



Policy interventions aiming to encourage change in consumer behaviour on energy efficiency – Insights from EU-wide expert discussions

This policy brief presents the results of expert seminars which aimed to identify challenges and policy options for encouraging change in consumer behaviour on energy efficiency. The recommended policy interventions include: providing access to specialised information and guidance, developing smarter subsidy schemes, communicating good practices and impact of savings and operationalising the energy community concept.

Introduction to the topic

One of the key EU objectives, as set by the EU strategic framework instruments, is to provide “secure, sustainable, competitive and affordable energy”¹ to European households and businesses. To achieve this, citizens (and consumers) have long been recognised as not just a main beneficiary, but also a main actor in making the envisaged transition work. Furthermore, consumers seem to gain awareness of the need and value of sustainable energy practices, particularly at times of growing public concerns over increasing greenhouse gas emissions and the extending negative effects of climate change.

Making currently existing energy systems more efficient and carbon neutral requires not only technological innovations for curbing the use of fossil fuels but also a substantial reduction of the total energy consumption at household level. Thus, one of the major objectives related to citizens and consumers within the EU strategic framework is empowering consumers to make informed choices in regard to their energy consumption and facilitate their actions towards greater energy efficiency. Some locally applied instruments and measures seem to be effective in changing consumers’

behaviour, but reducing overall energy consumption remains a challenge.²

In 2021 around 40 stakeholders from all over Europe gathered together to discuss challenges and policy options for encouraging change in consumer behaviour on energy efficiency. This policy brief highlights the most pertinent findings from these deliberations.

Identified challenges

During the seminars the following issues were identified as major challenges that European energy consumers face:

- Low level of awareness and knowledge among households on energy issues such as feedback on energy consumption (bills, costs), funding opportunities, real-time consumption monitoring, environmental impact of energy use, energy saving advice and impact of energy saving measures. Although information is widely available, mostly it is not communicated in an easy-to-understand way and is sometimes biased and too technical.
- Lack of accountability and public information on measuring the impact of energy efficiency. Consumers obviously can see the “beautiful packaging” of homes as a result of the implemented energy efficiency measures (insulation,

¹ <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=COM:2015:80:FIN>

² <https://www.frontiersin.org/articles/10.3389/fenrg.2015.00029/full>





change of windows) but are not sufficiently informed about the impact of these measures (saved emissions, benefit to the energy system, increased housing comfort). Such impacts need to be clearly communicated and promoted among consumers.

- Many households cannot afford large-scale home improvements in terms of energy efficiency due to financial constraints. Consumers are more prone to invest in small improvements, which are often insufficient.
- Households are still reluctant to invest in energy production from renewable energy sources. Among the reasons are lack of funding schemes, lack of information on available funding opportunities and technological solutions, as well as lack of supportive regulatory frameworks in some EU countries (e.g. net metering).
- Current policies to reduce energy consumption are aimed at individuals and households, whereas impactful behavioural change can more easily be achieved if through collective and participatory projects and energy communities.
- Energy poverty is an issue in all of Europe. There is insufficient support for vulnerable consumers, which results in limited access to information and services and limited participation in energy efficiency projects and initiatives by energy poor households.

Policy insights

- *Provide access to specialised information and guidance* – provide access to services that deliver personalised guidance to home owners so that they can plan and implement energy efficiency renovations. Some funding for energy efficiency could support: i) services

that facilitate intermediate actors (such as small Energy Service Companies (ESCOs)) to reach and support a large number of home owners themselves; or ii) innovations from ESCOs that target residential buildings and aim at achieving a real impact.

- *Smarter subsidy schemes* – Introduce accountability through linking funding to actual impact (including impact on energy poverty). Abandon first-come-first-served subsidy schemes and create different scheme versions for different levels of energy performance (for instance more compensation for deeper renovations), building type (such as schemes targeting rented buildings), or targeted to buildings that need renovations the most.
- *Communicate good practices and impact of savings* through national repositories of data on energy efficiency measures and their impact.
- *Operationalise the energy community concept* – Promote the idea that energy efficiency can also be part of the operations of an energy community and level the field for energy efficiency improvements to be financed in the same way that generation assets are financed in energy communities.

The ECO2 project in a nutshell

ECO2 (Energy Conscious Consumers) is a Horizon2020 funded project. Its main objective is to increase the awareness of EU consumers regarding their energy consumption and ways to improve the energy efficiency of their homes. Since consumers play a key role in the transition towards sustainable energy use, the project both engages and empowers them by enhancing their knowledge on how to





consume energy more consciously in their everyday lives.

The main outcome of the ECO2 project is **ACT4ECO**, an interactive online platform available at www.act4eco.eu. It is aimed at motivating energy consumers to explore various solutions in terms of home improvements and implementation of energy-saving best practices.

ECO2 also aims at establishing a dialogue with policy-makers and innovators at national and EU level through policy seminars, to discuss energy efficiency measures available to households and their impact on consumer behaviour.

Project partners

Fonden Teknologirådet – Danish Board of Technology Foundation (DBT), Denmark – Project coordinator

Applied Research and Communications Fund (ARC Fund), Bulgaria

Asociacija Žinių Ekonomikos Forumas (KEF), Lithuania

Associação Portuguesa para a Defesa do Consumidor (DECO), Portugal

Hebes Intelligence Single Member Private Company (HEBES), Greece

Helsingin Yliopisto – University of Helsinki (UH), Finland

Sinergie Società Consortile a Responsabilità Limitata (SINERGIE), Italy

Strategic Design Scenarios (SDS), Belgium

University College Cork, National University of Ireland, Cork (UCC), Ireland

