



RES-E current promotion strategies

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RES-E POLICY IN THE EU

- The Renewable Electricity Directive
- Policy Schemes in Member States (MS)



The EU Renewable Electricity Directive

RES-E Directive

- Indicative targets for EU and for MMSS
- National support schemes and EU community framework
- Mandatory guarantees of origin (GOs)
- Ensure grid access
- Reporting obligations for the Commission and for MMSS.



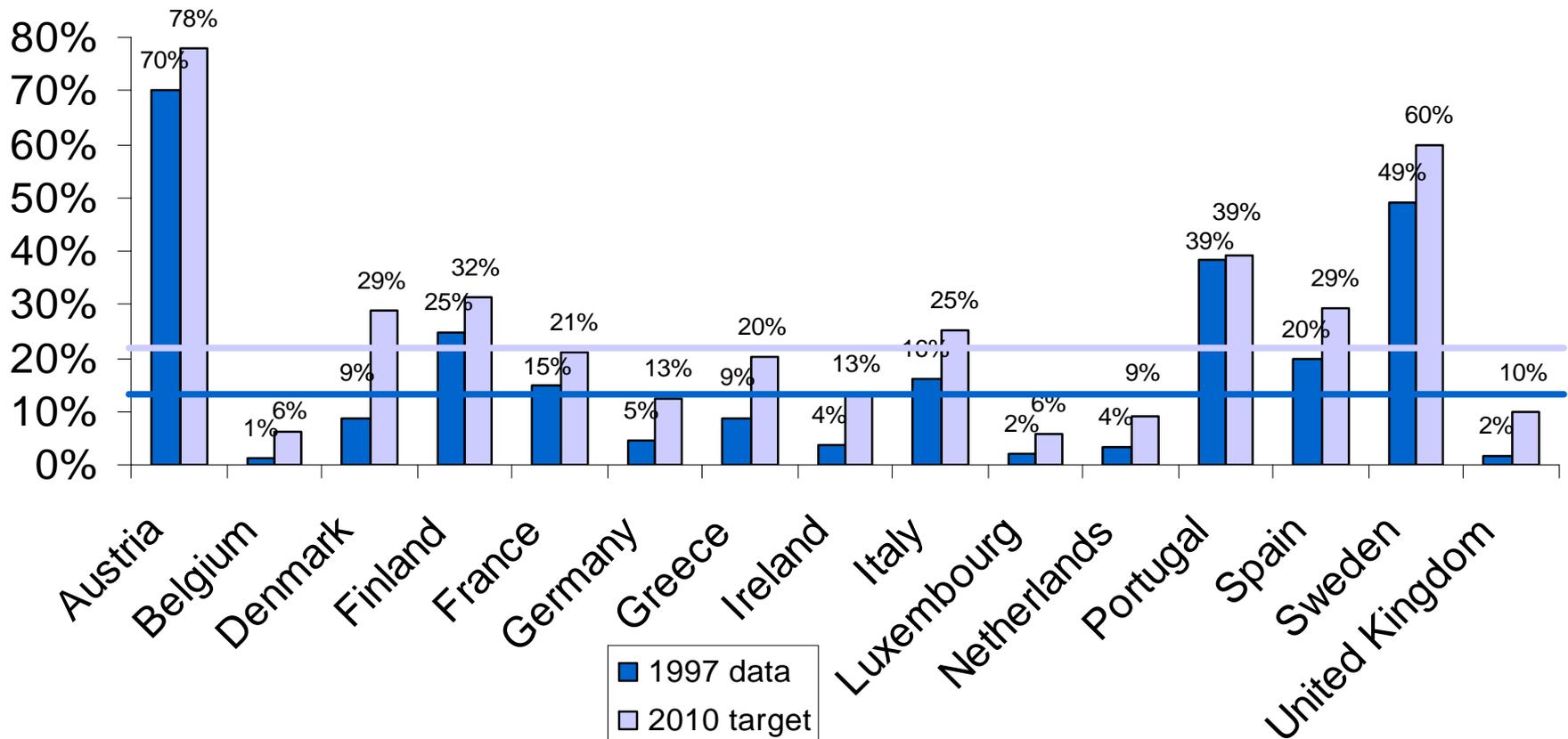
Indicative targets

	RES-E 97 (%)	Target 2010 (%)	RES-E 97	Target
2010 (%)				
Austria	70	78.1	10.7	21.1
Belgium	1,1	6.0	0.9	5.8
Denmark	8,7	29.0	8.7	29.0
Finland	24,7	31.3	10.4	21.7
France	15	21.0	2.2	8.9
Germany	4,5	12.5	2.4	10.3
Greece	8,6	20.1	0.4	14.5
Ireland	3,6	13.2	1.1	11.7
Italy	16	25.0	4.5	14.9
Luxembourg	2,1	5.7	2.1	5.7
Netherlands	3,5	9.0	3.5	12.0
Portugal	38,5	39.0	4.8	21.5
Spain	19,9	29.4	3.6	17.5
Sweden	49,1	60.0	5.1	15.7
U.K.	1,7	10.0	0.9	9.3
<i>E.U.</i>	<i>13,9</i>	<i>22</i>	<i>3.2</i>	<i>12.5</i>



RES-E DIRECTIVE

EU target: from 14% to 22%





RES-E DIRECTIVE

- National support schemes and EU community framework

- Too early to set a Community-wide framework.

- 10/27/2005: the Commission should present a report on the experience gained with the application and coexistence of different support schemes in the MS.

- Report may be accompanied by a proposal for a Community framework for RES support.

- Transition period of at least 7 years for existing capacity ("in order to maintain investors' confidence and avoid stranded costs").



RES-E DIRECTIVE

- Mandatory guarantees of origin (GOs)

By 10/27/2003 at latest MMSS shall ensure that the origin of RES-E can be guaranteed as such “according to objective, transparent and non-discriminatory criteria laid down by each MMSS” .

- Ensure grid access

MMSS shall take the necessary measures to ensure that transmission system operators and distribution system operators in their territory guarantee the transmission and distribution of RES-E.



RES-E DIRECTIVE

- Reporting obligations for the Commission and for MS.

FOR MS:

- 1) Publication of reports setting national indicative targets for future consumption of RES-E for the next 10 years (10/27/2002 and then ever five years)
- 2) Publication of national reports on success in meeting the national indicative targets (10/27/2003 and then every two years).
- 3) Issuing a guarantee of origin of RES-E (10/27/2003).
- 4) Publication of a report evaluating the authorisation procedures for RES-E plants (10/27/2003).

FOR COMMISSION:

- 1) Publication of a report assessing if MS have made progress towards achieving their national indicative targets (10/27/2004 and then every two years).
- 2) Presentation of a report on the implementation of the Directive (12/31/2005 and then every five years).

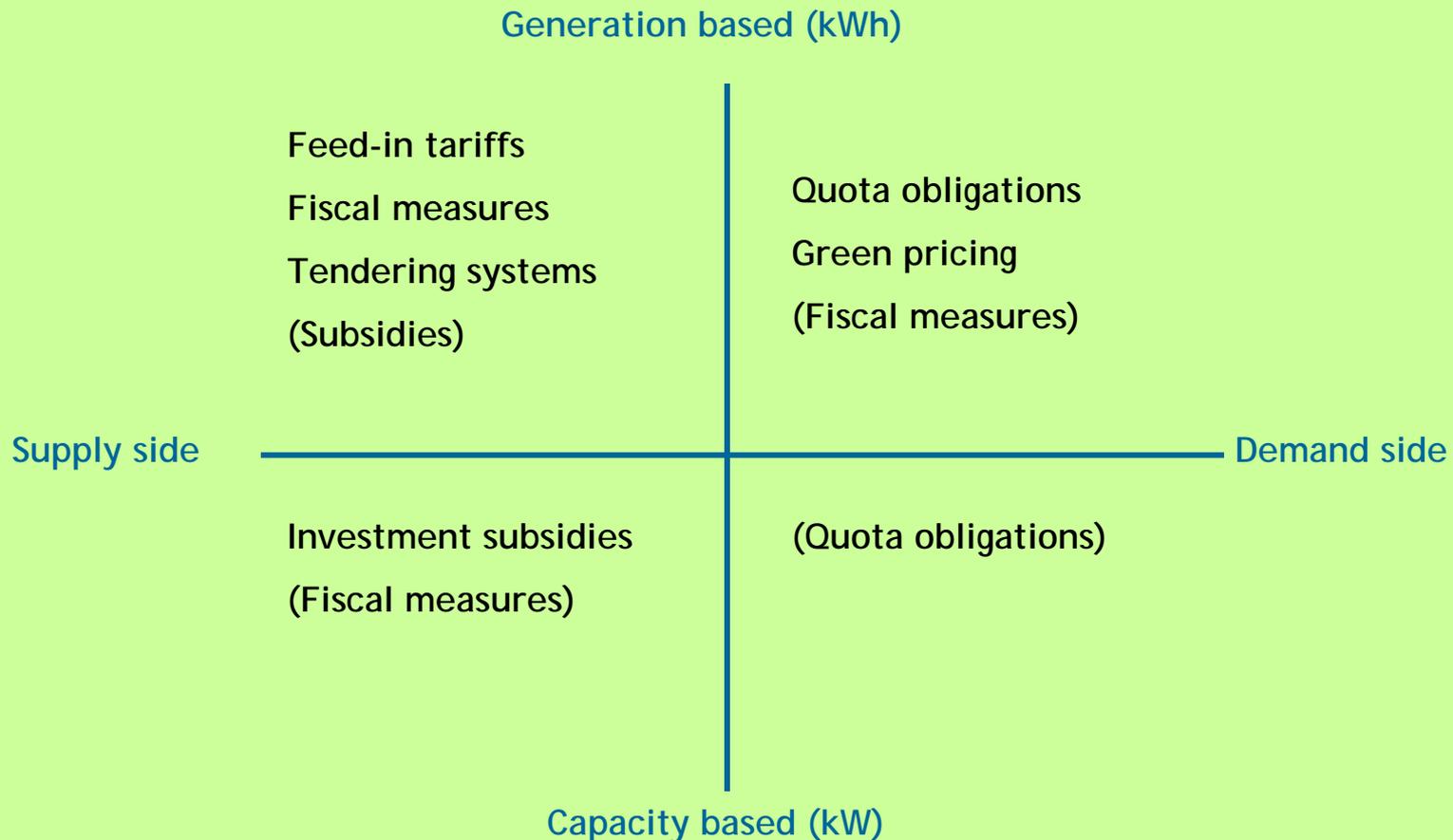


RES-E support schemes

- **Different options:**
 - Feed-in tariffs.**
 - Quotas with Tradable Green Certificates (TGCs).**
 - Tendering/bidding systems.**
 - Investment subsidies.**
 - Fiscal and financial incentives.**
 - Green pricing/Green funds.**
- **Mix of instruments.**



Classifying RES-E Policy Support Mechanisms





RES-E national support schemes: situation 2004

	Investment Subsidies	Production Price Incentive		Tendering	Quota / TGC
		Feed-in Scheme	Tax Incentive		
Austria					
Belgium					
Denmark					
Finland					
France					
Germany					
Greece					
Ireland					
Italy					
Luxembourg					
Netherlands					
Portugal					
Spain					
Sweeden					
UK					



RES-E national support schemes: situation 2004

EU-15 Technology-Policy Summary

	Investment Subsidies	Production Price Incentive		Tendering	Quota / TGC
		Feed-in Scheme	Tax Incentive		
Biomass*	Be, Fi, Fr, Lu, Po, Sp, Gr, Ge	Au, Dk, Fr, Ge, Gr, Lu, NL, Po, Sp, It	Fi, Uk	Ir	Be, Sw, It, Uk
Geothermal	Fr, Gr, Ge	Au, Fr, Ge, Gr, Sp, It	NL,		Sw, It, Uk
Small Hydro	Be, Fi, Fr, Po, Sw, Gr, Ge	Au, Fr, Ge, Gr, Lu, NL, Po, Sp, It	Fi, Uk	Ir	Be, Sw, It, Uk
Solar - Photovoltaic	Be, Fr, Lu, Po, Sp, Uk, Gr, Ge	Be, Fr, Ge, Gr, Lu, NL, Po, Sp, It	Fi, NL, Uk		Be, Sw, It, Uk
Solar - Thermal	Be, Fr, Lu, Po, Sp, Gr	Gr, Sp	Fi		Sw, It
Tidal/ Wave	Po	Gr, NL, Po, Sp	Fi, NL, Uk		Sw, It, Uk
Wind Off-shore	Be, Fi, Fr, Po, Sw, Uk, Gr, Ge	Be, Dk, Ge, Gr, NL, Po, Sp, It	Fi, NL, Uk	Fr, Ir	Sw, It, Uk
Wind On-shore	Be, Fi, Lu, Po, Sw, Gr, Ge	Au, Dk, Fr, Ge, Gr, Lu, NL, Po, Sp, It	Fi, NL, Uk	Fr, Ir	Be, Sw, It, Uk

*Biomass - Includes all forms of Biomass, Biogas, Sewage & Landfill gas



RES-E Policy incentives in the EU

Wide range of RES-E Policy promotion Schemes in the EU.

RES-E promotion based on three main systems (feed-in tariffs, TGCs and tendering/bidding schemes). Also, complementary mechanisms.

Level of support vary significantly among countries and technologies.

Design of TGC schemes is different across countries.

Importance of “context conditions” .

Implementation of a common RES-E promotion scheme in the future?