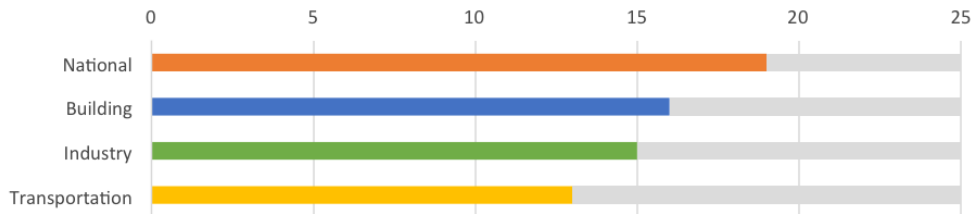


3

European Union



Coming in third, the EU ranked below Germany and Italy. Although the EU is made up of 28 member countries, in our analysis it was treated in the same way that we treated individual countries because its economy is similar in size to that of the United States.

The EU earned the highest score on its national energy efficiency efforts, tied with France and Italy. In December 2012, the EU's Energy Efficiency Directive (2012/27/EU) entered into force, establish common framework for achieving the EU's goal of cutting primary energy consumption by 20% by 2020. Under this policy, each member state is required to set a national energy efficiency target and achieve a set amount of energy savings between 2014 and 2020. This directive is a great example of leadership at the level of a centralized government that leads to broad implementation by all regions, states, and localities.

The EU improved its ranking in the industrial sector since the first edition of the *International Scorecard*, having adopted policies requiring energy audits and having put in place a requirement for voluntary agreements and government incentives for manufacturers to invest in energy efficiency. Notably, the percentage of electricity consumed by the industrial sector that is generated by combined heat and power is the second highest of the economies surveyed.

AREAS FOR IMPROVEMENT

Both residential and commercial buildings are subject to mandatory building energy efficiency codes and

labeling standards, but energy use per square foot is in the middle of the range of countries analyzed. Fortunately, the improvement of the energy efficiency in buildings is a major focus of the Energy Efficiency Directive and the Energy Performance of Buildings Directive (2010/31/EU).

The EU transportation sector also ranked in the middle range of the countries analyzed. The vehicle miles traveled per person and average fuel economy of passenger vehicles is lower in Europe than many economically developed countries. To further improve its score in transportation, the EU should implemented fuel efficiency standards for heavy-duty trucks, which would spur greater efficiency in its heavy-duty fleets.

ADDITIONAL RESOURCES

For more information on the EU's energy efficiency policies: http://ec.europa.eu/energy/efficiency/eed/eed_en.htm

For more information on the EU's building efficiency: http://ec.europa.eu/energy/efficiency/buildings/buildings_en.htm