

# **The Italian experience in the development of an effective energy efficiency framework**

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# The Italian energy efficiency policy

**In 2007 the Italian Government presented the First Energy Efficiency Action Plan (EEAP) to the European Commission**

**The EEAP defines programmes and measures aimed at improving energy efficiency and energy services in the end-use sectors**

## **Targets by:**

**-2010: an annual energy saving of 3% (35,658GWh/p.a.)**

**-2016: an annual energy saving of 9.6% (126,327 GWh/p.a.) by 2016**

Targets are defined with respect the average national consumption in the end-use sectors in the previous five years.

# The Italian energy efficiency policy

**In 2011 a Second Energy Efficiency Action Plan was developed defining a medium to long-term measures and new scenarios to 2020**

**Energy efficiency policies in force at national level aiming at reaching EEAP target:**

- *energy performance standards of buildings*
- *55% tax deductions for energy requalification of existing buildings*
- *energy efficiency titles (such as white certificates)*
- *20% tax deductions for the installation of high efficiency electric motors and inverters*
- *measures to encourage the replacement of vehicles with new environmentally-sustainable models*

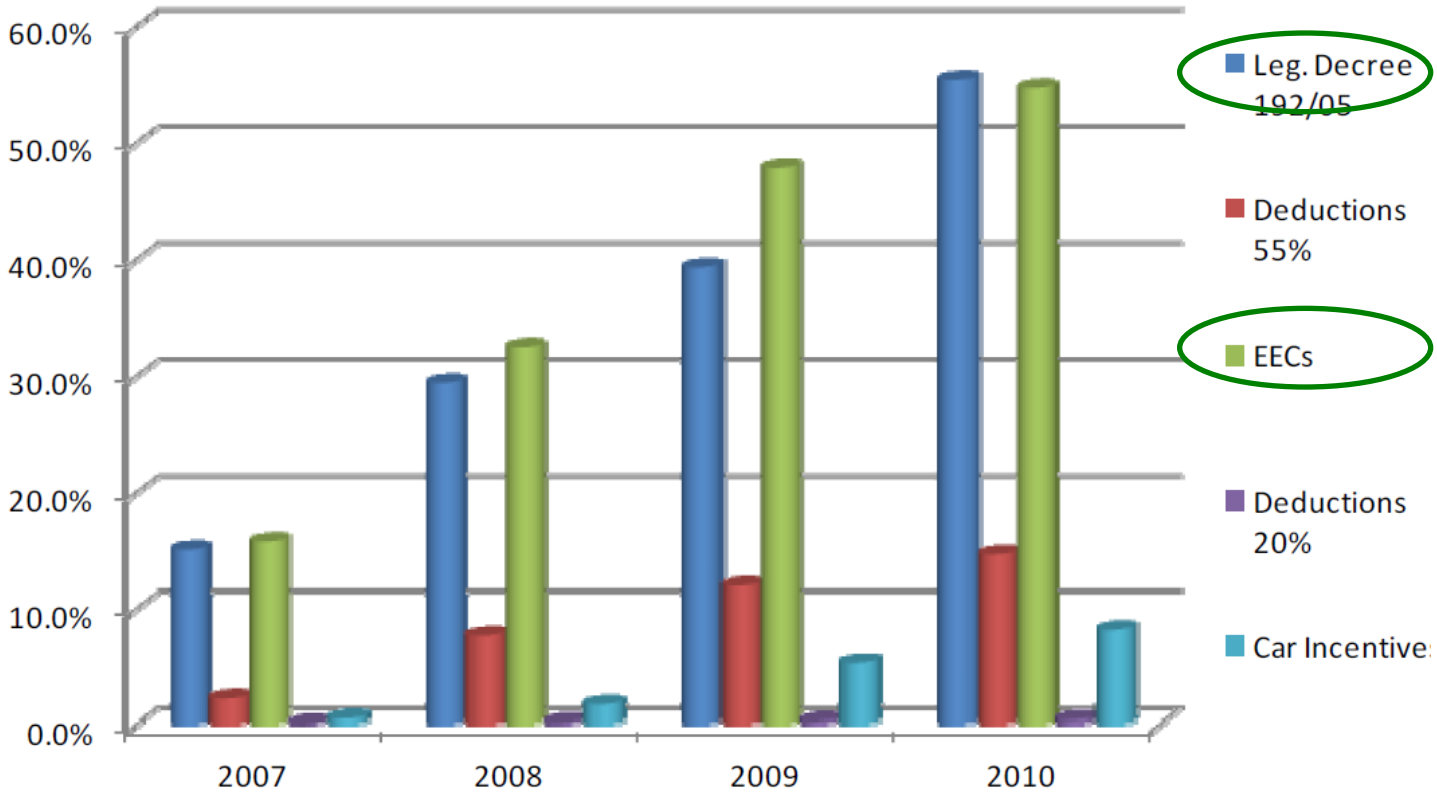
# The Italian energy efficiency policy: results

Over **82% of the total energy saving** obtained can be referred to measures implemented in compliance of

**energy performance standards of buildings**

and

**tax deductions for energy requalification of existing buildings**



# The Italian energy efficiency policy: results

**Energy savings** achieved as of 31 December **2010** considerably **exceeds the 2010 target** defined in the EEAP accounting for **about 3.6% of the 2016 overall national target**

Source ENEA – RAEE 2011

Sectors included in the EEAP	Annual energy saving expected in 2010 <b>EEAP</b> [GWh/p.a.]	Annual energy saving as of Dec 2010 <b>Source ENEA</b> [GWh/p.a.]
Residential Sector	16,998	<b>31,427</b>
Service Sector	8,130	5,042
Industrial Sector	7,040	<b>8,270</b>
Transport Sector	3,490	2,972
<b>TOTAL</b>	<b>35,658</b>	<b>47,711</b>

The **66% of the annual energy savings** achieved, equating to 31.427 GWh p.a. comes **from the residential sector**

Italy: a market-based approach to energy efficiency policy

The **Italian energy efficiency policy** has been designed and implemented aiming at **avoiding direct contribution** by the State in order to let **market mechanisms** deploy their **full potential**

### **Italian white certificates scheme established in 2004**

It **asks** energy distribution system operators (DSOs) to achieve **energy saving targets** corresponding in white certificates (WCs)

**Operators can** obtain WCs by **implementing energy efficiency solutions** or by **buying it from other operators.**

**Market-based approach      Energy operators involved**  
**Replicability at international level**

**No hurdle to the effective realization of energy efficiency targets**

Italy: no direct State contribution to energy efficiency policy

The **Italian energy efficiency policy** has been designed and implemented aiming at **avoiding direct contribution** by the State in order to let **market mechanisms** deploy their **full potential**

### **Tax deduction for energy efficiency purposes**

Introduced for 2007, **the scheme was extended year by year until 2012**

The incentive system consists of the **possibility of deducting a defined percentage** (55% or 36%) of the **costs incurred for certain energy retrofit operations** on existing buildings from personal income tax (IRE, former IRPEF) or corporate income tax (IRES, former IRPEG) obligations

Economic effects of the measure:

- *improving efficiency in buildings*
- *spurring economic growth*
- *encouraging the emersion of renovation activities, from a fiscal point of view - emersion of the tax base*