

Voluntary Energy Efficiency Agreement for Business-sector in Finland

November 2015

Kati Ruohomäki
Senior Adviser, Climate, energy and
material efficiency
Confederation of Finnish Industries EK

EK represents

- The entire private sector and companies of all sizes
- 27 branch associations
- About 16,000 member companies, of which 96% are SMEs
- Over 70% of Finland's GDP
- Over 95% of Finland's exports
- About 950 000 employees



Why Voluntary Energy Efficiency Agreements?

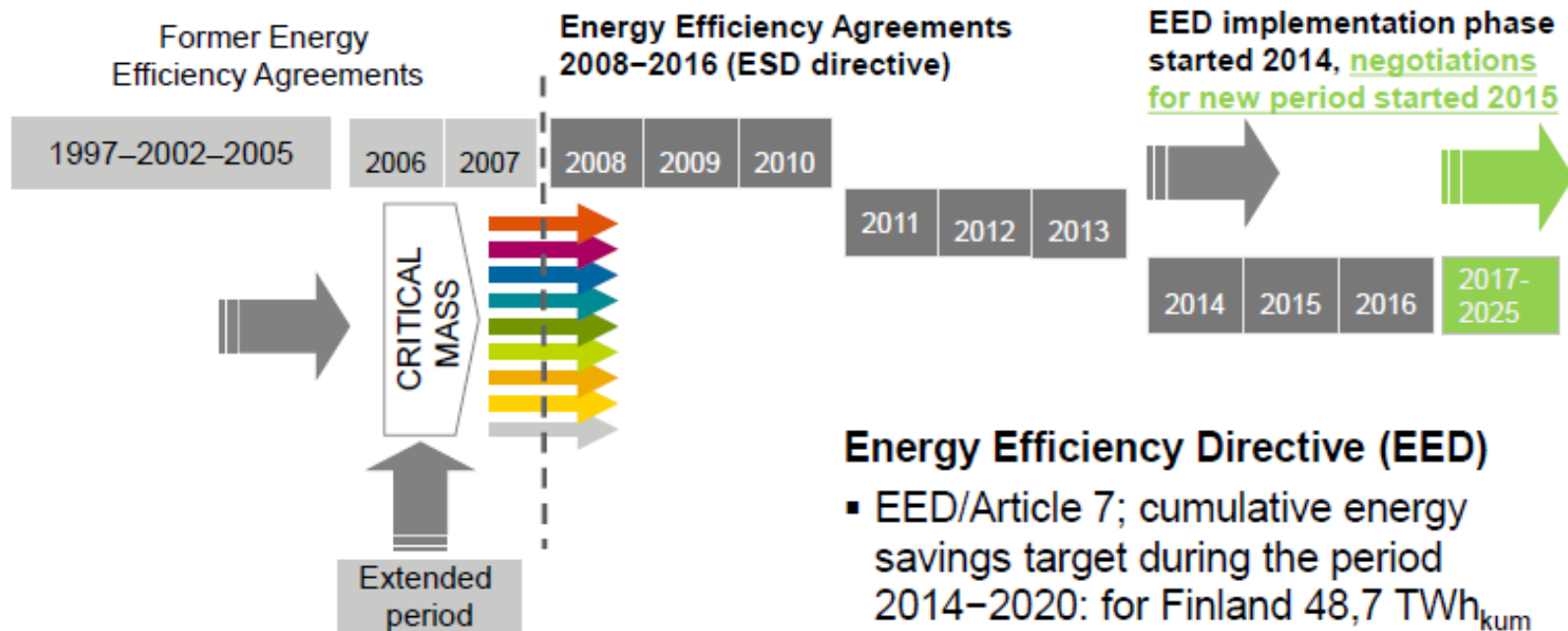
- Alternative and complementary measurement for regulations and taxes
- A flexible tool to use
 - in implementation of energy efficiency directive EED and earlier energy service directive ESD
 - national climate and energy strategies
- A present phase 2008-2016 was based on earlier “Energy Conservation Agreements 1997-2007”(before that an auditing schemes starting 1992)
- Good results and satisfied companies encourage to continue:

<http://www.energiatehokkuussopimukset.fi/en/>

- A new phase 2017-2025 is under preparation: no major changes on the table



A central role in implementations of ESD and EED



Energy Efficiency Directive (EED)

- EED/Article 7; cumulative energy savings target during the period 2014–2020: for Finland 48,7 TWh_{kum}
- Estimated savings from agreement in industries 28 TWh_{kum}

Original source: Motiva, Ulla Suomi

Energy Efficiency Agreements covers almost the whole society in Finland

ENERGY EFFICIENCY AGREEMENTS FOR BUSINESS SECTOR 2008-2016

INDUSTRY

ENERGY SECTOR

PRIVATE SERVICES

ENERGY EFFICIENCY AGREEMENT AND ENERGY PROGRAMME FOR MUNICIPAL SECTOR

MUNICIPALITIES

JOINT MUNICIPALITIES

ENERGY EFFICIENCY AGREEMENT FOR OIL SECTOR – HÖYLÄ III

DISTRIBUTION OF LIQUID HEATING AND TRANSPORT FUELS

OIL HEATED BUILDINGS

ENERGY EFFICIENCY AGREEMENT FOR PROPERTY AND BUILDING SECTOR 2010-2016

HOUSING PROPERTIES

COMMERCIAL PROPERTIES

ENERGY EFFICIENCY AGREEMENTS FOR TRANSPORT SECTOR

GOODS TRANSPORT AND LOGISTICS

PUBLIC TRANSPORT

ENERGY PROGRAMME FOR FINNISH FARMS 2010-2016

FARMS

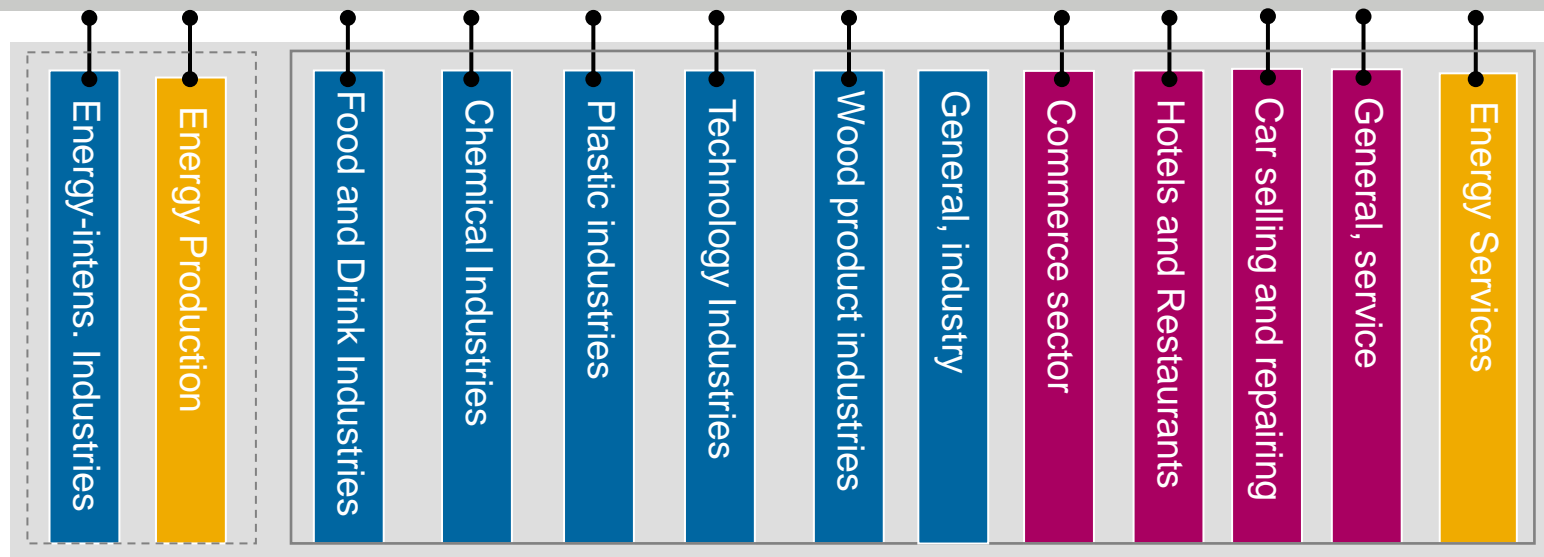
Source: Ministry of Employment and the Economy

2.11.2015

Agreement for business sectors includes energy production and energy services, industry and private services

EK–BRANCH ASSOCIATIONS–MINISTRY (EE)

BRANCH / SECTOR SPECIFIC ACTION PLANS



Source: Ministry of Employment and the Economy

What are benefits so far for a company?

- Energy efficiency increases continuously with a systematic framework
- Energy costs decrease
- Less environmental impacts
- Subsidies for energy audits (not anymore for large companies because of EED's mandatory audits)
- Subsidies for energy efficiency investments available
- Prove of energy efficiency for environmental permits
- Promotes positive image, shows commitment

=> Competitiveness increases



What are obligations to a company?

- Reporting yearly (energy data, energy efficiency measures, etc)
- Saving target of 9 % to medium size companies (based on energy service directive)
- To commit continuous improvement and carry out energy efficiency measures, if they are profitable.
- To implement an “Energy efficiency management system” in energy intensive industry (energy use over 100 GWh in any site-> energy intensive) and energy production

- No investments obligations
- No sanctions



558 companies, about 4000 sites have been joined

- Covering 80 % of energy use of energy-intensive and medium-sized industries:
 - almost 100 % of companies of energy-intensive industry
 - about 60 % of energy use of Medium-sized companies (food, chemistry, plastic, wood products, technology)
- Also
 - 88 % of electricity and 72 % of heat generation
 - 88 % of distribution and 95 % of electricity sales; 87 % of district heating sales
 - private services: 113 companies and 2800 sites (reported partly in chains)

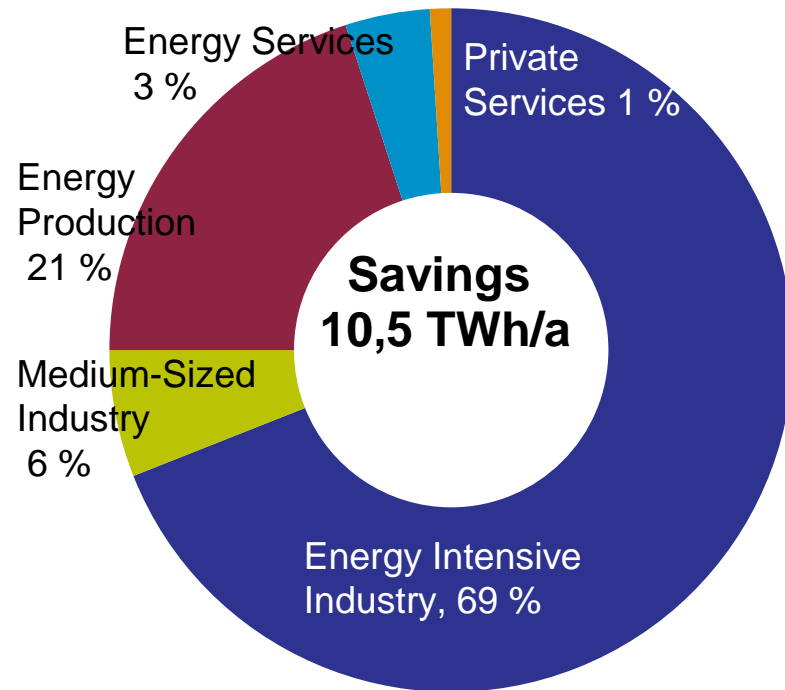
Results in 2008-2014: Energy intensive industry made 2/3 of saving impact

Industry and private services, 8 TWh:

- Savings of heating energy and fuels 8,5 TWh/a (81 %)
- Electricity savings 1,5 TWh/a (19 %)
- About EUR 335 million investment costs
- savings in energy costs EUR 1,1 billion

Energy subsidies granted to all sectors:

- for energy audits EUR 8.8 million
- for energy-saving investments EUR 49 million



Thank you for your attention!

Kati Ruohomäki

Senior Adviser, Climate, energy and material efficiency:

- EU Emissions Trading Scheme
- Energy efficiency, voluntary agreement
- Energy taxation
- Material efficiency

kati.ruohomaki@ek.fi

+358 40 767 5684

2.11.2015

11

Confederation of Finnish Industries

