



MountEE - mountEE: Energy efficient and sustainable building  
in European municipalities in mountain regions  
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**GOOD PRACTICE SUSTAINABLE BUILDINGS**  
**CATEGORY SUCCESSFUL FINANCING INSTRUMENTS**

# **Energy Efficiency Support Programme for municipalities**

<b>Region / local area considered:</b> Sweden	<b>Good practice submitted by</b> Nenet Energy Agency
<p><b>1) Short description of the action/strategy/project</b></p> <p><b>Energy Efficiency Support Programme for municipalities</b></p> <p>All Swedish municipalities and county councils that actively undertake work with energy efficiency in public buildings and transport receive annual financial support. A total of SEK 99 million (=about 11 million Euro) per year has been set aside for municipalities and county councils. The funding is related to the number of inhabitants.</p>	
<p><b>2) Background/targets</b></p> <ul style="list-style-type: none"> <li>• There are 21 County Councils in Sweden, which are mainly responsible for health services but also for regional development. Sweden has 290 municipalities. Municipalities are responsible for a comprehensive range of public services. Due to a high potential, energy efficiency policies and measures on regional and municipal levels have to become higher priority, but incentives are needed.</li> <li>• There are also 21 County Administrative Boards which are a government authority working as a link between the people and the municipal authorities on the one hand and the government, parliament and central authorities on the other. The work of the County Administrative Board is led by the County Governor, who is commissioned to monitor developments and inform the government of the county's needs.</li> <li>• The Energy Efficiency Support program was inspired by an ongoing funding program for municipal energy consultancy for households.</li> <li>• The new programme supports now municipalities and County Councils that are working <i>strategically</i> with energy efficiency in the sphere of their own activities. The efforts are a part of a national five-year energy efficiency program 2010-2014.</li> </ul>	
<p><b>3) Detailed project/program description</b></p> <p>Targets of the programme are:</p> <ul style="list-style-type: none"> <li>• Increase investments for energy efficiency measures on the regional and local scale;</li> <li>• Contribute to the Swedish national climate and sustainable energy targets;</li> <li>• Contribute to the EU 2020 targets in the field of energy efficiency;</li> <li>• Support local authorities and County Councils in developing and implementing energy efficiency programs with defined quantitative targets.</li> </ul> <p>Expected long term and indirect benefits:</p> <ul style="list-style-type: none"> <li>• Reduction of energy costs should exceed the costs of the program;</li> <li>• Increased expertise on energy efficiency on local and regional level;</li> <li>• Awareness raising regarding energy and climate issues for the target groups politicians, municipal staff, other decision makers, regional consulting structures etc.;</li> <li>• Impulse to use financial tools as EPC Energy Performance Contracting.</li> </ul> <p>Target group(s):</p> <ul style="list-style-type: none"> <li>• All 290 Swedish municipalities;</li> <li>• All 21 County Councils;</li> </ul>	

#### Implementation of funding instrument:

- The Swedish Energy Agency is administrating and implementing the funding instrument; the County Administrative Boards are working as supporting structure on regional level.
- Means: Financial support for all Swedish municipalities and county councils to develop and implement strategic energy efficiency programs within a 5-years-period. Funds are set aside for all Swedish municipalities.
- Municipalities apply once for the whole period with a simple application form. After application, they need to set up a baseline energy inventory and have to develop energy efficiency targets and an action plan.
- Controlling: Once a year, municipalities have to report both their quantified targets and a yearly energy balance, using an online reporting tool. The Swedish Energy Agency is doing evaluation of the achieved results.

#### Supporting structures

The County Administrative Boards have a pronounced role in supporting municipalities and County Councils extending from before an application for energy efficiency support is submitted, through the production of a strategy and to the implementation of the measures, including the follow-ups. This may involve, for example, supporting and guiding through networking, training and individualized support, as well as responding to topical questions.

#### 4) Funding/financing/costs

Total cost in Euros: approx. 11 mill € per year for 2010-2014

Financing: Public money

#### 5) Main results

##### Quantified results:

Municipalities are setting quantified targets on the local level and are obliged to measure and quantify their results. No final evaluation is done yet, as the programme period is running until 2014.

##### Indicators uses:

- A comprehensive set of indicators is used, e.g. energy demand per m<sup>2</sup> for housing and for administrative buildings, energy costs per m<sup>2</sup> and per inhabitant; share of produced renewable energy; fuel demand per staff member etc.
- A probability check is done by the Swedish Association of Local Authorities and Regions each year regarding submitted data and corrections can be made by municipalities.

##### Commitments made by municipalities and county councils

- Establishing a strategy for energy efficiency incl. an analysis of the current situation, energy efficiency targets and an action plan goals;
- Measures can be freely selected, in addition to at least two of the six measures that are described in the EU's Energy Services Directive;
- Another commitment the municipalities and county councils make is that the effects of the energy efficiency work must be reported each year to the Swedish Energy Agency.

Others

- Awareness raising regarding energy and climate issues for the target groups politicians, municipal staff, other decision makers, regional consulting structures etc.;
- Impulse to use financial tools as EPC Energy Performance Contracting.

## 6) Analysis – lessons learnt and success factors

Have you encountered difficulties?

- Identifying the right structures on the local scale is not always that easy;
- Introducing a consistent reporting and evaluation system/tool.

Drivers and success factors:

- Financing of local and regional Energy Efficiency programs is linked to reporting the progress;
- All Swedish municipalities and County Councils are invited to participate and contribute;
- 5-year funding for strategically work on energy efficiency, that means: 5 years of continuous work and capacity building on local level;
- Focus on strategic work on local level, even for small municipalities otherwise lacking capacities for such type of work.
- Support by the County Administrative Boards, even creating new network and contacts in the field of energy efficiency.

Recommendations for transferring the funding instrument:

- Clear defined project structure and rules of procedure;
- A just and transparent system how to disseminate the (financial) support is crucial;
- Rather a smaller sum of funding per year, but a longer period of time. This helps specifically smaller municipalities to build up skills.

Innovative potential

- Financial supports for all local entities work with Energy Efficiency Programs for 5 years;
- Standardized evaluation and reporting tools is very innovative.

Main strength/quality of this initiative:

The program can be understood as a national effort to involve all municipalities and county councils in Energy Efficiency Activities and to decide upon quantified energy consumption limits and reduction targets.

## 7) Time frame

Start date: 2010

End date: 2014

## 8) Contact:

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