



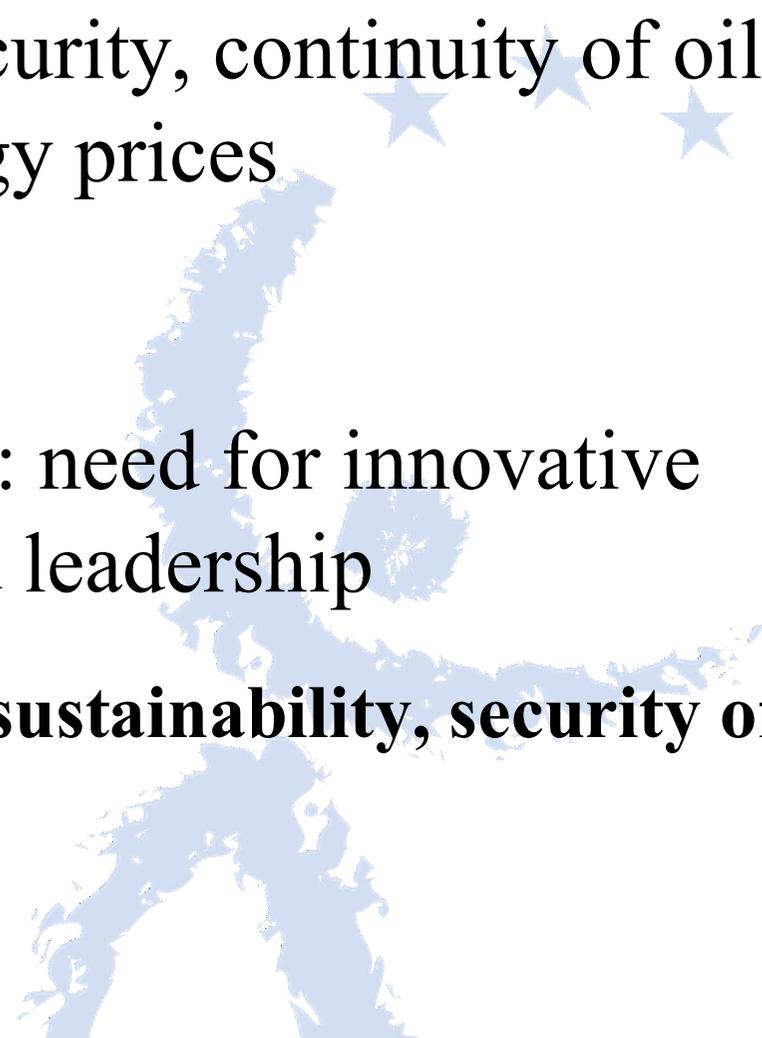
Directorate-General  
for Energy  
and Transport

# The European Commission's renewable energy proposal



EUROPEAN  
COMMISSION

**Niels Ladefoged, European Commission**

1. Growing concern about security, continuity of oil and gas supplies, and energy prices
  2. Climate change
  3. EU competitiveness policy: need for innovative industrial development and leadership
- **3 pillars of EU energy policy: sustainability, security of supply, competitiveness**
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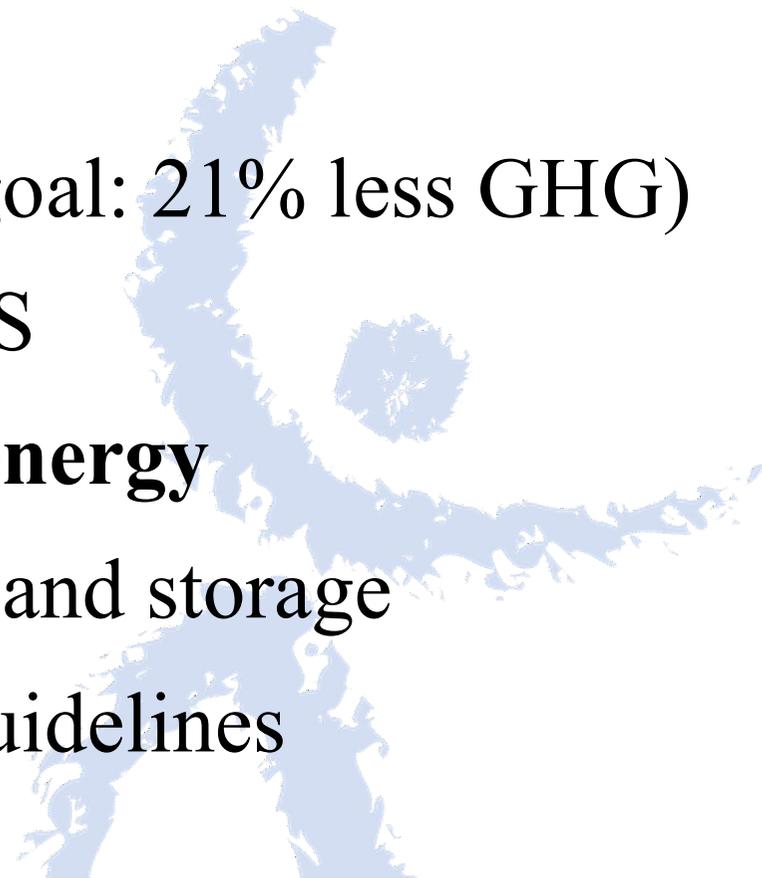
### **Objectives agreed for 2020:**

20% GHG reduction compared to 1990  
Independent commitment

30% GHG reduction compared to 1990  
In case of international agreement

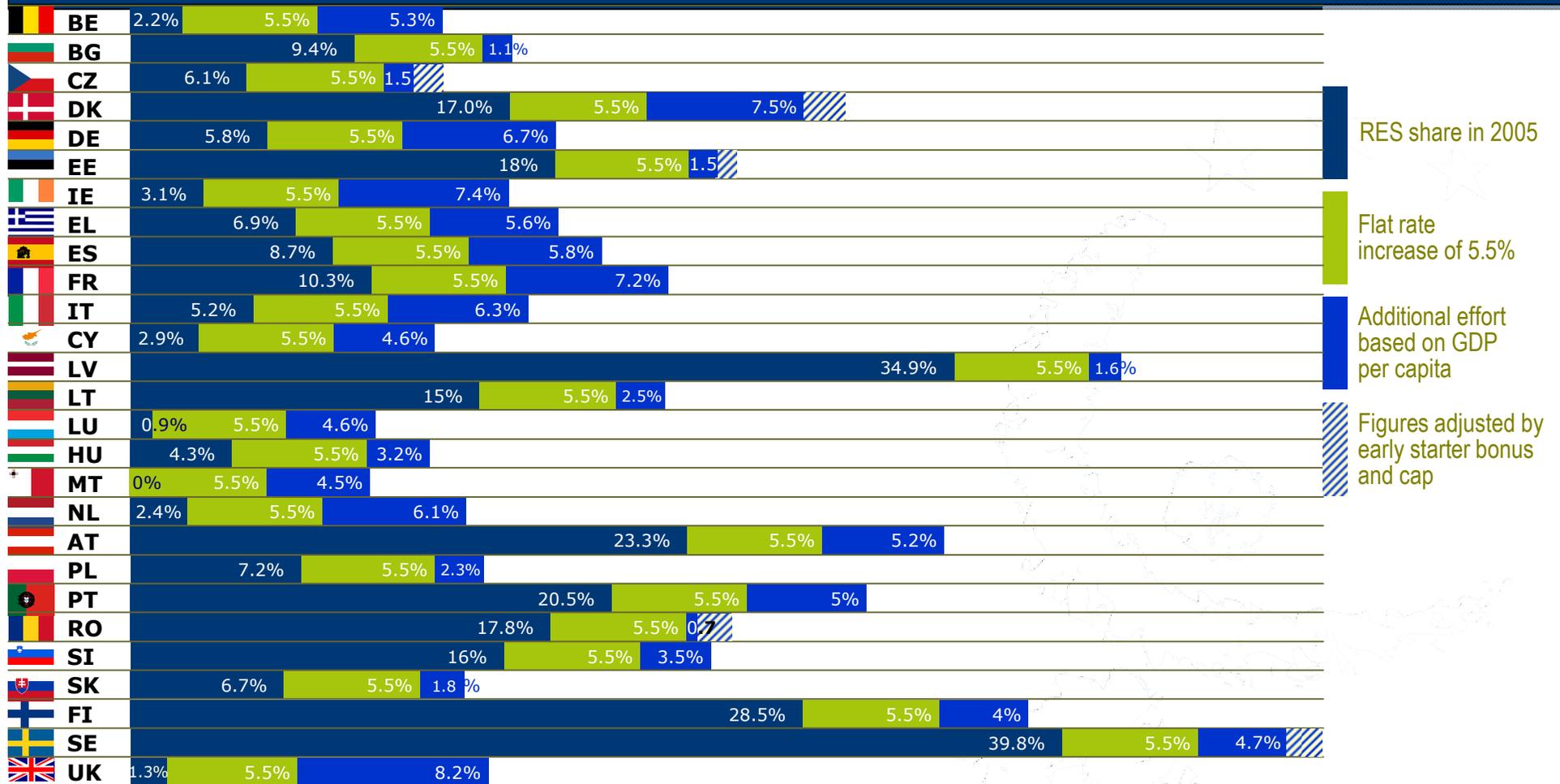
20% renewables in the energy mix and 10%  
renewables in transport (biofuels)

# What is in the package?

- Review of the EU ETS (goal: 21% less GHG)
  - Effort sharing non EU ETS
  - **Directive on renewable energy**
  - Directive on CO<sub>2</sub> capture and storage
  - Environmental state aid guidelines
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1. Sets **mandatory national targets** for renewable energy shares, including 10% biofuels share, in 2020 (*Articles 3, 5*)
2. Requires **national action plans** (*Article 4*)
3. Standardises “**guarantees of origin**” of electricity or heat and enables the transfer of these to provide flexibility to Member States (*Articles 6, 7, 8, 9 and 10*)
4. Requires **reduction of administrative and regulatory barriers** (*Article 12*), improvements in provision of information and training (*Article 13*) and improves renewables’ access to the electricity grid (*Article 14*)
5. Creates a **sustainability regime** for biofuels (*Articles 15-18*)

# EU-27 efforts in Renewables:



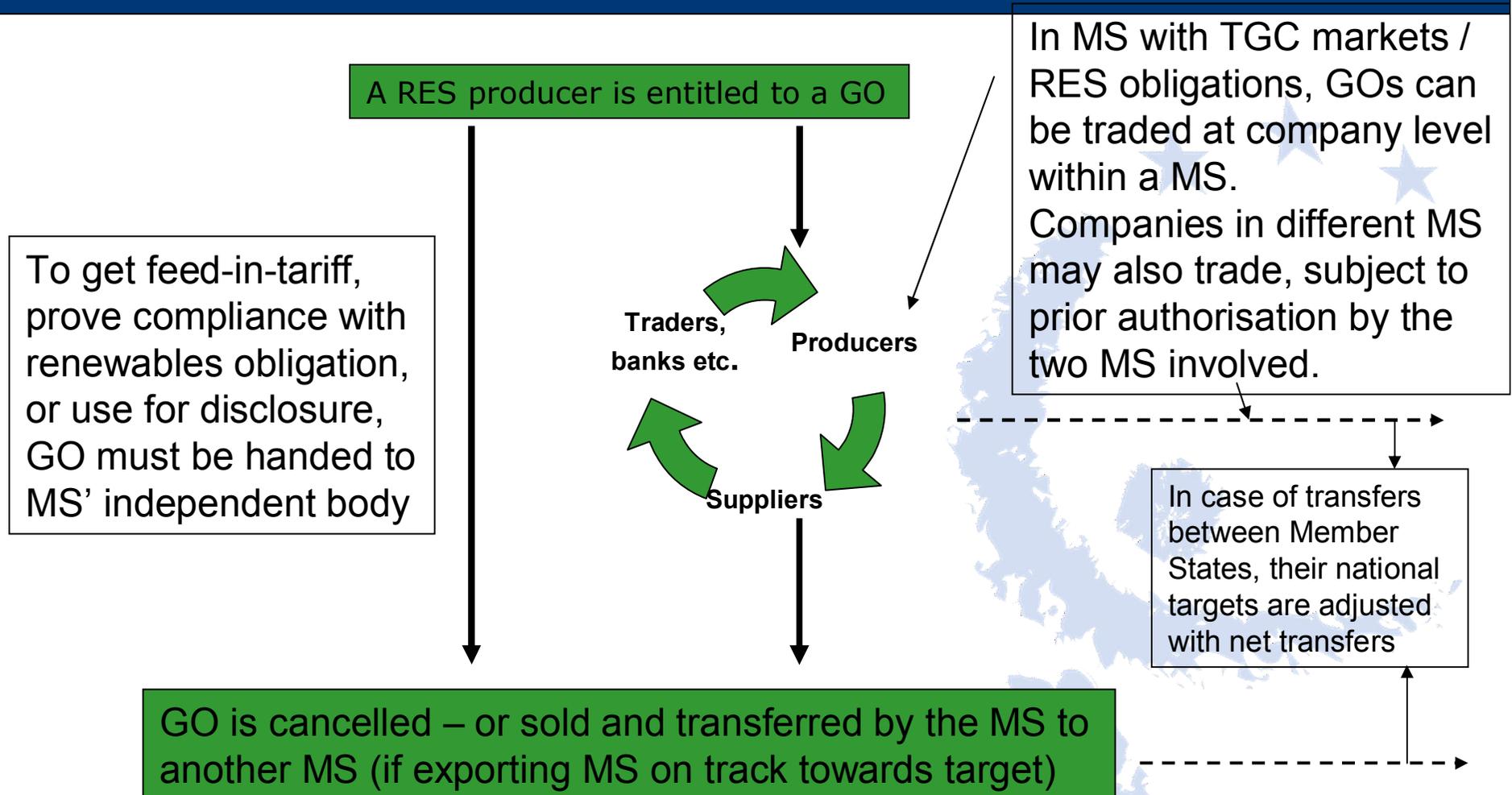
EU-27

- Sectoral targets now set by Member States
- Measures adequate to achieve the targets including planned development of biomass resources
- Provides policy stability for investment

## The proposed flexibility mechanism: Guarantees of origin (1/2)

- Builds on the framework created by 2001/77/EC
- Member States meeting their trajectory may transfer extra GOs to other Member States
- GOs from new installations may be transferred by companies (“persons”)
- Member States may create a system to require prior government approval of such transfers

# The proposed flexibility mechanism: Guarantees of origin (2/2)



### **Reforms of administrative and regulatory barriers stimulating the growth of renewable energy**

- Simplification and streamlined procedures
- Planning authorities to consider renewable energy and district heating and cooling systems
- Minimum levels of renewable energy in building codes for new or refurbished buildings
- Promotion of energy efficient renewable energy
- Certification regimes for installers; mutual recognition

### **Improves renewables' access to the electricity grid**

- Repeats existing access conditions given in 2001/77/EC

#### Requires Member States

- to provide priority access to the grid system for electricity from RES
- to develop grid infrastructure
- To review cost sharing rules



## Key points related to bio-energy

- ▶ 20% target covers all types of renewables, including all use of biomass
- ▶ In 2020 approximately 2/3 of the 20% target (195 Mtoe) will come from bio-energy (RES Roadmap)
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- ▶ Specific requirement for Member States to assess biomass availability in National Action Plans
- ▶ Fully fledged sustainability scheme for biofuels included in the proposed Directive
- ▶ Report (and proposal, as appropriate) on biomass sustainability in 2010

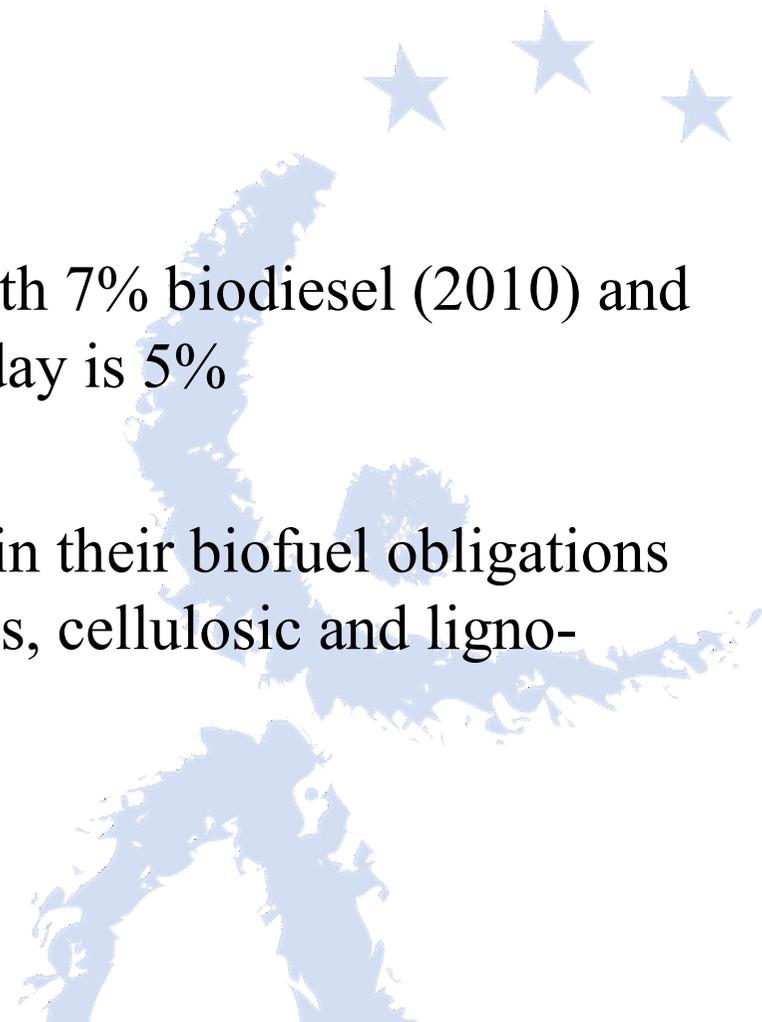
### Sustainability criteria for biofuels :

- GHG savings – minimum of 35%
- No raw material from undisturbed forests, biodiverse grassland, nature protection areas (unless taken harmlessly)
- No conversion of wetlands and continuously forested areas for biofuel production (to protect carbon stocks)
- All EU biofuels must meet “cross compliance” environmental rules

- Consequences of not meeting the criteria:
  - Biofuels do not count towards targets
  - Not eligible for national biofuel obligations
  - Not eligible for tax exemptions and similar financial support
- Verification of compliance:
  - Responsibility of Member States
  - To reduce the administrative burden, Commission can decide that “certification schemes” give reliable proof of compliance
  - If so, all Member States have to accept these certificates as proof

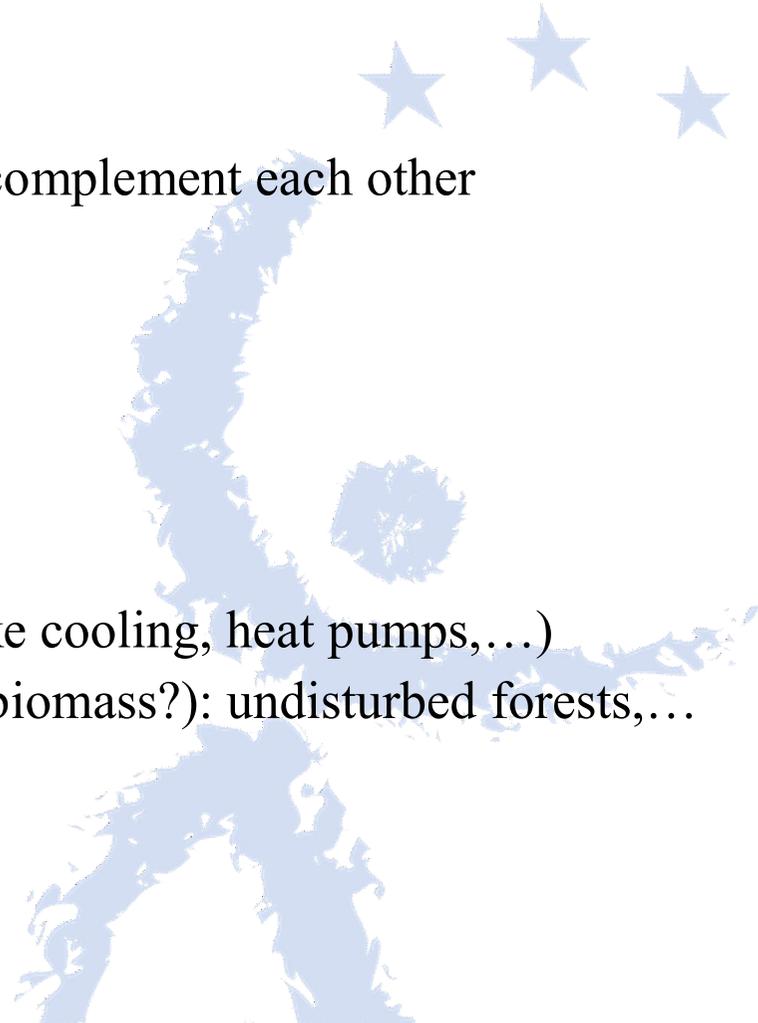
### Other measures:

- Introduction of diesel blends with 7% biodiesel (2010) and 10% biodiesel (2014) - limit today is 5%
- Member States to give a bonus in their biofuel obligations to biofuels from wastes, residues, cellulosic and ligno-cellulosic material



- **Ambitious timetable:**
  - Agreement under French Presidency (2008) + adoption 2009 (this would allow entry into force around March 2010)
- **Council:**
  - Discussions at working group level ongoing
  - Ministers to take stock of progress in early June
- **European Parliament**
  - Draft report of ITRE committee (lead) soon available
  - Vote in ENVI 7 July? ITRE 17 July?
  - Vote in Plenary September?

- Renewable energy is not "news" in the North of Europe
  - Substantial experience & deployment
  - Industrial opportunities
  - Good natural conditions for RES that complement each other
- Potential for large-scale export?
  - Trade/transfers in GOs?
  - Electricity?
  - Biomass?
- Specific/individual questions
  - Treatment of "Nordic specialities" (lake cooling, heat pumps,...)
  - sustainability criteria of biofuels (and biomass?): undisturbed forests,...



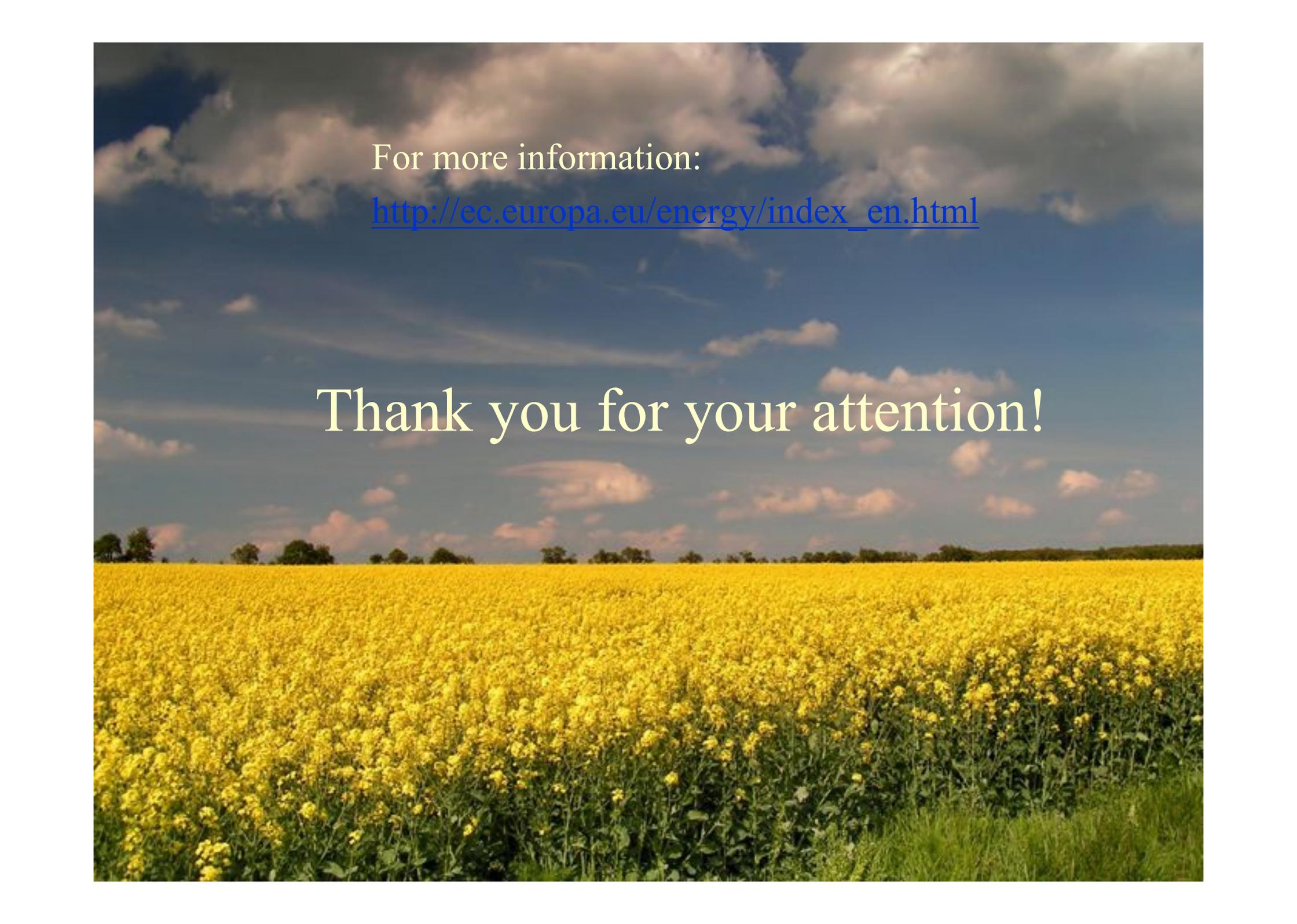
- Planned for 2nd half of 2008
- Public consultation launched 25 April to identify
  - key barriers specific to OWE
  - possible EU action to reduce / overcome these
- We hope for active stakeholder engagement and concrete ideas!
- Communication + Impact Assessment (no legislative proposals at this stage)



Photo: Middelgrunden, Denmark (C) Jens Larsen

[http://ec.europa.eu/energy/res/consultation/offshore\\_wind\\_energy\\_en.htm](http://ec.europa.eu/energy/res/consultation/offshore_wind_energy_en.htm)

- Main categories of barriers?
  - Identifying suitable locations
  - Consenting procedures
  - Grid infrastructure and system integration
  - Technology constraints
  - Finance & economic support
  - Other?
- *Key question: What (more) can the EU do to help Member States ensuring that Offshore Wind will contribute to reaching the 2020 targets?*



For more information:

[http://ec.europa.eu/energy/index\\_en.html](http://ec.europa.eu/energy/index_en.html)

Thank you for your attention!