LTA3

LONG-TERM AGREEMENT ON ENERGY EFFICIENCY 2001 – 2020

Final version
13 June 2008

0899346/221/RvM/NW/156140

TABLE OF CONTENTS **Page**

1. GENERAL

PARTIES

1. The Minister of Economic Affairs, Ms M.J.A. van der Hoeven, the Minister of Agriculture, Nature and Food Quality, Ms G. Verburg, and the Minister of Housing, Spatial Planning and the Environment, Ms J.M. Cramer, the State Secretary of Finance, Mr J.C. de Jager, jointly acting in their capacity as government agents, and in their capacity as representatives of the State of the Netherlands, which has its official seat in The Hague, hereinafter jointly referred to as: **the Ministers**;

2. The Provinces, for these purposes lawfully represented by A.E. Bliek-de Jong of the Inter-provincial Consultative Partnership (IPO), registered in The Hague, pursuant to the decision of the general executive of the IPO of 19 June 2008, hereinafter referred to as: the **IPO**;

3. The enterprises that have joined this Long-Term Agreement, hereinafter referred to as: the **Enterprises**;

4. the Trade Associations and Product Boards that have signed this Long-Term Agreement, hereinafter referred to as: **the Trade Associations and Product Boards**;

5. The Municipalities that have joined this Long-Term Agreement, hereinafter referred to as: **the Municipalities**.

RECITALS

(1) The European Member States have concluded that the industrialised countries should make a joint commitment to reduce their greenhouse gas emissions by 30 percent in 2020 compared to 1990 within the framework of a meaningful global climate agreement. As long as that agreement has not been established, the EU unilaterally commits itself to a reduction of at least 20 percent in 2020 compared to 1990. In Directive 2006/32/EC, dated 5 April 2006 (OJ 2006, L 114), the European Union formulated on objective to save energy and improve Energy Efficiency at an average rate of 1 percent per year in the period 2008-2016.

(2) The coalition agreement of 7 February 2007 between the government majority parties has set an objective to reduce greenhouse gas emissions by 30 percent in 2020, compared to 1990, preferably within a European context and to achieve a share of 20% Renewable Energy in 2020 at an energy conservation rate of 2% per year. The ambition is for the Netherlands to have one of the most sustainable and efficient energy facilities of Europe in 2020. This means doubling the national average efficiency improvement rate of 1 percent per year.

(3) In the Sustainability Accord (*Duurzaamheidsakkoord*) of 1 November 2007, VNONCW,MKB Nederland and LTO Nederland endorsed the need to pursue an active and progressive climate policy in the Netherlands and in Europe. The government undertook to ensure to the best of its ability that enterprises will be able to continue to operate on a level European and global playing field.

(4) The Sustainability Accord gives direction to additional concrete agreements for the sectors: built environment, energy, industry, traffic and transport, agriculture and horticulture and for medium-sized and small businesses, which are no party to these sector agreements. An intensification program for SMEs is part of this. In the Sustainability Accord, the national government, VNO-NCW, MKB Nederland and LTO Nederland agreed to give concrete substance to their collaboration as quickly as possible, but before 1 April 2008, as regards the environment, the energy sector, industry, traffic and transport and agriculture and horticulture, by entering into sector accords in which provision is made for concrete objectives that the government and business community jointly wish to achieve, the manner in which they will be achieved and the best-efforts obligations that each of them assumes. This Long-Term Agreement is the principal part of the sector agreement for the Industry.

(5) In the early 1990s, long-term agreements on energy-efficiency improvement were entered into with industrial sectors. Those agreements were valid until the year 2000. The success of those agreements has led to a new Long-Term Agreement, which the industry and the government signed for the period from 2001 to 2012 (LTA2). The parties would note that the long-term agreements concluded thus far have led to an average annual Energy Efficiency Improvement of 2% over 15 years, which is well above the average in the Netherlands. The structure and approach of the long-term agreements as instruments of government policy to improve Energy Efficiency can be regarded as more than successful and has also had international success.

(6) On 6 June 1999, the parties agreed on a Benchmarking covenant on Energy Efficiency and on 6 December 2001 on the Long-Term Agreement on Energy Efficiency 2001-2012 (LTA2). The parties wish to exercise the authority under the Benchmarking Covenant and the LTA2 covenant to change it by mutual agreement. The principal changes are an extension of the term from 31 December 2012 to 31 December 2020, an intensification of the objective and the integration of the Benchmarking Covenant and the LTA2 covenant into the Long-Term Agreement on Energy Efficiency 2001-2020 (LTA3). Parties that disagree with those changes can opt out. Enterprises that disagree with one or more of the changes are entitled to terminate this LTA3 for one or more Facilities with immediate effect within 6 weeks after signature and stating their reasons.

(7) Enterprises that are party to this Long-Term Agreement and that have to take part in the European system of trade in CO_2 emission rights for one or more greenhouse gas facilities are governed by different rules set out in Article 7.5.

(8) The parties are of the opinion that the success of this Long-Term Agreement crucially depends on energy conservation and efficiency improvement as priority effects and the avoidance of CO_2 emissions as a derived effect, and that the government and the business community should work together while each of them retains its responsibility. However, within the framework of the Sustainability Accord and the trade in CO_2 emission rights, avoiding CO_2 emissions is the leading principle. Another relevant factor for success is the European standardisation with respect to widely used appliances, the timely availability of energy-efficient equipment and the alignment of legislation and the operational practice with this Long-Term Agreement with a view to a continuing level playing field internationally, nationally and locally.

(9) The Climate Agreement between the Municipalities and the government 2007-2011: "Working together on a climate proof and sustainable Dutch state " (*Samen werken aan een klimaatbestendig en duurzaam Nederland*) of 12 November 2007 comprises the agreements among the Ministers, the Minister of Finance, the Minister of Foreign Affairs and the VNG and prioritised, among other matters, Energy Efficiency Improvement in environmental licences and their enforcement. Enterprises set great store by the collaboration of the Competent Authority in giving substance to Articles 12 and 13 of the Climate Agreement. They provide, among other things, that the Competent Authority will enforce compliance with the energy requirements by companies that are no party to this Long-Term Agreement, will take into consideration the participation of an Enterprise in this Long-Term Agreement for purposes of the inspection frequency and will give priority to energy-efficiency improvement in its periodic inspections.

THE PARTIES AGREE AS FOLLOWS:

Definitions

Article 1.1

In this Long-Term Agreement:

a. **Relevant Facility** means a Facility included in the application to join the Long-Term Agreement.
b. **Competent Authority** means the public agency that is the competent authority for the relevant Facility pursuant to Article 8.2 of the Environmental Management Act (*Wet milieubeheer*) or a general order in council referred to in Article 8.40 of that Act.
c. **Annexe to LTA3** means the annexe pertaining to this Long-Term Agreement.
d. **Greenhouse Gas Facility** means any Relevant Facility comprising one or more Greenhouse Gas Facilities within the meaning of Article 16.2 of the Environmental Management Act as far as CO_2 emissions in the air are concerned.
e. **Group** means the (legal) entity that has control over one or more Enterprises, together with those Enterprises.
f. **Benchmarking Covenant** means the Energy Efficiency Benchmarking Covenant for Energy Intensive Facilities, which was signed between the government and industry on 6 June 1999.
g. **Renewable Energy** means energy generated from renewable energy sources: energy generated by Facilities using only Renewable Energy sources and the share in calorific value of energy generated with Renewable Energy sources in hybrid facilities that also use conventional energy sources. This includes renewable electricity used for accumulation systems, but not the electricity originating from such systems.
h. **Energy Efficiency** means the ratio between the performance, service, goods or energy obtained and the energy supply for that purpose. This could involve Process Efficiency, Chain Efficiency and Renewable Energy
i. **Energy Efficiency Plan ('EEP')** means the plan referred to in Article 3.1 of this Long-Term Agreement.
j. **Energy Efficiency Improvement ('EEI')** means an increase in end-use Energy Efficiency as a result of technological, behavioural and/or economic chances.
k. **Energy Consumption** means the energetic consumption of fuels. This does not include non-energetic consumption in the form of fuels used as inputs (feedstock). The energy consumption of secondary fuels is calculated back to the calorific value (the lowest value calorific value) of the primary fuels. The net purchased electricity is calculated against an

energy yield of 40 percent, unless it can be demonstrated to the satisfaction of the SenterNovem that a different yield applies to specific equipment. Heat that is bought or sold is calculated against a yield that must be approved by SenterNovem. SenterNovem's approval is required for the calculation of the share of energy consumed by each item of relevant process equipment that involves feedstock.

l. **Facility** means a Facility located in the Netherlands as referred to in Article 1.1 of the Environmental Management Act.
m. **Chain Efficiency** means the ratio between the performance, service, goods or energy obtained in the overall chain, from raw materials to disposal and the energy supply for that purpose.
n. **Long-Term Agreement 2** means the Long-Term Agreement on Energy Efficiency 2001-2012 concluded on 6 December 2001.
o. **Long-Term Plan ('LTP')** means the plan referred to in Article 3.6 of this Long-Term Agreement.
p. **Consultative Group on Energy Efficiency ('CGEE')** means the consultative group referred to in Article 3.1 of this Long-Term Agreement.
q. **LTA3 Platform** means the platform referred to in Article 6.3 of this Long-Term Agreement.
r. **Profitable Measures** means measures with a positive net cash value at an internal interest rate of 15 percent. Alternatively, a payback term can be used of five years.
s. **Roadmap** means a roadmap as referred to in Article 3.8 of this Long-Term Agreement.
t. **Scorecard:** means an instrument that provides an overview of the degree to which Enterprises have achieved the efforts they assumed in their EEPs.
u. **Systematic Energy Management** means Systematic Energy Management within the meaning of Article 4.1 of this Long-Term Agreement.
v. **Confidential Data** means confidential corporate information and security data, marked as such by the Enterprise, as defined in chapter 19 of the Environmental Management Act, or business and production details as defined in the Government Information (Public Access) Act (*Wet openbaarheid van bestuur*).
w. **Preliminary Study** means the preliminary study referred to in Article 3.7 of this Long-Term Agreement.
x. **Process Efficiency** means the ratio between the performance, service, goods or energy obtained and the energy supply for that purpose within a Facility.

Objectives of the Long-Term Agreement

Article 1.2

The parties endeavour to achieve an average Energy Efficiency Improvement for the Relevant Facilities of the joint Enterprises of 30% in the period from 2005 to 2020. Taking into account the Energy Efficiency Improvement of 15% that has already been realised in the period from 1998-2005, this means 45% for the period from 1998 to 2020. With regard to that 30%, a division will be pursued for the joint Enterprises and their Relevant Facilities of 20% within the Facility and 10% outside the Facility.

2. OBLIGATIONS

Obligations of Enterprises

Article 2.1

1. An Enterprise agrees to:

a. draw up an Energy Efficiency Plan for its Relevant Facility or Relevant Facilities, to implement it and to annually report on it;

b. adopt certain Profitable Measures in its Energy Efficiency Plan to improve the Energy Efficiency within the Relevant Facility or Relevant Facilities;

c. implement Systematic Energy Management within the Enterprise.

2. An Enterprise endeavours to:

a. ensure that the conditional measures included in its Energy Efficiency Plan in time become definite measures and that uncertain measures in time become conditional or definite measures;

b. to achieve Energy Efficiency Improvement by realising Chain Efficiency and Renewable Energy;

c. to provide its own Trade Association with the data needed to draw the Long-Term Plan on time.

3. An Enterprise must give a sound reason if:

a. its average annual Energy Efficiency Improvement proposed in its Energy Efficiency Plan is lower than the average 2% per year in the period to which the Energy Efficiency Plan applies;

b. the annual monitoring round reveals that the achieved Energy Efficiency Improvement falls short of the planned Energy Efficiency Improvement.

4. With regard to the reasons referred to in paragraph 3, allowing for costs and benefits, the following will in any event be taken into account:

- the dates on which the equipment in the Facility were or will be put to use;
- the time that is needed to apply an improved technique,
- the consumption and the nature of the raw materials, including water,
- the implementation of environmental measures,
- the near achievement of the thermo-dynamic equilibrium, for example in melting processes of metals,
- the replacement term of equipment,
- the negative effect of changes on a product's life cycle, or
- the fact that measures cannot be identified in the event of new equipment.

Obligations of Trade Associations and Product Boards

Article 2.2

1. Notwithstanding its other obligations set forth elsewhere in this Long-Term Agreement, the Trade Association or the Product Board assumes a best efforts obligation to:

a. encourage its members or affiliates to participate in and implement this Long-Term Agreement;

b. actively inform its members or affiliates about the subject of this Long-Term Agreement;
c. act as spokesperson on behalf of the Enterprises towards the Ministers, the IPO and the VNG;
d. implement the Long-Term Plan, in so far as this lies within the sphere of influence of the Trade Association or the Product Board;
e. take the initiative for a Preliminary Study and/or Roadmap;
f. appoint a representative to chair the Consultative group on energy conservation;
g. provide information for each evaluation of this Long-Term Agreement; and
h. plan any activities required in the field of knowledge management in coordination with SenterNovem.

2. With respect to the category 'Other Industry', paragraphs 1a, b and d will apply accordingly and Article 3.6 will not apply.

Obligations of Ministers

Article 2.3

1. Notwithstanding their obligations set forth elsewhere in this Long-Term Agreement, the Ministers will endeavour to ensure that no additional specific national measures aimed at further Energy Efficiency Improvement or CO2 reduction are imposed on Enterprises with regard to any of their relevant Facilities from the moment that they join this Long-Term Agreement. This will not affect the authorities of Parliament and the authorities and obligations of the Ministers to implement international legislation. Similarly, it will not affect any generic measures concerning the introduction of trading systems of greenhouse gas emissions in the sectors involved.
a. The government will endeavour to the best of its ability to ensure that Enterprises can continue to operate on a level European and global playing field. When new (climate and energy) measures are adopted, the effects on the level playing field will be mapped for both big and smaller businesses and discussed between the parties. If necessary, policy solutions relevant to them will be adopted, preferably within a European context, to prevent adverse effects on their competitive position. If necessary, measures that might lead to insurmountable problems may be cancelled.
b. Government policies that have an effect on this Long-Term Agreement must be geared towards realising the energy and environmental objectives of this Long-Term Agreement. The effects on realisation of the energy and environmental objectives of this sector agreement will therefore be reviewed and discussed beforehand between the parties. The basic principle will remain that the business community will, on balance, remain free from extra burdens in accordance with the Coalition Agreement and the Budget Memorandum for 2008 and be able to continue operating on a level European and global playing field. The business community will also let the realisation of the environmental and energy objectives of the Long-Term Agreement on Energy Efficiency 2001-2020 (LTA3) depend on the compatibility of the government policy that has an effect on that Long-Term Agreement with the investment efforts under this agreement.

2. The Ministers undertake (to continue) to provide support with respect to research and development and incentive programs.

3. The Ministers will exert their influence to resolve any constraints of a non-financial nature in so far as they are within their sphere of influence.
4. The Ministers will encourage and support the development and use of Chain Efficiency and Renewable Energy.

5. The Minister will ensure that SenterNovem is hired to carry out the duties assigned to the Ministers pursuant to this agreement in relation to at least:
   a. drafting, updating and evaluating Energy Efficiency Plans and Long-Term Agreements and advising and appraising their implementation;
   b. monitoring and reporting on this Long-Term Agreement;
   c. developing knowledge on Energy Efficiency, Chain Efficiency and Renewable Energy.
   d. knowledge transfer among all the parties;
   e. secretariat of the Control Group on Energy Efficiency and the LTA3 Platform.

6. The Ministers endeavour to provide sound policy instruments aimed at encouragement, facilitation and enforcement that are well aligned with and reinforce this Long-Term Agreement.

7. The Ministers will use the LTA facilitation program to expand the support and facilitation of the parties by SenterNovem within the framework of this Long-Term Agreement. The Ministers will support the conclusion and the implementation of Energy Efficiency Plans by Enterprises, of Long-Term Agreements by Trade Associations and of Preliminary Studies and Roadmaps by Trade Associations and/or Enterprise(s) whenever possible and legally permitted.

8. Upon the conclusion and implementation of European, national and local legislation, the Ministers will endeavour within the scope of their authorities and possibilities, to promote that that legislation supports the feasibility of the ambitions of energy conservation and Energy Efficiency Improvement of the Enterprise, concurs with this Long-Term Agreement, reinforces this Long-Term Agreement and limits the additional administrative burden of that Long-Term Agreement for Enterprises to a minimum.

9. The Ministers endeavour to the best of their abilities that the climate agreement between the Municipalities and the government for 2007-2011 is complied with.

Obligations of the Competent Authority

Article 2.4

Notwithstanding its obligations set forth elsewhere in this Long-Term Agreement, the Competent Authority:

a. will enforce compliance with energy requirements by Enterprises that do not take part in this Long-Term Agreement.
b. will enforce measures to improve Energy Efficiency based on the applicable Energy Efficiency requirements set by or pursuant to the law and the agreements made in this Long-Term Agreement;
c. will take an Enterprise's participation in this Long-Term Agreement into consideration for the purpose of the inspection frequency contemplated in its enforcement program.
d. will give priority to Energy Efficiency Improvement when periodic inspections are conducted; and

e. will collaborate in any pilot that may have been initiated by a branch of industry under the Long-Term Agreement per branch regarding equal treatment of Enterprises and enterprises that are not party to this Long-Term Agreement.

Obligations of the IPO

Article 2.5

The IPO agrees to:

a. encourage its members or affiliates to participate in and implement this Long-Term Agreement;
b. take part in activities of the Energy Efficiency Consultative Group (CGEE) if that was agreed within the framework of Article 6.1(5) of this Long-Term Agreement;
c. inform its members actively on the subject of this covenant;
d. act as spokesperson on behalf of the provinces towards the other parties.

3. PLANS

3.1 Energy Efficiency Plans (EEPs)

Drawing up an EEP

Article 3.1

An Enterprise will draw up a draft Energy Efficiency Plan for each Relevant Facility individually within nine months of signature of or admission to this Long-Term Agreement.

Contents of EEP

Article 3.2

1. In the Energy Efficiency Plan, the Enterprise will adopt certain, conditional and uncertain measures to improve the Energy Efficiency. The Enterprise will describe the expected result of each such measure in accordance with chapter 2 of the Annexe to LTA3, measured as a percentage of the Energy Efficiency Improvement per year and the related, effectively avoided CO_2 emissions. In considering measures to improve the Energy Efficiency, Enterprises will take into account not only Energy Efficiency but also the climate effects of non-CO_2 greenhouse gases. In particular, the Enterprise will take into account the climate effect of the primary refrigerant if a measure involves replacement or modification of a refrigerating unit.

2. If it is apparent from the Energy Efficiency Plan that the expected result is less than an average of 2 percent per year in the period envisaged under the Energy Efficiency Plan, the Enterprise must provide a sound reason for that deviation.

Updating the EEP

Article 3.3

The Enterprise will update the Energy Efficiency Plan on 1 April 2009 at the latest for the period 2009-2012, on 1 October 2012 at the latest for the period 2013-2016 and on 1 October 2016 at the latest, for the period 2017-2020. The update will reflect not only the certain, conditional and uncertain measures, but also the possible improvement of the Energy Efficiency based on a sufficient insight into the energy balance.

EEP Procedure for Non-Greenhouse Gas Facilities

Article 3.4

1. The Enterprise will file the draft Energy Efficiency Plan with SenterNovem and the Competent Authority.
2. SenterNovem will advise the Competent Authority within six weeks after the filing referred to in paragraph 1 on whether the draft complies with Chapter 2 of the Annexe to LTA3. At the same time SenterNovem will inform the Enterprise of that advice. SenterNovem may extend the aforementioned term once for a period of up to six weeks by notice to the Competent Authority and the Enterprise within that term.
3. Within six weeks of receiving the inspection report of SenterNovem, the Competent Authority will inform the Enterprise and SenterNovem in writing of its opinion on the draft Energy Efficiency Plan. The Competent Authority may extend the aforementioned term once for a maximum of six weeks by notice to the Enterprise and SenterNovem within that term.
4. The Enterprise may adjust the Energy Efficiency Plan in response to the inspection report. The Enterprise and the Competent Authority endeavour to reach consensus. The Competent Authority will align its final opinion with the opinions formed by other relevant public agencies involved.
5. The Enterprise will submit the final Energy Efficiency Plan to the Competent Authority within six weeks of receiving the Competent Authority's opinion on the Draft Plan. At the same time, the final Energy Efficiency Plan will be sent to SenterNovem.
6. The Competent Authority will notify the Enterprise and SenterNovem whether or not it agrees to the plan in writing as quickly as possible, but within six weeks of receiving the final Energy Efficiency Plan at the latest. The Competent Authority will assess whether the final Energy Efficiency Plan filed by the Enterprise, to the extent relevant, is in keeping with the requirement to be applied under the Environmental Management Act upon the licence grant that requirements must be attached to the licence to prevent adverse effects to the environment due to the Facility or, if that is impossible, to limit or undo them to the greatest extent possible, preferably at the source.
7. Concurrently with its written agreement with the final Energy Efficiency Plan, the Competent Authority will inform the Enterprise and SenterNovem in writing of its opinion whether an notice pursuant to Article 8.13(1)(g), a notification pursuant to Article 8.41, a notification pursuant to Article 8.19 or a modification permit pursuant to Article 8.1 of the Environmental Management Act are required for measures to be adopted under the plan. To the extent that formalisation of the proposals contained in the plan is required, this will in principle take place only when it is clear how long it will take to actually realise the proposals contained in the plan or parts of it.
8. Once the competent authority has notified the Enterprise whether it agrees to the final Energy Conservation Plan, the plan will be open to public scrutiny, with the exception of

any Confidential Data, subject to the agreement of the relevant Competent Authority. The Confidential Data of the plan are governed by chapter7 of the Annexe to LTA3.

9. In drawing up the Energy Efficiency Plan, the Enterprise or the Group may also take into account the energy improvement efforts made for other Facilities that are part of the same Enterprise or the same Group (Group approach) in order to substantiate the phasing of measures for the Facility. Chapter 5 of the Annexe to LTA3 contains a more detailed explanation of the possibilities for a Group approach.

EEP Procedure for Greenhouse Gas Facilities

Article 3.5

1. Contrary to Article 3.4, SenterNovem will advise on the draft Energy Efficiency Plan in accordance with chapter 2 of the Annexe to LTA3. SenterNovem will inform the Enterprise of that advice in writing within six weeks of receiving the draft.

2. If SenterNovem issues a positive advice on the draft, the EEP will become final.

3. If SenterNovem issues a negative advice on the draft, the Enterprise can adjust the EEP on the basis that the Enterprise and SenterNovem will seek to reach consensus.

4. Three weeks after a positive advice or any negative advice designated as such, the EEP will be public, save for any Confidential Data. The Confidential Data of the plan will be governed by chapter7 of the Annexe to LTA3.

5. In drawing up the Energy Efficiency Plan, the Enterprise or the Group may also take into account the energy improvement efforts made for other Facilities that are part of the same Enterprise or the same Group (Group approach) to substantiate the phasing of measures for the Facility. Chapter 5 of the Annexe to LTA3 includes a more detailed explanation of the possibilities of a Group approach.

3.2 Long-term plans

Long-Term Energy Efficiency Plan (LTEP)

Article 3.6

1. A Trade Association or Product Board will submit a Long-Term Plan within 11 months of signing or later joining this Long-Term-Agreement or at any other time set in the LTA3 Platform upon a proposal of the EECG. In the exceptional event of the set term not being reached, a new planning will be adopted by mutual agreement between the Trade Association and the relevant ministry.

2. The Long-Term Plan must show that the total energy consumption of the Facilities governed by the Long-Term Plan is at least 1 PJ/year. That total energy consumption must consist for at least 80% of the energy consumption within the sector.

3. The Long-Term Plan includes the quantitative Energy Efficiency Improvement objective of the Enterprises affiliated to the Trade Association. That objective must amount to at least the weighted average of the Energy Efficiency objectives set forth in the Energy Efficiency Plans of the Relevant Facilities.

4. The Energy Efficiency objective referred to in paragraph 3 will be expressed in an Energy Efficiency Improvement ('EEI'). The calculation will be made pursuant to chapter 4 of Annexe LTA3. The reference year will be 1998.

5. The Long-Term Plan will include the quantitative and qualitative objectives for the implementation of Systematic Energy Management, the improvement of Process

Efficiency, the Chain Efficiency and the Renewable Energy in accordance with the provisions of Articles 4.1 and 4.2.

6. The Long-Term Plan will give an overview of the manner in which the Trade Association or the Product Board intend to give substance to its obligations referred to in Article 2.2.
7. SenterNovem will advise the Ministers on the Long-Term Plan, which will require the approval of the Minister relevant to the sector.
8. A Trade Association will update its Long-Term Plan not later than 1 June 2009 for the period 2009-2012, on 1 December 2012 for the period 2013-2016 and on 1 December 2016 for the period 2017-2020.

3.3 Strategic Plans

Preliminary study

Article 3.7

1. If possible and useful, the Trade Associations and Product Boards will conduct a Preliminary Study per sector in 2008 jointly with their affiliated Enterprises to assess whether and to what extent a Roadmap will lead to new notions on opportunities for energy improvement in the long term.

2. The outcomes of the Preliminary Study provide information on the added value of developing a roadmap and the associated need for encouragement and facilitation and will be discussed between the Trade Organisations and/or Product Boards and/or Enterprises and the Ministers.

3. If required in light of the outcomes of the Preliminary Study and the consultations with the Ministers, the Trade Associations and Product Boards and the Enterprises affiliated to them will jointly draw up a Roadmap, which will set out the technological and non-technological aspects that need to be studied in the coming period.

4. This article will apply accordingly to any cluster of Enterprises in the category 'Other Industry'.

Roadmap

Article 3.8

1. Trade Associations and Product Boards aim to develop and implement a Roadmap jointly with their affiliated Enterprises in the period 2008 - 2009 to the extent possible and useful.

2. A Roadmap will be deemed to be a strategic vision for 2030, which sets out the technological and non-technological aspects that could give substance to the working hypothesis of achieving 50% Energy Efficiency Improvement within the Facility and within the chain in 2030 compared to 2005. The objective of the Roadmap will be to optimise positioning of the Enterprises for the future.
3. Trade Associations and Product Boards and their affiliated Enterprises will make agreements jointly with the governments on whether and, if so, how the outcomes of the Roadmap can be implemented by means of concrete activities.

4. This article will apply accordingly to any cluster of Enterprises in the category 'Other Industry'.

4. ENERGY MANAGEMENT, CHAIN EFFICIENCY AND RENEWABLE ENERGY

Systematic Energy Management

Article 4.1

1. An Enterprise will have Systematic Energy Management in place within two years of signing or joining this Long-Term Agreement.

2. Systematic Energy Management must reflect a structural and constant attention to energy. This may be apparent from ISO 14001 in which Energy Management has been integrated or from compliance with the Energy Management Checklist that is based on the Energy Conservation Reference, which SenterNovem compiled pursuant to chapter 4 of the Annexe to LTA3.

Chain Efficiency and Renewable Energy

Article 4.2

1. Enterprises and their Trade Associations or Product Boards will, if possible, formulate quantitative and qualitative objectives resulting from the implementation of measures relating to Chain Efficiency and Renewable Energy.

2. A quantitative objective will be determined by the sum of the savings from measures that are quantifiable, capable of being monitored and attributable to the Relevant Facility in accordance with chapters 3 and 4 of the Annexe to LTA3.

3. Quantifiable objectives will be expressed in units as described in chapters 3 and 4 of the Annexe to LGA3.

4. A qualitative objective is determined by explorations and studies in the field of research into and development of Chain Efficiency and Renewable Energy.

5. Notwithstanding Article 2.1, paragraphs 1 and 2, Article 3.3, paragraph 1 and Article 3.4, paragraph 9, an Enterprise cannot be obligated to implement measures relating to Chain Efficiency or the purchase of energy generated from renewable sources, or to achieve quantitative or qualitative objectives relating to Chain Efficiency and Renewable Energy. However, the Enterprise and relevant Trade Association or Product Board have a joint best-efforts obligations to achieve the quantitative and qualitative objectives relating to Chain Efficiency and the purchase of energy generated from renewable sources.

6. For an elaboration of the integral environmental approach, reference is made to chapter 6 of the Annexe to LTA3.

5. MONITORING AND REPORTING

Monitoring

Article 5.1

1. The Enterprise will submit a report to SenterNovem, the Competent Authority and its Trade organisation or its Product Board annually, on 1 April at the latest, concerning the progress made in the previous calendar year in respect of:
   a. the implementation of the Energy Conservation Plan, distinguishing for each Facility between measures relating to Process Efficiency and measures relating to Chain Efficiency and Renewable Energy. The change in the Energy Efficiency of the Relevant Facility or Relevant Facilities and associated change in CO_2 emissions must always be identified. If the Energy Efficiency Improvement that is achieved falls short of the planned Energy Efficiency Improvement, the difference must be duly substantiated. The Confidential Data of the plan will be governed by chapter7 of the Annexe to LTA3 ;
   b. the implementation of systematic Energy Management.

2. The report must be drawn up and filed in accordance with chapter 4 of the Annexe to LTA3.

3. With regard to Facilities for which a government report is required based on Article 12.4 of the Environmental Management Act, the report referred to in paragraph 1 will be incorporated in the government report.

4. SenterNovem will verify the report with the help of chapter 4 of the Annexe to LTA3 and will inform the Enterprise of the result. The result will be set out on a scorecard.

5. The provisions of Article 5.1 do not apply to the progress report to the Competent Authority in relation to greenhouse gas facilities.

Reporting

Article 5.2

1. SenterNovem will provide a consolidated report to the relevant Energy Efficiency Consultative Group annually, on 15 June at the latest, concerning the progress made in the previous calendar year in respect of:
   a. the implementation of Systematic Energy Management;
   b. the implementation of the Energy Efficiency Plans;
   c. the implementation of the Long-Term Plan;
   d. the Energy Efficiency Improvement achieved as a result of a, b and c;
   e. the CO_2 emissions avoided as a result of a, b, and c;
   f. the progress and implementation of Roadmaps and Preliminary Studies;
   g. the Enterprises that have taken part in the monitoring program, the timeliness and the quality of the monitoring.

2. SenterNovem must submit a consolidated report to the LTA3 Platform annually, on 1 September at the latest, concerning the progress referred to in paragraph 1, made under the LTA in the previous calendar year.

3. The Ministers will inform the Second Chamber of Parliament on the progress referred to in paragraph 1 made in the previous calendar year with this Long-Term Agreement.

4. The reports referred to in paragraphs 1 to 3 may not contain any information may not contain any information concerning individual Enterprises, or information that can be traced back to individual Enterprises.

6. CONSULTATION

Consultative Group on Energy Conservation (CGEC)

Article 6.1

1. Each Trade Association or Product Board will establish a consultative group on energy conservation together with the parties representing the government on signing or joining this Long-Term Agreement.

2. The consultative group will consist of representatives of:

a. the Trade Association or Product Board;
b. The Minister of Economic Affairs or the Minister of Agriculture, Nature and Food Quality or the Minister of Housing, Communities and Integration, Spatial Planning and the Environment or Transport, Public Works and Water Planning;
c. THE IPO;
d. SenterNovem.

3. The Trade Association or the Product Board will appoint the chair of the Consultative Group.

4. SenterNovem will run the secretariat of the Consultative Group.

5. The Consultative Group may invite a Representative of the Competent Authority to take part in one or more of the Consultative Group's meetings.

6. The Consultative Group will meet at least once a year, determine its own working method, adopt internal rules of procedure if necessary and seek to reach consensus.

Duties of the Consultative Group on Energy Conservation

Article 6.2

The Consultative Group on Energy Conservation will in any event be responsible for:

a. compiling and updating the overview of Enterprises;
b compiling the monitoring report referred to in Article 5.2, paragraph 1;
c. compiling the sector-specific reports referred to in Article 5.2, paragraphs 2 and 3 for the LTA3 Platform and the Second Chamber of Parliament;
d. discuss developments concerning systematic Energy Management, Process Efficiency, Chain Efficiency, Renewable Energy and other matters relevant to this Long-Term Agreement.

LTA3 Platform

Article 6.3

1. There will be a LTA3 Platform.

2. The Platform will consist of a chair and representatives of the parties involved in this Long-Term Agreement. Those representatives will be appointed as follows:
- **a.** one by the Minister of Economic Affairs;
- **b.** one by the Minister of Agriculture, Nature and Food Quality;
- **c.** one by the Minister of Housing, Communities and Integration;
- **d.** one by the Minister of Transport, Public Works and Water Planning;
- **e.** one by the Minister of Housing, Spatial Planning and the Environment;
- **f.** one by the IPO;
- **g.** one by each Trade Association and each Product Board.

3. The parties referred to in paragraph 2 will jointly appoint an independent chair.

4. SenterNovem will run the secretariat of the Platform.

5. The Platform will meet at least once a year, will determine its own working method, adopt internal rules of procedure if necessary and seek to reach consensus.

Duties of the LTA3 Platform

Article 6.4

It will be the responsibility of the LTA3 Platform in any event to:

- **a.** discuss constraints of a general nature occurring in practice during the implementation of this Long-Term Agreement and discussing possible solutions for those constraints;
- **b.** monitor progress of the implementation of this Long-Term Agreement;
- **c.** submit proposals to amend this Long-Term Agreement;
- **d.** provide recommendations on the Annexe to LTA3 only with regard to furthering the practical implementation of this Long-Term Agreement;
- **e.** discuss new developments concerning systematic Energy Management, Process Efficiency, Chain Efficiency, Renewable Energy and other matters relevant to this Long-Term Agreement;
- **f.** compile an evaluation report as referred to in Article 8.4 of this Long-Term Agreement every four years; and
- **g.** consult on the substantive focus areas of the facilitation by SenterNovem during the term of this Long-Term Agreement.

7. JOINING AND TERMINATION

Enterprises

Article 7.1

1. An Enterprise may become a party to this Long-Term Agreement for one or more of the Facilities included in its application to join the Agreement if it unconditionally accepts the rights and obligations ensuing for it from this Long-Term Agreement.

2. An Enterprise will address its written application to join this Long-Term Agreement to SenterNovem. In response, SenterNovem will notify the Enterprise in writing within four weeks of receipt of that letter whether it satisfies the requirements referred to in paragraph 1. SenterNovem may extend this term by up to four weeks within four weeks of receiving the application.

3. If the notification referred to in paragraph 2 shows that the specified requirements are satisfied, the rights and obligations arising from this Long-Term Agreement for the relevant Enterprise will apply upon receipt of that notification by the Enterprise.

4. Notwithstanding the foregoing, an Enterprise that gave notice or is given notice of termination of this Long-Term Agreement will not join again until the relevant Minister has given permission in writing. SenterNovem will provide the Ministers with advice regarding any application of an Enterprise to join this Long-Term Agreement that has given or was given notice of termination of this Long-Term Agreement.

Trade Associations or Product Boards

Article 7.2

1. A Trade Association or Product Board may become a party to this Long-Term Agreement upon application if it unconditionally accepts the ensuing rights and obligations.

2. A Trade Association or Product Board will address its written application to join this Long-Term Agreement to SenterNovem. In response, SenterNovem will notify the Trade Association or Product Board in writing within four weeks of receipt of this letter whether it satisfies the requirements referred to in paragraph 1. SenterNovem may extend this term by up to four weeks within four weeks of receiving the application.

3. If the notification referred to in paragraph 2 shows that the specified requirements are satisfied, the rights and obligations arising for the relevant Trade Association or Product Board from this Long-Term Agreement will apply upon receipt of that notification by the Enterprise.

4. Enterprises that form a logical unit and that do not fit within an existing Trade Association or Product Board may join this Long-Term Agreement pursuant to Article 7.2 and jointly exercise the rights and obligations of a Trade Association or Product Board. They will appoint a representative for that purpose.

Municipalities

Article 7.3

1. A Municipality may become a party to this Long-Term Agreement upon application if it unconditionally accepts the rights and obligations ensuing for it from this Long-Term Agreement.

2. A Municipality will address its written application to join this Long-Term Agreement to SenterNovem. In response, SenterNovem will notify the Municipality in writing within four weeks of receipt of this letter whether it satisfies the requirements referred to in paragraph 1. SenterNovem may extend this term by up to four weeks within four weeks of receiving the application.

3. If the notification referred to in paragraph 2 shows that the specified requirements are satisfied, the rights and obligations arising from this Long-Term Agreement for the relevant Municipalities will apply upon receipt of the notification by the Municipality.

Termination

Article 7.4

1. An Enterprise may terminate this Long-Term Agreement in respect of one or more Facilities effective immediately, for specified reasons, if it has reasons not to compile an initial Energy Efficiency Plan.

2. If the consultations referred to in Article 8.4, paragraph 4, or in Article 8.5, paragraph 2, do not lead to consensus as to whether or not this Long-Term Agreement should be amended, each party may terminate this Long-Term Agreement in writing effective immediately for specified reasons.

3. An Enterprise may also terminate this Long-Term Agreement in respect of one or more facilities effective immediately for specified reasons if it declares not to agree to the outcome of the consultations referred to in Article 8.4, paragraph 4 or Article 8.6, paragraph 2 or if the consultations do not within three months lead to consensus as to whether with Long-Term Agreement should be amended. This right expires six weeks after the Enterprise was notified of the outcome of the consultations or after the term of three months has expired.

4. The relevant Consultative Group on Energy Efficiency will be informed of any termination referred to in paragraph 3.

5. This Long-Term Agreement will be terminated upon notice by the Ministers in view of the consultations referred to in Article 8.4, paragraph 4, or Article 8.6, paragraph 2.

Greenhouse Gas Facilities

Article 7.5

With regard to Enterprises that take part in the European system of trade in CO_2 emission rights, Article 2.1, paragraph 1(b) , Article 2.4, Article 2.5, and Article 5.1 of this Long-Term Agreement do not apply in respect of the progress report on Greenhouse Gas Facilities submitted to the Competent Authority.

8. MISCELLANEOUS PROVISIONS

SenterNovem

Article 8.1

1. In consultation with the Trade Associations and Product Boards, the Ministers have appointed SenterNovem as Expert.

2. SenterNovem will support and facilitate the parties by means of the LTA facilitation program.

3. SenterNovem will keep a public list of all Enterprises, Trade Associations and Product Boards and Municipalities.

4. Within the framework of this Long-Term Agreement, the LTA specification program will offer support to Enterprises, Trade Associations, Product Boards, Provinces and Municipalities in which LTA businesses are located.

Costs

Article 8.2

1. The Ministers will carry the costs of establishing and supervising this Long-Term Agreement, including the costs of SenterNovem and the LTA3 Platform.

2. The Ministers will carry the costs of evaluating this Long-Term Agreement.

3. The Enterprises will carry the costs of implementing the Energy Efficiency Plans in respect of their Relevant Facilities.

Sanctions

Article 8.3

1. If an Enterprise culpably fails to fulfil its obligations under this Long Term Agreement, the Ministers will terminate this Long-Term Agreement in respect of that Enterprise, and the relevant Competent Authority will take unilateral action to tighten up the environmental licence that applies to the Relevant Facility or Relevant Facilities or will apply other instruments.
2. Before the Ministers and the Competent Authority impose the sanctions referred to in paragraph 1, they will initiate consultations with the Enterprise concerned and offer it a reasonable term in which it can still fulfil its obligations.

3. The provisions of paragraphs 1 and 2 will not affect the parties' right to claim performance.

4. If the Competent Authority referred to in paragraph 1 is not a party to this Long-Term Agreement, the Ministers will inform the Competent Authority of the culpable failure in performance by the Enterprise under the Long-Term Agreement and will request the Competent Authority to tighten up the environmental licence applicable to the Facility or Facilities.

Evaluation

Article 8.4

1. The parties will evaluate the implementation and operation of this Long-Term Agreement every four years, for the first time on 1 September 2010.

2. The evaluation referred to in paragraph 1 will in any event take into account:
   - **a.** the actual implementation of Systematic Energy Management, Energy Efficiency Improvements and energy conservation with regard to Process Efficiency, Chain Efficiency and Renewable Energy, the energy improvement, the CO2 emissions avoided as a result and the share of Renewable Energy;
   - **b.** an analysis of the anticipated Energy Efficiency Improvement in the next four-year period (partly in relation to the implementation of Systematic Energy Management), of the energy conservation in the fields of Process Efficiency, Chain Efficiency and Renewable Energy, of the Energy Efficiency Improvement, of the CO2 emissions avoided as a result and of the share of Renewable Energy based on an inventory of measures and objectives for the next four-year period;
   - **c.** the quality of SenterNovem's performance;
   - **d.** the workability of the protocols used;
   - **e.** the effectiveness of the facilitation and support to the parties offered by the Ministers as well as administrative charges;
   - **f.** the desirability of continuing this Long- Term Agreement in light of the changes in circumstances referred to in Article 8.6 that have material consequences for the implementation of this Long-Term Agreement.
   - **g.** the obligations of the parties.

3. The LTA3 Platform will conduct the evaluation referred to in paragraph 1 and draw up a report thereof, which SenterNovem will send to the parties with the exception of the Enterprises and the Municipalities.

4. On the basis of the evaluation, the parties may enter into consultations to discuss the extent to which the content of this Long-Term Agreement requires adjustment. The parties are obliged to conduct such consultations within four weeks of a written request of one party to the other relevant party or parties in accordance with Article 8.6, paragraph 3.

5. The parties will enter into consultations on the interim evaluation on 1 April of any year at the latest and must have completed them on 1 September of that year.

Amendment of the Long-Term Agreement

Article 8.5

1. The parties are authorised to amend this Long-Term Agreement.
2. The parties may in any event consult on whether or not to amend this Long-Term Agreement upon the occurrence of one or more of the following changes in the circumstances that have material consequences for the implementation of this Long-Term Agreement:
   a. a reduction in the number of Enterprises or the energy consumption represented by those Enterprises compared to the situation at the time this Long-Term Agreement entered into effect such that continuation of this Long-Term Agreement can no longer reasonably be required;
   b. a change in the practical implementation of one or more of the conditions governing the Kyoto Treaty objectives for the Netherlands, as set out in the 1998 Government Coalition Document dated 7 February 2007;
   c. a material change of policy relating to energy, the environment and technological insights in that area;
   d. a change in national or international legislation, notably in relation to taxation, the environment and case law;
   e. a significant slowdown in the Energy Efficiency Improvement and the associated avoidance of CO_2 emissions that are effectively achieved and were anticipated by the parties as a result of implementation of this Long-Term Agreement.
   f. a change in the rate of economic growth, international competitiveness or the development of company profits;
   g. evaluation of this Long-Term Agreement;
   h. unforeseen circumstances.

3. The parties will enter into consultations within four weeks after a party expresses that wish in writing to the other party or parties involved.

4. The authorities set forth in paragraphs 1 to 3 do not apply to individual Enterprises, Provinces and Municipalities.

5. Amendments to this Long-Term Agreement will enter into effect on the day after signature of a consolidated version of this Long-Term Agreement by the Ministers, the IPO. the Trade Associations and the Product Boards, once it is evident that a majority of the members of the Second Chamber of the States General has no objection to those amendments. The last sentence will apply only in the event of a significant amendment.

Disclosure and Confidentiality

Article 8.6

1. The parties are obliged to observe confidentiality with respect to all information that is provided by the parties for the purpose of this Long-Term Agreement and that was marked confidential or could reasonably be understood to be confidential by the parties, save and in so far as disclosure is required under statutory provisions or this Long-Term Agreement.

2. The Ministers and the Enterprises will ensure that SenterNovem agrees to the extent legally permissible that it will observe confidentiality with regard to the Confidential

Data that are provided to it within the framework of implementation of this Long-Term Agreement.

3. The parties and SenterNovem are also obliged to impose the confidentiality required under paragraphs 1 and 2 on their employees and contractors.

4. The following information is public:
   a. the list of participating Enterprises;
   b. the list of participating Trade Associations and Product Boards;
   c. the list of participating Municipalities;
   d. the Energy Efficiency Plans (EEPs) with the exception of confidential data;
   e. the Long-Term Energy Efficiency Plans (LTEPs);
   f. the reports of SenterNovem to the LTA3 Platform;
   g. the reports of the Ministers to the Second Chamber of Parliament;
   h. the reports of the LTA3 Platform.
5. The parties have further defined the Arhus Convention on the public nature of environmental information for the purpose of the Long-Term Agreement in chapter 7 of the Annexe to LTA3.

Entry into Effect and Term

Article 8.7

1. This Long-Term Agreement enters into effect on the day after its signature by the Ministers, the IPO, the Trade Associations and Product Boards once it is evident that a majority of the members of the Second Chamber of Parliament has no objection to the rights and obligations incorporated in this Long-Term Agreement.

2. This Long-Term Agreement will terminate on 31 December 2020.

3. The parties will enter into consultations on continuation of this Long-Term Agreement on 1 April 2018 at the latest.

Annexe and Explanatory Notes

Article 8.8

The annexe to LTA3 pertaining to this Long-Term Agreement and the explanatory notes are an integral part of it.

Legal Form

Article 8.9

1. This Long-Term Agreement is an agreement under civil law.
2. This Long-Term Agreement does not affect the rights and obligations arising from the Environmental Management Act and future Energy Efficiency rules.

Publication

Article 8.10

The text of this Long-Term Agreement including the Annexe to LTA3 and the explanatory notes will be published in the Dutch Government Gazette within one month of its entry into effect.

Official title

Article 8.10

This Long-Term Agreement will be cited as Long-Term Agreement 3 or LTA3.

Thus agreed and signed in six original copies in The Hague [the Netherlands] on 1 July 2008.

The Minister of Economic Affairs

M.J.A. van der Hoeven

The Minister of Agriculture, Nature and Food Quality

G. Verburg

The Minister of Housing, Spatial Planning and the Environment

J.M. Cramer

The State Secretary of Finance

J.C. de Jager

On behalf of the Provinces, the Interprovincial Consultative Partnership (Vereniging Interprovinciaal Overleg

A.E. Bliek-de Jong

Explanatory notes:

Parties

Any decision adopted by the Board of the IPO, in which all provinces are represented, will be binding on all the provinces. The current date of 1 November 2001 will in practice change to the date on which the IPO Board approves the amended covenant text. The decision will, however, be preceded by an extensive sequence of official and advisory committees.

For the category Other Industry, there is by definition no Trade Association or Product Board to sign. The long-term agreement for the category Other Industry applies to Enterprises signing this agreement at the start and Enterprises that join later (Article 7). Those Enterprises will jointly have the rights and obligations that otherwise vest in the Trade Association or Product Board. Article 2.2, paragraph 2, describes the differences that apply to the category Other Industry.

Recitals

(1) Directive 2006/32/EC of the European Parliament and of the Council of 5 April 2006 on energy end-use efficiency and energy services and repealing Council Directive 93/76/EEC (OJ 2006, L 114).

(3) In Article 1 of the Sustainability Accord (*Duurzaamheidsakkoord)*, the government undertook to endeavour to the best of its ability that enterprises can continue to operate at a level European and global playing field. When new (climate and energy) measures are adopted, the effects on the level playing field will be mapped for both big and smaller businesses and will be discussed between the parties. If necessary, policy solutions relating to them will be searched to prevent adverse effects on their competitiveness, preferably within a European context. If necessary, measures may be cancelled if they lead to insurmountable problems.

(6) This Long-Term Agreement is not an entirely new agreement, but amends LTA2 dated 6 December 2001. This means that the participants in LTA3 can opt out in accordance with the pertinent rules set forth in LTA2. Implementing the original LTA2 is not an option, because it no longer exists as such.

(9) Articles 12 and 13 of the Climate Agreement read as follows:

> Article 12. The Parties undertake that:
>
> 1. The government and Municipalities will reinforce the market for sustainable products and production. The government and the Municipalities will set an example by purchasing on a sustainable basis. Moreover, the government and the Municipalities will allow for the development of sustainable businesses by encouraging the application of innovation and sustainable mobility.
>
> 2. Businesses will deal with energy in a conscious fashion. The long-term agreements on Energy Efficiency include arrangements made with the business community on energy conservation measures to be adopted. As Competent Authority, the Municipalities will enforce compliance with energy requirements on the basis of the Environmental Management Act in particular among the non-members of the LTA covenant. The basic principle is that all energy conservation measures that can be earned back within five years must

be adopted. With respect to the LTA businesses, Municipalities may seek the expertise of SenterNovem.

3. The Municipalities will develop a new system of periodic inspections together with the inspectorate of the Ministry of Housing Spatial Planning and the Environment, in which priority will be given to new environmental themes such as energy conservation. Periodic inspections that have been applied since the early 1990s as part of environmental enforcement largely originate from the previous Nuisance Act (Hinderwet). Inspections commonly focus on danger, damage and nuisance. Since then new environmental themes have presented themselves;

4. (…)

Article 13. The Parties undertake that:

1. as Competent Authority, the Municipalities will enforce the requirements concerning energy conservation and the agreements made in the covenant on energy conservation measure;

the Municipalities will take into consideration whether a business is party to the LTA on Energy Efficiency for the purpose of the inspection frequency envisaged in their enforcement program;

3 Municipalities in which LTA businesses are located will sign the LTA covenant;

4. during periodic inspections, Municipalities give priority to energy conservation, The VNG and the inspectorate of the Ministry of Housing, Spatial Planning and the Environment will jointly work this out further;
5. (…)

Article 1.1

(General) Various definitions are not yet aligned with legislative proposal 31 320 on rules for Energy Efficiency (Act Implementing the EC Energy Efficiency Directive) implementing the Directive on end-use energy efficiency and energy services, which Directive aims to improve end-use energy efficiency in a cost-effective manner within the European Union. Besides an improvement in Energy Efficiency, the Directive aims to provide an incentive on both the demand and offer sides of energy services. 'Energy Efficiency' is described in the Directive as the 'ratio between an output of performance, service, goods or energy, and an input of energy'. An increase or improvement of end-use Energy Efficiency can be achieved by technological, behavioural and/or economic changes. Besides an improvement in Energy Efficiency, the Directive refers to energy conservations.

'Energy-saving' is defined as an 'an amount of saved energy determined by measuring the consumption after implementation of one or more Energy Efficiency Improvement measures, whilst ensuring normalisation for external conditions that affect energy consumption; The directive (binding) and the legislative proposal (strict implementation) may still lead to adjustments of the definitions in the LTA3.

(Re d)) This refers to a Facility that participates in the European trade in greenhouse gases, which is currently limited to CO_2.

(Re e) Within one and the same group, there can be several legal entities that operate and have control over one or more Facilities. Alternatively, a situation may occur in which a

number of legal entities have control over one Facility. In both cases, there are a number of signatories within the group.

(Re h and j) These definitions were taken verbatim from Directive 2006/32/EC of the European Parliament and of the Council of 5 April 2006 on energy end-use efficiency and energy services and repealing Council Directive 93/76/EEC (OJ 2006, L 114). The Benchmarking Covenant defines 'energy efficiency' as: the energy consumption per unit of product. This is in keeping with the definition set forth in this Long-Term Agreement.

(Re i) LTA2 refers to an Energy Conservation Plan ('ECP') In LTA3, a choice is made for the term used in the Benchmarking Covenant, i.e. Energy Efficiency Plan ('EEP'), which is connected more closely to the objective of LTA3, i.e. improvement of the Energy Efficiency. However, no substantive change was envisaged for the LTA2 businesses.

(Re m) Chain Efficiency concerns the ratio between the performance, service, goods or energy obtained in the total chain from raw material to end use and the energy supply needed for that purpose. The Chain Efficiency can be improved by: improving performance, reducing the amount of materials and raw materials needed, more efficient transport, savings at the usage stage (lower energy consumption or life cycle extension) or savings arising from efficient and effective disposal of products (reuse, recycling/upcycling, the use of material for energy generation).

Article 1.2

(General) This Long-Term Agreement rests on four pillars: Systematic Energy Management, Process Efficiency, Chain Efficiency and Renewable Energy to achieve the specified objective. The latter three pillars are stated in the matrix.

	Definite measures	**Conditional measures**	**Uncertain measures**
Process efficiency (within the Facility)	Article 1.2(a) in conjunction with Article 2.1, paragraph 1(b)	Article 2.1, paragraph 2(a)	Article 2.1, paragraph 2(a)
Renewable energy (within and outside the Facility)	Article 1.2(c) in conjunction with Article 2.1, paragraph 2(b)	Article 1.2(c) in conjunction with Article 2.1, paragraph 2(b)	Article 1.2(c) in conjunction with Article 2.1, paragraph 2(b)
Chain efficiency (outside the Facility)	Article 1.2(c) in conjunction with Article 2.1, paragraph 2(b)	Article 1.2(c) in conjunction with Article 2.1, paragraph 2(b)	Article 1.2(c) in conjunction with Article 2.1, paragraph 2(b)

In LTA2, the terms Chain Efficiency and Renewable Energy were still referred to as 'expansion themes'.

The Environmental Management Act requires the adoption of certain, Profitable Measures within the Facility.

Renewable Energy can be generated within or outside the Facility. The rate of Energy Efficiency Improvement of Enterprises that are not party to the Long-Term Agreement is on average 1%, which equals an Energy Efficiency Improvement of 15% in the period 2005-2020 ('business as usual'). Within the framework of the work program 'Clean and Economical' (*Schoon en Zuinig*), the Ministers aim to double the Energy Efficiency Improvement from 1% to 2% per year, which equals an Energy Efficiency Improvement of 30% in the period from 2005-2020.

'Taking into account' does not mean that the best efforts obligation of 30% will be reduced in the period from 2005 to 2020.

'Within the Facility' refers to the implementation of Energy Management and the improvement of Process Efficiency, including he generation of Renewable Energy. Activities outside the Facility are aimed at improving the Chain Efficiency, including the purchase of electricity generated from renewable sources.

(Part a) Profitable Measures are certain, in principle, unless there is a technical, economic and/or organisational barrier to their implementation. If there is such a barrier, the Profitable Measure is characterised as conditional. An uncertain measure is a measure that needs to be investigated further before a decision to implement it can be taken. The measures must be described that are needed to assess the feasibility. For an uncertain measure, the amount of the saving cannot yet be quantified.

(Part c) The government currently has no intention to require Enterprises to place windmills on their business premises.

Article 2.1

Article 2.1 gives a brief summary of the principal obligations of Enterprises. Enterprises will usually adopt various Energy Efficiency measures during the term of this Long-Term Agreement. However, the greatest benefit is expected from major investments, which are often made just once during that term. Article 2.1, paragraph 3 gives Enterprises the option to substantiate that they will meet their objectives, for example, by investing in new cookers in 2014 enabling them 'score big'.

(Paragraph 3) The substantiation to be provided in (a) is related to the average annual Energy Efficiency Improvement proposed in the EEP. The Enterprise does not give those reasons annually, but when it presents the EEP. By contrast, the substantiation referred to in b must be given annually, but is related exclusively to the annual Energy Efficiency Improvement proposed in the EEP. Example: if an Enterprise includes an improvement of 1.3 percent in the EEP, that figure will be substantiated upon presentation of the EEP. Subsequently, the Enterprise only has to substantiate annually if it remains below the aforementioned 1.3% in that year.

Article 2.3

(Paragraph 1) In accordance with the instructions for covenants, 'endeavour' refers to filing a proposal with the cabinet of Ministers. Doing so does not impinge on the authorities of the Second Chamber of Parliament or of the European institutions. 'Additional specific national measures' are measures directed at Enterprises in addition to the measures that the Enterprises are required to adopt within the framework of this Long-Term Agreement.

(Paragraph 2b) 'Basic principle' means that in drafting the government policies relevant to these long-term agreements, the Ministers will endeavour to safeguard the business community from an increase in the balance of their tax and premium burden as set out in the Government Coalition Document dated 7 February 2007 and the Budget Memorandum for 2008. It goes without saying that this will not affect the authorities of the Second Chamber of Parliament and the obligations of the Ministers that arise from European and international regulations.

(Paragraph 7) These policy instruments are aimed at promoting both currently available (but not yet widely applied) and new technology for energy efficient equipment with subsidies, tax measures, technology procurement and user groups/issue management.

(Lid 9) ACTAL may be hired for its expertise at the request of one or more parties.

Article 2.4

(Paragraphs a-d) Paragraphs a-d originate from Articles 12 and 13 of the Climate Agreement (see explanatory notes to the recitals).

(Paragraph e) Paragraph 3 was included at the request of the business community.

Article 3.2

Within the framework of the Sustainability Accord, it was agreed that intensifying the Long-Term Agreement is the sector accord with the industry (also see recital 4). The agreements in the LTA only concern the Energy Efficiency Improvement and the consequent CO_2 reduction. By contrast, the Sustainability Accord and the objectives of the Clean and Economical cabinet program are wider in scope and include the reduction of other greenhouse gases. What is relevant for the agreements with the industry in this connection is the emission of fluorinated greenhouse gases (HFCs) by refrigerating equipment, air-conditioning systems and water pumps.

Article 3.2, paragraph 1, provides that businesses that have refrigerating and air-conditioning equipment and water pumps must be mindful of the climate effect of the primary refrigerant when they modify their refrigerating equipment (air-conditioning or water pump) or replace those systems, and that attention will be paid not only to opportunities for Energy Efficiency Improvement. To encourage that the best choice is made for the climate, businesses will have to account for this in the EEP.

A large number of refrigerating systems use HCFCs (substances depleting the ozone layer) as primary refrigerant. Under EC legislation, these substances will be phased out. From 2010 onwards, only recycled HCFCs will be allowed to be used for refrigeration and climate control. After 2015 HCFCs will be banned altogether. A large number of businesses will modify or replace their equipment in the coming years and switch to another primary refrigerant. At the same time, this is an obvious moment to choose a system that is more energy-efficient than the current system. At a first glance, a switchover to systems using HFCs (very strong greenhouse gases) seems obvious, and sometimes those systems are also more energy-efficient. Depending on the application, the use of natural refrigerants (CO2 and/or NH3) may also lead to large energy efficiency benefits, and it will be a win-win situation. The Reduction of Other Greenhouse Gases program ('ROB') provides for several other possibilities to support businesses in their choice, including feasibility studies and information.

Article 3.4

(Paragraphs 3 and 4) If the Competent Authority agrees to the draft Energy Efficiency Plan, no more adjustments will be needed and the plan can be regarded as final. This means is that it will not be necessary to submit an adjusted Energy Efficiency Plan again.

(Paragraph 4) An integral appraisal is involved, which will be done by the Competent Authority. One example would be environmental measures that could have a negative effect on energy consumption.

(Paragraph 5) Although the Competent Authority cannot leave it to SenterNovem to adopt an opinion, SenterNovem's advice will put a great deal of weight in the balance.

(Paragraph 6) LTA2 was still based on the 'alara' principle, but since then, the Environmental Management Act (Article 8.11, paragraph 3) has adopted the phrasing 'best available techniques' derived from the IPPC Directive. The wording of LTA3 has been adjusted accordingly.

(Paragraph 7) The mere fact that there is an Energy Efficiency Plan does not yet mean that a notification, a report or modification permit are required. The Competent Authority will inform the Enterprise in that respect. As it is no more than an interpretation of the statutory provisions, without any related legal consequence, it is not a decision within the meaning of General Administrative Law Act (*Algemene wet bestuursrecht*).

Both the Environmental Management Act and the European IPPC Directive require an integral assessment of the environmental effects. However, if only Energy Efficiency is concerned, it suffices to make an assessment of that, after which energy requirements can be included in an environmental permit if necessary.

In practice, this can be dealt with as follows:

- If implementation of the measures for which a modification permit is required does not lead to environmental effects other than energy conservation, energy requirements may be attached to the environmental licence on the basis of the recommendation by

SenterNovem. The Competent Authority will take into account the Circular on Energy in the Environmental Licence and the Recommendation of SenterNovem in respect of the Energy Efficiency Plan.

- If implementation of the measures for which a modification permit is required also leads to environmental effects other than energy conservation, the Competent Authority will also assess those consequences and will attach requirements to the permit if necessary.

The circular Energy in the Environmental Licence (*Energie in de milieuvergunning*) can be found at www.infomil.nl:. [For more information on energy policy and enforcement also see the Guideline on Ways towards Prevention at Businesses 9*Wegen naar preventie bij bedrijven)*].

Article 3.5

LTA3 is also open to greenhouse gas facilities Under the Environmental Management Act, the Competent Authority may not attach any requirements to the environmental licence of such a Facility in terms of an emission limit for the direct emission of greenhouse gasses, unless it is necessary to ensure that no significant consequences will ensue for the environment in the immediate vicinity of the Facility. Likewise, no requirements may be imposed that promote an economical use of energy in the Facility (Article 8.13a, paragraph 2, of the Environmental Management Act). Under Article 15, greenhouse gas Facilities that are party to LTA3 are not required to submit the Energy Efficiency Plans and the monitoring of those plans to the Competent Authority.

Article 3.6

(Paragraph 2) The parameters given in this paragraph relate to the (cost) effectiveness of this Long Term Plan for the government. If the level of coverage is less than 80 percent but the energy consumption is substantially more than 1 PJ/year, or if the level of coverage is much more than 80 percent but the energy consumption is less than 1 PJ/year, the Minister concerned can depart from the criteria specified in paragraph 2 at the request of the Trade Association or the Product Board.

(Paragraph 4) Energy Efficiency Improvement is the standard for improvement of the Energy Efficiency by energy conservation, other factors, Renewable Energy and chain projects (of Enterprises) within a sector, including the consequent avoidance of CO_2 emission. 'Other factors' include factors within and outside the Facility that have an effect on the development of the Facility's actual energy consumption, such as operational scale/capacity utilisation, raw material composition, product specifications, legislation and regulations, climate, etc. For calculations of the Energy Efficiency Improvement, 1998 will be taken as the reference year (index is 100 for 1998), as detailed in chapter 4 to the Annexe to LTA3. In the reports, the EEI may also be expressed by reference to the year 1989, which is the reference year of the first generation of long-term agreements. This will provide an insight into the Energy Efficiency Improvement since 1989.

(Paragraph 7) SenterNovem's recommendations will be of significant weight for the approval by the relevant Minister.

(Paragraph 8) The quantitative targets of the Trade Association and/ Product Board in particular are based on the objectives of the relevant Enterprises – with due regard for paragraph 2 – as set out in their Energy Conservation Plans.

This means that the draft Long-Term Plan cannot be compiled until the Energy Conservation Plans have been completed.

Articles 3.7 and 3.8

In compiling the preliminary studies and Roadmaps, consultations will be held with the relevant ministry at crucial times. The Preliminary Studies and Roadmaps should preferably not be one-off activities. SenterNovem facilitates the process of establishing the preliminary studies and Roadmaps.

Article 5.1

Re paragraph 1 and paragraph 2: If an Enterprise also participates in an environmental covenant, integral monitoring will be aimed for of the environmental covenant and this Long-Term Agreement. A consideration in that respect will be to minimise the administrative burden for the Enterprise. With that in mind, monitoring data should be submitted before 1 April.

Re paragraph 5. SenterNovem will provide monitoring feedback in the form of a business report for the Enterprise. It will do so in accordance with chapter 4 of LTA3. The scorecard will be a fixed part of the business report. The scorecard is an instrument that gives an overview of the degree to which Enterprises have achieved the undertakings that they assumed in their EEPs. The overview is also relevant to the Competent Authority for the inspection and enforcement of compliance with energy requirements with preference over non-participants in this Long-Term Agreement or a blameworthy slowdown by participants. The elements of the scorecard are:

a. the level of Energy Management;
b. the energy conservation achieved by measures, Process Efficiency, Chain Efficiency and Renewable Energy compared with the planned savings as a result of measures;
c. the Energy Efficiency Improvement achieved by Process Efficiency, Chain Efficiency and Renewable Energy;
   o compared to the previous monitoring year
   o compared to reference year 1998
d. The CO_2 emissions avoided as a result of the Energy Efficiency Improvement.

Article 6.1

The Enterprises in the category 'Other Industry' are expected to establish a Consultative Group on Energy Conservation and appoint a chair by mutual agreement.

Article 6.4

(Paragraph g) This does not concern the order that the Ministry of Economic Affairs itself gives to SenterNovem.

Article 7.1

(Paragraph 1) A company cannot sign or join until its relevant Trade Association or Product Board has signed or joined this Long-Term Agreement. Enterprises for which there is no Trade Association or Product Board in the Netherlands or of which the relevant Trade Association or Product Board has not signed this Long-Term Agreement, that are not members of a Trade Association or not covered under any Product Board that has signed this

Long-Term Agreement may ask the Minister of Economic Affairs, or the Minister of Agriculture, Nature and Food Quality or the Minister of Housing, Communities and Integration or the Minister of Transport and Water Planning via SenterNovem to join this Long-Term Agreement under the category Other Industry.

Enterprises that were already party to LTA2 will remain parties, unless they give notice of termination.

Article 7.2

(Paragraph 1) Enterprises that were already party to this LTA2 will remain parties, unless they give notice of termination.

(Paragraph 2) Enterprises for which there is no Trade Association or Product Board in the Netherlands or of which the relevant Trade Association or Product Board has not signed this Long-Term Agreement or that are no member of a Trade Association or not covered by a Product Board that has signed this Long-Term Agreement and that do not fall under the category Other Industry may form a cluster and join this Long-Term Agreement as a cluster. They may elect a secretary from their midst, who will substitute for the Trade Association.

Article 7.3

The parties set great store by Municipalities in which Enterprises are located joining the Long-Term Agreement more than they did until the end of 2007. This is expressed, among other places, in the Climate Initiative between the government and Municipalities, in which both parties undertake that the Municipalities in which the LTA businesses are located, will sign this Long-Term Agreement covenant. VNG will endeavour to the best of its ability, if necessary supported by SenterNovem, to have Municipalities in which Enterprises are located join this Long-Term Agreement.

Article 7.4

(Lid 1) After signing or joining this Long-Term Agreement, compiling an Energy Efficiency Plan is compulsory (Article 6). Reasons not to compile an initial Energy Efficiency Plan could be an acquisition or bankruptcy. In that case, the Enterprise may terminate this Long-Term Agreement. If it does not terminate this Long-Term Agreement despite not compiling an Energy Efficiency Plan, Article 8.3 will apply.

(Paragraph 3) An Enterprise may terminate this Long-Term Agreement effective immediately for specified reasons, with respect to one or more of Facilities if it disagrees with certain amendments. To prevent prolonged uncertainty on whether an Enterprise will exercise that right, it will lapse after six weeks.

Article 7.5

The Environmental Management Act prohibits the Competent Authority from including Energy Efficiency requirements in the environmental licence of Enterprises that are required to participate in the European trade in CO2 emission rights. For that reason, Article 2.1, paragraph 1(b) does not apply. Incidentally, paragraph 1(a) provides that every Enterprise is obliged to compile and implement an EEP.

Article 8.4

(Paragraph 2(b) This evaluation will be conducted within the framework of recalibrating the Sustainability Accord. The evaluation will be conducted taking into account external developments that have an effect on the agreements. On the basis of that evaluation, the parties will consult on the consequences it will have for the Long-Term Agreement and the Energy Efficiency Improvement achieved with that instrument. The evaluation will focus in particular on the degree to which the Energy Efficiency Improvement has been achieved within and outside the Facility. Especially the effectiveness of the applied mixture of incentive and facilitating instruments will be a topic of discussion.

Article 8.8

The Annexe to LTA3 (which includes protocols and working agreements) and the explanatory notes are an integral part of this Long-Term Agreement. Accordingly, they have the same status as the articles set forth in it. Participating in this Long-Term Agreement therefore also means consenting to the Annexe, the protocols and the explanatory notes.

Annexe LTA3

Chapter 1

General

Chapter 2
Energy Efficiency Plan Appraisal Protocol

1. INTRODUCTION

1.1 General

This protocol contains the details of the agreements on the appraisal of the Energy Efficiency Plans (EEP's), as referred to in LTA2, to which this protocol forms an annexe. The document underlying this protocol is the Guideline Appraisal Energy Efficiency Plan. It contains formats to draw up an EEP and the EEP recommendations (the Independent Expert's opinion about the EEP submitted).

The core of this protocol is a flowchart showing the procedure plus more content-specific comments on each individual element. The protocol contains several references to other relevant documents. The Guideline accompanying the protocol includes

- a format for the Energy Efficiency Plan;
- a format for the EEP recommendations, consisting of a letter to the Enterprise and an appraisal form for the Energy Efficiency Plan.

Details are laid down in working agreements with the Independent Expert and manuals, if any, for the Independent Expert and/or the Competent Authority.

1.2 Contents of this Protocol

This protocol comprises three articles:

1. Object, function and basic principles of the EEP
2. Procedure of the EEP appraisal
3. Contents of the EEP appraisal

ARTICLES

1. Object, Function and Basic Principles of the EEP

An Energy Efficiency Plan (EEP) is a plan in which an Enterprise sets out which profitable measures it will take as well as any measures in the area of Expansion Themes. In the EEP the Enterprise lays down how it intends to deal with energy-related matters structurally. In first instance the plan serves to support the Enterprise's integral planning process.

An Enterprise is required to:

- draw up such plan for every facility concerned within six months after joining LTA2;
- execute this plan and to report annually to the Independent Expert about the execution.

- In the EEP the Enterprise will at any rate include all *profitable*[1] measures, i.e. energy efficiency measures with a positive net cash value at an internal rate of return of 15%. As

[1] This is in line with the Energy Conservation Circular, which says: 'In order to assess the reasonableness of energy conservation measures, the criterion of an internal rate of return. is used, as specified in the Energy Conservation Policy Document (April 1998). A profitable

an alternative a payback period of five years could be used. The measures are classified as follows:

1. *Definite measures*, i.e. measures that will be implemented because all conditions have been met;
2. *Conditional measures*, i.e. measures that will be implemented unless a clearly prescribed condition has not been met;
3. *Uncertain measures*, i.e. measures that require more detailed research before they can be implemented. The steps to be taken to examine their feasibility are described, however.

An EEP should comply with the format contained in the *Guideline Appraisal Energy Efficiency Plan.* An EEP sets out the following elements:

1. Framework, policy and basic principles relating to energy in the Enterprise;
2. The measures being considered and planned;
3. The implementation plan and the associated timetable;
4. The procedure for monitoring, including performance yardsticks, and for reporting (internally and externally);
5. The approach to energy management within the Enterprise.

The EEP's contents are as follows:

Management Summary
- Such that this summary can be used as a public summary in the context of the licensing procedure.

1. INTRODUCTION
- General information
- Corporate energy target
- Links with LTA2 goals
- Other relevant obligations (covenants, licences required under the Environmental Management Act)

2. SITUATION ANALYSIS
- Overview of energy flows and sources
- Current energy management strategy
- Projects realised since joining the current LTA

3. POSSIBILITIES FOR ENERGY CONSERVATION
- Objects and methods studied
- Selection criteria

4. PLANNED MEASURES
- Definite measures
- Conditional measures
- Uncertain measures
- Other measures

5. MONITORING, REPORTING AND BUDGET
- Energy monitoring and organisation
- Budget and manpower

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measure is a measure with a positive net cash value at an internal rate of return of 15 per cent. A pay-back period of five years can be applied as an alternative.'

The underlying *Guideline Appraisal Energy Efficiency Plan* contains the following formats to be used:

1. *Energy Efficiency Plan*

Every EEP should be drawn up according to this format. It is possible to deviate from the format if there are important reasons to do so and provided they are expanded on by the Enterprise and – in the event of broad application within a Sector – in consultation with the trade association concerned and the Energy Conservation Consultative Group.

2. *EEP-Recommendations*

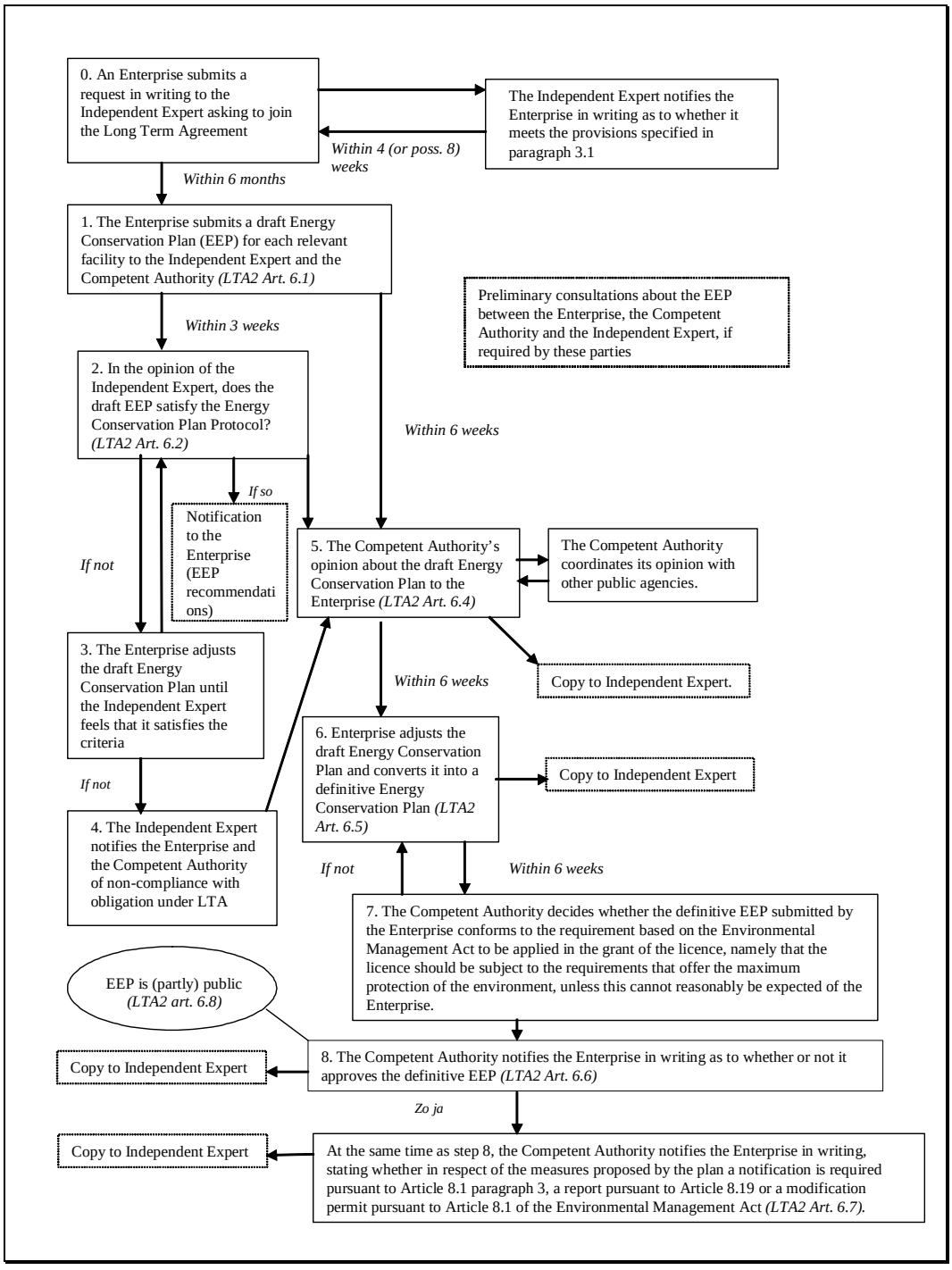
The EEP recommendations consist of a letter from the Independent Expert to the Enterprise and the appraisal form Energy Efficiency Plan. The Competent Authority will receive a copy of this letter.

3. *Letters from the Competent Authority to the Enterprise*

The Competent Authority notifies the Enterprise by letter of the appraisal result of the draft EEP's. The Independent Expert will receive a copy. The appraisal is carried out in conformity with LTA2, the protocols and the Environmental Management Act.

2. EEP Appraisal Procedure

2.1 The chart below shows the EEP appraisal procedure:



2.2 **Explanation of the Flowchart**
(the numbers refer to the numbers in the flow chart)

0. The Enterprise joins or withdraws from the Long Term Agreement in respect of the relevant facility (facilities).

0.1 An Enterprise sends its written request to join the LTA2 to the Independent Expert. The Independent Expert notifies the Enterprise in writing within four weeks of receiving the letter as to whether or not it satisfies the provisions contained in Article 3 of the LTA2. The Independent Expert can extend this term within four weeks of the date of receipt of the request by four weeks at most.

1. Compiling, submitting and updating the draft Energy Efficiency Plan.

1.1 The Enterprise starts by identifying for each relevant facility the possibilities for improving energy efficiency within the Enterprise and the possibilities for applying Expansion Themes. This can be done with the help of an Energy Potential Scan. The point of departure is a standard list of energy conservation measures in the relevant Sector. These measures are examined in more detail for their specific possibilities for the Enterprise; other enterprise-specific opportunities are also considered.

1.2 The Enterprise compiles a draft EEP. In it, the Enterprise selects appropriate measures and indicates whether they are definite, conditional or uncertain.

1.3 The Enterprise submits the draft EEP to the Competent Authority and to the Independent Expert.

1.4 Preliminary consultations are held on the EEP between the Enterprise and the competent authority, if one of them requests this. The Independent Expert will be present at these consultations if requested by both parties.

1.5 The Enterprise must update the EEP by 1 October 2004 for the period 2005-2008 and by 1 October 2008 for the period 2009-2012. This update must be in accordance with the state of the art at that time. Not only does this update indicate the definite, conditional and uncertain process efficiency measures, but it also bases the reference target on an energy and mass analysis that takes account of the definite, profitable measures arising from the Expansion Themes.

1.6 If after expiry of the term referred to in 1.5, the Enterprise does not have a new approved EEP, then the Consultative Group on Energy Conservation will advise the relevant Minister to terminate the LTA2 in respect of that Enterprise.

2 Does the Independent Expert feel that the draft EEP satisfies the Protocol?

2.1 The draft EEP must, according to the Independent Expert, satisfy the criteria specified in Article 3 of this protocol.

2.2 The Independent Expert issues his judgement within three weeks of receipt of the results.

2.3 If, according to the Independent Expert, the draft EEP satisfies the criteria, the Independent Expert will notify the Competent Authority by means of the EEP recommendations. The EEP recommendations consist of a letter and the energy conservation plan appraisal form, as contained in the Guideline Appraisal of Energy Conservation Plans. The relevant Competent Authority receives a copy of the EEP recommendations.

2.4 If the draft EEP does not satisfy the said criteria, the Independent Expert will ask the Enterprise within two weeks to provide additional information. The Enterprise must respond within four weeks of this request.

2.5 The Independent Expert reports every six months to the Competent Authority, effective from 2002, concerning the status quo in the Sectors regarding the compilation, updating and appraisal of the EEP's and concerning the joining and withdrawal of Enterprises and/or facilities from the LTA2.

3. *Additional Information*

3.1 The Enterprise adjusts the draft EEP until - in the opinion of the Independent Expert - it satisfies the criteria specified in chapter 3.

4. *Draft EEP Does Not Satisfy the Criteria*

4.1 If after receiving the additional information the Independent Expert concludes that the EEP still does not satisfy the criteria, he will notify the Enterprise and the Competent Authority in writing.

5. *Judgment of the Competent Authority within six weeks concerning the EEP and concerning the need for a notification, report or modification permit*

5.1 The Competent Authority assesses the draft EEP and the Independent Expert's EEP recommendations within six weeks of receiving the draft EEP, in the light of all the relevant environmental aspects.

5.2 The Competent Authority will coordinate its definitive judgment with the views of other relevant public agencies.

5.3 If the Competent Authority has not issued a judgement within six weeks, the draft EEP and the accompanying EEP recommendations may be regarded as a notification under the notification system of the Environmental Management Act.

6. *The Enterprise adjusts the draft EEP and converts it into a definitive EEP*

6.1 The Enterprise adjusts the draft EEP based on the remarks of the Independent Expert and the Competent Authority and converts it into a definitive EEP. If there are no remarks, this step can be omitted and the draft EEP can be converted immediately into a definitive EEP. In fact steps 5 and 7 coincide in that case.

7. *Integrated appraisal by the Competent Authority*

7.1 The Competent Authority judges whether the definitive EEP submitted by the Enterprise complies with the requirement to be applied in the grant of the licence under the Environmental Management Act, i.e. that the licence must be subjected to the requirements offering maximum protection of the environment, unless this cannot be reasonably expected.

8. *Approval of the EEP by the Competent Authority*

8.1 The Competent Authority notifies the Enterprise and the Independent Expert in writing as soon as possible, yet no later than six weeks following receipt of the definitive EEP, stating whether or not it approves the plan.

9. Notification, report or modification permit

9.1 At the same time as the approval referred to in 8.1, the Competent Authority will also notify the Enterprise and the Independent Expert in writing, stating

whether a notification pursuant to Article 8.1 paragraph 3, a report pursuant to Article 8.19 or a modification permit pursuant to Article 8.1 of the Environmental Management Act is required in respect of the measures proposed by the plan.

If, for whatever reason, the Competent Authority does not approve the definitive EEP, the Competent Authority and the Enterprise will seek a solution that is workable for both parties. If desired, but in any event if there is any doubt about whether the adjustments conform to the present protocol, the Independent Expert can be called on.

The last three steps (7,8 and 9) concern the regular procedure under the Environmental Management Act, which will not be discussed here. For this, see:

- The brochure: '*The new notification system of the Environmental Management Act'*, Ministry of Public Housing, Spatial Planning and the Environment, December 2000;
- The circular *Energy in the Environmental licence,* Ministry of Economic Affairs and Ministry of Public Housing, Spatial Planning and the Environment, October 1999.

3. Contents of EEP Appraisal

Appraisal Criteria

The EEP should hold adequate prospects of successful realisation and monitoring. The following criteria will be applied in appraising the EEP:

3.1. All profitable measures (existing energy conservation measures in the Sector with a positive net cash value at an internal interest rate of 15%; see also the definition contained in the LTA2 and Article 1 of this protocol) are considered in the selection of possibilities for improvement.
3.2. The measures selected are clearly defined and divided into definite, conditional or uncertain.
3.3. The conditions for implementing conditional and uncertain measures or the input of third parties required in the implementation of activities are clear.
3.4. The monitoring procedure is described in clear detail: the performance yardsticks have been established and the method for allocating energy flows is transparent. The method is in conformity with the *Protocol Monitoring and Energy Management* and any agreements within the Energy Conservation Consultative Group.
3.5. The reference year is 1998.
3.6 The format prescribed by the *Guideline Energy Efficiency Appraisal* has been used.

Appraisal at Sector Level

The Independent Expert first examines the process by which the EEPs were compiled in the Sector. The implemented activities, such as the drafting of a broad Long Term Plan and the holding of workshops for enterprises, are registered. A number of the characteristics of the Sector are also reviewed, e.g. the method used to calculate energy conservation targets. The process applied in the Sector must satisfy the following criteria:

3.7 The internal rate of return of $\geq$ 15 percent or, as the case may be, the payback period of $\leq$ 5 years has been communicated by:
- The Ministry of Economic Affairs or the Ministry of Agriculture, Nature Management and Food Quality to the trade association and/or the product board;
- The trade association and/or the product board to the enterprises;
- The Independent Expert to the consultant concerned.

3.8 Reference material has been used such as:
- A list of all measures with an internal rate of return of $\geq$ 15 percent or, as the case may be, payback period of $\leq$ 5 years;
- Other sources such as brochures of InfoMil.

The Independent Expert will include these data in the EEP Sector Appraisal Form contained in the Guideline Energy Efficiency Plan Appraisal. Only when those criteria have been met, will the Independent Expert assess the individual draft EEP's of the Enterprises.

Appraisal of Individual Draft EEP's

The appraisal procedure for draft EEP's is as follows:

3.9 The Independent Expert will appraise the draft EEP against the appraisal criteria set out in 3. In doing so he will use the standard appraisal forms (see *Guideline Energy Efficiency Plan Appraisal).*

3.10 The Independent Expert will record the appraisal in the appraisal form and will submit the form to the Enterprise and the Competent Authority within four weeks of receipt of the EEP.

3.11 In the event of non-compliance by the EEP with the criteria the Independent Expert will take action to supplement the EEP where necessary.

Content-Specific Appraisal

Besides appraising the procedure the Independent Expert will appraise the content-specific aspects. These are in particular the measures to be taken and the improvement in energy efficiency to be expected as a result. Special focus is on the ten to twenty percent of Enterprises with the lowest targets and the ten to twenty percent of enterprises with the highest energy consumption.

The selection focuses in particular on:

- comparisons with the measures most commonly applied in the sector or a benchmark of the specific energy consumption (performance yardstick) in the relevant sub-sector;
- the performance of the Enterprise in the LTA1.
-
- If the content-specific appraisal shows that the EEP's do not comply or inadequately comply with the requirements laid down in this protocol, they will be returned to the Enterprises for adjustment, the other EEP's of the Sector concerned will be subjected to an additional appraisal and the Independent Expert will consult with the trade association or the product board concerned to make agreements on improving the quality of the EEP's in the Sector concerned.

Chapter 3

Chain Efficiency and Renewable Energy Protocol

1. INTRODUCTION

This protocol contains the definitions of the Expansion Themes, divided by durable energy and energy-efficient product development. The protocol furthermore lays down the rules for deciding whether a quantitative target can be linked to the taking of Expansion Theme measures. A quantitative target is determined by the sum of the savings due to accepted Expansion Theme Measures. These are measures in the area of renewable energy and energy efficient product development whose savings are quantifiable, can be attributed to the Enterprise wholly or partially and are capable of annual monitoring.

1.1 Relationship between Expansion Themes and LTA2

In LTA2 it was agreed that the Enterprises would contribute to the realisation of the energy efficiency target. This target is realised by Systematic Energy Management, taking definite profitable measures and executing Expansion Themes where possible. The main characteristic of the Expansion Themes – a new feature in LTA2 – is that the related improvement of energy efficiency often occurs in part outside the facility.

This protocol contains the definitions of the Expansion Themes. They are divided into two main categories:

1. Renewable energy;
2. Energy efficient product development.

Energy efficient product development in turn is divided into three categories:

1. Sustainable products;
2. Optimisation of transport, logistics and chains;
3. Sustainable industrial estates.

Therefore the LTA's target no longer relates just to efficiency improvement of energy consumption in the processes within the facility. The emphasis has shifted to both renewable energy and efficiency improvement of indirect energy consumption in product and chain.

1.2 Objective of the Expansion Themes Protocol

The objective of this protocol is to provide the Independent Expert with uniform and transparent rules to appraise whether the energy savings related to the Expansion Measures taken by the Enterprise satisfy the following criteria:

1. Quantifiable;
2. Attributable to the Enterprise;
3. Capable of being monitored.

1.3 Inclusion of Expansion Themes in the Total Energy Conservation Target

Expansion Theme Measures in the area of energy efficient product development as well as renewable energy have in common that the use of fossil fuels is reduced as a result. Energy efficient measures during the process also reduce the use of fossil fuels. This is why savings on fossil fuels due to process measures and/or Expansion Measures can be grouped together for an Enterprise under the heading of the Total Energy Efficiency Index (TEEI).

This index is made up of the Energy Efficiency Index (EEI) as a yardstick for the improvement of the process's energy efficiency, the Energy Efficient Product Development Index (EEPDI) as a yardstick for the improvement of energy efficiency due to energy efficient product development and the Renewable Energy Index (REI) as a yardstick for the preservation of fossil fuels by the use of renewable energy (see Monitoring and Energy Management Protocol for the definitions of these indices). The Total Energy Efficiency Index can be computed based on the above three indices using the formula below:

TEEI = EEI + EEPDI + DEI – 200.

1.4 Contents of the Protocol

The protocol comprises the following 12 articles:

1. General definitions
2. Classification of Expansion Themes
3. Definition of energy efficient product development
4. Opportunities for improving energy efficient product development
5. Definitions of renewable energy
6. Definition of energy consumption during the five phases of the product life cycle
7. Demarcation of Expansion Themes against process efficiency measures
8. Requirements governing the description of an Expansion Theme Measure
9. Requirements governing the quantification of the energy saved by an Expansion Theme Measure
10. Requirements governing the attribution to an Enterprise of the quantified energy saving of an Expansion Theme Measure to an Enterprise
11. Type of monitoring of Expansion Theme Measures
12. Requirements governing the monitoring of Expansion Theme Measures

2. ARTICLES

1. General Definitions

1.1 *Product:* This protocol defines product as that which an Enterprise manufactures or generates. The Product can be a readymade (end) product, but also a raw material, semi-finished product, part of the end product or even a Service or Function.

1.2 *Service:* This protocol defines Service as the whole of product(s) offered to a customer/buyer as well as the associated acts and/or activities performed for that customer/buyer.

1.3 *Function:* This protocol defines function as the underlying need fulfilled by a product or service.

2. Classification of Expansion Themes

The Expansion Themes cover the area that focuses on product and chain. Expansion Themes can be divided into two main categories: energy efficient product development and renewable energy. Both categories are explained in more detail in Articles 3, 4 and 5.

3. Definition of Energy Efficient Product Development

Energy efficient product development is the development of a Product such that the energy consumption of that Product throughout its entire life cycle is reduced. This strategy is subdivided into three main categories of fossil fuel energy conservation, as referred to in Article 1k of the LTA2:

3.1 *Sustainable Products:* Sustainable Products focus mainly on the development process of products. The energy saved by Sustainable Products is linked to the development of Products in such a way that the energy consumption over the entire product life cycle is reduced e.g. via savings on materials, reduction of energy consumption during product use, optimisation of the product life cycle and optimisation of product disposal or recycling.

3.2 *Optimisation of Transport, Logistics and Chains*: Optimisation of Transport, Logistics and Chains targets energy conservation linked to the distribution of materials required to make the Product on the one hand and the product itself on the other. This optimisation leads to a reduction in transport energy per unit Product.

3.3 *Sustainable Industrial Estates:* Sustainable Industrial Estates focus on the co-operation between enterprises and between enterprises and governments on industrial estates, with a view to reducing combined energy consumption and improving combined energy efficiency. The energy saving as a result of Sustainable Industrial Estates arises from this joint approach and from co-operation by e.g. the (centralised) generation of (renewable) energy or common utilities, as a result of which the specific energy consumption per performance unit falls.

4. Opportunities for Improving Energy Efficient Product Development

Energy efficient product development can help to improve the efficiency of indirect energy consumption through eight different options: Sustainable Products (Article 3.1), Optimisation of Transport, Logistics and Chains (Article 3.2) and Sustainable Industrial Estates (Article 3.3). The eight classifications consist of the following steps:

4.1 *Optimisation of functionality:* Map out the function (need) fulfilled by a Product and use this to design a new and more energy efficient functionality.

4.2 *Savings on Materials:* Lower indirect energy use per unit Product by switching to less energy-intensive raw materials and/or other resources.

4.3 *Improved process energy efficiency* (insofar as not within own facility): Lower direct energy use per unit Product (outside the facility) by lower energy use in heating or cooling processes and/or driving of pumps, compressors or other process equipment.

4.4 *Optimisation of distribution:* Lower energy use per unit Product in transport.

4.5 *Decreased energy consumption during product use:* Lower direct and indirect energy use per unit Product during the actual life cycle of the Product due to innovative changes in the design or application of the Product.

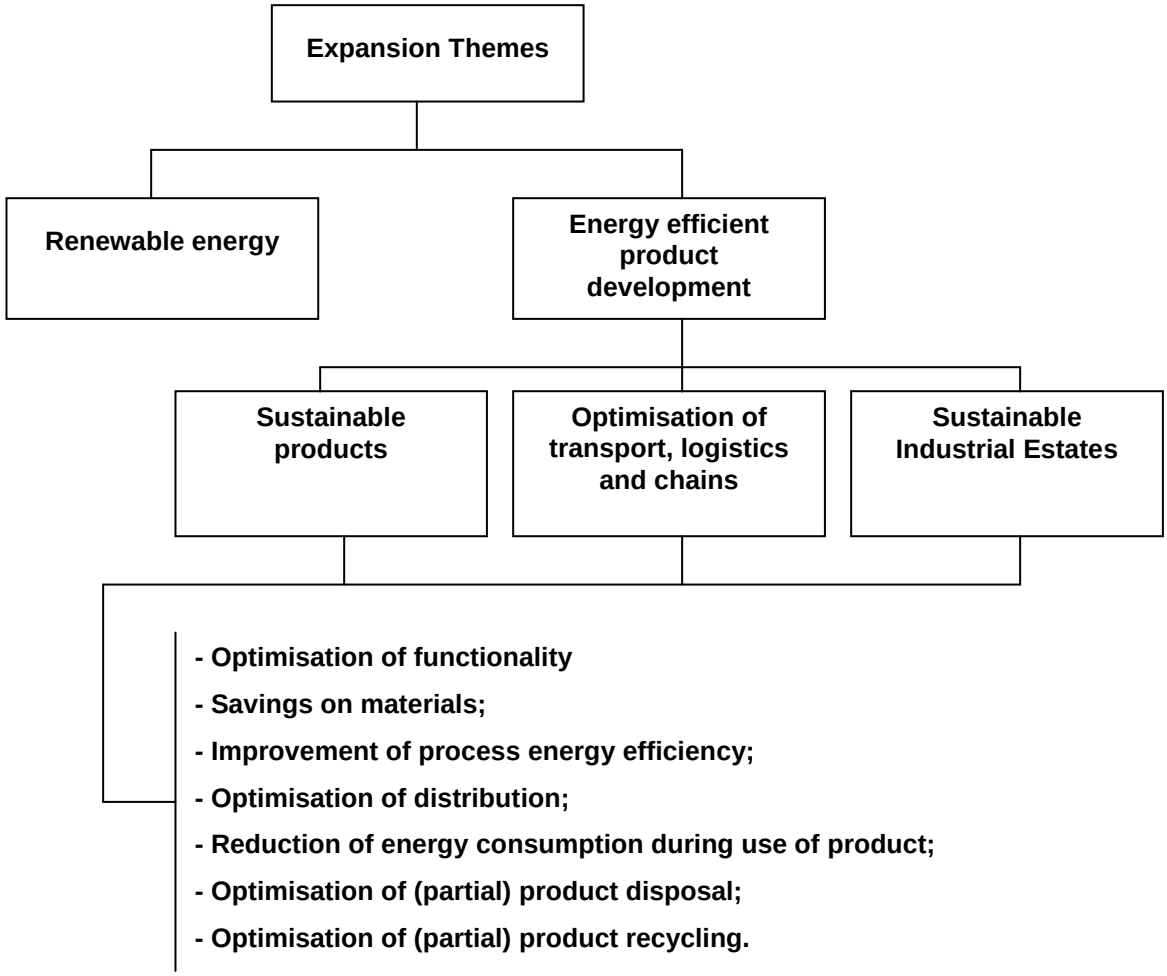
4.6 *Optimisation of life cycle:* Lower direct and indirect energy use per unit Product due to optimal choice of product life cycle. One option is to design the product so that the actual life cycle will be close to the technical life cycle (fashion or trend proof design) or to prematurely discontinue the life cycle of an old Product when launching innovative Products that are considerably less energy-consuming
.

4.7 *Optimisation of (partial) product disposal:* Measures taken to minimise energy consumption per unit Product for the sub-chain of collection, transport, incineration, gasification or dumping.

4.8 *Optimisation of (partial) product recycling:* Recycling measures that allow reusing the energy content of materials in the discarded Product, with comparatively little extra energy use.

5. Definitions of Renewable Energy

For the definitions of renewable/sustainable energy sources reference is made to the Protocol Monitoring Renewable Energy (DV2.3.79 99.09 @ SenterNovem). The flowchart below sets out the relationship between the Expansion Themes.



6. Definition of Energy Consumption during the Five Phases of the Product Life cycle

The following five phases are distinguished in energy consumption over the entire Product life cycle:

6.1 Raw material phase
6.2 Production phase
6.3 Distribution phase
6.4 Consumption phase
6.5 Disposal or recycling phase.

The energy consumed over the entire Product life cycle is defined per user and per year as the sum of the energy consumed in each of the five phases divided by the life span, multiplied by the total number of users

$$\frac{E_{raw\ materials} + E_{production} + E_{distribution} + E_{consumption} + E_{disposal/recycling}}{life\ cycle * number\ of\ users}$$

in which:

E raw materials: the energy contents of the raw materials (all materials including resources required to make the Product);

E production: the energy consumed for the production of the Product;

E distribution: the energy consumed during the distribution of the Product;

E consumption: the energy consumed by the Product itself during use;

E disposal/recycling: the energy consumed for collection, transport, incineration, gasification and/or dumping of the (partially) discarded Product as well as the energy consumed to enable (partial) recycling (separation, transport, reprocessing) minus the energy contents saved upon recycling by the substitution of raw materials. Energy consumption may be negative in the recycling phase, because the energy yield is often net.

The division of the total energy consumed during the product life cycle by the product life span and the total number of users has resulted in a uniform yardstick that can be used to set off the energy consumption levels of different Products against each other and against new innovative Products. This product life cycle - chain approach forms the basis for the description of an Expansion Theme Measure and the demarcation of this against the reference situation (see 8).

7. Demarcation of Expansion Theme Measures Against Process Efficiency Measures

Energy conservation measures taken by an Enterprise are demarcated in the following two categories:

7.1 *Process efficiency measures*: measures linked to the statutory obligations under the Environmental Management Act. These are aimed at improving the energy efficiency of the process within the Enterprise's facility.

7.2 *Expansion Theme Measures*: measures within and outside the facility that are not linked to the statutory obligations under the Environmental Management Act and that come under the definitions of the Expansion Theme Measures in accordance with Articles 3, 4 and 5 of this protocol.

8. Requirements Governing the Description of an Expansion Theme Measure

8.1 An Expansion Theme Measure must be described in relation to the reference situation. Here, the reference situation is defined as the level of energy consumption that would have occurred if the expansion theme measure had not been implemented. The static reference situation in the reference year 1998 is used as a basis.

8.2 All changes relating to energy efficient product development innovation options (Article 4) and/or renewable energy sources (Article 5), whereby energy consumption using fossil fuels over the product life cycle has significantly changed, must be taken into account in the description of the Expansion Theme Measure.

8.3 A change of more than 10 per cent in the net energy effect in the product life cycle is regarded as a significant change and must therefore be taken into

account in the description and quantification of the energy conservation of the Expansion Theme Measure.

8.4 If the Enterprise can demonstrate that even a minimal energy saving has occurred in an altered part of the product life cycle, then it is allowed to either disregard this energy conservation effect or else to include it in the chain calculation.

8.5 If the energy consumption in part of the chain significantly increases as a result of the Expansion Theme Measure, then the Enterprise is not allowed to disregard that energy conservation effect. However, in the absence of convincing data, the maximum permissible negative energy effect may be calculated, provided there is sufficient evidence.

9. Requirements Governing the Quantification of Energy Conservation Due to an Expansion Theme Measure

9.1 The net energy saving over the five phases of the product life cycle as the result of an Expansion Theme Measure is calculated based on the differences in energy consumption between the new situation compared with the reference situation in 1998.

9.2 All the energy effects in and outside the Netherlands as the result of an Expansion Theme Measure are taken into account. The energy effect outside the Netherlands must be calculated separately.

9.3 Energy efficiency differences in the consumption phase can be uniformly quantified over the Product life cycle (both technically and factually) if the minimum reduction in energy consumption over the actual life cycle can be calculated with a high degree of certainty.

9.4 The evidence for the quantification of the energy conservation due to an Expansion Theme Measure must be based on generic physical energy characteristics (such as GER values), unless more specific energy indices are known.

9.5 Process-related CO2 effects (such as how CO2 reacts with quicklime CaO + CO2 -> CaCO3) are not considered in the quantification of the energy conservation.

9.6 The net conservation effect of an Expansion Theme Measure is the sum of the energy effects per altered product life cycle phase as described in accordance with Article 8.

9.7 The course of the life cycle of a Product is registered in the form of a process tree. This process tree shows the phases of the Product life cycle and the subsidiary processes that are taken into consideration as a result of the Expansion Theme Measure concerned, including the associated system parameters. The system parameters specify for each phase and/or subsidiary process what must be taken into consideration.

9.8 The validation and quality of the energy data are registered in three ways:

- the formulation of mass and energy balances gives an idea of the completeness of the data (validation);
- data quality is registered in general terms in the form of quality parameters and indicators (qualitative)
- data quality is registered numerically in the form of scores (quantitative).

10. Requirements Governing the Attribution to an Enterprise of the Quantified Energy Conservation due to an Expansion Theme Measure

10.1 If the energy conservation due to an Expansion Theme Measure is realised entirely within its own facility, then the energy conservation is wholly attributed to the Enterprise.

10.2 If part of the energy conservation is realised outside the facility, this part will be divided between the relevant Enterprises in accordance with the distribution formula, as described in Article 10.3, unless the parties agree an alternative distribution code (see Article 10.5).

10.3 The distribution code is based on:
1. the division of the project efforts made (50%);
2. the division based on who is the designer, or whose idea it is (30%);
3. the energy consumption of the parties concerned (20%).

10.4 The quantified energy conservation is attributed based on the actual situation in relation to the year subject to monitoring.

10.5 Allocation can be calculated differently from that described in Article 10.3, following mutual consultations and consultations with the competent authority. This can be done only following agreement, through the application of other calculation methods or agreements governing e.g. the financial contribution and/or project efforts by the relevant actors.

11. Type of Monitoring of Expansion Theme Measures

11.1 Expansion Theme Measures can be monitored at two levels:
1. *Project monitoring*; if individual Expansion Theme Measures are monitored on an ad hoc basis, it is called project monitoring.
2. *Sector monitoring:* if, in relation to a specific product, process and/or chain within an LTA2 sector, Expansion Theme Measures are uniformly monitored in all the enterprises participating in a sector, it is called sector monitoring. This monitoring therefore covers both the energy savings and dissavings, if any.

11.2 If sector monitoring is to be applied to a specific category of Expansion Theme Measures, this must be stated in advance in the Long Term Plan of the LTA2 sector concerned. If no mention is made in the Long Term Plan, project monitoring will be carried out on a standard basis.

12. Requirements Governing the Monitoring of Expansion Theme Measures

12.1 In monitoring Expansion Theme Measures the Enterprise must systematically record every year the energy data relevant to the determination of the conservation effect that may be attributed to the Enterprise and present the same to the Independent Expert for appraisal.

12.2 The Enterprise must provide transparent evidence of the monitoring data such that the Independent Expert can appraise the Expansion Theme Measures using the definitions and requirements contained in this protocol.

12.3 The efforts required of the Enterprise in monitoring the Expansion Theme Measures must be proportionate to the energy conservation to be attributed as a result.

12.4 The monitoring must be carried based on the system detailed in the Guideline for Expansion Themes, in conformity with the definitions and requirements contained in

this protocol.

12.5 The reference situation for monitoring must be a well-described starting situation in the reference year 1998.

12.6 Monitoring must be carried out based on project monitoring or sector monitoring (see Article 11).

12.7 Monitoring must be carried out every year or be updated further to changed in the preceding year compared to the reference situation.

12.8 In monitoring the savings on fossil fuels due to renewable energy measures and energy efficient product development measures must be calculated and presented separately. The total renewable energy volume (see Article 2.2 of the *Monitoring and Energy Management Protocol*), generated or purchased by the Enterprise itself, is expressed in terajoules per year (TJ/y). The energy conservation attributable to the Enterprise due to energy efficient product development (EEPDI, see Article 2.3 of the *Monitoring and Energy Management Protocol*) within and outside the facility is calculated according to the requirements set out in Articles 8 through 11 of this protocol.

12.9 The Enterprise must also present the Renewable Energy Index (REI) and the Energy Efficient Product Development Index (EEPDI) calculated according to Monitoring and Energy Management Protocol to the Independent Expert during monitoring (see for the calculation method of these indices Articles 2.2 and 2.3 of the *Monitoring and Energy Management Protocol*).

Chapter 4

Monitoring and Energy Management Protocol

1. INTRODUCTION

1.1 General

No later than on 1 June every year, for the first time on 1 June 2002, the Independent Expert reports annually to the relevant Energy Conservation Consultative Group, in aggregated form, about the progress that has been made during the previous calendar year in respect of:
a. the implementation of systematic energy management measures
b. the implementation of Energy Efficiency Plans
c. the energy efficiency improvement realised through a and b
d. the CO2 emissions avoided as a result of a and b.

The objective is to render account to the LTA2 parties and the general public of the results attained and the efforts made. The monitoring process sets out the energy efficiency improvements that have been made, how they have been attained and what deviations there may be compared to the results initially intended. A distinction is made between measures based on Expansion Themes and other measures. A report is also compiled stating the degree to which systematic Energy Management has been applied and its effect. A key component of the report is to assess the need, if any, for adjustments. Deviations may give rise to renegotiations and/or the conclusion of additional agreements.

This protocol describes how the results of Enterprises in LTA2 are monitored.

1.2 Contents of the Protocol

The protocol comprises the following six articles:

1. Enterprise monitoring report
2. Definitions
3. Relevant sources and demarcations
4. Monitoring report
5. Procedures
6. Step-by-step chart

2. ARTICLES

1. Enterprise Monitoring Report

The individual reports compiled by the Enterprises form the basis for the aggregated report by the Independent Expert. Every Enterprise must deliver an annual report by no later than 1 April (or 1 March if the Enterprise subscribes to an environmental covenant), for the first time on 1 April (or 1 March respectively) 2002, to the Competent Authority and the relevant Trade Association or Product Board about the progress made during the previous calendar year with the implementation of Systematic Energy Management and the implementation of the Energy Efficiency Plan, in which a distinction is made for each facility between process measures and Expansion Theme Measures. The

report must at any rate set out the energy efficiency improvement achieved in the relevant facility (facilities), plus the CO2 emissions avoided.

In order to determine and report on the progress in implementing systematic Energy Management, the Enterprise must complete every year the Energy Management Checklist and must return the completed Checklist to the Independent Expert by 1 April at the latest. ISO 14001-certified enterprises (with integrated Energy Management) are not required to fill out the Checklist for the annual monitors but may just inform the monitors that they comply with ISO14001 standards. Every year the Independent Expert will order a random audit at one Enterprise in every sector minimum and 10 percent of all LTA2 enterprises maximum based on the Energy Management Checklist, not including ISO14001 certified enterprises. This audit will be performed by an external consultant appointed by the Independent Expert. Within three years after joining every Enterprise must have a full-fledged and systematic Energy Management in place in accordance with the Energy Management Reference. This means that all questions of the Energy Management Checklist must be answered in the affirmative. If after expiry of the set term Enterprises do not comply with the required level the relevant ECCG will discuss the action to be taken.

To enable the Independent Expert to assess the actual implementation of the Energy Efficiency Plan every Enterprise must report on the following for every facility no later than on 1 April of every year, and Enterprises with an environmental covenant no later than on 1 March of every year:

1.1 *the Energy Efficiency Index (EEI):* this is the quotient of the energy consumption in the year under review of the one part and the energy consumption that would have been required to realise the same production volume with the specific energy consumption for the products concerned in the reference year of the other, as well as the CO2 emissions avoided as a result;

1.2 *the Renewable Energy Index (REI):* or the level of deployment of renewable energy: this is energy generated from renewable sources according to the definitions contained in the *Protocol on Expansion Themes*;

1.3 *the Energy Efficient Product Development Index (EEPDI):* a yardstick for measuring improvement in energy efficiency as a result of the Expansion Theme energy efficient product development (RES-EEP), in accordance with the definitions contained in the *Protocol on Expansion Themes;*

1.4 *the efforts made* (projects implemented) in relation to the activities planned.

Energy efficiency measures in the process and Expansion Theme Measures, in relation to both energy efficient product development and renewable energy, both reduce the consumption of fossil fuels. The total fossil fuel energy conservation of an LTA2 Enterprise is expressed as one single index, known as the Total Energy Efficiency Index (TEEI). This index consists of the Energy Efficiency Index (EEI) as a yardstick for measuring the energy efficiency improvement of the process, the Energy Efficient Product Development Index (EEPDI) as a yardstick for measuring the energy efficiency improvement resulting from energy efficient product development, and the Renewable Energy Index (REI) as a yardstick for measuring the conservation of fossil fuels as a result of the deployment of renewable energy.
The Independent Expert aggregates the data from the enterprise monitoring reports

and compiles a single sector monitoring report, in which developments up to and including the year under review are registered, substantiated and explained. The Independent Expert may call in an external consultant to help him in this process. The monitoring procedure used is described in more detail below. The method used for *monitoring* is explained in a separate *Monitoring Guideline*[2].

2. Definitions

2.1 *EEI*

The Energy Efficiency Index in year x is the quotient of the actual direct energy consumption in year x (E_{actual}) and the reference energy consumption ($E_{reference}$). The reference energy consumption indicates the direct energy consumption that would have been required if the production volume for year x were to have been achieved with the same energy consumption per unit product as in the reference year. This quotient is multiplied by a factor of 100 in order to express it as an index compared to the reference year.

$$EEI = 100 * \frac{E_{actual,\,x}}{E_{reference,\,x}}$$

In which:

$E_{actual,\,x}$: actual direct energy consumption in year x

$E_{reference,\,x}$ reference energy consumption in year x, including any corrections (see 4.14)

2.2 *REI*

Renewable Energy Index (REI) is defined as:

$$REI = 100 * \frac{E_{reference,\,x} - RE}{E_{reference,\,x}} \; [\%]$$

In which:

RE: volume of Renewable Energy generated and/or purchased by the Enterprise (TJ/y)

[2] The *Monitoring Guideline* lays down the methods currently set out in the *Handbook Monitoring Energy Efficiency Direct Energy Consumption in Long-Term Agreements (LTA from 2000 onwards)* dated October 1999. The guideline expands on this protocol and also contains the standard formats for monitoring reports and letters.

2.3 ***EEPDI***

Energy Efficient Product Development Index (EEPDI) is defined as:

$$REI = 100* \frac{E_{reference,\ x} - ECEEPD}{E_{reference,\ x}} \ [\%]$$

In which:

ECEEPD: Energy Conservation Energy Efficient Product Development; the improvement of energy efficiency in terajoules per year (TJ/y) within and outside the facility, to be achieved by means of energy conservation through energy efficient product development (durable products, optimisation of transport, logistics and chains and/or sustainable industrial estates);

2.4 ***TEEI***

The energy conservation on fossil fuels achieved as a result of process measures and/or Expansion Theme Measures is combined into a single index for every Enterprise, expressed as the Total Energy Efficiency Index (TEEI). The TEEI consists of the EEI as a yardstick for measuring the energy efficiency improvement of the process, the EEPDI as a yardstick for measuring the energy efficiency improvement due to energy efficient product development, and the REI as a yardstick for measuring the energy conservation on fossil fuels achieved through the use of renewable energy. The Total Energy Efficiency Index can be calculated from these three indices using the formula:

$$TEEI = EEI + EEPDI + REI - 200$$

2.5 ***Direct Energy Consumption (Process-Oriented)***

The direct energy consumption of an enterprise, as registered in the LTA2, concerns the direct, energetically consumed, primary energy balance. This is the energy consumed during the process, that is used for heating / driving pumps, etc. / for electricity and lighting, etcetera.

2.6 ***Indirect Energy Consumption (Product and Chain Oriented)***

Indirect energy consumption, i.e. the total energy consumption registered / present in the product (Gross Energy Requirement (GER)) and the energy consumed during the total product life cycle (raw material extraction up to the end product, including transport).

2.7 ***Energetic Consumption***

Energetic consumption equals the total energy supply to the enterprise minus non-energetic consumption.

2.8 ***Non-Energetic Fuel Consumption***

Non-energetic fuel consumption is understood to mean energy that is absorbed by the product and that in principle can be released again. This may happen when fuels are used as raw materials, or when energy must be added to start or stop chemical

bonding during the conversion of chemical inputs into end products. See the *Protocol on Expansion Themes* for information on non-energetic fuel.

2.9 ***Energy Management Reference***

The Energy Management Reference developed by Novem is based on the ISO14001 Environmental Standard. With the *Energy Management Reference* an audit method has been developed and recorded in the Energy Management Checklist.

ISO 14001-certified enterprises (with integrated Energy Management) comply with the Reference. These enterprises comply with their Energy Management obligation by declaring that they are certified and have integrated Energy Management in accordance with the Energy Management Reference.

3. Relevant Sources and Demarcation

3.1 The general monitoring method and the details of process efficiency measures have been laid down in the *Monitoring Guideline.*

3.2 The method for introducing systematic Energy Management has been laid down in the Energy Management Reference with Guidelines and the Energy Management Checklist.

3.3 The method for introducing Expansion Themes has been laid down in the *Expansion Themes Protocol.*

3.4 The 'system parameters' of the participating enterprise and the performance yardsticks to be applied in monitoring are laid down before the start of LTA1 or before joining the LTA2. At the same time the situation for the reference year is determined.

4. Monitoring Report

The following elements must be expressed with supporting evidence (quantification):

4.1 Process efficiency changes and the effect on the EEI, plus the CO2 emissions avoided as a result
4.2 Implementation of Energy Management and the effect on the EEI
4.3 Application of renewable energy and the effect on the REI
4.4 Application of energy efficient product development and the effect on the EEPDI
4.5 The TEEI

The following subjects must be described:

4.6 Relationship with the Long Term Plan
4.7 The priorities that have been set for energy conservation measures in the year under review
4.8 A comparison of the report for the year under review with the energy conservation prognosis of the previous year
4.9 Method for collecting data
4.10 Summary of EEI developments during previous years and during the year being monitored
4.11 List of implemented projects with a quantification of the energy saved
4.12. A minimum of 80 per cent of the realised energy efficiency improvement must be

explained using a list of influencing factors; the definition of supporting evidence is contained in the *Monitoring Guideline.* Supporting evidence makes energy efficiency improvements both verifiable and plausible. This enables a distinction to be made between internal and external influencing factors.
Examples of internal influencing factors:

- company size and staffing
- energy conservation measures and dissaving measures;

Examples of external influencing factors:

- specification of raw materials
- product specification
- laws and regulations.

4.13 Corrections applied to the EEI, provided they are quantifiable and have been approved by the ECCG. In highly exceptional cases, and only if the ECCG agrees, a correction can be made to take account of specific factors that lie entirely outside the sphere of influence of the enterprises concerned. For example:

- government requirements or legislation on the environment and occupational health and safety
- climate variation

•

4.14 Explanations for corrections applied, with a reference to the relevant agreements. Authorised corrections must be registered by adding the extra consumption attributable to the altered nature of the activities or environment to the reference consumption for the year being monitored. The correction factors and their effect on the EEI, REI, EEPDI and TEEI and the CO2 emissions avoided as a result must be registered and updated.

4.15 Developments relating to the expansion themes:
- Overview of the development of the REI in previous years and in the monitoring year
- Overview of the development of the EEPDI in previous years and in the monitoring year
- Overview of the development of the TEEI in previous years and in the monitoring year.

5. Procedures

Determination of Monitoring Method

5.1 The general method has been laid down in the *Monitoring Guideline.*

5.2 The ‘system parameters’ of the participating enterprise and the performance yardsticks to be applied in monitoring are laid down before the start of LTA1 or before joining the LTA2. At the same time the situation for the reference year is determined.

5.3 Any additions or variations from the general method are applied only if and to the extent that they have been approved by the relevant Energy Conservation Consultation Group.

Drafting the Enterprise Monitoring Reports

5.4 Before 1 April of every year (or 1 March if the Enterprise subscribes to an environmental covenant) every Enterprise will submit the Enterprise Monitoring

Report including the Energy Management Checklist to the Independent Expert (also see paragraph 1.1).

5.5 The enterprise monitoring report will be treated confidentially.

5.6 The Independent Expert will assess the enterprise reports using the following criteria:

1. The reports must comply with the format for Enterprise Monitoring Reports (see *Monitoring Guideline)*;
2. The monitoring method used must comply with the *Monitoring Guideline* and the additions approved by the Energy Conservation Consultative Group.
3. The Systematic Energy Management must comply with the *Energy Management Reference* and the *Energy Management Checklist.*
4. Any progress and adjustments must be clearly marked.

Drafting the Sector Monitoring Report

5.7 The Independent Expert will then aggregate the individual enterprise monitoring reports into a Sector Monitoring Report. The Independent Expert will report to the Energy Conservation Consultative Report the Enterprises from which he has not yet received any monitoring data after 1 April;

5.8. The Independent Expert will assess the sector monitoring report (according to an internal quality system) applying the following criteria:

1. The reports must comply with the format for Sector Monitoring Reports (see Monitoring Guideline);
2. The monitoring method used must comply with the Monitoring Guideline and the additions approved by the Energy Conservation Consultative Group;
3. The Systematic Energy Management must comply with the *Energy Management Reference* and the *Energy Management Checklist.*
4. Any progress and adjustments must be clearly marked.

Discussion in Energy Conservation Consultative Group and Feedback to Enterprises

5.9 The Energy Conservation Consultative Group meets in June to discuss the report and may request additions if necessary;

5.10 In addition to the criteria set out in paragraph the Energy Conservation Consultative Group will assess the report for any confidential information and may make adjustments in this respect;

5.11 Upon receipt of all draft reports the Ministry of Economic Affairs, the Ministry of Agriculture, Nature Management and Food Quality and the Independent Expert will discuss any differences in approach to data collection and processing with the CBS.

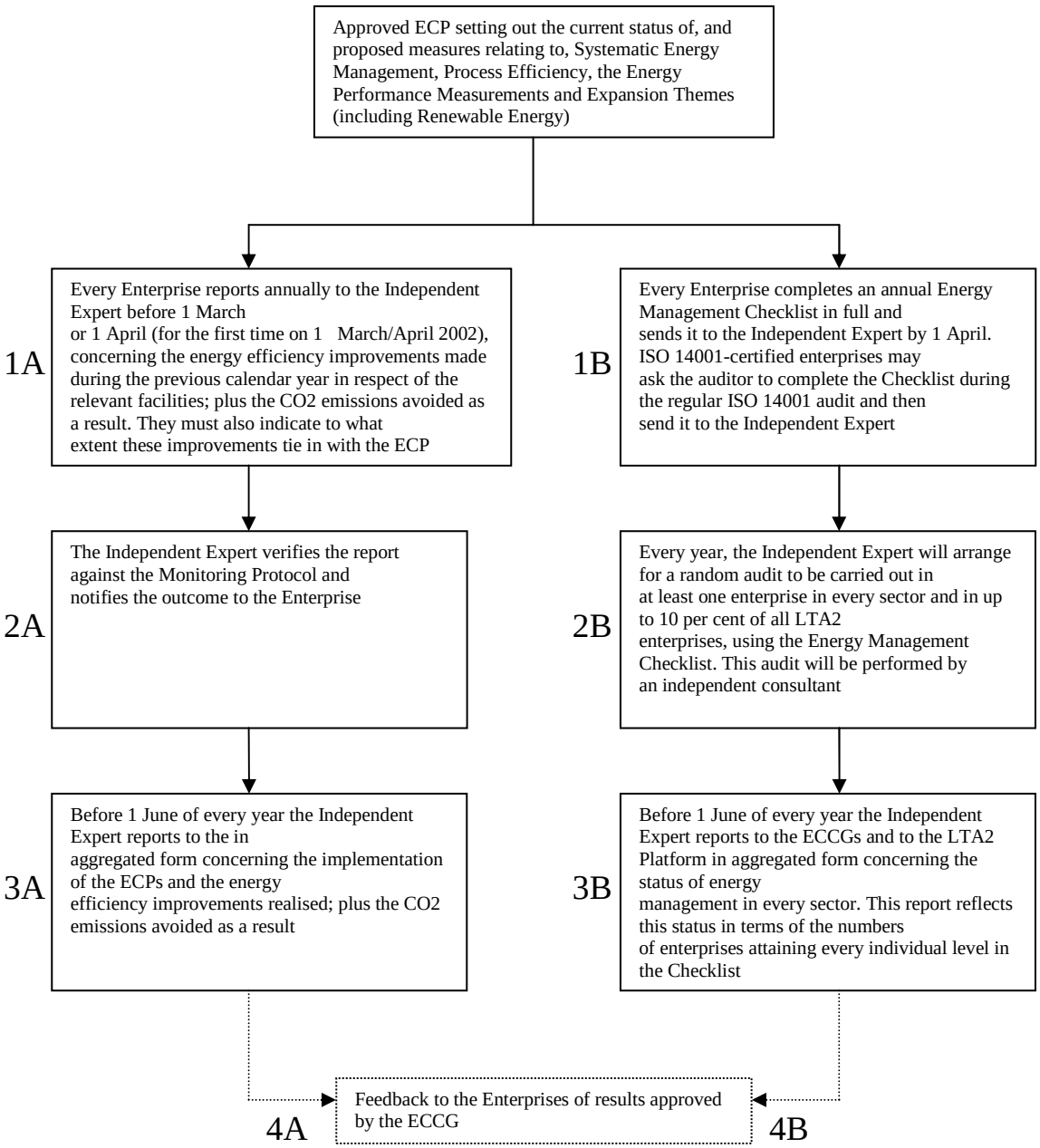
5.12 After approval by the Energy Conservation Consultative Group the sector monitoring report will be public;

5.13 The Energy Conservation Consultative Group will forward the approved sector monitoring report to the Ministry of Economic Affairs, the Ministry of Agriculture, Nature Management and Food Quality. If the report has not been approved the parties will discuss the implications;

5.14. The enterprises will receive feedback about their eventual EEI and TEEI according to the interpretation of the calculation method agreed by the Energy Conservation Consultative Group.

6. Step by Step Chart Monitoring Procedure

Below the monitoring procedure is shown in a step by step chart.



Chapter 5

Group Approach

1. Introduction

This Long Term Agreement leaves room for a group approach. The Enterprise, for instance, could decide to give priority to energy efficiency improvement in a specific facility elsewhere in the Netherlands. The group is thus enabled to attune the obligations arising from this Long Term Agreement to its own investment policy. This may include obligations arising from obligations under a group's Benchmarking Covenant. It is important, therefore, to give room to the group approach, subject, however, to the preconditions set by the legal framework.

2. Legal Framework

The provisions on the licensing system of environmental laws are directed at the concept of 'facility'. This public law concept cannot be equated to common concepts in other areas of law, such as 'legal person' or 'group'. Under the Environmental Management Act facilities require a licence if they have been designated in the Establishments and Licences (Environmental Management) Decree as 'facilities that could have adverse consequences for the environment'. These are generally industrial sites. The application of statutory provisions relating to the Environmental Management Act should therefore be based on the above concept of facility. Under the Environmental Management Act this implies that insofar as adverse consequences for the environment cannot be avoided entirely regulations should be attached to the licence that offer maximum protection against those consequences unless this cannot be reasonably required. Like all other provisions relating to 'facilities' (such as the provisions on general rules or enforcement) this principle must be applied to the public law concept of 'facility'. If a group includes three facilities as defined in the Environmental Management Act it cannot be argued that nothing needs to be done in the one facility to reduce air pollution solely because a lot has been or will be achieved in this respect in the other facility (that belongs to the group). The above applies regardless of the environmental burden.

The equality principle must be applied to the facility concept, which means that facilities that are not essentially different in terms of nature and size should achieve the same level of environmental protection. The following example will illustrate this. The Environmental Management Act does not allow the omission of vapour recovery systems at petrol stations that form part of an oil company because elsewhere in the group additional reduction efforts are made, while those same vapour recovery systems are required for independent petrol stations. Allowing this would also meet with problems in terms of competition. A permanent distinction between the level of environmental protection of facilities that in principle are equivalent therefore gives rise to objections. No such objections apply if no distinction is made between facilities with regard to the eventual protection level, but in the phasing of realisation. This leads to the conclusion that the room for a group approach lies mainly in the phasing of measures.

3. Conclusions

a. There is room to implement the long term agreement in a group approach. However, this room is defined by the following clear restrictions arising from the Environmental Management Act that must be observed.
b. A group approach may not result in legal inequality among facilities before environmental laws.

c. However, the Environmental Management Act does allow that a group approach can primarily lead to evidence supporting the phasing of the measures to be taken as set out in the energy efficiency plan for the facilities within the group.
d. In the absence of an umbrella government agency to evaluate the group approach, it is up to the group to convince the competent authority of the need, and if demonstrated, the reasonableness of the phasing of measures from the group's point of view. This may require a plan outlining the main points of the group's environmental policy. Provincial and municipal authorities recognise the need for a group approach and agree to the possibility of phasing the execution of the measures. The provincial and municipal authorities will coordinate the assessment of a group's Energy Conservation Plans.

Chapter 6

Working Agreement 'Exchange Chain Efficiency and Renewable Energy'

Introduction: 'the Preview'

The government attaches importance to Expansion Themes, measures that do not play a role so much in the enterprise as elsewhere, usually further down the chain. With Expansion Theme Measures the enterprise conserves energy outside its gates, killing two birds with one stone, outside and inside the gates. Taking measures costs money and money is a limited commodity for everyone, including the enterprise. This means that choices are made. In the past the choice made was often in favour of those measures that yielded result in the enterprise itself. This appears a logical choice from the viewpoint of the competent authority under the Environmental Management Act, as the environmental licence focuses on what happens within the gates of the enterprise.

The Environmental Management Act does not provide for the exchange of measures. The Ministry of Housing, Spatial Planning and the Environment has announced that it does not intend amending the Environmental Management Act to make such exchange possible. This does not mean that the Ministry is against an exchange of measures. The exchange of measures comes primarily within the integral consideration of the competent authority under the Environmental Management Act. It appears that the ball is now in the court of the competent authority under the Environmental Management Act.

Assessment Framework Needed: 'To Play a Game You Must First Agree on the Rules'

At this point little experience has been gained yet with the Expansion Themes and it seems a catch-22 situation has arisen. The competent authority under the Environmental Management Act does not commit itself: 'The Expansion Themes must prove their worth.' Trade and industry say: 'the money can be spent just once and the competent authority insists that at any rate the energy conservation measures are executed in the facility. There are no financial means to make the most of the Expansion Themes'.

As usual the truth will be somewhere in the middle. To avoid the above reproach at the competent authority, it would be wise to explore the preconditions of a possible exchange. The word 'possible' has been used deliberately, as it forms part of the integral consideration made by the competent authority for a specific (local) situation. After several years it is possible to assess whether the Expansion Themes have been given a boost and the eventual conservation result exceeds that of the result achieved by simply pushing the traditional energy conservation measures.

SenterNovem will record in which sectors in the past the exchange of measures played a role. It is suggested that the exchange of Expansion Themes be included in the agenda for the next meetings of the LTA platform.

Preconditions: 'The Rules of the Game'

The suggested preconditions on which 'traditional' measures can be exchanged against Expansion Theme Measures are: 'This is a new measure, no existing measure is introduced to be cashed in;

- The conservation effect of the measure is quantifiable and exceeds or equals the effect of the measure(s) that is (are) deleted;
- It is reasonable to consider the exchange of more expensive measures, with a payback period of three to five years;

-
- The measure is robust, or is a measure that cannot be simply reversed and the measure can be monitored;
-
- A specific Expansion Measure is listed just once (and cancels out one or several other measures);
-
- In its recommendations to the competent authority SenterNovem comments on the criteria set out above. The competent authority will assess the suggested exchange in part based on SenterNovem's recommendations.

The End of the Match: 'Recap'

A four-year term is suggested during which the criteria set out above will be applied, followed by an evaluation whether the preconditions set are right and to assess whether the Expansion Themes have scored.

Chapter 7

Working Agreement Arhus Convention

1. Introduction

The meeting of the LTA platform on 31 May 2006 discussed a draft proposal for an LTA standpoint on the Arhus Convention. This proposal had been drafted in the LTA Arhus Working Party, consisting of Mr Knippels (DCMR, for IPO), Mr Barnhoorn (VNG), Mr Bosma (SenterNovem, InfoMil) and Ms Loozen (SenterNovem, LTA-facilitation).

Industry had not been consulted yet. The LTA platform has decided to work from the minimum variant formulated in the draft proposal and to add three representatives from the industry on the LTA platform to the working party to work out the last details. This was done on 20 September 2008. Mr D. Smink attended for the industry. Mr E. Ter Veer had other commitments and Mr P. Wennekes had to cancel at the last moment.

Paragraph 2 discusses the status quo before the introduction of the Arhus Convention. Paragraph 3 contains an overview of documents on the consequences of the Arhus Convention for the LTA, followed in paragraph 4 by the specific application of the Arhus Convention to the LTA covenant. Paragraph 5 considers the progress of the process. Paragraphs 2 to 4 inclusive discuss the Arhus Convention for data of individual enterprises; paragraph 6 contains considerations on the handling of sector data and information that exceeds the sector. Paragraph 7 expands on SenterNovem's position in the context of the Arhus Convention, and paragraph 8 sets forth the conclusions.

2. Status Quo before the Introduction of the Arhus Convention

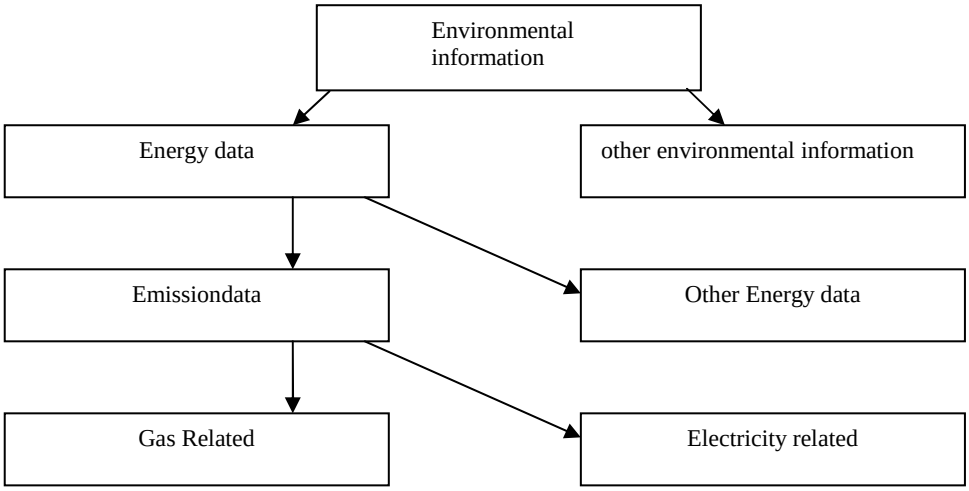
Prior to the introduction of the Arhus Convention the public nature and confidentiality of business data available to public agencies were regulated in the Government Information (Public Access) Act ('Wob') and for an environmental licence also in the Environmental Management Act ('Wm'). Annexe 1 to this memorandum contains extensive comments on this public nature and confidentiality of LTA data in the pre-Arhus Convention era. This annexe is an integral version of annexe 1 to the 'E-15 LTA2 guideline and licence grant' (InfoMil, October 2002).

The conclusion about the Wob's scope reads as follows: as long as an enterprise, when providing sensitive data to the competent authority in the context of the LTA, makes it clear that it does so in confidence, the competent authority may refuse requests for inspection under the Wob. The conclusion under the Environmental Management Act is that depositing a draft licence for public inspection that incorporates an EEP, may give rise to confidentiality problems; this problem can be solved by drawing up a public version of the EEP. Because of the special regulation on business data contained in the Environmental Management Act the Wob takes a step back on this point.

3. Changes Due to the Arhus Convention

The Arhus Convention aims at safeguarding access by citizens to environmental information, the right of public participation in decision-making and access to justice in environmental matters. The Arhus Convention has changed the principle of 'confidential, unless...' to 'public, unless...'. On a case-by-case basis the government will weigh the interest of disclosure of environmental information against the enterprise's interest in confidentiality. To cite InfoMil (memorandum, 2 December 2004): 'The absolute ground for refusal for business

and production data becomes relative for data that are also environmental information'. This gives rise to three questions: what are business and production data, what is environmental information understood to mean, and to what degree is confidentiality lifted. *Annexe 2* to this memorandum contains an overview of all relevant documents, which will be discussed below using the following flowchart.



In its memorandum of 25 October 2005 VNG mentioned that case law speaks of business or production data 'if and to the extent that from such data pieces of information can be gained or deduced regarding the technical operational management or production process or regarding the sale of the products or the circle of buyers and suppliers'. InfoMil's memorandum of 2 December 2004 set out that energy data are considered business and production data and that energy data includes information on the facility's energy consumption, the energy balance, the energy efficiency index and use of fuel. In that same memorandum InfoMil specified 'environmental information':

- emission data (Co2 emissions, among other things). Disclosure is in the public interest;
- information about the status of the environment and the consequences of the facility for the environment, other than emissions. Again, disclosure is in the public interest. In other words: it is important that information about efficient energy use is publicly accessible.
- Method of gathering emission data (appraisal/monitoring protocols).

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- Confidentiality of business and production data that have been notified to the government in confidence does not apply where environmental information concerns emissions in the environment. For non-emission related energy data the interest of disclosure should always be weighed against the interest of confidentiality.

In other words: emission data are absolutely public, other energy data are relatively public, i.e. that all interests will always be weighed.

Emission data related to the large-scale generation of electricity are not emitted on the industrial site. For this reason these data are handled differently from emission data related to gas or another fuel used on the site.

In the case above there is question of energy data only if energy is used as fuel for the production process. The use of energy as raw material (feedstock) is not included in the LTA covenant. These data are known to the Dutch Emissions Authority (Nea). If the facility under the Environmental Management Act comprises just one installation, a special situation applies. In general the interest of the confidentiality of business or production data outweighs disclosure (unless emission data are concerned).

In its memorandum of 14 April 2004 InfoMil concluded that in principle the weighing of interests by the competent authority under the Environmental Management Act in relation to LTA could be the following:

- **Always public: total CO2-emission, energy efficiency index and definite measures;**
- **Not public: energy balance, energy consumption of individual installations / processes, CO2 emissions of individual installations / processes;**
- **To be weighed: total consumption of different fuels and electricity.**

4. Arhus Convention and LTA Business Data

Using the table of contents of the energy efficiency plan (EEP) and business report the LTA Working Group Arhus set out which LTA data should be provided to the competent authority and how these data relate to the Arhus Convention. The outcome has been laid down in *Annexe 3* to this memorandum. The realisation of the Arhus Convention for LTA2 enterprises applies to both the passive and active disclosure by the competent authorities. Passive disclosure means disclosure at request (request under the Wob) while active disclosure means disclosure at the initiative of the public agency (completion environmental register). Provided that the minimum criteria have been satisfied active disclosure depends on the public agency's ambition level.

5. Progress of the Process

The working party does not think it useful to design a procedure specifically for the progress of the process but prefers hooking up with existing step-by-step plans instead. The plan mentioned in InfoMil's E15 Guideline LTA2 and licence granting referred to earlier could be used. SenterNovem will forward the annual sector or progress reports to the LTA enterprises. In its cover letter SenterNovem reminds the enterprise of its obligation to provide the competent authority with a copy of the business report. SenterNovem informs the competent authority that the business reports have been forwarded to the enterprises and that the competent authority may request those reports from the enterprise, should it so wish. To this letter a sentence will be added to the effect that if the competent authority wishes to deviate from the procedure laid down in and by this memorandum it should contact the enterprise in advance.

The competent authority that intends to disclose LTA data that in the enterprise's opinion are confidential must notify the enterprise of its intention in advance. The enterprise will then have the opportunity to object to this intention under the new Wob, which has been amended following the Arhus Convention.

6. Sector Data and Sector Exceeding Information of the LTA Covenant

Page 2 of Annexe 1 states that the confidential handling of business data is essential to the proper functioning of the LTA covenant. However, a trend is noticeable that environmental information is made accessible to anyone. The considerations in the pre-Arhus phase have

resulted in public access to the following covenant documents: definitive EEP's, LTA's, reports to the LTA platform and reports of the Ministers to the Lower House.

With the introduction of the public variant LTA2 has realised the public versions of the EEP and the business report. The LTA and the annual sector reports contain energy data on an aggregated level, whether or not emission related. In other words: these energy data cannot be translated to individual industrial sites.

Although these reports are not systematically made available to the competent authority staff of the competent authorities often form part of sector ECCG's. They receive the information made available in this context not in their position as competent authority for an individual facility under the Environmental Management Act, but as representative of the IPO Project Group Energy in the Environmental Licence (IPO-PEM). Anyone who wishes to have access to those reports should contact the relevant trade association. This applies all the more to reports to the LTA platform and reports of the Ministers to the Lower House, which are at a higher aggregation level than sector level.

7. SenterNovem's Position

In the context of the Arhus Convention SenterNovem has a wealth of environmental information from LTA2 enterprises, among others. SenterNovem, too, must comply with the Arhus rules. On the one hand SenterNovem, also because it manages the Arhus helpdesk, has an exemplary role. On the other, SenterNovem treasures its reputation of respecting the confidentiality of third party data. SenterNovem's basic principle is that the minimum criteria set by the Arhus Convention are satisfied. SenterNovem fulfils the duty of passive and active disclosure with caution and structure. For LTA data the proposed public variant is preferred.

8. Conclusions

The Arhus Convention affects the public nature of LTA data. With the exception of large scale electricity generation the public nature of emission-related energy data is absolute. With regard to other energy data the competent authority always weighs disclosure against confidentiality. Annexe 3 to this memorandum contains a practical application of the Arhus Convention to LTA data. The competent authority that intends disclosing LTA data that in the enterprise's opinion are confidential should notify that enterprise. The enterprise then has the opportunity to object to this intention under the new Wob, amended following the Arhus Convention.

After this memorandum and its annexes have been approved IPO and VNG as well as the trade associations in the LTA platform will submit this practical approach to their respective organisations for approval. The implementation of the Arhus Convention for LTA2 enterprises applies to both passive and active disclosure by the competent authorities and to passive publication by SenterNovem.

The persons named below subscribe to the LTA3 covenant on behalf of their respective organisations.

Laid down in The Hague on Tuesday, 1 July 2008

For the Ministry of Economic Affairs,
Minister M.J.A. van der Hoeven

For the Ministry of Public Housing, Spatial Planning and Environmental Management,
Minister dr. J.M. Cramer

For the Ministry of Agriculture, Nature and Food Quality,
Minister G. Verburg

For the Ministry of Finance,

State Secretary mr. drs. J.C. de Jager

For the Vereniging Interprovinciaal Overleg,
Representative A.E. Bliek-de Jong

For the participating Sectors:

AKSV, Algemene Kokswaren en Snack-producenten Vereniging
R. van der Kruijk

Commissie ex art. 88 wet BO voor de Vleeswarenindustrie
R. van der Kruijk

VNB, Vereniging van Nederlandse Baconfabrikanten
R. van der Kruijk

VNV, Vereniging van Nederlandse Vleeswarenindustrie
R. van der Kruijk

VNV, Vereniging voor de Nederlandse Vleeswarenindustrie
R. van der Kruijk

AVA, Algemene Vereniging voor de Nederlandse Aardewerkindustrie
mr. E.L.J. van Hal

AVNEG, Algemene Vereniging van Nederlandse Gieterijen
G.A. Duit

Bedrijven LTA Overige industrie [Ondertekend door Daf Trucks N.V.]
P.G. de Grauw

COV, Centrale Organisatie voor de Vleesgroothandel
H.W.A. Swinkels

Federatie NRK, Federatie Nederlandse Rubber- en Kunststofindustrie
C. van Oostenrijk

Federatie NRK, Federatie Nederlandse Rubber- en Kunststofindustrie
J. Adrian

FTN, Federatie Textielbeheer Nederland
M. Nieuwland

KNB, Koninklijk Verbond van Nederlandse Baksteenfabrikanten
P.J.M. Wijman

KNS, Koninklijke Nederlandse Slagersorganisatie
mr. W. van den Brink

Kalkzandsteen- en Cellenbetonindustrie,
VNK, Vereniging Nederlands Kalkzandsteenplatform

R.H.W.W.M. Hermans
Nedaco, Nederlandse Dakpannenfabrikanten Corporatie
H. Wijdeven

Nedsmelt, Nederlandse Vereniging van Kaassmelters
G.A.H. Kasbergen

NEKOVRI, Vereniging van Nederlandse Koel- en Vrieshuizen
J. Blokland

Nepluvi, Vereniging voor de Nederlandse Pluimveeverwerkende Industrie
ir. B.J. Odink

NOGEPA, Netherlands Oil and Gas Exploration and Production Association
H. Versteeg

NVM, Nederlandse Vereniging van Meelfabrikanten
J.Ph. van Straaten

NZO, Nederlandse Zuivel Organisatie
C.H. Wantenaar

Productschap Margarine,Vetten en Oliën
F.A.G.M. Claassen

SVMB, Sectorvereniging van Metaalconserveringsbedrijven
R. Veraart

Unie van Waterschappen voor Zuiveringsbeheer
ir. G. Verwolf,

Dijkgraaf Waterschap Veluwe, bestuurslid Unie van Waterschappen
Unie van Waterschappen voor Zuiveringsbeheer
ing. H. Kraaij,

Secretaris Unie van Waterschappen

VAVI, Vereniging voor de Aardappelverwerkende Industrie
P.R.H.M. van der Linden

VIGEF, Vereniging van de Nederlandse Groenten- en Fruitverwerkende Industrie
P.R.H.M. van der Linden

VBW Asfalt, Vereniging tot Bevordering van Werken in Asfalt
H. Beerda

VNKT, Vereniging van Nederlandse Koffiebranders en Theepakkers
M.B. Römer

VNTF, Vereniging van Nederlandse Tapijt Fabrikanten
A.H.M. Schouten

VTN, Vereniging Textielindustrie Nederland
A.H.M. Schouten

VOM, Vereniging voor Oppervlaktebehandeling van Metalen
F. van der Weij

VOTOB, Vereniging van Onafhankelijke Tank Opslag Bedrijven
H. Standaar