



Federal Office  
for Economic Affairs  
and Export Control



# Overview Of The German Energy Efficiency Market

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## Background

### Federal Energy Efficiency Center (BfEE)

- “designated national authority” pursuant to Energy Services Directive (2006/32/EC)
- tasks defined in Energy Efficiency Services Act (last amended in 2015)
  - **observing and evaluating the market for energy services and energy efficiency measures**

### Aims

- Support (further) development of energy efficiency measures
- Strengthen transparency for market actors in the field of energy efficiency

### Use

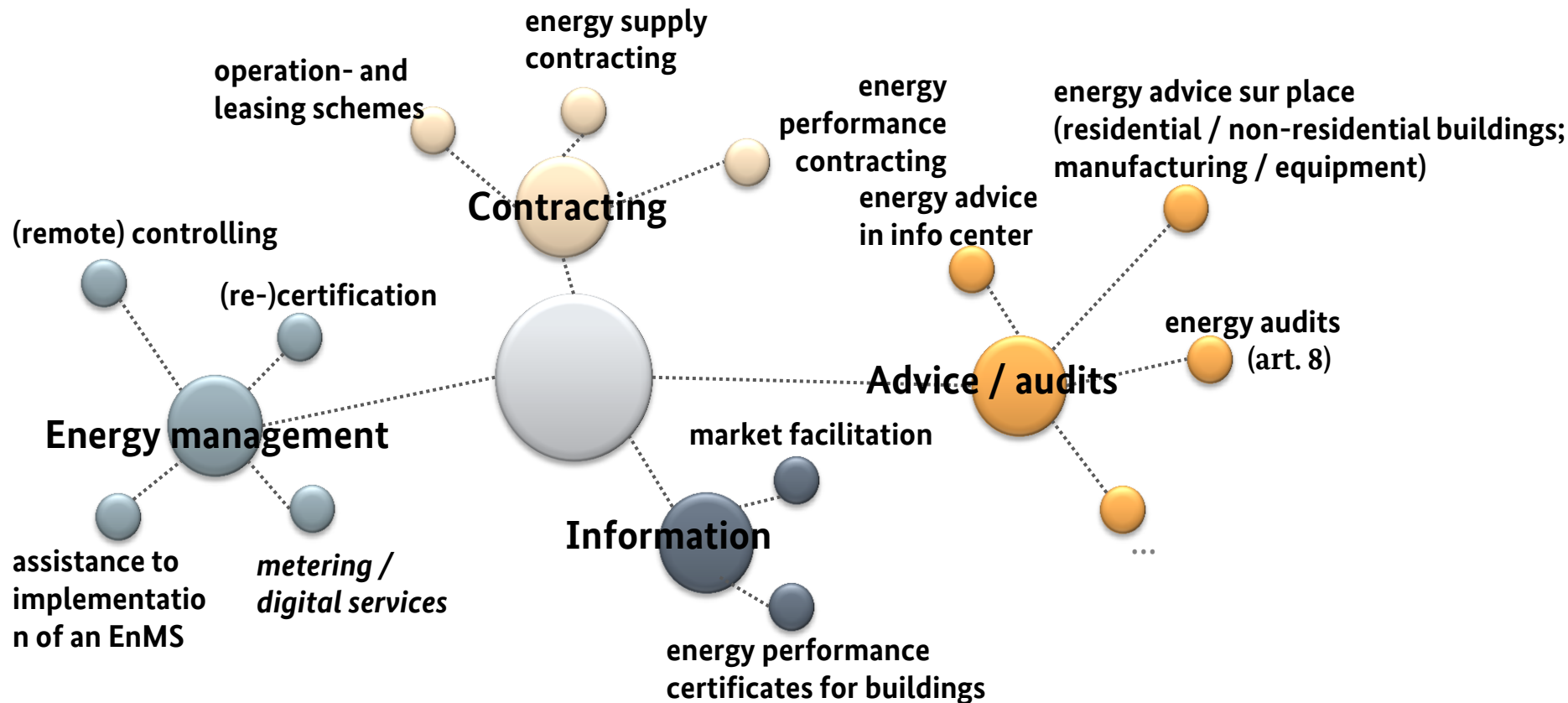
- Reporting from energy efficiency directive
- Evaluation and scientific support for the Ministry of Economy and Energy

### Projects

- Marketstudy 2013, Survey 2016 & 2017, 2018
- Observation e.g. energy management systems, quality of energy audits, legal barriers for contracting



## Service Products And Market Segments





## Methodology

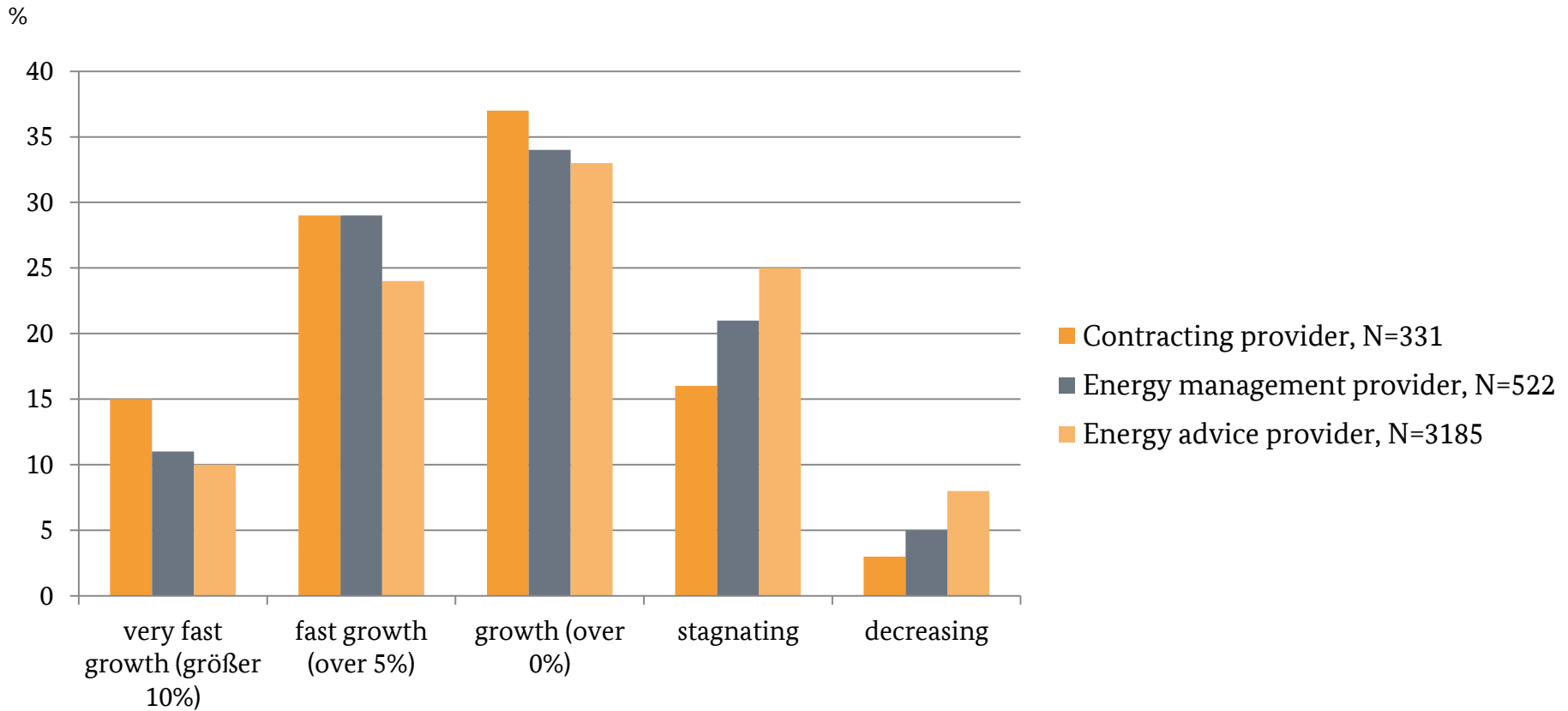
Market indicators	Motivation, prospect	Information
Supply		
<ul style="list-style-type: none"><li>▪ Number of suppliers</li><li>▪ Market structure</li><li>▪ Regional distribution</li><li>▪ Market volume</li><li>▪ Sales numbers</li></ul>	<ul style="list-style-type: none"><li>▪ Expected market development</li><li>▪ Obstacles</li><li>▪ Relevance of EES for business</li></ul>	<ul style="list-style-type: none"><li>▪ Publicity</li><li>▪ Self-perception, activities and assessment of stakeholders</li></ul>
Demand		
<ul style="list-style-type: none"><li>▪ Target segments</li><li>▪ Sector distribution</li><li>▪ Market potential</li><li>▪ Usage frequency of energy services</li></ul>	<ul style="list-style-type: none"><li>▪ Attitude towards energy efficiency</li><li>▪ Relevance energy prices</li><li>▪ Expectation in energy consulting</li><li>▪ Motivation and trigger points</li><li>▪ Obstacles</li></ul>	<ul style="list-style-type: none"><li>▪ Information channels</li></ul>

## Market volume

	Market survey 2018	Market survey 2017	Market survey 2016
Energy advice	ca. 370 - 400 million Euro	ca. 790 - 850 million Euro	ca. 470 - 520 million Euro
Energy contracting	ca. 7,2 - 8,6 billion Euro	ca. 7,7 billion Euro	ca. 7,2 - 8,4 billion Euro
Energy management services	ca. 466 million Euro	ca. 435 million Euro	ca. 200 million Euro
<b>Total</b>	<b>8,0 – 9,5 billion Euro</b>	<b>8,9 – 9,0 billion Euro</b>	<b>7,9 – 9,1 billion Euro</b>



## Suppliers expect a positive market development within their own sector



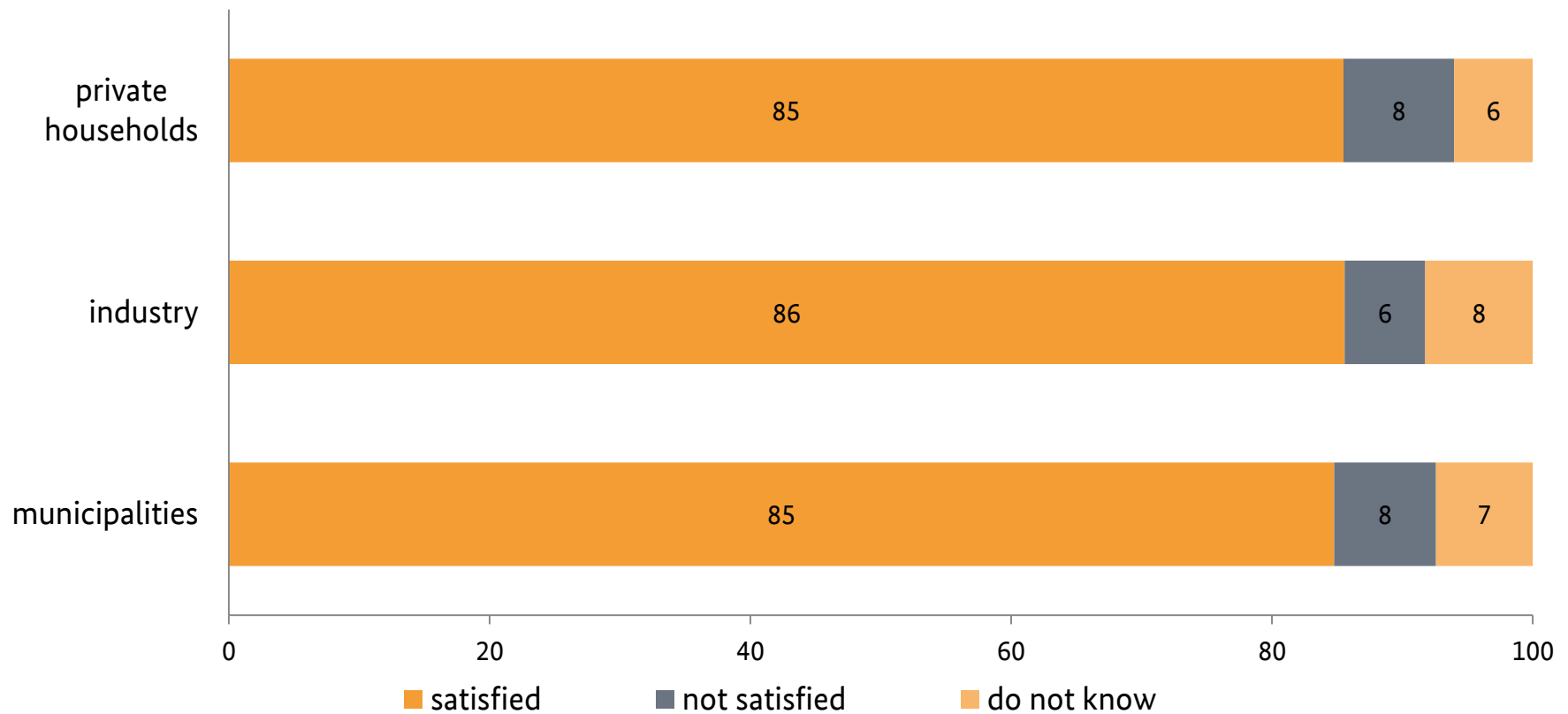


## Overview usage of Energy Services

Industry (N=2751)		Public Sector (N=473)		Private households (property owners) (N=1194)	
Energy Supply Contracting	16%	Energy advice/ planning services	60%	Energy consumption feedback via App or Internet e.g. by energy provider	10%
Energy analysis or Energy audit according to DIN 16247	21%	Energy management / environmental management / Energy controlling	24%	Issuing Energy performance certificate (not consumption certificate)	10%
Information or planning to promote energy efficiency	19%	Energy performance certificates	36%	Energy Supply Contracting	5%



## High satisfaction with energy services [in %]



N=978 private households, N=1.637 industry, N=243 municipalities

## Motivation

### Top-3 reasons for implementation of energy efficiency measures/services

Private households – property owners (reasons for measures at building) (N=1194)		Public sector – reasons for external support (frequency of being mentioned) (N=205)	
Maintenance of real estate value (maintenance / repairs)	48%	Establish a basis for utilization of subsidies	69%
Reduce energy costs	15%	Relief own staff or staff of subordinate authority	67%
Safety and protection	11%	Use special expertise of service provider	66%

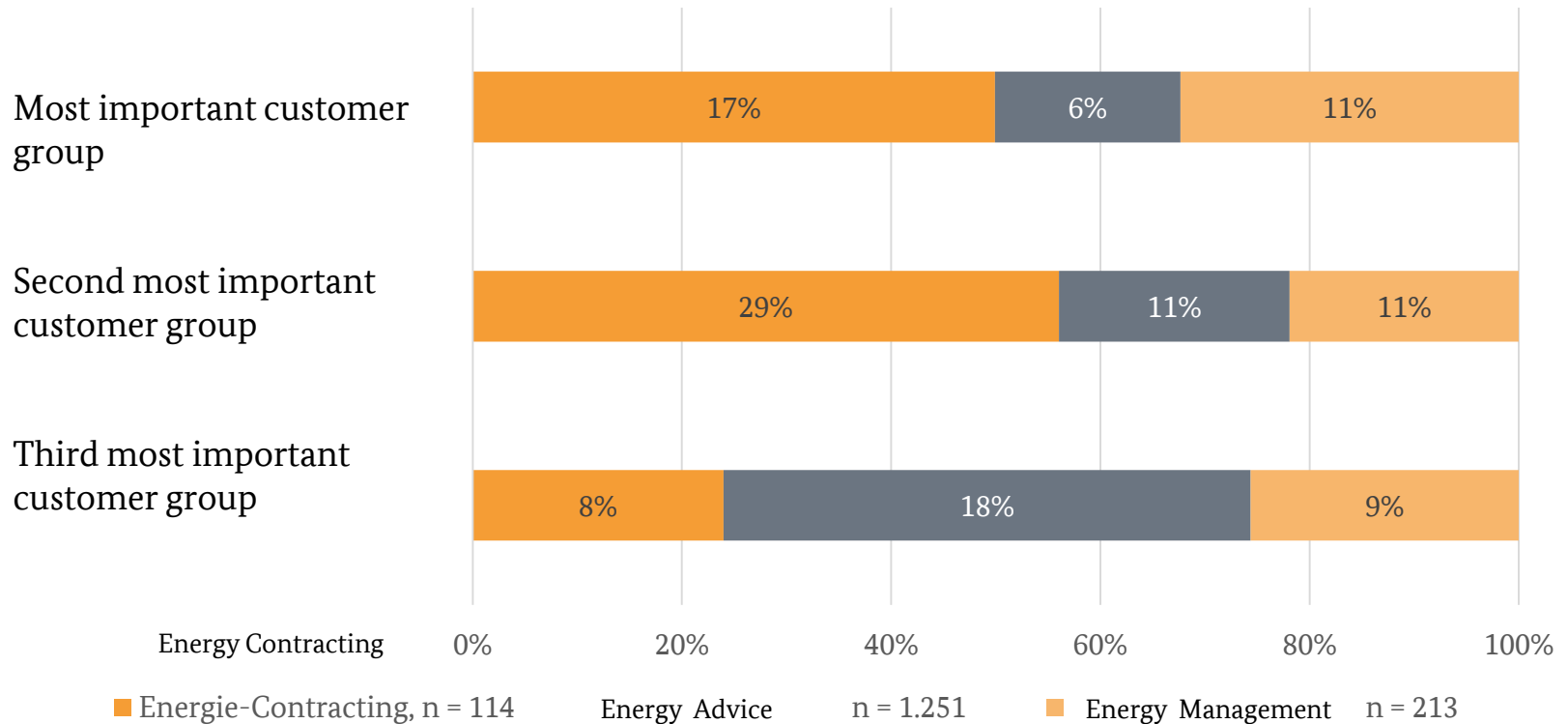


MARKET SURVEY 2018

# FOCUS: PUBLIC SECTOR

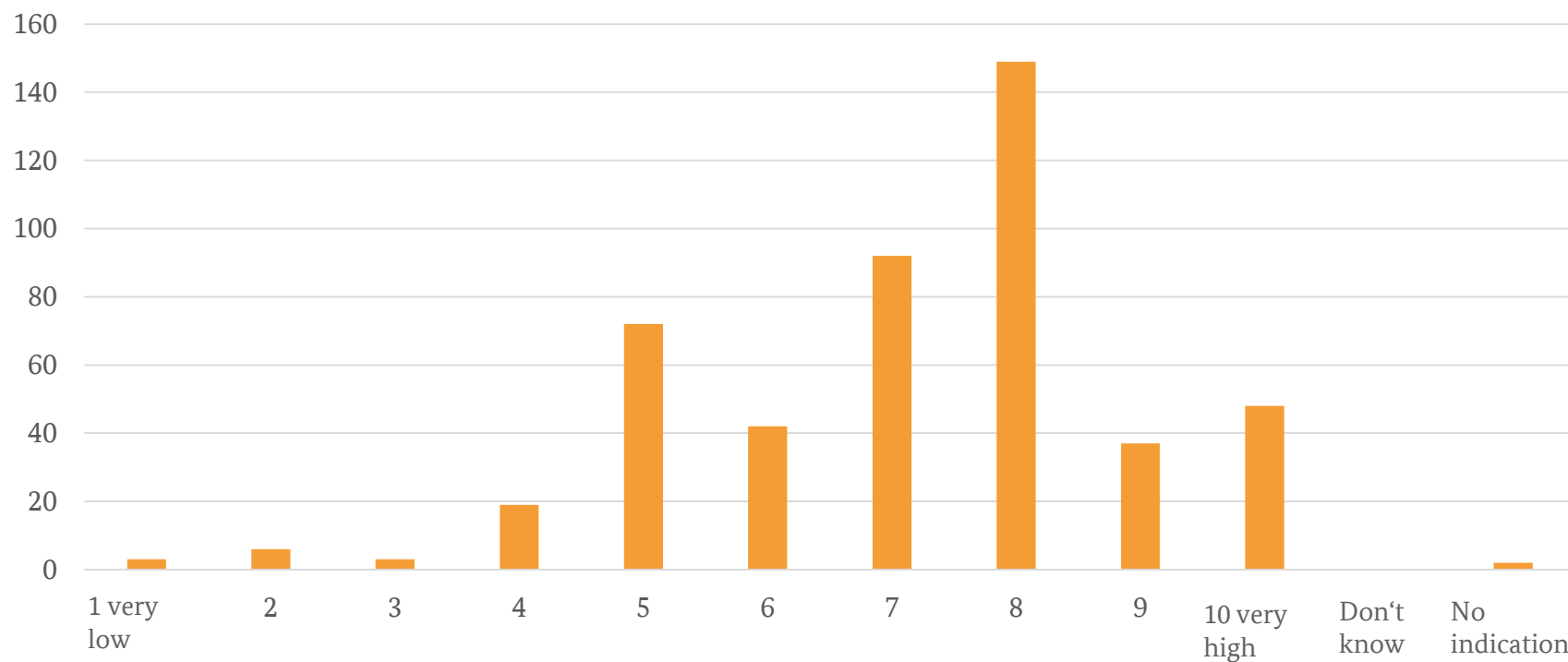


## Public sector is an important customer group for all energy service suppliers





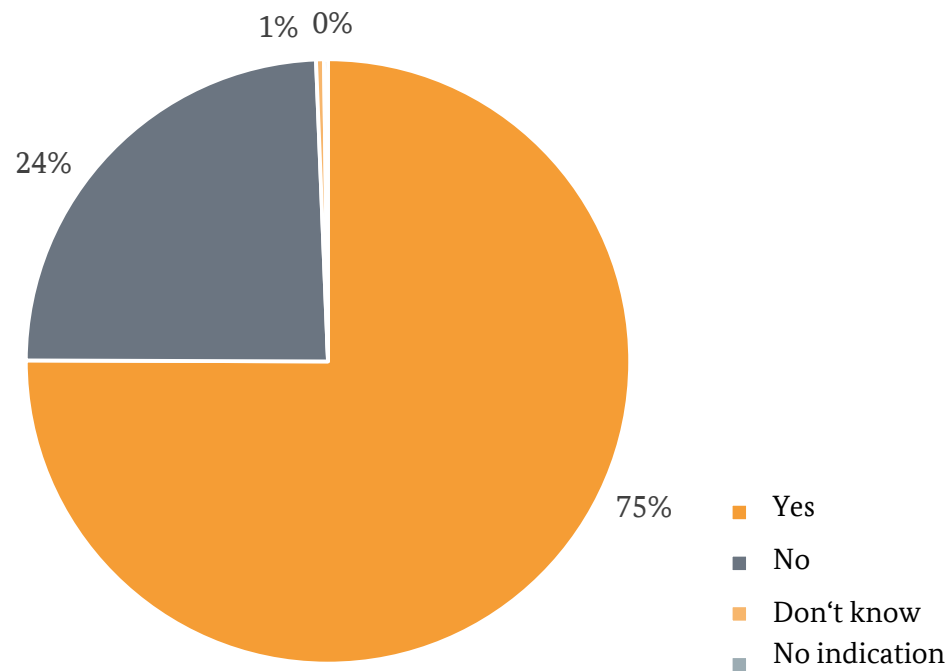
## Energy efficiency is of high importance for public sector



Survey 2018, Public Sector

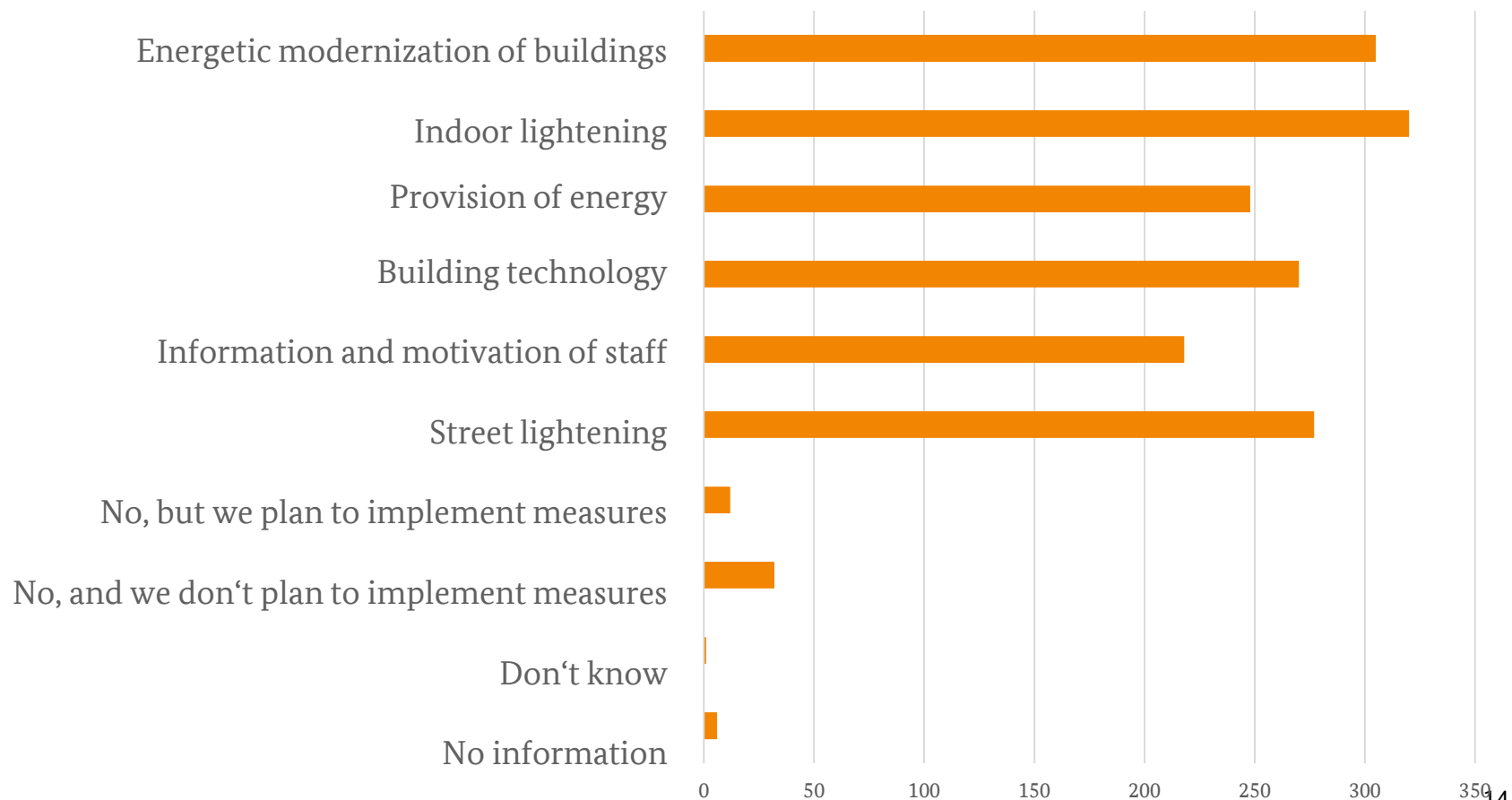


## Need for investment is seen by three quarters of respondents



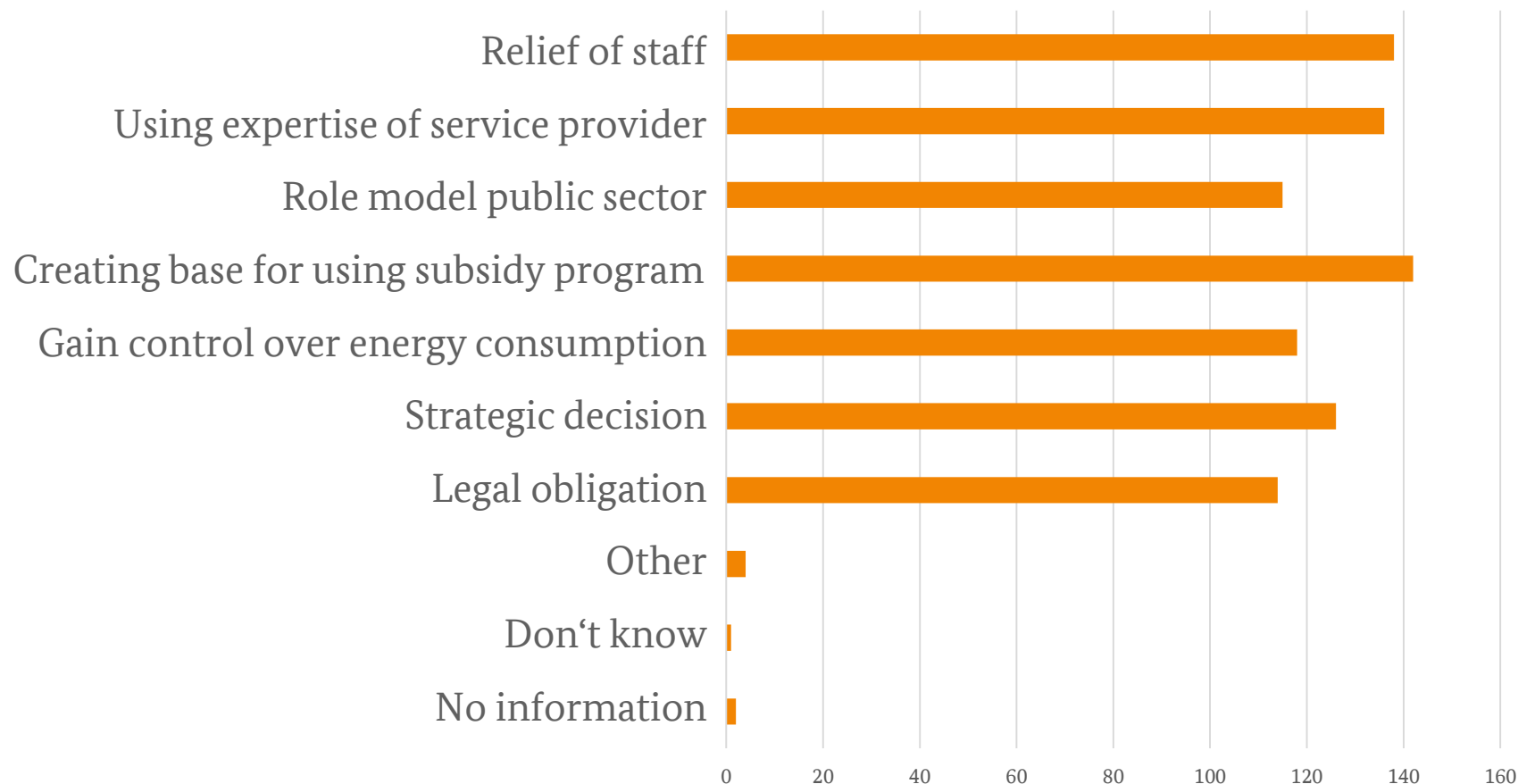
Survey 2018, public sector, „Do you see any need for investment in your properties in your administrative area?, n=474

Did you implement one or more measures to save energy in the last 5 years? (n=473)



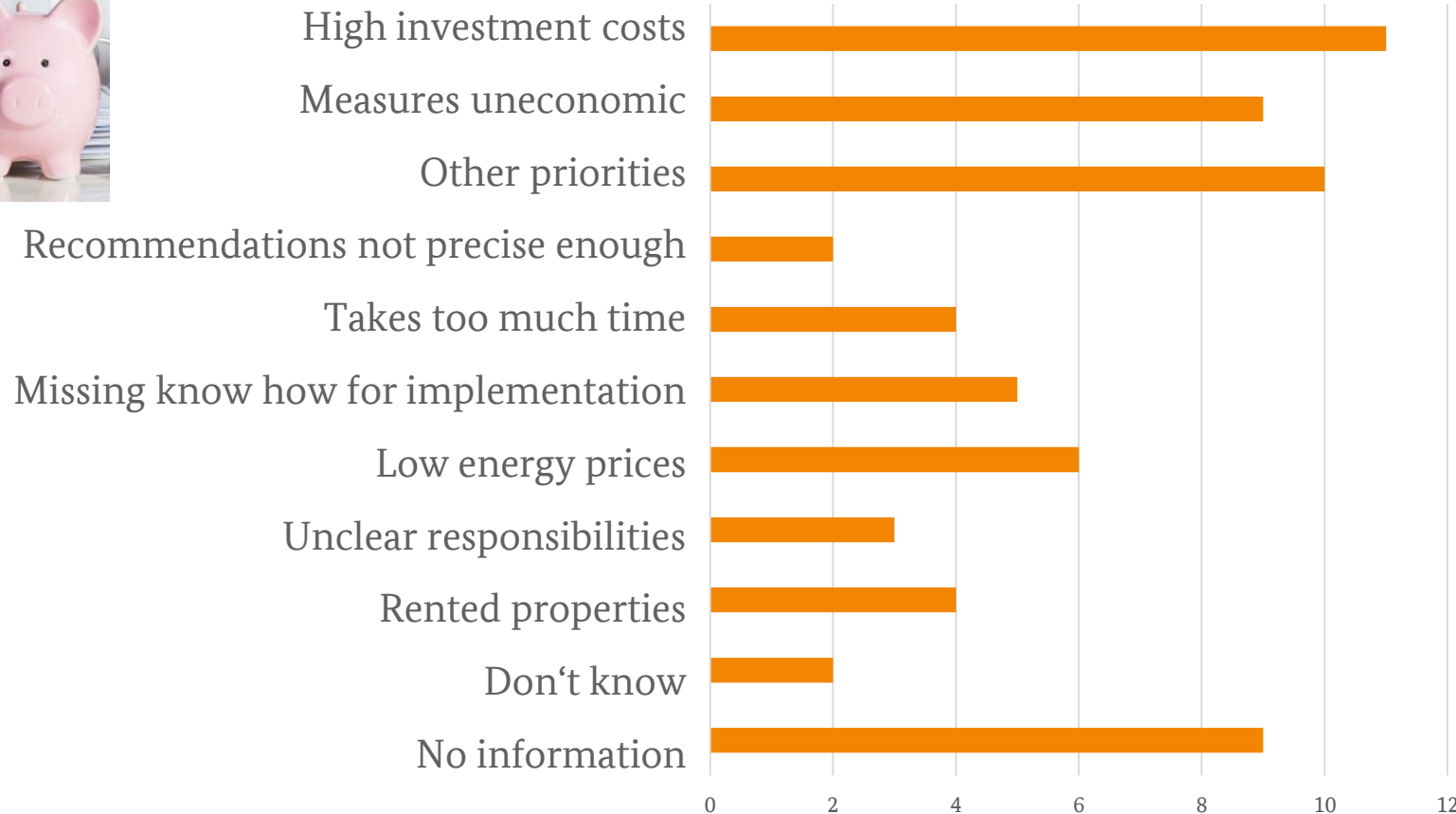


## Why did you decide to use external services? (n = 205, multiple answers possible)





For which reason didn't you use external services? (n = 32, multiple answers possible)





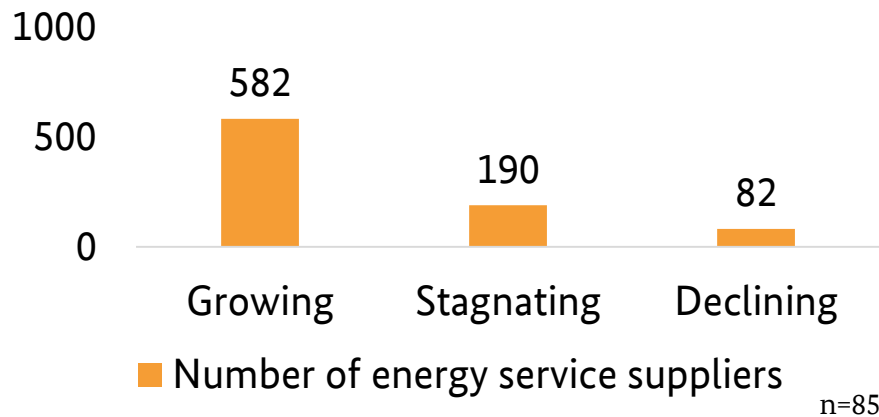
MARKET SURVEY 2018

# FOCUS: ENERGY CONTRACTING

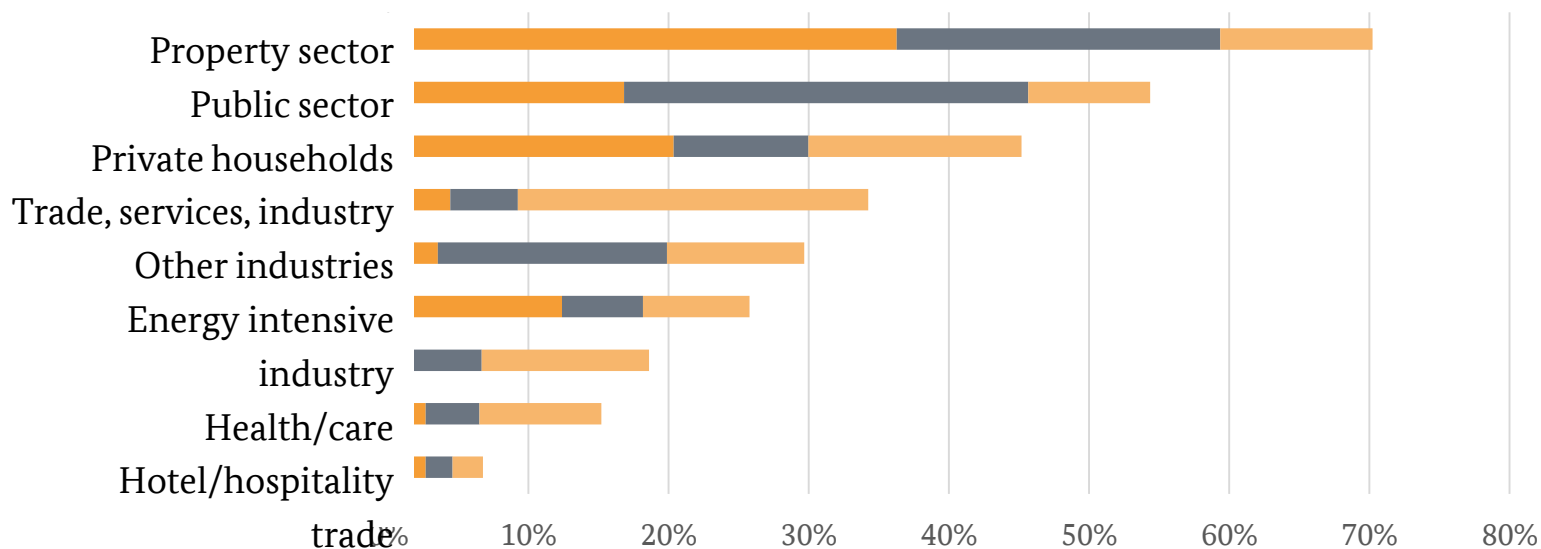


## The German EPC market

- Estimated market volume in 2017: ~ 7.9 bn Euro (EPC, ELC, Other)
- Characteristics of supply
  - Approximately 550 energy contracting suppliers → EPC only a small share
  - EPC suppliers are mostly energy utilities or specialized contracting businesses
- Positive EPC market development is expected by most suppliers



## Most important customer group is the building sector



■ Most important customer group, n=113

■ Second most important customer group, n=104

■ Third most important customer group, n=92



## Motivation

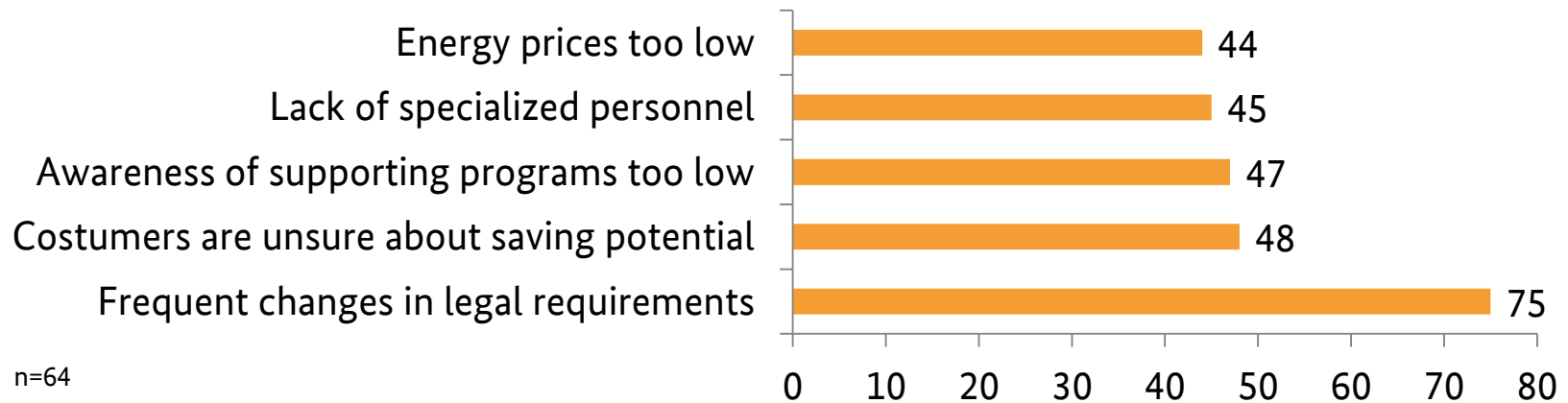
### Top 3 Reasons for EPC

Public sector (n=26)	Businesses (n=275)
Reduction of energy use (88 %)	Reduction of energy use (83 %)
Strategic decision (65 %)	Gain control over energy cost (74 %)
Gain control over energy cost (62 %)	Strategic decision (60 %)



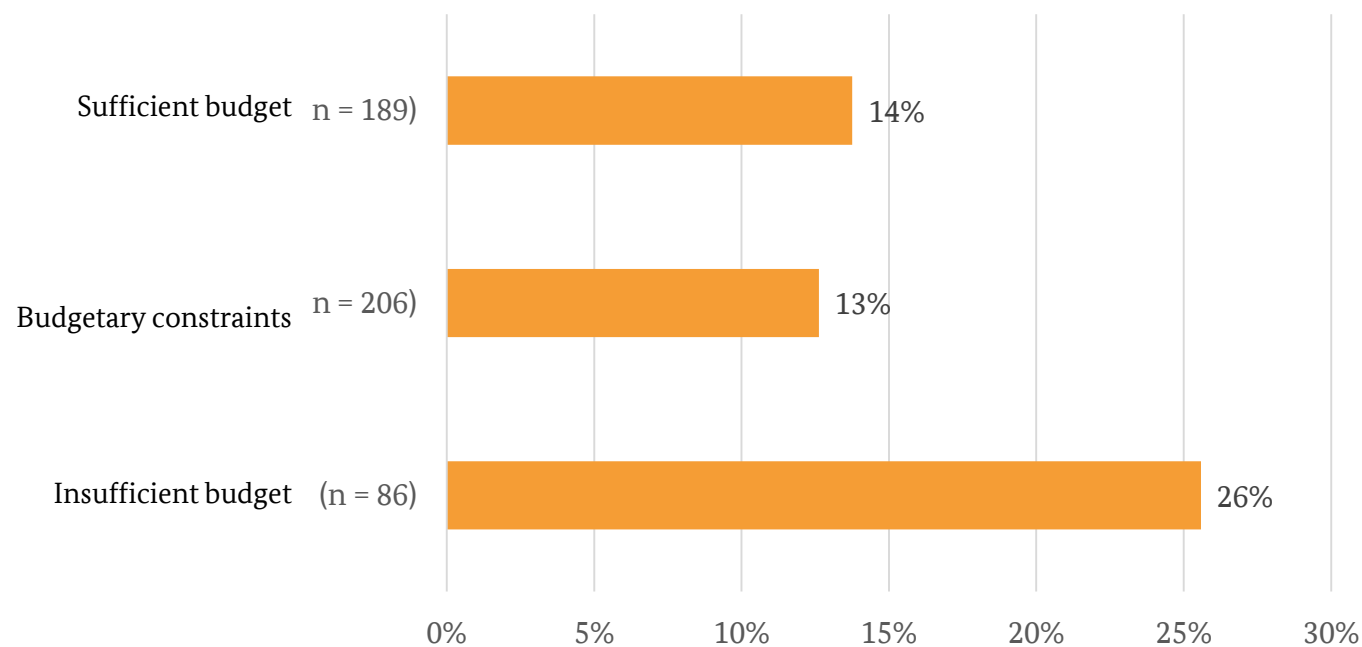
## Barriers

### Top 5 barriers on energy contracting (in %)





## Energy contracting is especially interesting for institutions with limited budget



Survey 2018, public sector



## Conclusion

...robust, but still a lot to do.

### **Suppliers are there, good regional distribution**

- Heterogeneous, small businesses, dynamic, innovative, segmented, professional
- Little (real) big players, many energy suppliers/public utilities, many small businesses

### **Demand side is still a limiting factor. Issues need to be addressed:**

- Some products seem to be quite hard to explain to demand side
- Need for „easy use“: simple and low-threshold (potential: digitalization)
- Quality and trust remains to be important in B2B



# Thank you for your attention!

Results will be available in English on

<http://www.bfee-online.de/BfEE/DE/Energiedienstleistungen/Marktkennzahlen>