



# Energy Efficiency Profile: Ireland

## Energy Efficiency Trends

May 2011

### Overview

Over the period 1995 to 2000 the energy efficiency index (ODEX) for the Irish economy decreased at a faster rate than the EU, which indicates a greater energy efficiency improvement. In Ireland the improvement was 12% compared with 4% in the EU. Between 2000 and 2008 the rate of improvement was comparable with the EU with a progression of 9% compared to an EU improvement of 8%. The improvement in Ireland in the late 90's is due, largely, to the increased efficiency in the industrial sector whereas the more recent improvement was more strongly influenced by the household sector.

### Industry

In the industrial sector there has been a reduction in the ODEX index of 18% over the period 1995 to 2000 which indicates that significant energy savings have been made in the sector. Overall, Irish manufacturing continued a structural shift throughout the 1990's towards less energy intensive, high value added industries. However, between 2003 and 2005 there was a slight (2% points) decrease in energy efficiency but the overall improving trend returned afterwards with an aggregate improvement since 2000 of 12%.

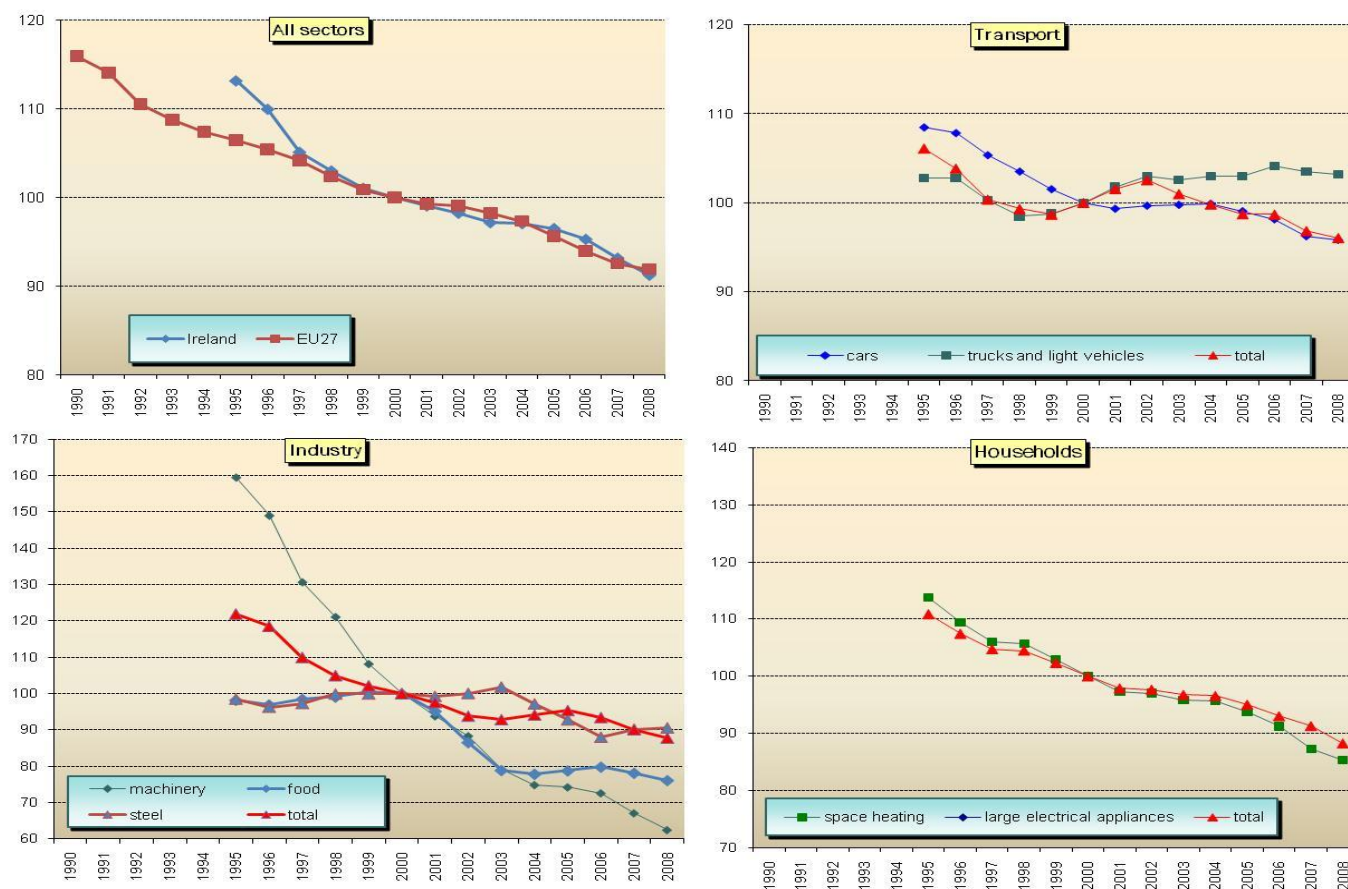
### Households

Between 1995 and 2008 the energy efficiency index in the household sector improved by 20%. This can be attributed to improvements in the efficiency of the building stock (this is made up of the large number of new houses which adhere to more stringent building regulations as well as retrofitting of existing stock) and fuel switching to oil and gas from solid fuels. The effect of fuel switching was especially noticeable in the early 1990's. Between 2000 and 2008 the household index improved by 15%, reflecting the more efficient additions to the stock as a result of the building boom.

### Transport

During the period 1995 to 2008, the energy efficiency index in the transport sector decreased by 9%, however between 2000 and 2008 there was a lot of fluctuation on a year by year basis ending with a 4% improvement on the 2000 level in 2008.

Energy efficiency index (base 100=2000)\*



\* All indicators measured as a three-year moving average  
 Source ODYSSEE  
 For more information : <http://www.odyssee-indicators.org/>

# Energy Efficiency Policy measures

## Institutions and programmes

**Sustainable Energy Authority of Ireland (SEAI)** is Ireland's national energy authority charged with implementing significant aspects of government policy on sustainable energy and climate change abatement, including improving energy efficiency and reducing the environmental impact of energy production and use.

In March 2007 the Government published a **White Paper** on sustainable energy which set out the Government's Energy Policy Framework 2007-2020 to deliver a sustainable energy future for Ireland. One of the main goals of the White Paper is to achieve 20% savings (33% for the public sector) in energy across the electricity, transport and heating sectors by 2020. Ireland's **National Energy Efficiency Action Plan (NEEAP)** was published in June 2009. In the plan the Government committed to achieving by 2020 a 20% reduction in energy demand across the whole of the economy through energy efficiency measures.

## Industry

There are a number of key energy efficiency programmes in the industrial sector operated by SEAI. **The Large Industry Energy Network (LIEN)** is for the largest industrial energy consumers in Ireland. The Network is developing a set of role-model companies to demonstrate better energy management. A scheme for **small and medium enterprises (SME'S)** offers energy advice, assessment and monitoring with the aim of cutting 20% off their energy use. The **Energy Agreement programme for industry** is based on a new Irish energy management standard IS 393. The **Accelerated Capital Allowance (ACA)** scheme was introduced in the Finance Act 2008. This scheme enables businesses to write off the entire cost of a limited set of energy efficient motors, lighting and building energy management systems in the first year of purchase.

## Households, Services

Revised building regulations (**Energy Conservation Standards for New Dwellings**) came into effect on 1<sup>st</sup> January 2003 and the 1<sup>st</sup> July 2008. It was estimated that the 2008 revision reduces energy requirements by 40% compared with a 2005 baseline. Further revision is proposed (2011) that will achieve a 60% reduction on the baseline.

The **EU Directive on the energy performance of buildings (EPBD)** was adopted into Irish law in 2006. As part of the Directive, a **Building Energy Rating (BER)** certificate, which is effectively an energy label, will be required at the point of sale or rental of a building, or on completion of a new building.

The **Warmer Home Scheme** supports energy efficiency upgrading measures in low income homes and incorporates the installation of attic insulation, draught proofing, lagging jackets, energy efficient lighting, cavity wall insulation and energy advice. The **Better Energy Homes** (formerly the Home Energy Saving and Greener Homes Schemes) to encourage people to improve the energy performance of their homes by incentivising the cost of installing various upgrade measures and provides assistance to homeowners to reduce energy use, costs and greenhouse gas emissions and improve the comfort levels within their home. The incentive is in the form of a Cash Grant. Cash grants are fixed, irrespective of home size, though where actual expenditure is lower than the grant value only the lower amount will be paid.

A target of a 33% reduction in energy demand by 2020 has been set for the **Public Sector**.

## Transport

In 2007 the Government introduced changes to **Vehicle Registration Tax (VRT)** and **annual motor tax** for new cars registered on or after 1<sup>st</sup> July 2008. Both taxes for new registered cars are now calculated on the basis of carbon dioxide (CO<sub>2</sub>) emissions from vehicles. Purchase behaviour has altered significantly towards lower CO<sub>2</sub> vehicles since its introduction.

The 2001 Finance Bill provided for the refund of 50% of vehicle registration tax (VRT) in respect of motor vehicles fitted with **hybrid and electric engines**. The 2008 Finance Bill provides relief for **hybrid, electric and flexible fuel vehicles** of up to €2,500 for cars registered between 1 July 2008 and 31 December 2010 on the VRT payable, in addition to the benefit of the new VRT CO<sub>2</sub> emission related system.

A **Scrappage Scheme** was introduced in January 2010 for cars 10 years and older. This is to end in June 2011.

The NEEAP has set a target of 10% of passenger and light commercial vehicles to be electric by 2020. An interim target of 6,000 vehicles by 2012 has been set.

## Selected Energy Efficiency Measures

Sectors	Title of measures	Since	Energy	Avoided CO <sub>2</sub>
All	National Energy Efficiency Action Plan Draft (NEEAP)	2009	31,925 GWh PEE saved by 2020	5.7Mt by 2020
Public	White Paper Target of 33% improvement	2007	3,240 GWh PEE saved by 2020	
Residential	Building Regulations (2002, 2008, 2011)	2002	4,605 GWh PEE by 2020	1,153 kt
Transport	Fiscal and Carbon Budget changes	2008	200 GWh	54 kt
Industry	Large Industry Energy Network (LIEN)	1993	4,070GWh by 2020	887 kt

Source MURE

For more information : <http://www.isisrome.com/mure/>