 3 and 7:

Age	Percentage	% of answers	Cumulative percentage
34		0.6%	0,6%
26		0.6%	1,2%
22		1.2%	2,5%
20		0.6%	3,1%
19		1.2%	3,7%
17		1.2%	5,0%
16		0.6%	5,6%
15		0.6%	6,2%
14		1.2%	7,5%
13		1.9%	9,3%
12		1.2%	10,6%
11		0.6%	11,2%
10		4.3%	11,8%
9		3.7%	15,5%
8		6.8%	22,4%
7		13%	35,4%
6		9.3%	44,7%
5		13.7%	58,4%
4		8.1%	66,5%
3		13.7%	80,1%
2		3.1%	83,2%
1		10.6%	93,8%
0		1.2%	95,0%

It is worth noting that 66.5% of the responding agencies have had more than 4 years of life, so have overcome the critical age of 3, the duration of the start up SAVE-funded period.

The answers to the question on legal status show, as expected, a predominant percentage of non-profit and public organisations.

What type of	Totally public organisation, or part of a local authority	32 %
--------------	---	------

organisation is it?	Non public (or non-totally public) body having a non-profit status	45 %
	Profit-making organisation	11 %
	Others	7 %

About one fifth of the agencies have a more general mission, for example a development agency, where energy represents only a part time activity. This situation is therefore not rare and has to be accepted as a possible evolutionary trend, at least in some countries or regions.

As it is now, your agency is an agency with a more general mission, as could be e.g. a development agency, where energy represents only a part time activity?	Yes	21 %
	No	66 %
	Non responding	13 %

The Management Board is the body which formulates the policies to be followed by the agency, adopts the strategies and decides on the instruments for their implementation. The Board is made up of partners and participants in the field of energy management, such as regional or local authorities, chambers of commerce, consumers organisations, energy suppliers, other competent authorities in the energy sector, etc..

The management board is largely composed of widely differentiated categories, with a net prevalence in voting power of the LAs.

Approximate percent of voting power on the Board held by:	Public administrations/totally public companies	55%
	Energy utilities	8%
	Other private/mixed companies, including banks, insurance companies, and similar	8%
	Social (e.g. consumer, labour, environmental) or community organisations	7%
	Trade and Work Associations (e.g. chamber of commerce, enterprises, professionals)	7%
	Academic/educational/ research institutions	5%
	Private individuals	11%
	Others - specify	0%

Staff

The EAs are mainly small organisations (less than 10 staffs) but with several exceptions (19% over that threshold). The average number of equivalent full time staff (considering also students and young persons on placement) is 9.2, but if the 18% of big agencies with more than 10 staff is excluded, the average becomes only 3.3. In fact 21% of energy agencies are actually part of larger organisations having a more general mission, therefore it may be derived that most EAs, having the energy mission only, have between 3 and 4 staff.

The prevalent staff operative category is technical, with a possible under-estimate of the other skills (education/ advice/ communication/ marketing and project finance).

The significant role of students and people on placement (0.6 full-time equivalent) is a very interesting aspect, to be further analysed in his potential.

Average number of full time employees	8.2
Average number of part time employees	1.8
Average total number of staff as full time equivalents	9.2

Approximate number of full time equivalent staff in following categories:	management	1,4
	administration and support	1,8
	technical/engineering	3,8
	education/ advice/ communication/ marketing	1,1
	project finance	0,4
	students and volunteers, people in stages (independent on specific activity)	0,6
	others - please specify	0,1

Number of full time staffs per EA	% of EA	Number of full time staffs per EA	% of EA
1	9%	6	7%
2	13%	7	4%
3	19%	8	5%
4	12%	9	1%
5	9%	10	3%
		More than 10	19%
		Total	100%

An optimistic view of their own organisational health

The EA directors present a surprisingly positive situation in response to the questions where they are asked to evaluate the overall condition of their agency. 84% declare an excellent or good relationship with their LA, 89 % have a stable or rising turnover, 65% state that they have increased the number of clients, and 77% that they have a stable, promising or very solid financial situation.

How do you define the quality of your relationship with the local/regional	excellent	42 %
--	-----------	------

administration/s which created your agency?	good	42 %
	moderate	13 %
	not good	1 %
	bad	0 %

Turnover development in the last three years:	rising	47%
	stable	42%
	decreasing	8 %

Has your agency significantly increased the number of clients in the last years?	Yes	65%
	No	25 %
	Non responding	10%

How do you define the present financial situation of your agency?	very solid	11 %
	promising	19 %
	stable	47 %
	weak	17 %
	critical	4 %

This picture is more positive than expected, and it might be argued that the respondents are influenced by the potentially negative effect of declaring a poor economic performance for the organisations where they are employed. Nevertheless, the coherence of the answers to the three deliberately self-confirming question is convincing.

There is also the other aspect of the results to consider: with 17% in a weak and 4% in a critical financial condition, giving cause for significant concern for about one fifth of the operating agencies.

More objective elements on the economic situation

Entering in more details into the economic situation of the agencies, some interesting aspects come out of the responses:

Not all agencies are small, there is a 28% of organisations with a turnover exceeding half a million euros.

The problem of discontinuity in the provision of contracts is overwhelming: 71 % of agencies have to survive in a competitive market, with a difficult product, with less than 50% of multi-annual contracts (and 58% with less than 30%), that is to say that they are exposed every new year to the changing humours of their LAs.

Still 21% of agencies survive only with the general contribution of the members, without any service sold in contractual form. This general contribution represents an average 22 % of annual turnover. The contract and contribution part of the turnover (in the “average” EA) is well balanced, with a predominant 46% from LAs, 10% from private organisations/NGOs, 15% EU contributions and 7% from others.

Approximate current turnover in €/y, including all partners'	less than 75.000	13 %
--	------------------	------

contributions:	75.000 to 500.000	57 %
	500.000 to 1.000.000	13 %
	more than 1.000.000	15 %

Percentage of long term (multi-annual) contracts with respect to total turnover:	less than 10%	34 %
	10 to 30%	24 %
	30 to 50%	13 %
	more than 50%	22 %

Are your revenues based on service contracts?	totally	13 %
	partially	60 %
	not at all	21 %

What is the approximate percentage of last annual turnover that comes from:	partner contributions, not as contracts	22%
	contracts with public administrations, participation in local or governmental programmes, excluding EU	46%
	private bodies, charitable trusts, or others	10%
	co-finance from EU projects	15%
	others	7%

Is networking the agencies' art?

Regional, national and international networking does appear to be quite an art for the EAs, with 80% of EAs declaring that they belong to some type of a national association and 62% to international networks. The fans of networking (considering it as an essential benefit) are 17%, the pragmatic (useful) 52%, the indifferent 9% and the representatives of discontent a few percent. More or less the same distribution applies also to the evaluation of Managenergy.

The expectations of EAs of their existing or possible national associations are firstly to exchange experience and secondly to lobby central administrations. Technical and other services are lower down in priority. This is an important message for addressing the EU support to the national networks.

The appreciation of ManagEnergy is extremely high. Practically, all agencies know what ManagEnergy is, use more or less all services, with appreciation slightly stronger for the virtual services than to the physical ones. This is very positive encouragement for the continuation of this service .

The distribution of the amount of transnational cooperation corresponds reasonably to the distribution of age of the agencies, as the 33% with less than 5 transnational contacts is more or less the percentage of younger agencies below 4 years, which have, reasonably, still relatively little international experience.

Do you belong to a regional or national network/association of	Yes	80%
--	-----	-----

energy agencies and other similar organisations?	No	20%
--	----	-----

Do you belong to an international network of energy agencies and other similar organisations?	Yes	62%
	No	38%

What would you like to receive from a regional or national association of agencies?	lobbying towards central administrations	69 %
	technical support	43 %
	exchanges of experience	75 %
	Others	23 %

How do you evaluate the benefit of being part of this/these international network/s of agencies?	essential	17 %
	useful	52 %
	indifferent	9 %
	negative	1 %

Do you know what ManagEnergy is?	Yes	95%
	No	2 %
	Non responding	3%

Have you made use of the following ManagEnergy services?	Annual conference	55 %
	Workshops and other events	51 %
	Partner search	40 %
	Web information	81 %
	Case studies	50 %

What is your opinion of the ManagEnergy initiative to date?	Essential	Useful	Indifferent	Not useful
Annual conference	16 %	53 %	14 %	4 %
Workshops and other events	8 %	60 %	15 %	1 %
Partner search	21 %	49 %	11 %	3 %
Web information	32 %	58 %	3 %	0 %
Case studies	13 %	58 %	11 %	3 %

Number of foreign agencies/organisations you have worked with, at any time since the agency started:	Less than 5	33 %
	Between 5 and 10	26 %
	More than 10	38 %

How beneficial has it been (for the local activity of your agency) to work with foreign agencies/organisations?	essential	23 %
	useful	58 %
	indifferent	14 %
	negative	1 %

Activities

The second part of the questionnaire was aimed at identifying the type of activities most frequently performed by the EU energy agencies. The list of activities contains 30 items, grouped in 12 sectors.

Every type of activity could be classified as:

CORE an activity performed during more than one year, representing more than 10% of previous year revenues.

SECONDARY an activity in the agency portfolio, but representing less than 10% of previous year revenues.

POTENTIAL i.e. to be able to provide it successfully the agency needs external help - technical, marketing, commercial.

RELEVANT the activity is strongly relevant for the local/regional policy.

The following table shows the activities, listed in order of decreasing priority as CORE activity. The corresponding percentages expressed also for the other categories is shown, the reported percentages being expressed with reference to the total number of responses.

Sector	Type of activity	CORE	SECONDARY	POTENTIAL	RELEVANT
Information and advice	Sustainable energy information and advice to the general public	59%	26%	11%	24%
RES	Development of RES projects (action planning, feasibility studies, design, work supervision, tender document drafting, or supply of services/energy)	56%	26%	14%	26%
Energy efficiency in buildings	Building energy advice, auditing, certification.	52%	23%	16%	31%
Information and advice	Awareness raising and targeted promotional campaigns	52%	29%	12%	24%
Information and advice	Organisation of conferences and other events	39%	43%	11%	15%
Energy planning	Services for planning, design, development of strategies.	33%	36%	16%	18%
Energy efficiency in buildings	Building energy management	31%	32%	21%	23%
Energy	Energy auditing and advice.	30%	35%	20%	16%

efficiency in buildings					
Education and training	Educational activities with students in schools	30%	35%	13%	18%
EU policy support	European Programmes and structural funds	28%	29%	21%	18%
Sustainable development	Participation in forums, facilitation of groups, action planning (e.g. Local Agenda 21)	28%	34%	15%	17%
EU policy support	Implementation of European Directives (buildings, CHP, RES electricity, biodiesel, energy services)	26%	30%	21%	16%
Other services	Integration of energy in other sectors.	25%	24%	14%	15%
Energy efficiency in industry or commerce	Feasibility studies, design, work supervision, and/or supply contracting.	22%	34%	21%	12%
Sustainable development	Local sustainability studies, evaluation of indicators.	21%	31%	20%	14%
Education and training	Training for professionals/workforce	18%	40%	19%	16%
Transport and mobility	Specific communication/awareness campaigns	18%	25%	29%	18%
Other services	Direct assistance to administrations for ancillary services	18%	21%	16%	8%
Information and advice	Development of web sites	18%	30%	20%	11%
Energy planning	Development of local regulations	18%	23%	21%	15%
CHP development	Feasibility studies, design, work supervision, and/or supply contracting.	15%	25%	21%	18%
Financial mechanisms	Grants organisation, technological procurement, consulting for ESCos, performance contracting procedures	13%	28%	23%	13%
Education and training	Teacher training	13%	25%	24%	0%
Transport and mobility	Studies, planning, mobility plans	12%	18%	35%	23%
Energy efficiency in buildings	Inspection of boilers.	12%	11%	26%	14%
RES	Projects for isolated areas (not grid-connected)	11%	23%	19%	12%
Education and training	Adult education	11%	31%	18%	14%
Energy efficiency in buildings	Developing contracting documents for building management, and/or managing/supervising programme of works.	10%	26%	31%	17%
Other services	Technical assistance for conventional system design	8%	16%	18%	8%
	Others	3%	1%	1%	1%

From this table a very important conclusion can be drawn. The five most frequent activities of EU energy agencies (between 59% and 39% in the CORE scoring) are:

Sustainable energy information and advice to the general public

Development of RES projects (action planning, feasibility studies, design, work supervision, tender document drafting, or supply of services/energy).

Building energy advice, auditing, certification.

Awareness raising and targeted promotional campaigns.

Organisation of conferences and other events.

Summing up the CORE and the SECONDARY categories, the five activities score more than 75%, and if we add also the POTENTIAL category, the percentage is for all of them above 90%. This means that almost all agencies perform activities of these types, even if sometimes needing external help.

The five types of activities represent a very interesting mix of technical operations (developing RES projects and supplying “soft” building energy services like advice, audits, and certification) and information/communication activities, including organisation of events. This mix represents very well the typical features of a local energy agency, having both technical and communications expertise, distinguishing them from consulting engineering companies and pure communications agencies.

These five activities also receive the highest scores in terms of relevance for the public administrations (between 31 and 24%), with the exception only of the organisation of events, lagging behind at 15%. The next most popular activities in terms of relevance are building energy management and studies, planning and mobility plans in the transport section, but they are much less commonly practised by energy agencies (respectively 31 and 12% as core activities).

There is a second group of activities having a certain frequency and relevance, represented by:

Services for planning, design, development of strategies.

Building energy management.

Energy auditing and advice (in the industry and commerce sector).

Educational activities with students in schools.

These activities are practiced as CORE activity by one third of the agencies (30 to 33 %) and as secondary activity by another third (32 to 36%).

These activities also contribute to defining the profile of EU energy agencies, because local energy planning is always the starting point of energy agency operations, education in schools is complementary to the previous information activities, and building energy management together with advice/auditing services for industry and commerce complement the previous energy in buildings activity.

Finally, it is interesting to note those areas which are under-scored even if usually considered as typical activities of energy agencies. The most striking examples are:

Feasibility studies, design, work supervision, and/or supply contracting for CHP development.

Financial mechanisms, like grants organisation, technological procurement, consulting for ESCOs, performance contracting procedures.

Developing contracting documents for building management, and/or managing/supervising programme of works for buildings.

The scores for these activities are below 15% as core and below 28% as secondary, showing that the agencies find difficulties in playing a role at local level in setting up initiatives based on innovative financing tools, even if they are already well known and in part of EU also well developed. The efforts to reinforce the agencies skills and capabilities in this area have to increase, if this activity has to become a priority in agencies' efforts.

Sectors

A similar analysis has been done for the 12 sectors of activity. The following table reports for each sector the percentage of activities reported in that sector, with respect to the total number of activities mentioned in all sectors. This type of evaluation indicates not only the occurrence of the sector in the agency's activities, but also the number of single activities performed in each sector.

Sector of activity	CORE	SECONDARY	POTENTIAL	RELEVANT
--------------------	------	-----------	-----------	----------

Information and advice	23%	16%	10%	15%
Energy efficiency in buildings	14%	11%	17%	18%
Education and training	10%	16%	13%	10%
RES	9%	6%	6%	8%
EU policy support	8%	7%	8%	7%
Other services	7%	8%	9%	7%
Energy efficiency in industry or commerce	7%	8%	7%	6%
Energy planning	7%	7%	7%	7%
Sustainable development	7%	8%	6%	7%
Transport and mobility	4%	5%	11%	9%
CHP development	2%	3%	4%	4%
Financial mechanisms	2%	3%	4%	3%
	100%	100%	100%	100%

This table confirms the four most important sectors for local energy agencies:

Information and advice

Energy efficiency in buildings

Education and training

RES

The four sectors are also those ones reported by the agencies as of most relevance to the administrations (between 8 and 18%).

There is a slight change with respect to the results obtained in the activity analysis, which is that education and training has risen up in the ranking. This is because the energy agencies have distributed their activities in this sector across all categories, demonstrating a capability of adaptation to different needs (schools, teachers, adults,...).

The activities in the transport sector, the object of particular attention by DG TREN in the last two years, are actually still under represented, with 4% of core and 5% of secondary classifications. The 11% noting this as a potential activity confirms that training activities addressed to energy agencies could improve the score of the transport sector, which is perceived as quite relevant by the administrations (9%).

Strategies

At the end of the questionnaire section concerning activities, a last set of questions investigates the strategy of the agency, facing local competition.

The most threatening competitors are the private consultants. This may be due to LAs finding it easier to assign small services to individuals than to organisations. Engineering companies and public organisations come second and third.

The threats that carry the highest risk come from the change of administration policy, closely followed by the lack of resources for energy by the clients and change of political majority. The unstable condition of the EAs with respect to the LAs here finally appears in full evidence, as a widespread, severe and complex problem, not easily solvable with the resources of the individual EA alone. .

The EAs were asked then to identify the best strategy to overcome the competitor's threat. In retrospect this exercise was probably too difficult to carry out in the short time most would be able to give to filling out a questionnaire, and

moreover at the end of work. There may also have been a flaw in the question in that some directors commented that they would have preferred to have been allowed to select several or even all of the options. In practice the absolute number of replies is less than in the other questions, and the selections are distributed quite randomly across the various options. The main suggested strategies (diversification of clients in various ways, enlarging of provided services, co-funding proposals, improving of communication) are more or less equally selected, with the only evident very low appreciation of a coalition strategy with competitors (networking at this stage seems ineffective). Considering the limited sample it is difficult to further interpret these data.

Who are your competitors?	Engineering companies	28 %
	Private consultants	54 %
	Public organisations	31 %
	ESCOs	6 %
	Utilities	15 %
	Others	13 %

From which threats do you see a possible risk to the survival of your agency?	Change of political majority	38 %
	Change of administration policy	47 %
	Lack of resources for energy by your clients	41 %
	Others	13 %

What is your strategy to overcome such threats?	Increase the number of clients	increase the range/type of clients	increase the range of key contacts within administrations	increase the range of skills and capacity	explain/show benefits of funds leverage	develop/improve public relations/communications activity	negotiate collaborative agreements with competitors	Other
Change of political majority	9%	8%	15%	6%	12%	13%	2%	5%
Change of administration policy	8%	10%	14%	9%	11%	10%	1%	2%
Lack of resources for energy by your clients	8%	13%	4%	4%	14%	7%	1%	3%
Others	6%	2%	3%	4%	5%	9%	2%	3%

Presentation of all rough data on EA organisation

The percentage is based on the number of answers against the total number of participating agencies (159)

STATISTICS	
General Info	<p>What type of organisation is it (tick one box)?</p> <p>Is it a totally public organisation, or part of a local authority? 32%</p> <p>Is it a non public (or non-totally public) body having a non-profit status? 45%</p> <p>Is it a profit-making organisation? 11%</p> <p>Others 7%</p>
	<p>How do you define the quality of your relationship with the local/regional administration/s which created your agency? (tick one box)</p> <p>excellent 42%</p> <p>good 42%</p> <p>moderate 13%</p> <p>not good 1%</p> <p>bad 0%</p>
Financing (indicative figures are sufficient)	<p>Approximate current turnover in €/y, including all partners' contributions (tick one box)</p> <p>less than 75.000 13%</p> <p>75.000 to 500.000 57%</p> <p>500.000 to 1.000.000 13%</p> <p>more than 1.000.000 15%</p>
	<p>Turnover development in the last three years (tick one box)</p> <p>rising 47%</p> <p>stable 42%</p> <p>Decreasing 8%</p>
	<p>Are your revenues based on service contracts? (tick one box)</p> <p>totally 13%</p> <p>partially 60%</p> <p>not at all 21%</p>
	<p>Percentage of long term (multi-annual) contracts with respect to total turnover (tick one box)</p> <p>less than 10% 34%</p> <p>10 to 30% 24%</p> <p>30 to 50% 13%</p> <p>more than 50% 22%</p>
	<p>How do you define the present financial situation of your</p> <p>very solid 11%</p> <p>promising 19%</p>

	agency? (tick one box)	stable 47%	
		weak 17%	
		critical 4%	
	What is a typical % of subcontracting in your agency's activities? (tick one box)	less than 20% 65%	
		20 to 40% 23%	
		40 to 70% 5%	
		more than 70% 1%	
Associations and networks	What would you like to receive from a regional or national association of agencies? (tick the relevant boxes)	lobbying towards central administrations 69%	
		technical support 43%	
		exchanges of experience 75%	
		Others 23%	
	How do you evaluate the benefit of being part of this/these international network/s of agencies? (tick one box)	essential 17%	
		useful 52%	
		indifferent 9%	
		negative 1%	
	Do you know what ManagEnergy is? (yes/no)	yes 95%	
		no 2%	
	Have you made use of the following ManagEnergy services? (tick the relevant boxes)	Annual conference 55%	
		Workshops and other events 51%	
		Partner search 40%	
		Web information 81%	
		Case studies 50%	
	What is your opinion of the ManagEnergy initiative to date? (essential- useful- indifferent - not useful); write under each relevant box)	Yearly conference	essential 16%
			useful 53%
			indifferent 14%
			not useful 4%
	What is your opinion of the ManagEnergy initiative to date? (essential- useful- indifferent - not useful); write under each relevant box)	Workshop and other events	essential 8%
			useful 60%
			indifferent 15%
			not useful 1%

		Partner search	essential 21% useful 49% indifferent 11% not useful 3%
		Web information	essential 32% useful 58% indifferent 3% not useful 0%
		Case studies	essential 13% useful 58% indifferent 11% not useful 3%
International contacts with other agencies	Number of foreign agencies/organisations you have worked with, at any time since the agency started.	less than 5 33% between 5 and 10 26% more than 10 38%	
	How beneficial has it been (for the local activity of your agency) to work with foreign agencies/organisations? (tick one box)	essential 23% useful 58% indifferent 14% negative 1%	
	Has your agency significantly increased the number of clients in the last years? (yes-no)	yes 65% no 25%	
Strategy	Who are your competitors? (tick the relevant boxes)	Engineering companies 28% Private consultants 54% Public organisations 31% ESCOs 6% Utilities 15% Others 13%	
	From which threats do you see a possible risk to the survival of your agency? (tick	Change of political majority 38% Change of administration policy 47%	

	one box)	Lack of resources for energy by your clients 41%	
		Others 13%	
	What is your strategy to overcome such threats? (tick one box)	Change of political majority	increase the number of clients 9% increase the range/type of clients 8% increase the range of key contacts within administrations 15% increase the range of skills and capacity 6% explain/show benefits of funds leverage 12% develop /improve public relations/communications activity 13% negotiate collaborative agreements with competitors 2% Others 5%
		Change of administration policy	increase the number of clients 8% increase the range/type of clients 10% increase the range of key contacts within administrations 14% increase the range of skills and capacity 9% explain/show benefits of funds leverage 11% develop /improve public relations/communications activity 10% negotiate collaborative agreements with competitors 1% Others 2%
	Lack of resources for energy by your clients	increase the number of clients 8% increase the range/type of clients 13% increase the range of key contacts within administrations 4% increase the range of skills and capacity 4%	

			<p>explain/show benefits of funds leverage 14%</p> <p>develop /improve public relations/communications activity 7%</p> <p>negotiate collaborative agreements with competitors 1%</p> <p>Others 3%</p>
		Others	<p>increase the number of clients 6%</p> <p>increase the range/type of clients 2%</p> <p>increase the range of key contacts within administrations 3%</p> <p>increase the range of skills and capacity 4%</p> <p>explain/show benefits of funds leverage 5%</p> <p>develop /improve public relations/communications activity 9%</p> <p>negotiate collaborative agreements with competitors 2%</p> <p>Others 3%</p>

3.2 Interviews

This chapter presents a set of qualitative issues, emerging from various types of contacts with local and regional energy agencies (EA) directors: visits, interviews, meetings attended in the course of the research, telephone conversations with various agencies not directly interviewed, the Focus Group held during the Managenergy Conference 2004, and other elements of direct knowledge held by the experts.

For clarity, these issues have been categorised, and ordered in the same way as the topics in the Internet questionnaire.

These issues provide a deeper understanding of the context in which the EU regional and local energy agencies operate, and the challenges that they face, than the quantitative analysis alone, and this section constitutes the main basis for the recommendations expressed in Chapter 4.

A. About the organisation

The quantity and range of activities globally developed by the EAs at local level is impressive, going far beyond what might be expected by an unaware observer.

The overall impression of EAs perceived by the four experts is of highly committed, knowledgeable, skilled individuals, struggling for resources and recognition, against apathy, competition, and institutional barriers at all levels. Some find a way to make a success of things whatever is thrown at them, but others fall by the wayside, and there is a real need to ensure that avoidable burdens are not added to the formidable task that they face.

3.2.1. General/identity and role

Several agencies mention their role as regards '**mainstreaming' sustainable energy** – able to understand the practical agenda of Regional/Local Administrations (LA) or Housing Associations, as opposed to having a deep green image. This is useful in understanding where they 'fit' into the bigger picture.

Agencies are seen as **professional – compared to other environmental NGOs** – this is a similar point to (1) above.

Independence – technology neutral, politically neutral and commercially neutral (non-profit) – all are seen as crucial aspects of the role of agencies, especially in their role as advisor or project manager for Local Administrations (LAs).

This independence is seen as an important condition for their continued existence.

Definition of an energy agency

To help identifying the identity of EAs, the Charter of regional and local energy agencies, or Charter of Cork (see annex 3) has been used, as it indicates the criteria defining a "SAVE Energy Agency", and giving the right to use the "SAVE AGENCY" logo, even for EAs created by LAs independently of DG TREN funding.

The nine criteria are:

Main objectives have to be the promotion of energy efficiency and RES;

The area of intervention has to correspond to an administrative sub-national territory;

The EA must benefit from the support of a R/LA;

The EA must benefit from operative autonomy (own budget and management boards);

R/LA and other local actors shall participate in the Management Board;

Minimum 2 operators and a sufficient structure to show a neutral image are necessary;

The work programme should be mainly focussed on the energy demand side;

Polyvalent activities must be performed (at least planning, advice, project management and diffusion of results);

The agency should cooperate with other energy agencies.

The survey has shown up very different situations in practice, for example:

Most agencies declare that they satisfy point 1 stating a non-profit condition in their Statute. However, the criteria for defining a non-profit organization vary widely, within or outside the LA. For example:

non-profit, non-commercial associations (in French «association à but non-lucratif», in Italy "organizzazione non lucrativa di utilità sociale – ONLUS"),

non-profit company (in German gGmbH)

part of local authority administration (for example agencies set up as independent business units within LAs in several countries, or within the county associations of municipalities as in Sweden)

Therefore, it is questionable that the definition of “non-profit making organisation” always corresponds to the condition of SAVE AGENCIES. Criteria 1, 2 and 3, in fact, may also be satisfied in cases where the EA has been transformed into a limited company, with the ability to distribute profits to the members (public and private).

The level of autonomy (criterion 4) is also very delicate to be established. Even EAs belonging to LAs may have a status of autonomous business units, with separated budget and own board, therefore compatible with the Charter.

Another fuzzy criterion is the membership/shareholder structure (criterion 5 of the Charter): should there be a minimum of one local/regional authority on the Board or is it sufficient to have the clear support of a local authority, proven by a contract or cooperation agreement? How should this criterion be applied to agencies active in a territory covered by several local authorities?

Another grey area is that relating to the activities (point 8): several EAs are carrying out activities, such as information and awareness raising campaigns, targeted information, and training about new and efficient technologies, in a non-commercial form (using the yearly general contribution of the members) - but most EAs also perform commercial activities, selling services in a way very similar to private consultants, planners and ESCOs. This mix of activity types, although common practice for EAs, sometimes engenders objections about the “fairness” of the EA as competitors in the free market.

Dead and ‘dormant’ agencies

The experts have only attempted to contact the EAs listed on the Managenergy database – there may be other agencies that are not listed and have disappeared, or other having recently been set up which are not covered. In any case, during the contacts some EAs appeared to have been definitely or provisionally closed, and others have gone very quiet and no longer appear to be operating as independent agencies. It seems that the host LA has in some cases kept the staff and deployed them on other LA work, on the promise that they can redevelop the agency role if they can bring in funds to do so – so the agency is kept alive as a legal entity. It leaves a lack of definition as to the number of surviving agencies and doubts as to autonomy, and the realism of the intention to revive external activities. This should be clearly differentiated from those agencies that are a unit totally within the LA, but are nevertheless carrying out energy agency activities and are active in external partnerships and initiatives.

For a specific report on closure of EAs a more detailed analysis would be needed, involving talking to more people about each case to get a full perspective. Nevertheless, a rough estimate of the dead or dormant agencies with respect to the total has been attempted, according to each one of the four areas attributed to the experts.

Northern area: 9 closed and 2 dormant.

Central area: 2-3 closed.

Eastern Area: no closed agencies reported.

Southern Area: 6 closed and 4 dormant.

Based on the total number of organisations listed today on Managenergy (327 local and regional) the rate of closed is less than 10 % and of dormant 3%.

Trying to identify the apparent or reported reasons for closure or temporary suspension of activities, a tentative, non-priority-ordered list was obtained:

Organisation becomes private consultancy or other linked private concern (such as installer) on basis that able better to finance future

Staff redeployed onto other activities within local authority

Disagreement between Director and Board/funder

Main driving force (typically Director) moved to new post elsewhere

Merger with similar group (typically in neighbouring area)

Host organisation decided it has too many identities and this is not the most important one (still carries on similar activities but without so much of a European identity).

Links between local/regional/national agencies

This link is often not clear and/or not formalized – with many implications: they may act in competition, or waste time developing the same initiatives. National agencies in some cases receive national government funding but do not pass any on to local initiatives (others on the other hand do manage programmes of funding for local work which can be very successful).

National agencies in some cases or on some topics act as 'programme managers' not practitioners, and may have civil service type skills, rather than technical or communications expertise. While this can work very well, this fact may not be recognized and expertise in local agencies not given opportunity to influence and inform programmes in development.

Others have technical knowledge which may not be made available effectively to local agencies who are the practitioners.

Some regional and local agencies have no formal interrelationship (which loses both credibility with LA and other partners), while at the other extreme some have complex and time-consuming structures in an attempt to deal with this.

This issue is extremely difficult if not impossible for the individual energy agency to solve. It seems that many national energy agencies have no clear sense of the purpose of local/regional agencies – and it is not very easy for a new small NGO to approach them and be taken seriously with no 'top-down' support for this.

3.2.2. Ownership or control

Membership of management boards is generally broad, and includes partners who will work with and cooperate in networking with the EA. A control position in the board is usually in the hands of LAs.

Link to local authorities

Most EAs confirm that the central reason for their existence is to provide effective support and services to LAs. Therefore the link with LAs is the crucial issue for their survival and success. **Expectations of LA support vary** tremendously. The impression is that those that receive quite a high proportion of support consider it not enough, while those that receive little have either disappeared or learned to manage without and have little expectation of 'core' support.

It is of crucial importance to maintain a privileged relationship with the LA. An ideal solution for LA financing might be to maintain around 50% of basic agency operating costs as a contribution for projects. The 50% local support concept is very appealing, as it fits in so well with external funding regimes, and gives both a strong motivation and practical enabling mechanism for bringing in external funds. Could the Commission promote this idea strongly as a workable concept beyond the SAVE contract period? It could be on the basis not necessarily of a 'core funding'¹ promise, but a budget for 50% funding for projects, up to a target amount.

One of the main concerns for EAs is the development of a false image of the agency by an LA: for example as a fully autonomous structure which can threaten the prestige of the administration, or an organisation too closely linked to a single political personality or party, or poorly qualified staff capable only of generic diffusion of information.

The EA should operate in contact with different city departments; the most relevant are typically environment, buildings, housing, tourism, transport/traffic, planning and education.

On the other hand the **elected** local politicians (changing periodically) tend to have a very rough and confused idea of the role of an energy agency. It may be considered unfair that DG TREN invest so much in energy agency staff, and spend almost nothing on the elected people who may be responsible for their orientation and strategy. Suggestions from agencies include a Managenergy Conference for these elected representatives, Managenergy local workshops to compare EA strategies among directors and Management Board members, or other opportunities to illustrate to new elected politicians good practice and success stories of EAs in their country and abroad.

At the local level the energy agencies have a 3 year period to demonstrate that the spending of public money for implementing public energy policies is useful and indispensable. This is the major challenge to tackle. An important dimension in the justification of spending public money is a fairly precise description of the activities carried out and their impact. There should be a clear distinction made between funds made available for general activities and for specific more project-oriented actions. Funding general activities without seeing the results produced can seriously endanger the public will to continue the support (see also the point on evaluation of EA activities in chapter 4). In the case of dwindling support from the public institutions the search for private funding and project based services may lead to competition with already established market actors, such as energy consultants.

An important argument, in favour of LA support to an EA, is to demonstrate the link and the support for regional/local economical development. Several agencies use this already as key argument for justifying their existence.

High level / top down support

Agencies have to battle for credibility both with national government and with local authorities, and have a hard job as at the same time they are trying to:

obtain/sustain LA or national government funding

¹ "Core funding" means contributions to the EA, provided by the members on regular basis (e.g. yearly), without a precise specification of concrete actions to be developed. On the contrary, if contractual specifications are defined, the funding is considered as "project funding".

convince LAs and national government of the importance and practice of sustainable energy

keep LAs interested and aware of EU policy

This is all coming from a small and apparently insignificant NGO that may have 3 staff on short term contracts. Some agencies have pointed out that there seems to be a lack of reinforcement of their message **reinforced by top down communications**, which could perhaps be originating with the Commission but via national government and/or national energy agencies, and senior LA figures. This communication is needed to explain the purpose and benefits of agencies, the relevance to national and local policy and to explain the funding arrangements – in particular that the EC funds only the pilot period for the individual agency.

A further suggestion is that the Commission might encourage or facilitate links with and support from MEPs at some stage. The cooperation with the MEP's could have two directions:

presenting the tool of EAs within EIE and its positive impacts in order to maintain and enlarge the EU parliament support for EIE and particularly the set up and follow up of EAs

showing the opportunity for MEP's to underline the link between European policies and local action with a view to encourage MEP's to become more closely associated with the EA in their countries of origin.

3.2.3. Financing

The lack of finance for performing routine work is a general complaint from EAs. Larger organisations object to the lack of financial support coming from national sources, which would enable significant, durable and comprehensive information activities targeted to the general public and other smaller energy users. Smaller organisations object to the fact that they have to focus on concrete projects and leave out work on more conceptual strategies, as well as public education projects.

Some organisations give most of their focus to large industrial, service and municipality clients, others prefer to focus on the general public and smaller energy users, such as small and medium enterprises. Focusing on the general public and small businesses provides a large potential audience and target group, but has the disadvantage that these clients are generally unable or unwilling to finance special projects and consultations. General government-level subsidies are typically required in order to secure stable services for these clients.

Focusing on large energy users can be more practical in terms of securing financial independence; on the other hand it does not provide long term financial stability and a secure perspective.

If organisations receive general and regular subsidies, their income may be stable but is dependent on the political decisions of the central government. On the other hand, if most of the income comes from a variety of projects, this gives the organisation independence in its decision making process. At the same time, this does not bring long term financial stability, and limits their ability to work on strategic and global level policy documents, in collaboration with the LAs.

Some agencies face a lack of project orders from the public sector and rely on private industry to pay for their services. However, the number of privately paid projects is influenced not only by the motivation to save energy and lower operational costs, but also by national legislation. In addition to these factors, the development of energy prices, both on the world markets, and under central regulation, influences clients' interest in energy efficiency and renewable energy services.

Several EAs expressed concerns about their **financial structure**: either too dependent upon a single client (such as the local Municipality), or relying mostly on EU projects (with inherent risks and cash flow problems, and possibly a reduced contact with the reality of the local situation). There is a general consensus amongst the EAs that a key strategy is the diversification of clients (different departments of the same administration, different public administrations, mix of public and private clients, and if possible a mix of local, national and European funding programmes).

This financial insecurity has implications for the **recruitment and retention of staff**. Many EAs report that they have young, academically good, but professionally inexperienced staff as a result. Some EAs feel that they are in effect a 'training agency', helping such staff in first job, then seeing them go on to more secure and/or well-paid posts having benefited from the agency experience.

Business Planning

A feature of many successful agencies is their ability to combine non-profit objectives with entrepreneurial spirit and skills. Issues around business common-sense and experience seem crucial to the way the agencies develop as organisations. The ability of an agency to market includes identifying the competition and the gaps, in both the immediate opportunities and medium/long term strategy.

Most EAs prepare annual and mid term action plans; business planning is a concept some have taken on board seriously and others not at all. Interestingly, those who have planned do not all plan for growth – some seem to accept staying very small.

3.2.4. Personnel

Since most of the organizations are small in number of employees, their skills, as well as the managerial skills of the directors are crucially important. The most crucial skills identified for employees are:

Ability to lead a project from the organisational point of view,

Professional, technical, technological and/or scientific knowledge,

Cooperation abilities with other partners and the public (including the promotion of project results),

Ability to manage the projects from the financial point of view (including project preparation and reporting).

Communication and marketing skills

Entrepreneurial and innovation/project development abilities

The improvement of professional skills can be obtained by training through different networks or service providers (e.g. national associations of energy agencies).

The director is defined as a kind of “superman (or woman)”, requiring high level capabilities in communication and social skills, financial and personnel management expertise, public relations (particularly with LAs), group animation, technical and scientific knowledge, political awareness, etc...

Background of staff has a great influence on the way the agency develops, especially the Director – but also other staff. The range of backgrounds includes engineering, environmental science, planning, economics, social sciences, law, local authority, architecture, journalism, marketing, insulation, heating or renewables industry, industrial energy research.

Student placements are an approach many of the very small agencies have taken and benefited from – it would be useful to share advice on how to manage this, fund it and some of the pros and cons, benefits and pitfalls. The same applies to ‘secondments’.

Size and capacity of local/regional agencies

It has been surprising to find so many very small (3 staff) agencies. This seems a huge mismatch with the grand aims of the agencies and liable to cause stress. Standing back from direct involvement in agencies a common sense management question might be whether the model for a start up agency is actually viable in terms of the capacity for management, administration, technical and strategic services, marketing, communication, all within a stand alone organisation of 2-3 staff.

3.2.5. International Networks and Support Services

Networking at international level is crucial for the survival and the recognition of an energy agency, and for its achievement of a global to local purpose.

At national level better links are needed between EAs and the national energy agency, with the network of energy agencies, with support funds accessible to EA.

Managenergy

Managenergy is generally considered to be a helpful tool. The hope and expectation is that it will stay alive for a certain number of years and not fade out (as happened to a former website dedicated to energy agencies called LAREM, managed by ICLEI).

The Managenergy website has a circular route to success, in that the more it is used the more useful it will become. Hence the need to build on what has already been done, and accepts that this takes time. Also there is a need to **market** it to the users, and explain how to make the best use of it, such as the facility to put lots of information on the individual agency sites, and make it look good. Comments are noted however about the effort/cost it can take to put data on the site if the agency does not have a fluent English speaker on staff to do this. Could help with translation/checking English be offered as part of the service?

Several functions are well appreciated, such as the broadcast of workshops and conferences, the information platform (open calls, policy papers etc.) and the reflection group. The volume of information should not be extended too much. Concerning wider dissemination, an effort should be made to target other actors at the local level. This also means that the efforts to translate the web site content into other languages should be stepped up. LAs and other key actors at local level usually do not master the English language sufficiently.

For practical things the listing of organisations should not be too long, especially when printing pages. It should also be better structured.

Specific help is requested by EAs from new Member States (MS), as follows:

Help with implementation of new legislation in the new EU member and accession countries,

Introduce and help with joining the EU financial support schemes,

Share skills related to the project development and management,

Give concrete contacts inside the European Commission related to energy efficiency and renewable energy sources,

Enlarge the section enabling the exchange of contacts.

One of the observations was the lack of cooperation and information exchange among the Central European organizations.

Links between Managemenergy and national websites were requested, e.g. those of national energy agencies.

Participation in EU programmes (particularly EIE)

There is a need for direct and friendly advice on EU contracts: legal, financial, contract coordination details, forms and rules, particularly by new MS.

Impact of the partner agencies in the SAVE contract

Where partners have been inactive or not very communicative, this seems to have quite an impact on the longer term attitude of the agency to European partnerships after the SAVE contract. If the experience has been negative or neutral, they tend not to develop further EU projects. On the other hand, a successful partner in the SAVE contract (perhaps with a good level of local government support to back them up) often helps the other agencies a great deal, in terms of new projects and encouragement.

Several difficulties are mentioned by EAs, particularly in new MS: one is that participation in EU programmes involves a demanding administrative process for preparing, managing and reporting on the projects. This is limiting interest in participation. Another problem is the long lead-in time between project proposal submission and the actual project. Many things can change, in the period between writing the proposal and starting work, which require project modification (and negotiations with the EC officer).

The information days are appreciated as valuable, as are the bilateral discussions with the EC representatives related to the project preparation and organization, as well as related to the introduction of new financial mechanisms of the EC,.

Many of the local EAs are no longer involved in European projects, as it can be very difficult for a three person team to keep up relationships at European level and prepare proposals, to generate sufficient co-finance, and to cope with delays and uncertainties over payment. They choose instead to concentrate effort on the work and profile of the agency in the territory covered.

Another problem related to EU projects is that it is sometimes difficult to manage the large number of partners involved. It is then difficult to coordinate common activities and secure relevant outcomes. This is made worse by the quick turn over of staff in these organisations. Naturally, as in other sectors, the salary conditions very much influence the quality of staff.

Opportunities for training of personnel in EU project management are likely to be well received.

Impact of mentor agencies – similarly to above, this has as a significant impact on future views of a new agency. However, given the range of different types /models of successful agency, having only one mentor available may not be the ideal arrangement – perhaps a better way to do this would be to have a group of experienced agencies with different models and experience.

One way to help with this problem might be to find new ways to facilitate the support of expert agencies to new and weaker agencies: such as a fund that agencies could call on to pay for their assistance (it would need to be a rather quick turn around 'small consultancy' style of fund), or a twinning of groups of expert agencies with groups of weaker agencies (may be in an EIE project addressed to one specific topic belonging to the work programme).

Another suggestion made with regard to **ongoing support** is some kind of second tranche of funding, that surviving agencies could apply to for **further development**. This would recognize the achievement of surviving beyond the end of SAVE funding but allow agencies to develop beyond either the minimum size (typically 2 or 3) or to develop new areas of work recognized as important but that they have not been able to find other funds for (e.g. transport, or SME advice). A mix of the above ideas could be a later tranche of mentor funding – for mature agencies wanting to develop new areas of work, or to get help with growth issues.

International networks and their interest for energy agencies

At the European level several networks are active, which are either dedicated to energy agencies or have a substantial number of energy agencies as members. One can cite notably the following ones:

Energie-Cités: focussed on energy management in urban areas

FEDARENE (European Federation of Regional Energy and Environment Agencies): focussed on energy and environment agencies working and regional or provincial level

IsleNet : is the network of European Island Authorities which promotes sustainable and efficient energy and environmental management

These networks are very present in most of the European member states in cooperating and assisting local authorities in the design and the implementation of energy and, to a lesser extent, environmental policies at their territorial level. These networks facilitate the development of partnerships between their members, thereby encouraging the exchange of experience and the transfer of know-how and technology. They provide up to date information services to the members about inter alia European policies in the energy field. The networks give advice on relevant European programmes and funding possibilities. They assist in the formulation of project proposals and the creation of partnerships.

Due to this interesting support and the advantages, which can be obtained through these networks, a considerable percentage of the EAs are members in these networks (62% of the questionnaire sample), either directly or through their respective local authorities. One of the key advantages indicated by the EA is the possibility of having easier access to the set up and involvement in European projects (particularly for the EIE programme). Another major motivation for membership is the exchange with similar organisations in other countries: what can one learn in a positive way from the others and what mistakes should be avoided. In cooperation with the local authorities, this can lead to important learning processes and changes in the definition of more ambitious energy policies and objectives and a stronger implementation orientation.

The functioning of these networks is to a great extent financed by membership fees. The volume of these membership fees and the travel expenses for participating in meetings and workshops can be an obstacle for EAs to become members. This is especially valid for young EAs or those just beyond the 3 year support period.

The complementarities with the national associations of EAs or other international networks like EUFORES or RES promotion networks is in principle quite well established, but needs in certain cases some clarification. The identity of the international networks of EAs is based on the very similar way of acting of the members carrying out the same core activities. From a European point of view this creates opportunities for better coordination and efficient exchange of good practice in the energy and other fields at the level of local authorities.

The international networks can also represent a useful channel to connect EAs with LAs (cities and regions, with whom the EC has more difficulty in connecting directly, due to the subsidiarity principle).

National associations of EAs

The newly born national associations of EAs, formally established in some cases or purely informal in others, are starting to operate. Still there is uncertainty about their main role: lobbying at national level, providing services and opportunity of exchange, streamlining information to EAs, and it appears that the potential of these networks has yet to be fully realised. In some cases there may also be procedural and credibility issues to be addressed. Some of the points arising relating to this issue are:

The remit of the Reflection Group, and whether this is seen as representing the views of agencies – and if so how the representatives are selected, and what mechanisms are in place for them to canvass the views of the member agencies on issues to be discussed at the group.

What minimum contact and services associations must provide and what percentage of membership to be seen as representative.

How to ensure all agencies have an equal opportunity to be active within the association, and avoid associations being dominated by a single agency, possibly even holding a contract to provide services with no specific mandate to do so from the members

Overlap between the role of the association and the national energy agency, in cases where the latter is proactive in networking with local groups

3.2.6. Type of clients

Working with Local Authorities: there are (at least) two sides to this – close partnership involving LA control and demands on the agency may give more influence and a stronger role – but looser links give more freedom to develop as a successful SME.

LAs are typically the main client, but a complication in this relationship is that public tender procedures require that most of the services supplied by the agencies pass through a public call for tender; the danger is the short duration of contracts, competition with other organisations/private companies, etc..

Difficult paperwork and confusion during the SAVE contract can have a negative impact on the image of the agency for the local authority which does not help them to develop in the next phase

Working with utilities: a difference was noted in discussions between those countries where the interest of utilities in RUE (and even RES) improved (eg UK) or reduced (eg Austria, Italy) after liberalisation – this may relate to the way this was implemented, for example the role of the Regulator.

Working with other local actors: successful agencies have developed the capability to create several working partnerships with other local actors, transforming potential sources of competition and conflict in positive synergies (see also the list of strengths presented in part C - SWOT analysis). It is suggested that this type of collaboration be requested of SAVE-funded EAs even in the start up period.

3.2.7. Strategy

Agency aims, as initially established, are effectively political and strategic – not market led. There appears to be a split into two types of surviving agencies: those that continue as environmental pioneers with local government support (typically very small), and those that find/develop a market niche and are successful as non-profit entrepreneurs.

The focus of most EAs is on municipalities – to try to involve them as much as possible in the work in energy efficiency and RES. Energy advisory organizations (where locally existing) and energy agencies can serve as the **interpreters of the European Commission's** opinions, legislation and policies at the local level. One of the suggestions from local organizations with municipal focus is to interconnect the financial support from internal sources (either towns and villages, or regional/national authorities) with all professional advisory organizations acting locally (both EA and others energy advisory organisations, working together). This cooperation gives the ability to secure finance, exploit the best professional know-how and ease the contact with final users.

On a more general basis, energy agencies appreciate the opportunity to work with **regional and central** governments, to implement their policies at local level and to be able to influence them in developing efficient mechanisms for energy efficiency and renewable energy sources, in the form of new legislation and financial mechanisms. Local agencies trying to influence national policy can be very time-consuming and may not be effective – perhaps this activity would be better coordinated through associations and other membership organisations. A national energy agency that has good communications with the local ones might seek their views on consultations.

The ability to bring local **energy distributors and energy utilities** into partnerships for energy efficiency and renewable energy sources is considered as very influential by several interviewees, even if very difficult to obtain.

In terms of EA activity planning, short and medium rather than long term planning is seen as more appropriate by some organizations, due to rapid and frequent changes in the national environment of energy advisory services.

Proposals for new SAVE agencies

Many agencies that are close to or have recently come to the end of their SAVE contracts commented on aspects of the proposals and contracts that have caused them problems. Several questioned whether, in proposals for new agencies, the breadth of skills needed is really made clear enough – that is marketing and communication as well as technical and strategic.

It was also noted that when a **proposal for a new agency** is submitted, this will not be written by the Director, who is typically appointed afterwards. This also applies to contract negotiation and agreement. Even the most successful agencies comment about how tricky the paperwork is and the lack of consistency of the information from the Commission (a single key contact would help). Proposals sometimes are written by consultants, who may not receive any further payments for involvement after this. This means that there may be no introduction or hand-over from the proposal originator to the new Director. This is not really the fault of the consultant – and some give time for nothing by sitting on management board, at least for a while, but understandably limit their active involvement.

For new proposals, evaluation panels check proposals against criteria and make recommendations – but it was queried as to whether anyone at the Commission **checks proposals against contract terms and conditions** to see if there are any contradictions.

Support from the Commission for existing agencies

The problem of financial support after the SAVE contract end has been floating in the DG TREN debate for several years. A common comment is that passing after 3 years from 100% support (30-50% from EU, the latter from EA members, typically LAs), directly to 0 is too sudden; a gradual reduction over a longer time (e.g. 5 years) may be preferable. There is also a communication/perception problem in that there is no perceived ongoing interest at European level in those agencies that are beyond the end of their contract.

During the interviews some agencies raised the possibility of a dedicated sub-programme of funding aimed at consolidating existing agencies, and suggested that this might be a more efficient way to support the agencies by European funds than those based on either a pilot 3 years only or single actions. This would reflect the value of EAs in non-profit activities such as information or awareness raising campaigns, project canvassing, market preparation, creating networks, strategic development. It was suggested that the EC could set up a program for existing EAs to

receive a basic level of funding (e.g. a half time job for two years). This could be based on a call with selection of for example some 30 agencies per year.

This would give the agencies a complementary income, allow them to continue their tasks of information and awareness raising and spread in a broader way the results obtained in the EIE financed projects and its predecessors, the EU policies in the energy and transport field in general, further disseminate and promote the information available on the net such as Managenergy etc. It could be organized similarly to the OPET network, with sub-groups according to specific subjects, techniques or technologies.

B: About the activities of the Agency

The sector reports have analysed in detail the main areas of activity of EAs in Europe, based on the results of the “Activity” section of the questionnaire and the analysis of interviews. There is not much more detail to be added here with respect to the content of the sector reports. Some comments are reported regarding particularly critical items, where some specific actions could be necessary.

3.2.8. Areas of activity

The most diffused sector of activity of EAs is Information and Advice. This activity represents a very critical issue in those countries where there is not a solid tradition in the organisation of public structures for this purpose; therefore no public funding is available for advisory services at local level. This problem is worth investigation at DG TREN, as it appears very questionable that no common EU regulation does exist in this subject.

A possible funding mechanism for project development has been presented in the previous point 3.2.7, as an EC dedicated sub-programme for EAs.

One of the activities where EAs often encounter difficulties is the ability to collect national, or even regional and local energy statistical data, necessary for energy and greenhouse gas balances. The main reason for this is the effect of liberalisation, which transformed energy data into commercially sensitive data for the utilities and removed territorial monopolies.

A related problem is the difficulty in engaging local energy distributors and energy utilities in energy efficiency and renewable energy sources. In many recently liberalised energy markets the attitude of these companies is to concentrate on energy sales, considering any energy saving policy as an obstacle. The collaboration with utilities is considered very influential by several interviewers.

Several energy agencies confirmed their interest in improving their skills in transport, even if many have strong local competitors (traffic modellers, consultants on public transport and intermodality, urban traffic planners, local mobility agencies). The extent of the engagement of energy agencies in this area is still not fully clarified. EAs have already been involved in the organisation and development of information campaigns and have elaborated energy impact evaluation of new traffic plans.

Other potential future activities have been identified as Kyoto flexible mechanisms, new EC Directives, ESCO support, drafting TPF tender specifications, Local Agenda 21 processes, street lighting and luminous pollution, biodiesel (recovery of used oils), etc...

A substantial shift towards environment-related energy activities has been detected.

The connection of energy with local development is starting to take place in several EAs.

C. SWOT Analysis

Managenergy conference: focus group 21.10.04

The group was facilitated by Catrin Maby, and notes taken by Marcello Antinucci

The other 2 experts on the research team participated in the discussion. There were 13 other participants in the discussion. The majority, but not all, of the participants were local or regional agency directors. In total 10 countries were represented: Austria, Czech Republic, France, Germany, Greece, Ireland, Italy, Latvia, Spain, UK.

Most successful initiatives

RES, RUE and planning

Working with local community

Collaboration with local administration in energy planning

EU projects

Networking with agencies at regional level

National network of energy consulting organizations

Local development including RES/RUE

Biomass CHP/DH

Regional energy planning

Development of SMEs in RES

Information and awareness

Energy performance contracting

Energy efficiency in multi family homes – promotion in connection with events

From policy to implementation: cost effectiveness and environmental impact

Domestic implementation of energy efficiency in buildings

Less successful or unsuccessful initiatives/barriers encountered (note that responses in practice overlap with weaknesses brainstorm below)

Promotion

Publicising agency itself

Energy audits not implemented

Lack of real institutional role in local administration reduces ability to influence policy

Different objectives from administration

Energy saving in buildings

(No money for) awareness raising

Lack of awareness of role of agencies at national level – leads to lack of role in implementation of national policy

Implementation of RES /lack of sufficient financial incentive or support for this

(No money for) advice to SMEs

Resistance in high energy supply regions

Negativity from utilities after liberalisation

Strengths

Problem oriented, not technology-oriented

Super-partes/independent and capable of working in open market

Ability to develop partnership with private companies

Networking in broadest sense

Professional know-how

Non-profit but with business skills

EU connection gives positive image and credibility

PR skills

Links with University enabling training of young staff

Attractive to staff committed to subject

Competitive salaries

Flexibility and quick response

Ability to develop partnerships across sectors

Weaknesses

Lack of commercial know-how

Lack of staff with business experience

Lack of PR skills especially in new member states

Lack of role recognition by local, regional or national government

Quick turnover of staff

Loss of interest of utilities after liberalization

Difficult to have expertise in so many relevant areas with small number of staff

Political barriers

Financial insecurity

Externalization of qualified work means agency does not develop skills in house

Opportunities

energy certification of buildings in countries where not yet fully developed

new technological fields

CO₂ balance / climate change strategies

Preparing for local activity in response to EU Directives

EU networking

Energy Performance Contracting – cost effective solutions to public budget restrictions, can be based on implementing behavioural change as well as on installation of measures

Expansion of activities to (neighbouring) areas where no agency exists

Structural funds and other non-energy funds

EU Directive on Strategic Environmental Assessment

Establishment of formal relationships between regional and local level of agencies – e.g. through association or exchange of board members

Develop agency skills by networking with other agencies – perhaps buying time to work alongside and learn skills, rather than outsource to consultancy.

Threats

Budget cuts in public organizations

Change of political majority or loss of significant individuals from political position

Change of significant personnel in administration

Winning too many or too big projects

Relationship with national agency

Confusion of roles or even competition between local and regional agencies

Lack of definition of areas of operation – can cause trouble with other organisations

Bad Director (rare species.....)

Good Director leaves

Loss of other significant staff

Success of work leads to bigger contracts and interest/competition from larger organizations

Centralization of services leads to loss of ability to act locally/loss of local funding

3.3 Country reports

Even if not explicitly requested by the study specifications, the four experts have found it useful to present the main features of EAs at national level and within the national context, by producing a summary report for each country.

The 16 Country Reports have been shared among the experts, and show some differences in style according to the different sensitivity and materials collected by each expert. The Country Reports are presented in Annex 1.

Austria

Belgium

Denmark

Finland

France

Germany

Greece

Ireland

Italy

Lithuania

Portugal

Spain

Sweden

The Netherlands

UK

Central and Eastern European countries

3.4 Sector Reports

As agreed at the kick-off meeting, six sector reports have been produced. They are presented in Annex 2.

Sector report on energy efficiency

Sector report on RES

Sector report on advice and information

Sector report on education and training

Sector report on energy planning and strategic development

Sector report on EU policy support.

The sector report on energy efficiency has been split in two for practical reasons: Energy efficiency in buildings, industry and commerce, and cogeneration are grouped together, while energy efficiency in transport and mobility stands alone.

3.5 SAVE report analysis

This section contains two parts, the first is a summary of the work done by Mrs. Itziar Martínez de Alegría Mancisidor, (Profesora Asociada de la Universidad del País Vasco) having worked with the authorisation of DG TREN in a characterisation of EAs based on the study of the final reports of a group of SAVE reports selected by Mrs Martínez de Alegría Mancisidor and Iker Sobrevilla Gómez, Bilbao, in December 2004, as potentially important. The use of this data for the purpose of this study was kindly authorised by these experts.

The second part is a complementary analysis performed by ECUBA srl at DG TREN on a set of 28 SAVE reports, and is presented in the next paragraph.

Analysis of SAVE reports carried out by Itziar Martinez de Alegría Mancisidor

The analysed sample amounts to 76 SAVE final reports, belonging to 16 different countries, but the majority coming from Spain, Germany, Portugal and France.

Table 1: the analysed sample

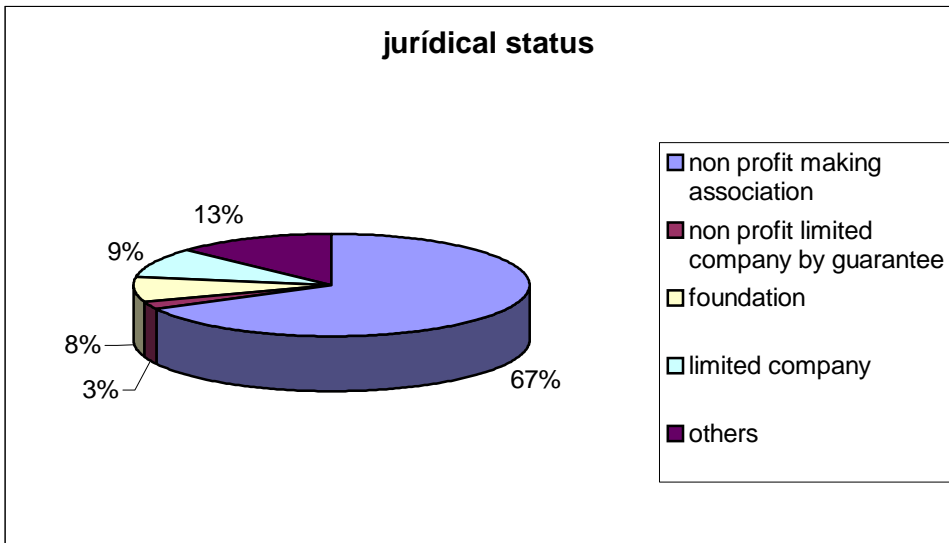
	1997	1998	1999	2000	2001	Total agencies
Austria	0	1	0	0	1	2
Bulgaria	0	0	0	2	1	3
Romania	0	0	0	0	1	1
Slovak Rep.	0	0	0	0	1	1
Czech Rep.	0	0	0	0	1	1
Poland	0	0	0	1	0	1
France	1	1	2	1	2	7
Germany	1	1	1	4	1	8
Ireland	3	0	1	0	3	7
UK	1	1	1	1	1	5
Italy	0	3	2	0	3	8
Spain	1	4	3	1	8	17
Portugal	0	2	1	2	2	7
Finland	0	0	1	0	0	1
Sweden	0	0	1	0	0	1
The Netherlands	2	0	1	3	0	6
Total	9	13	14	15	25	76

The juridical status of the agencies (figure 1) appears prevalently oriented towards the public and non-profit sector, in a similar way to the results obtained by the questionnaire (table 2).

Table 2: Type of organisation as obtained by the questionnaire inquiry.

Totally public organisation, or part of a local authority	32%
Non public (or non-totally public) body having a non-profit status	45%
Profit-making organisation?	11%
Others	7%

Figure 1: Juridical status of the analysed agencies.



The number of employees is presented in table 3. The large majority of the EAs have 2 to 6 employees.

Table 3. Number of employees per EA

Number of employees per EA	n° of EA
1 employee	2
2 employee	11
3 employee	12
4 employee	18
5 employee	9
6 employee	5
7 employee	2
8 employee	1
9 employee	1
10 employee s	4
More than 10 employee	1
Total	66*

The analysis of the activities carried out has been performed by grouping the activities described in the final reports in 11 categories:

Activity 1. Private buildings

Activity 2. Public buildings

Activity 3. Feasibility studies on RES, researches, audits.

Activity 4. Education, training and promotion.

Activity 5. Information and advice addressed to LAs.

Activity 6. Information and advice addressed to the general public.

Activity 7. RES pilot projects.

Activity 8. Bioclimatic architecture.

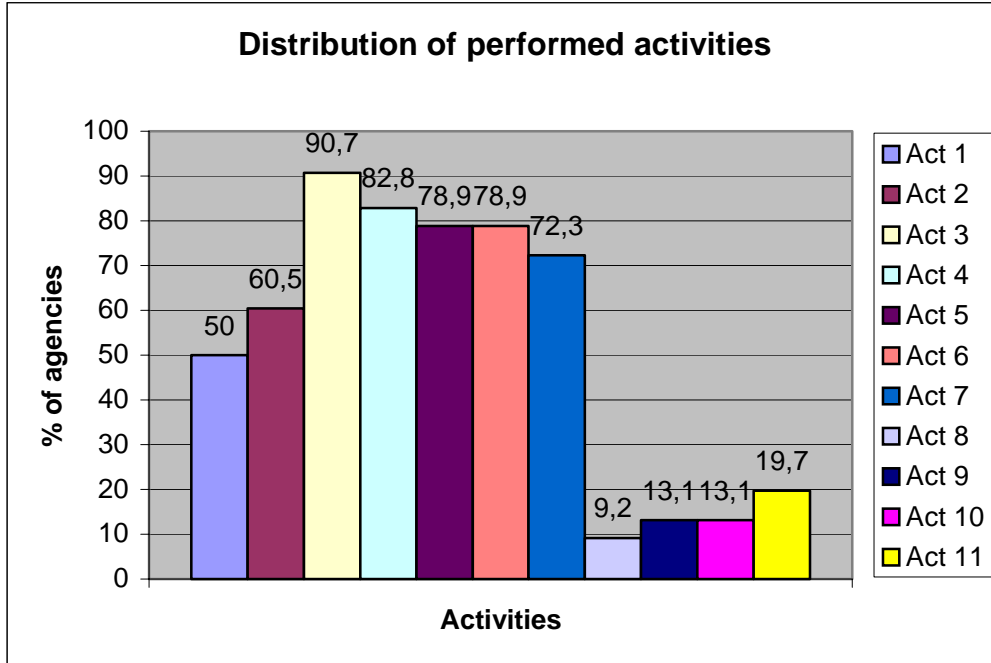
Activity 9. Urban planning and mobility.

Activity 10. Development of local regulations.

Activity 11: Transport

Figure 2 presents the histogram of the frequency of these activities in the analysed sample.

Figure 2: Distribution of the activities carried out by the agencies.



As outlined in the Spanish report, there is a sharp difference between activities in the group from 1 to 7, with frequencies over 50%, and those ones from 8 to 11, staying below 20%. The most frequent activities are information and advice, feasibility studies and similar, education/training/promotion and RES pilot projects. Immediately after are public and private buildings.

Bioclimatic architecture, transport/mobility, urban planning and local regulations are less frequent because they need specific expertise, not usually available in EA, particularly in the start-up phase.

Among the notes to this analysis, some are of particular significance. For example the mentioning of ESCOs in many final reports, but without any specific activity carried out in this field, suggesting a severe difficulty of EAs in creating concrete collaborations with ESCOs or in proposing to the LAs the preparation of tender specifications.

The comparison between the main national groups of agencies does not show very large differences in activity distribution. A few exceptions: lower information and advice to LAs, RES pilot projects and buildings in France, zero urban planning, local regulation and transport in Germany, lower private buildings in Spain, 100% information to LAs in the Netherlands.

Analysis of SAVE reports carried out by Ecuba.

The sample, composed of 28 energy agencies, was selected by the four experts according to these criteria:

EAs considered particularly successful;

EAs known for their participation in many EC projects;

EAs of countries with limited significance of the interviewed sample;

EAs showing some incoherent situation.

The results shown in the tables below provide the following profile for the EAs examined in their conclusive phase of the SAVE project:

92% of the selected agencies are non-profit organisations

more than 70% have more than 4 members in the management board

the most common types of organisations are associations and public limited companies (in some cases with public guarantee)

staff numbers are typically 3-4 (48%), but with 22% smaller ones (1-2) and 30% larger. There are also 15% of EAs with more than 6 full time equivalent staff at the end of the start up.

44% of EAs have some additional part time or student staff.

54% declare no collaboration with any foreign agency, although the transnational activity was an obligation in the contract.

The pattern of the distribution of number of clients is very interesting. Since the start up period the EAs appear to have professional contacts with several clients, particularly local administrations and private companies (up to 6).

One half of the EAs had already had experience of EU projects, some with 2 different directorates.

Legal status	Percentage
non-profit	92%
Profit	8%

Number of organisations in the management board	Percentage
1-4	27%
5-8	46%
9-12	15%
More than 12	12%

Type of organisation	Percentage
foundation	12%
association	15%
public ltd	15% (2 ltd by guarantee)
ltd	12%
NGO/charitable	4%
public	42%

Total staff (in full time equivalents)	Percentage
1-2	22%
3-4	48%
5-6	15%
More than 6	15%

Part time employees and students (in full time equivalent)	Percentage
0	0%
1-2	33%
More than 3	11%
volunteers	4%

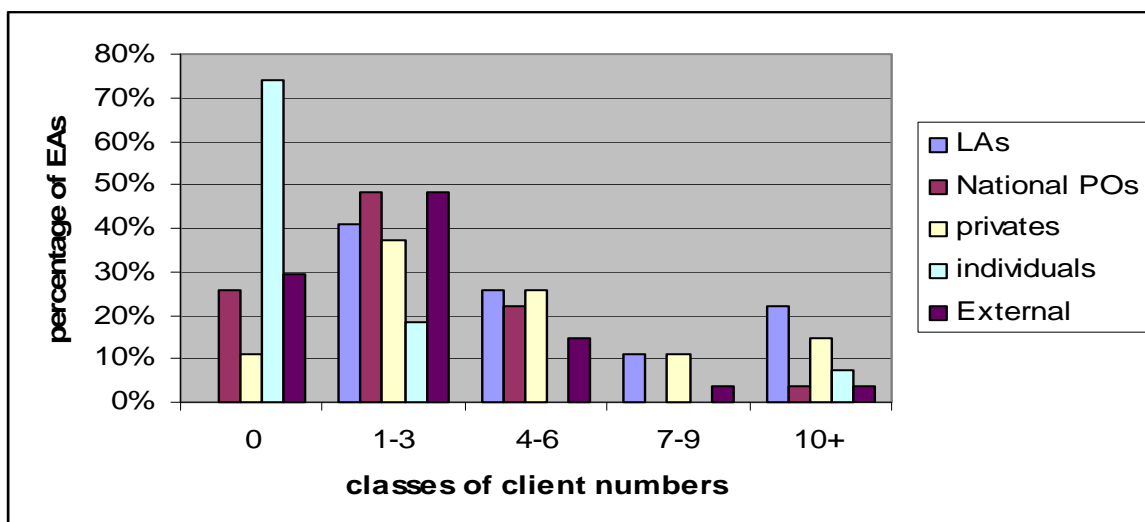
Number of foreign agencies having worked with, during SAVE	Percentage
0	54%

1-5	35%
6-10	12%
More than 10	0%

Activities performed in connection with other organisations (percentage by classes of number of clients)					
Local administrations/ public organisations	0	1-3	4-6	7-9	>10
Percentage	0%	41%	26%	11%	22%
National public organisations /administrations	0	1-3	4-6	7-9	>10
Percentage	26%	48%	22%	0%	4%
Privates - SME, NGO, charitable trusts, prof. or enterprise assoc., chamber of commerce	0	1-3	4-6	7-9	>10
Percentage	11%	37%	26%	11%	15%
Individuals	0	1-3	4-6	7-9	>10
Percentage	74%	19%	0%	0%	7%
Outside geographic area (no partners in EU projects)	0	1-3	4-6	7-9	>10
Percentage	30%	48%	15%	4%	4%

Different EU Commission receiving co-funding	0	1	2	>3
Percentage	50%	35%	15%	0%

Figure 3: Histogram of the distribution of number of clients/funders according their typology.



The main conclusions from this analysis is that in general terms the EA situation obtained at the time of the delivery of final report was not far distant from the image received by the Internet questionnaire, in the sense that is clearly perceptible how the situation will evolve with time: concentration in the areas where the EA is more competitive (buildings, advice and RES projects), multiplication of number of clients, local networking and transnational projects.

Some positive impressions have been deduced from the reading of some reports:

A Portuguese agency produced a document on wind energy that has been adopted as a National Programme.

Some Scandinavian EAs were able to establish a continuous international collaboration Sweden-Norway-Finland.

A UK agency developed a proposal on Renewable Energy & Sustainable Tourism and others operated in fuel poverty initiatives, giving input to national programmes.

A French agency developed Software for Social Workers.

An Italian EA developed 3 Traffic projects and a food production cycle control (olives).

Some negative impressions also were perceived:

Some EAs started to have internal organisational problems already during start up, such as changes in the Board, lack of internal support, competition with EAs in the same area, being too “Mayor dependent”.

Other EAs had disappointing experiences in the development of some activities, for example remaining at the level of investigations with little outcome, dispersing effort across too many activities, failing to reach work programme objectives.

A few reports have bad editing quality (confusion, bad English, one report even rejected).

The EAs demonstrate an impressive capacity for finding initiatives and solutions suitable for the local conditions, adapted to national features and policies, giving added value to the LA capacity.



CHAPTER 4

GLOBAL OVERVIEW AND RECOMMENDATIONS

4.1 Introduction to Global Overview and Recommendations

This chapter begins by presenting a global overview of the results of the analysis performed through different tools (questionnaire, interviews, direct contacts, focus groups, analysis of SAVE reports).

This is followed by the presentation of a set of recommendations, based on all previous chapters of this study. Most issues come from the agencies which have been contacted, even if the four experts have discussed and mutually agreed on the specific content, relevance and potential influence for the future of regional and local energy agencies (EAs) of all recommendations.

For easier reading, the recommendations have been placed in the same order of topics as presented in the Questionnaire.

The recommendations presented here are mostly addressed to DG TREN, which is the main body to whom the present study is addressed. Nevertheless, some arguments related to the local context may be of more general interest, for the EAs themselves, their regional and local administrations (LAs), the decision makers of the energy policy at local level, the national energy agencies, the national associations of energy agencies and international networks. Therefore, in writing this part, a large diffusion to external targets has been taken in consideration.

A – Overview

4.2 Overview of the analysis results

The quantity and range of activities globally developed by the EA at local level is impressive, going far beyond what might be expected by an unaware observer.

The overall impression of local and regional energy agencies (EA) perceived by the four experts is of highly committed, knowledgeable, skilled individuals, struggling for resources and recognition, against apathy, competition, and institutional barriers at all levels. Some find a way to make a success of things whatever is thrown at them, but others fall by the wayside, and there is a real need to ensure that avoidable burdens are not added to the formidable task that they face.

A surprising lively scene

Considering the difficulties faced by these organisations, it was a very positive discovery to find that more than 2/3 of EAs have a lifetime of 4 years or more, having therefore overcome the critical threshold of the end of start up period (the three years of SAVE contract). The same percentage of EAs has been increasing its turnover in the last three years, which could be taken as an indication of a lively and promising young enterprise (most EA have a turnover between 75.000 and 500.000 euros). The percentage of SAVE funded agencies is 70 % of the total examined sample.

Most EAs state that they have an excellent or good relationship with their LA, confirming the strict link between EAs and LAs foreseen by the EIE SAVE-Agencies programme and by the "Charter of Cork"².

More than 50% of the EAs concentrate in the three sectors of:

Energy efficiency in buildings;

RES;

Information and advice.

Namely, the most frequently developed activities are:

Sustainable energy information and advice to the general public;

Development of RES projects (action planning, feasibility studies, design, work supervision, tender document drafting, or supply of services/energy);

Building energy advice, auditing, certification;

Awareness raising and targeted promotional campaigns.

More than 50% of the EAs have these topics as a core activity, growing to more than 75% if we include those EAs selecting them as secondary activity. This indicates a clear EA role within the local scene, which corresponds quite well to the definitions contained in the "Charter of Cork". Moreover, a significant correlation (69%) has been found between the activities selected as core/secondary, and the attribution of "relevance for the LA" declared for that type of activity by

² May be found at <http://europa.eu.int/comm/energy/en/savchart.htm> or in the Annex to Chapter 3.

the EA. This demonstrates that the EAs are performing activities responding reasonably to the expectations of the LA. The percentage of subcontracting for EAs is less than 40%, indicating that most skills are internal.

The main strengths of the EAs, as expressed by groups of directors in Focus Groups and interviews, concern the independence, the business approach, the networking capability and the staff skills:

Super-partes /independent and capable of working in open market.

Non-profit but with business skills.

Flexibility and quick response.

Problem oriented, not technology-oriented.

Ability to develop partnership with private companies.

Ability to develop partnerships across sectors.

EU connection gives positive image and credibility.

Networking in broadest sense.

Professional know-how.

PR skills.

Attractive to staff committed to subject.

Links with University enabling training of young staff.

Competitive salaries.

The four experts have verified a very positive reaction of the EA directors when contacted for interviews, personal contacts or group discussion. They have been supportive and enthusiastic in supplying elements of analysis, suggestions, and proposals, taking the opportunity to provide information and ideas to DG TREN through the team of experts. This confirmed the general impression of commitment, and the will to overcome difficulties and achieve success for the EAs in Europe.

The darker aspects

During the analysis the experts found some difficulty in ascertaining the correspondence of some organisations to the EA definition. This is a symptom of a certain level of confusion in the definition of an EA, notwithstanding the requirements expressed in the SAVE-Agency sub-programme guidelines. This is probably due to the number of EAs created by LAs without SAVE support (30% of the examined sample), or to modifications occurred after the end of the SAVE- Agency project. The main grey areas concern:

the independence of the EA where it is part of the LA, as a business unit or a department.

the focus of the EA, where it is part of a larger organisation with wider or different priorities, such as development agencies or environmental agencies.

the neutrality and independence of the EA where it operates as a competing enterprise in services open to the free market, such as ESCO services, consulting, engineering, questioning its actual independent role.

The variety of legal forms established is also creating some confusion, although the majority of EAs may be seen as belonging to the NGO world. In fact 32% are totally public, 45% have a non-profit status and public administrations have as an average 55% of the voting power in the agencies' board (all the other types of members are each below 10%). The totally public organisations should demonstrate that they satisfy the Charter of Cork requirement of an autonomous budget and an independent board. On the other hand, the 11% of agencies declaring to be a profit making company should clarify their independent role with respect to the market forces, at least in the sectors where the LAs need an independent structure (for example energy advice or preparation of tender documents). 21% of energy agencies are actually part of larger organisations having a more general mission: here the identity of the energy agency could be confused, unless an autonomous budget and independent board are assured.

The EAs are particularly weak in some areas of potential great expansion in the near future, such as micro CHP, preparation of specifications for TPF call for tenders, technical assistance to ESCO for local projects, or evaluation of ESCO offers: less than 15% have these as core activity, and about another 25% as secondary activity. The EAs also seem unaware of the relevance for LAs that these topics could hold in the future (they are relevant only for about 15% of agencies).

The main weaknesses of the EAs, as expressed by groups of directors in Focus Groups and interviews, concern financial issues, a missing official role, lack of management skills, difficulties in training the staff:

Financial insecurity.

Lack of role recognition by local, regional or national government.

Political barriers.

Lack of commercial know-how.

Lack of staff with business experience.

Lack of PR skills especially in new Member States.

Loss of interest of utilities after liberalization.

Quick turnover of staff.

Difficult to have expertise in so many relevant areas with small number of staff.

Externalization of qualified work means agency does not develop skills in house.

The EA directors expressed several concerns during the personal contacts with the experts. The general concern about financial insecurity was expected, but there were also worrying comments regarding the exposure of the EAs to changes in LA attitude, the quick turnover of staff, the lack of multi-annual contracts (less than 30% in most cases), and the competition from consulting and other public organisations.

The apparent contradiction between the high professional know-how expressed as a strength, and the lack of skilled personnel expressed as a weakness, can be explained by the very small number of employees, hindering adequate specialisation in all the different areas where the EA is asked to work.

Future perspectives

Many EAs have identified new perspectives for their role, in connection with the evolution of energy policy. Considerable expectations are generated by the new EC Directives and the ones in preparation, while others have mentioned the Kyoto agreements finally entered into force, and many have considered as a positive scenario the liberalisation of local energy services. The EAs of the countries where the energy market (electricity and gas) was liberalised first, verified that this led initially to a drop in prices, and potentially less interest in energy efficiency from LAs – the imposition by the Regulator of energy efficiency targets or other analogue measures (White Certificates, energy auditing obligations or promotion, etc), however, has been positive. This may be the basis for some hope for an improved future context for the collaboration between EAs and energy utilities, (at present very negative in countries of more recent liberalisation).

Another very interesting consideration comes from the new areas of activity at local level, where a small but significant group of EAs have already experienced a fruitful engagement: sustainable development, particularly in the framework of Local Agenda 21 processes, local economic development and regeneration, environmental certification of enterprises, administrations and industrial districts, transport and traffic, certification and inspection.

The main opportunities for the EAs, as expressed by groups of directors in Focus Groups and interviews, concern these new areas of work, but also business opportunities in neighbouring areas, planning in connection with climate change, and collaborations with EAs at other levels or other areas:

Preparing for local activity in response to EU Directives.

Energy certification of buildings in countries where not yet fully developed.

Energy Performance Contracting – cost effective solutions to public budget restrictions, can be based on implementing behavioural change as well as on installation of measures.

EU Directive on Strategic Environmental Assessment.

New technological fields.

CO₂ balance / climate change strategies.

Structural funds and other non-energy funds.

Expansion of activities to (neighbouring) areas where no agency exists.

Establishment of formal relationships between regional and local level of agencies – e.g. through association or exchange of board members.

Developing agency skills by networking with other agencies – perhaps buying time to work alongside and learn skills, rather than outsourcing to consultancy.

Most answers to the questionnaire identified the diversification of clients as the most successful strategy to overcome the risk of LA changes, followed by the diversification of services.

Very important finally is the attention of EA directors towards the potential support that the national networks or associations of EAs could provide. The main identified tasks are lobbying at national level, providing national resources for all EAs, and facilitating the exchange of experiences and skills amongst EAs.

Clouds on the horizon

The country reports, where the four experts have summarised their reflections on the national situation of EAs, indicate that some EAs listed on the Managenergy database no longer exist, or have provisionally suspended activity (“dormant”). The rate of failed agencies in the various countries is between 5 and 10%, a relatively small figure considering the average rate of survival of young enterprises (even when supported by public money).

The fact that some LAs prefer not to formally close the suspended EA but to put it on stand-by, generates confusion about the effective level of operation of EU EAs, which might be clarified if some system to monitor the actual level of operation were to be established.

The main threats for the EAs, as expressed by directors in Focus Groups and interviews, affirm some of the weak points stated above, in terms of potential changes in LAs, personnel losses, competition with other levels of agency. More surprising is the fear of succeeding in obtaining contracts or projects that are too large: it appears that in some cases EAs are afraid to grow beyond a certain limit. This is the list of threats, as it emerged from the Focus Group:

Change of political majority or loss of significant individuals from political position.

Change of significant personnel in administration.

Budget cuts in public organizations.

Centralisation of services leads to loss of ability to act locally/loss of local funding.

Lack of or poor relationship with national agency.

Confusion of roles or even competition between local and regional agencies.

Lack of definition of areas of operation – can cause trouble with other organisations.

Good director leaves.

Bad Director (rare species.....)

Loss of other significant staff.

Winning too many or too big projects.

Success of work leads to bigger contracts and interest/competition from larger organizations.

Many EA directors indicate concern about their budgets being unbalanced, depending too much on a single or a few clients. They consider a balanced distribution of income to be much safer, between LAs (as many as possible in their area of interest and even outside), private clients, regional or national resources, EU projects, possibly equally distributed.

The lack of business oriented skills, particularly of directors, is worthy of particular notice, as it is a very serious threat for the survival of the youngest EAs, particularly in new MS.

It is also worth noting the risk to local agencies of centralisation of services at regional level, as well as at national level.

B - Recommendations

4.3. Identity and role: definition of EA

The need for a **clear definition of an EA**, with respect to the other organisations delivering energy services of various types in the local level, has emerged during the interviews. A possible solution is to **attribute the title of “SAVE Energy Agency”, and assign the right to use the “SAVE AGENCY” logo** (even after the end of the SAVE-Agency contract), only to the EA whose Board representatives **sign the “Charter of regional and local energy agencies”, or “Charter of Cork”³**. The same procedure is extended also to EAs not founded by SAVE. The Charter identifies the objectives and operational modes of an EA.

This will help to distinguish an EA from other local organisations performing similar activities, such as energy consulting companies, branches of LAs, other agencies with different main objectives.

One aspect of this may be the need to establish greater control of the use of the “SAVE AGENCY” logo. A possible solution is the **assignment of this task to an independent organisation** (may be Managenergy). The Database of EU energy agencies presently published on the Managenergy Internet site could contain a **Directory of the properly defined “SAVE AGENCIES”, and another list containing all other organisations** not being able (or not willing) to become a SAVE AGENCY according to the definitions (energy advice centres, energy consulting companies, energy-

³ See note 1

environmental organisations, etc...). They would continue to receive the Managenergy information, but be separately identified in the database.

SAVE AGENCIES belong to the Non Governmental Organisations (NGO) world, as they are organisations clearly autonomous from the governmental/public sector, according to point 4 of the Charter of Cork criteria (see discussion in Point 3.2.1 of Chapter 3 “Results”). On the contrary, not all EAs satisfy the “non-commercial” definition. EAs perform a mixture of typically “non commercial” activities (such as information and advice to the general public) with “pure commercial” activities, such as technical, organisational or communication services (criterion n.8 of the Charter of Cork).

Finally, most EAs are “non-profit” NGOs, because the owners (public and private organisations represented in the Management Board) do not require remuneration for any capital they initially invested, or for their periodic contributions, even if the EA produces positive yearly balances (that have to be re-invested). But there are a few exceptions where, after the transformation into a limited company, the owners, even the public ones, have expressed the wish to have an EA fully operating under market conditions, and capable of producing possible profits for them. The effective need for a non-profit characteristic for an EA needs to be clarified, and **whether the ‘profit’ type of agency is in contradiction to the first criterion of the Charter of Cork.**

To avoid having a SAVE AGENCY Directory that contains completely inactive EAs, the regulation of the SAVE AGENCY logo could state that an LA is obliged to **inform the manager of the logo of even the temporary cessation of activity** of their EA. The right to use the SAVE AGENCY logo could be licensed under payment of an (even symbolic) annual fee.

A strong connection with many local actors is considered a success by most EA. It is recommended that **local networking should be requested for SAVE-funded EAs even during the start up period**, and that this should go beyond just the administrations.

The ability to involve local energy distributors and energy utilities in work on energy efficiency and renewable energy sources is considered to be very influential by several interviewees, even if very difficult to achieve in practice. In most recently liberalised energy markets in fact the attitude of these companies is to concentrate on energy sales, viewing any energy saving policy as an obstacle. Initiatives such as Managenergy workshops could help in putting in contact actors within national or regional markets at different levels of maturity.

Actions	Objective	Responsibility	Tools
Clarification and strengthening of SAVE AGENCY identity	Creation and management of the SAVE-AGENCY label.	DG TREN through Managenergy	Establish a clear definition of an EA. Attribute the title of “SAVE Energy Agency”, and assign the right to use the “SAVE AGENCY” only to the EA whose Board representatives sign the “Charter of Cork”. Management of logo and licensing of its use: assignment of this task to an independent organisation (may be Managenergy). The Database of EU energy agencies on the Managenergy Internet site should contain a Directory of the properly defined “SAVE AGENCIES”, and another list containing all other organisations. Obligation to inform the manager of the logo of even the temporary cessation of activity of their EA Clarify the non-profit characteristic for an EA and possible contradiction of the ‘profit’ type with the “Charter of Cork”. Local networking should be requested for SAVE-funded EAs even during the start up period.

4.4. Top-down support

Throughout this study, the importance of a strong connection between EAs and LAs has been constantly recognised. Amongst the most important elements for a positive relationship is the correct interpretation of the EA role in respect to the other actors on the local energy scene. The independence of the EA, that is as technology neutral, politically neutral

and commercially neutral (non-profit), is a crucial aspect, especially when the EA plays the role of advisor or project manager for the LA.

Another key aspect is that the **EA management board membership should not consist only of the LA, but include other stakeholders**, the aim being to have partners who will work/cooperate in networking with the EA. On the other side, the **number of members in the Board should not be too large**, not to overload the limited size of the EA.

The local elected politicians often have a very rough and confused idea of the role of an energy agency. The EA Management Boards and the EA directors are responsible of course for presenting the EA to the LA, illustrating its activities, demonstrating its usefulness, but in many cases this effort is not sufficient. For this reason, several EAs have asked for specific support from DG TREN to **address the elected people directly, to explain and convince them of the EA role and potential**. This needs to include a clear statement of the short term nature of the SAVE funding, the need to continue to support EAs and the value of the ability of the EAs to use this base to bring in external funds and expertise.

The possible methods range from a Managenergy Conference for the elected people, to local Managenergy workshops for directors and Managing Board members, to compare EA strategies and results, or any other opportunity to illustrate to newly elected politicians good practice and success stories of EAs in their country and abroad.

The study has demonstrated that EAs can influence the local context, improve the level of technical knowledge, assist in the development of new policies and plans, and support the creation of advanced regulations and programmes. This impact has been observed throughout most of the sectors where EAs are active. EAs can also serve as the interpreters of the European Commission's opinions, legislation and policies at the local level. EAs also appreciate the opportunity to work with regional and central governments, to be able to connect their policies and programmes to the local level where the EAs operate. **It is specifically recommended that resources be mobilised at national, regional or local level to support the activity of information and advice** (particularly to the general public and SMEs), involving all relevant professional advisory organizations (EAs and other energy advisory organisations). This cooperation gives the ability to secure professional know-how, provide public support and reach the end users more easily.

As these programmes are already active in several Member States, at an early stage or geographically limited in a few, and apparently absent in others, an EU top-down initiative involving the decision makers at the relevant levels (MEPs, SAVE/ALTENER national contact points, national and regional energy departments) should be very positive.

Two main actions are suggested where MEPs could be involved:

Presenting the tool of EAs within EIE and its positive impacts in order to maintain and enlarge the EU Parliament support for EIE and particularly the set up and follow up of EAs

Showing the opportunity for MEP's to underline the link between European policies and local action with a view to encourage MEP's to become more associated with the EA in their countries of origin.

To promote a more active role of EAs in the transposition of EC Directives on EBP, CHP, biodiesel and ESCOs (a possible tool is the Concerted Action on EBP), a top-down initiative of DG TREN to national governments is requested.

More generally, a need for communication between EC and national governments has been identified, in order to explain the purpose and benefits of EAs. The modes of this communication can be manifold, for example:

Managenergy workshops open to representatives of national departments of energy to show success stories of regional/local EAs, compare strategies at national level on the coordination of EAs for implementation of national and local policies.

National meetings between national and regional functionaries and elected politicians on the best strategies and experiences of regional/local programmes based on EAs action.

Actions	Objective	Responsibility	Tools
Top down support for the role of energy agencies.	Raise awareness of role of agencies with MEPs, Save/Altener national contact points, National Depts of Energy, national energy agencies, senior	DG TREN, through central level initiatives.	EA management board membership should include various stakeholders, but number of members in the Board should not be too large. Address the elected people directly, to explain and convince them of the EA role and potential; actions are suggested where MEPs could be involved: <ul style="list-style-type: none"> • Managenergy Conference for the elected people • Local Managenergy workshops for directors and Managing Board members • Other opportunity to illustrate to newly elected politicians good practice and

	politicians and officers at regional and local level.		<p>success stories of EAs</p> <p>Communication modes between EC and national governments have been identified, in order to explain the purpose and benefits of EAs. Resources should be mobilised at national, regional or local level to support the activity of information and advice.</p>
--	---	--	---

4.5. EC support to EAs

Support for creation of new energy agencies

The general opinion is that **a continuation of the SAVE-agency call in the next years is useful**, particularly for the new Member States. Nevertheless, the need of some clarifications in the EIE call for new SAVE-Agencies has been made evident.

A first point to make clear is the optimal breadth of skills needed in an EA, including marketing, communication and project development as well as technical and strategic, which means that the final number of staff cannot be too small (from 3 to 6-7).

A second point is the need to **avoid contradictions between contract terms, rigid work programme and conditions and EA development**. There is an obvious need to justify expenditure of public money in full, describing activities carried out and their impact. But it is obvious that other funds, beyond those provided by SAVE for general activities, are required for more project-oriented actions of local interest. This search for private funding and project based services is essential for the future survival of the EA; therefore it should be an objective of the evaluation, even if it goes beyond the initially foreseen **work programme, which should be amended according to the evolving needs of the EA**. From the contacts with directors of EAs under SAVE contract, it appears that sometimes they feel that the search for additional funding is not appreciated, or even forbidden, by the SAVE contractual terms.

As the LAs are very sensitive to the topic of regional/local economical development, the EA should demonstrate the link and the support to this objective.

The impact of the mentor agencies – if any – is very often negligible. Perhaps a better way to do this would be to **have a group of experienced agencies with different models and experience**, assisting the newly founded ones.

The effective level and quality of trans-national cooperation between the partner agencies should be checked more closely, starting at the proposal level, as several cases have been mentioned of very poor contacts and mutual assistance, mainly from Western EAs to Eastern ones.

Other practical recommendations include:

the need for a single point of contact at the Commission for the new Agency

a check at the outset that there are no conflicts between the SAVE contract and the individual proposal and work programme

management and committee numbers that are appropriate to (and manageable by) the size of organisation that is being established

clarification of the precise relationship (and distinct work programmes and funding streams) between regional and local agencies operating in the same territory

support from the Commission for an official introduction of the new agency and its purpose to senior local authority officials, national government and the national energy agency

suggestion in the SAVE agency proposals of a **gradual decrease of the public support after the end of the SAVE contract**, for example by supplying 50% co-financing for projects (European, national or local).

Actions	Objective	Responsibility	Tools
Improving EIE SAVE AGENCY call.	Improving long-term performance of SAVE energy agencies.	DG TREN, through EIE workprogramme.	Foresee a gradual increase of staff number and skills. Solve conflicts between contract, work programme and acquisition of new contracts. The work programme should be amended according to the evolving needs of the EA.

			Other practical recommendations are listed. Foresee a gradually decreasing support over a longer period, for ex. providing project co-funding after SAVE.
--	--	--	---

Financial support for EAs after the SAVE-Agency contract

The questionnaires and interviews have shown that a considerable number of the EAs do not continue any involvement in European projects after the end of the SAVE Agency contract. This implies that there is a need for direct and friendly advice on EU contracts: legal, financial, contract coordination details, forms and rules, particularly by new MS. Several difficulties are reported by EAs in new MS. Opportunities for **training of personnel in EU project management** are recommended, either as a Managenergy initiative, as specific topics for EIE proposals, or as an initiative of the national networks of EAs. This could facilitate the access of EAs to EU programmes and overcome their mistrust.

The necessity and the expectation that the European Commission should continue the support of the existing and surviving EAs has been quite clearly expressed during the interviews carried out within this study. The initial investment by the EC in the set up of the EAs should be considered as a first step. As a second step **some form of specific ongoing support for the EAs would enable them to confirm their existence and their chances of survival**. During the different interviews and the exchange with the experts a clear necessity has emerged for a more efficient way to support the agencies by European funds (mainly the EIE programme). In addition/as an alternative to that, some directors propose a **more targeted initiative**, representing a separate area of the EIE call respect to the usual one.

The support should be organised according to the main objectives listed in the following:

Improvement of the work quality of the EAs (such as training, coaching, twinning)

Involvement of the EA in the dissemination of EU policies and directives and in the feed back concerning its implementation at local level

Support for general EA activities (such as information, awareness raising and project development) which fall with in the objective of the EC Commission and the EIE programme

Based on the assumption that EAs are very helpful in this area, in which they are carrying out non-profit activities (see the three objectives cited above: improvement of work quality, involvement in dissemination of EU policies and general activity support such as information or awareness raising campaigns, project canvassing, market preparation, creating networks etc.), it is suggested that the EC **should set up a dedicated program for the existing / surviving EAs to give them some core funding** (e.g. a half time job for two years). This could be based on a call with selection of, for example, some 30 agencies per year. This would give the agencies a complementary income, allow them to continue their tasks of information and awareness raising and spread in a broader way the results obtained in the EIE financed projects and its predecessors, the EU policies and directives in the energy and transport field in general, act as a relay for the information available on the net, such as Managenergy. The additional EC support would also demonstrate the EC interest in this kind of organisation to the local authorities. A support program could assume three different forms:.

a) **A twinning programme for EAs**: either as a fund that agencies could call on to pay for the assistance of other agencies experienced in specific sectors (it would need to be a rather quick turn around 'small consultancy' style of fund), or a twinning between groups of expert agencies and groups of less experienced agencies (maybe as a thematic network in an EIE project addressed to one specific topic in the work programme).

b) **Some kind of second tranche of funding**, that mature agencies could apply to for further development. This would recognize the achievement of surviving beyond the end of SAVE funding but allow agencies to develop beyond either the minimum size (typically 2 or 3 staff) or to develop new areas of work recognized as potentially relevant, but that they had not been able to carry out so far (such as transport, or SME advice).

c) **A mix of the above ideas could be a later tranche of mentor funding** – for mature agencies wanting to develop new areas of work, or to get help with growth issues.

The funding sources for the proposed support programme could stem from the EIE programme, with possible national/regional co-funding. For specific aspects such as sustainable energy education, development of internet based services or project development in conjunction with local economical development **DG TREN could promote the access of EAs to other EU funding** or national programmes in these areas (such as structural funds, Socrates etc.).

Actions	Objective	Responsibility	Tools
Satisfy the necessity and expectation that the European Commission continue the support of the existing and surviving EAs.	More stable and improved long-term performance of SAVE energy agencies.	DG TREN, through EIE workprogramm e.	Structure a more targeted initiative, representing a separate area of the EIE call. Set up a dedicated program for the existing / surviving EAs to give them some core funding. Creating a partial funding for information and advice activities for successful energy agencies after SAVE. For specific aspects DG TREN could promote the access of EAs to other EU funding.
Twinning of EAs, mentoring agencies, promotion of horizontal activities, improving quality of EA work.	Helping mature agencies to achieve further development and support less experienced ones.	DG TREN.	Three forms of a possible support: <ul style="list-style-type: none"> • A twinning programme for EAs • Some kind of second tranche of funding. • A mix of the above ideas could be a later tranche of mentor funding.
EC-project management.	Provide advice and support (possibly mentoring) on legal, financial aspects of coordination to enable more agencies to take lead role. Consistent key contact on each project with supportive aspect to role as regards practical issues.	DG TREN through Managenergy and EIE calls for proposals. EAs national associations, International networks.	Training courses and workshops.

4.6. A business-like approach

The energy agencies have particular value as development organisations, with the capacity to maintain an up to date understanding of the dynamics of the local sustainable energy market and to initiate and facilitate change to accelerate the move towards the sustainable use of energy. From the management perspective this means that they must at any one time have a range of initiatives in progress including:

the delivery of activities and services in which they have developed expertise and can achieve concrete results

the enhancement and further development of activities in these areas of expertise

ideas, projects and partnerships at different stages of development for new areas of work which are lacking in the territory in which they operate

Different **EA management models have been identified**, spanning from the all-public EA where the correct expenditure of the annual assigned budget is the main concern, to the market-oriented EAs, which have to promote their services, search new clients, offer competitive prices. The results of the analysis of client structure and founders' roles shows that many small energy agencies still concentrate on a single client (their local administration), depend heavily on the annual contribution of the founders, and have difficulty in diversifying clients and products. An improvement of work quality is an important step to progress from this situation.

In most interviews the need of a **more business-orientated management** of EAs has been revealed, together with a diffused sense of inadequacy to the task of some of the EA directors. The present situation shows that most EAs prepare

annual and mid term action plans, while **business planning** is a concept some have taken on board seriously and others not at all. Even if business planning for EAs may be somehow different from companies operating in more conventional markets, the tool is extremely useful to help Directors and Boards to foresee future developments not only in terms of objectives but also in terms of sustainability. Moreover, this tool helps to define the appropriate combination of EA independence with its business orientation.

EAs need advice/support on **administrative issues as common tender, legal, tax issues**, with particular relevance to the work that agencies do.

There are administrative needs which are typically with **national relevance**. Examples are LA tendering rules, VAT (especially as regards charities and non-profit work), personnel issues and legislation, equal opportunities, data protection and so on.

Other more general management skills needing reinforcement are:

Marketing of the agency and its services, product profiling, customer orientation;

Human resources, accounting, PR, business planning;

As the director is the key person for the future of the agencies he/she should receive special attention for example:

Coaching by experienced director or professional coach

Dedicated seminars for strategic positioning of EA

Introductory training for new agency directors on Management issues, specifically addressed to EA development.

Actions	Objective	Responsibility	Tools
Developing a business-like approach for EAs	An EA model where public objectives are reached by an effective and efficient organisation.	DG TREN, through Managenergy, EIE calls for proposals and call for tender. National EA associations.	Convince all EAs to develop a business plan at the end of the three-year start-up period and later on. Provide advice/support on administrative issues as common tender, legal, tax issues. General management skills need reinforcement.

Evaluation of the local impact of EAs

The existence of EAs and the motivations for supporting them depends a great deal on the appreciation of the work carried out by them. As a result, most EAs produce annual activity reports, some more detailed than others. The time spent on this by the staff of the agency is often seen as unproductive. The persons or the institutions to which these reports are addressed may not pay sufficient attention to it, as they already know the work of the agencies well. In the longer term, however, within the perspective of assuring the survival of the agencies, it would be helpful to give more detailed proof of the impact of the work.

During the interviews with the EA directors the question of evaluation of EA work has been discussed. Some agencies say that the evaluation processes established in their SAVE contract are out of proportion to a 3 year work programme by 2-3 staff, and recommend a simpler and more efficient process, without (large) external committees. It may also be more interesting after the SAVE contractual period, when no longer related to a final report with fears that it could affect a final payment.

Some individual agencies have developed and experienced evaluation methods. One example concerns the **computer based documentation** of the telephone contacts and visits carried out by the staff for the general public on energy efficiency advice. The tool allows them to elaborate statistics on the number of contacts managed, the subjects treated and additional advice activities carried out. Another agency has carries out an assessment of awareness of its existence and its image amongst their main target groups. Other evaluations are more project based and estimate the quantity of saved energy, substituted fossil energy or reduction of CO₂-emissions achieved by a specific project that has been initiated or supported by the EA..

As the interviews have shown **there is a real need for assisting and helping the EA to set up evaluation tools** for their work. This can be seen as complementary to the activity reports that are usually produced. The individual agency does not in general have the capacity to develop such tools, as much of the work is aimed at changing behaviour, increasing awareness, setting up networks – the evaluation of which may require experience from other sectors such as those involved in social marketing campaigns. There are also issues to resolve such as a model for sharing the credit for CO₂ emission reductions between the investor, and the initiator/ adviser (the typical role of the EA).

The evaluation of the work of EAs could have several elements, which should be adapted to the specific needs of a particular agency. The two main levels of evaluation can be identified as the impacts and activities with quantifiable results and the other qualitative results. Some examples for this are given in the following:

Quantifiable results (such as):

Project oriented evaluation

kWh energy or kg CO₂ emission saved or substituted, when a project will be implemented (how to share out the benefits?)

Awareness raising, information or training

Number of participants in training sessions organised by EA

Number of letters or brochures distributed

Number of demands and contacts (per month/year)

Number of visits of the EA web site

Qualitative results (such as):

Project information sheets

Publications

Evaluation/satisfaction interviews with members, partners or/and clients

The work and results in other sectors regarding the impact evaluation of actions carried out should be taken into account. The evaluation methods used for the programmes such as EIE (ALTENER, SAVE etc.) mandated by the DG TREN could give valuable input. Also the EC Directive on Strategic Environmental Assessment, applied to public programmes and plans, has been mentioned as a useful reference for identifying evaluation methods.

As the need for **elaborating evaluation methodologies and tools** for the work of the EA is shared by nearly all the EAs (regional or local level; SAVE or not SAVE funded; in all member states) the role of the European Commission can be decisive. The EC should therefore launch in a first step a specific study on this subject, which should comprise the following items:

state of the art analysis concerning evaluation methods and tools relevant for the work of EA

methodology elaboration: what indicators to choose, how to implement them

development of adapted software tools.

The study should be realised **in close cooperation with the experience already acquired** by the energy agencies through their networks or in direct contacts with advanced EAs. In a second step the EIE programme could **support the implementation of these new methodologies and tools** developed. The concrete application can then lead in a virtuous cycle to improvements and adaptations of the methods and tools. **The process could be organised and accompanied by Managenergy and the EA networks**. In the end this will enable the EA to use simple, efficient and transparent methods for evaluating their work, thus justifying more precisely its usefulness and positive impacts.

Actions	Objective	Responsibility	Tools
Developing support for the evaluation of EA's work	Making available methodologies and tools for the evaluation in order to provide evidence of EA impact	DG TREN, through Managenergy, EIE calls for proposals and call for tender.	Develop studies on EA evaluation tools and methods. The process could be organised and accompanied by Managenergy and the EA associations and networks. EIE proposals.

4.7. Staff training

Most new EAs and a lot of the older ones, show a great deal of interest in improving their skills through training opportunities (most of them state that new staff receive only practical on-the-job training, which in most cases appears to be simply supervision by the director of their normal work). The most frequent requests for improving capabilities are:

Professional, technical, technological and/or scientific knowledge, particularly in the new areas of work (the last EIE call is a positive example for the area of transport);

Cooperation abilities with other partners and the public sector (including the promotion of project results);

Communication and marketing skills;

Entrepreneurial and innovation/project development abilities;

Ability to manage the projects from the financial point of view (including project preparation and reporting);

Ability to lead a project from the organisational point of view;

EU project preparation and management.

The latter themes are particularly required by EAs in the central European countries.

Integration of energy in other sectors requires horizontal technical skills (urban planning, water management, sustainable garden development and maintenance, building maintenance programmes ...). These topics are potential candidates for workshop events.

A special value added is the ability to combine technical, environmental, and financial competences in a cross-sector approach.

Management training needs

The specific need for training of EA directors and senior staffs can not be satisfied by the general business administration training on offer, typically available to any small organisations by the available business administration institutes.

The management training would rather focus on concrete practical specific experience, offered preferentially by successful Energy Agencies.

practical experience sharing on successful business models;

examples of concrete successful activities, project best cases, experience from development of clients relations, financing structure, etc;

experience from different organisational structures;

concrete examples of successful sustainable projects developed at local level;

lessons learned from development of successful energy agencies;

information on structure of staff skills, development of their skills, etc.

Since the training would be focused primarily on management of energy agencies, it should be concentrated in a relatively short period, so that the top level managers could afford to devote their time to such training.

The form of such training might be a **one-day interactive workshop** with facilitated panel discussion attended by managers of several successful agencies from different countries. Such training might be organized within a ManagEnergy conference, or independently in EU limited regional areas, to reduce travelling expenses, involving possibly the national associations of EAs.

A **specific training course targeted especially to new EA directors could be extended to a 3-days structure** covering a multiplicity of issues. This management training for directors should be strongly recommended for new EAs, and suggested on a voluntary basis for the old ones. Other more thematic 1-day training modules can be proposed in areas such as human resources, marketing, strategic positioning, administrative management, and so on.

An additional opportunity to offer is a coaching programme for EA management, where a new director could stay for a week, for example, in another agency, learning from his more experienced colleague.

Another specific request coming from many EAs, particularly the new ones and those in new MS, is **training on EU structures and relevant specific funding opportunities** for energy agencies and their activities. Such information could be made available on the internet and provided by ManagEnergy, a potential alternative would be a manual published on internet – a guide to EU structures and funding opportunities – where to find what.

Student placements is another topic of interest, as it may be an important source of cheap labour, but suggestions were requested on how to manage this, fund it and identify pros and cons, benefits and pitfalls. The same applies to 'secondments'. The topic could be easily adopted in a Managenergy workshop agenda.

Considering that some skills may be tackled at national level only, **topics to be included in training organised for example by the national associations** of energy agencies are:

Infrastructural issues that are of relevance to national EAs (linked to national or regional energy plans).

Government decisions and legislation on energy.

Role and programmes of the national energy agency.

Structure, regulation and main actors in the energy efficiency area concerning industries.

Other suggestions for an outline programme:

a) Management of an EA

how to organise and manage a local energy agency (with respect to its size, funding mechanisms and legal constitution).

Financial management of an agency and of individual projects (activities)

Information on EU and national energy policy documents (and how to introduce them on local level)

Administration and management

PR and marketing to:

the public administrations

the target audience of large municipal and private energy users

representatives of the municipality and regional authorities (party as lobbying)

the enterprises

the NGOs.

b) Management and administration of EU funded projects.

Preparing proposals for EC calls.

Looking for other financial sources (international / EU / national / local / private / public...).

Actions	Objective	Responsibility	Tools
Management training of directors.	EU level initiatives on common features of agency development. National level initiatives for common features relating to national law and regulations	DG TREN, through a call for tender. National associations of EAs and national energy agencies.	<p>Training Courses and/or coaching for new and old directors:</p> <ul style="list-style-type: none"> • one-day interactive workshop; • specific training course for new EA directors, extended to a 3-days structure; • coaching programme for EA management, where a new director could stay for a week. <p>Training and/or national/regional workshops for senior EA staff. Training on EU structures and relevant specific funding opportunities. Student placements and personnel secondments. Topics to be included in training organised for example by the national associations are suggested.</p>

Vocational training needs of staff

Individual EAs undertake different specific activities and thus the professional focus of energy agencies in general is very wide. That is why also the need for professional expertise and training of EA staff is very wide and can significantly differ among individual agencies.

In general, the need for specialized professional training is extended to all technical and technological areas where energy and energy efficiency is relevant, including some environmental skills.

The results of the questionnaire indicate a **priority list of “potential” activities**, where the EAs declare the need for external skills to perform the assigned task. The following list contains in order of priority the activities indicated as “potential” by more than 30% of the respondents.

Studies, planning, mobility plans in the transport/mobility sector.

Developing contracting documents for building management, and/or managing/supervising programme of works.

Specific communication/awareness campaigns.

Inspection of boilers.

Teacher training

Grants organisation, technological procurement, consulting for ESCOs, performance contracting procedures

European Programmes and structural funds

Implementation of European Directives (buildings, CHP, RES electricity, biodiesel, energy services)

Development of local regulations

Building energy management

Feasibility studies, design, work supervision, and/or supply contracting in CHP.

Feasibility studies, design, work supervision, and/or supply contracting in energy efficiency for industry and commerce.

Energy auditing and advice for industry and commerce.

Local sustainability studies, evaluation of indicators,...

Development of web sites

Training for professionals/workforce.

RES projects for isolated areas (not grid-connected).

The topics where a **training offer** is more easily available could be afforded by conventional training courses, as n. 2, 5, 6, 10, 11, 12, 13.

The topics where the approach may be centred on an **exchange of experiences** could be afforded by Managenergy workshops, as n. 3, 9, 14, 15, 16, 17.

The themes where the EA capabilities are particularly weak should be better addressed by **EIE projects**, allowing the development of new training modules and pilot application in training sessions (following the example of transport and mobility in the EIE 2003 call). This is the case for n. 1, 4, 7, 8.

The item on EU programmes and structural funds could also be extended to Local Agenda 21, Kyoto flexible mechanism, general EU policy on sustainable energy and other policy issues which can influence the planning of EA activities.

Hints for specific technical training programmes for EAs' staff:

covering all relevant areas (EE, RES, various technologies)

also in related non-energy areas (transport, emissions, environment, land-use planning, etc.)

how to learn about the latest development in the technological issues

with respect to the fact that an EA has a small number of employees and it is not possible that they could know everything, suggest how to subcontract part of the work to other organisations.

The demand for technical training specially targeted to EA's needs could be delivered in a traditional way by trainers and tutors to several participants in one training location. ManagEnergy conferences might be an opportunity to organize such training, or alternatively it could be held in several decentralized/regional locations.

Another opportunity is to provide such overview training in a form of **on-the-job training – fellowship**. This would be targeted primarily to junior staff members and would allow them to visit different energy agencies, join their activities, project meetings, etc, interview their staff members and management and learn from first-hand experience from experienced energy agency. A model program would allow them to spend several days with one organisation (one to five days for example) and to visit several energy agencies during the training.

A critical point is the language capacity of trained participants. Knowledge of the local language of the hosting agency would make discussions and meetings more effective and would allow joining daily operations and activities without a need for interpreting. Therefore decentralised opportunities grouping EAs speaking the same language (or a commonly understood language) should be recommended.

Some specialized training courses are already available on the market, and are offered to professionals with different backgrounds, not specifically to energy agency professionals only. These courses typically tend to be rather detailed and focused on a specific topic. Even if the information about this offer were to be made more widely available through the Managenergy website, **specific training programmes developed for energy agencies only, would cover all issues relevant to them and probably be more effective.**

Actions	Objective	Responsibility	Tools
Vocational training of staff	Improve competencies of EA staff	DG TREN, through Managenergy and EIE calls for proposals. National associations of EAs National energy agencies	Topics for EA staff competence improvements are suggested and differentiated as training, workshops and EIE projects. Other proposals: <ul style="list-style-type: none"> • Training on-the-job fellowships. • Better info on training opportunities.

4.8. Associations and networks

Managenergy

Several Managenergy functions are well appreciated by the EAs, such as the broadcast of workshops and conferences, the information platform (open calls, policy papers, etc.) and the reflection group. It is felt that the volume of information should not be extended too much.

Concerning dissemination, it is felt that an effort should be made to target other actors at the local level, although it is recognised that this may necessitate the **translation of some contents of the web site into other languages** as LAs and other key actors at local level are not typically sufficiently skilled in the English language.

Regarding the **website**, several recommendations are made:

a better structure, separating EAs from other organisations

enlarge the section enabling the exchange of contacts

assistance with good quality translation into English

marketing of the potential and value of placing detailed information on the website

Specific help is requested by EAs from new Member States (MS), i.e.

Help with implementation of new legislation in the new EU member and accession countries,

Introduction to and help with joining the EU financial support schemes,

Sharing of skills related to the project development and management,

Provision of specific contacts inside the European Commission related to energy efficiency and renewable energy sources.

It is felt that action is needed in view of the lack of cooperation and information exchange among the Central European organizations.

General comments about **workshops and conferences** are that the provision of actual new information and the networking opportunities are the most useful aspects, and that a more interactive approach would be valuable. Quality control of visual aids by conference technical staff would also be helpful (for example so that they are clear and visible, and not overcrowded with information). Some criticisms have been expressed of the programme of yearly conferences, particularly the 2004 one, for being too crowded with political and broadly oriented speeches.

Topics for training and workshops can be derived from the proposals already mentioned in points 3, 5, 6 and 7, namely:

EU project preparation and management;

EU local development policy (starting with DG REGIO documents);

Connection of EU energy policy with other EU policy sectors;

Horizontal skills regarding energy aspects in other sectors (such as electric engines, sustainable urban planning, water energy management, sustainable garden development and maintenance, sustainable tourism,...);

Professional, technical, technological and/or scientific knowledge, particularly in the new areas of work (the last EIE call is a positive example for the area of transport);

Kyoto flexible mechanisms;

Local Agenda 21 processes;
 Street lighting and light pollution;
 Biodiesel from the recovery of used oils.

Actions	Objective	Responsibility	Tools
Improving the effectiveness and of EAs.	Improve the quality of the Managenergy service	DG TREN, through Managenergy	Translation of some contents of the web site into other languages. Several website recommendations are suggested. Specific help to EAs from new Member States. Topics for Managenergy training and workshop initiatives are suggested.

National associations of EAs

The creation of formal national associations of EAs in each Member State is recommended.

Some of the associations that have already been established are very active and have obtained very positive results. Others are only informally established, having delegated a coordination role to one or more particularly representative agencies: this situation can be a reasonable initial solution, but should be substituted by a more formal structure to ensure a more democratic organisation, the ability to officially sign agreements and contracts, and to manage financial resources in full transparency.

The questionnaire has indicated the priority expectations of EAs from a national association:

Exchange of experience among EAs (75%);

Lobbying of central administrations (69%);

Technical support (43%)

Others (23%)

The EIE support to national associations of EAs has made reference to the key action HKA2, assigning a contribution for creating a stable structure (secretariat, internet site, brochure, survey of EA activities). This approach was applied to the "SEANCE" project in the Energy Framework Programme in 2002 and to the "FINANCE" project in EIE 2003.

In light of the EA expectations, it is **highly recommended that the support of DG TREN to the national associations of EAs moves towards the organisation of events** (conferences, workshops, training sessions), where EAs of the same country can learn from each other. This aim could be achieved in the EIE calls **using the tool of the "Thematic networks"**, mentioned in HKA2, but substantially ignored in EIE 2003. This message should be transmitted to the national associations, recommending the selection of specific topics, possibly coherent with the priorities expressed by the EAs (see point 5.5 for indications).

Alternatively, **the national associations could propose projects related to vertical key actions**, selecting possibly those areas indicated by the questionnaire as "potentially interesting", but not practically implemented for lack of internal skill. The activities which score the highest mark in the "potential" column of the questionnaire are:

Studies, planning, mobility plans (transport and mobility sector), related to VKA10.

Developing contracting documents for building management, and/or managing/supervising programme of works (related to VKA1, VKA2, as well as HKA3)).

Specific communication/awareness campaigns (included in VKA5 and VKA6).

Inspection of boilers (VKA1).

Teacher training (possible in VKA6).

The first activity has already been the object of three STEER projects in EIE 2003, which may be considered as **good examples** of networks between skilled and less experienced EAs, converging towards common objectives of enlarging knowledge and capabilities. The same type of project could be proposed by the national associations of EAs (in groups of three or more) for other sectors or themes.

The lobbying activity may present particular difficulties in situations where the central level is fully unaware of the potential of EAs or even strongly counter-biased, due to pressures from other organisations. In these cases **a top-down support could be essential** (see discussion in point 4.4). DG TREN might be extremely useful in facilitating the contacts and reaching the key-people in the Government or among MEPs. A top-down intervention clarifying the role and potential of EAs to the central authority functionaries could be very valuable.

When a positive contact has been established between the central authority (government and Ministries) and the national association, it may become possible to convey financial resources from national level to local EAs, for projects where their local distribution in the territory represents a key added value.

The issue of providing technical services to the members by the national associations of EAs needs careful consideration. This item received moderate attention in the questionnaire responses (43%), but it should be remembered that it is quite difficult for young associations to set up permanent skilled structures with the ability to provide reliable services. This objective needs to be seen as a mid-term goal, to be postponed until the association becomes more structured and stable. This means that support to younger EAs for EC proposal preparation, for project management, for EA organisation and marketing, are better provided by single (mature) agencies rather than by associations.

A very important requirement for the national association is to **offer to all agencies an equal opportunity to be active within the association**, and avoid associations being dominated by a single or a small group of agencies.

Finally, an **overlap between the role of the association and the national energy agency should be avoided**. In some countries the national agency is willing to provide support to EAs, so the association should cooperate positively with the national agency. In other situations the national agency ignores or even boycotts the EAs, so in this case the national association has to operate in an absolutely independent way.

The Reflection Group should more realistically represent the views of agencies, with democratically selected representatives, defining ways to report the views of the member agencies on issues to be discussed at the group.

Actions	Objective	Responsibility	Tools
Improving the effectiveness and of national associations of EAs.	Provide national opportunities for training and exchange. Guarantee a democratic representation of EAs at national level. Create positive links of EAs with national governments.	DG TREN, through the Reflection Group. DG TREN and MEP by top-down supporting actions.	It is highly recommended that the support of DG TREN to the national associations of EAs moves towards the organisation of events. Improve using the tool of “Thematic networks”, The national associations could propose EIE projects related to vertical key actions. A top-down support could be essential through MEP and national governments. National associations should offer to all agencies an equal opportunity to be active within the association. Avoid an overlap between the role of the association and the national energy agency. The Reflection Group should more realistically represent the views of agencies, with democratically selected representatives.

International networks

At the European level several networks are active, which are either dedicated to energy agencies or have a substantial number of energy agencies as members. One can cite notably the following ones:

Energie-Cités: focussed on energy management in urban areas

FEDARENE (European Federation of Regional Energy and Environment Agencies): focussed on energy and environment agencies working and regional or provincial level

IsleNet: is the network of European Island Authorities which promotes sustainable and efficient energy and environmental management

These networks are very present in most of the European member states in cooperating and assisting local authorities in the design and the implementation of energy and to a lesser extent environmental policies at their territorial level.

The objectives of these international networks include in general:

Facilitating the development of partnerships between its members and thereby encouraging the exchange of experience and the transfer of know-how and technology.

Lobbying the European institutions on behalf of their members such as energy agencies or regional and local authorities concerning relevant energy (and ultimately also environmental) issues.

Promoting the regional and local dimension in debates concerning energy by placing particular emphasis on demand and local supply and the pursuit of sustainable development.

Helping the authorities of different territorial levels (e.g. regions, municipalities or islands) develop their capacity to take action in the area of sustainable energy development, and, amongst other things, assisting them in the creation of energy (and/or environmental) management organisations such as energy agencies.

The services proposed and the activities carried out by these networks can be highlighted by:

Organising working groups in order to encourage exchange of experience and transfer of know-how.

Providing an ongoing information service to the members about, for example, European policies in the energy field

Acting as a centre for the dissemination of information both to its members and to European Institutions.

Providing technical expertise to European organizations and preparing position papers on European legislation and programmes.

Giving advice on relevant European programmes and funding possibilities. Assisting in the formulation of project proposals and the creation of partnerships.

Due to this interesting support and the advantages which can be obtained through these networks, a considerable percentage of the EAs are members in these networks (62% of the questionnaire sample), either directly or through their respective local authority. One of the key advantages indicated by the EA is the potential for easier access to the set up and involvement in European projects (particularly the EIE programme). Another major motivation for membership is, as already indicated, the exchange with similar organisations in other countries: what can one learn in a positive way from them and what mistakes should be avoided. In cooperation with the local authorities, this can lead to important learning processes and changes in the definition of more ambitious energy policies and objectives and a stronger implementation orientation.

The functioning of these networks is to a great extent financed by membership fees. The volume of these membership fees and the travel expenses for participating in meetings and workshops can be an obstacle for EAs becoming members. This is especially valid for young EAs or agencies just after the 3 year support period.

The complementarities with the national associations of EAs or other international networks such as EUFORES or RES promotion networks are quite well established. The national associations are focussed on the specific situation in the respective member states and develop their support for the EA on this basis. The international networks for the promotion of RES, in which some EAs are also members, regroup as major members industry, consultants, research institutes and other organisations that aim to develop RES in general or a specific technology such as wind power. There is cooperation on specific actions between these networks in order to have increased influence. The identity of the international networks of EAs is based on the similarities between the members, with respect to their mode of operation and core activities. From a European point of view this creates opportunities for a stronger interpenetration and efficient exchange of good practice in the energy field at the local authority level. The specificity of Energie-Cités, for example, which groups City administrations, is particularly useful for EAs, who need a **connection with LA at international level** too (which may be more difficult for EC, due to the subsidiarity principle). The same applies for FEDARENE at regional level.

In the general strategy to improve the performance and assure the future existence of energy agencies, these international networks should be seen as a valuable support mechanism developing and maintaining the European openness and interest of energy agencies and local authorities. The possibilities of a closer cooperation between DG TREN and these networks should be studied in more detail as has been done with the national associations of energy agencies. In particular, the acquired experience within these networks and the exchange with other (already experienced) energy agencies from different countries could be the subject for a profitable collaboration.

Actions	Objective	Responsibility	Tools
Improving co-operation between DG TREN and International networks.	Improve the international connection of EAs with urban and regional LAs.	DG TREN through Managenergy	Joint workshops Managenergy – international networks. Organise joint workshops with regional/local politicians and decision makers to connect LAs and EAs at international level.

4.9. Activities

Energy efficiency in buildings

Most EAs already have a long term and in-depth experience of areas such as building energy auditing, identification of energy conservation opportunities, and development of cost-benefit analyses.

Amongst the most promising activities in this field is energy management for public buildings (mainly municipalities). This is not a completely new subject, but there is still a lot to do and energy management needs particular tenacity, as it is a continuous task. Moreover, this activity produces a direct impact on LA energy and financial conditions. Exchange between EAs in the different member states could help to optimise intervention in this field, give new ideas for better justifying this work and widening the number of municipalities with efficient energy management.

The liberalisation of the energy market has, or will soon lead all the municipalities to launch calls for tenders, to purchase energy at the best prices. At the same time the stricter rules on free competition in public services require LAs to select their service suppliers by open tender, particularly in heating and other plant operation and maintenance. This is an opportunity to persuade municipalities to improve their energy and financial management, by making recourse to performance contracts or other forms of TPF. This creates the opportunity for the EA to develop and propose tender documents including not only energy supply and management, but also criteria about the origin (e.g. RES) or energy efficient services. The exchange at European level is very helpful, because liberalisation has advanced with different speed and effect in the Member States, so that there is a possibility to learn from those at the forefront. Managenergy and EIE can represent an effective response to these needs.

The national transpositions of the European Building Performance Directive (EPBD) will create new opportunities for EAs: either as experts empowered to deliver certificates or assisting the municipalities or other public organisations in the process of having their own buildings better certified. A specific **Concerted Action** and **several projects** have been financed by the SAVE sub-programme in 2004, while national initiatives have been or are in the process of being realised to prepare the implementation of this directive in the Member States. The dissemination of the results obtained in these projects will help EAs to define their own role in this process and develop activities adapted to their specific context.

The planned directive for energy end-use efficiency and energy services represents another interesting opportunity for EAs to reinforce their position and confirm and develop new activities. In order to seize this opportunity the EA needs to receive more information about the content of the planned directive and the potential ways that it could be adopted in the Member States. The exchange with countries, where several tools and measures are already implemented, would be very helpful, as well as a common reflection and brainstorming between agencies or their networks.

Actions	Objective	Responsibility	Tools
EU support for energy efficiency in buildings.	Awareness raising on role of EAs in the context of Energy Performance in Buildings Directive. Involving EAs in energy management of buildings.	DG TREN through Managenergy and EIE calls for proposals.	Managenergy workshops EIE projects, EPBD Concerted action.

Energy efficiency in industry or commerce

The area of most feasible energy impact in industry and commerce is SMEs, as large industry has its own expertise and tools.

The world of energy efficiency in SME's is **more complex** than the public sector. Energy does not rank very highly on the agenda. The complete liberalisation of the energy market could be the opportunity to shift interest beyond just finding the cheapest way to purchase gas or electricity. As already developed for the public sector, an exchange with the countries that have several years of a completely liberalised market and experience in convincing actions and arguments for SME's, could be very valuable. Another point of entrance is the growing interest of SME's in obtaining an environmental label. Some companies go the whole way and are certified EMAS and/or ISO 14001, but a certain number remain below this level. A brand new theme is the certification of ecological industrial areas or industrial districts. In any case energy is part of this environmental labelling procedure and so gains new attention. The **exchange between the EAs of different countries, environmental labelling organisations and professional associations** about the most successful arguments for motivating SMEs to participate and the results obtained could represent valuable EU support to influence local conditions.

Actions	Objective	Responsibility	Tools
National-specific expertise on energy efficiency in industry and commerce.	Improve skills on district energy labelling and environmental certification of organisations.	EAs national associations.	National or regional Workshops.
Exchanges among EAs at national and international level on energy efficiency in industry and commerce.	Improve skills. Seek opportunities for cooperation on projects or skills exchange	Managenergy EAs national associations.	Managenergy workshops National or regional meetings.

CHP development

In the field of cogeneration the impact could be quite significant, due to the development of small scale cogeneration. The stage of development differs widely, according to the Member State policy, with forerunners being the Netherlands and Germany. The exchange between EAs from forerunner countries and all the other ones would be very beneficial. The technology is the same, but the specific context, the adaptation to it, and the financial framework to be taken into consideration can open up new horizons and new approaches, which could facilitate the use of small scale cogeneration. The recently adopted directive for the promotion of high-efficiency cogeneration will probably give a boost to cogeneration in all Member States. The EAs could get involved especially in the **anticipated studies for the potential of small scale cogeneration and in the actions for the removal of administrative barriers**. The general promotion of (especially) micro-cogeneration, as targeted by the directive, could be an activity well suited for EAs, leading to well conceived promotion campaigns, with a high potential impact at local level.

Actions	Objective	Responsibility	Tools
New opportunities, new priority areas and reinforcement of existing activities on CHP.	Improve skills on micro-cogeneration.	DG TREN through Managenergy and EIE calls for proposals. EAs national associations, International networks.	Workshops, conferences, training courses. Anticipated studies for the potential of small scale cogeneration and in the actions for the removal of administrative barriers

RES

The focus on economically sound technologies and projects can be one of the most important contributions of energy agencies to further positive development of renewable energy sources utilisation. This is particularly true for municipalities – to try to involve them as much as possible in the work in the RES area. EAs, together with the other energy advisory organizations, can serve as the interpreters of the European Commission's opinions, legislation and policies on the local level.

In most countries RES are relying on some kind of subsidy, and EAs are usually active in proposing the projects to LAs and private end users, helping in submitting applications or advising on procedures, preparing feasibility evaluations, preliminary design, and so on.

EAs are often active in projects supported by the EIE in the RES field, including the whole range of activities from information to promotion, planning and evaluating feasibility. These projects match well the kind of activities that can be funded locally, so their co-financing is usually simpler.

The **impact of RES on local development** can be considered a new area of investigation, in connection with the EIE Horizontal Key Action n.1 on Sustainable Energy Communities.

Actions	Objective	Responsibility	Tools
New priority areas and reinforcement of existing activities in	Improve skills on impact of RES on local economic development.	DG TREN through Managenergy and EIE calls for proposals.	Workshops, conferences, training courses. EIE projects.

RES development. Connection with local socio-economic development.		EAs national associations, International networks.	Investigate on impact of RES on local development
---	--	---	---

Transport and mobility

As already stated in the detailed STEER section of the EIE work programme, a number of exemplary actions and projects have been carried out in Europe, very often with the support of the European Commission. **Making available this acquired know-how** and the experiences developed are the key part of the EU added value in this sector. This could be done through:

Connection with EPOMM, the dedicated platform for mobility management in Europe, covering the West-European countries with good experiences in this field;

Transfer of the results of applied research projects supported by the 4th and 5th FPRD;

Facilitating the use of good practice data bases set up by different actors (e.g. ELTIS, EPOMM, SMILE, VOYAGER) in connection with the ManagEnergy initiative;

Encouraging networking within the Member States beyond the sector of classical energy actors at the different territorial levels.

Several energy agencies confirmed their interest in improving their skills in transport, even if many have strong local competitors (traffic modellers, consultants on public transport and intermodality, urban traffic planners). The role of energy agencies in this area is still generically described (there appears to be common ground only on EAs carrying out information campaigns and energy impact evaluation). **A better definition of the possible EA roles** can derive from a diffusion of STEER results (even during project performance) and from the training actions addressed to EAs.

Actions	Objective	Responsibility	Tools
Enlarge action of EAs to transport and mobility, wherever possible.	Improve skills on transport and mobility.	DG TREN through Managenergy and EIE calls for proposals. EAs national associations, International networks.	Making available the acquired know-how. Better define the possible EA role. Workshops, conferences, training courses. EIE projects

Information and Advice

The most diffused sector of activity of EA is Information and Advice. This sector represents a very critical issue in those countries where there is not a solid tradition in the organisation of public structures for this purpose; therefore no public funding is available for advisory services at local level. This problem is worth investigation at DG TREN, as it appears very questionable that no common EU regulation exists in this subject.

The strategic attention of DG TREN should focus on information and awareness raising activities, as these are considered to be the major topics where the agencies have a real competitive advantage. They are used to these activities, they know the local or regional network very well, and how to reach and attract the target groups. This could also reinforce the relationship with the local authorities in the sense of showing interest and support in the agencies' activities.

The importance and relevance of advice needs to be more widely publicised, as does the need and cost-effectiveness of applying resources to this sector – and credibility needs to be given to the expertise required to deliver effectively, and the need for decentralised provision at local level. This would need to be targeted particularly at national governments and national energy agencies.

The expertise and experience available in some Member States needs to be made available and accessible to others. There is need for improved awareness of the detailed methodology and quality control required to deliver advice effectively, and the difference between advice and generalised information campaigns.

There is a need for acknowledgement of the benefits of local delivery, by trusted and commercially neutral organisations, with the endorsement of the national energy agency and the regional/local authorities, and lines of communication with (but independence from) the energy and energy efficiency industries.

Specific attention should be given to **energy project development**, which often is neglected also by the LA. A possible formula ("starting project development with a telephone call") would be to co-finance project development at a feasibility or development stage, to bring the project to the point where it is precise and the key actors fully identified (to take over

the costs of the next stage of development). Several organisational concepts could be developed such as a **lump sum per project realized**, or an **annual budget with a minimum number of project** start-ups to deliver.

All of the above might be supported through mechanisms such as Managenergy or Intelligent Energy Europe actions.

Actions	Objective	Responsibility	Tools
Exchanges among EAs at international level on Information & Advice. Facilitate endorsement by national/regional authorities.	Improve skills on energy advice. Seek opportunities for cooperation on skills exchange.	DG TREN through Managenergy and EIE calls for proposals. EAs national associations, International networks.	Focus the strategic attention of DG TREN on information and awareness raising activities. Acknowledge the benefits of local delivery, by trusted and commercially neutral organisations Energy project development: <ul style="list-style-type: none"> • lump sum per project realized • annual budget with a minimum number of project.

Education and Training

Education is also an area of frequent engagement by EAs. It could be built upon further by identification and dissemination of best practice and examples, not only of short term 'fun' projects, but also those with a longer term impact on the curriculum, or that succeed in **integrating sustainable energy into the existing curriculum**, in one school or an educational administrative area (whether regional or national).

A general impression of this sector is that the majority of the work is with the older primary school children, who are receptive to relatively complex issues but are not yet constrained by the secondary school syllabus. It would be useful to analyse this further and to see whether other age groups that might benefit are being addressed, and if not, how this might be done. An example might be the need for **preparation for independent living**, as well as the **tie in to science, health and citizenship** issues.

Training for professionals has tremendous potential for energy agencies, and is something they are well placed to deliver, with their broad range of knowledge and skills. It is also an activity that has the capacity to be self-sustaining, in that employers expect to have to pay for this service. Training may be useful to employers in two different forms:

tailor made to the needs of the specific group

set courses with a certificate and accreditation attached.

Agencies do not generally have the resources to develop official accreditation for their courses or their trainers independently and sometimes key into other training networks within their own countries. However, there may be some value in assessing whether **an accreditation scheme could be developed for energy agency trainers** and/or their courses with Europe-wide applicability.

Actions	Objective	Responsibility	Tools
Integrating sustainable energy into the existing curriculum.	Improve skills on education.	DG TREN through Managenergy and EIE calls for proposals. EAs national associations, International networks.	Information in Managenergy website. Workshops, conferences, training courses.
Exchanges among EAs at national level on energy professional training.	Seek opportunities for course accreditation.	EAs national associations.	An accreditation scheme could be developed for energy agency trainers. National or regional meetings.

Energy planning and strategic development

Strategic development is a key issue of EU energy policy at local level.

The action of most EAs appears very effective in operative planning, in supporting the definition of action plans, in Local Agenda 21 facilitation, and other activities, more action-related than policy-related. But the relevance of practical

implementation in a vertical integration of the political process is great. At the same time, the smaller organizations object to the fact that they have to focus on concrete projects and leave out the work on more conceptual strategies, as well as the public education projects.

If sustainable development is already a topic of great interest for local policies, in order to reach consensus, motivate local actors, organise communication initiatives, the **integration of energy in other sectors and in local urban and building regulations is still a new area**, of great importance and potential impact. This new area requires technical support for EAs.

One of the activities where EAs usually find difficulties is the ability to collect national, or even regional and local energy statistical data, necessary for energy and greenhouse gas balances. The main reason for this difficulty is the effect of liberalisation, which transformed energy data into commercially sensitive data for the utilities. **A top-down initiative is needed to modify this situation.**

There is considerable expertise in the financial mechanism, supporting RES and RUE projects, within some of the European energy agencies (Austria, Germany). In order to achieve greater results in this area:

A transfer of knowledge from more experienced to less experienced agencies would be very helpful.

National working groups on TPF legislation will be necessary, possibly managed by the national associations of energy agencies.

Integration of energy in other sectors (water, waste, local economic development, traffic and transport, public works, tourism,...) requires:

Marketing and sales capabilities to attract new clients (represented by the different administrative departments, such as tourism, public works, traffic and roads, water supply,...)

Horizontal technical skills (electric engines, urban planning, water management, sustainable garden development and maintenance,...)

All of the above might be supported through mechanisms such as Managenergy or Intelligent Energy Europe actions. EAs appear to have less need for support on sustainable development and planning.

Actions	Objective	Responsibility	Tools
Facilitate collection of national, regional and local energy statistical data.	Ease energy planning exercises.	DG TREN National energy agencies National Energy Dept.	A top-down initiative is needed to modify this situation.
National-specific expertise on TPF.	Improve skills on TPF mechanisms.	EAs national associations.	National or regional Workshops.
Exchanges among EAs at national and international level on integration of energy in all LA sectors.	Improve skills on sustainable development and integration of energy in other sectors. Seek opportunities for cooperation on projects or skills exchange	DG TREN through Managenergy. EAs national associations.	Managenergy workshops National or regional meetings.

EU policy support

The involvement in the transcription of the EU directives (such as RES-e, EPB, CHP, biodiesel and ESCOs) and their application in the field is not only a new opportunity for the agencies at all territorial levels, but also a chance to better qualify their role. The Member States have or will transcribe the directives into national law and regulations. The EA could support this introduction of new legislation and regulation through information and awareness-raising activities, explaining and showing with concrete examples how to apply and put into practice these directives at local and regional level. The EA could also initiate pilot projects for implementation in the areas concerned. The thorough knowledge of the EA of the specific context makes them a valuable observer for the implementation quality of the directives.

In this phase the EAs really represent a sort of “ambassadors” for EU energy policy, as they are usually more informed, more technically prepared, and well motivated in reaching the objectives.

When the action for EC policy implementation is based on an EC project (particularly in the framework of the EIE programme) the impact on regional and local policy is even more effective.

There is considerable expertise in this area within some of the European EAs, and a general interest in the topic amongst others. In order to achieve greater results in this area the following actions are recommended:

Transfer of knowledge from more skilled agencies to those at early stages

Inclusion of the relevant knowledge transfer as one of the objectives and priority issues of future EIE calls.

Training of EA personnel on EU local development policy (starting with DG REGIO documents) and its connection with energy policy.

Recommendation to MS to consider the role of energy agencies in the transposition of EC Directives on EBP, CHP, biodiesel and ESCOs (a possible tool is already the Concerted Action on EBPD).

All of the above might be supported through mechanisms such as Managenergy or Intelligent Energy Europe actions. A better knowledge and use of the tool of thematic networks, foreseen in EIE workprogramme (HKA2) but not sufficiently applied, is recommended.

Actions	Objective	Responsibility	Tools
EU Energy policy support.	Awareness raising on role of EAs in the context of new Energy Directives. Transfer of knowledge from more skilled agencies to those at early stages	DG TREN through Managenergy and EIE calls for proposals.	EIE projects, EPBD Concerted action.
EU development policies and other non-energy sector policies.	Improve skills. Develop knowledge of economic development strategies and infrastructure within local and regional administrations	Managenergy, International networks.	International Workshops.

New sectors of future interest

Non conventional areas of possible activities for EAs have been identified in:

Kyoto flexible mechanisms,

Local Agenda 21 processes,

Street lighting and luminous pollution,

Biodiesel from the recovery of used oils.

A substantial shift towards environment-related energy activities has been detected. The connection between energy and local economic development is starting to be made by several EAs.

Enlarging the number and range of activities is quite a crucial point, exposing the EA to the risk of dispersion of resources, if the expansion is not well planned: the **EA should carry out a market survey before developing new activities, evaluate the available internal and external know-how, and develop gradual steps.**

Actions	Objective	Responsibility	Tools
New opportunities, new priority areas and reinforcement of existing activities.	Improve skills in . Kyoto flexible mechanisms, Local Agenda 21 processes, Street lighting and luminous pollution, Biodiesel from the recovery of used oils.	DG TREN through Managenergy and EIE calls for proposals. EAs national associations, International networks.	Workshops, conferences, training courses. EA should carry out a market survey before developing new activities, evaluate the available internal and external know-how, and develop gradual steps.

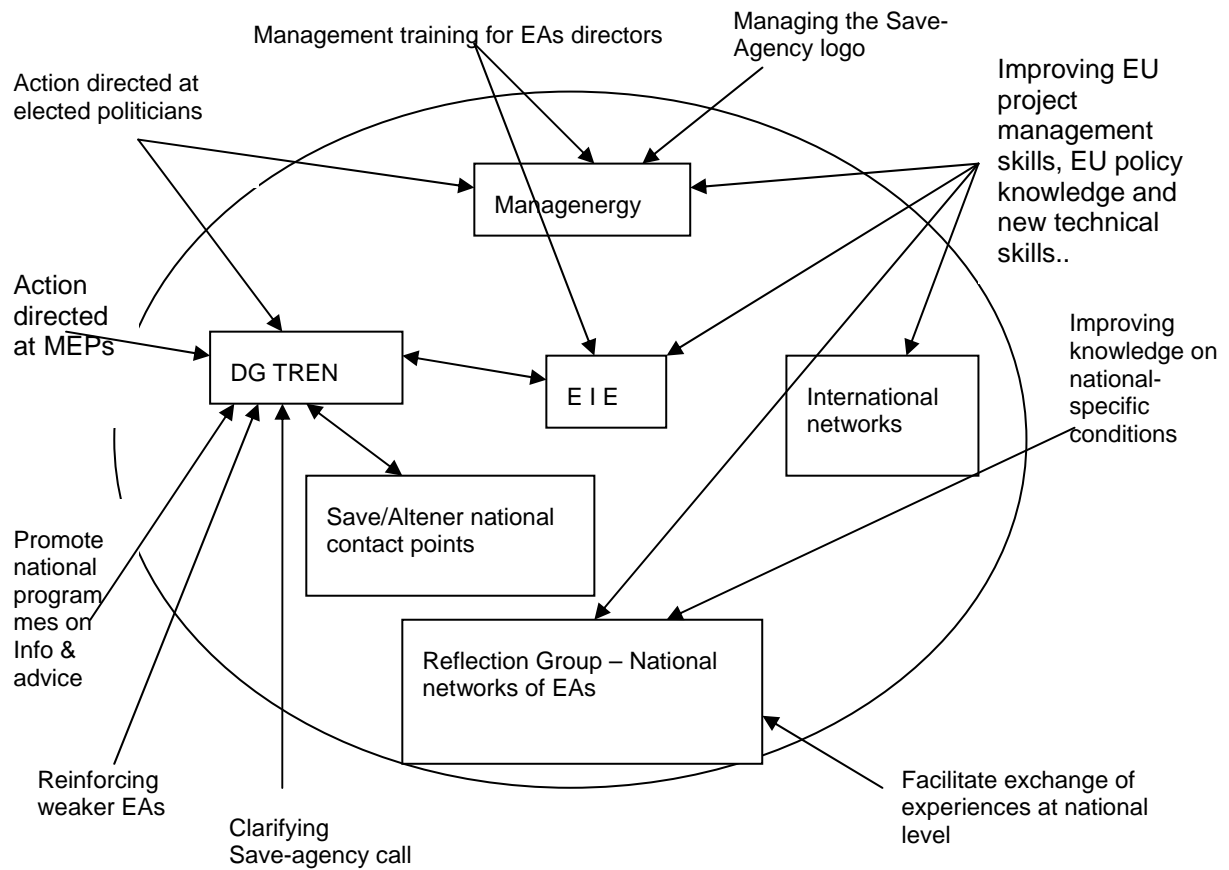


Figure 1: Schematic representation of the envisaged actions and responsibilities.