



Twinning Fiche (ANNEX C1)

Project title: Formulation of a comprehensive process for the adoption of the relevant EU regulations regarding energy-consuming appliances while engaging the public and interested parties

Beneficiary administration: The Sustainable Energy Division of the Ministry of Energy in Israel

Twinning Reference: IL 18 ENI EY 01 21

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EU funded project

TWINNING INSTRUMENT

List of abbreviations

AA - Association Agreement

AP - Action Plan

ENP - European Neighborhood Policy

ENI – European Neighborhood Instrument

GHG - Greenhouse Gas

MS - Member State

MoE – Ministry of Energy

NEEAP - National Energy Efficiency Action Plan

PL - Project Leader

PV - Photovoltaic

RIA - Regulatory Impact Assessment

RTA - Resident Twinning Advisor

1. Basic Information

The ENP applies to Israel although the country receives limited funding from the ENI, as it is a member of the OECD. There is no Single Support Framework for Israel. While formal decision on the identification and adoption of new EU-Israel Partnership Priorities (PPs) in line with the revised European Neighbourhood Policy is pending, the EU-Israel ENP Action Plan has been extended until January 2022 and constitutes the basis of the EU-Israel cooperation.

No Association Committee or Association Council meetings were held since 2012, however cooperation actions and policy dialogue in several areas continued actively throughout.

The Israeli economy has showed strong resilience during the global economic downturn of last decade and has maintained high Gross Domestic Product (GDP) growth rates (reaching 3.5% in 2019); higher than the 1.7% OECD average). Like many other countries, the Corona crisis has affected also Israel, but since it reached the crisis in a relatively strong and stable economic situation, the Ministry of Finance predicts that if the health situation will not further deteriorate, GDP growth in 2021 will reach 4.6%, while the Bank of Israel is even more optimistic with 6.3% GDP growth.

The EU is, and for the near future will remain, Israel's largest trading partner, currently representing 30.2% of Israel's total trade (excluding the U.K.). Institutional Twinning and Technical Assistance and Information Exchange Instrument (TAIEX) are the modalities used in ENI co-operation with Israel. Israel made use of TAIEX and Twinning instruments to increase legislative approximation in areas such as market regulation, statistics, agriculture policy, welfare services and, most recently, environment. All cooperation is subject to the requirements set out in the "Guidelines on the eligibility of Israeli entities and their activities in the territories occupied by Israel since June 1967 for grants, prizes and financial instruments funded by the EU from 2014 onwards".

Actions financed by the EU have to reflect Israel's interest and capacity to implement the jointly agreed priorities and have to follow the rules set for institutional Twinning instrument on the "*acquis communautaire*".

1.1 Programme

ENI/2017/040-346 and ENI/2018/042-315 (Direct management)

For UK applicants: *Please be aware that following the entry into force of the EU-UK Withdrawal Agreement¹ on 1 February 2020 and in particular Articles 127(6), 137 and 138, the references to natural or legal persons residing or established in a Member State of the European Union and to goods originating from an eligible country, as defined under Regulation (EU) No 236/2014² and Annex IV of the ACP-EU Partnership Agreement³, are to be understood as including natural or legal persons residing or established in, and to goods originating from, the United Kingdom⁴. Those persons and goods are therefore eligible under this call.*

1.2 Twinning Sector

Energy (EY)

1.3 Indicative Amount

EUR 1,2 million

1.4 Sustainable Development Goals

SDG 7 "Affordable and Clean Energy"

SDG 12 "Responsible Consumption and Production"

SDG 13 "Climate Action"

2. Objectives

2.1 Overall Objective

The overall objective of this project is to reduce the negative impact of energy consumption on the economy, health and environment in Israel⁵.

The increased energy efficiency of energy-consuming equipment will reduce the losses, emission of greenhouse gases, thus contributing to improved health and

¹ Agreement on the withdrawal of the United Kingdom of Great Britain and Northern Ireland from the European Union and the European Atomic Energy Community.

² Regulation (EU) No 236/2014 of the European Parliament and of the Council of 11 March 2014 laying down common rules and procedures for the implementation of the Union's instruments for financing external action.

³ Annex IV to the ACP-EU Partnership Agreement, as revised by Decision 1/2014 of the ACP-EU Council of Ministers (OJ L196/40, 3.7.2014).

⁴ Including the Overseas Countries and Territories having special relations with the United Kingdom, as laid down in Part Four and Annex II of the TFEU.

⁵ All actions financed by the EU are subject to the Guidelines on the eligibility of Israeli entities and their activities in the territories occupied by Israel since June 1967 for grants, prizes and financial instruments funded by the EU from 2014 onwards

environment in the country, as is intended in the overarching strategies documents of Israel: the Israeli NEEAP for 2020-2030, and Israel 2050 - Transition to Low Carbon Economy (those strategies will be described later in detail).

The intermediate impact will be the increased consumer preference for the energy-saving equipment. The main assumptions supporting the contribution to the intermediate and overall impact are as follows:

- Continued policy of the government for incentives and engagement of both producers/importers and consumers;
- Continued state policy on improving the consumer awareness on the economic and social benefits of the energy saving equipment;
- Sufficient and timely funding and institutional improvements to support the efficient implementation of the adopted regulatory improvements.

2.2 Specific objective

The project will help the Israeli Government to accelerate, on the one hand, the development of Israel's overall strategy for approximation of EU regulations on energy efficiency of energy-consuming product groups, and on the other hand, to immediately advance and implement the domestic regulations for a selected group of appliances.

Hence, the project will have two main outcomes:

Outcome 1: The implementation action plan for improvement of the national regulations for energy-saving equipment, including legal, institutional-administrative reforms and budgetary framework approved and commenced.

Outcome 2: Adopted and enforced regulatory (legal and institutional) framework for selected energy-saving household appliances.

The main assumptions contributing to the achievement of the Specific Objectives are as follows:

- Efficient presentation and discussions on the plans and legislative packages for regulatory improvements by the relevant stakeholders
- Efficient coordination with relevant government ministries and legislative committees
- Assistance provided by local experts, importers and manufactures.

2.3 The elements targeted in strategic documents i.e., National Development Plan/Cooperation agreement/Association Agreement/Sector reform strategy and related Action Plans

The European Union and Israel negotiated an **Association Agreement (AA)** in 1995. This agreement entered into force in 2000, and further developed relations in the context of the Euro-Mediterranean Partnership. The main features of the EU-Israel Association Agreement include provisions on regular political dialogue; freedom of establishment and liberalization of services; the free movement of capital and competition rules; the strengthening of economic cooperation; and cooperation on social matters.

Article 50 of the AA (“environment”) stipulates that the parties shall promote cooperation in the tasks of preventing deterioration of the environment, controlling pollution, and ensuring the rational use of natural resources. Among other goals, the AA states that the cooperation shall focus on environmental education and awareness; the use of advanced tools of environmental management; environmental monitoring methods and surveillance, including the use of environmental information systems and environmental impact assessment; the impact of industrial development on the environment in general; and the safety of industrial facilities in particular.

Article 51 (“energy”) states that the parties shall consider global warming and the depletion of fossil fuel sources as a serious threat to humanity. The parties shall therefore cooperate to develop sources of renewable energy to ensure the use of fuels with the purpose of limiting environmental pollution and promoting energy conservation.

In 1995, the Barcelona Declaration launched the Euro-Mediterranean Partnership with the objective to create an area of peace, shared prosperity, and human and cultural exchanges. The European Neighbourhood Policy⁶, adopted in 2003 and reviewed in 2015, aimed at strengthening the partnerships between the EU and its eastern and southern neighbours towards a more stable EU neighbourhood in political, socio-economic and security terms.

In February 2021, the European Commission and the High Representative adopted a joint communication “Renewed partnership with the Southern Neighbourhood” proposing an ambitious and innovative new Agenda for the Mediterranean, to relaunch

⁶ https://eeas.europa.eu/archives/docs/enp/pdf/pdf/com03_104_en.pdf

and strengthen the strategic partnership between the European Union and its Southern Neighbourhood partners⁷. The new Agenda for the Mediterranean will guide the EU's policy towards the region and the multi-annual programming under the EU's new Neighbourhood, Development and International Cooperation Instrument (NDICI) at the regional and bilateral levels. The new Agenda for the Mediterranean proposes a range of actions along the following key policy areas: 1) Human development, good governance and the rule of law; 2) Strengthen resilience, build prosperity and seize the digital transition; 3) Peace and security; 4) Migration and mobility; 5) Green transition: climate resilience, energy, and environment.

The European Green Deal⁸ sets climate action and preservation of natural environment at the heart of EU policies, both at home and in close cooperation with international partners. Accordingly, the new Agenda outlines that future cooperation on green transition will focus on selected priority objectives, including energy efficiency efforts and measures, with an emphasis on buildings and appliances. Fostering investments in energy efficiency is part of the strategy to establish long-term scenarios where new forms of low-carbon energy gradually replace fossil fuels.

The central element of the ENP remains the bilateral ENP Action Plans, agreed upon by the EU and each partner. **The EU-Israel ENP Action Plan (AP)** was adopted on April 2005. The ENP-AP lays out a comprehensive set of priorities in areas, including energy and environment, within the scope of the AA. As such, the AP states that particular attention, inter alia, should be given to promoting cooperation in the energy sector. The AP also advocates for strengthening the environmental dimension of public policy and EU-Israel cooperation by promoting sustainable development policies and actions, including on climate change and water pollution. The energy section, "Chapter 2.5: transport, energy, information society, environment and science and technology," states that cooperation on energy policy should support the preparation of an Israeli Energy Master Plan. According to the environment section of the AP, the EU should increase cooperation to achieve the parties' commitments with regard to provisions under the Kyoto Protocol and the UN Framework Convention on Climate Change.

The European Neighbourhood Policy (ENP) applies to Israel although the Country receives limited funding from the European Neighbourhood Instrument (ENI). There is

⁷ https://eeas.europa.eu/headquarters/headquarters-homepage/92844/joint-communication-southern-neighbourhood_en

⁸ https://ec.europa.eu/info/strategy/priorities-2019-2024/european-green-deal_en

no Single Support Framework for Israel. Cooperation is based on the EU-Israel ENP Action Plan, agreed upon in 2005 and whose validity has been extended until January 2022 by Council Decision. No Association Committee or Association Council meetings were held in the past nine years, however cooperation actions and policy dialogue in several areas continued actively throughout.

Institutional Twinning and TAIEX are the modalities used in ENI cooperation with Israel. All cooperation is subject to the requirements set out in the "Guidelines on the eligibility of Israeli entities and their activities in the territories occupied by Israel since June 1967 for grants, prizes and financial instruments funded by the EU from 2014 onwards."

Israel also participates in EU programs (ENI-CBC; Horizon2020; Erasmus+ etc.) in various fields, including research and innovation, emissions, climate, aviation, telecommunications, education and culture.

Finally, this Twinning programme is relevant for the Agenda 2030 to which both the EU and Israel are committed. It contributes primarily to the progressive achievement of Sustainable Development Goals (SDG), and in particular, Goal 7 "Affordable and Clean Energy", Goal 12 "Responsible Consumption and Production", and Goal 13 "Climate Action".

This Twinning Project aims to address climate change and protect the environment, an agenda shared by Israel and the EU. It contributes to the European Green Deal, under which the EU committed itself to use its diplomacy to advance climate action. Creating environment, energy and climate partnerships with our Southern Neighbourhood partners fulfils this objective and sets global standards for sustainable growth. The implementation of EU regulations in Israel can place energy legislation in Israel on par with EU countries. Furthermore, using a uniform set of criteria could benefit the import/export markets of Israel and the EU, a level playing field, and a fair access to resources and green technologies.

3. Description

3.1 Background and justification

Background

The Ministry of Energy derives its authority over energy efficiency activities from The Energy Sources Law (1989), and from other government decisions taken along the

years (detailed later in this section). The latest amendment of the Energy Sources Law (1989), published in November 2020, aimed to reduce the current regulatory burden related to the import and marketing of electrical appliances.

In general, the Energy Sources Law's main purpose is to enable energy sources regularization, by allocating them correspondingly to each segment in the market and its different needs.

The law's main clauses specify:

- The formulation of the National Energy Efficiency Action Plan (at least once every five years);
- The provisions regarding energy efficiency in the import and marketing of electrical appliances;
- The obligations regarding energy labelling on energy-consuming appliances;
- That the MoE authority is to set regulations regarding efficient energy sources utilization, sign international agreements related to renewable energy resources, encourage energy-related R&D and set energy efficiency measures throughout market sectors.

The Minister of Energy has the authority to amend regulation by virtue of the Energy Sources Law. Such amendment is conducted via a process similar to the EU process, which includes an internal consultation within the relevant department, along with an in-depth international study on well-established methodologies and standards. As part of the process, the MoE is obligated to consolidate its work with the Ministry of Environmental Protection and any other ministry who might operate in the specific field of interest (e.g., regulations in the field of transportation will have to be consolidated with both the Ministry of Environmental Protection and the Ministry of Transportation).

Apart from the government, entities and stakeholders from the private sector who have an affinity with or expertise in energy and environmental matters (such as The Federation of Israeli Chambers of Commerce, environmental organizations, manufacturer's organizations etc.) are also notified and involved in the process.

By virtue of the law and to further its purpose, the ministers of Energy amended over the years the energy sources regulations regarding electrical appliances. The most relevant regulations to the present project are as followed:

- Regulation (2004): Energy Efficiency and information on refrigerants' energy consumption;

- Regulation (2004): Energy efficiency, energy rating and labelling of air conditioners;
- Regulation (2009): Maximum energy consumption for household appliances (including: dishwashers, washing machines, dryers, ovens);
- Regulation (2011): Maximum electricity consumption in standby mode for home and office electrical appliances;
- Regulation (2012): Minimal energy efficiency requirements of electric light bulbs for interior lighting in buildings (fluorescent light bulbs);
- Regulation (2015): Maximum electricity consumption in active standby mode of digital TV transmission converter.

Apart from the Energy Sources Law, the government has adopted other decisions along the years that have affected the Israeli energy market. These main government decisions are as followed:

- ❖ *Government Decision 4095 (2008): Energy efficiency measures – Reduction in electricity consumption* - The decision was made in order to promote energy efficiency throughout the market, and in particular in government institutions, and with the aim to achieve the government's target of reducing approximately by 20% the total energy consumption by 2020.
- ❖ *Government Decision 542 (2015): Reduction of greenhouse gas emissions and increase of the national energy consumption efficiency* - As part of Israel's preparation to sign a new and binding global agreement on climate change, the government has set a series of targets and measures to reduce greenhouse gas, recognizing as well their economic benefit (targets will be detailed later in this Fiche).
- ❖ *Government Decision 1403 (2016): National Plan for implementation of greenhouse gas emissions reduction goals and energy efficiency* - This decision sets out a number of measures essential for greenhouse gas emissions reduction and energy efficiency. One of the measures stipulates the MoE's obligation to submit a multi-annual National Plan for Energy Efficiency, in accordance with MoE authority and by virtue of the Energy Sources Law.
- ❖ *Government Decision 3269 (2017): Approval of a National Plan for Energy Efficiency* - This decision sets the measures needed to be taken in order to achieve the 2017 NEEAP's targets for energy efficiency.

As mentioned above, the Energy Sources Law (clause 2a) states that the government needs to update the National Energy Efficiency Action Plan (NEEAP), at least once every five years. The NEEAP establishes the policies, actions, and objectives in terms of efficient and cost-effective energy use within various sectors.

As part of the five-year update, in July 2010, the Ministry of Energy published the National Energy Efficiency Plan for 2010-2020 by virtue of Government Decision 4095. This plan focused on measures for reduction of Israel's electricity consumption.

In September 2015, before the United Nations Climate Change Conference held in Paris, the government approved decision number 542, which approved the Intended Nationally Determined Contribution to the UNFCCC and set the national GHG emissions targets in terms of emissions per capita: by 2030, GHG emissions will not exceed 7.7 tCO₂e p.p. In addition, an interim target was set, stating that in 2025 GHG emissions will not exceed 8.8 tCO₂e p.p. Alongside the national GHG target, a national energy efficiency target was set, aiming for a 17% reduction in electricity consumption by 2030. (As part of the 2020 NEEAP, a new target for reduction of total final energy consumption, rather than electricity consumption, is set).

In order to achieve the targets, in 2017 the government approved Decision 3269 regarding the NEEAP for 2016-2030, and mandated the submission of an updated plan by 2020. In accordance with Decision 3269, the Ministry of Energy published the updated NEEAP in November 2020 (the 2020 NEEAP will be detailed later in this fiche).

One of the main topics in the 2020-2030 National Plan refers to activities in the framework of energy regulation. Particularly, the plan updates regulation regarding commonly used electrical appliances, mostly within the domestic and public-commercial sectors.

As part of its policy and the 2020 NEEAP, the Ministry of Energy plans to adopt EU regulations for electrical appliances; the Ministry will first study the EU labelling mechanism and energy ranking system, and then will approve local regulation in line with EU regulations. These actions will meet bilateral economic needs and aim for a reduction in total energy consumption. In order to achieve successful implementation, the Ministry has planned a large-scale project in upcoming years.

Justification

The energy sector in Israel shows a sharp increase in electricity consumption. This increase can be attributed to population growth in Israel, an increase in living

standards, and a reduction in the import prices of electrical appliances. Moreover, climate change causes rising electricity consumption through increased use of air conditioning systems, which account for a significant portion of Israel's electricity consumption. Extreme climate conditions, a result of climate change, have become more common in addition to increasing in duration. As such, there are consumption peaks in the summer months where extreme heat waves occur, or in winter months when temperature drops dramatically.

The Twinning project can contribute to the reduction of electricity consumption per capita or per household by increasing the use of more efficient electrical appliances. Aside from energy savings, a reduction in electricity consumption is expected to generate economic benefits for consumers and the Israeli market as a whole. Reducing energy expenditures also has the potential to reduce social disparities, as detailed in the *crosscutting issues* section 9.

There are several stages to submitting a legislation amendment in Israel. The law must be drafted in the relevant ministry and prepared for public hearing. After receiving public comments and examining them, the government then considers which changes should be implemented in the law. After the law is formulated, it is presented to the Knesset (the legislature in Israel), Legislative Committees, and ministries relevant to this particular issue. This process includes the preparation of an RIA (Regulatory Impact Assessment) and any additional information that can best harness stakeholders.

In conclusion, there are three key justifications for the implementation of this project and the assistance of EU professionals in achieving these objectives.

1. The EU regulatory framework regarding electrical appliances is suitable for different climate conditions and unifies the rating system for the energy consumption of these devices. In particular, the EU has great experience collecting and processing data and using that information to determine the measurement criteria/specific standards for each electrical appliance. Israel can implement similar regulations by assimilating the logic and the knowledge gained by EU experts. The Ministry of Energy can draw upon this base of knowledge and expertise when presenting the amendment to the relevant legislative committees and stakeholders.

2. Frequently, the Israeli consumer does not account for or prioritize the economic benefits of energy efficiency and the environmental consequences of the energy production process. This lack of knowledge and awareness diverts public attention to the regulatory burden instead of focusing on the economic and environmental benefits.

The knowledge gap between the Ministry of Energy/other ministerial bodies, as well as consumers makes it difficult for the public and decision-makers to collaborate in this process. EU experts could transfer their knowledge and experience, helping the MOE in engaging the public and stakeholders to the process. Additionally, the Ministry has the interest to learn from EU experts about supportive financial measures that can be effective in increasing the interest and motivation of population to use more efficient devices.

3. The Israeli MOE's attempts to adopt the EU electrical appliances regulations are facing some resistance by interest groups (such as manufactures and importers). These parties are questioning if EU regulations are suitable for the specific Israeli characteristics (e.g., climate conditions, consumers' behaviour). However, the MoE has ongoing communication with the interested parties and stakeholders involved. In addition, considering that the MoE is aware of each of their positions, we believe that a comprehensive and straightforward plan, such as the one expected with the support of the present project, could lift the barriers and the opposition of some of the groups involved. Moreover, such a plan is expected to have greater impacts on the market.

3.2 Ongoing reforms

The Israeli National Energy Efficiency Action Plan for 2020-2030 — As detailed above, the Ministry of Energy published the NEEAP in November 2020. The NEEAP structure is based on the *EU Guideline for Energy Efficiency Action Plans*, established under Directive 2012/27/EU of the European Parliament and the Council. The action plan is formulated as instructed in the Energy Sources Law (1989).

The first step in formulating this Plan was updating the existing target to be set in terms of reducing total final energy consumption instead of electricity consumption, which was previously considered. This update was driven by significant changes in the global energy sector over the past few years. Countries are promoting the transition to electricity-based technologies instead of fuel-based technologies (e.g., the transition to electric vehicles or electrification of industrial processes) in various sectors, due to

the harmful influence of fuel-based technologies on the environment. Thus, renewable energy accounts for a growing portion of electricity generation in Israel. This transition is expected to decrease total energy consumption, but increase electricity consumption. For that reason, a target in terms of electricity consumption is no longer as relevant.

In order to establish the energy efficiency indicator best suited to Israel, a comprehensive review of national planning performed by various countries and international energy efficiency related regulation was conducted. In the 2020 NEEAP, the national energy efficiency indicator and targets will be set in terms of total final energy consumption.

For the purpose of identifying the fields in which government intervention is necessary, the Ministry of Energy performed an in-depth analysis of the Israeli energy market's main consuming sectors: public-commercial, domestic, industrial, and transport. The analysis revealed trends at the sectoral level, identified barriers and market failures that inhibit energy efficiency, and found policy measures implemented worldwide used to address them.

The analysis focused on historical data gathered for the period of 2013-2017 provided by CBS (Central bureau of Statistics) and MoE additional sources of information. The key aspects analysed are as follows:

1. Main energy sources consumed by each sector (e.g., electricity, fossil fuels);
2. Significant energy consumers and energy uses in each sector;
3. Energy intensity on both the national level and the sectorial level. The energy intensity of each sector was analysed in terms of the most suitable key-driver/s of each sector. These key drivers are as follows:
 - The energy intensity in the domestic sector was calculated in terms of sectorial energy consumption (MWh) per capita/ per household.
 - The energy intensity in the public-commercial sector was calculated in terms of sectorial energy consumption (MWh) per GDP components linked to public-commercial activities.
 - The energy intensity in the industrial sector was calculated in terms of sectorial energy consumption (MWh) per industrial GDP.
 - The energy intensity in the transport sector was calculated in terms of sectorial energy consumption (MWh) per travelled kilometre.

On the basis of this analysis, the Ministry concentrated on identifying energy efficiency policy measures most suitable for Israel; an international review of commonly used policy measures worldwide was conducted on a sector-by-sector basis. The policy measures in the 2020 NEEAP can be divided into two categories: incentives, such as grants programs and loans, and regulations and binding standards. Both types of measures are accompanied by professional guidance, training programs, and educational and public awareness measures.

Given the full implementation of all policy measures (i.e., implemented policy scenario), the total energy consumption is expected to be approximately 194.6 TWh in 2030. The approximate energy saving expected by 2030 is 16.5 TWh in comparison to reference scenario (i.e., no additional policy measures implemented in comparison to base year 2015). The energy intensity in implemented policy scenario is expected to improve by 18% by 2030, in comparison to base year 2015.

The table below summarizes the main findings of the NEEAP analysis:

Sector	Key-driver	Main findings: 2013-2017
National	GDP	<ul style="list-style-type: none"> • 10% increase in energy consumption • 3.7% improvement in energy consumption per GDP
Public-commercial	GDP components linked to public-commercial activities	<ul style="list-style-type: none"> • 5.5% increase in energy consumption • 10.1% improvement in energy consumption per GDP components linked to public-commercial activities
Domestic	Total Capita/ Household	<ul style="list-style-type: none"> • 16% increase in energy consumption • 7.3% increase in energy consumption per capita • 6.9% increase in energy consumption per household
Industrial	Industrial GDP	<ul style="list-style-type: none"> • 6% absolute reduction in energy consumption • 6.6% improvement in energy consumption per industrial GDP
Transport	Km traveled	<ul style="list-style-type: none"> • 13.5% increase in energy consumption

- 2.6% improvement in total energy consumption per total Km traveled (i.e Km traveled by all road vehicles)
- 4.5% improvement in private vehicles' energy consumption per private vehicles' Km traveled

In the context of regulations and binding standards, the NEEAP aims to update regulations, including minimum energy consumption thresholds, for commonly used electrical appliances including dishwashers, washing machines, tumble driers, ovens, refrigerating appliances, and air conditioners. The new thresholds will be determined during the implementation phase. In addition, the NEEAP allocates resources for improving control and enforcement measures. As such, existing regulations will be updated: *The Energy Sources Regulation (maximum energy consumption of domestic electrical appliances) - 2004*; *Energy Sources Regulation (energy efficiency and information regarding energy consumption of refrigerating appliances) - 2004*; and *Energy Sources Regulation (energy efficiency, energy labelling and energy rating in air conditioners) - 2004*.

Israel 2050 - Transition to Low Carbon Economy — In accordance with the Paris Agreement, Israel agreed to submit a long-term plan (until 2050) for its transition to a low carbon economy, by the end of 2020. The Israel 2050 - Transition to Low Carbon Economy is a vision document compiled jointly by various ministries in collaboration with the Israel Democracy Institute and the OECD.

According to the document, Israel will transition to a low-pollution, competitive, and thriving economy by 2050. The plan includes changes in infrastructure and building planning, integration between different planning bodies, efficient use in energy resources, a shift to zero emissions energy sources, and the cessation of landfilling of municipal and construction waste.

The Israeli plan focuses on four main activity fields: energy; cities and buildings; transport; and industry and waste. Professional working groups, including representatives from relevant ministries, local authorities, the public sector, civil society, and academic bodies, have been established for each field. Simultaneously, two more work teams have been established — the macroeconomic team to examine the macroeconomic influences of the plan, and a team to examine the social aspects

of the program. For each of the four fields, a road map is being formulated. For the energy efficiency field, the map is the Energy Efficiency National Plan for 2020-2030.

3.3 *Linked activities*

Over the years, the Ministry of Energy has collaborated with the Technical Assistance and Information Exchange (TAIEX) instrument for a variety of projects. The TAIEX instrument aims to support public bodies in the legislation, implementation, and enforcement of EU laws and to promote collaboration in sharing the most successful practices. The Ministry of Energy has previously implemented several TAIEX projects as listed below.

1. Non-ionizing radiation TAIEX: The Ministry of Energy hosted two professional researchers from the EU to share their knowledge in this field. The EU experts assisted the Ministry in learning the practices taken in order to prevent biological and health consequences. Additionally, the researchers shared knowledge regarding the regulations and laws about non-ionizing radiation, new precautions, and recommendations for long-term strategies.
2. Infrastructure planning in the maritime space TAIEX: Researchers from the Italian Institute for Environmental Protection and Research assisted the Ministry in administrating the efficient and sustainable planning of maritime activity areas. The EU experts provided examples of existing mechanisms used to regulate maritime activity in the Mediterranean and guidance regarding appropriate supervision and management methods.
3. Natural resources management TAIEX: The Ministry conducted a project dealing with the use of natural resources with the assistance of knowledge gained from European experience on that matter. European experts were particularly helpful in choosing policy tools appropriate to Israel and streamlining the utilization of natural resources.

The collaboration between the Israeli Ministry of Energy and the European Union through the TAIEX instrument has helped the Ministry to better understand the EU's thought process and decision-making methodology, especially concerning the establishment of regulations and laws. This partnership has proven to be a successful and effective manner of promoting and adopting European regulations.

In addition, TAIEX activities requested by other Israeli institutions have also touched upon issues relevant to the Ministry of Energy, such as the TAIEX Expert Mission on energy labelling, on eco-design requirements for energy related products. This activity

took place in September 2019, and addressed a number of issues very relevant to the present Twinning Fiche.

3.4 Examples of applicable Union acquis/standards/norms⁹

This section (3.4) consists of two main parts: Firstly, a list of the Israeli regulations regarding energy-consuming appliances that the MoE considers updating as part of this project. Secondly, a list of the EU regulations regarding energy-consuming appliances whom MoE would like to learn from and adopt where is appropriate. It is important to note that the Israeli regulations are based on standards accepted in the world and in the EU in particular. For best understanding the process of amendment of regulations in Israel and the regulatory framework, please see section 3.1 - *background*.

Examples of Israeli relevant regulations:

- **The Energy Sources Law** (1989);
- Regulation (2004): Energy Efficiency and information on energy consumption of **refrigerants**;
- Regulation (2004): Energy efficiency, energy rating and labelling in **air conditioners**;
- Regulation (2009): Maximum energy consumption for **household appliances** (including: dishwashers, washing machines, dryers, ovens);
- Regulation (2011): Maximum electrical power in standby mode for **home and office electrical appliances**;
- Regulation (2012): Minimal energy efficiency of an electric light bulb for **interior lighting in buildings** (fluorescent light bulbs);
- Regulation (2015): Maximum electrical power in active standby mode of **digital converter for receiving TV transmission**;
- Regulations (2019): **Planning and Building** (construction design), (sanitation)- For domestic water heating systems;
- Regulation (2018): Conducting a survey to identify **energy conservation potential**.

⁹ Full list can be found here:

https://ec.europa.eu/info/energy-climate-change-environment/standards-tools-and-labels/products-labelling-rules-and-requirements/energy-label-and-ecodesign/energy-efficient-products_en

Example of EU relevant regulations:

Some of the EU's regulations adopted in 2019 are currently being amended in order to clarify certain technical aspects and are in the final stages of approval. At the prioritization phase of the project, this will be taken into account. The updating process of the Israeli regulations will be done in accordance with the EU updating process. The MoE will prioritize and set project schedules accordingly. The non-exhaustive list of the EU regulations are as follows, and should be further updated and fulfilled by the Twinning partners.

- Regulation (EU) 2017/1369 of the European Parliament and of the Council of 4 July 2017 setting a **framework for energy labelling** and repealing Directive 2010/30/EU;
- Regulation (EU) 2019/2015 on energy labelling of **light sources**;
- Regulation on energy labelling for household **washing machines** and washer-dryers (EU) 2019/2014;
- Regulation: EU energy labelling for household **tumble driers** (EU) No 392/2012;
- Regulation on energy labelling for **household dishwashers** (EU) 2019/2017;
- Regulation: EU energy labelling for **domestic ovens and range hoods**;
- Regulation: EU energy labelling regulation for **air conditioners and comfort fans** (EU) No 626/2011;
- Regulation on energy labelling for **refrigerating appliances** (EU) 2019/2016;
- Regulation (EU) 2019/2018 on energy labelling of **refrigerating appliances with a direct sales function**;
- Regulation (EU) 2019/2013 on energy labelling of **electronic displays**;
- Directive 2009/125/EC of the European Parliament and of the Council of 21 October 2009 establishing a framework for the setting of **eco-design** requirements for energy-related products;
- Regulation (EU) 2019/2020 laying down ecodesign requirements for **light sources and separate control gears**;
- Regulation (EU) 2019/1781 laying down ecodesign requirements for **electric motors and variable speed drivers**;

- Regulation on ecodesign requirements for household **washing machines and washer-dryers** (EU) 2019/2023;
- Regulation: EU ecodesign for household **tumble driers** (EU) No 932/2012
Regulation on ecodesign requirements for household **dishwashers** (EU) 2019/2022;
- Regulation: EU ecodesign for **domestic ovens, hobs, and range hoods**;
- Regulation: EU ecodesign regulation for **air conditioners and comfort fans** (EU) 206/2010;
- Regulation on ecodesign requirements of **refrigerating appliances** (EU) 2019/2019;
- Regulation (EU) 2019/2024 laying down ecodesign requirements for **refrigerating appliances with a direct sales function**;
- Regulation (EU) 2019/2021 laying down ecodesign requirements for **electronic displays**;
- Regulation (EU) 2019 laying down ecodesign requirements for **electric motors and variable speed drives**;
- Regulation (EU) 2019 laying down ecodesign requirements for **external power supplies**;
- Amending regulation (EU) 2019 for the setting of ecodesign requirements for energy-related products with regard to **small, medium and large power transformers**;

3.5 Results per component

Outcome 1:

The implementation action plan for improvement of the national regulations for energy-saving equipment, including legal, institutional-administrative reforms and budgetary framework approved and commenced.

Component 1.1: Analysis and planning for legal-institutional reforms and technical capacity building.

The aim of this component is to undertake a full analysis of the current and expected (draft) national legal framework vs the EU Acquis, as well as the institutional capacities of the MoE and related agencies, and identify the reform paths and funding needed for horizontal alignment and improvements, with the following Mandatory Result.

Mandatory Result 1.1: Draft implementation action plan on improvement of the national regulations, institutions and budgetary framework accomplished and discussed within the government.

The scope of activities will include:

- Review of the list of product groups (including: household, industrial and public services equipment and appliances) prepared by the MoE in advance;
- A full inventory of the regulatory framework – the national legislation, by laws and technical regulations (standards and technical requirements) related to the above list, which should include also the legal acts currently in circulation;
- Review of the current and draft policies, including the expected NEEP 2020-2030 and Israel 2050, but also other related policies, such as SDGs implementation review 2019 and any INDCs (2015) submitted to UNFCCC Secretariat;
- A comparative analysis of the national regulatory framework with the EU Acquis, identification of gaps, recommended amendments both for the structure and content of the regulatory framework, including the main laws, by-laws and technical regulations;
- Review of the institutional capacities, including the mandates, coordination, internal functionality, competences and human resources; identifying needs for institutional improvements as per the analysis previously conducted;
- The schedules of improvements and finalization of the draft legislative and institutional packages for each product group for submission to the Government and, subsequently, to Knesset;
- Preparation of RIA documents: Upon finalization of the legislative and institutional packages those will be put into RIA process by the MoE, where the EU MS partner(s) will bring necessary inputs;
- Preparation of a multi-annual budgetary framework: Based on the draft regulatory and institutional improvement plans, the partners will analyse the investments needed for the realization of the plans and will compile the respective multi-annual budgetary framework for the plans.

Component 1.2: Strengthening the capacities of the Israeli administrations for regulatory and institutional analysis and planning.

This component is aimed at transferring knowledge to the legal, managerial and technical personnel of MoE and related Israeli administrations (the Electricity Authority, Ministry of Justice, Ministry of Economy, Ministry of Environmental Protection, Ministry of Finance, and the relevant departments at the Government) on the EU Acquis, the legal-comparative analysis, as well as on the EU best practices in the regulation of energy-saving equipment and in the administration of related reforms. These may involve also an information on the best internal set-up of temporary coordination structures for administering the reforms.

Upon the completion of the capacity building sessions, the prepared and tested training material will be integrated and compiled into a capacity building programme for the followed use by the MoE within its internal training structures.

Mandatory Result 1.2: Improved capacity of MoE departments and related agencies to conduct legal and institutional comparative analysis

The scope of activities will include:

- Selection of the departments of the MoE and other administrations that will be engaged in the regulatory and institutional reforms and fulfilling the lists of personnel for training, including those, who can act as trainers;
- Identifying the schedules for capacity building sessions and agreeing on those with the trainees' departments and units;
- Preparing the training materials for the sessions and dispatching those to the departments and units in advance;
- Undertaking the sessions and recording the feedback of the participants, and questions for a followed F.A.Q. to be integrated into the training programme;
- A sample legal-comparative analysis for one of the product groups (equipment/appliance);
- Synthetic summary and integration of the training materials, feedback / F.A.Q. and the results of the sample legal-comparative analysis into a capacity building programme to be then endorsed and used by the MoE.

Outcome 2:

Adopted and enforced regulatory (legal and institutional) framework for selected energy-saving household appliances.

Component 2.1: Selecting specific household product groups (electric appliances) for which the EU regulations will be approximated and assessed for implementation in Israel.

This includes understanding the process and characteristics of the Israeli market, identifying areas most relevant for adopting EU regulation, and concluding which EU regulations are most appropriate for Israel.

The purpose of this component is to select the household appliances for which the EU regulations and best practices for energy efficiency will be feasible and the national regulations and standards improved.

For this purpose, the study will be carried out as an update to the analysis of the energy market in Israel performed by the MoE. It will include the identification of the product groups with both a higher potential for energy saving and contribution to the national domestic product.

Mandatory result 2.1: Feasibility reports and roadmaps for regulatory improvements for the agreed list of product groups (household appliances) for which the EU regulations will be domesticated and integrated.

The MoE has identified the relevant product groups, which can be still amended before the launch of the Twinning contract. The feasibility study including market and technical analyses will complement the legal-comparative analysis that will be carried out by the implementing partners (crossing with the Mandatory Results 1.1. and 1.2 above) for each product group, together with an institutional assessment to identify the implementation roadmaps for legal and institutional improvements for each product groups finally selected.

The roadmaps should contain the following information: i) a detailed background information (including the international / historical best practices), ii) technical information (including EU reports and technical databases), iii) detailed local market (consumption, production) information for the regulated range of electrical appliances.

The main scope of activities will be the analysis and presentable reports on the points mentioned above.

The MoE will have prepared analysis of the market, technical information and descriptions of the institutional structures and workflows. The EU MS partners will have prepared the compendium of relevant regulations and best practices, and will foresee

an awareness and capacity building sessions for an efficient review and absorption of those regulations and best practices by the MoE and other relevant agencies.

This component will strengthen the Israeli Ministry of Energy's knowledge and capacities. Likewise, the Ministry of Energy will gain the thematic knowledge and necessary information to set the electrical appliances regulations to suit the Israeli market.

Component 2.2: This component is aimed at launching the process of regulatory improvements and related legislative work. After the compilation of roadmaps for the selected product groups in the component 2.1., the partners will work towards detailed content and proposals for legal and institutional improvements related to each EU regulation. The partners will finalize the RIA for the detailed amendments to the legislation.

They will organise discussions on the proposals with the relevant state, public, private and civil society stakeholders, and subsequent submissions of the proposals to the Government for public discussion and finalization. If any of the proposals get the governmental circulation accomplished during the project, the partners will make necessary efforts to submit the proposal approved by the government to the Knesset with followed presentations and awareness sessions for committees and civil society discussion groups.

Mandatory results 2.2: The legislative package on regulatory improvements is prepared and launched upon the approval of and by the MoE.

The scope of activities will include: i) finalization of the content of the amendments to the legislation and organizational improvements at related institutions; ii) providing for final RIA assessment; iii) preparing presentational materials on the expected improvements using also the analysis performed in the component 2.1.; iv) launch of the inter-Governmental consultations; v) if and when applicable consultations with Knesset committees and any civil society support groups.

Component 2.3: This component aims at improving the Israeli implementation and assimilation methodology for the developed and endorsed domestic regulations for the selected product groups. This methodology will include two main components: i) the control and enforcement framework in Israel, and ii) an enhanced mechanism for increasing public awareness of the urgency of reduced energy consumption.

The Twinning partners will develop the implementation methodology as soon as the plans for legal-regulatory improvements and related legislative package are adopted.

The EU MS partner(s) will study the current Israeli methodologies for implementation (including control and enforcement) of policies with a wide base of beneficiaries and will provide the best practices and experience gained by the EU MS in the past.

The methodology will be integrated within the MoE for further usage in the implementation stage, when the legislative packages for each selected regulation are endorsed by Knesset.

Mandatory result 2.3: Endorsed methodology for implementation, including the control and enforcement mechanism and public awareness building mechanism.

Component 2.4: Improvement of public awareness on energy-efficient appliances and regulations.

The mechanism for building public awareness will include a specific and comprehensive MoE communication strategy (action plan, organizational arrangements and a budget) and policy for incentives for the customers and producers / importers. The EU MS partner will share their relevant experience on successful public awareness mechanisms.

Mandatory result 2.4: A knowledge-building and public awareness campaign focusing on the improvement of the regulations for household appliances is designed and launched.

The EU MS partner(s) will analyse the current communication policies and programmes applied by the MoE. They will also present the best practices to the MoE relevant services. Upon a principal agreement on the main aspects and characteristics of the specific and comprehensive communication programme on energy-saving appliances and related regulations, the Twinning partners will devise a programme to be then handled and implemented by MoE.

The programme will include both the wider public awareness components and specific professional awareness components aimed at improving the knowledge of different groups of engineers, economic operators, scholars and state administration personnel on the expected and actual changes to the regulations on the energy-saving appliances. This programme may also contain the strategic considerations for the motivation of the consumers and economic operators.

The Twinning partners will also plan and implement a series of induction awareness sessions for the mentioned groups, will collect their feedback and use it for the improvement of the MoE communication programme. For this, the Twinning partners

will elaborate on a communication and visibility plan for the Twinning project according to the EU “Communication and Visibility in EU-financed external actions: Requirements for Implementing Partners”¹⁰.

The main assumptions for smooth attainment of the mandatory results are:

- Sufficient and timely information by the MoE for all deliverables;
- Availability and accuracy of information to update the market analysis;
- Translated legislation and institutional and technical information available to the EU MS partners
- Availability of the personnel of the MoE and other stakeholders for the joint working sessions and discussions.
- No external obstacles for the timely deployment of EU MS experts.

3.6 Means/input from the EU Member State Partner Administration

The project will be implemented in the form of a Twinning contract between the beneficiary country and EU Member State(s). The implementation of the project requires two Project Leaders (PL) with responsibility for the overall coordination of project activities and one Resident Twinning Adviser (RTA) to manage the implementation of project activities. The RTA will be posted in Israel and will function as a focal point for communication with all relevant EU MS partners.

The relevant institution of MS (Member State) will appoint Component Leaders who will be responsible for delivering the mandatory results for specific components and will also appoint short-term experts.

The interested Member State(s) shall include in their proposal the CVs of the designated PL and the Resident Twinning Advisor, as well as the CVs of the potentially designated Component Leaders.

3.6.1 Profile and tasks of the Project Leader

Qualifications and skills:

- University degree in law, economics, engineering, or another relevant discipline, or equivalent professional experience of at least eight years;
- At least three years of working experience in a relevant MS Institution;

¹⁰ https://ec.europa.eu/international-partnerships/comm-visibility-requirements_en

- Experience in working with the EU legislative system — priority given to those who have taken part in EU legislative committees;
- Previous experience as Project Leader may be considered as an asset
- Fluent in written and spoken English.

Tasks:

- Overall management and coordination of the implementation of the twinning project in cooperation with the Beneficiary Country (BC) Project Leader;
- Ensure timely and effective implementation of the project and achievements of results;
- Monitoring and evaluating the needs and priorities in the respective sector, project risks, progress against the project budget, benchmarks, and outputs, and taking any necessary remedial actions if needed;
- He/she will, together with the beneficiary PL, be responsible for the modification of the project work plan as deemed necessary during the life time of the project;
- Providing efficient leadership of the project;
- Together with beneficiary PL, will be responsible for interim, final reports and project reporting;
- Ensuring backstopping and financial management of the project;
- Participation in Steering Committee meetings and communicate with stakeholders.

3.6.2 Profile and tasks of the RTA

The relevant institution of MS will appoint a long-term Resident Twinning Advisor (RTA).

Qualifications and skills:

- University degree in law, economics, management, engineering, or other areas relevant to this assignment or eight years of equivalent professional experience;
- At least three years of working experience in a relevant MS Institution;
- Experience training and mentoring in fields relevant to the project;

- Fully conversant with EU legislation and best practices in the area of energy regulations;
- Fluent in written and spoken English.

Tasks:

- Coordinate and supervise the activities of all experts and ensure overall coordination within the project through steering the assignment of experts, training measures, conferences, internships, et cetera;
- Ensure timely and effective implementation of the project in accordance with the time schedule;
- Establish and maintain links with the beneficiary and all players involved in the implementation of the project and other related projects, in close coordination with Project Leaders;
- Ensure day-to-day implementation of all project activities in the country;
- Ensure smooth correlation between activities, deadlines, and the envisioned results listed in the work plan;
- Prepare materials and documentation for regular monitoring and reporting;
- Nominate, mobilize and supervise the short-term experts in collaboration with Project Leaders.

3.6.3 Profile and tasks of Component Leaders

Under the overall supervision of the Project Leader, the Component Leaders will be responsible for achieving of project results, executing activities required for the collaboration between nations, exchanging information between the RTA and the beneficiary side, and ensuring the availability of all required support of EU management and staff.

3.6.3.1 Component Leader 1

Qualifications and skills:

- University degree in law, economics, engineering, or another relevant discipline, or equivalent professional experience of at least three years;
- Experience in formulation of regulatory procedures, in particular for energy-consuming appliances;

- Priority is given to professionals who took an active role in formulating EU regulations regarding energy-consuming appliances or professionals who have knowledge and experience in formulating any other EU regulation in the context of energy;
- Experience in analysing market data and preparation of RIA documents, especially in the context of energy market;
- Experience in working with the EU legislative system — priority given to those who have taken part in EU legislative committees;
- Fluent in written and spoken English.

Tasks:

- Conceive, supervise, and coordinate the Twinning Project activities to accomplish mandatory results
- Coordinate and monitor the implementation of the relevant project components.

3.6.3.2 Component Leader 2

Qualifications and skills:

- University degree in law, economics, or another relevant discipline, or equivalent professional experience of at least three years;
- Experience in formulation of regulatory procedures, in particular for energy-consuming appliances;
- Experience in raising public awareness regarding energy efficiency and energy conservation;
- Experience in designing control and enforcement systems — in particular outlining, formulating, and designing the methodology for electrical appliances regulations enforcement;
- Experience in the implementation process of energy-consuming appliances regulations and in applying the supporting mechanism de facto;
- Fluent in written and spoken English.

Tasks:

- Supervise and coordinate the activities mentioned above;

- Responsible for improving the management systems and control and enforcement systems, while monitoring compliance with electrical appliances regulations;
- Assisting in implementing the above systems and supervising that all required actions are taken;
- Responsible for improving and expanding the information accessibility system and taking measures to engage the public in the process;
- Conceive, supervise, and coordinate the Twinning Project activities to accomplish mandatory results.

3.6.4 Profile and tasks of other short-term experts

Qualifications and skills:

- University degree in law, economics, engineering, or another relevant discipline, or equivalent professional experience of at least three years;
- Extensive experience in formulating specific electrical appliances regulation or performing an in-depth analysis of washing machines, tumble driers, dishwashers, domestic ovens, air conditioners, and refrigerating appliances, or other appliances.
- Technical experience in determining the energy thresholds for appliances;
- Fluent in written and spoken English.

Tasks:

- Prepare and implement specific tasks based mainly on practical cases, in accordance with Project activities;
- Provide practical expertise/advice and share knowledge to relevant staff for the execution of all activities and objectives required within the project;
- Provision of practical support, advice, recommendations, and reports as foreseen under the Project in close cooperation and coordination with the relevant institution.

4. Budget

EUR 1,2 million

5. Implementation Arrangements

5.1 Implementing Agency responsible for tendering, contracting, and accounting (AO/CFCE/PAO/European Union Delegation/Office)

EU Delegation to the State of Israel
5-7 Shoham Street – Building Paz 16th Floor
Ramat Gan 5213603
Israel
Tel: + 972-3 613 7799
DELEGATION-ISRAEL-TWINNING@eeas.europa.eu

5.2 Institutional framework

The main beneficiary of this project will be the Israeli Ministry of Energy. Within the Ministry, the Sustainable Energy Division will be responsible for project implementation — In particular, implementation of regulation in accordance with the Energy Sources Law (1989).

The implementation of the activities and supervision of production of the mandatory results will be under the responsibility of the representatives from the EUD, the Member State PLs, the Junior Member State (in case of consortium) and the beneficiary PL, as well as the RTA and the RTA counterpart. Member State Component Leaders and Beneficiary Component Leader Counterpart should participate in the debates on topics related to their competences.

5.3 Counterparts in the Beneficiary administration

The PL and RTA counterparts will be staff of the Beneficiary administration and will be actively involved in the management and coordination of the project.

5.3.1 Contact persons

Mr. Uriel Babczyk

Head of the Sustainable Energy Division,
The Israeli Ministry of Energy,
7 Bank of Israel St.
Jerusalem, Israel, 9136002

Mrs. Yana Greenman

Head of Foreign Affairs Department,
Planning, Policy and Strategy Division,
The Israeli Ministry of Energy,
7 Bank of Israel St.
Jerusalem, Israel, 9132006
Tel.: +972-747681700
E-mail: yanag@energy.gov.il

5.3.2 PL counterpart

Mr. Uriel Babczyk

Head of The Sustainable Energy Division,
The Israeli Ministry of Energy,
7 Bank of Israel St.
Jerusalem, Israel, 9136002

5.3.3 RTA counterpart

Mr. Itzik Yonisi

Domain Administrator of Engineering, Licensing and Standardization,
The Sustainable Energy Division
The Israeli Ministry of Energy,
7 Bank of Israel St.
Jerusalem, Israel, 9136002

6. Duration of the project

The overall execution period of the project is 24 months.

7. Management and reporting¹¹

7.1 Language

The official language of the project is the one used as contract language under the instrument (English). All formal communications regarding the project, including interim and final reports, shall be produced in the language of the contract.

¹¹ According to the Twinning Manual rev 2017 updated 2020, Annex C1, page 144, sections 7.1-7.3 are to be kept without changes in all Twinning fiches. Meantime, a new section 7.4. is added to the Fiche with specific requirements for reporting and monitoring.

7.2 Project Steering Committee

A project steering committee (PSC) shall oversee the implementation of the project. The main duties of the PSC include verification of the progress and achievements via-à-vis the mandatory results/outputs chain (from mandatory results/outputs per component to impact), ensuring good coordination among the actors, finalising the interim reports and discuss the updated work plan. Other details concerning the establishment and functioning of the PSC are described in the Twinning Manual.

7.3 Reporting

All reports shall have a narrative section and a financial section. They shall include as a minimum the information detailed in section 5.5.2 (interim reports) and 5.5.3 (final report) of the Twinning Manual. Reports need to go beyond activities and inputs. Two types of reports are foreseen in the framework of Twinning: interim quarterly reports and final report. An interim quarterly report shall be presented for discussion at each meeting of the PSC. The narrative part shall primarily take stock of the progress and achievements via-à-vis the mandatory results and provide precise recommendations and corrective measures to be decided by in order to ensure the further progress.

The interim reports should elaborate on the benchmarks at the level of activities and indicators at the level of mandatory results reflected in the logical framework matrix. The interim reports should provide for an overview of the risks and assumptions at the level of activities and outputs, including those reflected in the logical framework matrix, and when not realized should be flagged for the upcoming Steering Committee discussions. The interim report concluding the first year of operation and the Final Report should provide for a comprehensive overview of the assumptions at the level of Outcomes and the Intermediate Impacts reflected in the logical framework matrix.

8. Sustainability

This project reflects the regulation section of the 2020 NEEAP, a five-year national program. As part of the NEEAP, the Ministry of Energy allocates resources in order to improve the implementation of electrical appliance regulations. The Ministry promotes digital systems for efficient and advanced managing data which will be reported to the Ministry. As such, the Ministry wishes to improve monitoring compliance so it meets the requirements specified in the regulations. In addition, the 2020 NEEAP defined the control and enforcement model for the energy legislation that will be reformed. Thus, the enforcement unit will benefit from these measures of supervision and control.

These systems complement the Ministry's activities in the field of electrical appliance regulations by constituting a sustainable framework that will ensure compliance with the regulations over an extended period of time.

In addition, the 2020 NEEAP highlights educational and public awareness activities regarding sustainable and efficient energy use. Such activities are key in increasing public awareness of the economic and environmental benefits of energy efficiency processes, which will increase the longevity of the project's impact.

Among the Twinning project's components, component (4) focuses specifically on enforcement and compliance with regulations. This component also contributes to ensuring the continuity of project achievements after the project's completion.

9. Crosscutting issues

Climate Change and Environment: This project focuses on energy efficiency and energy saving. Reaching the set objective will generate environmental benefits. The implementation of obligatory regulations regarding the energy efficiency of electrical appliances is expected to increase the usage of more efficient appliances in the various sectors. As a result, energy production could be decreased, resulting in a reduction in greenhouse gases and air pollutant emissions that are generated as a result of the energy production process.

In the long-term, reducing electricity, consumption will decrease the need to construct both conventional and unconventional energy supply power plants. Unconventional stations are in the form of PV stations, which require significant space. Natural ecosystems harmed by the overuse of open spaces will therefore be conserved, a parameter especially pertinent to Israel, a country without abundant free space.

In addition, this project could encourage manufacturers to produce more efficient appliances. For example, if new washing machines and dishwashers meet lower water consumption thresholds, energy will be saved. Much of the water used in these machines is desalinated in Israel; the desalination process consumes significant amounts of energy. Thus, lower water consumption leads to lower total energy consumption.

Promote equal opportunities and reduce social disparities: This project aims to create unified criteria for both manufactured and imported electrical appliances in Israel. Under the current legislation, only members of the medium-high population strata have the resources to purchase the most efficient appliances, due to the devices'

higher purchase price. Individuals with lower incomes have less disposable income, so they are more likely to purchase inexpensive appliances, regardless of these appliances' high electricity consumption. Economic benefits of energy-conscious appliances are therefore distributed unequally in society. In the long term, the usage of efficient appliances saves money, eventually recouping the initial investment. This project applies the equal opportunities approach so that individuals from all socioeconomic backgrounds have the opportunity to lower their bills by using efficient appliances in their houses.

10. Conditionality and sequencing

As part of the 2020 NEEAP, the Ministry of Energy began updating the process for regulating electrical appliances. Therefore, governmental financial support, access to all necessary information and data, professional support, and coordination with concerned bodies are all already in place. Thus, the regulations update process will be launched by the Ministry at the same time as the other measures taken by the Ministry in the National Plan. According to the Plan, the Twinning project can be undertaken without any inhibiting factors, and can assist in accelerating the Plan's implementation and achieving its objectives.

The organization of all Twinning activities will be prioritized in close coordination between the concerned bodies and in accordance with the Logical Framework, which forms part of the Twinning project contract.

11. Indicators for performance measurement

Please, refer to the detailed Logical Framework Matrix (hereinafter referred to as "the logframe") attached to this document for the specific indicators for the Objectives, Components / Mandatory Results, as well as for the benchmarks for the activities under each Mandatory Result.

The main indicators for achievement of outcomes will be:

1.1. Status of endorsement of the implementation action plan

1.2. % (and number) of draft amendments to the national regulations as per the implementation action plan undergone RIA

2.1. Status of endorsement of the legislative packages for the selected product groups

2.2. Status of enactment of the enforcement framework

The logical framework matrix, including its indicators and assumptions will serve as the basis for the monitoring and reporting on the project. Their relevance will be reassessed throughout the Twinning's implementation.

12. Facilities available

The beneficiary institution (The Ministry of Energy) commits to provide the Member State representatives — the RTA and RTA assistant(s) — for the entire duration of their secondment:

- ❖ Meeting rooms, office space, and office facilities (including computers, telephones, internet access, printers, and scanners).
- ❖ Member State representatives will also be provided with suitable conference venues and equipment for training sessions and seminars.
- ❖ Catering if appropriate, and presentation and interpretation equipment.

Annex 1 - Logical Framework

The Member State partner(s) are advised to further elaborate on the logframe below, and adapt the elements of the logframe as per their detailed proposals. The indicative budgets/inputs in the section of activities of the logframe should be in line with those in the financial part of the proposal.

Benchmarks will also have to be identified at the level of Activities to inspire the detailed planning of deliverables under each Mandatory Result by the EU Member State partner(s). These can be added to the narrative part in the proposals.

	Description	Indicators	Baseline (2021)	Target (2023)	Sources of verifications	Risks	Assumptions
Overall objective	To reduce the negative impact of the energy consumption on the economy, health and environment in Israel	<p>1. Total energy intensity indicator as per the 2020-2030 NEEP</p> <p>2. Overall energy saving resulted by amending domestic appliances regulation as per the 2020-2030 NEEP estimations</p> <p>3. Overall GHG emissions reduction resulted by amending domestic appliances regulation as per the 2020-2030 NEEP estimations</p>	<p>1. 148.6 MWh per million NIS¹² in 2015¹³ (as per NEEP 2020-2030)</p> <p>2. 0 by 2020</p> <p>3. 0 by 2020</p>	<p>1. 122.4 MWh per million NIS by 2030 (per NEEP 2020-2030)</p> <p>2. Reduction of 1.2¹⁴ TWh by 2030 (according to the 2020-2030 monitoring mechanism¹⁵)</p> <p>3. Reduction of 420,000 tCO₂e by 2030 (according to the 2020-2030 monitoring mechanism)</p>	<p>1. -3. Official statistics by MoE and Central Bureau of Statistics</p> <p>2. 2020-2030 monitoring and reporting mechanism</p> <p>3. 2020-2030 monitoring and reporting mechanism</p>		

¹² New Israeli Shekel currency

¹³ 2015 was defined as base year in the 2020-2030 NEEP

¹⁴ Out of 16.5 TWh total energy reduction by 2030 as estimated in the NEEP in implemented policy scenario in comparison to reference scenario.

¹⁵ The monitoring and reporting mechanism will be established as formulated in the 2020-2030 NEEP.

Intermediate impact	Increased consumers' i) preference for energy-saving appliances and ii) awareness on environmental - health impact	Ratio of energy saving equipment sold	TBI by mid-2022.	TBI by Q4 2023	MOE Data system on the household appliances market	The economy has moved through many changes in the past last year due to the coronavirus (COVID-19). Therefore, it is more challenging to predict the reaction to certain measures, involving consumer behaviour reform. In the case of the non-realization of the assumptions (low likelihood)	- The positive trends in consumer preferences are supported with incentives' policy of the government both for producers / importers and consumers - Continued state policy on improving the consumer awareness on the economic and social benefits of the energy saving equipment
Specific Objective 1 (Outcome 1)	1. The implementation action plan for improvement of the national regulations ¹⁶ for energy-saving equipment, including legal, institutional-administrative reforms and budgetary frameworks, and communication plan approved and commenced	1.1. Status of endorsement of the implementation action plan 1.2. % (and number) of draft amendments to the national regulations as per the implementation action plan undergone RIA	1.1. None 1.2. None	1.1. Agreed upon by the Government 1.2. 50%	1.1. MoE approval 1.2. Government records of RIA circulated or published officially	No risks identified except in the case of the non-realization of the assumptions (low likelihood)	- Sufficient coordination, monitoring and reporting capacities involved for the implementation of the implementation action plan by the MoE - Sufficient investments and funding foreseen in the annual budgets to effectively implement the legal-institutional packages of the implementation action plan, as well as the legal translations, and the settlement of the legal translation facility

¹⁶Please refer to para 3.4 to this twinning fiche for elaboration regarding the specific regulations

Specific Objective 2 (Outcome 2)	2. Adopted and enforced regulatory (legal and institutional) framework for energy-saving product groups.	2.1. Status of endorsement of the legislative packages for the selected product groups 2.2. Status of enactment of the enforcement framework	2.1. None 2.2. Not enacted	2.1. For all selected product groups, the legislative packages are submitted to the Knesset with prior RIA accomplished 2.2. Enacted and monitored by the MoE	2.1.1. published in official journal 2.2. published in official journal	No risks identified except in the case of the non-realization of the assumptions (low likelihood)	- Sufficient and timely funding and institutional improvements to effectively implement the legal-institutional packages for the selected product groups
Mandatory Result 1.1.	1.1. Draft implementation action plan for improvement of the national regulations for energy-saving equipment, including legal, institutional-administrative reforms and budgetary frameworks	1.1.1. Status of the overall schedule of improving the domestic regulations for the product groups 1.1.2. Statuses legislative - institutional packages for specific product groups 1.1.3. Statuses of budgetary frameworks 1.1.4 Status of the communication and visibility sub-plan of the action plan	1.1.1. None 1.1.2. None 1.1.3. None 1.1.4. None	1.1.1. Compiled and agreed with the MoE and related agencies 1.1.2. Compiled with specific schedules for official circulation and adoption 1.1.3. Draft multi - annual budgetary framework for investments is prepared and agreed with MoE 1.1.4. The visibility and communication sub-plan is devised and agreed with the MoE and budgeted in the multi-annual budgetary framework	1.1.1. MoE and Government session records 1.1.2. MoE internal records 1.1.3. MoE internal records 1.1.4. MoE internal records	No risks identified except in the case of the non-realization of the assumptions (low likelihood)	- Efficient presentation and discussions on the implementation action plan and legal and institutional packages for regulatory improvements by the relevant stakeholders - Efficient coordination with relevant government ministries and legislative committees - Assistance provided by local experts, importers and manufactures, CSOs and consumer groups

Mandatory Result 1.2.	1.2. Improved capacity of MoE departments and related agencies to conduct legal and institutional comparative analysis	1.2.1. Status of a sample comparative analysis performed by the MoE for one product group 1.2.2. Number of MoE and agencies personnel trained to perform comparative analysis (gender disaggregated) 1.2.3. Status of the training programme on legal-comparative analysis	1.2.1. None by 2020 1.2.2. None 1.2.3. None	1.2.1. Sample comparative analysis is performed for one product group 1.2.2 At least 10 (MoE and other agencies) 1.2.3. Elaborated and approved by the MoE	1.2.1. The records and results of the exercise 1.2.2. Test results 1.2.3. MoE decision	No risks identified except in the case of the non-realization of the assumptions (low likelihood)	- The training programme is then continued by the MoE beyond the project for the new personnel
Mandatory Result 2.1.	2.1. Feasibility reports and roadmaps for regulatory improvements for the agreed list of product groups (household appliances) for which the EU regulations will be domesticated and integrated	2.1.1. Status of the agreed list 2.1.2. Status of the feasibility reports	2.1.1. None 2.1.2. None	2.1.1. The list is prepared and agreed with the MoE and related agencies 2.1.2. Feasibility studies performed for each product group	2.1.1. Minutes of discussions with the stakeholders and endorsement by the MoE 2.2. Reports and records of their discussion with the MoE	No risks identified	
Mandatory Result 2.2.	2.2. The legislative package on regulatory improvements is prepared and launched upon the approval of and by the MoE	2.2. Status of the regulatory improvements package per product group	2.2. None	2.2. Regulatory improvement packages for the agreed list of product groups are submitted to the Government	2.2. MoE endorsement of the regulatory packages and decision to submit to the Government	No risks identified	
Mandatory Result 2.3.	2.3. Endorsed methodology for implementation, including the control and enforcement mechanism	2.3. Status of the methodology	2.3. None	2.3. The methodology for implementation is approved by MoE	2.3. MoE decision on the approval of the methodology and internal instructions for implementation	No risks identified	

Mandatory Results 2.4.	2.4. A knowledge-building and public awareness programme is devised and launched on the improvement of the regulations for household appliances	2.4.1. The status of the programme	2.4.1. None	2.4.1. Elaborated, approved by MoE and implemented	2.4.1. MoE decision	No risks identified
		2.4.2. The number of participants in the awareness sessions disaggregated by segments (traders, producers, consumers, gender organisations, professionals) and per gender	2.4.2. 0	2.4.2. TBD in the inception period based on the assessment of the potential participants	2.4.2. Electronic / web counters	
		2.4.3. Status of an analytic report on the feedback of the participants	2.4.3. None	2.4.3. Analytic report is done and further recommendations for the MoE on public awareness policies done.	2.4.3. Records of discussion with the MoE relevant departments	