



"The voice of crafts and SMEs in Europe"

Energy efficiency: State aid a crucial tool to achieve SMEs' huge savings potential

Brussels, 27 May 2008 – Awareness raising activities, consulting services and innovative financial instruments are crucial to help crafts and SMEs achieve their enormous potential to increase energy savings and energy efficiency, according to UEAPME, the European craft and SME employers' organisation. Speaking today (Tuesday) at a round table on environmental protection and climate change hosted by Competition Commissioner Neelie Kroes, Secretary General Andrea Benassi warned that Europe will not be able to reach its ambitious targets on environmental protection and climate change unless the attractiveness of investing in energy efficiency and energy savings is dramatically improved. UEAPME therefore called on the European Commission to fine-tune its State aid rules to allow a better financing for energy-related consultancy services and leaner procedures to calculate eligible costs for aid to energy saving measures. Both issues must be fixed in the upcoming "General Block Exemption Regulation", said UEAPME, in order to maximise the contribution of SMEs to the EU energy strategy.

The overwhelming majority of crafts and SMEs in Europe, explained Mr Benassi, have a relatively low energy intensity. Therefore, energy savings and energy efficiency rarely top the list of investment priorities for small entrepreneurs, who also tend to systematically underestimate their energy savings potential: according to a recent survey conducted in Germany, SME owners believe that their capability to increase energy efficiency is far below 10%, while experts and researchers expect it to be 20% on average. *"Increasing awareness on energy saving opportunities must be the first step of a successful strategy. However, this will not happen without public support"*, said Mr Benassi. UEAPME had already unsuccessfully called for higher aid intensities for energy-related consultancy services in the EC's Environmental Aid Guidelines – the upcoming General Block Exemption Regulation, he stressed, will provide the EC a second chance to do so.

Even when small companies are properly informed and ready to take action on energy efficiency, the costs of the investments needed are often a key barrier. The European Commission seemed to understand this concern and offered in its latest Environmental Aid Guidelines a series of measures that should ease aid calculations for energy-related investments and hopefully bring about positive results. However, the EC is still standing by its request to have eligible costs certified by an external auditor in the framework of its General Block Exemption Regulation. This will create a major entry barrier for small businesses, stressed Mr Benassi, who called on Ms Kroes to delete this burdensome clause in the next GBER.

"The European Commission's 'State Aid Action Plan' provides a better, coherent and solid theoretical framework for public support, based on market failures and on a refined economic approach. However, much remains to be done to improve its consistency with Europe's overall policy aims on energy efficiency. We hope that the European Commission will work to fill these gaps and allow aid providers to give SMEs the support they need and deserve", concluded Mr Benassi.

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EDITORS' NOTES: UEAPME is the employers' organisation representing exclusively crafts, trades and SMEs from the EU and accession countries at European level. UEAPME has 86 member organisations covering over 12 million enterprises with 55 million employees. UEAPME is a European Social Partner. For further information: <http://www.ueapme.com/>

FOR FURTHER INFORMATION PLEASE CONTACT:

Gerhard Huemer, Economic and Fiscal Policy Director, Tel. +32 (0)2 230 7599, Email: g.huemer@ueapme.com
Francesco Longu, Press and Communications Officer, Tel. +32 (0)496 520 329, Email: pressoffice@ueapme.com