



## **The National Energy Efficiency Action Plan in Hungary – Failing to Realize the Potential**

Regrettably neither Hungarian nor European policy makers dare to make a clear commitment towards the reduction of energy consumption as shown by the case of the Energy and Climate Package as well. While in March 2007 the European Council stressed the need for increasing energy efficiency in the EU in order to achieve the objective of saving 20% of the EU's energy consumption by 2020, this target does not appear in the EC's 3rd climate-energy package, which further reduces the pressure on national decision makers for tackling energy efficiency issues.

In Hungary this unfavorable phenomenon appeared in the case of the National Energy Efficiency Action Plan.

**Status** – After the European Commission opened an infringement procedure against Hungary for failing the deadline for submitting the Action Plan, the document was presented to the EC with a 8-month delay in February 2008.

Energia Klub has pursued the formulation and creation of the NEEAP all along and made constructive suggestions and remarks about the document on several occasions. In spite of this, the content of this strategic document gives reason to earnest solicitude, questioning the credibility of the Action Plan.

We perceive the most severe deficiency of the Action Plan in the complete lack of detailed statistical data and of deep economic analyses concerning the energy consumption of the various end-use sectors which would examine the real energy conservation potentials of the country. Also the impact assessments of the current and past energy efficiency programmes, or other possible incentives are missing. Without such examinations, a sound and realistic action plan ranking the fields of intervention cannot be made. Without such studies the measures and the energy conservation target numbers assigned to them are rather unfounded.

Examining the different scenarios which serve as a basis of energy related strategic documents it is obvious that the projected growth in TPES (ca. 1% per year) is overestimated. Neither the past tendencies in Hungary nor the EU trend predictions explain this high growth rate. Apparently the purpose of these fake calculations criticized by leading professionals as well are to sabotage the realization of notable energy savings, which brings up further questions concerning the credibility of the Action Plan.

**Conclusions** – In general, we can state that the Action Plan in its current form should be dealt with earnest reservations. It is completely inadequate to substantiate serious measures and programmes. Considering the above mentioned problems Energia Klub urges for stricter requirements when approving the NEEAPs. We consider it advisable to require the member states also to submit the background studies assessing the economic potential and feasibility of energy saving measures at the review and revision of the NEEAPs in 2011.