

## **Industry Perspectives on Government Interventions to Generate Energy Efficiency Norms\***

The 'Industry Perspectives' research addresses the role government plays in engendering energy efficiency actions and behavior by industry. The research primarily focused on the use of three categories of policy instruments; 1) command and control, 2) economic instruments, and 3) information and education instruments, establishing the role that each plays in engendering norms of behaviour around energy efficiency. The research findings are drawn from interviews with 37 knowledgeable industry actors within the hospitality, building & construction and energy industries from Canada and the UK.

The research findings demonstrate that there is broad support from industry actors for the use of policy mixes to encourage new norms for energy efficiency in the industries selected. However, it also highlighted distinct variations in sentiment directed at the various policy tools. Respondents were more positive about the ability for a mix of information and command and control instruments to transition sectors to more energy-efficiency norms than about the ability of economic instruments to do so. This seemed to be particularly true in the UK where previous iterations of subsidies or incentives were viewed by interviewees as having been removed or changed too quickly.

### **Recommendations**

We make four broad recommendations for how government interventions can be brought together in an effective policy mix to shift corporate behavior towards actions that are energy efficient and can ultimately become normalized:

- i. The continued use of policy mixes is recommended, but further research is required to draw out the views of wider industry on their composition and use;
- ii. Industries' perception and response to interventions must be acknowledged within policy design processes and literature;
- iii. Greater emphasis should be placed on the effective combination of command and control instruments and information and education instruments to strengthen the adoption of energy efficiency measures and ensure that an industry norm is embedded in both the short and long terms; and
- iv. We recommend caution in the use of positive economic instruments with the need for particular consideration to be given to the timeframes over which they remain operable.

In summary, governments should employ more coercive action to instill new norms of behavior, policy mixes should be carefully designed and not subject to change before new behaviors are embedded and.

\* More Details can be found in:

*Besco, Laurel & Kirk, Elizabeth. (2020) Industry perceptions of government interventions: generating an energy efficiency norm. Journal of Environmental Policy & Planning, 23(1), 130-142.*