

Seminar Organised by INFORSE & EUFORES & EREF



Brussels, November 9-10, 2004


Presentation by Beatrice Yordi, DG Energy and Transport

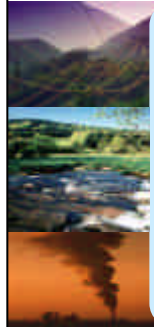
 **European Commission**



Renewable Energy Targets for 2010 and the Need for Action
A Seminar on New and Upcoming EU Policies for Sustainable Energy and Climate Protection
ICA, Brussels, November 9-10, 2004
Organised by
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 **European RES Directives**




- ✓ Directive 2001/77/EC on the promotion of electricity produced of electricity produced from renewable energy sources in the internal electricity market
- ✓ Directive 2003/30/EC on the promotion of the use of biofuels or other renewable fuels for transport

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 **Principles of the renewable electricity directive 2001/77/EC**

Promotion of electricity from renewable energy sources through:

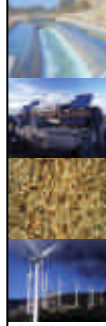


- Quantified national targets for consumption of electricity from renewable sources of energy
- National support schemes plus, if necessary, a harmonised support system
- Simplification of national administrative procedures for authorisation
- Guaranteed access to transmission and distribution of electricity from renewable energy sources

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 **Where are we?**

Setting of national targets



- ✓ All EU15 Member States have adopted national targets, in line with the reference values listed in Annex I of Directive 2001/77/EC.
- ✓ The New EU10 have set up national targets published in the Accession Treaty in April 2003.

The 2010 target

- ✓ If EU-15 Member States meet these national targets, the 2010 target of about 22% (21% at EU-25) will be achieved.

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 **Where are we?**

The Commission assessment report

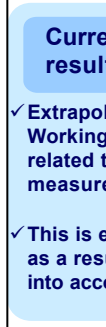


- ✓ Commission has approved COM(2004) 366 final "The share of renewable energy in the EU".
- ✓ Commission Staff Working Document SEC(2004) 547: EU-25 country reports
- ✓ Main conclusion: An important first step has been done, but extra efforts are still needed

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 **Will the EU achieve its 2010 RES-E target?**

Currently implemented policies will probably result in a share of between 18% and 19%



- ✓ Extrapolation scenarios set out in the Commission Staff Working Document show that Europe is in its half way related to the 2010 target under current policies and measures.
- ✓ This is even true if reductions in total electricity demand as a result of new energy efficiency measures is taken into account.

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Will the EU achieve its 2010 RES-E target?

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RES-E share in 2010 – current national policies vs. practicable scenario

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Explanations

- ✓ Progress in achieving the national targets differ strongly between the Member States.
- ✓ Not all Member States have adopted complementary proactive measures geared to national conditions.
- ✓ Success of wind energy is not outweighing the slow growth of biomass electricity.
- ✓ Biomass is lagging behind.

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Differences in the progress achieving the 2010 target

RES-E share in EU25 – current situation

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Wind – the success story

- Installed wind energy capacity in EU15 grew by around 600% from 1997 to 2003 - in 2003 alone by 23%
- In an average wind year this capacity can produce 60 TWh (= around 2.4% of EU electricity consumption)
- Germany, Spain and Denmark contribute 84% of total EU15 wind power capacity:

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Wind – the success story of three countries – the reasons

- Implementation of attractive support system
- Removal of administrative barriers
- Guarantee of fair grid access

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Biomass electricity

Estimation of the Biomass electricity trend and comparison with the 22% objective (TWh)

- ✓ 2010 target will only be achieved if biomass contributes 40% to it.
- ✓ Biomass electricity will need to grow by 18%/year compared to 7% during the past 7 years.
- ✓ Additional need of around 32 Mtoe – indicative figure on the biomass availability for energy purposes at EU15 level is 150 Mtoe (additional 32 Mtoe for EU10).

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Country reports

The Commission Staff Working Document SEC(2004) 547 gives an overview on the RES situation in the 25 Member States.

Denmark Electricity Generation [GWh/rear]

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Country reports

...and comparison of achieved and additional potential for RES.

France

Source	Achieved potential (TWh/year)	Additional potential (TWh/year)
Biofuel electricity	~10	~10
Solid biomass electricity	~10	~10
Biomass electricity	~10	~10
Geothermal electricity	~10	~10
Hydro large scale	~10	~10
Hydro small scale	~10	~10
Photovoltaics	~10	~10
Solar thermal electricity	~10	~10
Tide & Wave	~10	~10
Wind onshore	~10	~10
Wind offshore	~10	~10

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Principles of the Biofuels-Directive 2003/30/EC

Promotion of the use of biofuels for transport through:

- The Directive sets a minimum percentage of biofuels to replace diesel or gasoline for transport purposes in each Member State.
- Member States shall ensure by end of 2005 a 2% minimum proportion of biofuels of all gasoline and diesel fuels sold on their market – by end of 2010 a 5.75% minimum proportion.
- Biofuels can be made available as:
 - pure
 - blended in mineral oil derivatives
 - liquids derived from biofuels such as ETBE

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The Biofuels-Directive

This is year, Member States have to implement the Directive. Current level of penetration is 0.6%.

Information on the situation on biofuels at EU-25 level can be found in the EC Staff Working document.

In 2006 the Commission will:

- report to the European Parliament and Council on progress
- if appropriate propose to review the schedule for minimum shares of biofuels

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Tax reductions/exemptions in favour of biofuels

- Under Art. 16 of the Energy Tax Directive 2003/96/EC Member States can continue to grant tax reductions/exemptions in favour of biofuels.
- Currently nine Member States have partly or completely detaxed biofuels: Austria, Czech Republic, France, Germany, Italy, Poland, Spain, Sweden and UK.

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The 12% RES-share in 2010

- If the targets of Directives 2001/77/EC and 2003/30/EC are met, EU will achieve a RES-share of 10% by 2010
- To achieve the 2010 target of 12%, progress in heating & cooling must provide further 2% points.

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 **Next steps – The Directives**

- To deeply study the national measures taken to implement the two Directives (electricity and biofuels) in the 25 countries of the EU, and to take (if needed) legal actions.
- In 2005, the Commission will publish a report on support schemes (and any degree of harmonisation?) and administrative barriers.


The success of the European Directives is a first step on the road to achieving a sustainable energy system.




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 **Next steps - New Actions**
COM(2004) 366 final


- A Community action plan for biomass
- Developing renewable energy actions in heating & cooling
- Offshore wind policy
- Electricity from solar energy
- Research and technological development
- Future Financial Perspectives
- Using major Community financing instruments
Structural and cohesion funds, second pillar of the CAP
- Placing biofuels on the market



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 **Community plan for biomass**

To reinforce the effective use of biomass for energy purposes, by the end of 2005, the Commission will bring forward a coordinated biomass plan with clear approach to securing adequate supplies of biomass through European, national and regional/local action.



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 **Next steps-2020 target**
COM(2004) 366 final

- The Commission acknowledges the importance of providing a longer term perspective.
- Before setting new targets, the Commission considers it necessary to more thoroughly assess the impacts of RES.
- The Commission will carry out regular reviews of progress in the development of renewable energy sources.
- Review will be carried out not later than the end of October 2005.
- In 2007, setting of a target for the period after 2010.




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 **Staying informed**

EUROPA:

http://europa.eu.int/comm/energy/res/legislation/electricity_en.htm



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