

## **Services sector one of the fastest growing for energy consumption in Ireland**

### **Hospitality sub-sectors among the highest users of energy**

New figures published today by Sustainable Energy Ireland (SEI) indicate that the total energy consumption of the services sector in 2003 was 88% above its 1990 level, representing an average annual increase of 5% over the thirteen-year period. This is in stark contrast to the superior energy performance of the Irish economy as a whole where energy consumption has significantly decoupled from economic activity over the same period of time – with GDP growing by 130% for an energy growth of only 57%.

The year 1990 is significant as a baseline year because the Kyoto Protocol and associated EU targets are based on emissions from that year.

According to the SEI report – *Profiling Energy and CO<sub>2</sub> Emissions in the Services Sector* - the services sector was the fastest growing sector for final energy consumption in 2003 (8.3%), growing by more than double that of the next fastest growing sector, residential (3.4%).

The hospitality sub-sectors are among the higher users of energy, and as a result are the most exposed to the competitiveness impacts of energy price volatility. Figures from the Irish Hotels Federation show that the hotel industry in Ireland is spending in the region of €70 - €100 million per year on energy.

Commenting, Mr. David Taylor, CEO of SEI, said, "Given that the services sector now accounts for almost 20% of Ireland's total primary requirement and that this energy requirement continues to grow at a faster rate than industrial or residential energy demand, there is little room for complacency moving forward. However there is also an opportunity for those who are willing to embrace it. Companies who make energy efficiency a core element of management practice can gain a sustainable competitive advantage. This is particularly relevant for businesses with high energy spends such as in the hospitality sector".

According to the report, the growth in energy-related CO<sub>2</sub> emissions in the services sector of 71% (4.2% per annum) over the period 1990 to 2003 is second only to the transport sector (127% or 6.5% per annum).

Other key findings of the report include:

- In the services sector electricity consumption increased by 192% between 1990 and 2003 making it, after oil, the next most significant energy source in the services sector fuel mix. Electricity consumption increased by 17% in 2003 alone.
- Ireland had the largest share of services final energy consumption as a percentage of total final consumption of all EU-15 countries in 2001, at 14.2%. The EU average was 11.7%.

Sustainable Energy Ireland (SEI) is the statutory authority charged with promoting and assisting the development of energy efficiency and renewable energy. SEI is funded by the Irish Government under the National Development Plan 2000 – 2006 with programmes part-financed by the European Union.

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