Global efficiency and renewable energy fund

2007/2188(INI) - 19/12/2007

The Committee on Industry, Research and Energy adopted the own-initiative report by Mr Claude **TURMES** (Greens/EFA, LU) welcoming the Commission's proposal for a Global Energy Efficiency and Renewable Energy Fund (GEEREF).

The report stresses that the key objectives of the fund should be the promotion of energy efficiency, energy saving and renewable energies, the reduction of emissions of greenhouse gases and of other risks, the improvement of access to energy services in the poorest countries and the diversification of energy sources in the developing world. The committee insists that all support for projects and choice of technology is conditional on the fulfilment of comprehensive sustainability criteria and on a contribution being made to sustainable development, among other things.

Members call on the Commission to focus, when implementing the fund, on small-scale projects which are the most difficult to attract private sector investment. In this regard, the Commission should keep under regular review its eligibility threshold of EUR 10 million for individual projects, while earmarking at least one third of the funds available for small-scale projects costing less than EUR 1 million.

The European Commission is also invited to:

- ensure that support for allbiomass projects in developing countries is subject to the fulfilment of rigorous sustainability criteria;
- ensure that the GEEREF supports photovoltaic projects and calls on it to supportthe development of intelligent grid technologies;
- ensure that the fund supports the development of local markets, manufacturing and capacity by supporting local SMEs so that they can take on responsibility for merchandising new technologies in a particular region;
- ensure that the fund will be consistent with and supplement other Member State and EU development policies and energy initiatives targeted at developing countries;
- explore ways of enlarging the fund in the future context of a post-2012 regime under the United Nations Framework Convention on Climate Change.

The committee regrets the fact that the suggested minimum funding target of EUR 100 million - with a contribution of only EUR 15 million for each of the years 2007 and 2008 - is woefully inadequate as the GEEREF's contribution when the goal is to "boost the share of energy efficiency and renewable energy projects. It urges the Commission to increase its contribution while at the same time encouraging Member States, as well as multilateral finance institutions, to join forces in order to significantly increase the size of the fund.