Energie akkoord

SER

The Agreement on Energy for Sustainable Growth:

a policy in practice

ABOUT THE AGREEMENT

On 6 September 2013, the Netherlands took a bold step towards a sustainable future. After an eight-month negotiation process, forty-seven organisations signed the Agreement on Energy for Sustainable Growth. The Social and Economic Council of the Netherlands (SER) facilitated this process.

What are the Agreement's objectives?

Signatories to the Agreement share responsibility and commitment to achieve four overarching objectives:

- An average energy efficiency saving of 1.5% per year (adding up to a reduction of 100 PJ by 2020).
- 14% share of renewable energy in the Netherlands' total consumption of energy by 2020.
- And 16% by 2023 (4.5% in 2013).
- Creating at least 15.000 additional jobs by 2020, of which a significant number to be created in the next years.

In addition, signatories have committed themselves to several other, long-term actions.

Why an Agreement on Energy?

Investments in energy saving and renewable energy production make the Netherlands less dependent on fossil fuels (coal, oil and gas), with volatile prices. Also, a more sustainable energy system reduces the negative effects of climate change. Moreover, as a result of more investments in energy saving measures, the transition is expected to lower energy bills and to create jobs in fields such as engineering, manufacturing and construction.
In addition to all that, there were several other important factors to reach and sign the Agreement: lack of consistency in policy making, EU commitments, and stakeholder involvement.

Lack of consistency in policy making
Despite significant efforts of several coalition governments, by 2011 the transition to a more sustainable energy system had stagnated. With a share of 4.5% of renewable energy sources (in 2013) in total energy consumption, The Netherlands performs poorly compared to other European countries. For a part this can be explained by the fact that since the 2000s, not one of the successive coalition governments has succeeded in completing its term. As a result, energy policy frequently changed, which negatively affected the policy's effectiveness. Especially in the energy sector, stability and predictability are fundamental to secure the investments required for the coming decades. Therefore, consistency in policy making is much needed.

Energy in the Netherlands

The Netherlands has a high per capita energy consumption. Energy intensive sectors such as petrochemicals, greenhouse horticulture, and transport contribute to a major share of the Dutch economy. The Netherlands imports a considerable amount of energy, and consumes only about a third of those imports. Most of the imported energy, is exported in the form of crude oil and oil products. Compared to many European countries, the Netherlands has relatively large reserves of fossil energy carriers. At current production levels, the Netherlands has approximately ten to fifteen years worth of reserves in its gas fields to meet demand at the present rate of consumption.

For more detailed information, see International Energy Agency, The Netherlands, Paris 2014; **http://www.oecd-ilibrary.org/energy**/energy-policies-of-iea-countries-netherlands-2014_9789264210462-en

Meeting EU objectives

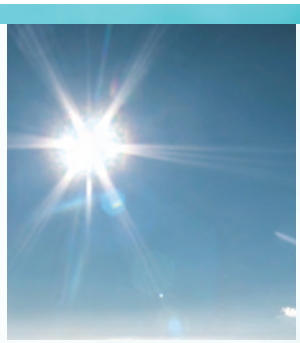
The Netherlands is committed to EU obligations to increase its share of renewable energy consumption to 14% by 2020. Furthermore, massive efforts are necessary to realise the required saving in final energy consumption (100 PJ in 2020) to meet the EU Energy Efficiency Directive. 100 PJ equals the annual energy consumption of approximately 1.5 million Dutch households.

Stakeholder involvement

Given the above-mentioned context, there was wide support in civil society and politics for a different approach to the transition to a sustainable energy system. An approach in which all relevant stakeholders, (local) governments, employers' associations and unions, environmental organisations etcetera, take responsibility was considered appropriate. This approach would not only negotiate environmental and climate related objectives, but also take into account both economic challenges and opportunities presented by the transition. After all, the transition to sustainable energy is part of a global development, with growing, international CleanTech markets and many opportunities for innovative businesses.

How did the Agreement come about?

Representatives of (local) governments, employers' associations and unions, environmental organisations, financial institutions, NGOs and other stakeholders participated in negotiation table meetings. At four different tables, independent chairs led discussions on the four major themes of the Agreement: energy saving, renewable energy, innovation and the transport sector. The negotiations involved in total approximately one hundred participants representing forty-seven organisations. The results of these negotiation table meetings were used as input for the widely supported *Agreement on Energy for Sustainable Growth*.
During the negotiations, independent research institutions, the Energy Research Centre of the Netherlands and the Netherlands Environmental Assessment Agency, played an important role. They scientifically estimated the effects of the proposed actions. As a result, participating organisations are confident that the proposed actions can meet national and EU objectives.

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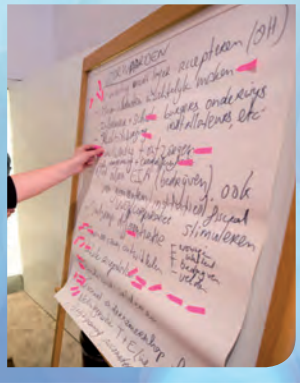


Is this a unique Agreement?

The Netherlands has a tradition of striving for consensus on the objectives and means of social and economic policy through consultation between various parties. Representatives of employers' and employees' organisations are used to holding each other accountable for their respective tasks. To discuss socioeconomic topics, they meet in the Social and Economic Council, the main advisory body to the Dutch government and parliament on national and international socioeconomic issues (for more information visit **http://www.ser.nl/en/**).
For the development of a widely supported, long-term vision and policy on energy, the consultative approach was a logical step. The Agreement's 'life span' is much longer than the four-year terms of government and parliament, because its objectives cannot be realised within four years. Parliament supports this rationale.

What is in the Agreement?

The Agreement consists of twelve pillars. Each pillar has its own objectives and approach: For a detailed description of all pillars, see the back cover of this booklet.

1 Energy saving in the built environment

2 Energy saving in industry and agriculture

3 Scaling-up renewable energy production

4 Decentralised renewable energy generation

5 Centralised energy transportation networks

6 European Emission Trading System

7 Coal power plants and CCS

8 Transport sector

9 Employment and training

10 Commercialisation of new technologies for economic growth and export

11 Financing investments

12 Heat

What has happened since the Agreement has been signed?

- After signing the Agreement, signatory parties have begun to implement actions. Cooperating parties have defined their roles, concretised actions, and designed action plans. By now, the first results have become visible.
- In accordance with the Agreement, in 2013 a committee was set up in the Social and Economic Council to keep the implementation of the Agreement under continuous review.

What is the Standing Committee?

The Standing Committee is the main governing body of the Agreement. It comprises all parties to the Agreement and is chaired by Mr. Ed Nijpels, a former Minister for the Environment. The committee meets approximately four times a year to exchange experiences, discuss progress and address any obstacles.

Principles for monitoring:

- Signatories to the Agreement are responsible for implementing the described actions, particularly for those actions assigned to them.
- Signatories to the Agreement have a common obligation to successfully implement the Agreement.

Tasks of the Committee

The Standing Committee to the Agreement on Energy for Sustainable Growth:

- monitors the progress of the Agreement;
- directs activities when delays become apparent;
- keeps under review the need for amending (parts of) the Agreement in order to meet its objectives;
- develops an agenda that goes beyond the Agreement's validity.

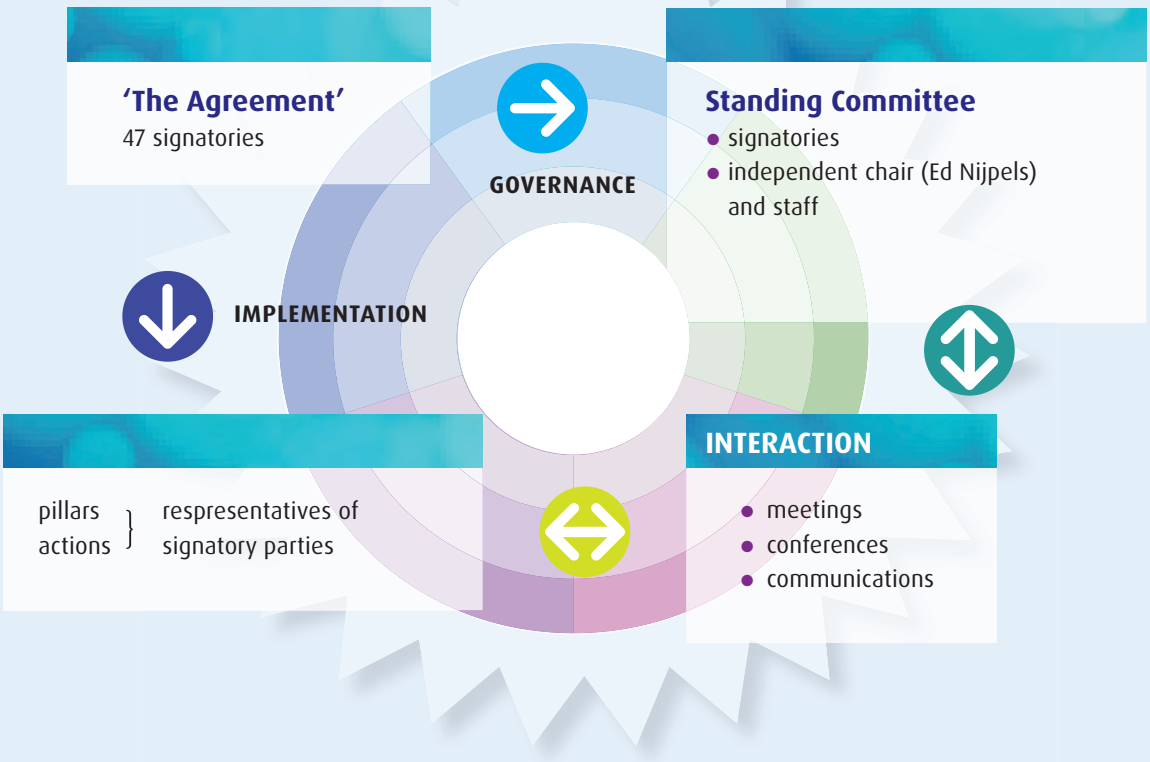
How does implementation work in practice?

Each pillar of the Agreement consists of actions (an overview of all pillars can be found on the last page). Each action has been assigned to a representative of one of the signatory parties to the Agreement, who has the lead on this specific topic. He or she is responsible to implement this action, usually with representatives of other stakeholders.

Every pillar has one or two coordinators, who are representatives of the organisations that signed the Agreement. The coordinator overviews the progress (of actions) within a pillar. He or she is also the first person to contact whenever problems arise.

The Standing Committee discusses the general progress during its meetings. When a coordinator is unable to solve problems, he or she can approach the chair of the Committee. The chair of the Committee regularly organises meetings to discuss progress in more detail. In addition, the Committee organises conferences to exchange and deepen relevant knowledge and expertise.

Organization of the Committee



How to follow the Agreement's progress?

Transparency in monitoring is fundamental to the tasks of the Standing Committee. Several tools (in Dutch only) provide insight in the progress of the Agreement:

- A monitor (dashboard) is available to keep track of the progress of actions, results and (expected) effects. (For more information, see: **http://afsprakengestart.energieakkoordser.nl**);
- An annual progress report of the Agreement on Energy. The first report was published on 20 June, 2014. (For more information, see: **http://www.energieakkoordser.nl/publicaties/voortgangsrapportage-2014.aspx**);
- Annual analyses in the Dutch National Energy Report, published for the first time in October 2014. (For more information, see: **https://www.ecn.nl/news/item/energietransitie-nederland-wordt-zichtbaar/**).
- In 2016, the Agreement and the Committee's operations will be evaluated.

More information

More information on the monitoring of the Agreement can be found on the Agreement's website: **www.energieakkoordser.nl**.
The Agreement on Energy for Sustainable Growth (in Dutch) can be downloaded free of charge from the abovementioned website.

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PILLAR 1 ENERGY SAVING IN THE BUILT ENVIRONMENT

Objectives

To contribute substantially to the total energy savings objective of 100 PJ by 2020.

- Each year up to 2020, 300.000 existing dwellings move up at least two energy bands (energy performance certificates)
- From 2020 onward, new housing developments are expected to be (almost completely) energy neutral.

Approach

In principle, individuals and organisations take responsibility for and benefit from energy saving measures. Well coordinated (financial) support systems, educational and awareness raising campaigns are crucial to meet the energy savings objective.

PILLAR 2 ENERGY SAVING IN INDUSTRY AND AGRICULTURE

Objectives

To increase the share of renewable energy generation to 14% of total energy consumption by 2020 (291 PJ) and 16% by 2023 (333 PJ).

Approach

In principle, private sector companies take responsibility for and benefit from energy efficiency measures. To this end, technical support and supportive facilities from national and local governments are available.

PILLAR 3 SCALING-UP RENEWABLE ENERGY PRODUCTION

Objectives

To increase the share of renewable energy generation to 14% of total energy consumption by 2020 (291 PJ) and 16% by 2023 (333 PJ).

Stakeholders actively work toward:

- expansion of onshore and offshore wind farms
- reduction in costs of offshore wind farms
- responsible use of biomass
- scaling up of other forms of renewable energy generation such as geothermal energy.

PILLAR 4 DECENTRALISED RENEWABLE ENERGY GENERATION

Objectives

By 2020, to generate approximately 40 PJ renewable energy at a local scale through decentralised generation units.

By 2020, at least one million households and/or small and medium-sized enterprises use a substantial share of decentralised generated renewable energy.

Approach

When possible and necessary, municipalities, provincial governments and central government support local initiatives. Also, electrical utility providers and distribution network operators contribute, for example by providing Open Data. Furthermore, parties focus on innovation and amending legislation and regulations where necessary.

PILLAR 5 CENTRALISED ENERGY TRANSPORTATION NETWORKS

Objectives

The transmission and distribution energy infrastructure has to be adapted or built to allow the operation of significant quantities of renewable sources of energy.

Approach

In 2013, the Association of Energy Network Operations in the Netherlands (Netbeheer Nederland) published the Action Plan Sustainable Energy Supply 2030, which outlines how existing electricity infrastructure has to change in order to facilitate the transition to sustainable energy. A power grid at sea to connect offshore wind energy sources to the national transmission grid is key in the energy transition.

PILLAR 6 EUROPEAN EMISSION TRADING SYSTEM

Objectives

By 2050: to reduce greenhouse gas emissions by 80-95% compared to 1990 levels.

Improve the ETS as of 1 January 2021, and put in place a compensation scheme for energy intensive industries up to 2020.

Approach

Government, private sector and environmental organisations have set up a Working Group on the revision of the ETS. Based on the results of this Working Group, a strategy will be developed to join lobbying efforts in the European Union.

PILLAR 7 COAL POWER PLANTS AND CCS

Objectives

- To phase out the capacity of five 1980s coal power plants in the Netherlands.
- To develop a long-term vision for carbon capture and storage in the transition to a sustainable energy supply.

Approach

- The Ministry of Economic Affairs has introduced higher efficiency requirements for coal power plants.
- The Ministry of Economic Affairs and the Ministry of Infrastructure and the Environment have started to develop a vision for carbon capture and storage.

PILLAR 8 TRANSPORT SECTOR

Objectives

- To emit no more than 25 Mton CO2 by 2030. This is 17% less than in 1990. For 2050, parties agreed on a CO2 reduction of 60%.
- To contribute to energy savings of 15-20 PJ by 2020 compared to 2012 baseline studies by the Energy Research Centre of the Netherlands and the Netherlands Environmental Assessment Agency.

Approach

During negotiations of the Agreement, stakeholders of the transport sector agreed on an agenda with short-term and long-term measures. These measures address topics like technology, mobility behaviour, logistics and infrastructure (charging points for electrical vehicles).

PILLAR 9 EMPLOYMENT AND TRAINING

Objectives

To create on average up to 15.000 extra fulltime jobs between 2014 and 2020 (this means creating 90.000 years of tenure between 2014 and 2020), of which a significant number to be created in the next years.

Approach

Stakeholders work together on policies and programs to equip young people entering the labour market and workers mid-way through their careers with the ability to learn the skills required for adopting new technologies, meeting new environmental regulations and shifting to renewable sources of energy.

PILLAR 10 COMMERCIALISATION OF NEW TECHNOLOGIES FOR ECONOMIC GROWTH AND EXPORT

Objectives

- The Dutch CleanTech sector aims to be part of the top ten in the global CleanTech ranking by 2030.
- To quadruple the economic value of the Clean-Tech capital value chain by 2020 compared to 2010 levels.

Approach

Autumn 2013, an action plan was developed with respect to

- finance
- national and international market developments
- adequate legislation and regulations
- facilities for SMEs
- human capital.

PILLAR 11 FINANCING INVESTMENTS

Objectives

To reduce and overcome financing barriers for banks, pension funds, and insurance companies in order to make investing in energy efficiency measures and renewable energy sources more attractive.

Approach

- To set up a centre for financing sustainable energy projects. This centre brings together technical, financial and practical expertise that can facilitate financial management standardisation of small-scale renewable energy generating projects.
- The recently established Dutch Investment Institute proposes options to facilitate financing of large-scale renewable energy generating projects such as offshore wind farms.

PILLAR 12 HEAT

Objectives

To effectively use the energy savings potential of the Dutch demand for heat as well as the potentials of new renewable energy (including effective use of waste heat).

Approach

Government will launch its vision for heat and elaborate on making the heating system more sustainable (forthcoming 2014).

Forty-seven parties signed the Agreement on Energy for Sustainable Growth.