

Methodology of the indicator on the EE1 principle

The objective of the indicator-based approach to the EE1 principle is to assess the degree to which the EE1 principle was implemented by the Member States. For this purpose, a set of 13 criteria was developed. The individual criteria are aggregated and merged into a single indicator with a maximum score of 42 and a minimum score of 0.

I. Individual scoring

For each criterion, each country received a score between 0 and 2. The data for the assessment was extracted from interviews, the National Energy and Climate Plans (NECPs), and the MURE database.

Score	Performance
0	No compliance with the indicator
1	Partial compliance
2	Full compliance

II. Aggregation and weighting method

To aggregate the individual criteria to a single indicator simple additive weighting was applied. This means that each criterion was assigned a weight and the 13 weighted criteria were then added together. The weight of the individual criteria was determined by their relevance in realizing the EE1 principle. The table below provides an overview of the formula used and the weighting structure of the indicator.

$$y_j = \sum_{i=1}^{13} w_i x_{ji} \quad i = 1, 2, \dots, 13 \quad j: \text{country}$$

Category		Criteria	Level of priority	Weight
Policy-making process	1	Comparison of supply and demand	High	2
	2	Cost-benefit analysis	High	2
	3	Discount rates	High	2
	4	Multiple benefits	High	2
	5	Economic efficiency potentials	Medium	1.5
Market barriers	6	Prevention of distorted markets	Medium	1.5
	7	Access to information	High	2
	8	Access to capital	High	2
	9	Risk and certainty	Low	1
Challenges	10	Energy poverty	Medium	1.5
	11	Sufficiency	Low	1
Regional and local level	12	Regional and local level	Low	1
Monitoring	13	Monitoring	Medium	1.5