

DECISION No 1230/2003/EC OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

of 26 June 2003

adopting a multiannual programme for action in the field of energy: 'Intelligent Energy — Europe'
(2003 — 2006)

(Text with EEA relevance)

THE EUROPEAN PARLIAMENT AND THE COUNCIL OF
THE EUROPEAN UNION,

Having regard to the Treaty establishing the European
Community, and in particular Article 175(1) thereof,

Having regard to the proposal from the Commission ⁽¹⁾,

Having regard to the Opinion of the European Economic and
Social Committee ⁽²⁾,

Having regard to the Opinion of the Committee of the
Regions ⁽³⁾,

Acting in accordance with the procedure provided for in
Article 251 of the Treaty ⁽⁴⁾,

Whereas:

- (1) Natural resources, the prudent and rational utilisation of which is provided for in Article 174 of the Treaty, include, apart from renewable energy sources, oil, natural gas and solid fuels, which are essential energy sources but are also the main sources of carbon dioxide emissions. Promoting measures at international level to deal with regional or world-wide environmental problems is one of the aims of that Article.
- (2) The Commission communication entitled 'A sustainable Europe for a better world: A European Union strategy for sustainable development', presented to the Gothenburg European Council of 15 and 16 June 2001, includes greenhouse gas emissions and pollution caused by transport among the main obstacles to sustainable development. Overcoming these obstacles means adopting a new approach to Community policies to bring them closer to individual citizens and businesses in order to change patterns of consumption and investment.

- (3) The Gothenburg European Council adopted a strategy for sustainable development and added an environmental dimension to the Lisbon process for employment, economic reform and social cohesion.

- (4) Measures relating to energy efficiency and renewable energy sources are important elements of the action needed to comply with the provisions of the Kyoto Protocol, as provided for in the European Climate Change Programme (ECCP). Physical changes observed throughout Europe and elsewhere in the world highlight the need for urgent action.

- (5) The Green Paper entitled 'Towards a European Strategy for the Security of Energy Supply' notes that the European Union is becoming increasingly dependent on external energy sources and that its dependence could rise to 70 % in 20 to 30 years' time (compared with 50 % at present) and therefore stresses the need to balance supply policy against clear action for a demand policy and calls for a genuine change in consumers' behaviour so as to orientate demand towards better managed, more efficient and more environmentally friendly consumption, particularly in the transport and building sectors, and to give priority to the development of new and renewable sources on the energy supply side in order to respond to the challenge of global warming.

- (6) In its Resolution on the Green Paper 'Towards a European Strategy for the Security of Energy Supply' ⁽⁵⁾, the European Parliament identified energy efficiency and savings as first priority. It called for the promotion of an 'intelligent' approach to energy use, making Europe the most energy-efficient economy in the world.

- (7) The Communication from the Commission on an action plan to improve energy efficiency in the European Community provides for the improvement of energy efficiency by an additional 1 % a year compared with the figure of 0,6 % which corresponds to the trend recorded over the last ten years. If this target is met, two-thirds of the energy-saving potential, which is estimated at 18 % of total consumption, could be realised by 2010. The action plan proposes legislative

⁽¹⁾ OJ C 203 E, 27.8.2002, p. 47.

⁽²⁾ OJ C 61, 14.3.2003, p. 38.

⁽³⁾ OJ C 73, 26.3.2003, p. 41.

⁽⁴⁾ Opinion of the European Parliament of 20 November 2002 (not yet published in the Official Journal), Council Common Position of 3 February 2003 (OJ C 64 E, 18.3.2003, p. 13) and Decision of the European Parliament of 13 May 2003 (not yet published in the Official Journal). Decision of the Council of 16 June 2003.

⁽⁵⁾ OJ C 140 E, 13.6.2002, p. 543.

measures and supporting actions. The implementation of the action plan also requires the setting-up of efficient systems for monitoring and follow-up.

(8) The Communication from the Commission entitled 'Energy for the future: renewable sources of energy — White Paper for a Community strategy and action plan' — recommends an indicative target of 12 % of energy from renewable sources in gross internal consumption in the Community by 2010. The Council, in its Resolution of 8 June 1998 on renewable energy sources, ⁽¹⁾ and the European Parliament, in its Resolution on the White Paper, underlined the need for a substantial, sustained increase in the utilisation of renewable energy sources in the Community and endorsed the strategy and action plan proposed by the Commission, including the strengthening of programmes to support renewable sources. The action plan provides for measures to support the promotion and development of renewable energy sources. The Communication from the Commission on the implementation of the Community strategy and action plan for renewable energy sources (1998-2000) notes the progress which has been made, but stresses that further efforts are needed at Community and national level to attain these objectives, in particular new legislation on renewable energy sources and their promotion.

(9) Directive 2001/77/EC of the European Parliament and of the Council of 27 September 2001 on the promotion of electricity produced from renewable energy sources in the internal electricity market ⁽²⁾ requires Member States to set national indicative targets consistent with the Community global indicative target of 12 % of gross national energy consumption by 2010 and in particular with the 22,1 % indicative share of electricity produced from renewable energy sources in total Community electricity consumption by 2010.

(10) The Resolution on the use of renewable energy sources in the ACP States ⁽³⁾ adopted by the ACP-EU Joint Parliamentary Assembly on 1 November 2001 'calls on the Commission to include sustainable energy supplies, in particular through energy efficiency and the use of renewable forms of energy, as a priority action field in the new development policy strategy'.

(11) The 'Final Implementation Plan' of the World Summit on Sustainable Development, agreed on 2 September

2002, committed the signatory countries, including the EU, to making efforts to:

- increase substantially the global share of renewable energy sources in the energy mix,
- create a level playing field for renewable energy sources with respect to other energy sources,
- promote increased research and development in renewable energy sources, energy efficiency and cleaner conventional fuel technologies, and
- provide developing countries with financial resources to develop energy expertise, including renewable energy sources, energy efficiency and cleaner conventional fuel technologies,

with the aim of achieving sustainable development.

(12) The EU partnership initiative 'Energy Initiative for poverty eradication and sustainable development' launched on 1 September 2002 is based on better energy efficiency and the increased use of renewable energy sources, and several developing countries and regional organisations, as well as private sector and civil society organisations, have already associated themselves with this initiative, the principles and strategy of which are laid out in the 'Commission Communication on Energy cooperation with the developing countries'.

(13) Since many Community measures on energy efficiency, in particular the labelling of electrical, electronic, office and communications equipment and the standardisation of lighting, heating and air-conditioning equipment, are not binding on the Member States, there is a need for specific promotion programmes at Community level to create the conditions for moving towards sustainable energy systems.

(14) The same applies to the Community measures to achieve greater market penetration for renewable energy sources, in particular the standardisation of equipment which produces or consumes renewable energy sources.

(15) Council Decision 1999/21/EC, Euratom of 14 December 1998 adopting a multiannual framework programme for actions in the energy sector (1998-2002) and related measures, ⁽⁴⁾ the Decisions on the specific programmes, namely Council Decision 1999/22/EC of 14 December 1998 adopting a multiannual programme of studies,

⁽¹⁾ OJ C 198, 24.6.1998, p. 1.

⁽²⁾ OJ L 283, 27.10.2001, p. 33.

⁽³⁾ OJ C 78, 2.4.2002, p. 35.

⁽⁴⁾ OJ L 7, 13.1.1999, p. 16.

analyses, forecasts and other related work in the energy sector (1998-2002) ⁽¹⁾ — ETAP programme, Council Decision 1999/23/EC of 14 December 1998 adopting a multiannual framework programme to promote international cooperation in the energy sector (1998-2002) ⁽²⁾ — SYNERGY programme, Council Decision 1999/24/EC, Euratom of 14 December 1998 adopting a multiannual programme of technical actions promoting the clean and efficient use of solid fuels (1998-2002) ⁽³⁾ — CARNOT programme, Council Decision 1999/25/Euratom of 14 December 1998 adopting a multiannual programme (1998-2002) of actions in the nuclear sector relating to the safe transport of radioactive materials and to safeguards and industrial cooperation to promote certain aspects of the safety of nuclear installations in the countries currently participating in the TACIS Programme ⁽⁴⁾ — SURE programme, Decision 646/2000/EC of the European Parliament and of the Council of 28 February 2000 adopting a multiannual programme for the promotion of renewable energy sources in the Community (1998-2002) ⁽⁵⁾ — ALTENER programme, and Decision 647/2000/EC of the European Parliament and of the Council of 28 February 2000 adopting a multiannual programme for the promotion of energy efficiency (1998-2002) ⁽⁶⁾ — SAVE programme expired on 31 December 2002.

- (16) In accordance with Article 5(2) of Decision 1999/21/EC, Euratom, the Commission has had independent experts carry out an external evaluation of the abovementioned framework programme and the specific programmes. In their report, the evaluators recognise the importance of, in particular, the ALTENER, SAVE, SYNERGY and ETAP programmes in the context of the implementation of the energy strategy and the Community strategy for sustainable development. They note the lack of resources for these programmes, given the genuine needs, and suggest they should be increased.
- (17) It appears justified to increase the financial framework for an even more comprehensive 'Intelligent Energy — Europe' programme.
- (18) Taking into account the Community strategy for sustainable development and the results of the framework programme evaluations, steps should be taken to strengthen Community support in those energy fields that contribute to sustainable development by grouping them in a single programme — 'Intelligent Energy — Europe' — comprising four specific areas.
- (19) The importance and success of Community support for renewable energy sources in the framework of the

ALTENER programme during the period 1993 to 2002 justifies the inclusion in the present programme of a specific field concerning renewable energy sources — 'ALTENER'.

- (20) The need to strengthen Community support for the rational use of energy and the success of the SAVE programme during the period 1991-2002 justifies the inclusion in the present programme of a specific field concerning energy efficiency — 'SAVE'.
- (21) Improving energy use in the transport sector, including the diversification of fuels, where new developing energy sources such as hydrogen and renewable energy sources can play a role, is extremely important in Community efforts to reduce the negative effects of transport on the environment. This justifies the inclusion in the 'Intelligent Energy — Europe' programme of a specific field concerning the energy aspects of transport — 'STEER'.
- (22) The need to promote the best practices developed in the Community in the fields of renewable energy sources and energy efficiency, and to transfer them to the developing countries in particular, is one of the Community's priorities as regards international commitments, along with strengthening cooperation on the use of the flexible mechanisms of the Kyoto Protocol. In order to ensure continuity with regard to the former SYNERGY programme concerning actions in the abovementioned areas, a specific field concerning the promotion of renewable energy sources and energy efficiency in the framework of international promotion — 'COOPENER' — should be included in this programme.
- (23) Exchange of know-how, best practice and project results, coordination within the programme and with other Community policies, continuity with existing programmes, stability of rules of participation, sufficient human resources as well as a rapid implementation will be crucial for the success of the 'Intelligent Energy — Europe' programme. In this respect, national, regional or local organisations could play a useful role in contributing to the implementation of this programme with corresponding national programmes.
- (24) Gender mainstreaming is an important aspect of all Community programmes and should therefore be taken into account in the framework of the 'Intelligent Energy — Europe' programme.
- (25) This Decision establishes a financial framework for the entire duration of the programme which is to be the

⁽¹⁾ OJ L 7, 13.1.1999, p. 20.

⁽²⁾ OJ L 7, 13.1.1999, p. 23.

⁽³⁾ OJ L 7, 13.1.1999, p. 28.

⁽⁴⁾ OJ L 7, 13.1.1999, p. 31.

⁽⁵⁾ OJ L 79, 30.3.2000, p. 1.

⁽⁶⁾ OJ L 79, 30.3.2000, p. 6.

principal point of reference for the budgetary authority, within the meaning of point 33 of the Interinstitutional Agreement of 6 May 1999 between the European Parliament, the Council and the Commission on budgetary discipline and improvement of the budgetary procedure ⁽¹⁾.

- (26) Since the objectives of the proposed programme, which concern the implementation of the Community strategy in the fields of energy contributing to sustainable development, cannot be sufficiently achieved by the Member States acting individually since a promotion campaign and exchanges are required, based on close cooperation on a European scale between the various players at national, regional and local level, and can therefore be better achieved at Community level, the Community may adopt measures in accordance with the principle of subsidiarity as set out in Article 5 of the Treaty. In accordance with the principle of proportionality, as set out in that Article, this Decision does not go beyond what is necessary in order to achieve those objectives.
- (27) The provisions of this Decision are without prejudice to Articles 87 and 88 of the Treaty, and in particular the Community guidelines on State aid for environmental protection.
- (28) The measures needed to implement this Decision should be adopted in accordance with Council Decision 1999/468/EC of 28 June 1999 laying down the procedures for the exercise of implementing powers conferred on the Commission ⁽²⁾,

HAVE ADOPTED THIS DECISION:

Article 1

1. A multiannual programme for actions in the field of energy: 'Intelligent Energy – Europe', hereinafter referred to as 'this programme', is hereby adopted for the period 2003 to 2006.
2. This programme will support sustainable development in the energy context, making a balanced contribution to the achievement of the following general objectives: security of energy supply, competitiveness, and environmental protection.
3. This programme also aims at economic and social cohesion and seeks to increase transparency, coherence and the complementarity of all the actions and other related measures

in the field of energy, thereby generating effective links between these measures and actions carried out under other Community and Member States' policies.

Article 2

The specific objectives of this programme are as follows:

- (a) to provide the elements needed for the promotion of energy efficiency, the increased use of renewable energy sources and energy diversification, such as through new developing and renewable energy sources, including in transport, the improvement of sustainability, the development of the potential of the regions, in particular the outermost regions, and of islands, and the preparation of the legislative measures needed to attain these strategic objectives;
- (b) to develop means and instruments, which may be used by the Commission and the Member States, to follow up, monitor and evaluate the impact of the measures adopted by the Community and its Member States in the fields of energy efficiency and renewable energy sources, including the energy aspects of transport;
- (c) to promote efficient and intelligent patterns of energy production and consumption based on solid and sustainable foundations by raising awareness, notably through the educational system, and promoting exchanges of experience and know-how among the main players concerned, businesses and citizens in general, by supporting actions intended to boost investment in emerging technologies, and by encouraging the spread of best practices and the best available technologies, as well as by means of promotion at international level.

Article 3

1. This programme is structured in four specific fields as follows:

- (a) 'SAVE', which concerns the improvement of energy efficiency and the rational use of energy, in particular in the building and industry sectors, with the exception of actions under STEER, including the preparation of legislative measures and their application;
- (b) 'ALTENER', which concerns the promotion of new and renewable energy sources for centralised and decentralised production of electricity and heat and their integration into the local environment and the energy systems, with the exception of actions under STEER, including the preparation of legislative measures and their application;

⁽¹⁾ OJ C 172, 18.6.1999, p. 1.

⁽²⁾ OJ L 184, 17.7.1999, p. 23.

(c) 'STEER', which concerns support for initiatives relating to all energy aspects of transport, the diversification of fuels, such as through new developing and renewable energy sources, and the promotion of renewable fuels and energy efficiency in transport, including the preparation of legislative measures and their application;

(d) 'COOPENER', which concerns support for initiatives relating to the promotion of renewable energy sources and energy efficiency in the developing countries, in particular in the framework of the Community cooperation with developing countries in Africa, Asia, Latin America and the Pacific.

2. 'Key actions' which are initiatives combining several of the abovementioned specific fields and/or relating to certain Community priorities, such as sustainable development in the outermost regions as defined in Article 299(2) of the Treaty, may be launched.

Article 4

1. For each of the four specific fields and the key actions referred to in Article 3, Community funding under the programme shall be for actions or projects concerned with:

(a) the promotion of sustainable development, security of energy supply in the framework of the internal market, competitiveness and environmental protection, including the development of standards and labelling and certification systems, long-term voluntary commitments to be agreed with industry and other stake-holders, as well as forward studies, strategic studies on the basis of shared analyses, and regular monitoring of the development of the markets and energy trends including for the preparation of future legislative measures or for the review of existing legislation;

(b) the creation, enlargement or reorganisation of structures and instruments for sustainable energy development, including local and regional energy planning and management, and the development of adequate financial products and market instruments;

(c) the promotion of sustainable energy systems and equipment in order to accelerate their penetration of the market and stimulate investment to facilitate the transition from the demonstration to the marketing of more efficient technologies, including dissemination of best practices and new cross-cutting technologies, awareness campaigns and the creation of institutional structures aimed at implementing the clean development mechanism and joint implementation under the Kyoto Protocol;

(d) the development of information, education and training structures; the utilisation of results, the promotion and dissemination of know-how and best practices involving all consumers, dissemination of results of the actions and projects and cooperation with the Member States through operational networks at Community and international level;

(e) the monitoring of the implementation and the impact of Community initiatives, and the support measures;

(f) the evaluation of the impact of actions and projects funded under the programme.

2. Under this programme, the financial assistance allocated to the actions or projects in the four specific fields and the key actions referred to in Article 3 shall be established on the basis of the Community added value of the action proposed and will depend on its benefit and expected impact. Where appropriate, priority shall be given to small and medium-sized enterprises and regional or local initiatives.

The aid may not exceed 50 % of the total cost of the action or project, the rest being covered either by public or private funds, or a combination of the two. The aid may, however, cover all the cost of some actions, such as studies, the dissemination of project results and other actions to prepare, supplement, implement and evaluate the impact of Community strategy and policy measures and any measures proposed by the Commission to encourage exchanges of experience and know-how to improve the coordination between Community, national, international and other initiatives.

All costs relating to actions or projects undertaken on the Commission's initiative, identified as such under Article 5(2)(b), shall be borne by the Community.

3. In order to contribute to the dissemination of project results, the Commission shall make available the reports on the actions and projects, if appropriate in electronic form.

Article 5

1. Within six months of the adoption of this Decision, the Commission shall establish a work programme, in consultation with the Committee referred to in Article 8(1). This work programme shall be based on the principles set out in Article 1(2), Article 2, Article 3 and Article 4. It shall be prepared and updated in accordance with the procedure laid down in Article 8(2).

2. The work programme shall set out in detail:

- (a) the guidelines for each of the specific fields and the key actions referred to in Article 3 in order to implement the objectives and priorities laid down in Article 1(2), Article 2, Article 3 and Article 4, taking account of the added value that all the measures proposed will provide at Community level as compared with existing measures;
- (b) the implementation arrangements, distinguishing between actions envisaged on the Commission's initiative and those where the initiative comes from the sector and/or the market concerned, as well as the funding arrangements and the type of and rules for participation;
- (c) the selection criteria, reflecting the objectives mentioned in this Decision, and the arrangements for applying them to each type of action and the method and instruments for monitoring and utilising the results of the actions and/or projects, including the definition of performance indicators;
- (d) the indicative timetable for the implementation of the work programme, in particular as regards the contents of the calls for proposals;
- (e) the detailed rules for coordination and linkage with existing Community policies. The procedure for the development and implementation of actions coordinated with those carried out by the Member States in the field of sustainable energy shall be set out. The aim is to provide added value as compared with measures taken by each Member State acting on its own. These measures will make it possible to achieve an optimum combination of the various instruments at the disposal of both the Community and the Member States;
- (f) if necessary, the operational arrangements in order to encourage the participation of remote and outermost regions, including islands, in the programme, and the participation of SMEs.

Community rules concerning public access to information, transparency and gender mainstreaming shall be taken into account throughout the programme.

Article 6

1. The financial framework for the implementation of this programme for the period 2003 to 2006 shall be EUR 200 million.

Annual appropriations shall be authorised by the budgetary authority within the limit of the financial perspective.

Financial reference amounts shall be laid down on an indicative basis for each specific field. An indicative allocation of this amount is given in the Annex. This budgetary allocation between fields shall be flexible in order to deal more effectively with changing needs in the sector; it may be changed with the agreement of the Committee referred to in Article 8.

2. The arrangements for the Community financial assistance for the actions undertaken under this programme shall be laid down in accordance with Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽¹⁾.

Article 7

The Commission shall be responsible for the execution of this programme in accordance with the procedure laid down in Article 8(2).

Article 8

1. The Commission shall be assisted by a committee.

2. Where reference is made to this paragraph, Articles 4 and 7 of Decision 1999/468/EC shall apply, having regard to the provisions of Article 8 thereof.

The period laid down in Article 4(3) of Decision 1999/468/EC shall be set at three months.

3. The Committee shall adopt its rules of procedure.

Article 9

1. The Commission shall carry out an annual examination of the progress made on this programme and the actions carried out in the four specific fields and the key actions referred to in Article 3 and shall submit a report thereon to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions.

2. At the end of the second year of the period of application of the programme, and in any case before putting forward proposals on any subsequent programme, the Commission shall provide, and give its conclusions on, an external evaluation of the overall implementation of the Community actions carried out under this programme. The external evaluation shall be carried out by independent experts. The Commission shall communicate its conclusions regarding this evaluation including, if appropriate, in particular in the light of enlargement, any adaptation to the current programme, to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions before putting forward proposals on this or any subsequent programme.

⁽¹⁾ OJ L 248, 16.9.2002, p. 1.

Article 10

1. Without prejudice to paragraphs 2 and 3, participation in this programme shall be open to any legal person, whether public or private, established in the territory of the Member States.

2. This programme shall be open to the participation of the candidate countries, in accordance with the conditions laid down in the Europe association agreements, in the additional protocols relating thereto and in the decisions of the respective Association Councils, on the basis of the relevant bilateral agreements.

3. Likewise, the programme shall be open to the participation of the EFTA/EEA countries on the basis of additional funds and in accordance with procedures to be agreed with these countries.

Article 11

This Decision shall enter into force on the twentieth day following that of its publication in the *Official Journal of the European Union*.

Article 12

This Decision is addressed to the Member States.

Done at Brussels, 26 June 2003.

For the European Parliament

The President

P. COX

For the Council

The President

A. TSOCHATZOPOULOS

ANNEX

Indicative allocation of the estimated amount needed ⁽¹⁾*EUR million*

Fields of action	2003–2006
1. Improvement of energy efficiency and the rational use of energy	69,8
2. New and renewable energy sources and diversification of energy production	80
3. Energy aspects of transport	32,6
4. Promotion of renewable energy sources and energy efficiency at international level, particularly in the developing countries	17,6
Total	200 ⁽²⁾ ⁽³⁾

⁽¹⁾ This allocation is indicative. The budgetary allocation between fields is flexible in order to deal more effectively with changing needs in the sector.

⁽²⁾ An additional contribution reflecting the number, size and particular needs of new Member States, is to be anticipated from 2004 onwards as a result of the enlargement of the European Union. The Commission could propose that this contribution would be at least EUR 50 million.

⁽³⁾ The budget for an Executive Agency could be set by the budgetary authority as a percentage of the programme's overall financial allocation.